



MINDFUL FACTS

2021 BUDGET PROCESS

FACTS

- Since 2010, school enrollment has *decreased* by 410 students AND is expected to decrease by another 179 by 2025. A total *decrease* of 11%
- Since 2010, the total school employee base has *increased* by 24% or 52 FTE
- Since 2010, the school's operating spending has *increased* by 40%
- Since 2010, health care costs (paid for out of the "Town's" budget) has *increased* by 75%
 - 76% of recipients are school employees
- Since 2010, the school's operating budgets have absorbed *74%* of the overall available revenues from taxpayers
- Since 2010, the number of residents in Westford has *increased* by 9%
 - employee base has increased 6% or 15 FTE...all but 3 employees have been for Public Safety
 - Town's non-public Safety departments' spending has increased 12 percentage points *below* school's increase of 40%
- OPEB, of which the majority of beneficiaries are school employees, has a NET liability of \$75 million and the taxpayers have funded over \$8 million towards it since 2010, leaving a remaining unfunded liability of \$67 million
- Override for teacher's salaries was not consumed within the school's operating budgets

FACTS-COMMONWEALTH COMPARISONS

- Ranking of department spending as a percentage of its Town's total spending across Massachusetts (1=highest amongst commonwealth, 351=lowest);

- General Government
- Police
- Fire
- Other Public Safety
- Education
- Public Works
- Human Services
- Culture and Recreation
- Fixed Costs
- Debt Service

306 => 45 of 351 towns have lower spending than Westford
247 => 104 of 351 towns have lower spending than Westford
190 => 161 of 351 towns have lower spending than Westford
151 => 200 of 351 towns have lower spending than Westford
94 => 257 of 351 towns have lower spending than Westford
223 => 128 of 351 towns have lower spending than Westford
177 => 174 of 351 towns have lower spending than Westford
105 => 246 of 351 towns have lower spending than Westford
120 => 231 of 351 towns have lower spending than Westford
100 => 251 of 351 towns have lower spending than Westford

IMPLICATIONS

- Health care and OPEB requirements continue to outpace Proposition 2 ½ constraints, putting extreme pressure on available revenues
- If Taxpayers wish to contribute more to schools than the recommended budget has initially allowed for, then;
 - Town's services will be reduced and voted on by Taxpayers, and/or
 - Revenues need to be increased via means such as “pay-as-you-throw”, and/or
 - An override will need to be approved by ATM and vote of taxpayers

APPENDIX

FACT-OVERRIDE FOR SCHOOL EMPLOYEES' SALARIES WAS FUNDED *OVER AND ABOVE* THE AVAILABLE ALLOCATION OF REVENUES THIS FISCAL YEAR

Town of Westford, MA Budget Overview

November 13, 2019

The Way the Math Must Work

	<u>Fiscal 2020 Increase</u>	
I. Revenue Growth vs. Prior Year:		
a. Prop 2 ½ Increase	\$1,898,253	
b. New Growth from Development	1,069,837	
c. Override & Excess Levy Capacity (if applicable)	507,648	
d. Debt Exclusions	77,000	
e. State Aid & Local Revenue	459,385	
Subtotal	\$4,012,123	
II. Less: Expense Growth vs. Prior Year:		
a. Employee Benefits & General Insurance	868,644	
b. Net Debt Service	442,097	
c. Override (if applicable)	530,000	
d. NVTHS/Other	261,573	
Subtotal	\$2,102,314	
III. Funds <u>Remaining</u> for Departmental Expenses		\$1,940,340
IV. Increase in Departmental Expenses:		
a. "Town" Departments	841,163 (43%)	
b. "School" Department	1,099,177 (57%)	
Subtotal	\$1,940,340	
V. Net Remaining		\$0

FACT-2021 TOWN MANAGER RECOMMENDATION PROVIDES FOR 74% OF AVAILABLE REVENUES TO BE ALLOCATED TO THE SCHOOLS

Town of Westford, MA Budget Overview November 13, 2019

The Way the Math Must Work

I.	Revenue Growth vs. Prior Year:	<u>Fiscal 2021 Increase</u>	
	a. Prop 2 ½ Increase	\$1,972,455	
	b. New Growth from Development	1,234,704	
	c. Override & Excess Levy Capacity (if applicable)	30,531	
	d. Debt Exclusions	65,820	
	e. State Aid & Local Revenue	210,872	
	f. MSBA Payment – WA	(1,557,026)	
	Subtotal	\$1,957,356	
II.	Less: Expense Growth vs. Prior Year:		
	a. Employee Benefits & General Insurance	1,287,702	
	b. Net Debt Service	(1,296,542)	
	c. Override (if applicable)	0	
	d. NVTHS/Other	(35,255)	
	Subtotal	(\$44,095)	
III.	Funds <u>Remaining</u> for Departmental Expenses		\$2,001,451
IV.	Increase in Departmental Expenses:		
	a. “Town” Departments	523,913 (26%)	
	b. “School” Department	1,477,538 (74%)	
	Subtotal	\$2,001,451	
V.	Net Remaining		\$0