

The Town of Westwood, Massachusetts

Proposed Overall Budget Summary
For the Fiscal Year
July 1, 2017 – June 30, 2018



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This report is a summary of the Fiscal Year 2018 budget as well as an overview of the Town's finances.

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Town of Westwood

Commonwealth of Massachusetts

Board of Selectmen

Nancy C. Hyde, Chairman
Michael Walsh
Patrick J. Ahearn

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

February 17, 2017

To the Board of Selectmen:

Enclosed you will find the *Proposed FY18 Budget Summary* document. The document is organized in three sections as outlined below. I am confident you will find this document a comprehensive, easy to use reference tool.

- FY18 Proposed Budget – outlines the overall FY18 budget currently proposed by the Board of Selectmen.
- Information to Know – provides significant, comprehensive detail on the Town's finances.
- Requested Budgets – includes summaries of the municipal, school, and capital requested FY18 budgets, as well as providing a link to access those detailed books on line.

Much of the material has been publicly reviewed at many meetings over the last few months, including Board of Selectmen, 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 Board of Selectmen's commitment to financial transparency and to providing clear and easy to understand financial information to the community.

Budget Summary

The FY18 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.

Tax Bill Impact

Operating Budget

Capital Assets

Reserve Accounts



Long Term Liabilities

Service Levels

Board of Selectmen has worked hard to address all areas.

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, the 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 FY17 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.

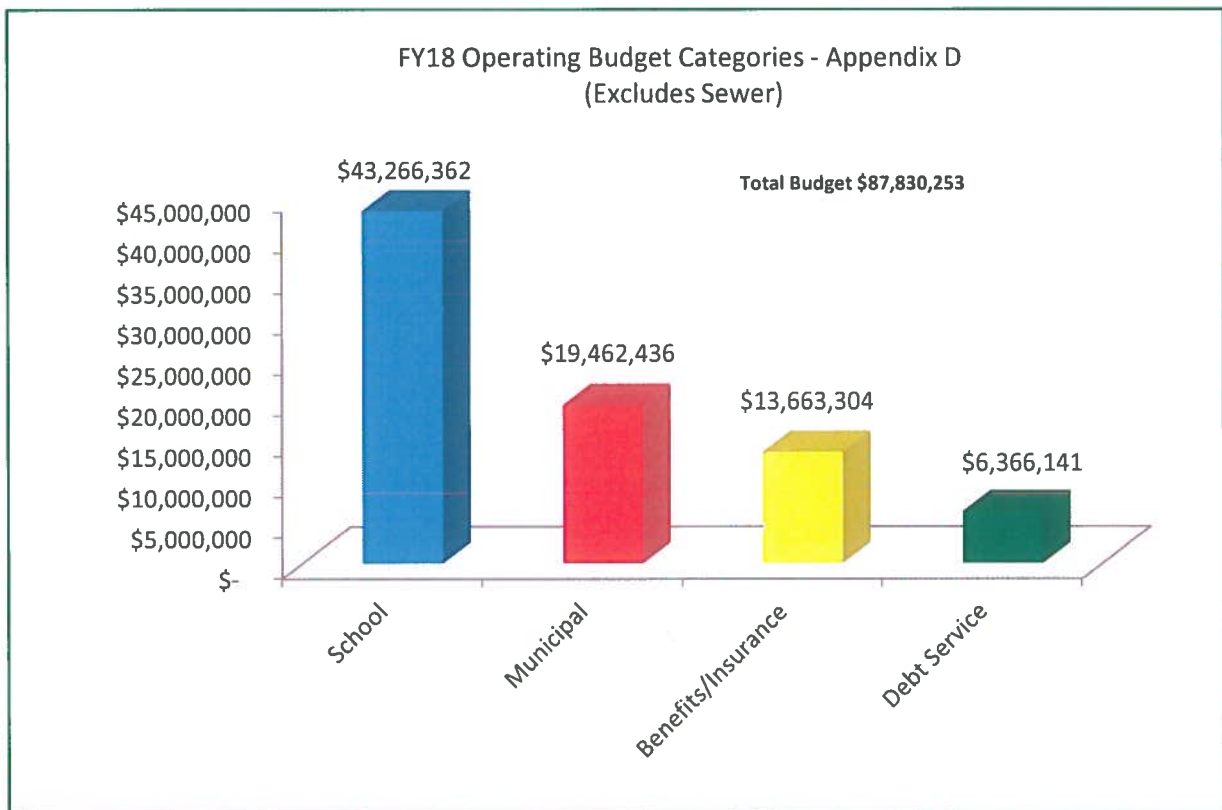
As the economy has improved, the Town continues with disciplined measures, focusing on the multiple budgetary needs and implementing sound decisions allowing the Town to stay on track going forward. Some of these measures include:

- 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.

The FY18 proposed budget continues with this discipline and seeks to balance all of the many needs of the community.

The FY18 budget currently includes:

- Commitment to high quality services provided by school and municipal departments.
- Approximate 3.6% increase to municipal and 3.3% increase to school operating budgets.
- Commitment to high level of ongoing school and municipal capital \$1,734,000.
- Continue small annual allocation to the Stabilization Fund of \$100,000 funded from free cash to keep account in line with financial policies.
- Commitment to OPEB liability fund, by funding \$1.39M annual appropriation. This funding has been primarily provided in the budget by negotiated health insurance savings, therefore not taking away from other operating budgets.
- Implementation of tax relief tools to slow the growth of the annual residential tax bill.
- Continue to address direct service needs for University Station by appropriating \$570K of University Station tax money for public safety needs.



For further detail on the operating budget, please see the FY18 Proposed Budget section of this book.

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.

FY18 represents the fourth year of new tax revenue from the University Station project. To date this additional revenue has been utilized as follows:

- **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 the 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 in public safety staffing in decades.
- **In FY16**, final 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
Total	\$1,575,000

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

- **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
Total	\$1,155,000

In addition, 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.

- So, total University Station new revenue to date FY15-FY17 is \$4,980,000. Revenue was built into the operating budget as follows.

	School	Municipal	Total
FY16	\$1,020,225	\$461,578	\$1,481,803
FY17	\$883,000	\$272,000	\$1,155,000
Direct Services	\$215,000	\$565,000	\$780,000
	\$2,118,225	\$1,298,578	\$3,416,803

In addition, FY17 added \$800,000 to debt service for the police station. 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** there is approximately, \$1,170,000 of unused state revenue to consider. This consists of \$670,000 unused in FY17 and \$500,000 of additional new revenue anticipated for FY18. Current proposed use is as follows

FY18 Proposed Budget	
Direct Services -- Public Safety	\$570,000
Unused tax levy to provide tax relief	\$600,000
Total	\$1,170,000

Tax Relief

The Board of Selectmen has worked to structure tax relief into the budget proposals. The tax relief comes from efforts and works to limit the annual tax increase.

FY17 Budget

FY17 Selectmen’s budget incorporated several tax relief measures, both general relief for all tax payers and targeted relief for seniors in the community. The FY17 budget addressed tax relief through the following tools:

- Debt for the new police station within Proposition 2 ½.

- Maintain commercial/residential tax split (\$1,207 savings to the average household)
- Appropriate \$500K free cash to general tax relief to all taxpayers.
- Allocate increased tax revenue of \$1.5M to general tax relief to all taxpayers.
- Proposed Town Meeting Home Rule Petition article to appropriate funds to the Town's *Aid to the Elderly and Disabled* to provide eventual targeted relief for qualified seniors.

These tools resulted in an average tax bill increase in FY17 of 1.3% versus a potential increase of 4.7% if measures had not been taken. The 1.3% increase was the lowest residential tax bill increase in 10 years.

FY18 Budget

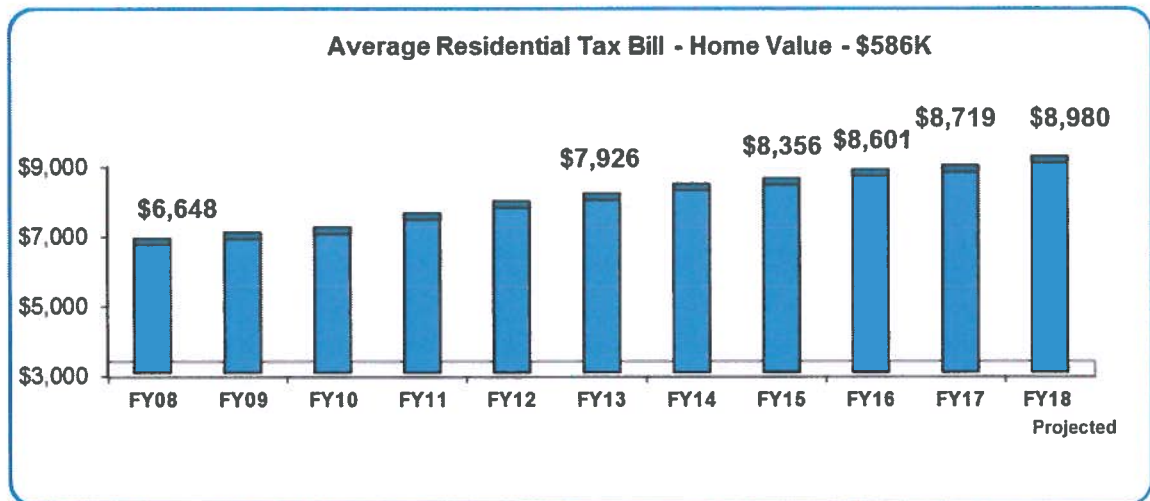
The Board of Selectmen will continue with tax relief measures in FY18.

These include:

- Keeping all debt and operating budget requests within Proposition 2 ½.
- Maintain the commercial/residential tax split.
- Appropriate \$500K free cash to general tax relief to all tax payers.
- Allocating the unused tax levy of \$600,000 to provide general tax relief to all homeowners.
- As the Home Rule Petition for Aid to the Elderly has recently passed at the State level, future Town Meeting action will work to supplement the direct tax relief to our most needy residents.

The current FY18 tax bill is projected to increase approximately 3%. However, it is expected this will decrease as actual new tax revenue for FY18 residential and University Station is finalized.

Although the proposed tax relief may not be a meaningful amount to all residents, it will be desired relief to many of our residents and is an appropriate action to utilize a portion of the new University Station revenue for this purpose.



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.

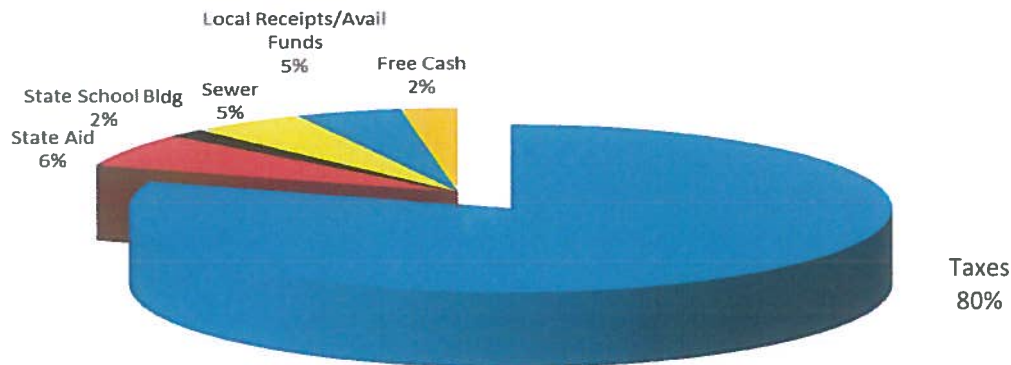
Our Town and School administration and staff have done a tremendous job in maintaining quality services within the difficult budget structure of Proposition 2 ½. We must continue to, and the community must support, a continual change of programs to ensure efficient and optimal delivery of services.

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.

FY2018 Projected Budget Revenue



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, school, appointed Boards and Committees and staff give to the budget process each year.

Next Steps

There will continue to be work to be done to finalize the FY18 budget before Town Meeting.

Particular budget items to monitor include:

- Current proposals are out of balance by approximately \$250K. We will work to reduce this budgetary gap by the end of March.
- Continue operating budget requests review and update any final changes to proposed funding.
- Monitor state budget process and determine if any changes to amount of state aid for FY18.
- Continue discussion of tax relief to explore tools for tax relief and appropriate levels of relief for FY18.
- Continue to update the estimated new revenue from the University Station project as well as any direct services to be funded with the new revenue.
- Continue to review the allocation of University Station revenue plan to finalize amounts to each area of the budget including operating budgets, capital needs and tax relief.
- Continue to work with the Board of Selectmen and Long Range Financial Planning Committee on the capital projects articles and determine specific projects to be proposed for funding.

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,



Pamela Dukeman
Finance Director



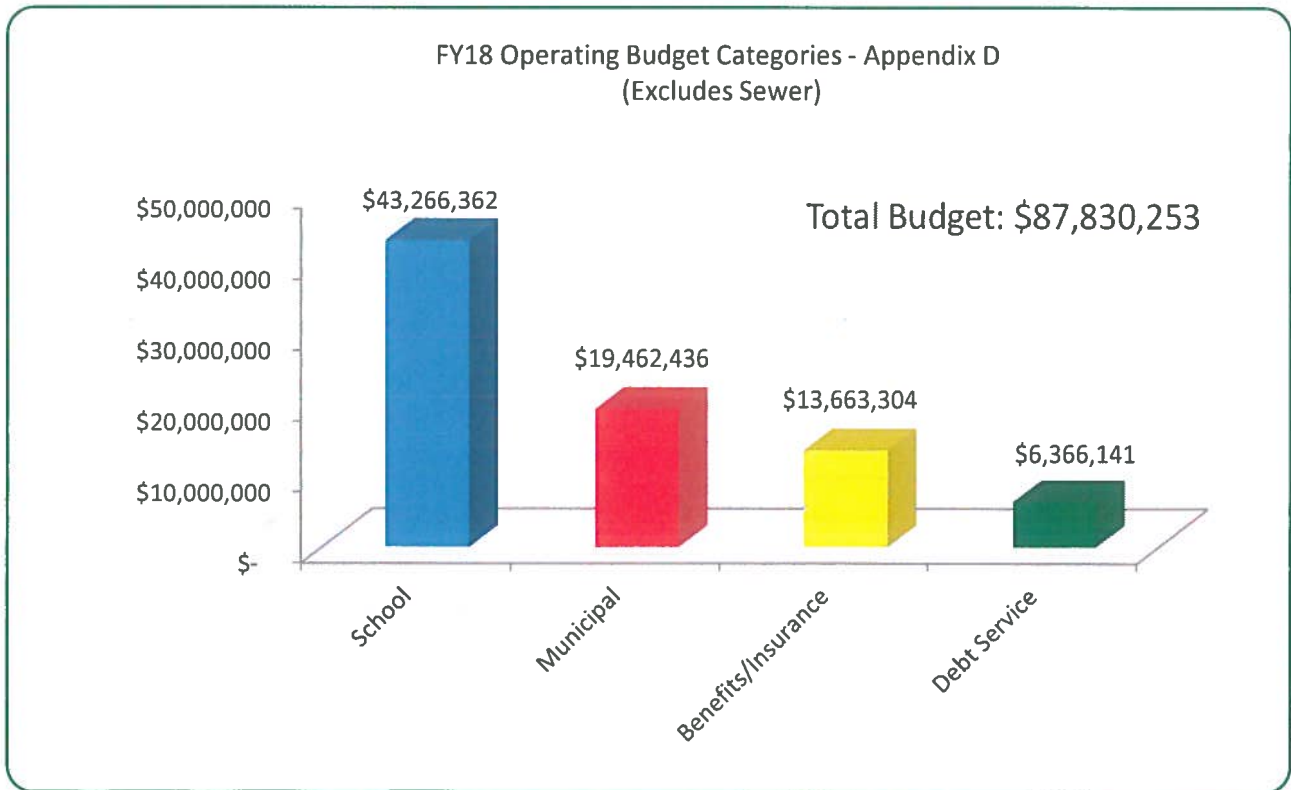
**Town of Westwood
Summary of Proposed FY18 Budget**

	FY2015 Approved Per recap	FY2016 Approved Per Recap	FY2017 Approved Per Recap	FY2018 Proposed
BUDGET CATEGORIES				
Appropriations Made by Town Meeting:				
Operations Budget	\$74,756,849	\$78,258,926	\$83,797,429	\$87,830,253
Capital - Municipal	\$760,250	\$767,000	\$850,100	\$867,000
Capital Schools	\$606,000	\$756,000	\$885,050	\$867,000
Capital - Sewer	\$0	\$850,000	\$135,000	\$135,000
Stabilization Account Appropriation - annual article	\$100,000	\$100,000	\$100,000	\$100,000
Capital Stabilization	\$0	\$1,650,000	\$0	\$0
OPEB Account Appropriation - annual article	\$550,000	\$1,350,000	\$1,350,000	\$1,390,000
Other Financial Warrant Articles	\$430,000	\$400,000	\$90,000	\$0
Prior yr. Adjustments voted at Town Meeting	\$394,500	\$567,509	\$421,000	\$0
	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0
Other capital	\$339,000	\$0	\$750,000	\$0
			\$0	\$0
Total Appropriations -Town Meeting	\$77,936,599	\$84,699,435	\$88,378,579	\$91,189,253
Other Amounts to be Raised (not Voted at Town Meeting)				
State Aid Offsets (Funds which must be restricted)	\$29,080	\$19,152	\$19,646	\$18,602
State and County Charges	\$587,371	\$581,920	\$591,670	\$673,023
Overlay (Reserve for abatements/exemptions)	\$566,267	\$651,421	\$639,929	\$576,977
Other - Snow	\$0	\$173,826	\$121,492	\$0
Total Other Amounts	\$1,182,718	\$1,426,319	\$1,372,737	\$1,268,602
Total Expenditures	\$79,119,317	\$86,125,754	\$89,751,316	\$92,457,855
Financial Resources				
State Revenue:				
State Aid	\$5,511,055	\$5,606,183	\$5,781,433	\$5,942,531
State School Building Assistance Funding	\$1,401,276	\$1,401,276	\$1,401,276	\$1,401,276
Local Revenue:				
Total Property Taxes	\$61,991,050	\$67,637,558	\$70,500,803	\$74,000,624
Local Receipts	\$3,312,000	\$3,312,000	\$3,312,000	\$3,612,000
Enterprise (Sewer) Funding (for all - capital , articles, etc)	\$3,898,335	\$4,823,953	\$4,250,511	\$4,517,640
Available Funds/ - for misc articles	\$748,000	\$891,000	\$228,000	\$0
Available Funds	\$433,951	\$429,275	\$536,243	\$528,334
Capital Stabilization Fund			\$650,000	\$0
Free Cash to Reduce the Tax Rate	\$0	\$0	\$500,000	\$500,000
Free Cash	\$1,823,650	\$2,024,509	\$2,591,050	\$1,708,050
Total Revenues	\$79,119,317	\$86,125,754	\$89,751,316	\$92,210,455
Total revenue less expenditures	\$0	\$0	\$0	(\$247,400)
Additional University Station Articles	\$3,155,000	\$941,000	\$0	\$0
Authorization to borrow (Projects approved at Town Meeting -funds are borrowed and debt service included in future budgets) :				
Approved at 2014 Fall TM -Design Funding Islington Fire Station	\$850,000			
Approved at 2014 Fall TM -Design Funding Police Station	\$1,000,000			
Approved at 2015 ATM -Construction Islington Fire Station		\$8,650,000		
Approved at 2015 ATM -Cemetery Expansion		\$450,000		
Approved at 2015 ATM -LED Street Lights		\$500,000		
Approved at 2015 Fall TM - Deerfield Road/Parking Area		\$2,000,000		
Approved at 2015 Fall TM -Land Purchase		\$890,000		
Approved at 2016 ATM -Police Station Construction			\$13,205,000	
Approved at 2016 ATM -Sewer System Inspection + Repair - all through MWRA Grant/Loan Program			\$666,000	
				\$0

FY18 Current Budget Status

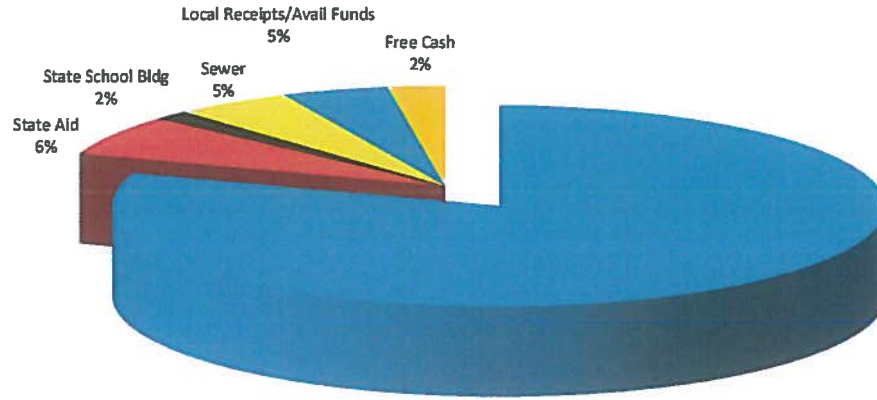
The Selectmen have proposed the following budgets for 2018:

FY17 Budget	Category	FY18 Selectmen Proposed	\$ Change FY18 v FY17	% Change FY18 v FY17
\$ 41,830,053	School Operating	\$ 43,226,362	\$ 1,396,309	3.3%
\$ 18,778,050	Municipal Operating	\$ 19,462,436	\$ 684,386	3.6%
\$ 124,732	Blue Hills	\$ 130,969	\$ 6,237	5.0%
\$ 106,954	Traffic Supervisors	\$ 104,579	\$ (2,375)	-2.2%
\$ 12,415,315	Fixed Costs	\$ 13,663,304	\$ 1,247,989	10.1%
\$ 214,800	University Station Direct Costs	\$ 784,800	\$ 570,000	265.4%
\$ 6,456,192	Debt	\$ 6,366,141	\$ (90,051)	-1.4%
\$ 1,606,202	Municipal & School Capital	\$ 1,734,000	\$ 127,798	8.0%
\$ 1,450,000	Stabilization & OPEB Ongoing Article	\$ 1,490,000	\$ 40,000	2.8%



FY2018 Projected Budget Revenue

FY2018 Projected Budget Revenue



FY2018 Projected Budget Revenue				
	FY2017 Per Recap	FY2018 Proj	\$ Increase	% Increase
Taxes	\$70,500,803	\$74,000,624	\$3,499,821	5.0%
State Aid	\$5,781,433	\$5,942,531	\$161,098	2.8%
State School Bldg Reimbursement	\$1,401,276	\$1,401,276	\$0	0.0%
Sewer Enterprise (est for FY18)	\$4,250,511	\$4,517,640	\$267,129	6.3%
Local Receipts	\$3,312,000	\$3,612,000	\$300,000	9.1%
Available Funds	\$536,243	\$528,334	(\$7,909)	-1.5%
Available Funds - prior year/other article	\$878,000	\$0	(\$878,000)	
Free Cash voted for Tax Relief	\$500,000	\$500,000	\$0	0.0%
Free Cash	\$2,591,050	\$1,708,050	(\$883,000)	-34.1%
Total Revenue	\$89,751,316	\$92,210,455	\$2,459,139	2.7%

FY18 budget revenue per current Board of Selectmen proposed budget.

History of Tax Levy – Budget FY2018

Tax Levy Calculation:	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Budget FY2018
Prior Year Levy Limit	\$51,960,889	\$53,713,887	\$55,765,994	\$57,773,665	\$60,753,121	\$66,435,457	\$70,367,740
Plus 2.5% Increase	\$1,299,022	\$1,342,847	\$1,394,150	\$1,444,342	\$1,518,828	\$1,660,886	\$1,759,194
Plus New Growth**	\$453,976	\$709,259	\$613,522	\$970,114	\$921,201	\$1,099,667	\$450,000
New Tax Levy - University Station	\$0	\$0	\$0	\$565,000	\$3,242,307	\$1,171,730	\$500,000
General Overrides	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Levy Limit	\$53,713,887	\$55,765,994	\$57,773,665	\$60,753,121	\$66,435,457	\$70,367,740	\$73,076,934
Exempt Debt*	\$2,497,391	\$2,073,234	\$1,965,112	\$1,850,048	\$1,740,624	\$1,642,706	\$1,523,690
Levy Capacity	\$56,211,278	\$57,839,228	\$59,738,777	\$62,603,169	\$68,176,081	\$72,010,446	\$74,600,624
Actual Levy Assessed	\$56,060,374	\$57,671,932	\$59,453,776	\$61,991,050	\$67,637,558	\$70,500,803	\$74,000,624
Excess Levy(Taxes not raised)	\$150,904	\$167,296	\$285,001	\$612,119	\$538,523	\$1,509,643	\$600,000
Increase in Actual Levy (including new growth)	4.6%	2.9%	3.1%	4.3%	9.1%	4.2%	5.0%
Increase in Levy without new growth	3.80%	1.61%	2.03%	1.69%	2.39%	0.88%	3.62%

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

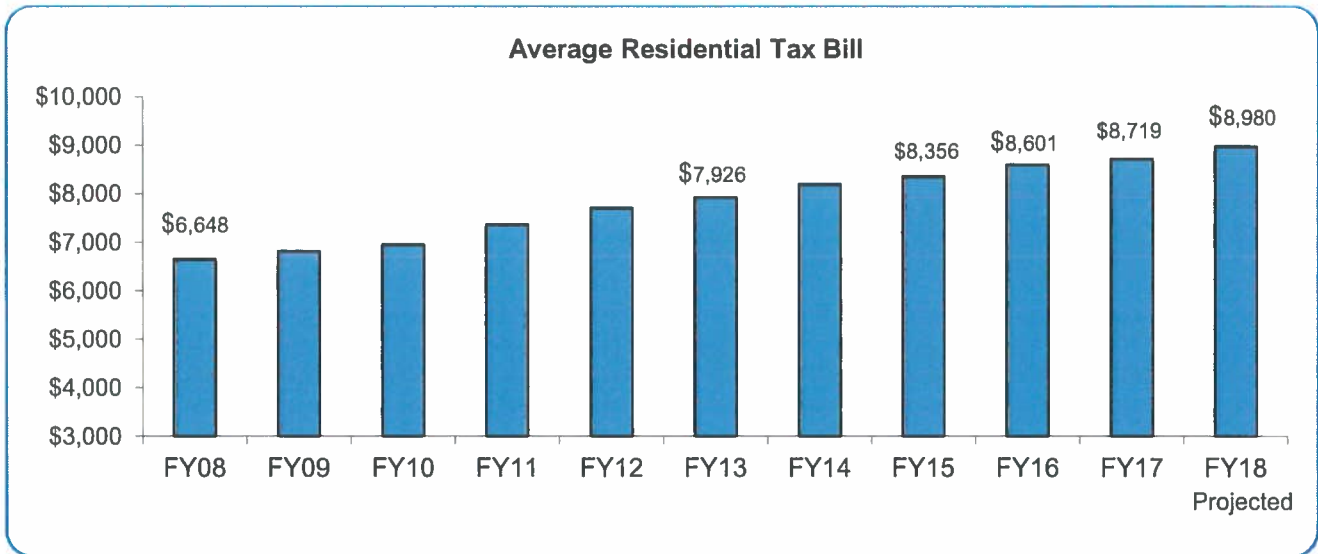
**New Growth - This represents taxes from new residential and commercial development.

FY2018 Tax Change Detail

2.5 increase	\$1,759,194
FY17 excess levy	\$1,509,643
Change in exempt debt	-\$119,016
New Growth -	\$450,000
New Growth - University Station	\$500,000
 Total Change in Levy FY17 Actual to FY18 Capacity	 \$4,099,821
Total Change in Proposed Levy Actually Used	\$3,499,821

Tax Rate/Tax Bill History

Tax Rate per Thousand	FY11	FY12	FY13	FY14	FY15	FY16	FY17	Projected FY18
Residential	\$13.83	\$14.48	\$14.89	\$15.40	\$15.24	\$14.66	\$14.57	
Commercial	\$25.38	\$26.55	\$27.28	\$28.18	\$28.79	\$28.27	\$28.20	
% of Total Town Value								
Residential Property	86.5%	86.6%	86.7%	86.8%	87.5%	85.5%	85.1%	
Commercial Property	13.4%	13.3%	13.2%	13.1%	12.5%	14.4%	14.8%	
Tax Shift Factor	1.65	1.65	1.65	1.65	1.70	1.70	1.70	
% of Total Town Taxes								
Residential Properties	77.8%	77.9%	78.1%	78.3%	78.7%	75.4%	74.8%	
Commercial Properties	22.1%	22.0%	21.8%	21.6%	21.3%	24.5%	25.2%	
Average Residential Tax Bill Home Value	\$532,345	\$532,345	\$532,345	\$532,345	\$548,315	\$586,697	\$598,431	
Tax Bill	\$7,362	\$7,708	\$7,926	\$8,198	\$8,356	\$8,601	\$8,719	\$8,980
Average Tax Bill Increase	5.8%	4.7%	2.8%	3.4%	1.9%	2.9%	1.3%	3.0%
Single Tax Rate	\$15.38	\$16.09	\$16.53	\$17.08	\$16.93	\$16.63	\$16.59	
Savings to Average Tax Bill from Having Split Tax Rate	\$825	\$857	\$874	\$894	\$926	\$1,155	\$1,207	



University Station Direct Services

- University Station revenue has been used to supplement the operating budgets as follows:

	School	Municipal	Total
FY16	\$1,020,225	\$461,578	\$1,481,803
FY17	\$883,000	\$272,000	\$1,155,000
Direct Services	\$215,000	\$565,000	\$780,000
	\$2,118,225	\$1,298,578	\$3,416,803

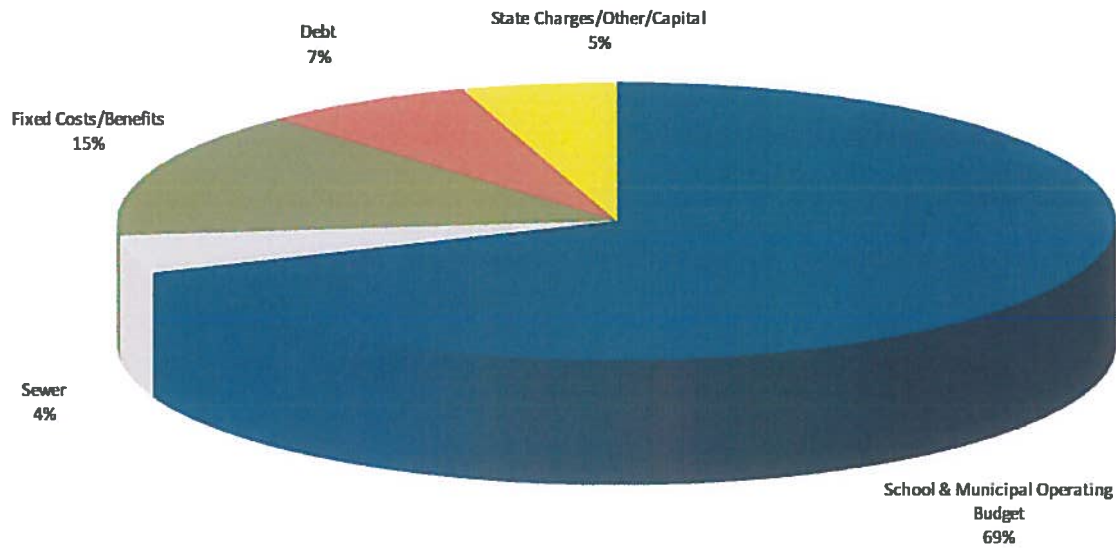
Public Safety increases related to University Station

- Funded additional positions in FY15
- Now ready for next phase
- Set aside funds in budget, but requires BOS vote to utilize

University Station Items		
Department/Budget	Item	Amount of Increase Requested
Fire/Police	Staffing/Salary Needs	\$570,000

FY2017 Proposed Expenditure Summary

FY2018 Expenditure Summary



	FY2017 Budget	FY2018 Proj	\$ Increase	% Increase
Operating Budget - School Categories	\$42,061,739	\$43,461,910	\$1,400,171	3.3%
University Station Direct Services-School	\$214,800	\$214,800	\$0	0.0%
Operating Budget - Municipal	\$18,778,050	\$19,462,436	\$684,386	3.6%
University Station Direct Services-Municipal		\$570,000	\$570,000	
Benefits/Reserves/Comprehensive Insurance	\$12,415,315	\$13,663,304	\$1,247,989	10.1%
Sewer - Operating	\$3,871,333	\$4,091,662	\$220,329	5.7%
Debt Service	\$6,456,192	\$6,366,141	(\$90,051)	-1.4%
Capital Budget - School & Municipal	\$1,735,150	\$1,734,000	(\$1,150)	-0.1%
Capital - Sewer	\$135,000	\$135,000	\$0	0.0%
Appropriations:				
Stabilization	\$100,000	\$100,000	\$0	0.0%
Capital Stabilization	\$0	\$0	\$0	
OPEB	\$1,350,000	\$1,390,000	\$40,000	3.0%
Prior Year	\$421,000	\$0	(\$421,000)	-100.0%
Other Financial Articles/Other Capital	\$840,000		(\$840,000)	-100.0%
State Charges/Offsets/Overlay/Snow	\$1,372,737	\$1,268,602	(\$104,135)	-7.6%
Total Expenditures	\$89,751,316	\$92,457,855	\$2,706,539	3.0%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Selectmen Department					
Salaries	554,294	560,924	580,574	19,650	3.5%
Expenses	45,519	51,500	55,500	4,000	7.8%
	599,813	612,424	636,074	23,650	3.9%
Finance and Warrant Commission					
Salary	13,088	15,248	17,638	2,390	15.7%
Expenses	36,419	32,213	35,989	3,776	11.7%
	49,507	47,461	53,627	6,166	13.0%
Accounting Department					
Salaries	231,054	241,624	249,565	7,941	3.3%
Expenses	4,418	5,300	7,000	1,700	32.1%
	235,472	246,924	256,565	9,641	3.9%
Assessors Department					
Salaries	202,872	206,436	210,818	4,382	2.1%
Expenses	12,956	17,400	22,450	5,050	29.0%
	215,828	223,836	233,268	9,432	4.2%
Treasurer's Department					
Salary	96,023	100,019	103,480	3,461	3.5%
Expenses	11,213	12,800	12,800	0	0.0%
	107,237	112,819	116,280	3,461	3.1%
Collector's Department					
Salaries	116,249	118,382	121,004	2,622	2.2%
Expenses	72,357	74,725	73,850	(875)	-1.2%
	188,606	193,107	194,854	1,747	0.9%
Legal Department					
Salary	96,013	97,806	99,783	1,977	2.0%
Expenses	88,586	104,500	112,000	7,500	7.2%
	184,598	202,306	211,783	9,477	4.7%
Human Resources					
Salary	205,019	211,500	221,008	9,508	4.5%
Expenses	7,436	7,500	7,500	0	0.0%
	212,454	219,000	228,508	9,508	4.3%
Information Systems Department					
Salaries	259,547	263,238	262,878	(360)	-0.1%
Expenses	67,245	69,500	72,500	3,000	4.3%
	326,792	332,738	335,378	2,640	0.8%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Town Clerk Department					
Salaries	148,244	157,728	160,735	3,007	1.9%
Expenses	52,232	68,300	52,300	(16,000)	-23.4%
	200,476	226,028	213,035	(12,993)	-5.7%
WAHA/Housing Authority					
Salary	17,490	8,944	17,639	8,695	97.2%
Expenses	0	3,200	3,400	200	6.3%
	17,490	12,144	21,039	8,895	73.2%
Outside Professional Services					
Expenses	40,962	41,000	46,500	5,500	13.4%
Training/Professional Development					
Expenses	6,245	15,000	15,000	0	0.0%
Total General Government	2,385,480	2,484,787	2,561,911	77,124	3.1%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Police Department					
Salaries	3,437,641	3,475,868	3,535,856	59,988	1.7%
Expenses	190,471	275,950	279,700	3,750	1.4%
	<u>3,628,113</u>	<u>3,751,818</u>	<u>3,815,556</u>	<u>63,738</u>	<u>1.7%</u>
Auxiliary Police/Civil Defense					
Expenses	1,329	3,000	3,000	0	0.0%
	<u>1,329</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>0.0%</u>
Animal Control					
Salary	52,758	55,084	57,606	2,522	4.6%
Expenses	4,794	9,600	9,800	200	2.1%
	<u>57,552</u>	<u>64,684</u>	<u>67,406</u>	<u>2,722</u>	<u>4.2%</u>
Total Police (Voting level)	<u>3,686,994</u>	<u>3,819,502</u>	<u>3,885,962</u>	<u>66,460</u>	<u>1.7%</u>
Fire Department					
Salaries	3,504,538	3,675,845	3,773,058	97,213	2.6%
Expenses	229,086	249,895	275,100	25,205	10.1%
Total Fire (Voting level)	<u>3,733,624</u>	<u>3,925,740</u>	<u>4,048,158</u>	<u>122,418</u>	<u>3.1%</u>
Total Public Safety	7,420,618	7,745,242	7,934,120	188,878	2.4%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Conservation Commission					
Salary	48,900	67,924	71,028	3,104	4.6%
Expenses	2,779	5,600	6,400	800	14.3%
	51,679	73,524	77,428	3,904	5.3%
Planning Board					
Salaries	120,517	124,687	129,302	4,615	3.7%
Expenses	3,081	3,100	4,400	1,300	41.9%
	123,598	127,787	133,702	5,915	4.6%
Housing/Zoning					
Salaries	29,482	48,649	70,638	21,989	45.2%
Expenses	934	2,800	3,700	900	32.1%
	30,416	51,449	74,338	22,889	44.5%
Community & Economic Development					
Salaries	109,353	158,926	171,002	12,076	7.6%
Expenses	2,367	3,650	4,000	350	9.6%
	111,719	162,576	175,002	12,426	7.6%
Building Inspection Department					
Salaries	230,847	317,803	320,069	2,266	0.7%
Expenses	25,149	39,975	43,875	3,900	9.8%
	255,996	357,778	363,944	6,166	1.7%
Health Department					
Salaries	261,818	266,730	275,440	8,710	3.3%
Expenses	7,213	11,150	11,750	600	5.4%
	269,031	277,880	287,190	9,310	3.4%
Outside Health Agencies	11,026	13,416	13,416	0	0.0%
Total Community and Economic Development	853,466	1,064,410	1,125,020	60,610	5.7%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Department of Public Works					
Salaries	1,520,040	1,575,715	1,602,588	26,873	1.7%
Expenses	478,074	498,600	511,100	12,500	2.5%
	1,998,114	2,074,315	2,113,688	39,373	1.9%
Building Maintenance					
Salaries	147,379	121,903	180,365	58,462	48.0%
Expenses	727,323	825,750	881,500	55,750	6.8%
	874,702	947,653	1,061,865	114,212	12.1%
Municipal & School					
Field Maintenance	128,153	135,000	150,000	15,000	11.1%
Snow & Ice	596,492	250,000	300,000	50,000	20.0%
Street Lighting/ Traffic Light Maint	104,517	125,000	125,000	0	0.0%
Waste Collection/Disposal					
Expenses	1,239,299	1,245,000	1,209,500	(35,500)	-2.9%
Total Public Works	4,941,275	4,776,968	4,960,053	183,085	3.8%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Disability Commission Expenses	0	500	500	0	0.0%
Council On Aging					
Salaries	270,133	290,009	305,887	15,878	5.5%
Expenses	26,940	29,500	31,450	1,950	6.6%
	297,073	319,509	337,337	17,828	5.6%
Youth and Family Services Commission					
Salaries	273,709	239,497	244,442	4,945	2.1%
Expenses	14,948	15,000	15,000	0	0.0%
	288,657	254,497	259,442	4,945	1.9%
Veterans Services Department					
Salaries	49,796	52,155	56,860	4,705	9.0%
Expenses	61,613	72,300	72,300	0	0.0%
	111,409	124,455	129,160	4,705	3.8%
Total Human Services	697,139	698,961	726,439	27,478	3.9%
Public Library					
Salaries	921,298	946,333	998,224	51,891	5.5%
Expenses	238,189	269,155	291,100	21,945	8.2%
Lost Books	626	1,600	1,600	0	0.0%
	1,160,113	1,217,088	1,290,924	73,836	6.1%
Recreation Department					
Salaries	284,671	297,576	305,276	7,700	2.6%
Expenses	13,163	15,784	15,784	0	0.0%
	297,834	313,360	321,060	7,700	2.5%
Memorial/Veteran's Day/Westwood Day Expenses	5,019	12,950	21,800	8,850	68.3%
				0	
Total Culture and Recreation	1,462,965	1,543,398	1,633,784	90,386	5.9%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Other					
Operating Equipment, Projects and Hardware/Software Maintenance	270,014	314,534	341,359	26,825	8.5%
Salary Reserve			25,000	25,000	
Communications Systems	139,747	149,750	154,750	5,000	3.3%
Total Other	409,761	464,284	521,109	56,825	12.2%
Total Municipal Budget	18,170,705	18,778,050	19,462,436	684,386	3.6%

University Station Related Services
Board of Selectmen Approval Required to Proceed with These Budgets*

University Station Related Services		570,000		
Police and Fire				
Total University Station School Related		570,000		

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

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Westwood Public Schools					
Salaries	32,889,775	35,205,736	37,080,298	1,874,562	5.3%
Expenses	6,995,964	6,624,317	6,146,064	(478,253)	-7.2%
School salaries & exps	39,885,739	41,830,053	43,226,362	1,396,309	3.3%
Blue Hills Regional School	158,075	124,732	130,969	6,237	5.0%
Crossing Guards					
Salaries	97,561	103,454	101,079	(2,375)	-2.3%
Expenses	1,829	3,500	3,500	0	0.0%
Total	99,390	106,954	104,579	(2,375)	-2.2%
Total School Budgets	40,143,204	42,061,739	43,461,910	1,400,171	3.3%
 School Department University Station Direct Related Services					
University Station Bus	N/A	64,800	64,800	0	0.0%
Expenses - University Station Students	N/A	150,000	150,000	0	0.0%
Total University Station Related		214,800	214,800	0	0.0%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Fixed Costs Budgets - School and Municipal					
School Employee Benefits/Costs					
Retirement Assessments	1,072,758	1,201,488	1,385,764	184,276	15.3%
Worker's Compensation	161,529	241,536	265,690	24,154	10.0%
Unemployment Compensation	26,185	98,175	98,175	0	0.0%
Health Insurance	3,370,985	4,134,143	4,423,533	289,390	7.0%
Life Insurance	5,766	10,000	11,200	1,200	12.0%
Payroll service	27,761	29,000	29,000	0	0.0%
Medicare Part B	125,531	151,200	158,760	7,560	5.0%
Social Security Tax	7,651	10,000	10,000	0	0.0%
Medicare Payroll Tax	490,268	577,197	634,917	57,720	10.0%
School Employee Benefits/Costs	5,288,434	6,452,739	7,017,039	564,300	8.7%
Municipal Employee Benefits/Costs					
Retirement Assessment	2,511,019	2,812,341	3,245,442	433,101	15.4%
Worker's Compensation	71,015	113,748	125,123	11,375	10.0%
Unemployment Compensation	9,895	13,860	13,860	0	0.0%
Health Insurance	1,329,100	1,364,967	1,460,515	95,548	7.0%
Life Insurance	3,160	6,000	6,800	800	13.3%
Pre-Hire/Payroll	64,302	98,000	112,000	14,000	14.3%
Public Safety Medical/111F ins	60,129	83,600	83,600	0	0.0%
Medicare Part B	59,059	61,330	64,397	3,067	5.0%
Social Security Tax	1,329	10,000	10,000	0	0.0%
Medicare Payroll Tax	205,890	226,980	249,678	22,698	10.0%
Municipal Employee Benefits/Costs	4,314,898	4,790,826	5,371,415	580,589	12.1%
Total Benefits/Costs	9,603,332	11,243,565	12,388,454	1,144,889	10.2%

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Other Shared School and Municipal Expenses					
Comprehensive & Liability Ins. School & Municipal	351,987	464,000	487,100	23,100	5.0%
Shared Fixed Costs	0	0	70,000	70,000	
Audit - School & Municipal Financials	51,505	57,750	67,750	10,000	17.3%
Other/Energy Reserve Fund*	0	225,000	225,000	0	0.0%
Special Town Mtg/Charter Review	16,814	25,000	25,000	0	0.0%
Reserve Fund	0	400,000	400,000	0	0.0%
Total Other Shared Expenses/Reserves	420,306	1,171,750	1,274,850	103,100	8.8%
Total Fixed Costs Budget	10,023,638	12,415,315	13,663,304	1,247,989	10.1%

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.

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Debt Service Budget					
Municipal Related Debt Service	2,382,338	3,509,362	3,545,618	36,256	1.0%
School Related Debt Service	2,364,000	2,946,830	2,820,523	(126,307)	-4.3%
Total Debt Budget	4,746,338	6,456,192	6,366,141	(90,051)	-1.4%

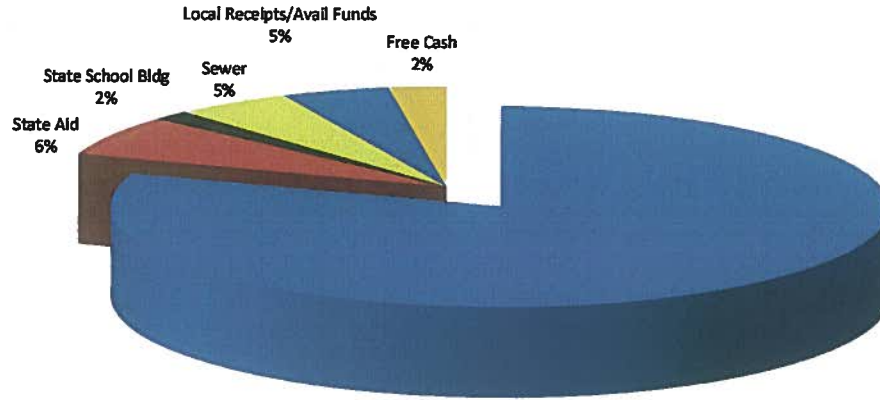
FY18 Debt Change	
Non Exempt	\$32,373
Exempt	(\$122,425)
Total	(\$90,052)

Appendix D
Proposed FY2018 Departmental Salary/Expense Budgets

Description	Expended FY2016	Current FY2017 Budget	Proposed FY2018 Budget	\$ Change FY18 vs FY17	% Change FY18 vs FY17
Sewer Enterprise					
Salaries	394,699	468,363	479,209	10,846	2.3%
Expenses	132,917	143,500	145,500	2,000	1.4%
Pumping Stations	144,840	168,280	170,280	2,000	1.2%
MWRA Assessment	2,473,296	2,524,500	2,776,950	252,450	10.0%
Mandated Inspections	21,228	120,000	120,000	0	0.0%
				0	
Sewer Debt & Int	371,044	421,690	374,723	(46,967)	-11.1%
System Ext./Repairs	125,210	25,000	25,000	0	0.0%
Total Sewer Enterprise	3,663,234	3,871,333	4,091,662	220,329	5.7%
Total Operating Budget	76,747,118	83,797,429	87,830,253	4,032,824	4.8%

FY2018 Projected Budget Revenue

FY2018 Projected Budget Revenue



FY2018 Projected Budget Revenue				
	FY2017 Per Recap	FY2018 Proj	\$ Increase	% Increase
Taxes	\$70,500,803	\$74,000,624	\$3,499,821	5.0%
State Aid	\$5,781,433	\$5,942,531	\$161,098	2.8%
State School Bldg Reimbursement	\$1,401,276	\$1,401,276	\$0	0.0%
Sewer Enterprise (est for FY18)	\$4,250,511	\$4,517,640	\$267,129	6.3%
Local Receipts	\$3,312,000	\$3,612,000	\$300,000	9.1%
Available Funds	\$536,243	\$528,334	(\$7,909)	-1.5%
Available Funds - prior year/other article	\$878,000	\$0	(\$878,000)	
Free Cash voted for Tax Relief	\$500,000	\$500,000	\$0	0.0%
Free Cash	<u>\$2,591,050</u>	<u>\$1,708,050</u>	<u>(\$883,000)</u>	<u>-34.1%</u>
Total Revenue	\$89,751,316	\$92,210,455	\$2,459,139	2.7%

FY18 budget revenue per current Board of Selectmen proposed budget.

The Tax Levy

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. 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.

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 is presented on the following chart. In addition, the history of Westwood's override questions is presented.

Proposition 2 ½ Overrides

Project Date of Vote	Amount	Type of Override	Year Cost Impact to be Completed
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.
<i>Debt/Capital Exemption Overrides Approved & Still Ongoing</i>			
High School - New Construction 2000 Special Town Election	\$35,962,000	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.			
<i>Debt/Capital Exemption Overrides Completed</i>			
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 FY2018

Tax Levy Calculation	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Budget FY2018
Prior Year Levy Limit	\$51,960,889	\$53,713,887	\$55,765,994	\$57,773,665	\$60,753,121	\$66,435,457	\$70,367,740
Plus 2.5% Increase	\$1,299,022	\$1,342,847	\$1,394,150	\$1,444,342	\$1,518,828	\$1,660,886	\$1,759,194
Plus New Growth**	\$453,976	\$709,259	\$613,522	\$970,114	\$921,201	\$1,099,667	\$450,000
New Tax Levy - University Station	\$0	\$0	\$0	\$565,000	\$3,242,307	\$1,171,730	\$500,000
General Overrides	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Levy Limit	\$53,713,887	\$55,765,994	\$57,773,665	\$60,753,121	\$66,435,457	\$70,367,740	\$73,076,934
Exempt Debt*	\$2,497,391	\$2,073,234	\$1,965,112	\$1,850,048	\$1,748,624	\$1,642,786	\$1,523,698
Levy Capacity	\$56,211,278	\$57,839,228	\$59,738,777	\$62,603,169	\$68,176,081	\$72,010,446	\$74,600,624
Actual Levy Assessed	\$56,060,374	\$57,671,932	\$59,453,776	\$61,991,050	\$67,637,558	\$70,500,803	\$74,000,624
Excess Levy (Taxes not raised)	\$150,904	\$167,296	\$285,001	\$612,119	\$538,523	\$1,509,643	\$600,000
Increase in Actual Levy (including new growth)	4.6%	2.9%	3.1%	4.3%	9.1%	4.2%	5.0%
Increase in Levy without new growth	3.80%	1.61%	2.03%	1.69%	2.39%	0.88%	3.62%

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

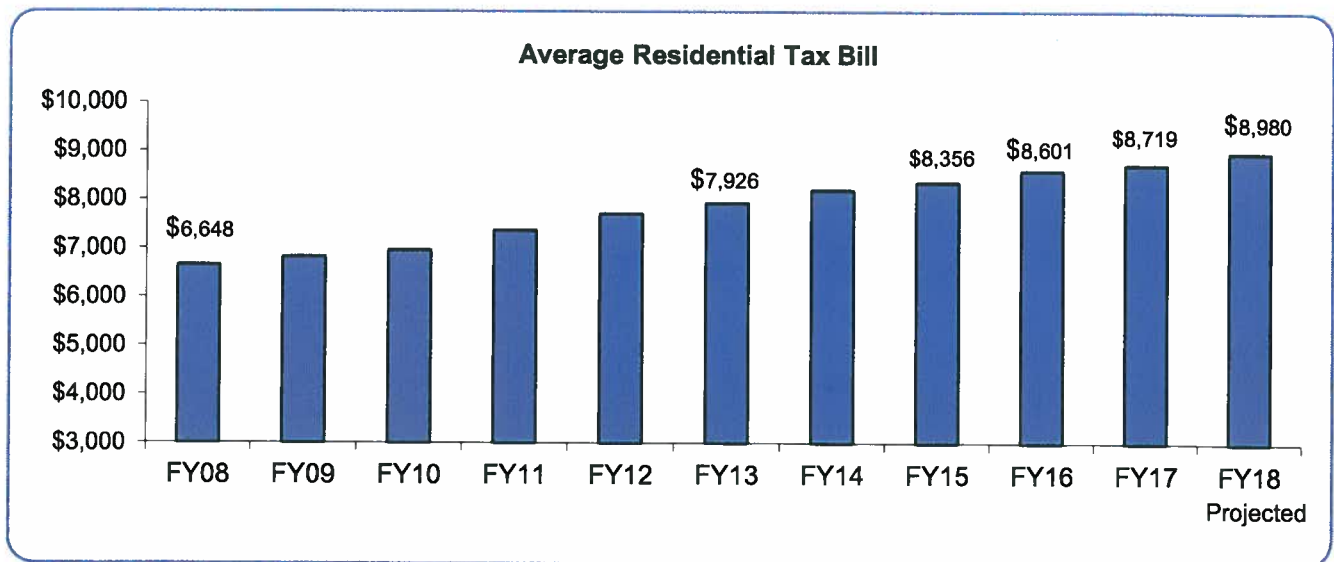
**New Growth - This represents taxes from new residential and commercial development.

FY2018 Tax Change Detail

2.5 increase	\$1,759,194
FY17 excess levy	\$1,509,643
Change in exempt debt	-\$119,016
New Growth -	\$450,000
New Growth - University Station	\$500,000
Total Change in Levy FY17 Actual to FY18 Capacity	\$4,099,821
Total Change in Proposed Levy Actually Used	\$3,499,821

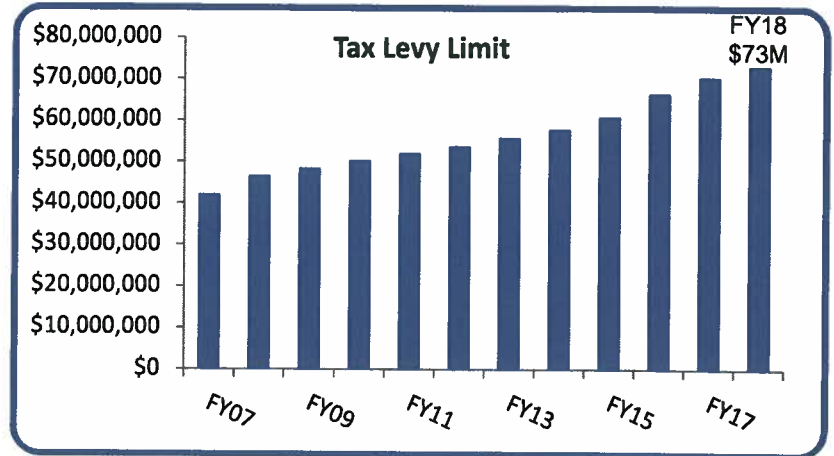
Tax Rate/Tax Bill History

Tax Rate per Thousand	FY11	FY12	FY13	FY14	FY15	FY16	FY17	Projected FY18
Residential	\$13.83	\$14.48	\$14.89	\$15.40	\$15.24	\$14.66	\$14.57	
Commercial	\$25.38	\$26.55	\$27.28	\$28.18	\$28.79	\$28.27	\$28.20	
% of Total Town Value								
Residential Property	86.5%	86.6%	86.7%	86.8%	87.5%	85.5%	85.1%	
Commercial Property	13.4%	13.3%	13.2%	13.1%	12.5%	14.4%	14.8%	
Tax Shift Factor	1.65	1.65	1.65	1.65	1.70	1.70	1.70	
% of Total Town Taxes								
Residential Properties	77.8%	77.9%	78.1%	78.3%	78.7%	75.4%	74.8%	
Commercial Properties	22.1%	22.0%	21.8%	21.6%	21.3%	24.5%	25.2%	
Average Residential Tax Bill Home Value								
	\$532,345	\$532,345	\$532,345	\$532,345	\$548,315	\$586,697	\$598,431	
Tax Bill	\$7,362	\$7,708	\$7,926	\$8,198	\$8,356	\$8,601	\$8,719	\$8,980
Average Tax Bill Increase	5.8%	4.7%	2.8%	3.4%	1.9%	2.9%	1.3%	3.0%
Single Tax Rate	\$15.38	\$16.09	\$16.53	\$17.08	\$16.93	\$16.63	\$16.59	
Savings to Average Tax Bill from Having Split Tax Rate	\$825	\$857	\$874	\$894	\$926	\$1,155	\$1,207	



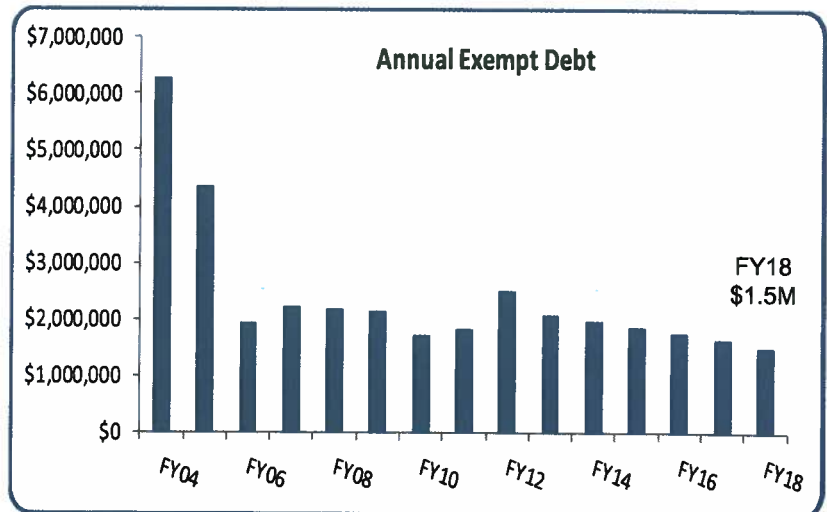
Major Revenue Sources - Taxes

- 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 taxes:

- 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.

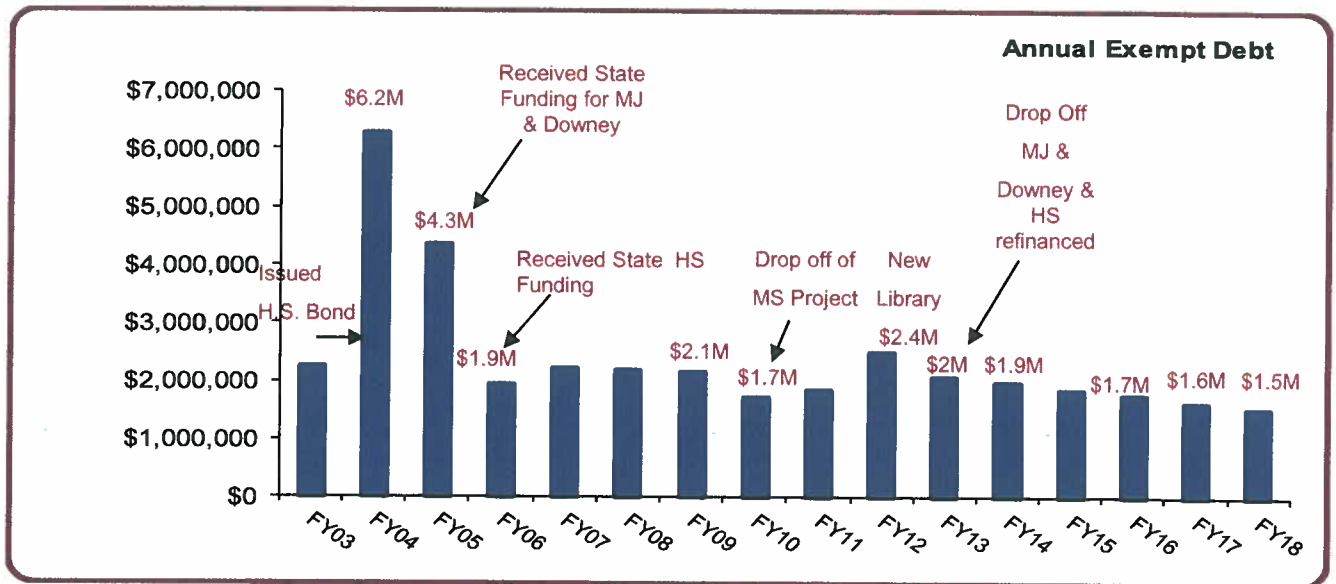


- Exempt Debt:
 - Principal & interest for bonds for projects voted outside of Proposition 2 ½.
 - Exact amount of debt cost is taxed.
 - Not limited to 2.5% increase – It is what it is.

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.



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

Impact on Tax Bill

	FY12	FY13	FY14	FY15	FY16	FY17	Projected FY18
Average Tax Bill Increase	4.7%	2.8%	3.43%	1.9%	2.9%	1.3%	3%
Savings to Average Tax Bill Resulting from Split Tax Rate	\$857	\$874	\$894	\$926	\$1,155	\$1,207	
Average Residential Tax Bill Home Value	\$532,345	\$532,345	\$532,345	\$548,315	\$586,697	\$598,431	
*Average Tax Bill	\$7,708	\$7,926	\$8,198	\$8,356	\$8,601	\$8,719	\$8,980

State Average Tax Bill Hi-Lo Ranking Town of Westwood	
Fiscal Year	State Ranking
FY17	18
FY16	17
FY15	17
FY14	18
FY13	17
FY12	19
FY11	20
FY10	20
FY09	22
FY08	20

- FY18 bill increase of \$261 or 3%.
 - Based on net tax levy change only, not any change in commercial/residential shift.

Analysis of Average Tax Bill Increase

The change in taxes each year is driven by multiple factors. These include:

- Proposition 2 ½ increases – Taxes general increase by 2.5% each year as allowed by Proposition 2 ½.
- General Overrides – Taxes increase if a general override is approved by the voters. The amount of the override determines the tax increase.
- Change in Exempt Debt – As the principal and interest on exempt debt changes each year, the impact on taxes may change. In general, when new exempt debt is brought on, taxes increase; as debt is paid off or when state reimbursement is received, the tax impact decreases.
- Value Shift – There can be a tax impact if there is significant change in total value among the commercial and residential property sectors.

The following chart shows the approximate impact of each item on the tax bill for the last several years.

	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
Proposition 2 ½ Increase	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.1%	2.6%	2.5%	2.5%	2.1%	2.8%	1.3%
General Overrides	--	--	--	6.5%	--	--	--	--	--	--	--	--	--
Change in Exempt Debt	-4.53%	-5.94%	.6%		-.2%	-1%	.2%	1.2%	-.8	-.47	-.4%	-.4%	-.4%
Effect of Value Shift	2.7%	-.4%	.39	.4%		.8%	3.5%	.9%	1.1%	1.37%	.2%	.5%	.4%
Total Tax Increase	.67%	-3.84%	3.5%	9.4%	2.3%	2.3%	5.8%	4.7%	2.8%	3.4%	1.9%	2.9%	1.3%

Tax Relief

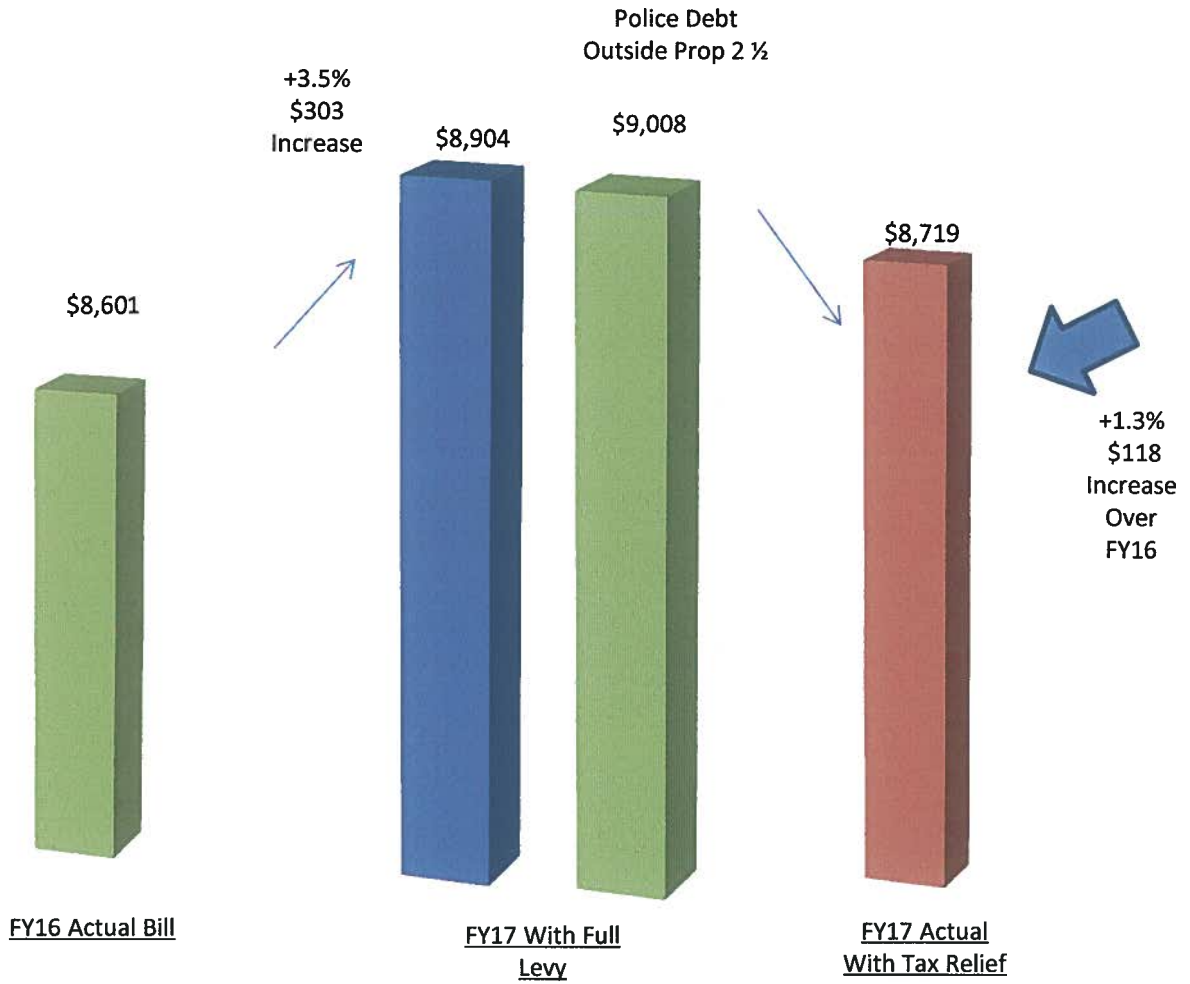
Tax Relief efforts were undertaken in FY17, and will continue in FY18.

Tools for Tax Relief

- General tax relief for all taxpayers:
 - Not use full levy limit.
 - Pay for debt within Proposition 2 ½ vs. debt exemption
 - 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
 - Current tool through donations to the Aid to the Elderly and Disabled
 - Town Meeting Home Rule Petition article to appropriate funds to the Aid to the Elderly and Disabled has recently been approved by the State. The Board of Selectmen will consider utilizing this tool for future Town Meeting approval.

Tax Relief Efforts

FY17 Actual Tax Bill



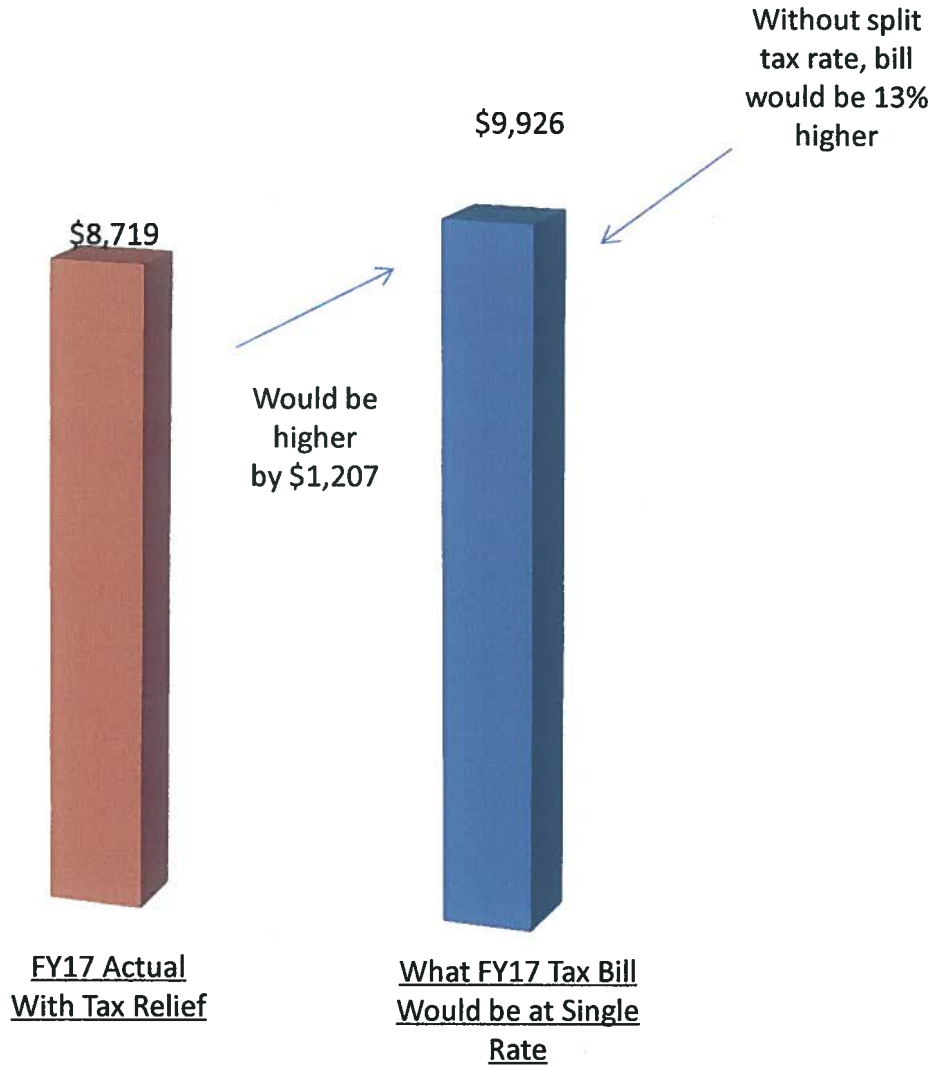
FY17 Tax Bill Relief

- Voted Police station within Prop 2 1/2.
- Appropriated free cash - \$500K.
- Unused tax levy - \$1.5M.

Actual Tax Savings
\$289

FY17 Actual Bill vs. Single Rate Bill

Impact of split rate on tax relief efforts.

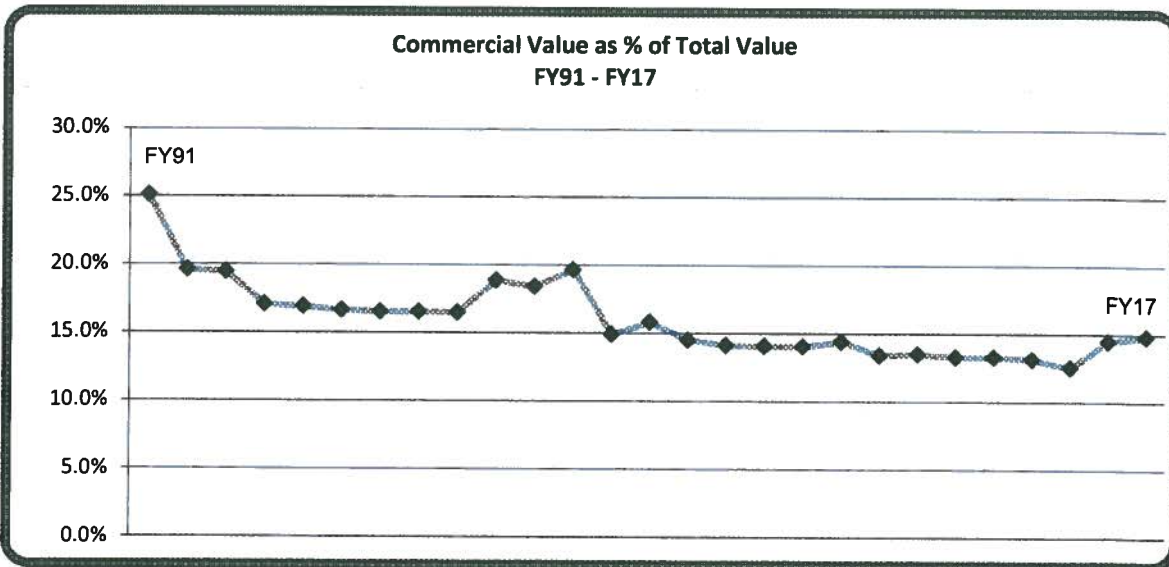
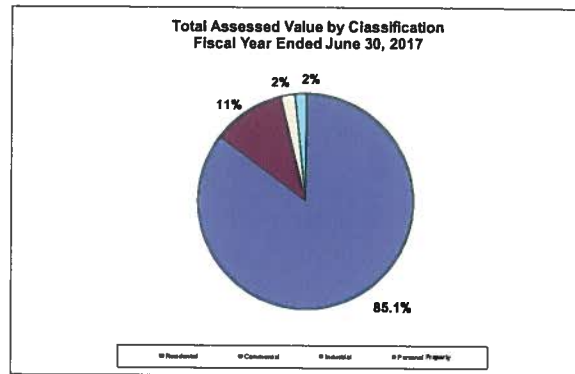
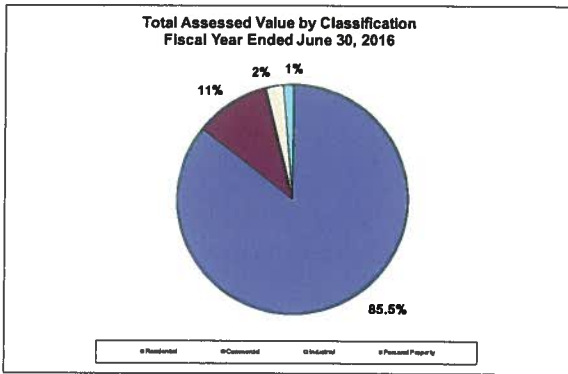


The commercial split tax rate provides significant relief for homeowners.

In FY17 that relief is \$1,207.

Assessed Value by Classification

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Commercial % of Total Value	Direct Tax Rate	Total Town Value
2007	\$3,147,514,446	\$10.73	\$271,807,104	\$190,849,800	\$51,962,800	\$514,619,704	\$19.81	14.1%	\$12.01	\$3,662,134,150
2008	\$3,175,772,814	\$11.74	\$272,818,535	\$193,747,600	\$51,955,500	\$518,521,635	\$21.67	14.0%	\$13.13	\$3,694,294,449
2009	(1) \$3,197,768,457	\$12.01	\$325,730,795	\$164,387,500	\$47,764,400	\$537,882,695	\$22.25	14.4%	\$13.48	\$3,735,651,152
2010	\$3,088,616,907	\$13.07	\$313,502,764	\$116,181,450	\$48,381,800	\$478,066,014	\$23.98	13.4%	\$14.53	\$3,566,682,921
2011	\$3,014,069,261	\$13.83	\$303,956,394	\$111,888,000	\$52,502,700	\$468,347,094	\$25.38	13.4%	\$15.38	\$3,482,416,355
2012	(1) \$3,019,444,695	\$14.48	\$298,952,742	\$116,563,050	\$49,223,000	\$464,738,792	\$26.55	13.3%	\$16.09	\$3,484,183,487
2013	\$3,025,447,435	\$14.89	\$305,246,315	\$110,035,850	\$47,438,500	\$462,720,665	\$27.28	13.3%	\$16.53	\$3,488,168,100
2014	\$3,024,619,084	\$15.40	\$301,008,803	\$108,446,500	\$47,416,300	\$456,871,603	\$28.18	13.1%	\$17.08	\$3,481,490,687
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	(1) \$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



(1) Revaluation year.

Source: Assessor's Department, Town of Westwood
 All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

Information about your Fiscal Year 2017 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 FY16 to FY17?

Yes. The value of all real estate in Town increased by 4.48%, with residential value increasing 4% and commercial value increasing 7%.

Did my individual home value change?

Yes. Approximately 98% of the residential homes in Town had a change in value for FY17. 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.

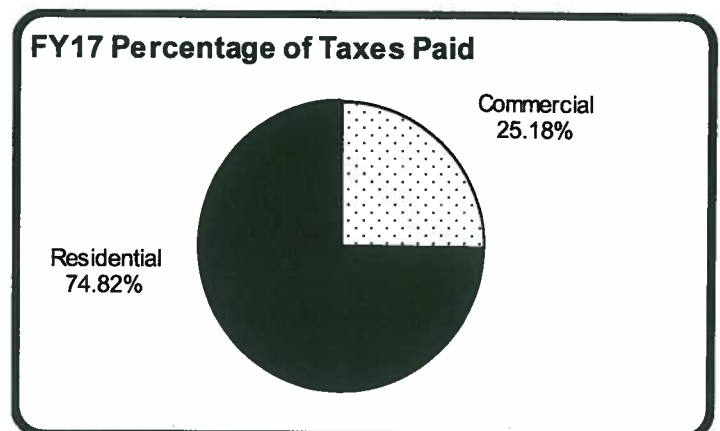
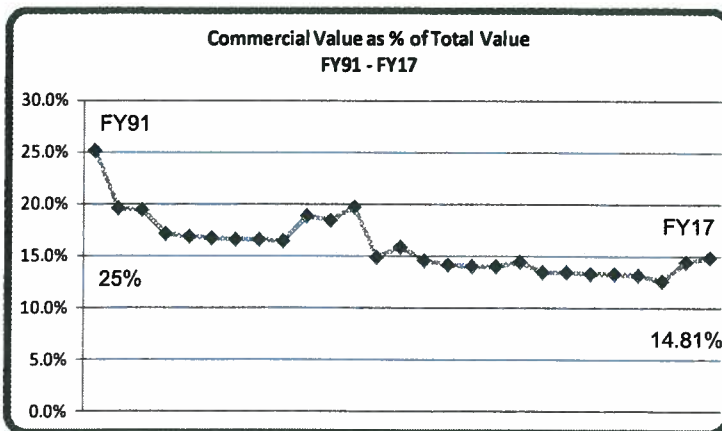
Approximately 70% of homes had a value change in the range of a 1% to 4% increase, with the average experiencing a 2% increase in value.

A report listing all home values for FY16 and FY17 can be found on the Town's web site at www.townhall.westwood.ma.us. Click the link for "Tax Rates and Property Assessments". It is important to remember that state tax law dictates that your FY17 tax bill is based on the assessed value of your home as of **January 1, 2016** based on home sales that occurred during calendar year 2015.

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.

Did commercial property increase in value for FY17?

Yes. The total commercial property saw an overall increase in value of approximately \$41.5 million or 7%. It is important to remember that state tax law looks at the value of new construction as of June 30, 2016. Any new construction that has occurred at University Station since June 30, 2016, such as the completion of the new hotel, will be included in the FY18 tax bill calculation.



In FY17, commercial properties are 14.8% of the Town's total value, but will pay 25.2% 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 keep the FY17 shift factor, which sets the different rates, at the current 1.70.

In FY17, commercial property, while only representing 14.81% of the Town's value, will pay 25.2% of the total taxes, a slight increase from 24% in FY16.

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 14% or \$1,207. This is a significant savings to the average residential tax bill.

What is the change in real estate tax rates for FY17?

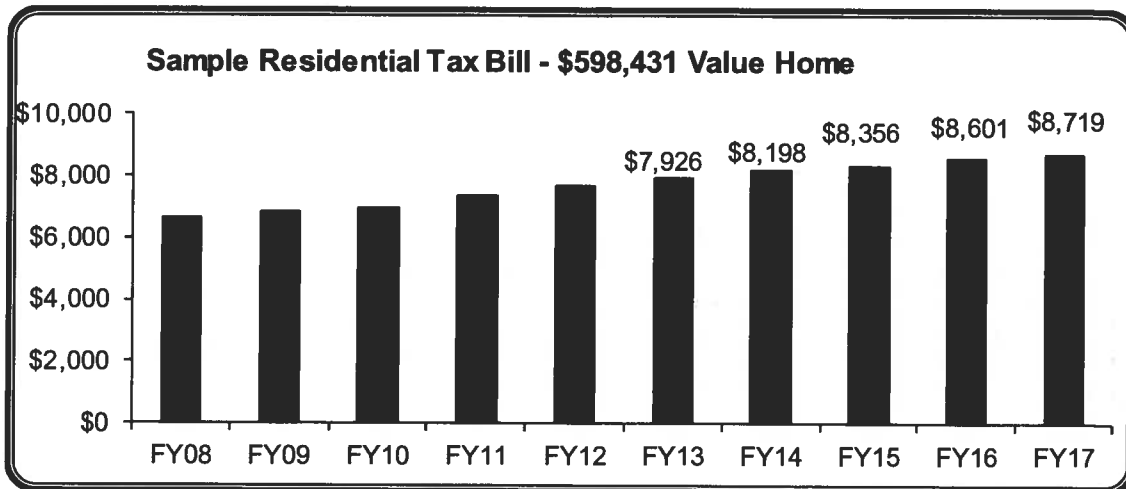
The FY17 tax rates per \$1,000 of valuation are as follows:

Tax Rate	FY16	FY17	Rate Increase FY16 to FY17	% Change in Rate FY16 to FY17
Residential	\$14.66	\$14.57	-\$0.09	-.6%
Commercial	\$28.27	\$28.20	-\$0.07	-.2%

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 November 2015 and May 2016 Town Meetings. 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 increased by 4.2%, 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 \$118, or 1.37% from FY16 to FY17 and has a 2% increase in assessed value from FY16 to FY17.

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 FY17 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.

Project/Bond Issued	Fiscal Year Debt Will Be Completed	FY17 Debt Payments	Net Amount of Debt in FY17 Levy
High School Construction - \$39.2 million	2023	14 th of 20	\$936,386
Library Construction - \$9.3 million	2031	6 th of 20	\$706,320

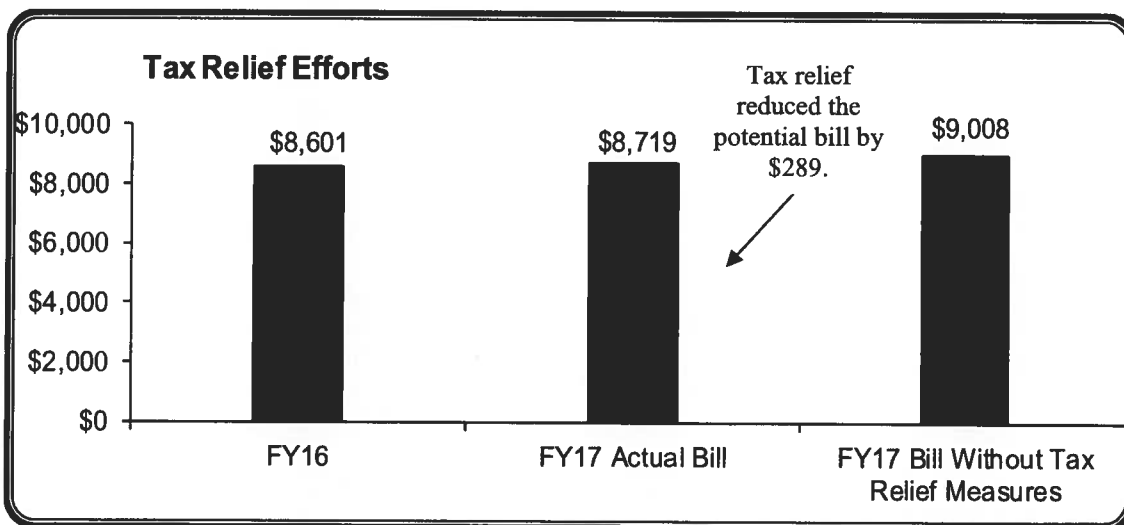
All other Town debt is being funded within Proposition 2 ½.

Were Steps Taken to Address Residential Tax Relief?

Yes. The Board of Selectmen proposed and Town Meeting approved several measures to mitigate the increase in the FY17 residential tax bill. These measures include:

- Approving 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 has used all of the available levy.
- 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.



State Aid

State Aid consists of distributions, reimbursements, and offsets. Distributions are aid programs through which towns receive funds according to varying formulas. Reimbursements are amounts paid to reimburse towns for certain activities or services provided. Offsets are reimbursements for special programs that must be spent for a particular purpose by local officials without appropriation in the local budget.

The Town's two main categories of aid are Chapter 70 education aid and general municipal aid.

State aid, once a reliable source of budget income, can be an inconsistent and volatile account. Every year, State aid is subject to the State budget process and often amounts are not known until very late in the Spring.

In 1993, after several years of decline, the amount of state aid stabilized and then began to again increase. The increases were primarily in the form of increased education aid and lottery receipts. This continued until FY02.

State budget problems in FY03 caused a level funding of state aid followed by a drastic 20% cut in FY04. In the years since we have experienced volatility in state aid depending on the state budget.

In FY07 and FY08, the Town received larger increases in Chapter 70. The Chapter 70 increase reflected a change in the statewide distribution of Chapter 70 funds based on the "equity" change in the formula. In FY10, the final budget cut Chapter 70 by 2% and municipal aid by 30%, with increases then beginning again in the following year.

The FY18 state aid estimates per the Governor's January 2017 budget are shown below. The Governor's budget provides only a small increase in Chapter 70 and a small increase in municipal aid. The Governor's numbers are all subject to change during the state budget process. We will monitor the state budget process and update our state aid estimates for Town Meeting.

						Governor Projected
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Chapter 70-Education	\$4,382,005	\$4,528,863	\$4,725,913	\$4,803,413	\$4,971,878	\$5,076,173
Municipal Aid (Old Lottery & Add'l Assistance)	\$617,080	\$631,666	\$649,183	\$672,554	\$701,474	\$728,832
Other	\$134,429	\$127,171	\$106,879	\$111,064	\$88,435	\$118,924
Offsets (Restricted to Metco, Library, School Lunch)	\$26,770	\$26,574	\$29,080	\$19,152	\$19,646	\$18,602
Total Receipts	\$5,160,284	\$5,314,274	\$5,511,055	\$5,606,183	\$5,781,433	\$5,942,531
Charges						
County Tax	171,625	174,184	178,538	182,293	186,851	196,478
MBTA Assessment	308,926	312,275	314,279	318,562	321,728	325,361
Other	\$80,119	\$94,358	\$94,554	\$81,065	\$83,091	\$151,184
Total Charges	\$560,670	\$580,817	\$587,371	\$581,920	\$591,670	\$673,023
Net State Aid	\$4,599,614	\$4,733,457	\$4,923,684	\$5,024,263	\$5,189,763	\$5,269,508

- Preliminary FY18 budget plan based on level funding.
- Base budget plan has been increased to include the Governor's projection.
- Governor's preliminary FY18 local aid projections are the initial step of the State budget process.
- We will monitor the State budget process and update the estimate accordingly.

State School Building Assistance

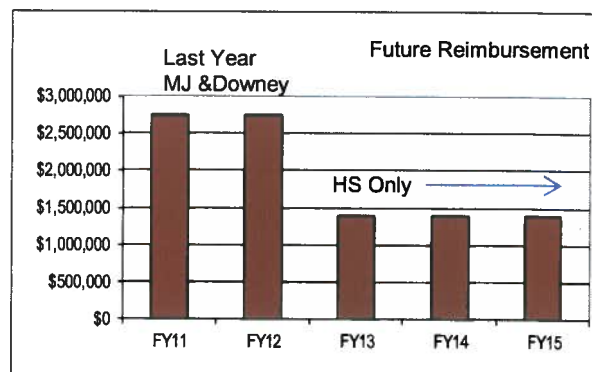
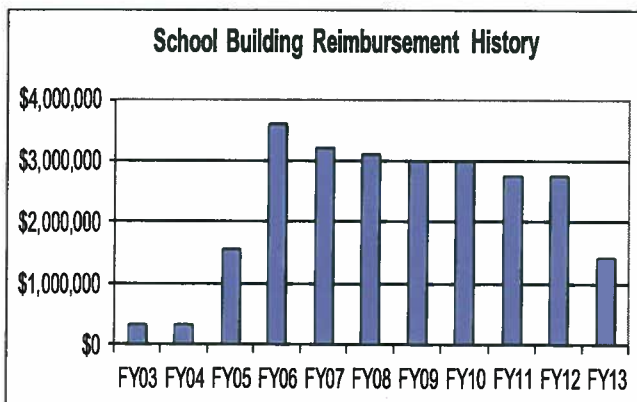
In 2004 the state made a major change to the school building program. Since then, Westwood continues to benefit from those changes. Payments are applied directly to the debt service.

- The Town is currently receiving State School Building reimbursement on 1 school construction project.
- All audits are completed and the remaining annual payments finalized and guaranteed.
- Payments are not subject to the annual state budget process.

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

	FY17	FY18	Change FY17 – FY18
Total	\$1,401,276	\$1,401,276	\$0

- High school reimbursement continues until FY2023.
- High school bond refunded in FY13.



Level Until 2023

FY2018 Available Funds

Available Funds Allocated	FY13	FY14	FY15	FY16	FY17	FY18
	Budget	Budget	Budget	Budget	Budget	Budget
Conservation Receipts	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Cemetery Trust	\$10,000	\$1,000	\$1,000	\$0	\$0	
Cemetery Lot Sales					\$110,250	\$105,750
Ambulance Receipts for Ongoing Budget	\$376,500	\$376,500	\$376,500	\$376,500	\$376,500	\$376,500
High School Bond Premium	\$25,278	\$22,750	\$20,281	\$17,812	\$15,738	\$13,084
Additional One Time Use Ambulance for Operating Budget		\$180,000				
Library Bond Premium	\$21,284	\$20,378	\$19,170	\$17,963	\$16,755	\$16,000
	\$450,062	\$617,628	\$433,951	\$429,275	\$536,243	\$528,334
Available Funds for Prior Year/Misc Warrant Articles	FY13	FY14	FY15	FY16	FY17	FY18
	Budget	Budget	Budget	Budget	Budget	Budget
Additional Ambulance (equipment/salaries/purchase ambulance)	\$77,000	\$212,950	\$448,000	\$131,000	\$208,000	
Sale of Assets Account			\$275,000			
Overlay Surplus			\$25,000	\$35,000		
Cemetery Lot Sales for special article	\$15,000	\$70,000				
Additional State Aid	\$44,600	\$236,456				
Bond Premium				\$725,000		
Miscellaneous Funding		\$300,231			\$20,000	
	\$136,600	\$819,637	\$748,000	\$891,000	\$228,000	\$0

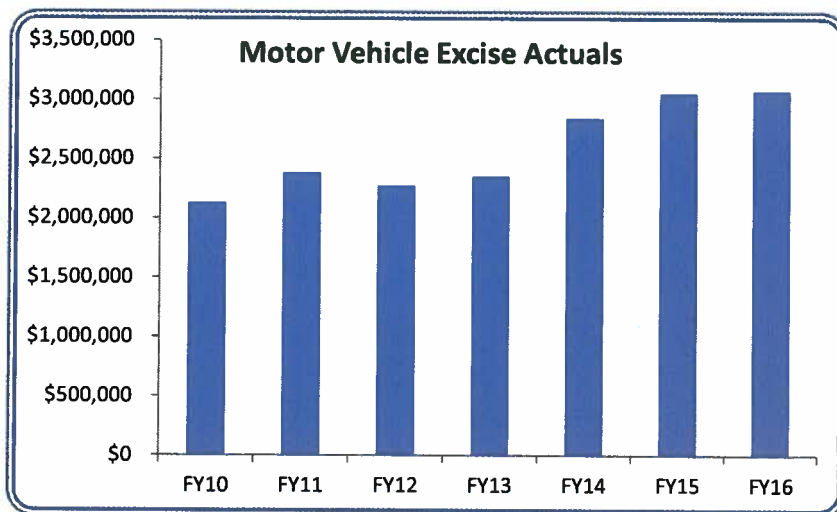
- Available funds are transferred from these accounts to the general fund to support the corresponding appropriation.
 - Major available fund is ambulance receipts – used to offset costs of providing service.
 - High School and library bond premium – this is a required annual apportionment of bond premium 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 and FY18 budget includes cemetery lot sales to pay for cemetery debt service for a 5-year bond approved at May 2015 Town Meeting.

FY2018 Local Receipts

	FY14	FY15	FY16	FY16	FY17	FY18
	Actual	Actual	Budget	Actual	Budget	Budget
Motor Vehicle Excise Tax	\$2,844,489	\$3,057,592	\$2,285,000	\$3,077,486	\$2,172,000	\$2,472,000
Penalties and Interest	\$119,708	\$171,893	\$80,000	\$186,350	\$80,000	\$80,000
License/Permits	\$643,568	\$771,231	\$400,000	\$1,052,958	\$400,000	\$400,000
Departmental Receipts	\$414,030	\$454,064	\$302,000	\$502,643	\$300,000	\$302,000
Investment Income	\$25,928	\$28,388	\$25,000	\$56,770	\$20,000	\$25,000
Recreation	\$160,000	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
Other	\$83,643	\$78,363	\$40,000	\$217,269	\$160,000	\$153,000
	\$4,291,366	\$4,741,531	\$3,312,000	\$5,273,476	\$3,312,000	\$3,612,000

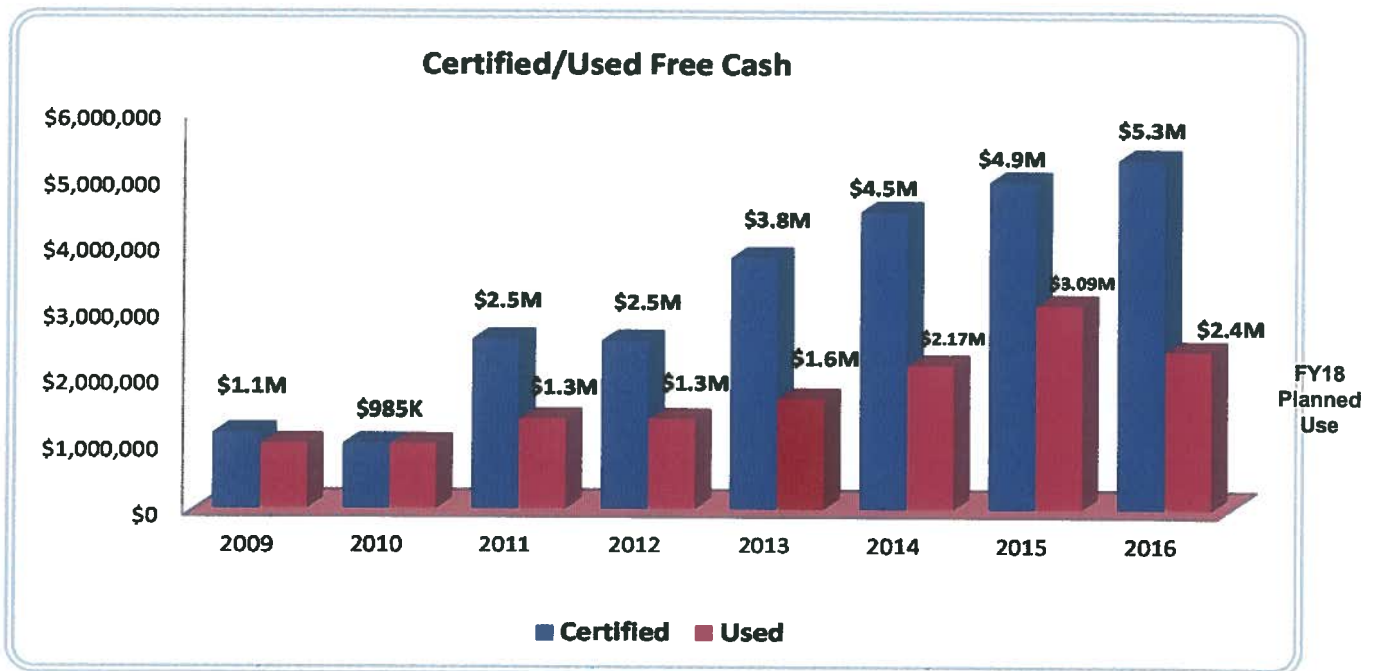
Local receipts are various revenue sources collected at the local level – categorized as such by the Department of Revenue.

- 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.



A Look at Free Cash

- Certified Free Cash as of July 1, 2016 is \$5,386,7
- Good FY16 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.
- FY18 current budget uses \$1,352,050 for capital, \$100,000 for Stabilization, \$256,000 for debt service budget and \$500,000 for general tax relief.
- Additional free cash will be used for additional capital budget items.



	July 2016	July 2015	July 2014	July 2013	July 2012	July 2011	July 2010
Certified	\$5,386,795	\$4,961,737	\$4,502,878	\$3,806,582	\$2,547,593	\$2,572,798	\$985,616
Proposed 2017 ATM:							
Fall Town Meeting/ Other	\$256,000	\$456,000	\$155,000				
Stabilization	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	\$344,000	
Capital	\$1,352,050	\$1,652,050	\$1,523,000	\$1,308,150	\$800,000	\$700,000	\$700,000
Articles	\$500,000	\$883,000	\$401,509	\$260,500	\$58,000	\$320,000	\$280,000
Total Used	\$2,208,050	\$3,091,050	\$2,179,509	\$1,668,650	\$1,358,000	\$1,364,000	\$980,000
Unallocated	\$3,178,745	\$1,870,687	\$2,323,369	\$2,137,932	\$1,189,593	\$1,208,798	\$5,616

- Financial Policy target is approximately \$2.9M unallocated.

Meals Tax

- In 2009 the State allowed municipalities to adopt .75% additional on the 6.25% State excise tax on restaurant meals.
- The Department of Revenue (DOR) collects the money and sends the .75% local share to the Town quarterly.

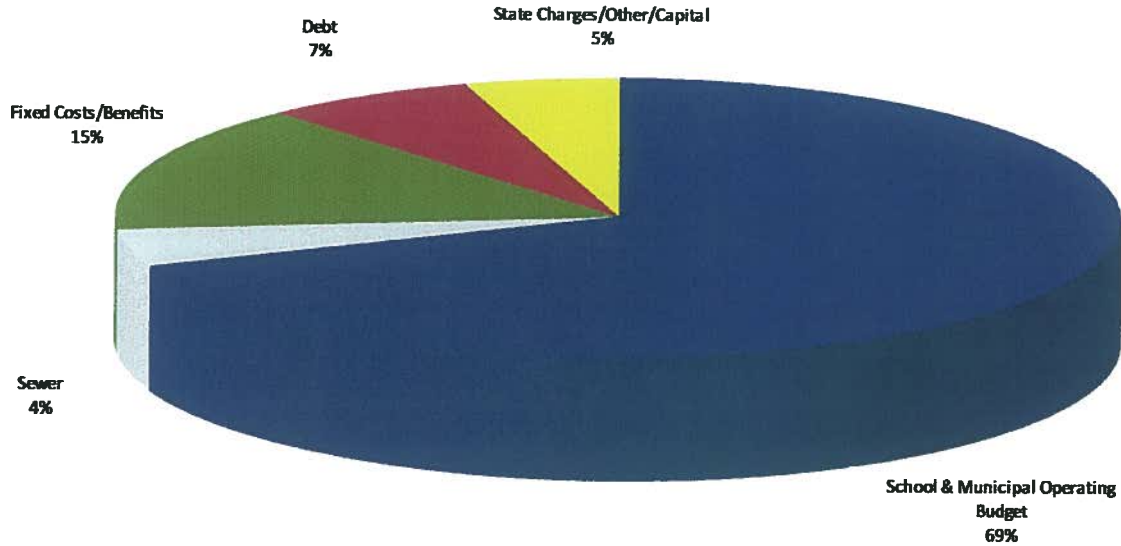
- Westwood adopted the additional meals tax at the 2014 Fall Town Meeting and it became effective January 1, 2015.
 - Town Meeting further voted that all collections of this revenue be reserved for appropriation in an account for future transfer by Town Meeting vote.

- As of December 30, 2016 the balance in the meals tax account was \$521K.

<u>Quarterly Distribution</u>	<u>Period</u>	<u>Amount</u>	<u>Cumulative Total</u>
March 31, 2015	December, January, February	\$12,948	\$12,948
June 30, 2015	March, April, May	\$43,202	\$56,150
September 30, 2015	June, July, August	\$67,267	\$123,417
December 31, 2015	September, October, November	\$67,881	\$191,298
March 31, 2016	December, January, February	\$72,899	\$264,197
June 30, 2016	March, April, May	\$78,373	\$342,570
September 30, 2016	June, July, August	\$88,274	\$430,844
December 30, 2016	September, October, November	\$90,301	\$521,145

FY2017 Proposed Expenditure Summary

FY2018 Expenditure Summary

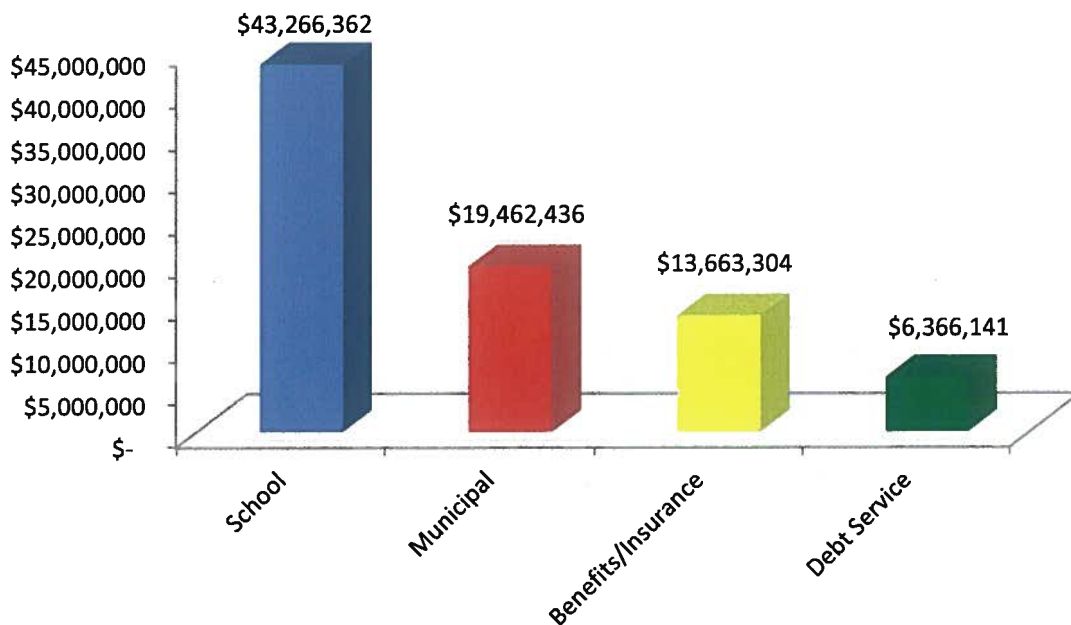


	FY2017 Budget	FY2018 Proj	\$ Increase	% Increase
Operating Budget - School Categories	\$42,061,739	\$43,461,910	\$1,400,171	3.3%
University Station Direct Services-School	\$214,800	\$214,800	\$0	0.0%
Operating Budget - Municipal	\$18,778,050	\$19,462,436	\$684,386	3.6%
University Station Direct Services-Municipal		\$570,000	\$570,000	
Benefits/Reserves/Comprehensive Insurance	\$12,415,315	\$13,663,304	\$1,247,989	10.1%
Sewer - Operating	\$3,871,333	\$4,091,662	\$220,329	5.7%
Debt Service	\$6,456,192	\$6,366,141	(\$90,051)	-1.4%
Capital Budget - School & Municipal	\$1,735,150	\$1,734,000	(\$1,150)	-0.1%
Capital - Sewer	\$135,000	\$135,000	\$0	0.0%
Appropriations:				
Stabilization	\$100,000	\$100,000	\$0	0.0%
Capital Stabilization	\$0	\$0	\$0	
OPEB	\$1,350,000	\$1,390,000	\$40,000	3.0%
Prior Year	\$421,000	\$0	(\$421,000)	-100.0%
Other Financial Articles/Other Capital	\$840,000		(\$840,000)	-100.0%
State Charges/Offsets/Overlay/Snow	\$1,372,737	\$1,268,602	(\$104,135)	-7.6%
Total Expenditures	\$89,751,316	\$92,457,855	\$2,706,539	3.0%

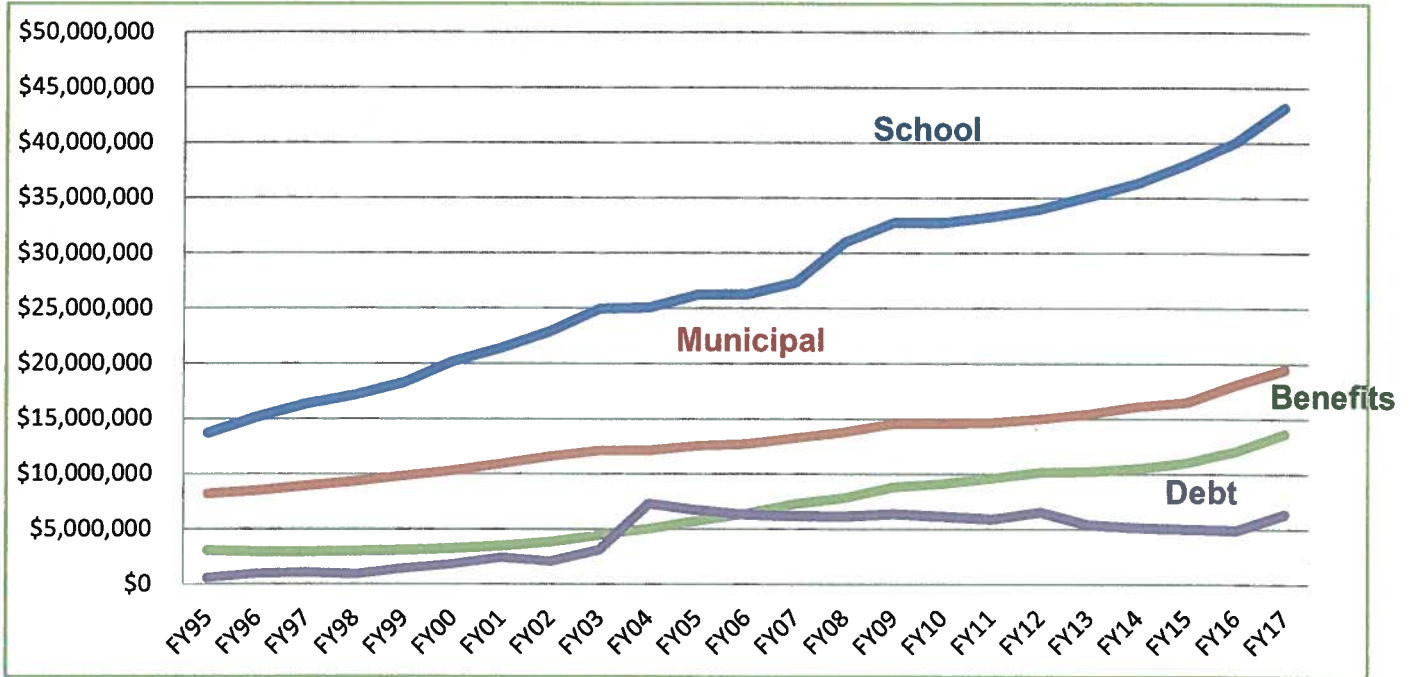
Operating Budget Categories

FY17 Budget	Category	FY18 Selectmen Proposed	\$ Change FY18 v FY17	% Change FY18 v FY17
\$ 41,830,053	School Operating	\$ 43,226,362	\$ 1,396,309	3.3%
\$ 18,778,050	Municipal Operating	\$ 19,462,436	\$ 684,386	3.6%
\$ 124,732	Blue Hills	\$ 130,969	\$ 6,237	5.0%
\$ 106,954	Traffic Supervisors	\$ 104,579	\$ (2,375)	-2.2%
\$ 12,415,315	Fixed Costs	\$ 13,663,304	\$ 1,247,989	10.1%
\$ 214,800	University Station Direct Costs	\$ 784,800	\$ 570,000	265.4%
\$ 6,456,192	Debt	\$ 6,366,141	\$ (90,051)	-1.4%
\$ 1,606,202	Municipal & School Capital	\$ 1,734,000	\$ 127,798	8.0%
\$ 1,450,000	Stabilization & OPEB Ongoing Article	\$ 1,490,000	\$ 40,000	2.8%

**FY18 Operating Budget Categories - Appendix D
(Excludes Sewer)**



A Look at the Budget History



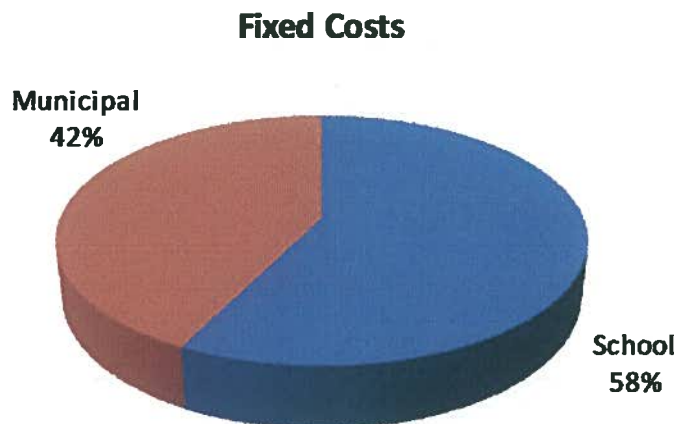
Budget	% Change in Budget											
	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
School Budgets	4%	12.9%	5.8%	0%	1.7%	2%	3.3%	3.8%	4.2%	5.3%	4.9%	3.3%
Municipal Budgets	4.5%	3.7%	5.4%	0%	.6%	2.3%	3%	3.2%	3.4%	5.2%	3.7%	3.6%
Benefits/ Insurance/ Reserves	13.6%	7.6%	12.3%	3.7%	5.5%	5.6%	0.5%	2.5%	5.5%	3.1%	8.8%	10.6%
Debt Service	-2.2%	-0.7%	4.1%	-3.9%	-3.7%	11.1%	-18%	-4.7%	-2.3%	-2.3%	30%	-1.4%

Fixed Costs

Fixed Costs – Employee Benefit Costs, Insurance/Reserve Accounts

Budget Provides For:	
Employee Benefits Cost	\$11,243,565
Insurance/Reserve Accounts	\$1,114,000
Total FY17	\$12,357,565

	School	Municipal	Total
Fixed Costs	\$6,452,739	\$4,790,826	\$11,243,565



Fixed Costs

- Fixed Costs – increase to total fixed costs budget (\$12.4M) - \$1.2M – approximately 9.5% including:
 - Pension Assessment increase of 15% - \$620K.
 - Health Insurance increase of 7% - Estimate only. Approx \$385K.
 - Other fixed cost increases (insurance, Medicare, Payroll tax) 10% - Approx \$130K.
- Health Insurance Update
 - Group Insurance Commission (GIC) is working to contain growth in costs
 - Initial rate increases from plans – 10%
 - GIC is working to drive that down
 - We will next update after GIC February meeting and final rates at their early March meeting.

University Station Direct Services

- University Station revenue has been used to supplement the operating budgets as follows:

	School	Municipal	Total
FY16	\$1,020,225	\$461,578	\$1,481,803
FY17	\$883,000	\$272,000	\$1,155,000
Direct Services	\$215,000	\$565,000	\$780,000
	\$2,118,225	\$1,298,578	\$3,416,803

Public Safety increases related to University Station

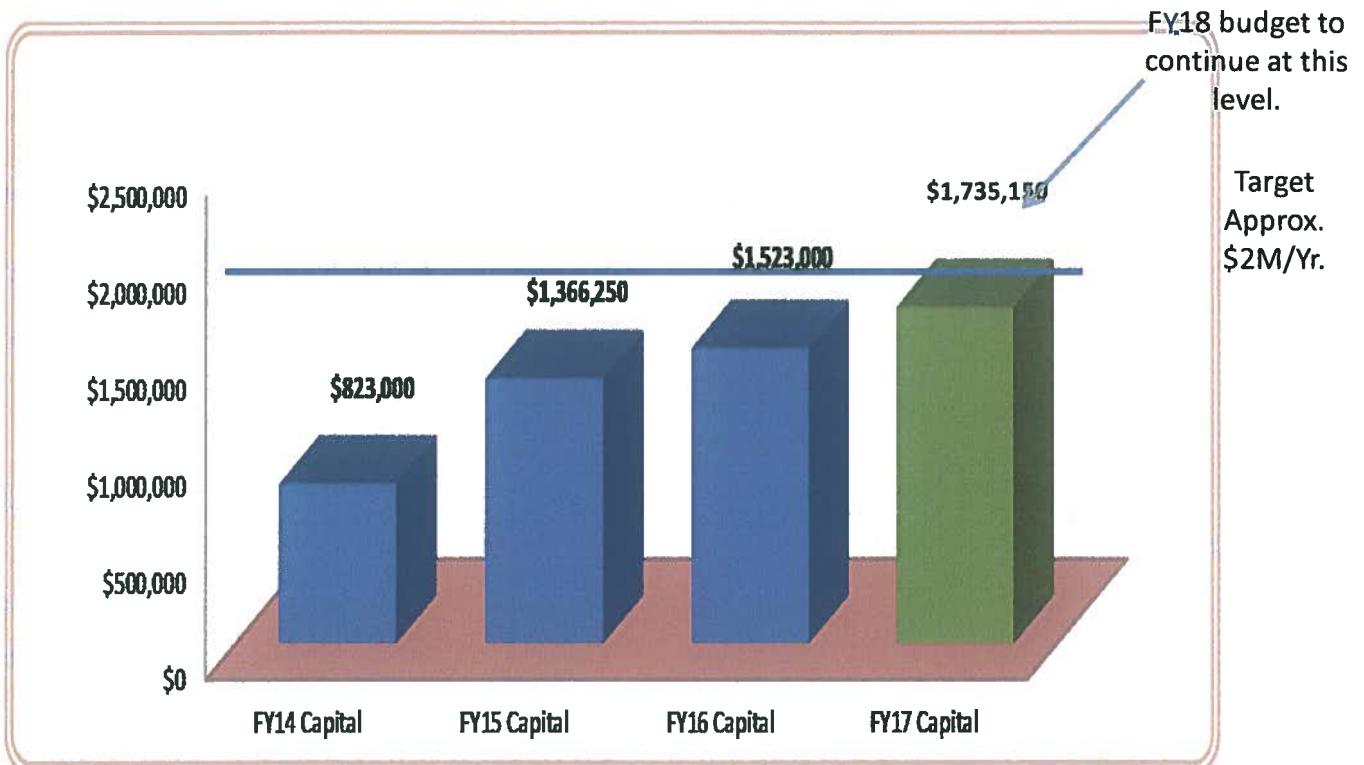
- Funded additional positions in FY15
- Now ready for next phase
- Set aside funds in budget, but requires BOS vote to utilize

University Station Items		
Department/Budget	Item	Amount of Increase Requested
Fire/Police	Staffing/Salary Needs	\$570,000

Capital Funding

Capital – Continued Improvement in Ongoing Capital Funding

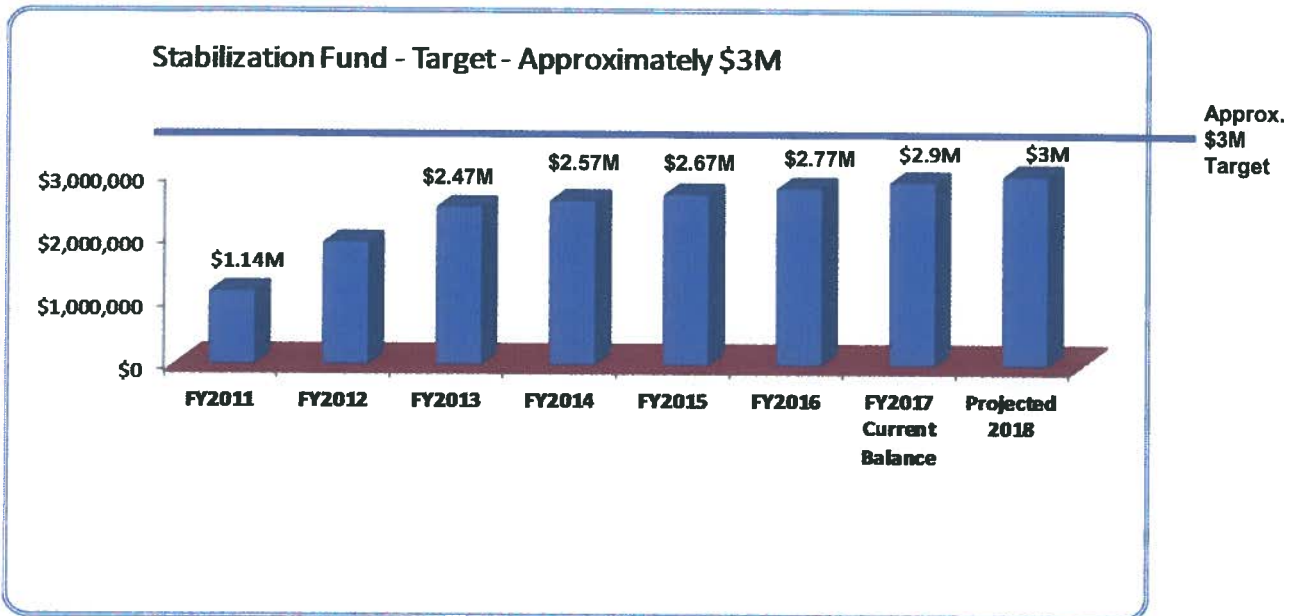
- Important to maintain Town assets – buildings, infrastructure, equipment.
- The Town has made significant progress in increasing the ongoing capital budget.
 - FY17 more than double FY14 levels.



- Similar to FY17, utilize free cash to keep ongoing capital at higher levels (double FY14).
- Fund capital at \$1.73 million
 - School - \$867K
 - Municipal - \$867K
- Other Capital Articles will include:
 - Senior Center Renovation and Addition Design
 - School Department's IT Network Upgrade

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 and use of this Fund require a 2/3 vote of Town Meeting.
- Funds may be used for any purpose approved by Town Meeting.

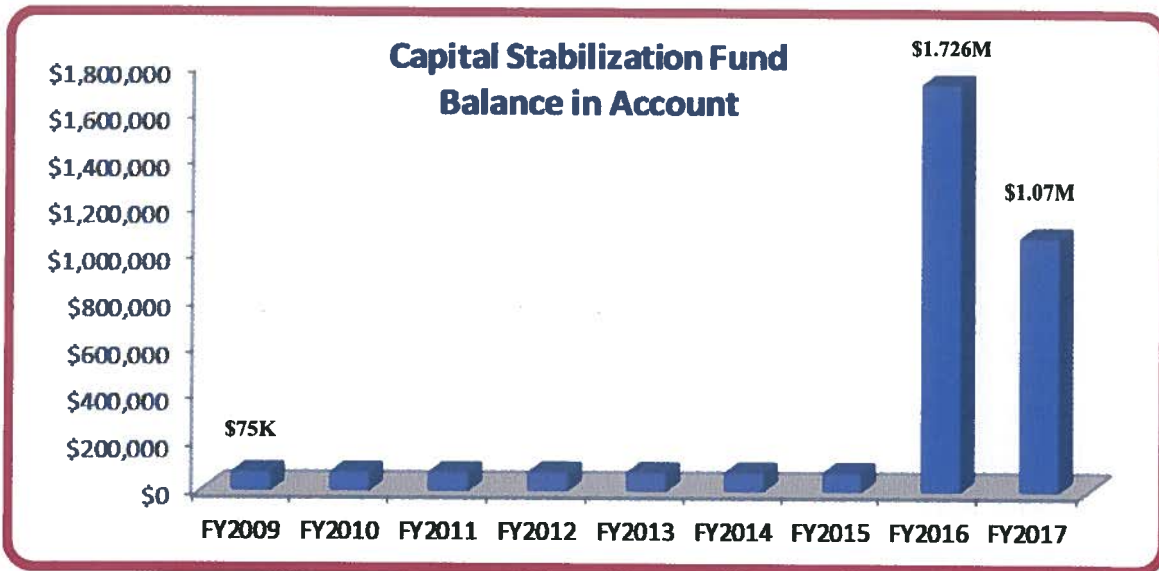


Stabilization Fund					
	FY2014	FY2015	FY2016	FY2017	Budget Plan FY2018
Annual Appropriation	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
One Time Appropriation	\$500,000	\$0	\$0	\$0	\$0

- The budget plan provides for a \$100,000 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.
- Funds designated to this Fund cannot be used for purposes other than those for which the Fund was established.
- Appropriations into and from this Fund require a 2/3 vote of Town Meeting.
- 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 from one time bond premium.
- This Fund can be a useful tool to provide funding for important capital needs.
- In FY16, \$650,000 was used from the account to fund replacement of the high school turf field and track resurfacing.



Capital Stabilization Fund				
	FY2009	FY2016	FY2017	FY2018
Annual Appropriation	\$0	\$0	\$0	\$0
One Time Appropriation	\$75,000	\$1,650,000	\$0	\$0

Pension System

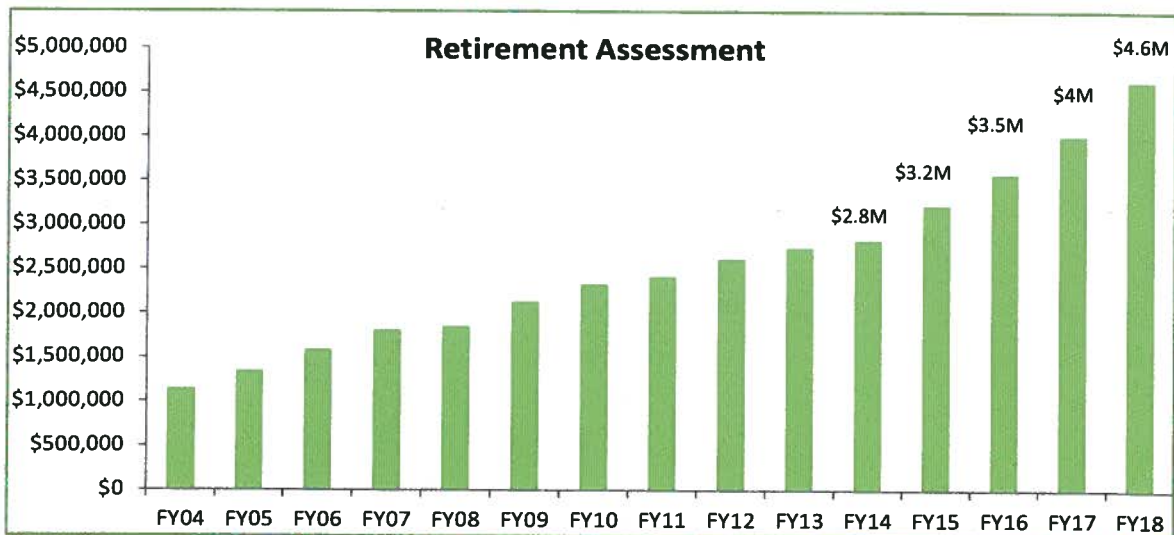
Teachers:

- 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 (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 are 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.
- Required to be fully funded by 2031.
- Currently funded at 60%.



- 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.

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 – 6/30/15

Westwood is required to update the valuation of the liability every other year. The most recent valuation was completed in early 2016 for the period ending 6/30/15.

	6/30/13	6/30/15
Unfunded Actuarial Liability	\$55.9M	\$35.6M

As shown, the unfunded liability significantly decreased from \$55.9M to \$35.6M. 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 \$1.35M in annual appropriation within the budget:
 - \$700K from transition to GIC in FY16.
 - \$400K from change in health plans in FY13.

The \$35M liability is comprised as follows:

Schools	\$19.45M
Public Safety	\$10.8M
DPW/Gen Government/Other	\$5.35M
Total	\$35.6M

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 \$40K per year.
- The FY18 appropriation is \$1.39M

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 will result 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

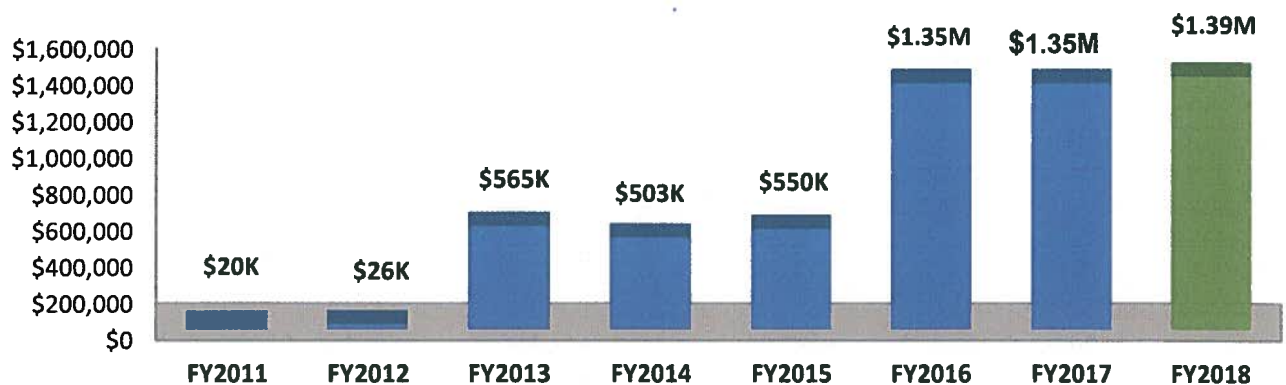
- In FY15, the Town Treasurer, with approval from the Board of Selectmen, transferred funding in the OPEB Trust to the State PRIM program for OPEB funds, allowing the funds to earn a greater investment return. PRIM currently invests over \$60 billion of State and municipal retiree funds and \$600M of OPEB funds. The investments match the long term nature of these funds.
- The balance in the OPEB trust fund is \$4.5M as of 9/30/16.

OPEB Liability – FY18 Funding

- The Town transitioned its health insurance program to the GIC effective July 1, 2015. The savings of \$700K from the GIC conversion was transferred at the Fall 2015 Town Meeting from the FY16 health insurance budget to the annual OPEB appropriation, bringing the new appropriation level to \$1.35M. The FY18 funding will be \$1.39M.

Westwood OPEB Funding							
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Budget Plan FY2018
Small annual appropriation coming from decrease in other fixed costs (social security match and non-contrib pension)	\$26,000	\$38,000	\$68,000	Combine with Article			
New appropriation (from savings in health care costs)		\$435,000	\$435,000	\$550,000	\$1,350,000	\$1,350,000	\$1,390,000
Total Annual Appropriation	\$26,000	\$473,000	\$503,000	\$550,000	\$1,350,000	\$1,350,000	\$1,390,000
Retiree drug subsidy from West Suburban		\$92,235					

Annual Funding - OPEB Liability



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.

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.

A significant portion of the High School debt is paid by State School Building Assistance funds.

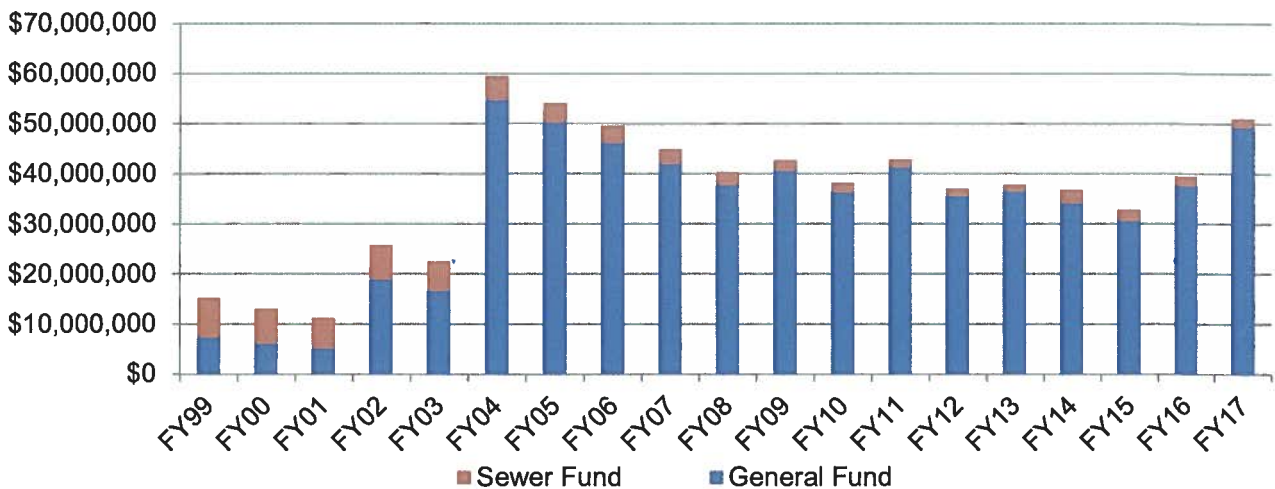
As with a personal credit rating, the Town's credit rating is a statement of its overall fiscal health as a government and as a community. The benefit of a strong credit rating is realized in lower interest costs on the Town's long-term debt issues.

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. In order to maintain high credit ratings, the Town must continue with the progress made on funding reserves and meeting financial policies.

Total Long Term Debt



Total Long Term Debt Issued and Outstanding	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
General Fund	37,760,000	40,575,000	36,280,000	41,290,000	35,545,000	36,441,500	34,100,000	30,545,000	37,525,000	49,355,000
Sewer Fund	2,600,875	2,175,125	1,865,287	1,550,600	1,443,200	1,310,440	2,661,680	2,277,620	2,122,060	1,680,000
Total	40,360,875	42,750,125	38,145,287	42,840,600	36,988,200	37,751,940	36,761,680	32,822,620	39,647,060	51,035,000

Long Term Debt – General Fund Outstanding

Description	Rate of Interest	Date Issued	Maturity Date	Amount Issued	Total Outstanding 30-Jun-17
E = Exempt					
E High School Project	1.63	5/2012	06/01/2023	\$39,262,300	\$10,905,000
E Library Construction	3.37	3/10/11	03/10/2031	\$9,300,000	\$6,510,000
Within Prop 2 1/2					
Municipal DPW Building	4.25	8/01/03	06/81/2014	\$2,600,000	\$0
Public Building	4.25	8/01/03	06/08/2014	\$240,700	\$0
Land Acquisition	3.19	8/01/08	02/01/2015	\$210,000	\$0
High Street Reconstruction	3.40	8/01/08	02/01/2017	\$1,000,000	\$0
High Street Lights	3.39	8/01/08	02/01/2017	\$195,000	\$0
High School Fields	3.84	8/01/08	02/01/2018	\$475,000	\$45,000
High School Completion	3.48	8/01/08	02/01/2023	\$1,950,000	\$780,000
Middle Sch Modular Construction	3.79	6/15/09	06/15/2029	\$3,500,000	\$2,100,000
School Roof	1.43	12/20/12	06/01/2022	\$935,000	\$465,000
DPW Roads/Equipment	1.43	12/20/12	06/01/2022	\$3,700,000	\$1,845,000
DPW Roads/Equipment	1.62	05/15/14	05/15/2024	\$1,400,000	\$980,000
Design Fire Station	2.66	9/1/2015	09/01/2035	\$850,000	\$807,500
Construct Fire Station	2.66	9/1/2015	09/01/2035	\$8,650,000	\$8,217,500
LED Lights Upgrade	2.66	9/1/2015	09/01/2025	\$500,000	\$450,000
Cemetery Expansion	2.66	9/1/2015	09/01/2020	\$450,000	\$360,000
Deerfield Rd/Parking Imprvments	2.42	9/1/2016	06/30/2026	\$2,000,000	\$1,800,000
Land Purchase	2.42	9/1/2016	06/30/2026	\$890,000	\$800,000
Police Station Design	2.42	9/1/2016	06/30/2045	\$1,000,000	\$965,000
Police Station Construction	2.42	9/1/2016	06/30/2046	\$12,755,000	\$12,325,000
				Total General Fund	\$49,355,000

General Fund Debt Authorized - Not Yet Issued Long Term

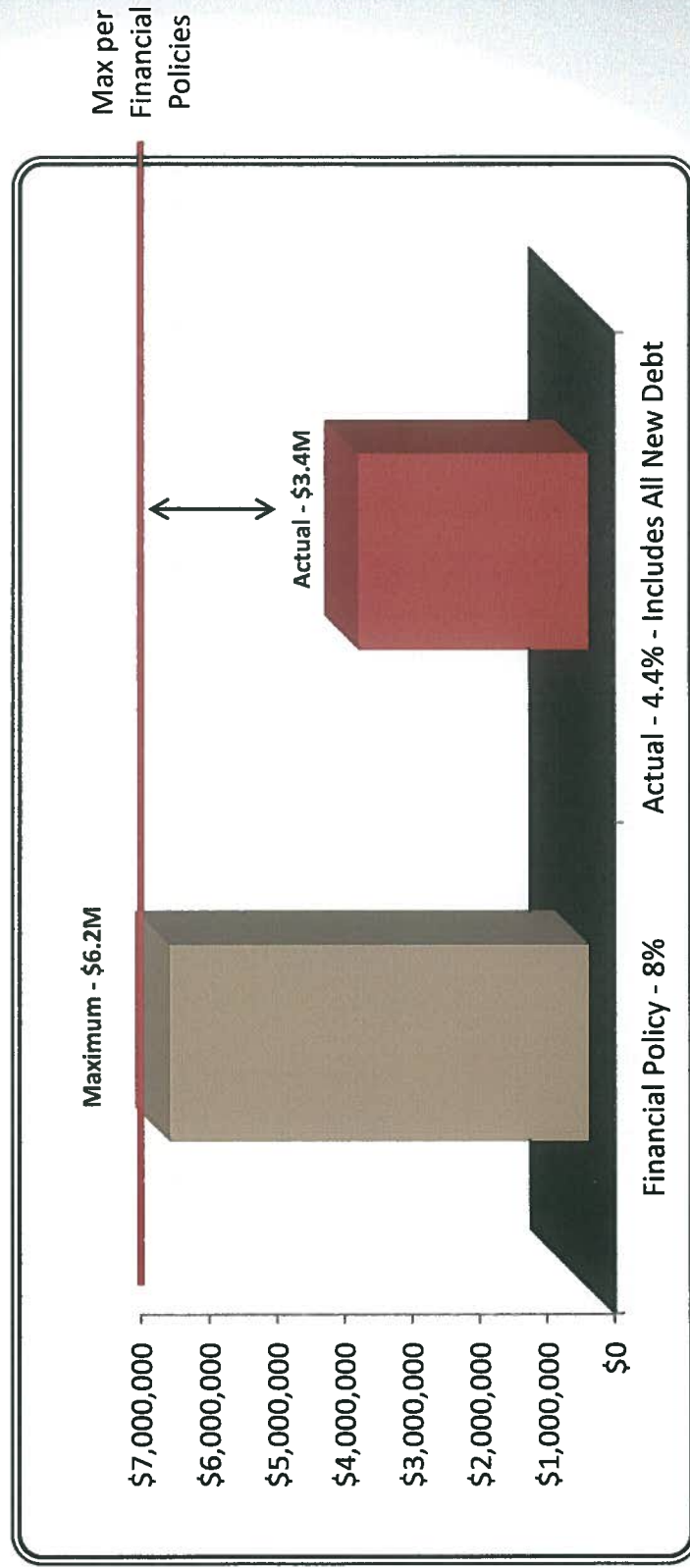
Total \$0

All debt authorized through Town Meeting 5/2016 has been issued

Debt Level – Well Within Guidelines

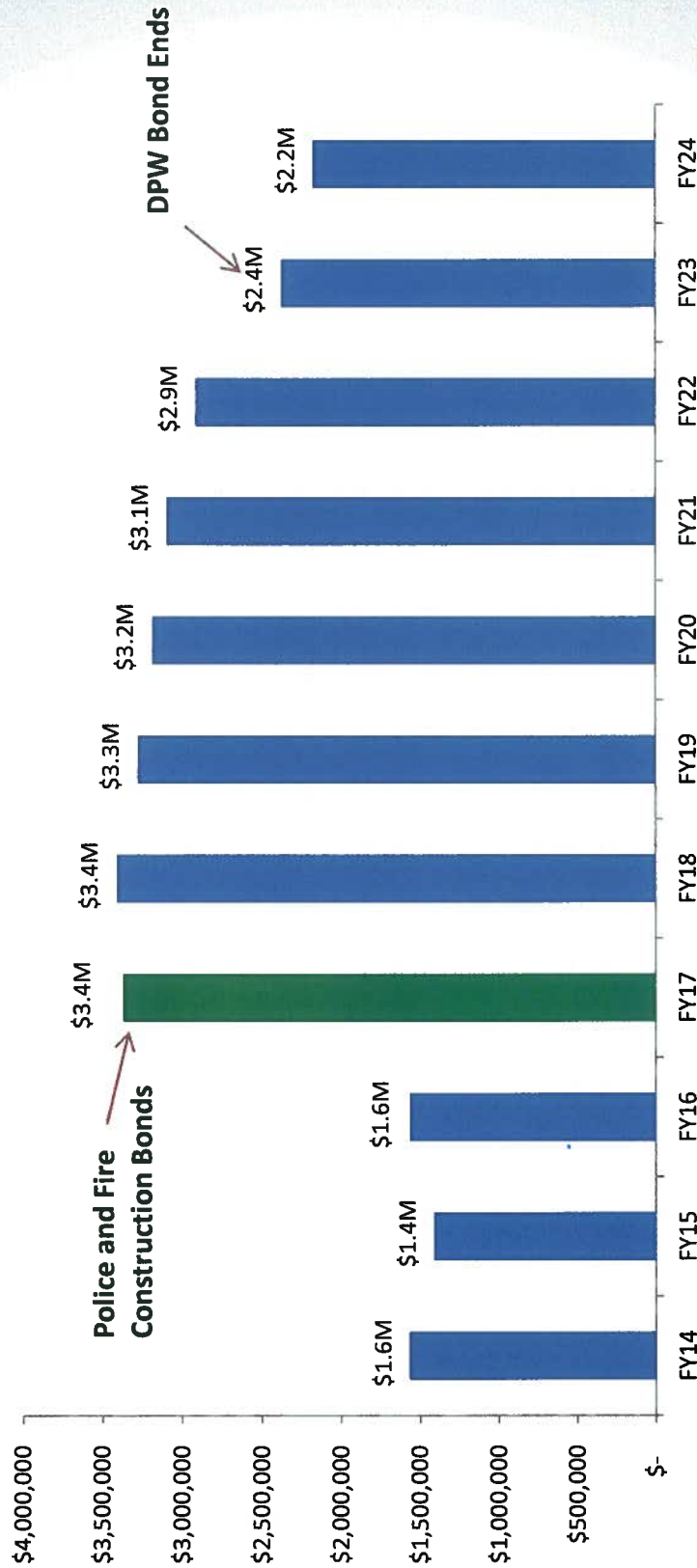
AAA Rating

- Financial Policies – annual debt payments should not exceed 8% of net general fund revenue.



Total Non-Exempt Debt – Debt Payments Within Proposition 2 1/2

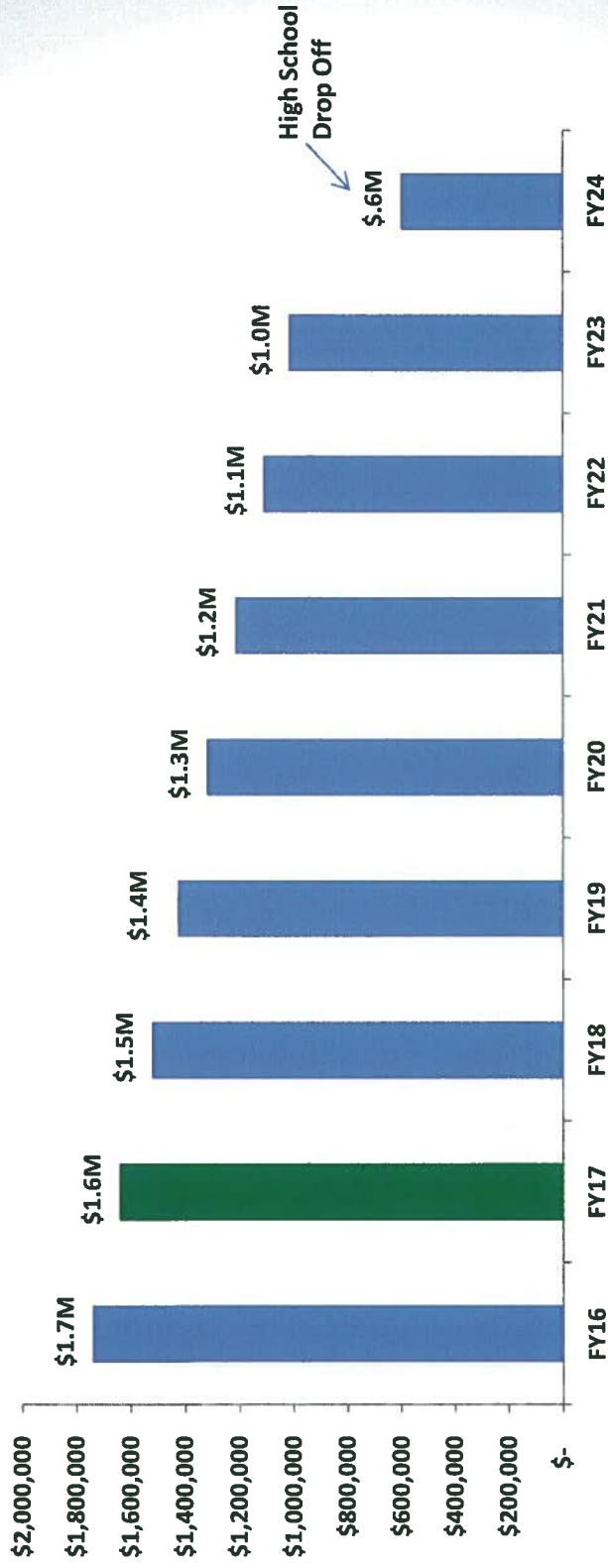
Total Debt Payments Within Proposition 2 1/2



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

Total Net Exempt Debt – Debt Outside Proposition 2 1/2

Total Net Exempt Debt Payments Outside Proposition 2 1/2



- Principal and interest payments for projects approved outside Proposition 2 1/2.
- Exact amount of debt cost, net of state school reimbursement, is raised in taxes.
- When bond ends, exempt taxes end.
- FY17: High School \$936K, Library \$706K
- 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-17	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25-46	Total FY17-FY46
Principal and Interest for Current Long term Debt Outstanding														
HS Construct (Exempt)-Refi 3/12	10,905,000	2,630,641	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	\$14,503,050
Library Construct (Exempt) 3/11	6,510,000	778,875	760,275	741,675	723,075	711,450	698,663	675,413	656,813	638,213	624,263	609,150	3,772,313	\$9,109,350
Municipal Building	0	273,000	0	0	0	0	0	0	0	0	0	0	0	\$0
Obed Baker	0	21,000	0	0	0	0	0	0	0	0	0	0	0	\$0
Eminent domain 8/08	0	32,175	31,125	0	0	0	0	0	0	0	0	0	0	\$0
High Street Lights 8/08	0	23,050	22,350	21,600	20,800	0	0	0	0	0	0	0	0	\$20,800
High Street Construction 8/08	0	126,775	122,925	118,800	114,400	0	0	0	0	0	0	0	0	\$114,400
High School Field 8/08	45,000	53,663	52,088	50,400	48,600	46,800	0	0	0	0	0	0	0	\$95,400
High School Completion 8/08	780,000	181,415	176,865	171,990	166,790	161,590	156,390	151,190	145,990	140,660	135,330	0	0	\$1,057,940
Middle School Modifiers 6/09	2,100,000	284,244	279,431	274,400	269,150	263,463	257,338	248,588	239,838	232,838	225,838	218,838	987,131	\$2,943,019
DPW Roadway 12/12	750,000	184,500	180,000	177,000	174,000	169,500	166,500	162,000	159,000	154,500	0	0	0	\$985,500
School Roof 12/12	465,000	115,470	112,650	110,770	108,890	106,070	104,190	101,370	99,490	91,670	0	0	0	\$611,680
DPW Equipment 12/12	230,000	56,580	55,200	54,280	53,360	51,980	51,060	49,680	48,760	47,380	0	0	0	\$302,220
DPW Drainage 12/12	115,000	30,450	29,700	29,200	28,700	27,950	27,450	26,700	21,200	20,600	0	0	0	\$152,600
DPW Equipment 12/12	750,000	184,500	180,000	177,000	174,000	169,500	166,500	162,000	159,000	154,500	0	0	0	\$985,500
DPW Roads 5/14	210,000	0	36,075	35,475	34,875	34,275	33,675	33,075	32,475	31,875	31,275	30,675	0	\$262,200
DPW Drainage 5/14	420,000	0	72,150	70,950	69,750	68,550	67,350	66,150	64,950	63,750	62,550	61,350	0	\$524,400
DPW Equipment 5/14	350,000	0	60,125	59,125	58,125	57,125	56,125	55,125	54,125	53,125	52,125	51,125	0	\$437,000
Fire Station Design 8/15	807,500	0	0	16,841	75,119	72,994	70,869	68,744	66,619	64,494	62,369	60,244	603,394	\$1,144,844
Fire Station Construction 8/15	8,217,500	0	0	171,378	764,444	742,819	721,194	699,569	677,944	656,319	634,694	613,069	6,140,419	\$11,650,469
Street Lights Replacement 8/15	450,000	0	0	12,500	73,750	71,250	68,750	66,250	63,750	61,250	58,750	56,250	105,000	\$625,000
Cemetery Expansion 8/15	360,000	0	0	11,250	110,250	105,750	101,250	96,750	92,250	87,750	83,250	78,750	0	\$506,250
Bond 8/16	15,890,000	0	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	\$23,113,013
Total General Fund Debt	49,355,000	4,976,338	4,701,459	4,740,634	6,447,815	6,366,140	6,137,978	5,934,278	5,735,478	5,444,848	4,807,318	2,783,175	25,487,606	69,144,634
Total Non - Exempt Debt	31,940,000													
Non - Exempt Debt Payments		1,566,821	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	\$45,532,234
Change in non- Exempt Debt		17,357	(156,138)	152,275	1,808,381	40,750	(130,975)	(91,450)	(91,800)	(182,430)	(540,030)	(201,380)		
Total Exempt Debt	17,415,000													
Total Exempt Debt Payments		3,409,516	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	\$23,612,400
Change in Gross Exempt Debt		(111,556)	(118,741)	(113,100)	(101,200)	(122,425)	(97,188)	(112,250)	(107,000)	(108,200)	(97,500)	(1,822,763)		
State Reimbursement Being Received - for School Projects - all project audits completed														
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	1,401,276	0	0	\$9,808,932
High School Bond Premium		22,750	20,281	17,812	15,738	13,084	10,912	8,690	6,468	4,197	2,098	0	0	\$61,187
Library Bond Premium		20,378	19,170	17,963	16,755	16,000	15,170	13,661	12,453	11,246	10,340	9,359	33,586	\$138,570
Total State/Bond Premium Annual payments		1,444,404	1,440,727	1,437,051	1,433,769	1,430,360	1,427,358	1,423,627	1,420,197	1,416,719	1,413,714	9,359	33,586	10,008,689
Net annual Exempt Debt		1,965,112	1,850,048	1,740,624	1,642,706	1,523,690	1,429,505	1,320,986	1,217,416	1,112,694	1,018,199	599,791	3,738,727	13,603,711
Change in annual Exempt Debt		(108,122)	(115,064)	(109,424)	(97,918)	(119,016)	(94,186)	(108,519)	(103,570)	(104,722)	(94,495)	(418,408)		

**Total Principal and Interest Payments
For Current Outstanding Debt**

Sewer Fund Debt

Outstanding as of June 30, 2017	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Total
Principal and Interest payments for current Sewer Debt Outstanding										
Balance										Total FY18-24
Sewer - Abatement Trust 11/98	146,383	147,042	145,735	151,207	0	0	0	0	0	\$296,942
MWRA no interest loans - 2012	42,460	42,460	0	0	0	0	0	0	0	\$0
MWRA no interest loans - 2016	0	46,800	46,800	46,800	46,800	46,800	0	0	0	\$187,200
Sewer - \$1.5 m bond 5/14	188,588	185,388	182,188	173,988	170,888	167,788	164,688	161,588	158,488	\$1,179,614
Total Sewer Debt	377,431	421,690	374,723	371,995	217,688	214,588	164,688	161,588	158,488	1,663,756
All debt funded by sewer user fees										
The MWRA trust debt is supplemented by subsidies by the Massachusetts Water Pollution Trust (MWPAAT). The principal and interest shown is Town portion only.										

Reserve Fund Transfer History Fiscal Years 2000 – 2017

The Town budget is adopted as a series of separate appropriations. Funds can only be transferred from one appropriation account to another by town meeting action. Only the Reserve Fund appropriation may be used during the fiscal year to supplement other appropriation accounts. The Fund provides the ability for the Town budget to meet extraordinary or unforeseen expenditures that may arise during the course of the year.

Reserve Fund transfers are within the exclusive control of the Finance and Warrant Commission as provided under Chapter 40, Section 6 of the General Laws.

A history of reserve fund transfers appears below.

Fiscal Year	Original Budget	Transfers	Total Used	Remaining Funds
FY17	\$400,000	None to Date		
FY16	\$400,000	\$225,000 Annual Town Meeting Transfer to Supplement snow and ice budget	\$225,000	\$175,000
FY15	\$400,000	\$200,000 Annual Town Meeting Transfer to Supplement snow and ice budget and McKinney-Vento School Transportation Costs	\$200,000	\$200,000
FY14	\$400,000	\$200,000 Annual Town Meeting Transfer to supplement snow and ice budget	\$200,000	\$200,000
FY13	\$400,000	\$112,000 Annual Town Meeting Transfer to supplement snow and ice budget	\$112,000	\$288,000
FY12	\$400,000	None	\$0	\$400,000
FY11	\$400,000	\$87,000 Annual Town Meeting Transfer to Supplement FY11 budget \$213,000 snow and ice	\$300,000	\$100,000
FY10	\$400,000	\$99,304 Annual Town Meeting Transfer to Supplement FY10 budget	\$99,304	\$300,696
FY09	\$400,000	\$30,000 Transfer to Library capital article \$269,000 snow and ice	\$299,000	\$101,000
FY08	\$400,000	\$60,000 Planning Board Special Counsel \$100,000 Annual Town Meeting Transfer to supplement FY08 snow & ice budget \$20,000 High School litigation legal expenses	\$180,000	\$220,000
FY07	\$400,000	\$133,922 Annual Town Meeting Transfer to supplement FY07 budgets \$65,000-Colburn School building \$30,543 Special Town Meeting Transfer to supplement FY07 budgets	\$229,465	\$170,535
FY06	\$400,000	\$90,727 Annual Town Meeting Transfer to supplement FY06 budgets \$75,000 snow and ice	\$165,727	\$234,273
FY05	\$420,000	\$50,192 Annual Town Meeting Transfer to supplement FY05 budgets \$360,000 snow and ice	\$410,192	\$9,808
FY04	\$400,000	\$287,833 Annual Town Meeting Transfer to supplement FY04 budgets	\$287,833	\$112,167
FY03	\$400,000	\$322,000 Annual Town Meeting Transfer to supplement FY03 budgets for Snow and ice, Blue Hills Regional School and School Unemployment Compensation	\$322,000	\$78,000
FY02	\$375,000	\$259,600 Annual Town Meeting Transfer to supplement FY02 budgets, primarily snow and ice and health insurance.	\$259,600	\$115,400
FY01	\$350,000	\$300,000 Annual Town Meeting Transfer to supplement FY01 budgets.	\$300,000	\$50,000
FY00	\$300,000	\$220,000 Annual Town Meeting Transfer to supplement FY00 budgets.	\$220,000	\$80,000

Long Range Financial Planning 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
Economic Development Advisory Board	Town Administrator
Finance and Warrant Commission	Town Finance Director
Planning Board	School Superintendent
Board of Assessors	Two at-large community representatives

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

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

- 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.
 - Use of University Station revenue.
 - Future school facility needs study.
 - OPEB – funding source within budgeting funds.
 - Deerfield school roof.
 - Meals tax – set up of separate account and use.
 - Review of senior tax relief options.
 - McKinney-Vento School homeless issue and Town wide response.

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.
- The current status of the *Policies* can be seen on the following pages.

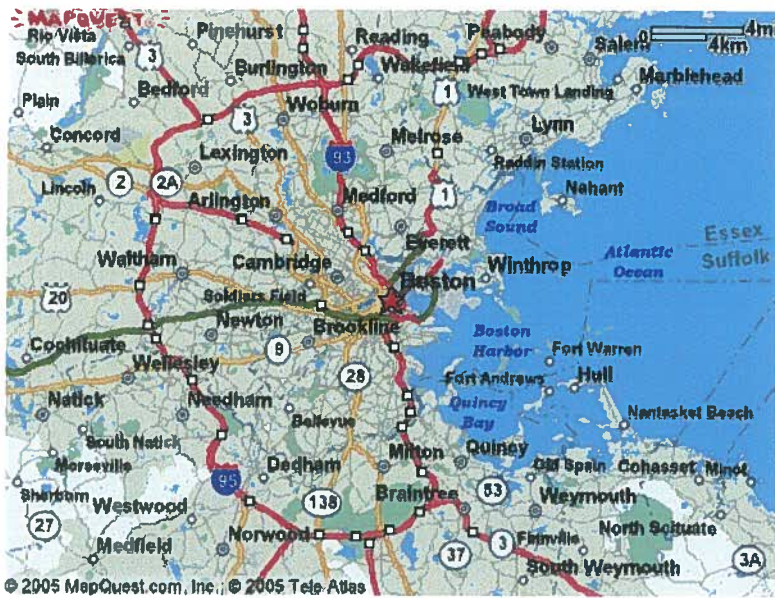
Financial Policies Status Update – November 1, 2016

	Target	Actual	Comments	Target Status	Comparison to Previous Year
B. 2. Operating Reserve Fund – shall be .5% of total general fund operating budget, net of debt service. Per new policy.	\$365,349 .5%	FY17 Budget \$400,000	Above target. This target was recently revised. \$400,000 is comfortable budget.	✓	Continued to Meet Target
B. 3. Free Cash – shall maintain at 4% of general fund operating budget, net of debt service.	\$2,922,796 4%	\$5,386,795 7%	Actual is at goal. Full amount <u>before</u> use of any free cash. This allows us to utilize standard free cash amount for FY18 budget and still meet target.	✓	Continued Improvement
D. 3. Reserve accounts – 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% \$3,118,061 Total 8% or \$6,236,122	Stabilization \$2,919,473 3.9% Total 10% or \$8,306,268	Stabilization approximately \$198K 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.	✓	Continued Improvement On Track With Target
D.4 Annual OPEB appropriation – the Town will appropriate no less than \$550,000 per year to the OPEB Liability Trust Fund.	\$550,000	FY17 budget \$1,350,000	FY17 budget includes \$1,350,000 May appropriation. Above minimum target and on track with required funding.	✓	Significant Improvement Target to be Revised
E. 4. General fund nonexempt debt service should not exceed 8% of net general fund revenues.	Not exceed 8% Or \$6,236,122	\$3,426,517 4.4%	Target is met. Non exempt debt service is at approximately ½ of target.	✓	Continued Below Target
E. 4. Total General fund exempt and nonexempt debt should not exceed 10-12% of net general fund revenues.	Not exceed 12% Or \$9,354,183	\$6,502,992 7.6%	Target is met. Total debt is well below target.	✓	Continue to Meet Target
F. 5. Investment in capital stock – will maintain 3% of general fund operating budget, net of debt, on ongoing capital maintenance and replacement.	\$2,192,097 3%	\$1,735,150 2.4%	Actual is approximately \$457K short of target. Actual at 80% of target. Base capital has been increased annually from \$823K to \$1,735,150.	Not Met	Much Improved
G. 5. Maintain sewer retained earnings – will maintain 10% of sewer fund revenues.	\$411,551 10%	\$1,794,679 43%	Actual is well above target, due to new commercial funds to be used for capital maintenance of system.	✓	Well Above Target

Other Policies – November 1, 2016

Other Policies	Comments	Target Status	Comparison to Previous Year
<p>B.1. General Fund – Annual budget should be prepared covering operating expenditures with current operating revenue, not non-recurring revenue sources.</p>	<p>No Free Cash used for operating budget.</p>	<p>✓</p>	<p>Target has been met consistently</p>
<p>D.3. Reserves – Town will strive to make annual appropriation to the Stabilization Fund</p>	<p>\$100,000 appropriation to stabilization reserve at 2016 Annual Town Meeting, funded by free cash. Continued in FY18 budget plan.</p>	<p>✓</p>	<p>Target has been met consistently</p>
<p>D.4. OPEB – Town will strive to move towards fully funding ARC.</p>	<p>\$1,350,000 appropriated to OPEB reserve at 2016 Annual Town Meeting, within budget funds. This is currently on target with required annual payment. OPEB trust account now has \$4.6M.</p>	<p>✓</p>	<p>Greatly Improved On Target with ARC from Current Valuation</p>
<p>F.2. Capital Planning – Town will develop a multi-year plan for capital improvements.</p>	<p>Produced 5-year Capital Improvement Plan document; will continue to improve document and produce on an annual basis.</p>	<p>✓</p>	<p>Same</p>

A Few Words About Westwood...



Westwood was incorporated as a town in 1897 and has a current population of approximately 14,809. The town is located in eastern Massachusetts, 13 miles south of its capital city of Boston. One major attraction of Westwood is its location in relation to Boston and major roadways. The commuter rail has four convenient stops within five minutes of town, one of which doubles as an Amtrak station. The Amtrak station provides connections originating in Boston and continuing to Providence, Rhode Island and New York City.

Westwood is recognized for the quality of its schools. Students consistently score in the top percentile on national tests, and the overwhelming majority of students graduating from the High School go on to higher education.

Westwood operates under a Board of Selectmen/Open Town Meeting/Town Administrator form of government. The elected, three-member Board of Selectmen makes policy decisions. The Town Administrator is responsible for carrying out the policies and direction of the Board of Selectmen and for managing the day-to-day operations of the town. An elected, five-member School Committee appoints a School Superintendent who administers the town's public school system. School Committee members, like the Board of Selectmen, are elected at-large to three-year staggered terms.

The town maintains many recreational areas and facilities, including numerous conservation areas, playgrounds, ball fields and an indoor pool facility. The town has two libraries, a senior center and numerous community-sponsored events for residents.

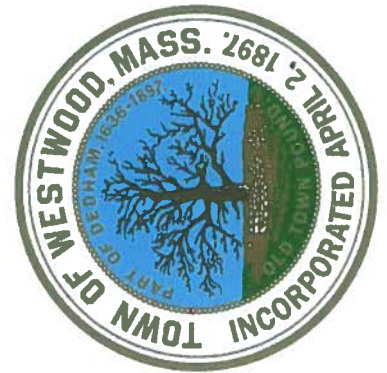
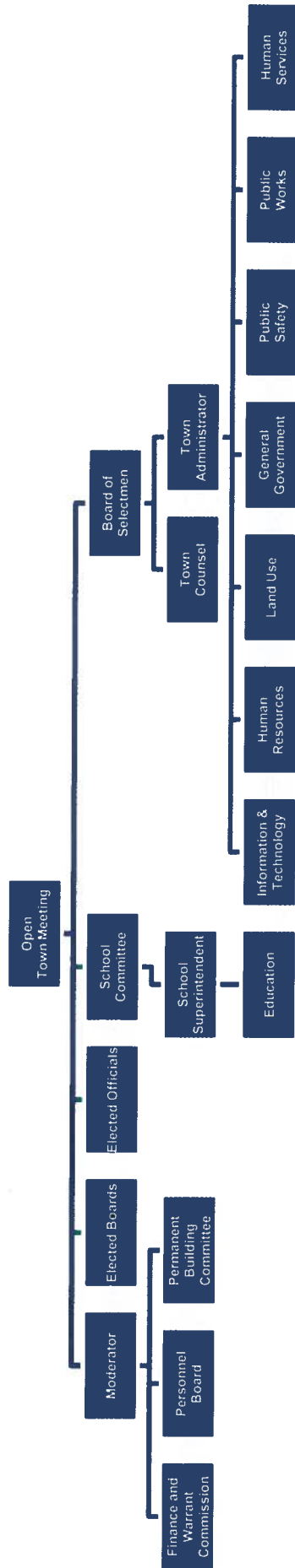
From a natural perspective, the town works very hard to conserve land. It is the hope of preservation workers that Westwood can create its own emerald necklace with its conservation land and walking paths. Hale Reservation is one of the town's hidden gems. With 1,100 acres of wooded area and a large pond, Hale is an active part of the community. During the summer, Hale's membership beach attracts over 500 families.



The formation of Westwood has been influenced by a number of factors. Character, community, and location are just three of its most admirable traits.

In [March 2012](#), [Boston Magazine](#) selected Westwood as one of the best places to live in Massachusetts.

The Town of Westwood



Elected Boards	Elected Officials
Board of Selectmen	Moderator
Regional Vocational School Representative	Town Clerk
Housing Authority	Town Collector
Library Trustees	Town Treasurer
Planning Board	
Board of Assessors	
Sewer Commissioners	
School Committee	

How Does Westwood Compare with Other Communities?

In determining the list of communities with which to compare Westwood, three factors were considered: location, population, and per capita equalized valuation (EQV).

Location - Communities within a 30 mile radius of Westwood were considered.

Population - Towns with a population significantly smaller than Westwood probably do not have similar service demands; one larger in population will have increased service delivery demands.

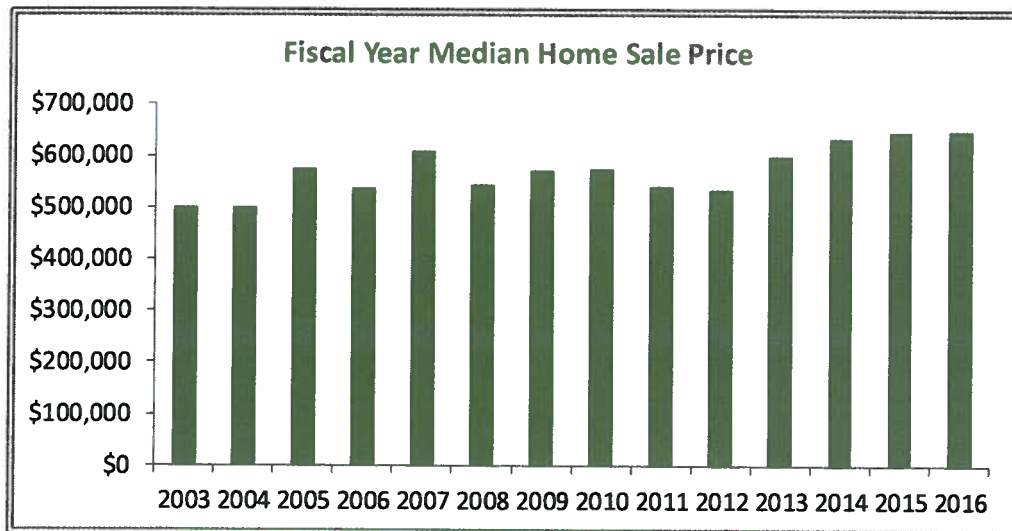
Per Capita Equalized Valuation (EQV) - This factor measures the relative "wealth" of a community by dividing property valuations by population. Per capita valuation is directly related to the amount of revenue that a community can raise via the property tax. It offers some comparison of a community's "ability to pay."

Source: MA Department of Revenue

Municipality	Miles from Westwood	2013 Population	2014 EQV Per Capita	2011 Income Per Capita
Canton	8	22,221	183,775	\$48,593
Concord	24	19,285	287,301	\$100,013
Holliston	14	14,162	148,110	\$47,765
Medfield	6	12,313	194,877	\$77,499
Sharon	9	18,027	160,641	\$56,677
Sudbury	21	18,367	226,192	\$93,407
Wayland	17	13,444	236,137	\$133,867
Weston	15	11,853	471,984	\$267,636
Westwood		14,876	248,593	\$89,407

Fiscal Year 2016				
Municipality	Residential Tax Rate	Commercial Tax Rate	Tax Levy	Taxes As % of Total Revenue
Canton	12.79	26.36	68,196,330	68.08
Concord	13.92	13.92	81,319,099	79.76
Holliston	18.79	18.79	42,754,672	63.29
Medfield	16.75	16.75	41,627,344	65.98
Sharon	20.11	20.11	62,977,906	72.35
Sudbury	17.80	25.11	76,997,530	76.40
Wayland	17.34	17.34	58,374,879	68.02
Weston	12.16	12.16	71,275,670	75.58
Westwood	14.66	28.27	67,634,840	77.68

Municipality	Fiscal Year 2016			Fiscal Year 2014	2015	
	Average Single Family Tax Bill	State Hi-Lo Rank	7/1/2015 Free Cash	Stabilization Fund	Moody's Bond Rating	S&P
Canton	\$6,285	75	\$3,801,359	\$5,074,180		AAA
Concord	\$13,490	7	\$11,040,933	\$5,324,810	Aaa	
Holliston	\$7,819	45	\$2,083,684	\$5,884,487		Aa+
Medfield	\$10,309	18	\$2,620,615	\$2,922,469	Aa1	
Sharon	\$10,148	20	\$2,502,888	\$400,522	Aa3	Aa
Sudbury	\$12,082	9	\$1,190,989	\$4,128,451		AAA
Wayland	\$11,730	11	\$6,479,195	\$1,585,335	Aaa	
Weston	\$18,762	1	\$2,581,323	\$0	Aaa	AAA
Westwood	\$10,312	17	\$4,961,737	\$2,651,292	Aa1	AAA



Visit Westwood's Web Site!
<http://www.townhall.westwood.ma.us>

Important Links...

- About Westwood
- Address & Phone Directory
- Community Resources Links
- Employment Opportunities
- Forms, Documents, Minutes
- How Do I?
- New Residents
- News and Announcements
- Photo Gallery
- Traffic Updates
- Upcoming Events

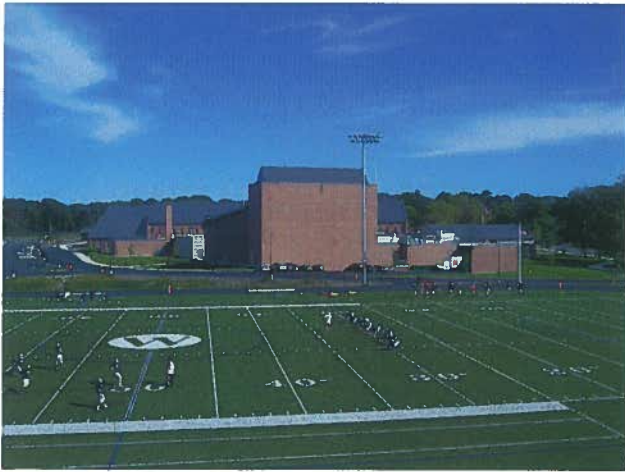
Sources: MA Department of Revenue
 MA Department of Education
 U. S. Census
 Town Clerk – Town of Westwood
 Board of Assessors – Town of Westwood

Some Facts About Westwood

Form of Government	Board of Selectmen, Town Administrator, Open Town Meeting			
Population Trends	2000		2014	
	14,117		14,809	
Registered Voters (2015)	Total	Democrats	Republicans	Unenrolled/Other
	10,777	2,757	1,630	6,390

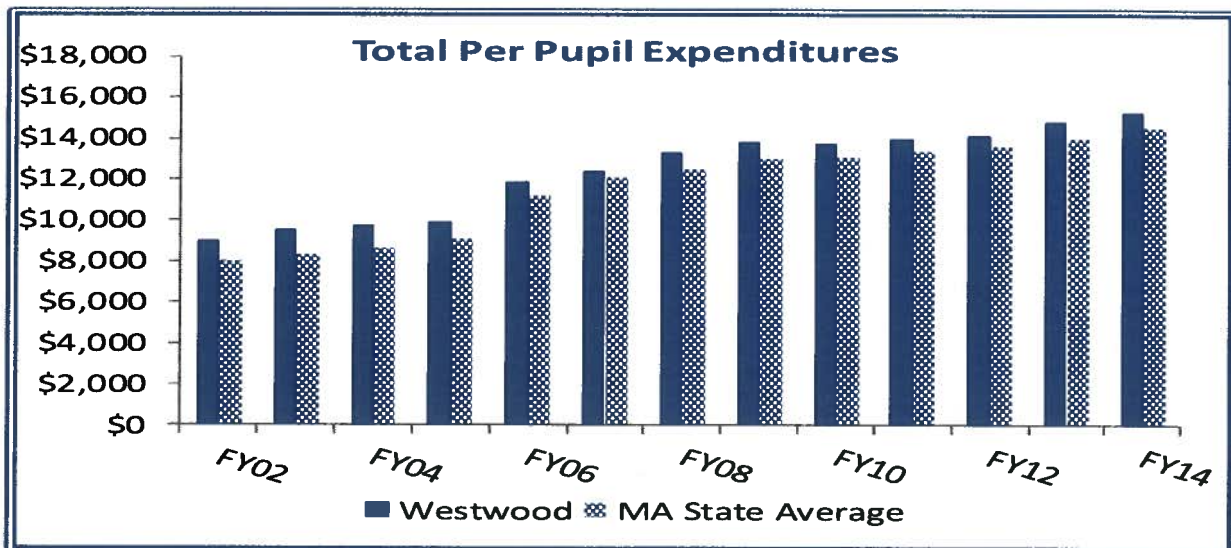
Westwood Schools

In April, 2005 a new high school and recreational sports fields were opened for students. The new school features beautiful classroom facilities, a state of the art media center, and a new performing arts facility.



2012 National Blue Ribbon School of Excellence

Westwood High School was named a 2012 National blue Ribbon High School by U. S. Secretary of Education Arne Duncan on September 7, 2012. The school is one of just 38 high schools nationwide to be identified as “Exemplary High Performing,” a designation reserved for schools that are among their state’s highest performing schools.



Budget Procedure

The Town of Westwood operates under state statutes and the Town Charter as adopted July 1, 1970 and revised in 2012. 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.

Budget Schedule

- **October** - The Town Administrator and Finance Director prepare financial projections for the upcoming fiscal year. The Board of Selectmen, School Committee, and Finance Commission discuss those projections as well as the current financial status of the town. Budget preparation guidelines to be followed by departments for the upcoming fiscal year are subsequently identified.
- **November** - The Finance Director distributes the budget guidelines and worksheets to all departments. Departments prepare their operating and capital budget requests and return the information by the beginning of December.

Individual School principals begin preparation of their budgets.

- **December/January** - The Finance Director reviews and discusses budget requests with individual departments.

The School Superintendent reviews school budget submissions.

- **February** (or not less than three months before the business session of the annual town meeting), the Town Administrator submits to the Board of Selectmen, and files with the Finance and Warrant Commission, a proposed budget with a summary budget message and supporting documents for the ensuing fiscal year.

The School Committee reviews the School budget.

- **March/April** - The Finance and Warrant Commission conducts one or more public meetings on the proposed budget (including town meeting warrant articles). The schedule and agenda for such public meetings is distributed is sent to each and every resident.

The Finance and Warrant Commission considers all articles in the annual town warrant and reports in print before each town meeting its advice, estimates, and recommendations for consideration by the town meeting.

Budget Appropriation and Amendment

- **May** - Open Town Meeting is conducted. All registered voters are entitled to attend and vote on any issue that comes before the Town Meeting. Town Meeting is authorized to appropriate funds for the operating and capital budget except for specific cases where state statutes or regulations do not require appropriation. A subsequent annual town meeting or special town meeting vote is required to amend appropriations, with the exception of the reserve fund budget from which transfers can be made during the year upon approval by the Finance and Warrant Commission.

Budget Basis

The budget for the town is presented on a cash basis. Briefly, this means that transactions are recorded when expenditures are disbursed and when revenues are received. Obligations of the town (i.e., outstanding purchase orders) are not reflected as expenditures in the year incurred but are reflected in the year disbursed. Funds for these obligations are reflected as "continued" appropriations from those of the prior fiscal year.

The budget presents General Fund and Enterprise Funds which are required to be appropriated by Town Meeting.

Capital Budget Procedure

The Town of Westwood operates under state statutes and the Town Charter as adopted July 1, 1970 and revised in 2012. 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 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 as part of Finance and Warrant Commission public hearings.
- Finance and Warrant Commission approves capital items for Town Meeting warrant book at their final public hearing.

May

- Town Meeting approves capital.

What Do Those Financial Terms Really Mean?

Abatement:	A complete or partial cancellation of a levy imposed by a governmental unit; applicable to tax levies and special assessments.
Appropriation:	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.
Assessed valuation:	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.
Audit:	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.
Balance sheet:	A statement that discloses the assets, liabilities, reserves and equities of a fund or government unit at a specified date.
Budget:	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).
Capital budget:	A plan of proposed capital outlays and the means of financing them for the current fiscal period.
Cherry sheet:	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.
Classification:	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.
Debt service:	Payment of interest and principal related to long-term debt.
Encumbrance:	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.
Enterprise fund:	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?

Expenditure:	The spending of money by the town for the programs or projects within the approved budget.
Fiscal year:	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.
Free cash:	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.
Fund:	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.
General fund:	The fund into which the general (non-earmarked) revenues of the town are deposited and from which money is appropriated to pay expenses.
Overlay:	The amount raised in excess of appropriations and other charges. It is used to cover abatements and exemptions granted locally or on appeal.
Override:	A vote to increase the amount of property tax revenue that may be raised over the levy limit.
Personal services:	The cost of salaries, wages and related employment benefits.
Property tax levy:	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
Reserve fund:	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.
Revolving fund:	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.
Tax levy:	Total amount of dollars assessed in property taxes imposed by the Town each fiscal year.
Undesignated fund balance or surplus revenue account:	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)
Warrant:	A list of items to be voted on at Town Meeting.



Fiscal Year 2018 Municipal, School, and
Capital Budget Summaries

The following pages include summaries of the requested FY18
Municipal, School and Capital budgets.

For further detail please
Refer to the separate documents:

FY2018 Proposed Municipal Budget Detail
Available at:
www.townhall.westwood.ma.us



FY2018 Proposed School Operating Budget
Available at:
www.westwood.k12.ma.us



Five Year Capital Improvement Plan
Available at:
www.townhall.westwood.ma.us

The Town of
Westwood, Massachusetts
Proposed Municipal Budget Detail
For the Fiscal Year
July 1, 2017 – June 30, 2018



FY18 Proposed Municipal Budget Summary

What Does the Municipal Budget Provide?

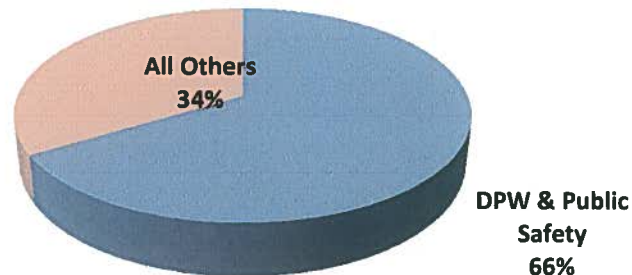
- **Quality services that respond to all areas and all age groups throughout the Town.**

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.

\$19.5M Municipal Budget



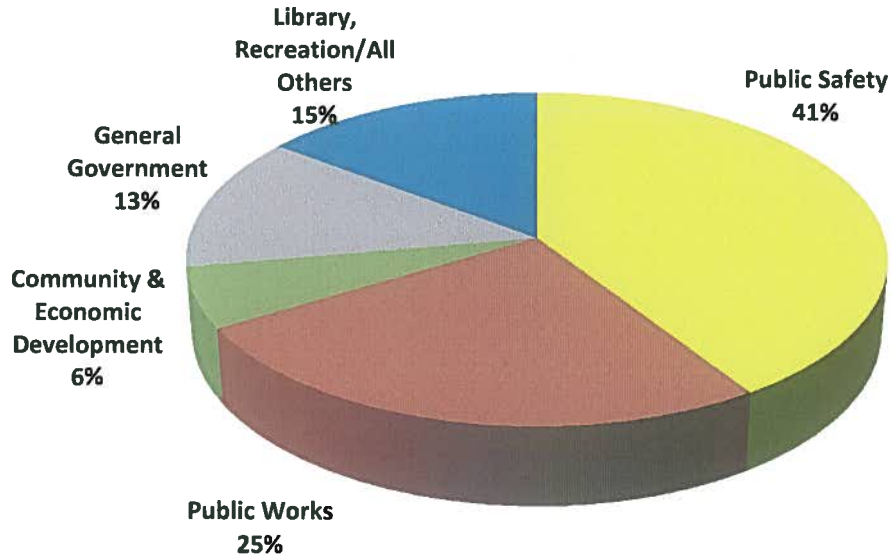
Core Primary Services - Public Safety and Public Works

FY18 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 FY18 municipal budget is allocated to each area.



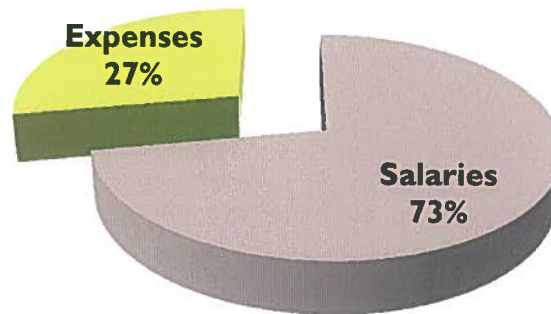
FY17 Budget	Function	FY18 Requested Budget	% of Total
\$7,745,242	Public Safety	\$7,934,120	41%
\$4,776,968	Public Works	\$4,960,053	25%
\$1,076,554	Community & Economic Development	\$1,125,020	6%
\$2,472,643	General Government	\$2,561,911	13%
<u>\$2,706,643</u>	<u>Library, Recreation/All Others</u>	<u>\$2,881,332</u>	<u>15%</u>
\$18,778,050		\$19,462,436	100%

- 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.

FY18 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.



FY17 Budget	Function	FY18 Requested Budget	% of Total
\$13,696,553	Salaries	\$14,167,763	73%
\$5,081,497	Expenses	\$5,294,673	27%
\$18,778,050	Total	\$19,462,436	100%

FY17 Municipal Staffing	
Full Time	158
Part Time	46
Total	204

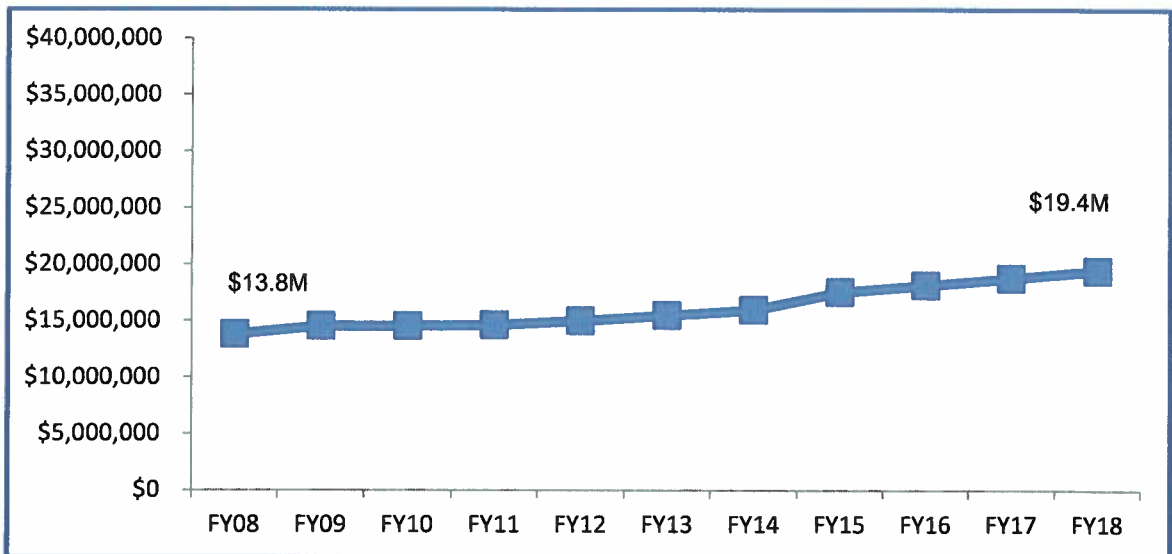
- Of the 158 full time FY17 staff, 102 or 70% are in the DPW/Public Safety departments.

FY18 Proposed Municipal Budget Summary

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

- The municipal budget has had moderate growth for an extensive period. For the period from FY10 to FY15, the municipal budget averaged approximately 2.5% growth per year.
- In FY16, the University Station first year revenue provided a higher than average growth for school and municipal operating budgets:
 - Municipal – 5.2%.
 - School – 5.3%.
- In FY17 municipal budget growth was 3.7%
- In FY18 the proposed municipal budget growth is 3.6%.

The base municipal budget has had moderate growth during recent budget years.



	% Change in Budget										
	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Municipal Budgets	3.7%	5.4%	0%	.6%	2.3%	3%	3.2%	3.4%	5.2%	3.7%	3.6%

FY18 Proposed Municipal Budget Summary

- Current request:

Category	Current		Proposed		Difference	
	FY17		FY18		\$	%
	Budget		Budget			
Salaries	\$ 13,696,553	\$	14,167,763	\$	471,210	3.4%
Expenses	5,081,497		5,294,673	\$	213,176	4.2%
Total	\$ 18,778,050	\$	19,462,436	\$	684,386	3.6%

The requested FY18 municipal budget includes contractual salary obligations, necessary increases to maintain services, as well as continuation of adjustments made in FY17.

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

	FY17	FY18	\$ Increase	% Increase
General Government	\$2,472,643	\$2,561,911	\$89,268	3.6%
Public Safety	\$7,745,242	\$7,934,120	\$188,878	2.4%
Community & Eco Dev	\$1,076,554	\$1,125,020	\$48,466	4.5%
Public Works	\$4,776,968	\$4,960,053	\$183,085	3.8%
Human Services	\$698,961	\$726,439	\$27,478	3.9%
Culture & Recreation	\$1,543,398	\$1,633,784	\$90,386	5.9%
Other	\$464,284	\$521,109	\$56,825	12.2%
Total	\$18,778,050	\$19,462,436	\$684,386	3.6%

- Public works and public safety combined total of \$12,894,173 represents 66% of the total requested increase.

FY18 Proposed Municipal Budget Summary

What are the salary changes in the FY18 base budget?

Category	Current		Proposed		Difference		
	FY17	FY18	FY17	FY18	\$	%	
	Budget		Budget				
Salaries	\$	13,696,553	\$	14,167,763	\$	471,210	3.4%
Expenses		5,081,497		5,294,673	\$	213,176	4.2%
Total	\$	18,778,050	\$	19,462,436	\$	684,386	3.6%

As the chart shows, approximately \$471K or 75% 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 (Approximately)	\$350,000
Fincom/Zoning/Housing/Economic Dev	FY18 impact of positions changes in Community and Economic Development	\$40,000
DPW – Building Maintenance	Energy Manager position which services schools and town incorporated into budget in FY17	\$53,000
Salary Reserve	Reserve to provide for collective bargaining.	\$25,000
	Total Salary Changes	\$468,000

FY18 Proposed Municipal Budget Summary

What are the expenses in the FY18 base budget?

Category	Current FY17 Budget	Proposed FY18 Budget	Difference	
			\$	%
	\$	\$		
Salaries	13,696,553	14,167,763	\$ 471,210	3.4%
Expenses	5,081,497	5,294,673	\$ 213,176	4.2%
Total	\$ 18,778,050	\$ 19,462,436	\$ 684,386	3.6%

As the chart shows, approximately \$155K or 25% of the total increase is in the expense line and includes the following major items:

Expense Changes		
Department/Budget	Item	Amount of Increase Requested
Fincom	Increased printing and postage	\$4,000
Assessors	Increased personal property revaluation	\$5,000
Legal	Increase in special counsel	\$7,500
Fire	Increase in various expense items	\$25,000
DPW	Increase in various expense items	\$12,500
Town Clerk	Election costs – reduced due to election schedule	(\$12,000)
DPW Building Maintenance	Building maintenance – requested increases: Due to increased size of new police and fire stations, costs of maintenance have increased	\$55,000
Library	Materials (books, etc.) increases – based on % of budget	\$20,000
Town Wide Capital/IT costs	Town wide software maintenance increase in licensing costs for systems throughout Town Government	\$25,000
Westwood Day	New line item added to account for costs associated with Westwood Day	\$8,000
	Total Major Expense Changes	\$150,000

FY18 Proposed Municipal Budget Summary

Public Safety Staffing:

Public safety is the most important area of municipal government, and comprises 41% of the municipal budget. In recent years, the Town 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 2013, the town has added 12 public safety positions: 8 firefighters, 3 police officers and 1 dispatcher.

	FY13	FY14	FY15	FY16	FY17
Police					
Uniformed Staff	28	28	31	31	31
Dispatchers	7	7	8	8	8
Fire					
Uniformed Staff	30	34	38	38	38

In the last 2 budget years, no additional staffing was added in order to let new staffing levels settle, the public safety buildings to be constructed, and to let the University Station project fully come on line. It is now time to implement the next phase of hiring. In the FY18 budget, the Board of Selectmen has proposed that \$570,000 of University Station tax revenue be set aside to proceed to the next phase of staffing. The Board of Selectmen is currently evaluating the timing of the hiring based on an update of the projects activity, timing of building completion, and turnover of leadership. Upon completion of review, the BOS will release the funding and approve staff hiring.

Items requested that will be funded by University Station Funds:

University Station Items		
Department/Budget	Item	Amount Requested
Fire/Police	New hires and associated costs	\$570,000

WESTWOOD PUBLIC SCHOOLS



PROPOSED FY'18 OPERATING BUDGET EXECUTIVE SUMMARY

DEVELOPED BY:

JOHN ANTONUCCI, SUPERINTENDENT
EMILY PARKS, ASSISTANT SUPERINTENDENT
HEATH PETRACCA, DIRECTOR OF BUSINESS AND FINANCE
ABIGAIL HANSCOM, DIRECTOR OF STUDENT SERVICES

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





WESTWOOD PUBLIC SCHOOLS

Honoring Tradition, Inspiring Excellence, Shaping the Future

January 19, 2017

Dear Westwood School Committee and Westwood Residents,

I am pleased to present to you an Executive Summary of the *FY'18 Superintendent's Recommended Budget*. This document is a “big-picture” overview, but one that also provides detailed explanations of our budget requests. It is written with the goal that any Westwood resident can read it and fully understand the school budget. I hope you find it clear, concise, and easy-to-read, as one of my primary goals is to provide a high level of transparency during the budget process. As in past years, you will notice the use of a “Frequently Asked Questions (FAQ)” format and a table of contents for easy reference.

My budget request for FY'18 totals \$43,226,362, which represents a modest 3.34% increase over FY'17. It should be noted that the increase is actually below the 4% guideline that was agreed upon by town officials during last year's budget discussions. However, it is an excellent budget that allows us to meet many of our needs. Our ability to keep the budget increase at this level was due to several factors, not the least of which is that *last year's* budget allowed us to address some long-overdue and neglected areas. Having a “base budget” that is adequate allows for more consistent and reasonable budget increases year over year.

Before you read the summary, I want to point out the major highlights of my FY'18 budget request. More detail can be found later in the document.

- A 3.34% increase over FY'17
- No cuts to programs or services.
- Contractual salary increases of \$967,862.
- The addition of 6.96 FTE new personnel district-wide. This total includes 4.93 FTE Special Education staff that are required due to students' legally-mandated Individualized Education Plans (IEPs).
- A net increase in Fixtures, Furniture & Equipment (FF&E), Technology, and miscellaneous non-salary accounts of \$70,192.

Please let me know if you have any questions about this budget or any other school related matter. I can be reached by e-mail at jantonucci@westwood.k12.ma.us, or by phone at 781-326-7500 x1341. Thank you for your continued support.

Sincerely,

John J. Antonucci

WHAT IS THE FY'18 SCHOOL DEPARTMENT BUDGET REQUEST?

As the table below illustrates, my recommended budget for FY'18 totals \$43,226,362, which represents a 3.34% increase over FY'17.

Final FY'17 Budget	\$ 41,830,053
Proposed FY'18 Budget	\$ 43,226,362
Increase (\$)	\$ 1,396,309
Increase (%)	3.34%

WHAT ARE THE MAJOR BUDGET CATEGORIES?

The following table breaks down the total budget into five major categories. As you can see, **salaries**, by far, are the greatest budget driver. Salaries account for 85.8% of the overall budget, which is consistent with past years.

Major Budget Category	FY'17 Budget	Proposed FY'18 Budget	Incremental Change (\$)	Incremental Change (%)
Total Salaries	35,754,181	37,080,298	1,326,117	3.71%
Special Education (non-salary)	1,273,098	1,091,216	(181,882)	-14.29%
Utilities	1,432,650	1,432,650	-	0.00%
Operations and Maintenance (non-salary)	818,225	918,376	100,151	12.24%
All other non-salary	2,551,899	2,703,822	151,923	5.95%
TOTAL	41,830,053	43,226,362	1,396,309	3.34%



WHAT ARE THE CHANGES TO THE BUDGET?
FY'17 TO FY'18

The following chart lists all of the changes included in my budget proposal. It is intended to show the progression from the Final FY'17 Budget to my FY'18 Recommended Budget. In short, it is "how the budget is built".

Budget Request	FTE (if personnel)	Budget Impact
Final FY'17 Budget	-	41,830,053
Increase salaries for existing personnel (contractual)	-	967,862
High School: Add 0.75 FTE Science teacher (class size mitigation)	0.75	45,000
High School: Add 0.25 FTE English teacher (class size mitigation)	0.25	15,000
Thurston: Add 0.70 FTE Music teacher	0.70	42,000
Thurston: Add 0.20 FTE Wellness teacher	0.20	12,000
Elementary: Add 0.50 FTE Elementary Science Content Specialist	0.50	30,000
Elementary: Increase Kindergarten assistants by 3 hours/week to accommodate new schedule	0.63	16,500
Elementary: Decrease Grade 5 teaching staff at Downey School due to declining enrollment	(1.00)	(60,000)
Special Education: Add 4.33 FTE Instructional Assistants/ABA Tutors to meet requirements of students' Individualized Education Plans (IEPs)	4.33	109,770
Special Education: Add 0.6 FTE Teaching staff to meet requirements of students' Individualized Education Plans (IEPs)	0.60	36,000
Athletics: Add Assistant coaches in Cross-Country, Basketball, and Soccer; Adjust coaches/officials line item to reflect actual expenditures.		28,313
Miscellaneous adjustments to salary and extra-curricular stipend line items to reflect actual expenditures (no FTE impact).		83,672
Net Increase to Miscellaneous Non-Salary accounts. Drivers include: increase to School Bus Transportation, decrease to SPED Tuition/Transportation, additional supplies and materials for J-Term implementation, and increase to District budget for Communications/Outreach consultant.		15,041
Net increase to Fixtures, Furniture & Equipment (FF&E), Technology, and other miscellaneous non-salary accounts. Drivers include: Curriculum supplies for Elementary Science and Literacy, Cafeteria tables at Deerfield and Downey, Student desk/chair replacement at Thurston, and ceiling mounted projectors at Thurston.		55,151
FY'18 Superintendent's Recommended Budget	6.96	43,226,362

WHAT ARE THE BUDGET DRIVERS IN SPECIAL EDUCATION?

As we have said in past years, Special Education is, without a doubt, the most volatile of all school department budget items. The reason is that we are legally mandated to provide a certain level of service to students with special needs, as defined in the student's Individualized Education Plan, or "IEP". As it relates to budget requests, it is important to note that as students' needs change, the budget must also change. This interdependent relationship between a) mandated services, b) student needs, and c) school budgets means that forecasting Special Education expenses is a difficult, if not an impossible challenge for school administrators throughout the country.

In FY'18, we estimate that the two largest Special Education budget drivers, *Tuition* and *Transportation*, will decrease. More information is below:

Tuition: This budget takes into account a stable, and relatively low, number of students in out-of-district placements. We expect to have between 22 and 24 students in out-of-district placements next year, which is approximately 5% of our total special education population.

SPED Tuition	FY'17	FY'18	Difference
Residential Tuition	281,005	213,218	(67,787)
Day Tuition	1,167,944	909,662	(258,282)
Collaborative Tuition	204,738	334,552	129,814
Total	1,653,687	1,457,432	(196,255)

Transportation: This budget, in addition to reflecting projected costs for actual students requiring transportation, also reflects the impact of a recently negotiated contract with a new Special Education transportation provider, Van Pool. New rates for FY'17 (this year) were approximately 8% below FY'16 and, importantly, the level of service has been exceptional.

SPED Transportation	FY'17	FY'18	Difference
In-District Transportation	189,599	269,829	80,230
Out-of-District Transportation	588,036	464,179	(123,857)
Total	777,635	734,008	(43,627)

ARE THERE NEW POSITIONS IN SPECIAL EDUCATION?

Yes. There are a total of 4.93 FTE new personnel in Special Education. The staffing requests were developed based on IEP requirements for service district-wide and input from Principals and staff. An additional driver is our ongoing commitment to educate the vast majority of our students in their home community and the commensurate requirement to provide appropriate services. The budget requests include:



2.50 ABA Tutors (\$75,000)

This request includes the addition of 2.0 FTE ABA Tutors at Downey School to accommodate the needs of students rising from the Westwood Integrated Pre-School into in-district programs at Downey. In addition, Westwood High School will need 0.5 FTE ABA Tutor to accommodate the needs of students rising from Thurston Middle School.



ABA is an abbreviation for “Applied Behavioral Analysis”. Behavior analysis focuses on the principles that explain how learning takes place. Positive reinforcement is one such principle. When a behavior is followed by some sort of reward, the behavior is more likely to be repeated. Through decades of research, the field of behavior analysis has developed many techniques for increasing useful behaviors and reducing those that may cause harm or interfere with learning. Applied behavior analysis (ABA) is the use of these techniques and principles to bring about meaningful and positive change in behavior.

1.83 FTE Instructional Assistants (\$34,770)

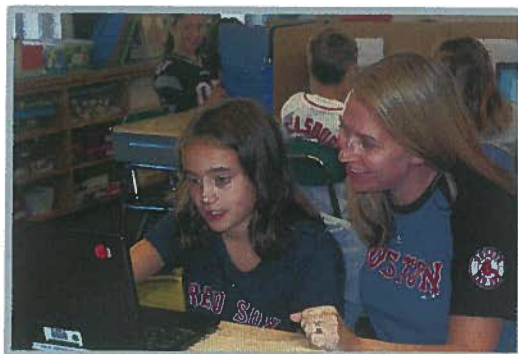
The addition of 1.83 FTE Instructional Assistants will allow for service delivery requirements to be met in all schools (in particular the High School as enrollment increases) and programs as students continue to stay in-district and receive comprehensive special education services.

0.4 FTE Resource Room Teacher at Hanlon School (\$24,000)

This increase in staffing is in response to recent enrollment changes at Hanlon and frequent turnover in the part time position. The increase creates equalized staffing in this role across the five elementary schools.

0.2 FTE Learning Center Teacher at Westwood High School (\$12,000)

Increases current 0.8 FTE Learning Center to teacher to full-time. This addition allows us to meet the demands of increased caseloads due to rising enrollment, as well as accommodate high-needs students rising from Thurston Middle School.



WHAT ARE THE BUDGET PRIORITIES AT WESTWOOD HIGH SCHOOL?

With enrollment at Westwood High School still on the rise, the budget priorities are focused, once again, on mitigating higher than desirable class sizes. While there are needs in multiple departments, the highest priorities for the high school administration are in Science and English. More detail is below:



0.75 FTE High School Science Teacher (\$45,000)

Increased enrollment at the high school has led to high class sizes. In addition, over the last several years, WHS has seen an increase in student enrollment in science electives such as Computer Science and Engineering. In fact, currently 85% of WHS seniors choose to enroll in more than one science class. This position will allow us to decrease class sizes in some core high school classes, such as Biology, and add a new Environmental Science and Ecology elective, while also maintaining the existing science elective program.

0.25 FTE High School English Teacher (\$15,000)

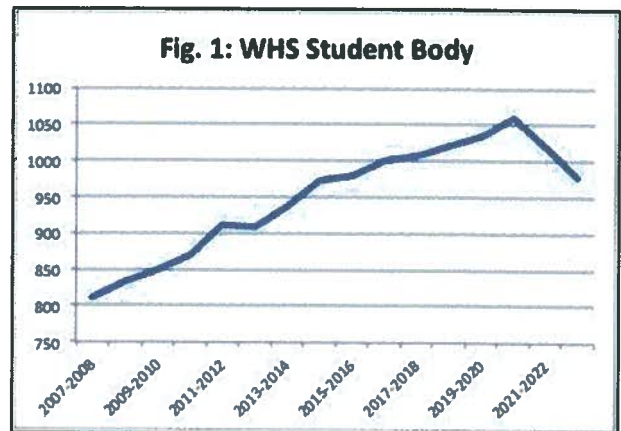
This position will allow a modest decrease in class size by expanding a current part-time position to a full-time position.

Enrollment by Department: 2016-2017

Dept	fewer than 15 students		15-19 students		20-24 students		25-29 students		30+ students		Total Sections	Total Students	Class size average
	Total	% of sections	Total	% of sections	Total	% of sections	Total	% of sections	Total	% of sections			
Art	5	22.7%	7	31.8%	9	40.9%	1	4.5%	0	0.0%	22	316	17.6
English	4	7.4%	15	27.8%	24	44.4%	11	20.4%	0	0.0%	54	1113	20.7
Foreign Lang.	13	26.0%	21	42.0%	15	30.0%	1	2.0%	0	0.0%	50	17	17.2
Math	5	9.6%	14	26.9%	22	42.3%	11	21.2%	0	0.0%	52	1095	21.1
Science	3	5.7%	18	34.0%	17	32.1%	15	28.3%	0	0.0%	53	1147	21.6
Social Studies	8	15.4%	12	23.1%	27	51.9%	5	9.6%	0	0.0%	52	20	20.1
SIPP	1	50.0%	1	50.0%	0	0.0%	0	0.0%	0	0.0%	2	21	21.1

Looking Ahead

Westwood High School currently serves 1,000 students, a population that has grown by 190 students in the last nine years (Fig. 1). The projected student populations for the upcoming years show that this marked increase will continue (to a peak of 1,059 in 2020-2021) and will require staffing increases in key areas.



WHAT ARE THE BUDGET PRIORITIES AT THURSTON MIDDLE SCHOOL?

Thurston has requested a modest increase of 0.9 FTE new personnel. One position is to address programmatic needs; the other is to mitigate higher than desirable class sizes. More detail is below:

0.7 FTE Middle School Music (\$42,000)

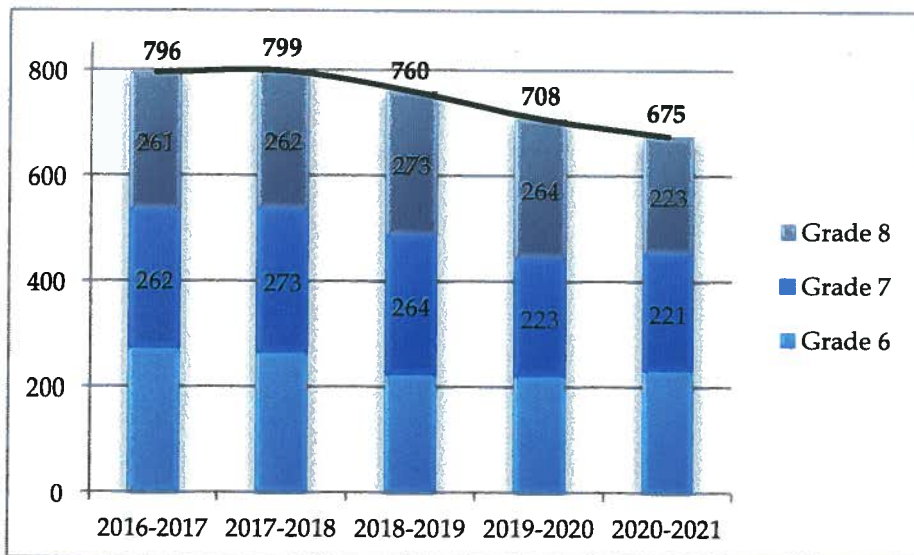
Currently, most students at TMS elect to take a performance-based music class (band, chorus, or orchestra). A portion of students opt for a general music class instead of a performance class. With current staffing levels, the general music class only meets for one semester. As a result, general music students are enrolled in an extra PE class for the other semester. This position would allow us to expand general music to a full-year course, while simultaneously updating the curriculum to tap into a wide range of students' music interests. This change would also help solve persistently high class sizes in PE.

0.2 FTE Middle School PE (\$12,000)

This position, in addition to the music position described above, would address large PE class sizes, particularly in grade 6. In addition, it would allow us to expand our adapted PE programming which gives some of our special education students the opportunity to work on both physical and social skills.



Enrollment has “plateaued” at Thurston at just under 800 students and our population is projected to hold steady for one more year before beginning to decline in 2018. Projected enrollment is as follows:



WHAT ARE THE BUDGET PRIORITIES AT THE PK/ELEMENTARY LEVEL?

0.5 FTE Elementary Science Content Specialist (\$30,000)

Our experience during year 1 of the planned 3-year implementation of a new elementary science program has highlighted the need for additional science content support for elementary classroom teachers. This position would increase content support and instructional coaching for teachers.



Increase Kindergarten Assistants by 3 hours per week (\$16,500)

This staffing change (a total of 0.63 FTE district wide) supports our transition to full day Wednesdays for Kindergarteners.

Decrease of 1.0 FTE Classroom teacher at Downey School (-\$60,000)

The budget is offset by a staff reduction at Downey School due to declining enrollment. Since Downey will “graduate” three Grade 5 classes this year, and we expect only two incoming Kindergarten classes for next year, the total number of classroom teachers will decrease to 12 from 13.

ARE THERE OTHER INCREASES TO THE SALARY BUDGET?

Yes. There are other changes to salary line items that do not have an impact to the total number of FTE’s. They include:

- Increasing the High School Technology Support Specialist by 15 days. The volume of technology usage at the high school has increased significantly over the last several years, requiring significant maintenance, setup, and support at the end of the school year and in preparation for the start of the year. This increase adjusts the budget to reflect actual practice. (\$3,672)
- Increasing extra-curricular stipend line items at Westwood High School and Thurston Middle School to better reflect actual expenditures. (\$80,000)
- Athletics: Added Assistant coaches in Cross-Country, Basketball, and Soccer; adjusted the coaches/officials budget line item to reflect actual expenditures. (\$28,313)

WHAT ARE THE BUDGET DRIVERS IN NON-SALARY ACCOUNTS?

The increase in general Non-Salary accounts and Fixtures, Furniture & Equipment (FF&E) is \$70,192, an amount that represents just a fraction (5%) of the overall budget increase of \$1,396,309. It should be noted that this is a *net* increase, and there are in fact increases to several non-salary line items that are offset by a large reduction in the Special Education Tuition and Transportation (see page 5). Some of the larger budget drivers include:

- **\$33,048 – Increase School Bus Transportation:** FY'18 will be Year 1 of a new bus transportation contract (we will be going out to bid this Spring). This amount reflects a projected increase for FY'18.
- **\$58,000 – Increase Student Services expenses budget:** There are several accounts in the Student Services budget that require adjustments to reflect actual costs, including: Legal, Testing, Extended School Year, and Tutoring.
- **\$45,000 – Increase Maintenance budget:** The proposed FY'18 budget is increased to reflect actual expenses in several Maintenance accounts, including: Roof, Elevator, Vehicle, Telephone, and Grounds.
- **\$25,000 - Thurston Middle School Student Furniture:** In FY'16 we launched a multi-year replacement plan for student desks and chairs at Thurston. This budget allows for continuation of the plan.
- **\$20,000 - Thurston Middle School Ceiling Mounted Projectors:** It is our goal to have 100% of our classrooms outfitted with ceiling-mounted projectors. This budget increase will fund the installation in approximately nine more classrooms.
- **\$20,000 - Elementary Science Program Supplies:** Based on our pilot of the new elementary science program (STEMscopes), we will be fully implementing the program next year, necessitating the initial purchase of materials kits for Life Science and Earth & Space science.
- **\$23,110 - Elementary Literacy: Leveled Literacy Intervention (LLI) Kits (\$23,110)** The district currently has “pieces” of the LLI materials, as principals have been buying the materials one kit at a time over a period of years. This expenditure would result in all five elementary schools having a complete set of materials to support our work with struggling readers. It has been identified as a top priority by our Elementary Literacy Coordinator.
- **\$20,000 - Addition of a Communications/Community Outreach consulting line item:** With several major initiatives being considered in the district (e.g. space and capital needs study, the study of later start times at WHS, etc.), the need for communicating and engaging the community has never been greater. This budget will allow the administration to engage the services of a communications consultant to aid in this effort.

DOES THIS BUDGET CUT ANY PROGRAMS OR SERVICES?

No, we are fortunate to have avoided any cuts to programs or services. This is something we should not take for granted, as many districts (even high-performing districts) continue to experience budget difficulties.

WHAT'S MISSING FROM THE BUDGET?

ARE THERE UNFUNDED NEEDS?

Absolutely. Every year there are legitimate and justifiable needs that are not included in the Superintendent's Recommended Budget. That is because there are finite resources and it is my responsibility to present a reasonable and sustainable budget to Westwood residents. However, as I have said repeatedly over the years, *because a need goes unfunded, does not mean the need has gone away*. Among the unfunded needs are:



- Teachers K-12 to address higher-than-desirable class sizes: If we had more flexibility in the budget, and had available physical space for additional classes, we would have likely requested additional personnel in other content areas and grade levels.
- Additional Elementary Science Specialists and Elementary Science Materials Coordinator
- Additional increases for equipment in Science, Engineering & Technology (e.g lab equipment, 3D printers, etc.)
- Additional increases for Operations and Maintenance to meet ever-growing needs at Hanlon, Sheehan, and Deerfield
- Reduction or Elimination of User Fees for *Transportation* and *Athletics*.

IS THIS THE FINAL FY'18 BUDGET?

WHAT COULD CHANGE?

The presentation of the Superintendent's Recommended Budget is only the first step in the budget process. Over the next few months, the School Committee will review the budget and deliberate. It always reserves the right to make changes, modifications, additions, etc. Also, the School Committee does not work in isolation. During the budget process, it 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'17 vs. FY'18 Budget Summary by Major Category

	FY'17 Appropriation	FY'18 Proposed Budget	Increase/ Decrease (\$)	Increase/ Decrease (%)
I. INSTRUCTIONAL				
Salary	\$ 33,105,385	\$ 34,327,550	\$ 1,222,165	3.69%
Non-Salary	2,190,063	2,366,938	176,875	8.08%
<i>Instructional Sub-total</i>	\$ 35,295,448	\$ 36,694,488	\$ 1,399,040	3.96%
II. CENTRAL ADMINISTRATION				
Salary	1,051,724	\$ 1,084,853	\$ 33,129	3.15%
Non-Salary	245,975	245,975	-	0.00%
<i>Administration Sub-total</i>	\$ 1,297,699	\$ 1,330,828	\$ 33,129	2.55%
III. OPERATIONS				
Salary	1,597,072	\$ 1,667,895	\$ 70,823	4.43%
Non-Salary	2,719,939	2,853,138	133,199	4.90%
<i>Operations Sub-total</i>	\$ 4,317,011	\$ 4,521,033	\$ 204,022	4.73%
Sub-Total Sections I.-III.	\$ 40,910,158	\$ 42,546,349	\$ 1,636,191	4.00%
IV. SPED TUITION AND TRANSP.				
Out-of-district Tuition	182,763	\$ (13,492)	\$ (196,255)	-107.38%
Sped Transportation	737,132	693,505	(43,627)	-5.92%
<i>Spec. Ed. Tuition and Transp. Sub-total</i>	\$ 919,895	\$ 680,013	\$ (239,882)	-26.08%
Sub-Total Section IV.	\$ 919,895	\$ 680,013	\$ (239,882)	-26.08%
TOTAL OPERATING BUDGET	\$ 41,830,053	\$ 43,226,362	\$ 1,396,309	3.34%

Exhibit 7
Capital Budget Summary

Item	Description	Actual FY '14	Actual FY '15	Actual FY '16	Actual FY '17	Proposed FY '18
1.	Technology	\$ 242,000	\$ 100,000	\$ 140,000	\$ 225,000	\$ 225,000
2.	FF&E				\$ 129,050	\$ 129,500
3.	HVAC	\$ 41,000	\$ -	\$ -	\$ 96,000	\$ 96,000
4.	Roofing	\$ -	\$ 306,000	\$ 170,000	\$ 100,000	\$ -
5.	Repair & Maintenance	\$ 93,000	\$ -	\$ 270,000	\$ 275,000	\$ 321,950
6.	Copiers	\$ 30,000	\$ -	\$ 60,000	\$ 60,000	\$ 60,000
7.	Vehicles	\$ -	\$ -	\$ 116,000	\$ -	\$ 34,550
	Total	\$ 406,000	\$ 406,000	\$ 756,000	\$ 885,050	\$ 867,000

The Town of Westwood, Massachusetts

Five Year Capital Improvement Plan Fiscal Years 2018-2022



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 \$1.07M 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

	FY11	FY12	FY13	FY14	FY15	FY16	FY17
Tax Revenue	\$123,000	\$123,000	\$123,000	\$148,000	\$58,100		\$83,100
Free Cash	\$700,000	\$700,000	\$730,000	\$800,000	\$1,308,150	\$1,678,000	\$1,742,050
Borrowing Within Proposition 2 ½		\$910,000	\$5,335,000			\$11,000,000	\$13,205,000
Exempt Debt	\$9,300,000						
Sewer Enterprise Funds	\$245,000	\$160,495	\$415,000	\$100,000		\$450,000	\$135,000
Sewer Enterprise Borrowing		\$212,300		\$1,570,000			\$234,000
Other Sources	\$333,000	\$173,700		\$240,000	\$339,000	\$950,000	\$432,000

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.

FY18 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 \$140 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 (see pages 159-160). 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.
- Currently in process – new Islington fire station.
- Currently in process – 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 evaluating options for improvements to school facilities. The plan takes a comprehensive look at the needs and options for long term capital needs of school facilities.

- The current options and report are available on the school web site

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 met monthly since then and has followed a disciplined and analytical approach at arriving at the proposed solution. The proposal included:

- Construct a new fire substation to be located at the current Islington site. This building will be larger than the current building to accommodate additional staff and equipment needed to service University Station. This project is currently underway, having been approved at the May 2015 Town Meeting.
- Construct a new police headquarters located behind the existing facility. This building will accommodate the police operations and needs that have occurred since the current station was built in 1967. This project is currently underway.
- Renovate the main fire at its existing site.

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 is approximately half of the recommended level per the Town's financial policies.

In FY14, FY15 and FY16, the Town was able to increase its base level of capital, funding \$950K in FY14, \$1.3M in FY15, \$1.6M in FY16, and \$1.7M in FY17. The FY18 budget will continue to fund at this higher level.

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. \$300,000 has been requested for FY18.

FY18 Capital Funding

The initial FY18 capital budget as included in the Board of Selectmen’s preliminary FY18 budget plan:

- Provides for continuation of capital projects at the higher level of appropriation. Total school (\$867K) and municipal (\$867K) ongoing capital article, at \$1.734M.
- Provides for additional capital articles as done in prior year through an “other capital article”. Projects and funding to be determined.

**Capital Outlay Requests - FY2018
For Approval at the 2017 Annual Town Meeting**

Current Availability for Funding - FY2018

Pay-as-you-go Capital

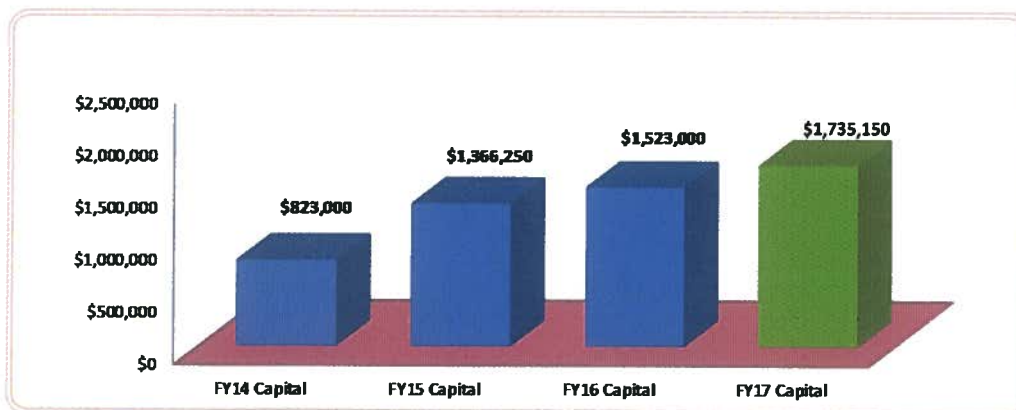
The current funding would provide the following capital level:

	FY13	FY14	FY15	FY16	FY17	Proposed FY18
School Capital	\$406,000	\$406,000	\$606,000	\$756,000	\$885,050	\$ 867,000
Municipal Capital	\$417,000	\$417,000	\$760,218	\$767,000	\$850,000	\$ 867,000
Additional Capital		\$125,000	\$339,000	\$400,000	\$650,000	To Be Determined

- In FY 18, consideration can again be given to adding additional capital through use of free cash. Utilizing additional free cash to fund capital items, would bring the annual total again to \$1.73M for ongoing capital items.
- 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.

	FY12	FY13	FY14	FY15	FY16	FY17
Borrowing Within Proposition 2 1/2	\$910,000	\$5,335,000		\$1,850,000	\$12,040,000	\$13,205,000
Borrowing Outside Proposition 2 1/2						\$0
Other Sources					\$450,000	\$0
Sewer			\$1,570,000			\$234,000



Capital Budget Procedure

The Town of Westwood operates under state statutes and the Town Charter as adopted July 1, 1970. 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 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 as part of Finance and Warrant Commission public hearings.
- Finance and Warrant Commission approves capital items for Town Meeting warrant book at their final public hearing.

May

- Town Meeting approves capital.

FY2018 - 2022 Capital Requests

Capital Project Requests	FY2018 Request	FY2019 Request	FY2020 Request	FY2021 Request	FY2022 Request	Total
Municipal Buildings Maintenance						
COA Exterior Siding/Roofing	\$300,000					\$300,000
COA Kitchen Upgrade		\$50,000				\$50,000
Fire Department Station 1 upgrade and repair	\$1,000,000					\$1,000,000
Town Hall Bathroom Renovation	\$75,000					\$75,000
Town Hall Basement Renovation	\$100,000					\$100,000
Facility Maintenance	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Energy Efficiency	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Category Total	\$1,600,000	\$175,000	\$125,000	\$125,000	\$125,000	\$2,150,000
Council on Aging						
Van Replacement				\$90,000	\$90,000	\$180,000
Department Total	\$0	\$0	\$0	\$90,000	\$90,000	\$180,000
DPW						
Public Works - Fleet						
1 Heavy Duty Dump Truck with Plow (Truck 14)	\$225,000					\$225,000
Bombadier Sidewalk Plow (B1)	\$135,000					\$135,000
One Ton Pickup Truck (Truck 7)	\$70,000					\$70,000
One Ton Dump Truck with Plow (Truck 15)		\$70,000				\$70,000
One Ton Dump Truck with Plow (Truck 16)		\$70,000				\$70,000
One Ton Dump Truck with Plow (Truck 32)		\$70,000				\$70,000
Backhoe Loader Replacement (JCB1)		\$125,000				\$125,000
Utility Maintenance Van (Truck 55)			\$65,000			\$65,000
Bombadier Sidewalk Plow (B2)			\$135,000			\$135,000
One Ton Dump Truck with Plow (Truck 29)			\$70,000			\$70,000
1 Heavy Duty Dump Truck with Plow (Truck 10)				\$175,000		\$175,000
1 Heavy Duty Dump Truck with Plow (Truck 19)				\$250,000		\$250,000
One Ton Dump Truck with Plow (Truck 17)				\$70,000		\$70,000
1 Heavy Duty Dump Truck with Plow (Truck 8)					\$175,000	\$175,000
1 Heavy Duty Dump Truck with Plow (Truck 20)					\$175,000	\$175,000
Roadside brush trimmer/sidewalk machine					\$120,000	\$120,000
Department Total	\$430,000	\$335,000	\$270,000	\$495,000	\$470,000	\$2,000,000
Fire						
Ladder Truck (payment 5 of 5)	\$151,050					\$151,050
Replace Engines (2)	\$232,000	\$232,000	\$232,000	\$232,000	\$232,000	\$1,160,000
Replace Squad 2	\$290,000					\$290,000
Replace Chief's Vehicle	\$38,500					\$38,500
Replace Deputy's Vehicle	\$38,500					\$38,500
Replace Utility Vehicle	\$48,000					\$48,000
Replace Ambulance A-2		\$330,000				\$330,000
Replace Squad 1			\$305,000			\$305,000
Replace Ambulance A-1				\$330,000		\$330,000
Shift Command Vehicle				\$55,000		\$55,000
Department Total	\$798,050	\$562,000	\$537,000	\$617,000	\$232,000	\$2,746,050
Information Technology						
End User Technology	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$450,000
Department Total	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$450,000
Library						
Patron/Staff End User Technology	\$21,750	\$19,250	\$15,750	\$15,750	\$15,750	\$88,250
Mobile MakerSpace Station	\$20,500					\$20,500
Department Total	\$42,250	\$19,250	\$15,750	\$15,750	\$15,750	\$108,750

FY2018 - 2022 Capital Requests

Capital Project Requests	FY2018 Request	FY2019 Request	FY2020 Request	FY2021 Request	FY2022 Request	Total
Police						
Replacement of Police Vehicles	\$165,000	\$172,000	\$179,500	\$187,500	\$195,000	\$899,000
Traffic Safety Cameras/Equipment	\$12,500					\$12,500
Booking/Fingerprint Equipment	\$21,500					\$21,500
Department Total	\$199,000	\$172,000	\$179,500	\$187,500	\$195,000	\$933,000
Total Municipal Capital Requests	\$3,159,300	\$1,353,250	\$1,217,250	\$1,620,250	\$1,217,750	\$8,567,800

School						
Elementary Building Project	\$0	\$0	\$1,000,000	\$64,000,000	\$0	\$65,000,000
Technology	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
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	\$60,000	\$0	\$0	\$35,000	\$0	\$95,000
Total School Capital Requests	\$1,830,000	\$1,770,000	\$2,770,000	\$65,805,000	\$1,770,000	\$73,945,000

Community Wide - Municipal/School Infrastructure						
Turf Field Replacement (Practice Field)		\$650,000				\$650,000
High School Tennis Courts	\$160,000					\$160,000
Sheehan Tennis Court Repurposing		\$150,000				\$150,000
Morrison Basketball Court Refurbishment	\$60,000					\$60,000
Morrison Tennis Court Installation	\$200,000					\$200,000
Pool - Pool Pak System Replacement		\$100,000				\$100,000
Pool - Drainage and Refurbishment			\$25,000			\$25,000
Category Total	\$420,000	\$900,000	\$25,000	\$0	\$0	\$1,345,000

Major Capital - To Be Considered through Bond Funding/Other Funding

Municipal Infrastructure						
Winter St/Clap Street Intersection Design & Construction	\$100,000	\$300,000				\$400,000
Gay Street Sidewalk/Pavement Rehab			\$250,000	\$2,500,000		\$2,750,000
Retaining Wall Carby Street		\$250,000				\$250,000
Brookfield Drainage Design & Construction				\$110,000	\$540,000	\$650,000
Road/Sidewalk Improvement	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Stormwater Compliance	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Municipal Buildings						
Town Hall Renovation	\$500,000	\$5,100,000				\$5,600,000
Islington Community Center Kitchen	\$120,000					\$120,000
Islington Community Center Lift	\$200,000					\$200,000
Islington Community Center Renovation	\$1,100,000					\$1,100,000
COA Addition Design & Construction	\$35,000					\$35,000
Public Works Facility Design & Construction	\$250,000	\$18,000,000				\$18,250,000
Sewer maintenance garage facility		\$3,000,000				\$3,000,000
Community/Recreation Center Construction			\$100,000	\$3,000,000		\$3,100,000
Category Total	\$2,605,000	\$26,950,000	\$650,000	\$5,910,000	\$840,000	\$36,955,000

FY2018 - 2022 Capital Requests

Capital Project Requests	FY2018 Request	FY2019 Request	FY2020 Request	FY2021 Request	FY2022 Request	Total
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Recreation						
To Be Funded from Rec Revolving/Other Funds:						
Pool - Acoustic Panels			\$50,000			\$50,000
Construct Storage Facility			\$50,000			\$50,000
Van Replacement	\$55,000					\$55,000
Department Total	\$55,000	\$0	\$100,000	\$0	\$0	\$155,000

Small Municipal Capital Funded with Operating/Other Available Funds						
Turnout Gear Replacement	\$23,650	\$24,800	\$26,050	\$27,350	\$28,725	\$130,575
SCBA Upgrade & Replacement	\$39,900	\$41,895	\$44,000	\$46,000	\$48,500	\$220,295
Rescue Equipment	\$39,900	\$41,895	\$18,000	\$18,000	\$20,000	\$137,795
Radio Upgrade and Replacement	\$8,400	\$8,600	\$8,800	\$9,000	\$9,000	\$43,800
Police						
Bulletproof Vest Replacement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Category Total	\$121,850	\$127,190	\$106,850	\$110,350	\$116,225	\$582,465

Sewer						
Brook St. P.S. upgrades-A	\$184,700					\$184,700
Conant Rd. P.S. upgrades-A	\$307,050					\$307,050
Summer St. P.S. upgrades-A	\$155,000					\$155,000
SCADA system upgrade	\$60,000					\$60,000
Easement Access Project	\$70,000					\$70,000
Infiltration & Inflow Reduction**	\$500,000	\$100,000	\$100,000	\$100,000	\$100,000	\$900,000
Arcadia Rd. P.S. upgrades-A		\$817,800				\$817,800
Truck #21 replacement		\$95,000				\$95,000
Far Reach P.S. upgrades-A			\$378,400			\$378,400
Stevens Farm P.S. upgrades-A			\$18,130			\$18,130
Clapboardtree St. P.S. upgrades-A			\$250,400			\$250,400
Truck #24 replacement			\$450,000			\$450,000
Farm Lane P.S. upgrades-A				\$250,400		\$250,400
Della Park P.S. upgrades-A				\$8,300		\$8,300
Conant Rd. P.S. upgrades-B					\$262,900	\$262,900
Brook St. P.S. upgrades-B					\$272,000	\$272,000
Summer St. P.S. upgrades-B					\$46,450	\$46,450
						\$0
						\$0
Department Total	\$1,276,750	\$1,012,800	\$1,196,930	\$358,700	\$681,350	\$4,526,530

Capital Approved Outside Proposition 2 1/2

Debt/Capital Exemption Overrides

Item/Project	Cost	Date Completed
School Projects		
Reconstruction of Middle School 1990 Special Town Election	\$2,282,000	FY2002
Middle School/Fields 1997 Annual Town Election	2,373,430	FY2009
Middle School/Gymnasium 1997 Annual Town Election	550,000	FY2009
Downey School Expansion 1999 Annual Town Election	6,500,000	FY2012
Martha Jones School Expansion 2000 Special Town Election	7,200,000	FY2012
New High School/Add'l Appropriation 2000/2002 Town Election	44,295,640	Not Yet Completed FY2023
School Total	\$63,201,070	
Municipal Projects		
Capital Equipment 1989 Annual Town Election	\$298,000	FY1990
Road Improvement Program 1990 Special Town Election	1,703,000	FY2001
Road Improvement Program 1994 Annual Town Election	2,200,000	FY2005
New Library Construction 2010 Annual Town Election	9,300,000	Not Yet Completed FY2031
Municipal Total	\$13,501,000	
Sewer Projects		
Vote to Exempt Sewer Construction Bonds 1982 Annual Town Election	\$4,000,000	FY1993
Sewer Total	\$4,000,000	

**Projects Approved for Borrowing Within Proposition 2 1/2
Fiscal Years 2000 - 2016**

Item/Project	Cost	Date Approved
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School Projects

Elementary School Expansion Design (Martha Jones)	\$400,000	ATM 1999
High School - Supplemental	1,950,000	ATM 2006
High School Fields	475,000	STM 2007
Purchase & Construct Thurston School Modular Addition	3,500,000	ATM 2008
Deerfield School Roof	935,000	ATM 2012

School Total	\$7,260,000	
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Municipal Projects

Municipal Office Building/DPW Facility	\$2,600,000	ATM 2001
Municipal Office Space Relocation/Construction	240,700	ATM 2001
High Street Land Purchase	300,000	STM 2000
Purchase of Lowell Property	1,700,000	ATM 2000
Purchase of Islington Community Church	600,000	ATM 2004
High Street Road Improvement	1,000,000	ATM 2005
High Street Lights	195,000	ATM 2006
Construction of Cemetery Barn	150,000	ATM 2009
DPW Equipment	460,000	ATM 2011
Brook Street Culvert Flood Prevention Project	240,000	ATM 2011
Road Improvement	2,400,000	ATM 2012
DPW Capital Equipment	2,000,000	ATM 2012
Design New Islington Fire Station	850,000	FTM 2014
Design New Police Station	1,000,000	FTM 2014
Construct New Islington Fire Station	8,650,000	ATM 2015
Town-wide LED Streetlight Upgrade	500,000	ATM 2015
Cemetery Expansion	450,000	ATM 2015
Deerfield Road/Parking	2,000,000	FTM 2015
Land Purchase	\$890,000	FTM 2015
Construct New Police Headquarters	\$13,205,000	ATM 2016

Municipal Total	\$39,430,700	
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Sewer Projects

Sewer Construction	\$1,500,000	ATM 2000
Sewer Design	100,000	ATM 1999
Sewer Engineering & Construction	750,000	ATM 2004
Sewer Design	1,570,000	ATM 2013

Sewer Total	\$3,920,000	
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