

# Town of Westford



## Fiscal Year 2017 Budget Message

Jodi Ross  
Town Manager  
November 24, 2015

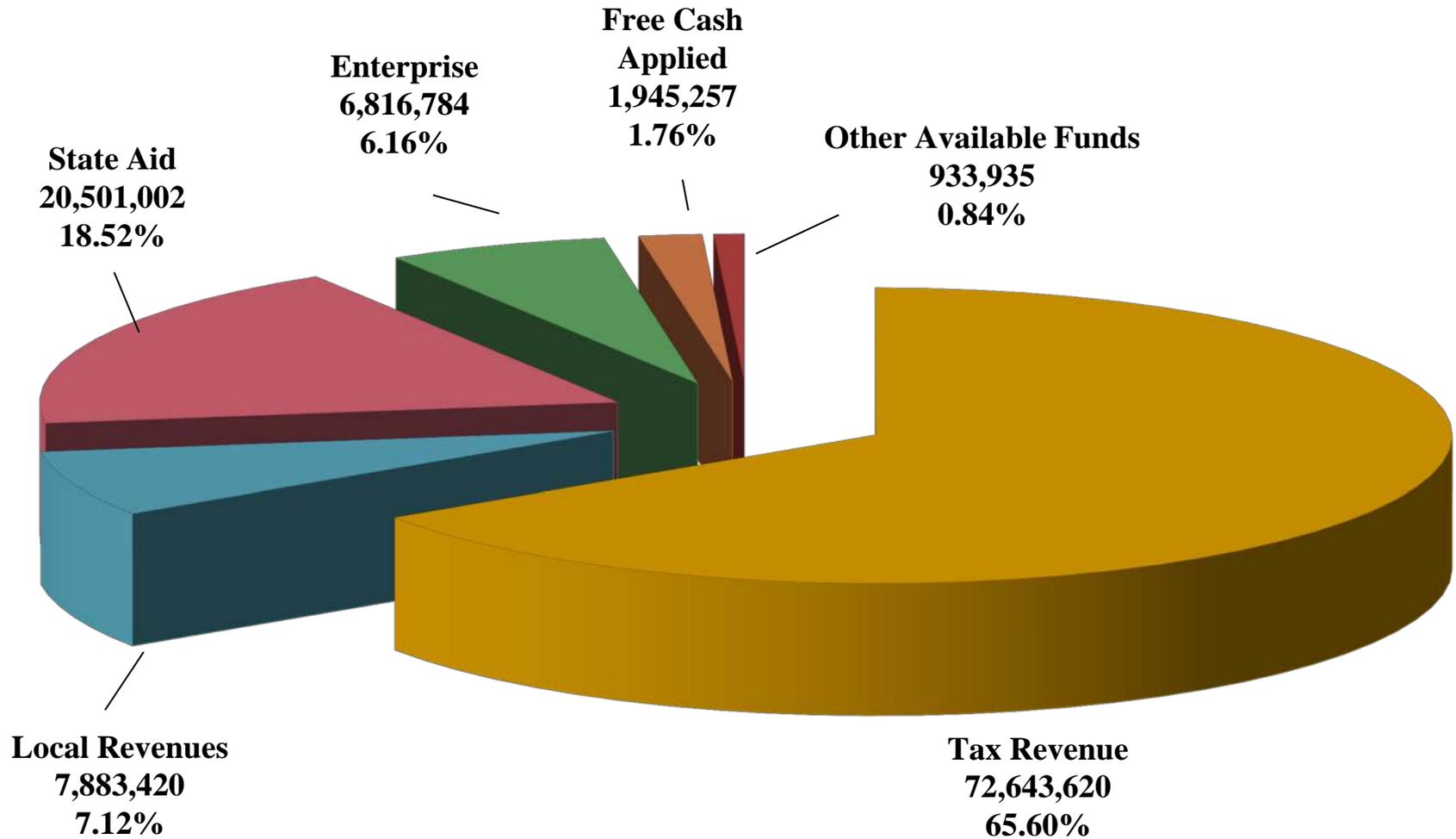
# FY2017 Budget Highlights

- Followed BoS FY17 Budget Direction Policy
- Recommending a balanced budget for FY17
- New growth estimated at \$850,000
- Projecting 0% increase in State Aid
- Cash Reserves are \$7,439,273 or 7.6% of operating budget

# FY17 Projected Revenues

Tax Revenue	\$72,643,620
Local Revenue	7,883,420
State Aid	20,501,002
Enterprise Revenue	6,816,784
Reserves Applied	0
Other Available Funds	933,935
Free Cash - Capital, perchlor., snow & ice	1,945,257
Total	\$110,724,018

# FY17 Estimated Revenues



# FY2017 Budget Highlights

- School Department received a 2.50% increase and other town departments received a 0.92% increase
- Created new Public Safety Communications Department with 99% offset by reductions in Police and Fire Department budgets
- Eliminated one laborer position shared between the Parks and Grounds Department and the Highway Department (retirement)

# Health Insurance Overview

Enrollment as of Nov 1, 2012	997
Enrollment as of Nov 1, 2013	1,009
Enrollment as of Nov 1, 2014	1,011
Enrollment as of Nov 1, 2015	1,022

- Approximately 56% of eligible employees on town's plan
- Plan design changes– Nov 1, 2015

		Employees % Inc.	Medicare % Inc.
FY13 Actual	\$8.16M	12.67%	2.86%
FY14 Actual	\$8.14M	1.40%	-36.55%
FY15 Actual	\$8.18M	5.10%	4.11%
FY16 Budget	\$9.29M	7.83%	7.88%
FY17 Budget	\$9.69M	8.00%	8.00%

# Health Insurance Budget

- In FY16 we budgeted an 8% increase – received an 8.8% increase for non-Medicare plan
- Health plan design changes lowered the increase to 7.83% for employees – 7.88% for retirees
- FY17 budget reflects \$404,491 increase from FY16 totaling \$9,735,491
- Expected closeouts at end of FY16 = \$534,000
- \$511,807 in Health Insurance Stabilization Fund

# Other Post Employment Benefits

- The current liability is \$56M as of July 1, 2014
- New actuarial study to occur in FY17
- OPEB policy – annually fund “normal costs” – accrued liability for employees hired after Jan 1, 2012
- Level funded OPEB at \$712,425 (short \$139,853)
- OPEB Trust Fund current balance \$2,182,479 – after this appropriation = \$2,894,904

# FY17 Capital Investment

Capital Planning Committee recommendation:	<b>\$6,300,834</b>
funded from Free Cash	\$1,330,257
to be bonded (\$1,300,000 water ent.)	\$4,335,725
from Enterprise Retained Earnings	\$514,852
from other available funds	\$120,000

*Capital Stabilization current balance:*      **\$1,143,396**

# Public Facilities

- Town-wide facility condition assessment identified \$21M in needed repairs
- Funded \$400,000 in FY16 to begin addressing needs – will continue into FY17
- Schools and Town to study combining oversight and maintenance

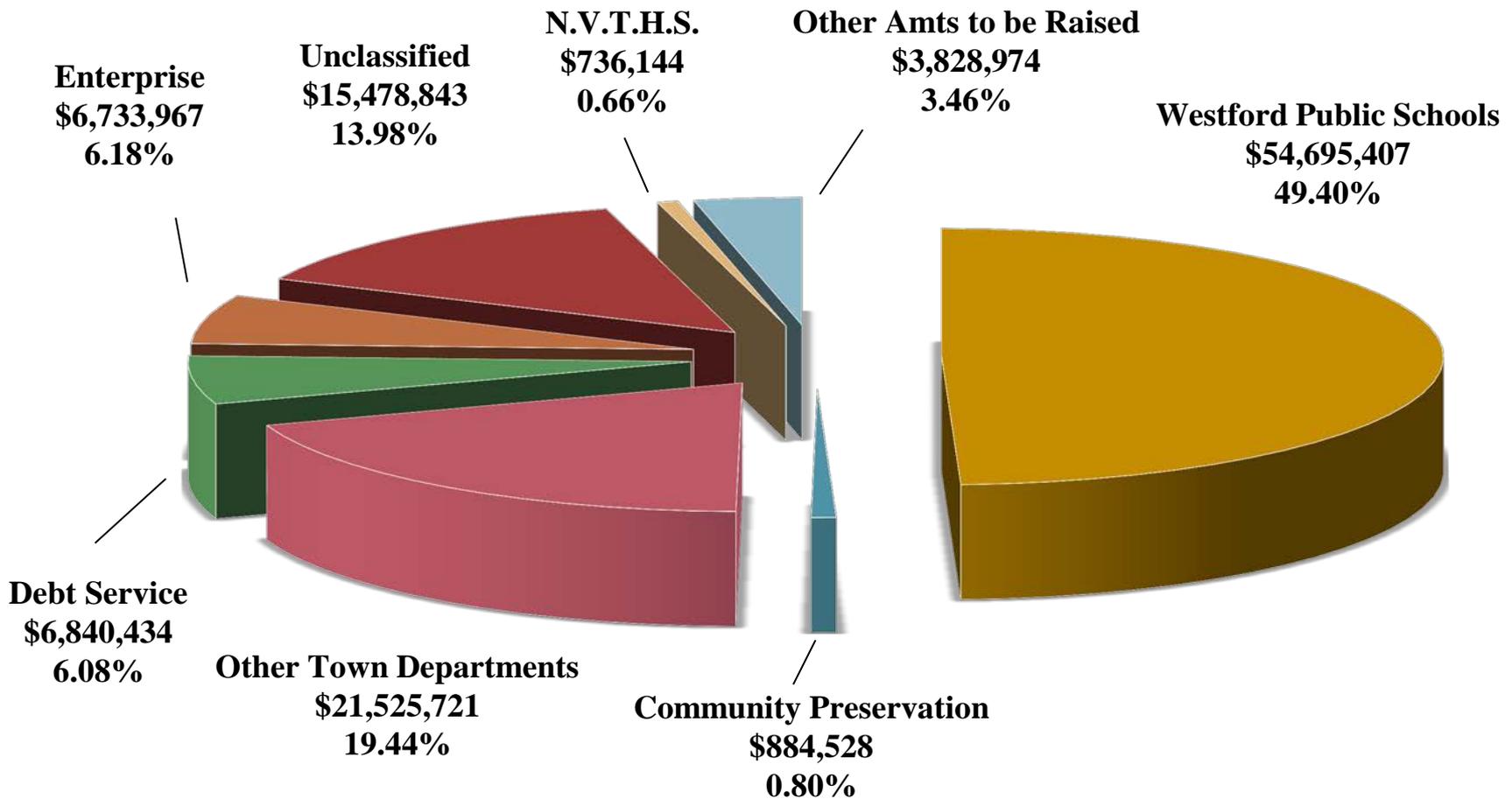
# Collective Bargaining Agreements

- Seven contracts are settled through FY17:
  - beginning negotiations with CWA, OPEIU, WPA and WPWA for FYs 17-19
  - arbitration with WSO – Superior Police Officers
  - IAFF – Firefighters settled through FY17
  - Teaching Assistants & Custodians settled through FY16
  - Teachers, Coordinators, Nurses, & Reading & Math Interventionists settled through FY17
  - School Office Professionals & Central Office Support settled through FY18

# FY17 Projected Expenditures

Westford Public Schools	\$54,695,407
Community Preservation	884,528
Other Town Departments	21,525,721
Debt Service	6,733,967
Enterprise	6,840,434
Unclassified	15,478,843
N.V.T.H.S.	736,144
Other Amounts to be Raised	3,828,974
Total	\$110,724,018

# FY17 Budget Expenditures



# Budget Impacts from FYs 15 & 16

- Slowdown in New Growth in FY16 totaling \$901,454 (half of FY15 level)
- Reduced budgets by \$625,000 at STM
- Reduced one heavy Equipment Operator position in Parks and Grounds/Highway
- Supplemented Legal by \$125,000 (asphalt plant)
- Supplemented Technology by \$54,000 for Microsoft licenses

# Budget Variables

- State aid
- New Growth
- Infrastructure and facility-related capital requests
- Town Farm
- Center Fire Station repurposing
- 12 North Main Street
- Health Insurance
- NVTHS Assessment

# Budget Variables

- Collective bargaining agreements
- Litigation (asphalt plant)
- Ongoing perchlorate remediation expenses
- Energy costs
- Storm response and cleanup expenses
- Snow and ice operations
- Stormwater regulations

# Conclusion

Thank you to our board members, department heads, employees, and volunteers for your creativity, collaboration, countless contributions, and most of all, for your unwavering dedication and commitment to our community.