
SCHOOL BOARD BUDGET REPORT

The Westford School Board is grateful for the support the Westford community has shown for its school district by passing school budgets each year. We are fortunate to serve in such an engaged and caring community, qualities that are essential to a high quality educational system.

The school board's guidance to the administration in developing its budget proposal for the district was the same as it has been for several years now:

- Maintain the high level of educational quality presently found in the district
- Level program - have the budget reflect any increase or decrease in costs necessary to maintain the present programs/offerings adjusted for enrollment changes
- Be sensitive to the burden on taxpayers

The proposed FY 2009 budget represents an increase of \$140,763, or 2.83%. The effect on taxes will vary according to whether one pays based on property or income and whether the property is residential or nonresidential. The projected tax impacts are explained later in this article.

EXPENDITURE CHANGE HIGHLIGHTS: (The numbers shown are not exact but have been rounded to the nearest hundred.)

Wages and Benefits:

- Wages will increase by \$51,000. By negotiated settlement, salaries for certified staff are increased by 4.25%. The budget reflects a 1 FTE decrease in certified staff due to a decline in enrollment in the 3/4 classes. Support staff salaries are increased by 5%. The budget reflects a 1.5 FTE increase in paraeducators due to an increase in special education needs.
- Benefits will increase by \$15,700. The good news in this area is that our health insurance premium increase is only 5%. This an excellent number compared to the double-digit increases seen by many plans.

High School Tuition: High school tuition will decrease by \$27,000. We project that we will have 13 fewer high school students and will be charged for slightly fewer technical education students. A projected increase in tuition rates charged by the receiving high schools will offset much of the lower enrollment savings.

Special Education: Costs for special education are increasing by \$81,000. Much of this increased expense is offset by increased revenue from the state. Professional services will decrease by \$7,500 but tuition to other schools is increasing by \$89,000. Several of our students are placed outside our school because we are not equipped to meet their needs.

School Board and Treasurer: This area of the budget is increasing by \$9,600. Every three years the board is required to contract for a financial audit. We are budgeting \$7,500 for this expense. The net increase in our cost for central office services is budgeted at \$1,000.

Maintenance and Operations: The net increase in this area is \$4,900. There is a \$17,000 decrease in the building maintenance line since this year's budget included an investment in a new floor for the common area of the addition. The equipment line is increasing by \$15,000 for the purchase of a new tractor. Our tractor is eight years old and we feel we will get a better trade-in and reduce higher maintenance costs if we replace it now. We have also budgeted \$8,900 for professional services to help us design a safer and more workable drop off/ pick up area for students.

Information Technology: This area of the budget is decreasing by \$6,400. Last year we needed to purchase licenses for a Windows upgrade which we don't need to do this year. We will continue with our computer replacement plan with a slight change in how it will be done. We received five free computers this year because our new computers were not delivered on time and with fewer classrooms many of our computers are less than two years old. Our computer lab is over-booked so the plan is to purchase 18 new computers instead of 25 and to use the remaining money to acquire a wireless laptop cart and 6-8 laptops. We would plan to add additional laptops in future years in order to give a second option for whole classroom computer lessons.

Student Transportation: Transportation costs will increase by \$14,500. \$9,000 is for special education transport needs and the remainder is for our bus contract and reflects the rising cost of fuel.

Debt Service: The interest payment on the bond for the addition will decrease by \$2,700.

REVENUE HIGHLIGHTS:

Fund balance: The amount of revenue from the fund balance will increase by \$50,000.

Tuition: This year, we received tuition revenue from a student who lives outside our district. To be safe we are only budgeting for half of one tuition for next year.

Federal revenues: We anticipate federal revenues will decline by \$2,900 largely due to reductions in Medicaid funding.

State special education revenues: These revenues will increase by \$108,200. These revenues are directly related to the cost of special education for the students in our district.

Tech Center Block Grant: This revenue will decline by \$5,800 due to a change in the number of students budgeted to attend technical centers.

FACTORS AFFECTING TAX RATES:

Equalized Pupil Count: The number of equalized pupils used to calculate our per pupil spending and the level of state support will decline by 1.9 from 377.52 to 375.59. This is not as dramatic as expected due to a change in how our preschool students are counted.

Education Tax Rates: The base rates for two of the three education tax categories are expected to change again this year based on the health of the education fund.

- The base rate for those who pay based on income (are income sensitized) will remain at 1.8%.
- The base rate for homestead property was reduced another 8 cents last year to \$0.87. Lacking definitive guidance, the same rate is applied this year. (By law the rate is \$1.10)
- The base rate for non-homestead property was reduced last year another 8 cents to \$1.36. Lacking definitive guidance, the same rate is applied this year. (By law this rate is \$1.59)

Base amount per equalized pupil: The base amount for each equalized pupil will increase by 6.1% from \$7,736 to \$8,210.

Common Level of Appraisal: The CLA for Westford is declining again this year from 82.33% to 73.92%. These dramatic declines in CLA should stop as property values level off. Because the equalization study is based on three years of sales it will take a little while longer.

TAX LIABILITY: The following charts show the tax liability impact of the proposed budget for various types of taxpayers. The recommended changes in base rates are assumed. We may have updated numbers on Town Meeting Day.

Income based tax liability:	
FY09 % of income	2.47%
FY08 % of income	2.62%
Change	(0.15%)
Impact: \$50,000 household income	\$75.00 decrease in taxes

Homestead property rates: (after CLA adjustment)	
FY09 projected rate	\$1.617
FY08 actual rate	\$1.538
Change in rate	\$0.079 (5.14%)
Impact per \$100,000	\$79.00 increase

Non-homestead property rates: (after CLA adjustment)	
FY09 projected rate	\$1.84
FY08 actual rate	\$1.65
Change in rate	\$0.19
Impact per \$100,000	\$190.00 increase

CLA adjustments complicate one's thinking about the impact of a school budget proposal. A historical perspective on equalized tax rates, rates that are not adjusted by CLA, provides a better sense of the effects of school budget changes and the changes made at the state level to the base rate. The following are equalized homestead rates for Westford for the past few years:

FY06 \$1.439 FY07 \$1.395 FY08 \$1.266 FY09 \$1.195

We have prepared a budget that we feel meets the educational needs of our students while being mindful of the burden placed on taxpayers. We greatly appreciate your past support of school budgets and hope you will support this one as well.

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