

**Town of Westwood, Massachusetts**  
**Proposed Overall Budget Summary**  
**For the Fiscal Year**  
**July 1, 2019 – June 30, 2020**



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*This report is a summary of the Fiscal Year 2020 budget as well as an overview of the Town's finances.*

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*Everything You Wanted to Know About:*

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# Town of Westwood

## Commonwealth of Massachusetts

### Select Board

Michael Walsh, Chair  
John Hickey  
Nancy C. Hyde

Michael A. Jaillet, Town Administrator  
Pamela Dukeman, Finance Director

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January 31, 2019

To the Select Board:

Enclosed you will find the *Proposed FY20 Budget Summary* document. The document is organized in three sections as outlined below. I am confident our residents will find this document a comprehensive, easy to use reference tool.

- **FY20 Proposed Budget** – outlines the overall FY20 budget currently proposed by the Select Board.
- **Information to Know** – provides significant, comprehensive detail on important areas of the Town's finances.
- **Requested Budgets** – includes summary extracts of the municipal, school, fixed costs, and capital requested FY20 budgets, as well as providing a link to access those detailed books online.

Much of the material has been publicly reviewed at many meetings over the last few months, including Select Board, School Committee, Finance and Warrant Commission, and Long Range Financial Planning meetings, as well as widely distributed to all parties involved in the budget process. This document, as well as the financial presentations, is a clear example of the Select Board's commitment to financial transparency and to providing clear and easy to understand financial information to the community.

#### **Budget Summary**

The FY20 overall budget strives to provide a well-balanced, comprehensive budget for the community. The Select Board, working closely with the Long Range Financial Planning Committee, the Finance and Warrant Commission, and Town and School officials and administration, has continued to work cooperatively to balance the many needs of the community.

**Tax Bill Impact**

Operating Budget



Capital Assets

Reserve Accounts

Long Term Liabilities

Service Levels

Select Board continues to work to address all areas.

Directly following this letter is a summary of the FY20 budget.

**Next Steps**

There will continue to be work to be done to finalize the FY20 budget before Town Meeting.

Particular budget items to monitor include:

- Health Insurance budget. The Group Insurance Commission (GIC) will update FY20 plan design and premiums during February and March and we will update the budget accordingly. The GIC is working to contain growth in costs and is looking at restricting plans to mitigate growth in costs.
- State Aid. The State budget process has just begun. We will continue to monitor the budget for information on our State aid revenue, particularly Chapter 70 education aid and will update the budget accordingly.

I would like to thank Town Accountant Marie O'Leary and in particular, Financial Analyst Laura Bucari for their assistance in preparing this budget document. We will continue to monitor and update the ever changing data and keep parties informed as we move forward to Town Meeting.

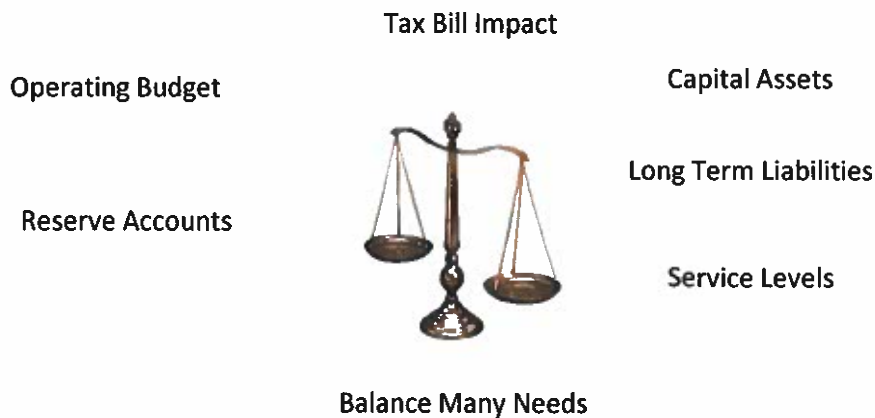
Respectfully submitted,

Handwritten signature of Pamela Dukeman in blue ink.

Pamela Dukeman  
Finance Director

## FY20 Budget Summary

The FY20 overall budget strives to provide a well-balanced, comprehensive budget for the community. The Board of Selectmen, working closely with the Long Range Financial Planning Committee, the Finance and Warrant Commission, and Town and School officials and administration, has continued to work cooperatively to balance the many needs of the community.



There are many needs to provide for in each budget year. It is important to maintain quality services provided to our residents through the school and municipal departments. It is also important for the budget to provide for appropriate funds for the capital budget, so that the Town's assets are well maintained. In addition, it is very necessary for the Town to maintain appropriate balances in our reserve accounts, as well as to provide for long term liabilities such as pensions and OPEB. It is also important to remember the impact of the budget on our residents' tax bills and to provide tax relief when we are able to do so. As the Board of Selectmen has done for several years, this budget makes progress on balancing the overall financial needs of the Town.

The Town experienced difficult budget years in FY10 – FY12. The already challenging budgets in those years had additional pressure through declining revenue due to the poor national economy and high fixed cost increases. Through those difficult years, all Town and School parties worked cooperatively, striving to remain within limited resources and providing the best services as possible to the community. Because Town and School officials responsibly addressed those difficult years and did not seek to use one time budget balancing solutions, the Town was better positioned with a structurally balanced budget and emerged from those difficult years in an enhanced position to move forward.

The Town budgets in FY13 through FY19 exhibited overall improvement in the economy and revenue sources. This coupled with significant savings due to health insurance reforms, allowed for budgets that provided for moderate operating budget growth while making continued progress on capital, reserves, and long term liability needs.

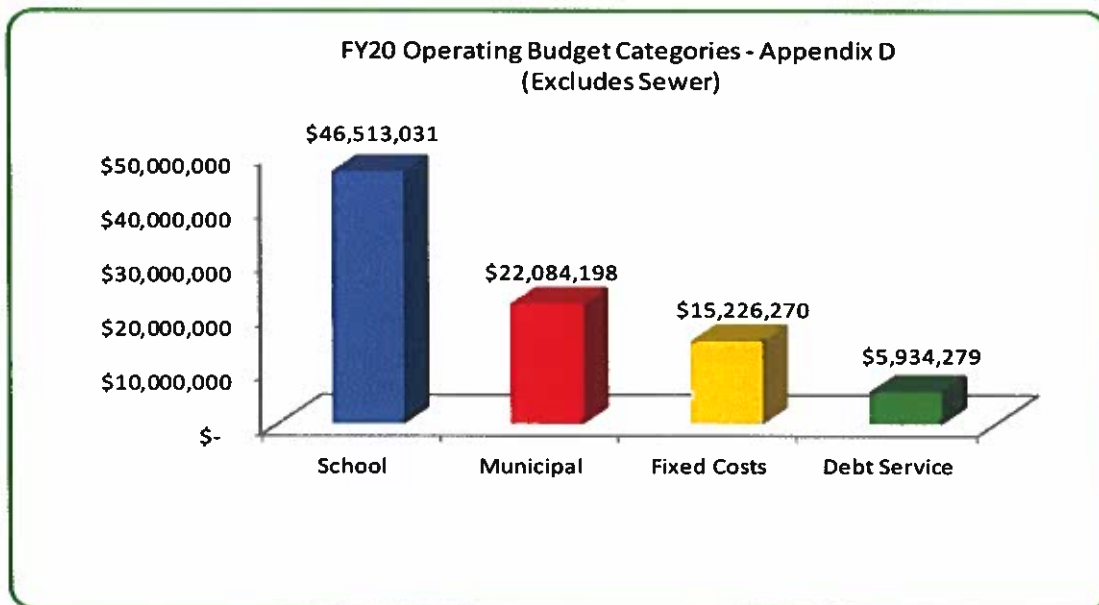
## FY20 Budget Summary

As the economy has improved, the Town continues with disciplined measures, focusing on the multiple budgetary needs and implementing sound decisions allowing the Town to stay on track going forward. Some of these measures include:

- Moderate operating budget increases so as to provide for future sustainability of services and staffing levels.
- Responsible labor contracts.
- Significant changes to the employees' health insurance costs.
- Prudent use of debt financing to capture historically low interest rates.
- Commitment to capital reinvestment and appropriate funding of reserves and liabilities.
- Careful use of new tax revenue from the University Station project.

The FY20 proposed budget continues with this discipline and seeks to balance all of the many needs of the community. The FY20 budget currently includes:

- Commitment to high quality services provided by school and municipal departments.
- Approximate 3.5% increase to municipal and 3.47% increase to school operating budgets.
- Commitment to high level of ongoing base school and municipal capital \$2,339,000.
- Continue to fund additional capital items beyond the base level.
- Continue small annual allocation to the Stabilization Fund of \$125,000 funded from free cash to keep account in line with financial policies.
- Commitment to OPEB liability fund, by funding \$1.44M annual appropriation. This allows the Town to remain on target with the liability funding schedule.



*For further detail on the operating budget, please see the FY19 Proposed Budget section of this book.*

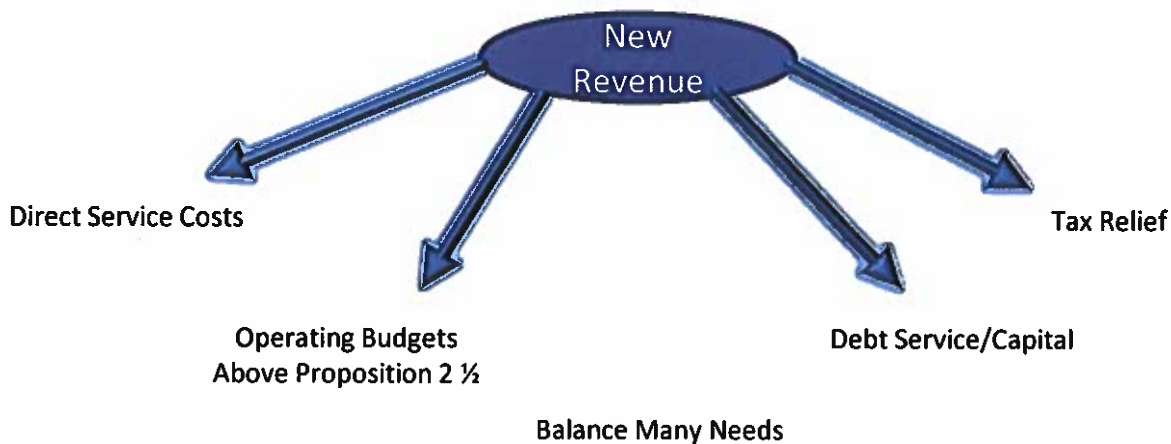
## FY20 Budget Summary

### University Station

Through significant work by so many in Town for so many years, the University Station project has finally come to fruition and continues to provide a significant opportunity for the Town to continue with the responsible established budget practices.

FY20 will represent the sixth year of new tax revenue from the University Station project. To date through FY19, the project has increased our tax levy by \$5.4M.

The new revenue, starting in FY15, has been used to address several areas of the Town's finances.



The Town has worked to make sure that the revenue has been used cautiously and meets as many budget needs, including tax bill mitigation efforts, as possible. This new revenue has had a very positive impact on our budget needs.

In the FY20 budget, there is \$680,000 in University Station revenue available, coming from \$555,000 of unused FY19 levy and anticipated new tax growth of \$125,000. The Board of Selectmen is proposing that \$587,500 of this funding be used for direct University Station services including \$537,500 for public safety funding and \$50K for school transportation needs.

*Detailed information on total revenue from this project and the particular use of the funds is included in the University Station section in this book.*

## FY20 Budget Summary

### **Striving to Provide Balance to All Areas of the Budget**

*This budget continues to balance the operations, capital, reserves and long term liabilities of the community.*

All areas of Westwood's government and schools provide a high level of quality service for our residents and community. Our residents desire this level, while understanding the difficulty in meeting these needs within our budget parameters and the tax bill impact.

Our Town and School administration and staff have done a tremendous job in maintaining quality services within the difficult budget structure of Proposition 2 ½. We must continue to, and the community must support, a continual change of programs to ensure efficient and optimal delivery of services.

In addition, as the University Station project continues to come on line, new demands on our services will occur. We must adjust our budgets accordingly to respond to these new demands, particularly on our public safety and school departments. We must also continue to monitor the University Station revenue – and be sure to properly set aside revenue that occurs before direct service impact. We need to have the funding available when the direct service costs are realized.

The overall budget must also continue to address capital needs, reserve levels, and our long term pension and OPEB liabilities. The real challenge is to balance these needs and continue moving forward in all areas, not specifically one need at the expense of others.

All of these areas of spending must be balanced against the impact on the residential tax bill. While our residents demand a high level of services, Westwood, as a typical suburban community, is funded through tax revenue and therefore the budget must be mindful of the resulting tax bill impact and seek to slow the annual tax bill growth.

The Board of Selectmen will continue to structure the annual budget proposals to provide progress on all areas and maintain the quality and sustainability of services that our residents deserve.

As always, the Board of Selectmen appreciates the significant time and attention that our elected Town and School Officials, Finance and Warrant Commission members, all appointed Boards and Committees and staff, and our Town residents give to the budget process each year.



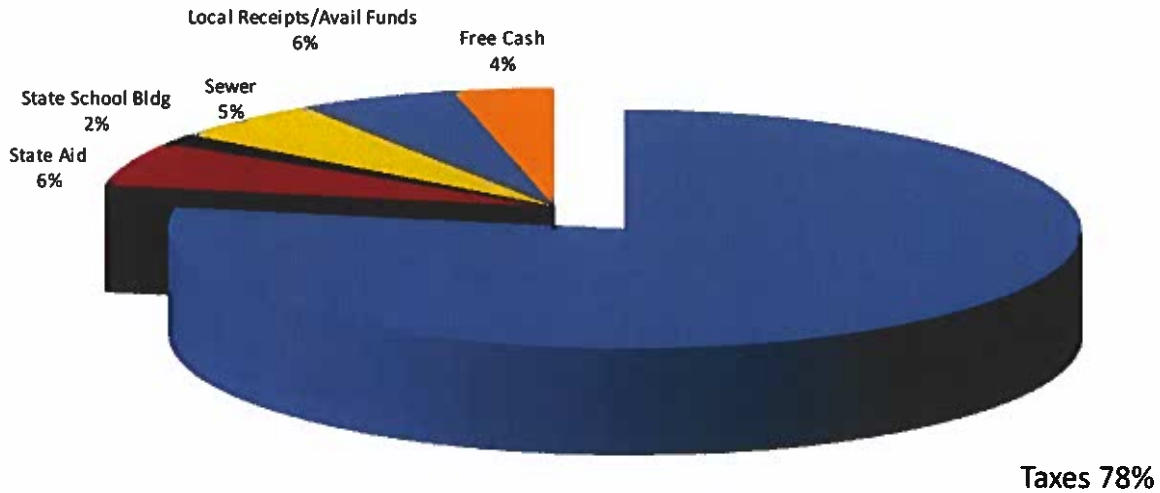
# Town of Westwood Summary of Proposed FY20 Budget

## Town of Westwood Summary of Proposed FY20 Budget

	FY2017 Approved Per Recap	FY2018 Approved Per Recap	FY2019 Approved Per Recap	FY2020 Proposed
<b>BUDGET CATEGORIES</b>				
<b>Appropriations Made by Town Meeting:</b>				
Operations Budget	\$83,797,429	\$87,726,490	\$91,032,406	\$94,339,942
Capital - Municipal	\$850,100	\$867,000	\$886,900	\$1,322,000
Capital - Schools	\$885,050	\$867,000	\$867,000	\$1,017,000
Capital - Sewer	\$135,000	\$600,000	\$420,000	\$1,050,000
Stabilization Account Appropriation - annual article	\$100,000	\$100,000	\$100,000	\$125,000
Capital Stabilization Appropriation	\$0	\$397,000	\$0	\$0
OPEB Account Appropriation - annual article	\$1,350,000	\$1,390,000	\$1,415,000	\$1,440,000
Other Financial Warrant Articles	\$90,000	\$1,406,000	\$1,125,000	\$0
Prior yr. Adjustments voted at Town Meeting	\$421,000	\$403,800	\$331,000	\$0
	\$0	\$0	\$0	\$0
Other Capital - School & Municipal	\$750,000	\$949,000	\$1,300,760	\$2,467,000
	\$0	\$0	\$0	\$0
<b>Total Appropriations -Town Meeting</b>	<b>\$88,378,579</b>	<b>\$94,706,290</b>	<b>\$97,478,066</b>	<b>\$101,760,942</b>
<b>Other Amounts to be Raised (not Voted at Town Meeting)</b>				
State Aid Offsets (Funds which must be restricted )	\$19,646	\$18,602	\$19,478	\$22,307
State and County Charges	\$591,670	\$624,344	\$676,612	\$699,378
Overlay (Reserve for abatements/exemptions)	\$639,929	\$584,151	\$586,416	\$600,000
Other - Snow & Ice Raised on Recap	<u>\$121,492</u>	<u>\$69,715</u>	<u>\$121,480</u>	<u>\$122,748</u>
<b>Total Other Amounts</b>	<b>\$1,372,737</b>	<b>\$1,296,812</b>	<b>\$1,403,986</b>	<b>\$1,444,433</b>
<b>Total Expenditures</b>	<b>\$89,751,316</b>	<b>\$96,003,102</b>	<b>\$98,882,052</b>	<b>\$103,205,375</b>
<b>Financial Resources</b>				
<b>State Revenue:</b>				
State Aid	\$5,781,433	\$5,965,655	\$6,212,883	\$6,212,883
State School Building Assistance Funding	\$1,401,276	\$1,401,276	\$1,401,276	\$1,401,276
<b>Local Revenue:</b>				
Total Property Taxes	\$70,500,803	\$74,005,710	\$76,955,697	\$80,342,935
Local Receipts	\$3,312,000	\$4,043,415	\$4,043,415	\$4,043,415
Enterprise (Sewer ) Funding (for all - capital , articles, etc)	\$4,250,511	\$5,067,862	\$5,118,071	\$5,746,690
Available Funds for misc articles	\$228,000	\$769,800	\$1,038,760	\$67,500
Available Funds	\$536,243	\$528,334	\$520,832	\$527,176
Meals Tax	\$0	\$0	\$432,000	\$1,175,000
Capital Stabilization Fund	\$650,000	\$0	\$0	\$0
Free Cash to Reduce the TaxRate	\$500,000	\$500,000	\$0	\$0
Free Cash	<u>\$2,591,050</u>	<u>\$3,721,050</u>	<u>\$3,159,118</u>	<u>\$3,688,500</u>
<b>Total Revenues</b>	<b>\$89,751,316</b>	<b>\$96,003,102</b>	<b>\$98,882,052</b>	<b>\$103,205,375</b>
<b>Total revenue less expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Authorization to borrow (Projects approved at Town Meeting -funds are borrowed and debt service included in future budgets) :</b>				
Approved at 2016 ATM -Police Station Construction	\$13,205,000			
Approved at 2016 ATM -Sewer System Inspection + Repair - through MWRA Grant/Loan	\$666,000			
Approved at 2018 ATM -School MSBA Program Eligibility Phase			\$1,750,000	
Approved at 2018 ATM -Redevelopment Islington/Wentworth Library			\$3,500,000	
Proposed for 2019 ATM -Road Improvement Bond				\$4,900,000

# FY2020 Projected Budget Revenue

## FY2020 Projected Budget Revenue



FY2020 Projected Budget Revenue				
	FY2019 Per Recap	FY2020 Proj	\$ Increase	% Increase
Taxes	\$76,955,697	\$80,342,935	\$3,387,238	4.4%
State Aid	\$6,212,883	\$6,212,883	\$0	0.0%
State School Bldg Reimbursement	\$1,401,276	\$1,401,276	\$0	0.0%
Sewer Enterprise	\$5,118,071	\$5,746,690	\$628,619	12.3%
Local Receipts	\$4,043,415	\$4,043,415	\$0	0.0%
Available Funds	\$520,832	\$527,176	\$6,344	1.2%
Available Funds - prior year/other article	\$1,038,760	\$67,500	(\$971,260)	-93.5%
Meals Tax	\$432,000	\$1,175,000	\$743,000	
Free Cash	\$3,159,118	\$3,688,500	\$529,382	16.8%
<b>Total</b>	<b>\$98,882,052</b>	<b>\$103,205,375</b>	<b>\$4,323,323</b>	<b>4.4%</b>

## History of Tax Levy – Budget FY2020

Tax Levy Calculation	FY2016	FY2017	FY2018	FY2019	Budget FY2020	
Prior Year Levy Limit	\$60,753,121	\$66,435,457	\$70,367,740	\$73,558,364	\$76,623,854	
Plus 2.5% Increase	\$1,518,828	\$1,660,886	\$1,759,194	\$1,838,959	\$1,915,596	Plus 2.5%
Plus New Growth**	\$921,201	\$1,099,667	\$1,252,430	\$950,531	\$450,000	New growth
New Tax Levy - University Station	\$3,242,307	\$1,171,730	\$179,000	\$276,000	\$125,000	Uni Station growth
General Overrides	\$0	\$0	\$0	\$0	\$0	General Override
<b>Tax Levy Limit</b>	<b>\$66,435,457</b>	<b>\$70,367,740</b>	<b>\$73,558,364</b>	<b>\$76,623,854</b>	<b>\$79,114,450</b>	
<b>Exempt Debt*</b>	<b>\$1,740,624</b>	<b>\$1,642,706</b>	<b>\$1,523,690</b>	<b>\$1,429,505</b>	<b>\$1,320,986</b>	Exempt Debt
<b>Levy Capacity</b>	<b>\$68,176,081</b>	<b>\$72,010,446</b>	<b>\$75,082,054</b>	<b>\$78,053,359</b>	<b>\$80,435,436</b>	What we could tax
Actual Levy Assessed	\$67,637,558	\$70,500,803	\$74,005,710	\$76,955,697	\$80,342,936	What we actually tax
Excess Levy (Taxes not raised)	\$538,523	\$1,509,643	\$1,076,344	\$1,097,662	\$92,500	Unused tax levy
Increase in Actual Levy (including new growth)	9.1%	4.2%	5.0%	4.0%	4.4%	
Increase in Levy without new growth	2.39%	0.88%	2.94%	2.33%	3.65%	

Unused Tax Levy Detail	FY2018	FY2019	Budget FY2020
Unused University Station	\$279,000	\$555,000	\$92,500
Other New Growth Higher Than Budgeted	\$797,344	\$542,662	\$0
<b>Total Unused Levy</b>	<b>\$1,076,344</b>	<b>\$1,097,662</b>	<b>\$92,500</b>

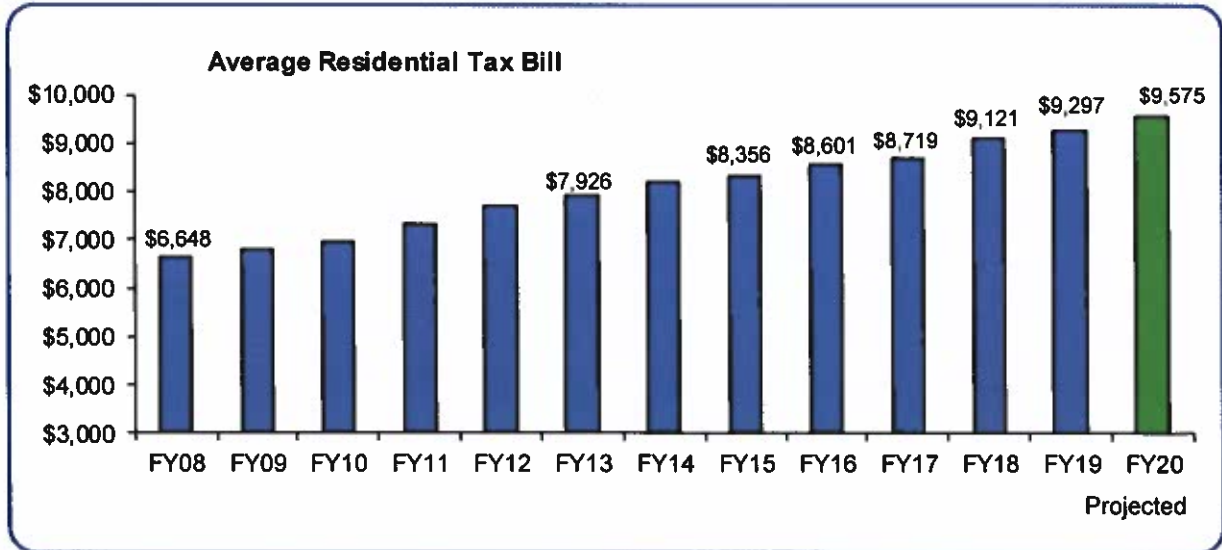
\* Exempt debt - This is the net principal and interest payment required each year for borrowing projects approved outside Proposition 2 1/2.

\*\*New Growth - This represents taxes from new residential and commercial development.

- No general override since 2007
- Exempt debt declines each year, High School bond ends in 2023

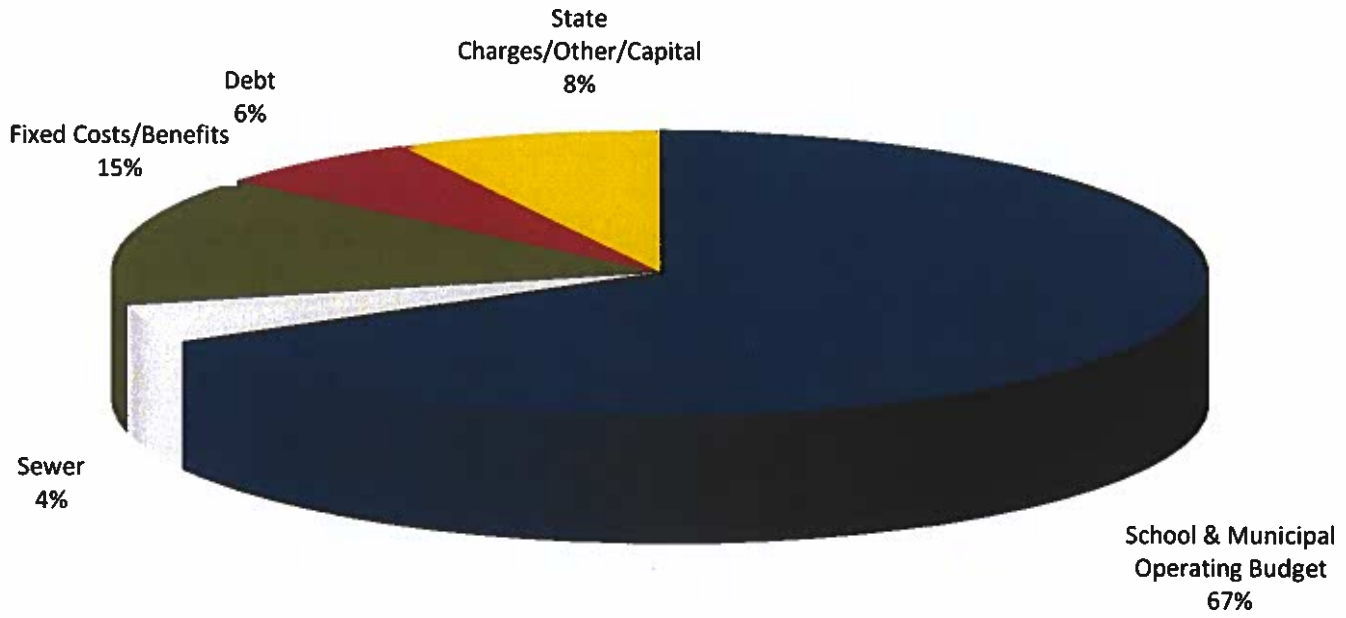
## Tax Rate/Tax Bill History

Tax Rate per Thousand	FY13	FY14	FY15	FY16	FY17	FY18	FY19	Projected FY20
Residential	\$14.89	\$15.40	\$15.24	\$14.66	\$14.57	\$15.09	\$14.65	
Commercial	\$27.28	\$28.18	\$28.79	\$28.27	\$28.20	\$29.30	\$28.24	
<b>% of Total Town Value</b>								
Residential Property	86.7%	86.8%	87.5%	85.5%	85.1%	84.9%	84.1%	
Commercial Property	13.2%	13.1%	12.5%	14.4%	14.8%	15.1%	15.9%	
Tax Shift Factor	1.65	1.65	1.70	1.70	1.70	1.70	1.68	
<b>% of Total Town Taxes</b>								
Residential Properties	78.1%	78.3%	78.7%	75.4%	74.8%	74.3%	73.3%	
Commercial Properties	21.8%	21.6%	21.3%	24.5%	25.2%	25.7%	26.7%	
<b>Average Residential Tax Bill</b>								
Home Value	\$532,345	\$532,345	\$548,315	\$586,697	\$598,431	\$604,000	\$634,636	
Tax Bill	\$7,926	\$8,198	\$8,356	\$8,601	\$8,719	\$9,121	\$9,297	\$9,575
<b>Average Tax Bill Increase</b>	2.8%	3.4%	1.9%	2.9%	1.3%	4.6%	2.0%	3.0%
Single Tax Rate	\$16.53	\$17.08	\$16.93	\$16.63	\$16.59	\$17.24	\$16.81	
<b>Savings to Average Tax Bill from Having Split Tax Rate</b>	\$874	\$894	\$926	\$1,155	\$1,207	\$1,300	\$1,370	



# FY2020 Proposed Expenditure Summary

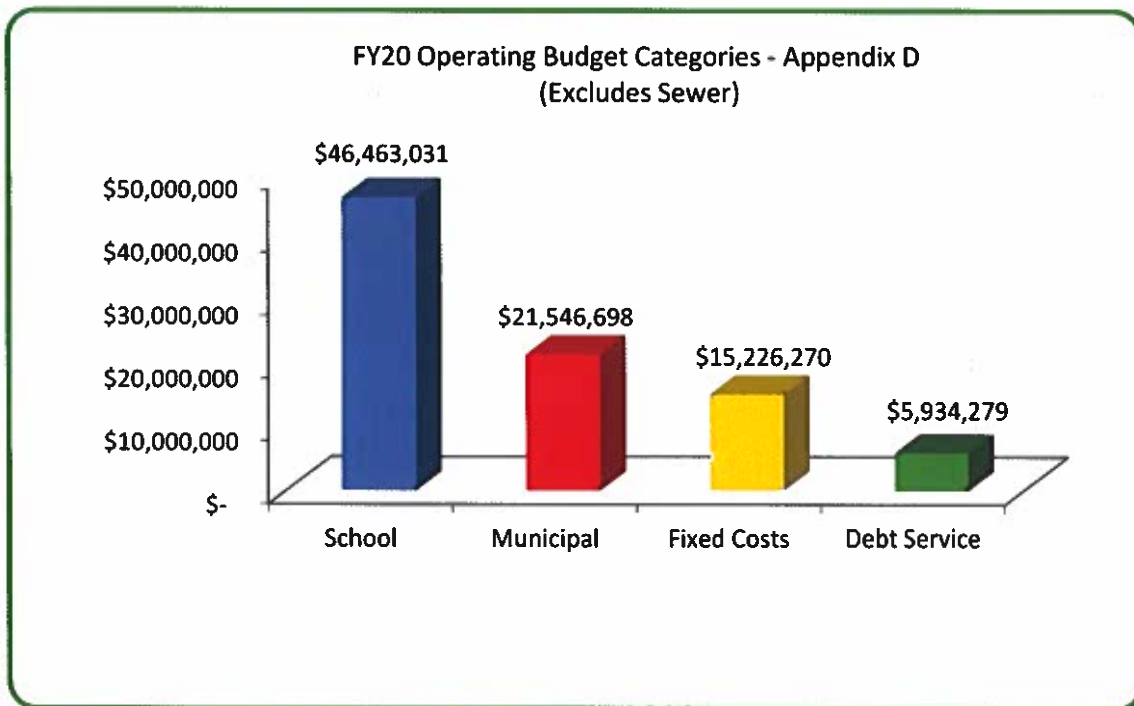
## FY2020 Expenditure Summary



FY2020 Proposed Expenditure Summary				
	FY2019 Budget	FY2020 Projected	\$ Change	% Change
Operating Budget - School Categories	\$45,146,049	\$46,753,707	\$1,607,658	3.6%
Operating Budget - Municipal	\$20,802,318	\$21,546,698	\$744,380	3.6%
University Station Direct Services		\$587,500	\$587,500	#DIV/0!
Benefits/Reserves/Insurance	\$14,626,822	\$15,226,270	\$599,448	4.1%
Sewer - Operating	\$4,319,239	\$4,291,488	(\$27,751)	-0.6%
Debt Service	\$6,137,978	\$5,934,279	(\$203,699)	-3.3%
Capital Base Budget - School & Municipal	\$1,753,900	\$2,339,000	\$585,100	33.4%
Capital - Sewer	\$420,000	\$1,050,000	\$630,000	150.0%
<b>Other Appropriations:</b>				
Stabilization	\$100,000	\$125,000	\$25,000	25.0%
Additional Capital	\$1,300,760	\$2,467,000	\$1,166,240	89.7%
OPEB	\$1,415,000	\$1,440,000	\$25,000	1.8%
Prior Year	\$331,000	\$0	(\$331,000)	-100.0%
Other Financial Articles/Other	\$1,125,000	\$0	(\$1,125,000)	-100.0%
State Charges/Offsets/Overlay/Snow	\$1,403,986	\$1,444,433	\$40,447	2.9%
<b>Total Expenditures</b>	<b>\$98,882,052</b>	<b>\$103,205,375</b>	<b>\$4,323,323</b>	<b>4.4%</b>

## Operating Budget Categories

FY19 Budget	Category	FY20		
		Selectmen Proposed	\$ Change FY20 v FY19	% Change FY20 v FY19
\$ 44,903,135	School Operating	\$ 46,463,031	\$ 1,559,896	3.5%
\$ 20,802,318	Municipal Operating	\$ 21,546,698	\$ 744,380	3.6%
	University Station Direct Services	\$ 587,500	\$ 587,500	
\$ 136,373	Blue Hills	\$ 180,000	\$ 43,627	32.0%
\$ 106,541	Traffic Supervisors	\$ 110,676	\$ 4,135	3.9%
\$ 14,626,822	Fixed Costs	\$ 15,226,270	\$ 599,448	4.1%
\$ 6,137,978	Debt Service	\$ 5,934,279	\$ (203,699)	-3.3%
\$ 4,319,239	Sewer	\$ 4,291,488	\$ (27,751)	-0.6%
<b>\$ 91,032,406</b>	<b>Total</b>	<b>\$ 94,339,942</b>	<b>\$ 3,307,536</b>	<b>3.6%</b>



## FY20 Capital Articles

### Sewer Capital Request

Item	Amount	Funding Source
<b>Requested Items:</b>		
Infiltration & Inflow Program	\$500,000	<b>Sewer Retained Earnings</b>
Stormwater Compliance	\$50,000	<b>Sewer Retained Earnings</b>
Pump Station Facility Program	<u>\$500,000</u>	<b>Sewer Retained Earnings</b>
<b>Total</b>	<b>\$1,050,000</b>	

### Capital To Be Funded Through Other Funds

Item	Amount	Funding Source
<b>Requested Items:</b>		
Fire – Self Contained Breathing Apparatus upgrade and replacement	\$44,000	<b>Ambulance Revenue</b>
Fire – Rescue Upgrade and Replacement	<u>\$23,500</u>	<b>Ambulance Revenue</b>
<b>Total</b>	<b>\$67,500</b>	

## FY20 Capital Articles

### FY20 Capital Requests – Road Project Article

Item	Amount
<b>Requested Items:</b>	
Route 109 Corridor Project	\$2,000,000
Crosswalk Safety Improvements Town-wide	\$500,000
Paving/Sidewalk Enhancements Town-wide	\$1,500,000
Pavement Preservation Program Town-wide	<u>\$900,000</u>
<b>Total</b>	<b>\$4,900,000</b>

This needs to go forward now due to DWWD project

Funding Method: This would be funded as a borrowing authorization. This would need to be approved by a Proposition 2 ½ debt exemption

Would require a ballot question to pay debt service outside of Proposition 2 ½

Estimate for a 10 year bond: approximate annual debt service of \$570K. Annual cost to average homeowner, approximately \$86/year.



## FY20 Capital Articles

### School Capital Article - Funding Recommendation

Item	Amount	Funding Source
<b>Requested Items:</b>		
Technology	\$150,000	Free Cash
Roofing	\$100,000	Free Cash
Repair Items	\$402,803	Free Cash
Furniture, Fixtures, and Equipment	\$111,797	Free Cash
HVAC and Controls	\$192,400	Free Cash
Copiers/Duplicators	<u>\$60,000</u>	Free Cash
<b>Total</b>	<b>\$1,017,000</b>	

## FY20 Capital Articles

### Municipal Capital - Funding Recommendation

Item	Amount	Funding Source
<b>Requested Items:</b>		
DPW - One Ton Dump Truck with Plow (Truck 32)	\$70,000	Free Cash
DPW - Backhoe Loader Replacement (JCB1)	\$125,000	Free Cash
DPW - Utility Maintenance Van (Truck 55)	\$70,000	Free Cash
DPW - Bombadier Sidewalk Plow (B1)	\$125,000	Free Cash
Fire - Turnout Gear Purchase and Replacement	\$35,000	Free Cash
Fire - Replace Engines (2) Lease Payment (Year 3 of 5)	\$226,400	Free Cash
Fire - Replace Deputy's Vehicle	\$42,500	Free Cash
Fire - Radio Upgrade and Replacement	\$23,850	Free Cash
Police - Safety Equipment	\$31,000	Free Cash
Police - Replacement of vehicles	\$179,500	Free Cash
Police - Radio Infrastructure	\$75,000	Free Cash
IT - End User Technology	\$50,000	Free Cash
Library - Patron/Staff End User Technology	\$18,750	Free Cash
WAHA - Building Maintenance and Improvement	\$100,000	Free Cash
Municipal Buildings - Facilities Maintenance/Energy Efficiency	<u>\$150,000</u>	Free Cash
<b>Total</b>	<b>\$1,322,000</b>	

## FY20 Capital Articles

### Other Capital Article – Fund With Hotels/Meals Tax and Free Cash

Item	Amount	Funding Source
<b>Requested Items:</b>		
Recreation - Field Lighting	\$725,000	<b>Meals Tax</b>
Thurston Middle School HVAC Project	\$300,000	<b>Meals Tax</b>
Municipal Buildings – COA HVAC System	\$150,000	<b>Meals Tax</b>
Morrison Basketball Court Refurbishment	\$35,000	<b>Free Cash</b>
Carby Street Retaining Wall	\$250,000	<b>Free Cash</b>
IT – Town/School Financial Software (first ½)	\$237,500	<b>Free Cash</b>
Municipal Buildings – Fire Station 1 Renovation	\$250,000	<b>Free Cash</b>
Fire – Swap body multi purpose vehicle	\$400,000	<b>Free Cash</b>
Conservation – Perry Crouse Pond maintenance	\$32,000	<b>Free Cash</b>
Design new playing fields on land behind high school tennis courts	<u>\$20,000</u>	<b>Free Cash</b>
<b>Total</b>	<b>\$2,399,500</b>	

**Funding Recommendation: \$1,175,000 Meals/Hotels Tax**  
**\$1,224,500 Free Cash**  
**\$2,399,500 Total**

**Appendix D**  
**Proposed FY2020 Departmental Salary/Expense Budgets**

Description	Expended FY2018	Current FY2019 Budget	Proposed FY2020 Budget	\$ Change FY20 vs FY19	% Change FY20 vs FY19	Funding Source
<b>Selectmen Department</b>						
1. Salaries	578,926	599,168	620,970	21,802	3.6%	Taxation
2. Expenses	55,484	55,500	55,500	0	0.0%	Taxation
	634,411	654,668	676,470	21,802	3.3%	
<b>Finance and Warrant Commission</b>						
3. Salary	17,621	18,438	19,278	840	4.6%	Taxation
4. Expenses	35,674	41,389	41,889	500	1.2%	Taxation
	53,295	59,827	61,167	1,340	2.2%	
<b>Accounting Department</b>						
5. Salaries	249,189	258,258	266,366	8,108	3.1%	Taxation
6. Expenses	4,540	7,000	7,000	0	0.0%	Taxation
	253,729	265,258	273,366	8,108	3.1%	
<b>Assessors Department</b>						
7. Salaries	208,733	214,289	212,120	(2,169)	-1.0%	Taxation
8. Expenses	17,575	22,450	22,450	0	0.0%	Taxation
	226,308	236,739	234,570	(2,169)	-0.9%	
<b>Treasurer's Department</b>						
9. Salary	103,360	107,778	112,026	4,248	3.9%	Taxation
10. Expenses	10,732	12,800	11,400	(1,400)	-10.9%	Taxation
	114,092	120,578	123,426	2,848	2.4%	
<b>Collector's Department</b>						
11. Salaries	120,429	123,367	120,041	(3,326)	-2.7%	Taxation
12. Expenses	68,187	73,850	85,450	11,600	15.7%	\$42,500 Ambulance receipts/Taxation
	188,616	197,217	205,491	8,274	4.2%	
<b>Legal Department</b>						
Salary	99,689	101,797	101,140	(657)	-0.6%	Taxation
Expenses	166,132	112,000	114,000	2,000	1.8%	Taxation
13 Total Legal	265,821	213,797	215,140	1,343	0.6%	
<b>Human Resources</b>						
14. Salary	222,495	232,682	244,116	11,434	4.9%	Taxation
15. Expenses	3,137	7,500	7,500	0	0.0%	Taxation
	225,632	240,182	251,616	11,434	4.8%	
<b>Information Systems Department</b>						
16. Salaries	276,030	288,950	302,578	13,628	4.7%	Taxation
17. Expenses	72,499	74,500	76,500	2,000	2.7%	Taxation
	348,529	363,450	379,078	15,628	4.3%	

**Appendix D  
Proposed FY2020 Departmental Salary/Expense Budgets**

Description	Expended FY2018	Current FY2019 Budget	Proposed FY2020 Budget	\$ Change FY20 vs FY19	% Change FY20 vs FY19	Funding Source
<b>Town Clerk Department</b>						
18. Salaries	155,584	172,655	178,212	5,557	3.2%	Taxation
19. Expenses	36,958	73,800	76,300	2,500	3.4%	Taxation
	<u>192,541</u>	<u>246,455</u>	<u>254,512</u>	<u>8,057</u>	<u>3.3%</u>	
<b>WAHA/Housing Authority</b>						
20. Salary	19,598	18,438	21,798	3,360	18.2%	Taxation
21. Expenses	0	3,400	11,600	8,200	241.2%	Taxation
	<u>19,598</u>	<u>21,838</u>	<u>33,398</u>	<u>11,560</u>	<u>52.9%</u>	
<b>Outside Professional Services</b>						
22. Expenses	46,500	46,500	46,500	0	0.0%	Taxation
<b>Training/Professional Development</b>						
23. Expenses	14,177	15,000	15,000	0	0.0%	Taxation
<b>Total General Government</b>	<b>2,583,248</b>	<b>2,681,509</b>	<b>2,769,734</b>	<b>88,225</b>	<b>3.3%</b>	

<b>Police Department</b>						
Salaries	3,774,528	3,856,684	4,028,870	172,186	4.5%	Taxation
Expenses	260,622	283,700	288,500	4,800	1.7%	Taxation
	<u>4,035,151</u>	<u>4,140,384</u>	<u>4,317,370</u>	<u>176,986</u>	<u>4.3%</u>	
<b>Auxiliary Police/Civil Defense</b>						
Expenses	443	3,000	3,000	0	0.0%	Taxation
	<u>443</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>0.0%</u>	
<b>Animal Control</b>						
Salary	59,184	58,753	59,952	1,199	2.0%	Taxation
Expenses	3,646	9,800	10,300	500	5.1%	Taxation
	<u>62,830</u>	<u>68,553</u>	<u>70,252</u>	<u>1,699</u>	<u>2.5%</u>	
24. Total Police	4,098,423	4,211,937	4,390,622	178,685	4.2%	
<b>Fire Department</b>						
Salaries	4,092,515	4,170,721	4,268,658	97,937	2.3%	\$304,000 Ambulance Receipts/Taxation
Expenses	296,581	293,500	282,000	(11,500)	-3.9%	\$40,000 Ambulance Receipts/Taxation
25. Total Fire	4,389,096	4,464,221	4,550,658	86,437	1.9%	
<b>Total Public Safety</b>	<b>8,487,519</b>	<b>8,676,158</b>	<b>8,941,280</b>	<b>265,122</b>	<b>3.1%</b>	

**Appendix D  
Proposed FY2020 Departmental Salary/Expense Budgets**

Description	Expended FY2018	Current FY2019 Budget	Proposed FY2020 Budget	\$ Change FY20 vs FY19	% Change FY20 vs FY19	Funding Source
Conservation Commission						
Salary	70,996	74,272	77,661	3,389	4.6%	\$17,000 Conservation Receipts/Taxation
Expenses	5,238	6,400	6,400	0	0.0%	Taxation
	76,233	80,672	84,061	3,389	4.2%	
Planning Board						
Salaries	116,635	89,936	95,383	5,447	6.1%	Taxation
Expenses	2,613	4,400	4,500	100	2.3%	Taxation
	119,248	94,336	99,883	5,547	5.9%	
Housing/Zoning						
Salaries	65,227	72,051	75,329	3,278	4.5%	Taxation
Expenses	1,275	3,500	3,500	0	0.0%	Taxation
	66,502	75,551	78,829	3,278	4.3%	
Community & Economic Development						
Salaries	158,118	219,859	217,669	(2,190)	-1.0%	Taxation
Expenses	3,984	4,000	4,000	0	0.0%	Taxation
	162,102	223,859	221,669	(2,190)	-1.0%	
Building Inspection Department						
Salaries	305,366	322,390	338,179	15,789	4.9%	Taxation
Expenses	23,911	43,000	42,000	(1,000)	-2.3%	Taxation
	329,278	365,390	380,179	14,789	4.0%	
Health Department						
Salaries	260,495	276,649	263,698	(12,951)	-4.7%	Taxation
Expenses	9,672	11,750	12,200	450	3.8%	Taxation
	270,168	288,399	275,898	(12,501)	-4.3%	
Outside Health Agencies	10,616	13,416	13,416	0	0.0%	Taxation
<b>26. Total Community and Economic Development</b>	<b>1,034,146</b>	<b>1,141,623</b>	<b>1,153,935</b>	<b>12,312</b>	<b>1.1%</b>	
Department of Public Works						
Salaries	1,726,078	1,638,902	1,685,286	46,384	2.8%	Taxation
Expenses	510,909	523,600	515,600	(8,000)	-1.5%	Taxation
<b>27. Total DPW Admin and Operations</b>	<b>2,236,986</b>	<b>2,162,502</b>	<b>2,200,886</b>	<b>38,384</b>	<b>1.8%</b>	
Building Maintenance						
Salaries	172,297	188,514	298,174	109,660	58.2%	Taxation
Expenses	886,529	968,800	948,900	(19,900)	-2.1%	Taxation
<b>28. Total Building Maintenance</b>	<b>1,058,826</b>	<b>1,157,314</b>	<b>1,247,074</b>	<b>89,760</b>	<b>7.8%</b>	
<b>29. Municipal &amp; School Field Maintenance</b>	<b>147,730</b>	<b>155,000</b>	<b>170,000</b>	<b>15,000</b>	<b>9.7%</b>	<b>Taxation</b>
<b>30. Snow &amp; Ice</b>	<b>721,480</b>	<b>450,000</b>	<b>450,000</b>	<b>0</b>	<b>0.0%</b>	<b>Taxation</b>
<b>31. Street Lighting/ Traffic Light Maint</b>	<b>111,546</b>	<b>120,000</b>	<b>115,000</b>	<b>(5,000)</b>	<b>-4.2%</b>	<b>Taxation</b>
<b>32. Waste Collection/Disposal Expenses</b>	<b>1,207,233</b>	<b>1,257,844</b>	<b>1,328,600</b>	<b>70,756</b>	<b>5.6%</b>	<b>Taxation</b>
<b>Total Public Works</b>	<b>5,483,802</b>	<b>5,302,660</b>	<b>5,511,560</b>	<b>208,900</b>	<b>3.9%</b>	

**Appendix D**  
**Proposed FY2020 Departmental Salary/Expense Budgets**

Description	Expended FY2018	Current FY2019 Budget	Proposed FY2020 Budget	\$ Change FY20 vs FY19	% Change FY20 vs FY19	Funding Source
33. Disability Commission Expenses	0	500	500	0	0.0%	Taxation
Council On Aging						
34. Salaries	297,461	343,644	357,488	13,844	4.0%	Taxation
35. Expenses	31,419	33,150	36,650	3,500	10.6%	Taxation
	328,881	376,794	394,138	17,344	4.6%	
Youth and Family Services Commission						
36. Salaries	258,628	261,304	272,387	11,083	4.2%	Taxation
37. Expenses	14,701	15,000	15,000	0	0.0%	Taxation
	273,329	276,304	287,387	11,083	4.0%	
Veterans Services Department						
38. Salaries	57,653	60,689	62,788	2,099	3.5%	Taxation
39. Expenses	67,319	72,550	70,533	(2,017)	-2.8%	Taxation
	124,973	133,239	133,321	82	0.1%	
<b>Total Human Services</b>	<b>727,182</b>	<b>786,837</b>	<b>815,346</b>	<b>28,509</b>	<b>3.6%</b>	
Public Library						
Salaries	997,261	1,069,001	1,109,512	40,511	3.8%	Taxation
Expenses	286,961	310,950	321,050	10,100	3.2%	Taxation
Lost Books	0	1,600	1,600	0	0.0%	Taxation
40. Total Library	1,284,221	1,381,551	1,432,162	50,611	3.7%	
Recreation Department						
41. Salaries	305,263	318,496	327,497	9,001	2.8%	\$180,000 Recreation Funds/Taxation
42. Expenses	15,783	15,784	15,784	0	0.0%	Taxation
	321,046	334,280	343,281	9,001	2.7%	
43. Memorial/Veteran's Day/Westwood Day Expenses	16,770	21,800	23,800	2,000	9.2%	Taxation
<b>Total Culture and Recreation</b>	<b>1,622,038</b>	<b>1,737,631</b>	<b>1,799,243</b>	<b>61,612</b>	<b>3.5%</b>	
<b>Other</b>						
Operating Capital	42,534	0	0	0		
44. Hardware/Software Maintenance	298,772	321,150	392,600	71,450	22.2%	\$4,575 Ambulance Receipts/Taxation
Salary Reserve	18,000	0	0	0		
45. Communications Systems	154,155	154,750	163,000	8,250	5.3%	Taxation
<b>Total Other</b>	<b>513,462</b>	<b>475,900</b>	<b>555,600</b>	<b>79,700</b>	<b>16.7%</b>	
<b>Total Municipal Budget</b>	<b>20,451,398</b>	<b>20,802,318</b>	<b>21,546,698</b>	<b>744,380</b>	<b>3.58%</b>	

**Appendix D  
Proposed FY2020 Departmental Salary/Expense Budgets**

Description	Expended FY2018	Current FY2019 Budget	Proposed FY2020 Budget	\$ Change FY20 vs FY19	% Change FY20 vs FY19	Funding Source
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**University Station Related Services  
Board of Selectmen Approval Required to Proceed with These Budgets\***

46. University Station Funded Services, Police & Fire	0	0	537,500	537,500		Taxation
<b>Total University Station Public Safety funded</b>	<b>0</b>	<b>0</b>	<b>537,500</b>	<b>537,500</b>		

\*Expenditures and positions must be authorized by majority vote of the Board of Selectmen prior to any expenditure of funds or hiring

**Westwood Public Schools**

Salaries	37,338,445	38,810,528	40,275,301	1,464,773	3.8%	Taxation
Expenses	6,102,717	6,092,607	6,187,730	95,123	1.6%	Taxation
47. School salaries & exps	43,441,162	44,903,135	46,463,031	1,559,896	3.47%	
48. Blue Hills Regional School	147,373	136,373	180,000	43,627	32.0%	Taxation
Crossing Guards						
49. Salaries	89,955	103,041	107,176	4,135	4.0%	Taxation
50. Expenses	954	3,500	3,500	0	0.0%	Taxation
Total	90,909	106,541	110,676	4,135	3.9%	
<b>Total School Budgets</b>	<b>43,679,443</b>	<b>45,146,049</b>	<b>46,753,707</b>	<b>1,607,658</b>	<b>3.6%</b>	

**School Department University Station Direct Related Services**

51. University Station Bus	0	0	50,000	50,000		Taxation
<b>Total University Station Related</b>		<b>0</b>	<b>50,000</b>	<b>50,000</b>		

**Fixed Costs Budgets - School and Municipal**

**School Employee Benefits/Costs**

Retirement Assessments	1,385,764	1,593,629	1,621,869	28,240	1.8%	Taxation
Worker's Compensation	207,673	292,259	321,485	29,226	10.0%	Taxation
Unemployment Compensation	22,434	98,175	107,993	9,818	10.0%	Taxation
Health Insurance	4,101,489	4,432,420	4,654,041	221,621	5.0%	Taxation
Life Insurance	6,407	11,200	11,200	0	0.0%	Taxation
Payroll service/Other	24,881	29,000	34,000	5,000	17.2%	Taxation
Medicare Part B	125,094	166,698	175,033	8,335	5.0%	Taxation
Social Security Tax	6,072	10,000	10,000	0	0.0%	Taxation
Medicare Payroll Tax	538,109	698,408	768,249	69,841	10.0%	Taxation
<b>School Employee Benefits/Costs</b>	<b>6,417,924</b>	<b>7,331,789</b>	<b>7,703,870</b>	<b>372,081</b>	<b>5.1%</b>	



**Appendix D  
Proposed FY2020 Departmental Salary/Expense Budgets**

Description	Expended FY2018	Current FY2019 Budget	Proposed FY2020 Budget	\$ Change FY20 vs FY19	% Change FY20 vs FY19	Funding Source
<b>Municipal Employee Benefits/Costs</b>						
Retirement Assessment	3,245,442	3,732,258	3,784,364	52,106	1.4%	Taxation
Worker's Compensation	97,729	137,635	151,399	13,764	10.0%	Taxation
Unemployment Compensation	13,341	13,860	15,246	1,386	10.0%	Taxation
Health Insurance	1,404,955	1,467,841	1,541,233	73,392	5.0%	Taxation
Life Insurance	3,268	6,800	6,800	0	0.0%	Taxation
Pre-Hire/Payroll/Other	139,378	112,000	127,000	15,000	13.4%	Taxation
Public Safety Medical/1111F ins	81,442	87,600	90,000	2,400	2.7%	Taxation
Medicare Part B	53,748	67,616	70,997	3,381	5.0%	Taxation
Social Security Tax	3,877	10,000	10,000	0	0.0%	Taxation
Medicare Payroll Tax	220,602	274,646	302,111	27,465	10.0%	Taxation
<b>Municipal Employee Benefits/Costs</b>	<b>5,263,781</b>	<b>5,910,256</b>	<b>6,099,150</b>	<b>188,894</b>	<b>3.2%</b>	
<b>Shared Fixed Costs</b>						
Comprehensive & Liability Ins.	399,502	521,057	552,000	30,943	5.9%	Taxation
School Waste Collection Services	63,680	71,220	70,000	(1,220)	-1.7%	Taxation
Audit Services	67,680	72,500	81,250	8,750	12.1%	Taxation
<b>Total Shared Fixed Costs</b>	<b>530,862</b>	<b>664,777</b>	<b>703,250</b>	<b>38,473</b>	<b>5.8%</b>	
<b>52. Total Benefits/Shared Fixed Costs</b>	<b>12,212,568</b>	<b>13,906,822</b>	<b>14,506,270</b>	<b>599,448</b>	<b>4.3%</b>	
<b>Reserve Funds</b>						
53. Other/Energy Reserve Fund*	0	295,000	295,000	0	0.0%	Taxation
54. Special Town Mtg Reserve	20,257	25,000	25,000	0	0.0%	Taxation
55. Reserve Fund	0	400,000	400,000	0	0.0%	Taxation
<b>Total Reserves</b>	<b>20,257</b>	<b>720,000</b>	<b>720,000</b>	<b>0</b>	<b>0.0%</b>	
<b>Total Fixed Costs Budget</b>	<b>12,232,825</b>	<b>14,626,822</b>	<b>15,226,270</b>	<b>599,448</b>	<b>4.1%</b>	

Reserve Accounts -Actual expenditures are shown in the budgets to which transfers were made.

\* This reserve budget may be transferred to budgets upon vote by the Board of Selectmen.

**Debt Service Budget**

Municipal Related Debt Service	3,545,618	3,461,860	3,363,931	(97,929)	-2.8%	\$96,750 Cemetery Funds/ \$13,661 Bond Premium/ Taxation
School Related Debt Service	2,820,523	2,676,118	2,570,348	(105,770)	-4.0%	\$1,401,276 Sch Bld Reimb/ \$8,690 Bond Premium/Taxation
<b>56. Total Debt Budget</b>	<b>6,366,141</b>	<b>6,137,978</b>	<b>5,934,279</b>	<b>(203,699)</b>	<b>-3.3%</b>	

**FY20 Debt Change**

Non Exempt	(\$91,450)
Exempt	(\$112,250)
<b>Total</b>	<b>(\$203,700)</b>

**Appendix D  
Proposed FY2020 Departmental Salary/Expense Budgets**

Description	Expended FY2018	Current FY2019 Budget	Proposed FY2020 Budget	\$ Change FY20 vs FY19	% Change FY20 vs FY19	Funding Source
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**Sewer Enterprise**

Salaries	344,243	483,744	442,300	(41,444)	-8.6%	Sewer Enterprise Funds
Expenses	129,245	147,500	194,500	47,000	31.9%	Sewer Enterprise Funds
Pumping Stations	170,228	171,000	172,000	1,000	0.6%	Sewer Enterprise Funds
MWRA Assessment	2,777,442	3,000,000	3,120,000	120,000	4.0%	Sewer Enterprise Funds
Mandated Inspections	27,891	120,000	120,000	0	0.0%	Sewer Enterprise Funds
Sewer Debt & Interest	374,722	371,995	217,688	(154,307)	-41.5%	Sewer Enterprise Funds
System Ext./Repairs	17,183	25,000	25,000	0	0.0%	Sewer Enterprise Funds

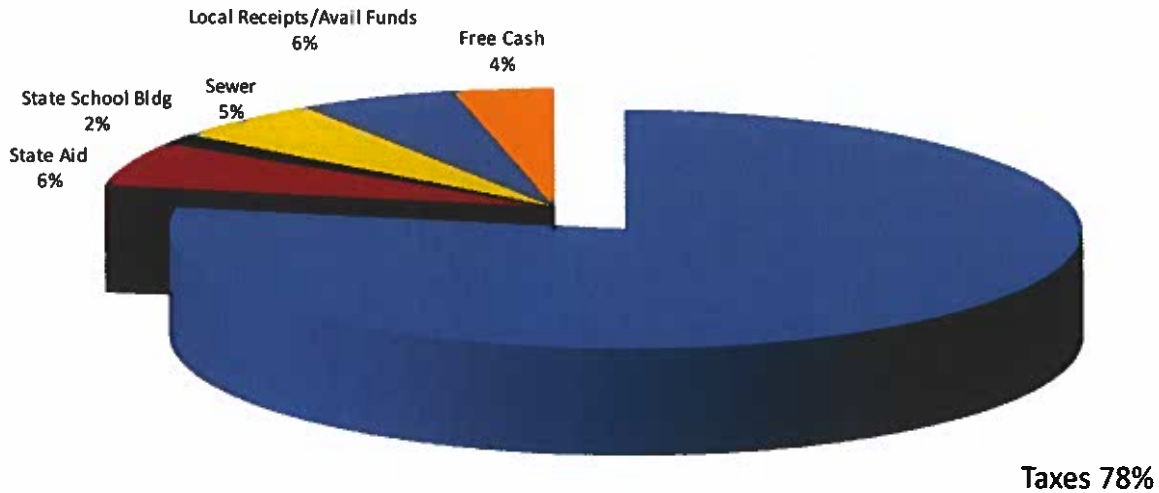
57. <b>Total Sewer Enterprise</b>	<b>3,840,955</b>	<b>4,319,239</b>	<b>4,291,488</b>	<b>(27,751)</b>	<b>-0.6%</b>	
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Note: Sewer revenue budget will be Operating Budget: 4,291,488  
 Plus: Indirect Costs 405,202  
 Total 4,696,690

<b>Total Operating Budget</b>	<b>86,570,762</b>	<b>91,032,406</b>	<b>94,339,942</b>	<b>3,307,536</b>	<b>3.6%</b>	
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# FY2020 Projected Budget Revenue

## FY2020 Projected Budget Revenue



FY2020 Projected Budget Revenue				
	FY2019 Per Recap	FY2020 Proj	\$ Increase	% Increase
Taxes	\$76,955,697	\$80,342,935	\$3,387,238	4.4%
State Aid	\$6,212,883	\$6,212,883	\$0	0.0%
State School Bldg Reimbursement	\$1,401,276	\$1,401,276	\$0	0.0%
Sewer Enterprise	\$5,118,071	\$5,746,690	\$628,619	12.3%
Local Receipts	\$4,043,415	\$4,043,415	\$0	0.0%
Available Funds	\$520,832	\$527,176	\$6,344	1.2%
Available Funds - prior year/other article	\$1,038,760	\$67,500	(\$971,260)	-93.5%
Meals Tax	\$432,000	\$1,175,000	\$743,000	
Free Cash	\$3,159,118	\$3,688,500	\$529,382	16.8%
<b>Total</b>	<b>\$98,882,052</b>	<b>\$103,205,375</b>	<b>\$4,323,323</b>	<b>4.4%</b>

## The Tax Levy

The Town's main revenue source is property tax revenue. In Massachusetts, tax revenue is governed by State law.

### What is Proposition 2 ½?

Proposition 2 ½, passed in November 1980, places a limit on the property taxes a community can levy each year. The taxing capacity of the Town is limited to a 2.5 percent increase of the prior year's levy limit. In addition, the total levy may increase by taxes attributable to new growth. A town may choose to "override" these limits.

Therefore, without any overrides, the total levy limit is increased by 2.5 percent and a new growth amount certified by the Department of Revenue.

There are Different types of Overrides

### What is a General Override?

A general override can be passed to obtain additional funds for any municipal purpose. A general override permanently increases the Town's levy limit. An override question may be placed on the ballot by a majority vote of the Board of Selectmen and must be passed by a majority of voters.

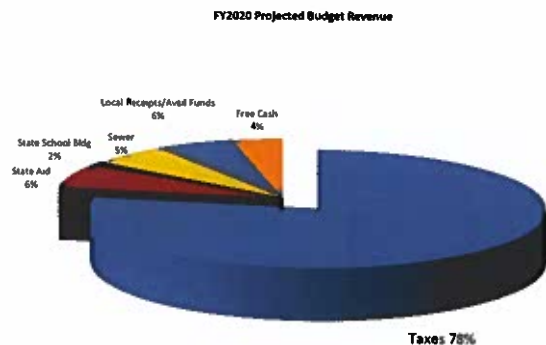
### What is a Debt Exclusion?

### What is a Capital Outlay Expenditure Exclusion?

Proposition 2 ½ allows communities to raise funds for certain purposes above the amount of their levy limits or levy ceilings. Subject to voter approval, a community can assess taxes in excess of its levy limit or levy ceiling for the payment of certain capital projects and for the payment of specified debt service costs. An exclusion for the purpose of raising funds for debt service costs is referred to as a debt exclusion and an exclusion for the purpose of raising funds for capital projects costs is referred to as a capital outlay expenditure exclusion.

The additional amount for the payment of debt service is added to the levy limit or levy ceiling for the life of the debt only. The additional amount for the payment of the capital project cost is added to the levy limit or levy ceiling only for the year in which the project is being undertaken. Unlike overrides, exclusions do not become part of the base upon which the levy limit is calculated in future years.

The history of Westwood's total tax levy and the history of Westwood's override questions are presented on the following pages.



## Proposition 2 ½ Overrides

<b>Project Date of Vote</b>	<b>Amount</b>	<b>Type of Override</b>	<b>Year Cost Impact to be Completed</b>
School Override 1995 Annual Town Election	\$560,413	General Override	Permanent change to the allowable taxation levy limits
School Override 1999 Special Town Election	\$999,164	General Override	Permanent change to the allowable taxation levy limits.
School Override 2002 Annual Town Election	\$1,615,203	General Override	Permanent change to the allowable taxation levy limits.
School Override 2007 Annual Town Election	\$2,777,387	General Override	Permanent change to the allowable taxation levy limits.
<b><i>Debt/Capital Exemption Overrides Approved &amp; Still Ongoing</i></b>			
High School - New Construction 2000 Special Town Election	\$35,962,00 0	Debt Exemption*	Will be completed in 2023. Net cost to average home \$4,693 or \$233/yr. for 20 years.
High School – Additional Appropriation for New High School 2002 Annual Town Election	\$8,333,640	Debt Exemption*	
Library – New Construction 2010 Annual Town Election	\$9,300,000	Debt Exemption	Will be completed in 2031. Net cost to average home \$1,947 total, or \$97/yr. for 20 years.
*Amount of taxation is directly reduced by state reimbursement (59% of total project).			
For debt exemption overrides - debt payment each year is raised outside of Proposition 2 1/2.			
<b><i>Debt/Capital Exemption Overrides Completed</i></b>			
Vote to Exempt Sewer Construction Bonds 1982 Annual Town Election	\$4,000,000	Debt Exemption	Completed – FY1993
Capital Equipment 1989 Annual Town Election	\$298,000	Capital Exemption	Completed – FY1990
Road Improvement Program 1990 Special Town Election	\$1,703,000	Debt Exemption	Completed - FY2001
Reconstruction of Middle School 1990 Special Town Election	\$2,282,000	Debt Exemption*	Completed - FY2002
Road Improvement Program 1994 Annual Town Election	\$2,200,000	Debt Exemption	Completed - FY2005
Middle School/Fields 1997 Annual Town Election	\$2,373,430	Debt Exemption*	Completed – FY2009
Middle School/Gymnasium 1997 Annual Town Election	\$550,000	Debt Exemption*	Completed – FY2009
Downey School Expansion 1999 Annual Town Election	\$6,500,000	Debt Exemption*	Completed - FY2012
Martha Jones School Expansion 2000 Special Town Election	\$7,200,000	Debt Exemption*	Completed – FY2012

## Proposition 2 ½ Overrides (Continued)

<i>Overrides Not Approved</i>			
1984 Annual Town Election		Debt Exempt	Exempt Sewer Bond for Sewer Work
1988 Annual Town Election		Debt Exempt	Exempt Road/Sewer Bond
1989 Special Town Election	\$1,500,000	General	General Override for Budget
1991 Special Town Election	\$394,435	Capital Excl	Specific Capital Items
1991 Special Town Election	\$1,282,000	Debt Exempt	Bond for Road Improvement Work
1991 Special Town Election	\$250,000	Debt Exempt	Bond for Purchase of Conservation Land
1993 Annual Town Election	\$500,000	General	General Override to fund teaching positions/curbside recycling
1999 Annual Town Election	\$1,285,320	General	General Override for School Budget
2005 Annual Town Election	\$525,616	General	General Override for Municipal Budget
2005 Annual Town Election	\$2,394,199	General	General Override for School Budget
2005 Annual Town Election	\$1,500,000	General	General Override to fund Capital Stabilization Fund

## History of Tax Levy – Budget FY2020

Tax Levy Calculation	FY2016	FY2017	FY2018	FY2019	Budget FY2020	
Prior Year Levy Limit	\$60,753,121	\$66,435,457	\$70,367,740	\$73,558,364	\$76,623,854	
Plus 2.5% Increase	\$1,518,828	\$1,660,886	\$1,759,194	\$1,838,959	\$1,915,596	Plus 2.5%
Plus New Growth**	\$921,201	\$1,099,667	\$1,252,430	\$950,531	\$450,000	New growth
New Tax Levy - University Station	\$3,242,307	\$1,171,730	\$179,000	\$276,000	\$125,000	Uni Station growth
General Overrides	\$0	\$0	\$0	\$0	\$0	General Override
<b>Tax Levy Limit</b>	<b>\$66,435,457</b>	<b>\$70,367,740</b>	<b>\$73,558,364</b>	<b>\$76,623,854</b>	<b>\$79,114,450</b>	
<b>Exempt Debt*</b>	<b>\$1,740,624</b>	<b>\$1,642,706</b>	<b>\$1,523,690</b>	<b>\$1,429,505</b>	<b>\$1,320,986</b>	Exempt Debt
<b>Levy Capacity</b>	<b>\$68,176,081</b>	<b>\$72,010,446</b>	<b>\$75,082,054</b>	<b>\$78,053,359</b>	<b>\$80,435,436</b>	What we could tax
Actual Levy Assessed	\$67,637,558	\$70,500,803	\$74,005,710	\$76,955,697	\$80,342,936	What we actually tax
Excess Levy(Taxes not raised)	\$538,523	\$1,509,643	\$1,076,344	\$1,097,662	\$92,500	Unused tax levy
<b>Increase in Actual Levy (including new growth)</b>	<b>9.1%</b>	<b>4.2%</b>	<b>5.0%</b>	<b>4.0%</b>	<b>4.4%</b>	
<b>Increase in Levy without new growth</b>	<b>2.39%</b>	<b>0.88%</b>	<b>2.94%</b>	<b>2.33%</b>	<b>3.65%</b>	

Unused Tax Levy Detail	FY2018	FY2019	Budget FY2020
Unused University Station	\$279,000	\$555,000	\$92,500
Other New Growth Higher Than Budgeted	\$797,344	\$542,662	\$0
<b>Total Unused Levy</b>	<b>\$1,076,344</b>	<b>\$1,097,662</b>	<b>\$92,500</b>

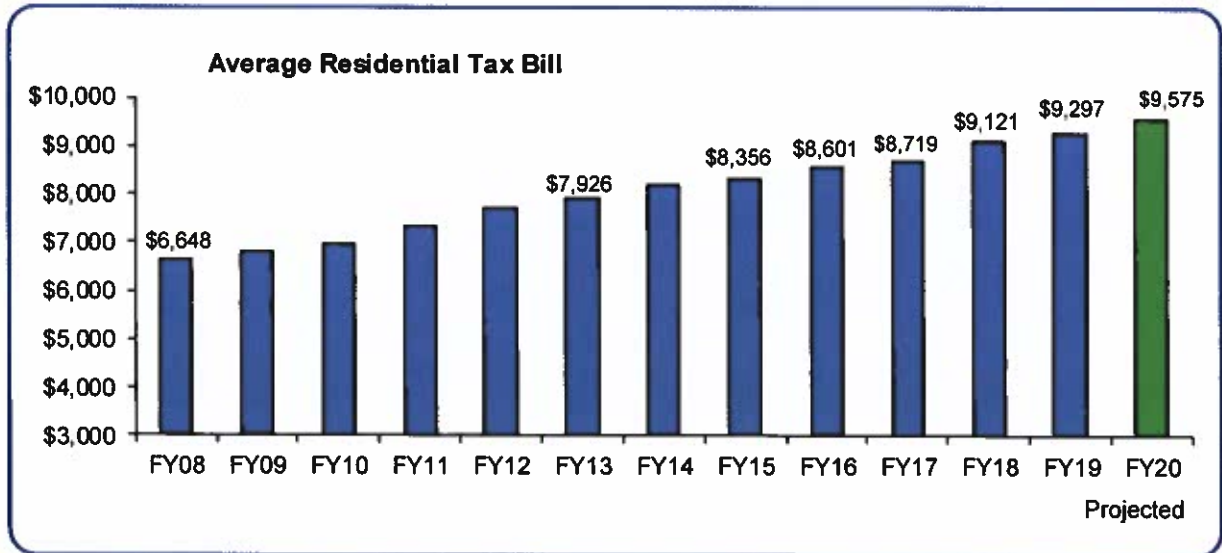
\* Exempt debt - This is the net principal and interest payment required each year for borrowing projects approved outside Proposition 2 1/2.

\*\*New Growth - This represents taxes from new residential and commercial development.

- No general override since 2007
- Exempt debt declines each year, High School bond ends in 2023

## Tax Rate/Tax Bill History

Tax Rate per Thousand	FY13	FY14	FY15	FY16	FY17	FY18	FY19	Projected FY20
Residential	\$14.89	\$15.40	\$15.24	\$14.66	\$14.57	\$15.09	\$14.65	
Commercial	\$27.28	\$28.18	\$28.79	\$28.27	\$28.20	\$29.30	\$28.24	
<b>% of Total Town Value</b>								
Residential Property	86.7%	86.8%	87.5%	85.5%	85.1%	84.9%	84.1%	
Commercial Property	13.2%	13.1%	12.5%	14.4%	14.8%	15.1%	15.9%	
Tax Shift Factor	1.65	1.65	1.70	1.70	1.70	1.70	1.68	
<b>% of Total Town Taxes</b>								
Residential Properties	78.1%	78.3%	78.7%	75.4%	74.8%	74.3%	73.3%	
Commercial Properties	21.8%	21.6%	21.3%	24.5%	25.2%	25.7%	26.7%	
<b>Average Residential Tax Bill</b>								
Home Value	\$532,345	\$532,345	\$548,315	\$586,697	\$598,431	\$604,000	\$634,636	
Tax Bill	\$7,926	\$8,198	\$8,356	\$8,601	\$8,719	\$9,121	\$9,297	\$9,575
<b>Average Tax Bill Increase</b>	2.8%	3.4%	1.9%	2.9%	1.3%	4.6%	2.0%	3.0%
Single Tax Rate	\$16.53	\$17.08	\$16.93	\$16.63	\$16.59	\$17.24	\$16.81	
<b>Savings to Average Tax Bill from Having Split Tax Rate</b>	\$874	\$894	\$926	\$1,155	\$1,207	\$1,300	\$1,370	





# The Components of the Tax Levy

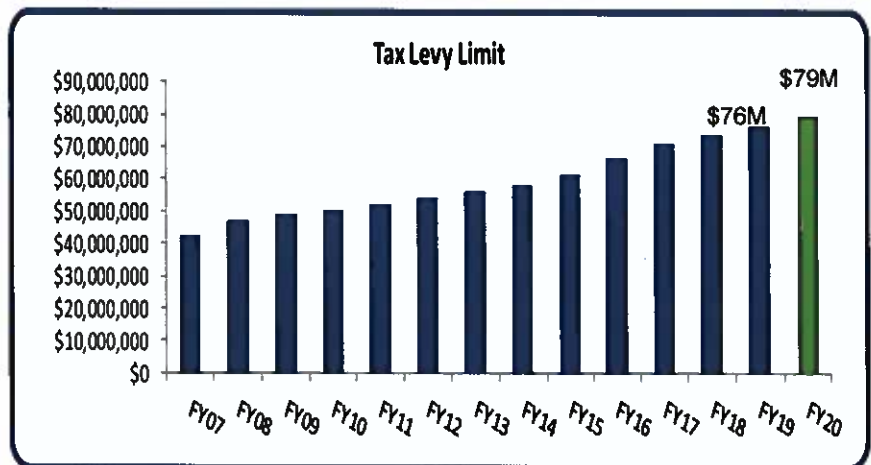
## Property tax levy:

- Revenue a community can raise through property taxes.
- Proposition 2 ½ places constraints on the amount of the levy raised by a community and on how much the levy can be increased from year to year.

There are 2 categories of the tax levy:

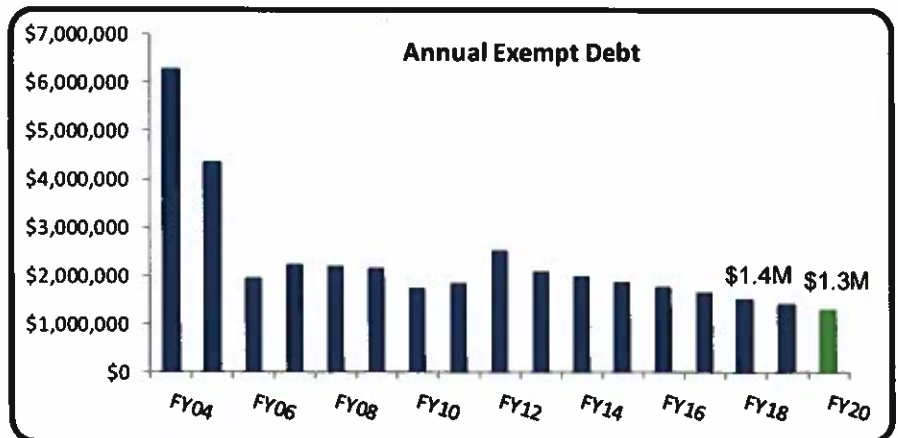
- **General Taxes:**

- Can increase by 2.5% each year.
- Also can include taxes from new construction.
- Can increase more than 2.5% with a voter approved override.



- **Exempt Debt:**

- Principal & interest for bonds for projects voted outside of Proposition 2 ½.
- Exact amount of debt cost is taxed.
- Not limited to 2.5% increase – It is what it is.

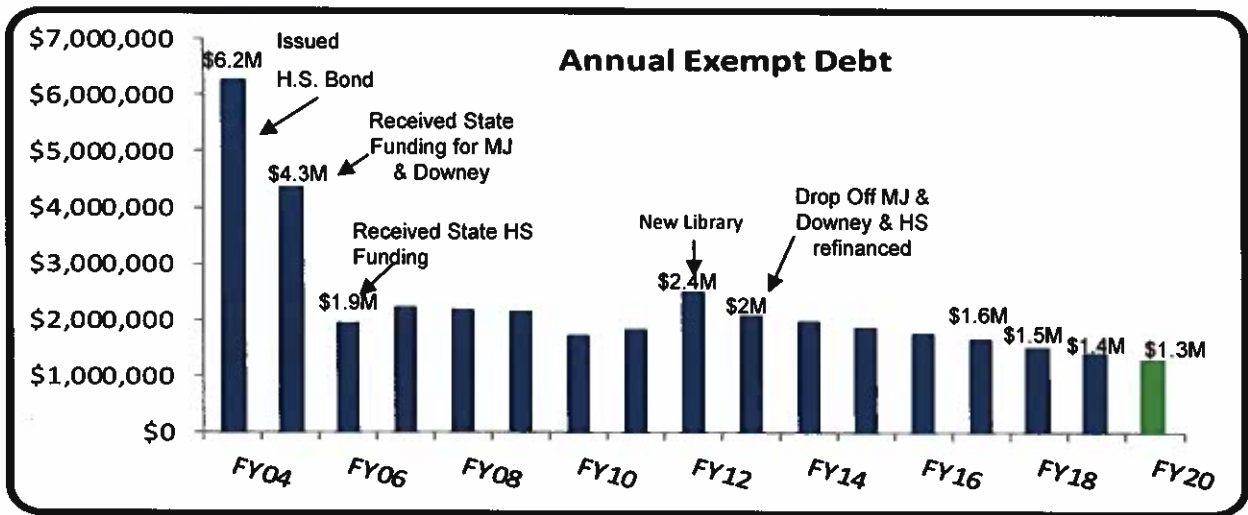


Proposition 2 ½ governs total taxes raised by the Town, not an individual home's bill.

## Exempt Debt – Changes Each Year with Debt Payments

- Principal and interest payments for projects approved outside Proposition 2 ½.
- Exact amount of debt cost, net of state school reimbursement, is raised in taxes.
- When bond ends, exempt taxes end.

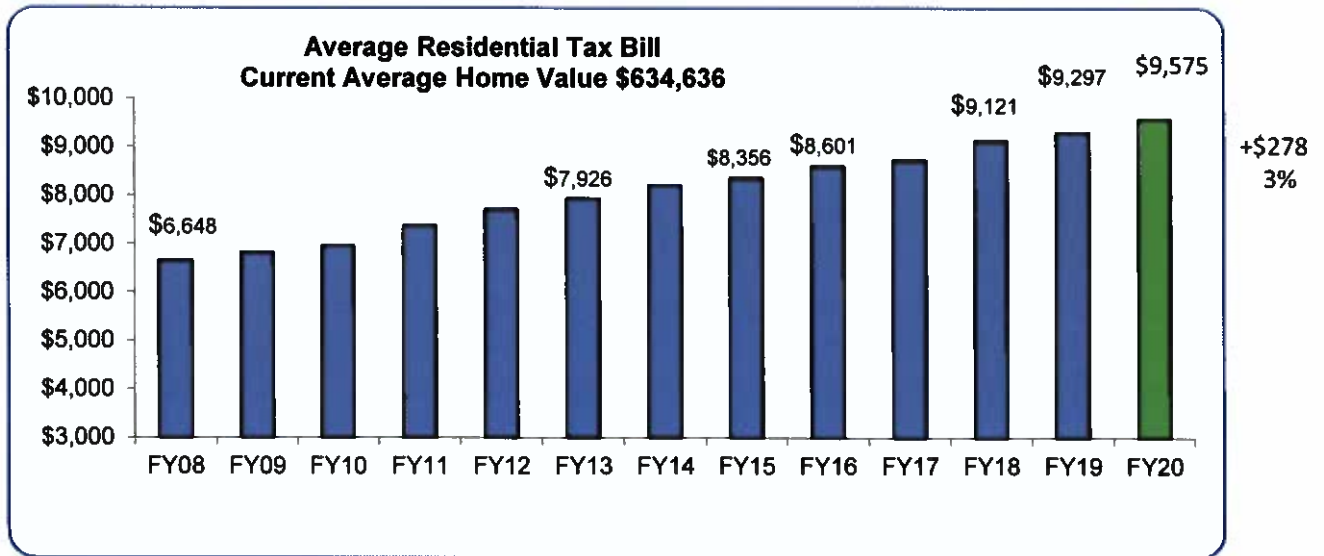
### Annual Exempt Debt



- FY12:
  - New library bond added to exempt debt.
- FY13:
  - MJ and Downey bonds completed in FY12.
  - High School bond refinanced.
- Exempt debt will decrease approximately \$100K a year until the high school bond is completed in 2023. Library Bond ends 2031.
- FY20 Exempt Debt:
 

High School	\$659,234
Library	<u>\$661,752</u>
<b>Total</b>	<b>\$1,320,986</b>

## A Look At the Average Tax Bill



- FY20 bill increase of \$278 or 3%.
  - Based on net tax levy change only, not any change in commercial/residential shift.

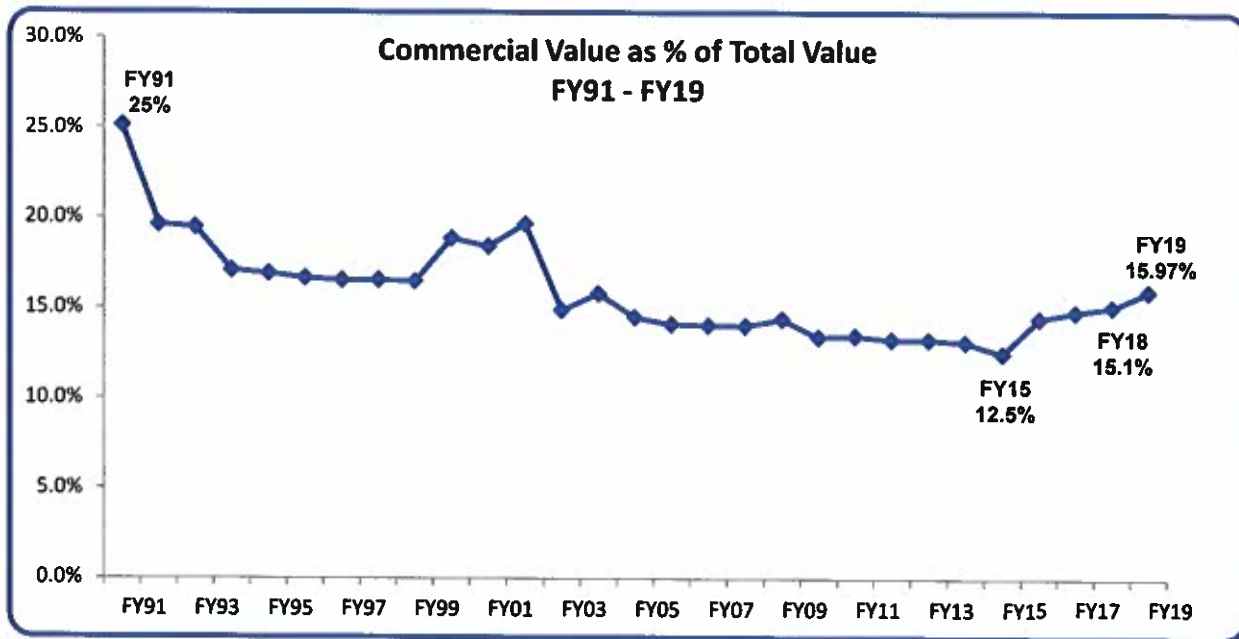
	FY15	FY16	FY17	FY18	FY19	Projected
Average Tax Bill Increase	1.9%	2.9%	1.3%	4.6%	2%	3%
Savings to Average Tax Bill Resulting from Split Tax Rate	\$926	\$1,155	\$1,207	\$1,300	\$1,370	
Average Residential Tax Bill Home Value	\$548,315	\$586,697	\$598,431	\$604,000	\$634,636	
Average Tax Bill	\$8,356	\$8,601	\$8,719	\$9,121	\$9,297	\$9,575

Westwood's Ranking in the State Average Tax Bill					
FY14	FY15	FY16	FY17	FY18	FY19
18	17	17	18	17	18

## Assessed Value by Classification

- The Town’s total value includes both commercial and residential property
- A split tax rate is utilized, with the Town charging a higher tax rate to commercial properties than to residential

Assessed and Actual Values and Tax Rates										
Year	Residential	Residential	Commercial	Industrial	Personal	Total		Commercial	Single	Total
	Value	Tax Rate	Value	Value	Property	Commercial	Commercial	% of	Tax Rate	Town
						Value	Tax Rate	Total Value		Value
2015	\$3,201,759,309	\$15.24	\$305,143,078	\$104,513,800	\$48,705,000	\$458,361,878	\$28.79	12.5%	\$16.94	\$3,660,121,187
2016	\$3,479,561,719	\$14.66	\$429,192,713	\$100,498,400	\$58,369,200	\$588,060,313	\$28.27	14.5%	\$16.63	\$4,067,622,032
2017	\$3,620,229,895	\$14.57	\$467,768,522	\$90,401,550	\$71,406,300	\$629,576,372	\$28.20	14.8%	\$16.59	\$4,249,806,267
2018	\$3,644,725,298	\$15.09	\$479,097,796	\$91,967,650	\$77,631,000	\$648,696,446	\$29.30	15.1%	\$17.24	\$4,293,421,744
2019	\$3,848,500,382	\$14.65	\$549,160,539	\$93,693,650	\$85,728,200	\$728,582,389	\$28.24	15.9%	\$16.81	\$4,577,082,771



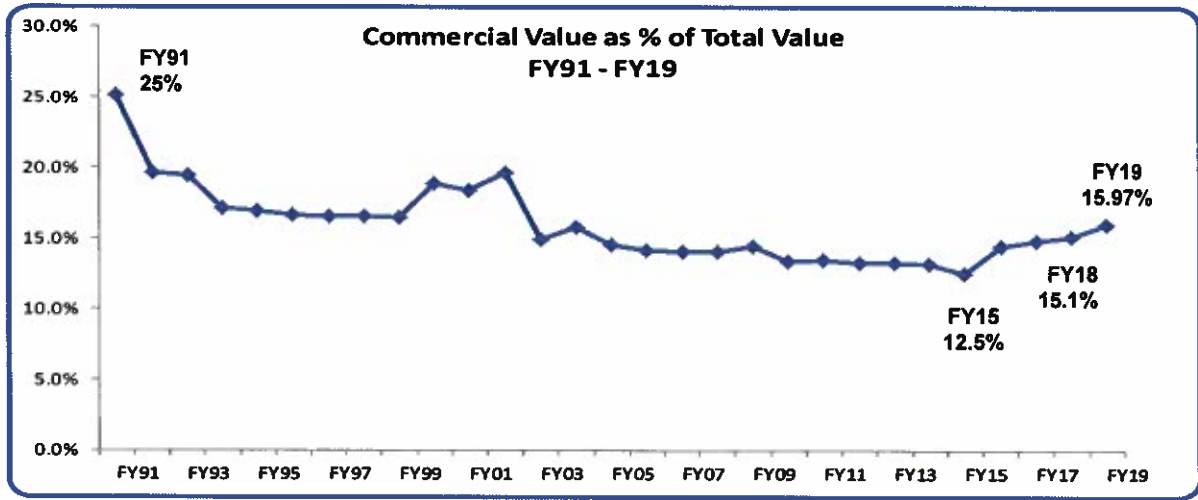
University Station  
 comes on line

University Station has significantly strengthened the Town’s commercial value since opening in 2015.

A report listing all individual property values for FY18 and FY19 can be found on the Town’s web site at [www.townhall.westwood.ma.us](http://www.townhall.westwood.ma.us).

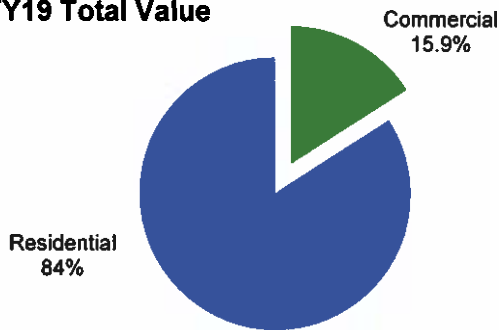
# Commercial Value is Important to Town Finances, and Serves to Moderate Residential Tax Bills

Commercial Property is taxed at a higher rate than Residential Property, this is called a “split tax rate”.

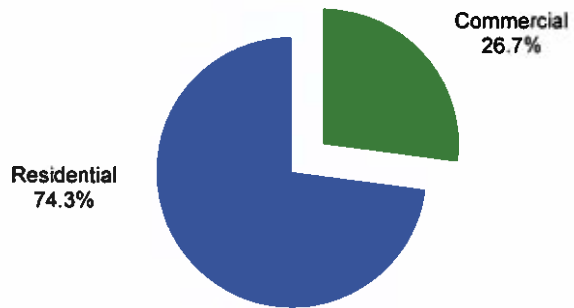


Type of Property	Tax Rate
Commercial	\$28.24
Residential	\$14.65

FY19 Total Value



FY19 Taxes Paid



Commercial is 15.9% of value, but pays 26.7% of taxes

In FY19, the split tax rate saves the average homeowner \$1,370 or 15% of their tax bill

## *Information about your Fiscal Year 2019 Real Estate Tax Bill*

This insert is intended to provide you with some information about your enclosed tax bill. The following questions are most commonly asked by residents about their tax bills.

### *Did overall property value in Westwood change from FY18 to FY19?*

Yes. FY19 is a full revaluation year, with all properties being revalued. The value of all real estate in Town increased by 6.6%, with residential value increasing 5.5 % and commercial value increasing 12.3%.

### *Did my individual home value change?*

Yes. All of the residential homes in Town had a change in value for FY19. Values are required to be updated annually to reflect market conditions and sales activity. As always, values also change due to home renovation or improvements.

Approximately 60% of homes had a value increase in the range of 3% to 8%, with the median home value increasing to \$634,000. Approximately 6% of homes experienced a decrease in value.

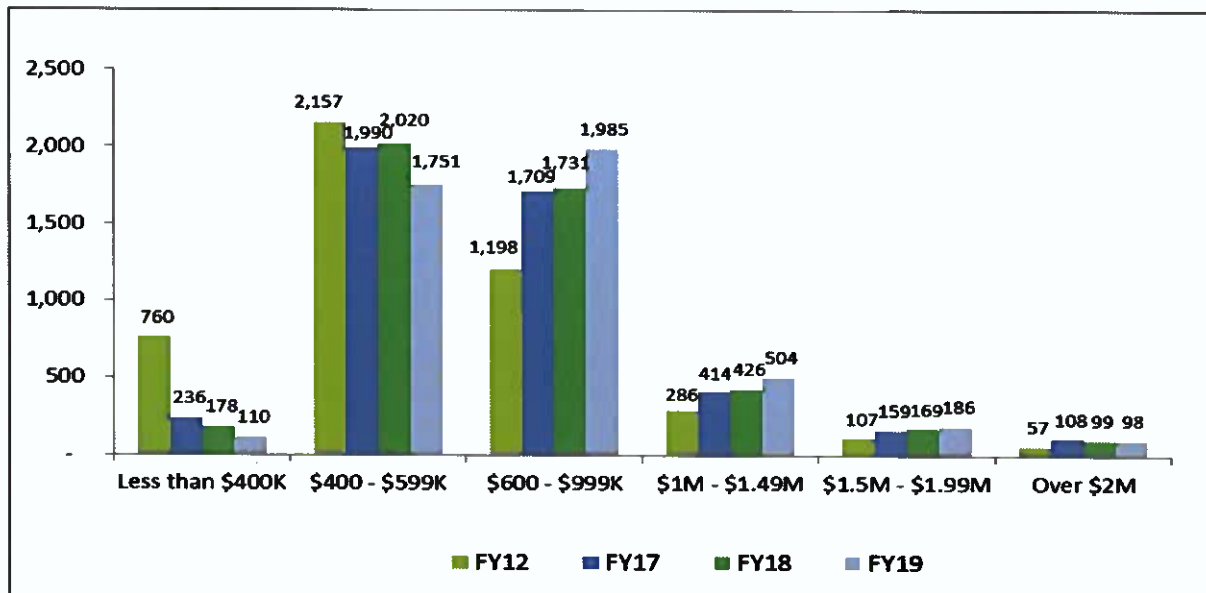
A report listing all home values for FY18 and FY19 can be found on the Town's web site at [www.townhall.westwood.ma.us](http://www.townhall.westwood.ma.us). From the Home page, select "Residents". Click the link for "Tax Rates and Property Assessments". It is important to remember that state tax law dictates that your FY19 tax bill is based on the assessed value of your home as of **January 1, 2018** based on home sales that occurred during calendar year **2017**.

If you notice any data errors when viewing the on-line Assessors' database, please contact the Assessors' Office. The Board of Assessors is committed to ensuring that each property is fairly and accurately assessed.

### *What is the range of home values in Westwood?*

#### Range of Residential Property Values

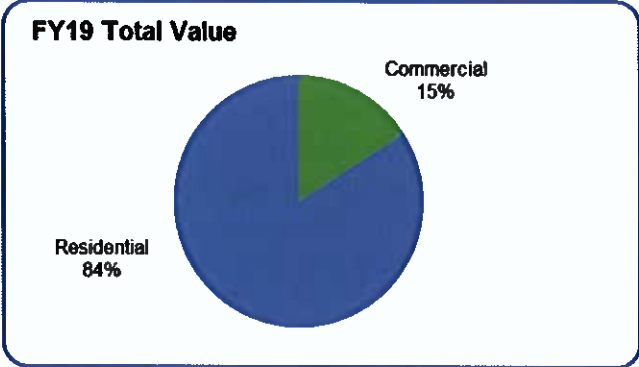
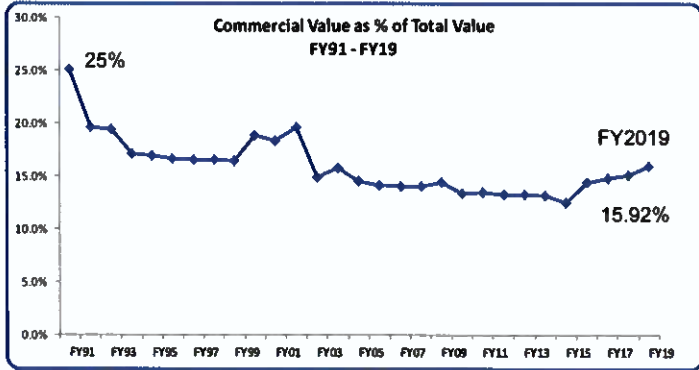
Home Values by Category  
FY12 – FY19



Home Values

**Did commercial property increase in value for FY19?**

Yes. The total commercial property saw an overall increase in value of approximately \$79 million or 12%. It is important to remember that state tax law looks at the value of new construction as of June 30, 2018. This increase in value came from the revaluation process, as well as new commercial development, including the new hotel and restaurants at University Station.



In FY19, commercial properties are 15% of the Town’s total value, but will pay 26.7% of total taxes.

**Does the commercial property pay a higher tax rate than residential?**

Yes. The Town has a split tax rate, charging commercial property a higher rate than residential. The Board of Selectmen, in consultation with the Board of Assessors, voted to set the FY19 shift factor, which sets the different rates, at 1.68.

In FY19, commercial property, while only representing 15% of the Town's value, will pay 26.7% of the total taxes, an increase from 25.7% in FY18.

**Does the higher commercial rate help my residential tax bill?**

Yes. Without this higher commercial split rate, the average tax bill would increase an additional 15% or \$1,370. This is a significant savings to the average residential tax bill.

**What is the change in real estate tax rates for FY19?**

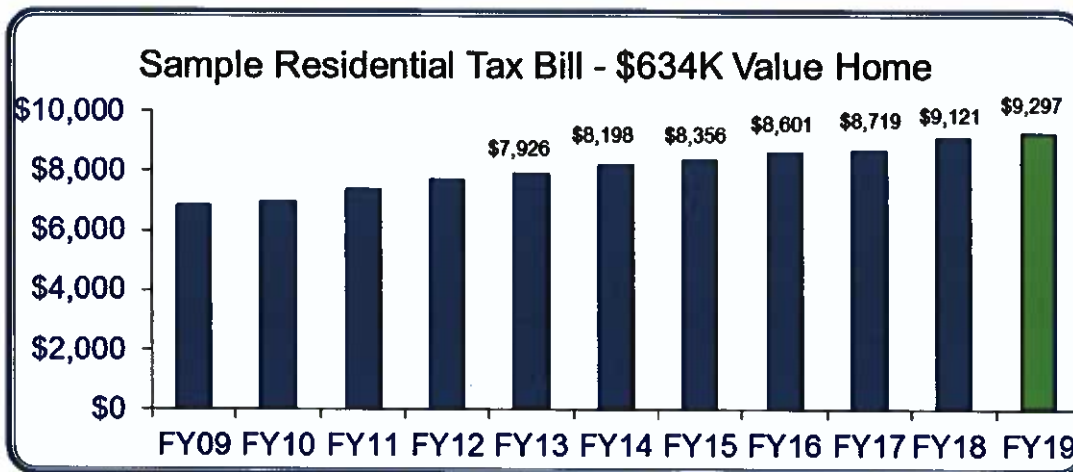
The FY19 tax rates per \$1,000 of valuation are as follows:

Tax Rate	FY18	FY19	Rate Change FY18 to FY19	% Change in Rate FY18 to FY19
Residential	\$15.09	\$14.65	-\$0.44	-2.9%
Commercial	\$29.30	\$28.24	-\$1.06	-3.6%

**What happened to my individual tax bill?**

The tax rate on your bill is based upon the value of the residential and commercial property in the Town and the amount of money that was voted to be spent at the May 2018 Town Meeting. It also includes debt currently approved outside of Proposition 2 ½. This tax rate is then multiplied by the value of your house to arrive at your new tax amount.

Proposition 2 ½ places limits on the total amount of taxes that can be raised by a city or town. It does not apply to an individual tax bill. While the total taxes collected by the Town including new growth increased by 4%, each individual tax bill is determined by the change in the tax rate and the change in valuation for that particular parcel.



*This sample home has a tax increase of \$176, or 2% from FY18 to FY19 and has a 5% increase in assessed value from FY18 to FY19.*

**Sampling of Individual Home Values/Tax Bills**

Home Value			Tax Bill		
FY18	FY19	% Change	FY18	FY19	% Change
\$ 1,842,850	\$1,843,000	0%	\$ 27,809	\$27,000	-2.9%
\$ 1,168,700	\$1,213,250	3.8%	\$ 17,636	\$17,774	.8%
\$ 950,850	\$1,032,800	8.6%	\$14,348	\$15,131	5.5%
\$ 811,850	\$875,600	7.9%	\$ 12,251	\$12,828	4.7%
\$ 714,900	\$745,550	4.3%	\$ 10,788	\$10,922	1.2%
\$ 597,800	633,950	6.0%	\$ 9,021	\$9,287	3.0%
\$ 522,950	566,600	8.3%	\$ 7,891	\$8,301	5.2%



***What debt outside Proposition 2 ½ is included in this bill?***

There are two components to the total taxes collected by the Town: 1) the general tax levy, and 2) the exempt debt, which is the principal and interest costs for the debt approved outside the limits of Proposition 2 ½.

The FY19 tax levy includes principal and interest payments that the Town will be making for the Proposition 2 ½ debt exclusion projects listed below. All other debt projects approved outside of Proposition 2 ½ have been completed, meaning the bond has been fully repaid and the cost removed from the tax levy.

<b>Project/Bond Issued</b>	<b>Fiscal Year Debt Will Be Completed</b>	<b>FY19 Debt Payments</b>	<b><u>Net</u> Amount of Debt in FY19 Levy</b>
High School Construction - \$39.2 million	2023	16 <sup>th</sup> of 20	\$746,012
Library Construction - \$9.3 million	2031	8 <sup>th</sup> of 20	\$683,493

All other Town debt is being funded within Proposition 2 ½.

***Were Steps Taken to Address Residential Tax Relief?***

Yes. The Board of Selectmen proposed and Town Meeting approved several measures to continue efforts to try to mitigate the increase in the residential tax bill. These measures include:

- Striving to keep all operating and capital budgets within Proposition 2 ½.
- Not utilizing the entire available tax levy (approximately \$1.1 million) permitted by state law for FY19. This continues a tax relief measure as done in the previous year.
- Maintaining beneficial commercial/residential split tax rate.

## Tax Relief Efforts

The Board of Selectmen has worked to structure tax relief into recent budget proposals. As the University Station project has come on line, a portion of the new revenue has been used to mitigate the growth of the average residential tax bill.

### Tools for Tax Relief

There are several methods to try to limit the growth of the annual property tax bill. These include:

- General tax relief for all taxpayers:
  - Not use full levy limit
  - Keep annual school and municipal operating budgets with Proposition 2 ½ limits.
  - Pay for debt for new projects within Proposition 2 ½ vs. debt exemption outside of Prop 2 ½.
  - Commercial tax shift – higher commercial tax rate
  - Apply free cash to tax rate – general appropriation to reduce overall tax levy
    - Each \$100K appropriated provides approximately \$13 in annual tax savings to the average home
    - So \$500K appropriation provides approximately \$65 tax savings to the average home
- Targeted tax relief for the senior population:
  - Assist most vulnerable residents through the Aid to the Elderly and Disabled Fund.
  - Promote available state programs including senior exemptions and tax deferral.

# Tax Relief Efforts

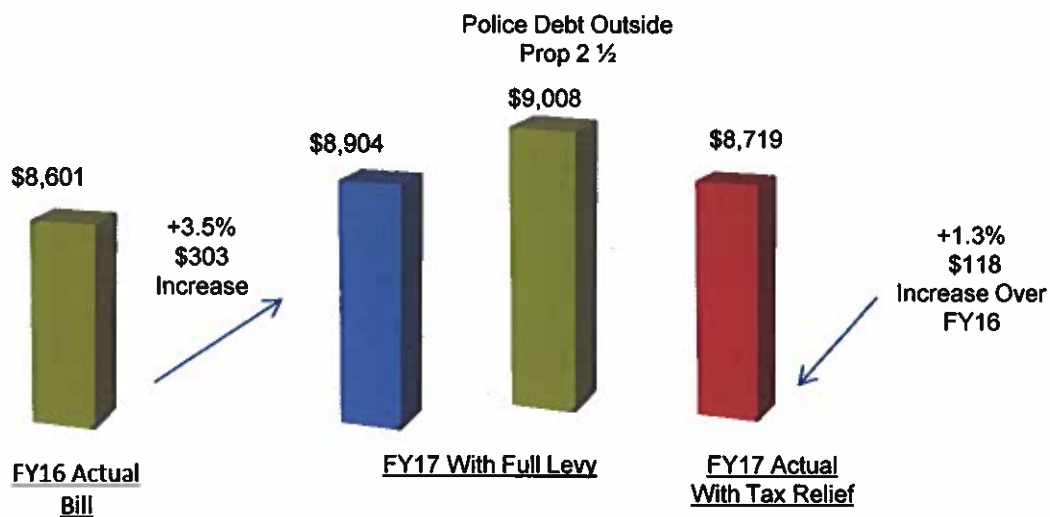
## Recent Steps Taken to Address Residential Tax Relief

### FY17:

- Approved new police station debt within Proposition 2 ½.
- Not utilizing all of the available tax levy (approximately \$1.5 million) permitted by state law. Historically, the Town had used all of the available levy.
- Allocating the unused tax levy of \$1.5M to provide general tax relief to all homeowners.
- Appropriating \$500K from free cash to directly reduce the tax rate.

These measures resulted in an average tax bill increase of 1.37% vs. a potential 4.73% increase.

Without these tax measures, the average home bill would have been \$9,008 vs. the actual \$8,719.



### FY18:

The Board of Selectmen continued with tax relief measures in FY18.

These included:

- Keeping all debt and operating budget requests within Proposition 2 ½.
- Maintain the beneficial commercial/residential tax split.
- Appropriate \$500K free cash to directly reduce the tax rate.
- Allocating the unused tax levy of \$1.1M to provide general tax relief to all homeowners.

### FY19:

The Board of Selectmen continued with tax relief measures in FY19.

These include:

- Keeping all debt and operating budget requests within Proposition 2 ½.
- Maintain the beneficial commercial/residential tax split.
- Allocating the total unused tax levy of \$1.1M to provide general tax relief to all homeowners.

### FY20:

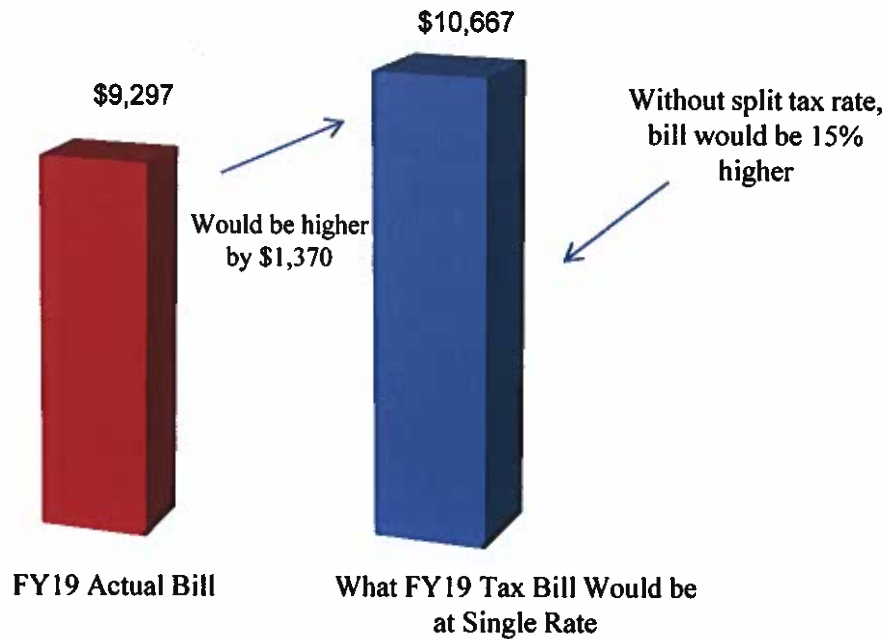
The Board of Selectmen will continue with tax relief measures in FY20.

These include:

- Paying for increased service impact from University Station.
- Maintain the beneficial commercial/residential tax split.
- Allocating the unused tax levy of \$2,500,000 to provide general tax relief to all homeowners.

# Tax Relief Efforts

## Benefits of Commercial Tax Rate



The commercial split tax rate provides significant relief for homeowners.

In FY19 that relief is \$1,370.

The Town has a split tax rate, charging commercial property a higher rate than residential. The Board of Selectmen, in consultation with the Board of Assessors, voted to set the FY19 shift factor, which sets the different rates, at 1.68.

In FY19, commercial property, while only representing 15.9% of the Town's value, will pay 26.7% of the total taxes, a slight increase from 25.7% in FY18.

### FY19 Tax Rates

Residential	\$14.65
Commercial	\$28.24

## University Station

Through significant work by so many in Town for so many years, the University Station project is now in place and continues to provide a significant opportunity for the Town to continue with responsible established budget practices.

University Station has provided important new commercial tax revenue for the community.

University Station New Growth Tax Revenue						
FY15	FY16	FY17	FY18	FY19	Estimated FY20	Total
\$565,000	\$3,242,307	\$1,171,730	\$179,000	\$276,000	\$125,00	\$5,559,037

This chart shows the additional tax revenue each year from the project. The annual revenue is now \$5.5M. As taxes on the property before development were approximately \$2million, the total current University Station development pays over \$7.5M in annual taxes.

### How has the revenue been used?

The Town, as planned before the start of the project, has utilized this new revenue for several important financial areas including:

- Direct Service impact costs of the project (such as public safety and schools impact)
- Providing for sustainable growth for the school and municipal budgets above the limits of Proposition 2 ½%.
- Helping to limit the annual tax bill increase.
- Funding debt service for major capital projects within Proposition 2 1/2.
- Funding the Capital Stabilization reserve.
- Stabilizing the commercial/residential split tax rate.
- Providing support to maintain the Town's AAA bond rating



## University Station

- In FY15, the initial revenue (\$565K) was used to implement identified direct service needs for the project. These funds, combined with previously received mitigation funds, allowed for important increases to police and fire staffing levels. These staffing needs had been identified at the project review and initial acceptance as direct services to be funded from the new tax revenue, and were the first increases to public safety staffing in decades.
- In FY16, new tax revenue from the project was \$3.2M. Approximately \$1.5M was voted toward the FY16 operating budget to provide an increase over the base 2 ½% to 5.2% for both school and municipal departments. The funding was allocated as follows:

FY16 Budget	
School	\$1,020,225
Municipal	\$461,578
Blue Hills/Other	\$93,197
<b>Total</b>	<b>\$1,575,000</b>

This means that the FY16 school and municipal operating budgets were significantly funded and benefited from University Station revenue.

In addition, the 2015 Fall Town Meeting allocated \$925K of the FY16 revenue as a one-time appropriation to the Capital Stabilization Fund to be used for important capital needs by future Town Meetings. This was the first ever significant infusion of funds to the important Capital Stabilization Fund.

## University Station

- In FY17, final new tax revenue from University Station was \$1.17M. Appropriation of \$1.15M was voted toward the FY17 operating budget to provide an increase over the base 2 1/2 % to provide higher increases to both the school and municipal operating budgets. The funding for operating budgets was allocated as follows:

FY17 Budget	
School	\$883,000
Municipal	\$272,000
<b>Total</b>	<b>\$1,155,000</b>

In addition, in FY17 direct services costs of \$215,000 were allocated for school services for University Station expenses. Additionally, \$800,000 of University Station revenue was allocated for additional debt service for the police station construction. This allowed the debt to remain within Proposition 2 ½, providing relief to taxpayers. In FY17 a balance of \$670,000 of revenue was not utilized. This left unused tax levy, which provided significant tax relief to our residents.

- **In FY18**, \$570,000 was allocated for direct service costs for public safety staffing needs. These funds provided for additional police and fire staffing, the first since FY15. In addition, \$279K of new revenue was not utilized in the budget. This left unused tax levy, which provided significant tax relief to our residents.
- **In the FY19 budget**, new tax revenue was \$276,000. There was no allocation of that revenue into the budget. Combined with \$279,000 of prior year unused levy, there was \$555,000 of tax levy revenue not utilized for additional budget items. This unused tax levy of \$555,000 provided tax relief for our residents.
- **In the FY20 budget**, projected new revenue is \$125,000. This, combined with prior year unused levy of \$555,000, provides \$680,000 of new tax levy to consider in the budget process. The Board of Selectmen is proposing to utilize \$537,500 for public safety needs, including two new firefighters, two new police officers, and one Communications Center Director. In addition, \$50,000 will be allocated to the school budget to provide for costs of additional University Station related transportation needs.

# University Station

## Summary of Use of New Tax Revenue

The University Station revenue has been used to reach multiple areas of the Town's finances.

### Operating Budgets - Support Operating Budgets Outside the Constraints of Proposition 2 ½ Total \$2.6M

**Operating Budgets**

Revenue used to supplement budgets beyond the limits of Prop 2 ½. These funds have allowed the Town to provide a high level of services, without a Prop 2 ½ override. Funds listed are then added annually to the ongoing budget. For example, the School Department budget is now \$1.9M higher each year than it was before the University Station project.

	FY15/FY16	FY17	Total
School	\$1,020,225	\$883,000	\$1,903,225
Municipal	\$461,578	\$272,000	\$733,578

### Direct Service Costs – Provides for Increases in Service Costs Primarily Public Safety Total \$1.93M

**Direct Service Costs**

Revenue used to provide for increases in service costs due to the project. Funds listed are then added annually to the ongoing budget. The municipal costs provide for additional public safety staff. School costs provide for any impact/transportation costs for students in the development.

	FY15/FY16	FY17	FY18	FY19	FY20 Proposed	Total
School		\$215,000			\$50,000	\$265,000
Municipal	\$565,000		\$570,000		\$537,500	\$1,672,500

### Capital – Revenue to Fund Capital Projects Within Proposition 2 1/2

**Capital**

Revenue used to fund capital projects. The debt service is permanently added for the life of the bond.

One Time appropriation to Capital Fund in FY16	\$975,000	
Debt Service – Police Station bonding beginning in FY17		\$800,000

### Tax Bill Relief – Apply Revenue to Subsidize Tax Bills for all Residents

**Tax Bill Relief**

Each year some of the new revenue is left "unused". This means that the budget is not increased to spend this money, but instead the funds are applied to existing budgets providing relief to all Town residents.

	FY15/FY16	FY17	FY18	FY19	FY20 Proposed
Unused Tax Levy	\$500,000	\$670,000	\$279,000	\$555,000	\$92,500



## State Aid

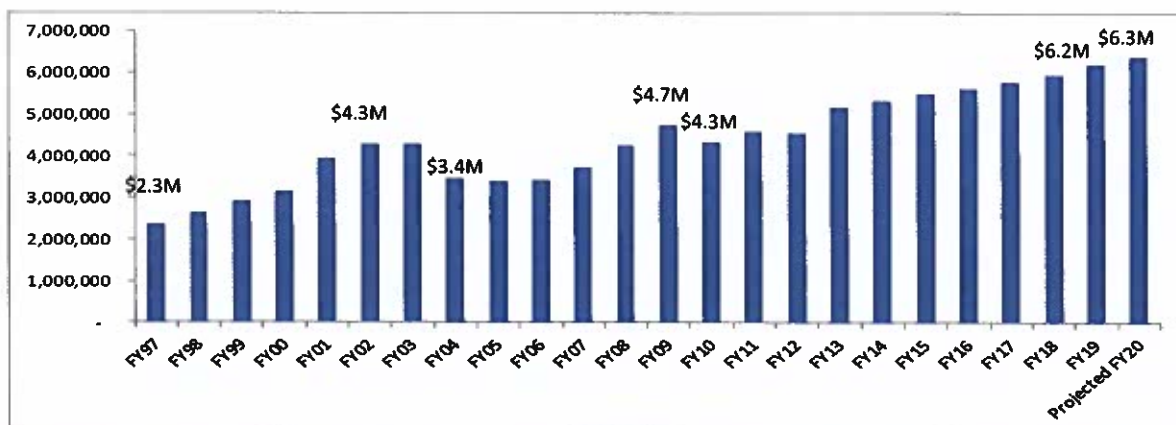
State Aid is annual revenue from the state of Massachusetts and consists of distributions, reimbursements, and offsets. Distributions are aid programs through which towns receive funds according to varying formulas, such as Chapter 70 Education and Municipal aid. Reimbursements are amounts paid to reimburse towns for certain activities or services provided, such as veteran's programs. Offsets are reimbursements for special programs that must be spent for a particular purpose by local officials without appropriation in the local budget, such as library funding.

The Town's two main categories of aid are Chapter 70 education aid and general municipal aid. The State also annually charges the Town for programs including a County Tax and MBTA assessment. These charges do not need to be voted by Town Meeting and are deducted from the State payments. The detail on amounts received and charged are shown in the table below. Every year, State aid is subject to the State budget process and often amounts are not known until very late in the Spring.

- Proposed FY20 budget is level funded for revenue.
- Governor's preliminary FY20 local aid projections are the initial step of the State budget process. We will monitor the State budget process and update the estimate accordingly.

	FY2017	FY2018	FY2019	Governor Projected FY2020
Chapter 70-Education	\$4,971,878	\$5,111,033	\$5,336,202	\$5,482,152
Municipal Aid	\$701,474	\$728,832	\$754,341	\$774,708
Other	\$88,435	\$107,188	\$102,862	\$100,722
Offsets (Restricted to Metco, Library, School Lunch)	\$19,646	\$18,602	\$19,478	\$22,307
<b>Total Receipts</b>	<b>\$5,781,433</b>	<b>\$5,965,655</b>	<b>\$6,212,883</b>	<b>\$6,379,889</b>
<b>Charges</b>				
County Tax	186,851	196,478	201,390	200,141
MBTA Assessment	321,728	325,361	353,806	363,653
Other	\$83,091	\$102,505	\$121,416	\$135,584
<b>Total Charges</b>	<b>\$591,670</b>	<b>\$624,344</b>	<b>\$676,612</b>	<b>\$699,378</b>
<b>Net State Aid</b>	<b>\$5,189,763</b>	<b>\$5,341,311</b>	<b>\$5,536,271</b>	<b>\$5,680,511</b>

**Long Term History of State Aid**



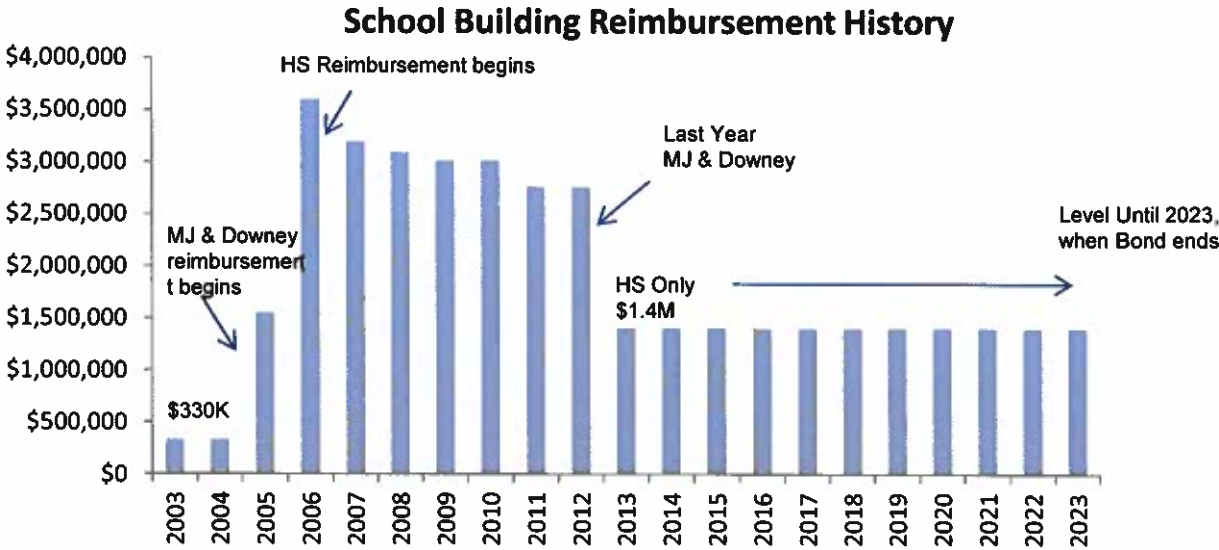
# State School Building Assistance

School building projects have been done as part of the Massachusetts School Building Assistance Program. Through this program, the State pays a significant portion of the total cost of the project. The Town renovated and expanded the Martha Jones and Downey schools and constructed the new High School all through the state program.

- The Town is currently receiving State School Building reimbursement on the high school construction project. The State paid 59% of the total project cost.
- The debt service and reimbursement for Martha Jones and Downey projects have been completed.

School Building Reimbursement			
Project	Payment Years	Total State Reimbursement (59% of Project)	Remaining Annual State Payments
High School-Annual Payments	FY06-FY2023	\$31,755,382	\$1,401,276/yr

- High school reimbursement continues until FY2023, when the debt ends.
- High school bond was refinanced to a lower interest rate in FY13.
- The State payment is applied directly to the current debt.

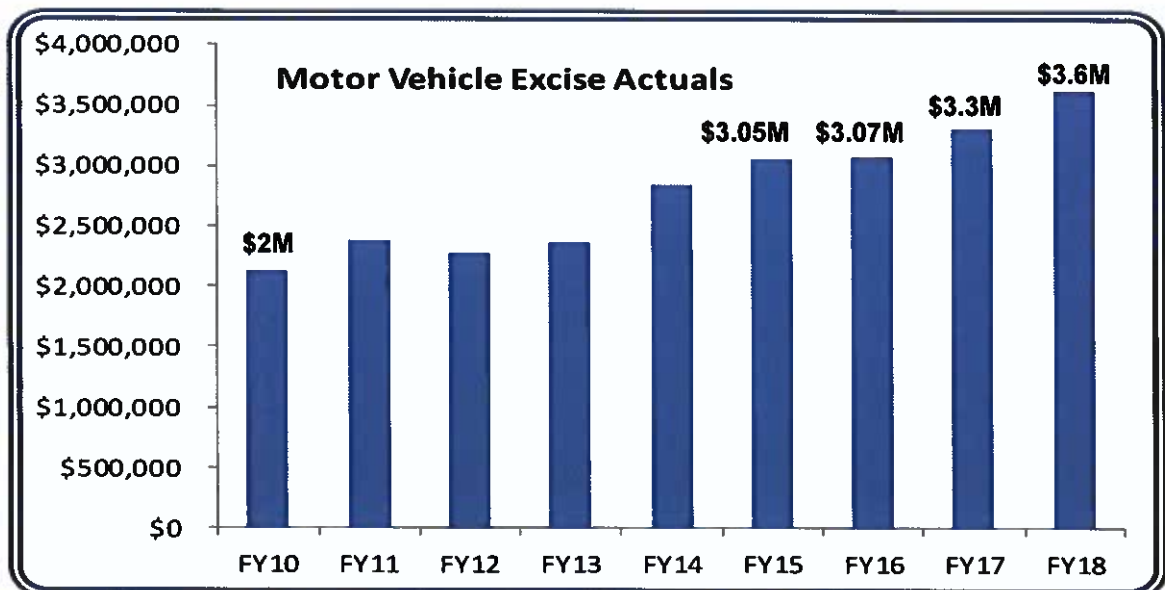


## FY2020 Local Receipts

Local receipts are various revenue sources collected at the local level – categorized as such by the Department of Revenue and used to fund the budget.

	FY16	FY17	FY18	FY18	FY19	FY20
	Actual	Actual	Budget	Actual	Budget	Budget
Motor Vehicle Excise Tax	\$3,077,486	\$3,300,477	\$2,673,415	\$3,624,505	\$2,673,415	\$2,673,415
Penalties and Interest	\$186,350	\$147,442	\$90,000	\$244,434	\$90,000	\$90,000
License/Permits	\$1,052,958	\$1,007,287	\$580,000	\$1,060,376	\$550,000	\$550,000
Departmental Receipts	\$502,643	\$365,321	\$325,000	\$804,325	\$474,500	\$474,500
Investment Income	\$56,770	\$119,026	\$35,000	\$173,501	\$40,500	\$40,500
Recreation	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
Other	\$217,269	\$225,518	\$160,000	\$98,217	\$35,000	\$35,000
	<b>\$5,273,476</b>	<b>\$5,345,071</b>	<b>\$4,043,415</b>	<b>\$6,185,358</b>	<b>\$4,043,415</b>	<b>\$4,043,415</b>

- As a financial policy, the budget is set to be a conservative estimate for local receipts. All actual receipts higher than budget flow to free cash each year. Maintaining a conservative budget protects the Town from fluctuations in actual receipts that may occur.
- Major revenue in this category is motor vehicle excise tax. Motor vehicle revenue has recently been very strong after several years of fluctuations due to the economy. Accordingly, the motor vehicle budget has been increased, with the increase in budget applied to capital funding.



## FY2020 Available Funds

Available funds are local revenue used to fund the budget, in accordance with State regulations.

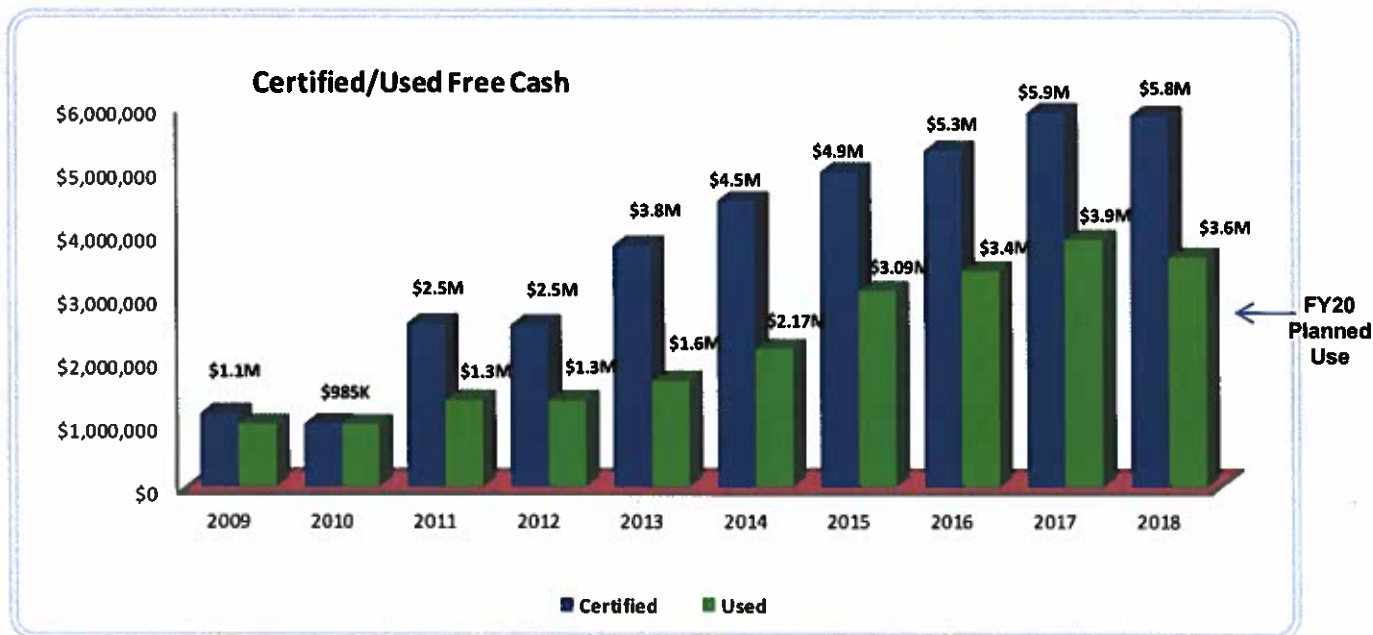
Available Funds Allocated	FY15	FY16	FY17	FY18	FY19	FY20
	Budget	Budget	Budget	Budget	Budget	Budget
Conservation Receipts	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Cemetery Trust	\$1,000	\$0	\$0			
Cemetery Lot Sales			\$110,250	\$105,750	\$101,250	\$96,750
Ambulance Receipts for Ongoing Budget	\$376,500	\$376,500	\$376,500	\$376,500	\$376,500	\$391,075
High School Bond Premium	\$20,281	\$17,812	\$15,738	\$13,084	\$10,912	\$8,690
Additional One Time Use Ambulance for Operating Budget						
Library Bond Premium	\$19,170	\$17,963	\$16,755	\$16,000	\$15,170	\$13,661
	<b>\$433,951</b>	<b>\$429,275</b>	<b>\$536,243</b>	<b>\$528,334</b>	<b>\$520,832</b>	<b>\$527,176</b>

Available Funds for Prior Year/Misc Warrant Articles	FY15	FY16	FY17	FY18	FY19	FY20
	Budget	Budget	Budget	Budget	Budget	Budget
Additional Ambulance (equipment/salaries/purchase ambulance)	\$448,000	\$131,000	\$208,000	\$372,800	\$514,760	\$67,500
Sale of Assets Account	\$275,000					
Overlay Surplus	\$25,000	\$35,000			\$35,000	\$0
Cemetery Lot Sales for special article						
Additional State Aid						
Bond Premium		\$725,000		\$397,000		
Miscellaneous Funding			\$20,000		\$489,000	
	<b>\$748,000</b>	<b>\$891,000</b>	<b>\$228,000</b>	<b>\$769,800</b>	<b>\$1,038,760</b>	<b>\$67,500</b>

- Available funds are transferred from these accounts to the general fund to support the corresponding appropriation.
  - Major available fund is ambulance receipts – used to offset costs of providing service.
    - Current balance in ambulance account (1/19) before appropriation - \$470K.
  - High School and library bond premium – this is a required annual apportionment of bond premium received from the sale of bonds to fund the high school and library debt. As the debt was approved outside of Proposition 2 ½, an apportionment of the premium must be used each year to offset the exempt taxes.
  - The FY17 , FY18, FY19 and FY20 budgets include cemetery lot sales to pay for cemetery debt service for a 5-year bond approved at May 2015 Town Meeting. This will end in FY21.

## A Look at Free Cash

- Certified Free Cash as of June 30, 2018 is \$5,854,683.
- Good FY18 budget to actual results and continued strong motor vehicle revenue.
- Disciplined use of prior year balance.
  - Not applied to operating budgets. Not using full allowance.
  - In line with Financial Policy, apply higher amounts to capital needs.
- FY20 budget uses \$3.5M for capital, and \$125,000 for Stabilization.



Certified Date	July 2018	July 2017	July 2016	July 2015	July 2014	July 2013	July 2012	July 2011
Amount	\$5,854,683	\$5,900,219	\$5,386,795	\$4,961,737	\$4,502,878	\$3,806,582	\$2,547,593	\$2,572,798
<b>Proposed 2019 ATM:</b>								
Fall Town Meeting/ Other		\$801,000	\$256,000	\$456,000	\$155,000			
Stabilization	\$125,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	\$344,000
Capital	\$3,563,500	\$2,198,118	\$1,769,050	\$1,652,050	\$1,523,000	\$1,308,150	\$800,000	\$700,000
Articles		\$861,000	\$1,295,000	\$883,000	\$401,509	\$260,500	\$58,000	\$320,000
<b>Total Used</b>	<b>\$3,688,500</b>	<b>\$3,960,118</b>	<b>\$3,420,050</b>	<b>\$3,091,050</b>	<b>\$2,179,509</b>	<b>\$1,668,650</b>	<b>\$1,358,000</b>	<b>\$1,364,000</b>
<b>Unallocated</b>	<b>\$2,166,183</b>	<b>\$1,940,101</b>	<b>\$1,966,745</b>	<b>\$1,870,687</b>	<b>\$2,323,369</b>	<b>\$2,137,932</b>	<b>\$1,189,593</b>	<b>\$1,208,798</b>

- Financial Policy target is approximately \$3.2M unallocated.

## Meals/Hotel Tax

In 2009 the State allowed municipalities to adopt by local vote a local revenue component of the State Meals and Hotel tax. The Department of Revenue collects the fee and sends the Town's portion on a quarterly basis.

### Meals Tax

- Municipalities are allowed to add a .75% charge to the State 6.25% excise tax on restaurant meals.
- Westwood adopted the additional meals tax at the 2014 Fall Town Meeting and it became effective January 1, 2015.

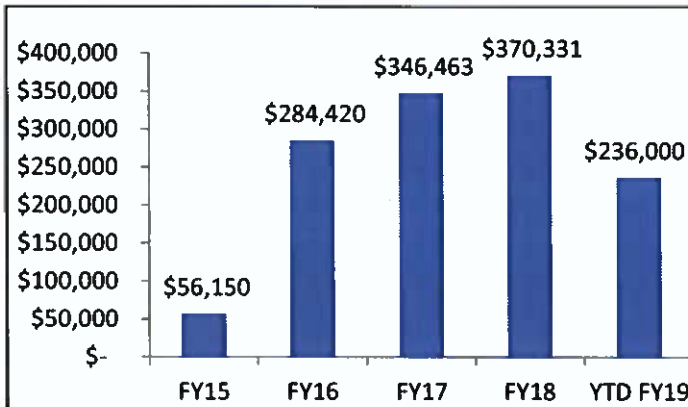
### Hotel Tax

- Municipalities are allowed to charge a local hotel tax up to 6%.
- Westwood adopted the 6% charge at the 2016 Annual Town Meeting.

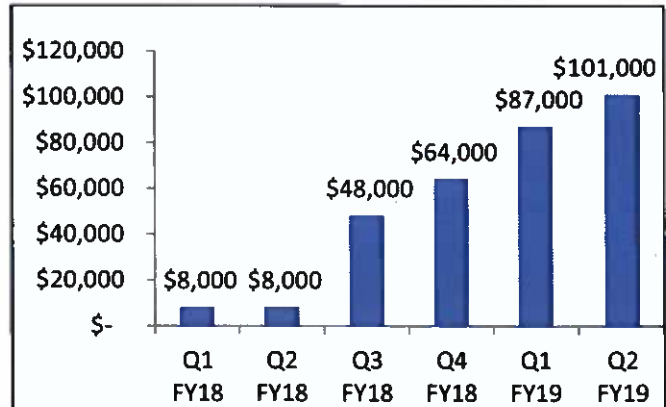
### Restricted Funding

- At the November 2017 Town Meeting, the residents approved establishing a special purpose fund to hold all Hotel and Meals Tax revenue until appropriated by future Town Meetings. All use of funding requires a 2/3 vote by Town Meeting.

**Meals Tax Revenue**



**Hotels Tax Revenue**



Total Hotels Tax Revenue Received in FY18 was \$129,000

### Use of Funds

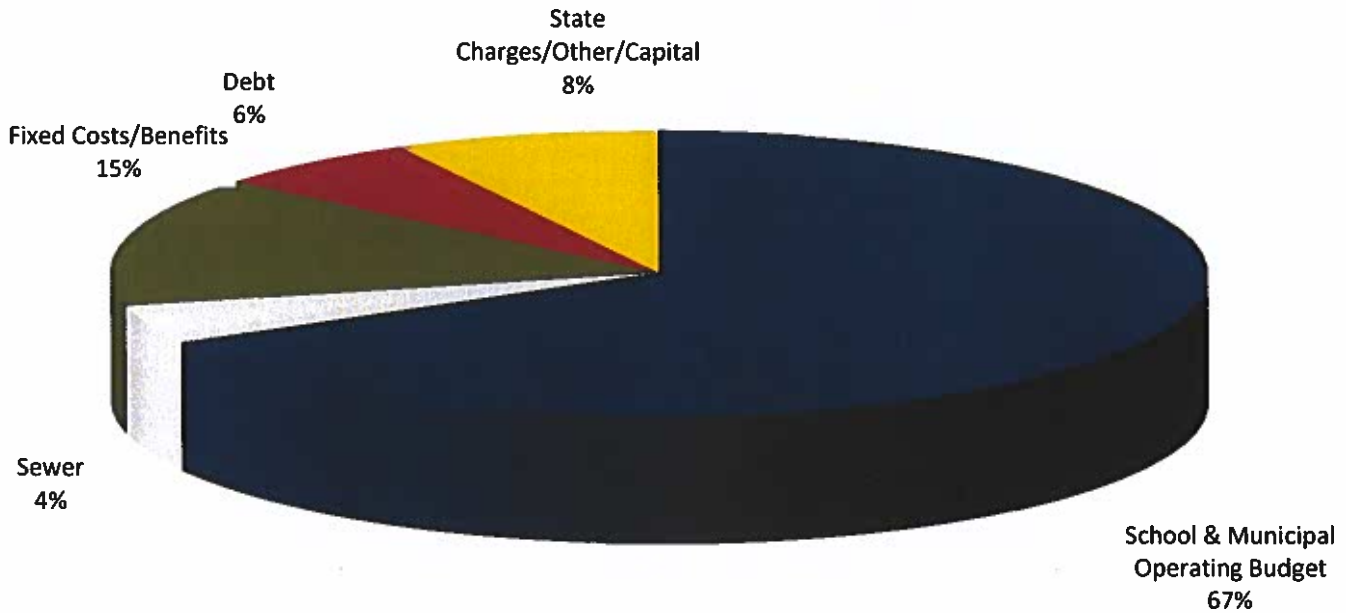
- May 2018 Town Meeting appropriated \$432K of funds for two town wide capital projects:
  - Lighting of the High School tennis courts
  - HVAC project at the High School pool
  - Both of these facilities receive extensive use by residents of all ages.

### Balance in the Account

- The balance in the Hotel/Meals account is \$1,176,000 as of December 31, 2018.
- The current proposed FY20 budget utilizes \$1,175,000 of this revenue for capital budget items.

# FY2020 Proposed Expenditure Summary

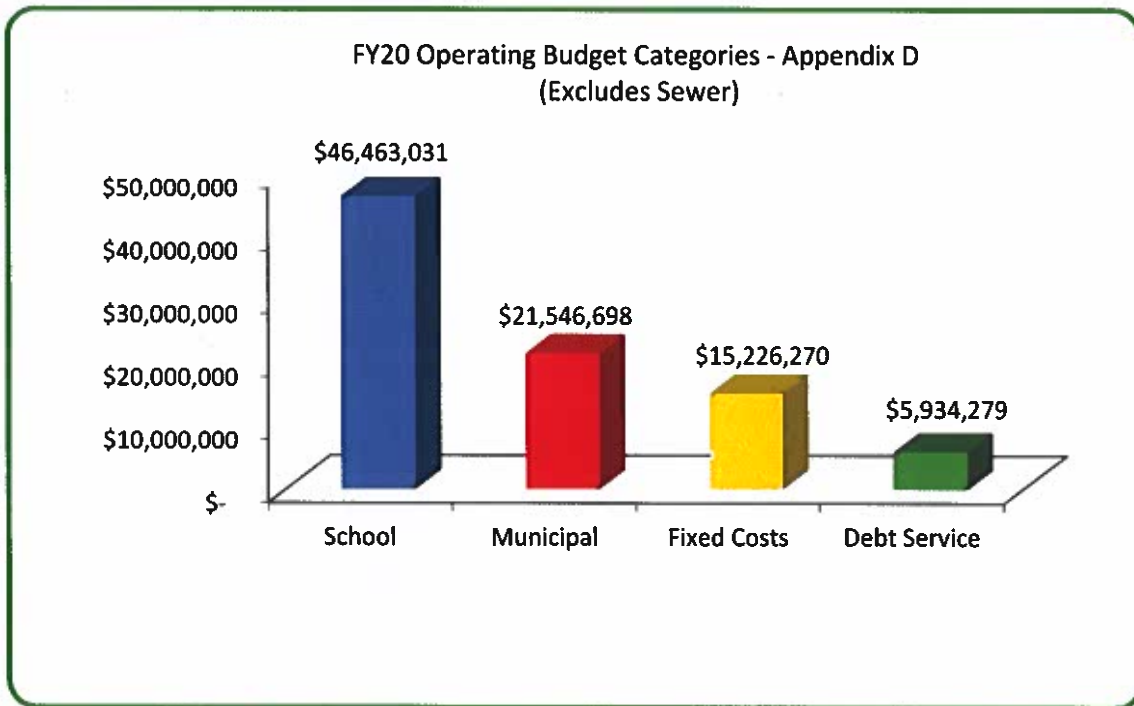
## FY2020 Expenditure Summary



FY2020 Proposed Expenditure Summary				
	FY2019 Budget	FY2020 Projected	\$ Change	% Change
Operating Budget - School Categories	\$45,146,049	\$46,753,707	\$1,607,658	3.6%
Operating Budget - Municipal	\$20,802,318	\$21,546,698	\$744,380	3.6%
University Station Direct Services		\$587,500	\$587,500	#DIV/0!
Benefits/Reserves/Insurance	\$14,626,822	\$15,226,270	\$599,448	4.1%
Sewer - Operating	\$4,319,239	\$4,291,488	(\$27,751)	-0.6%
Debt Service	\$6,137,978	\$5,934,279	(\$203,699)	-3.3%
Capital Base Budget - School & Municipal	\$1,753,900	\$2,339,000	\$585,100	33.4%
Capital - Sewer	\$420,000	\$1,050,000	\$630,000	150.0%
<b>Other Appropriations:</b>				
Stabilization	\$100,000	\$125,000	\$25,000	25.0%
Additional Capital	\$1,300,760	\$2,467,000	\$1,166,240	89.7%
OPEB	\$1,415,000	\$1,440,000	\$25,000	1.8%
Prior Year	\$331,000	\$0	(\$331,000)	-100.0%
Other Financial Articles/Other	\$1,125,000	\$0	(\$1,125,000)	-100.0%
State Charges/Offsets/Overlay/Snow	\$1,403,986	\$1,444,433	\$40,447	2.9%
<b>Total Expenditures</b>	<b>\$98,882,052</b>	<b>\$103,205,375</b>	<b>\$4,323,323</b>	<b>4.4%</b>

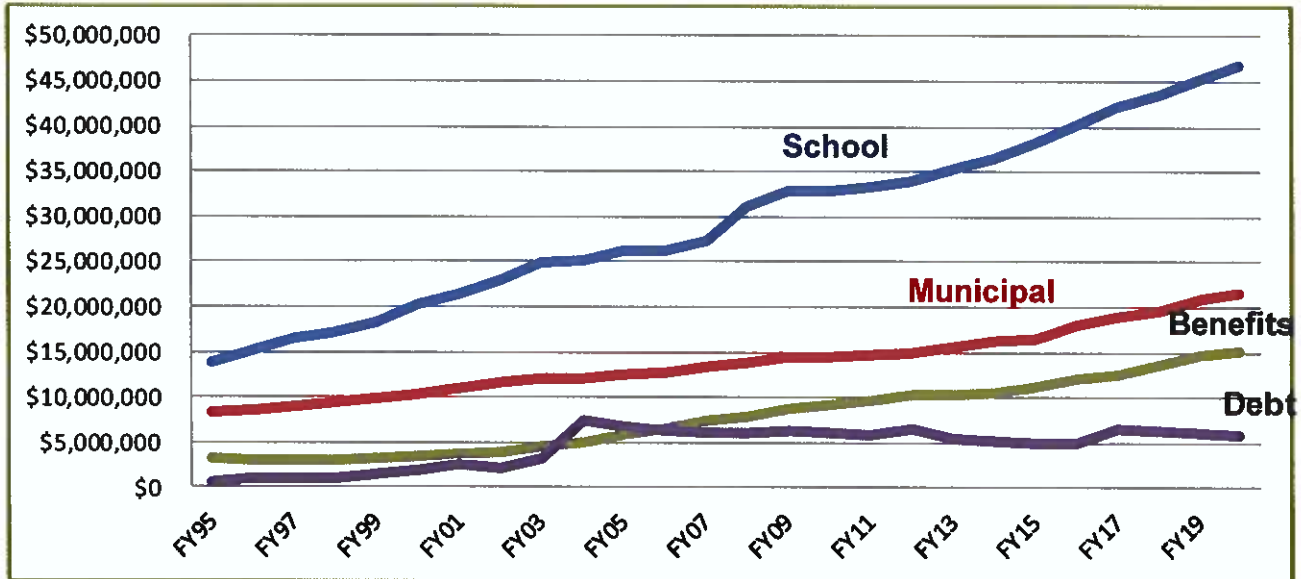
## Operating Budget Categories

FY19 Budget	Category	FY20		
		Selectmen Proposed	\$ Change FY20 v FY19	% Change FY20 v FY19
\$ 44,903,135	School Operating	\$ 46,463,031	\$ 1,559,896	3.5%
\$ 20,802,318	Municipal Operating	\$ 21,546,698	\$ 744,380	3.6%
	University Station Direct Services	\$ 587,500	\$ 587,500	
\$ 136,373	Blue Hills	\$ 180,000	\$ 43,627	32.0%
\$ 106,541	Traffic Supervisors	\$ 110,676	\$ 4,135	3.9%
\$ 14,626,822	Fixed Costs	\$ 15,226,270	\$ 599,448	4.1%
\$ 6,137,978	Debt Service	\$ 5,934,279	\$ (203,699)	-3.3%
\$ 4,319,239	Sewer	\$ 4,291,488	\$ (27,751)	-0.6%
<b>\$ 91,032,406</b>	<b>Total</b>	<b>\$ 94,339,942</b>	<b>\$ 3,307,536</b>	<b>3.6%</b>





## A Look at the Budget History



Budget	% Change in Budget												
	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
School Budgets	12.9%	5.8%	0%	1.7%	2%	3.3%	3.8%	4.2%	5.3%	4.9%	3.3%	3.4%	3.47%
Municipal Budgets	3.7%	5.4%	0%	0.6%	2.3%	3%	3.2%	3.4%	5.2%	3.7%	3.6%	3.8%	3.58%
Benefits/ Insurance/ Reserves	7.6%	12.3%	3.7%	5.5%	5.6%	0.5%	2.5%	5.5%	3.1%	8.8%	10.6%	8.1%	4.1%
Debt Service	-0.7%	4.1%	-3.9%	-3.7%	11.1%	-18%	-4.7%	-2.3%	-2.3%	30%	-1.4%	-3.6%	-3.31%

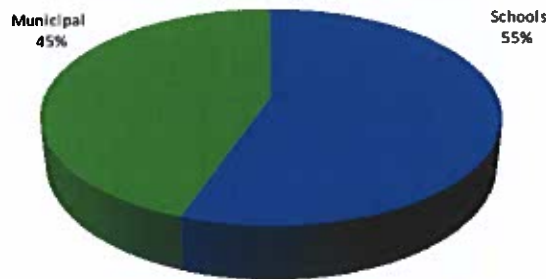
## Fixed Costs

The Fixed Costs budget provides for all Employee Benefit Accounts, Insurance and Reserve Accounts. The Employee benefits /cost accounts include pension, health insurance, unemployment, workman's compensation and other payroll taxes.

Current Budget Provides For:	
Employee Benefits Cost – all school and municipal	\$13,242,045
Insurance/Reserve Accounts/Other	\$1,384,777
<b>Total FY19</b>	<b>\$14,626,822</b>

	School	Municipal	Total
Employee Benefit Costs	\$7,331,789	\$5,910,256	\$13,242,045

**Employee Benefit Cost**



The FY20 Fixed costs budget is \$15,226,270, an increase of \$599,448 or 4.1% over FY19.

	FY19	FY20	\$ Change	% Change
Fixed Costs	\$14,626,822	\$15,226,270	\$599,448	4.1%

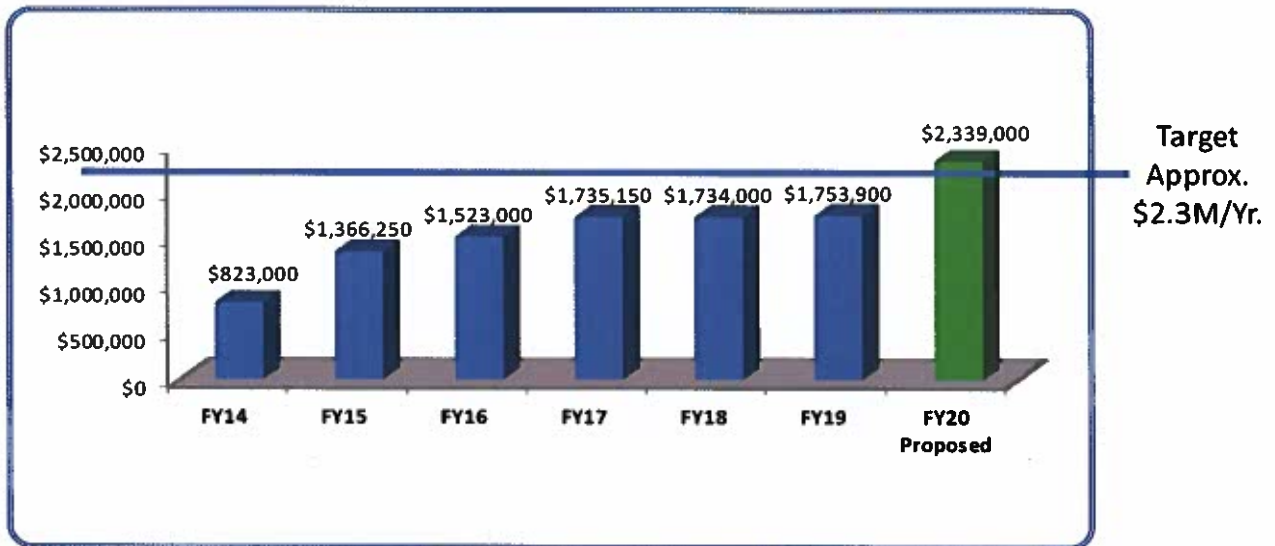
This increase includes:

- FY20 Pension Assessment of \$5.4M, a 7% increase over the prior year.
- Total FY20 Health Insurance budget of \$6.19M, an increase of 5% or \$295K.
- Other fixed cost increases (insurance, Medicare, Payroll tax) 10% - Approx \$195K.

## Capital Funding

### Capital – Continued Improvement in Ongoing Capital Funding

- Important to maintain Town assets – buildings, infrastructure, equipment.
- The Town has made significant progress in increasing the ongoing capital budget.
  - FY20 base capital articles more than double FY14 levels.

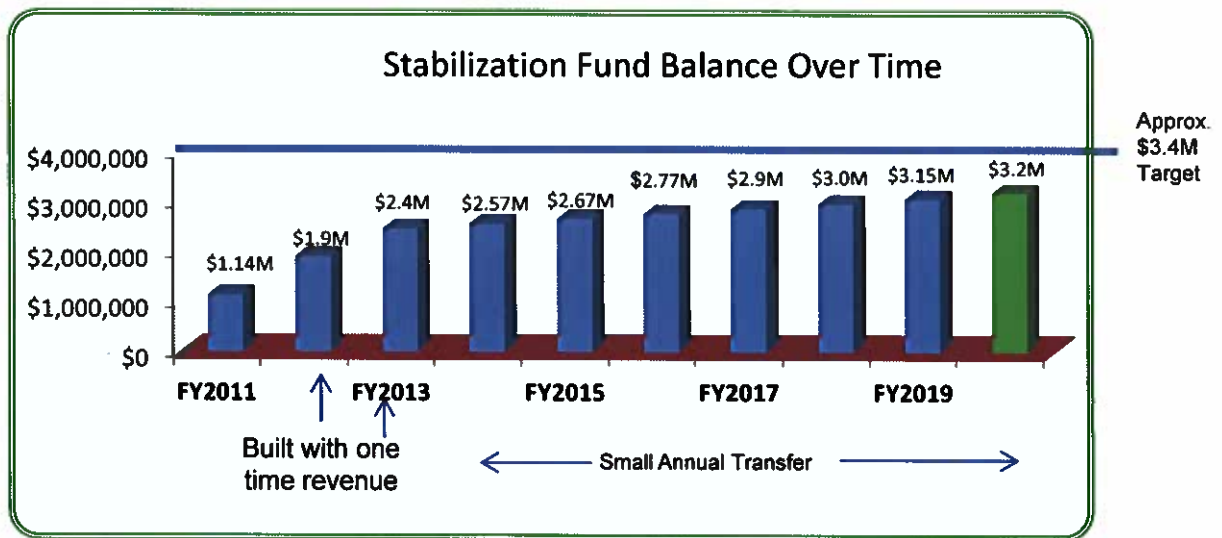


- Similar to FY19, utilize free cash to keep ongoing capital at higher levels (double FY14).
- Fund base capital at \$2.33 million
  - School - \$1,017,000
  - Municipal - \$1,322,000
- Other Capital Articles for FY20 of \$2,399,500 and funded by free cash and meals/hotels tax, will include:

- Recreation - Field Lighting
- Thurston Middle School HVAC Project
- Municipal Buildings – COA HVAC System
- Morrison Basketball Court Refurbishment
- Carby Street Retaining Wall
- IT – Town/School Financial Software (first ½)
- Municipal Buildings – Fire Station 1 Renovation
- Fire – Swap body multi purpose vehicle
- Conservation – Perry Crouse Pond maintenance
- Design new playing fields on land behind high school tennis courts

## Stabilization Fund

- The Stabilization Fund is the Town’s reserve account to provide for unforeseen emergencies or future expenditures.
- Prudent use of a reserve fund is vital to good financial management, protection for the Town against unforeseen emergencies, and maintenance of a top credit rating.
- Financial target approximately 4% of net general fund revenue.
- Appropriations into this Fund requires a majority vote.
- Use of this Fund require a 2/3 vote of Town Meeting.
- Funds may be used for any purpose approved by Town Meeting.

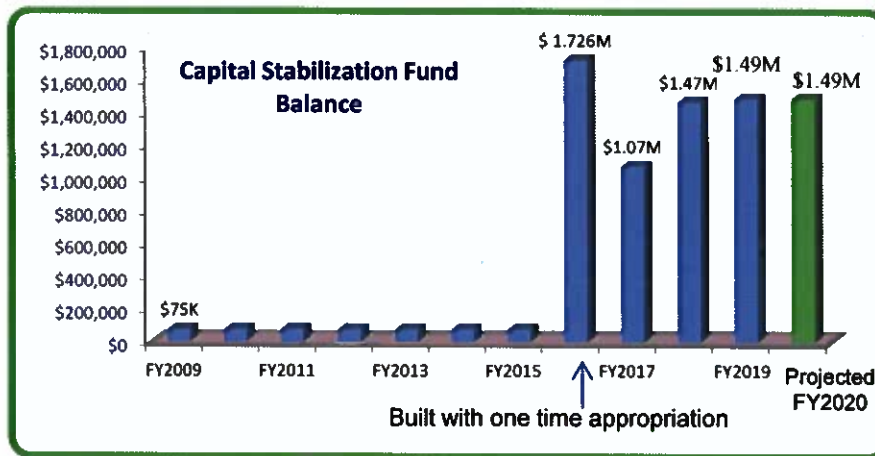


Stabilization Fund						
	FY2015	FY2016	FY2017	FY2018	FY2019	Budget Plan FY2020
Annual Appropriation	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$125,000
One Time Appropriation	\$0	\$0	\$0	\$0	\$0	\$0

- The FY20 budget provides for a \$125,000 annual appropriation funded by free cash transfer.

## Capital Stabilization Fund

- The Capital Stabilization Fund was established by Town Meeting in 2005 for the purpose of investing in the long term maintenance of the Town’s capital assets – primarily buildings and equipment.
- Appropriations into this Fund require a majority vote and uses from this Fund require a 2/3 vote of Town Meeting.
- This Fund can be a useful tool to provide funding for important capital needs.
- At the 2008 Annual Town Meeting, \$75,000 was appropriated to this account funded by some initial Westwood Station payments.
- At the 2015 Fall Town Meeting, two articles appropriated one time revenue in the account:
  - \$925,000 was appropriated into this account funded by available FY16 new taxes from the University Station project.
  - \$725,000 was appropriated into the account from one time bond premium.
- In FY16, \$650,000 was used from the account to fund replacement of the high school turf field and track resurfacing.
- In FY18, \$397,000 of one time funding was appropriated into the account



Capital Stabilization Fund						
	FY2009	FY2016	FY2017	FY2018	FY2019	Projected FY2020
Annual Appropriation	\$0	\$0	\$0	\$0	\$0	\$0
One Time Appropriation	\$75,000	\$1,650,000	\$0	\$397,000	\$0	\$0
Town Meeting Voted Use			\$650,000			

## Debt Management

Prudent use of debt financing is an important part of the Town's overall fiscal planning. The primary objective of any debt management approach is to borrow at the least cost over the term of repayment of the debt. Attainment of this objective requires clear positions regarding for what purposes to borrow, when to schedule debt-financed projects and how long to extend the repayment (generally, debt issued for longer periods bears a higher interest rate).

The Town Treasurer and Selectmen support a rapid repayment schedule of ten years or less whenever possible. This ensures cost savings to the community and seeks to avoid strapping future generations with large debt loads. The High School, Library and Fire Station were bonded for 20 years and the Police Station for 30 years to mitigate the effect of the annual tax burden and to match the long term nature of the project.

All debt is issued as general obligation debt. This means that the full faith and credit of the Town is pledged to the bondholder. Debt issued on behalf of the Town's enterprise operation (sewer) is, however, supported by sewer user revenues when authorized by vote of Town Meeting.

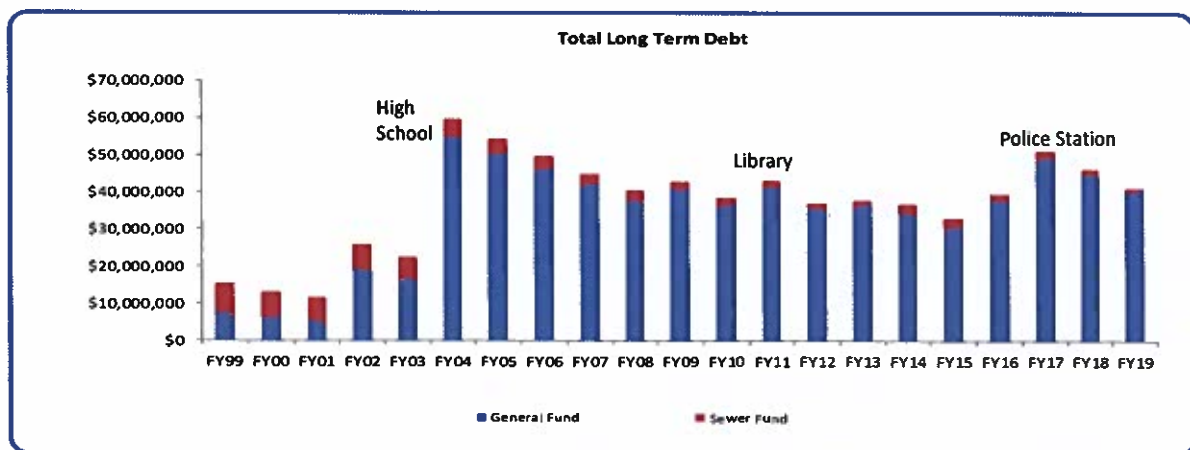
### Credit Rating

As with a personal credit rating, the Town's credit rating is a statement of its overall fiscal health as a government and as a community. The benefit of a strong credit rating is realized in lower interest costs on the Town's long-term debt issues.

The Town underwent an updated credit review in August 2016, in conjunction with the sale of a \$16.64M bond. Current Credit Ratings:

AAA Standard & Poor's (2016)  
Aa1 Moody's (2013).

These ratings are excellent ratings for a small community. The ratings reflect the Town's commitment to both fiscal discipline as well as quality services.



Total Long Term Debt Issued and Outstanding	FY14	FY15	FY16	FY17	FY18	FY19
General Fund	34,100,000	30,545,000	37,525,000	49,355,000	44,710,000	40,120,000
Sewer Fund	2,661,680	2,277,620	2,122,060	1,680,000	1,274,700	868,600
<b>Total</b>	<b>36,761,680</b>	<b>32,822,620</b>	<b>39,647,060</b>	<b>51,035,000</b>	<b>45,984,700</b>	<b>40,988,600</b>

## Long Term Debt Outstanding

General Fund						Total
Description	Rate of Interest	Date Issued	Maturity Date	Amount Issued	Outstanding	30-Jun-19
<b>Outside of Prop 2 ½</b>						
High School Project	1.63	5/2012	06/01/2023	\$39,262,300	\$7,195,000	
Library Construction	3.37	3/10/11	03/10/2031	\$9,300,000	\$5,580,000	
<b>Within Prop 2 1/2</b>						
High School Completion	3.48	8/01/08	02/01/2023	\$1,950,000	\$520,000	
Middle Sch Modular Construction	3.79	6/15/09	06/15/2029	\$3,500,000	\$1,750,000	
School Roof	1.43	12/20/12	06/01/2022	\$935,000	\$277,000	
DPW Roads/Equipment	1.43	12/20/12	06/01/2022	\$3,700,000	\$1,103,000	
DPW Roads/Equipment	1.62	05/15/14	05/15/2024	\$1,400,000	\$700,000	
Design Fire Station	2.66	9/1/2015	09/01/2035	\$850,000	\$722,500	
Construct Fire Station	2.66	9/1/2015	09/01/2035	\$8,650,000	\$7,352,500	
LED Lights Upgrade	2.66	9/1/2015	09/01/2025	\$500,000	\$350,000	
Cemetery Expansion	2.66	9/1/2015	09/01/2020	\$450,000	\$180,000	
Deerfield Rd/Parking Imprvments	2.42	9/1/2016	06/30/2026	\$2,000,000	\$1,400,000	
Land Purchase	2.42	9/1/2016	06/30/2026	\$890,000	\$620,000	
Police Station Design	2.42	9/1/2016	06/30/2045	\$1,000,000	\$895,000	
Police Station Construction	2.42	9/1/2016	06/30/2046	\$12,755,000	\$11,475,000	
<b>Total General Fund</b>						<b>\$40,120,000</b>

- Debt authorized but unissued.
 

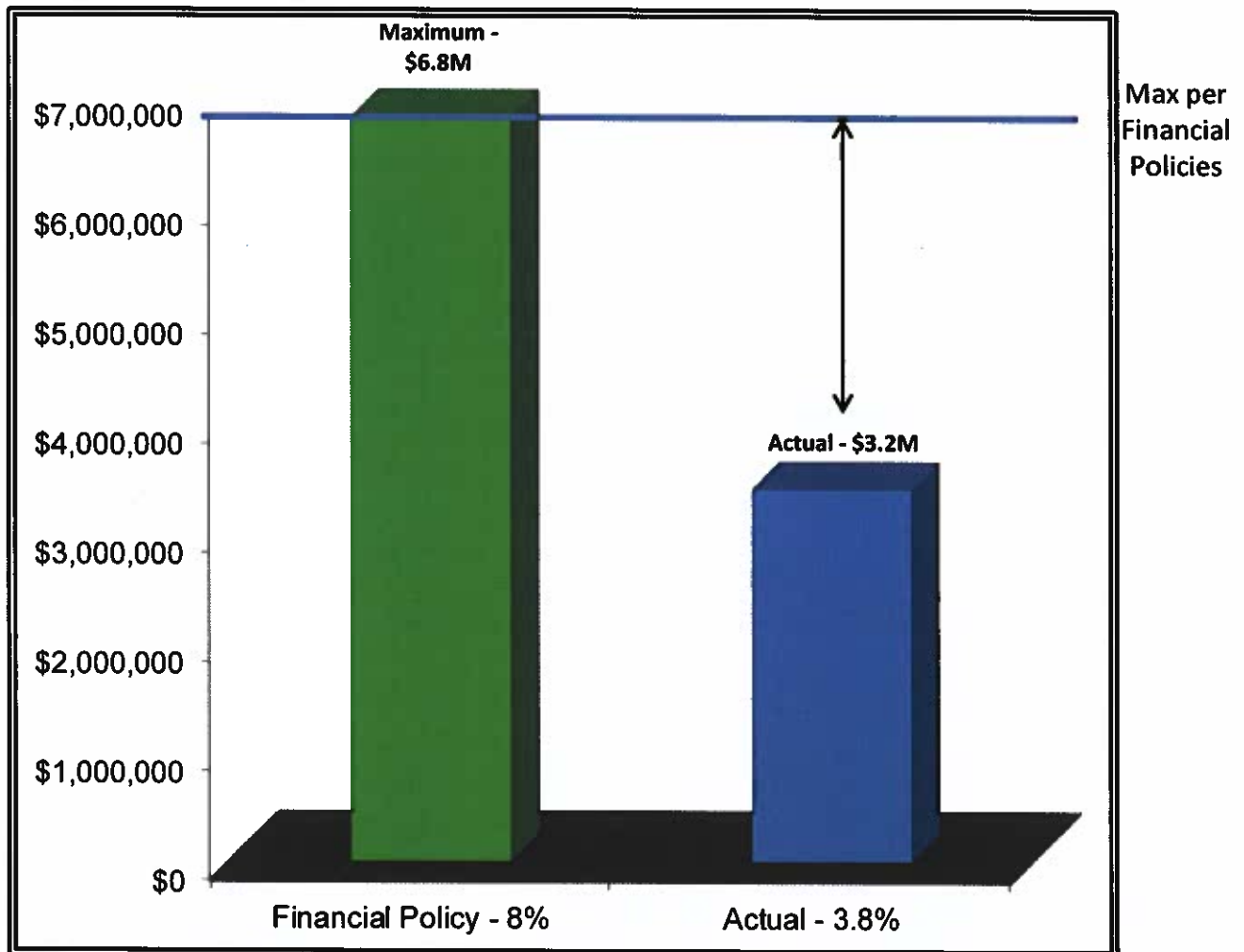
School MSBA Eligibility Phase	ATM 2018	\$1,750,000
Redevelopment Islington/Wentworth Library	ATM 2018	<u>\$3,500,000</u>
		\$5,250,000
- There is no short term debt outstanding.

Sewer Fund						
Description	Rate of Interest	Date Issued	Maturity Date	Amount Issued	Outstanding	30-Jun-19
Sewer Abatement Trust	3.88	11/1998	6/1/2019	\$3,220,700	\$0	
MWRA - no interest loan	0.00	6/1/2016	6/2021	\$234,000	\$93,600	
Sewer Bond	2.50	5/1/2014	6/2024	\$1,570,000	\$775,000	
<b>Total General Fund</b>						<b>\$868,600</b>

## Debt Level

### Debt Level – Well Within Guidelines

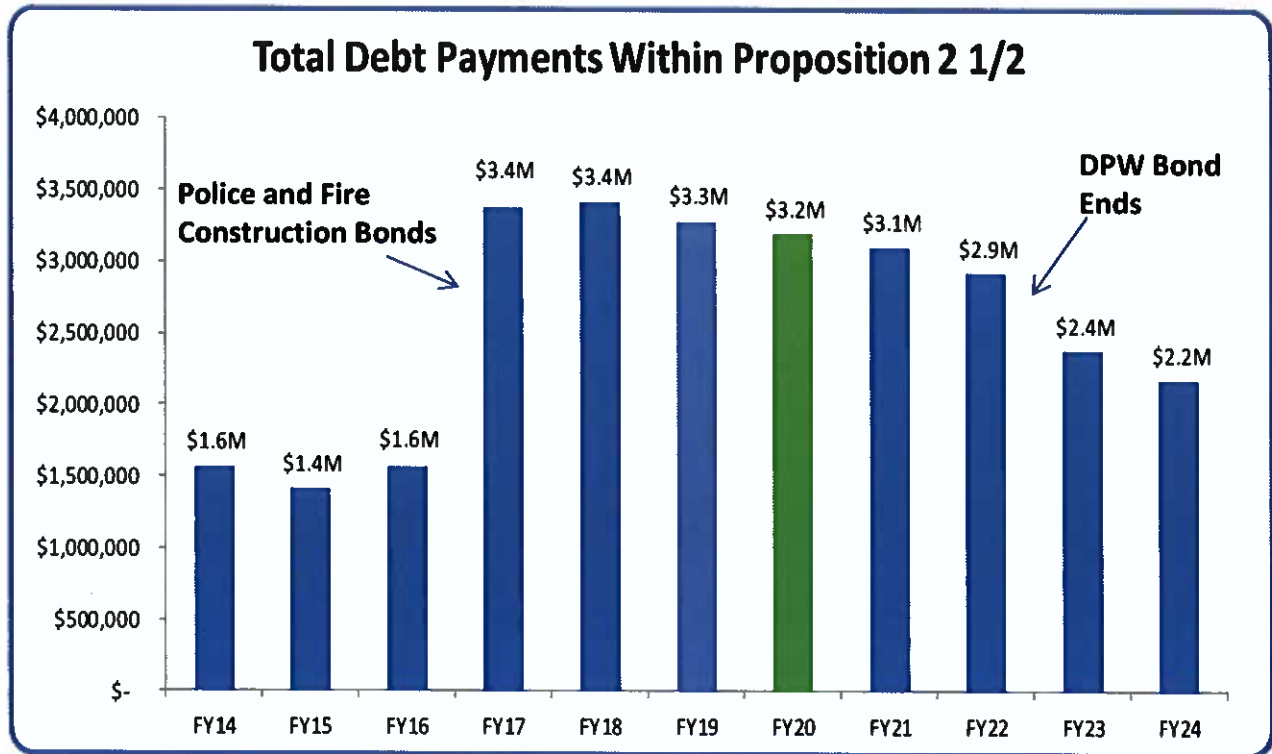
- Financial Policies – annual debt payments should not exceed 8% of net general fund revenue.
- Debt levels are an important component of credit ratings. The Town holds a AAA rating.



Debt is well within guidelines

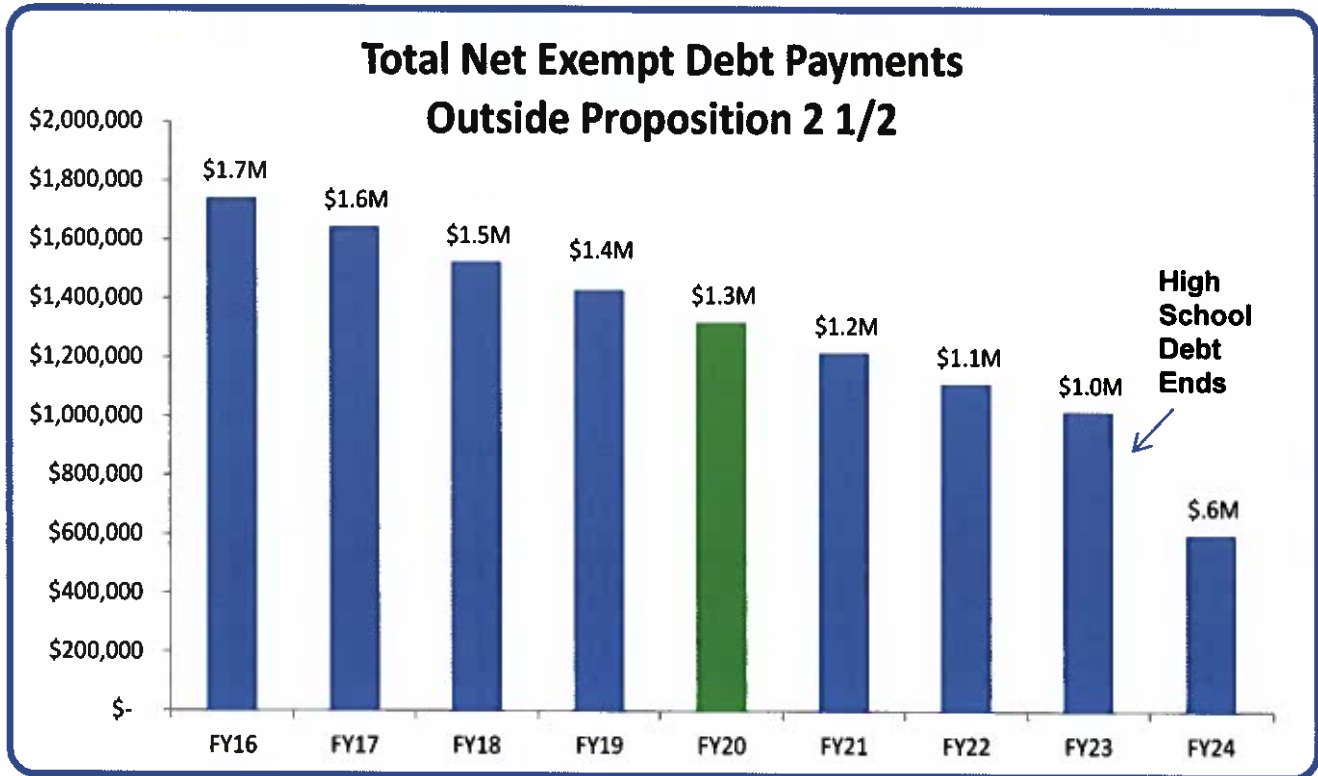


## Non-Exempt Debt



- Debt drop off FY23:
  - \$4.6M, 10 year DPW bond for Roads, Equipment, and School Roofs, issued in 2012, is completed in 2022.

## Exempt Debt Outside Proposition 2 1/2



- Principal and interest payments for projects approved outside Proposition 2 ½.
- Exact amount of debt cost, net of state school reimbursement, is raised in taxes.
- When bond ends, exempt taxes end.
- FY20: High School \$659,234, Library \$661K
- High School bond ends FY2023, Library FY2031
- Payments decline approximately \$100K each year
- FY2023 – High School \$406K.

## Total Principal and Interest Payments

	Outstanding as of 30-Jun-19	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25-46	Total FY20-FY46
<b>Principal and Interest for Current Long term Debt Outstanding</b>													
HS Construct (Exempt)-Refi 3/12	7,195,000	2,530,500	2,436,000	2,353,400	2,242,600	2,158,200	2,069,200	1,980,800	1,891,200	1,807,650	0	0	\$7,748,850
Library Construct (Exempt) 3/11	5,580,000	760,275	741,675	723,075	711,450	698,663	675,413	656,813	638,213	624,263	609,150	3,772,313	\$6,976,163
Municipal Building	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Obed Baker	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Eminent domain 8/08	0	31,125	0	0	0	0	0	0	0	0	0	0	\$0
High Street Lights 8/08	0	22,350	21,600	20,800	0	0	0	0	0	0	0	0	\$0
High Street Construction 8/08	0	122,925	118,800	114,400	0	0	0	0	0	0	0	0	\$0
High School Field 8/08	0	52,088	50,400	48,600	46,800	0	0	0	0	0	0	0	\$0
High School Completion 8/08	520,000	176,865	171,990	166,790	161,590	156,390	151,190	145,990	140,660	135,330	0	0	\$573,170
Middle School Modulars 6/09	1,750,000	279,431	274,400	269,150	263,463	257,338	248,588	239,838	232,838	225,838	218,838	987,131	\$2,153,069
DPW Roadway 12/12	450,000	180,000	177,000	174,000	169,500	166,500	162,000	159,000	154,500	0	0	0	\$475,500
School Roof 12/12	277,000	112,650	110,770	108,890	106,070	104,190	101,370	99,490	91,670	0	0	0	\$292,530
DPW Equipment 12/12	138,000	55,200	54,280	53,360	51,980	51,060	49,680	48,760	47,380	0	0	0	\$145,820
DPW Drainage 12/12	65,000	29,700	29,200	28,700	27,950	27,450	26,700	21,200	20,600	0	0	0	\$68,500
DPW Equipment 12/12	450,000	180,000	177,000	174,000	169,500	166,500	162,000	159,000	154,500	0	0	0	\$475,500
DPW Roads 5/14	150,000	36,075	35,475	34,875	34,275	33,675	33,075	32,475	31,875	31,275	30,675	0	\$159,375
DPW Drainage 5/14	300,000	72,150	70,950	69,750	68,550	67,350	66,150	64,950	63,750	62,550	61,350	0	\$318,750
DPW Equipment 5/14	250,000	60,125	59,125	58,125	57,125	56,125	55,125	54,125	53,125	52,125	51,125	0	\$265,625
Fire Station Design 8/15	722,500	0	16,841	75,119	72,994	70,869	68,744	66,619	64,494	62,369	60,244	603,394	\$925,863
Fire Station Construction 8/15	7,352,500	0	171,378	764,444	742,819	721,194	699,569	677,944	656,319	634,694	613,069	6,140,419	\$9,422,013
Street Lights Replacement 8/15	350,000	0	12,500	73,750	71,250	68,750	66,250	63,750	61,250	58,750	56,250	105,000	\$411,250
Cemetery Expansion 8/15	180,000	0	11,250	110,250	105,750	101,250	96,750	92,250	0	0	0	0	\$189,000
Bond 8/16 - Police and Other	14,390,000	0	0	1,026,338	1,262,475	1,232,475	1,202,475	1,172,475	1,142,475	1,112,475	1,082,475	13,879,350	\$19,591,725
	0	0	0	0	0	0	0	0	0	0	0	0	\$0
<b>Total General Fund Debt</b>	<b>40,120,000</b>	<b>4,701,459</b>	<b>4,740,634</b>	<b>6,447,815</b>	<b>6,366,140</b>	<b>6,137,978</b>	<b>5,934,278</b>	<b>5,735,478</b>	<b>5,444,848</b>	<b>4,807,318</b>	<b>2,783,175</b>	<b>25,487,606</b>	<b>50,192,702</b>
<b>Total Non - Exempt Debt</b>	<b>27,345,000</b>												
Non - Exempt Debt Payments		1,410,684	1,562,959	3,371,340	3,412,090	3,281,115	3,189,665	3,097,865	2,915,435	2,375,405	2,174,025	21,715,294	\$35,467,689
Change in non- Exempt Debt		(156,138)	152,275	1,808,381	40,750	(130,975)	(91,450)	(91,800)	(182,430)	(540,030)	(201,380)		
<b>Total Exempt Debt</b>	<b>12,775,000</b>												
Total Exempt Debt Payments		3,290,775	3,177,675	3,076,475	2,954,050	2,856,863	2,744,613	2,637,613	2,529,413	2,431,913	609,150	3,772,313	\$14,725,013
Change in Gross Exempt Debt		(118,741)	(113,100)	(101,200)	(122,425)	(97,188)	(112,250)	(107,000)	(108,200)	(97,500)	(1,822,763)		
<b>State Reimbursement Being Received - for School Projects - all project audits completed</b>													
High School Project - FY06 - FY23		1,401,276	1,401,276	1,401,276	1,401,276	1,401,276	1,401,276	1,401,276	1,401,276	1,401,276	0		\$5,605,104
High School Bond Premium		20,281	17,812	15,738	13,084	10,912	8,690	6,468	4,197	2,098	0		\$21,453
Library Bond Premium		19,170	17,963	16,755	16,000	15,170	13,661	12,453	11,246	10,340	9,359	33,586	\$90,645
<b>Total State/Bond Premium Annual payments</b>		<b>1,440,727</b>	<b>1,437,051</b>	<b>1,433,769</b>	<b>1,430,360</b>	<b>1,427,358</b>	<b>1,423,627</b>	<b>1,420,197</b>	<b>1,416,719</b>	<b>1,413,714</b>	<b>9,359</b>	<b>33,586</b>	<b>5,717,202</b>
<b>Net annual Exempt Debt</b>		<b>1,850,048</b>	<b>1,740,624</b>	<b>1,642,706</b>	<b>1,523,690</b>	<b>1,429,505</b>	<b>1,320,986</b>	<b>1,217,416</b>	<b>1,112,694</b>	<b>1,018,199</b>	<b>599,791</b>	<b>3,738,727</b>	<b>9,007,811</b>
<b>Change in annual Exempt Debt</b>		<b>(115,064)</b>	<b>(109,424)</b>	<b>(97,918)</b>	<b>(119,016)</b>	<b>(94,186)</b>	<b>(108,519)</b>	<b>(103,570)</b>	<b>(104,722)</b>	<b>(94,495)</b>	<b>(418,408)</b>		

## Sewer Total Principal and Interest Payments

Outstanding as of June 30, 2019		FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Total
<b>Principal and Interest payments for current Sewer Debt Outstanding</b>										
	Balance									Total FY20-24
Sewer - Abatement Trust 11/98	0	147,042	145,735	151,207	0	0	0	0	0	\$0
MWRA no interest loans - 2012	0	42,460	0	0	0	0	0	0	0	\$0
MWRA no interest loans - 2016	93,600	46,800	46,800	46,800	46,800	46,800	0	0	0	\$93,600
Sewer - \$1.5m bond 5/14 (ends 2024)	775,000	185,388	182,188	173,988	170,888	167,788	164,688	161,588	158,488	\$823,438
<b>Total Sewer Debt</b>	<b>868,600</b>	<b>421,690</b>	<b>374,723</b>	<b>371,995</b>	<b>217,688</b>	<b>214,588</b>	<b>164,688</b>	<b>161,588</b>	<b>158,488</b>	<b>917,038</b>
All debt funded by sewer user fees										
The MWRA trust debt is supplemented by subsidies by the Massachusetts Water Pollution Trust (MWPAT). The principal and interest shown is Town portion only.										

## Other Post Employment Benefit Costs (OPEB)

### What is it?

Employees of state and local governments may be compensated in a variety of forms in exchange for their services. In addition to a salary, many employees earn benefits over their years of service that will not be received until after their employment with the government ends through retirement or other reason for separation. The most common type of these post employment benefits is a pension. As the name suggests, other post employment benefits (OPEB) are post employment benefits other than pension. OPEB generally takes the form of health insurance and dental, vision, prescription, or other health care benefits provided to eligible retirees, including in some cases their beneficiaries.

OPEB is a part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. Therefore, as benefits accrue, they are a cost of providing public services today, and should be a part of the municipality's accounting statements.

However, most governments report their cash outlays for OPEB in the year of actual distribution, rather than in the year benefits are earned. These two amounts may be vastly different and represent the unfunded liability.

GASB 45 now requires municipalities to disclose the unfunded liability as part of their financial statements. Municipalities are required to update an actuarial analysis of the liability every other year. There is currently no requirement to fund the liability.

### OPEB Liability – Most Recent Study – 6/30/17

Westwood is required to update the valuation of the liability every other year. The most recent valuation was completed in early 2018 for the period ending 6/30/17. The full report is available on the Town's website.

	6/30/13	6/30/15	6/30/17
Discount Rate		7.75%	7.25%
Unfunded Actuarial Liability	\$55.9M	\$35.6M	\$39.1M
Funded Ratio		4.6%	11.4%

As shown, there has been significant progress made on the unfunded liability. This is due to the actions taken by the Town over the last few years including:

- Transition to the State GIC health insurance.
- Elimination of Medi B payment.
- Investment of trust funds with State Prit program.
- Using health care savings to provide for base \$1.35M in annual appropriation within the budget:
  - \$700K from transition to GIC in FY16.
  - \$400K from change in health plans in FY13.

The \$39M liability is comprised as follows:

Schools	\$23.8M
Public Safety	\$8.8M
DPW/Gen Government/Other	\$6.5M
<b>Total</b>	<b>\$39.1M</b>

## Other Post Employment Benefit Costs (OPEB)

The OPEB liability needs to be addressed on both the revenue and expense sides. It is only through a combination of efforts on both sides that the Town will be able to address this long term liability.

### Funding

- The effort to fund started in FY11, with a \$20K budget item. The \$20K was funded by the exact amount another fixed cost line item, social security, was decreasing. In the FY12 budget, we continued, within the fixed costs budget, to fund the OPEB obligation with \$26K allocation.
- In FY13, we continued the funding within the fixed cost allocation at \$38K. In addition, in FY13 significant savings from changes to the health care benefits provided for a \$435K annual contribution to the OPEB liability.
- In FY14, funding continued with a \$68K appropriation from savings in the fixed costs budget and the annual health care savings costs of \$435K.
- In FY15, a \$550K annual appropriation built into the budget continued the funding program.
- The FY16 appropriation of \$650K was supplemented at the Fall 2015 Town Meeting with the savings from the GIC conversion, calculated at \$700K, bringing the new annual appropriation to \$1.35M.
- The \$1.35M appropriation will be increased incrementally by approximately \$25K - \$40K per year.
- The FY18 appropriation was \$1.39M, FY19 was \$1.415M, and the planned appropriation for FY20 is \$1,440,000.

### Benefits/Expense

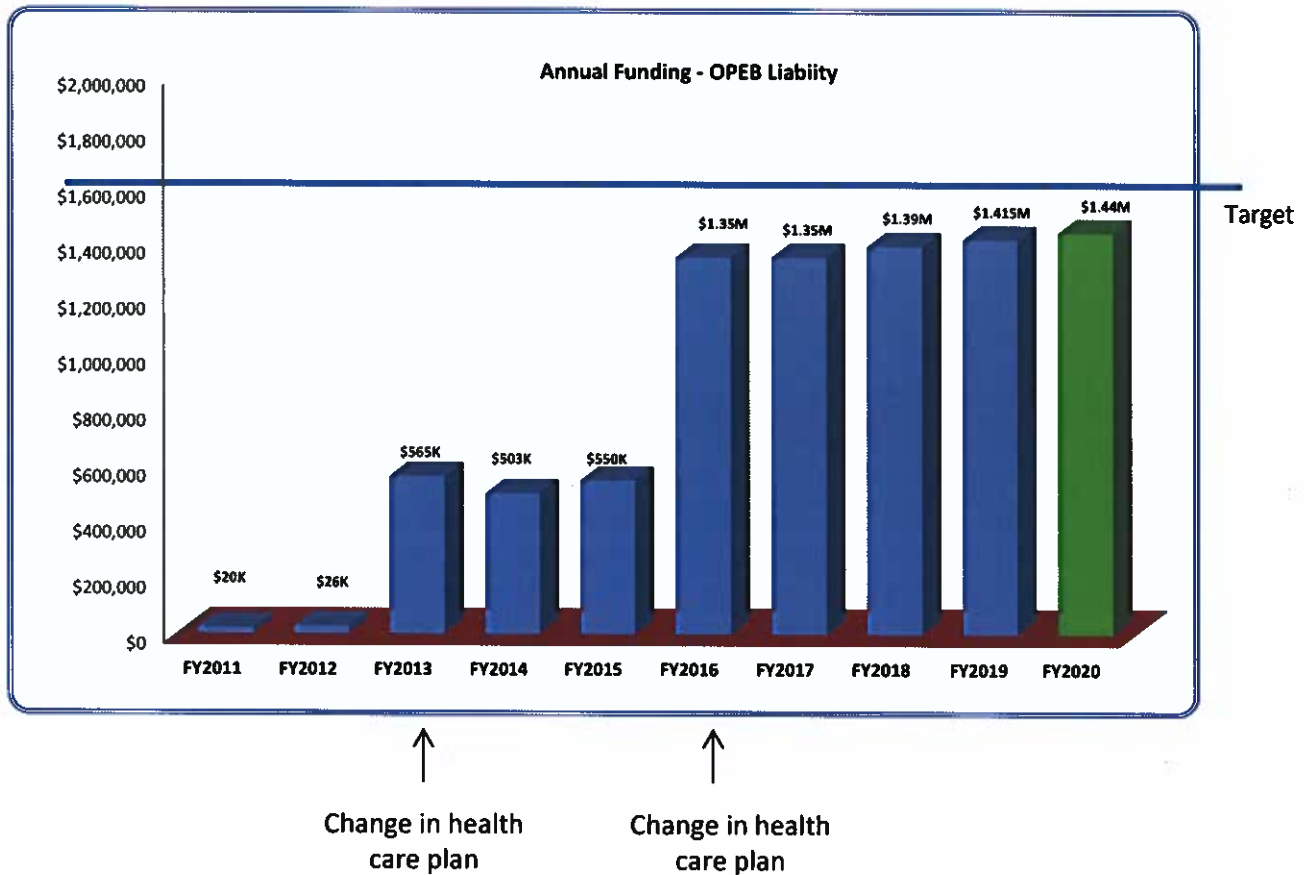
- The liability should also be addressed by making changes on the benefit/expense side.
- In FY14, the Selectmen eliminated the 50% Medicare B premium payment for all new retirees as of 7/1/2014. This action reduced the full liability by 10% or \$5M and reduces the annual funding requirement by \$400K or 25%.
- In FY15, the Board of Selectmen approved the transition of the Town's health insurance to the State Group Insurance Commission (GIC). This transition resulted in significant savings for health insurance costs for both the employees and the Town. The full amount of the annual savings was added at the Fall 2015 Town Meeting to the annual OPEB appropriation.
- The health care cost savings will also help reduce the overall OPEB liability.
- Efforts should continue on the expense side to contain costs and reduce the liability.

### Investment of Funds

- In FY15, the Town Treasurer, with approval from the Board of Selectmen, transferred funding in the OPEB Trust to the State PRIM program for OPEB funds, allowing the funds to earn a greater investment return. PRIM currently invests over \$60 billion of State and municipal retiree funds and \$600M of OPEB funds. The investments match the long term nature of these funds.
- The balance in the OPEB trust fund is \$8.3M as of 12/31/18.

## OPEB Liability – FY20 Funding

- The Town transitioned its health insurance program to the GIC effective July 1, 2015, and has been able to build the OPEB appropriation into the ongoing annual budget, through savings in health care costs. The appropriation now increases by approximately \$25,000 a year. The FY20 funding will be \$1,440,000.



- The current balance in the OPEB trust fund account as of 12/18 is \$8.3M.

## Pension System

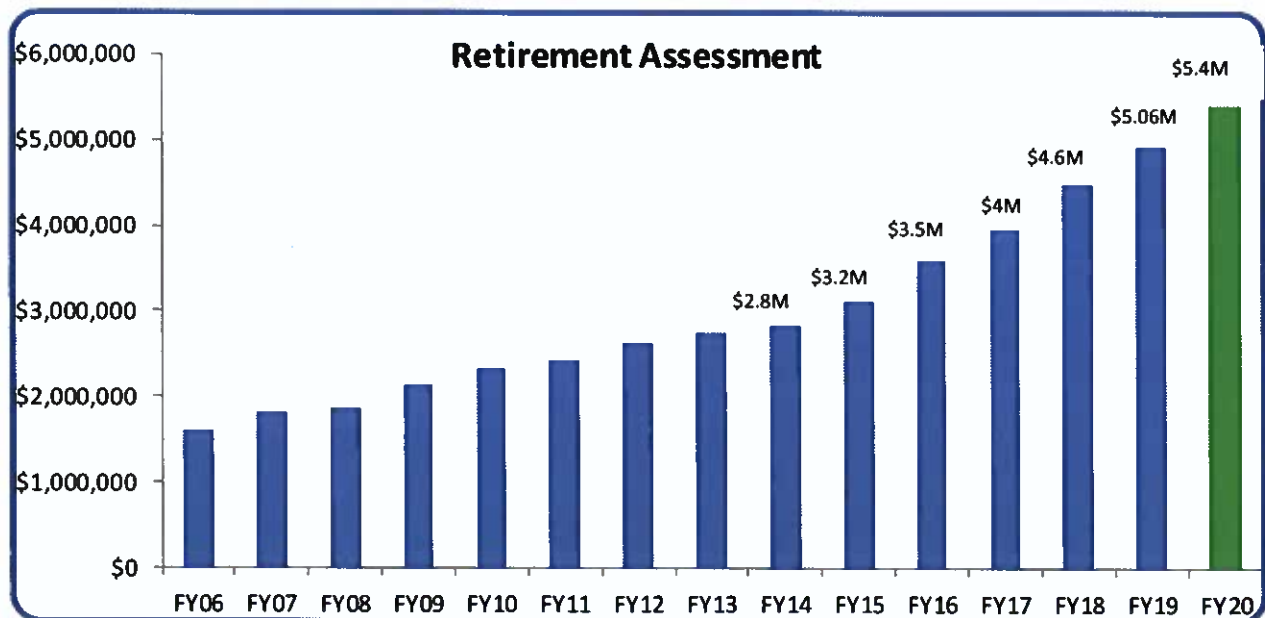
### Teachers:

- All MA teachers are part of State Teachers' Retirement System (MTRB).
- Employees required to contribute 5 - 11% of weekly earnings, depending on hire date.
- State, not Westwood, pays an annual assessment (employers' share) for Westwood teachers to MTRB FY18 (\$9.9M), FY17 (\$9.3M), FY16 (\$6.78M), FY15 (\$4.4M).

### Non teaching staff:

Westwood is part of Norfolk County Pension System:

- All non-teacher staff working 20 hours per week are required to join the system.
- Employees required to contribute 5 - 11% of weekly earnings, depending on hire date.
- Town is charged annual assessment, which is appropriated at Town Meeting.
- Norfolk County Pension System overseen by State Public Employee Retirement Commission.
- Pension System is required to be fully funded by 2031.
- The System is currently funded at 62%.
- Westwood is approximately 7% of overall Norfolk system.



- The Town is required to annually appropriate sufficient funds to cover the annual assessment of the Norfolk County Retirement System, which covers the ongoing cost, the unfunded pension liability for all current employees, and current administration costs.
- The annual assessment from Norfolk County includes an appropriation towards the unfunded liability, approximately 70% of the annual assessment is for the unfunded liability.



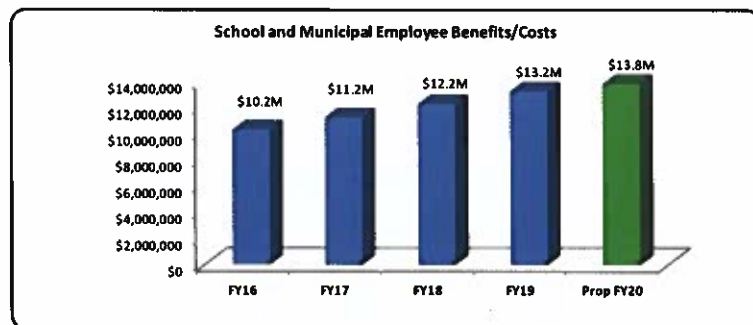
## Shared Fixed Costs

The Shared Fixed Costs- The budget includes the following components applicable to all Town and School employees. Some of the major budgets are outlined below.

### Employee Benefits/Costs

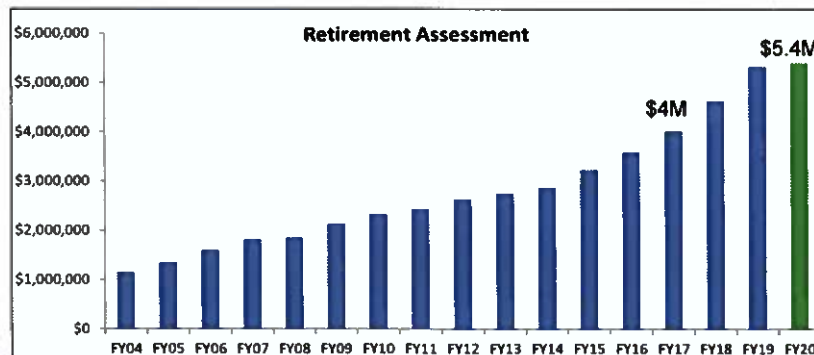
Provides for the protection and well being of Westwood's employees, in conformance with State statutes. This budget includes costs for the following and covers all municipal and school employees.

- Pension
- Workers' Compensation
- Unemployment Compensation
- Health Insurance
- Life insurance
- Medicare Part B
- Medicare Payroll Tax



### Pension

- All MA teachers are part of State Teachers' Retirement System (MTRB).
- Westwood is part of Norfolk County Pension System:
  - All Westwood employees, except teaching staff, working at least 20 hours per week are required to join the Norfolk County pension system.
  - Employees are required to contribute 5 - 11% of weekly earnings, depending on hire date.
  - The Town is required to annually appropriate sufficient funds to cover the annual assessment of the Norfolk County Retirement System, which covers the ongoing cost, the unfunded pension liability for all current employees, and current administration costs.
  - The Town is charged annual assessment, which is appropriated at Town Meeting.

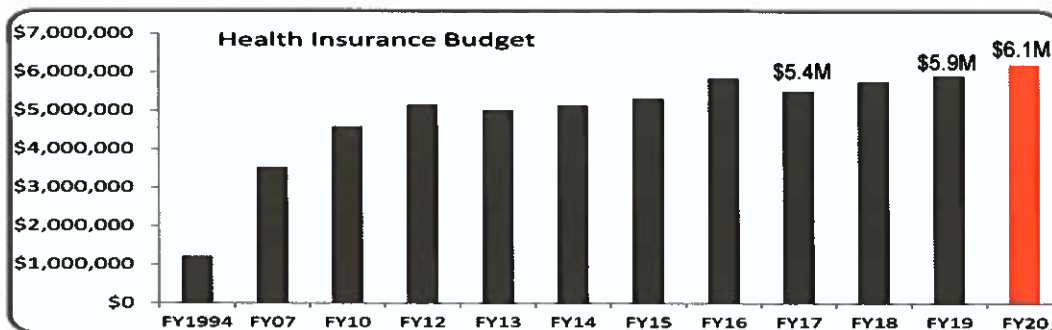


## Shared Fixed Costs

### Group Health Insurance

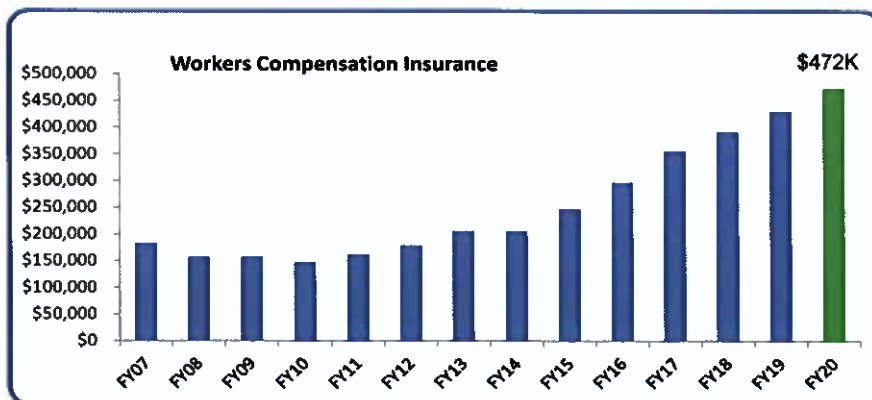
Westwood provides its employees with group health insurance coverage through the MA Group Insurance Commission (GIC). The Town became a participating municipality with the GIC in July, 2015. The Town has greatly benefited from this arrangement in the way of controlled health insurance rates.

By state law, all full time employees working more than 20 hours per week are eligible for health insurance. Retirees are allowed to continue health insurance coverage. Additionally, retirees are required to sign up for Medicare once eligible at 65 years of age. Senior supplemental plans are also offered to retired employees.



### Workers Compensation Insurance

This budget provides workers compensation coverage for all employees, other than public safety. Westwood is a member of the Massachusetts Municipal Association which affords it the opportunity to use the services of the Massachusetts Inter local Insurance Association (MIIA) Membership provides the benefits of pooled risk and resources to control costs. AON Risk Services contracts with MIIA to administer member's claims. MIIA instituted an early intervention program and advised the Town on risk control and provides guidance in employee safety training. This results in a proactive approach to employee safety that reduces workers compensation claims.



## Shared Fixed Costs

### Unemployment Compensation

Westwood must reimburse the Division of Employment Security directly for claims paid to unemployed former employees who for a period of time have had hours reduced. As a governmental entity, the Town pays for unemployment compensation through the reimbursable method versus quarterly payments based on payroll which is the practice of private companies. This budget has remained fairly level over the past several years.

### Medicare Part B Reimbursement

The Town shared the premium cost of the employee's Medicare Part B insurance in the amount of 50% as provided for in Chapter 32B. This was done to reduce the monthly health premium by 50% of the cost of mandatory Medicare Part B. This payment was an incentive for retirees to join the less expensive Medicare supplemental plans vs. remaining on the Town's regular plans.

A change in State law now requires all eligible employees to transition to the Medicare supplemental plans, thereby eliminating the need for an incentive.

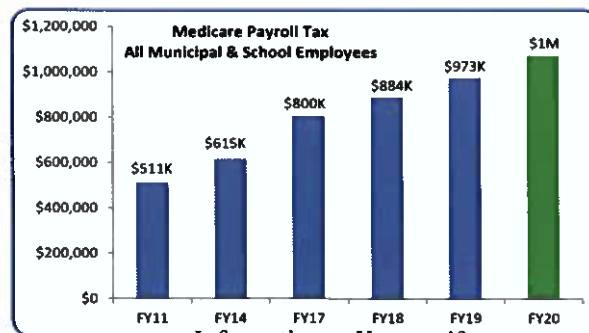
As part of efforts to control the OPEB liability, the Board of Selectmen decided to eliminate the Medicare B reimbursement for all employees who retired after July 1, 2014.

The budget now covers only those previously eligible employees; eventually this budget will be eliminated.

### Medicare Payroll Tax

School and municipal employees do not pay social security tax. In order for those employees to be eligible for Medicare, the federal law changed in 1992.

Federal legislation requires that employers pay 1.45% of the salary earned by employees hired or promoted after April 1, 1986 as Medicare payroll tax. The employees contribute a matching 1.45%. As long time employees retire and new replacement employees are hired, this payroll tax will continue to grow until it is a full 1.45% of total payroll.



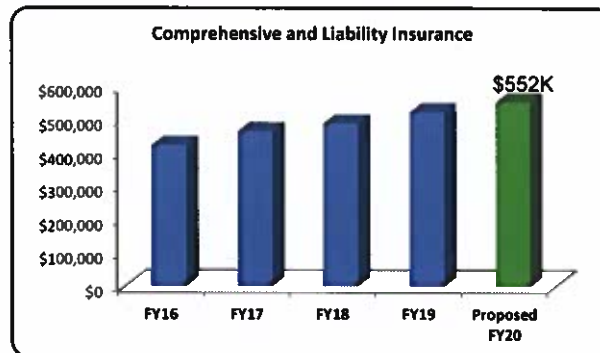
## Shared Fixed Costs

### Comprehensive and Liability Insurance

The Town has comprehensive insurance through MIAA which covers all Town and school buildings. This coverage reduces the financial risk to the Town and minimize losses which might result from property damage, motor vehicle accidents, personal injury, poor decisions, and employee dishonesty or unfaithful performance.

The four major services include:

1. Auto liability and damage.
2. General liability.
3. Property insurance.
4. Umbrella coverage.



### Audit Services

The Town is required to undergo an annual financial audit of all revenue and expenditures. The Town is required to have several audit programs conducted:

- Financial statements and internal controls.
- MA Department of Education Year End Report review.
- Federal grants single audit.
- MA Department of Education school student activity accounts.

The Town audit ensures that all financial and accounting data are fairly stated and represented and that all schedules and financial statements are in conformity with Generally Accepted Accounting Principles (GAAP).

By Charter, the Town has an Audit Committee which provides independent review of the annual audit and audit firm selection. The Committee, made up of three appointed residents, presents annually to the Board of Selectmen a written report of how it has discharged its duties and met its responsibilities.

## Long Range Financial Committee (LRFP)

### Organization/Role/Responsibilities

- Established by Board of Selectmen in 2003
- Comprised of representatives from the following Boards and Committees:

Board of Selectmen	Tax Collector
School Committee	Town Treasurer
Board of Assessors	Town Administrator
Finance and Warrant Commission	Town Finance Director
Planning Board	School Superintendent
	Two at-large community representatives

### Some of the long term issues that the LRFP considers include:

- Five year projections of revenue and expenditures
- Establishment and funding of reserve accounts
- Capital budgeting and planning policy
- Debt management
- Financial Policies
- Senior Tax Relief
- Protection of credit rating
- Health insurance/benefit costs
- Adherence to financial policies
- Impact – residential/commercial tax rates
- OPEB (post employment benefits other than pensions)

### Some recent areas of review and revision:

- Financial Policies and current status.
- Review of debt schedules and ability of issuing new debt to replace debt drop off.
- McKinney-Vento School homeless issue and Town wide response.
- Use of University Station revenue.
- Future school facility needs study.
- OPEB – funding source within budgeting funds.
- Meals tax – set up of separate account and use.
- Review of senior tax relief options.
- Major capital projects

## Westwood Financial Policies

- Westwood's *Financial Policies* were originally adopted in 2004 and were revised in 2014.
  - The Town of Westwood has an important responsibility to carefully account for public funds, to manage municipal finances wisely, and to plan and provide for the adequate funding of services desired by the public and as required by laws, rules, or regulations, including the provision and maintenance of public facilities and improvements. The Board of Selectmen has set forth the financial objectives and policies in the *Financial Policies* document intended to establish guidelines for the continued financial strength and stability of the Town of Westwood.
- The *Policies* can be viewed in the finance section of the Town's web site at: [www.townhall.westwood.ma.us](http://www.townhall.westwood.ma.us).
- The current status of the *Policies* can be seen on the following pages.

# Financial Policies Status Update September 2018

	Target	Actual	Comments	Target Status	Comparison to Previous Year
<b>B. 2. Operating Reserve Fund</b> – shall be .5% of total general fund operating budget, net of debt service Per new policy	\$400,874 .5%	FY19 Budget \$400,000	At target This target was recently revised. \$400,000 is comfortable budget.	✓	Continued to Meet Target
<b>B. 3. Free Cash</b> – shall maintain at 4% of general fund operating budget, net of debt service	\$3,206,993 4%	\$5,854,683 6.8%	Actual is at goal. Full amount <u>before</u> use of any free cash This allows us to utilize standard free cash amount for FY20 budget and still meet target. FY18 unused was \$1.9M which is below target.	X	Continued Improvement
<b>D. 3. Reserve accounts</b> – shall maintain at 8% of general fund operating revenues, net of debt service. Total reserve goals should be maintained at 4% in general fund and 4% in stabilization account	Stabilization Target 4% \$3,426,177  Total 8% or \$6,852,354	Stabilization 3.6% \$3,118,670  Total 10.5% or \$8,973,357	Stabilization approximately \$307K short of target.  Total is over target. This would be <u>before</u> use of free cash. Allows for standard use of free cash, and then remain at target.	✓	Stable On Track With Target
<b>D.4 Annual OPEB appropriation</b> – the Town will appropriate no less than \$550,000 per year to the OPEB Liability Trust Fund	\$550,000	\$1,415,000	FY19 budget includes \$1,415,000 appropriation. Above minimum target and on track with required funding.	✓	Significant Improvement Target to be Revised
<b>E. 4. General fund nonexempt debt service</b> should not exceed 8% of net general fund revenues	Not exceed 8% Or \$6,852,354	3.8% \$3,281,115	Target is met. Non exempt debt service is at approximately ½ of maximum target.	✓	Continued Below Target
<b>E. 4. Total General fund exempt and nonexempt debt</b> should not exceed 10-12% of net general fund revenues	Not exceed 12% Or \$10,278,532	7.2% \$6,137,978	Target is met. Total debt is well below target.	✓	Continue to Meet Target
<b>F. 5. Investment in capital stock</b> – will maintain 3% of general fund operating budget, net of debt, on ongoing capital maintenance and replacement	\$2,405,244 3%	\$1,753,900 2.2%	Actual is approximately \$651K short of target. Actual at 73% of target. Base capital has been increased incrementally from \$823K to \$1,753,900. In each of the last 3 years, we have added an additional \$700-900K of capital above the base.	Not Fully Met	Continued Improvement with Additional Capital
<b>G. 5. Maintain sewer retained earnings</b> – will maintain 10% of sewer fund revenues.	\$511,807 10%	\$2,877,966 56%	Actual is well above target, due to new commercial connect fees to be used for capital maintenance of system.	✓	Well Above Target

## Financial Policies Status Update September 2018

Other Policies	Comments	Target Status	Comparison to Previous Year
<b>B.1. General Fund</b> – Annual budget should be prepared covering operating expenditures with current operating revenue, not non-recurring revenue sources.	No Free Cash used for operating budget.	✓	Target has been met consistently
<b>D.3. Reserves</b> – Town will strive to make annual appropriation to the Stabilization Fund	<p>\$100,000 appropriation to stabilization reserve at 2018 Annual Town Meeting, funded by free cash. Continued in FY20 budget plan.</p> <p>Current balance in stabilization account is \$3.1M</p>	✓	Target has been met consistently
<b>D.4. OPEB</b> – Town will strive to move towards fully funding ARC (Annual Required Contribution).	<p>\$1,415,000 appropriated to OPEB reserve at 2018 Annual Town Meeting, within budget funds. This is currently on target with required annual payment (ARC).</p> <p>OPEB trust account now has a balance of \$8.5M.</p>	✓	Greatly Improved On Target with ARC from Current Valuation
<b>F.2. Capital Planning</b> – Town will develop a multi-year plan for capital improvements.	Produced 5-year Capital Improvement Plan document; will continue to improve document and produce on an annual basis.	✓	Same



## What Do Those Financial Terms Really Mean?

<b>Abatement:</b>	A complete or partial cancellation of a levy imposed by a governmental unit; applicable to tax levies and special assessments.
<b>Appropriation:</b>	An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and the time when it can be expended. Only a vote of town meeting or the school committee can authorize money appropriated for one purpose to be used for another. Any amount appropriated may be encumbered. Any part of the general appropriation not spent or encumbered by June 30 automatically reverts to surplus.
<b>Assessed valuation:</b>	The value placed on a particular property by the local Board of Assessors for the purpose of apportioning the town's tax levy among individual property owners equitably and in accordance with the legal requirement that property be assessed at "full and fair cash value," certified periodically by the Commonwealth's Commissioner of Revenue, no less frequently than once every three years.
<b>Audit:</b>	Work done by accountants in examining financial reports, reviewing compliance with applicable laws and regulations, reviewing efficiency and economy of operations and reviewing effectiveness in achieving program results. A basic audit examines only the financial reports and legal compliance. An outside certified public accountant (CPA) audit is directed primarily toward the expression of an opinion as to the fairness of the financial statements and submission of a management letter. An auditor must be independent of the executive branch of government. A state auditor, private CPA or public accountant, or elected auditor meets this test.
<b>Balance sheet:</b>	A statement that discloses the assets, liabilities, reserves and equities of a fund or government unit at a specified date.
<b>Budget:</b>	A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. A budget may be preliminary (the financial plan presented to the town meeting) or final (the plan approved by that body).
<b>Capital budget:</b>	A plan of proposed capital outlays and the means of financing them for the current fiscal period.
<b>Cherry sheet:</b>	An annual statement received from the Massachusetts Department of Revenue detailing estimated receipts for the next fiscal year from the various state aid accounts and estimated state and county government charges payable to the state. The actual receipts and charges may vary from the estimates.
<b>Classification:</b>	The division of the real estate tax by the selectmen into one rate for residences, another rate for business, and another rate for open space.
<b>Debt service:</b>	Payment of interest and principal related to long-term debt.
<b>Encumbrance:</b>	Obligations such as purchase orders, contracts or salary commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved.
<b>Enterprise fund:</b>	A fiscal entity with a self-balancing set of accounts that is utilized to account for a governmental service when it is the intent to recover the total cost of service primarily through user charges.

## What Do Those Financial Terms Really Mean?

<b>Expenditure:</b>	The spending of money by the town for the programs or projects within the approved budget.
<b>Fiscal year:</b>	A 12-month period, commencing July 1 and ending June 30, to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. The number of the fiscal year is that of the calendar year in which it ends: FY2000 is the fiscal year that ends June 30, 2000.
<b>Free cash:</b>	Now referred to as "undesignated fund balance." Certified each July 1 by the state, this is the portion of fund balance available for appropriation. It is not cash, but rather is approximately the total of cash and receivables less current liabilities and earmarked reserves, reduced also by reserves for uncollected taxes.
<b>Fund:</b>	An accounting entity with a self-balancing set of accounts segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.
<b>General fund:</b>	The fund into which the general (non-earmarked) revenues of the town are deposited and from which money is appropriated to pay expenses.
<b>Overlay:</b>	The amount raised in excess of appropriations and other charges. It is used to cover abatements and exemptions granted locally or on appeal.
<b>Override:</b>	A vote to increase the amount of property tax revenue that may be raised over the levy limit.
<b>Personal services:</b>	The cost of salaries, wages and related employment benefits.
<b>Property tax levy:</b>	The amount produced by multiplying the assessed valuation of property by the tax rate. The tax rate is expressed per thousand dollars of assessed valuation, for example: <i>House value:</i> \$200,000 <i>Tax rate:</i> \$10 (which means \$10 per thousand) <i>Levy:</i> \$10 multiplied by \$200,000 and divided by \$1,000 <i>Result:</i> \$2,000
<b>Reserve fund:</b>	This is a reserve account established by vote at annual town meeting for the purpose of funding any unforeseen and extraordinary expenses that occur during the fiscal year. Funds are transferred to individual departments only upon recommendation of the Finance Commission.
<b>Revolving fund:</b>	Funds that may be used without appropriation and that are established for special uses. Fees, as for recreation, may be paid into a revolving fund. Revolving funds are established by state law or town bylaw.
<b>Tax levy:</b>	Total amount of dollars assessed in property taxes imposed by the Town each fiscal year.
<b>Undesignated fund balance or surplus revenue account:</b>	The amount by which cash, accounts receivable and other assets exceed liabilities and restricted reserves. It is akin to the stock holders equity account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)
<b>Warrant:</b>	A list of items to be voted on at Town Meeting.



**Fiscal Year 2020 Municipal, School, and  
Capital Budget Summaries**

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The following pages include summaries of the requested FY20  
Municipal, School and Capital budgets.

For further detail please  
Refer to the separate documents:

**FY2020 Proposed Municipal Budget Detail**  
Available at:  
[www.townhall.westwood.ma.us](http://www.townhall.westwood.ma.us)



**FY2020 Proposed School Operating Budget**  
Available at:  
[www.westwood.k12.ma.us](http://www.westwood.k12.ma.us)



**Five Year Capital Improvement Plan**  
Available at:  
[www.townhall.westwood.ma.us](http://www.townhall.westwood.ma.us)

# Town of Westwood, Massachusetts

## Proposed Municipal Budget Detail

### For the Fiscal Year

July 1, 2019 – June 30, 2020



# **FY20 Proposed Municipal Budget Summary**

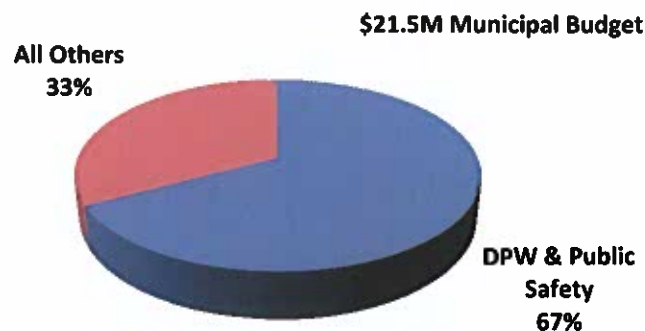
## **What Does the Municipal Budget Provide?**

- **Quality services that respond to all areas and all age groups throughout the Town.**

The municipal budget provides for many diverse programs throughout the Town. While many think of the municipal budget as “Town Hall”, or the “Police-Fire Departments”, the budget comprises a much broader category of departments.

- The municipal budget includes all public safety operations including police, fire, ambulance, and inspectional services.
- It also delivers all Department of Public Works programs including maintenance of all Town and School fields, municipal buildings, roadway upkeep, trash collection, and snow and ice services.
- This budget also provides services to residents of every age in Town, including programs for our seniors through the Council on Aging as well as programs for all ages through the Recreation Department and Library.
- State required oversight of many programs is also provided including Board of Health, Planning, Zoning and Conservation requirements, alcohol licensing issues, and administration of State subsidized veterans’ programs. In addition, efforts to provide economic development for the Town is important to generate appropriate commercial growth.
- The municipal budget also provides for the administrative areas of Town government. This includes the Town wide administration for all school and municipal financial needs, including collection of taxes and fees, payroll and benefits, accounts payable and cash management. Administrative services also include the overall Town administration including the Board of Selectmen and Town Manager, legal services, human resources and information systems programs.

The municipal budget is always challenged to provide for this wide range of programs and services. Our residents have come to expect and rely on a high quality of service in each area, and they seek increasing services in areas of direct community services such as our public safety, culture and recreation and human services areas. It is important that each area remains funded and able to perform at the level expected by our residents.



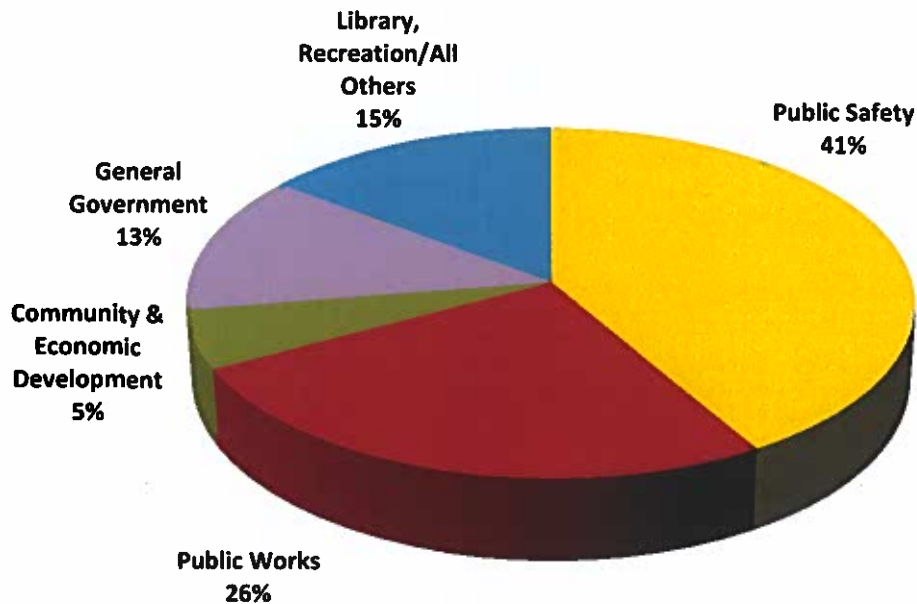
**Core Primary Services - Public Safety and Public Works**

# FY20 Proposed Municipal Budget Summary

## How is the Municipal Budget Funding Allocated Among Service Areas?

- The majority of spending in the municipal budget is in the public safety and public works areas.

The following graph and chart display how the current and proposed FY20 municipal budget is allocated to each area.



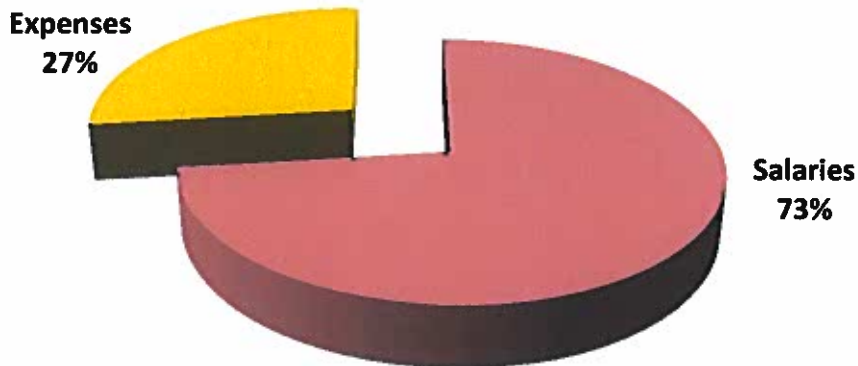
FY19 Budget	Function	FY20 Requested Budget	% of Total
\$8,676,158	Public Safety	\$8,941,280	41%
\$5,302,660	Public Works	\$5,511,560	26%
\$1,141,623	Community & Economic Development	\$1,153,935	5%
\$2,681,509	General Government	\$2,769,734	13%
<u>\$3,000,368</u>	Library, Recreation/All Others	<u>\$3,170,189</u>	<u>15%</u>
<b>\$20,802,318</b>		<b>\$21,546,698</b>	<b>100%</b>

- Public safety comprises the primary service area of municipal government. Accordingly, this area has the largest piece of the municipal budget and is the area experiencing the most growth.
- It is a challenge to fund and maintain quality services in all areas of municipal government.

# FY20 Proposed Municipal Budget Summary

## The Municipal Budget is Salary Driven.

- The major portion of the municipal budget is spent on personnel for providing Police, Fire, and DPW services.
- Our primary service delivery is through our staff – police officers, firefighters, DPW workers, providing direct services to our residents.



FY19 Budget	Function	FY20 Requested Budget	% of Total
\$15,157,685	Salaries	\$15,737,176	73%
<u>\$5,644,633</u>	Expenses	<u>\$5,809,522</u>	<u>27%</u>
<b>\$20,802,318</b>	<b>Total</b>	<b>\$21,546,698</b>	<b>100%</b>

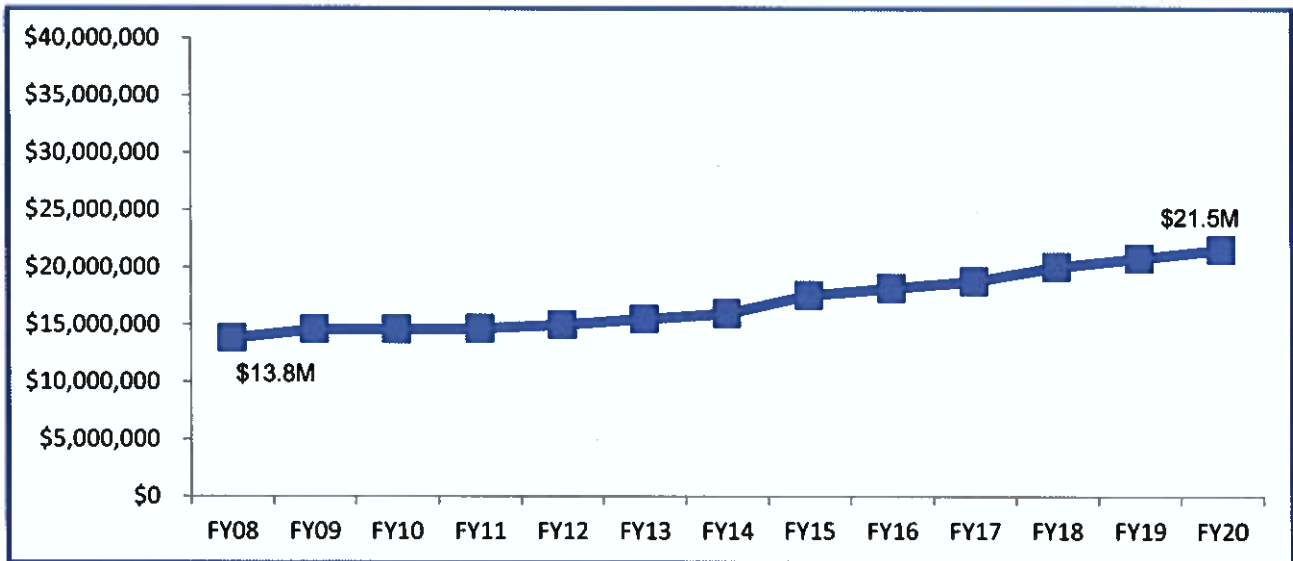
FY20 Municipal Staffing	
Full Time	172
Part Time	45
<b>Total</b>	<b>217</b>

- Of the 172 full time FY19 staff, 131 or 76% are in the DPW/Public Safety departments.

# FY20 Proposed Municipal Budget Summary

## How has the municipal budget increased over the last several years?

- The municipal base budget has had relatively moderate growth. The Board of Selectmen strives for sustainable budget growth.
- Since FY16, separate University Station funding has been used to help target increase the staffing in municipal departments, particularly Public Safety. This staffing has helped serve not only the University Station project, but also enhanced overall service delivery to the community.
- In FY20 the proposed municipal budget growth is 3.58%.



	% Change in Budget											
	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Municipal Budgets	5.4%	0%	.6%	2.3%	3%	3.2%	3.4%	5.2%	3.7%	3.6%	3.1%	3.58%



## FY20 Proposed Municipal Budget Summary

- Current request:

Category	Current	Proposed	Difference	
	FY19 Budget	FY20 Budget	\$	%
Salaries	\$ 15,157,685	\$ 15,737,176	\$ 579,491	3.8%
Expenses	5,644,633	5,809,522	\$ 164,889	2.9%
<b>Total</b>	<b>\$ 20,802,318</b>	<b>\$ 21,546,698</b>	<b>\$ 744,380</b>	<b>3.58%</b>

The requested FY20 base municipal budget includes contractual salary obligations, necessary increases to maintain services, as well as continuation of adjustments made in FY19.

The following chart shows the requested increases by function area of the budget:

	FY19	FY20	\$ Increase	% Increase
General Government	\$2,681,509	\$2,769,734	\$88,225	3.3%
Public Safety	\$8,676,158	\$8,941,280	\$265,122	3.1%
Community & Eco Dev	\$1,141,623	\$1,153,935	\$12,312	1.1%
Public Works	\$5,302,660	\$5,511,560	\$208,900	3.9%
Human Services	\$786,837	\$815,346	\$28,509	3.6%
Culture & Recreation	\$1,737,631	\$1,799,243	\$61,612	3.5%
Other	\$475,900	\$555,600	\$79,700	16.7%
<b>Total</b>	<b>\$20,802,318</b>	<b>\$21,546,698</b>	<b>\$744,380</b>	<b>3.58%</b>

- Public works and public safety combined total budgets of \$14,452,840, with approximately 64% of the total requested increase coming in these areas.

## FY20 Proposed Municipal Budget Summary

### What are the salary changes in the FY20 budget?

Category	Current FY19 Budget	Proposed FY20 Budget	Difference	
			\$	%
Salaries	\$ 15,157,685	\$ 15,737,176	\$ 579,491	3.8%
Expenses	5,644,633	5,809,522	\$ 164,889	2.9%
<b>Total</b>	<b>\$ 20,802,318</b>	<b>\$ 21,546,698</b>	<b>\$ 744,380</b>	<b>3.58%</b>

As the chart shows, approximately \$580K or 78% of the total increase is for salaries and includes the following major items:

Salaries		
Department/Budget	Item	Amount of Increase Requested
All departments	Salary contractual obligations COLA/Step Increases, Net of Turnover Savings (Approximately)	\$470,000
Building Maintenance	Transition from contracted custodian to in house employees Elimination of outside contractor expense	\$100,000
Sewer	Requested new Pump Station Operator position (\$52K) – funded by eliminating ½ of Sewer Superintendent salary (currently vacant) – No impact to total salary	\$0
Library	Full Year Impact of FY19 Teen Librarian	\$9,000
<b>Total Salary Changes</b>		<b>\$579,000</b>

- Almost all of the salary increase comes from contract obligations
- New position requests were limited in the FY20 base budget:
  - Only new positions in the base budget are 2 new custodians, bringing in house the custodial services formerly out sourced.
  - There are additional Public Safety positions above this base budget. See Public Safety Staffing page for detail.

# FY20 Proposed Municipal Budget Summary

## What are the expenses in the FY20 base budget?

Category	Current	Proposed	Difference	
	FY19 Budget	FY20 Budget	\$	%
Salaries	\$ 15,157,685	\$ 15,737,176	\$ 579,491	3.8%
Expenses	5,644,633	5,809,522	\$ 164,889	2.9%
<b>Total</b>	<b>\$ 20,802,318</b>	<b>\$ 21,546,698</b>	<b>\$ 744,380</b>	<b>3.58%</b>

Expenses		
Department/Budget	Item	Amount of Increase Requested
Information Technology	Additional software and software licensing costs for all programs town wide, including: <ul style="list-style-type: none"> <li>• E-permitting solution Planning, Conservation, Licensing &amp; Public Works</li> <li>• Document Management solution</li> <li>• Fire Department software (\$4,575 Ambulance Receipts)</li> </ul>	\$70,000
Collector's Office	Increase in ambulance collection cost-funded by ambulance funds.	\$10,000
Building Maintenance	Elimination of outside custodial contract	(\$150,000)
Building Maintenance	Increase in utilities, facilities contract, and maintenance for new, larger buildings	\$80,000
Waste Collection	Increase recycling cost due to industry changes	\$65,000
Street Lighting	Savings in electricity from changes in lighting	(\$5,000)
Field Maintenance	New trails maintenance program	\$10,000
Library	Increases in office equipment maintenance and data processing	\$10,000
Recreation	Westwood Day increase in cost	\$2,000
WAHA	Increased contract services to run lottery for reopening properties being renovated.	\$8,200
	<b>Total Salary Changes</b>	<b>\$100,200</b>

# FY20 Proposed Municipal Budget Summary

## Public Safety Staffing

- Public safety is the most important area of municipal government, and comprises 42% of the municipal budget. In recent years, the Board of Selectmen has focused on appropriate staffing levels for the police and fire departments, particularly in light of the additional service impact created by the University Station Development.
- Particular care was given at the project approval phase of University Station to make sure that new tax revenue would be used to supplement the public safety departments for any additional staff needed to service the project. It was extremely important to the community that the new development would not hurt the current public safety services provided to residents.
- To determine the appropriate staffing levels, project impact studies were done during the review phase of the project. In addition, in 2013, a consultant was hired to review the fire department staffing levels and make recommendations to the community.
- As a result of these studies and the project impact, staffing has been increased in both the police and fire departments. The chart below shows the changes in staffing since FY13.
- Since 2014, the town has added 18 public safety positions, including: 12 firefighters, 5 police officers, and 1 dispatcher.

Police	FY13	FY14	FY15	FY16	FY17	FY18	FY19	Proposed FY20
Uniformed Staff	28	28	31	31	31	33	33	35
Dispatchers	7	7	8	8	8	8	8	8
Communications Center Director								1

Fire	FY13	FY14	FY15	FY16	FY17	FY18	FY19	Proposed FY20
Uniformed Staff	30	34	38	38	38	42	42	44

The Board of Selectmen has continued to review and evaluate staffing levels, particularly as additional phases of University Station have come on line. After review of staffing and service call data, the Selectmen are proposing to add additional staff in FY20. The staffing will include 2 firefighters, 2 police officers and 1 Police/Fire Communications Center Director. The total funding request for increased public safety is \$537,500. This will be funded from the University Station new tax revenue which has been set aside for direct impact needs.

### Items requested that will be funded by University Station Funds:

University Station Funding		
Department/Budget	Item	Amount Requested
Fire	2 new firefighters (\$129K), adjustment to overtime (\$87.5K)	\$216,500
Police	2 new police officers (\$102K), adjustment to overtime (\$152K)	\$254,000
Police/Fire Shared	Communications Center Director	\$67,000
	Total	\$537,500

# WESTWOOD PUBLIC SCHOOLS



## PROPOSED FY'20 OPERATING BUDGET EXECUTIVE SUMMARY

**DEVELOPED BY**

**EMILY PARKS, SUPERINTENDENT**

**ALLISON BORCHERS, ASSISTANT SUPERINTENDENT**

**HEATH PETRACCA, DIRECTOR OF BUSINESS AND FINANCE**

**ABIGAIL HANSCOM, DIRECTOR OF STUDENT SERVICES**

**STEVE OUELLETTE, DIRECTOR OF TECHNOLOGY, LEARNING, AND INNOVATION**

**AND THE ADMINISTRATION, FACULTY, AND STAFF  
OF THE WESTWOOD PUBLIC SCHOOLS**



# WESTWOOD PUBLIC SCHOOLS

*Honoring Tradition, Inspiring Excellence, Shaping the Future*

January 10, 2019

Dear Westwood School Committee and Westwood Residents,

I am pleased to present to you an Executive Summary of the *FY'20 Superintendent's Recommended Budget*. This document provides an overview of the budget, including information about budget drivers and resource allocation as well as insight into how decisions are made. In addition to this summary, all of our detailed budget documents and spreadsheets are available to the public on the district website. We provide both this summary and detailed information, so that our community can be confident that our budget moves forward the district's strategic priorities, while also maintaining a sense of financial responsibility and stewardship for the town's resources.

At the beginning of this school year, the district published its *Strategy for District Improvement* which articulates four strategic objectives for the next 3-5 years. It should not be a surprise to anyone that one of those priorities is "Facilities for the Future" and includes our efforts to partner with the Massachusetts School Building Authority (MSBA) to address some significant infrastructure needs with a school building project. We are grateful for residents' support at last spring's Town Meeting to allocate funding for the Feasibility Study with the MSBA. We know that within the next 2 years, at the conclusion of the Feasibility Study, we will be asking residents to fund an elementary building project. With this need on the horizon, when developing this budget, we were especially mindful to keep any increase to the School Department operating budget at a reasonable and sustainable level.

The budget request for FY'20 totals \$1,559,896 which represents a modest 3.47% increase over FY'19. I am confident that this increase will allow us to continue to provide the high level of service that the community expects, including addressing shifting enrollment across the district and continuing to move forward with strategic priorities that enhance the educational opportunities for all students.

Major highlights of the FY'20 budget request include:

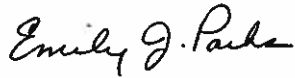
- A 3.47% increase over FY'19
- No cuts to programs or services
- Funding for contractual salary increases
- The reallocation of several positions among levels in the district to reflect shifting student enrollment
- Year 2 of a 4-year plan to eliminate the full-day kindergarten tuition fee
- Continued implementation of the district's strategic priorities for improvement

Last year, as I transitioned to the role of Superintendent, my many conversations with a wide array of constituents confirmed what I already knew: the quality of the school system is a central feature of this

community, and residents' investment in its schools reflects the values of the community and its commitment to its children's education. As a district, we are proud of the work we do to meet these community expectations and to ensure that all of our students continue to learn, grow, and thrive.

Please let me know if you have any questions about this budget or any other school related matter. I can be reached by email at [eparks@westwood.k12.ma.us](mailto:eparks@westwood.k12.ma.us) or by phone at 781-326-7500 x1341. Thank you for your continued support.

Sincerely,



Emily J. Parks  
Superintendent of Schools

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## WHAT IS THE FY'20 SCHOOL DEPARTMENT BUDGET REQUEST?

As the table below illustrates, our recommended budget for FY'20 totals \$46,463,031, which represents a 3.47% increase over FY'19.

Final FY'19 Budget	\$44,903,135
Proposed FY'20 Budget	\$46,463,031
Increase (\$)	\$1,559,896
Increase (%)	3.47%

This proposed increase is consistent with the last two years of relatively modest budget requests and builds upon the strong foundation created by the larger budget increases in FY'16 and FY'17 made possible by the new growth revenue from the University Station development:

WPS Operating Budget Increases				
FY'16	FY'17	FY'18	FY'19	Proposed FY'20
5.39%	5.97%	3.3%	3.4%	3.47%

## WHAT ARE THE MAJOR BUDGET CATEGORIES?

The following table breaks down the total budget into five categories. As is evident, in school budgets, salaries are by far the greatest budget driver. In the proposed FY'20 budget, salaries account for 86.7% of the overall budget and correspondingly comprise most of the proposed budget increase.

Major Budget Category	FY'19 Budget	Proposed FY'20 Budget	Incremental Change (\$)	Incremental Change (%)
<b>Total Salaries</b>	38,810,528	40,275,301	1,464,773	3.77%
<b>Non-Salary</b>				
Special Education	1,186,429	1,186,627	198	0.02%
Utilities	1,231,000	1,181,000	(50,000)	-4.06%
Operations and Maintenance	964,010	993,335	29,325	3.04%
All other non-salary	2,711,168	2,826,768	115,600	4.26%
<b>TOTAL</b>	<b>44,903,135</b>	<b>46,463,031</b>	<b>1,559,896</b>	<b>3.47%</b>



When developing the district's budget, we think about three major issues:

- Meeting contractual salary obligations and other fixed costs, such as transportation and utilities
- Addressing shifts in enrollment and maintaining reasonable class sizes
- Continuing to make progress on the program goals articulated in the *Strategy for District Improvement* (See Appendix A)

The first two issues largely pertain to staffing and typically represent the majority of the proposed budget increase. Addressing just these issues is often described as “maintaining level services.” In other words, they represent our analysis of what it will take to continue to provide the same experiences and opportunities for students next year that are available to students today. Most of the budget details in the pages that follow are related to these issues.

It's important, however, that we don't lose sight of our district improvement goals and that we continue as a district to respond to students' needs and adapt to changes in the educational landscape. Our success in Westwood is partly attributable to our commitment to continuous improvement. For this reason, you will see that the proposed budget continues to advocate for robust line items related to curriculum, instruction, and professional development. Though the proposed budget includes virtually no increase in the Curriculum and Instruction cost center, within the existing level of funding we have made strategic decisions about how to allocate the funds in FY'20 in order to meet student needs and work toward educational goals. For example, in FY'20, curriculum alignment funding will be focused on conducting a review of our PreK-12 English Language Arts program and updating and expanding our elementary and middle school classroom libraries (Strategic Priority 2.1). Instructional supply funds and FF&E allocations will allow continued investment in elementary coding and makerspaces (Strategic Priority 1.2) and new equipment for the middle school engineering program (Strategic Priority 1.1).



## WHAT ARE THE CHANGES TO THE BUDGET FY'19 TO FY'20?

The following chart lists all of the changes included in my budget proposal. It is intended to show the progression from the Final FY'19 Budget to the FY'20 Recommended Budget. In short, it is "how the budget is built." Each of these items is explained in more detail in the sections that follow.

Budget Request	FTE if personnel	Budget Impact
<b>Final FY'19 Budget</b>		<b>\$44,903,135</b>
<b>Increase salaries for existing personnel (contractual)</b>		<b>\$1,435,474</b>
<b>Faculty Positions</b>		
Elementary: Add .5 FTE Social Studies Coordinator	0.5 FTE	\$30,000
Elementary: Reduce 3.0 FTE Classroom Teachers	(3.0 FTE)	(\$180,000)
TMS: Reduce 2.0 FTE Teachers (incremental reductions across multiple departments)	(2.0 FTE)	(\$120,000)
TMS: Increase .4 FTE ELA/Social Studies Coordinator	0.4 FTE	\$24,000
WHS: Add 1.0 FTE English Teacher	1.0 FTE	\$60,000
WHS: Add 1.0 FTE Social Studies Teacher	1.0 FTE	\$60,000
WHS: Add .6 FTE Guidance Counselor	0.6 FTE	\$36,000
District: Add 1.0 FTE PreK-8 Social-Emotional Learning (SEL) Coordinator/Coach	1.0 FTE	\$60,000
	(0.5 FTE)	(\$30,000)
<b>Support Staff Positions</b>		
TMS: Add .5 FTE school-year admin assistant	0.5 FTE	\$22,500
District: Add 1.0 FTE Custodian	1.0 FTE	\$42,000
District: Increase short-term substitute teaching	N/A	\$20,000
	1.5 FTE	\$84,500
Reduce kindergarten tuition as part of a 4-year elimination plan <sup>1</sup>		\$85,000
Net decrease to various non-salary accounts, including increase in regular transportation, increase to contracted services, increase in extended school year budget, decrease to SPED out-of-district tuitions, decrease in electricity costs due to energy savings from solar panels, a new offset to transportation from University Station funds		(\$15,078)
<b>FY'20 Superintendent's Recommended Budget</b>	<b>1.0 FTE</b>	<b>\$46,463,031</b>

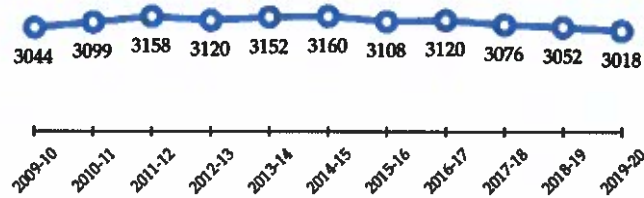
<sup>1</sup> As of FY'20, families will no longer be charged tuition for full-day kindergarten. However, it will take until FY'22 to fully eliminate the tuition offset in the budget.

In addition to the net increase of 0.5 FTE staff in the FY'20 budget, several positions were added this fall to address new and changing needs related to services in students' Individualized Education Programs (IEPs). These positions were added within the FY'19 budget allocation from the net savings realized through the hiring process and retirements and are included in the level services calculation. More detail can be found on page 11 under "What are the staffing changes in Special Education?"

## HOW ARE ENROLLMENT CHANGES IMPACTING STAFFING ALLOCATION?

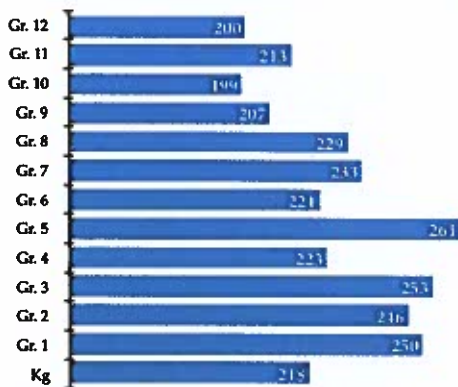
Over the last ten years, though there has been some fluctuation, the overall district enrollment has been relatively stable. Ten years ago, during the 2009-2010 school year, 3,044 students were enrolled in the Westwood Public Schools. Today, the district serves 3,052 students and next year's projection is slightly lower at 3,018.

**District Enrollment**

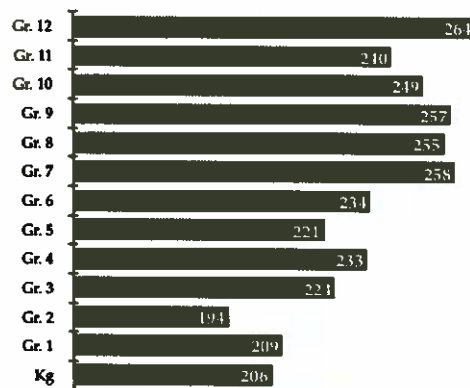


However, over the last several years, the distribution of students across grade levels has shifted, effectively creating an enrollment "bubble" making its way through the district. The charts below show the distribution of students across each grade level 10 years ago versus today:

**District Enrollment by Grade (2008-2009)**



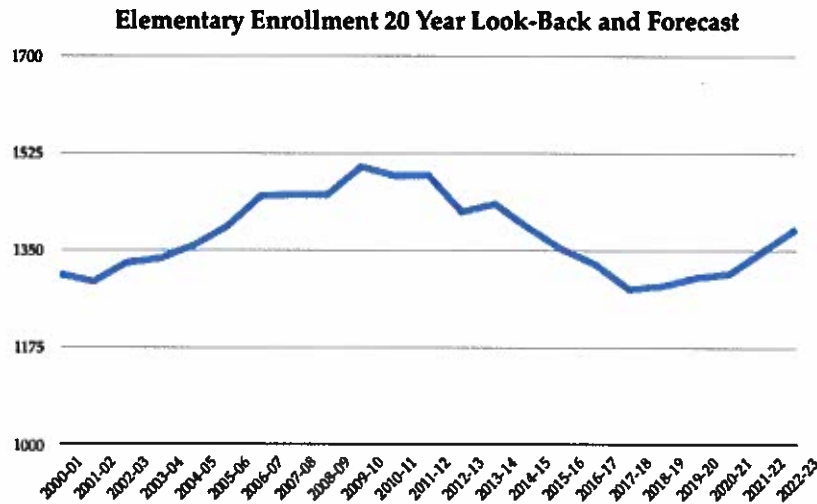
**District Enrollment by Grade (2018-2019)**



As illustrated above, while the current kindergarten is 206 students, this year's senior class has 264 students. The enrollment in the 4 youngest elementary grades in the district (i.e K-gr. 3) is currently 833 students as compared to the enrollment in the 4 oldest grades in the district (i.e. gr. 9-12), which is currently 1010 students.

Shifts in enrollment impact how we budget for and allocate staff. Over the last 10 years, as the enrollment at the elementary level has declined, the enrollment at the middle school and high school increased, necessitating an increase in staff at the secondary level. In the last several years, positions have been added at both Thurston Middle School and Westwood High School, either by reallocating elementary positions or adding new positions. In FY'19, there were no staffing changes at the middle school though the enrollment at Thurston began to decline. In FY'20, middle school enrollment is projected to continue decreasing, with a projected enrollment of 715 (down from its 2014-2015 peak of 800), thereby allowing us to make incremental staffing reductions across departments while maintaining reasonable class sizes and the middle school team structure. At the high school, as enrollment continues to be high, more staff will be needed to mitigate relatively high class sizes. However, in the FY'20 budget, the additional general education teaching positions at the high school are offset by corresponding reductions in staffing at the elementary level, where we anticipate fewer incoming kindergarten sections.

Though we have been in a 10-year period of declining enrollment at the elementary level and have reduced staff accordingly, it is important to keep in mind that school enrollments tend to be cyclical. A 20-year look back reveals that our current, relatively low, elementary enrollment (1287 students) is nearly identical to elementary enrollment during the 1999-2000 school year after which the elementary student population steadily grew to its peak of 1,501 students in 2009-2010:



The most recent enrollment projections for the district suggest that within the next couple of years elementary enrollment will again begin to climb at a similar, or perhaps faster, rate than in the 2000s. These projections will be important as we consider long-range budget planning and the elementary building project.

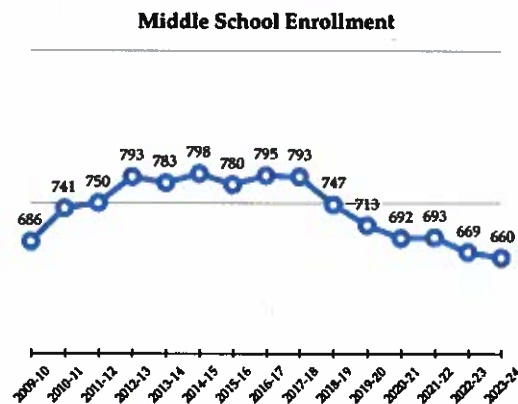
## WHAT ARE THE PROPOSED STAFFING CHANGES RELATED TO ENROLLMENT?

Through staffing reallocations across elementary schools in FY'19 and the creation of a "buffer zone" district at University Station that assigns students to three different elementary schools (Downey, Hanlon, and Deerfield), we have been able to create elementary class sizes that are within School Committee guidelines and lessen the disparity in class sizes among the elementary schools, providing a good foundation for the FY'20 budget process. The main driver in determining the number of classroom teachers to serve students next year, therefore, is the size of the incoming kindergarten class.

### **Decrease of 3.0 FTE Classroom Teachers (Deerfield, Martha Jones, and Sheehan): -\$180,000**

At three of our elementary schools, census data indicates that the incoming kindergarten class will be small, with more students exiting grade five than entering kindergarten. This difference results in one fewer class section in each school overall. We anticipate one kindergarten classroom at Deerfield and two kindergarten classrooms at Martha Jones and Sheehan, resulting in a reduction of 3.0 FTE elementary teachers.

Enrollment at Thurston Middle School increased steadily from 2000 to 2014 and then remained stable for several years at nearly 800 students. This year, the enrollment at TMS began declining and will continue to decline for several years. In FY'20, enrollment at TMS is projected to be 713 students.



Thurston gained numerous positions during the period of expanding enrollment, including core teaching staff to address class size issues, several special educators to augment special education programming, an adjustment counselor, a computer science teacher, and an engineering teacher. Music and PE positions have expanded as well. Enrollment has now decreased sufficiently to reduce staff incrementally across departments while still maintaining the team structure that is important to the middle school model and keeping class sizes within the School Committee's class size guideline.

### **Reduce 1.0 FTE ELA Teacher (TMS): -\$60,000**

This reduction will require eliminating 4 ELA class sections, which will be possible given the decreased student population next year.

### **Reduce .2 FTE Science Teacher (TMS): -\$12,000**

This reduction will require eliminating 1 class section in science, but will maintain the co-taught science model between general education and special education.

**Reduce .4 FTE Math Teacher (TMS): -\$24,000**

This reduction will require eliminating 2 math class sections, but will not impact the school's ability to offer supported as well as accelerated courses.

**Reduce .4 FTE PE Teacher (TMS): -\$24,000**

This reduction will require eliminating 2 class sections, while maintaining the flexibility required for effectively scheduling the PE and arts rotation.

With enrollment at Westwood High School still on the rise, the budget priorities at WHS are focused, once again, on mitigating higher than desirable class sizes. During the last budget cycle, we added teachers in math and science at the high school. In FY'20, we have turned our attention to the other departments.

**Add 1.0 FTE English Teacher (WHS): \$60,000**

The increased enrollment at the high school has resulted in approximately 25% of English classes having 25 or more students. This position will lower class sizes.

**Add 1.0 FTE Social Studies Teacher (WHS): \$60,000**

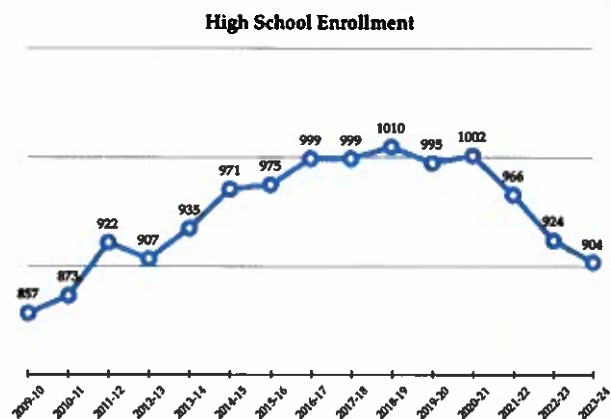
A combination of increased enrollment and expanded social studies elective offerings (e.g. Market Dynamics, AP U.S. Government, Early Childhood Development, Global Conflicts and Crises) has resulted in large class sizes. This position will lower class sizes while allowing us to retain a high-interest elective program.

**Add .6 FTE Guidance Counselor (WHS): \$36,000**

As high school enrollment has increased, counselor caseloads have increased as well. Guidance counselors at WHS serve a dual function, providing both counseling to support students' social-emotional wellness and a high-level of service related to the college admissions process. This position would reduce the counselor student ratio to 200:1, a reasonable caseload.



Next year, Westwood High School is projected to serve 995 students, a population that has grown by 16% in the last ten years.



WHAT ARE THE PROPOSED STAFFING CHANGES RELATED TO  
PROGRAM NEEDS AND STRATEGIC PRIORITIES?

In addition to changes in staffing related to enrollment, the proposed FY'20 staffing changes reflect identified needs in curriculum and instruction that further the objectives in the WPS Strategy for District Improvement.

**Add .5 FTE Elementary Social Studies Coordinator: \$30,000**

One of the district's strategic objectives is "Coherent, Connected Curriculum," and the creation of elementary curriculum leadership positions has proven an effective strategy for ensuring that all K-5 students engage in high-quality learning experiences in math, literacy and science. Recently revised state Social Studies and History frameworks have made civics education a priority, and the Department of Elementary and Secondary Education is currently developing a project-based assessment requirement in lieu of a traditional MCAS test for these standards.

Next fall, the Westwood Public Schools will launch a Social Studies curriculum review and course realignment process. The new social studies coordinator will provide leadership and support for the review itself as well as the implementation of recommended curriculum changes. The coordinator will also support individual teacher growth through coaching and professional development.

**Add .4 FTE Middle School ELA/Social Studies Coordinator: \$24,000**

This additional FTE will be combined with an existing allocation to create a .8 FTE ELA/Social Studies Coordinator position. This individual will provide important curriculum leadership and instructional coaching as we embark on a PreK-12 ELA Curriculum Review, begin to implement the new MA History and Social Science Standards, and meet the state's new requirements in civics education. In combination with the proposed .5 FTE Elementary Social Studies Coordinator, this position will further the district's strategic priority of aligning curriculum vertically across the district.

**Add 1.0 FTE PreK-8 Social Emotional Learning Coordinator/Coach: \$60,000**

As the Social Emotional Learning needs assessment and curriculum review draws to a close, we anticipate the need for substantial teacher training and support as well as parent and community outreach. Investing in a qualified educator who can steer the program selection process, implement teacher training, organize parent education sessions, and support teachers as they learn to incorporate explicit SEL into their instructional practice is a cost-effective strategy. Typical program training sessions led by outside providers are very costly (e.g, \$21,000 to train 30 teachers to implement Responsive Classroom, one of the programs we are considering). An SEL Coordinator/Coach position represents a more cost-effective investment with in-house expertise.

## WHAT ARE THE PROPOSED STAFFING CHANGES IN OPERATIONS AND SUPPORT STAFF?

### **Add 1.0 FTE Custodian: \$42,000**

Due to the increase in student population at the High School along with the increased use of the building both during the school year and in the summer, we need to increase the amount of custodial hours to keep up with the demand. This position will be .5 FTE at the High School and will be .5 FTE coverage throughout the district. This district coverage is necessary to cover sick calls, vacations and leaves during the course of the year. The 1.0 FTE Custodian position will go a long way to ensure that we continue to consistently and properly maintain our facilities.

### **Add .5 FTE School-Year Administrative Assistant (TMS): \$22,500**

Currently 2.0 FTE administrative assistants provide administrative support for special education, guidance, the principal, and the assistant principal while also attending to the needs of parents, students, and members of the public who call or visit the main office. The level of staffing is insufficient for a school the size of Thurston. (By comparison, the staffing level at WHS compared to TMS, proportional to number of students, is nearly double to perform the same functions.) This additional .5 FTE will be combined with .5 FTE reallocated from the high school to create a full-time administrative assistant position at TMS in order create more parity between the two schools.

### **Increase Short-Term Substitute Teacher line item: \$20,000**

Securing an adequate number of daily substitutes is an ongoing challenge for school districts, including Westwood. This funding will help us to adjust our daily substitute rate to be more competitive with surrounding towns with whom we share a candidate pool.

## WHAT ARE THE STAFFING CHANGES IN SPECIAL EDUCATION?

In public schools, we are legally mandated to provide a certain level of service to students with special needs, as defined in a student's Individualized Education Plan or "IEP." When students' needs change, the budget also changes. This interdependent relationship between a) legally mandated services, b) student needs, and c) school budgets means that forecasting Special Education expenses presents a particular challenge for school administrators. As a result, Special Education is the most variable of all school department budget items. We analyze student needs both as part of the budget process, and also on an on-going basis throughout the school year.

In order to increase our ability to educate special education students in-district, we have added positions to the budget over the last several budget cycles. In FY'19, special education staffing was a major driver in the budget with the creation of an additional applied behavior analysis program serving students on the autism spectrum. In addition, since the FY'19 allocation was approved, changing student needs has required the addition of several incremental professional staff positions (.5 FTE Board Certified Behavior Analyst, .4 FTE Occupational Therapist, .3 FTE Speech and Language Pathologist, .5 FTE ABA Tutor) and 6.5 FTE instructional assistants. These positions have been added during the school year within the FY'19 appropriation by utilizing salary turnover resulting from personnel changes such as retirements. As the need for these services to students are ongoing, when calculating level services for FY'20, we have included these positions. Therefore, the FY'20 proposed budget includes no change in Special Education staffing.



## WHAT ARE THE NON-SALARY BUDGET DRIVERS IN SPECIAL EDUCATION?

There are four main non-salary drivers in special education: **tuition, transportation, contracted services**, and the cost of providing **extended school year (ESY)** services to special education students during the summer.

### **Decrease in Special Education Tuition and Transportation: -\$66,802**

In the FY'20 budget, we estimate that the largest non-salary Special Education budget drivers, **tuition and transportation**, will decrease. This decrease reflects a stable, and relatively low, number of students in out-of-district placements, an accounting of actual students who will turn 22 years old in FY'20 and exit the district, and our continued efforts to increase our capacity to educate our special education students in-district. We expect to have between 22 and 24 students in out-of-district placements next year, which is approximately 4% of our total special education population.

	FY'19	FY'20	Difference
<b>Residential Tuition</b>	\$227,005	\$239,263	\$12,258
<b>Day Tuition</b>	\$644,186	\$562,795	(\$81,391)
<b>Collaborative Tuition</b>	\$503,790	\$507,814	\$4,024
<b>Out-of-District SPED Transportation</b>	\$445,791	\$404,194	(\$41,597)
<b>In-District SPED Transportation</b>	\$281,829	\$321,733	\$39,904
<b>Total</b>	<b>\$2,102,601</b>	<b>\$2,035,799</b>	<b>(\$66,802)</b>

It is important to note that a decreased number of students in out of district placements results in a decreased Circuit Breaker reimbursement (i.e. state funds to offset the impact of high cost special education instruction and tuition). While the total request for out of district tuitions for FY '20 continues to be accounted for entirely by federal grant and circuit breaker funds, this is an area to watch in the future if out of district placement numbers rise.

### **Increase in Special Education Contracted Services: \$40,000**

The District purchases legally mandated services (ex. Teacher of the Visually Impaired, Orientation and Mobility Specialist, Adaptive Physical Education) from vendors, when necessary. Each year, the rates charged by these companies have increased incrementally. This request allows the district to keep pace with actual costs and provide appropriate services to students.

### **Increase in Extended School Year (ESY): \$26,802**

As more students have stayed in district to receive their special education services during the school year, there has been a corresponding growth in the need for IEP required Extended School Year (ESY) services via in-district summer programming. This request allows the district to fund the additional summer hours for teachers, nursing, instructional assistants and other related service providers required by student IEP's.

## WHAT ARE THE NON-SALARY BUDGET DRIVERS IN GENERAL EDUCATION?

### **Reduce Kindergarten Tuition Offset: \$85,000**

Westwood is currently one of 45 districts out of 317 in Massachusetts that has a tuition-based full-day kindergarten program. While the half-day kindergarten program is free, families are charged a fee to send students to the full-day program. In reality, nearly all families in Westwood choose the full-day option. In FY'19 we reduced the kindergarten tuition fee from \$1800 to \$900 per year. In FY'20, we will eliminate the fee entirely. We are able to eliminate this fee by reducing the kindergarten tuition offset by \$85,000 per year for four years. FY'20 is year two of this process.

### **Decrease in Utilities: -\$50,000**

In Westwood we have a dedicated Energy Manager who works with both the town and the schools to identify energy saving projects. We are also part of the Green Communities of Massachusetts and have received multiple grants for our various energy saving projects. One of these projects was the installation of solar panels on four of our school buildings. The projected net savings in electrical costs of this project for FY'20 is approximately \$50,000.

### **Increase in Project-Based Learning: \$10,000**

One of the district's strategic objectives is to provide authentic, meaningful learning experiences for students. This funding will support specific initiatives toward that objective, including the high school's J-Term program and the coding and makerspace experiences that elementary librarians and instructional technology coaches are piloting in grades 4 and 5.

### **Increase in Regular Transportation: \$30,000**

This funding addresses cost increases contained in our bus company contract.

### **New Transportation Offset (University Station): -\$50,000**

This funding will support additional transportation required due to the creation of a "buffer zone" district at University Station for elementary students. The funding is a result of increased tax revenue from the University Station Development project.

## WHAT IS MISSING FROM THE BUDGET? ARE THERE UNFUNDED NEEDS?

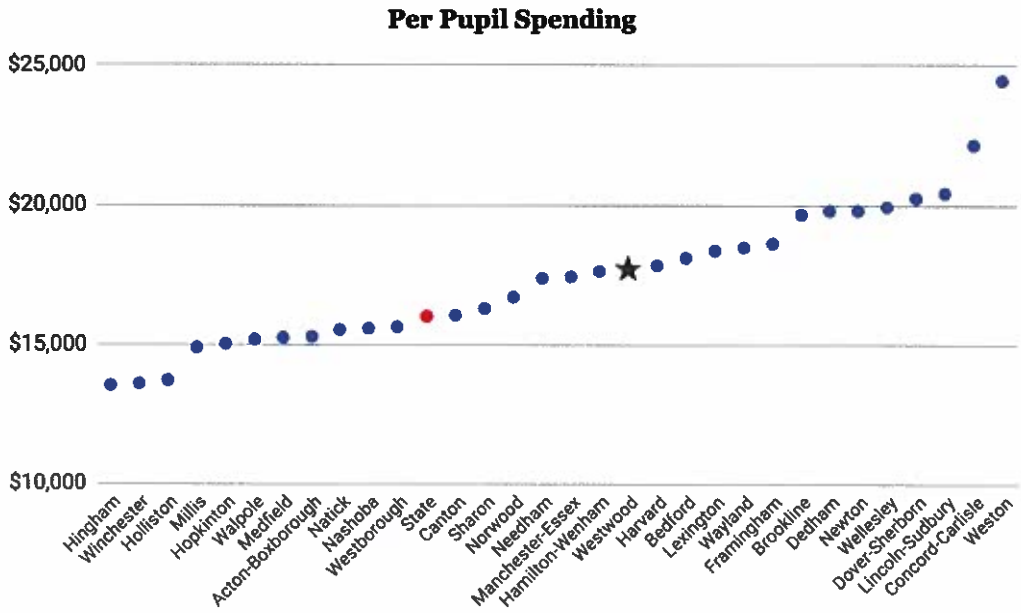
Every year cost center leaders submit both short-term and long-term budget requests. The district leadership team (central office administrators, principals, and assistant principals) meet to review and discuss all of the requests and to reach consensus about the upcoming year's priorities, PreK-12, based on district goals and initiatives. While the initial requests during this process represented a 5.05% increase over FY'19, choices were made. This FY'20 proposed budget, reflecting a 3.47% increase, represents a reasonable and sustainable budget for Westwood residents. Through a combination of reallocating existing resources, carefully reducing line items that do not impact student service, and requesting modest additional resources, this proposed budget amply meets the district's needs. Some of the items that have been deferred for future budget discussions include:

- Additional school psychologist staffing
- An increase in literacy and math specialists
- Additional instructional assistants
- Reduction or elimination of user fees for Transportation and Athletics
- Recess monitors to provide elementary teachers time for consultation with specialists

- Permanent building substitutes
- An additional custodian, beyond the current request
- A guidance counselor at the middle school
- A part-time elementary orchestra teacher
- A mobile science lab to serve all 5 elementary schools

**HOW DOES WESTWOOD'S PER PUPIL SPENDING COMPARE TO OTHER DISTRICTS?**

The chart below compares the per pupil spending in Westwood to spending in 30 other Massachusetts districts. The included districts are either: a) on the Finance Commission's "comparable districts" list; b) members of TEC, Westwood's education collaborative; or c) on Boston Magazine's "top 25" high schools list for 2018. The data presented is from the MA Department of Education website and reflects FY'17 spending, the most recent data that is available.



As illustrated above:

- The state-average per pupil expenditure is \$16,015.
- The average per pupil expenditure for districts on this list is \$17,436.
- The median per pupil expenditure for districts on this list is \$17,448.

Westwood's per pupil expenditure of \$17,708 is generally on par, or below, other high-performing districts and suggests that Westwood provides a good value for its investment.

IS THIS THE FINAL FY'20 BUDGET?  
WHAT COULD CHANGE?

The presentation of the Superintendent's Recommended Budget is only the first step in the budget process. The School Committee will review the budget, hold a public budget hearing, and deliberate. Through that process, the School Committee could make changes, modifications, or additions. In addition, during the budget process, the School Department will work collaboratively with the Board of Selectmen and the Finance Commission to see how the School Department's request fits into the overall Town budget.



*Thank you for your continued support of the Westwood Public Schools!*

**Exhibit 1  
FY'19 vs. FY'20 Budget Summary by Major Category**

	<b>FY'19 Appropriation</b>	<b>FY'20 Proposed Budget</b>	<b>Increase/ Decrease (\$)</b>	<b>Increase/ Decrease (%)</b>
<b>I. INSTRUCTIONAL</b>				
Salary	\$ 35,987,873	\$ 37,377,940	\$ 1,390,067	
Non-Salary	\$ 2,346,018	\$ 2,337,288	(8,730)	
<i>Instructional Sub-total</i>	\$ <b>38,333,891</b>	\$ <b>39,715,227</b>	\$ <b>1,381,337</b>	<b>3.60%</b>
<b>II. CENTRAL ADMINISTRATION</b>				
Salary	1,092,957	1,110,932	\$ 17,975	
Non-Salary	210,975	210,975	-	
<i>Administration Sub-total</i>	\$ <b>1,303,932</b>	\$ <b>1,321,907</b>	\$ <b>17,975</b>	<b>1.38%</b>
<b>III. OPERATIONS</b>				
Salary	1,729,698	1,786,430	\$ 56,732	
Non-Salary	2,916,538	2,967,463	50,925	
<i>Operations Sub-total</i>	\$ <b>4,646,236</b>	\$ <b>4,753,893</b>	\$ <b>107,657</b>	<b>2.32%</b>
Sub-Total Sections I-III.	\$ <b>44,284,059</b>	\$ <b>45,791,027</b>	\$ <b>1,506,968</b>	<b>3.40%</b>
<b>IV. SPED TUITION AND TRANSP.</b>				
Out-of-district Tuition	1,374,981	1,309,872	\$ (65,109)	
<i>Tuition Offset - Circuit Breaker/Grants</i>	(1,443,022)	(1,309,872)	\$ 133,150	
Sped Transportation	687,117	672,004	(15,113)	
Spec. Ed. Tuition and Transp. Sub-total	\$ <b>619,076</b>	\$ <b>672,004</b>	\$ <b>52,928</b>	<b>8.55%</b>
Sub-Total Section IV.	\$ <b>619,076</b>	\$ <b>672,004</b>	\$ <b>52,928</b>	<b>8.55%</b>
<b>TOTAL OPERATING BUDGET</b>	\$ <b>44,903,135</b>	\$ <b>46,463,031</b>	\$ <b>1,559,896</b>	<b>3.47%</b>

**Exhibit 6**  
**Capital Budget Summary**

Item Description	Actual FY '15	Actual FY '16	Actual FY '17	Actual FY '18	Actual FY '19	Proposed FY '20
1. Technology	\$ 100,000	\$ 140,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 150,000
2. FF&E			\$ 129,050	\$ 129,500	\$ 129,500	\$ 111,797
3. HVAC	\$ -	\$ -	\$ 96,000	\$ 96,000	\$ 96,000	\$ 192,400
4. Roofing	\$ 306,000	\$ 170,000	\$ 100,000	\$ -	\$ 100,000	\$ 100,000
5. Repair & Maintenance	\$ -	\$ 270,000	\$ 275,000	\$ 321,950	\$ 256,500	\$ 402,803
6. Copiers	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
7. Vehicles	\$ -	\$ 116,000	\$ -	\$ 34,550	\$ -	\$ -
<b>Total</b>	<b>\$ 406,000</b>	<b>\$ 756,000</b>	<b>\$ 885,050</b>	<b>\$ 867,000</b>	<b>\$ 867,000</b>	<b>\$ 1,017,000</b>

# Town of Westwood, Massachusetts

## Five Year Capital Improvement Plan

### Fiscal Years 2020-2024



## **CAPITAL OVERVIEW**

The Capital Improvement Plan is a five year projection of capital needs for maintaining and upgrading the Town's physical plant. It provides detailed information concerning those capital requests for the upcoming fiscal year; summary information for the following four fiscal years is provided to identify current projections of what level of capital outlay will be required in future years.

The Selectmen are committed to reinvesting in the community's capital infrastructure. The Town's physical resources are a major component of the Town's overall financial assets and represent a significant investment of public funds. As such, the Town must adequately maintain and update its capital assets.

In January, 2004 the Selectmen adopted updated Financial Policies, including capital planning and debt management policies. The capital policies require that a Five-Year Capital Improvement Program document be issued annually. In addition, capital funding and debt management policies were developed in order to continue to appropriately balance total debt and capital costs and tax implications with other operating sources.

The Board of Selectmen has made tremendous progress over the last few years in increasing the funding available for capital. This has resulted in regular roll over of important equipment in the DPW, Police and Fire Departments, and well maintained municipal and school facilities.

### **Definition of Capital Projects**

Capital items shall be defined as follows:

- Items requiring an expenditure of at least \$10,000 and having a useful life of more than five years.
- Projects consisting of real property acquisitions, construction, capital asset improvements, long-life capital equipment, or major maintenance/repair of an existing capital item, as distinguished from a normal operating expenditure.
- Items obtained under a long term lease.
- Bulk purchases of similar items, such as technology and furniture purchases, shall be aggregated and the total considered a capital item.

### **Funding of Capital Projects**

Capital projects can be financed in a number of ways. An appropriate balance of financing options is important to maintain an ongoing program and limit the community's risk. Westwood has continued to utilize a mix of pay-as-you-go financing, combined with prudent use of debt financing. This mix has provided significant resources for capital over the last several years. The Town has been able to increase the capital budget over the last few years.

Going forward, the Town should continue to shift a portion of its pay-as-you-go financing from free cash to an annual tax revenue appropriation. As new commercial tax revenue becomes available, a portion should be directed to ongoing capital needs.

The following funding sources are used to finance the Town's capital improvements:

**Tax Revenue** – Annual revenue from the total tax levy can be used to fund capital items.



**Free Cash** – The Town's "undesignated fund balance"; certified each July 1 by the state and the portion of fund balance available for appropriation. As Free Cash should not be used for operating budgets, it is a very appropriate revenue source for non-recurring capital items.

**Borrowing Approved within Proposition 2 ½** - For large construction, infrastructure and land purchase projects, general obligation bonds are issued. Funding for annual debt service comes from annual budget within the tax levy.

**Borrowing Approved as Exempt to Proposition 2 ½** - For large construction, infrastructure and land purchase projects, general obligation bonds are issued. Funding for annual debt service is raised through additional tax revenue raised outside the limits of Proposition 2 ½ (exempt debt).

**Sewer Enterprise Funds** – Sewer Enterprise Fund retained earnings and user fees are used to fund capital items for the sewer operations.

**Sewer Enterprise Borrowing** – For large sewer infrastructure projects, general obligation bonds are issued. Funding for annual debt service is fully supported by sewer user fees.

**Capital Improvement Stabilization Fund** – Funding for annual capital expenditures may come from the Capital Improvement Stabilization Fund upon vote of Town Meeting. This fund, established at the 2005 Annual Town Meeting, currently has a \$1.47M balance, and was recently used to fund the replacement of the high school turf field in the summer of 2016.

**Other Sources** – Other funding sources may include state and federal grants and available funds, such as ambulance receipts, library trust funds or other restricted accounts.

***A Look at Recent Capital Project Financing***

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>
Tax Revenue	\$123,000	\$148,000	\$58,100		\$83,100	\$381,950	
Free Cash	\$730,000	\$800,000	\$1,308,150	\$1,678,000	\$1,742,050	\$1,769,050	\$2,178,900
Borrowing Within Proposition 2 ½	\$5,335,000			\$11,000,000	\$13,205,000	0	\$5,250,000
Exempt Debt							
Sewer Enterprise Funds	\$415,000	\$100,000		\$450,000	\$135,000	\$600,000	\$420,000
Sewer Enterprise Borrowing		\$1,570,000			\$234,000		
Other Sources		\$240,000	\$339,000	\$950,000	\$432,000	\$532,000	\$875,760

**Process and Presentation to Voters**

Annually, municipal and school departments prepare five-year projections of their capital needs. The requests are summarized and presented to the Selectmen for review. The School Committee prioritizes the capital requests for the School Department. Capital funded as debt exemptions require additional approval by the voters at the ballot as Proposition 2 ½ exemptions.

The Selectmen prepare a recommended capital budget and present it to the Finance and Warrant Commission for review and recommendation to Town Meeting. Town Meeting votes approval of capital articles; capital articles requesting borrowing are separately voted.

## **FY20 CAPITAL DISCUSSION AND RECOMMENDATIONS**

The Town has continued to emphasize the importance of the capital budget. The capital budget provides for many areas of capital spending including important equipment for public safety and public works departments, renovation and maintenance of Town and School facilities, and important drainage and road repairs to maintain the sewer and road infrastructure.

The Town's assets, including school and municipal buildings, roadways and sewer, vehicles and equipment are valued at over \$145 million. We should properly maintain these assets and not defer maintenance which delays problems for future generations. Economic conditions and difficult budget years can make it challenging to properly fund capital, while balancing operating budget needs.

Capital projects can be financed in a number of ways. An appropriate balance of financing options is important to maintain an ongoing program and limit the community's risk. Westwood has continued to utilize a mix of pay-as-you-go financing, combined with prudent use of debt financing. This mix has provided the resources for capital over the last several years.

### **Categories of Capital**

#### *Major Building Construction/Renovation – Steady Reinvestment*

The Town has invested significant capital reserves over the last several years in major building construction and renovation. These projects have been funded through a mix of debt borrowing and grant opportunities. The Town has successfully analyzed debt schedules to take advantage of layering in new debt as older debt is retired. This borrowing, within and outside Proposition 2 ½, has provided for significant investment in the Town's capital. The borrowings have been supplemented by substantial state grant programs, including the MSBA funding for the school projects, state funding for the COA facility, and the state Library Commission grant for the new library. Through the combination of debt and grants, the Town has constructed/renovated the following projects:

- New High School.
- Significant improvements/addition to High School/Middle School fields.
- New Council on Aging facility.
- New Carby Street municipal building.
- Major renovation/expansion to Martha Jones Elementary School.
- Major renovation/expansion to Downey Elementary School.
- Renovation/expansion to Thurston Middle School.
- New Library.
- Deerfield School roof.
- New Islington Fire Station.
- New Police Station

These new facilities have been wonderful improvements for the Town and have been well received by residents. The Town should continue to provide for major facility renovation/additions through the current financing methods.

## **Upcoming Major Facility Projects**

Two areas are currently undergoing major planning for implementation. These are:

### **School Buildings**

School buildings master plan review - The School Committee is currently engaged in moving forward on a comprehensive update to the three elementary schools that were built between 1948 and 1953.

The Schools have been working toward receiving partial funding from the Massachusetts School Building Association (MSBA), a state funded program to help pay for construction, renovations and repairs to elementary schools. The MSBA recently voted to invite Westwood into its eligibility period, during which time specific plans will be formulated with input from the community. At the May 2018 Annual Town Meeting, residents voted to approve \$1.75M to begin the initial process for this important project.

For more information on the elementary schools building project, the Schools have set up a dedicated website: [www.westwoodschoolbuilding.com](http://www.westwoodschoolbuilding.com).

### **Municipal Buildings**

In FY14, a study began to determine the next phase of municipal facility needs. That study concluded that the priority for municipal needs is the public safety facilities.

Changes in public safety challenges as well as new growth (most recently the significant development of University Station), has necessitated that the Town take a serious approach to modernizing the public safety facilities. The Selectmen created the Public Safety Facility Task Force in June 2013 to review these facility needs. The Task Force has presented a comprehensive plan to the Board of Selectmen for the municipal and schools buildings. The proposal included:

- Construct a new fire substation to be located at the current Islington site. This building to be larger than the current building to accommodate additional staff and equipment needed to service University Station. This project was recently completed, opening in October 2017.
- Construct a new police headquarters located behind the existing facility. This building to accommodate the police operations and needs that have occurred since the current station was built in 1967. This project was recently completed, opening in October 2017.
- Renovate the main fire at its existing site. This project remains under consideration.

Other municipal facilities including Town Hall, Recreation and DPW structures are still under consideration for future work.

The recent, May 2018, Town Meeting approved significant renovation to the Islington Center area. This work will include upgrades, enhancements, and a new facility for the Town's Branch Library, Community Center and Youth and Family Services department. This work will begin late in 2018.

Additional information on the Public Safety Task Force and the details on the police station project can be found on the Town's web site.

### *Capital Equipment – Increased Allocation in Recent Years*

Proper capital equipment is needed by departments to carry out the important work for the community. This is particularly true for public safety and public works departments. These departments rely heavily on vehicles and equipment (such as police and fire vehicles, large dump trucks, street

sweepers, etc.) to provide daily services. The School Department also relies heavily on ongoing equipment to provide quality services for the school children. This equipment includes furniture and equipment for the school facilities, copiers, and changing technology needs.

In the area of capital equipment, the Town has primarily funded this through a pay as you go basis. The annual capital spending in this area had been approximately \$820,000 a year for several years, the majority funded by free cash. This level of spending had been approximately half of the recommended level per the Town's financial policies.

From FY14 to Fy18 steady increases have been achieved each year to increase the base capital spending. The School and Municipal capital articles are now well over \$1.7M annually. Efforts will continue to increase this funding.

In addition, as part of the FY13 budget, a significant investment was made in DPW equipment through approval of a \$2M capital bond. This bond allowed for "catch up" on important DPW equipment and will provide for a transition period to incorporate the annual renewal of DPW equipment into the ongoing capital equipment articles. The DPW is now on a regular ongoing rotation of replacement of capital equipment.

#### *Roads, Drainage, Sewer, Infrastructure – Town Bonds Supplement State and Federal Grants*

The capital budget provides for major road and drainage throughout the Town. It is important to consistently update the roadways to provide for safe travel throughout Town.

The Town has funded road improvements, drainage and sewer infrastructure needs through a combination of bond financing and state and federal grants. The bond financing has been both within and outside of Proposition 2 ½ and sewer infrastructure borrowings have been funded through sewer user fees. Outside funding includes state Chapter 90 annual funds, state MA Water Resources funds and federal PWED funding. These additional funds have been used to supplement Town approved borrowings. It is important to analyze debt schedules to appropriately layer in new debt as existing debt is retired.

As part of the FY13 capital budget, a major road improvement bond of \$2.4M was approved. This provides for significant repair and maintenance to several areas, as outlined in the Town's road improvement program. These funds, in combination with Chapter 90 funding, addressed important needs in Town.

In FY14, a major sewer bond of \$1.57M was approved. This allowed the Sewer Commission to continue to maintain and upgrade the sewer infrastructure.

The town is looking to incorporate into the ongoing budget funding to supplement Chapter 90 on an ongoing basis in order to properly maintain the town's roads.

#### **FY20 Capital Funding**

The initial FY20 capital budget as included in the Board of Selectmen's preliminary FY20 budget plan:

- Provides for the level funding of the base capital budget at the recent higher level of approximately \$1.7M.
- Will provide for additional capital budget article as done in several past years.
- Continue to support the School MSBA project for elementary school construction.

**Capital Outlay Requests - FY2020**  
**For Approval at the 2019 Annual Town Meeting**

**Current Availability for Funding - FY2020**

**Pay-as-you-go Capital**

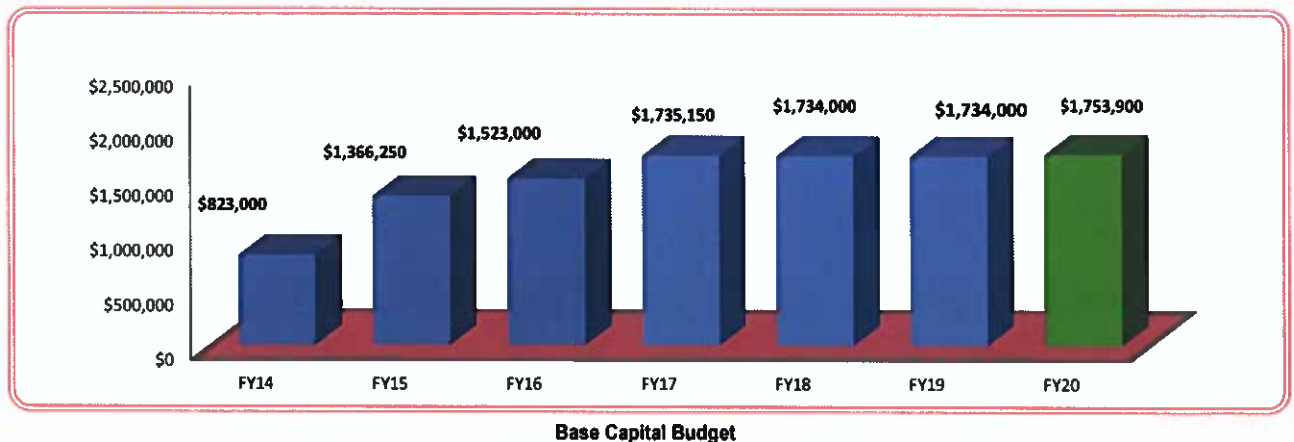
The current funding would provide the following capital level:

	FY15	FY16	FY17	FY18	FY19	Proposed FY20
School Capital	\$606,000	\$756,000	\$885,050	\$867,000	\$886,900	\$ 886,900
Municipal Capital	\$760,218	\$767,000	\$850,000	\$867,000	\$867,000	\$ 867,000
Additional Capital	\$339,000	\$400,000	\$650,000	\$949,000	\$1,300,760	TBD

- In FY20, consideration can again be given to adding additional one time request capital through use of free cash.
- The School Committee and Board of Selectmen will identify specific recommendations for items to be approved within the capital targets.

Prior years of capital borrowing are listed below

	FY14	FY15	FY16	FY17	FY18	FY19
Borrowing Within Proposition 2 1/2		\$1,850,000	\$12,040,000	\$13,205,000	\$0	\$5,250,000
Borrowing Outside Proposition 2 1/2				0	\$0	\$0
Other Sources			\$450,000	0	\$0	\$0
Sewer	\$1,570,000			\$234,000	\$0	\$0



## Capital Budget Procedure

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The Town of Westwood operates under state statutes and the Town Charter as adopted July 1, 1970 and amended . The Town Charter provides for a Board of Selectmen/ Open Town Meeting/ Town Administrator form of town government. The proposed annual budget of the town is assembled by the Town Administrator.

The capital budget is presented in a separate five-year document and is also included as a separate section of the Town's budget document. It provides detail information concerning those capital requests for the upcoming fiscal year; summary information for the following four fiscal years is provided to identify current projections of what level of capital outlay will be required in future years.

All capital requests are categorized into major categories, which are methods of how the items will be voted and funded at town meeting. The categories are:

- Warrant Article Capital Projects/Equipment - requests for major construction, repair projects or large equipment which are over \$10,000 in cost. The items proposed for funding in this category are summarized in either a capital project or capital equipment article for town meeting action.
- Capital Projects to be Funded by Bonds - requests for large construction projects that are to be financed over a period of years. Items to be financed through long term debt must receive Town Meeting approval authorizing the borrowing of funds.

The School Committee reviews and prioritizes School Department capital projects, and the Board of Selectmen reviews and proposes all other capital projects, as well as overall funding, for presentation to the Finance and Warrant Commission and Town Meeting for their respective consideration.

The capital budget process requires flexibility to accommodate changing conditions. Changes in priorities may occur because of:

- Changes due to updated information from original submission.
- Availability of grant funding.
  - For example, request for approval of the new High School was accelerated due to the imminent change(s) to the state funding process which would have resulted in lower state reimbursement.
  - Availability of state library grant funds impacted the timing of the new library.
- Changes due to market opportunities; i.e., facilities for sale.
- Occasionally the investigative work to determine priority for a project reveals an immediate safety concern which changes the priority such as roofing or building safety concerns.

### Annual Capital Budget Schedule

#### September/ October

- All departments are requested to prepare and submit their five-year capital requests with detail provided on each request.
- During this period the Board of Selectmen provides the initial budget guidelines, including capital funding, for the upcoming fiscal year.
- Reviews of requested capital items are conducted with municipal departments to understand the requested projects.

- The School administration considers their capital requests which are included in the final capital budget document.

### **November/December**

- Five year comprehensive capital budget document produced.
  - Document includes Town's capital financial policies, asset inventory schedules, long term debt financial policies, debt schedules and history of capital expenditures.
  - Distributed to Town and School officials, Long Range Financial Planning Committee, (representatives of the Board of Selectmen, School Committee, Treasurer, Board of Assessors, Collector, School and Town administration) municipal departments and Finance and Warrant Commission.
- The Board of Selectmen continues the overall budget discussions and determines available funds for capital.
  - Base capital.
  - Debt schedules and ability to borrow.
  - Any additional funding available for capital.
- Reviews of requested capital items are conducted with municipal departments to determine the overall priorities which will be presented for approval.
- The School administration prioritizes their capital requests which will be presented for approval.
- The requested capital and debt schedules are reviewed with the Long Range Financial Planning Committee.

### **January/February**

- Capital requests are prioritized per available funding.
- Board of Selectmen votes approval of preliminary capital budget articles to be put forth to Finance and Warrant Commission.
- Specific items are subject to change depending on receipt of new information.
- Review of items with Finance and Warrant Commission.

### **March**

- Continue review of capital by the Long Range Financial Planning Committee.
- Capital reviewed and approved by the Board of Selectmen before the final Finance and Warrant Commission public hearings.
- Finance and Warrant Commission approves capital budget items at their final public hearing.

### **May**

- Town Meeting approves capital.

**FY2020 - FY2024  
Summary of Capital Budget Requests**

Department	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total Costs
Municipal Building Maintenance	\$ 300,000	\$ 340,000	\$ 230,000	\$ 230,000	\$ 225,000	\$ 1,325,000
COA	\$ -	\$ 90,000	\$ 90,000	\$ 90,000	\$ -	\$ 270,000
DPW	\$ 440,000	\$ 500,000	\$ 490,000	\$ 460,000	\$ 400,000	\$ 2,290,000
Library	\$ 18,750	\$ 15,750	\$ 15,750	\$ 15,750	\$ 15,750	\$ 81,750
Fire	\$ 795,250	\$ 408,024	\$ 359,491	\$ 481,173	\$ 1,124,528	\$ 3,168,466
Information Technology	\$ 800,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 1,100,000
Police	\$ 285,500	\$ 291,500	\$ 274,500	\$ 282,500	\$ 289,000	\$ 1,423,000
Westwood Affordable Housing	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
<b>Total Municipal Departments</b>	<b>\$ 2,739,500</b>	<b>\$ 1,820,274</b>	<b>\$ 1,634,741</b>	<b>\$ 1,734,423</b>	<b>\$ 2,229,278</b>	<b>\$ 10,158,216</b>
<b>School Department</b>	<b>\$ 1,720,000</b>	<b>\$ 1,670,000</b>	<b>\$ 1,705,000</b>	<b>\$ 1,670,000</b>	<b>\$ 1,670,000</b>	<b>\$ 8,435,000</b>
Municipal/School Infrastructure	\$ 3,400,000	\$ 4,000,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 8,150,000
Municipal/School Buildings	\$ 19,825,000	\$ 10,500,000	\$ 67,225,000	\$ -	\$ -	\$ 97,550,000
Community Wide - Municipal/School Infrastructure	\$ 1,735,000	\$ 850,000	\$ -	\$ -	\$ -	\$ 2,585,000
Recreation - from Recreation Revolving	\$ 60,000	\$ 50,000	\$ 75,000	\$ -	\$ -	\$ 185,000
<b>Total Other Capital</b>	<b>\$ 25,020,000</b>	<b>\$ 15,400,000</b>	<b>\$ 67,550,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ 108,470,000</b>
<b>Sewer</b>	<b>\$ 4,000,000</b>	<b>\$ 1,075,000</b>	<b>\$ 1,000,000</b>	<b>\$ 625,000</b>	<b>\$ 1,000,000</b>	<b>\$ 7,700,000</b>
<b>Total Capital Requests</b>	<b>\$ 33,479,500</b>	<b>\$ 19,965,274</b>	<b>\$ 71,889,741</b>	<b>\$ 4,279,423</b>	<b>\$ 5,149,278</b>	<b>\$ 134,763,216</b>



**FY2020 - 2024 Capital Requests**

Capital Project Requests	FY2020 Request	FY2021 Request	FY2022 Request	FY2023 Request	FY2024 Request	Total
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**Ongoing School and Municipal Capital Requests**

**Council on Aging**

Wheelchair Accessible Van		\$90,000	\$90,000	\$90,000		\$270,000
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<b>Department Total</b>	\$0	\$90,000	\$90,000	\$90,000	\$0	\$270,000
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**DPW**

Stormwater Compliance	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
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**Public Works - Fleet**

One Ton Dump Truck with Plow (Truck 32)	\$70,000					\$70,000
Backhoe Loader Replacement (JCBI)	\$125,000					\$125,000
Utility Maintenance Van (Truck 55)	\$70,000					\$70,000
Bombadier Sidewalk Plow (B1)	\$125,000					\$125,000
1 Heavy Duty Dump Truck with Plow (Truck 10)		\$185,000				\$185,000
1 Heavy Duty Dump Truck with Plow (Truck 19)		\$265,000				\$265,000
1 Heavy Duty Dump Truck with Plow (Truck 8)			\$185,000			\$185,000
1 Heavy Duty Dump Truck with Plow (Truck 20)			\$185,000			\$185,000
One Ton Dump Truck with Plow (Truck 17)			\$70,000			\$70,000
Roadside brush trimmer/sidewalk machine				\$120,000		\$120,000
One Ton Dump Truck with Plow (Truck 26)				\$70,000		\$70,000
Roadside Sweeper (Truck 4)				\$220,000		\$220,000
Heavy Duty Dump Truck (Truck 23)					\$185,000	\$185,000
One Ton Dump Truck (Truck 13)					\$95,000	\$95,000
One Ton Dump Truck (Truck 30)					\$70,000	\$70,000

<b>Department Total</b>	\$440,000	\$500,000	\$490,000	\$460,000	\$400,000	\$2,290,000
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**Fire**

Replace Engines (2) (Lease Payments)	\$226,400	\$226,400	\$226,400			\$679,200
Turnout Gear Purchase and Replacement	\$35,000	\$37,100	\$39,326	\$40,000	\$40,000	\$191,426
Swap-Body Multi Purpose Vehicle	\$400,000					\$400,000
Replace Deputy's Vehicle	\$42,500					\$42,500
SCBA Upgrade and Replacement	\$44,000	\$46,000	\$48,500	\$50,925	\$53,471	\$242,896
Rescue Upgrade and Replacement	\$23,500	\$18,720	\$19,469	\$20,248	\$21,057	\$102,994
Radio Upgrade and Replacement	\$23,850	\$24,804	\$25,796	\$10,000	\$10,000	\$94,450
Replace Ambulance A-3				\$360,000		\$360,000
Shift Command Vehicle		\$55,000				\$55,000
Replace Ladder 1					\$1,000,000	\$1,000,000

<b>Department Total</b>	\$795,250	\$408,024	\$359,491	\$481,173	\$1,124,528	\$3,168,466
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**Information Technology**

End User Technology	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Fund Accounting Software	\$475,000					\$475,000
Public Safety CAD/RMS	\$250,000					\$250,000

<b>Department Total</b>	\$800,000	\$75,000	\$75,000	\$75,000	\$75,000	\$1,100,000
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**Library**

Patron/Staff End User Technology	\$18,750	\$15,750	\$15,750	\$15,750	\$15,750	\$81,750
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<b>Department Total</b>	\$18,750	\$15,750	\$15,750	\$15,750	\$15,750	\$81,750
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**Police**

Replacement of Police Vehicles	\$179,500	\$185,000	\$192,500	\$200,000	\$206,000	\$963,000
Police Equipment	\$31,000	\$31,500	\$32,000	\$32,500	\$33,000	\$160,000
Police, Fire & EMS Radio Infrastructure	\$75,000	\$75,000	\$50,000	\$50,000	\$50,000	\$300,000

<b>Department Total</b>	\$285,500	\$291,500	\$274,500	\$282,500	\$289,000	\$1,423,000
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Capital Project Requests	FY2020 Request	FY2021 Request	FY2022 Request	FY2023 Request	FY2024 Request	Total
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**Municipal Buildings Maintenance**

COA kitchen		\$75,000				\$75,000
COA HVAC System	\$150,000					\$150,000
CSMOB Paint and Floor		\$40,000				\$40,000
Security Upgrades		\$75,000				\$75,000
CSMOB mechanical upgrades			\$45,000			\$45,000
Cemetery Garage			\$35,000			\$35,000
DPW Garage				\$50,000		\$50,000
Municipal Parking Lots				\$30,000		\$30,000
Library Painting					\$75,000	\$75,000
Facility Maintenance	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Energy Efficiency	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

<b>Category Total</b>	<b>\$300,000</b>	<b>\$340,000</b>	<b>\$230,000</b>	<b>\$230,000</b>	<b>\$225,000</b>	<b>\$1,325,000</b>
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**Westwood Affordable Housing Associates**

Building Maintenance and Improvement	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
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<b>Department Total</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$500,000</b>
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<b>Total Ongoing Municipal Capital Requests</b>	<b>\$2,739,500</b>	<b>\$1,820,274</b>	<b>\$1,634,741</b>	<b>\$1,734,423</b>	<b>\$2,229,278</b>	<b>\$10,158,216</b>
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**School**

Technology	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
Furniture, Fixtures, and Equipment	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$1,625,000
HVAC and Controls	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Roofing	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
Repair Items	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
Copiers / Duplicators	\$95,000	\$95,000	\$95,000	\$95,000	\$95,000	\$475,000
Vehicles	\$50,000	\$0	\$35,000	\$0	\$0	\$85,000

<b>Schools Total</b>	<b>\$1,720,000</b>	<b>\$1,670,000</b>	<b>\$1,705,000</b>	<b>\$1,670,000</b>	<b>\$1,670,000</b>	<b>\$8,435,000</b>
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**Sewer Capital Requests**

Inflow & Infiltration Program	\$500,000		\$500,000		\$500,000	\$1,500,000
Inflow & Infiltration Assessment		\$125,000		\$125,000		\$250,000
Pump Station Facility Program	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Sewer Maintenance Facility Garage	\$3,000,000					\$3,000,000
Sewer Vac Truck Replacement		\$450,000				\$450,000

<b>Sewer Total</b>	<b>\$4,000,000</b>	<b>\$1,075,000</b>	<b>\$1,000,000</b>	<b>\$625,000</b>	<b>\$1,000,000</b>	<b>\$7,700,000</b>
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Capital Project Requests	FY2020 Request	FY2021 Request	FY2022 Request	FY2023 Request	FY2024 Request	Total
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**Community Wide - Municipal/School Infrastructure**

Turf Field Replacement (Practice Field)		\$675,000				\$675,000
Thurston Field Lighting	\$725,000					\$725,000
Sheehan Tennis Court Repurposing	\$250,000					\$250,000
Morrison Basketball Court Refurbishment	\$35,000					\$35,000
Morrison Tennis Court Installation	\$725,000					\$725,000
Pool - Deck Surfacing Replacement		\$175,000				\$175,000

<b>Category Total</b>	<b>\$1,735,000</b>	<b>\$850,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,585,000</b>
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**Major Capital Projects**

**Municipal Infrastructure**

Road/Sidewalk Construction Route 109	\$2,650,000					\$2,650,000
Gay Street Sidewalk Construction		\$3,500,000				\$3,500,000
Retaining Wall Carby Street	\$250,000					\$250,000
Crosswalk Tier Improvement Plan	\$250,000	\$250,000				\$500,000
Road/Sidewalk Improvement	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

**Major Building Projects**

Schools Elementary Building Project			\$64,000,000			\$64,000,000
Town Hall Renovation	\$100,000	\$9,950,000				\$10,050,000
Town Hall Improvements		\$300,000	\$225,000			\$525,000
Senior Center Expansion						\$0
Station 1 Renovation from Fire	\$250,000	\$150,000				\$400,000
Station 1 from DPW	\$50,000					\$50,000
DPW/Sewer Operations Facility	\$18,000,000					\$18,000,000
Community/Recreation Center Construction		\$100,000	\$3,000,000			\$3,100,000

If Islington Redevelopment does not move forward:						
ICC Improvements	\$1,300,000					\$1,300,000
Branch Library Improvements	\$125,000					\$125,000

<b>Category Total</b>	<b>\$23,225,000</b>	<b>\$14,500,000</b>	<b>\$67,475,000</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$105,700,000</b>
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Capital Project Requests	FY2020 Request	FY2021 Request	FY2022 Request	FY2023 Request	FY2024 Request	Total
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**Recreation Capital to be Funded by Recreation Revolving and Other Funds**

Recreation Van	\$60,000					\$60,000
Pool - Drainage and Refurbishment		\$50,000				\$50,000
Pool - Acoustic Panels			\$75,000			\$75,000

<b>Department Total</b>	<b>\$60,000</b>	<b>\$50,000</b>	<b>\$75,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$185,000</b>
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