

Town of Westwood, Massachusetts

Proposed FY22 Overall Budget Summary July 1, 2021 – June 30, 2022



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This report is a summary of the Fiscal Year 2022 budget as well as an overview of the Town’s finances.

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Town of Westwood

Commonwealth of Massachusetts

Select Board

Nancy C. Hyde, Chair
John Hickey
Michael Walsh

Christopher Coleman, Town Administrator
Pamela Dukeman, Assistant Town Administrator/Finance Director

February 1, 2021

To the Select Board:

Enclosed you will find the *Proposed FY22 Budget Summary* document. The document is organized in three sections as outlined below. I am confident our residents will find this document a comprehensive, easy to use reference tool.

- **FY22 Proposed Budget** – outlines the overall FY22 budget currently proposed by the Select Board.
- **Information to Know** – provides significant, comprehensive detail on important areas of the Town's finances.
- **Requested Budgets** – includes summary extracts of the municipal, school, fixed costs, and capital requested FY221 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 Select Board, and Finance and Warrant Commission meetings, as well as widely distributed to all parties involved in the budget process. This document, as well as the financial presentations, is a clear example of the Select Board's commitment to financial transparency and to providing clear and easy to understand financial information to the community.

Budget Summary

The FY22 overall budget strives to provide a well-balanced, comprehensive budget for the community. The Select Board, working closely with 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



Long Term Liabilities

Reserve Accounts

Service Levels

Select Board continues to work to address all areas.

Directly following this letter is a summary of the FY22 budget.

Next Steps

There will continue to be work to be done to finalize the FY22 budget before Town Meeting.

Particular budget items to monitor include:

- Health Insurance budget. The Group Insurance Commission (GIC) will update FY22 plan design and premiums during February and March and we will update the budget accordingly. The GIC is working to contain growth in costs and is looking at adjusting plans to mitigate growth in costs.
- State Aid. The State budget process has just begun. The Governor has indicated no cuts to FY22 State Aid. We will continue to monitor the budget for information.
- Capital Budget. The Select Board will continue to review and refine the capital budget and update the proposed articles before the final March budget hearings. This includes working with Bond Counsel and language for any borrowing article.

I want to thank all involved in putting this document together. The quality of services provided to the community is so impressive for a small community like Westwood and is the direct result of the Select Board and Town Administrator Chris Coleman's clear directives on quality services and the staff's ability to implement.

I would also like to thank Marie O'Leary, Town Accountant, Kathy Foley, Assistant Treasurer, and particularly Laura Bucari, Financial Analyst, for the significant contribution they make to this document and the overall budget process. They continue showing their commitment to quality, accuracy, and full public disclosure. We will continue to monitor and update the ever changing data and keep parties informed as we move forward to Town Meeting.

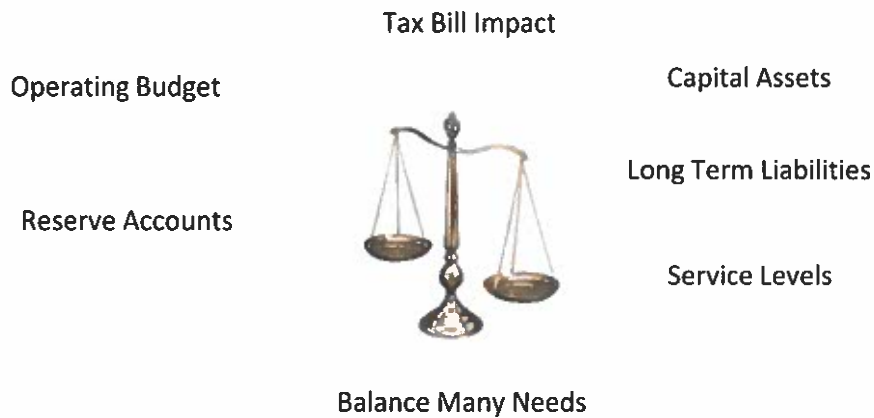
Respectfully submitted,

Handwritten signature of Pamela Dukeman in blue ink.

Pamela Dukeman
Assistant Town Administrator/Finance Director

FY22 Budget Summary

The FY22 overall budget strives to provide a well-balanced, comprehensive budget for the community. The Select Board, working closely with the Finance and Warrant Commission, and Town and School officials and administration, has continued to work cooperatively to balance the many needs of the community.



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

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

The Town budgets in FY13 through FY21 exhibited overall improvement in the economy and revenue sources. This improvement, coupled with significant savings due to health insurance reforms, and new revenue from University Station, allowed for budgets that provided for moderate operating budget growth while making continued progress on capital, reserves, and long term liability needs.

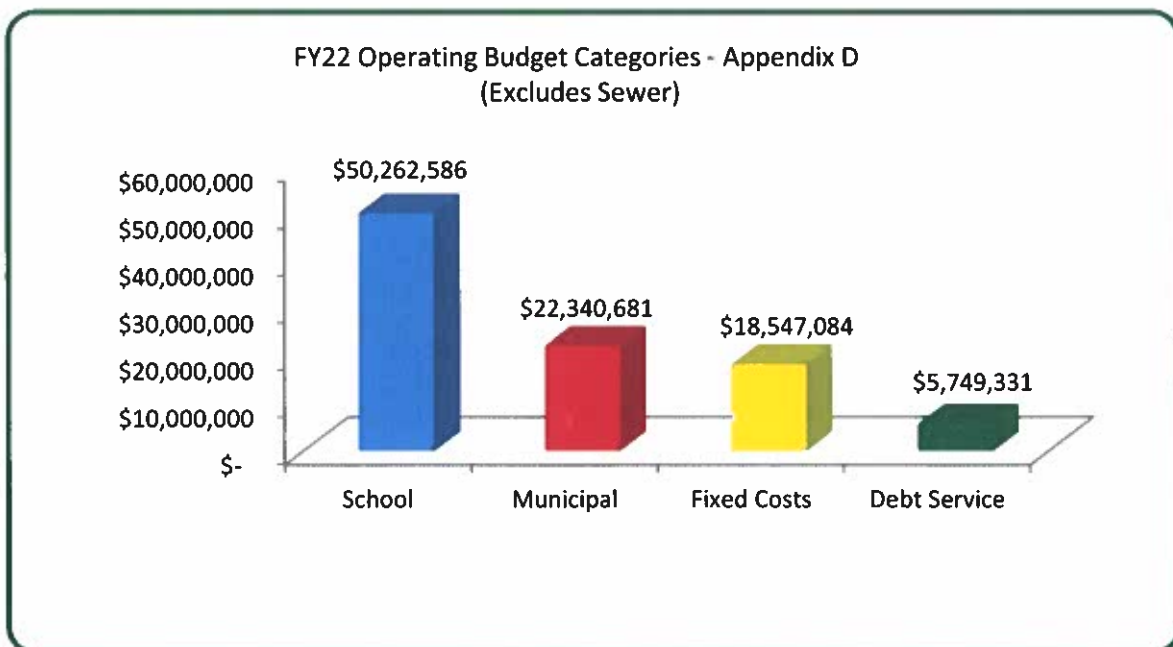
FY22 Budget Summary

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

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

The FY22 proposed budget continues with this discipline and seeks to balance all of the many needs of the community. The FY22 budget currently includes:

- Commitment to high quality services provided by school and municipal departments.
- Approximate 3.17% increase to municipal and 3.4% to school operating budgets.
- Commitment to high level of ongoing base school and municipal capital \$2,321,650.
- Continue to fund additional capital items beyond the base level.
- Continue small annual allocation to the Stabilization Fund of \$125,000 funded from free cash to keep account in line with financial policies.
- Commitment to OPEB liability fund, by funding \$1.490M annual appropriation. This allows the Town to remain on target with the liability funding schedule.



For further detail on the operating budget, please see the FY22 Proposed Budget section of this book

FY22 Budget Summary

Impact of COVID Pandemic

This ongoing commitment to disciplined and sustainable budgets has allowed the Town to weather the disruption of the COVID pandemic without having to dramatically alter our main School and Town Services.

The efforts over the last several years to build sustainable budgets, not relying on one time revenue, and having appropriate resources have all contributed to the Town's ability to maintain services in FY21 and plan for continued services in FY22.

There were additional costs experienced by School and Municipal departments as they pivoted service delivery due to COVID.

Some additional costs incurred by School and Municipal Departments

- Public Safety staffing
- Purchase of Personal Protective Equipment (PPE) and safety equipment
- Technology costs to set up remote operations, Town and Schools
- Additional facility costs – cleaning, maintenance, and signage
- Health Department impacts
- Changes to election process
- Vaccine and testing programs

There have been State and Federal funds available to offset these additional costs.

- Available Funds to address these costs include:
 - State CARES Act
 - FEMA
 - School specific state reopening funds \$675K
 - Small grants specific for:
 - Board of Health
 - Elections

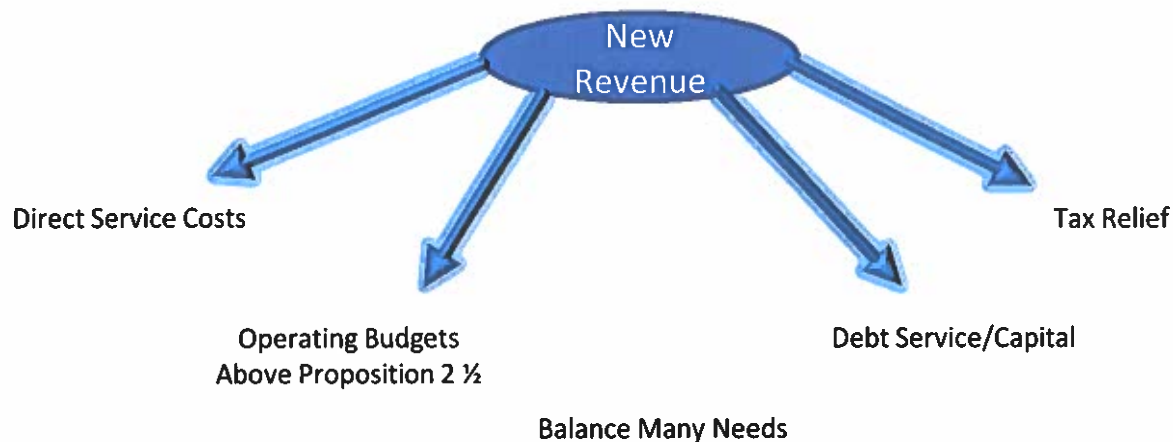
FY22 Budget Summary

University Station

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

FY22 will represent the eighth year of new tax revenue from the University Station project. To date through FY21, the project has increased our tax levy by \$6.4M.

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



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

In the FY22 budget, there is \$925,000 in University Station revenue available, coming from \$825,000 of unused FY21 levy and conservative anticipated new tax growth of \$100,000. The Select Board is proposing that \$700,000 of this funding be used to support the School and Municipal Operating Budgets. The remaining \$225,000 will remain as unused tax levy. It is anticipated that this unused tax levy will grow when new growth is finalized in the fall of 2021.

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

FY22 Budget Summary

Striving to Provide Balance to All Areas of the Budget

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

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

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

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

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

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

The Select Board 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.

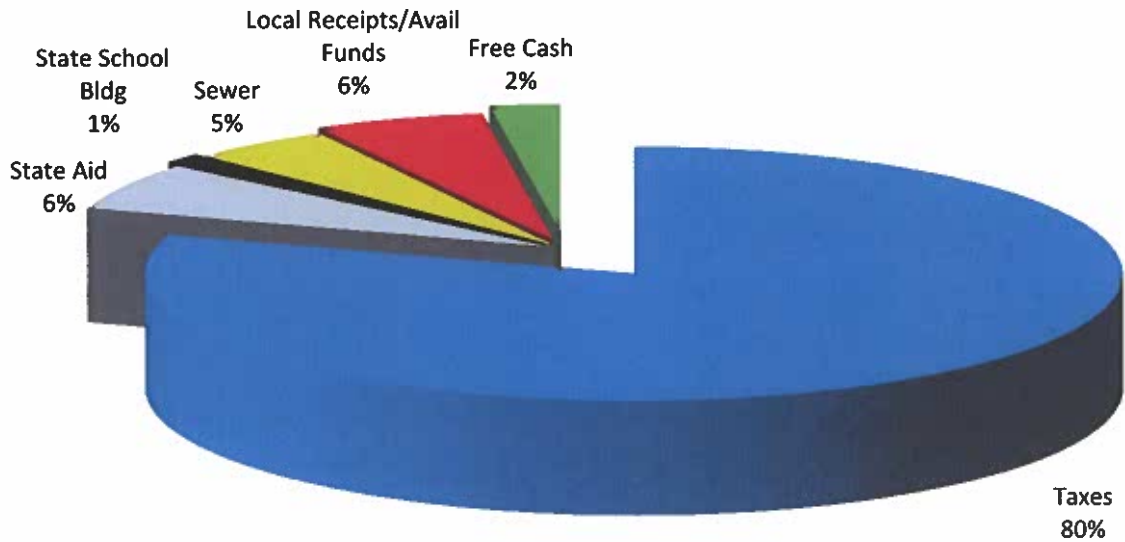
As always, the Select Board appreciates the significant time and attention that our elected Town and School Officials, Finance and Warrant Commission members, all appointed Boards and Committees and staff, and our Town residents give to the budget process each year.

Town of Westwood Summary of Proposed FY22 Budget

	FY2019 Approved Per Recap	FY2020 Approved Per Recap	FY2021 Approved Per Recap	FY2022 Proposed
BUDGET CATEGORIES				
Appropriations Made by Town Meeting:				
Operations Budget	\$91,193,470	\$94,627,946	\$98,247,867	\$101,434,278
Capital - Municipal	\$886,900	\$1,322,000	\$1,304,400	\$1,304,650
Capital - Schools	\$867,000	\$1,017,000	\$1,017,000	\$1,017,000
Capital - Sewer	\$420,000	\$1,050,000	\$765,000	\$70,000
Stabilization Account Appropriation - annual article	\$100,000	\$125,000	\$125,000	\$125,000
Capital Stabilization Appropriation	\$0	\$0	\$0	\$0
OPEB Account Appropriation - annual article	\$1,415,000	\$1,440,000	\$1,465,000	\$1,490,000
Other Financial Warrant Articles	\$1,125,000	\$0	\$0	\$31,000
Prior yr. Adjustments voted at Town Meeting	\$331,000	\$99,500	\$444,000	\$0
Other Capital - School & Municipal	\$1,300,760	\$1,407,000	\$1,127,220	\$1,495,000
	\$0	\$0	\$0	\$0
Total Appropriations -Town Meeting	\$97,639,130	\$101,088,446	\$104,495,487	\$106,966,928
Other Amounts to be Raised (not Voted at Town Meeting)				
State Aid Offsets (Funds which must be restricted)	\$19,478	\$22,831	\$22,946	\$27,535
State and County Charges	\$676,612	\$703,146	\$691,591	\$705,965
Overlay (Reserve for abatements/exemptions)	\$586,416	\$689,710	\$551,218	\$558,799
Other - Snow & Ice Raised on Recap	\$121,480	\$0	\$0	\$0
Total Other Amounts	\$1,403,986	\$1,415,687	\$1,265,755	\$1,292,299
Total Expenditures	\$99,043,116	\$102,504,133	\$105,761,242	\$108,259,227
Financial Resources				
State Revenue:				
State Aid	\$6,212,883	\$6,395,080	\$6,523,982	\$6,622,401
State School Building Assistance Funding	\$1,401,276	\$1,401,276	\$1,401,276	\$1,401,276
Local Revenue:				
Total Property Taxes	\$76,955,697	\$80,224,068	\$83,468,800	\$86,591,234
Local Receipts	\$4,204,479	\$4,195,857	\$4,195,857	\$4,195,857
Enterprise (Sewer) Funding (for all - capital , articles, etc)	\$5,118,071	\$5,790,177	\$5,614,461	\$5,032,292
Available Funds for misc articles	\$1,038,760	\$167,000	\$158,720	\$435,000
Available Funds	\$520,832	\$527,176	\$539,246	\$443,518
Meals Hotel Tax	\$432,000	\$515,000	\$0	\$1,060,000
Stabilization or Capital Stabilization Fund Use	\$0	\$0	\$0	\$0
Free Cash	\$3,159,118	\$3,288,500	\$3,858,900	\$2,477,650
Total Revenues	\$99,043,116	\$102,504,134	\$105,761,242	\$108,259,228
Total revenue less expenditures	\$0	\$0	\$0	\$0
Authorization to borrow (Projects approved at Town Meeting -funds are borrowed and debt service included in future budgets) :				
Approved at 2018 ATM -School MSBA Program Feasibility Phase	\$1,750,000			
Approved at 2018 ATM -Redevelopment Islington Wentworth Library	\$3,500,000			
Approved at 2019 ATM Road Improvement Project		\$900,000		
Approved at 2020 ATM -Road Improvement Project			\$4,650,000	
Approved at 2020 ATM -DPW Equipment			\$325,000	
Proposed for 2021 ATM - Hanlon School Funding				\$1,455,260
Proposed for 2021 ATM -DPW Fire Equipment				\$630,000
Proposed for 2021 ATM -Sewer - MWRA Grant Loan Program				\$500,000

FY2022 Projected Budget Revenue

FY2022 Projected Budget Revenue



FY2022 Projected Budget Revenue

	FY2021	FY2022 Proj	\$ Change	% Change
Taxes	\$83,468,800	\$86,591,234	\$3,122,434	3.7%
State Aid	\$6,523,982	\$6,622,401	\$98,419	1.5%
State School Bldg Reimbursement	\$1,401,276	\$1,401,276	\$0	0.0%
Sewer Enterprise	\$5,614,461	\$5,032,292	(\$582,169)	-10.4%
Local Receipts	\$4,195,857	\$4,195,857	\$0	0.0%
Available Funds	\$539,246	\$443,518	(\$95,728)	-17.8%
Available Funds - prior yr/other articles	\$158,720	\$435,000	\$276,280	174.1%
Meals/Hotels Tax	\$0	\$1,060,000	\$1,060,000	
Free Cash	\$3,858,900	\$2,477,650	(\$1,381,250)	-35.8%
Total	\$105,761,242	\$108,259,228	\$2,497,986	2.4%

History of Tax Levy – Budget FY2022

Tax Levy Calculation	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
Prior Year Levy Limit	\$66,435,457	\$70,367,740	\$73,558,364	\$76,623,854	\$79,703,916	\$83,076,625	
Plus 2.5% Increase	\$1,660,886	\$1,759,194	\$1,838,959	\$1,915,596	\$1,992,598	\$2,076,916	Plus 2.5%
Plus New Growth**	\$1,099,667	\$1,252,430	\$950,531	\$661,466	\$889,111	\$450,000	New growth
New Tax Levy - University Station	\$1,171,730	\$179,000	\$276,000	\$503,000	\$491,000	\$100,000	Uni Station growth
General Overrides	\$0	\$0	\$0	\$0	\$0	\$0	General Override
Tax Levy Limit	\$70,367,740	\$73,558,364	\$76,623,854	\$79,703,916	\$83,076,625	\$85,703,540	
Exempt Debt*	\$1,642,706	\$1,523,690	\$1,429,505	\$1,320,986	\$1,217,416	\$1,112,694	Exempt Debt
Levy Capacity	\$72,010,446	\$75,082,054	\$78,053,359	\$81,024,902	\$84,294,041	\$86,816,234	What we could tax
Actual Levy Assessed	\$70,500,803	\$74,005,710	\$76,955,697	\$80,224,068	\$83,468,800	\$86,591,234	What we actually tax
Excess Levy (Taxes not raised)	\$1,509,643	\$1,076,344	\$1,097,662	\$800,834	\$825,241	\$225,000	Unused tax levy
Increase in Actual Levy (inc. new growth)	4.2%	5.0%	4.0%	4.2%	4.0%	3.7%	
Increase in Levy without new growth	0.88%	2.94%	2.33%	2.73%	2.32%	3.08%	

Unused Tax Levy Detail	FY2019	FY2020	FY2021	FY2022
Unused University Station new Growth	\$555,000	\$378,000	\$825,000	\$225,000
Other New Growth Higher Than Budgeted/Other	\$542,662	\$422,834	\$0	\$0
Total Unused Levy	\$1,097,662	\$800,834	\$825,000	\$225,000

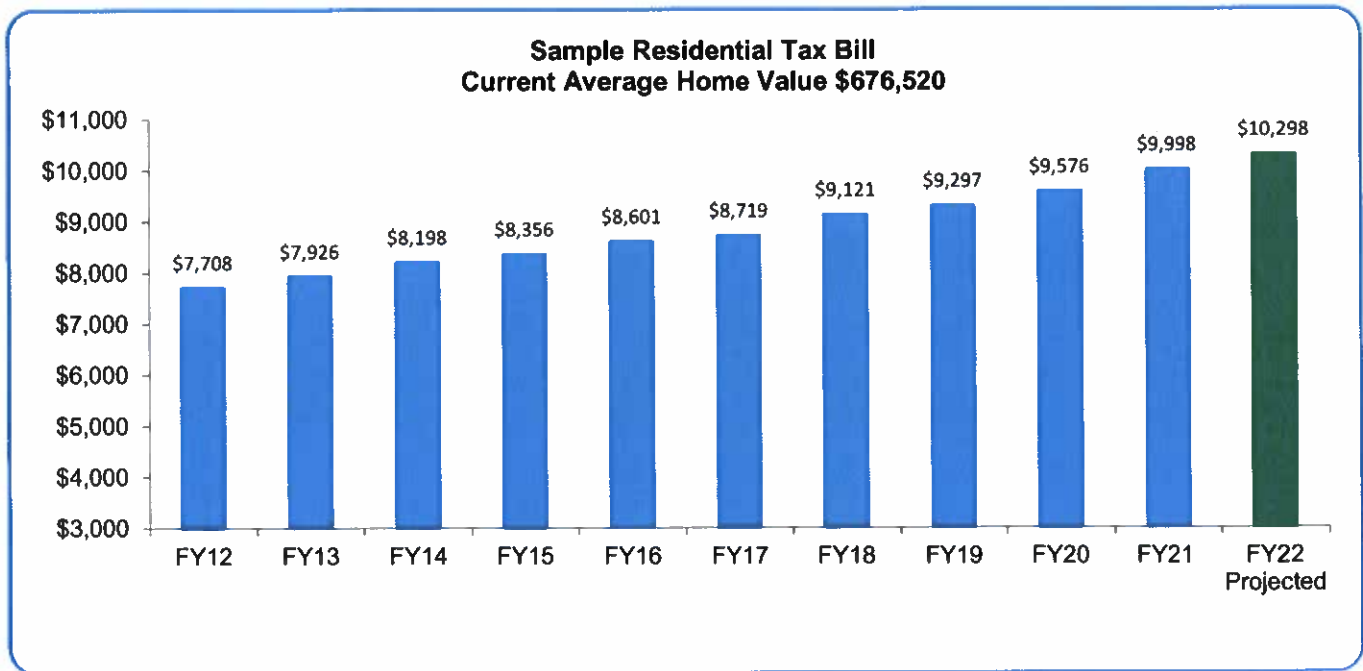
* Exempt debt - This is the net principal and interest payment required each year for borrowing projects approved outside Proposition 2 1/2.

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

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

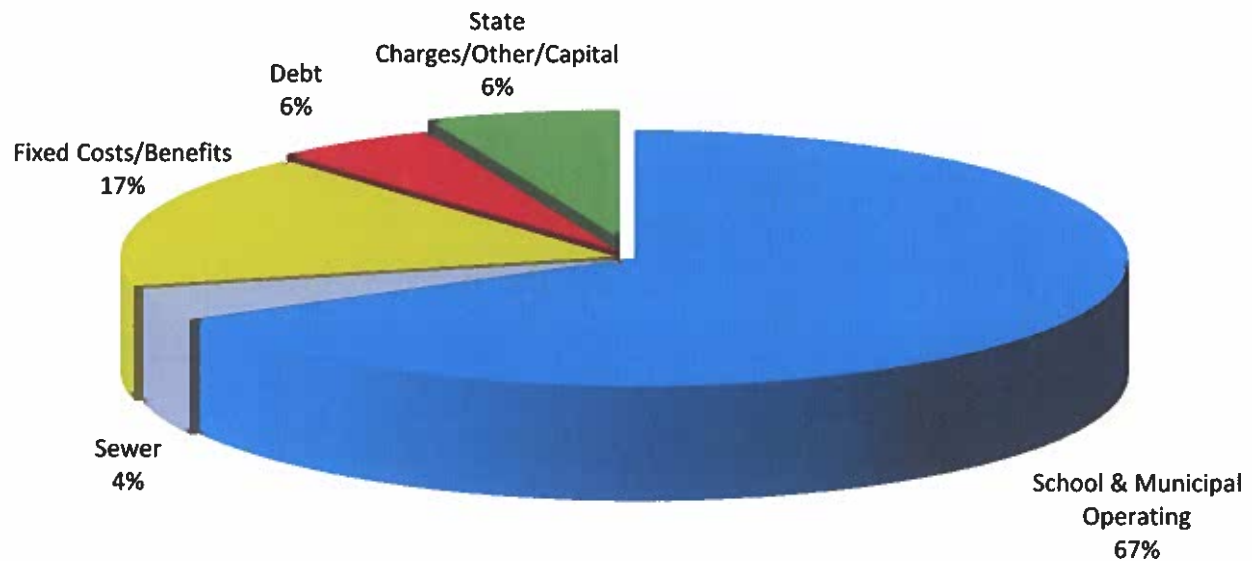
Tax Rate/Tax Bill History

Tax Rate per Thousand	FY15	FY16	FY17	FY18	FY19	FY20	FY21	Projected FY22
Residential	\$15.24	\$14.66	\$14.57	\$15.09	\$14.65	\$14.51	\$14.78	
Commercial	\$28.79	\$28.27	\$28.20	\$29.30	\$28.24	\$28.22	\$28.59	
% of Total Town Value								
Residential Property	87.5%	85.5%	85.1%	84.9%	84.1%	84.8%	85.26%	
Commercial Property	12.5%	14.4%	14.8%	15.1%	15.9%	15.3%	14.74%	
Tax Shift Factor	1.70	1.70	1.70	1.70	1.68	1.70	1.70	
% of Total Town Taxes								
Residential Properties	78.7%	75.4%	74.8%	74.3%	73.3%	74.1%	75.0%	
Commercial Properties	21.3%	24.5%	25.2%	25.7%	26.7%	25.9%	25.1%	
Sample Residential Tax Bill								
Home Value	\$548,315	\$586,697	\$598,431	\$604,000	\$634,636	\$660,021	\$676,520	
Tax Bill	\$8,356	\$8,601	\$8,719	\$9,121	\$9,297	\$9,576	\$9,998	\$10,298
Tax Bill Increase	1.9%	2.9%	1.3%	4.6%	2.0%	3.0%	4.4%	3.0%
Single Tax Rate	\$16.93	\$16.63	\$16.59	\$17.24	\$16.81	\$16.60	\$16.81	
Savings to Tax Bill from Having Split Tax Rate	\$926	\$1,155	\$1,207	\$1,300	\$1,370	\$1,380	\$1,374.0	



FY2022 Proposed Expenditure Summary

FY2022 Expenditure Summary

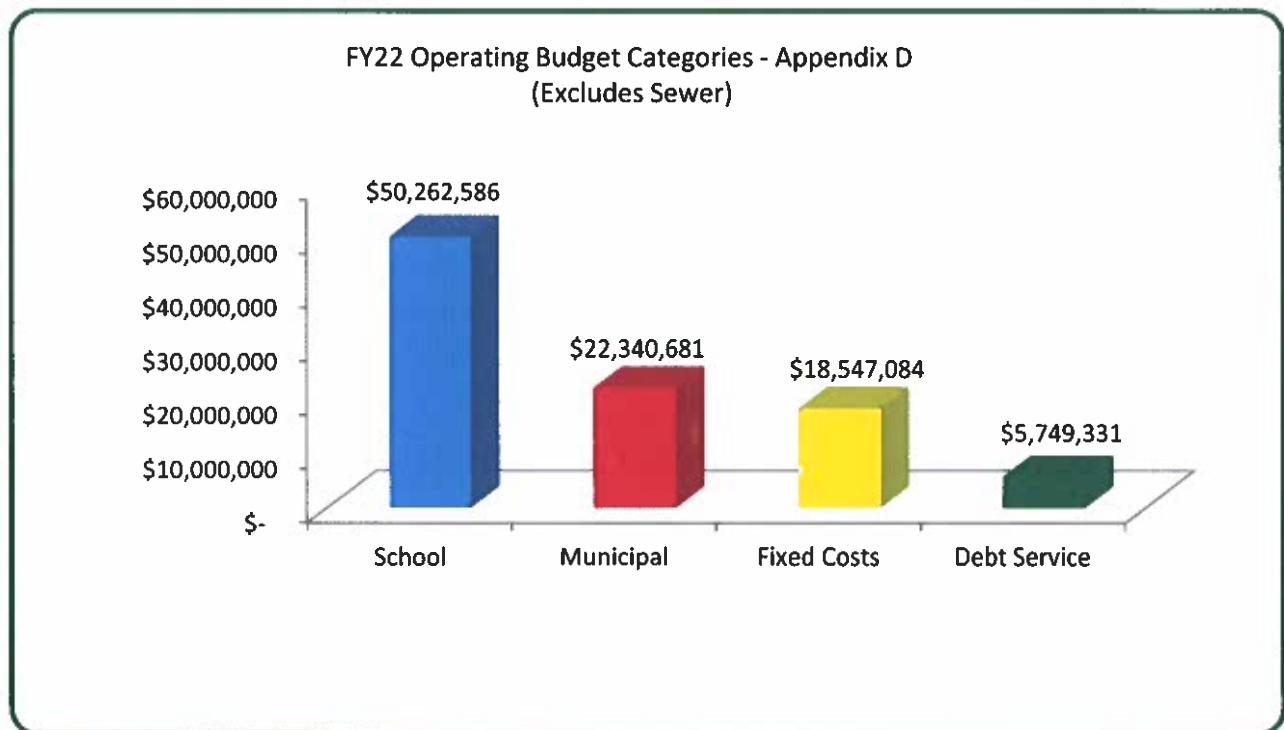


FY2022 Proposed Expenditure Summary

	FY2021	FY2022 Projected	\$ Change	% Change
Operating Budget - School Categories	\$48,595,870	\$50,262,586	\$1,666,716	3.4%
Operating Budget - Municipal	\$21,653,795	\$22,340,681	\$686,886	3.17%
Benefits/Reserves/Insurance	\$17,613,181	\$18,547,084	\$933,903	5.3%
Sewer - Operating	\$4,435,242	\$4,534,597	\$99,355	2.2%
Debt Service	\$5,949,779	\$5,749,331	(\$200,448)	-3.4%
Total Operating	\$98,247,867	\$101,434,279	\$3,186,412	3.2%
Capital Base Budget - School & Municipal	\$2,321,400	\$2,321,650	\$250	0.0%
Capital - Sewer	\$765,000	\$70,000	(\$695,000)	-90.8%
Other Appropriations:				
To Stabilization	\$125,000	\$125,000	\$0	0.0%
Additional Capital	\$1,127,220	\$1,495,000	\$367,780	32.6%
To OPEB Trust	\$1,465,000	\$1,490,000	\$25,000	1.7%
Prior Year/Other Articles	\$444,000	\$31,000	(\$413,000)	-93.0%
State Charges/Offsets/Overlay/Snow	\$1,265,755	\$1,292,299	\$26,544	2.1%
Total Expenditures	\$105,761,242	\$108,259,228	\$2,497,986	2.4%

Operating Budget Categories

FY21 Budget	Category	FY22 Proposed	\$ Change FY22 v FY21	% Change FY22 v FY21
\$48,347,500	School Operating	\$ 50,003,345	\$ 1,655,845	3.42%
\$21,653,795	Municipal Operating	\$ 22,340,681	\$ 686,886	3.17%
\$ 132,293	Blue Hills	\$ 140,000	\$ 7,707	5.83%
\$ 116,077	Traffic Supervisors	\$ 119,241	\$ 3,164	2.73%
\$17,613,181	Fixed Costs	\$ 18,547,084	\$ 933,903	5.30%
\$ 5,949,779	Debt Service	\$ 5,749,331	\$ (200,448)	-3.37%
\$ 4,435,242	Sewer	\$ 4,534,597	\$ 99,355	2.24%
\$98,247,867		Total \$ 101,434,279	\$ 3,186,412	3.2%



FY22 Capital Articles

FY22 Capital Requests – Municipal Article

Item	Amount	Funding Source
COA - Wheelchair Accessible Van	\$90,000	
DPW -One Ton Dump Truck With Plow (Truck 17)	\$75,000	
Fire - Replace Engines (2) (Lease Payments Year 5 of 5)	\$226,400	
Fire -Turnout Gear Purchase and Replacement	\$45,000	
Fire -Radio Upgrade and Replacement	\$32,500	
IT - End User Technology	\$75,000	
Library - Patron/Staff End User Technology	\$12,500	
Library - AMH (automated materials handler) upgrade	\$32,000	
Police - Replacement of Police Vehicles	\$194,750	
Police -Police Equipment	\$55,000	
Police -Police, Fire & EMS Radio Infrastructure	\$76,500	
Building Maintenance - Facility Maintenance	\$100,000	
Building Maintenance - Energy Efficiency	\$50,000	
Building Maintenance – Carby Street Paint and Floor	\$40,000	
Building Maintenance - Building Management System Controls	\$50,000	
WAHA - Building Maintenance and Improvement	\$150,000	
Total	<u>\$1,304,650</u>	
Current Budget Allocation	\$1,304,650	Free Cash

FY22 Capital Requests – School Article

Item	Amount	Funding Source
Technology	\$130,000	
Furniture, Fixtures, and Equipment	\$100,000	
HVAC and Controls	\$217,000	
Roofing	\$100,000	
Repairs & Maintenance	\$400,000	
Copiers / Duplicators	\$20,000	
Vehicles	\$50,000	
Total	<u>\$1,017,000</u>	
FY22 Budget Allocation	\$1,017,000	Free Cash

FY22 Capital Articles

FY22 Capital Requests – Other Funding

Other Capital – Funded with Specific Revenue Sources

Item	Amount	Funding Source
Fire -Self Contained Breathing Apparatus Upgrade & Replacement	\$37,500	Ambulance Receipts
Fire - Replace Ambulance - Rotating Cycle	\$387,500	Ambulance Receipts
Fire -Rescue Upgrade and Replacement	\$10,000	Ambulance Receipts
Stormwater MS-4 Requirement	\$70,000	Sewer Retained Earnings
Total	<u>\$505,000</u>	

Other Capital – Funded With Meals/Hotels Revenue

Item	Amount	Funding Source
Turf Field Replacement (H.S. multipurpose practice field)	\$750,000	
Pool - Deck Surfacing Replacement	\$200,000	
Pool - Drainage and Refurbishment	\$110,000	
Total	<u>\$1,060,000</u>	Meals/Hotels Tax

Capital Funding – Borrowing Articles

Capital Budget –Capital Borrowing Articles

Sewer Capital Request - Borrowing

Article: Sewer Infiltration and Inflow Assessment

To see if the Town will appropriate Five Hundred Thousand Dollars (\$500,000) to pay costs of engineering and construction services related to the development of plans and specifications for the reduction of infiltration and inflow into the Town's wastewater collection system, and for the payment of all costs incidental and related thereto, and to determine whether this amount shall be raised by taxation, transfer from available funds, borrowing or otherwise, or to take any other action relative thereon.

This project will be part of the MWRA grant program. Of the \$500,000 , 75% will be funded from the MWRA grant program and 25% will be funded from the MWRA 10-year interest free loan.

Bond Counsel will provide the motion language to include the MWRA program

Additional Capital Request – Equipment Borrowing Article

Item	Amount	Funding Source
DPW - Roadside Sweeper (Truck 4)	\$250,000	
Fire - Swap Body Multipurpose Vehicle	\$380,000	
Total	<u>\$630,000</u>	

Schools Capital Request – Borrowing \$1,455,260

This article is intended to appropriate funds for purposes of extending the Feasibility Phase of the School Building Project to keep the Project on schedule and on budget while moving the Town Meeting vote for the full cost of the Project from Spring 2021 to Fall 2021. With this article, the project team will continue the design of the school, perform additional geotechnical explorations to finalize the foundation design, complete a full survey of the parcel, and prepare for local permitting application.

Bond Counsel will provide the motion language for this item

Appendix D
Proposed FY2022 Departmental Salary/Expense Budgets

Description	Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21	Funding Source
Select Board Department						
Salaries	650,627	653,999	676,536	22,537	3.4%	Taxation
Expenses	44,817	57,500	57,500	0	0.0%	Taxation
	695,444	711,499	734,036	22,537	3.2%	
Finance and Warrant Commission						
Salary	22,139	20,309	21,149	840	4.1%	Taxation
Expenses	27,086	43,900	43,900	0	0.0%	Taxation
	49,226	64,209	65,049	840	1.3%	
Accounting Department						
Salaries	265,785	272,435	276,926	4,491	1.6%	Taxation
Expenses	2,488	7,000	7,000	0	0.0%	Taxation
	268,273	279,435	283,926	4,491	1.6%	
Assessors Department						
Salaries	213,687	218,502	223,999	5,497	2.5%	Taxation
Expenses	22,314	22,450	22,450	0	0.0%	Taxation
	236,001	240,952	246,449	5,497	2.3%	
Treasurer Department						
Salary	112,026	120,035	124,298	4,263	3.6%	Taxation
Expenses	7,294	10,350	10,450	100	1.0%	Taxation
	119,320	130,385	134,748	4,363	3.3%	
Collector Department						
Salaries	120,654	123,156	126,013	2,857	2.3%	Taxation
Expenses	82,332	84,350	84,650	300	0.4%	\$42,500 Ambulance receipts/Taxation
	202,986	207,506	210,663	3,157	1.5%	
Legal Department						
Salary	101,132	103,163	104,716	1,553	1.5%	Taxation
Expenses	113,409	129,000	129,000	0	0.0%	Taxation
	214,540	232,163	233,716	1,553	0.7%	
Human Resources Department						
Salary	245,782	255,065	262,276	7,211	2.8%	Taxation
Expenses	5,188	7,500	7,500	0	0.0%	Taxation
	250,971	262,565	269,776	7,211	2.7%	
Information Systems Department						
Salaries	259,836	311,025	307,971	(3,054)	-1.0%	Taxation
Expenses	76,041	78,500	78,500	0	0.0%	Taxation
	335,877	389,525	386,471	(3,054)	-0.8%	

**Appendix D
Proposed FY2022 Departmental Salary/Expense Budgets**

Description	Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21	Funding Source
Town Clerk Department						
Salaries	179,607	185,277	184,633	(644)	-0.3%	Taxation
Expenses	61,417	85,800	72,100	(13,700)	-16.0%	Taxation
Total Town Clerk Department	241,024	271,077	256,733	(14,344)	-5.3%	
Housing Authority						
Salary	21,752	22,793	23,862	1,069	4.7%	Taxation
Expenses	3,726	11,600	13,600	2,000	17.2%	Taxation
	25,478	34,393	37,462	3,069	8.9%	
Outside Professional Services						
Expenses	32,344	46,500	46,500	0	0.0%	Taxation
Training/Professional Development						
Expenses	4,961	15,000	15,000	0	0.0%	Taxation
Total General Government	2,676,444	2,885,209	2,920,529	35,320	1.2%	

Police Department

Salaries	4,011,093	4,443,217	4,553,643	110,426	2.5%	Taxation
Expenses	293,379	306,000	321,350	15,350	5.0%	Taxation
	4,304,471	4,749,217	4,874,993	125,776	2.6%	
Auxiliary Police/Civil Defense						
Expenses	1,024	3,000	3,500	500	16.7%	Taxation
	1,024	3,000	3,500	500	16.7%	
Animal Control						
Salary	57,020	61,204	62,146	942	1.5%	Taxation
Expenses	3,002	10,350	10,350	0	0.0%	Taxation
	60,022	71,554	72,496	942	1.3%	
Total Police	4,365,517	4,823,771	4,950,989	127,218	2.6%	

Fire Department

Salaries	4,429,263	4,649,924	4,819,624	169,700	3.6%	\$ 324,000 Ambulance Receipts/Taxation
Expenses	271,382	288,000	293,750	5,750	2.0%	\$40,000 Ambulance Receipts/Taxation
Total Fire	4,700,645	4,937,924	5,113,374	175,450	3.6%	

Total Public Safety	9,066,162	9,761,695	10,064,363	302,668	3.1%	
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**Appendix D
Proposed FY2022 Departmental Salary/Expense Budgets**

Description	Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21	Funding Source
Conservation Division						
Salary	77,657	79,235	80,447	1,212	1.5%	\$17,000 Conservation Receipts/Taxation
Expenses	1,854	6,400	6,400	0	0.0%	Taxation
	79,511	85,635	86,847	1,212	1.4%	
Planning Division						
Salaries	100,379	103,154	107,202	4,048	3.9%	Taxation
Expenses	2,363	4,500	4,500	0	0.0%	Taxation
	102,742	107,654	111,702	4,048	3.8%	
Housing & Zoning Division						
Salaries	75,327	78,755	80,087	1,332	1.7%	Taxation
Expenses	640	3,150	3,150	0	0.0%	Taxation
	75,967	81,905	83,237	1,332	1.6%	
Community & Economic Development						
Salaries	217,632	230,733	239,721	8,988	3.9%	Taxation
Expenses	1,873	3,600	3,400	(200)	-5.6%	Taxation
	219,506	234,333	243,121	8,788	3.8%	
Building Inspection Division						
Salaries	332,746	348,348	390,267	41,919	12.0%	Taxation
Expenses	24,939	41,500	41,050	(450)	-1.1%	Taxation
	357,685	389,848	431,317	41,469	10.6%	
Health Division						
Salaries	260,855	270,739	292,767	22,028	8.1%	Taxation
Expenses	7,801	12,200	12,200	0	0.0%	Taxation
	268,656	282,939	304,967	22,028	7.8%	
Outside Health Agencies	10,566	13,416	13,416	0	0.0%	Taxation
Total Community and Economic Development	1,114,632	1,195,730	1,274,607	78,877	6.6%	
Department of Public Works						
Salaries	1,661,017	1,734,231	1,840,754	106,523	6.1%	Taxation
Expenses	567,667	559,600	559,600	0	0.0%	Taxation
Total DPW Admin/Operations	2,228,684	2,293,831	2,400,354	106,523	4.6%	
Building Maintenance						
Salaries	306,900	311,749	329,036	17,287	5.5%	Taxation
Expenses	904,197	1,039,100	1,058,300	19,200	1.8%	Taxation
Total Building Maintenance	1,211,096	1,350,849	1,387,336	36,487	2.7%	
Municipal & School Field Maintenance	169,999	180,000	185,000	5,000	2.8%	Taxation
Street / Traffic Lighting Maintenance	114,980	115,000	115,000	0	0.0%	Taxation
Total Department of Public Works	3,724,758	3,939,680	4,087,690	148,010	3.8%	
Snow & Ice	347,362	450,000	450,000	0	0.0%	Taxation
Total Public Works	4,072,120	4,389,680	4,537,690	148,010	3.4%	

Appendix D
Proposed FY2022 Departmental Salary/Expense Budgets

Description	Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21	Funding Source
Disability Commission	0	500	500	0	0.0%	Taxation
Council On Aging Department						
Salaries	359,397	371,940	384,167	12,227	3.3%	Taxation
Expenses	27,368	38,850	38,850	0	0.0%	Taxation
	<u>386,765</u>	<u>410,790</u>	<u>423,017</u>	<u>12,227</u>	<u>3.0%</u>	
Youth and Family Services Department						
Salaries	287,523	281,320	289,287	7,967	2.8%	Taxation
Expenses	11,920	15,000	15,000	0	0.0%	Taxation
	<u>299,443</u>	<u>296,320</u>	<u>304,287</u>	<u>7,967</u>	<u>2.7%</u>	
Veterans Services Department						
Salaries	63,188	64,831	66,624	1,793	2.8%	Taxation
Expenses	54,879	71,640	71,640	0	0.0%	Taxation
Total Veterans Services	<u>118,066</u>	<u>136,471</u>	<u>138,264</u>	<u>1,793</u>	<u>1.3%</u>	
Total Human Services	804,275	844,081	866,068	21,987	2.6%	
Public Library						
Salaries	1,095,302	1,162,531	1,205,926	43,395	3.7%	Taxation
Expenses	316,462	322,800	328,750	5,950	1.8%	Taxation
Lost Books	717	1,600	1,600	0	0.0%	Taxation
Total Library Department	<u>1,412,480</u>	<u>1,486,931</u>	<u>1,536,276</u>	<u>49,345</u>	<u>3.3%</u>	
Recreation Department						
Salaries	479,688	472,520	479,914	7,394	1.6%	\$332,442 Recreation Funds/Taxation
Expenses	11,510	15,784	15,784	0	0.0%	Taxation
Total Recreation Department	<u>491,198</u>	<u>488,304</u>	<u>495,698</u>	<u>7,394</u>	<u>1.5%</u>	
Memorial/Veteran's Day/Westwood Day Expenses	16,544	23,800	23,800	0	0.0%	Taxation
Total Culture and Recreation	1,920,222	1,999,035	2,055,774	56,739	2.8%	
Other						
Operating Capital						
Hardware/Software Maintenance	392,594	415,365	458,650	43,285	10.4%	\$4,575 Ambulance Receipts/Taxation
Communications Systems	162,941	163,000	163,000	0	0.0%	Taxation
COLA Allowance			0	0		
Total Other	555,535	578,365	621,650	43,285	7.5%	
Total Municipal Budget	20,209,390	21,653,795	22,340,681	686,886	3.17%	

Appendix D
Proposed FY2022 Departmental Salary/Expense Budgets

Description	Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21	Funding Source
Westwood Public Schools						
Salaries	39,993,258	42,089,348	43,371,359	1,282,011	3.0%	Taxation
Expenses	6,519,773	6,258,152	6,631,986	373,834	6.0%	Taxation
Total Westwood Public Schools	46,513,031	48,347,500	50,003,345	1,655,845	3.42%	
Blue Hills Regional School Assessment	149,502	132,293	140,000	7,707	5.8%	Taxation
Crossing Guards						
Salaries	94,914	113,077	116,241	3,164	2.8%	Taxation
Expenses	1,778	3,000	3,000	0	0.0%	Taxation
Total Crossing Guards	96,691	116,077	119,241	3,164	2.7%	
Total School Budgets	46,759,224	48,595,870	50,262,586	1,666,716	3.4%	

Fixed Costs Budgets - School and Municipal

School Employee Benefits/Costs

Retirement Assessments	1,621,870	1,736,211	1,838,126	101,915	5.9%	Taxation
Workers Compensation	243,828	353,629	371,310	17,681	5.0%	Taxation
Unemployment Compensation	100,683	118,792	130,671	11,879	10.0%	Taxation
Health Insurance	4,213,755	4,886,743	5,131,080	244,337	5.0%	Taxation
Life Insurance	7,120	8,000	8,000	0	0.0%	Taxation
Payroll service/Other	37,784	36,900	38,495	1,595	4.3%	Taxation
Medicare Part B	117,533	183,785	183,785	0	0.0%	Taxation
Social Security Tax	5,176	10,000	7,500	(2,500)	-25.0%	Taxation
Medicare Payroll Tax	573,318	845,074	904,229	59,155	7.0%	Taxation
School Employee Benefits/Costs	6,921,066	8,179,134	8,613,196	434,062	5.3%	

**Appendix D
Proposed FY2022 Departmental Salary/Expense Budgets**

Description	Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21	Funding Source
Municipal Employee Benefits/Costs						
Retirement Assessment	3,784,363	4,051,323	4,289,289	237,966	5.9%	Taxation
Workers Compensation	115,845	166,539	174,865	8,326	5.0%	Taxation
Unemployment Compensation	8,288	16,771	18,448	1,677	10.0%	Taxation
Health Insurance	1,644,807	1,618,295	1,699,210	80,915	5.0%	Taxation
Life Insurance	3,351	5,000	5,000	0	0.0%	Taxation
Pre-Hire/Payroll/Other	132,795	139,200	142,830	3,630	2.6%	Taxation
Public Safety Medical/111F ins	40,425	96,000	96,000	0	0.0%	Taxation
Medicare Part B	48,906	74,547	74,547	0	0.0%	Taxation
Social Security Tax	1,171	10,000	5,000	(5,000)	-50.0%	Taxation
Medicare Payroll Tax	242,564	332,322	355,585	23,263	7.0%	Taxation
Municipal Employee Benefits/Costs	6,022,515	6,509,997	6,860,774	350,777	5.4%	
Shared/Other Fixed Costs						
Comprehensive & Liability Insurance	448,085	579,600	608,580	28,980	5.0%	Taxation
Waste Collection/Disposal Expenses	1,417,517	1,538,200	1,658,284	120,084	7.8%	Taxation
Audit Services	76,710	81,250	81,250	0	0.0%	Taxation
Total Shared/Other Fixed Costs	1,942,312	2,199,050	2,348,114	149,064	6.8%	
Total Benefits/Shared Fixed Costs	14,885,893	16,888,181	17,822,084	933,903	5.5%	
Reserve Funds						
Other/Select Board Reserve Fund*	0	295,000	295,000	0	0.0%	Taxation
Special Town Mtg/Election Reserve	0	25,000	25,000	0	0.0%	Taxation
Reserve Fund	0	405,000	405,000	0	0.0%	Taxation
Total Reserves	0	725,000	725,000	0	0.0%	
Total Fixed Costs Budget	14,885,893	17,613,181	18,547,084	933,903	5.3%	

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 Select Board.

Debt Service Budget

Municipal Related Debt Service	3,363,930	3,483,661	3,392,963	(90,698)	-2.6%	\$11,246 Bond Premium/ Taxation
School Related Debt Service	2,570,347	2,466,118	2,356,368	(109,750)	-4.5%	\$1,401,276 Sch Bld Reimb/ \$4,197 Bond Premium/Taxation
Total Debt Budget	5,934,277	5,949,779	5,749,331	(200,448)	-3.4%	

FY22 Debt Change

Non Exempt	(\$92,250)
Exempt	(\$108,200)
Total	(\$200,450)

**Appendix D
Proposed FY2022 Departmental Salary/Expense Budgets**

Description	Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21	Funding Source
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Sewer Enterprise

Salaries	328,914	455,037	474,127	19,090	4.2%	Sewer Enterprise Funds
Expenses	265,488	194,500	194,500	0	0.0%	Sewer Enterprise Funds
Pumping Stations	167,220	172,000	172,000	0	0.0%	Sewer Enterprise Funds
MWRA Assessment	3,156,788	3,254,117	3,384,282	130,165	4.0%	Sewer Enterprise Funds
Mandated Inspections	42,333	120,000	120,000	0	0.0%	Sewer Enterprise Funds
Sewer Debt & Interest	217,688	214,588	164,688	(49,900)	-23.3%	Sewer Enterprise Funds
System Ext./Repairs	24,705	25,000	25,000	0	0.0%	Sewer Enterprise Funds

Total Sewer Enterprise	4,203,134	4,435,242	4,534,597	99,355	2.2%	
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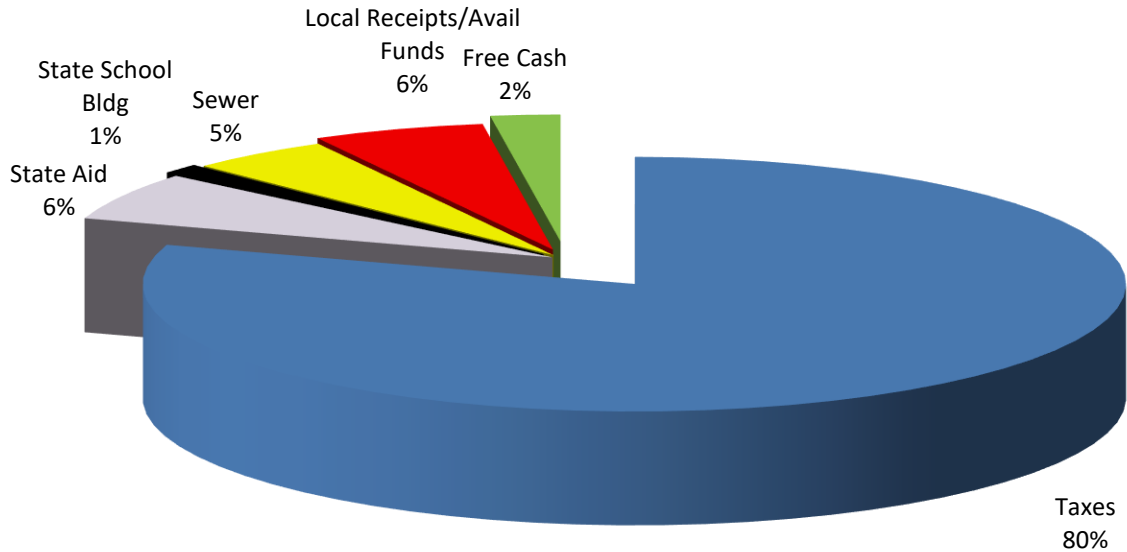
Note: Sewer revenue budget will be Operating Budget Plus:

414,219	427,695	Indirect Costs
4,849,461	4,962,292	Total

Total Operating Budget	91,991,918	98,247,867	101,434,279	3,186,412	3.2%	
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FY2022 Projected Budget Revenue

FY2022 Projected Budget Revenue



FY2022 Projected Budget Revenue

	FY2021	FY2022 Proj	\$ Change	% Change
Taxes	\$83,468,800	\$86,591,234	\$3,122,434	3.7%
State Aid	\$6,523,982	\$6,622,401	\$98,419	1.5%
State School Bldg Reimbursement	\$1,401,276	\$1,401,276	\$0	0.0%
Sewer Enterprise	\$5,614,461	\$5,032,292	(\$582,169)	-10.4%
Local Receipts	\$4,195,857	\$4,195,857	\$0	0.0%
Available Funds	\$539,246	\$443,518	(\$95,728)	-17.8%
Available Funds - prior yr/other articles	\$158,720	\$435,000	\$276,280	174.1%
Meals/Hotels Tax	\$0	\$1,060,000	\$1,060,000	
Free Cash	\$3,858,900	\$2,477,650	(\$1,381,250)	-35.8%
Total	\$105,761,242	\$108,259,228	\$2,497,986	2.4%

The Tax Levy

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

What is Proposition 2 ½?

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

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

There are Different types of Overrides

What is a General Override?

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

What is a Debt Exclusion?

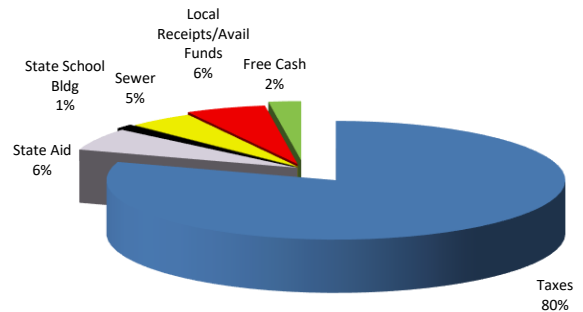
What is a Capital Outlay Expenditure Exclusion?

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

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

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

FY2022 Projected Budget Revenue



Taxes
80%

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 FY2022

Tax Levy Calculation	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
Prior Year Levy Limit	\$66,435,457	\$70,367,740	\$73,558,364	\$76,623,854	\$79,703,916	\$83,076,625	
Plus 2.5% Increase	\$1,660,886	\$1,759,194	\$1,838,959	\$1,915,596	\$1,992,598	\$2,076,916	Plus 2.5%
Plus New Growth**	\$1,099,667	\$1,252,430	\$950,531	\$661,466	\$889,111	\$450,000	New growth
New Tax Levy - University Station	\$1,171,730	\$179,000	\$276,000	\$503,000	\$491,000	\$100,000	Uni Station growth
General Overrides	\$0	\$0	\$0	\$0	\$0	\$0	General Override
Tax Levy Limit	\$70,367,740	\$73,558,364	\$76,623,854	\$79,703,916	\$83,076,625	\$85,703,540	
Exempt Debt*	\$1,642,706	\$1,523,690	\$1,429,505	\$1,320,986	\$1,217,416	\$1,112,694	Exempt Debt
Levy Capacity	\$72,010,446	\$75,082,054	\$78,053,359	\$81,024,902	\$84,294,041	\$86,816,234	What we could tax
Actual Levy Assessed	\$70,500,803	\$74,005,710	\$76,955,697	\$80,224,068	\$83,468,800	\$86,591,234	What we actually tax
Excess Levy(Taxes not raised)	\$1,509,643	\$1,076,344	\$1,097,662	\$800,834	\$825,241	\$225,000	Unused tax levy
Increase in Actual Levy (inc. new growth)	4.2%	5.0%	4.0%	4.2%	4.0%	3.7%	
Increase in Levy without new growth	0.88%	2.94%	2.33%	2.73%	2.32%	3.08%	

Unused Tax Levy Detail	FY2019	FY2020	FY2021	FY2022
Unused University Station new Growth	\$555,000	\$378,000	\$825,000	\$225,000
Other New Growth Higher Than Budgeted/Other	\$542,662	\$422,834	\$0	\$0
Total Unused Levy	\$1,097,662	\$800,834	\$825,000	\$225,000

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

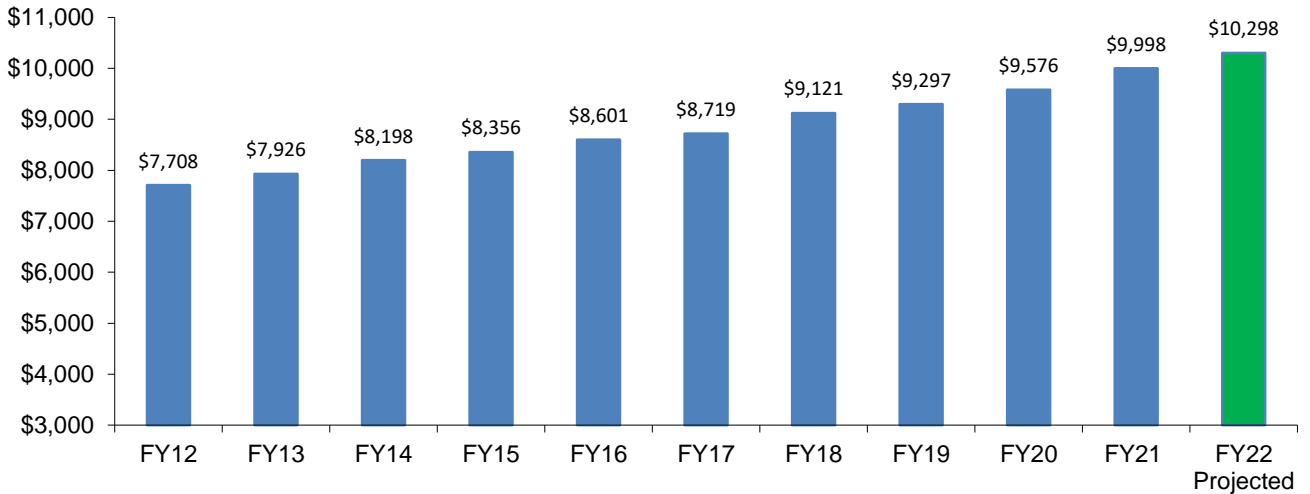
**New Growth - This represents taxes from new residential and commercial development.

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

Tax Rate/Tax Bill History

Tax Rate per Thousand	FY15	FY16	FY17	FY18	FY19	FY20	FY21	Projected FY22
Residential	\$15.24	\$14.66	\$14.57	\$15.09	\$14.65	\$14.51	\$14.78	
Commercial	\$28.79	\$28.27	\$28.20	\$29.30	\$28.24	\$28.22	\$28.59	
% of Total Town Value								
Residential Property	87.5%	85.5%	85.1%	84.9%	84.1%	84.8%	85.26%	
Commercial Property	12.5%	14.4%	14.8%	15.1%	15.9%	15.3%	14.74%	
Tax Shift Factor	1.70	1.70	1.70	1.70	1.68	1.70	1.70	
% of Total Town Taxes								
Residential Properties	78.7%	75.4%	74.8%	74.3%	73.3%	74.1%	75.0%	
Commercial Properties	21.3%	24.5%	25.2%	25.7%	26.7%	25.9%	25.1%	
Sample Residential Tax Bill								
Home Value	\$548,315	\$586,697	\$598,431	\$604,000	\$634,636	\$660,021	\$676,520	
Tax Bill	\$8,356	\$8,601	\$8,719	\$9,121	\$9,297	\$9,576	\$9,998	\$10,298
Tax Bill Increase	1.9%	2.9%	1.3%	4.6%	2.0%	3.0%	4.4%	3.0%
Single Tax Rate	\$16.93	\$16.63	\$16.59	\$17.24	\$16.81	\$16.60	\$16.81	
Savings to Tax Bill from Having Split Tax Rate	\$926	\$1,155	\$1,207	\$1,300	\$1,370	\$1,380	\$1,374.0	

Sample Residential Tax Bill
Current Average Home Value \$676,520



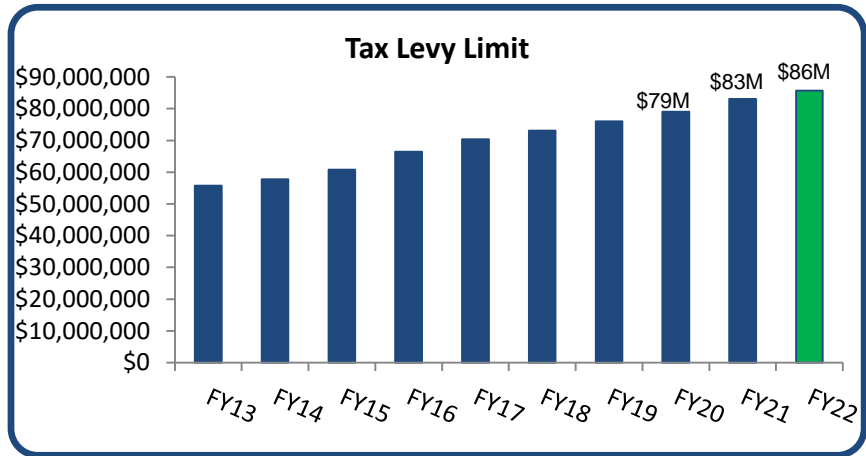
The Components of the Tax Levy

Property tax levy:

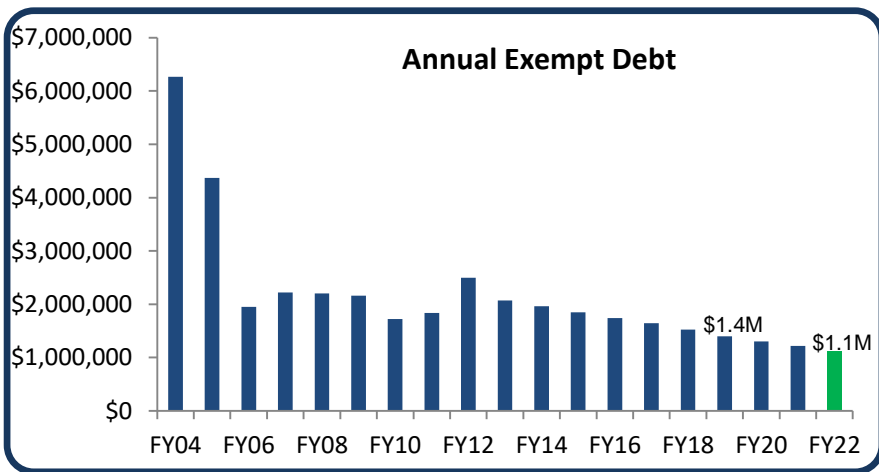
- Revenue a community can raise through property taxes.
- Proposition 2 ½ places constraints on the amount of the levy raised by a community and on how much the levy can be increased from year to year.

There are 2 categories of the tax levy:

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



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

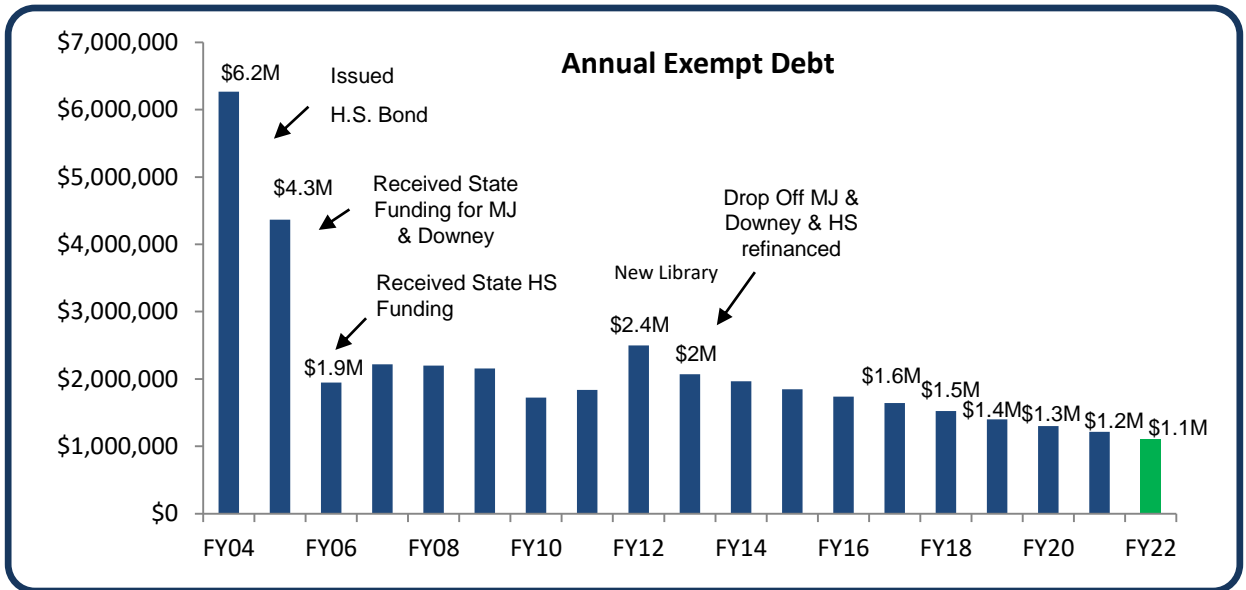


Proposition 2 ½ governs total taxes raised by the Town,
not an individual home's bill.

Exempt Debt – Changes Each Year with Debt Payments

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

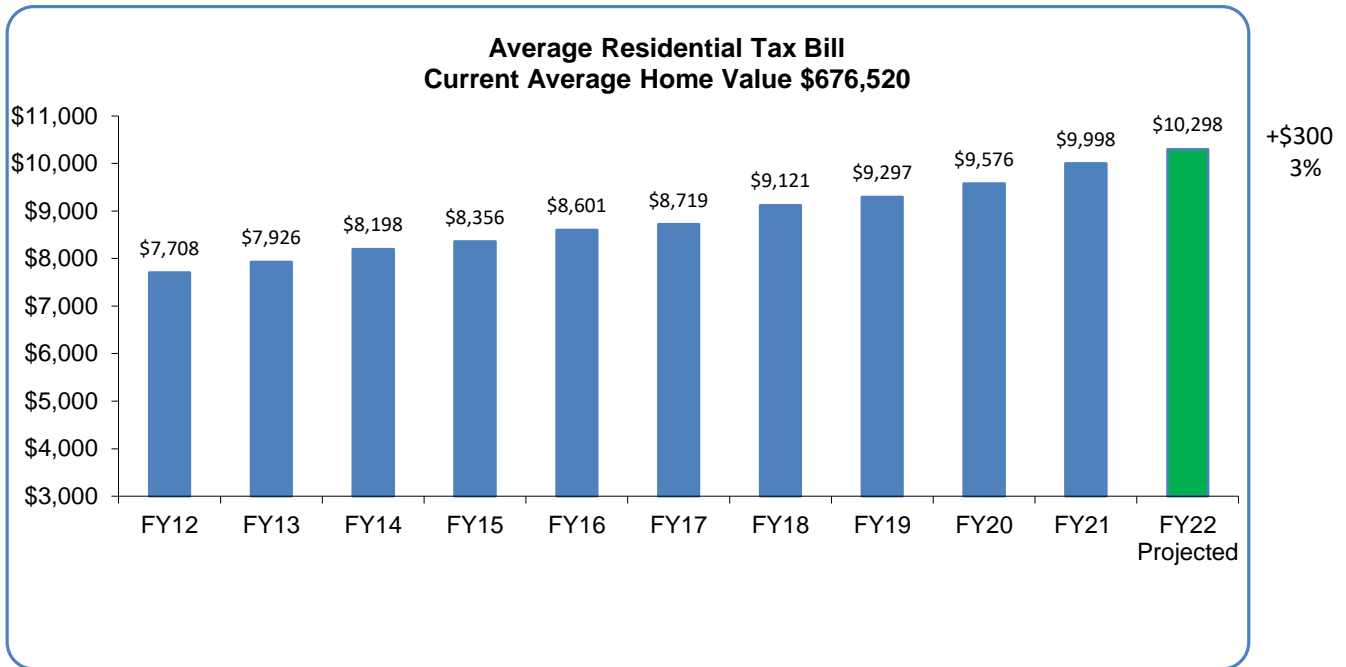
Annual Exempt Debt



- FY12:
 - New library bond added to exempt debt.
- FY13:
 - MJ and Downey bonds completed in FY12.
 - High School bond refinanced.
- Exempt debt will decrease approximately \$100K a year until the high school bond is completed in 2023. Library Bond ends 2031.
- FY22 Exempt Debt:

High School	\$485,727
Library	<u>\$626,967</u>
Total	\$1,112,694

A Look At the Average Tax Bill



- This graph shows the taxes for a house valued at \$676K. The tax impact on individual homes will differ based on variances in value. Please see following pages for more detail on a large sample of home values.
- FY22 bill projected increase of \$300 or 3%.
 - Based on net tax levy change only, not any change in commercial/residential shift.

	FY17	FY18	FY19	FY20	FY21	Projected FY22
Average Tax Bill Increase	1.3%	4.6%	2%	3%	4.4%	3%
Savings to Average Tax Bill Resulting from Split Tax Rate	\$1,207	\$1,300	\$1,370	\$1,380	\$1,374	
Average Residential Tax Bill Home Value	\$598,431	\$604,000	\$634,636	\$660,021	\$676,520	
Average Tax Bill	\$8,719	\$9,121	\$9,297	\$9,576	\$9,998	\$10,298

Westwood's Ranking in the State Average Tax Bill							
FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
18	17	17	18	17	18	18	17

Information about your Fiscal Year 2021 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.

Does Proposition 2 ½ limit a homeowner’s tax bill increase to 2 ½%?

No. Proposition 2 ½ places limits on the total amount of taxes that can be raised by a city or town. It does not apply to an individual tax bill. While the total taxes collected by the Town including new growth increased by 4%, each individual tax bill is determined by the change in the tax rate and the change in valuation for that particular parcel.

How is the annual tax rate calculated?

The tax rate is based upon the value of the residential and commercial property in Town and the amount of money that was voted to be spent at the June 2020 Town Meeting. It also includes debt currently approved outside of Proposition 2 ½. The tax rate is certified annually by the Department of Revenue (DOR) after a review of values and Town Meeting action.

What are the new real estate tax rates for FY21?

The FY21 tax rates per \$1,000 of valuation are as follows:

Tax Rate	FY20	FY21	Rate Change FY20 to FY21	% Change in Rate FY20 to FY21
Residential	\$14.51	\$14.78	+.27	1.9%
Commercial	\$28.22	\$28.59	+.37	1.3%

How is my individual tax bill calculated?

This certified tax rate is multiplied by the value of your house to arrive at your new FY21 annual tax bill.

Did overall property value in Westwood change from FY20 to FY21?

Yes. The value of all real estate in Town increased by 2.7%, with residential value increasing 3.34 % and commercial value decreasing .74%.

Did my individual home value change?

Yes. Almost all of the residential homes in Town had a change in value for FY21. 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.

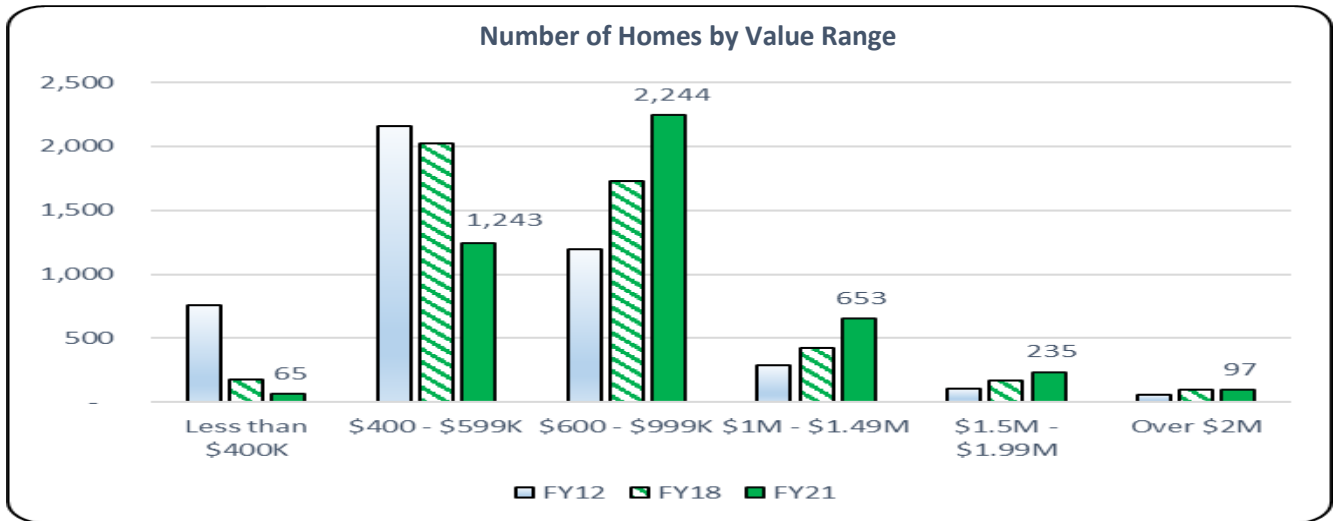
Approximately 85% of homes had a value increase, with 63% of homes increasing up to 5%. The median home value increased to \$725,700, and the average home value, as calculated by DOR, is now \$837,300. Approximately 14% of homes experienced a decrease in value.

A report listing all home values for FY20 and FY21 can be found on the Town’s web site at www.townhall.westwood.ma.us. From the Home page, click the link for “Tax Rates and Property Assessments”. It is important to remember that state tax law dictates that your FY21 tax bill is based on the assessed value of your home as of **January 1, 2020** based on home sales that occurred during calendar year **2019**.

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

What is the range of home values in Westwood?

The chart below depicts the number of single family residential homes in each value category and how this has changed over time.



Does every home experience the same change in their tax bill?

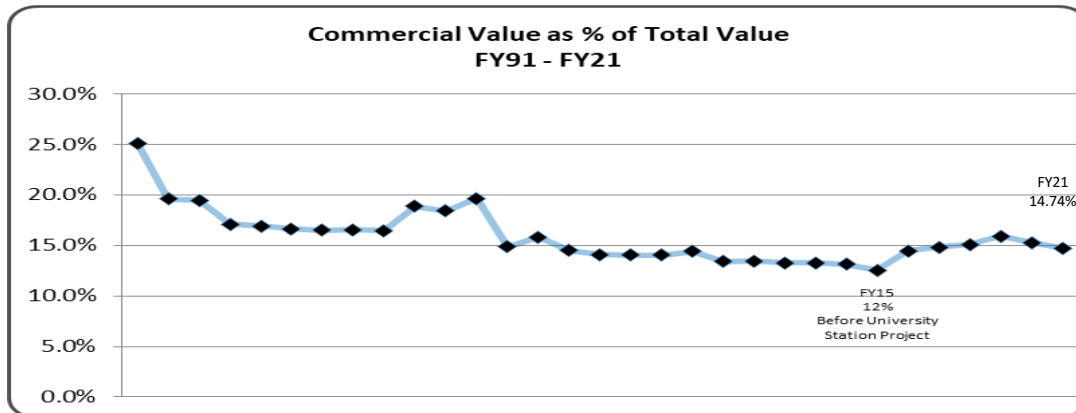
No. As stated above, every tax bill is based on the tax rate and home value. As the chart below depicts, there is a wide range of changes in home value and resulting tax impact.

Home Value			Tax Bill		
FY20	FY21	% Change	FY20	FY21	% Change
\$1,966,850	\$1,945,950	-1.1%	\$28,539	\$28,761	0.8%
\$1,528,400	\$1,511,550	-1.1%	\$22,177	\$22,340	0.7%
\$1,275,100	\$1,263,350	-0.9%	\$18,502	\$18,672	0.9%
\$1,182,300	\$1,179,750	-0.2%	\$17,155	\$17,436	1.6%
\$1,070,750	\$1,136,500	6.1%	\$15,537	\$16,797	8.1%
\$909,450	\$954,800	5.0%	\$13,196	\$14,112	6.9%
\$868,650	\$875,900	0.8%	\$12,604	\$12,945	2.7%
\$768,700	\$785,350	2.2%	\$11,154	\$11,607	4.1%
\$692,100	\$695,500	0.5%	\$10,042	\$10,279	2.4%
\$674,250	\$695,900	3.2%	\$9,783	\$10,285	5.1%
\$660,021	\$673,001	2.0%	\$9,576	\$9,950	3.9%
\$588,950	\$615,200	4.5%	\$8,546	\$9,093	6.4%
\$513,550	\$533,550	3.9%	\$7,451	\$7,885	5.8%

This chart lists a sampling of actual homes at varying value levels.

Did total commercial property value change for FY21?

Yes. The total commercial property saw an overall decrease in value of approximately \$5.4 million or -.74%.

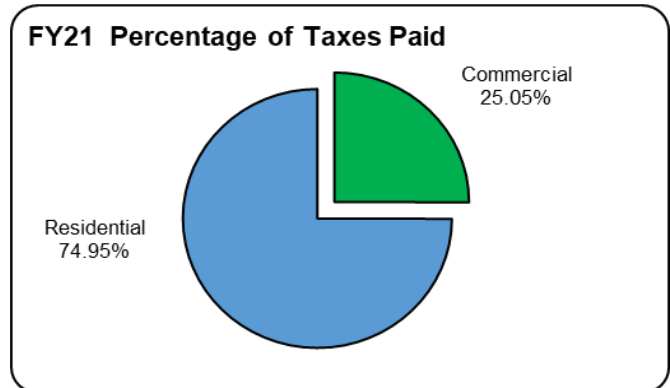
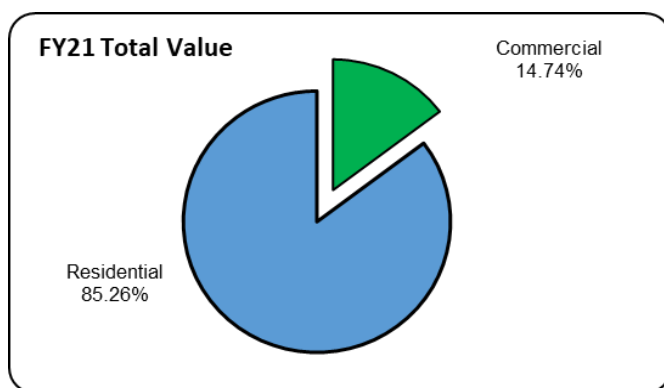


In FY21, commercial properties are 14.74% of the Town’s total value, a slight decrease from 15.25% in FY20.

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 Select Board, in consultation with the Board of Assessors, voted to set the FY21 shift factor, which sets the different rates, at 1.70.

In FY21, commercial property, while only representing 14.74% of the Town's value, will pay 25% of the total taxes, similar to the 26% in FY20.



In FY21, commercial properties are 14.74% of the Town’s total value, but will pay 25% of total taxes.

Does the higher commercial rate help my residential tax bill?

Yes. Without this higher commercial split rate, the tax bill on the DOR calculated average home value of \$837,300 would increase an additional 14% or \$1,700. This is a significant savings to our residents.

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 FY21 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.

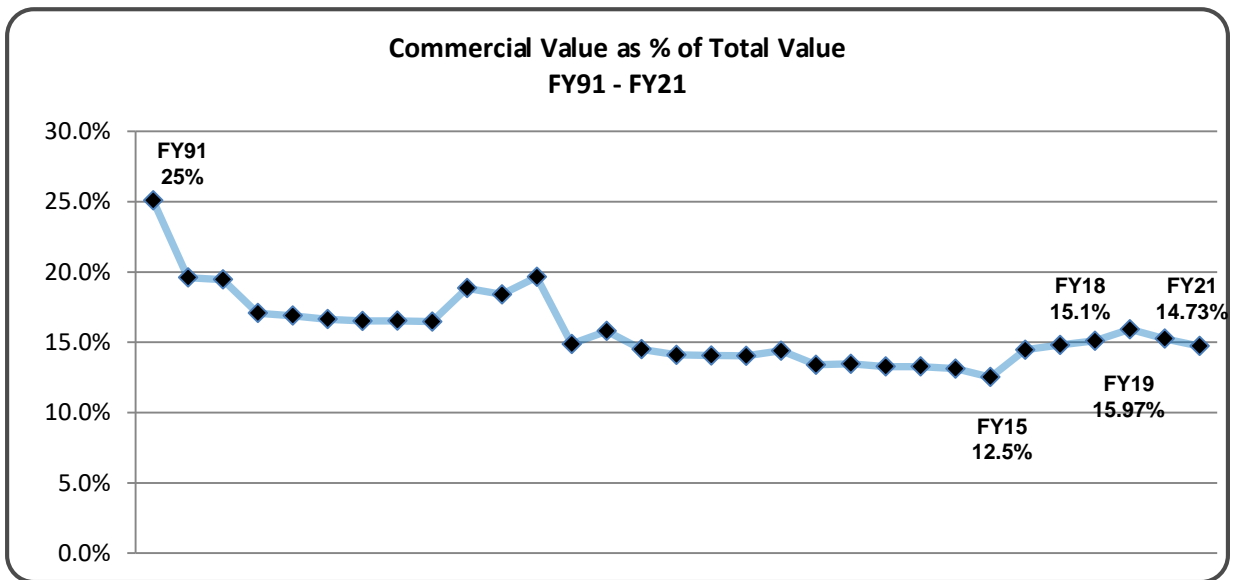
Project/Bond Issued	Fiscal Year Debt Will Be Completed	FY21 Debt Payments	Net Amount of Debt in FY21 Levy
High School Construction - \$39.2 million	2023	18 th of 20	\$573,056
Library Construction - \$9.3 million	2031	10 th of 20	\$644,360

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

Assessed Value by Classification

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

Assessed and Actual Values and Tax Rates										
Year	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Commercial as % of Total Value	Direct Tax Rate	Total Town Value
2015	3,201,759,309	\$15.24	305,143,078	104,513,800	48,705,000	458,361,878	28.79	12.5%	16.94	3,660,121,187
2016	3,479,561,719	\$14.66	429,192,713	100,498,400	58,369,200	588,060,313	28.27	14.5%	16.63	4,067,622,032
2017	3,620,229,895	\$14.57	467,768,522	90,401,550	71,406,300	629,576,372	28.20	14.8%	16.59	4,249,806,267
2018	3,644,725,298	\$15.09	479,097,796	91,967,650	77,631,000	648,696,446	29.30	15.1%	17.24	4,293,421,744
2019	3,848,500,382	\$14.65	549,160,539	93,693,650	85,728,200	728,582,389	28.24	15.9%	16.81	4,577,082,771
2020	4,095,829,530	\$14.51	557,002,679	93,617,500	86,218,300	736,838,479	28.22	15.2%	16.60	4,832,668,009
2021	4,232,672,732	\$14.78	548,845,709	92,783,450	89,740,290	731,369,449	28.59	14.73%	16.81	4,964,042,181



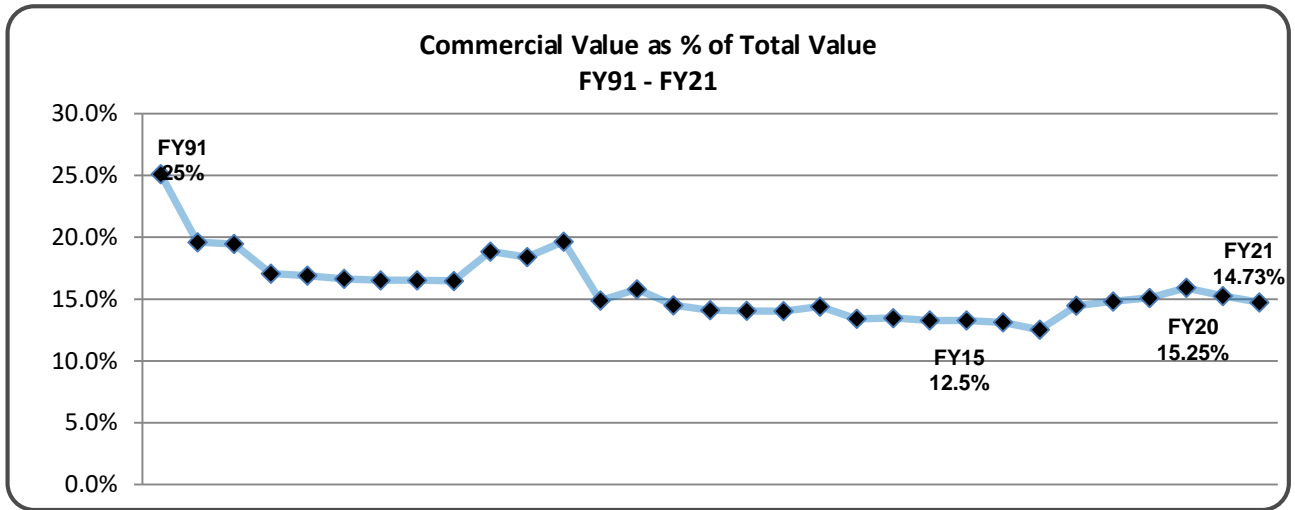
→
University Station
comes on line

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

A report listing all individual property values for FY20 and FY21 can be found on the Town's web site at www.townhall.westwood.ma.us.

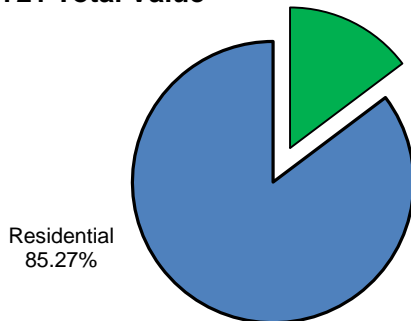
Commercial Value is Important to Town Finances, and Serves to Moderate Residential Tax Bills

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



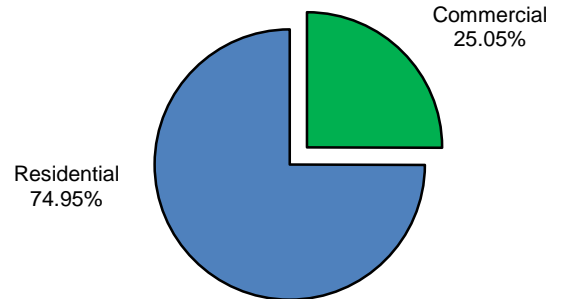
Type of Property	Tax Rate
Commercial	\$28.59
Residential	\$14.78

FY21 Total Value



Commercial
14.73%

FY21 Percentage of Taxes Paid



Commercial is 14.73% of value, but pays 25.05% of taxes

In FY21, the split tax rate saves the average homeowner \$1,374 or 13.7% of their tax bill

The Select Board has worked to structure tax relief into recent budget proposals. The budgets proposed each year try to balance cost of service delivery and impact on tax bills.

Tools for Tax Relief

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

- General tax relief for all taxpayers:
 - Not use full levy limit
 - Keep annual school and municipal operating budgets with Proposition 2 ½ limits.
 - Pay for debt for new projects within Proposition 2 ½ vs. debt exemption outside of Prop 2 ½.
 - Commercial tax shift – higher commercial tax rate
 - Apply free cash to tax rate – general appropriation to reduce overall tax levy
 - Each \$100K appropriated provides approximately \$13 in annual tax savings to the average home
 - So \$500K appropriation provides approximately \$65 tax savings to the average home
- Targeted tax relief for the senior population:
 - Assist most vulnerable residents through the Aid to the Elderly and Disabled Fund.
 - This program provides senior, long term residents with payments to their tax bills.
 - Approximately 50 homeowners are served each year.
 - Payments are approximately \$1,800 - \$2,000 or about 25% of the tax bill.
 - Promote available state programs including senior exemptions and tax deferral.

Recent Steps Taken to Address Residential Tax Relief

FY17:

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

These measures resulted in an average tax bill increase of 1.37% vs. a potential 4.73% increase. Without these tax measures, the average home bill would have been \$9,008 vs. the actual \$8,719.

FY18:

The Select Board continued with tax relief measures in FY18.

- Keeping all debt and operating budget requests within Proposition 2 ½.
- Maintain the beneficial commercial/residential tax split.
- Appropriate \$500K free cash to directly reduce the tax rate.
- Not utilizing all of the available tax levy of \$1.1M

FY19:

The Select Board continued with tax relief measures in FY19.

- Keeping all debt and operating budget requests within Proposition 2 ½.
- Maintain the beneficial commercial/residential tax split.
- Not utilizing all of the available tax levy of \$1.1M

FY20:

The Select Board continued with tax relief measures in FY20.

These included:

- Keeping all debt and operating budget requests within Proposition 2 ½.
- Paying for increased public safety service impact with University Station revenue.
- Maintain the beneficial commercial/residential tax split.
- Not utilizing all of the available tax levy of \$800K

FY21:

The Select Board continued with tax relief measures in FY21.

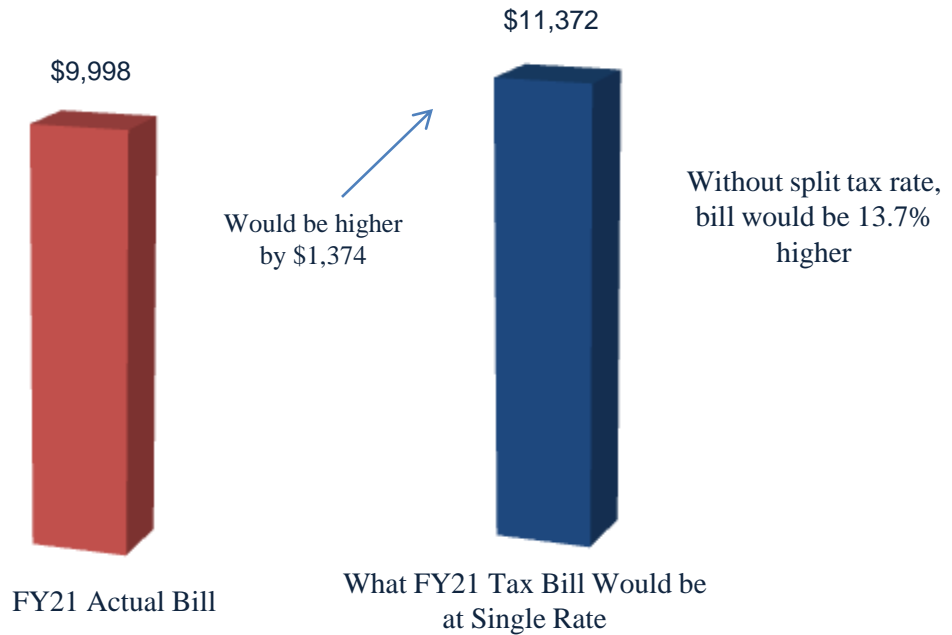
- Keeping all debt and operating budget requests within Proposition 2 ½.
- Maintain the beneficial commercial/residential tax split.
- Not utilizing all of the available tax levy of \$825K.

FY22:

The Select Board will continue with tax relief measures in FY22.

- Keeping all debt and operating budget requests within Proposition 2 ½.
- Maintain the beneficial commercial/residential tax split.
- Not utilizing all of the available tax levy of \$225K.

Benefits of Commercial Tax Rate



The commercial split tax rate provides significant relief for homeowners.

In FY21 that relief is \$1,374.

The Town has a split tax rate, charging commercial property a higher rate than residential. The Select Board, in consultation with the Board of Assessors, voted to set the FY21 shift factor, which sets the different rates, at 1.70.

In FY21, commercial property, while only representing 14.73% of the Town's value, will pay 25.05% of the total taxes, a slight decrease from 25.9% in FY20.

FY21 Tax Rates

Residential	\$14.78
Commercial	\$28.59

University Station

Commercial value can provide additional new growth revenue for the town

Through significant work by so many in Town for so many years, the University Station project is now in place and continues to provide a significant enhanced revenue opportunity for the Town.

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

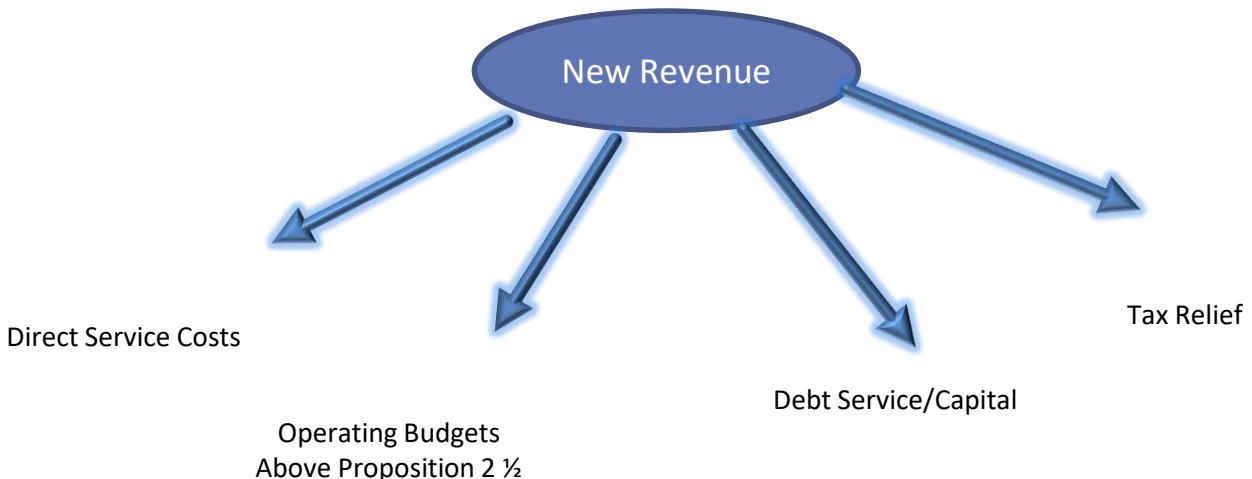
The Town, as planned before the start of the project, has utilized this new revenue for several important financial areas including:

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

Estimated annual new tax revenue from initial impact study before start of project.

- | | |
|-----------------------------|-------------|
| • Increased new revenue - | \$5M |
| • Associated direct costs - | <u>\$2M</u> |
| • Public Safety | |
| • School Enrollment | |
| • Net new annual revenue - | \$3M |

University Station new commercial tax revenue can provide for multiple areas:



Balance Many Needs

University Station

University Station has provided important new commercial tax revenue:

University Station New Growth Tax Revenue

FY15/FY16	FY17	FY18	FY19	FY20	FY21	Total
\$3,807,307	\$1,171,730	\$179,000	\$276,000	\$503,000	\$491,000	\$6,428,031

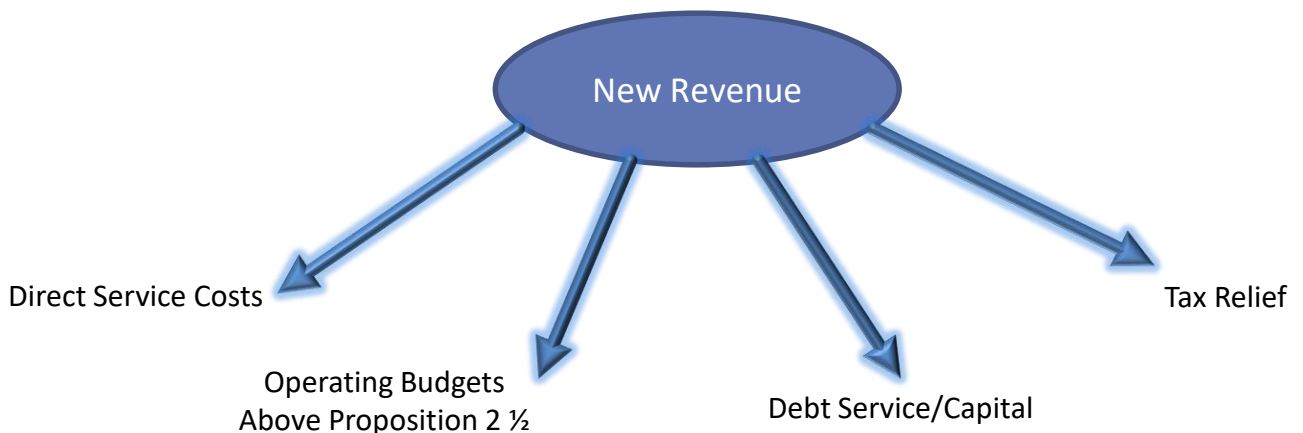
This chart shows the additional tax revenue each year from the project. The additional annual revenue is now \$6.4M. As taxes on the property before development were approximately \$2million, the total current University Station development pays over \$8.4M in annual taxes.

FY22 additional new revenue is budgeted at \$100,000

Actual revenue by year:

- **In FY15**, the initial revenue (\$565K) was used to implement identified direct service needs for the project. These funds, combined with previously received mitigation funds, allowed for important increases to police and fire staffing levels. These staffing needs had been identified at the project review and initial acceptance as direct services to be funded from the new tax revenue, and were the first increases to public safety staffing in decades.
- **In FY16**, new tax revenue from the project was \$3.2M. Approximately \$1.5M was voted toward the FY16 operating budget to provide an increase over the base 2 ½% to 5.2% for both school and municipal departments. This means that the FY16 school and municipal operating budgets were significantly funded and benefited from University Station revenue. In addition, the 2015 Fall Town Meeting allocated \$925K of the FY16 revenue as a one-time appropriation to the Capital Stabilization Fund to be used for important capital needs by future Town Meetings. This was the first ever significant infusion of funds to the important Capital Stabilization Fund.
- **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. In addition, in FY17 direct services costs of \$215,000 were allocated for school services for University Station expenses. Additionally, \$800,000 of University Station revenue was allocated for additional debt service for the police station construction. This allowed the debt to remain within Proposition 2 ½, providing relief to taxpayers. In FY17 a balance of \$670,000 of revenue was not utilized.

- **In FY18**, \$570,000 was allocated for direct service costs for public safety staffing needs. These funds provided for additional police and fire staffing, the first since FY15. In addition, \$279K of new revenue was not utilized in the budget.
- **In the FY19** budget, new tax revenue was \$276,000. There was no allocation of that revenue into the budget. Combined with \$279,000 of prior year unused levy, there was \$555,000 of tax levy revenue not utilized for additional budget items.
- **In the FY20** budget, new tax revenue was \$503,000. This, combined with prior year unused levy of \$555,000, provided \$1,058,000 of tax levy revenue for budget items. A portion of this revenue was used for direct services, including \$537,500 for public safety needs, including two new firefighters, two new police officers, and one Communications Center Director. In addition, \$50,000 was allocated to the school budget to provide for costs of additional University Station related transportation needs. \$92,500 was used towards the debt service for a portion of the Route 109 bond costs, keeping this within Proposition 2 ½. This left an unused tax levy of \$378,000
- In the FY21 budget, new tax revenue was \$491,000. There was only a minor allocation of \$44,000 of unused revenue into the budget. This revenue, combined with \$378,000 of prior year unused tax levy, left \$825,000 of tax levy not utilized in the budget.



Balance Many Needs

University Station

University Station Revenue Significantly Helps Multiple Budget Areas

Summary of How Funding Has Been Used:

Operating Budgets: Support operating budgets outside the constraints of Proposition 2 ½

Total Increase in funding to Operating Budgets	\$2.68M
School	\$1.947M
Municipal	\$ 734K

- School and Municipal services have been enhanced without need for an override.

Direct Service Costs: Provides for increases in service costs especially public safety

Total Funding for Direct Service Costs	\$1.938M
School	\$ 265K
Municipal	\$ 1,672,500

- The increase in direct services has been funded by the project revenue itself, causing no additional budget impact.

Capital: Revenue to fund capital projects within Proposition 2 ½

Ongoing:

Debt Service – Police Bond	\$800,000
Debt Service – Route 109 Road Bond	\$92,500
Total Ongoing	\$892,500
One Time – Capital Fund	\$975,000

- Important capital has been funded without the need for an override.

Unused Tax Levy: Provide for Unused Tax Levy

	FY16	FY17	FY18	FY19	FY20	FY21
Unused Tax Levy	\$500,000	\$670,000	\$279,000	\$555,000	\$378,000	\$825,000

- Each year, a portion of the new revenue has been unused, providing budgeting relief₄₅ to the community.

University Station Detail by Year of Use of New Tax Revenue

Operating Budgets - Support Operating Budgets Outside the Constraints of Proposition 2 ½

Operating Budgets

Revenue used to supplement budgets beyond the limits of Prop 2 ½. These funds have allowed the Town to provide a high level of services, without a Prop 2 ½ override. Funds listed are then added annually to the ongoing budget. For example, the School Department budget is now \$1.944M higher each year than it was before the University Station project.

	FY15/FY16	FY17/FY21	Total
School	\$1,020,225	\$927,000	\$1,947,225
Municipal	\$461,578	\$272,000	\$733,578

- School and Municipal services have been enhanced without need for an override.

Direct Service Costs – Provides for Increases in Service Costs Primarily Public Safety

Direct Service Costs

Revenue used to provide for increases in service costs due to the project. Funds listed are then added annually to the ongoing budget. School costs provide for any impact/transportation costs for students in the development. The municipal costs provide for additional public safety staff. Police and Fire staffing and services have been significantly enhanced, with the addition of 14 new firefighters, 7 police, and 2 dispatch positions.

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

- The increase in direct services has been funded by the project revenue itself, causing no additional budget impact.

University Station Detail by Year of Use of New Tax Revenue - Continued

Capital – Revenue to Fund Capital Projects Within Proposition 2 1/2	
One Time appropriation to Capital Fund in FY16	\$975,000
Capital - Ongoing Revenue used to fund capital projects. The debt service is permanently added for the life of the bond.	
Debt Service – Police Station bonding beginning in FY17	\$800,000
Debt Service – Route 109 Road Bond beginning in FY20	\$92,500

- Important capital has been funded without the need for an override.

Unused Tax Levy						
Each year some of the new revenue is left “unused”. This means that the budget is not increased to spend this money, but instead the funds are part of the unused tax levy, available for future needs.						
	FY15/FY16	FY17	FY18	FY19	FY20	FY21
Unused Tax Levy	\$500,000	\$670,000	\$279,000	\$555,000	\$378,000	\$825,000

- Each year, a portion of the new revenue has been unused, as part of the unused tax levy.

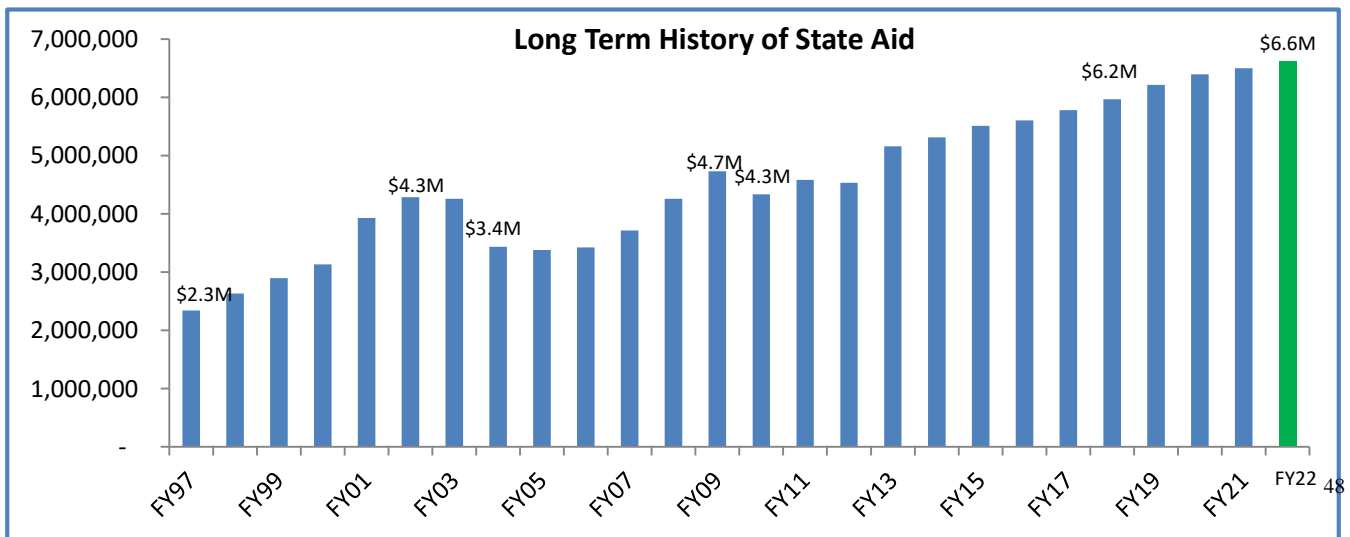
State Aid

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

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

- Proposed FY22 budget utilizes the Governor’s estimate
 - Municipal Aid 3.5% increase
 - Chapter 70 \$30 per pupil increase
- Governor’s preliminary FY22 local aid projections are the initial step of the State budget process. We will monitor the State budget process and update the estimate accordingly.

	FY2019	FY2020	FY2021	Governor Projected FY2022
Chapter 70-Education	\$5,336,202	\$5,496,384	\$5,635,405	\$5,723,453
Municipal Aid	\$754,341	\$774,708	\$774,708	\$801,823
Other	\$102,862	\$101,157	\$91,105	\$69,590
Offsets (Restricted to Library)	\$19,478	\$22,831	\$27,535	\$27,535
Total Receipts	\$6,212,883	\$6,395,080	\$6,528,753	\$6,622,401
Charges				
County Tax	201,390	200,141	205,145	206,700
MBTA Assessment	353,806	363,653	361,219	371,431
Other	\$121,416	\$139,352	\$125,227	\$127,834
Total Charges	\$676,612	\$703,146	\$691,591	\$705,965
Net State Aid	\$5,536,271	\$5,691,934	\$5,837,162	\$5,916,436



State School Building Assistance

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

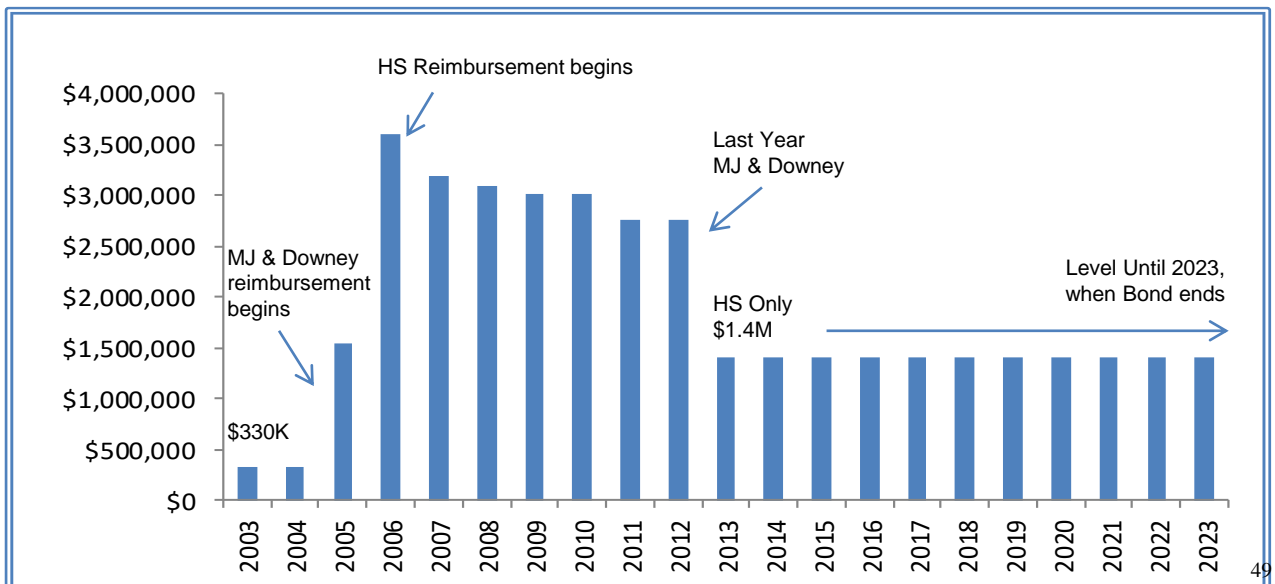
- The Town is currently receiving State School Building reimbursement on the high school construction project. The State paid 59% of the total project cost.
- The debt service and reimbursement for Martha Jones and Downey projects have been completed.

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

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

Note: The MSBA has changed this program. New projects now receive the MSBA's funding share on a pay as you go basis.

School Building Reimbursement History

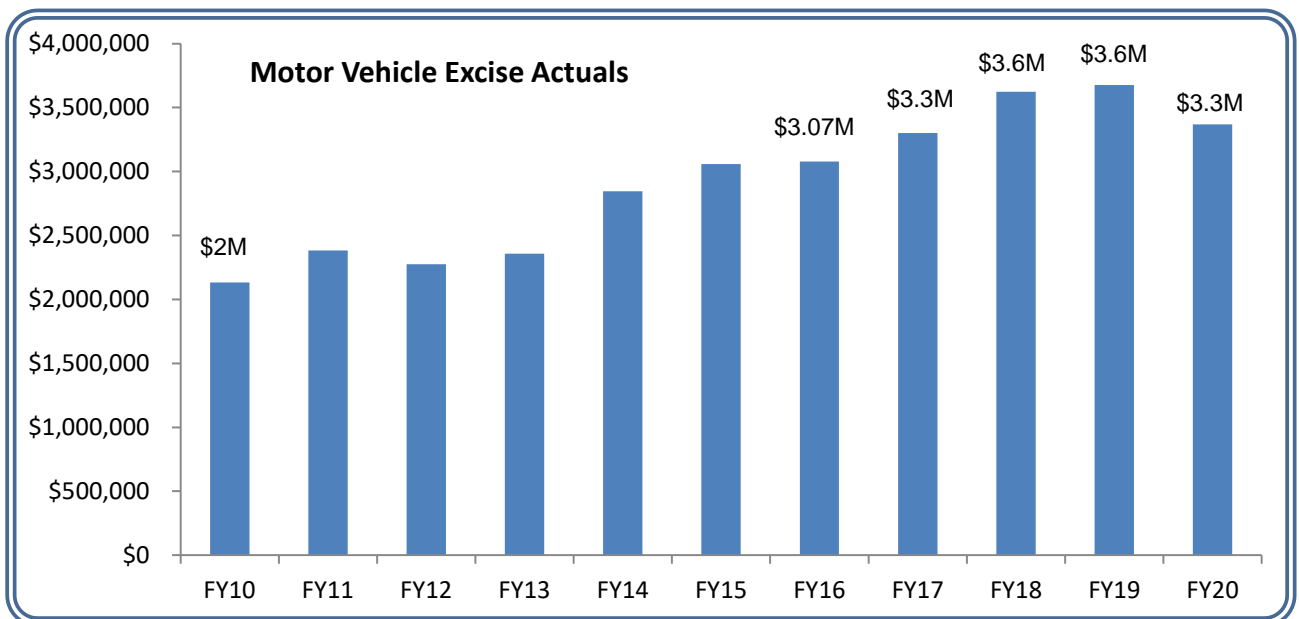


FY2022 Local Receipts

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

	FY18	FY19	FY20	FY20	FY21	FY22
	Actual	Actual	Budget	Actual	Budget	Budget
Motor Vehicle Excise Tax	\$3,624,505	\$3,675,895	\$2,680,000	\$3,368,741	\$2,680,000	\$2,680,000
Penalties and Interest	\$244,434	\$210,068	\$90,000	\$93,136	\$90,000	\$90,000
License/Permits	\$1,060,376	\$1,200,836	\$590,000	\$1,283,355	\$657,915	\$657,915
Departmental Receipts	\$804,325	\$397,861	\$388,415	\$311,462	\$310,500	\$310,500
Investment Income	\$173,501	\$216,319	\$80,000	\$169,795	\$90,000	\$90,000
Recreation	\$180,000	\$180,000	\$332,442	\$180,000	\$332,442	\$332,442
Other	\$98,217	\$80,560	\$35,000	\$208,807	\$35,000	\$35,000
	\$6,185,358	\$5,961,539	\$4,195,857	\$5,615,295	\$4,195,857	\$4,195,857

- 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. Actual revenue over budget flows to free cash.



FY2022 Available Funds

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

Available Funds Allocated	FY17	FY18	FY19	FY20	FY21	FY22
	Budget	Budget	Budget	Budget	Budget	Budget
Conservation Receipts	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Cemetery Trust	\$0					
Cemetery Lot Sales	\$110,250	\$105,750	\$101,250	\$96,750	\$92,250	\$0
Ambulance Receipts for Ongoing Budget	\$376,500	\$376,500	\$376,500	\$391,075	\$411,075	\$411,075
High School Bond Premium	\$15,738	\$13,084	\$10,912	\$8,690	\$6,468	\$4,197
Library Bond Premium	\$16,755	\$16,000	\$15,170	\$13,661	\$12,453	\$11,246
	\$536,243	\$528,334	\$520,832	\$527,176	\$539,246	\$443,518

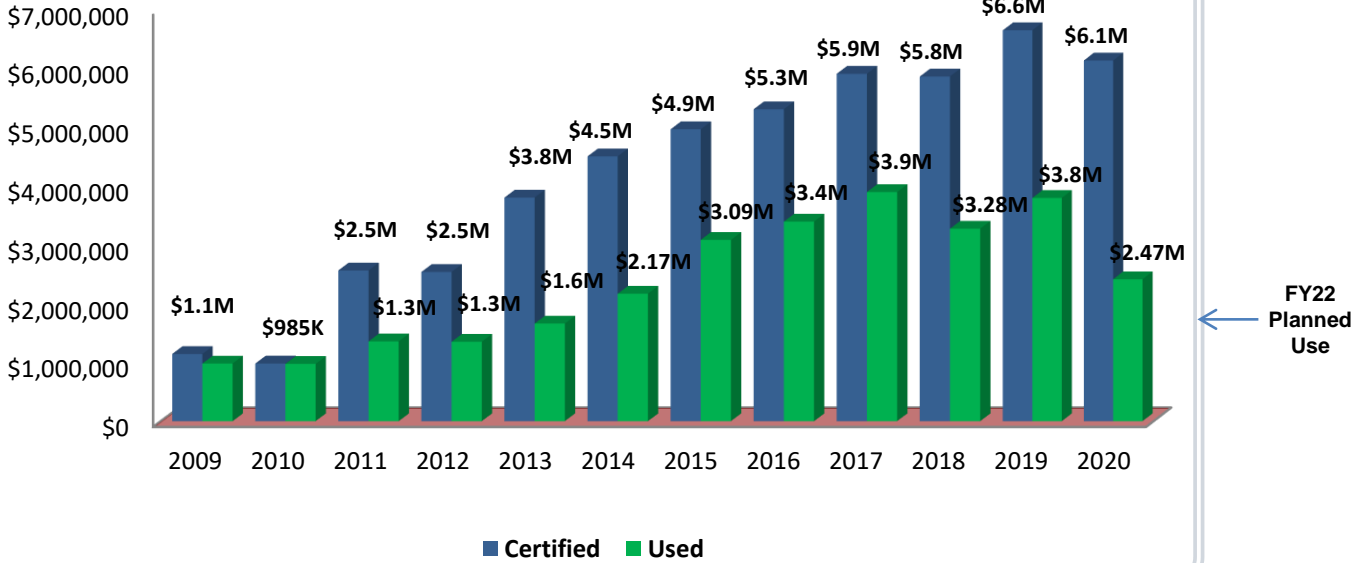
Available Funds for Prior Year/Misc Warrant Articles	FY17	FY18	FY19	FY20	FY21	FY21
	Budget	Budget	Budget	Budget	Budget	Budget
Additional Ambulance (equipment/salaries/purchase ambulance)	\$208,000	\$372,800	\$514,760	\$141,000	\$127,220	\$435,000
Sale of Assets Account						
Overlay Surplus			\$35,000	\$26,000	\$31,500	
Cemetery Lot Sales for special article						
Additional State Aid						
Bond Premium		\$397,000				
Miscellaneous Funding	\$20,000		\$489,000			
	\$228,000	\$769,800	\$1,038,760	\$167,000	\$158,720	\$435,000

- Available funds are transferred from these accounts to the general fund to support the corresponding appropriation.
 - Major available fund is ambulance receipts – used to offset costs of providing service.
 - Current balance in ambulance account (1/21) before appropriation - \$964K.
 - 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 - FY21 budgets include cemetery lot sales to pay for cemetery debt service for a 5-year bond approved at May 2015 Town Meeting. This ended in FY21.

A Look at Free Cash

- Certified Free Cash as of June 30, 2020 is \$6,124,816.
- Good FY20 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.
- FY22 budget uses \$2.3M for capital and \$125,000 for Stabilization

Certified/Used Free Cash



Certified Date	July 2020	July 2019	July 2018	July 2017	July 2016	July 2015	July 2014
Amount	\$6,124,816	\$6,637,200	\$5,854,683	\$5,900,219	\$5,386,795	\$4,961,737	\$4,502,878
Proposed 2021 ATM:							
Fall Town Meeting/ Other				\$801,000	\$256,000	\$456,000	\$155,000
Stabilization	\$125,000	\$125,000	\$125,000	\$100,000	\$100,000	\$100,000	\$100,000
Capital	\$2,321,650	\$3,383,900	\$3,163,500	\$2,198,118	\$1,769,050	\$1,652,050	\$1,523,000
Articles	\$31,000	\$350,000		\$861,000	\$1,295,000	\$883,000	\$401,509
Total Used	\$2,477,650	\$3,858,900	\$3,288,500	\$3,960,118	\$3,420,050	\$3,091,050	\$2,179,509
Unallocated	\$3,647,166	\$2,778,300	\$2,566,183	\$1,940,101	\$1,966,745	\$1,870,687	\$2,323,369

- Financial Policy target is approximately \$3.3M unallocated.

Meals/Hotel Tax

Background

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

Meals Tax

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

Hotel Tax

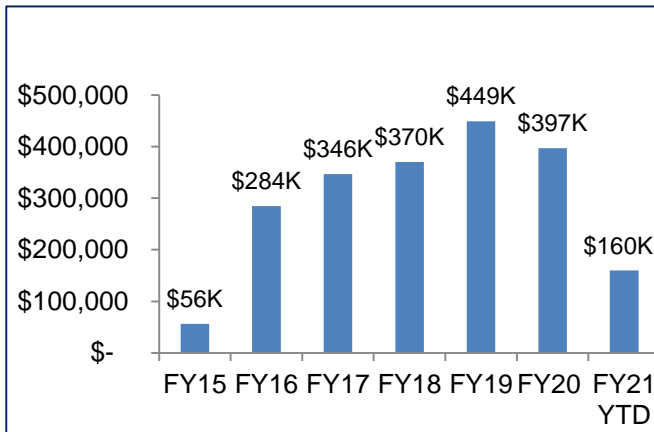
- Municipalities are allowed to charge a local hotel tax up to 6%.
- Westwood adopted the 6% charge at the 2016 Annual Town Meeting.

Restricted Funding

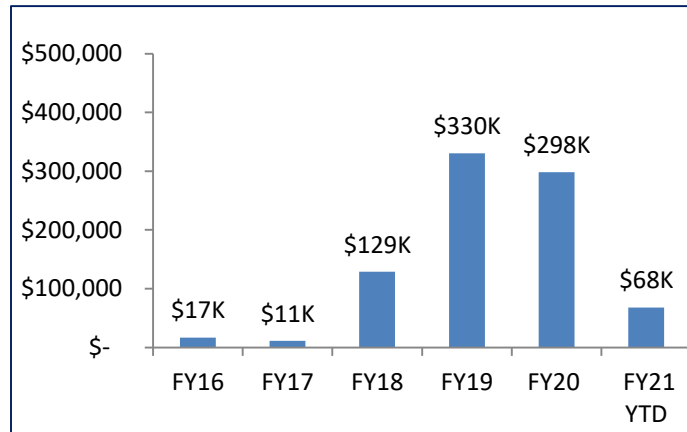
- At the November 2017 Town Meeting, the residents approved establishing a special purpose fund to hold all Hotel and Meals Tax revenue until appropriated by future Town Meetings. All use of funding requires a 2/3 vote by Town Meeting.

Revenue

Annual Meals Tax Revenue



Annual Hotels Tax Revenue



Most Recent Quarterly Receipts

	Meals	Hotels
9/30/19	\$114,522	\$94,311
12/31/19	\$114,171	\$105,110
3/31/20	\$109,308	\$67,096
6/30/20	\$58,904	\$31,806
9/30/20	\$72,820	\$47,399
12/31/20	\$86,881	\$20,582

Meals/Hotel Tax

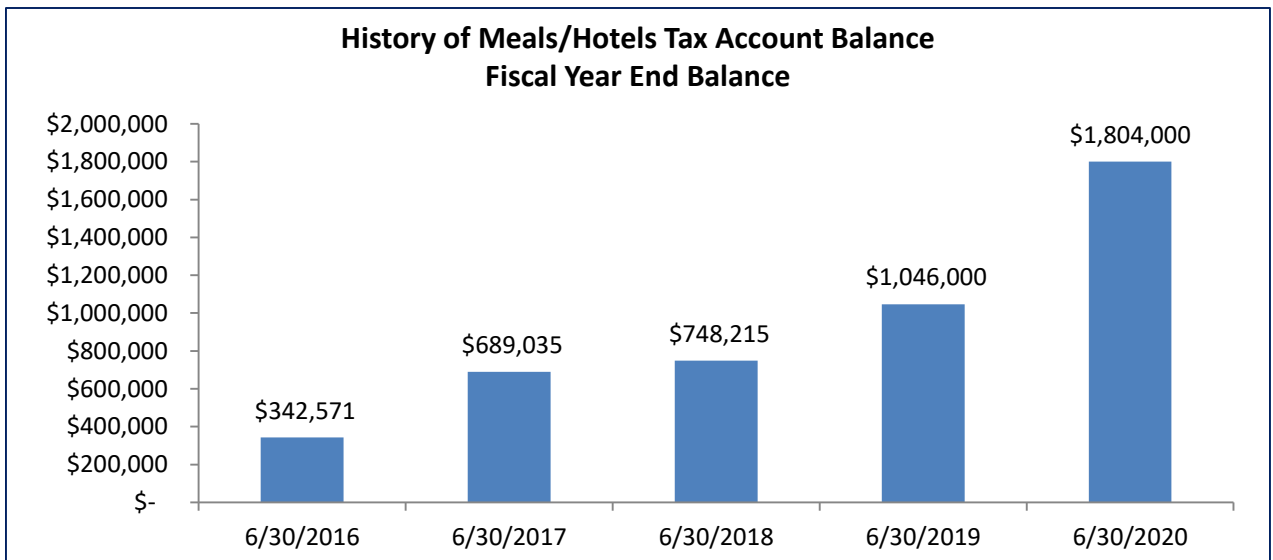
Use of Funds

Any use of funds must be appropriated by Town Meeting. All use requires a 2/3 vote by Town Meeting.

- Funds have been used for capital projects, not operating budgets.
- May 2018 Town Meeting appropriated \$432K of funds:
 - Lighting of the High School tennis courts
 - HVAC project at the High School pool
- May 2019 Town Meeting appropriated \$515K of funds:
 - Design of Recreation Field Lighting
 - Thurston Middle School HVAC project
 - Council on Aging HVAC project
- No Funding was used at the June 2020 Town Meeting
- Proposed for May 2021 Town Meeting: \$1,060,000 of funds
 - Turf Field Replacement
 - Pool – Deck Surfacing
 - Pool – Drainage and Refurbishment

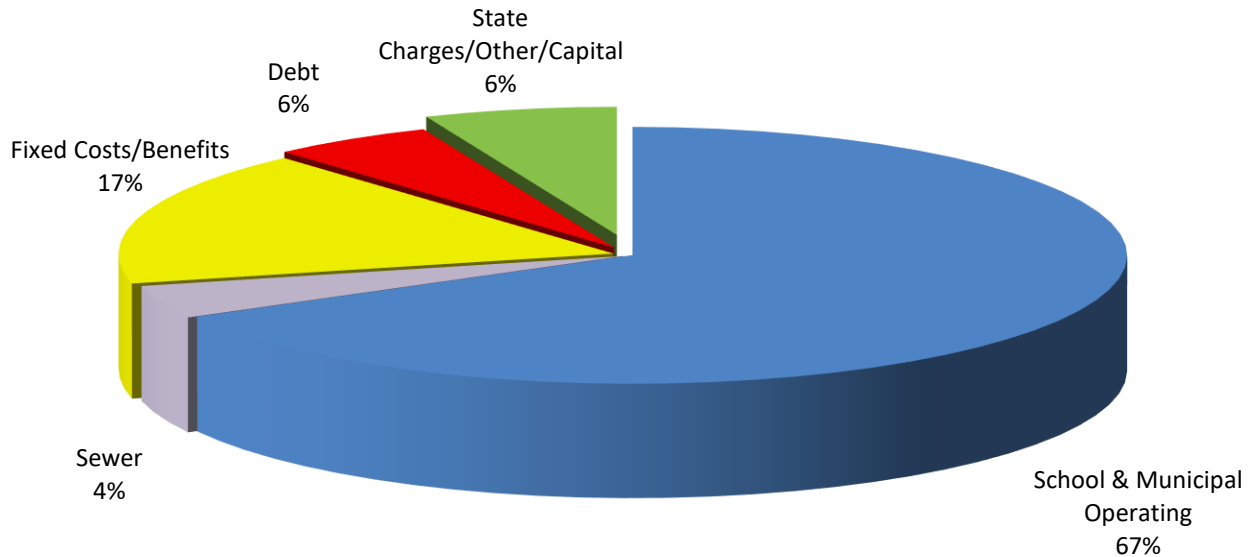
Balance in the Account

- The balance in the account as of December 31, 2020 is \$2.04M



FY2022 Proposed Expenditure Summary

FY2022 Expenditure Summary

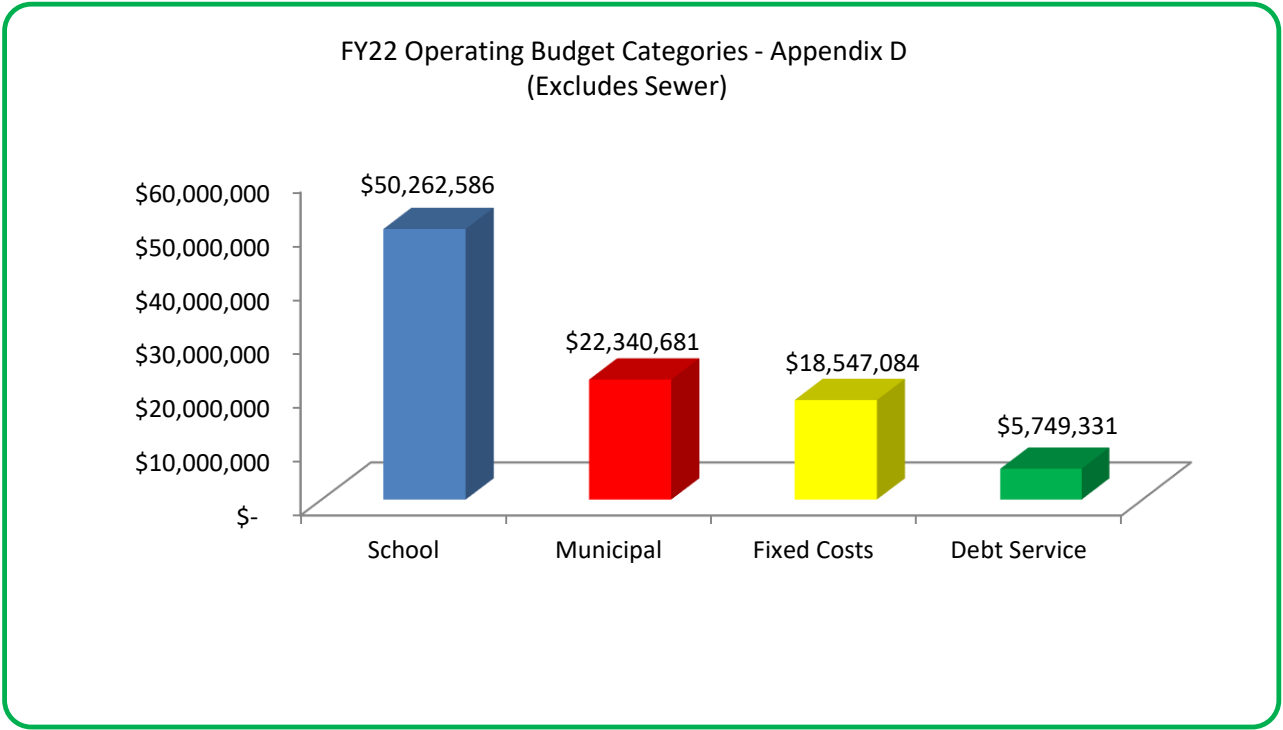


FY2022 Proposed Expenditure Summary

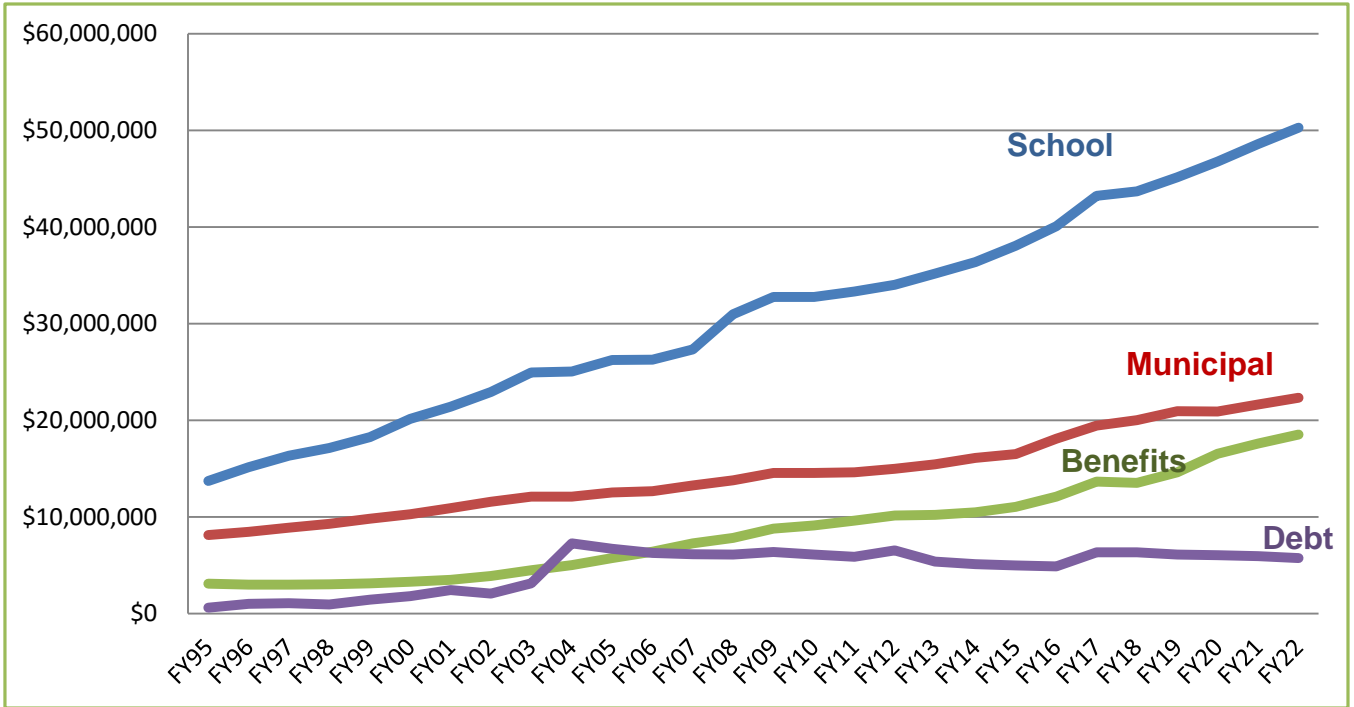
	FY2021	FY2022 Projected	\$ Change	% Change
Operating Budget - School Categories	\$48,595,870	\$50,262,586	\$1,666,716	3.4%
Operating Budget - Municipal	\$21,653,795	\$22,340,681	\$686,886	3.17%
Benefits/Reserves/Insurance	\$17,613,181	\$18,547,084	\$933,903	5.3%
Sewer - Operating	\$4,435,242	\$4,534,597	\$99,355	2.2%
Debt Service	\$5,949,779	\$5,749,331	(\$200,448)	-3.4%
Total Operating	\$98,247,867	\$101,434,279	\$3,186,412	3.2%
Capital Base Budget - School & Municipal	\$2,321,400	\$2,321,650	\$250	0.0%
Capital - Sewer	\$765,000	\$70,000	(\$695,000)	-90.8%
Other Appropriations:				
To Stabilization	\$125,000	\$125,000	\$0	0.0%
Additional Capital	\$1,127,220	\$1,495,000	\$367,780	32.6%
To OPEB Trust	\$1,465,000	\$1,490,000	\$25,000	1.7%
Prior Year/Other Articles	\$444,000	\$31,000	(\$413,000)	-93.0%
State Charges/Offsets/Overlay/Snow	\$1,265,755	\$1,292,299	\$26,544	2.1%
Total Expenditures	\$105,761,242	\$108,259,228	\$2,497,986	2.4%

Operating Budget Categories

FY21 Budget	Category	FY22 Proposed	\$ Change FY22 v FY21	% Change FY22 v FY21
\$48,347,500	School Operating	\$ 50,003,345	\$ 1,655,845	3.42%
\$21,653,795	Municipal Operating	\$ 22,340,681	\$ 686,886	3.17%
\$ 132,293	Blue Hills	\$ 140,000	\$ 7,707	5.83%
\$ 116,077	Traffic Supervisors	\$ 119,241	\$ 3,164	2.73%
\$17,613,181	Fixed Costs	\$ 18,547,084	\$ 933,903	5.30%
\$ 5,949,779	Debt Service	\$ 5,749,331	\$ (200,448)	-3.37%
\$ 4,435,242	Sewer	\$ 4,534,597	\$ 99,355	2.24%
\$98,247,867		Total \$ 101,434,279	\$ 3,186,412	3.2%



A Look at the Budget History

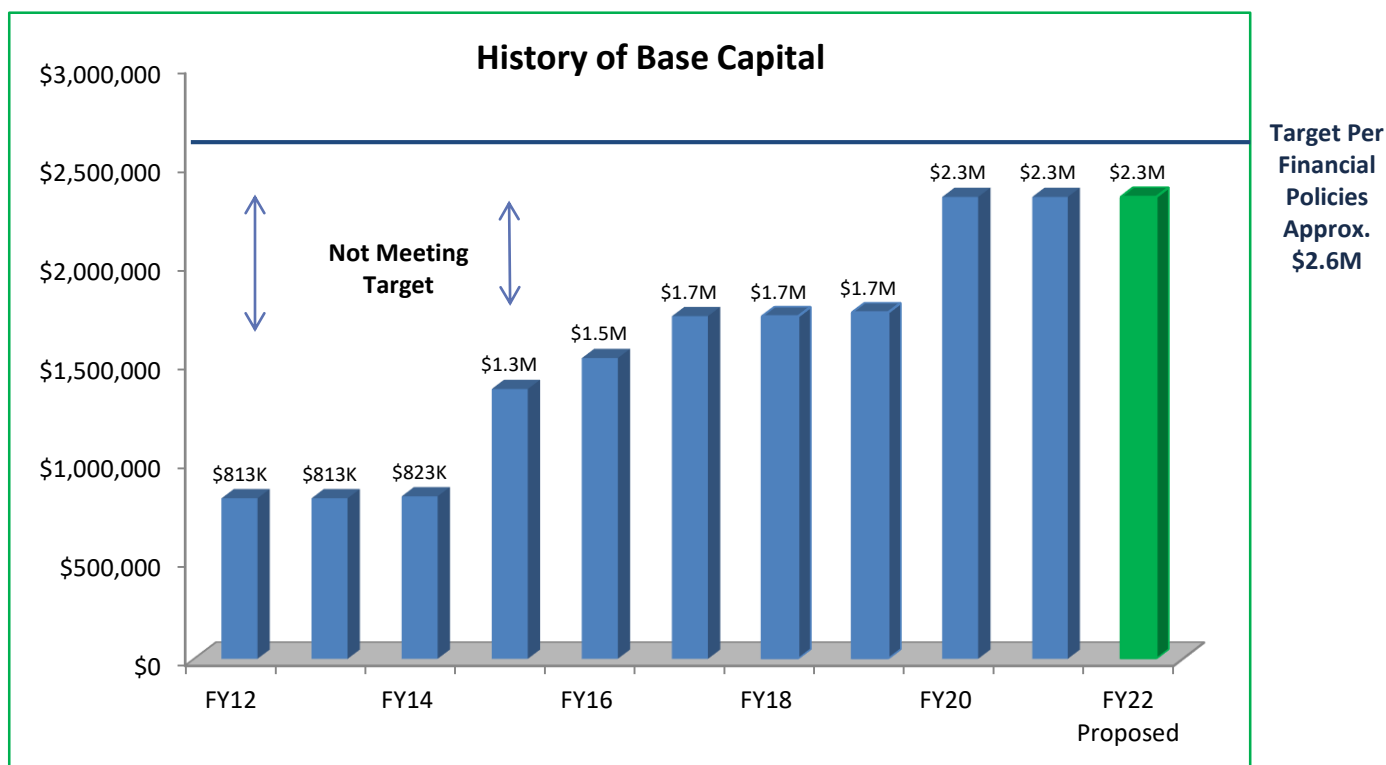


Budget	% Change in Budget												
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
School Budgets	0%	1.7%	2%	3.3%	3.8%	4.2%	5.3%	4.9%	3.3%	3.4%	3.47%	3.6%	3.42%
Municipal Budgets	0%	0.6%	2.3%	3%	3.2%	3.4%	5.2%	3.7%	3.6%	3.8%	3.5%	3.57%	3.17%
Benefits/ Insurance/ Reserves	3.7%	5.5%	5.6%	0.5%	2.5%	5.5%	3.1%	8.8%	10.6%	8.1%	4.1%	6.4%	5.3%
Debt Service	-3.9%	-3.7%	11.1%	-18%	-4.7%	-2.3%	-2.3%	30%	-1.4%	-3.6%	-1.3%	-1.8%	-3.4%

Capital Funding

Capital – Continued Improvement in Ongoing Base Capital Funding

- Important to maintain Town and School assets – buildings, infrastructure, and equipment.
- Financial Policy on capital spending indicates that ongoing capital should be approximately \$2.6M.
 - Policy was not met for many years during difficult economic budget cycles.
- The Town has recently made steady progress in increasing the ongoing capital budget.
- FY22 continues improvement in ongoing capital funding.



Base Capital

- Article: Municipal Capital Improvements
 - \$1,304,650, funded with Free Cash
- Article: School Capital Improvements
 - \$1,017,000, funded with Free Cash

Other Capital

- Article: Sewer Capital Improvements
 - \$70,000 funded with Sewer Retained Earnings
- Article: Other Capital – Ambulance
 - \$435,000 funded with Ambulance Revenue

Capital Funding

Capital Budget – Other Capital Article

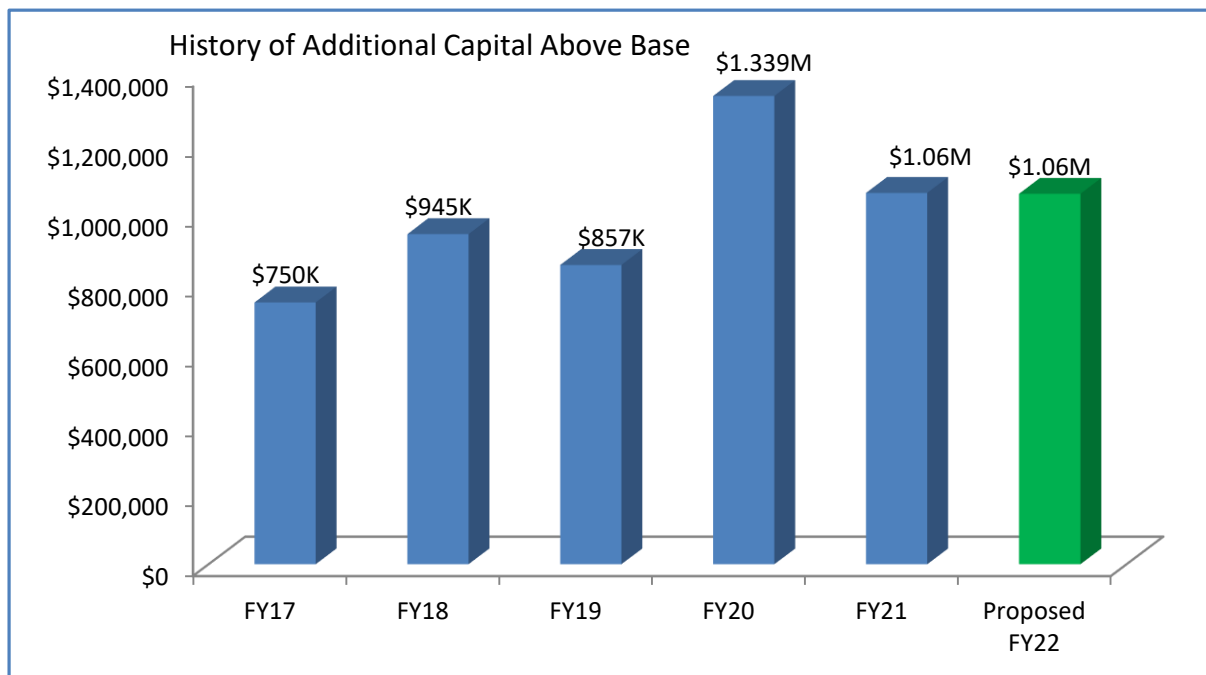
- Since FY17, the Town Meeting has approved an “additional” capital budget article beyond the main base articles.
- Effort to fund:
 - Capital that has been deferred by years of not meeting financial goal
 - Larger items that do not easily fit within base capital budget articles:

Prior Years

- School IT network
- High School Tennis Court Lighting
- Pool Renovations

Prior Years

- COA and Thurston HVAC Project
- Security Projects
- Town Hall Repairs



- Other Capital Articles for FY22 of \$1.06M are funded meals/hotels tax.
- FY22 current proposed includes Town and School projects and Town wide recreation projects.
- FY22: Other Capital Improvements
 - Town Projects, \$1.06M Funded with Meals/Hotels Tax
 - Turf Field Replacement (H.S. multipurpose practice field) \$750,000
 - Pool – Deck Surfacing Replacement \$200,000
 - Pool – Drainage and Refurbishment \$110,000

Capital Budget –Capital Borrowing Articles

Sewer Capital Request - Borrowing

Article: Sewer Infiltration and Inflow Assessment

To see if the Town will appropriate Five Hundred Thousand Dollars (\$500,000) to pay costs of engineering and construction services related to the development of plans and specifications for the reduction of infiltration and inflow into the Town’s wastewater collection system, and for the payment of all costs incidental and related thereto, and to determine whether this amount shall be raised by taxation, transfer from available funds, borrowing or otherwise, or to take any other action relative thereon.

This project will be part of the MWRA grant program. Of the \$500,000 , 75% will be funded from the MWRA grant program and 25% will be funded from the MWRA 10-year interest free loan.

Bond Counsel will provide the motion language to include the MWRA program

Additional Capital Request – Equipment Borrowing Article

Item	Amount	Funding Source
DPW - Roadside Sweeper (Truck 4)	\$250,000	
Fire - Swap Body Multipurpose Vehicle	\$380,000	
Total	<u>\$630,000</u>	

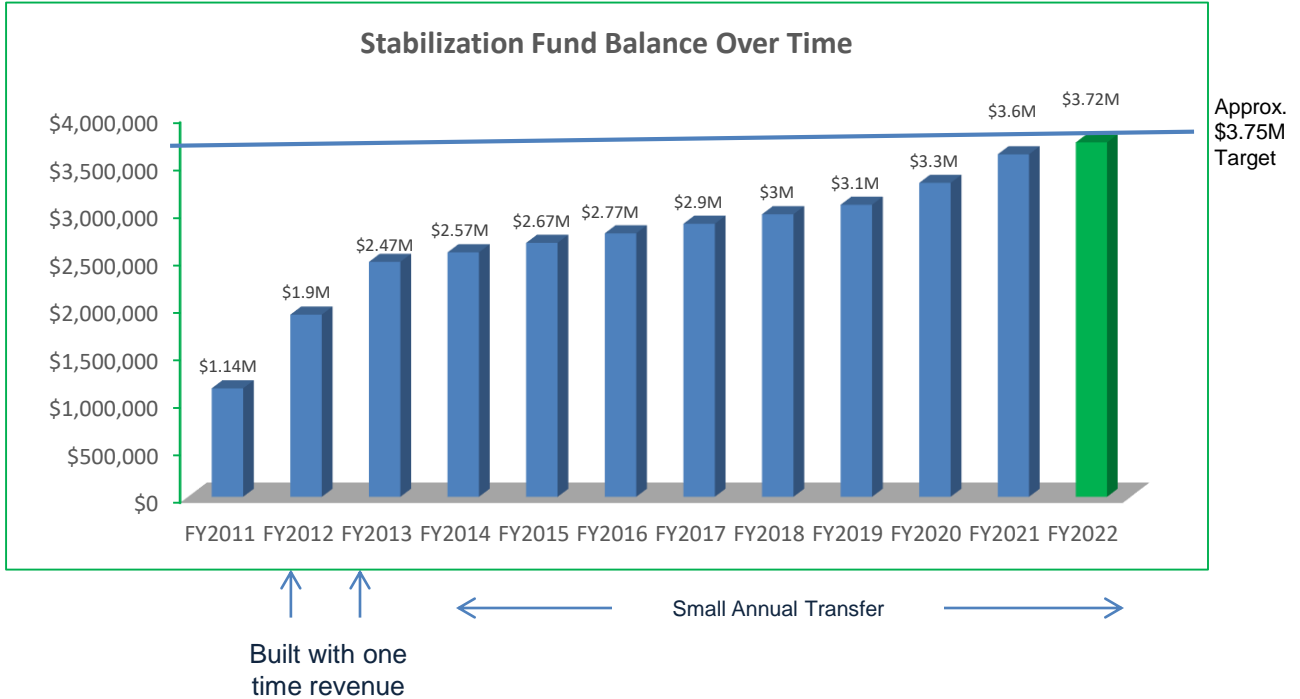
Schools Capital Request – Borrowing \$1,455,260

This article is intended to appropriate funds for purposes of extending the Feasibility Phase of the School Building Project to keep the Project on schedule and on budget while moving the Town Meeting vote for the full cost of the Project from Spring 2021 to Fall 2021. With this article, the project team will continue the design of the school, perform additional geotechnical explorations to finalize the foundation design, complete a full survey of the parcel, and prepare for local permitting application.

Bond Counsel will provide the motion language for this item

Stabilization Fund

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

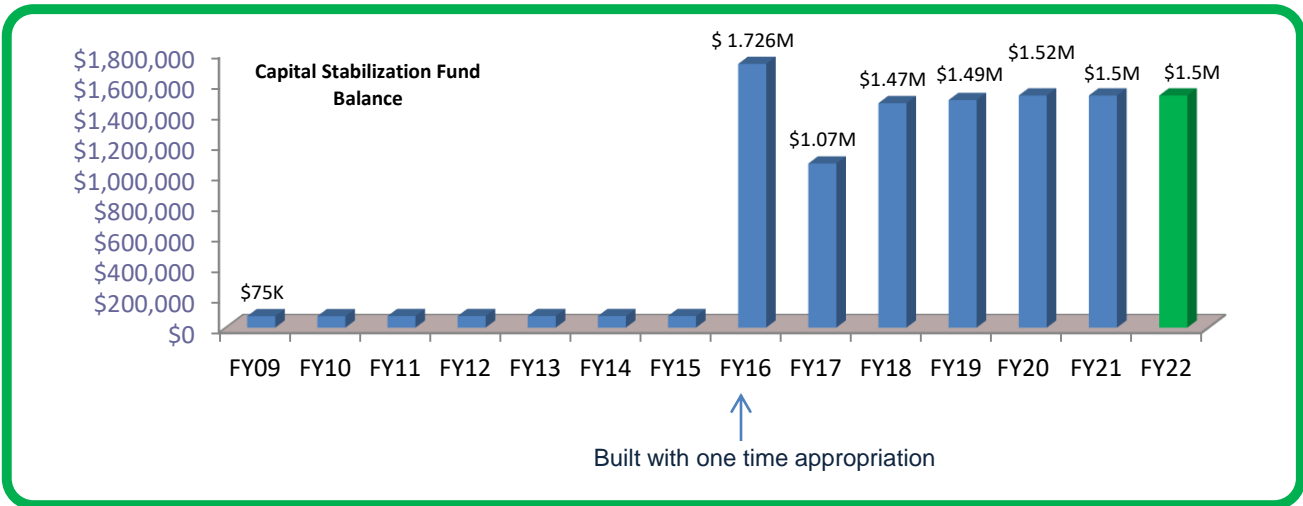


Stabilization Fund							
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Proposed FY22
Annual Appropriation	\$100,000	\$100,000	\$100,000	\$100,000	\$125,000	\$125,000	\$125,000
One Time Additional Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0

- The FY22 budget provides for a \$125,000 annual appropriation funded by free cash transfer.

Capital Stabilization Fund

- The Capital Stabilization Fund was established by Town Meeting in 2005 for the purpose of investing in the long term maintenance of the Town’s capital assets – primarily buildings and equipment.
- Appropriations into this Fund require a majority vote and uses from this Fund require a 2/3 vote of Town Meeting.
- This Fund can be a useful tool to provide funding for important capital needs.
- At the 2008 Annual Town Meeting, \$75,000 was appropriated to this account funded by some initial Westwood Station payments.
- At the 2015 Fall Town Meeting, two articles appropriated one time revenue in the account:
 - \$925,000 was appropriated into this account funded by available FY16 new taxes from the University Station project.
 - \$725,000 was appropriated into the account from one time bond premium.
- In FY17, \$650,000 was used from the account to fund replacement of the high school turf field and track resurfacing.
- In FY18, \$397,000 of one time funding was appropriated into the account



Capital Stabilization Fund							
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Proposed FY22
Annual Appropriation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
One Time Appropriation	\$1,650,000	\$0	\$397,000	\$0	\$0	\$0	\$0
Town Meeting Voted Use		\$650,000					

Debt Management

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

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

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

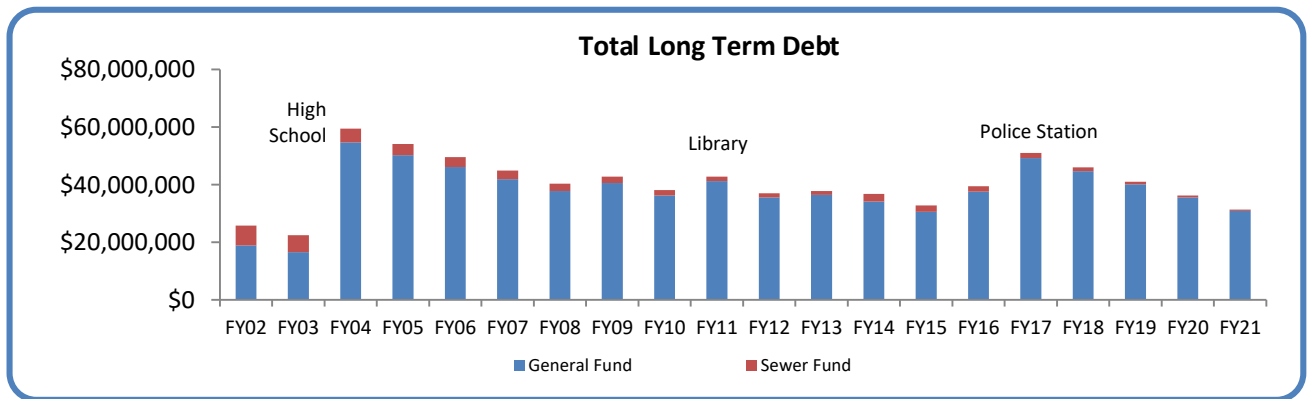
Credit Rating

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

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

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

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



Total Long Term Debt Issued and Outstanding	FY16	FY17	FY18	FY19	FY20	FY21
General Fund	37,525,000	49,355,000	44,710,000	40,120,000	35,545,000	30,990,000
Sewer Fund	2,122,060	1,680,000	1,274,700	868,600	666,800	465,000
Total	39,647,060	51,035,000	45,984,700	40,988,600	36,211,800	31,455,000

Debt Management

Town Debt – Utilized Favorable Borrowing Climate

Favorable Borrowing Climate

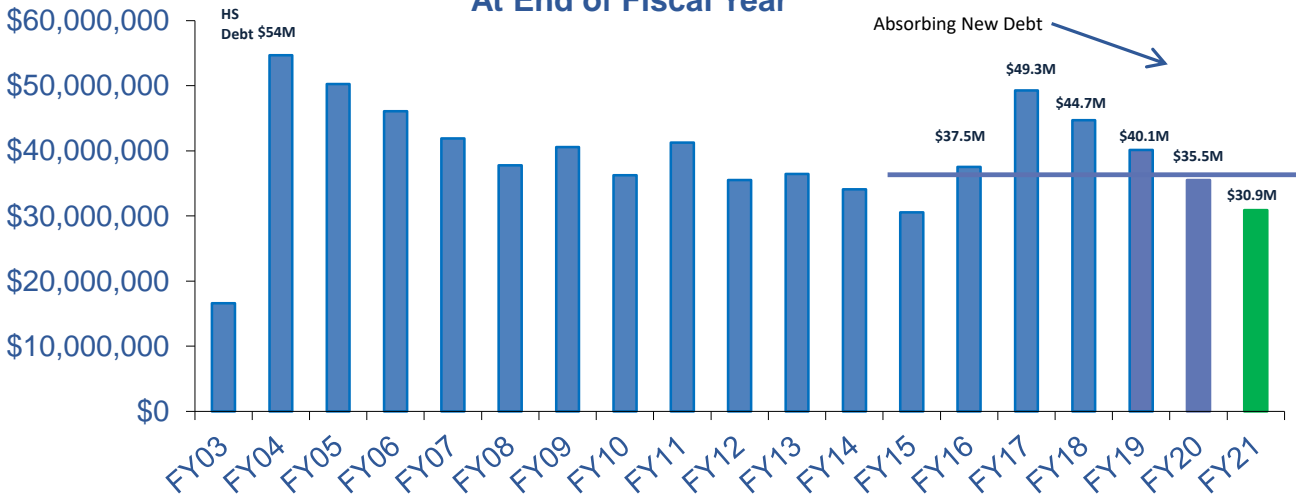
- Very strong credit ratings.
 - Standard & Poor’s AAA.
 - Moody’s AA1
- Excellent interest rate environment.
- Portion of recent bond sales replaced debt dropping off
 - Next debt drop off 2023.

Recent Bond Sales

- Bond sold August, 2016:
 - \$16.64M, 10-30 year term, 2.4%.
- Bond sold August, 2015:
 - \$10.45M, 5-20 year term, 2.6%.

Debt Authorized, Not Yet Issued		
School MSBA Initial Phase	ATM 2018	\$ 1,750,000
Redevelop Islington/Wentworth Library	ATM 2018	\$ 3,500,000
Sidewalk Improvements Route 109	ATM 2019	\$ 900,000
DPW Equipment	ATM 2020	\$ 325,000
Road Improvement Bond	ATM 2020	\$ 4,650,000
Total		\$ 11,125,000

**General Fund Total Long Term Debt
At End of Fiscal Year**



Long Term Debt Outstanding

Description	Rate of Interest	Date Issued	Maturity Date	Amount Issued	Total Outstanding 30-Jun-21
Outside of Prop 2 1/2					
High School Project	1.63	5/2012	06/01/2023	\$39,262,300	\$3,540,000
Library Construction	3.37	3/10/11	03/10/2031	\$9,300,000	\$4,650,000
Within Prop 2 1/2					
High School Completion	3.48	8/01/08	02/01/2023	\$1,950,000	\$260,000
Middle Sch Modular Construction	3.79	6/15/09	06/15/2029	\$3,500,000	\$1,400,000
School Roof	1.43	12/20/12	06/01/2022	\$935,000	\$89,000
DPW Roads/Equipment	1.43	12/20/12	06/01/2022	\$3,700,000	\$366,000
DPW Roads/Equipment	1.62	05/15/14	05/15/2024	\$1,400,000	\$420,000
Design Fire Station	2.66	9/1/2015	09/01/2035	\$850,000	\$637,500
Construct Fire Station	2.66	9/1/2015	09/01/2035	\$8,650,000	\$6,487,500
LED Lights Upgrade	2.66	9/1/2015	09/01/2025	\$500,000	\$250,000
Cemetery Expansion	2.66	9/1/2015	09/01/2020	\$450,000	\$0
Deerfield Rd/Parking Imprvments	2.42	9/1/2016	06/30/2026	\$2,000,000	\$1,000,000
Land Purchase	2.42	9/1/2016	06/30/2026	\$890,000	\$440,000
Police Station Design	2.42	9/1/2016	06/30/2045	\$1,000,000	\$825,000
Police Station Construction	2.42	9/1/2016	06/30/2046	\$12,755,000	\$10,625,000
Total General Fund					\$30,990,000

General Fund Debt Authorized - Not Yet Issued Long Term

School MSBA Eligibility Phase	ATM 2018	\$1,750,000
Redevelopment Islington /Wentworth Library	ATM 2018	\$3,500,000
Road Improvement Project	ATM 2019	\$900,000
DPW Equipment	ATM 2020	\$325,000
Road Improvement Project	ATM 2020	\$4,650,000
Total		\$11,125,000

Short term debt outstanding: \$3,150,000 one year Ban issued 6/2/2020.

Long Term Sewer Fund Debt Outstanding

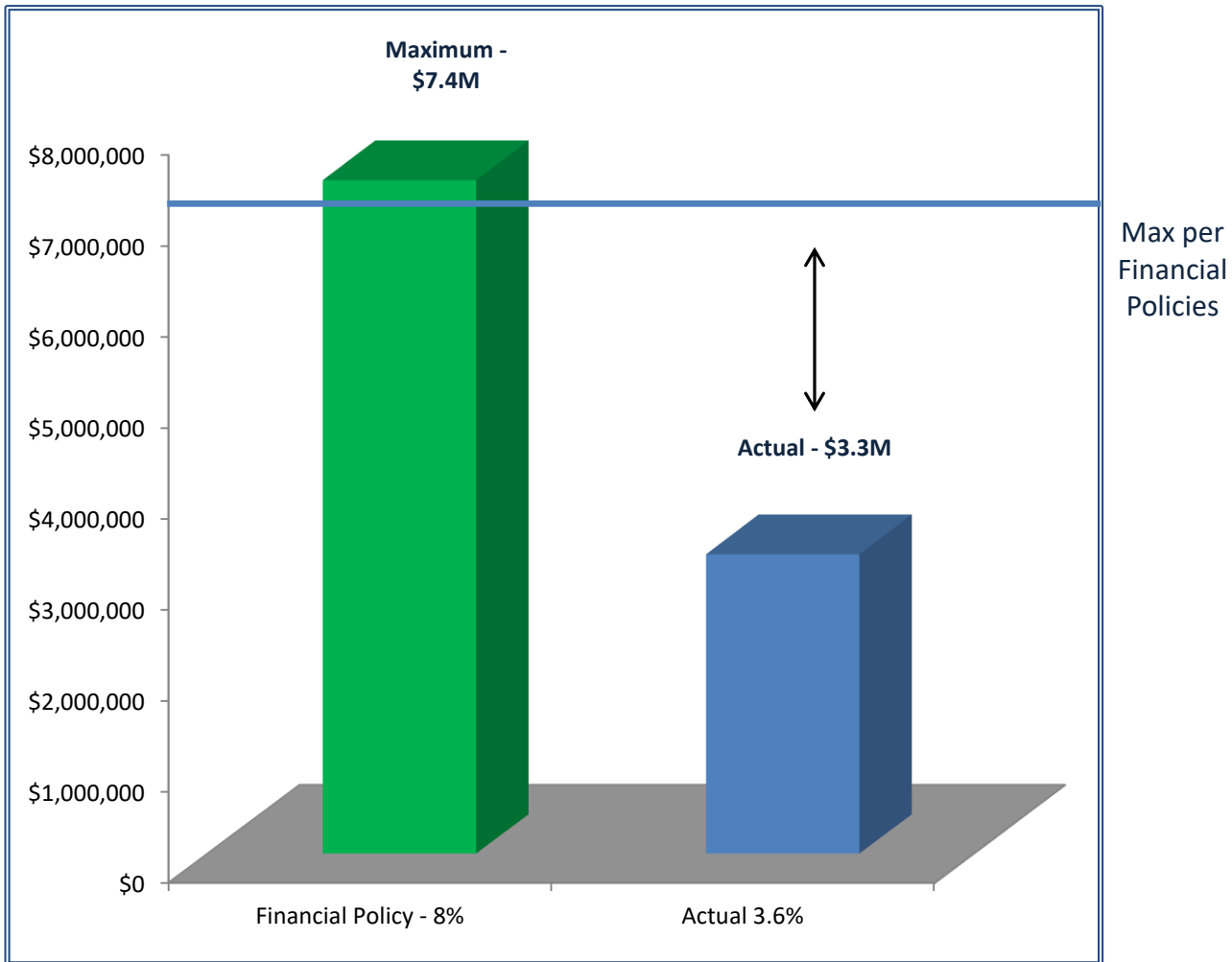
Description	Rate of Interest	Date Issued	Maturity Date	Amount Issued	Outstanding 30-Jun-21
MWRA - no interest loan	0.00	6/1/2016	6/2021	\$234,000	\$0
Sewer Bond	2.50	5/1/2014	6/2024	\$1,570,000	\$465,000
Total Sewer Fund					\$465,000

Total General Fund and Sewer Debt Outstanding \$31,455,000

Debt Level

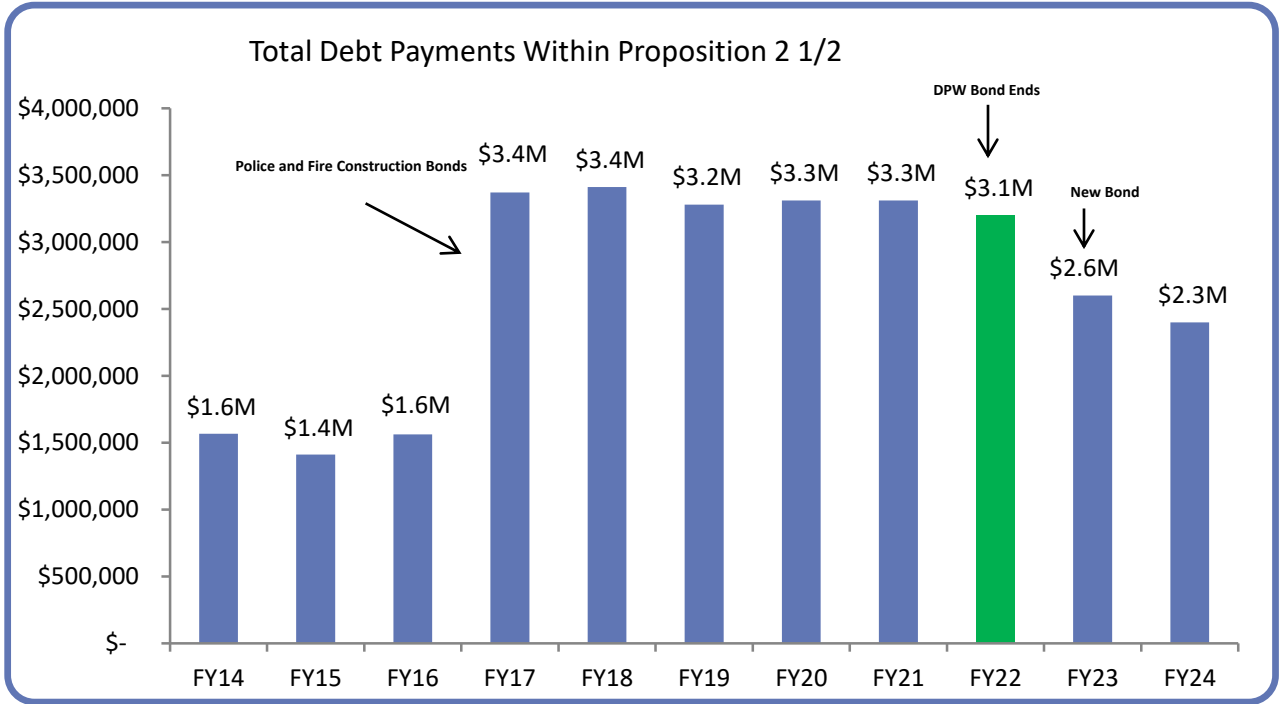
Debt Level – Well Within Guidelines

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



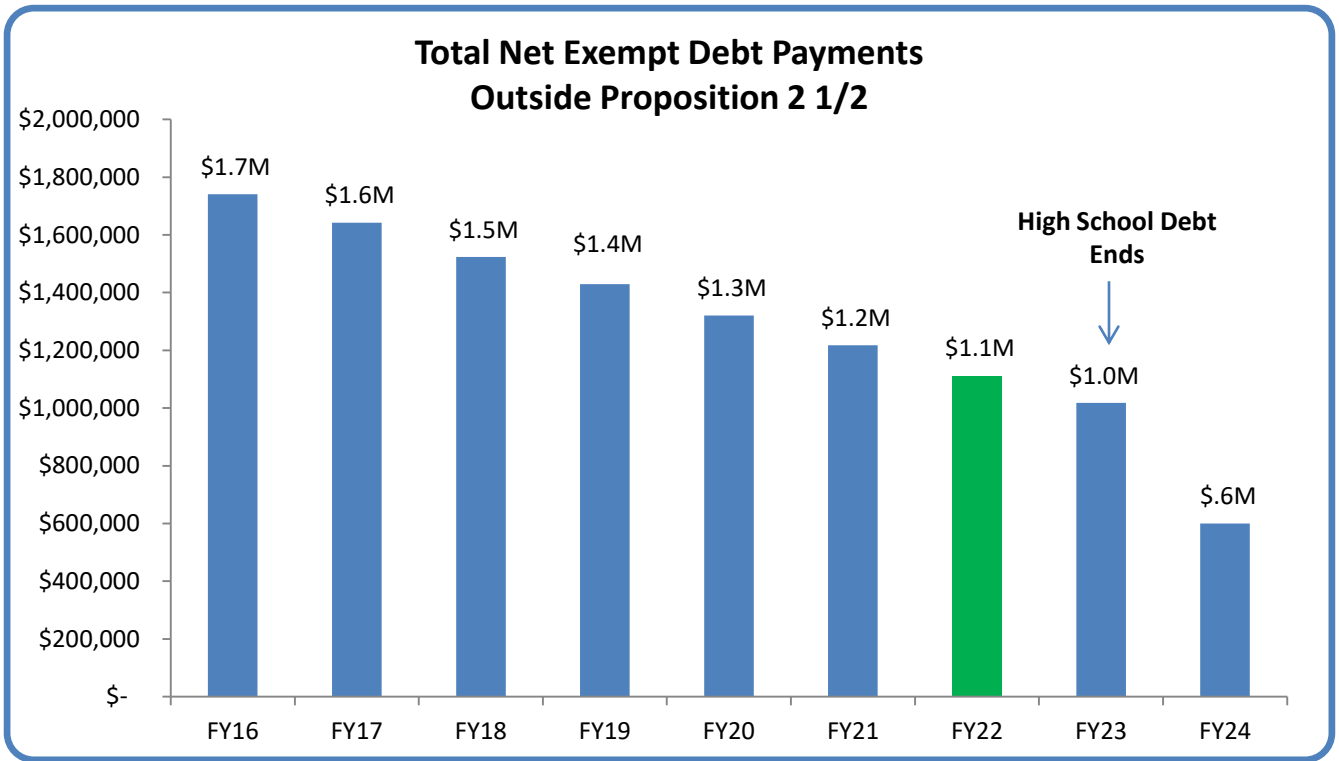
Debt is well within guidelines

Non-Exempt Debt



Debt within Proposition 2 ½

- Debt drop off FY23:
 - \$4.6M, 10 year DPW bond for Roads, Equipment, and School Roofs, issued in 2012, is completed in 2022.
 - This provides space for new \$4.65M road bond approved at 2020 Town Meeting within Proposition 2 ½ .



Debt outside of Proposition 2 ½

- High School and Library Bonds.
- 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.
- FY22: High School \$485K, Library \$626K.
- High School bond ends FY2023, Library FY2031.
- Payments decline approximately \$100K per year.
- High School bond ends 2023
 - Debt rollover will help with Elementary School Project

Total Principal and Interest Payments

Outstanding as of 30-Jun-20	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28-46	Total FY21-FY46	
Principal and Interest for Current Long term Debt Outstanding												
Debt Outside of Proposition 2 1/2												
HS Construct (Exempt)-Refi 3/12	5,360,000	2,158,200	2,069,200	1,980,800	1,891,200	1,807,650	0					\$5,679,650
Library Construct (Exempt) 3/11	5,115,000	698,663	675,413	656,813	638,213	624,263	609,150	592,875	575,438	558,000	2,046,000	\$6,300,750
Debt Within Proposition 2 1/2												
High School Field 8/08	0	0										
High School Completion 8/08	390,000	156,390	151,190	145,990	140,660	135,330	0					\$421,980
Middle School Modulares 6/09	1,575,000	257,338	248,588	239,838	232,838	225,838	218,838	211,838	204,838	197,619	372,838	\$1,904,488
DPW Roadway 12/12	300,000	166,500	162,000	159,000	154,500	0						\$313,500
School Roof 12/12	183,000	104,190	101,370	99,490	91,670	0						\$191,160
DPW Equipment 12/12	92,000	51,060	49,680	48,760	47,380	0						\$96,140
DPW Drainage 12/12	40,000	27,450	26,700	21,200	20,600	0						\$41,800
DPW Equipment 12/12	300,000	166,500	162,000	159,000	154,500	0						\$313,500
DPW Roads 5/14	120,000	33,675	33,075	32,475	31,875	31,275	30,675	0				\$126,300
DPW Drainage 5/14	240,000	67,350	66,150	64,950	63,750	62,550	61,350	0				\$252,600
DPW Equipment 5/14	200,000	56,125	55,125	54,125	53,125	52,125	51,125	0				\$210,500
Fire Station Design 8/15	680,000	70,869	68,744	66,619	64,494	62,369	60,244	58,119	55,994	54,400	434,881	\$857,119
Fire Station Construction 8/15	6,920,000	721,194	699,569	677,944	656,319	634,694	613,069	591,443	569,818	553,600	4,425,556	\$8,722,443
Street Lights Replacement 8/15	300,000	68,750	66,250	63,750	61,250	58,750	56,250	53,750	51,250	0		\$345,000
Cemetery Expansion 8/15	90,000	101,250	96,750	92,250	0							\$92,250
Deerfield Rd/Parking 8/16	1,200,000	264,000	256,000	248,000	240,000	232,000	224,000	216,000	208,000	0		\$1,368,000
Land Purchase 8/16	530,000	118,400	114,800	111,200	107,600	104,000	100,400	91,800	88,400	0		\$603,400
Police Design 8/16	860,000	63,294	61,894	60,494	59,094	57,694	56,294	54,894	53,494	52,094	773,731	\$1,167,788
Police Construction 8/16	11,050,000	786,781	769,781	752,781	735,781	718,781	701,781	684,781	667,781	650,781	10,337,594	\$15,250,062
New Debt - Budget Adjustment			122,502	214,302	304,482	304,482	304,482	304,482	304,482	304,482	304,482	\$4,184,214
Total General Fund Debt	35,545,000	6,137,978	6,056,779	5,949,779	5,749,330	5,111,800	3,087,657	2,859,981	2,779,494	2,370,976	20,533,620	48,442,637
Total Non - Exempt Debt	25,070,000											
Non - Exempt Debt Payments	3,281,115	3,312,167	3,312,167	3,219,917	2,679,887	2,478,507	2,267,106	2,204,056	1,812,976	18,487,620	\$36,462,237	
Change in non- Exempt Debt	(130,975)	31,052	0	(92,250)	(540,030)	(201,380)	(211,401)	(63,050)	(391,080)			
Total Exempt Debt	10,475,000											
Total Exempt Debt Payments	2,856,863	2,744,613	2,637,613	2,529,413	2,431,913	609,150	592,875	575,438	558,000	2,046,000	\$11,980,400	
Change in Gross Exempt Debt	(97,188)	(112,250)	(107,000)	(108,200)	(97,500)	(1,822,763)	(16,275)	(17,438)	(17,438)			
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	0						\$4,203,828
High School Bond Premium	10,912	8,690	6,468	4,197	2,098	0						\$12,763
Library Bond Premium	15,170	13,661	12,453	11,246	10,340	9,359	8,302	7,170	6,038	12,076		\$76,984
Total State/Bond Premium Annual payments	1,427,358	1,423,627	1,420,197	1,416,719	1,413,714	9,359	8,302	7,170	6,038	12,076		4,293,575
Net annual Exempt Debt	1,429,505	1,320,986	1,217,416	1,112,694	1,018,199	599,791	584,573	568,268	551,962	2,033,924	7,686,825	
Change in annual Exempt Debt	(94,186)	(108,519)	(103,570)	(104,722)	(94,495)	(418,408)	(15,218)	(16,306)	(16,306)			

Sewer Total Principal and Interest Payments

	Outstanding as of 30-Jun-21	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Total
Principal and Interest payments for current Sewer Debt Outstanding									
	Balance								Total FY21-24
Sewer - MWPAT 11/98	0	145,735	151,207	0	0	0	0	0	\$0
MWRA no interest loans - 2016	0	46,800	46,800	46,800	46,800	0	0	0	\$46,800
Sewer - \$1.5m bond 5/14 (ends 2024)	465,000	182,188	173,988	170,888	167,788	164,688	161,588	158,488	\$652,550
Total Sewer Debt	465,000	374,723	371,995	217,688	214,588	164,688	161,588	158,488	699,350
All debt funded by sewer user fees									

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 – 6/30/19

Westwood is required to update the valuation of the liability every other year. The most recent valuation was completed in early 2020 for the period ending 6/30/19. The full report is available on the Town's website.

	6/30/13	6/30/15	6/30/17	6/30/19
Discount Rate		7.75%	7.25%	7%
Unfunded Actuarial Liability	\$55.9M	\$35.6M	\$39.1M	\$36.1M
Funded Ratio		4.6%	11.4%	19.7%

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

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

The \$36.1M liability is comprised as follows:

Schools	\$22.5M
Public Safety	\$8.6M
DPW/Gen Government/Other	\$5.06M
Total	\$36.1M

Other Post Employment Benefit Costs (OPEB)

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

Funding

- The effort to fund started in FY11, with a \$20K budget item. The \$20K was funded by the exact amount another fixed cost line item, social security, was decreasing. In the FY12 budget, we continued, within the fixed costs budget, to fund the OPEB obligation with \$26K allocation.
- In FY13, we continued the funding within the fixed cost allocation at \$38K. In addition, in FY13 significant savings from changes to the health care benefits provided for a \$435K annual contribution to the OPEB liability.
- In FY14, funding continued with a \$68K appropriation from savings in the fixed costs budget and the annual health care savings costs of \$435K.
- In FY15, a \$550K annual appropriation built into the budget continued the funding program.
- The FY16 appropriation of \$650K was supplemented at the Fall 2015 Town Meeting with the savings from the GIC conversion, calculated at \$700K, bringing the new annual appropriation to \$1.35M.
- The \$1.35M appropriation will be increased incrementally by approximately \$25K per year. The Town has continued appropriations each year per this plan.
- The FY21 appropriation was \$1.465M, and the planned appropriation for FY22 is \$1.490M.

Benefits/Expense

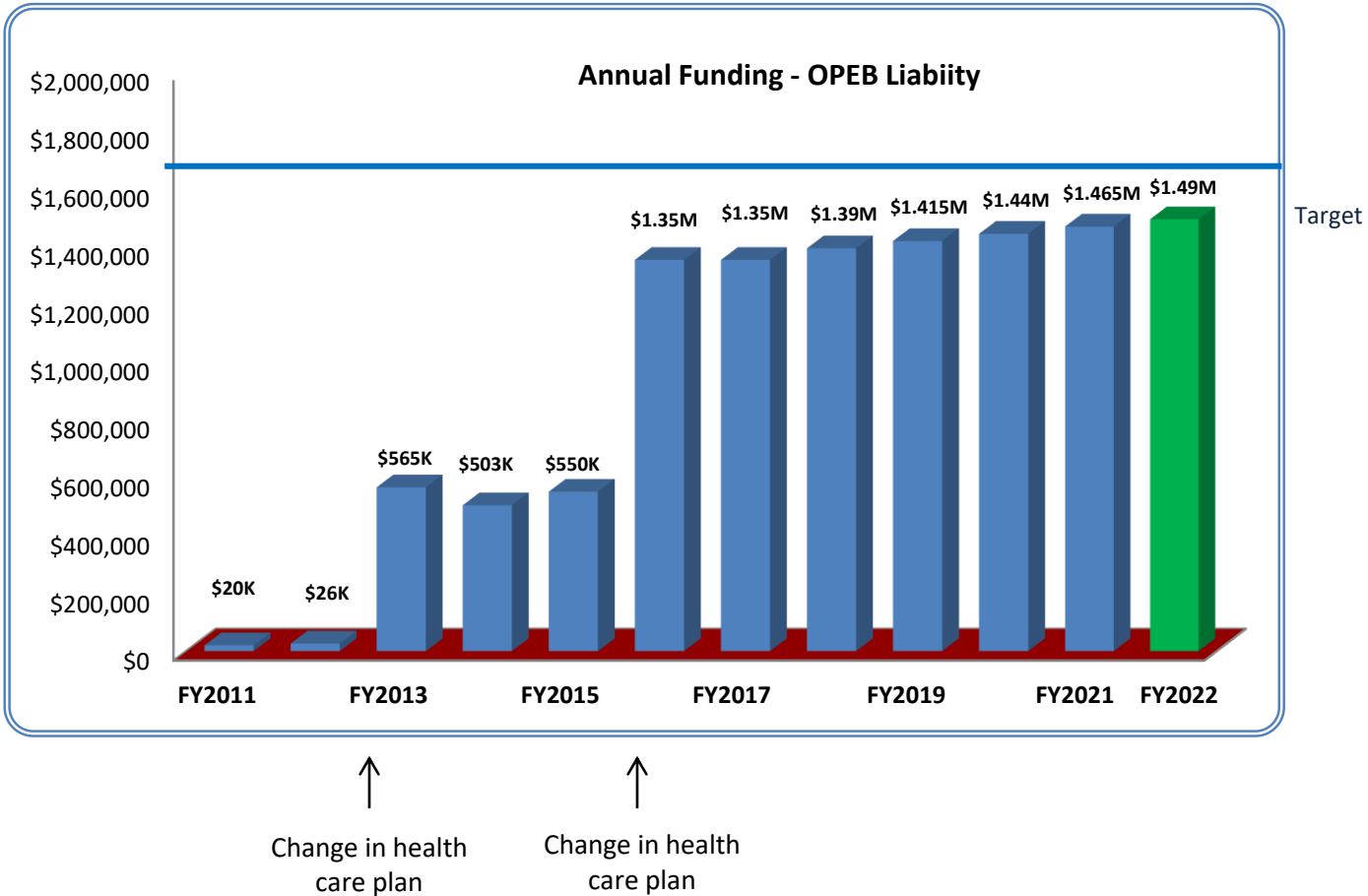
- The liability has also been addressed by making changes on the benefit/expense side.
- In FY14, the Selectmen eliminated the 50% Medicare B premium payment for all new retirees as of 7/1/2014. This action reduced the full liability by 10% or \$5M and reduces the annual funding requirement by \$400K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

Investment of Funds

- In FY15, the Town Treasurer, with approval from the Board of Selectmen, transferred funding in the OPEB Trust to the State PRIM program for OPEB funds, allowing the funds to earn a greater investment return. PRIM currently invests over \$60 billion of State and municipal retiree funds and \$600M of OPEB funds. The investments match the long term nature of these funds.
- The balance in the OPEB trust fund is \$13.5M as of 12/31/20.

OPEB Liability – FY22 Funding

- The Town transitioned its health insurance program to the GIC effective July 1, 2015, and has been able to build the OPEB appropriation into the ongoing annual budget, through savings in health care costs. The appropriation now increases by approximately \$25,000 a year. The FY22 funding will be \$1,490,000.



- On target with funding plan of \$25K additional each year.
- The current balance in the OPEB trust fund account as of 12/20 is \$13.5M.

Pension System

Teachers:

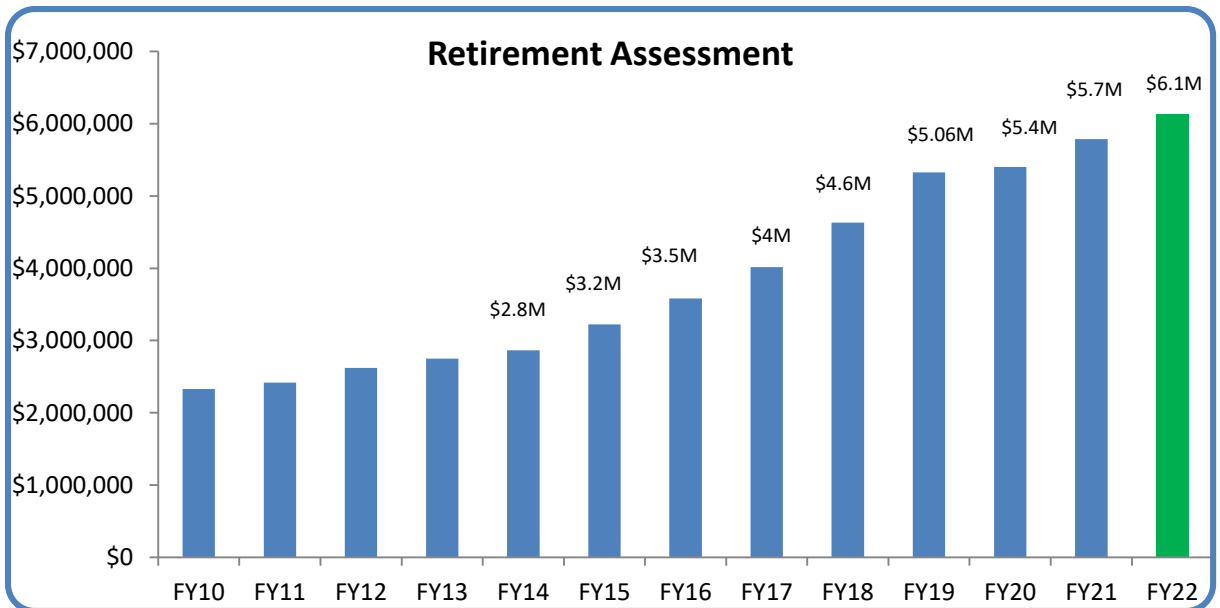
- All MA teachers are part of State Teachers' Retirement System (MTRB).
- Employees required to contribute 5 - 11% of weekly earnings, depending on hire date.
- State, not Westwood, pays an annual assessment (employers' share) for Westwood teachers to MTRB.

	FY15	FY16	FY17	FY18	FY19	FY20
Westwood Assessment	\$4.4M	\$6.78M	\$9.3M	\$9.952M	\$9.936M	\$12.7M

Non teaching staff:

Westwood is part of Norfolk County Pension System:

- All non-teacher staff working 20 hours per week are required to join the system.
- Employees required to contribute 5 - 11% of weekly earnings, depending on hire date.
- Town is charged annual assessment, which is appropriated at Town Meeting.
- Norfolk County Pension System overseen by State Public Employee Retirement Commission.
- Pension System is required to be fully funded by 2031.
- The System is currently funded at approximately 63.5%.
- Westwood is approximately 7% of overall Norfolk system.
- The FY22 assessment is \$6,127,415



- 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.

Fixed Costs

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

Current Budget Provides For:	
Employee Benefits Cost – all school and municipal	\$14,689,131
Insurance/Reserve Accounts/Other Shared Costs	\$2,924,050
Total FY21	\$17,613,181

Employee Benefit Costs

	FY21	FY22	\$ Change	% Change
School	\$8,179,134	\$8,613,196	\$434,062	5.3%
Municipal	\$6,509,997	\$6,860,774	\$350,777	5.4%
Total	\$14,689,131	\$15,473,970	\$784,839	5.3%

Employee Benefit Cost



This increase in benefit costs includes:

- FY22 Pension Assessment of \$6.1M, an increase of 5.9% or \$400K .
- FY22 Health Insurance budget of \$6.8M, an increase of 5% or \$325K.

	FY21	FY22	\$ Change	% Change
Fixed Costs	\$17,613,181	\$18,547,084	\$933,903	5.3%

The total FY22 Fixed costs budget is \$18,547,084 an increase of \$933,903 or 5.3% over FY21.

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 September 2020

	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.	\$437,289 .5%	FY21 Budget \$405,000	At approximate target. \$405,000 is a comfortable budget, but could increase to \$425K in FY22. Reserve fund not used in FY20.	✓	Continue to Meet Target
B. 3. Free Cash – shall maintain at 4% of general fund operating budget, net of debt service.	\$3,498,313 4%	\$6,124,816 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 FY22 budget and still meet target. FY20 unused was \$2.7M which is below target.	X	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% \$3,718,126 Total 8% or \$7,436,252	Stabilization 3.9% \$3,596,518 Total 10.5% or \$9,721,334	Stabilization approximately \$121K short of target. Total is over target. This would be <u>before</u> use of free cash. Allows for standard use of free cash, and then remain at target.	✓	Stable On Track With Target
D.4 Annual OPEB appropriation – the Town will appropriate no less than \$550,000 per year to the OPEB Liability Trust Fund.	Minimum \$550,000	\$1,465,000	FY21 budget includes \$1,465,000 appropriation. Above minimum target and on track with required funding.	✓	Continued Improvement Minimum Target Could be Increased
E. 4. General fund nonexempt debt service should not exceed 8% of net general fund revenues.	Not exceed 8% Or \$7,436,252	3.6% \$3,312,167	Target is met. Non exempt debt service is below maximum target.	✓	Continue to Meet Target
E. 4. Total General fund exempt and nonexempt debt should not exceed 10-12% of net general fund revenues.	Not exceed 12% Or \$11,154,378	6.4% \$5,949,779	Target is met. Total debt is well below target. There is already approved, but not yet issued debt of \$11.1M	✓	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.	\$2,623,735 3%	\$2,321,000 2.7%	Actual is approximately \$300K short of target. Actual at 89% of target. Base capital has been increased incrementally from \$823K to \$2.33M. In each of the last 5 years, there have been appropriations of an additional \$700-\$1.3M of capital <u>above</u> the base.	Close to Target	Continued Improvement and Additional Capital
G. 5. Maintain sewer retained earnings – will maintain 10% of sewer fund revenues.	\$561,446 10%	\$3,849,515 68%	Actual is well above target, due to new commercial connect fees to be used for capital maintenance of system and other reserve requirements.	✓	Well Above Target

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 2022 Municipal, Fixed Costs, School and
Capital Budget Summaries

The following pages include summaries of the requested FY22
Municipal, Fixed Costs, School and Capital budgets.

For further detail please
Refer to the separate documents:

FY2022 Proposed Municipal Budget Detail
Available at:
www.townhall.westwood.ma.us



FY2022 Proposed School Operating Budget
Available at:
www.westwood.k12.ma.us



FY2022 Fixed Costs Detail
Available at:
www.townhall.westwood.ma.us

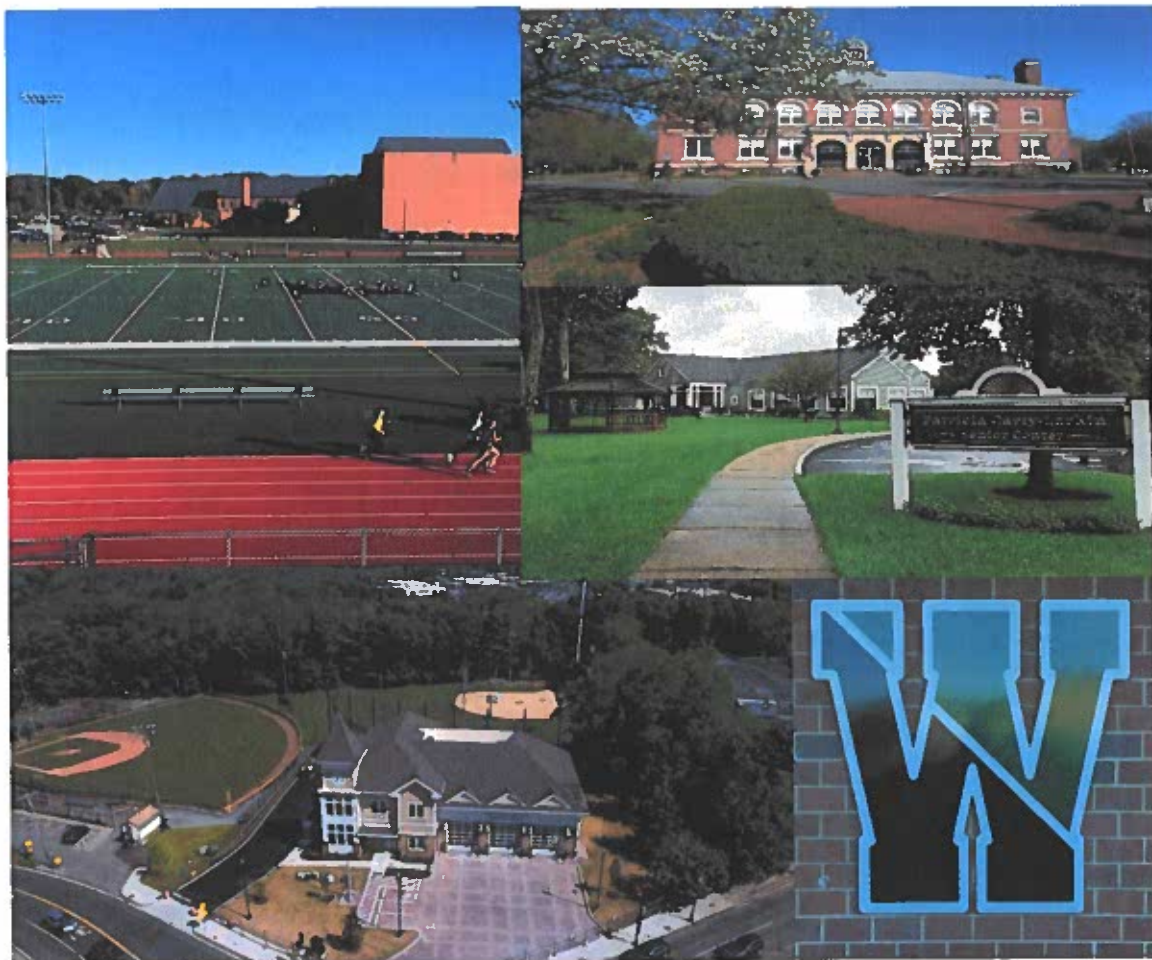


Five Year Capital Improvement Plan
Available at:
www.townhall.westwood.ma.us



Town of Westwood, Massachusetts

Proposed FY22 Municipal Budget July 1, 2021 – June 30, 2022



TOWN OF WESTWOOD

Commonwealth of Massachusetts



Office of the Assistant Town Administrator/Finance Director

January 29, 2021

To the Honorable Select Board:

I hereby submit to you the proposed FY22 municipal budget. This document contains the budget proposal for overall municipal operations for FY22. Included are department narratives and detailed budget requests for all the individual municipal departments, including our main services areas of police, fire, and public works.

The budgets for each department are displayed in a clear, easy to read format, allowing readers to review several years of budget and actual expenditures and staffing levels for each department. Each department narrative also provides significant information on services provided in each area and current activities.

The budget book also contains a summary section following this letter. This summary section outlines the overall dollar and percent changes to the proposed municipal budget, and quickly lists all major salary and expense items contributing to the change. Readers will find this easy to understand summary provides a concise assessment of the FY22 budget proposal.

Municipal Budget – Delivering Service to Many Areas in the Community

The municipal budget encompasses such a wide range of services to the community. Municipal government does not just serve one segment of the population – we service residents of all ages in a wide range of program areas. A hallmark of Westwood government is the collaboration that occurs between all of our departments to provide a high level of service to the whole community.

Public safety services, in the area of police and fire programs, are the most important area of the budget, and are often what people think of when they think of municipal government. Included in this area are police and fire prevention, community programs, and advance life support ambulance services. But the municipal budget consists of so many more areas of services, including the major services produced by the DPW department including weekly trash removal, plowing and upkeep of streets and roadways and maintenance of all playing fields and municipal buildings in Town. The public works and public safety budgets comprise approximately 65% of the total municipal budget.

But the municipal budget goes even further in providing services to the community that enhance the lives of all residents. These include the programs offered through the public Library, the Council on Aging, and the Recreation departments. Residents of all ages, young and old alike, participate in these programs on a daily basis and consider them part of their quality of life in Westwood.

In addition, the municipal budget is charged with carrying out many state and federal regulations. These include public health inspections, state, local and federal elections, services for our veterans, compliance with state building, zoning, planning and conservation issues.

The municipal budget covers all of these varied services – touching many aspects of the daily health, safety, and well being of Westwood residents of all ages. The challenge has been to continuously try to become more efficient and try to respond to increasing demand for services and programs – still doing it all with a responsible funding plan.

FY22 Budget Requests – Continuing to Provide Quality Services After a Difficult Year

The FY22 budget request is an increase of 3.17% over the current year budget. The budget strives to maintain the current level of quality services and does not include any new positions.

This past year during the COVID pandemic has been very difficult for everyone, including municipal governments. Our departments worked hard during this year to continue to help our residents stay safe, healthy and continue to receive necessary services and programs. Right from the beginning of the pandemic, our departments pivoted to find new ways to serve the community and this continues through the current period. These efforts include, but are not limited to, the following:

- Public Safety departments and Police and Fire staff continued to be out in the community providing essential services of safety, ambulance and lifesaving efforts. Recently, the Fire department has assumed the COVID role of vaccine provider for residents and staff.
- The Public Health department has been directly responsible for the Town's efforts to handle the COVID impact on the community, including communication and contact tracing efforts to keep the residents safe.
- The Council on Aging department, while having to close access to the Senior Center, has continued to perform tremendous outreach assistance to our Senior community. They have been active in delivering meals and books and performing home check ins. The department has also done a wonderful job of delivering programs online and through the Westwood Media Center to continue to provide programming to our seniors.
- The Town Clerk's office has continued to provide ongoing services for vital records and licensing, while also undertaking an enormous effort to safely continue important election activity through early voting and mail in voting in a record setting election year.
- The Library has continued to find new ways to deliver services to all residents, despite having to close to the building to public access. From curbside pickup, to limited browsing, to online programming for children and adults, the staff continually finds new ways to serve.
- The Recreation department worked hard to continue to provide programming for children and families, particularly achieving a successful summer camp program. While limited by COVID, the Summer Camp was very well received and appreciated by both children and parents.
- The Department of Public Works stepped up to assist the Town and residents with safety issues, particularly in enhanced efforts to clean and sanitize public buildings and fields.
- Administrative offices remained onsite throughout the year, staffing to assist residents and allow important functions such as payroll, accounts payable, collections, inspections, planning and zoning and Boards and Committees' business to continue uninterrupted. Zoom was a help to all to achieve these results.

This past year has been challenging for all our residents. The municipal departments have worked hard to continue to provide quality services and care for our community despite the challenges, finding innovative ways to deliver their services during this unusual time.

The efforts of our departments will continue into FY22. Our departments will continue to assist our residents with efforts to stay safe and healthy, help administer a vaccine rollout, and look forward to welcoming residents back into Town buildings for on site programming as soon as possible. Departments will continue to adapt and pivot as we move forward in the “new normal” of our operations.

Acknowledgements

I would like to thank all the municipal department heads for their cooperation and diligence in preparing their department’s information. Year after year municipal department heads continue to provide excellent service to the community. The department heads continue to work very hard to meet this increasing demand, while recognizing financial limitations. The municipal staff goes above and beyond to make Westwood a special community and I applaud them for their service.

The quality of services provided to the community by the municipal departments is so impressive for a small community like Westwood and is the direct result of the Select Board and Town Administrator Chris Coleman’s clear directives on quality services and the staff’s ability to implement.

I would also like to thank Marie O’Leary, Town Accountant, Kathy Foley, Assistant Treasurer, and particularly Laura Bucari, Financial Analyst, for the significant contribution they make to this document and the overall budget process. They continue showing their commitment to quality, accuracy, and full public disclosure.

Respectfully submitted,



Pamela Dukeman
Assistant Town Administrator/Finance Director

FY22 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 dispatch 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.
- The budget also handles all Community and Economic Development activity. State required oversight of many programs is also provided including Board of Health, Planning, Zoning and Conservation requirements, building inspection services, and alcohol licensing issues. 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 Select Board and Town Administrator, legal services, human resources and information systems programs.

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



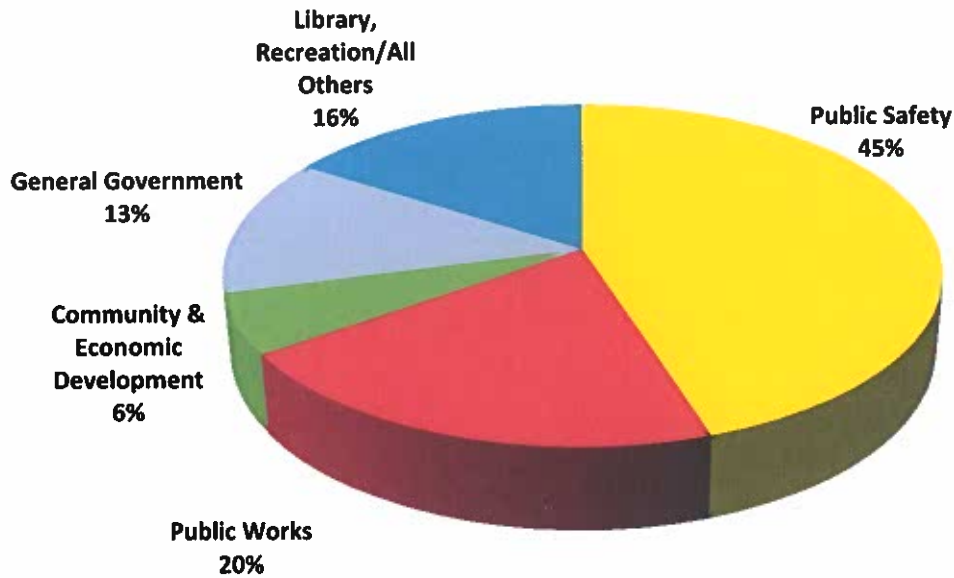
Core Primary Services - Public Safety and Public Works

FY22 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 FY22 municipal budget is allocated to each area.



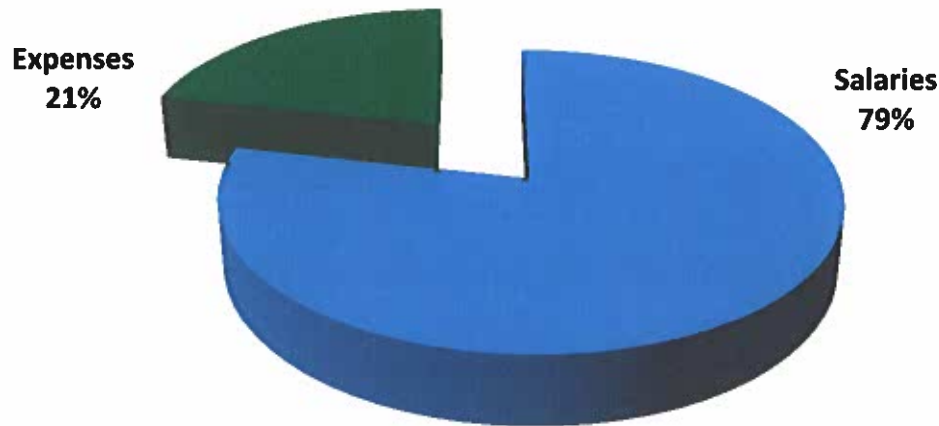
	FY21	FY22	\$ Increase	% Increase
General Government	\$2,885,209	\$2,920,529	\$35,320	1.2%
Public Safety	\$9,761,695	\$10,064,363	\$302,668	3.1%
Community & Eco Dev	\$1,195,730	\$1,274,607	\$78,877	6.6%
Public Works	\$4,389,680	\$4,537,690	\$148,010	3.4%
Human Services	\$844,081	\$866,068	\$21,987	2.6%
Culture & Recreation	\$1,999,035	\$2,055,774	\$56,739	2.8%
Other/Dept Wide IT	\$578,365	\$621,650	\$43,285	7.5%
Total	\$21,653,795	\$22,340,681	\$686,886	3.17%

- 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.

FY22 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.



FY21 Budget	Function	FY22 Requested Budget	% of Total
\$16,950,190	Salaries	\$17,553,991	79%
\$4,703,605	Expenses	\$4,786,690	21%
\$21,653,795	Total	\$22,340,681	100%

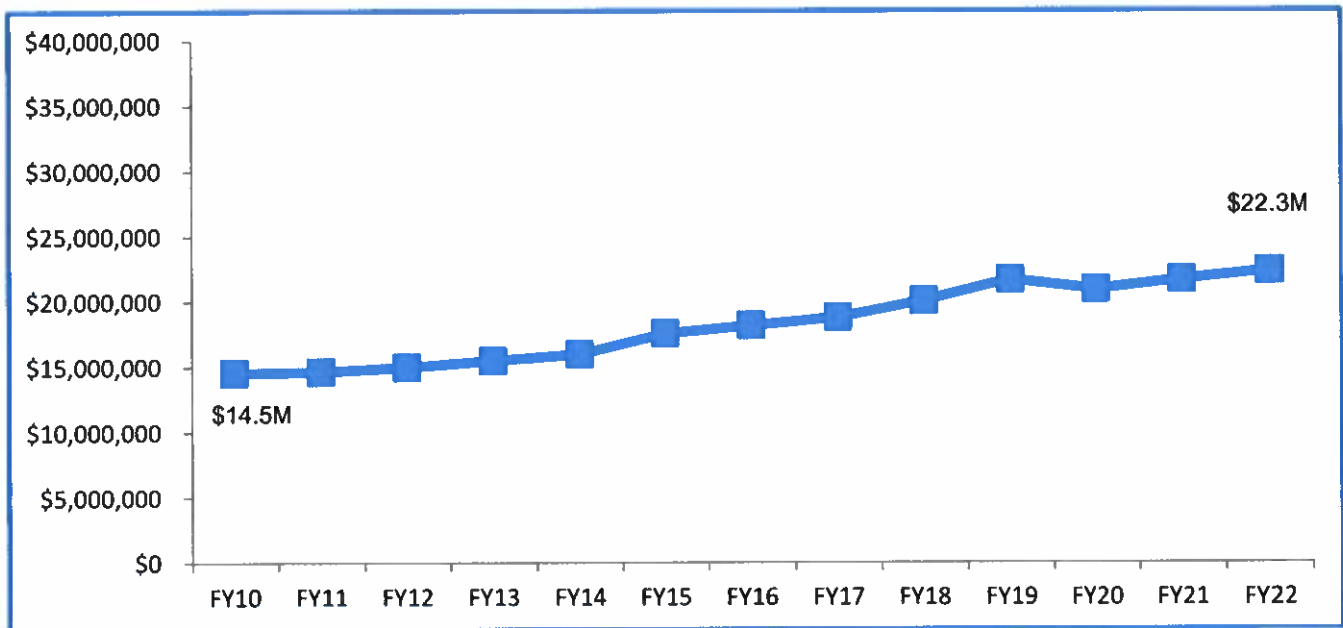
FY22 Municipal Staffing	
Full Time	182
Part Time	44
Total	226

- Of the 182 full time FY22 staff, 125 or 69% are in the DPW/Public Safety departments.

FY22 Proposed Municipal Budget Summary

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

- The municipal base budget has had relatively moderate growth. The Select Board strives for sustainable budget growth.
- In addition, separate University Station funding has been used to help target increase the staffing in municipal departments, particularly Public Safety, as planned, in the Proposed Project Impact analysis. This staffing has helped serve not only the University Station project, but also enhanced overall service delivery to the community



- In FY22 the proposed municipal budget growth is 3.17%.

Percent Change in Budget													
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Municipal Budget	0%	0.6%	2.3%	3%	3.2%	3.4%	5.2%	3.7%	3.6%	3.1%*	3.5%	3.57%	3.17%

* With Snow & Ice adjustment, FY19 was 3.8%

FY22 Proposed Municipal Budget Summary

Category	Current	Proposed	Difference	
	FY21 Budget	FY22 Budget	\$	%
Salaries	\$ 16,950,190	\$ 17,553,991	\$ 603,801	3.6%
Expenses	4,703,605	4,786,690	\$ 83,085	1.8%
Total	\$ 21,653,795	\$ 22,340,681	\$ 686,886	3.17%

The requested FY22 municipal budget includes contractual salary obligations, necessary increases to maintain services, as well as continuation of adjustments made in FY21.

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

	FY21	FY22	\$ Increase	% Increase
General Government	\$2,885,209	\$2,920,529	\$35,320	1.2%
Public Safety	\$9,761,695	\$10,064,363	\$302,668	3.1%
Community & Eco Dev	\$1,195,730	\$1,274,607	\$78,877	6.6%
Public Works	\$4,389,680	\$4,537,690	\$148,010	3.4%
Human Services	\$844,081	\$866,068	\$21,987	2.6%
Culture & Recreation	\$1,999,035	\$2,055,774	\$56,739	2.8%
Other	\$578,365	\$621,650	\$43,285	7.5%
Total	\$21,653,795	\$22,340,681	\$686,886	3.17%

- Public works and public safety combined FY22 total budgets of \$14,602,053.
- Public Works and Public Safety have an increase in FY22 of \$450K, which is 66% of the total overall increase.

FY22 Proposed Municipal Budget Summary

What are the salary changes in the FY22 budget?

Category	Current FY21 Budget	Proposed FY22 Budget	Difference	
			\$	%
Salaries	\$ 16,950,190	\$ 17,553,991	\$ 603,801	3.6%
Expenses	4,703,605	4,786,690	\$ 83,085	1.8%
Total	\$ 21,653,795	\$ 22,340,681	\$ 686,886	3.17%

As the chart shows, approximately \$604K or 88% of the total increase is for salaries and includes the following major items:

Department	Item	Cost
All Departments	Salary contractual obligations, COLA/Step Increases, net of turnover in savings (approximately)	\$530,000
Health	Public Health Nurse position increased from part time to full time in FY21	\$15,000
Community & Economic Development	Building Inspections increase in inspection hours in FY21	\$38,000
Total		\$583,000

- There are no new full time positions included in the proposed FY22 budget.

FY22 Proposed Municipal Budget Summary

What are the expenses in the FY22 base budget?

Category	Current FY21 Budget	Proposed FY22 Budget	Difference	
			\$	%
Salaries	\$ 16,950,190	\$ 17,553,991	\$ 603,801	3.6%
Expenses	4,703,605	4,786,690	\$ 83,085	1.8%
Total	\$ 21,653,795	\$ 22,340,681	\$ 686,886	3.17%

- Total proposed FY22 expenses increase of 1.8%.
- Largest changes in expense listed below.

Largest Expense Changes between FY20 and FY21 Budgets		
Department	Request	Cost
Town Clerk	Election Cycle	(\$13,000)
Housing Authority	Housing Lottery	\$2,000
Fire	Fire expenses	\$5,000
Police	Police training expense	\$15,000
DPW	Building Maintenance expense	\$19,000
	Fields Maintenance Irrigation	\$5,000
Software/Hardware Maintenance	Annual Maintenance for new Public Safety Software	\$43,000
	Total	\$76,000

FY22 Public Safety Staffing

- Public safety is the most important area of municipal government, and comprises 45% of the municipal budget. In recent years, the Select Board has focused on appropriate staffing levels for the police and fire departments, particularly in light of the additional service impact created by the University Station Development.
- Particular care was given at the project approval phase of University Station to make sure that new tax revenue would be used to supplement the public safety departments for any additional staff needed to service the project. It was extremely important to the community that the new development would not hurt the current public safety services provided to residents.
- To determine the appropriate staffing levels, project impact studies were done during the review phase of the project. In addition, in 2013, a consultant was hired to review the fire department staffing levels and make recommendations to the community.
- As a result of these studies and the project impact, staffing has been increased in both the police and fire departments. The chart below shows the changes in staffing since FY13.
- Since 2014, the town has added 23 public safety positions, including: 14 firefighters, 7 police officers, 1 dispatcher, and 1 Communication Center Director.

Police	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Uniformed Staff	28	28	31	31	31	33	33	35	35	35
Dispatchers	7	7	8	8	8	8	8	8	8	8
Communications Center Director								1	1	1

Fire	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Uniformed Staff	30	34	38	38	38	42	42	44	44	44

The Select Board has continued to review and evaluate staffing levels, particularly as additional phases of University Station have come on line. After review of staffing and service call data, the Select Board are not proposing to add additional staff in FY22. The Select Board will continue to evaluate staffing needs for Police and Fire on an ongoing basis.

The Police and Fire Department staffing needs have been impacted by both the COVID 19 pandemic and the closing of Norwood Hospital, which particularly impacts Fire salary due to the extended time of ambulance runs. While not making permanent staffing increases in the FY22 budget, the Board will continue to monitor the impact on Public Safety staffing and supplement budgets if needed.

Municipal Staffing Levels - FY22

General Government			
	Full Time	Part Time	
Selectmen	4	3	
Finance & Warrant Commission		1	
Accounting	3	1	
Assessors	3		
Treasurer	1	1	
Collector	2		
Legal		1	
Human Resources	2	2	
Information Technology	4	1	
Town Clerk	2		
Housing Authority/Partnership		1	
Total General Government	21	11	
Public Safety			
	Full Time	Part Time	
Police	46		
Animal Control	1		
Fire	45	1	
Total Public Safety	92	1	
Community & Economic Development			
Conservation Commission	1		
Planning Board	1		
Zoning Board	1		
Community & Economic Development	3		
Building Inspection	2	5	
Health	4		
Total Community & Economic Development	12	5	
Public Works			
Department of Public Works	28	2	
Sewer	5	2	
Total Public Works	33	4	
Human Services			
Council on Aging	4	2	
Youth & Family Services	3	1	
Veterans		2	
Total Human Services	7	5	
Culture & Recreation			
Library	10	18	
Recreation	7		
Total Culture & Recreation	17	18	
Total	182	44	

WESTWOOD PUBLIC SCHOOLS



PROPOSED FY'22 OPERATING BUDGET EXECUTIVE SUMMARY

DEVELOPED BY

EMILY PARKS, *SUPERINTENDENT*

ALLISON BORCHERS, *ASSISTANT SUPERINTENDENT*

LEMMA JN-BAPTISTE, *DIRECTOR OF BUSINESS AND FINANCE*

ABIGAIL HANSCOM, *DIRECTOR OF STUDENT SERVICES*

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

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



WESTWOOD PUBLIC SCHOOLS

Honoring Tradition, Inspiring Excellence, Shaping the Future

January 29, 2021

Dear Westwood School Committee and Westwood Residents,

I am pleased to present to you an Executive Summary of the *FY'22 Superintendent's Recommended Budget*. This document provides an overview of the budget and insight into how budget decisions are made. In addition to this summary, all of our detailed budget documents and spreadsheets are available to the public on the district website. We provide this information so that our community can be confident that our budget ensures a high-quality educational experience for students, while also maintaining a sense of financial responsibility and stewardship for the town's resources.

It is a challenging time for all of us, and for schools in particular, as we navigate our way through the uncharted waters of a pandemic. Last spring, when Gov. Baker abruptly closed schools, the WPS quickly pivoted to a remote learning model. When it became apparent that the duration of the pandemic would be longer than we had imagined, teams of educators spent the summer creating a reopening plan that responded to feedback from parents and students, aligned with guidelines from public health officials, and created a viable instructional model while also keeping the community safe.

While nothing about this pandemic has been ideal, the students, educators, administrators, and parents in Westwood have demonstrated a remarkable ability to adapt and persevere in an uncertain and changing landscape. Westwood was one of the only districts in the state to provide in-person Extended School Year summer programming in July and August for our highest need special education students. We are proud that, unlike many districts, our fall hybrid model leveraged our technology resources and teachers' skills to provide live, synchronous instruction via video conferencing so that students access high quality instruction on their at-home school days. From the first day of school in September, our hybrid model provided for in-school attendance 4 days per week for our youngest learners in preschool, kindergarten, and grade 1 and for our high needs special education students. Subsequently, we have been able to increase in-school attendance to 4 days per week for grades 2, 3, and 4. Finally, while many districts' plans for fully remote students rely on online learning platforms or virtual academies, Westwood's fully remote students are attending classes with their Westwood peers and are taught by our own WPS teachers. With the benefit of hindsight, and with knowledge now that we didn't have while planning in August, there are, of course, many things we would do differently. With that said, I'm grateful to everyone who has worked so hard to keep our values and mission as a district in the forefront and stayed focused on what is most important.

The pandemic and this year's very different learning model was also challenging from a budgetary perspective. The reality of the year has been very different than what we planned for during the FY'21 budget process. We made difficult decisions in the summer to reallocate budget resources so that we could respond flexibly to unanticipated needs. Fortunately, the state also provided an additional \$225/student for COVID-related expenses, such as PPE, enhanced cleaning supplies, and technology. Most notably, our municipal partners worked closely with the School Department and provided the

schools with significant support through the town's CARES Act allocation for unforeseen expenses due to COVID. As a result, the district is on track to weather FY'21 without having to take any further action to stabilize or close the budget year.

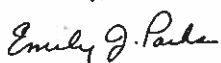
As we look to the 2021-2022 school year with cautious optimism, we have developed the FY'22 budget on the assumption that students will attend school fully in-person once again. The budget request for FY'22 represents a modest 3.4% increase over FY'21. When developing the budget, we focused on what the district will need in FY'22 to recover and stabilize. Given the turmoil of the last year, we know that there will be an increased need for academic intervention and support as we assess and address potential learning gaps. We also recognize that the pandemic and disrupted school has been hard for students emotionally and that the transition back to fully in-person school will require robust mental health support. The FY'22 budget reflects the resources that the district believes will be important as we engage in this recovery period. In addition, part of the recovery process will also include a return to some of the other long-term strategic priorities that have necessarily taken a back seat for the last 12 months.

Finally, even as we have worked through the uncertainty of the last year, the district has continued to keep our eyes on the future and continue planning for some significant capital needs in our elementary schools. We have continued to work in collaboration with the Massachusetts School Building Authority (MSBA) on a Hanlon-Deerfield building project. That project is on course to receive partial reimbursement from the Commonwealth if Westwood residents approve funding for the project. While working to advance the Hanlon-Deerfield project, the School Committee also commissioned a high-level design study so that it can determine the best plan for the Sheehan School.

After 28 live-streamed School Building Committee meetings and 4 community forums since last January, the Hanlon-Deerfield project is nearing the end of schematic design. While we have benefitted from residents' engagement in virtual forums, we recognize that COVID has impacted our ability to interact with as many residents as possible to educate the community about the project and answer questions. This building project represents a very important investment in the future of the district and the town. As such, the School Committee and School Building Committee have decided to postpone the full project funding vote to a Town Meeting in Fall 2021 so that we can ensure the community has the opportunity to fully understand the project and participate in the process. At Town Meeting this spring, the School Department will be asking residents to approve borrowing for a relatively small portion of the total project cost (no more than \$1.7M) to continue to fund the design development until the fall. This "bridge funding" does not increase the overall project cost. If funded, the full project funding vote will be decreased by the amount of the bridge funding. Please stay tuned for more detailed information about the building project status.

Please let me know if you have any questions about this budget or any other school related matter. I can be reached by email at eparks@westwood.k12.ma.us or by phone at 781-326-7500 x1341. As always, I am grateful for the support of the community as we all work together to provide students with the first-rate educational experience that they deserve. Thank you.

Sincerely,



Emily J. Parks
Superintendent of Schools

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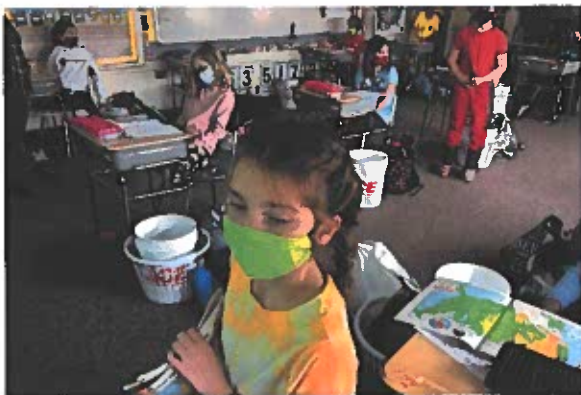
WHAT IS THE FY'22 SCHOOL DEPARTMENT BUDGET REQUEST?

As the table below illustrates, our recommended budget for FY'22 totals \$50 million which represents a 3.4% increase over FY'21.

FY'21 Final Budget ¹	48,347,500
Proposed FY'21 Budget	50,003,345
Increase (\$)	1,655,845
Increase (%)	3.4%

The FY'22 budget proposal is consistent with the last few years of relatively modest budget requests and builds upon the strong foundation created by the larger budget increases in FY'16 and FY'17 made possible by the new growth revenue from the University Station development. The School Department has managed its operating budget within Proposition 2 ½ without the need for an operational override since FY'08.

WPS Operating Budget Increases						
FY'16	FY'17	FY'18	FY'19	FY'20	FY'21	Proposed FY'22
5.4%	6.0%	3.3%	3.4%	3.5%	3.6%	3.4%

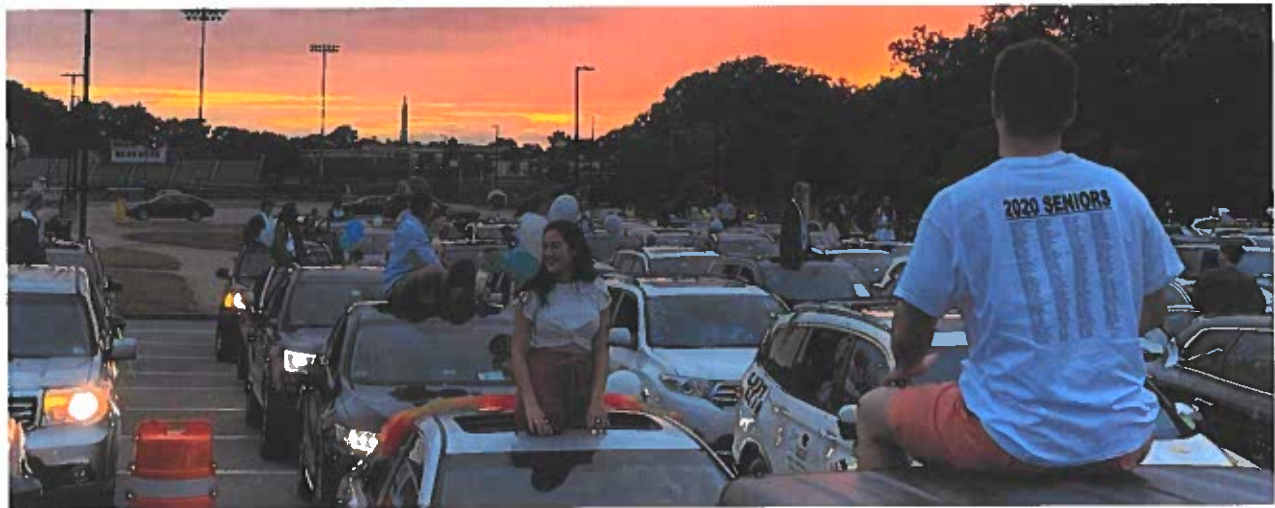


¹ Includes the incorporation of FY'20 Chapter 70 education state aid increase that was voted at Town Meeting.

WHAT ARE THE MAJOR BUDGET CATEGORIES?

The following table² breaks down the total budget into five categories. As is evident, in school budgets, **salaries** are by far the greatest budget driver. In the proposed FY'22 budget, salaries account for 86% of the overall budget and correspondingly comprise most of the proposed budget increase. This budget proposes a strategic reallocation of, and investment in, professional positions and support staff and an increase in contracted services (reflected in the Non-Salary, Special Education category) in order to address student needs as we emerge from a period of disruption due to the pandemic.

Major Budget Category	FY'21 Budget	Proposed FY'22 Budget	Incremental Change (\$)	Incremental Change (%)
Total Salaries	42,089,348	43,371,359	1,282,011	3.0%
Non-Salary				
Special Education	1,043,457	1,242,828	199,371	19.1%
Utilities	1,207,000	1,200,000	(7,000)	(0.6%)
Operations and Maintenance	993,335	1,020,335	27,000	2.7%
All other non-salary	3,014,360	3,168,823	154,463	5.1%
TOTAL	48,347,500	50,003,345	1,655,845	3.4%



² The table above represents town funds, exclusive of revolving funds or grants.

WHAT ARE THE CHANGES TO THE BUDGET - FY'21 TO FY'22?

The following chart outlines the progression from the FY'21 Budget to the FY'22 Recommended Budget. It shows how the budget is “built.” This year’s budget proposal involves a significant reallocation of positions based on our analysis of the district’s priorities and areas of student need.

Budget Request	FTE Net Change	FY'22 Proposed Budget Components
FY'21 Budget		\$48,347,500
Increase salaries for existing personnel (contractual)³		\$1,262,011
Faculty/Professional Position Additions		
Add: 3.0 FTE Elementary General Education	3.0 FTE	\$225,000
Add: 1.0 FTE TMS Math Specialist/Interventionist	1.0 FTE	\$75,000
Add: 1.0 FTE TMS Special Education (Social Emotional Program)	1.0 FTE	\$75,000
Add: .4 FTE TMS Department Head	.4 FTE	\$48,000
Add: 1.2 FTE Elementary Math Specialist	1.2 FTE	\$95,000
Add: .3 FTE Psychologist (Hanlon)	.3 FTE	\$35,000
Add: 1.0 FTE Psychologist (Districtwide)	1.0 FTE	\$75,000
	7.9 FTE	\$628,000
Faculty/Professional Position Reductions		
Reduce: 1.6 FTE HS English Language Arts	(1.6 FTE)	(\$74,500)
Reduce: 1.0 FTE HS Social Studies	(1.0 FTE)	(\$69,000)
Reduce: 1.0 FTE HS Science	(1.0 FTE)	(\$80,500)
Reduce: .4 FTE Director of Safety and Security ⁴	(.4 FTE)	(\$40,000)
Reduce: 1.0 FTE HS Foreign Language	(1.0 FTE)	(\$65,000)
Reduce: 1.0 FTE HS Electives	(1.0 FTE)	(\$79,500)

³ Includes the incorporation of 4.0 FTE ABA Tutors added during FY'21 to support students' Individualized Education Plans (IEPs) in FY 2020-2021.

⁴ Though this position was budgeted for in FY'21, the funding was reallocated to teaching staff as part of the district's pandemic response. The position has never been filled.

Reduce: 1.0 FTE TMS Teacher	(1.0 FTE)	(\$110,000)		
Reduce: .4 FTE Library Director	(.4 FTE)	(\$48,000)		
Reduce: 1.6 FTE Library	(1.6 FTE)	(\$188,000)		
			(9.0 FTE)	(\$754,500)
Support Staff Positions				
Add: 2.0 FTE HS Academic Support ⁵	2.0 FTE	\$52,700		
Add: Elementary General Education IA Support (10 @ 6 hr/week)	1.9 FTE equivalent	\$53,800		
Add: 1.0 FTE Custodian (.5 FTE TMS, .5 FTE District)	1.0 FTE	\$40,000		
			4.9 FTE	\$146,500
Net increase to various non-salary accounts				
Includes:				
<ul style="list-style-type: none"> - Anticipated SPED out of district placements and 3% tuition increase - Increase in SPED contracted services - Escalation in SPED and Regular transportation costs, increase of late bus service, and adjustment in transportation offsets - Increase in software subscriptions and project-based learning budget - Funds for PPE and sanitizing needs 				
				\$373,834
Total Change			3.8 FTE	\$1,655,845
FY'22 Superintendent's Recommended Budget				\$50,003,345

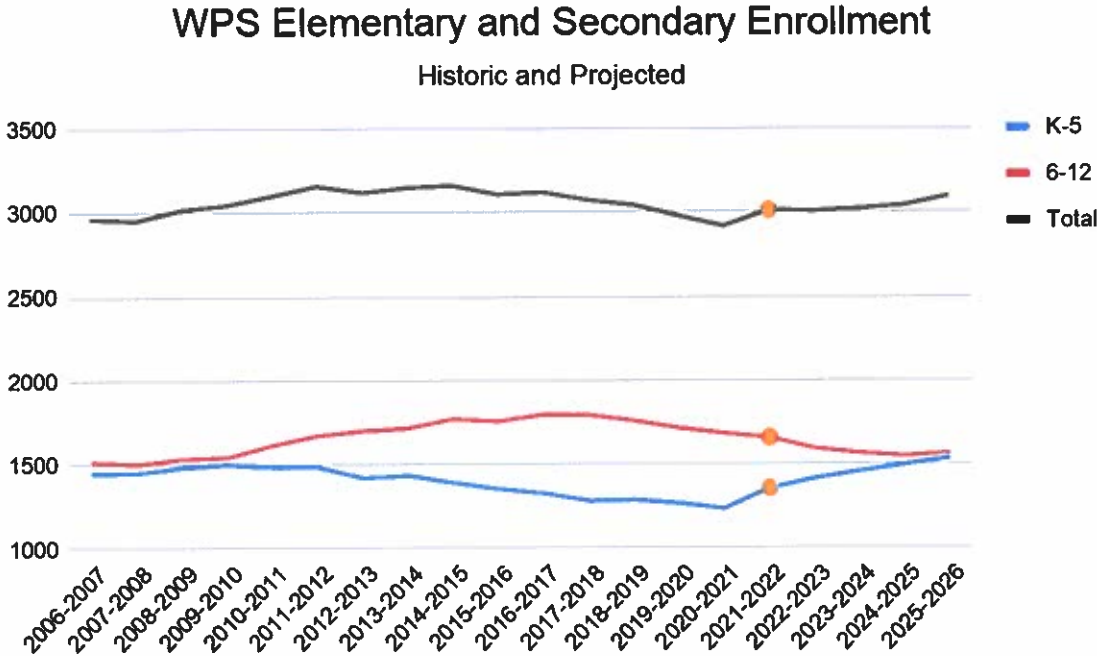


⁵ The true All Funds cost is \$72,700, but one of the positions is partially funded by an increase in the METCO grant.

HOW DO ENROLLMENT TRENDS IMPACT THE PROPOSED FY'22 BUDGET?

Enrollment Trends

During the budget process we look at enrollment trends and make predictions not only for next year’s budget, but for the next several years, with a particular focus on how our student population is distributed across the levels:



As shown above, during the last several years, there have been shifts in the population of students at each level in the district. In recent budget cycles, we have reallocated and added staff to account for these shifts in enrollment. For several years, as enrollment increased at the middle school and high school, the District increased staff in those buildings. After the middle school enrollment peaked and began to decline, in FY'20 we were able to make incremental staffing reductions at Thurston.

The high school enrollment reached its crest in 2018-2019 and has started to decline. While we did not propose significant reductions in high school staff in the FY'21 budget, the District made the decision at the end of June to eliminate or reallocate 5.4 FTE teaching positions at the high school (as well as a more limited number of staff at other levels) as part of our budget strategy to reopen school in a different model and respond to a myriad of unanticipated costs resulting from the pandemic (e.g. the need to staff fully remote classrooms, very small class sizes in Kindergarten and grade 1 to enable in-person learning for our youngest students, etc.). As part of the FY'22 budget development, we analyzed the impact of those reductions on high school class size and program offerings and carefully considered the efficacy of restoring positions that we anticipate cutting again in the near-future, in light of the high school’s declining enrollment next year and beyond. We concluded that most of the cuts are sustainable given our enrollment numbers, recent trends in students’ elective choices, and when considered relative to other staffing priorities. The FY'22 budget memorializes those cuts. As articulated later in this document, those positions will be reallocated in the budget to address other staffing needs.

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

As we developed the FY'22 budget, we focused primarily on addressing the impact, both academically and emotionally, of a school year disrupted by the pandemic. As such, we have carefully considered how we can assess student needs and then provide intervention and support over the next couple of school years. We are fortunate that in recent budget years we made significant investment in positions that speak to these needs, such as additional guidance counselors at both WHS and TMS, a PreK-8 Social Emotional Learning Coordinator, a literacy specialist at TMS, and department leadership at the middle school to oversee both curriculum and intervention work. However, additional staffing will be needed. Most of the positions proposed below reflect this focus on recovery and stabilization and are aligned with the district's ongoing priorities to ensure a healthy and supported school community.

While these immediate needs are at the top of the priority list, in FY'22, the District also wants to return to some of the longer-term strategic work that it was engaged in prior to the school closure in Spring, 2020. In particular, we intend to:

- Reinstate programs like J-Term that focus on authentic, meaningful learning;
- Restart the ongoing curriculum review cycle by beginning the Math and completing the implementation of the Social Studies and Wellness curriculum reviews and
- Strategically expand and implement our diversity, equity, and integration goals

In FY'22, we are proposing the addition of several positions. Many of these positions represent a reallocation of staff from other areas.

3.0 FTE Elementary General Education Teachers: \$225,000

Every year, the District budgets with the intention of keeping elementary class sizes within the School Committee's established class size guidelines or providing additional support in classrooms that exceed the guideline. In FY'22, we have committed to staying within guidelines as an important strategy for "tier one" academic intervention (targeted instruction provided within the classroom itself by the teacher, a content specialist, or a general support person). Given the small size of our elementary schools, it is often challenging to achieve these targets. The addition or reduction of just a few students at a grade

The FY'22 budget re-allocates or adds positions that support our recovery and stabilization and address the impact of the pandemic on our students. The budget requests prioritize support of students' learning needs and mental health:

- Small elementary class sizes
- Increased psychologist staffing
- Increased staffing for academic intervention

level in a particular school can change the number of class sections required to keep class sizes aligned with the School Committee's class size guidelines. We are often faced with enrollment projections that allow for either one large class section or two class sections considerably under the School Committee's class size guideline. In developing this year's budget, when faced with that choice, we have opted for the latter, understanding that it will require an investment of resources. While very small class sizes aren't sustainable in the long-term, we believe it is an appropriate short-term intervention strategy.

1.2 FTE Elementary Math Specialists: \$95,000

Math is a content area where we expect to see more impact from the disruptions related to the pandemic. In our elementary grades, students develop foundational numeracy skills that set the stage of their later success with math that requires abstract reasoning and the capacity to translate real world situations into mathematical terms. We anticipate that some of our students will have skill gaps that need addressing. This staffing addition allows us to increase math specialist time at all of our larger elementary schools (Downey, Martha Jones and Sheehan). Specialists will provide both “push in” support, working alongside teachers in class to support students who are struggling with current content, and “pull out” interventions for students who have gaps with prerequisite skills. Our specialists also play a critical coaching role: they support both new and veteran teachers in providing high quality math instruction.

1.9 FTE Elementary General Education Instruction Assistant Support: \$53,800

In order to provide additional support for literacy and math intervention, the kindergarten assistant positions that have focused on providing hands-on help in our K classes will expand, both in terms of hours and responsibility. The assistants will be able to work across classrooms as needed, not just in kindergarten, and hours will match typical instructional assistant hours so that we can provide interventions and support through the day.

1.0 FTE Middle School Math Specialist/Interventionist: \$75,000

This request parallels the request for increased math intervention time at the elementary level. During the middle school years, students develop proportional thinking and algebraic problem solving skills that are vital to their success with math in high school and beyond. Working under the direction of the math department head, the interventionist will help support students whose skills gaps interfere with their efforts to master grade level content.

0.4 FTE Middle School Department Head: \$48,000

For two years, TMS has had 0.8 Department Heads for Math/Science and ELA/Social Studies. While both supervision/evaluation of curriculum development and instruction have been priorities, development of a more robust intervention and support model has been identified as a need for TMS across both departments. While the addition of interventionists is part of this plan, those staff will be focused on working directly with students. The addition of 0.2 FTE to both the ELA/Social Department Head and the Math/Science Department Head would create two full-time leadership positions that not only oversee curriculum and instruction, but also manage assessment and intervention programming. The Department Heads will take on the responsibilities of training staff, scheduling assessments, analyzing results, identifying students for programming, and tracking student progress. The goal is to create a continuation of services that mirrors the model in the elementary schools. There is also a need to begin to focus more closely in the area of Social Studies to support the work needed for the new 8th Grade MCAS requirements: in addition to requiring that all students complete a hands on Civics project in grade 8, DESE is piloting a more traditional assessment this year.

1.0 FTE Middle School Special Education: \$75,000

As part of a layered mental health infrastructure, the District has built and maintains a strand of comprehensive therapeutic programming K - 12 (the STAR program serving K-5, the TLC program across grades 6-8, and the FLEX program supporting grades 9 - 12). These programs enroll approximately 50 students across the grades and provide important in-district capacity for immediate response and support. During the FY’21 budget process, the District was able to create two classrooms for the elementary STAR program, allowing for additional students to be served (9 this year/15 next year). Similarly, the WHS program, FLEX, has been staffed for many years by two special education teachers

across the more than 20 students in that program. Those teachers share the academic and therapeutic responsibilities and each have a caseload of approximately 10 - 12 students.

The request for the FY'22 budget is to make a similar investment in the TLC program at the middle school. It is currently staffed with one full time special education teacher, IAs and support from the building adjustment counselor and school psychologist. Next year, the program is anticipated to start with 15 students grades 6 - 8 and is expected to receive referrals throughout the school year. The requested additional 1.0 FTE special education teacher would team with the existing teacher to provide support to a caseload of students as well as provide additional capacity for newly referred students. It is anticipated that, as part of a comprehensive COVID response strategy, there may be additional referrals to the WPS therapeutic programs in the 2021- 2022 school year. This additional staffing would allow for students to remain in the district and not experience additional disruption to their school year, maintaining important relationships with teachers and peers in the Thurston community.

1.3 FTE Psychologist: \$110,000

Looking ahead to the return to full time instruction in school for the Fall of 2021, the District anticipates increased needs for mental health and social emotional support. An additional .3 FTE would bring the Hanlon School psychologist to full-time, ensuring the presence of full time highly-qualified mental health staff in all of our schools.

In addition, the District's COVID recovery strategy includes adding 1.0 FTE school psychologist to be shared District-wide. The District has worked collaboratively with families to meet our special education and Section 504 requirements during the Spring of 2019 and throughout the 2020 - 2021 school year. However, we anticipate that additional referrals to special education, new requests for accommodations, increased need for behavior support planning and additional family support will continue to exist for FY'22 as students and families re-engage with full time in-person schooling. The 1.0 FTE additional school psychologist position will be utilized to provide evaluation and testing support across WPS. With that resource in place, the evaluation and testing load of our school-based psychologists will be lessened, so that they can focus their professional expertise on in-school counseling, whole class social emotional support, and faculty and community outreach. Our intention is to have our school-based psychologists, who know students and families best, be able to provide this support. We anticipate that this additional psychologist staffing would be short term in nature and have a limited time frame of 1 - 2 school years.

2.0 FTE High School Academic Support: \$52,700

At Westwood High School, two additional Academic Advisor positions will be dedicated to providing academic support and intervention. The first position would oversee the Academic Support Class (ASC), the high school's general education academic support program. Historically, ASC has been staffed piecemeal as part of the teacher supervisory duty structure. With changes in the learning model this year, the high school was able to assign one staff member to implement the program. We learned that having one dedicated ASC supervisor provided continuity in student and family support, access, and communication that was lacking in the previous model. In addition, creating a dedicated ASC position, rather than using the duty structure, will result in more teacher time available for substantive content-specific assistance, such as expanded Math Seminar and Writing Lab supports.

The second academic support person will provide targeted, boots-on-the-ground interventions for Boston-resident students, who have experienced significant academic and social disruptions during the pandemic, by establishing a full-time high school METCO academic advisor that parallels the model already in place at the middle school. This will create a more consistent 6-12 METCO student experience.

In addition, with an individual dedicated to working directly with students, it will increase the METCO Director's ability to serve on the district's Administrative Council, guide the district's diversity, equity and integration work and support the potential expansion of the METCO program to the elementary grades in the near future. We anticipate that approximately half of this position can be funded by an increase in Westwood's METCO grant allotment.

1.0 FTE Custodian: \$40,000

This year brought renewed attention to the cleaning protocols in our buildings, as we set out to disinfect and protect our students and staff. We anticipate continued vigilance as well as heavier demands on our staff when we are no longer in a hybrid model. At Thurston Middle School, we have identified a need for additional staffing to complete the daily and weekly cleaning. We are therefore adding a 0.5 FTE custodian at Thurston Middle School and another 0.5 FTE custodian to cover custodial absences and leaves at our other buildings. We have identified savings and efficiencies in the Operations department in non-salary lines in order to offset the majority of this cost. Currently, our staff pick up 4-hour overtime shifts to cover for absences. Therefore, the 0.5 FTE custodian may lead to a corresponding reduction of hours in overtime staffing.



WHAT ARE THE BUDGET PRIORITIES IN SPECIAL EDUCATION?

The Westwood Public Schools is committed to meeting the needs of all of our learners in an inclusive setting. As a public school, we are legally mandated to provide a certain level of service to students with special needs, as defined in a student’s Individualized Education Plan or “IEP.” When students’ needs change, the budget also changes. This interdependent relationship between a) legally mandated services, b) student needs, and c) school budgets means that forecasting special education expenses presents a particular challenge for school administrators. As a result, special education is the most variable of all school department budget items. We analyze student needs both as part of the budget process, and also on an on-going basis throughout the school year.

Over the last decade, the District has created several district-wide programs for students with special education needs. These programs enable us to educate almost all of our students in-district. In FY’21, less than 1% of our student population attended school in out-of-district, tuition-based special education placements. This ability to educate almost all of our students in-district aligns with our desire to have students attend school in their community. It is also the most cost-effective strategy for educating students when their needs can be met in-district.

In addition to staffing requests articulated in the prior section, in the proposed FY’22 budget, we have budgeted for tuition and transportation for known/anticipated special education students, including contractual transportation increases and a 3% escalation for tuitions:

	FY’21	FY’22	Difference
Residential Tuition	\$246,440	\$244,892	(\$1,548)
Day Tuition	\$579,678	\$407,890	(\$171,788)
Collaborative Tuition	\$523,754	\$793,732	\$269,978
Out-of-District SPED Transportation	\$408,194	\$420,439	\$12,245
In-District SPED Transportation	\$318,733	\$328,294	\$9,561
Total	\$2,076,799	2,195,247	\$118,448

Finally, the District maintains a line for the purchase of “contract services” in special education. These vendors typically provide specialized services and consultation (required in students’ Individualized Education Plans) in areas that the WPS does not employ in-district staff (eg. Braille instruction). The contracted services line also provides hiring flexibility to the district. For example, since the start of the pandemic last spring, staff providing additional support in nursing, general education academic support, and special education areas were hired for the short term as contracted employees to help the district ramp up and then staff down efficiently.

The contracted services line item has been historically underfunded. A multi-year look back suggests that the District can expect approximately \$500,000 annually for the provision of specialized contracted services. Contracted services are currently funded from two sources: District budget funds of \$83,165 and grant funds of \$127,035 for a total of \$210,200, leaving a significant shortfall.

The request of an additional \$85,000 for this year's budget is intended to initiate a four-year structured adjustment of this line. This strategy is similar to the approach the District used to eliminate the kindergarten tuition fee and related budget offset. Having implemented the plan to eliminate the kindergarten tuition in FY'21, the timing is appropriate to turn our attention to contracted services.

HOW WILL THE DISTRICT CONTINUE TO PURSUE STRATEGIC PRIORITIES WHILE ALSO RECOVERING FROM THE PANDEMIC?

The Westwood Public Schools continue to pursue our core mission of preparing students for college, career, and civic life by providing a rich and challenging curriculum, high-quality instruction, and authentic educational experiences. The proposed FY'22 budget reflects not only a focus on recovery from the disruptions of the COVID-19 pandemic but also a return to strategic priorities that support the district's mission.

As in earlier budget proposals, most of the district's resources will be allocated to staffing. With nearly 600 employees, salaries comprise about 86% of the annual operating budget and many of the proposed increases represent the district's analysis of what it will take to maintain the same learning opportunities that students have experienced in previous years.

WPS Strategy for District Improvement Objectives
Meaningful Learning Experiences
Coherent, Connected Curriculum
Healthy and Supported School Community
Facilities for the Future

The FY'22 proposal also supports improvement by continuing to set aside funding focused on curriculum, instruction and professional development. In the year ahead, for example, curriculum alignment funding will support the integration of student-led civics projects into our Social Studies curriculum as well as the implementation of recommendations from the district's Pre-K - 12 Wellness Review, and professional development funding will support ongoing training for Westwood teachers in culturally responsive and antiracist pedagogies and strategies for supporting SEL instruction.

WHAT ARE THE NON-SALARY BUDGET CHANGES IN GENERAL EDUCATION AND OPERATIONS?

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

Currently, the project-based learning budget funds J-Term, an innovative end-of-year program for high school students. The district funding for the first two years of J-term was supplemented by grant funds, and an increase is needed in order to keep the program operational in the years ahead.

Software Subscriptions: \$25,000

In order to support intervention efforts in grades K - 8, WPS is looking to expand the investment in online platforms that make it easy to quickly assess student progress and plan for next steps in terms of instruction and intervention. In addition, the district has identified some key social studies and literacy resources that can support students in all grades. Finally, the cost of several online subscription based services is projected to increase next year.

Increase Summer Academic Support Programs: \$4,500

Recent 8th grade math assessment data has helped identify a cohort of approximately 24 students who would benefit from additional math instruction and support as they transition to the high school. In addition, proactive summer programming provided by content-area and special education teachers for rising 9th graders in core content areas (e.g., Algebra, Biology) and executive functioning skills will also strengthen students' connectedness to the high school community and increase students' high school readiness. The funding investment here supplements an existing budget that is typically used for MCAS tutoring, and allows the district to offer a 9th grade Summer Academy.

Increase in Regular Transportation: \$25,400

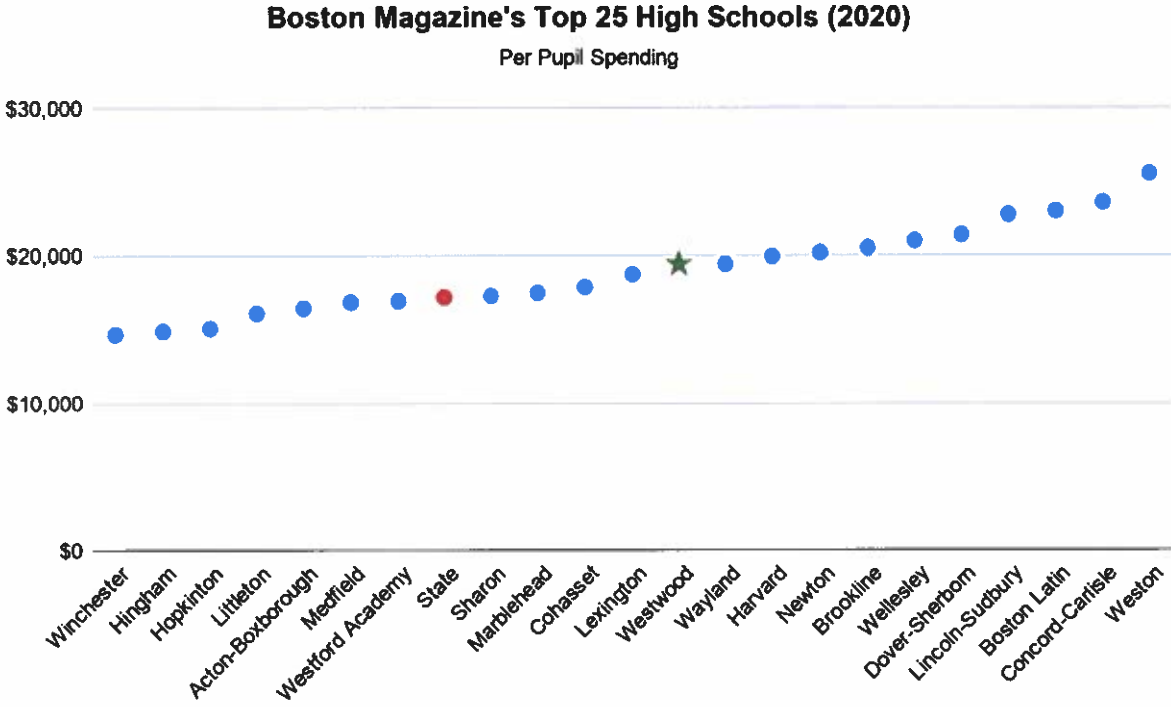
Our budget addresses cost increases contained in our bus company contract. In FY'22 we will be in the 5th year of a 5-year contract with our yellow bus operator, Connolly Bus Company, and we are budgeting for the appropriate contractual increase in the bus cost. While we have had predictable transportation costs in recent years, we have also benefited from an increase in Westwood's METCO grant allotment, about \$18,000 of which will fund additional late buses for students traveling to Boston. Finally, in addition to the contractual increase and expansion of late bus service, we have re-balanced our transportation budget to adjust the offsets from other funding sources such as kindergarten tuition which was used to pay for transportation in prior years.

Increase in Operations for PPE and Sanitizing Supplies: \$50,000

At this time, we have an inventory of personal protective equipment (PPE), hand sanitizer, filters, cleaning supplies, and disinfectant. While the need for some supplies may decline by September, we plan to maintain the rate of change on our HVAC filters next year. We also recognize that it may be necessary to continue the use of electrostatic disinfecting and maintain the availability of PPE for our staff in the coming school year. We have budgeted modestly for these three areas based on assessment of recent usage. Rather than increase our operating budget more significantly, we are setting aside this \$50,000 with the understanding that any bigger unanticipated needs may also be covered by future state or federal funding or other mitigation measures.

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

The chart below compares the per pupil spending in Westwood to spending in the districts that appear on *Boston Magazine's* "top 25" high schools list for 2020. The data presented is from the MA Department of Education website and reflects FY'19 spending, the most recent data that is available.



As illustrated above:

- The state-average per pupil expenditure is \$17,149.
- The mean per pupil expenditure for districts on this list is \$19,046.
- The median per pupil expenditure for the districts on this list is \$19,033.

Westwood's per pupil expenditure of \$19,378 is generally on par with or below other high-performing districts and suggests that the Westwood Public Schools continue to provide a good value for the community's investment.

WHAT PRIORITIES DO WE ANTICIPATE IN UPCOMING BUDGET CYCLES?

Every year, cost center leaders submit both short-term and long-term budget requests. The district leadership team (central office administrators, principals, and assistant principals) meets to review and discuss all of the requests and to reach consensus about the upcoming year's priorities, PreK-12, based on district goals and initiatives. It's important to understand that this budget was developed by identifying priorities, making choices, and deferring some items for future budget discussions. This year's focus is on recovery, stabilization, and mitigating the impact of the pandemic. However, there are other important needs that the district is planning for in the near-future. Some of these items include:

- **Increase English Language Learner (ELL) staffing:** This position responds to student needs and increased regulatory demands
- **Hire a Director of Safety and Security:** This position had previously been identified as a priority and, in fact, was included in the FY'21 budget, but ultimately went unfilled as funds were re-allocated to address needs during the pandemic. While it continues to be a priority, in this year's budget discussion we felt that the most significant student safety issue is around mental health support. We have, therefore, prioritized increased psychologist staffing for FY'22.
- **Expand Westwood's METCO program to the elementary level:** Westwood is a committed METCO member district and currently welcomes new students from Boston starting in middle school. Expanding to the elementary grades supports the district's larger goals of celebrating diversity, pursuing equity and promoting integration in all grades. As a frame of reference, 31 out of 33 METCO member districts start their programming in Kindergarten. The proposed FY'22 budget lays the groundwork for the expansion in two ways. First, by adding an academic support position at the high school so that the METCO Director's time can be focused on program oversight and district leadership, as is common in K-12 METCO districts. Second, the increased elementary general education staffing, if retained in FY'23, could provide an opportunity to welcome 18-30 new elementary students while keeping class sizes low. While METCO is funded through a state grant program based on a per pupil formula, the grant is applied in arrears. An expansion will involve an upfront commitment of approximately \$110K for year one costs associated with transportation and support.
- **Creation of an additional Preschool classroom:** The current three Preschool classrooms meet the needs of 45 students each year. There are required ratios for each classroom from the state that limit the number of students with and without disabilities who can be accommodated in each room. The Westwood Integrated Preschool is a sought after option for parents of children ages 3 and 4 and, this year, the program is fully enrolled. An additional classroom would require both appropriate space and staffing (1 full time preschool/special education teacher and 2 Instructional Assistants - approximately \$135K). While the District supports enlarging the Preschool, it is likely that the costs would not be covered by the tuition generated and a second location in another building would need to be identified. Given the importance of maintaining low class size at the five elementary schools as part of the District's COVID recovery approach for 2021- 2022, another preschool classroom is not feasible at this time.

IS THIS THE FINAL FY'22 BUDGET?

WHAT COULD CHANGE?

The presentation of the Superintendent's Recommended Budget is only the first step in the budget process. The School Committee will review the budget, hold a public budget hearing, and deliberate. Through that process, the School Committee could make changes, modifications, or additions. In addition, during the budget process, the School Department will work collaboratively with the Select Board 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!

FY22 Budget Shared Fixed Costs

There are several fixed costs budgets which provide benefits and/or services to both Town and School operations and their employees. These budgets include:

Expended FY2020	Current FY2021 Budget	Proposed FY2022 Budget	\$ Change FY22 vs FY21	% Change FY22 vs FY21
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School Employee Benefits/Costs

Retirement Assessments	1,621,870	1,736,211	1,838,126	101,915	5.9%
Workers Compensation	243,828	353,629	371,310	17,681	5.0%
Unemployment Compensation	100,683	118,792	130,671	11,879	10.0%
Health Insurance	4,213,755	4,886,743	5,131,080	244,337	5.0%
Life Insurance	7,120	8,000	8,000	0	0.0%
Payroll service/Other	37,784	36,900	38,495	1,595	4.3%
Medicare Part B	117,533	183,785	183,785	0	0.0%
Social Security Tax	5,176	10,000	7,500	(2,500)	-25.0%
Medicare Payroll Tax	573,318	845,074	904,229	59,155	7.0%
School Employee Benefits/Costs	6,921,066	8,179,134	8,613,196	434,062	5.3%

Municipal Employee Benefits/Costs

Retirement Assessment	3,784,363	4,051,323	4,289,289	237,966	5.9%
Workers Compensation	115,845	166,539	174,865	8,326	5.0%
Unemployment Compensation	8,288	16,771	18,448	1,677	10.0%
Health Insurance	1,644,807	1,618,295	1,699,210	80,915	5.0%
Life Insurance	3,351	5,000	5,000	0	0.0%
Pre-Hire/Payroll/Other	132,795	139,200	142,830	3,630	2.6%
Public Safety Medical/111F ins	40,425	96,000	96,000	0	0.0%
Medicare Part B	48,906	74,547	74,547	0	0.0%
Social Security Tax	1,171	10,000	5,000	(5,000)	-50.0%
Medicare Payroll Tax	242,564	332,322	355,585	23,263	7.0%
Municipal Employee Benefits/Costs	6,022,515	6,509,997	6,860,774	350,777	5.4%

Shared/Other Fixed Costs

Comprehensive & Liability Insurance	448,085	579,600	608,580	28,980	5.0%
Waste Collection/Disposal Expenses	1,417,517	1,538,200	1,658,284	120,084	7.8%
Audit Services	76,710	81,250	81,250	0	0.0%
Total Shared/Other Fixed Costs	1,942,312	2,199,050	2,348,114	149,064	6.8%
Total Benefits/Shared Fixed Costs	14,885,893	16,888,181	17,822,084	933,903	5.5%

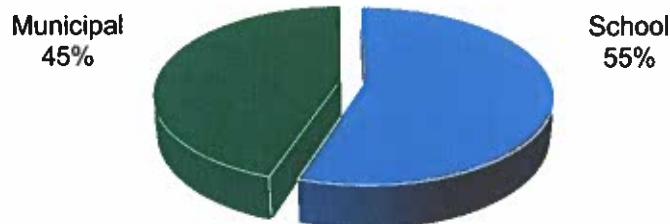
FY22 Budget Municipal and School Employee Benefits/Costs

FY19 Actual	FY20 Actual	FY2021 Budget	Distribution Number	Item	FY2022 Budget
\$5,066,339	\$5,406,233	\$5,787,533	01-830-5174	Retirement Assessment This budget covers all non-teaching employees of the Town. Teachers are included in the State Mass Teachers Retirement System	\$6,127,415
\$5,066,339	\$5,406,233	\$5,787,533	TOTAL:		\$6,127,415

FY 19 Actual	FY20 Actual	FY2021 Budget	Distribution Number	Item	FY2022 Budget
\$351,205	\$359,673	\$520,168	01-912-5740	Workers Compensation	\$546,176
\$114,786	\$108,971	\$135,563	01-913-5173	Unemployment compensation	\$149,119
\$5,678,403	\$5,858,562	\$6,505,038	01-914-5171	Group Health Insurance	\$6,830,290
\$790,809	\$815,882	\$1,177,396	01-914-5172	Mandatory Medicare Payroll Tax	\$1,259,814
\$7,231	\$6,347	\$20,000	01-914-5174	Social Security	\$12,500
\$9,806	\$10,471	\$13,000	01-915-5172	Group Life Insurance	\$13,000
\$28,856	\$40,425	\$96,000	01-919-5311	Public Safety Medical/111F	\$96,000
\$129,342	\$170,579	\$176,100	01-919-5310	Prehire/Payroll/Other	\$181,325
\$188,365	\$166,438	\$258,332	01-919-5740	Medicare Part B Refund	\$258,332
\$7,298,803	\$7,537,348	\$8,901,596	TOTAL:		\$9,346,556

Note: This budget covers employee benefits for all municipal and school employees.

Employee Benefit Cost



	School	Municipal	Total
Fixed Employee Related Costs	\$8,613,196	\$6,860,774	\$15,473,970

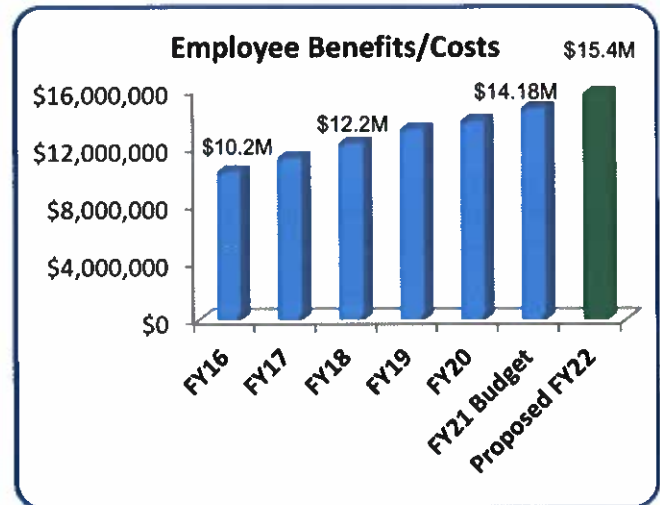
Shared Fixed Costs

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

Employee Benefits/Costs

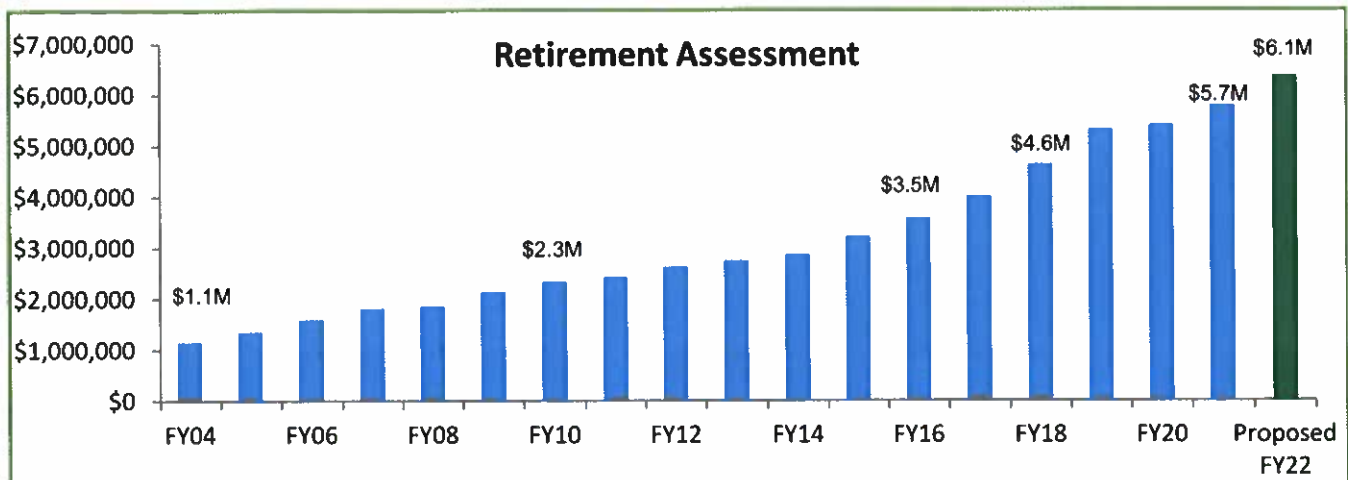
Provides for the protection and well being of Westwood's employees, in conformance with State statutes. This budget includes costs for the following and covers all municipal and school employees.

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



Pension

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

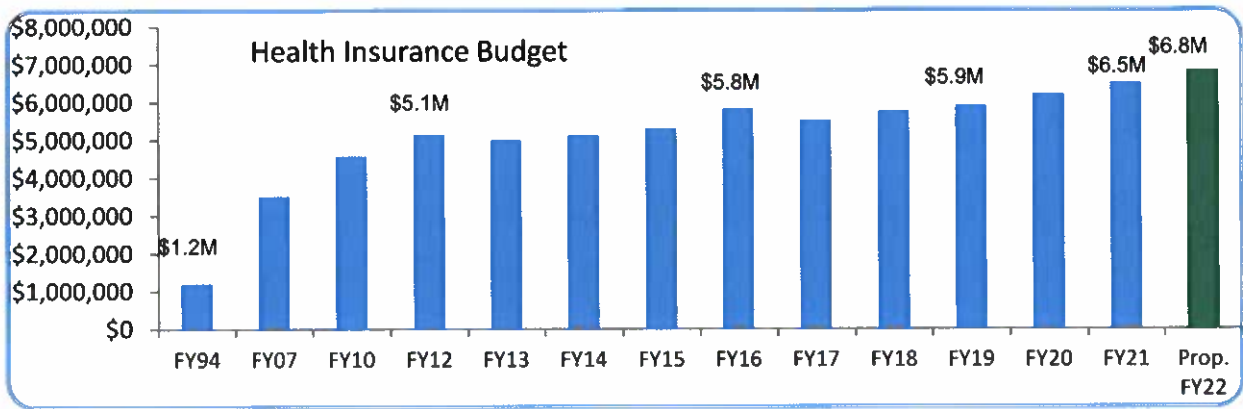


Shared Fixed Costs

Group Health Insurance

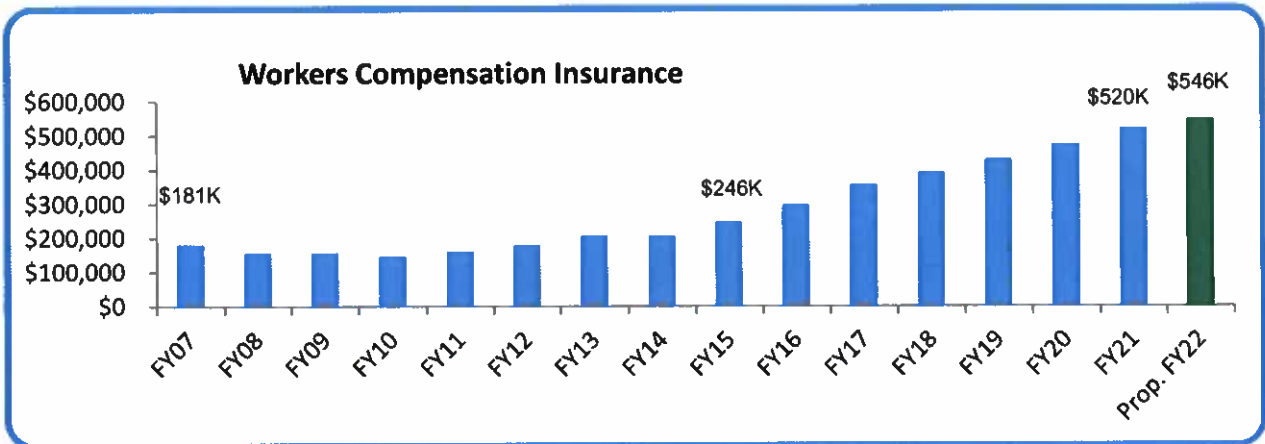
Westwood provides its employees with group health insurance coverage through the MA Group Insurance Commission (GIC). The Town became a participating municipality with the GIC in July, 2015. The Town has greatly benefited from this arrangement in the way of controlled health insurance rates.

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



Workers Compensation Insurance

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



Public Safety employees in Massachusetts are covered by 111F insurance to assist with medical expense payments.

Shared Fixed Costs

Unemployment Compensation

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

Medicare Part B Reimbursement

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

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

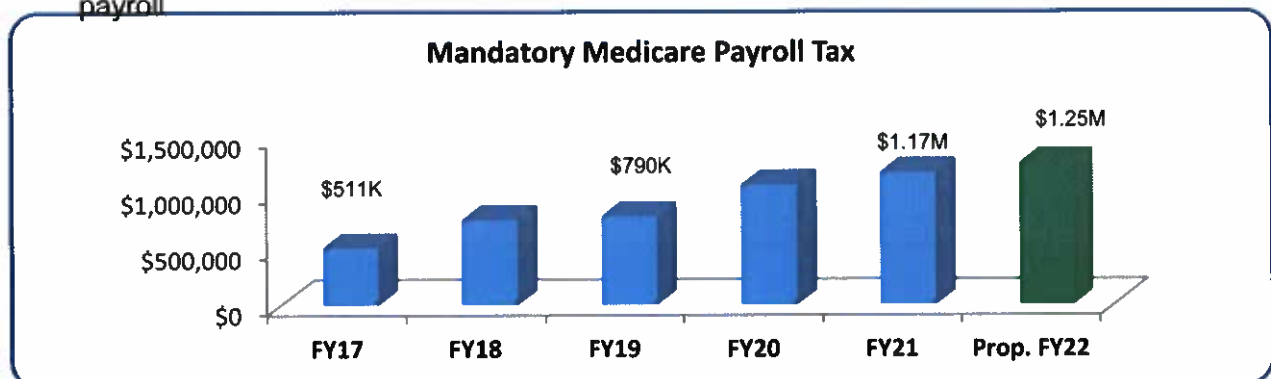
As part of efforts to control the OPEB liability, the Board of Selectmen decided to eliminate the Medicare B reimbursement for all employees who retired after July 1, 2014.

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

Medicare Payroll Tax

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

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



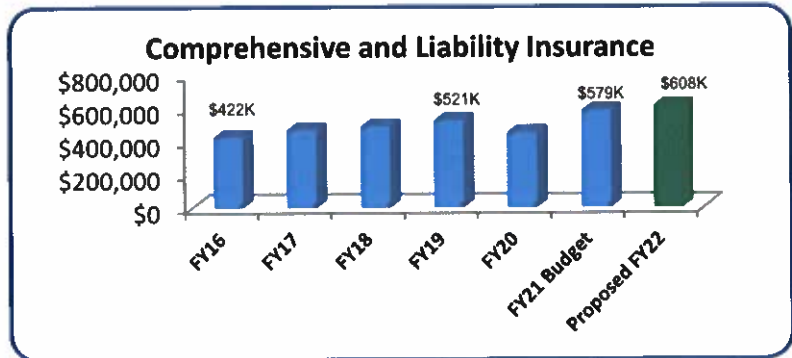
Shared Fixed Costs

Comprehensive and Liability Insurance

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

The four major services include:

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



Audit Services

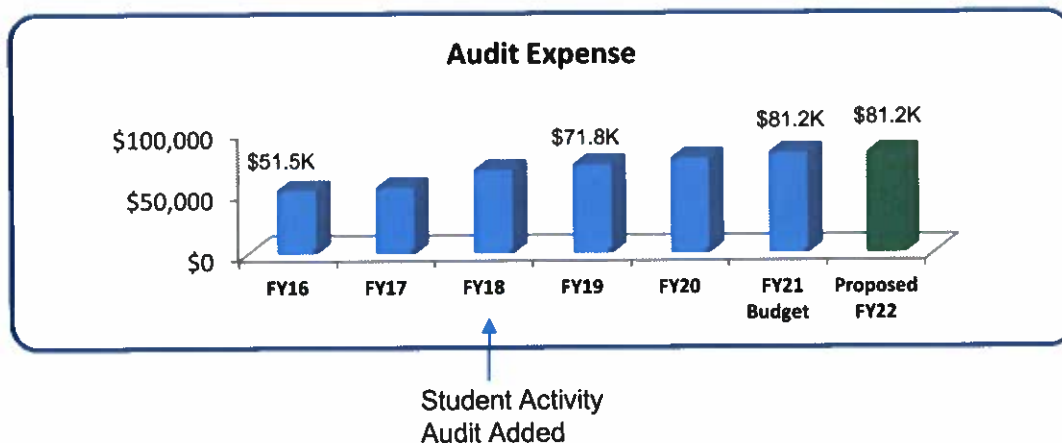
The Town is required to undergo an annual financial audit of all revenue and expenditures. The Town is required to have several audit programs conducted:

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

The Audit budget provides for all these audit components.

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

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



Town Audit

Mission:

To ensure that all financial and accounting data are fairly stated and represented and that all schedules and financial statements are in conformity with Generally Accepted Accounting Principles (GAAP).

Program/Service Areas:

The Town Audit includes (3) three major programs/services. These are:

1. Financial Statement Generation
2. Audit Support
3. Audit Committee

Responsibilities: Audit Committee

- In 2013 the Town established an Audit Committee consisting of three members appointed by the Board of Selectmen to overlapping three-year terms. The Audit Committee will provide independent review and oversight of Westwood's financial reporting processes, internal controls and independent auditors. The Committee will present annually to the Board of Selectmen a written report of how it has discharged its duties and met its responsibilities.

Responsibilities: Accounting Department

- Engage and schedule professional, licensed, independent auditing firm of certified public accountants.
- Provide timely accounting and financial data in a format that is prescribed by Generally Accepted Accounting Principles and the government Auditing Standards Board.
- Work in collaboration with the independent auditors increasing engagement efficiency required for the timely submission of the CAFR report.
- Provide local, state and federal governments and agencies with timely, audited financial statements.
- Ensure that all financial and accounting data are fairly stated and supported by retrievable documentation.
- Participate in audit closeout meeting and address any outstanding issues outlined in the auditors' management letter.

Responsibilities: Audit Firm

- Perform independent audit of Town's financial statements and provide reasonable assurance that they are free of material misstatement.
- Perform federally mandated Single Audit designed to meet the needs of federal grantor agencies.
- Review through the random test process the accuracy of receipts and expenditures and verify the legal manner in which they were recorded.
- Review contracts for verification that expenditures were in accordance with contractual terms.
- Review payroll, accounts payable, accounts receivable, and purchasing procedures to ensure accuracy and legality.
- Review and advise the Town on the CAFR report and address any changes in the format required to conform to GASB guidelines.
- Issue recommendations for improvement in management and financial reporting systems to ensure accuracy of the recorded data and compliance with all legal requirements.

Prior Year Accomplishments:

- Worked closely with the independent auditors on GASB reporting requirements to ensure timely and accurate data necessary for proper financial reporting.
- The Department of Education implemented new audit requirements for student activity accounts. The initial audit commenced in FY16 and has continued to be performed yearly as part of the ongoing audit process.
- Worked closely with the independent auditors on the annual financial and compliance audit and received an unqualified audit opinion for the FY20 audit.
- Worked closely with the independent auditors on the annual audit of Federal grant funds including COVID-19 funding.
- Received notification that the Town was awarded the National Certificate of excellence in financial reporting for the FY19 CAFR.
- Assisted the finance team with the preparation of the FY20 CAFR.
- Maintained fixed asset reporting in accordance with GASB 34 requirements.
- Assisted with the continued review of GASB 45 to ensure OPEB regulatory compliance.
- Maintained the integrity of the financial data by complying with DOR regulations.
- Prepared and submitted the final FY20 balance sheet to the DOR for free cash certification.
- Continued to provide financial support to all departments to ensure adherence to accounting procedures and policies.
- Audit Committee met several times with the audit firm reviewing the audit process, financial statements and areas of concentration.

Next Year Service Plan:

The Accounting Department is committed to preparing a complete set of financial statements in conformity with Generally Accepted Accounting Principles. The department will work closely with the independent auditors to enhance the overall efficiency of the audit engagement and will maintain the integrity of the financial records to ensure the assets of the Town are protected. The department will demonstrate its commitment to assist the audit firm with remaining GASB compliant. Collaborative efforts within the financial department will continue to ensure the successful submission of the FY21 CAFR report in a difficult COVID-19 environment. Internal controls will be reviewed to ensure efficient operations and recommendations for increased efficiencies will be implemented to ensure the continued expansion of financial reporting and financial integrity.

Budget Detail

**Town Audit
Fiscal Year 2022 Budget**

		FY2019	FY2020	FY2021	FY2022
		Actual	Actual	Budget	Budget
Expense Detail					
Professional Services	01-136-5300	\$44,480	\$50,460	\$55,000	\$55,000
Department of Education EOY Report Audit	01-136-5301	\$5,000	\$5,000	\$5,000	\$5,000
Student Activities Audit	01-136-5302	\$22,375	\$21,250	\$21,250	\$21,250
<p>This audit covers all of the Town's financial areas, including school and municipal operations. This budget also provides for the required Dept of Education End Year report review and Student Activity Accounts Audit</p>					
Total Expenses		\$71,855	\$76,710	\$81,250	\$81,250

SOLID WASTE

The Solid Waste Budget provides for (5) four major programs/services. These are:

1. Collection and Transportation
2. Disposal
3. Recycling
4. Hazardous Waste
5. Yard Waste Collection

COLLECTION AND TRANSPORTATION

The Town has contracted with Waste Management Inc. for the weekly curbside collection of residential solid waste and the delivery of solid waste to Wheelabrator Millbury, the Town's resource recovery incinerator, with the recyclables also collected, transported, and marketed to the appropriate vendors bi-weekly. The Town has a 5 year contract with Waste Management, with the goals of providing excellent service to our residents, keeping costs stable and increasing recycling, which improves the environment and reduces disposal costs.

DISPOSAL

The Town has contracted with Wheelabrator Millbury for twenty years for the incineration of residential solid waste. Wheelabrator Millbury is a co-generation facility, generating electricity with steam produced as a by-product of waste incineration. The tipping fee per ton, which began at \$55 per ton in 1988, is annually adjusted in January of each year by the rate of inflation as measured by the Consumer Price Index. The 2007 tipping fee was \$108.93 per ton with ash treatment fee of approximately \$6.50 per ton. Based on the Waste Disposal agreement with Wheelabrator Millbury, the disposal fee for 2019-2020 will be approximately \$70.00 per ton.

RECYCLING

The Town is mandated by the Department of Environmental Protection to remove specific items from its waste stream. Effective April 1, 1993 the Town was mandated to remove batteries, cathode ray tubes, white goods, leaves, grass clippings and other yard waste, glass and metal containers. At present, the Town is removing these items as well as cardboard, newsprint, and plastic from the solid waste stream. Approximately ninety-six percent of households participate in the curbside collection of recyclables. Working with the Westwood Environmental Action Committee, DPW provides special collection days as an outlet for other hard-to-dispose and recyclable materials. It is important to increase the amount of recyclable material diverted from incineration for the environment as well as for cost savings to the Town.

Town Services	2020	2019	2018	2017	2016	2015	2014
Solid Waste/Tons	4114	3818	3841	3735	3768	3708	3688
Recyclables/Tons	1738	1741	1789	1863	1866	1841	1796

HAZARDOUS WASTE

The Town has provided an annual hazardous waste collection day where households are encouraged to dispose of hazardous waste. In past years between 200 and 500 households have participated in the program.

Town Services	2020	2019	2018	2017	2016	2015	2014	2013
Hazardous Waste Day Participants	130	121	166	116	112	113	195	145

Budget Detail

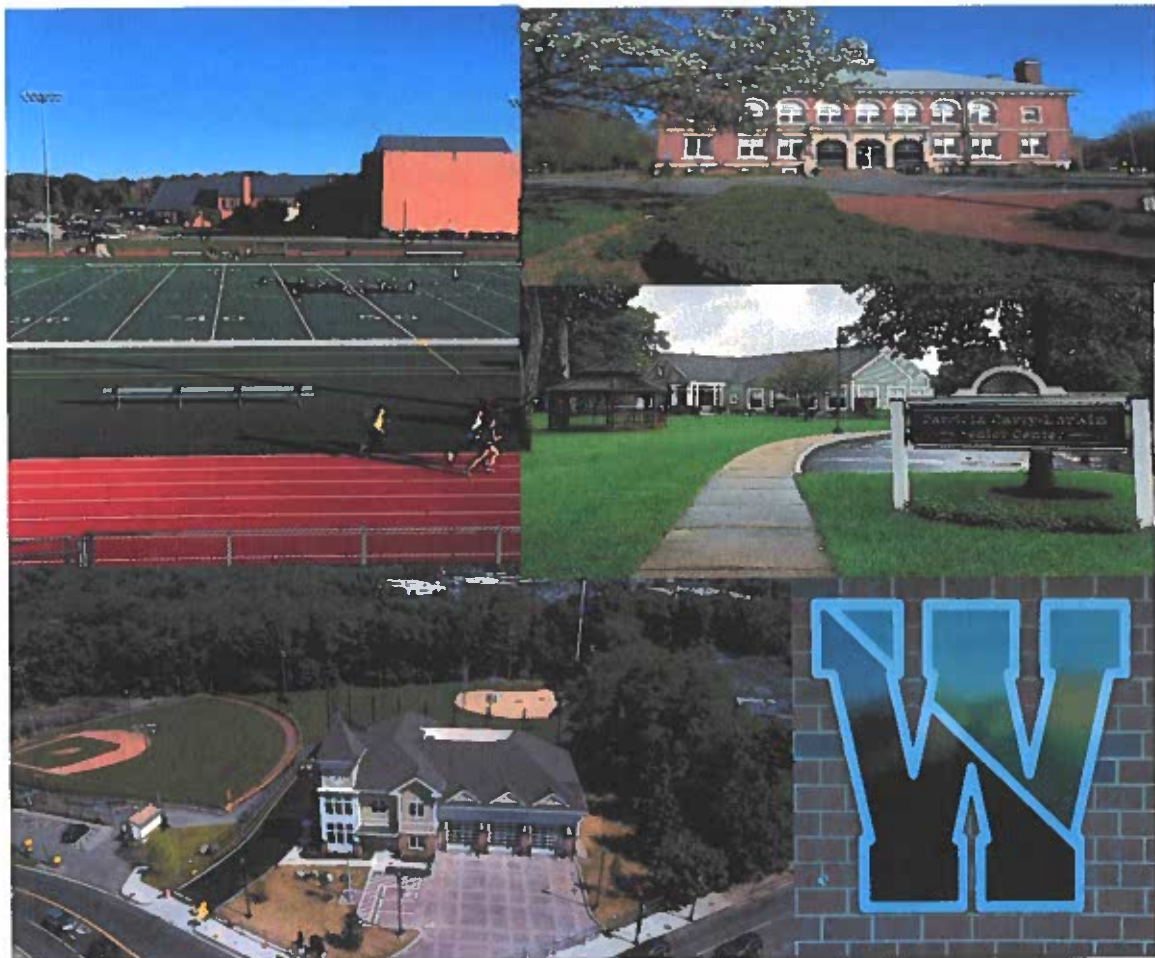
**DPW Solid Waste & Recycling
Fiscal Year 2022 Budget**

		FY2019 Actual	FY2020 Actual	FY2021 Budget	FY2022 Budget
Expense Detail	Account #				
Collection and Transportation	01-430-5291	\$470,163	\$472,435	\$530,000	\$575,000
Disposal	01-430-5292	\$261,324	\$264,981	\$280,000	\$295,000
Recycling	01-430-5293	\$439,591	\$489,267	\$515,000	\$530,000
Household Hazardous Waste	01-430-5290	\$10,954	\$12,888	\$15,000	\$15,000
Yard Waste Collection	01-430-5294	\$80,744	\$82,762	\$84,000	\$128,400
Dumpster - Municipal Bldg	01-430-5296	\$35,753	\$38,408	\$34,000	\$33,684
Fuel	01-430-5299			\$9,200	\$9,200
Dumpster - Schools	001-430-5297	\$77,198	\$56,775	\$71,000	\$72,000
Total Expenses		\$1,375,726	\$1,417,516	\$1,538,200	\$1,658,284



Town of Westwood, Massachusetts

Five Year Capital Improvement Plan Fiscal Years 2022-2026





Westwood Town Hall

580 High Street Westwood, MA 02090

Office of the Assistant Town Administrator/Finance Director

To: Select Board
From: Pam Dukeman, Assistant Town Administrator/Finance Director
Date: November 2, 2020
Re: FY2022- FY2026 Capital Improvement Plan

I am pleased to submit to the Board the Five-Year Capital Improvement Plan document for the Town for the fiscal years 2022-2026.

This document will serve as the basis for making capital budget decisions, assisting in maintenance of the Town's assets, and identifying the necessary funding to accomplish those tasks.

This report presents a comprehensive look at the capital needs of the school and municipal departments for a five year period. Please note, any costs for future major building projects are estimates only and any costs noted are for general parameters only. Also included are the Town's capital financial policies, asset inventory schedules, long term debt financial policies, debt schedules and history of capital expenditures. Having this information centralized in one annual document provides for broad analysis of the Town's capital needs.

The Town has made great progress in increasing the funding available for capital improvements, with increasing amounts to capital over the last several years. The Town is on track to continue this important reinvestment in the Town's capital assets.

Town of Westwood
Assistant Town Administrator/ Finance Director
Phone: (781) 320-1010
E-mail: PDukeman@townhall.westwood.ma.us

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 Select Board 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 Select Board 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 Select Board 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 \$1.52M balance, and was last 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

	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Tax Revenue	\$58,100		\$83,100	\$381,950			
Free Cash	\$1,308,150	\$1,678,000	\$1,742,050	\$1,769,050	\$2,178,900	\$3,163,500	\$3,383,900
Borrowing Within Proposition 2 ½		\$11,000,000	\$13,205,000	0	\$5,250,000	\$900,000	\$4,975,000
Exempt Debt							
Sewer Enterprise Funds		\$450,000	\$135,000	\$600,000	\$420,000	\$1,050,000	\$765,000
Sewer Enterprise Borrowing			\$234,000				
Other Sources	\$339,000	\$950,000	\$432,000	\$532,000	\$875,760	\$582,500	\$64,720

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 Select Board 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.

FY22 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 \$260 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 steadily invested significant capital reserves over a many year period in major building construction and renovation. These projects have been funded through a mix of debt borrowing and grant opportunities. The Town has successfully analyzed debt schedules to take advantage of layering in new debt as older debt is retired. This borrowing, within and outside Proposition 2 ½, has provided for significant investment in the Town's capital. The borrowings have been supplemented by substantial state grant programs, including the MSBA funding for the school projects, state funding for the COA facility, and the state Library Commission grant for the new library. Through the combination of debt and grants, the Town has constructed/renovated the following projects:

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

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 has been engaged in moving forward on a comprehensive update to the three elementary schools that were built between 1948 and 1953. These included the Hanlon, Deerfield and Sheehan elementary schools.

The School administration, through the School Building Committee, has been working for several years to find the solutions to address problems with the three buildings. The Schools have worked with the Massachusetts School Building Association (MSBA) a State funded program that helps guide new school construction and helps pay for construction, renovations, and repairs to school buildings. The School was invited into the MSBA program, first the eligibility period, and then the feasibility study period. At the May 2018 Annual Town Meeting, residents voted to approve \$1.75M to cover costs of evaluating the building options and move forward in the process.

The Schools have moved forward through the feasibility portion with the MSBA and an extensive engagement process with the community. It is expected that the School project, a combined Hanlon/Deerfield School at the Hanlon site will be presented to the community at Town Meeting in 2021.

For more information on the elementary schools building project, the Schools have set up a dedicated area on the School's website, which can be found by clicking the quick links on the district's main web page.

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 Select Board created the Public Safety Facility Task Force in June 2013 to review these facility needs. The Task Force has presented a comprehensive plan to the Select Board for the municipal and schools buildings. The proposal included:

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

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

The 2018 Town Meeting approved significant renovation to the Islington Center area. This work will include upgrades, enhancements, and a new facility for the Town's Branch Library, Youth and Family Services department, and a community meeting room. This work is currently ongoing, with the opening of the new facility scheduled for Spring 2021.

Capital Equipment – Increased Allocation in Recent Years

Proper capital equipment is needed by departments to carry out the important work for the community. This is particularly true for public safety and public works departments. These departments rely heavily on vehicles and equipment (such as police and fire vehicles, large dump trucks, street sweepers, etc.) to provide daily services. The School Department also relies heavily on ongoing equipment to provide quality services for the school children. This equipment includes furniture and equipment for the school facilities, copiers, and changing technology needs.

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

From FY14 to FY21 steady increases have been achieved each year to increase the base capital spending. The School and Municipal base capital articles are now well over \$2.0M annually. This increased funding has resulted in safer, more efficient equipment and enhanced maintenance of School and Town facilities. Efforts will continue to remain at this funding level.

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 FY21 capital budget, a major road improvement bond of \$4.6M was approved. This provides for significant repair and maintenance to several areas, as outlined in the Town's road improvement program, including Route 109, sidewalks, and enhanced crosswalks Town wide. These funds, in combination with Chapter 90 funding, addressed important needs in Town. The debt for this bond will replace debt that is ending for a 2013 Road bond.

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 estimated \$300K annually into the ongoing budget funding, to supplement Chapter 90 on an ongoing basis in order to properly maintain the town's roads.

FY22 Capital Funding

The initial FY22 capital budget planning should provide for:

- Level funding of the base School and Municipal capital budget at the recent higher level of approximately \$2.3M. This will allow for continued rollover of vital capital and technology equipment for Town and School departments and important maintenance of Town and School buildings.
- Provide for additional capital budget article as done in several past years, to address larger community wide needs including fields, school facilities and pool maintenance projects.
- Support for the School MSBA project for the new Hanlon/Deerfield combined elementary school.

**Capital Outlay Requests - FY2022
For Approval at the 2021 Annual Town Meeting**

Current Availability for Funding - FY2022

Pay-as-you-go Capital

The current funding would provide the following capital level:

	FY17	FY18	FY19	FY20	FY21	Proposed FY22
School Capital	\$885,050	\$867,000	\$886,900	\$1,017,000	\$1,017,000	\$1,017,000
Municipal Capital	\$850,000	\$867,000	\$867,000	\$1,322,000	\$1,304,400	\$1,304,400
Additional Capital	\$650,000	\$949,000	\$1,300,760	\$1,339,500	\$1,062,500	TBD

- In FY22, consideration can again be given to adding additional one time request capital through use of free cash.
- The School Committee and Select Board will identify specific recommendations for items to be approved within the capital targets.

Prior years of capital borrowing are listed below.

	FY16	FY17	FY18	FY19	FY20	FY21
Borrowing Within Proposition 2 1/2	\$12,040,000	\$13,205,000	\$0	\$5,250,000	\$900,000	\$4,975,000
Borrowing Outside Proposition 2 1/2		\$0	\$0	0	\$0	\$0
Other Sources	\$450,000	\$0	\$0	0	\$0	\$0
Sewer		\$234,000	\$0	\$0	\$0	\$0



Base Capital Budget

Capital Budget Procedure

The Town of Westwood operates under state statutes and the Town Charter as adopted July 1, 1970 and amended 2010. The Town Charter provides for a Select Board/ 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 Select Board reviews and proposes all other capital projects, as well as overall funding, for presentation to the Finance and Warrant Commission and Town Meeting for their respective consideration.

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

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

Annual Capital Budget Schedule

September/ October

- All departments are requested to prepare and submit their five-year capital requests with detail provided on each request.
- During this period the Select Board 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 and Finance and Warrant Commission.
- The Select Board 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 within allowed funding which will be presented for approval.

January/February

- Capital requests are prioritized per available funding.
- Select Board 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

- Capital reviewed and approved by the Select Board before the final Finance and Warrant Commission public hearings.
- Finance and Warrant Commission votes on Select Board capital budget articles at their final public hearing.

May

- Town Meeting votes on capital articles.

FY2022 - FY2026 Capital Requests

Ongoing School and Municipal Capital Requests

Capital Project Requests	FY2022 Request	FY2023 Request	FY2024 Request	FY2025 Request	FY2026 Request	Total
Council on Aging						
Wheelchair Accessible Van	\$90,000	\$90,000		\$90,000	\$90,000	\$360,000
COA Department Total	\$90,000	\$90,000	\$0	\$90,000	\$90,000	\$360,000
DPW						
Public Works - Fleet						
One Ton Dump Truck with Plow (Truck 17)	\$75,000					\$75,000
Roadside Sweeper (Truck 4)	\$250,000					\$250,000
Asphalt Roller	\$50,000					\$50,000
1 Heavy Duty Dump Truck with Plow (Truck 10)		\$225,000				\$225,000
Backhoe/Loader		\$175,000				\$175,000
One Ton Dump Truck with Plow (Truck 26)		\$75,000				\$75,000
1 Heavy Duty Dump Truck with Plow (Truck 8)			\$225,000			\$225,000
1 Heavy Duty Dump Truck with Plow (Truck 20)			\$225,000			\$225,000
One Ton Dump Truck (Truck 30)			\$75,000			\$75,000
Front End Loader (L1)				\$250,000		\$250,000
One Ton Dump Truck (Truck 13)				\$95,000		\$95,000
Heavy Duty Dump Truck (Truck 27)					\$275,000	\$275,000
Heavy Duty Dump Truck (Truck 23)					\$225,000	\$225,000
DPW Department Total	\$375,000	\$475,000	\$525,000	\$345,000	\$500,000	\$2,220,000
Fire						
Replace Engines (2) (Lease Payments - payment 5 of 5)	\$226,400					\$226,400
Turnout Gear Purchase and Replacement	\$41,140	\$45,254	\$49,368	\$53,482	\$57,596	\$246,840
Swap-Body Multi Purpose Vehicle	\$400,000					\$400,000
SCBA Upgrade and Replacement	\$37,500	\$37,500	\$37,500	\$37,500	\$500,000	\$650,000
Rescue Upgrade and Replacement	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Radio Upgrade and Replacement	\$32,500	\$12,500	\$12,500	\$12,500	\$15,000	\$85,000
Replace Ambulance - Rotating cycle	\$387,500			\$395,000		\$782,500
Replace Ladder I			\$1,400,000			\$1,400,000
Replacement or Refurb of Fire Alarm Vehicle	\$35,000					\$35,000
Replacement of Command Staff Vehicles		\$65,000	\$65,000		\$65,000	\$195,000
						\$0
Fire Department Total	\$1,170,040	\$170,254	\$1,574,368	\$508,482	\$647,596	\$4,070,740
Information Technology						
End User Technology	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
IT Department Total	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Library						
Patron/Staff End User Technology	\$12,500	\$12,500	\$12,500	\$12,500	\$12,500	\$62,500
AHM (automated materials handler) upgrade	\$26,027					\$26,027
Website redesign and update			\$15,000			\$15,000
Library Department Total	\$38,527	\$12,500	\$27,500	\$12,500	\$12,500	\$103,527
Police						
Replacement of Police Vehicles	\$194,750	\$201,000	\$205,000	\$210,000	\$215,000	\$1,025,750
Safety Equipment	\$55,000	\$56,500	\$58,000	\$60,000	\$62,500	\$292,000
Police, Fire & EMS Radio Infrastructure	\$76,500	\$80,000	\$82,500	\$85,000	\$90,000	\$414,000
Police Department Total	\$326,250	\$337,500	\$345,500	\$355,000	\$367,500	\$1,731,750

FY2022 - FY2026 Capital Requests

Ongoing School and Municipal Capital Requests Continued

Capital Project Requests	FY2022 Request	FY2023 Request	FY2024 Request	FY2025 Request	FY2026 Request	Total
Municipal Buildings Maintenance						
CSMOB Paint and Floor	\$40,000					\$40,000
Wentworth Hall - F,F, & E	\$175,000					\$175,000
Building Management System Controls	\$50,000					\$50,000
Building Security	\$25,000					\$25,000
CSMOB mechanical upgrades		\$45,000				\$45,000
Cemetery Garage		\$35,000				\$35,000
DPW Garage		\$75,000				\$75,000
COA kitchen			\$75,000			\$75,000
Municipal Parking Lots			\$30,000		\$30,000	\$60,000
COA Doors			\$30,000			\$30,000
Library Painting				\$75,000		\$75,000
ADA Improvements				\$100,000		\$100,000
CSMOB Renovation					\$250,000	\$250,000
Facility Maintenance	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Energy Efficiency	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Building Maintenance Category Total	\$440,000	\$305,000	\$285,000	\$325,000	\$430,000	\$1,785,000
Westwood Affordable Housing Associates						
Building Maintenance and Improvement	\$150,000	\$150,000	\$100,000	\$100,000	\$50,000	\$550,000
WAHA Department Total	\$150,000	\$150,000	\$100,000	\$100,000	\$50,000	\$550,000
Total Ongoing Municipal Capital Requests	\$2,664,817	\$1,615,254	\$2,932,368	\$1,810,982	\$2,172,596	\$11,196,017
School						
Technology	\$345,500	\$927,500	\$187,500	\$319,500	\$319,500	\$2,099,500
HVAC and Controls	\$400,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,200,000
Roofing	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
Repair Items	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
Furniture, Fixtures, and Equipment	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$1,625,000
Vehicles	\$50,000	\$85,000	\$0	\$0	\$0	\$135,000
Copiers / Duplicators	\$40,000	\$85,000	\$40,000	\$40,000	\$40,000	\$245,000
Schools Total	\$1,960,500	\$2,422,500	\$1,552,500	\$1,684,500	\$1,684,500	\$9,304,500
Sewer Capital Requests						
Stormwater MS-4 Requirement	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$350,000
Inflow & Infiltration Program	\$500,000		\$500,000		\$500,000	\$1,500,000
Inflow & Infiltration Assessment		\$125,000		\$125,000		\$250,000
Pump Station Facility Program		\$500,000				\$500,000
Sewer Vac Truck Replacement		\$500,000				\$500,000
Sewer Total	\$570,000	\$1,195,000	\$570,000	\$195,000	\$570,000	\$3,100,000

FY2022 - FY2026 Capital Requests

Major School and Municipal Infrastructure Projects

Capital Project Requests	FY2022 Request	FY2023 Request	FY2024 Request	FY2025 Request	FY2026 Request	Total
Community Wide - Municipal/School Infrastructure						
Turf Field Replacement (Practice Field)	\$750,000					\$750,000
Recreation - Tennis Court Repurposing (Sheehan Site)		\$250,000				\$250,000
Pool - Deck Surfacing Replacement	\$200,000					\$200,000
Pool - Drainage and Refurbishment	\$110,000					\$110,000
Pool - Acoustic Panels		\$75,000				\$75,000
Recreation - Field Project		\$750,000				\$750,000
Municipal/School Infrastructure Total	\$1,060,000	\$1,075,000	\$0	\$0	\$0	\$2,135,000

Municipal Infrastructure						
Conant Road Culvert Design	\$200,000					\$200,000
Cemetery Expansion Design	\$100,000					\$100,000
Conant Road Culvert/Pond Construction		\$800,000				\$800,000
Cemetery Expansion Construction		\$1,000,000				\$1,000,000
Road/Sidewalk Improvement		\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000
Gay Street Sidewalk Construction			\$4,000,000			\$4,000,000
Municipal Infrastructure Total	\$300,000	\$2,100,000	\$4,300,000	\$300,000	\$300,000	\$7,300,000

Overall Summary of Capital Requests

Summary of Requests:	FY2022 Request	FY2023 Request	FY2024 Request	FY2025 Request	FY2026 Request	Total
Ongoing Projects:						
Municipal	\$2,664,817	\$1,615,254	\$2,932,368	\$1,810,982	\$2,172,596	\$11,196,017
Sewer	\$570,000	\$1,195,000	\$570,000	\$195,000	\$570,000	\$3,100,000
Schools	\$1,960,500	\$2,422,500	\$1,552,500	\$1,684,500	\$1,684,500	\$9,304,500
Total Ongoing Projects	\$5,195,317	\$5,232,754	\$5,054,868	\$3,690,482	\$4,427,096	\$23,600,517
Community Wide Municipal/School Infrastructure	\$1,060,000	\$1,075,000	\$0	\$0	\$0	\$2,135,000
Municipal Infrastructure	\$300,000	\$2,100,000	\$4,300,000	\$300,000	\$300,000	\$7,300,000
Total Capital Requests	\$6,555,317	\$8,407,754	\$9,354,868	\$3,990,482	\$4,727,096	\$33,035,517

The Town and Schools remain committed to ongoing investment in major facilities. The following identifies current projects under consideration. The amounts listed are estimates only, given to provide general parameters.

Major Building Projects

The Costs for these future building proposals are currently estimates only.
Projects/Amounts listed for informational purposes only

Summary of Requests:	FY2022 Request	FY2023 Request	FY2024 Request	FY2025 Request	FY2026 Request
Schools Elementary Building Project	estimated	\$88,000,000			
Town Hall Renovation			\$10,500,000		
Senior Center Expansion			\$40,000	\$6,000,000	
Fire Station 1 Site Analysis and Design	\$1,250,000				
Fire Station 1 - New Build - Estimate Only		\$15,000,000			
DPW Facility	\$18,000,000				
Sewer Maintenance Facility Design & Construction	\$100,000	\$3,000,000			
Community/Recreation Center Construction		\$100,000	\$3,000,000		