



From the Desk of Mayor Andy Skibitsky

September 24, 2013

Dear Neighbor:

Enclosed is your certified property tax statement. Your 4th quarter taxes are due on November 1, 2013 with a ten calendar day grace period. If you have any questions regarding when your taxes are due, please contact the Tax Collector by phone (908-789-4051) or via e-mail to taxcollector@westfieldnj.gov.

As a taxpayer myself, I understand how important it is to know how your tax dollar is distributed. While the Westfield Town government is charged with the responsibility of collecting property taxes, the Town does not keep, nor does it have control over, everything it collects. In fact, it only keeps 16.8% of the taxes it collects to pay for municipal operations. Put another way, the Town keeps less than 17¢ of each dollar it collects to fund the numerous municipal services and statutory functions provided to its residents.



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| ✓ police protection | ✓ electricity for street lighting | Statutory functions such as |
| ✓ fire fighting and prevention services | ✓ snow plowing | ✓ tax collection |
| ✓ pressurized fire hydrants | ✓ recreational programs and facilities | ✓ tax assessment |
| ✓ senior transportation | ✓ curbside recycling | ✓ engineering |
| ✓ school crossing guards | ✓ RVSA (sewage & wastewater) | ✓ building inspection |
| ✓ public health services | ✓ stormwater management | ✓ planning & zoning |
| ✓ maintenance of 380 roads | ✓ conservation center | ✓ voting |
| ✓ leaf collection and disposal | ✓ town tree maintenance, and | ✓ vital statistics |
| ✓ 10 municipal parks | | ✓ municipal court |

If the Town only keeps slightly less than 17¢ on the dollar, where does the remaining 83¢ go?



1.6% of the property taxes collected are dedicated to the Westfield Memorial Library. Effective March 21, 2011, the State of New Jersey enacted P.L. 2011, c.38 (S-2068), which transferred the mandatory public library appropriation from being reported as part of the municipal budget to a new and separate line on the certified property tax statement. By state law, the financial management of the Westfield Memorial Library is under the control of the Library Board of Trustees.



23.1% of the property taxes collected are sent to the County of Union. This part of your tax bill is controlled by your elected representatives on the Union County Board of Chosen Freeholders (www.ucnj.org/government/freeholders). The County of Union budget is posted on its website at:

<http://ucnj.org/wp-content/uploads/2010/08/COB-Regular-Budget-Year-2013-.pdf>



58.5% of the property taxes collected are sent to the Westfield School District. This part of your tax bill is managed by your elected representatives on the Westfield Board of Education. The District's budget is posted on their website at:

www.westfieldnj12.org

Each year I have included a letter with your property tax statement to provide as much information as space allows about where your tax dollars go as well as to highlight some of the factors that affect the municipal portion (16.8%) of your property tax bill. My past letters as well as the 2013 municipal budget in its entirety and in the format required by the State are available for your review on the Town's website, www.westfieldnj.gov.

This year, let me begin by assuring residents that the Town's tax levy is in full compliance with the 2% cap law. In fact, the tax levy is actually \$523,098 less than the amount permitted by law. You may recall that the tax levy is simply the difference between anticipated non-property tax revenues and anticipated expenditures, or the amount needed to balance the budget (non-property tax revenues - budgeted expenditures = tax levy). In its simplest terms, the "cap" law states that the tax levy cannot be raised more than 2% over the prior year. The law, however, recognizes that there are some costs that may be preset or beyond local control, such as deferred charges for emergencies, and therefore does provide for limited exemptions. For budget year 2013, in accordance with the State's cap law, the Town was approved for a maximum tax levy of \$26,098,268. The Town's 2013 operating budget included an actual tax levy of \$25,575,170, which translates to an increase of approximately \$5.17 per month on the average assessed home.

Regarding the 2013 operating budget, please keep in mind that the following discussion applies only to the municipal portion (16.8 %) of your property tax statement. In my past letters, I have highlighted the many efforts taken over recent years to bring spending down to sustainable levels while at the same time preserving municipal services and fulfilling the Town's statutory functions. These efforts are never-ending. For example, like most entities, public or private, Salaries and Wages comprise the largest piece of the Westfield municipal budget pie. Mostly through attrition, assignment efficiencies, and reasonable bargaining unit agreements, the Town's workforce has been responsibly reduced by 20% since 2005. In fact, for 2013, the aggregate Salaries and Wages line is actually less than it was in the 2005 budget. Even so, I want to assure residents that public safety remains at the forefront of our priorities. Most of the current Salaries and Wages line is reserved for our public safety professionals. You may be interested to know that the Police Department employs 52 police officers plus the Chief, 5 public safety dispatchers, 5 traffic enforcement officers, and 49 crossing guards. The Westfield Fire Department, unique in that it is among the minority (25%) of departments in the State that is a paid "career" department (the remaining 75% are volunteer departments), employs 28 full-time fire fighters, the Fire Chief and the Deputy Fire Chief. Its career ranks are enhanced by 10 fully-trained volunteers. The Town is very fortunate to have dedicated and highly trained police officers and fire fighters watching over us 24/7, 365 days a year.

While much has been accomplished in controlling costs on the expenditure side, please keep in mind that there is another side to the budget - the revenue side. The significant decline in non-property tax revenues in recent years has proven to be an extraordinary challenge in balancing the budget. Looking back to 2006, my first budget as Mayor, 44% of the municipal budget was funded with non-property tax revenues. In 2013, 33.5% was funded with non-property tax revenues. So, in order to comply with the State's cap law, preserve and in some areas, enhance, municipal services, fulfill statutory functions, and balance the budget, the Town not only worked to contain costs, it continued to seek revenue enhancements such as grants, maximize reimbursement opportunities, increase efficiencies, share services where possible, and limit debt. For example, the Town received a NJ DOT grant of \$225,000 for roadway infrastructure improvements. The Town correctly and promptly met all the requirements for FEMA reimbursement of expenses incurred as a result of Superstorm Sandy. Using affordable, and in some cases free, technologies, the Town implemented efficiencies and provided more conveniences to residents, such as on-line payment options via an upgraded website and the broadcasting of timely informational notices via Twitter and Nixle. The Town shares several services with neighboring municipalities, the largest being the inter-local agreement with eight other municipalities to provide regional public health services, and as a subset of shared services, utilizes purchasing coops to take advantage of pre-negotiated volume pricing for goods and materials and participates in NJSEM ("Sustainable Energy Meeting"), a knowledge based energy purchasing group of 186 towns that provides a potent leveraging pool for electric pricing and assists with meeting environmental goals. The Town continues to employ a "pay as you go" approach to its fiscal management decisions resulting in a very low level of debt service costs at just 5.6% of the budget.

To be sure, the municipal operating budget is not just about raw numbers – it's about funding the municipal services and governmental functions that preserve the character of the community and advance the quality of life for as many residents as possible. To do so, we must constantly strive to find the best balance possible with the finite resources under the Town's control. I am very confident that we have succeeded in setting the foundation for long-term fiscal sustainability while preserving, and in some cases enhancing, municipal services and fulfilling statutory functions. Though tough decisions were made along the way, we are on the right course and the future looks brighter and brighter. I realize that it is not possible to address all the complexities of municipal budget matters on a single page, so I remain available to personally meet with you during my Saturday morning office hours. If you would like to schedule an appointment, please call my office (908-789-4041) and we will be happy to help you.

I very much appreciate your time and I look forward to seeing you around town.

