

# West Boylston, MA

## Budget Educational Overview

Presented by West Boylston  
Finance Committee

May 13, 2024





# Sources and Credits for Data

- West Boylston Town Accountant
- West Boylston Public Schools
- West Boylston Town Administrator
- Archived Town Meeting Reports
- Massachusetts Department of Local Services



# WB Finance Committee

- 7 members with >50 years of combined service on the finance committee
- Appointed by the Select Board
- Work includes:
  - Review operating budgets and capital requests with Departments
  - Organizing inventory of Town capital assets and needs
  - Opine on Financial related Articles set forth in the Town Meeting Warrant



What we said in FY24...

**The next few years *may* be very different  
than the last few from a budget  
perspective**


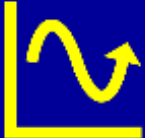




# Summary Message Now

**In FY 2025, West Boylston projects a  
\$1.3M Structural Operating Deficit**



# Topics

	<h2>Tax background</h2>
	<h2>Operating Budget Revenue and Expenses</h2>
	<h2>Explain key reasons for gap this year</h2> <ul style="list-style-type: none"><li>• Revenue growth has not kept up with expenses and inflation</li><li>• Reduction in state funding and Pandemic related funding</li></ul>
	<h2>Preview options moving forward</h2> <ul style="list-style-type: none"><li>• Proposition 2 ½ operating override</li><li>• Reduction in services, personnel, programs</li><li>• Town Meeting and Town Election Votes</li></ul>





# Residential Property Tax

Resident tax rate is based on tax rate and assessed value. West Boylston average single family tax bill is lower than almost all surrounding towns.

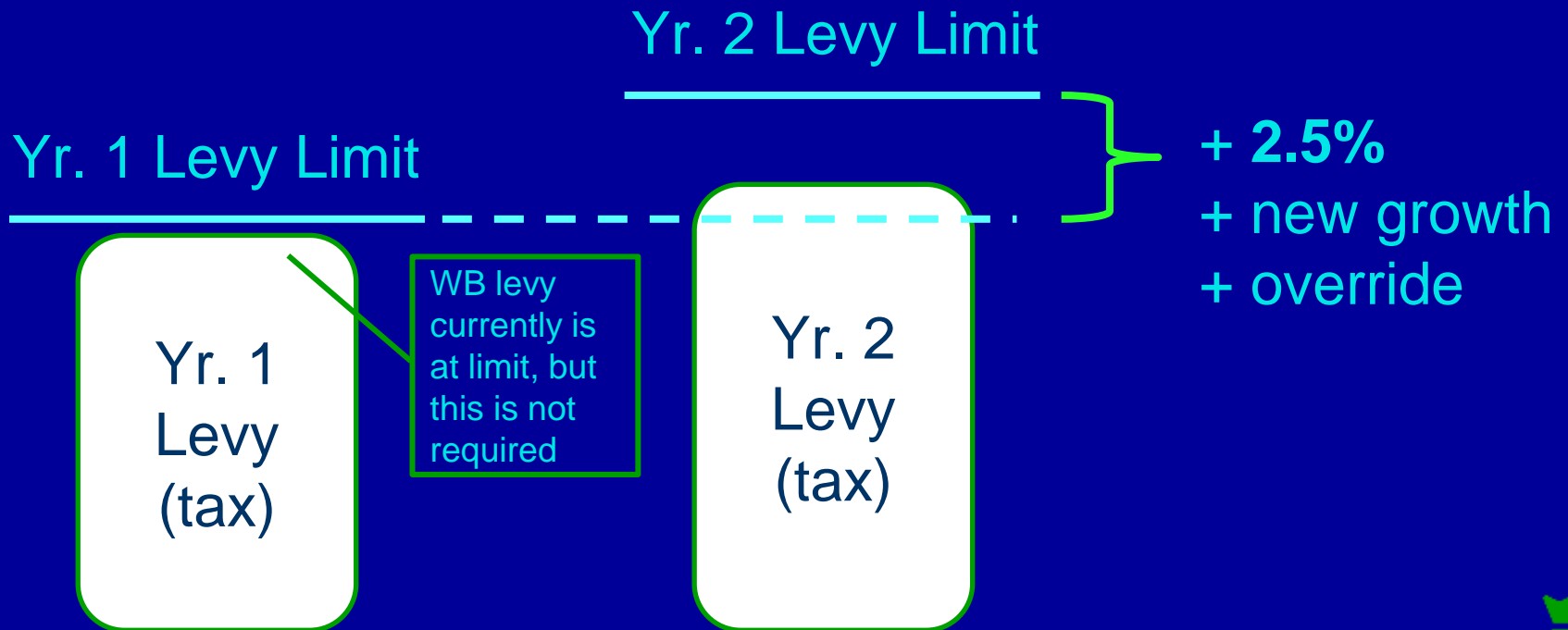
Municipality	Fiscal Year	Single Family Values	Single Family Parcels	Average Single Family Value	Single Family Tax Bill	Single Family Tax Bill as % of Value	DOR Income Per Capita	Average Tax Bill as a % of Income
Leicester	2024	1,156,784,900	3,206	360,819	4,528	1.26	35,514	12.75
Clinton	2024	983,613,870	2,439	403,286	5,299	1.31	33,412	15.86
Rutland	2024	1,221,985,475	2,860	427,268	6,336	1.48	41,837	15.14
<b>West Boylston</b>	<b>2024</b>	<b>935,617,931</b>	<b>2,002</b>	<b>467,342</b>	<b>6,907</b>	<b>1.48</b>	<b>39,325</b>	<b>17.56</b>
Holden	2024	2,978,824,000	6,075	490,341	6,938	1.42	48,972	14.17
Sterling	2024	1,344,498,900	2,559	525,400	6,993	1.33	51,644	13.54
Princeton	2024	659,168,900	1,256	524,816	7,363	1.40	69,905	10.53
Paxton	2024	710,104,103	1,547	459,020	7,376	1.61	42,698	17.27
Boylston	2024	867,643,400	1,491	581,920	8,036	1.38	65,579	12.25
Shrewsbury	2024	6,286,112,436	9,420	667,316	8,261	1.24	65,138	12.68
Berlin	2024	552,087,980	845	653,359	8,330	1.28	54,143	15.39
Northborough	2024	2,545,954,550	4,077	624,468	8,917	1.43	64,398	13.85





# Proposition 2.5 Illustration

Levy Ceiling = 2.5% of total property value







# Assessing Tax

Our tax levy each year is calculated based on

- the Levy Limit, and
- the town operating budget *approved by Town Residents at Town Meeting*

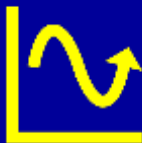
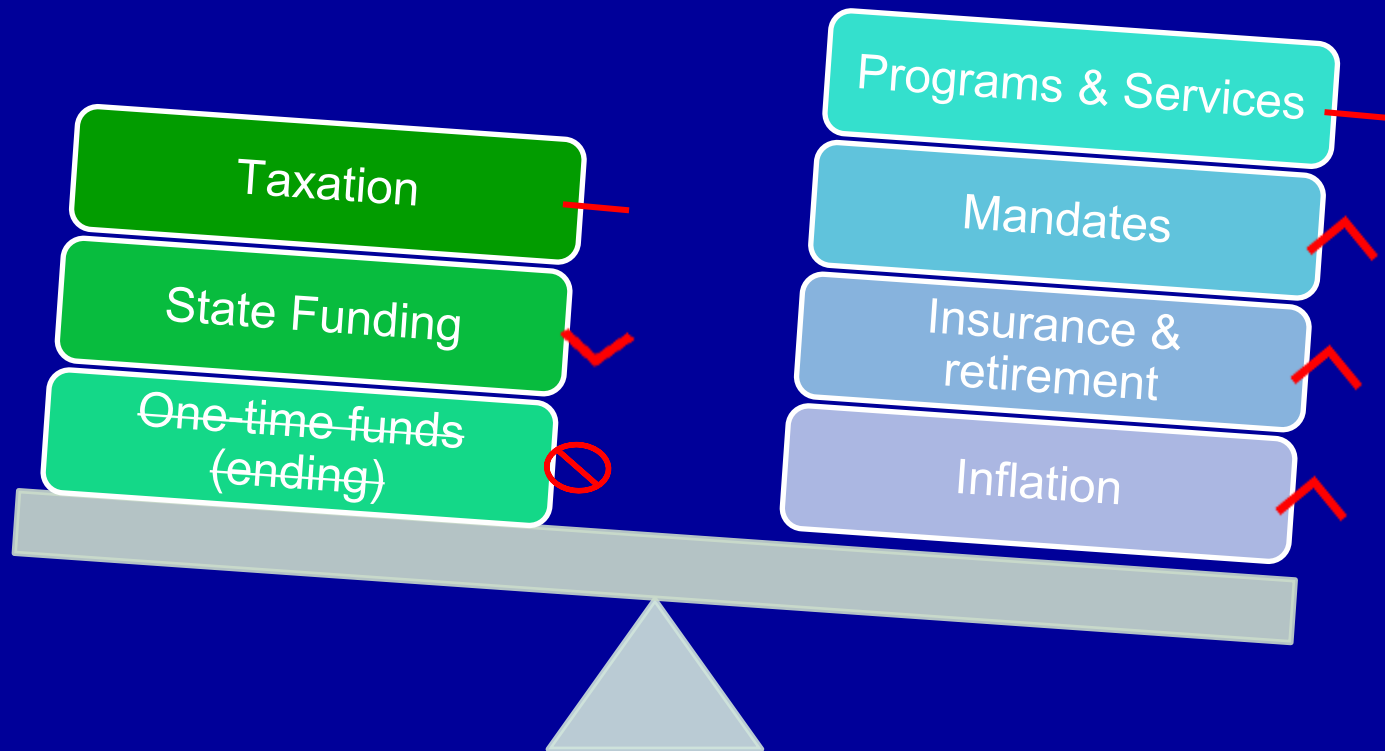




# Operating Budget

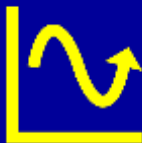
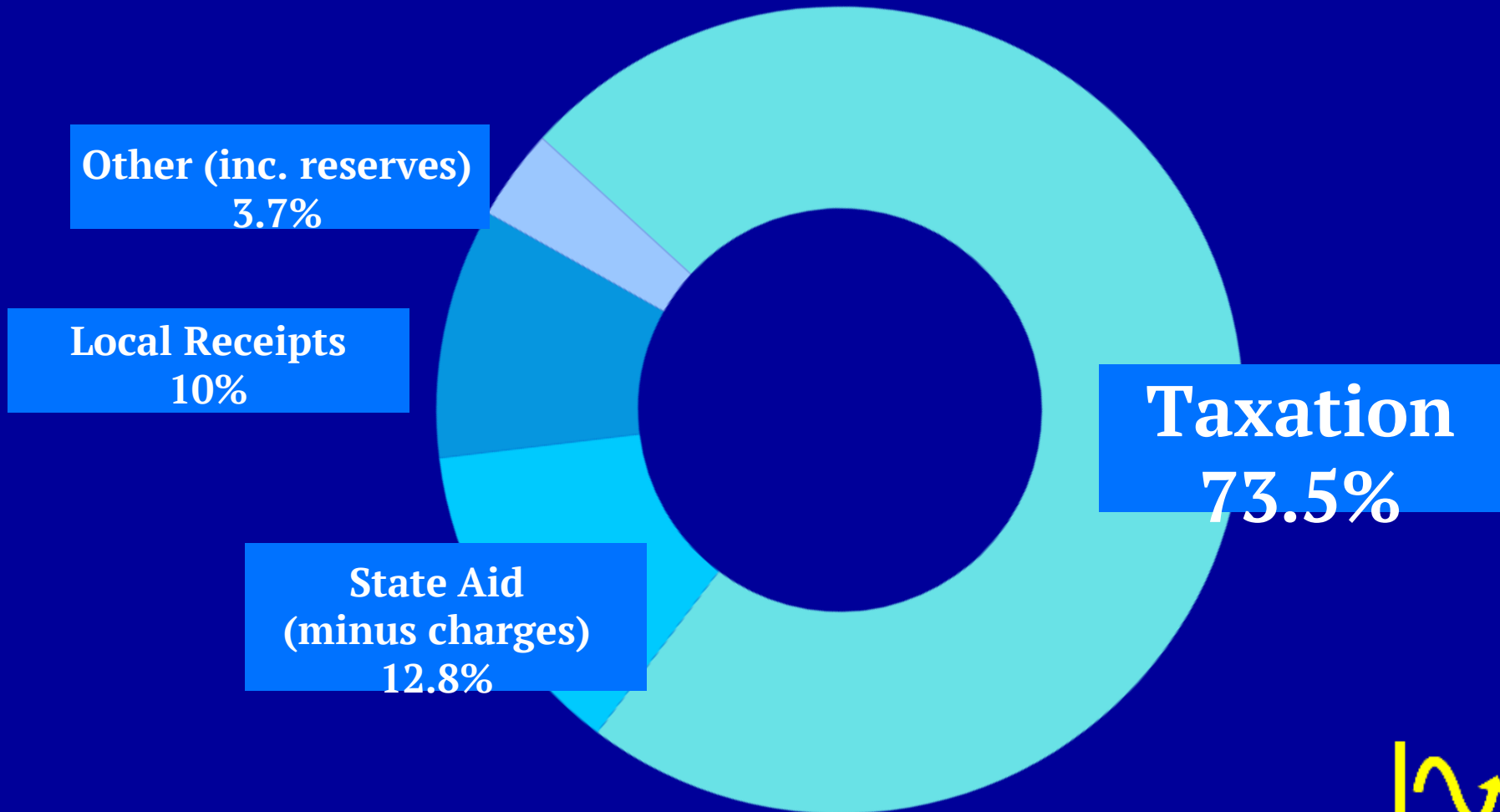
Funding Sources

Expenses





# FY25 Revenues





# Fund Source Explanations

Funds Source	2025 \$	Meaning/Explanation
Prior Tax Levy Basis	\$20,733,377	Total property taxes from 2024 directly to taxpayers
Prop 2 ½ Growth	\$518,334	Allowed growth in tax levy authority per Proposition 2 ½
New Growth	\$150,000	Additional property taxes because of new construction
Chapter 70	\$3,182,925	Funds allocated to the schools by the state based on a per pupil metric that changes with time
School Choice	\$792,367	Funds accessible by the schools based on student attending WB schools from other towns
Free Cash	\$300,000	Difference between Funds authorized for FY 2024 and encumbered and then allocated to the FY2025 budget
Ambulance Receipts	\$725,000	Funds generated by Ambulance calls allocated to the current FY2025 Budget
General Government	\$1,017,649	Mostly Municipal Aid with some other minor sources
Local Receipts	\$3,013,335	Misc. Local Receipts :Motor vehicle excise, SWAT fees, meals & rooms tax, licenses and permits, PILOT

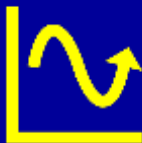




# Growth of Funding Sources over Time\*

Funds Source	2015	2020	2025	% change
Prior Tax Levy Basis	\$14,342,022	\$17,321,101	\$20,733,377	45%
Prop 2 ½ Growth	\$358,551	\$433,028	\$518,334	45%
New Growth	\$165,979	\$212,459	\$150,000	-10%
Chapter 70	\$2,886,885	\$3,034,005	\$3,182,925	10%
School Choice (net sending)	\$318,576	\$358,062	\$563,794	76%
Free Cash	\$220,000	\$225,000	\$300,000	36%
Ambulance Receipts	\$362,000	\$300,000	\$725,000	100%
All General Govt	\$847,871	\$989,073	\$1,017,649	20%
Local Receipts	\$2,718,921	\$2,850,044	\$3,031,335	11%

\*This represents all major revenue sources, but doesn't detail the more minor sources



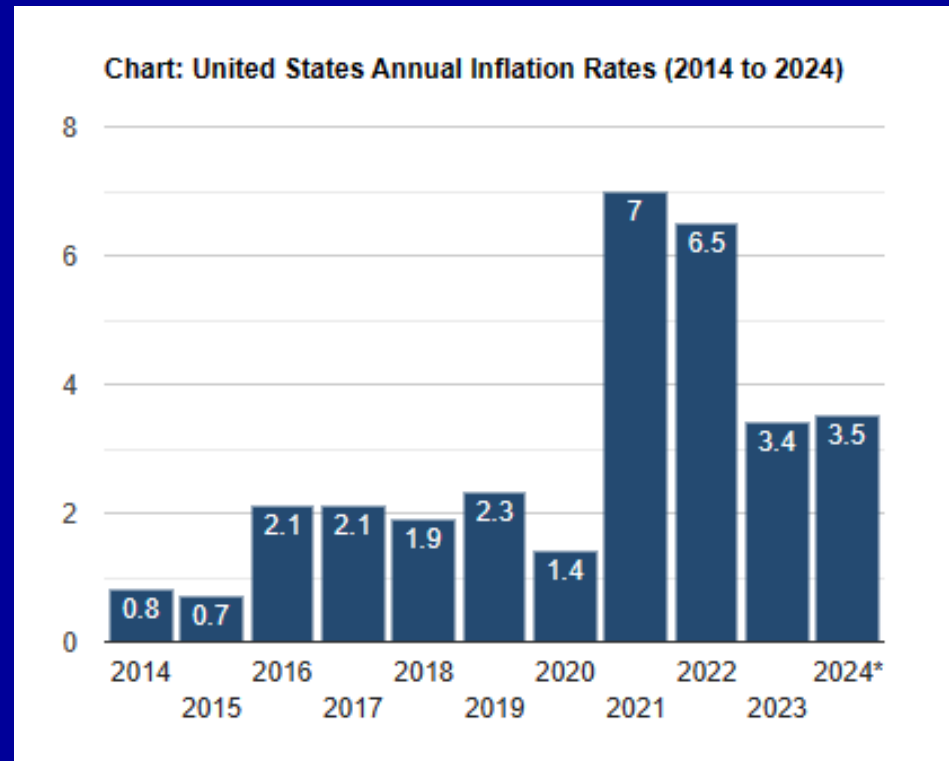


# Budget Growth vs. Inflation

WB budget has grown at approximately same rate as inflation

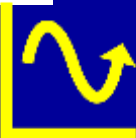
Year	Total Budget	% Increase
2015	\$21,875,731	
2016	\$22,511,871	2.91%
2017	\$22,971,433	2.04%
2018	\$23,670,083	3.04%
2019	\$24,592,407	3.90%
2020	\$25,433,674	3.42%
2021	\$26,250,571	3.21%
2022	\$26,725,442	1.81%
2023	\$27,695,475	3.63%
2024	\$28,943,843	4.51%
2025	\$30,051,607	3.73%

Average 3.22%/year 2015-2025



Average 3.36%/year 2015-2024\*

\*Ref US BOL statistics & US Inflation Calculator

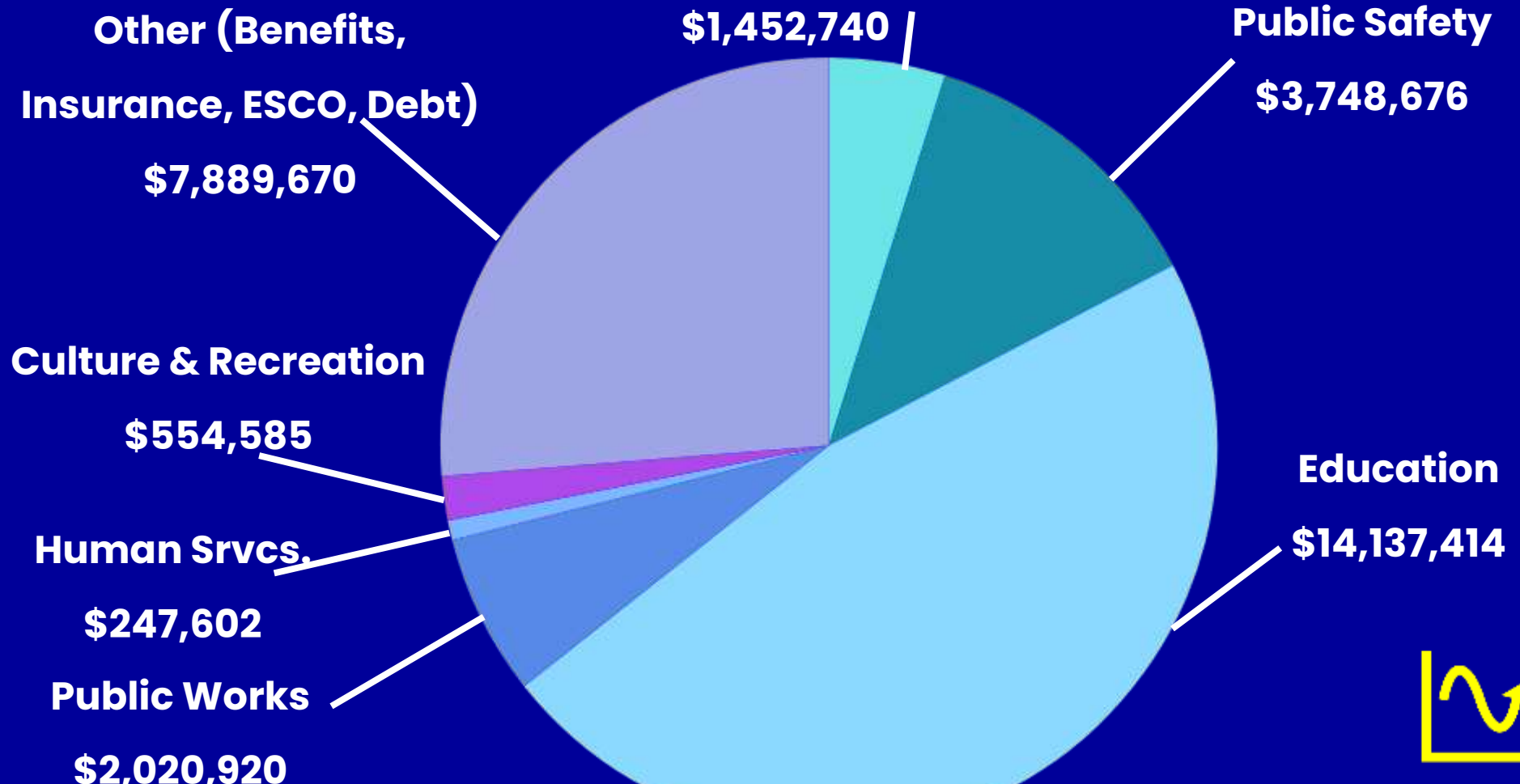






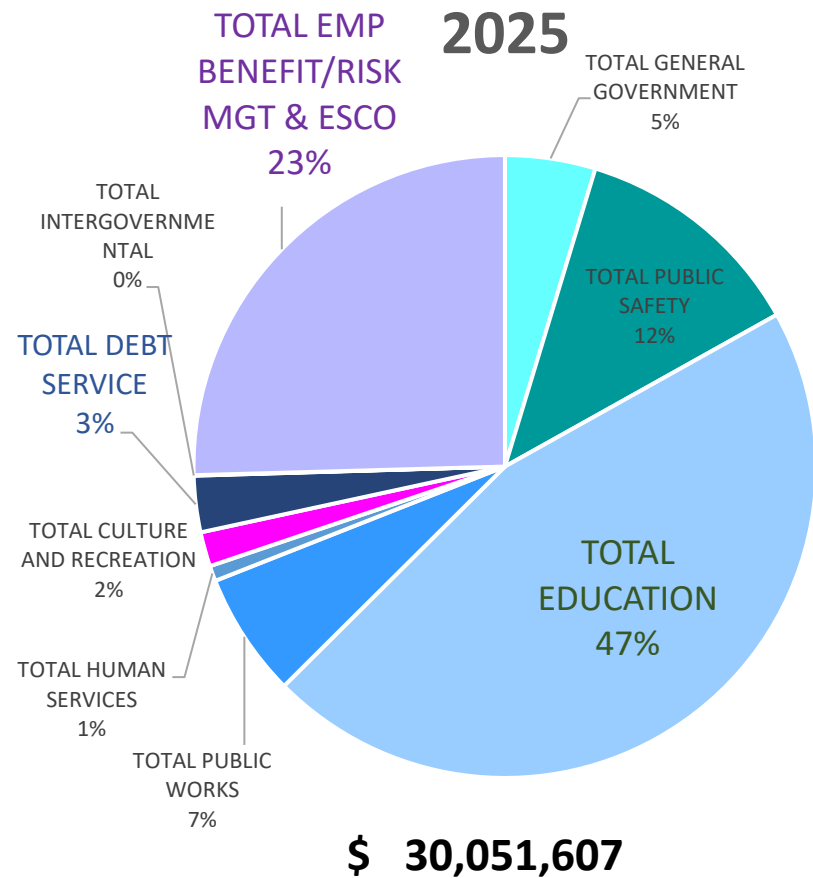
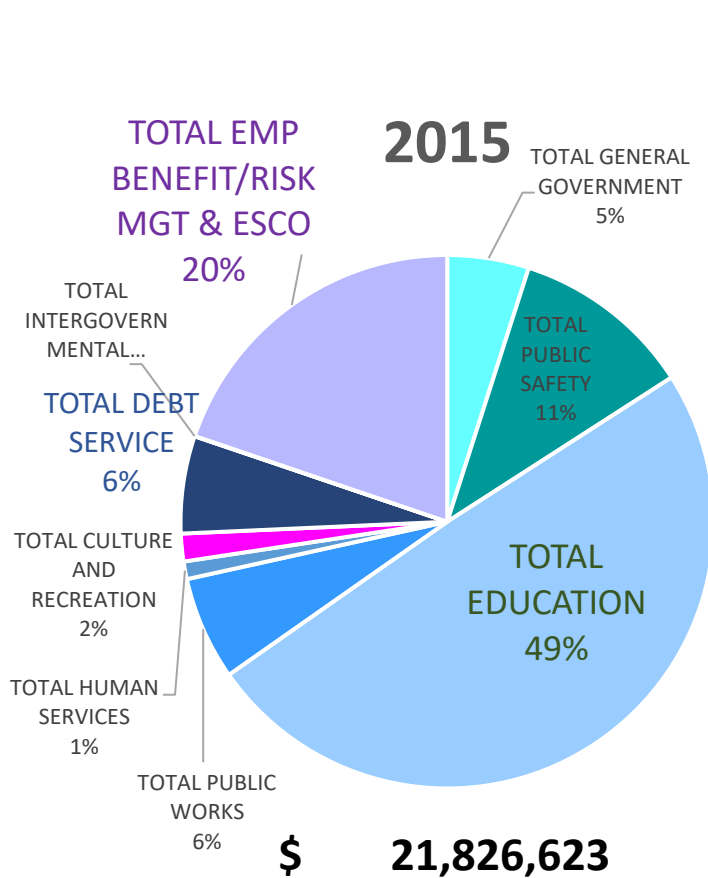
# FY25 Expenses

## General Government





# 10 Year Budget Growth by Dept





# Growth of Expenses

## 10 Year Budget Growth By Dept

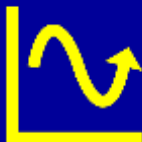




# 10 Year Budget Growth by Dept

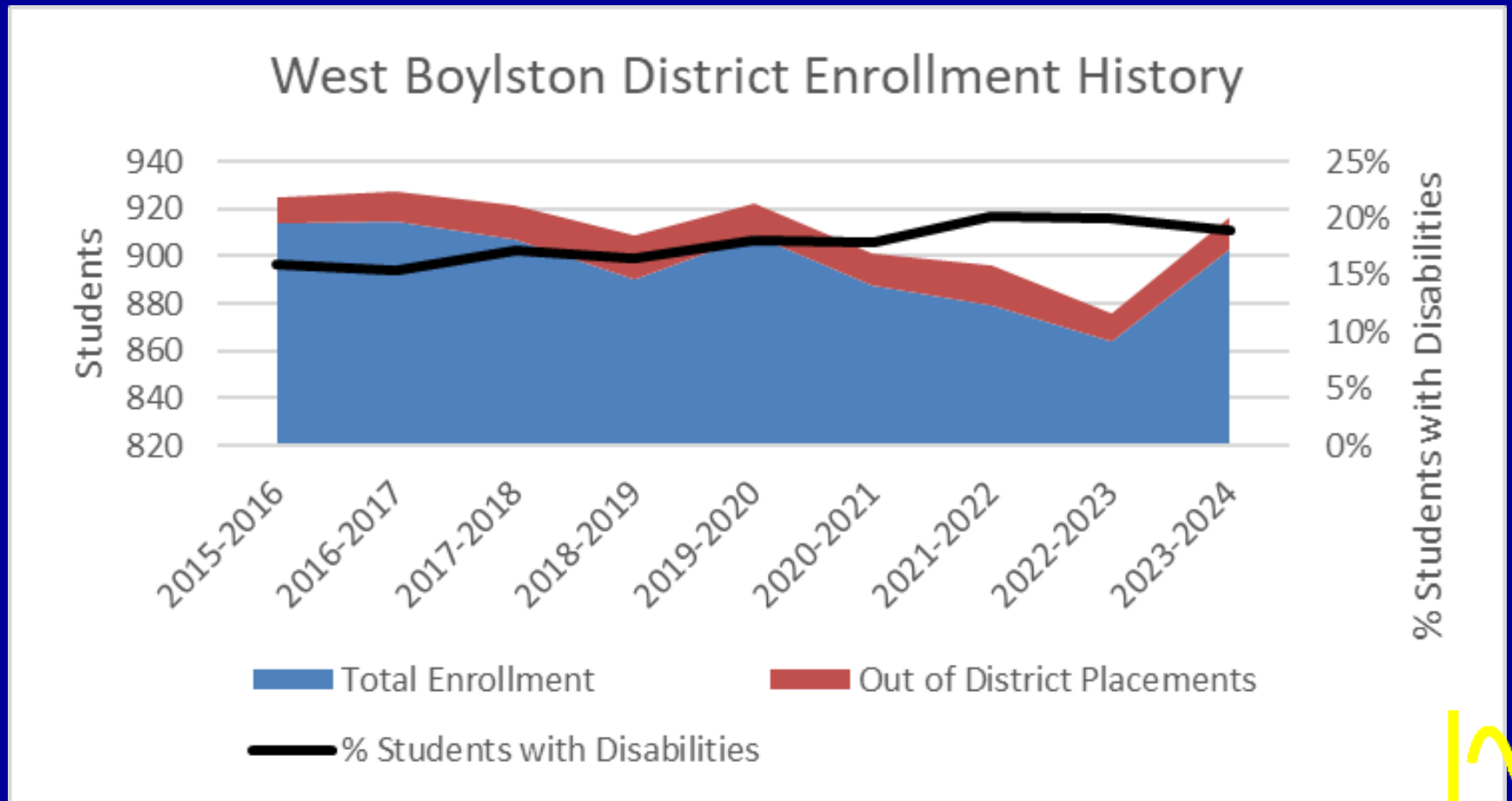
Department	10 year Growth Rate
TOTAL GENERAL GOVERNMENT	35%
TOTAL PUBLIC SAFETY	58%
TOTAL EDUCATION	31%
TOTAL PUBLIC WORKS	46%
TOTAL HUMAN SERVICES	6%
TOTAL CULTURE AND RECREATION	51%
TOTAL DEBT SERVICE	-30%
TOTAL INTERGOVERNMENTAL	77%
TOTAL EMP BENEFIT/RISK MGT & ESCO	82%

Comparative	Rate
WB Budget	44%
Inflation (2015-2025)	34%
Prop 2 ½ Allowed	28%





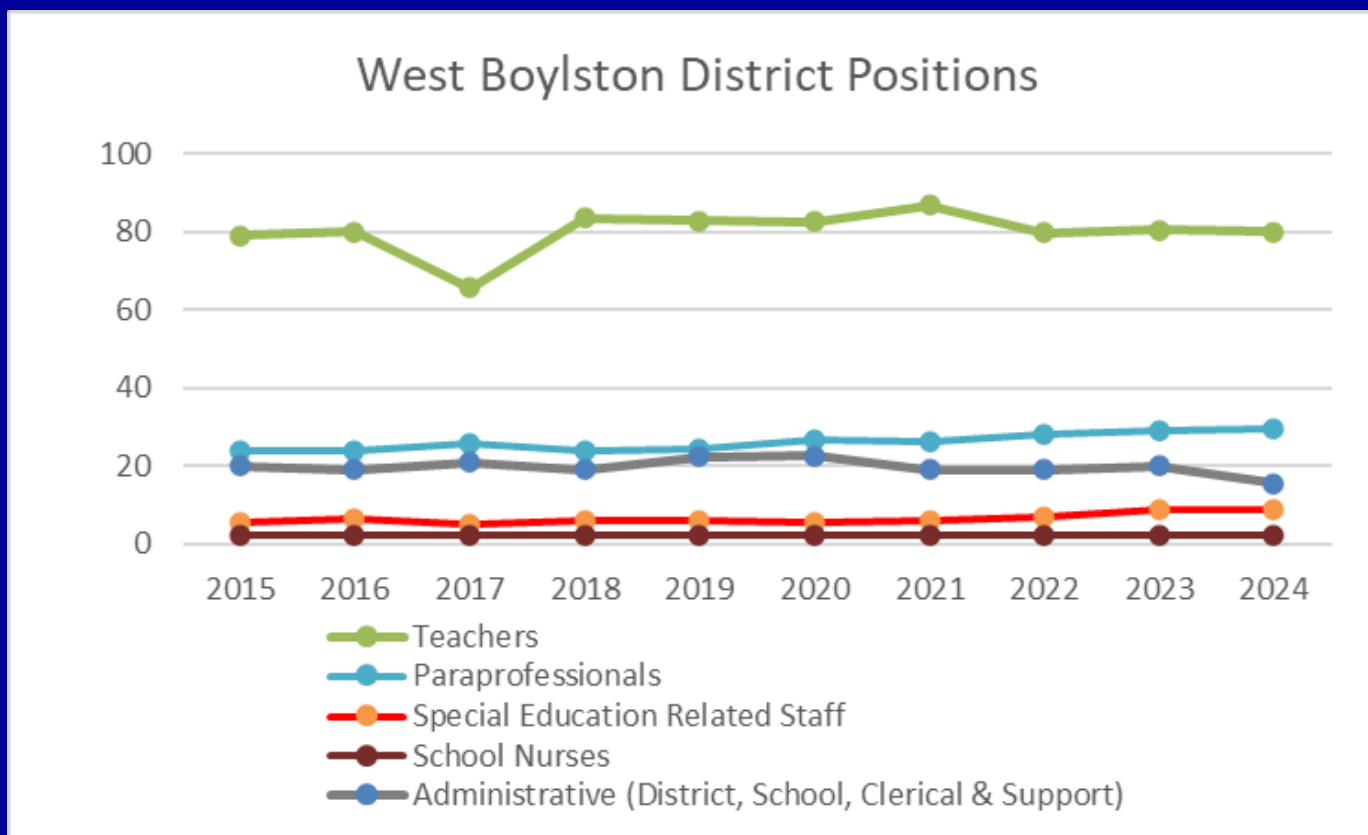
# Education Needs





# Education Spending

Paraprofessional and Special Education Related positions have increased.  
Number of positions in other categories are stable/unchanged.







# Education Spending and Revenue

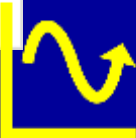
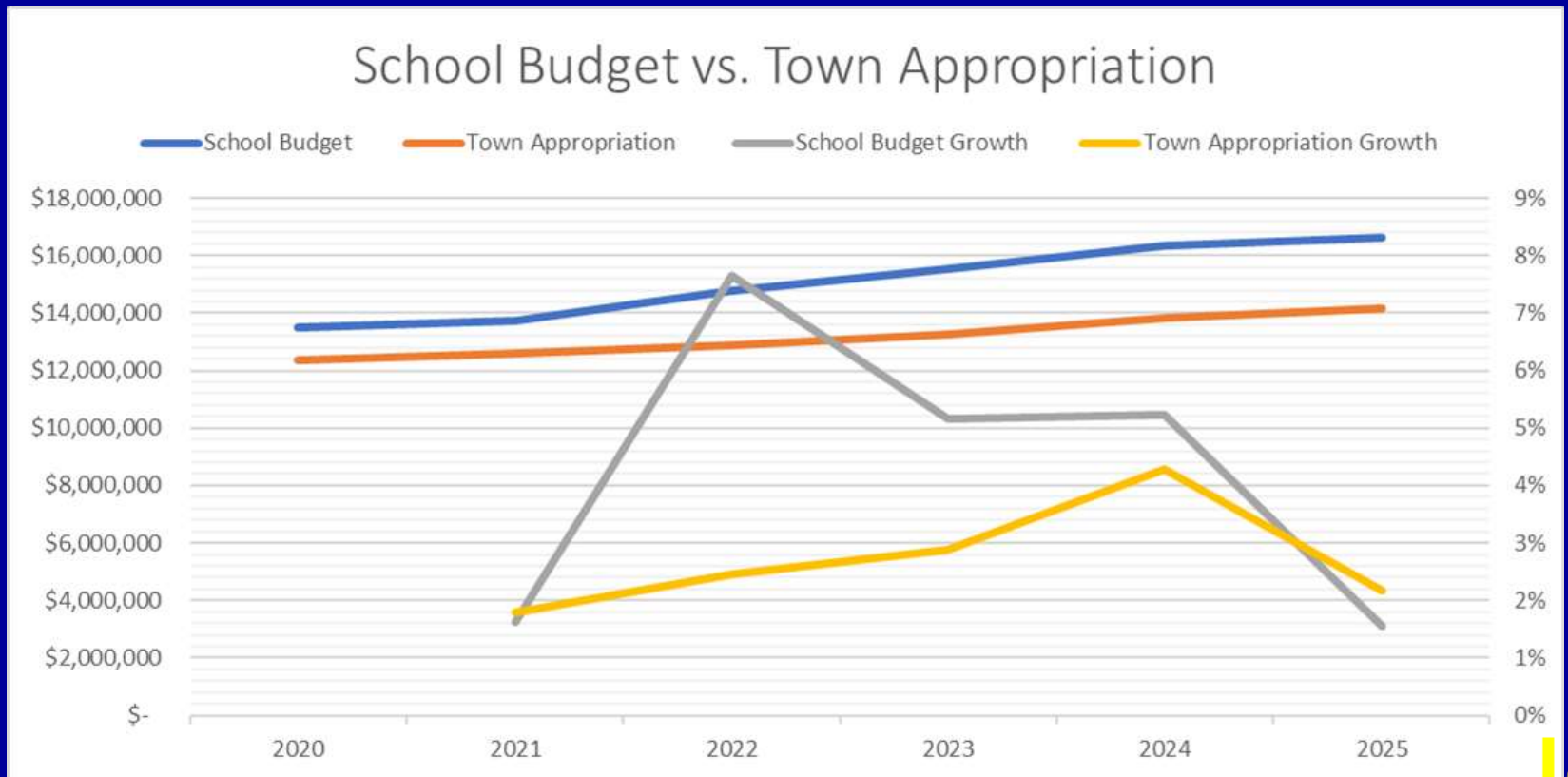
Increasing Commitment to Special Education Curriculum and Mandates  
Increased Reliance on potentially non-recurring sources

School Operating Budget	FY20	% of	FY21	% of	FY22	% of	FY23	% of	FY24	% of	FY25	% of
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Regular Education	8,951,318	66%	9,000,487	66%	9,296,872	63%	9,626,668	62%	9,664,998	59%	9,654,469	58%
Vocational Education	515,930	4%	374,201	3%	521,137	4%	476,180	3%	558,894	3%	540,324	3%
Special Education	4,046,971	30%	4,360,306	32%	4,968,424	34%	5,445,749	35%	6,138,400	38%	6,421,801	39%
<b>Total School Budget</b>	<b>13,514,219</b>	<b>100%</b>	<b>13,734,994</b>	<b>100%</b>	<b>14,786,433</b>	<b>100%</b>	<b>15,548,598</b>	<b>100%</b>	<b>16,362,292</b>	<b>100%</b>	<b>16,616,594</b>	<b>100%</b>

Revenue Summary	FY20	% of	FY21	% of	FY22	% of	FY23	% of	FY24	% of	FY25	% of
		Budget		Budget		Budget		Budget		Budget		Budget
Town Appropriation	12,367,442	91.51%	12,588,741	91.65%	12,896,808	87.22%	13,270,218	85.35%	13,837,414	84.57%	14,137,414	85.08%
School Choice	527,401	3.90%	398,489	2.90%	553,992	3.75%	809,243	5.20%	1,096,204	6.70%	819,993	4.93%
Circuit Breaker /SPED Tuition	254,289	1.88%	258,142	1.88%	467,241	3.16%	534,771	3.44%	714,763	4.37%	1,275,688	7.68%
Revolving Funds	27,846	0.21%	3,118	0.02%	261,234	1.77%	84,856	0.55%	120,000	0.73%	64,999	0.39%
Grants	337,241	2.50%	486,504	3.54%	607,157	4.11%	849,511	5.46%	593,911	3.63%	318,500	1.92%
<b>Revenue Totals</b>	<b>13,514,219</b>	<b>100%</b>	<b>13,734,994</b>	<b>100%</b>	<b>14,786,433</b>	<b>100%</b>	<b>15,548,598</b>	<b>100%</b>	<b>16,362,292</b>	<b>100%</b>	<b>16,616,594</b>	<b>100%</b>



# Education Spending and Revenue





# Budget Gap: Key Reasons

**Structural Deficit:** Schools \$1M + Town \$300k

- **Town:** Budget includes \$300k “Free Cash”
- **Schools:** Flat State Funding, Modest school choice funding, effectively no inflationary increases, thus essentially a 3+% decrease
- **Historical Overrides** - No 2 ½ Operational Override since FY 1992 despite other expense growth pressures





# Key Reasons for Growing Gap

## Reduced Revenues

- **State Aid** - not keeping pace
- **Prop 2½** - inadequate for rising expenses & inflation
- **New Growth** – limited due to protected land
- **One Time Funds**, ie ARPA
- **Free Cash** – conservative budgets limits free cash
- **School Funding** - Ability to use additional School Choice, ESSER & other sources funds to offset costs nearing/at end

## Increased Expenses

- **Fire Dept Restructuring** - required based on the inability to continue a “call structure”
- **Insurance** - Extraordinary increases continue
- **Retirement Expense** - Substantial increases escalate
- **Mandates** -Unfunded State & Federal







# Free Cash Limitations

## *Select Board Policy F-6*

"Except in extraordinary circumstances, unassigned fund balance **should not be used to fund more than 1%** of the ongoing and routine year-to-year operating expenditures of the Town. Moreover, as much as practicable, the Town will **limit its use of free cash to funding one-time expenditures** (such as capital projects or emergencies and other unanticipated expenditures) **and will appropriate any excess to build reserves** or to offset unfunded liabilities."





# Going Forward Options

## “Belt tightening”

- Very tight Budgeting; Conservative assumptions
- In FY 2026, major service reductions to accommodate what is likely to be ~\$1.8M structural deficit

## Prop 2 ½ Operational Override

- Amounts selected to obviate a need for additional operational overrides for 5 years
- Notable impact on tax rate







# “Belt Tightening”

- ***Reduction in limited funds for capital investment, community preservation, etc.***
  - *Deferral of capital requests deferred from 2024 for lack of funds include equipment for Fire and DPW departments, ADA compliance investments, building maintenance and school requests*
- ***Significant loss of services possible beyond 2026***
  - *“Reduction” of Services*
  - *Reduction in School programs*
  - *Other Cost Cutting Measures*





# Prop 2 ½ Operational Override

- **What is it?**
  - \$4 million proposed
- **What does it mean**
  - Property owners will have increased Property Tax Liability
- **What will it cost me**
  - Town meeting will determine funding level which should not reach the full Levy limit for several years.
- **What will we get?**
  - Level Services





# Next Steps

- Two budgets will be voted on at May Town Meeting
  - Prop 2 ½ Operational Override
  - Without Prop 2 ½ Operational Override
- If Prop 2 ½ Operational Override passes at Town Meeting, it will be voted on at the June Town Election
  - Passing votes are needed at both Town Mtg and Town Election
- If override doesn't pass this year, it will be necessary to consider again next year to avoid service impacts



# West Boylston, MA

## Questions?

[Proposition 2 1/2 Override Questions and Answers |  
Town of West Boylston MA \(westboylston-ma.gov\)](#)

