

# Westhampton MA

## Public Informational Meeting

### *FY27 Budget and Override Vote*

Spring 2026

1

1

## Westhampton is facing a structural budget gap

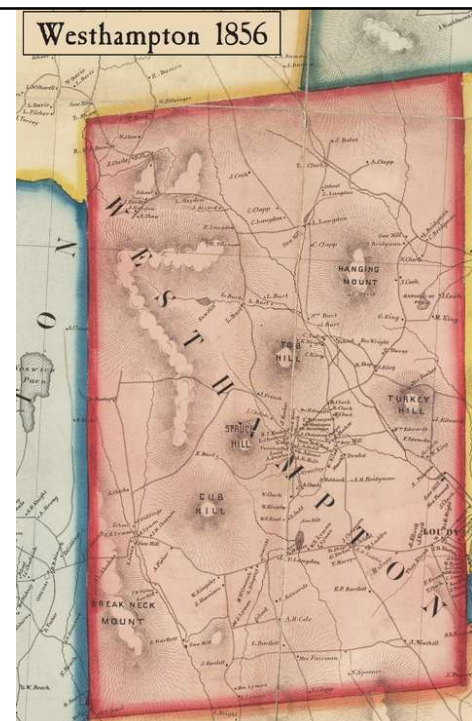
- FY27 Projected Deficit; \$500,000
- Causes are mostly outside local control
- Without an override the town must cut 13% of services to balance the budget

## Tonight we explain:

- Why this is happening
- What the options are
- What it means for residents
- This is not a public hearing, tonight's goal is to share information and answer questions

### Questions?

Please write them down so we can answer as many as possible in the time we have



2

## What's The Problem?

- State law requires towns pass a balanced budget
- Prop 2.5 limits the amount of revenue municipalities can raise through taxes year over year without an override
- Cost to operate at current levels exceeds current revenues *by \$500,000*

3

3

## Steps Already Taken

In October 2025 we projected our FY27 deficit to be \$762,000

Since that time we:

- Informed all town and school stakeholders of impending budget shortfall
- Asked departments and schools for slimmer “Level-Service” budgets
- Researched lower cost health insurance options
- Researched and lobbied state representatives for increased funding

Today, we estimate the remaining deficit to be about \$500,000 for “Level-Service”

4

4

## Why the Budget Gap Exists?

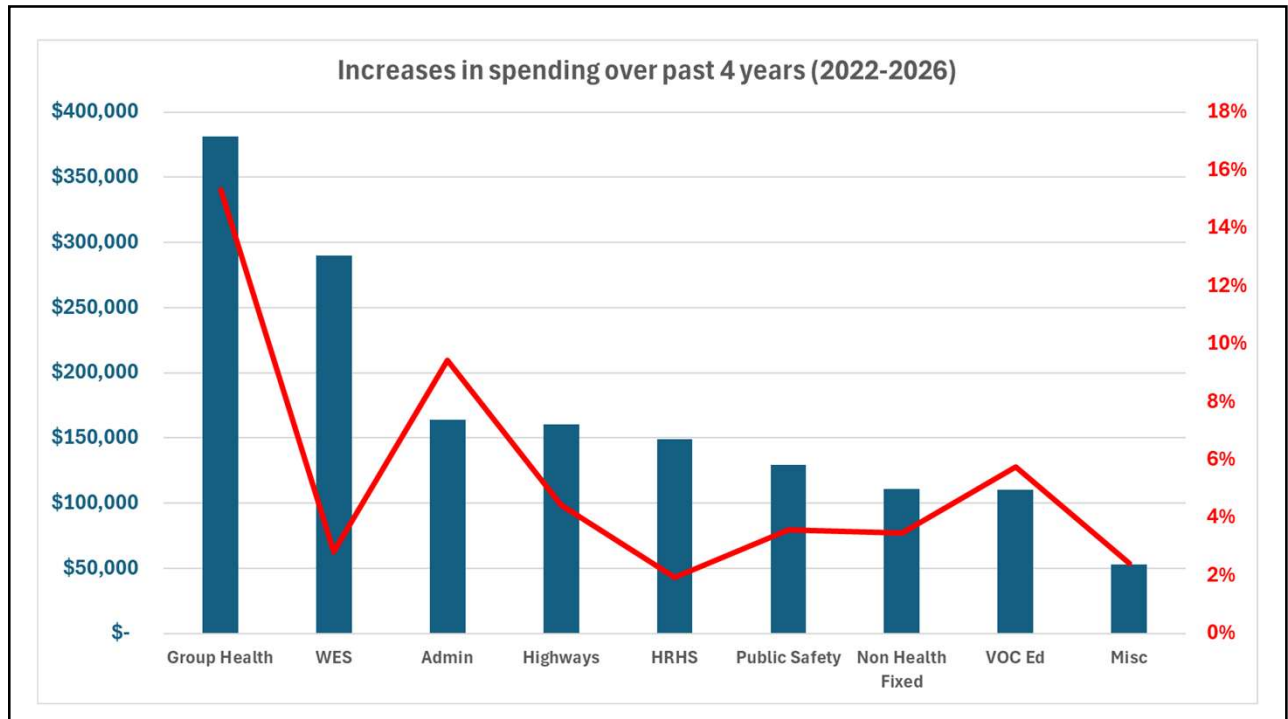
Westhampton is highly rural and fixed costs continue to rise

- 94% of our tax base is residential – very little commercial and industrial
- Very few high valued properties
- 24% private and public permanently protected land
- 47% of land is in Chapter 61, 61A or 61B reducing tax base
- Very little new growth each year
- Health Insurance has doubled in 5 years (+\$460k)
- State Aid has only grown 1.8% annually 2022-2026

**Many factors are largely outside the town's control**

5

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6

## Why hasn't revenue kept up with spending? Westhampton's High Per Capita Income Limits State Aid

Municipality	2023 Population	FY2025 Average Home Tax Bill	2022 DOR Income Per Capita	% of Income on Taxes for Single Person
Westhampton	1,626	\$6,954	\$63,071	11.0%
Southampton	6,195	\$6,138	\$49,170	12.5%
Huntington	2,071	\$4,734	\$36,295	13.0%
Worthington	1,179	\$5,268	\$34,377	15.3%
Williamsburg	2,469	\$6,457	\$33,037	19.5%
Chesterfield	1,173	\$5,741	\$23,611	24.3%
Goshen	944	\$4,813	\$18,543	26.0%

*Lower State Aid means we must raise more local tax money or cut services – more so than other towns*

7

7

## What are our options to close the deficit?

### Option 1: Pass Prop 2.5 Override

- Raise \$500,000 through property taxes
- Permanently increases levy limit
- Estimated Cost: \$169/\$100,000 assessed value
- Maintains current town services

### Option 2: Use Savings

- Temporarily closes the deficit
- Leaves town with reduced reserves
- Does not solve the problem long-term
- Limits ability to fund capital needs

### Option 3: Implement Austerity Budget

- 13% Reduction in Town Department and Elementary School Budgets
- Significantly reduces day to day town operations
- Unknown ripple effects

8

8

## Option 1: Pass \$500,000 Override

### Impact on Taxpayers

Assessed Property Value	Annual Tax Bill Increase from Override	Quarterly Tax Bill Increase from Override
\$100,000	\$169.20	\$42.30
\$200,000	\$338.40	\$84.60
\$300,000	\$507.60	\$126.90
\$400,000	\$676.80	\$169.20
\$500,000	\$846.00	\$211.50

### Impact on Town

#### What will the \$500,000 Fund?

General Government: \$60,000  
 Public Safety: \$40,000  
 Education: \$275,000  
 Public Works: \$100,000  
 Human Services: \$9,000  
 Culture and Recreation: \$16,000

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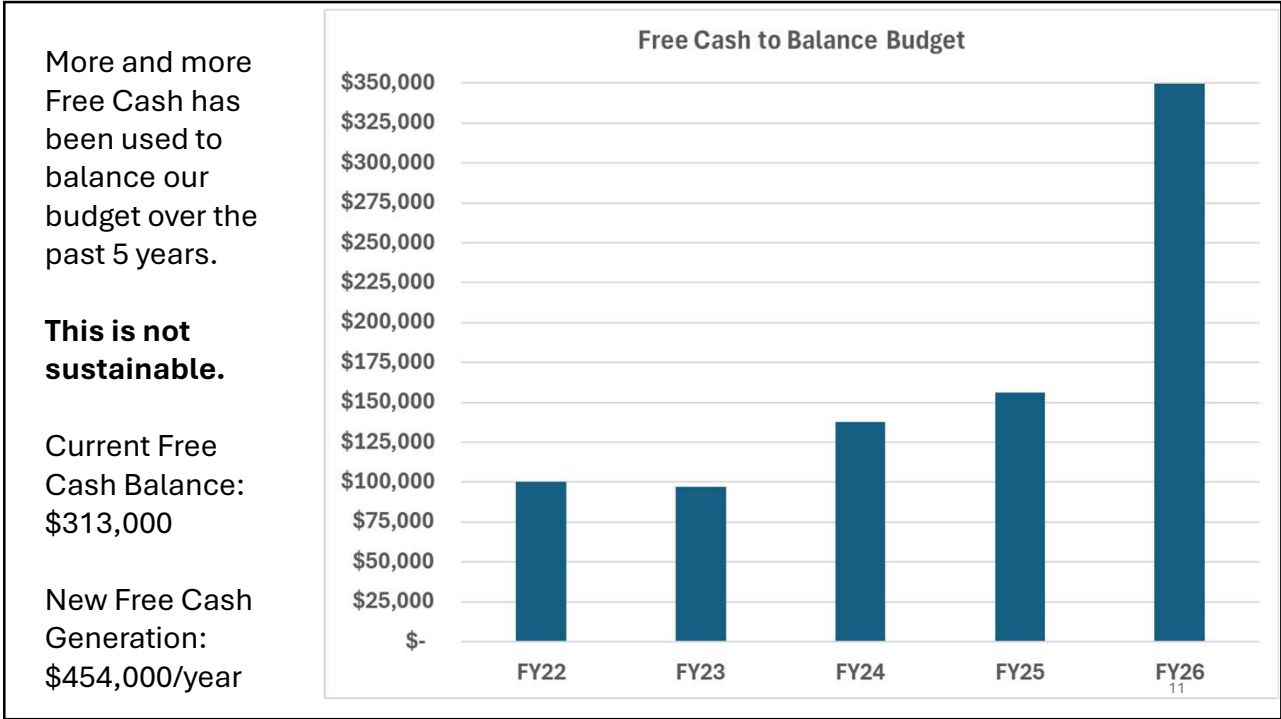
## Option 2: Use Savings

### Town Savings- definitions

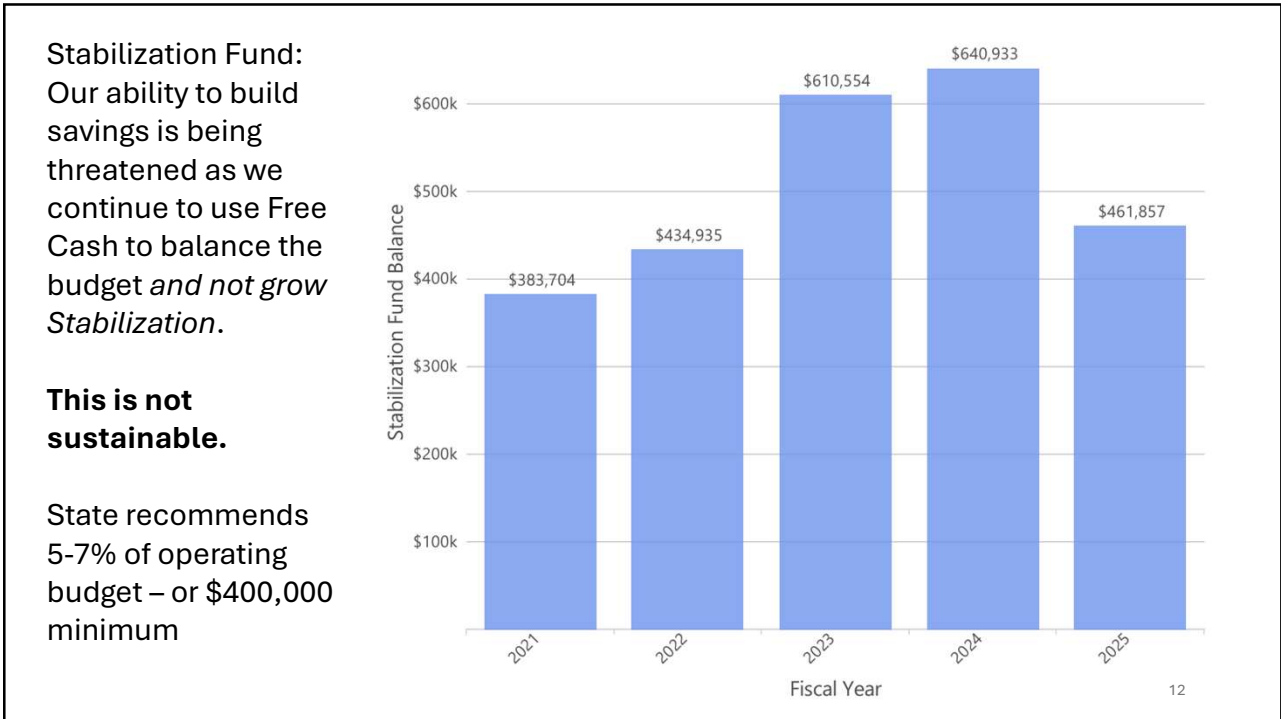
- **Free Cash (FC)** is what we have left *after* the year ends – the sum of extra revenue and lower than expected spending. Spending FC requires a majority vote at a Town Meeting.
- **Stabilization Fund** is a special savings account that earns interest and holds money for emergencies and capital projects. It requires two-thirds majority vote to spend at a Town Meeting.

10

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11



12

## Option 2: Use Savings

- Using free cash to fund operations is not a recommended practice by the MA DOR
- Not enough free cash, would also have to dip into stabilization
- Starts next year’s budget with the same \$500,000 deficit
- Risks lower bond ratings when we need to borrow
- Reduces ability to handle emergencies or mid-year increases (\$130k in FY26)
- Prevents building long-term reserves for future capital needs



13

13

## Option 3: Implement Austerity Budget

**\$225,000** would be cut from town services

Town Service Cuts for “Austerity Budget”	Notable Affects
1-2 FTE positions cut (of 12 FTE town employees)	<ul style="list-style-type: none"> <li>• Patrol officer hours reduced (from 60 to 50) <i>Chief’s original ask was 71 hours/week.</i></li> <li>• Library hours reduced by at least one-night per week</li> <li>• Town Hall hours from 5 days a week to 3 days a week</li> <li>• Transfer Station hours reduced to Saturday only</li> <li>• Grant writing and support will be cut</li> </ul>
Cuts to overall library budget	Will likely lose State Certification (state aid, inter-library loan, etc.) requiring a special complicated waiver process
38% cut from Roadway Materials	Reduced upkeep will degrade town road surfaces
Tighter overall budgets for each department	Less room for emergency repairs and maintenance
Austerity permeates work atmosphere in each department	More likely we will lose good people who do not want the uncertainty of working in this very tight environment

14

14

## Option 3: Implement Austerity Budget

**\$275,000** would be cut from WES

WES Cuts for "Austerity Budget"	Notable effects
K-2 Math (1 FTE)	<ul style="list-style-type: none"> <li>Reduction of Tier 2 instruction for 37% of students</li> <li>Reductions will increase referrals to Special Education</li> <li>Compliance issues with MA Dep of Ed and a potential increase in out-of-district placements (increased expense)</li> </ul>
K-2 Literacy (1 FTE)	
Grades 3-6 Math and Literacy (1 FTE)	
Library Media paraprofessional (.4 FTE)	Library/Media center closed
Part time Custodian (.4 FTE)	No daytime custodial support
Health position (.2 FTE)	Others will have to teach required Mass curriculum
<b>TOTAL: 4.0 FTE (6 STAFF MEMBERS)</b>	<i>Additional expense cuts to Instructional Supplies and Building/Grounds: \$12,000</i>

15

## Important Dates

- ✓ March 25<sup>th</sup>, March 31<sup>st</sup>, April 9<sup>th</sup> - Informational Meetings - Town Hall (7 pm)
- ✓ April 11<sup>th</sup> (Saturday) Ballot vote at Town Hall for Prop 2-1/2 override (8am-5pm)
- ✓ May 9<sup>th</sup> (Saturday) 9am Final Budget presented at Town Meeting

16

16

## Key Takeaways

- Westhampton faces a \$500,000 structural deficit
- We have three choices:
  1. Override to maintain current services
  2. Use savings for a temporary fix and carry the problem forward
  3. Implement an austerity budget with significant reductions in services

### Questions?

- Please write them down so we can answer as many as possible in the time we have
- Or email us at: [mail@westhamptonma.gov](mailto:mail@westhamptonma.gov)
- See town website FAQs
  
- Thanks for attending and **please encourage your friends, family and neighbors to vote on April 11<sup>th</sup>**

17