

## FY 2027 Budget Questions & Answers Finance Committee

Dept. Number, Name + Account	Questioner's Name/Question	Response
710 Debt Service	Fryer: Is the estimated cost of \$24.1 million for the Westford Academy roof and HVAC replacement included in the calculations? If not, can we please add this?	Edwards/O'Donnell: We are exploring the option of pursuing the roof project through MSBA's Accelerated Repair Program (ARP). ARP applications open Spring 2027. We continue to look at including the RTU's as part of a future phase of a performance contract. At this time, we are not including any debt service projections until we have additional information, but in any event this would impact FY28 at the earliest and would most likely need to be excluded debt given the estimated costs.
710 Debt Service	Fryer: What percentage of a tax bill is represented by excluded debt each year through 2034 (when it currently seems to reach a peak based on the chart on P139)? For ease of calculation can we assume 2.5% Prop 2.5% increases in the levy portion of a tax bill.	O'Donnell: Please see the attached worksheet. It shows the actual excluded debt from FY05 to FY26, with projections for FY27 to FY34.  The analysis includes \$24,695,000 as a placeholder for the Westford Academy Roof and Business Management Units (BMU) for town and school buildings. Based on the MSBA timeline, this is the earliest year we would see a timeline.  It also includes a \$50,000,000 placeholder for the Robinson School. The MSBA has not yet made a recommendation for the future of the Robinson School, so this is a placeholder at this point in time.
710 Debt Service	Greene: I don't see any of the Capital projects being voted at ATM 2026 scheduled for debt service listed. What will their impact be if all are approved?	O'Donnell: The initial debt payments for the following projects are earmarked for FY28: <ul style="list-style-type: none"> <li>• Cameron Senior Center HVAC - \$86,775 (20 year bond)</li> <li>• 30 Beacon St. Roof Replacement &amp; Stabilization Project - \$74,025 (10 year bond)</li> <li>• Littleton Rd Widening Project - \$80,194 (10 year bond)</li> <li>• Pleasant St. and Patten Rd. Sidewalk Project - \$72,313 (20 Year Bond)</li> </ul>
710 Debt Service	Greene: FY27 is showing a large increase in excluded debt. How will this impact individual	O'Donnell: Please see the attached worksheet referenced before. The median house assessed at \$852,100 will see an estimated

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	property tax bills in FY28?	increase of \$37.34 in excluded debt from FY27 to FY28.
710 Debt Service	Greene: Non-excluded debt is increasing by roughly \$350K from FY27 – 28. How will this impact the FY28 budget?	O'Donnell: The Budget Policy states that we fund all debt obligations first. The estimate for the four new projects listed above is \$313,307, which will be paid from available funds. The total projected increase is \$391,466 if the additional projects are approved and ready to be permanently borrowed in FY28. There is a very good chance some of the projects could take longer to complete, meaning we may only have a short term payment in FY28, allowing the Town to increase the budget for these projects over two years. Since this is non-excluded debt, the payments will come from the general fund which will lower the available budget capacity that we have for other needs.
710 Debt Service	Galvin: Can you confirm that we are going to experience a significant spike in the payment for the library of 87% this year. How will this affect the tax bill?	O'Donnell: The total excluded debt from the library that was added to the FY26 tax bill was \$698,102. For the average house estimated at \$852,100, the annual tax impact is estimated at \$78.30. For FY27, we have a placeholder of \$900,000 for debt service, which is a 28.9% increase. For the average house estimated at \$852,100, the annual tax impact is estimated at \$100.95. We will not have the actual FY27 amount until after we issue short term notes in May 2026. However, the tax levy can only be raised by the actual amount of expense incurred.
710 Debt Service	Galvin: What is the update on the Town Farm Road project? Is this spiking in FY27 as well?	Beyer - A total of \$3 million has been authorized for the Town Farm Rd. project, consisting of \$1 million in available cash and \$2 million in borrowing. While the project is expected to begin imminently, no debt service has been paid to date. A placeholder of \$122,000 has been included in the budget over the past 2–3 years to account for potential short-term interest costs; however,

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		<p>this has been closed out at year end since the project had not yet commenced.</p> <p>We are projecting approximately \$200,000 in principal and \$85,000 in interest in FY27, which would be the first year the \$2 million in debt is issued. Depending on the timing of the borrowing, it is possible that debt service payments may not begin until FY28.</p>
710 Debt Service	Galvin: Please explain what the Debt not authorized is?	O'Donnell: Through our capital planning process, departments are required to develop a 5 year-capital plan so we can see if any larger projects are on the horizon. We create projections for these capital items and include them in our debt model. Anything under the category of "Debt Not Yet Authorized" has not been approved by Town Meeting yet.

**Cost of Excluded Debt on the Tax Rate**

<b>Town of Westford</b>												
<b>FY05 to FY34 Estimated Tax Impact on Median House</b>												
<b>February 5, 2026</b>												
Year	Total Assessed Value	Levy Raised by Taxes	Tax Rate	Proof	Excluded Debt from Fall Off	Estimated WA Roof & BMU Debt	Estimated Robinson School Debt	Amount Raised Over 2 1/2	Adds to Tax Rate	% of tax rate	Cost of Debt on Avg House/yr	Average Home Value (1000)
2005	3,470,780,788	47,480,281	13.68	13.68	6,558,197			6,558,197	<b>1.890</b>	13.81%	787.83	416.94
2006	3,793,951,953	49,017,341	12.92	12.92	5,877,637			5,877,637	<b>1.549</b>	11.99%	714.78	461.38
2007	3,894,563,061	51,017,245	13.10	13.10	6,059,755			6,059,755	<b>1.556</b>	11.88%	731.83	470.34
2008	3,907,172,157	52,357,398	13.40	13.40	5,615,543			5,615,543	<b>1.437</b>	10.73%	672.40	467.84
2009	3,885,827,988	54,282,805	13.97	13.97	5,153,246			5,153,246	<b>1.326</b>	9.49%	608.95	459.18
2010	3,822,820,412	55,927,681	14.63	14.63	5,048,850			5,048,850	<b>1.321</b>	9.03%	595.27	450.72
2011	3,758,783,545	57,247,754	15.23	15.23	4,081,074			4,081,074	<b>1.086</b>	7.13%	478.98	441.15
2012	3,824,755,642	59,474,751	15.55	15.55	3,968,758			3,968,758	<b>1.038</b>	6.67%	460.52	443.81
2013	3,839,246,350	61,929,284	16.13	16.13	3,818,892			3,818,892	<b>0.995</b>	6.17%	437.68	440.01
2014	3,796,242,924	63,016,307	16.60	16.60	3,522,918			3,522,918	<b>0.928</b>	5.59%	408.78	440.50
2015	4,177,511,486	67,843,888	16.24	16.24	3,186,316			3,186,316	<b>0.763</b>	4.70%	354.24	464.44
2016	4,314,171,996	70,321,012	16.30	16.30	3,113,477			3,113,477	<b>0.722</b>	4.43%	345.23	478.37
2017	4,318,287,234	70,863,208	16.41	16.41	2,891,595			2,891,595	<b>0.670</b>	4.08%	328.61	490.75
2018	4,635,965,811	75,011,644	16.18	16.18	2,741,369			2,741,369	<b>0.591</b>	3.65%	307.72	520.39
2019	4,727,013,661	78,281,803	16.56	16.56	2,887,409			2,887,409	<b>0.611</b>	3.69%	325.35	532.64
2020	5,011,150,276	81,832,084	16.33	16.33	2,964,409			2,964,409	<b>0.592</b>	3.62%	334.64	565.69
2021	5,119,071,724	85,181,353	16.64	16.64	2,997,311			2,997,311	<b>0.586</b>	3.52%	322.62	551.00
2022	5,466,247,494	88,115,910	16.12	16.12	2,993,991			2,993,991	<b>0.548</b>	3.40%	328.85	600.40
2023	6,154,315,654	90,837,699	14.76	14.76	2,687,414			2,687,414	<b>0.437</b>	2.96%	288.42	660.50
2024	6,732,871,223	92,713,046	13.77	13.77	1,485,882			1,485,882	<b>0.221</b>	1.60%	166.95	756.50
2025	7,105,483,488	95,710,863	13.47	13.47	1,553,001			1,553,001	<b>0.219</b>	1.62%	174.11	796.60
2026	7,596,922,937	99,609,997	13.11	13.11	2,172,349			2,172,349	<b>0.286</b>	2.18%	243.66	852.10
2027	7,596,922,937	99,609,997	13.11	13.11	2,505,219			2,505,219	<b>0.330</b>	2.52%	280.99	852.10
2028	7,596,922,937	99,609,997	13.11	13.11	2,473,094			2,473,094	<b>0.326</b>	2.48%	277.39	852.10
2029	7,596,922,937	99,609,997	13.11	13.11	3,081,937	1,785,757	1,062,500	5,930,194	<b>0.781</b>	5.95%	665.15	852.10
2030	7,596,922,937	99,609,997	13.11	13.11	3,051,037	1,785,757	2,125,000	6,961,794	<b>0.916</b>	6.99%	780.86	852.10
2031	7,596,922,937	99,609,997	13.11	13.11	2,809,787	1,785,757	3,615,625	8,211,169	<b>1.081</b>	8.24%	921.00	852.10
2032	7,596,922,937	99,609,997	13.11	13.11	2,809,787	1,785,757	3,615,625	8,211,169	<b>1.081</b>	8.24%	921.00	852.10
2033	7,596,922,937	99,609,997	13.11	13.11	2,434,662	1,785,757	3,615,625	7,836,044	<b>1.031</b>	7.87%	878.92	852.10
2034	7,596,922,937	99,609,997	13.11	13.11	2,220,262	1,785,757	3,615,625	7,621,644	<b>1.003</b>	7.65%	854.87	852.10