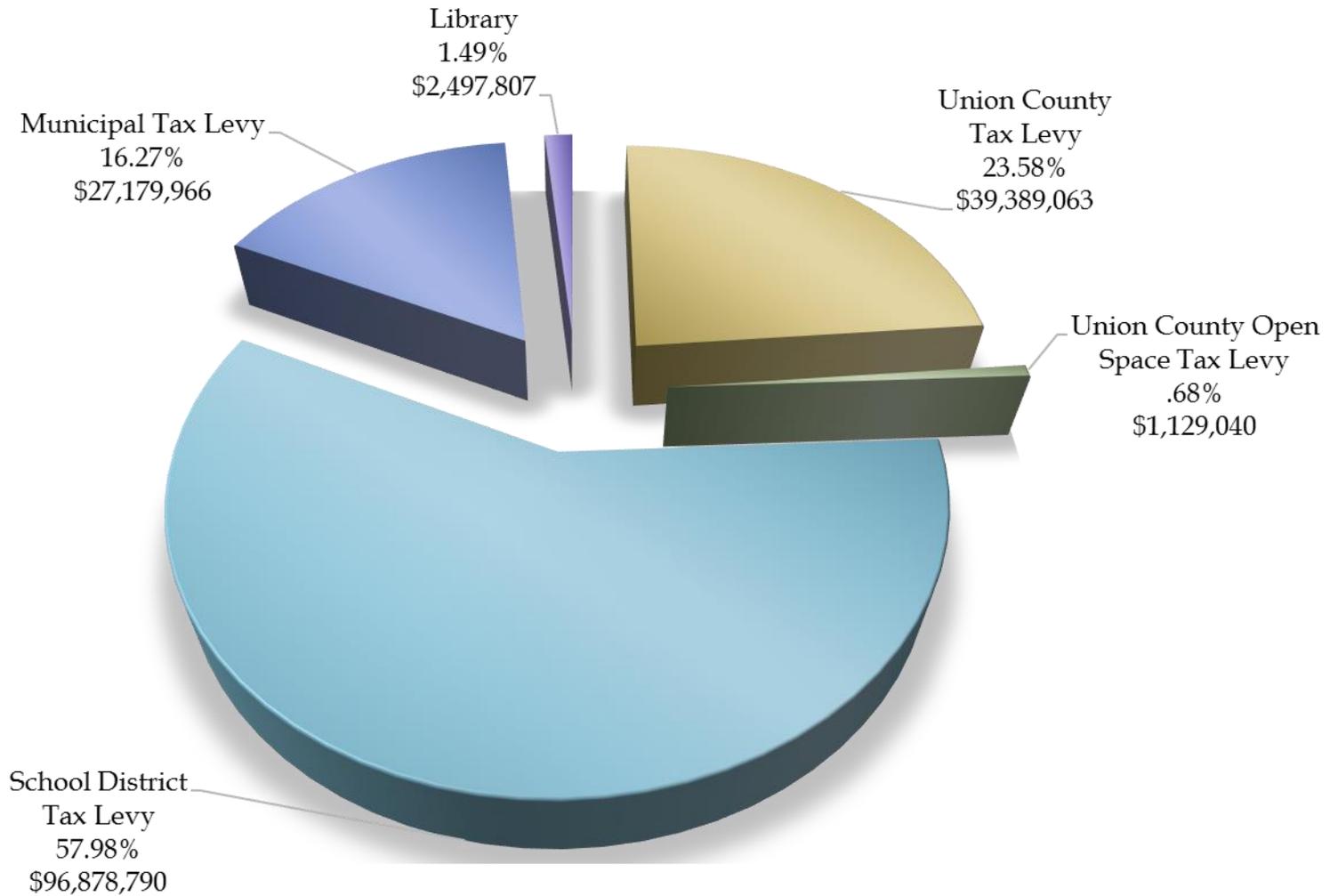


# TOWN OF WESTFIELD

2017 Municipal Budget Presentation  
March 21, 2017

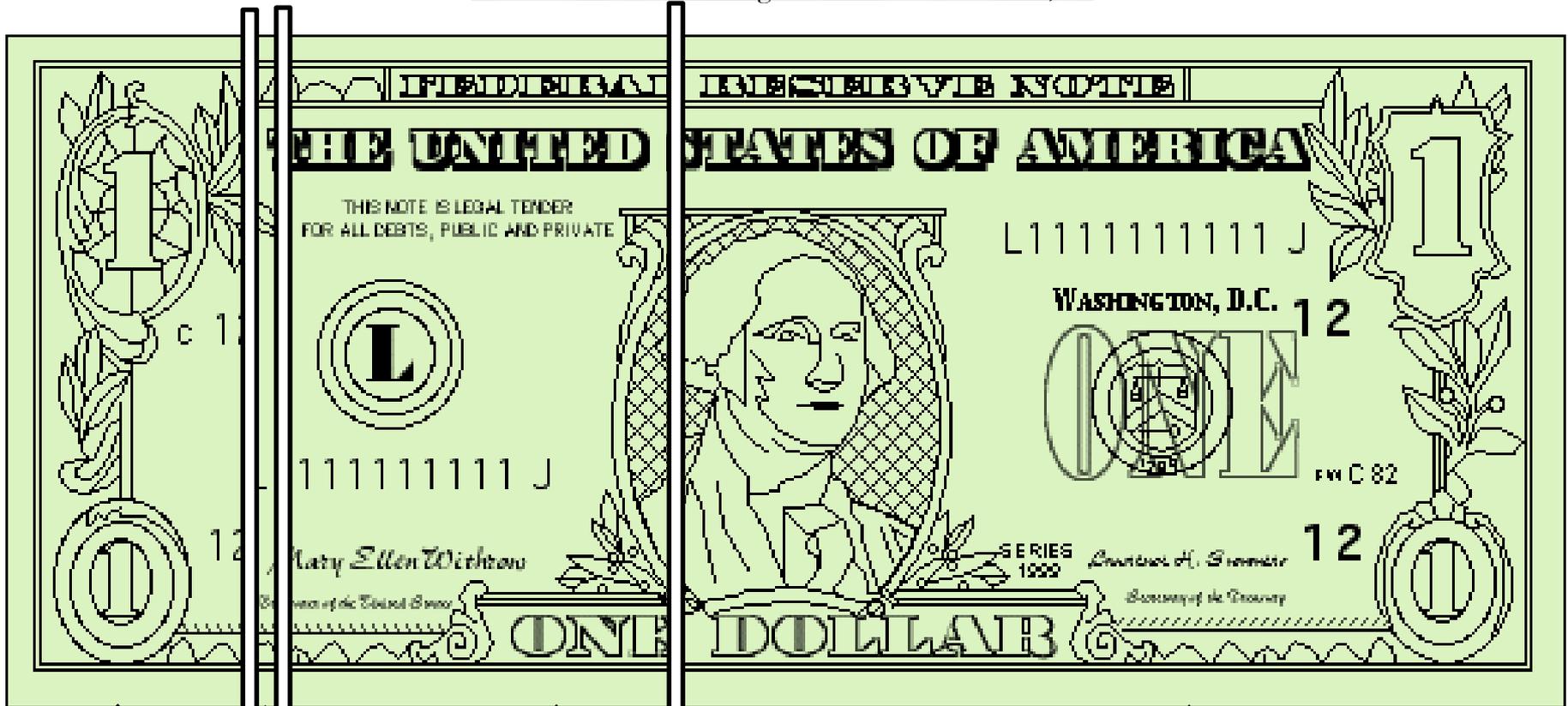


# 2016 Total Tax Collections = \$167,074,666



# 2017 – Where Your Tax Dollar Goes

\*Estimated for the average assessed home = \$180,900



**Municipal**  
**Portion**  
 15.95%\*  
 \$2,695  
**Tax Rate**  
 1.490

**Library**  
**Portion**  
 1.47%\*  
 \$248  
**Tax Rate**  
 .137

**Union County**  
**Portion**  
 24.80%\*  
 \$4,189  
**Tax Rate**  
 2.320\*

**School District**  
**Portion**  
 57.77%\*  
 \$9,760  
**Tax Rate**  
 5.395\*

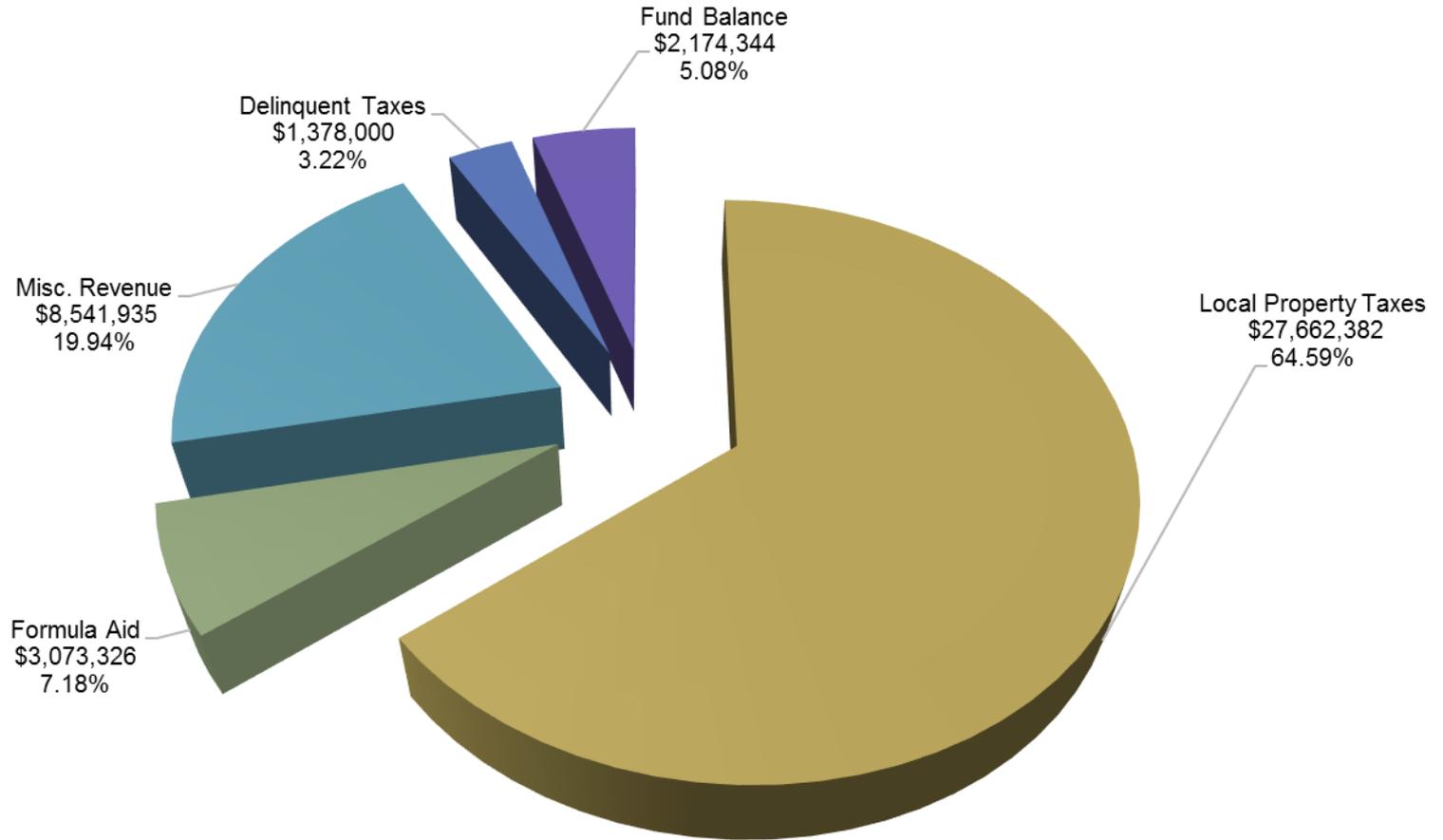
# 2017 Municipal Portion of the Tax Bill

- ❑ The Town has had a AAA bond rating and the Town's rating was reaffirmed in August 2015 when long term bonds were issued for recent capital projects. The August 2015 rating report reads in part "...Beginning in 2012, and following years of structural imbalance, the Town made a number of changes to restore fiscal health and rebuild fund balance. Costs were cut via attrition and staff reductions, and revenues were... [enhanced]. Fiscal 2014 marks the third year in a row with a general fund surplus since the aforementioned fiscal measures began."
- ❑ The Town has continued to perform well and rebuild fund balance in 2015 and 2016. Since 2012 this has translated into a reduced portion of the total taxes collected being used to support municipal services.

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
16.9%	16.82%	16.56%	16.32%	16.27%	15.95%*

\* estimated

# 2017 – Anticipated Revenues



# 2017 Anticipated Revenue - Detail

## Miscellaneous Revenues

**\$8,541,935** -41,520 (-0.48%)

### □ Large Items include:

□ Municipal Court Fines & Fees	\$ 700,000
□ Parking Fees (Permits, Meters, Paystations)	\$1,795,000
□ Building Department Fees	\$ 970,000
□ Sewer Fee	\$1,680,000
□ Miscellaneous Fees and Permits	\$ 535,000
□ Cable Franchise Fees	\$ 479,649
□ Interest & Costs on Taxes	\$ 300,000
□ Health Services Agreements	\$ 450,578

## Formula Aid (State)

**\$3,073,326** Flat

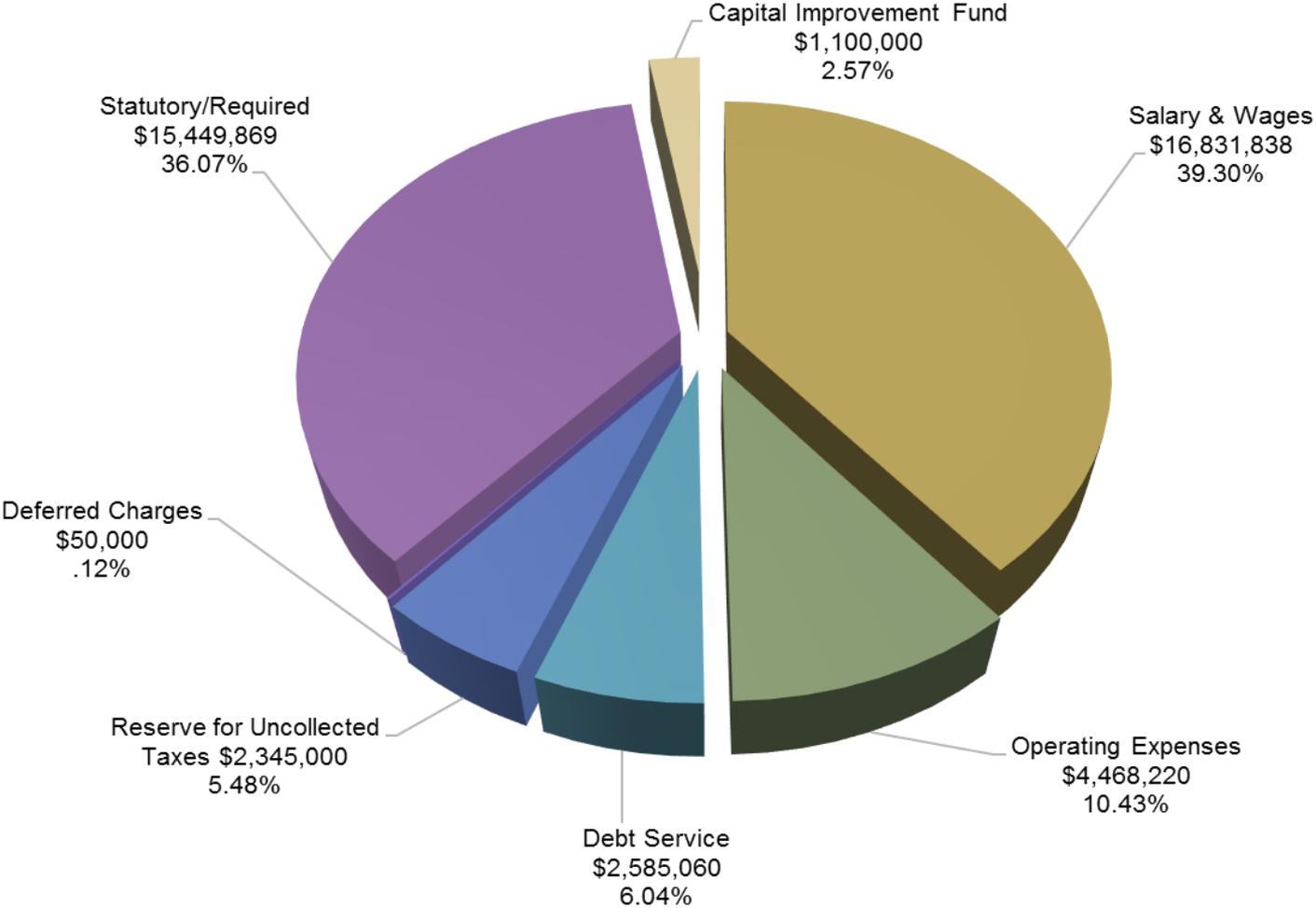
## Delinquent Taxes

**\$1,410,000** -\$32,000 (-2.27%)

## Fund Balance

**\$2,174,344** +\$1,200,000 123%

# 2017 Municipal Budget – Expenditures



# 2017 – Expenditure Detail

- ▣ **Operating expenses** have increased due to added funds due to increased costs of curbside recycling program, continued improvements to our public buildings and the continuation of replacing needed equipment without having to resort to borrowing, thus reducing our reliance on borrowing and better managing our debt service over time. (\$4,468,220) (10.4%)
- ▣ **Salaries & Wages** in the aggregate are below 2008 levels. Retirements and successful collective bargaining negotiations have established a sustainable course for newly hired unionized employees. The increase in 2017 includes continued enhancements to public safety staffing and other staffing where appropriate and includes additional costs for expected retirements and replacement hires. (\$16,831,838) (39.3%)

# 2017 – Expenditure Detail

- ▣ **Capital Improvement Fund** has been increased again to continue to enhance our public works equipment and to continue to reinvest in our infrastructure. (\$1,100,000) (2.57%)
- ▣ **Reserve for Uncollected Taxes.** Since the Town acts as the collection agency for all governmental entities we must budget monies in the event all the taxes are not collected. (\$2,345,000) (5.48%)
- ▣ **Debt Service** has a manageable increase of \$173,195 for 2017. (\$2,585,060) (6.04%)
- ▣ **Statutory/Required expenditures** have increased. Majority of increase is due to bills received from other entities including State pension costs and RVSA costs along with annual negotiated health insurance costs. (\$15,449,869) (36.07%)

# 2017 Tax Levy & Tax Rate

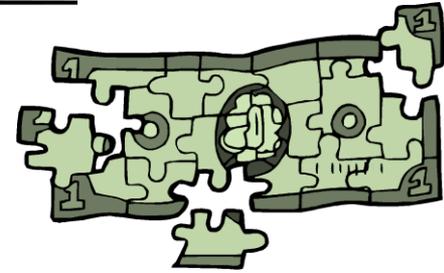
The Tax Levy is what the municipality needs to raise through taxation of property owners after accounting for non-property tax revenues and anticipated expenditures.

There is a 2% cap on the tax levy plus there are allowable exclusions that can be passed through to the taxpayers which include increases in debt service, capital expenditures, pension obligations in excess of 2%, health benefit cost increases in excess of 2% and increases in ratables due to new construction. These exclusions amount to \$789,520 in 2017.

For the third straight year, the municipal budget does not pass through to taxpayers any of the allowable exclusions and produces a tax levy increase below 2%.

The Tax Rate is the result of the municipal tax levy divided by the assessed value of all town property (annual ratables). For the third straight year the tax rate increase is below 2%. In 2016 the tax rate increase was 1.73% for municipal purposes and in 2017 the proposed tax rate increase is 1.43%.

# 2017 Municipal Tax Levy Calculation



Total Expenditures	\$42,829,987
minus	
Anticipated Revenues	\$15,167,605
equals	
Tax Levy	\$27,662,382 (1.77%)
divided by	
Total Ratable Value	\$1,856,860,572
equals	
Tax Rate (Municipal)	1.490 (1.43%)

Average assessed home in 2017 = \$180,900

Approx. increase for municipal portion of tax bill on average assessed home =  
\$45/year (less than \$4/month)