

TOWN OF ASHLAND

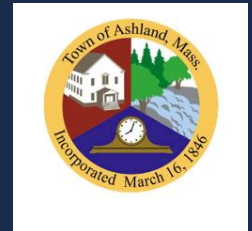
# Investing in Ashland's Future

A Proposition 2½ Operating Override for  
Ashland Public Schools

**\$2.75M**

Operating  
Override  
Request

*Annual Town Election · May 19, 2026 · Presented March 2026*



Before asking for more, here's what we've done with what you've given us.

A RECORD OF FISCAL STEWARDSHIP · FY2013 – FY2025

# \$16.3 Million

Documented budget savings of just these 3 initiatives only · Health insurance, bonds & energy · FY2017–FY2025

# \$32+ Million

In grants secured for Ashland since 2013 · Restricted

HEALTH INSURANCE

# \$15.1M

Town-share savings FY17–FY25  
Joined Group Insurance Commission - largest single saving

BOND FINANCING

# \$1.01M

Qualified Energy Conservation Bond subsidy cut  
interest ~77% vs. unsubsidized schedule

ENERGY CONTRACT

# \$210K

Surplus above guaranteed savings  
Year 8: \$342K vs \$313K guarantee

# AAA

S&P Credit  
Rating since  
2016

*“Financial practices are strong, well embedded, and likely sustainable.”*

S&P Global, 2019 — Financial Management Assessment upgraded to 'Strong' (highest level)

*“Management has a record of outperforming the budget through good planning and tight expenditure controls.”*

S&P Global, 2024 — AAA Reaffirmed

*We serve more Ashland residents with proportionally fewer staff than in 2007.*

EFFICIENT OPERATIONS • 2007 vs. 2025

**2007**

**14,674**

**Residents**

118.7 FTE

Municipal Employees

*1 employee per 124 residents*

**+28.7%**  
**more**  
**residents**

**2025**

**18,893**

**Residents**

148.7 FTE

Municipal Employees

*1 employee per 127 residents*

*Serving more residents per employee than in 2007*

Ashland has held the line on staffing - including 7.8 positions cut in 2007 - while population grew by over 4,200 people. In 2025 we served more residents per employee than we did then.

# Ashland's tax bills have grown slower than the peer average - every year.

AVERAGE SINGLE-FAMILY TAX BILL · FY2016–FY2026 · ASHLAND vs. 17-COMMUNITY PEER AVERAGE · SOURCE: MA DIVISION OF LOCAL SERVICES



Ashland  
**+38%**  
Tax bill growth  
FY2016 → FY2026

Peer Average  
**+46%**  
Tax bill growth  
FY2016 → FY2026

Gap  
**\$2,742**  
Ashland pays less  
than peer avg today

Ashland's bills grew 38% over ten years - nearly 8 points slower than the peer average of 46%. We have been the low-cost provider all along.

Source: MA Division of Local Services, Average Single-Family Tax Bill (official data) · Peer avg = 17-community group used throughout this presentation

# Revenue is capped by law. Costs are not.

THE STRUCTURAL PROBLEM · PROP 2½ REVENUE CAP vs. ACTUAL COST GROWTH IN FY2027

## Property Tax Revenue

Prop 2½ automatic annual increase

# 2.5%

+\$1,423,000

LEGAL LIMIT

The legal limit. Fixed by state law.  
Applied to prior year levy of \$56.9M.

## Group Health Insurance

Town share - FY2026 to FY2027

# 8.6%

+\$774,400

3.4× FASTER

\$8,953,600 → \$9,728,000.  
GIC plan - the best rate available.

## Retirement Assessment

Middlesex Retirement System - FY2027

# 8.0%

+\$352,045

3.2× FASTER

\$4,400,562 → \$4,752,607.  
Set by state actuaries - not negotiable.

## Keefe Tech Vocational

Regional assessment - state enrollment formula

# 31.8%

+\$396,825

12.7× FASTER

\$1,247,354 → \$1,644,179.  
Driven by enrollment - Ashland has no control.

Health insurance grows 3.4× faster than the levy. Retirement grows 3.2× faster. Keefe Tech jumped 31.8% - 12.7× faster. None of these are choices.

# The math doesn't work without the override.

KEY BUDGET DRIVERS · FY2026 vs. FY2027 · WHY THE 2.5% CAP IS NOT ENOUGH

Category	FY2026	FY2027	Change	%
<b>2.5% Property Tax Cap</b> <i>Maximum new levy revenue allowed by law</i>	\$1,369,782	\$1,422,893		
<b>All Insurance</b> <i>Group health (GIC) + other insurance — town share</i>	\$10,007,100	\$10,807,500	+\$800,400	+8.0%
<b>Employee Retirement (Pension)</b> <i>Middlesex Retirement System assessment — set by state actuaries</i>	\$4,400,562	\$4,752,607	+\$352,045	+8.0%
<b>Keefe Tech Vocational School</b> <i>Regional assessment — state enrollment formula (+396 students)</i>	\$1,247,354	\$1,644,179	+\$396,825	+31.8%
<b>Debt Service</b> <i>Excluded &amp; non-excluded bonds combined</i>	\$7,240,551	\$6,903,774	-\$336,777	-4.7%

All insurance and pension increase \$1,152,445 in FY2027 - 81 cents of every new dollar the 2.5% cap provides. Add Keefe Tech's 31.8% jump and these three fixed obligations alone exceed the cap by \$130,000.

# A decade of discipline. The numbers prove it.

FISCAL STEWARDSHIP SCORECARD · 2013 BASELINE vs. TODAY

THEN (2013)

NOW

## S&P Bond Rating

Independent assessment of fiscal health & management

AA

Good — but not the best



AAA

Upgraded 2016  
Maintained 8 straight years

Upgraded in 2016

## Stabilization Fund (Reserves)

Rainy day fund as % of budget  
S&P best practice: 5–10%

\$2.7M

5.2% of budget  
Below best-practice floor



\$8.6M

10.1% of budget  
+\$5.9M added since 2013

3x larger reserve fund; from below best practice to solidly within it - even after using \$9 million

## Tax Bill vs. Peer Average

How much less Ashland homeowners pay vs. 17 comparable communities

\$1,346

less than peer avg (FY2016)  
Ashland: \$6,790 | Peers: \$8,136



\$2,742

less than peer avg (FY2026)  
Ashland: \$9,372 | Peers: \$12,114

Savings gap has MORE THAN DOUBLED - Ashland homeowners keep \$2,742 more/yr vs. peers

## Cumulative Savings & Outside Revenue

Grants, insurance savings, bond & energy savings since 2013

\$0

Baseline



\$48.3M

\$32M grants · \$15.1M health ins.  
\$1M bond savings · \$210K energy

Every dollar brought in from outside reduces what residents must pay

This administration has consistently delivered more with less - lower taxes, stronger reserves, and \$48M in outside resources. Now, for the first time, we are asking for more.

Sources: Stabilization Fund — DLS Databank (official); Tax Bill Gap — MA Division of Local Services FY2016 & FY2026; Savings — Ashland Fiscal Stewardship Report; S&P Global Ratings 2016, 2024 · Tax bill gap uses FY2016 as earliest available DLS data point

# Vote on May 6 & May 19, 2026

to protect Ashland's schools and preserve our community's quality of life.



**Proven Stewardship**



**Structural Need**



**Affordable Ask**



**Schools & Services**

Town of Ashland · FY2027 Proposition 2½ Override Forum · Questions? Contact the Town Manager's Office

Michael Herbert, Town Manager · mherbert@ashlandmass.com · 508-881-0100

## EDUCATION

**\$55.06**

*(Ashland Public Schools & Keefe Tech)*

## Benefits & Insurance **\$17.75**

*(Employee Retirement, Workers Comp., Unemployment, Group Health Insurance, Other Insurances)*

**Town Related \$7.04**  
**School Related \$10.71**

## Debt **\$8.73**

*Excluded \$5.23*  
*Non-Excluded \$3.50*

Police  
Department  
**\$5.49**

Fire Department  
**\$3.51**

## Public Works **\$2.93**

*(Public Buildings & property Maintenance, DPW Administration, Highway, Snow & Ice Removal, Street Lighting, Combined Fuel, Cemetery Parks & Trees)*

## Administration **\$2.73**

*(Town Manager, Central Purchasing, Telecommunications, Town Council, Data Processing, Town Clerk, Elections, Board of Registrars, Human Resources)*

Health & Human  
Services **\$1.62**

*(Health Department, Council on Aging, Recreation, Veterans Services, Prevention & Human Services, Library)*

## Finance **\$0.90**

*(Town Accountant, Assessors, Treasurer)*

## Development Services **\$0.59**

*(Conservation Comm., Open Space Comm., Planning Board, Inspection Services)*

Finance  
Committee  
Reserve Fund  
**\$0.54**

Salary  
Contingency  
**\$0.15**

# Breakdown of 100 Tax Dollars in FY 2026



# New growth is the only way to exceed the 2.5% cap — and it has been shrinking.

NEW GROWTH · FY2016–FY2027 · THE ONLY VARIABLE THAT SUPPLEMENTS THE PROPOSITION 2½ LEVY LIMIT

## What is New Growth?

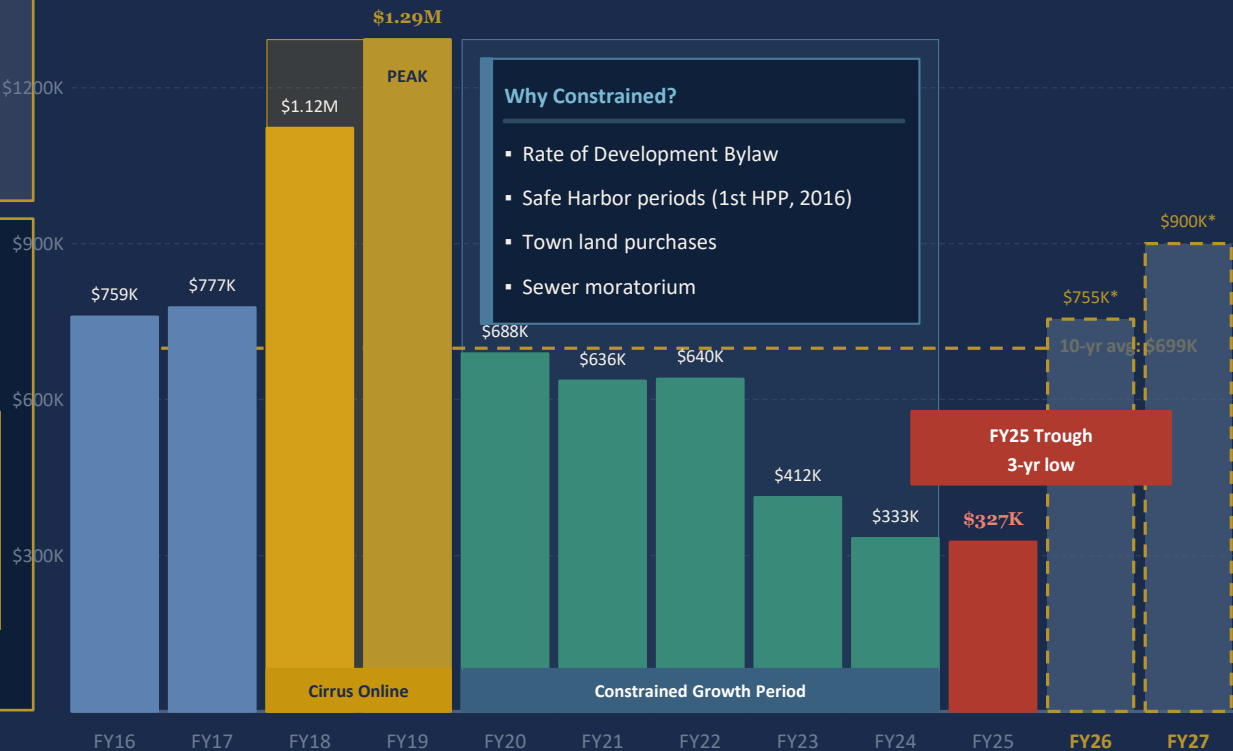
Under Prop 2½, the levy can only grow 2.5%/yr. New Growth - from new construction and development - is the only additional revenue that sits on top of that cap. When it falls, the town depends almost entirely on the 2.5% ceiling.

## “ FY2022 Budget Message “

*Michael Herbert, Town Manager*

*I can't reinforce enough that this structural deficit is a major threat to our long-term financial stability.*

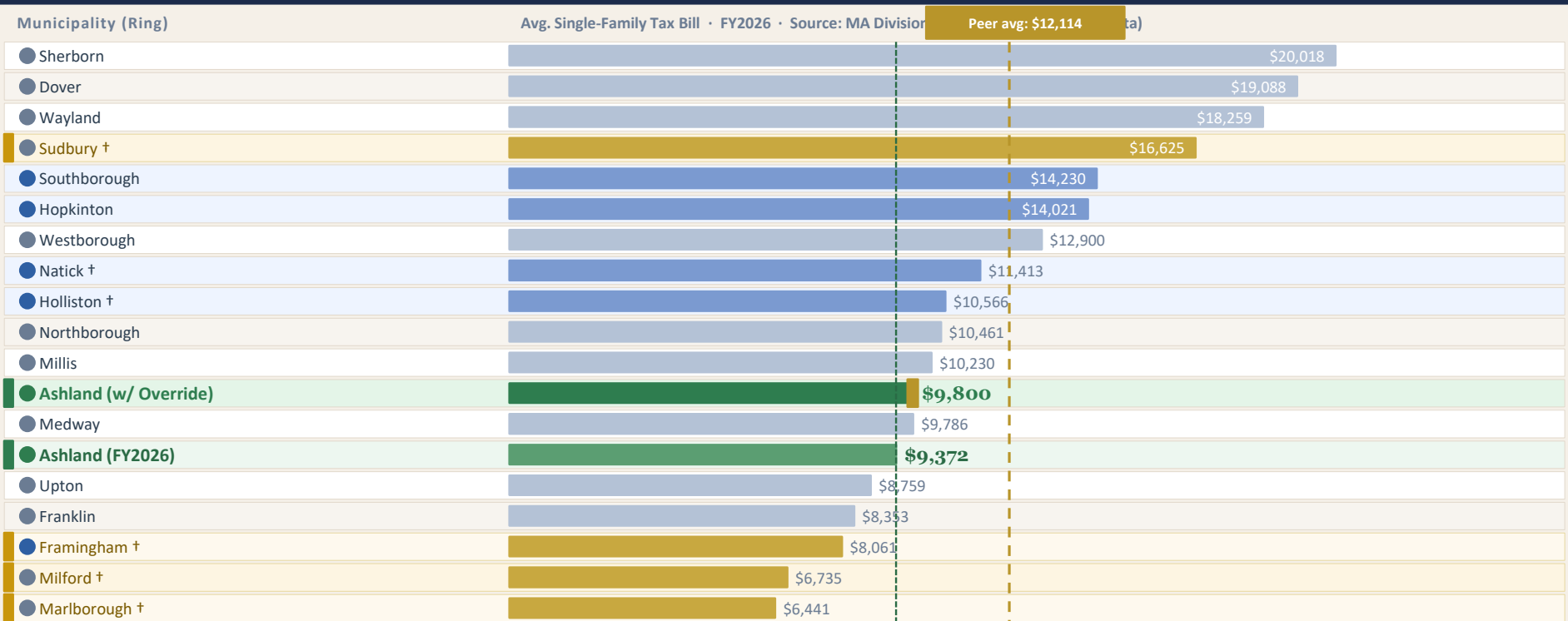
*Everyone, myself included, is concerned about the impact of residential growth on quality of life issues. But we do need to be candid about the financial results in continuing the anti-growth strategy of the past few years.*



New growth averaged \$669K/yr over the last decade. In FY2024–FY2025, it fell to \$330K - less than half the average. We cannot close a structural deficit by waiting for new growth to recover. \* FY2026 Budget / FY2027 Projection per Don Clarke November 2025 estimate - Source: Town of Ashland Financial Records

Even with the override, Ashland is one of the lowest-tax communities in the region

**\$428/yr**  
**\$1.17/day**

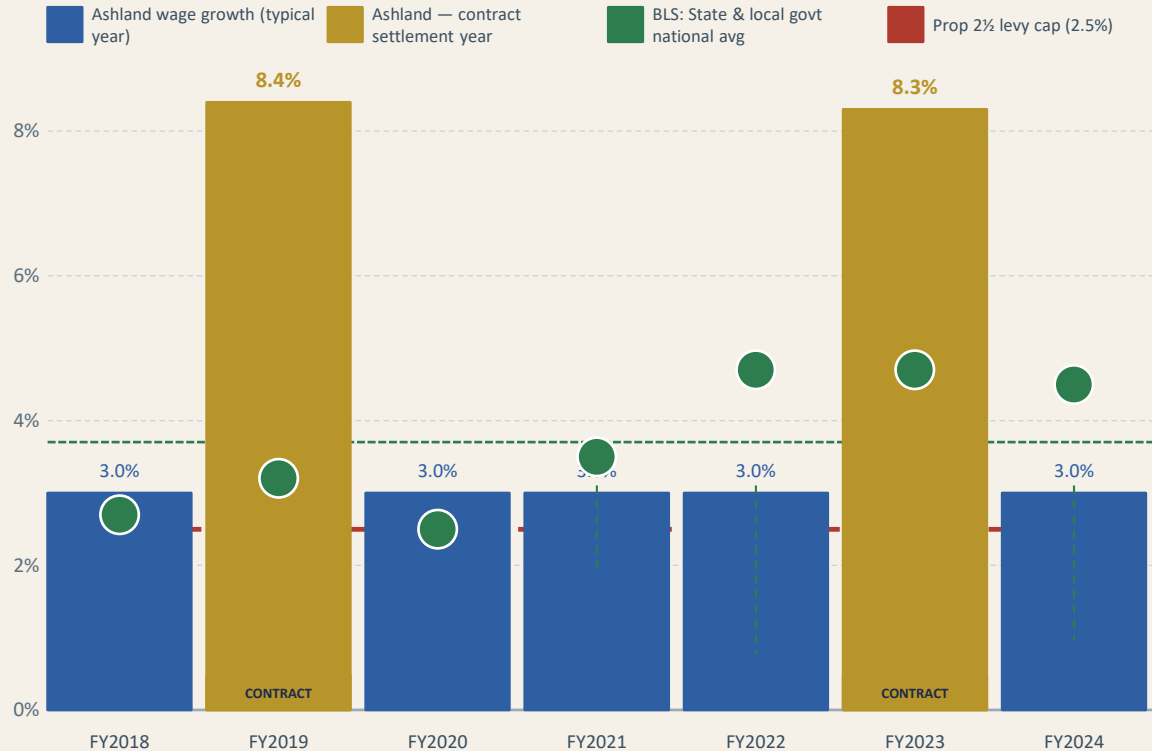


● Ashland     
 ● Ring 1: Framingham, Natick, Holliston, Hopkinton, Southborough     
 ● Ring 2: neighbors of Ring 1  
 † Natick & Holliston FY2026 bills include overrides passed in 2024–25 · ‡ Split rate: commercial subsidizes residential (Sudbury, Framingham, Milford, Marlborough)

Even with the override, Ashland pays less than 11 of 17 peer communities - and less than Natick and Holliston, both of which passed overrides in 2024–25

# Are Ashland employees overpaid? The data says no.

WAGE GROWTH · FY2018–FY2024 · ASHLAND vs. BLS STATE & LOCAL GOVERNMENT NATIONAL BENCHMARK



## 5 OF 7 YEARS

Ashland held wage growth at ~3.0% — just above the cap and below the national average in 3 of those years.

## CONTRACT CYCLES

The two spike years (FY2019, FY2023) are multi-year union contract settlements — not annual raises. Spread across 4–5 years, the effective annual rate is ~3–4%.

## NATIONAL CONTEXT

The BLS national benchmark for all state & local government employers averaged 3.7%/yr — also above the 2.5% cap. This is a structural gap, not an Ashland spending problem.

**Ashland's wages reflect market rates - not excess. Even below-average government wages would outpace a 2.5% revenue cap.**

Source: Covered Employee Payroll — Town of Ashland OPEB Required Supplementary Schedules (FY2017–FY2024 Audited Financial Statements) · BLS Employment Cost Index, State & Local Government Wages & Salaries (Dec. year-end, not seasonally adjusted)