



TOWN OF WESTFORD
OFFICE OF THE TOWN MANAGER

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TO: Members of the Select Board, School Committee, and Finance Committee

FROM: Kristen Las, Town Manager *Kristen D. Las*

DATE: December 10, 2024

RE: Fiscal Year 2026 Budget Message

I am presenting a Fiscal Year 2026 balanced operating and capital budget for your consideration. The [FY26 Town Manager Budget Presentation](#) is available on our town's website. During the preparation of our operating and capital budgets, we strived to adhere to the Select Board's FY26 [Budget Policy Direction](#), continued to incorporate recommendations from the [Budget Task Force Final Report](#), and continued to use the draft [Strategic Plan](#) as a guide, to attempt to maintain services at current levels. However, we continue to face a structural deficit where costs are increasing faster than our revenue because we must adhere to the limitations of Proposition 2 ½. We also heard from the voters that there is no appetite for an override at this time. We have worked diligently to explore opportunities to reduce expenses, find efficiencies, and use some funding solutions that are not recommended or sustainable over time.

Coming off of the budget planning for FY25 and the failed override, we have made those reductions of 9.3 FTE's on the Town side and 51.6 FTE's on the School side along with other adjustments to provide a balanced budget in FY25. At this point, we are not expecting any major service cuts or additional layoffs in the FY26 budget. In preparing the FY26 budget, I would like to recognize the efforts of the departments as they submitted conservative budget requests and continue to be mindful of our overall financial position. The positive news is that our Bond Rating Agency, Standard & Poor's, continues to support and applaud our financial policies and procedures and in recognition, we have maintained our AAA Bond Rating.

This year, the Town went through the process of creating a Strategic Plan. Throughout this document, you will see initiatives reference seven Strategic Outcome Areas that have been developed through extensive public feedback and incorporated into the Strategic Plan.

Vision:

Westford strives to be a welcoming and inclusive community that honors its history and traditions. We are driven towards innovation and progress, balancing growth with preservation and a commitment to creating a sustainable future.

Strategic Outcome Areas:

Responsive & Responsible Town Government - Westford's municipal services are delivered by dedicated, professional staff who are responsible stewards of Town resources and responsive to community concerns. Core services are prioritized and balanced against other community demands.

Commitment to Environmental Sustainability & Climate Action - Environmental sustainability goals as envisioned in the Westford Climate Roadmap will guide investments in clean energy and zero waste initiatives. The Town's efforts to address climate change will consider the need to balance fiscal, operational, and environmental objectives.

Quality Educational Opportunities - Westford is committed to quality educational opportunities. The Town supports its exceptional public and regional school systems and encourages opportunities that support a life-long endeavor to enrich, grow, and expand residents' knowledge.

Caring and Engaged Community - Westford is a community that cares for its neighbors and takes pride in local festivals and unique cultural events that celebrate the Town's diversity and history. The Town prioritizes community engagement and promotes volunteerism. Westford is committed to effectively communicating with our residents through a variety of media.

Diverse and Attainable Housing Options - Westford encourages and promotes the development of diverse housing options that meet a broad range of income levels and life stages of our current and future residents. Westford strives to be a community where people both want to and can afford to live.

Opportunities for Recreation and Preservation of Open Space - Westford is committed to preserving open space as part of maintaining the Town's rural character. The Town is focused on improving connectivity by developing and maintaining safe routes for walking and cycling. Westford supports a variety of multi-generational recreational opportunities.

Intentional and Appropriate Economic Growth - Westford is a traditional New England town that preserves its historic Town Center and neighborhood villages. The Town is committed to promoting an environment along our commercial corridors where unique and local businesses can thrive. Westford encourages economic growth and a diverse tax base.

Budget Challenges

After the failed override in May 2024, the town budget was reduced by \$4.2m and those service impacts have been implemented. For the FY26 budget process, we still faced the following challenges:

- Absorbing the reductions to the FY25 operating budget
- Presenting a balanced budget to set the tax rate

- Large labor, energy and services contracts are increasing
- Committing to the recruitment and retention of quality employees
 - Competitive pay for employees
 - Providing competitive health insurance coverage while controlling expenses
 - Commitment to professional development and training
- Proposition 2 ½ presents real constraints that will continue to drive service cuts
- New revenue opportunities are limited and will take some time
 - MBTA multifamily zoning has significant growth potential in future years beyond FY26
 - Currently working with an Economic Development consultant

While FY26 was expected to be a difficult budget year, policy changes and creative solutions have helped to mitigate the impact to our services. We do anticipate seeing some relief during the beginning of FY27 as the Town adopted the MBTA zoning bylaw. We expect developers to start to build in accordance with the new zoning and hope to see positive effects of the Economic Development consultant that was hired in June 2024.

FY26 Forecast Changes

In March of 2024, we were projecting a budget gap \$4,086,388 for FY26. Based upon changes in condition as outlined below, we are able to present a balanced FY26 budget.

- **Favorable Changes in Forecast (Revenues) \$1.09m**
We did experience some favorable changes in our budget forecasts. Our FY25 state aid budget, which was signed in July 2024, ended up having a much higher minimum contribution amount for students than we have seen in the past. We also were able to increase our local revenue projections as motor vehicle excise and investment income ended FY24 with higher than anticipated revenue totals. We also anticipate a higher amount of licenses and permits based on the passage of the MBTA communities legislation at the April 2024 Town Meeting.
- **Less Favorable Changes in Forecast (Expenses) (\$510k)**
Unfortunately, some of the increase in revenue was offset by other increased expenses. The main driver is the Nashoba Valley Technical High School (NVTHS) assessment, where Westford is projected to have an increase of 14 additional students in FY26. Other changes included smaller adjustments to our enterprise direct and indirect costs, health insurance, and our Technology budget.
- **Use of One Time Funds – Not Sustainable (\$1.11m)**
The FY26 recommended budget is level funding our Other Post Employment Contribution (OPEB) at \$1,000,000. The Budget Policy recommends a contribution of \$1,681,707, resulting in underfunding the plan \$681,707. The FY25 plan was also underfunded by \$375,000 due to the failed override. In addition, the schools are using their reserve funds over the next three to four years to offset expenses in their budget. They are also using the additional \$400,000 in circuit breaker funds that they received in FY25 to offset the FY26 budget.

We do not expect the volatile costs drivers to remain low in future years and believe there is

substantial risk to continued underinvestment.

- **Efficiency Gains \$1.06m**

The Select Board, Finance Committee, and School Committee have continued to meet with the administration to evaluate recommended efficiencies, including those identified in the Budget Task Force report. We have saved money with our new solid waste and recycling vendor due to policy enforcement and an overall decrease in tonnage. We will have an article to propose at Town Meeting that will restructure debt to pay off three capital projects. Centralized fleet fueling began in July. There have been several energy efficiency projects undertaken in the town and school buildings using National Grid rebates. The general fund subsidy for the Recreation Enterprise is \$0 in the proposed FY26 budget, and the Ambulance Enterprise subsidy has been reduced.

- **Other Adjustments \$1.33m**

The schools are reducing expenses partially due to the decrease in Special Education Tuition. In addition, they also have operational changes that result in a net reduction as shown in the school budget presentation. Lastly, there were changes in the school forecast from the previous year. On the town side, there has been employee turnover that has led to operating savings in the DPW, Police, and Ambulance budgets. There have also been decreases in professional development opportunities.

Please visit the town’s budget website to see the complete comparison of the [FY26 Forecast Changes](#).

FY25 versus FY26 Projected Revenue

Although new revenue has increased, it is still not growing with the rate of inflation. We are constrained by Proposition 2 ½. The below chart shows the FY25 budgeted revenue versus the FY26 projected revenue. The general fund share of the revenue can be used for town services such as funding education, public safety, and other government services.

Revenue	FY25	FY26	Variance
Tax Revenue	\$95,710,863	\$99,419,048	\$3,708,185
Proposition 2 ½ Override	0	0	0
Local Revenue	7,717,769	8,412,580	694,811
State Aid	21,675,207	22,005,071	329,864
General Fund Subtotal	\$125,103,839	\$129,836,699	\$4,732,860
Enterprise Revenue	7,944,322	11,016,922	3,072,600
Reserves Applied	0	0	0
Other Available Funds*	210,930	203,369	(7,561)
Community Preservation Funds	4,602,636	1,089,168	(3,513,468)
Free Cash – Capital, Perchlorate, Snow & Ice	2,661,448	3,152,741	491,293
Total	\$140,523,175	\$145,298,899	\$4,775,724

Local Revenue

Local revenue fluctuates from year to year. Below is a table showing the FY24 actual revenue received, the budget for FY25, and our local revenue projections for FY26. Overall, local revenue is increasing by \$694,811 from FY25 to FY26. The Department of Revenue recommends that local revenue estimates should be conservative. The estimates for FY26 are more aggressive than what we have estimated in the past. Part of the estimate includes a higher number of building permits due to the MBTA housing that was approved legislation that was approved at the April 2024 Annual Town Meeting. Other revenues were adjusted based on the FY24 actuals, such as motor vehicles excise, hotel and meals excise, and investment income. With regards to investment income, we need to continue to monitor the market because a decrease in interest rates would have a negative impact on our investment earnings. The miscellaneous recurring revenue is increasing 2.59% based on the assessment for the Nashoba Tech School Resource Officer. The enterprise revenue amounts are escalated due to an increase in capital being paid through retained earnings. We will continue to monitor local revenue during the year and make adjustments if appropriate.

Local Revenue	FY24 Actual	FY25 Budget	FY26 Projected
Motor Vehicle Excise	4,352,952.00	4,063,458.00	4,380,000.00
Meals and Hotel Excise	1,316,145.00	1,251,525.00	1,210,000.00
Penalties and Interest	230,883.00	225,500.00	225,000.00
Payments in Lieu of Taxes	66,146.00	66,000.00	67,650.00
Fees	251,575.00	250,000.00	250,000.00
Rentals	4,100.00	0.00	0.00
Dept. Revenue – Cemeteries	44,300.00	30,750.00	32,830.00
Licenses and Permits	1,350,522.00	1,035,250.00	1,376,052.00
Special Assessments	9,590.00	5,087.00	5,188.00
Fines and Forfeits	84,192.00	61,500.00	63,551.00
Investment Income	815,432.00	469,694.00	594,000.00
Medicaid Reimbursement	283,812.00	92,250.00	97,250.00
Misc. Recurring Revenue	127,359.00	108,256.00	111,059.00
Misc. Non-Recurring Revenue	102,465.00	58,499.00	0.00
Subtotal	9,039,473	7,717,769	8,412,580

State Aid

In FY25, Westford received an overall 2.79% increase in State Aid, which resulted in additional revenues of \$587,511. Most of the increase was attributed to the \$104 minimum contribution in Chapter 70 funding. Previous years' amounts have ranged from \$30 to \$60 per student. State Assessments were increased by \$139,983 in FY25, resulting in a total net increase in State Funding of \$447,528. For FY26, we are estimating a \$60 increase per student for Chapter 70, a 2% increase for Unrestricted Government Aid, and a 1% increase in all other State Aid revenue. Since the Annual Town Meeting is scheduled for March 22, 2025, and the FY25 Governor's budget is not due to be released until January 22, 2025, we will have sufficient time to update the budget projections. The final budget is typically not signed until July, so if the final State Aid amount is

different than expected, we may propose budget adjustments at our October 2025 Special Town Meeting.

New Growth

Over the past 11 years, Westford has experienced fluctuating new growth. We estimated new growth for FY26 at \$850,000 due to several developments under construction. Growth from the MBTA Communities projects should be begin to be realized in FY27. Please see the chart showing our historical new growth from FY16 to FY26.

Fiscal Year	New Growth
FY26 (Budget)	\$850,000
FY25	\$684,063
FY24	\$856,873
FY23	\$892,263
FY22	\$870,884
FY21	1,234,704
FY20	1,069,837
FY19	740,243
FY18	408,857
FY17	707,422
FY16	901,454

Additional FY26 General Fund Revenue

For FY26, our new general fund revenue is projected to be \$4,732,860. After accounting for other town-wide shared expenses, the total available new funds is \$2,296,717. This represents new funds we may distribute to budgets as needed, after first satisfying obligatory expenses such as employee and retiree health insurance, Middlesex Retirement, debt service, general insurances, and funding our Other Post Employment Benefits (OPEB). Below is a chart identifying our recommendation to allocate new revenues for FY26.

New Revenue	FY26	Subtotal
Tax Revenue: Prop. 2 ½ Increase	\$2,354,798	
Tax Revenue: New Growth	850,000	
Proposition 2 ½ Override	0	
Tax Revenue: PY Excess Capacity	34,044	
Tax Revenue: Debt Exclusions	469,343	
Local Revenue	694,811	
State Aid	329,864	
Total New G/F Revenue		\$4,732,860

Allocation of New Revenue	FY26	Subtotal
Employee Benefits and General Insurance	1,670,400	
Net Debt Service	422,792	
NVTHS Assessment	308,884	
Other Amounts to be Raised	5,662	
Allowance for Abatements	9,917	
State Assessments	18,488	
Subtotal		(\$2,436,143)
Funds Remaining for Departmental Expenses		\$2,296,717
WPS Budget		
Westford Public School Budget – 78%	1,803,217	
Net Town Operating Budgets – 22%	493,500	
Subtotal		\$2,296,717
Net Remaining		\$0

Current Reserves: Currently we have reserves of \$11,773,827 which represents a reserve balance of 9.51% of our total general fund operating budget. After leaving 5% of the operating budget in reserves per our Budget Policy Direction, and accounting for projected appropriations at our upcoming Annual Town Meeting, our estimated reserves at year-end will be \$8,621,086, or 6.96% of the general fund budget.

FY26 Budget Highlights

The FY26 budget process began in August 2024. Department heads were sent instructions and worksheets to create a budget for FY26 and submit budget projections for FY27 and FY28.

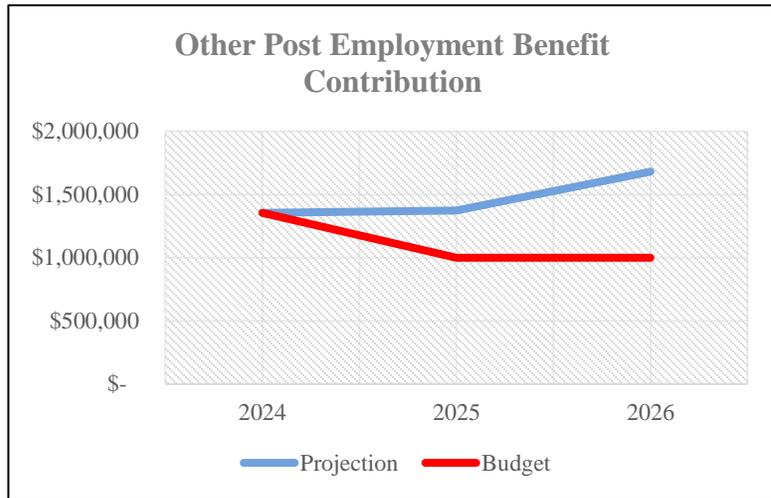
School/Town Increases: Westford Public Schools are allocated an additional \$1,803,217, which represents a 2.67% increase. For the town departments, we met with each town department head and reviewed each line item in every budget and made reductions and adjustments as necessary to present a balanced budget. These actions resulted in an overall town budget increase of \$493,500 or a 1.75% increase. This net amount includes adjustments for the ambulance, recreation, and stormwater enterprise general fund subsidies.

Summary of FY26 Budget Recommendation

<i>Revenues</i>		<i>Expenditures</i>	
Tax Revenue	\$99,419,048	Westford Public Schools	\$69,388,572
Local Revenue	8,412,580	Other Town Departments	27,695,247
State Aid	22,005,071	Community Preservation	1,089,168
Enterprise Revenue	11,016,922	Debt Service	3,988,916
Reserves Applied	0	Enterprise	9,597,534
Other Available Funds	1,292,537	Unclassified	24,087,550
Free Cash Appropriation	3,152,741	N.V.T.H.S.	1,793,726
		Other Amounts to be Raised	7,658,186
Total	\$145,298,899	Total	\$145,298,899
		Budget Surplus	\$0

- Collective Bargaining Agreements:** As we budget for FY26, we currently do not have any settled town contracts. The IAFF (International Association of Fire Fighters) expired on June 30, 2024 and we are currently in negotiations. OPEIU (middle management), WPA (Westford Police Association), WSO (Westford Superior Officers), WPWA (Westford Public Works Association), and CWA (Communication Workers of America) all expire on June 30, 2025. For Westford Public Schools, contracts for school custodians and Unit C (Educational Office Professionals) as well as Unit E (Educational Support Professionals) are settled through FY25. Agreements for Unit A (teachers and nurses), Unit B (curriculum coordinators/student support leaders), and Unit G (math and reading interventionists) are all settled through FY26. The food service workers' contract is settled through June 30, 2027.
- Solid Waste and Recycling Contract:** We are currently in the first year of a five-year contract with E.L. Harvey. The curbside collection for solid waste and recyclables is increasing from \$1,730,000 in FY25 to \$1,780,000 in FY26. However, through the first three months of the contact, tonnage amounts decreased by 18% on average. In addition, the blended value for the price of recyclables has remained higher than normal, resulting in a \$30 to \$39 cost per ton so far in FY25. The town also contracted with Reworld (formerly Covanta) through FY29 for solid waste tipping fees. There is a budget decrease of \$29,347 for FY26 due to the decrease in solid waste tipping fees and the strong recycling commodity market. The Town Manager's office continues to work with the Select Board on ways to reduce solid waste, including discussing several Pay-As-You Throw Options.
- Utility Costs:** The contract for natural gas supply expired on February 28, 2024. The FY25 budget was increased to absorb these costs. The new three-year agreement is increasing rates by 69.7%. The total cost for town and schools is estimated at \$238,642 per year. The electricity supply contract also expired on November 30, 2024. The rates on the new three-year contract are increasing by 39.6%, which increases the annual budget for town and schools by an estimated \$297,994. Because the increase occurs in the middle of the year, the increase for electricity is able to be absorbed over two budget cycles. The Board of Water Commissioners will be voting later in December to authorize a rate increase of 6.2% effective July 1, 2025.

- Health Insurance Trust:** We converted our town’s Health Insurance plan to a partially self-funded plan on March 1, 2022. Since that time, our utilization has increased by over 20% each year for the first two years. This has been fueled by large-loss claims over \$125,000 which are two to three times higher than expected. According to our Health Insurance Broker, Hub Inc., we would likely have seen higher renewal rates if we had remained a fully-insured plan. We ended FY23 with a deficit balance of \$387,079, which we were able to raise on the tax FY24 rate recap. We also subsidized the FY24 budget of \$10,907,528 by \$950,000 at the October 16, 2023 Special Town Meeting. We ended FY24 with a positive balance of \$1,085,375, which is an increase of \$1,472,454 from the previous fiscal year.



Members of the Health Insurance Trust voted to increase rates for employees by 8.3% effective November 1, 2024. For FY26, we are budgeting \$13,187,292 which represents a \$907,119 or a 7.39% increase over our FY25 health insurance budget. The Trustees carefully track health insurance monthly and may update projections accordingly.

- Risk Management Budget: Other Post Employment Benefits (OPEBs):** Our FY26 contribution to our OPEB Trust Fund, which funds retiree health and life insurance, remains at \$1,000,000. This amount was reduced from the scheduled \$1,681,707 contribution per the OPEB funding policy. In past years, we have supplemented the difference using free cash. However, no decision has been made at this point in time. If there are sufficient reserves available at the Annual Town Meeting, we may propose including a supplemental appropriation on the warrant. We will continue to pay our existing retirees’ OPEB obligation through our health insurance budget. In FY24, we paid \$1,478,228 for our Medicare retiree health insurance, with the Health Insurance Trust paying for the non-Medicare plans for retirees. Our OPEB Trust Fund has a current balance of \$15,810,974 for our general fund and \$1,396,383 for our water enterprise. Westford’s last actuarial study on June 30, 2024 reported that Westford had a \$102,224,650 net OPEB liability with a funded ratio of 13.23%. The study shows that Westford’s OPEB obligation is estimated to be fully funded by 2075.
- Risk Management Budget: Middlesex Retirement Assessment:** Our Middlesex Retirement Assessment, which covers annual pension obligations for our town employees and non-educators in our schools, increased by \$336,277 or 4.85% to \$7,267,921. Middlesex Retirement gives member towns an option to pay their full assessment on July 1st of each fiscal year, which we do, resulting in a town savings of \$126,569, or 1.71%. The unfunded liability is scheduled to be paid in full by 2036. Massachusetts state law requires that the pension must

be fully funded by 2040 at the latest.

- **FY26 Budget Increases:**

- The compensation reserve in the Human Resources budget increased to \$700,000 as all town collective bargaining agreements expire by 6/30/25.
- Labor counsel expenses increased from \$10,000 in FY25 to \$20,000 in FY26 to reflect actual expenditures.
- The Planning Board has budget has increased by \$5,000 for planning studies for FY26. This is to match a portion of a state grant and may need to be supplemented if we do receive a grant.
- The Nashoba Tech Budget is not final, but we are projecting a 20.80% increase as Westford's enrollment is increasing by 14 students in FY26.
- The Seasonal Staff position is being split between the Cemetery and Parks and Grounds budget.
- The Veterans' Tax Work Program was increased from \$4,500 to \$7,500 to allow five veterans to work in the program.
- The electricity budget for Street Lights increased by \$15,000 as the credit we received for switching to LED lights is expected to be used.

- **FY26 Budget Decreases:**

- Centralized fueling at the DPW garage implemented in July 2024 is estimate to save \$30,000 over the fiscal year.
- The Assessors office further reduced contracted services due to the expiration of the Patriot Properties contract. More work is being performed in-house.
- The Waste Collection and Disposal budget is decreasing by \$29,347. The tonnage rates for solid waste and blended rate for recyclables have both decreased in FY25 after three months of collections. We will continue to monitor this budget carefully.
- The Financial Departments are working with Facilities and DPW to pay off several smaller capital projects that were scheduled to be bonded. The savings to the FY26 budget is estimated at \$242,148.
- The Recreation Enterprise budget does not include a general fund subsidy after having a subsidy of \$35,927 in FY25. Enrollment in programs is increasing.
- The part-time DPW Business Manager is being funded in the Water Enterprise budget. The position is shared between the Water Enterprise (65%), Stormwater Enterprise (30%), and general fund (5%).

- **FY26 Budget Other Changes:**

- The Community Wellness Coordinator salary is offset with \$25,000 from the Opioid Settlement funds in the Town Manager Budget.
- The Town Accountant sought quotes for a new audit firm, saving approximately \$19,000 over the next two years.
- The 405 Department of Public Works (DPW), 410 Engineering, and 421 Highway Department budgets are all combined into one "DPW" budget.

- Library expenses have been reallocated to Books & Subscriptions for when the department moves offsite during the building construction. The money from utilities moved to the new line.

FY26 Town Budget Efficiencies and Revenue:

Through the Budget Task Force process, we developed the below list of efficiencies and revenue opportunities that could be implemented in the short-term. We either already implemented or are working to implement the following:

- Aligning our goals and efforts to the draft Strategic Plan
- Pursuing energy efficiency projects and exploring new funding mechanisms
- Continuing to monitor and examine health insurance opportunities
- Comprehensive Long-Term Capital Planning Efforts
 - Town Space Needs Study alongside the School Space Needs Study
 - Revamped capital database
 - Centralized fleet management opportunities
- Technology integration
- Shared services agreements, both internal and external
- Reviewing fees for services
 - Examples include Ambulance, Permitting, Recreation, Solid Waste, etc.
- Strengthening Economic Development outreach and capacity

Capital Investment: The Capital Planning Committee reviewed capital requests from all town departments and voted their initial recommendations to the Town Manager on November 18, 2024. The [FY26 Capital Plan](#) includes \$11,855,107 in capital to be funded by a variety of sources. Our pay as you go capital to be funded from Free Cash is \$2,642,741. Each enterprise also funds its own capital requests, including the Water Enterprise (\$818,968), Recreation Enterprise (\$35,000), Ambulance Enterprise (\$170,757), and Stormwater Enterprise (\$1,600,000). We have also recommended three capital projects that will require the authorization of non-excluded debt in the amount of \$3,685,000. This does not include the pending request for the MSBA Robinson School Project Feasibility Study. Lastly, we have two lighting projects totaling \$825,000 that qualify for Community Preservation funding so we are recommending the department heads submit an application for funding. These requests to be brought to Town Meeting total \$9,777,466. We also have several capital recommendations that do not require Town Meeting authorization. The DPW is requesting \$1,110,641 in Chapter 90 funds, \$477,000 in Fair Share Apportionment funds, \$400,000 in mitigation funding and \$90,000 from the Cemetery Perpetual Care Expendable Trust to fund the FY26 Pavement Management Program and additional DPW equipment. As suggested by our bond rating agencies, we will continue funding capital projects with Free Cash as much as possible, and we may rely upon our Capital Stabilization Fund, with a current balance of \$567,762, if needed.

Energy Efficiency Projects: Earlier this year, the Select Board authorized the use of \$50,000 in ARPA funding for the Town Manager to contract with NMCOG on sustainability and waste zero efforts. This ARPA appropriation provides support to the town after the Sustainability Coordinator

was not funded in the FY25 budget. In addition, facilities in conjunction with Town and School management have been working together to take advantage of National Grid rebate opportunities. In FY24, weatherization projects were completed at Westford Academy, Rita Miller, and the Police Department. In FY25, lighting projects began at Westford Academy (phase 1) and Rita Miller. Both projects are cash flow positive and budget neutral with 50% of the costs rebated. The remaining project cost is added to the monthly national grid invoice, which is offset by the energy savings of an estimated at \$60,000 over five years. Lastly, the town just contracted with Guardian and National Grid to perform weatherization projects at four schools and six town buildings, anticipating up to 75% of the total costs to be rebated. The payback period is less than five years, and the upfront costs are expected to be budget neutral. All of these projects adhere to the strategic goal of being committed to environmental sustainability and climate action.

Non-Excluded Debt Service: The current FY26 non-excluded debt service budget is \$1,923,272 which exceeds the minimum borrowing policy by \$1,215,236. Of this amount, \$1,138,999 is permanently bonded and the remaining balance of \$784,273 is estimated debt payments for ongoing and future projects, which includes the Town and School Safety Task Force (TSSTF) (2020) article to implement exterior access controls (2020), the Carlisle Road sidewalk project (2020), the first anticipated debt payment for the Oak Hill, Plain, and Moore Roads infrastructure improvement bond (2020), the Plain Road Phase 1 sidewalk construction (2022), the fire department tower truck (2023), the Blanchard Roof chiller units and ventilation fans (2023), and the Plain Road Phase 2 sidewalk construction (2024). However, as an opportunity to provide budgetary relief for FY26, we are recommending that we pay off the capital project costs for three of these projects at the Annual Town Meeting. The Plain Road Phase 1 sidewalk construction (2020) was mostly funded with mitigation settlement funds from Newport Materials. The Town and School Safety Task Force (TSSTF) (2020) article to implement exterior access controls has had several pay downs over the years and will finish with a minimal balance. Lastly, the Blanchard Roof chiller units and ventilation fans (2023) bid was under budget, and we recommend paying off the project. We are proposing using funding from the FY25 Debt Service budget to fund these projects. This results in \$242,148 in FY26 budget capacity by paying off these capital projects early. Other items earmarked for borrowing but not yet approved by Town Meeting include the Nutting Road Artificial Turf Replacement, West St. at N. Main St. Pedestrian Improvements, and the MSBA Robinson School Feasibility Study.

Next Steps:

How the Public Can Stay Involved:

- Attend the Town Manager Budget Presentation on December 10, 2024
- Attend the Finance Committee Budget Hearings from January 9 to January 31, 2025
- Attend the School Committee budget discussions on December 16, 2024 and January 6 and 21, 2025
- Select Board votes to close the warrant on January 28, 2025
- Select Board sets the order of warrant articles on February 11, 2025
- Attend the Finance Committee meetings on February 13 and February 27, 2025 to review the

Town Meeting Financial Articles

- Attend the Select Board meetings on February 25 and March 11, 2025 to review Town Meeting Articles
- Sign up for agendas at: <https://www.westfordma.gov/list.aspx>
- Monitor www.westfordma.gov and visit the “Town Meeting” page for information regarding the budget process and supporting material
- Email the Town Manager and/or Select Board with questions or concerns: klas@westfordma.gov
- Attend the League of Women Voters Annual Town Meeting Preview tentatively scheduled for March 13, 2025
- Attend Town Meeting on March 22, 2025 at 9 AM at Westford Academy

Summary

As the budget process continues over the next several months, more information will be available regarding State and Federal aid and other revenues, and final adjustments may be made. Thank you for the opportunity to present the FY26 budget. The town department heads and I welcome your input and suggestions. We remain committed to examining each and every opportunity to be creative and conservative with our valuable town resources. It is our unwavering objective to continue to provide both the quantity and the quality of services as we have in the past for our residents.