

WESTFORD BUDGET TASK FORCE

Major town expenses will increase 6% beyond the 2.5% of expected revenue in FY25+

A task force was charged with creating sustainable scenarios to cope with upcoming challenges. Analysis has included: comparing spending against benchmark communities; researching potential new revenue; and quantifying budget challenges.

Data from Mass.gov Municipal Databank	2023 Avg Single Family Tax Bill	2020 Income Per Capita	2023 Avg Property Value	Land Area (Sq mi)	2021 Population	% of Students in Town Population
Westford	\$10,120	\$72,500	\$685,643	30.27	24,446	19.3%
Median of 35 peer towns	\$10,174	\$74,221	\$726,089	16.88	24,379	15.3%
State Avg	\$7,059		\$600,011			

HOW DOES WESTFORD SIZE UP?

Comparison of 21 other communities similar in government services and profile; as well as 'DART' districts (designated by Dept of Ed based on enrollment) plus our adjacent school districts = a total of 35 municipalities: Acton, Arlington, Andover, Bedford, Belmont, Billerica, Boxboro, Burlington, Carlisle, Chelmsford, Concord, Dracut, Dunstable, Groton, Franklin, Hingham, Holliston, Lexington, Littleton, Milton, Natick, Needham, North Andover, Reading, Sharon, Shrewsbury, Stoneham, Sudbury, Tewksbury, Tyngsboro, Wellesley, Westboro, Westwood, Wilmington, Winchester

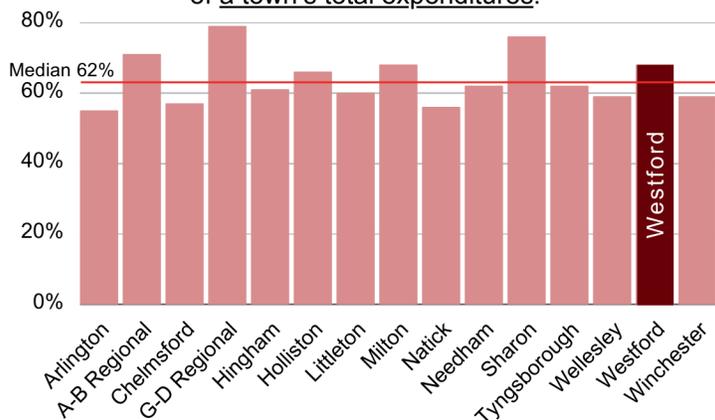
WHERE DOES THE BUDGET GO?

Town Meeting approved an *FY24 budget of \$128,802,886* that covers four buckets: schools, shared expenses (employee benefits, health insurance and debt service), enterprise funds separate accounts like ambulance and water) and municipal services (shown below in table).

Municipal Services	
General Govt	4%
Public Safety	10%
Public Works	4%
Health & Human Svs	1%
Culture & Recreation	2%

Because of shared expenses, determining the town allocation to Westford Public Schools is not as simple as looking at the Education line item approved at town meeting.

To best compare how other towns fund their schools, data from the MA Dept of Ed end-of-year report was used to capture all general fund school-supported expenses as a percentage of a town's total expenditures.



In 2022, Westford Public Schools were supported by 68% of Westford's total funds. (vs a benchmark median of 62%)

DO WE SPEND LIKE OUR PEERS?

TOWN SPENDING: Major town department expense categories were compared to 21 similar communities. Per capita data normalizes for population.

Department	FY24 Spending
Public Safety <i>*excludes Ambulance Revenue</i>	\$542 per capita (vs \$501 median)
Dept of Public Works	\$142 per capita (vs \$149 median)
Library	\$75 per capita (vs \$68 median)
Health Dept	\$19 per capita (vs \$15 median)
Council on Aging	\$25 per capita (vs \$17 median)

SCHOOL SPENDING: All Dept of Ed function codes were compared to Westford's DART districts & geographical adjacent districts. Per pupil data normalizes for enrollment.

DESE Function Code		2022 Per Pupil \$\$\$
Administration	<i>Supt/AsstSupt/HR/Legal</i>	37% below median
Inst'l Leadership	<i>Principals, Dept Heads</i>	5% below median
Teachers	<i>Salaries, Stipends</i>	2% below median
Other Teaching Svcs	<i>OT/PT/etc, Subs, Paras</i>	7% below median
Prof Development	<i>Inst'l coaches, consultants</i>	76% below median
Inst'l Mat'l/Tech	<i>Textbooks, Supplies</i>	46% below median
Guidance, Testing	<i>Counselors, Assessments</i>	11% below median
Pupil Services	<i>Med/Health, Food, Trans.</i>	20% above median
Ops & Maintenance	<i>Custodial, Utilities</i>	5% below median
Benefits & Fixed Charges	<i>Retirement, Insurance</i>	9% below median

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HOW BIG IS THE DEFICIT?

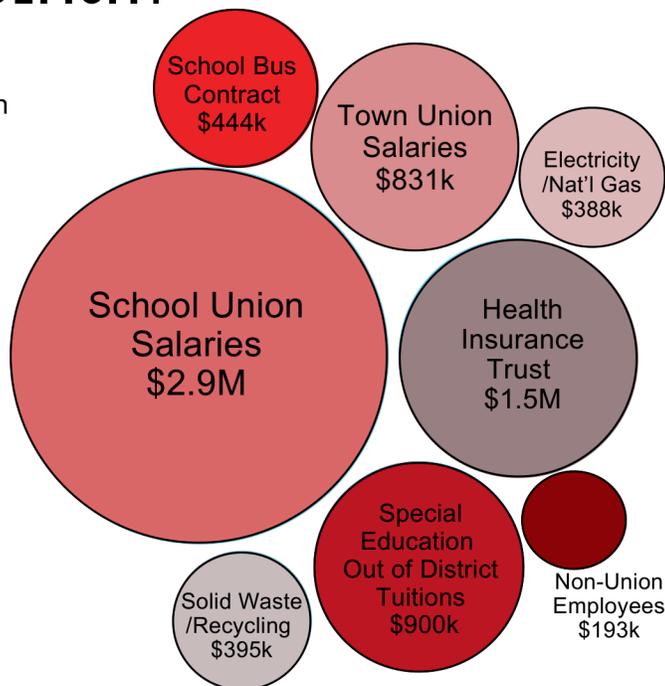
- MA municipal budgets are constrained by state law to **only increase taxes by 2.5% each year**, which limits the town's ability to increase our major source of revenue (80% is property taxes). In a typical year, there is \$3M new revenue to handle increases.
- Major expense areas are projected to grow by **more than 6% in FY25 with continued impact in FY26 and FY27**.
- Challenges include but not limited to:
 - Renewal of major service contracts (trash/recycling, electricity/natural gas, school transportation)
 - Competitive town and school salaries
 - Increased health insurance costs due to high claims
 - Statewide increase in special education tuitions

Approx cost increase in FY25: \$7,532,120

Approx additional cost increase in FY26: \$7,133,308

Approx additional cost increase in FY27: \$3,943,025

These will generate a \$6-8M shortfall by FY26 over our typical \$3M Prop 2.5 revenue increase.



WHAT COULD HAPPEN NEXT?

The Task Force is researching possible new revenue or efficiency ideas, including but not limited to:

- **Centralize Tasks:** explore opportunities to combine similar functions (eg. facilities, maintenance)
- **Reduce Solid Waste Expenses:** educate residents on recycling and composting to lower disposal fees
 - *Westford residents generate 17.8% more waste per household than our neighbors with curbside collection*
- **Economic Development:** use ARPA-funded coordinator to improve/expand our commercial tax base
- **Revisit Cannabis Excise Tax:** voted down in 2017 while nearby towns project FY24 revenue from \$275k to \$1.3M
- **MBTA Multi-Family Zoning:** create state-mandated zoning that may promote new development and increase tax base
- **Ambulance Revenue:** other towns have private service or have increased service fees; Westford's costs \$500k/year

These items have the potential to create savings and new revenue in the hundreds of thousands of dollars, but all of them will take time and produce gains gradually and likely won't cover the projected increase in expenses.

WHAT IF THERE IS NOT ENOUGH ADDITIONAL FUNDING?

Possible Impacts to Town Services and Government:

- Reduced police coverage
- Slower response from reduced staff fire/EMT
- Reduced library staffing
- Slower response or delays with Public Works
- Elimination of resident support programs (rental assistance) and social worker support
- Increased health insurance premium for employees

Possible Impacts to Schools:

- Reduction of staff (class size increases, case load increases, greater strain on classroom teachers)
- Reduced class offerings (electives and/or AP classes, increased Integrated Arts class size)
- Reduced support interventions (reading/math interventions at elementary, academic coaching at middle school)
- Reduced extra-curricular offerings or increased fees



Budget Task Force agendas and minutes:
TinyURL.com/WestfordBudgetTF



Feedback and questions:
TinyURL.com/BTFRetreatForm