

TOWN OF WESTWOOD

Commonwealth of Massachusetts



Office of the Finance Director

TO: Members of the Finance and Warrant Commission

FROM: Stephanie McManus, Finance Director

DATE: March 9, 2026

RE: Answers to Submitted FY27 Budget Questions

The following memorandum provides responses to questions submitted by members of the Finance & Warrant Commission regarding the Town's proposed FY27 municipal and capital budgets. The responses below are intended to provide additional context regarding budget drivers, staffing changes, revenue assumptions, and capital planning considerations. They are broken out by operating and capital budgets, with subcategories by department within each section.

The FY27 budget continues the Town's practice of prioritizing core municipal services while managing long-term financial sustainability. Personnel costs remain the primary driver of year-over-year operating expenditure changes, consistent with statewide municipal budget trends.

Operating Budget Questions

Salary Adjustments Across Departments

Most salary increases in the FY27 budget are attributable to collectively bargained obligations, cost-of-living adjustments (COLA), and step increases.

All employees received a COLA adjustment of approximately 2.0–2.5 percent depending on contract provisions. Employees who have not reached the maximum salary step for their position are generally eligible for step increases ranging from 2.0–2.75 percent.

The combination of COLA and step adjustments explains the majority of the increases observed across departments, which tend to cluster around the 4.8 percent range.

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Higher or lower increases may occur due to specific staffing circumstances such as new hires placed at different salary steps, expanded part-time hours, or structural changes within departments.

Examples of notable line-item changes include:

- **Finance and Warrant Commission:** Increase reflects additional hours associated with special Town Meetings and additional committee support work.
- **Town Clerk:** Increased staffing hours to support an expanded election schedule in FY27.
- **Police Department:** Adjustments to dispatcher holiday pay structure and overtime projections. The OT line item was increased \$50k for FY27.
- **Fire Department:** Funding for two additional firefighter/paramedic positions and increased overtime allocation. The OT line item was increased \$75k for FY27.
- **Building Department:** Increased part-time inspector hours to address rising permit activity.
- **Human Services:** Salary reflects the first employment agreement between the Director and the Select Board.
- **Youth and Family Services:** Partial conversion of a third counselor position currently funded through ARPA resources into the operating budget.

Public Safety Budget

Public Safety Expenditure Growth

The overall increase of approximately \$836,000 (6.9 percent) in public safety spending is primarily driven by personnel costs.

A portion of public safety operating costs is offset by non-tax revenue sources. In particular, ambulance receipts are retained in a dedicated account and used to support Fire Department ambulance service operations, helping reduce the portion of costs supported by property taxes.

Police Department

Staffing and Call Volume

While calls for service have increased over the past five years, police staffing levels have remained relatively stable. As a result, the Department has seen an uptick in overtime costs in recent years. To manage this increased demand, the Police Department has implemented several operational adjustments through operational efficiencies, deployment adjustments, and supervisory restructuring.

These include assigning previously administrative positions—such as the Traffic Impact Officer—back into patrol operations to supplement staffing. The Traffic Safety Officer also assists with patrol coverage on a part-time basis when needed.

The Department also utilizes a grant-funded Jail Diversion Prevention Clinician who assists with mental health, homelessness, and other quality-of-life related calls. This allows sworn officers to remain available for calls requiring law enforcement response.

Additionally, the Department has implemented data-driven deployment strategies that adjust staffing patterns during peak call periods and focus directed patrols in higher call-volume areas. The Department also

participates in regional mutual aid through the Metropolitan Boston Law Enforcement Council (MetroLEC), which provides assistance from neighboring jurisdictions when needed.

Lieutenant Staffing Model & Reduced Officer Budget

The increase in lieutenant salary funding reflects the transition to a three-lieutenant supervisory model.

The department previously funded two lieutenant positions. A third lieutenant position was added in FY26 to oversee the Investigative Services Division, resulting in corresponding adjustments to other personnel lines. A vacant patrol officer position was reallocated to fund the salary difference associated with promoting a sergeant to lieutenant and a patrol officer to sergeant. The Department has not increased lieutenants above FY26 levels, however, the FY27 budget reflects the first full year of funding for the third lieutenant position along with contractual salary adjustments.

As a direct result, there is a corresponding decrease in the patrol officer salary line reflected in this budget. Additional savings came from a recently hired officer replacing a long-tenured officer with more than 30 years of service, resulting in a lower starting salary for the position.

The three-lieutenant structure provides dedicated supervision for administration, investigative operations, and patrol functions.

Dispatcher Salary Line

The increase in the dispatcher salary line reflects a combination of contractual and classification changes, including step increases, cost-of-living adjustments, longevity stipends, night differential pay, holiday pay adjustments, and other negotiated compensation elements.

A revision to the holiday pay calculation—from a four-day to a five-day workweek equivalent—also resulted in an increase to the overall dispatcher salary line to align with the holiday calculation used for sworn officers.

2025 Performance Measures

The Department's FY27 Budget Submittal was due in November; therefore, the performance measures were not finalized.

See attached report.

Fire Department

Fire Station 1 Operations

The closure of Fire Station 1 does not create a direct change to the FY27 operating budget. Staffing levels remain consistent with prior year operations.

Any funding required to support temporary operational solutions associated with facility conditions will be addressed separately from the operating budget.

Fire and Emergency Call Volume

In 2025, the department responded to 4,046 total calls for service.

Selected call distribution included:

- University Avenue medical facilities: 204 calls
 - Brigham medical buildings: 109 calls
 - Bridges: 95 calls
- Westwood Public Schools: 47 calls
 - Westwood High School: 22
 - Thurston Middle School: 9
 - Martha Jones School: 7
 - Pine Hill School: 6
 - Sheehan School: 2
 - Downey School: 1
- Xaverian Brothers High School: 12 calls

Proposed Firefighter/Paramedic Positions

The proposal to add two firefighter/paramedic positions reflects long-standing operational planning objectives identified in earlier departmental studies.

The Town anticipates that increased ambulance transport revenue will help offset associated personnel costs, allowing the positions to be supported without reliance on property tax revenue alone. Please see the Memo from Town Administrator Connor Read regarding Ambulance Receipts.

Additional staffing may reduce overtime expenditures by improving shift coverage and maintaining minimum staffing requirements.

Department of Public Works

Electric Vehicle Charging Infrastructure

The EV charging stations generate user fee revenue that is recorded as Local Receipts in the Town's General Fund. While the electricity costs associated with operating the chargers are paid through the Department of Public Works utility budget, the user fee revenue does not flow directly back into the department's operating budget.

As a result, the FY27 budget reflects an increase to the DPW utility line to account for the anticipated electricity costs, along with a corresponding increase in the Local Receipts revenue projection for EV charger user fees. This approach ensures that the operating costs of the charging infrastructure are offset by the revenue generated through public use, while maintaining proper municipal accounting treatment.

Currently, the only EV chargers collecting user fees are at the Police Station.

Recycling Program Costs

The \$90,000 increase in the recycling budget reflects contractual obligations under the Town's solid waste agreement.

The recycling budget includes both curbside collection and processing costs. Increases are attributable to a larger number of recycling carts in service and rising regional recycling processing fees.

Community and Economic Development/ General Government / Human Services Budgets

Community and Economic Development and Information Technology Salaries

The approximately 49.5% increase in Community and Economic Development salary and \$65,944 decrease in Information System salaries reflects an internal organizational change where a position was moved from one budget to another – it is not the addition of new personnel costs.

The GIS Specialist position was transferred from the Information Technology Department to the Department of Community and Economic Development. This was a cost-neutral movement, and the increase in Community and Economic Development salary expense is offset by a corresponding decrease in the Information Technology salary budget. This organizational adjustment aligns the GIS function more closely with land use planning, permitting, and economic development activities that rely heavily on geographic data.

Public Health Nurse Salary

The \$8,375 reduction in the Public Health Nurse salary line reflects the hiring of a new employee at a lower salary step than the previous incumbent.

Recreation Program Revenue and Costs

The Recreation Department generated approximately \$1.8 million in program revenue. The direct cost of operating the associated programs is slightly more than \$1.2 million, resulting in an estimated program margin of approximately 32 percent. Incremental program expenses in FY2025 were \$1,000,000. There were an additional \$231,000 in other expenses. Other expenses include, heat, electric, credit card fees, pool chemicals.

Recreation programming revenue is used to offset departmental operating costs, including staffing, facility use, and program administration.

Townwide Hardware and Software Costs

The increase in the townwide hardware and software line is primarily associated with the implementation of the new financial management system approved at the 2025 Annual Town Meeting.

Capital funding for system acquisition was authorized at the 2025 Annual Town Meeting. The FY27 operating budget reflects the ongoing licensing and maintenance costs required to support the system.

Special Counsel Funding

The Special Counsel budget totals \$60,000 and supports a range of potential legal needs, including litigation, labor matters, and other advisory services. Approximately \$15,000 has been expended to date on litigation associated with the Westwood Land Trust matter.

The Special Counsel budget is not dedicated to a single case. If expenditures exceed the appropriated amount, additional funding would typically be addressed through Town Meeting transfer requests or the use of designated reserve funds, subject to appropriate approvals.

Level-Funded or Reduced Expense Lines

Several non-personnel operating lines were level-funded or reduced in order to balance the budget while minimizing service disruption. Examples include additional training, conference and travel expenditures, supplies, and landscaping/tree removal services.

Salary related items that were requested but not able to be funded include:

Department	Item	Amount Not Funded
Police	1 Dispatcher – 2 nd request	\$63,000
Fire and Police	Overtime Budget Increase (partially funded) – ongoing	\$196,000
Library	Part time librarian – 2 nd request	\$43,000
Youth & Family Services	Full Salary for Youth Services Counselor - Currently ARPA Funded – 3 rd request (partially funded)	\$40,000
Youth & Family Services	Increased Admin hours	\$15,000
Recreation	Full salary for Therapeutic Counselor – 2 nd request	\$40,000
Council on Aging	Additional PT Van Driver- 3 rd request	\$24,770
Total		\$421,770

Capital Budget Questions

Capital Requests Deferred or Adjusted

During the FY27 capital planning process, departments submitted a number of capital requests that exceeded the Town's available funding capacity for the year.

In order to maintain adherence to the Town's financial policies and overall budget balance, several requests were deferred to future years or scaled back in scope. These adjustments primarily involved vehicle replacements, facility improvements, and equipment upgrades that, while important, were not considered urgent from an operational or safety perspective.

No capital requests identified as critical to public safety or essential service delivery were denied outright.

Police Department Fleet

The Department currently operates 34 sworn officers and maintains a fleet of 26 vehicles. This includes several decommissioned vehicles that are retained for paid details and special assignments rather than being scrapped.

There is a fleet inventory included in the Capital Budget Book available on the Town's website.

Other Capital – School and Municipal Projects

The increase in the “Other Capital – School & Municipal” category over the past two fiscal years reflects project timing rather than a structural change in capital policy.

Municipal capital spending varies annually depending on the lifecycle of infrastructure, equipment replacement schedules, and project readiness. Capital investments are made when assets reach the point where replacement or major repair is financially prudent.

The Town's ability to advance capital projects is supported by the availability of Free Cash reserves and Meals and Hotels Tax revenue, which provide flexibility to address infrastructure needs, support high-priority capital requests, and respond to emerging municipal or school facility requirements consistent with Town Meeting authorization and financial policy guidelines.

Funding Sources for Capital Articles

The Town has historically used a combination of Free Cash and Meals and Hotel Tax revenues to support capital investment.

Meals and Hotel Tax revenues are generally directed toward community-wide capital projects, while Free Cash is more commonly used for department-specific capital requests.

Financial Reserves and Revenue Outlook

Projected Fund Balances

Estimated reserve “balances” following implementation of the FY27 budget – but before the close of FY26 and certification of FY26 free cash - are projected to be approximately:

- Free Cash: \$7.4 million
- Meals and Hotel Tax Fund: \$1.4 million
- Ambulance Receipts: \$650,000

Note: These numbers are not yet finalized. Also, the Free Cash balance does not yet include amount for Article 11 or Article 14.

These balances are consistent with historical reserve levels and reflect the Town's conservative budgeting approach. The Town does not target a fixed percentage of excess revenue collection; however, local receipt estimates are intentionally conservative to provide protection against potential revenue volatility and reduce the risk of mid-year revenue shortfalls.

Actual revenues above the budgeted level contribute to the Free Cash certification process in the following fiscal year.

New Growth Revenue

Over the next three to five years, new growth revenue is expected to remain relatively stable. The Town does not currently anticipate significant acceleration in new growth beyond normal annual development patterns.

Conclusion

The FY27 budget proposal reflects the Town's continued focus on maintaining essential municipal services while managing long-term fiscal stability. Personnel costs remain the primary driver of expenditure growth, consistent with broader municipal budget trends across the Commonwealth.

The Town will continue to monitor revenue performance, operational demands, and capital infrastructure needs throughout the fiscal year.

CC: Select Board, Town Administrator, Deputy Town Administrator