

## **How Berkley Got Here**

Berkley's current financial challenges have built up over many years. Like most Massachusetts towns, Berkley is limited by Proposition 2½, which caps how much property tax revenue can grow each year, even as the cost of running town services continues to rise. Because more than 90% of Berkley's tax base is residential, homeowners shoulder almost the entire cost of funding police, fire, schools, roads, and other essential services. At the same time, the town receives relatively little state aid, and those funds have not kept pace with inflation or the rising costs of health insurance, fuel, utilities, and mandated expenses such as retirement and special education. To make ends meet, Berkley has relied on one-time solutions like using free cash and stabilization funds to balance the budget—but those reserves are now nearly exhausted. Departments have already been operating at bare-minimum staffing and funding levels, and further cuts would mean real reductions in public safety, education, and community services. The result is a structural deficit that can no longer be managed through short-term fixes, which is why the town is now facing difficult choices about how to sustain essential services for the future.