

# Town of Westford



## **Fiscal Year 2027 Budget Message**

Kristen Las

Town Manager

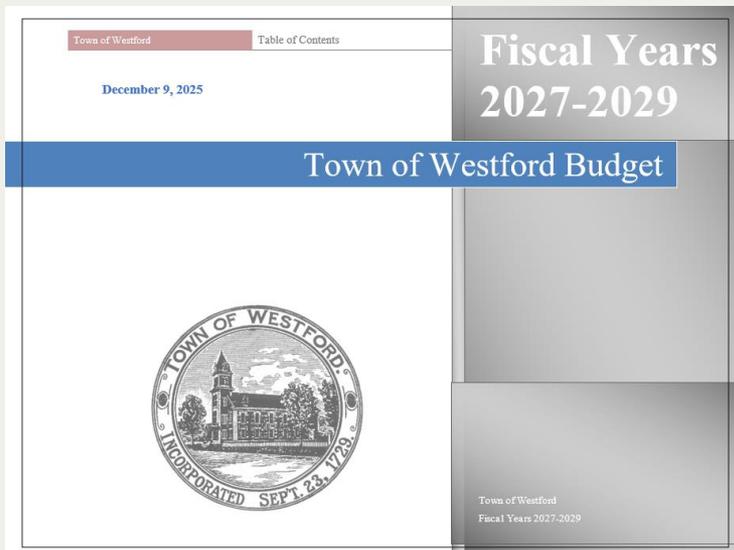
December 9, 2025

# Presentation Overview

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- Budget Objectives – Including Strategic Outcome Areas
- Budget Challenges
- Review of FY27 Revenue Assumptions
- FY27 Budget Overview including Capital and Debt Service
- Timeline of FY27 Budget Process
- How the Public can stay involved

# FY27 Town Budget Overview



- Strive to adhere to Select Board FY27 Budget Policy Direction
- Use the newly adopted Strategic Plan as a guide
- Continue to incorporate recommendations from the Budget Task Force Final Report
- We continue to face a structural deficit – costs are increasing faster than revenue (Proposition 2 ½ constraints), however, the proposed budget does not rely on a Proposition 2 ½ Override

# Strategic Outcome Areas

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- Responsive and Responsible Town Government



- Caring and Engaged Community



- Opportunities for Recreation and Preservation of Open Space



- Quality Educational Opportunities

- Commitment to Environmental Sustainability and Climate Action



- Diverse and Attainable Housing Options



- Intentional and Appropriate Economic Growth



# Overview of Budget Challenges

## •Context

- Failed FY25 override, FY25 budget reductions, and new FY26 baseline continues to create financial pressure
- Costs are rising faster than revenue growth
- FY26 and FY27 budgets rely on planned use of one-time funds to maintain services

## •Key FY27 Budget Challenges

- Townwide financial and operational pressures
- Public facilities and deferred maintenance needs
- Economic development in town requires additional resources
- Technological enhancements needed to improve efficiency and user experience
- School department financial pressures as outlined in 12/1/25 Superintendent Budget Presentation

# Key FY27 Budget Challenges

## •Town-Wide Financial & Operational Pressures

- Collective bargaining contracts
- Staff professional development has been cut to absolute minimum
- Rising energy and utility costs
- Need for staff support for solid waste and recycling program, energy management, and other efficiencies efforts
- New Growth requires additional building inspection hours
- Health insurance expenses and rising Medicare costs
- Middlesex Retirement liability
- OPEB funding needed to preserve AAA rating

## •Public Facilities

- Deferred maintenance across Town properties
- Need for expanded management capacity of capital/maintenance projects

# Key FY27 Budget Challenges

## •Technology

- Technology upgrades to improve efficiency & user experience (permitting software)

## •Police

- FY25 reduction of two police officers, lowering daily patrol coverage
- Higher service demands along Route 110 Corridor

## •Fire

- FY25 reduction of two firefighter positions
- Three Rogers Station closures since July 2024
- Rising overtime costs
- Growing mutual aid calls due to regional strain



# FY27 Budget – Increases

- Reinstated professional development across departments to support employee growth, retention, and innovation
- Town Manager Expenses - \$55,200 for communications/outreach tools, Town Meeting Technology, management training, travel allowance, conferences, dues, and legal advertising
- Compensation Reserve (HR) is set at \$520,000 to fund anticipated settlements for three union contracts
- Technology Expenses - \$40,315 to fully fund Microsoft Office agreement as ARPA support phases out, and \$44,707 for the transition to a cloud-hosted online permitting system
- Town Clerk Budget - \$69,819 increase driven by the election cycle with a State Primary and State Election occurring in the fall of 2026; request reimbursement from the State for mandated early voting costs



# FY27 Budget Increases

- Building Department - \$45,000 for additional inspectional services associated with MBTA projects and expanded economic development activity; the additional inspections will generate additional general fund revenue
- Nashoba Valley Technical High School - 5% increase. Three additional Westford students but will not have final figures until after state aid is released.
- Wastewater Treatment - \$81,723 from rising labor, regulatory, chemical, and equipment costs; contract award pending
- Library - \$121,439 to operate 53 hours/week after reopening 50 Main St.; required for state funding and is partially offset by reduced Books & Subscriptions and utility reallocations

# FY27 Budget Overview – Increases

- **The Permitting Budget** is increasing by \$33,600 to fund the Economic Development Committee’s request to continue consulting services with Troast Advisory Services
  - Supports continuation of economic development work following a 16-month consulting engagement with Troast Advisory Services (funded by ARPA) to develop strategies for filling vacant commercial space and attracting new businesses
  - Enhances opportunities for local jobs, amenities, and services for residents
  - Funded with \$33,600 in overlay



# FY27 Budget - Decreases

- Assessing Department– Reduction in contracted services (\$10,500) as FY26 Revaluation work is complete
- Legal Services – Budget decreased by \$23,000; may require a supplemental request if FY27 expenses exceed expectations
- Police Department – Expenses are down (\$16,718) 2.76% due to electricity savings (metering credits, efficiency upgrades) and lower cruiser equipment costs
- Capital Project Savings – Proposing to pay off several small capital projects (\$140,736) rather than permanently borrowing

# FY27 Budget Overview – Other Changes

## •Health Insurance

### Employee rates increased:

- **15.0%** (Nov 2023)
- **8.3%** (Nov 2024)
- **7.0%** (Nov 2025)

### Financial position improved:

- FY24 fund balance as of 6/30/24: **\$1.09M**
- FY25 fund balance as of 6/30/25: **\$4.18M** (+\$3.1M)
- Nov 2025 balance: **\$4.88M**

### Budget:

- FY26: **\$13.19M** (+7.39% over FY25)
- FY27 : **\$13.46M** (+2.10% over FY26)



# FY27 Budget Overview – Other Changes

## •Hybrid Pay-as-you-Throw Program

- Basic Service: 35-gallon cart (no charge)
- Excess Trash: \$2.75 per 33-gallon Town-branded bag
- Supported by New Management Analyst Position
- 11% decrease in tonnage (651 tons) projected
- Recycling costs up 150% over FY25 average
- Budget Revenue of \$275,000
- Net positive budget impact: +\$54,175



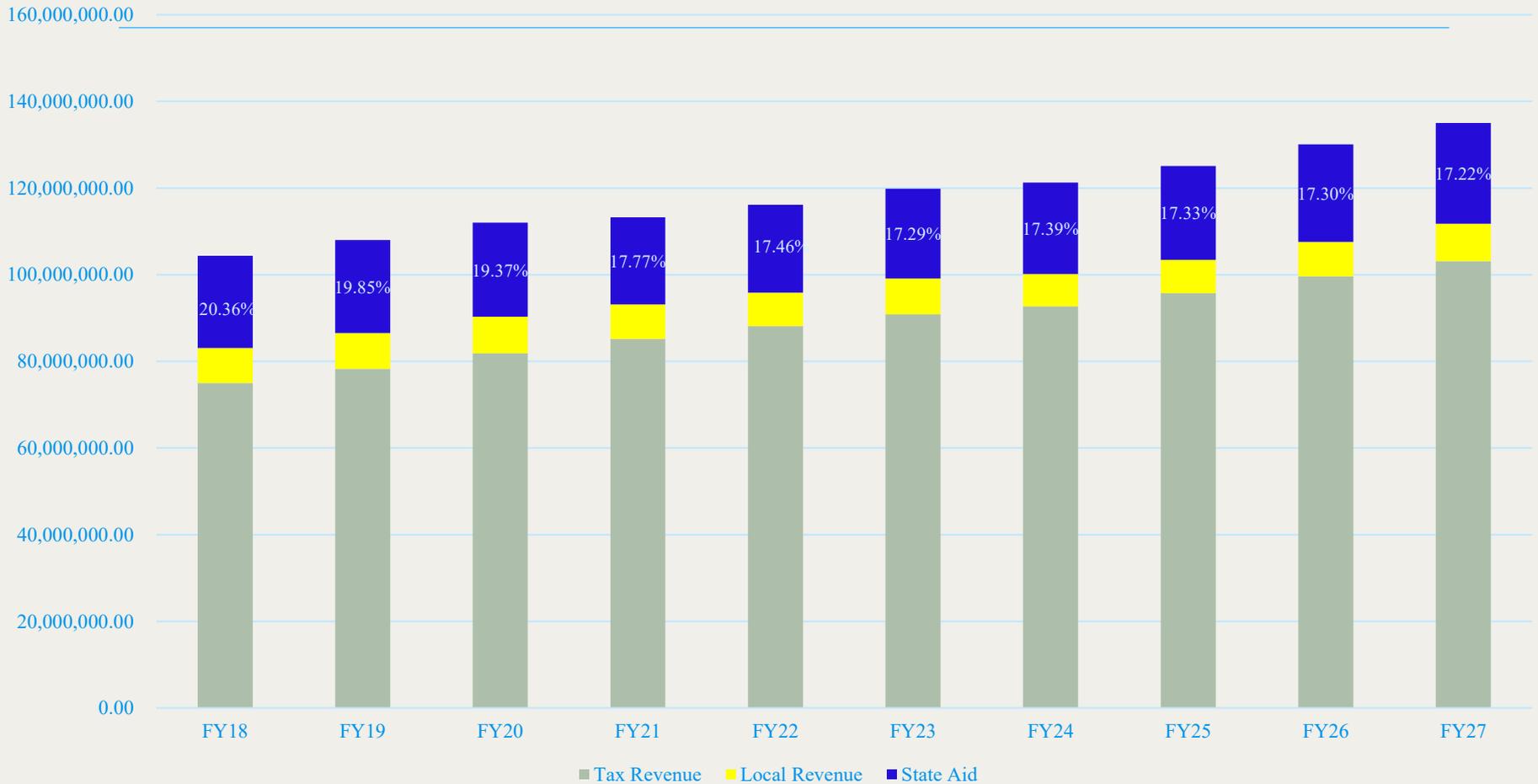
## •Department of Public Works Consolidations

- Adding the 294 Tree Warden, 424 Street Lights, 491 Cemetery Department, and 650 Parks & Grounds Department to the 405 DPW budget in FY27
- Reduces administrative overhead and provides greater flexibility to address unforeseen needs
- Improves transparency by showing full DPW operating costs

# FY26 vs. FY27 Projected General Fund Revenue

Revenue	FY26	FY27	Variance
Tax Revenue	\$99,595,660	\$103,138,808	3,543,148
Proposition 2 ½ Override	0	0	0
Local Revenue	8,007,479	8,626,969	619,490
State Aid	22,508,840	23,256,562	747,722
<b>Total</b>	<b>\$130,111,979</b>	<b>\$135,022,339</b>	<b>\$4,910,360</b>

# General Fund Revenue FY18 to FY27



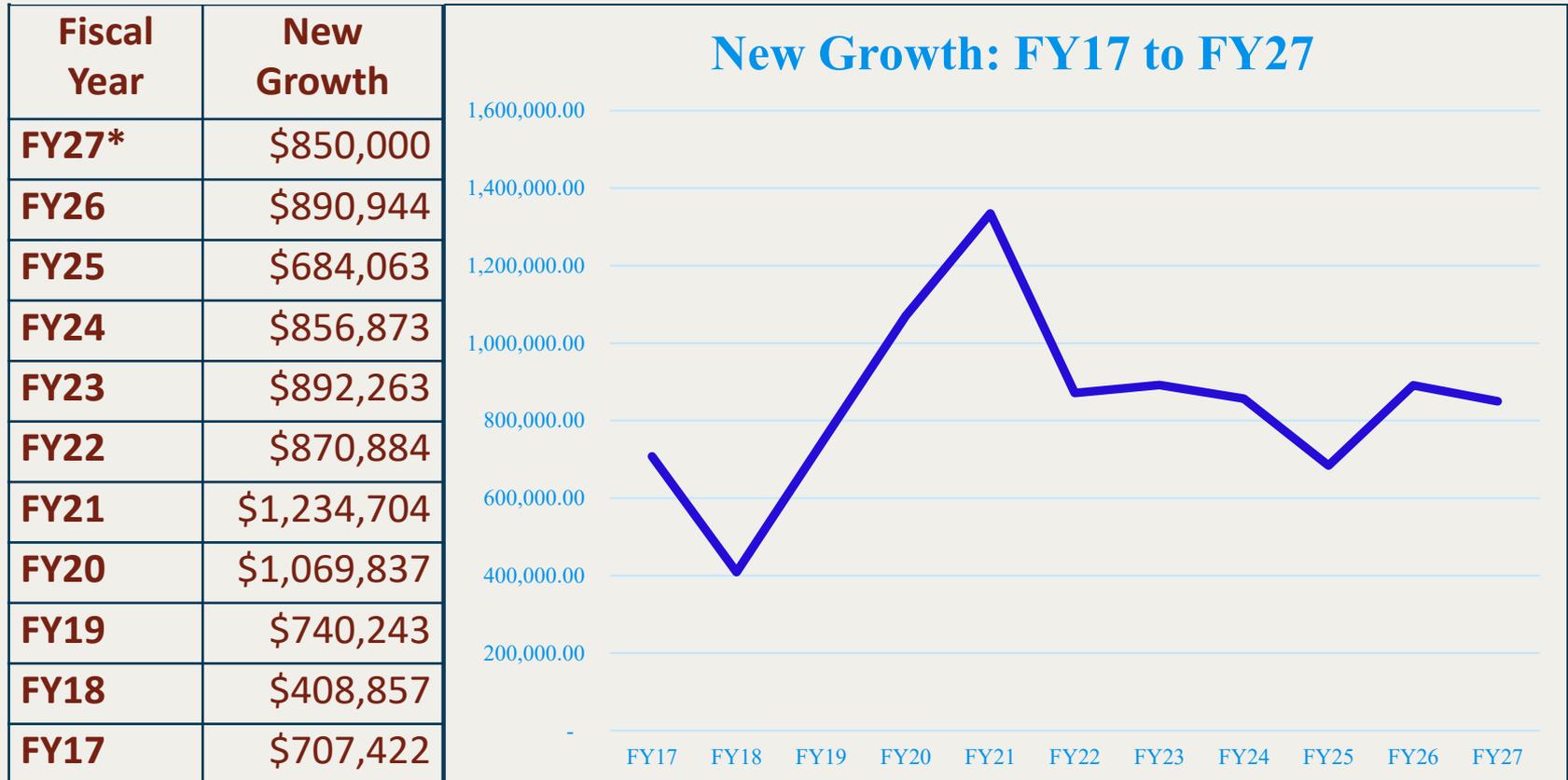
# FY27 State Aid Assumptions

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- Governor's budget not due until January 28, 2026
- Additional **\$150** per student in Chapter 70 funding, or 3.56% increase (Same increase in FY26)
- 2% increase to Unrestricted Government Aid
- 40.64% increase in Veterans' Benefits based on increase in benefits being paid
- 1% increase in all other revenue
- 2.5% increase for State Assessments

# New Growth Historical Data



\*FY27 Estimated Growth

# Projected Additional FY27 General Fund Revenue

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<b>New Revenue</b>	<b>FY27</b>
Tax Revenue: Prop. 2 ½ Increase	\$2,435,941
Tax Revenue: New Growth	850,000
Proposition 2 ½ Override	0
Tax Revenue: PY Excess Capacity	14,337
Tax Revenue: Debt Exclusions	242,870
Local Revenue	619,490
State Aid	747,722
<b>Total New G/F Revenue</b>	<b>\$4,910,360</b>

# Allocation of New Revenue

<b>Total New G/F Revenue</b>	<b>\$4,910,360</b>
<b>Allocation of New Revenue</b>	<b>FY27</b>
Employee Benefits and General Insurance	\$1,339,932
Net Debt Service	447,946
NVTHS Assessment	89,615
Other Amounts to be Raised	5,918
Allowance for Abatements	19,189
State Assessments	21,962
<b>Subtotal</b>	<b>(\$1,924,562)</b>
<b>Funds Remaining for Departmental Expenses</b>	<b>\$2,985,031</b>
Westford Public School Budget 70.4%	2,101,706
Net Town Operating Budgets 29.6%	883,325
<b>Subtotal</b>	<b>\$2,985,031</b>
<b>Net Remaining</b>	<b>\$0</b>

# FY27 Projected Expenditures

Descriptor	Town	School	Other	Total	% of Budget
Westford Public Schools		69,388,572		69,388,572	47.75%
Other Town Departments	27,705,097			27,705,097	19.07%
Community Preservation			1,089,168	1,089,168	0.75%
Debt Service	3,355,834	589,782	43,300	3,988,916	2.75%
Enterprise	1,205,337		8,392,197	9,597,534	6.60%
Risk Management	8,183,015	15,904,535		24,087,550	16.58%
N.V.T.H.S.			1,792,307	1,792,307	1.23%
Other Amounts to be Raised	1,810,241	1,342,500	4,505,445	7,658,186	5.27%
<b>Total</b>	<b>42,259,524</b>	<b>87,225,389</b>	<b>15,822,417</b>	<b>145,307,330</b>	<b>100.00%</b>
% of Budget	29.08%	60.03%	10.89%	100.00%	

# Reserves

Description	FY25 Amount	FY26 Amount	FY26 Available Balance	% of Reserves
General Fund Budget	123,834,018	128,950,189		
Free Cash Balance	\$ 5,653,000	\$ 6,125,295		4.75%
Stabilization Balance	\$ 6,120,827	\$ 6,544,650		5.08%
Total Reserves	\$ 11,773,827	\$ 12,669,945		9.83%
Beginning Balance	\$ 11,773,827	\$ 12,669,945	\$ 12,669,945	9.83%
Less: Reserve Min Balance (5%)	\$ (6,191,701)	\$ (6,447,509)	\$ 6,222,436	-5.00%
<b>Annual Town Meeting Appropriations</b>				
Less: Capital	\$ (2,642,741)	\$ (3,010,105)	\$ 3,212,331	-2.33%
Less: Budget Supplementals	\$ -	\$ (150,000)	\$ 3,062,331	-0.12%
Less: Snow & Ice Deficit	\$ (400,000)	\$ (400,000)	\$ 2,662,331	-0.31%
Less: Perchlorate	\$ (110,000)	\$ (110,000)	\$ 2,552,331	-0.09%
Remaining Available Reserves	\$ 2,429,385	\$ 2,552,331	\$ 2,552,331	1.98%
Total Reserves w/ 5% Min Bal.	\$ 8,621,086	\$ 8,999,840	\$ 8,999,840	6.98%

# FY27 Capital Investment

## Preliminary Capital Planning Committee Recommendation:

Free Cash	\$3,010,105
General Fund Non-Excluded Bonds	\$3,414,000
General Fund Excluded Bonds	\$24,695,000
Enterprise Bonds	\$1,500,000
Enterprise Revenue/Retained Earnings	\$1,531,500
Other Available Funds	\$3,057,001
<b>Total</b>	<b>\$37,207,606</b>
<i>Capital Stabilization current balance: \$602,901</i>	



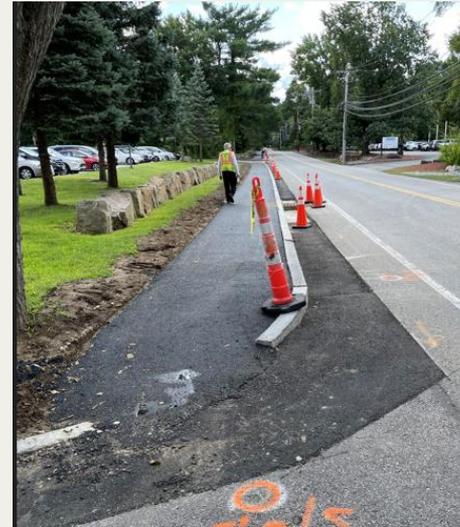
# Non-Excluded Debt Service

- FY27 non-excluded debt service budget is \$1,978,343 with \$1,388,362 permanently bonded and \$589,981 in estimated debt payments for ongoing projects
- We will propose an article at Town Meeting to pay off the following projects using available funds and stormwater enterprise retained earnings. This will free up \$97,673 in FY27 General Fund budget capacity and \$43,063 in Stormwater Enterprise budget capacity

Carlisle Road sidewalk construction (2020)

Plain Road Phase 2 sidewalk construction (2024)

Blue Brook and Pond Brook Culvert design (2021)



- Other capital projects earmarked for borrowing but not yet approved by Town Meeting include the Cameron Senior Center HVAC system, the 30 Beacon Street roof replacement and stabilization project, the Littleton Road widening project, and the Pleasant Street and Patten Road sidewalk project

# Budget Process and Next Steps

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- December 9, 2025 - Town Manager Budget Presentation
- December 1, 2025, January 5 and 20, 2026 – School Committee Budget Discussions
- January 8 to February 5, 2026 – Finance Committee Budget Hearings
- January 27, 2026 – Select Board vote to close warrant
- January 28, 2026 - State Aid Released
- Early February - NVTHS Budget
- February 11, 2025 – Select Board sets the order of warrant articles
- Mid – February - Final Budget Adjustments
- March 19, 2026 – Tentative date for League of Women Voters Annual Town Meeting Preview
- March 28, 2026 – Annual Town Meeting at 9 AM at Westford Academy

# How the Public Can Stay Involved

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- Bookmark the Town's Budget Page  
<https://www.westfordma.gov/1625/Budgets>
- Attend the Finance Committee Public Hearings in January and February 2026
- Attend Town Meeting on March 28, 2026, at 9 AM at Westford Academy
- Sign up for Town Notifications:  
<https://www.westfordma.gov/list.aspx>
- Town [Facebook](#) / [X](#) accounts
- Email the Town Manager ([klas@westfordma.gov](mailto:klas@westfordma.gov)) and/or Select Board ([selectboard@westfordma.gov](mailto:selectboard@westfordma.gov)) with questions or concerns

# Thank You!

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- Thank you to involved Boards and Committees
- Thank you to our department heads and their staff for working with us during this difficult budget process
- We welcome the public's input and suggestions
- 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

