

TOWN OF WESTFORD

State of the Town Fiscal Year 2010

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Town Manager
May 9, 2009

Introduction

- **What is the state of our town?**
 - **Our town finances are in good shape**
 - **We are cautiously optimistic about FY2011**
 - **Bond ratings Aa3 and AA+**
 - **Low debt burden according to S&P**
 - **Committed to long range fiscal planning**
 - **Committed to transparency**
 - **Committed to responsible economic development**

Board of Selectmen

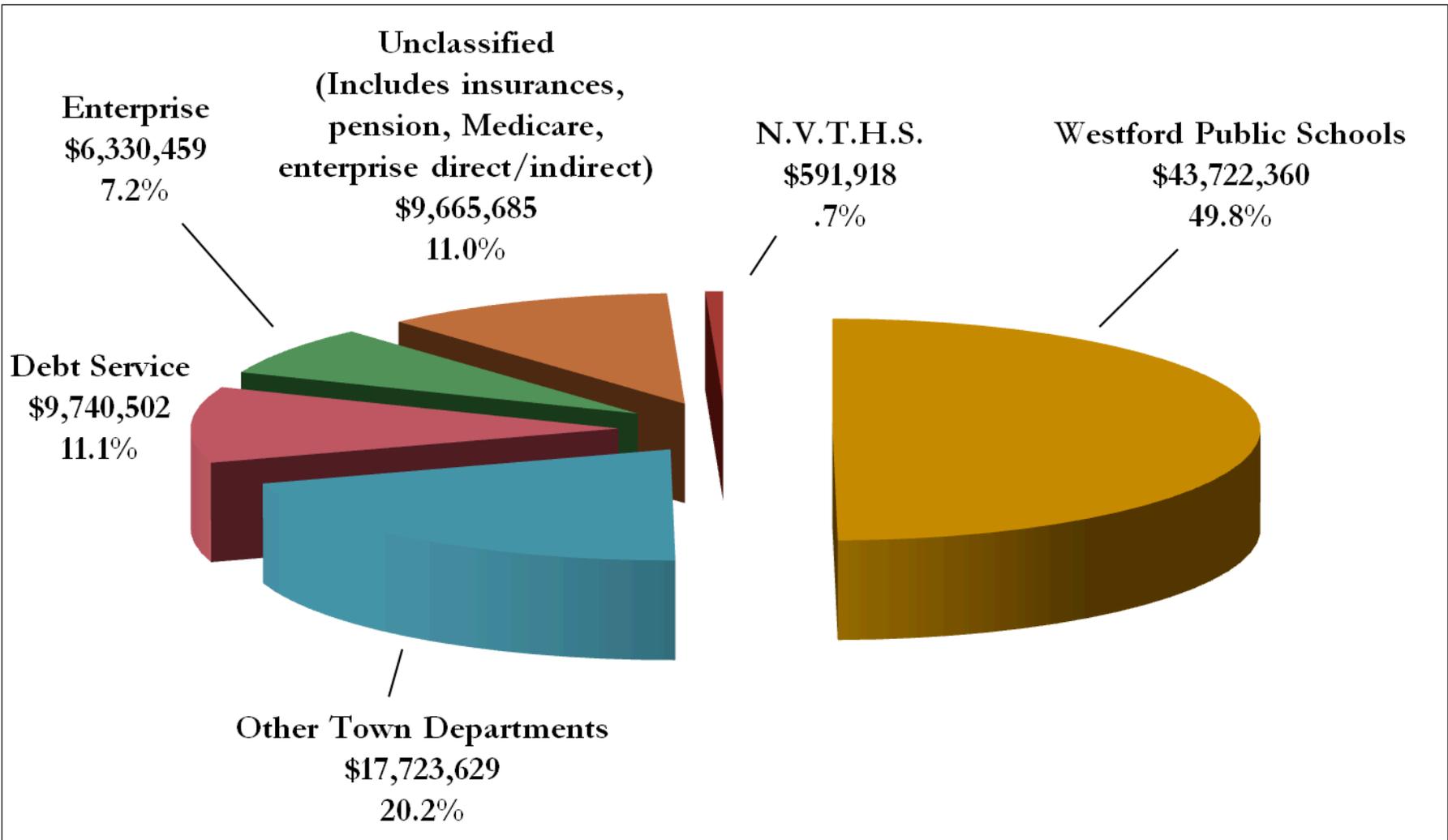
FY2009 - 2010 goals

- Develop budget without override
- Reduce costs where possible
- Negotiate responsible collective bargaining agreements
- Control health insurance costs
- Reduce gap between revenues and spending
- Consolidate departments to improve efficiency and reduce costs
- Centralize facility and vehicle maintenance

FY2010 Recommended Budget

■ Operating budget	\$87,774,553
■ Capital projects	1,500,000
■ Other articles	834,023
■ Other amounts to be raised	837,194
■ State & County cherry sheet chg	451,771
■ Allowance for abatements	475,000
■ TOTAL 2010 Budget	
\$91,872,541	

Fiscal 2010 Operating Budget



Cost Saving Measures

- Town operating budgets (4.6%) from FY09
- RFPs for legal, insurance, health ins 360,000
- Reduced staffing levels 348,000
- Reduced compensation reserve 192,000
- Reduced IT expenses 68,000
- Negotiated lower tipping fees 57,000
- Reduced office supplies 41,000
- Reduced printing 25,000
- Hiring and spending freezes implemented
- Restricted use of town vehicles

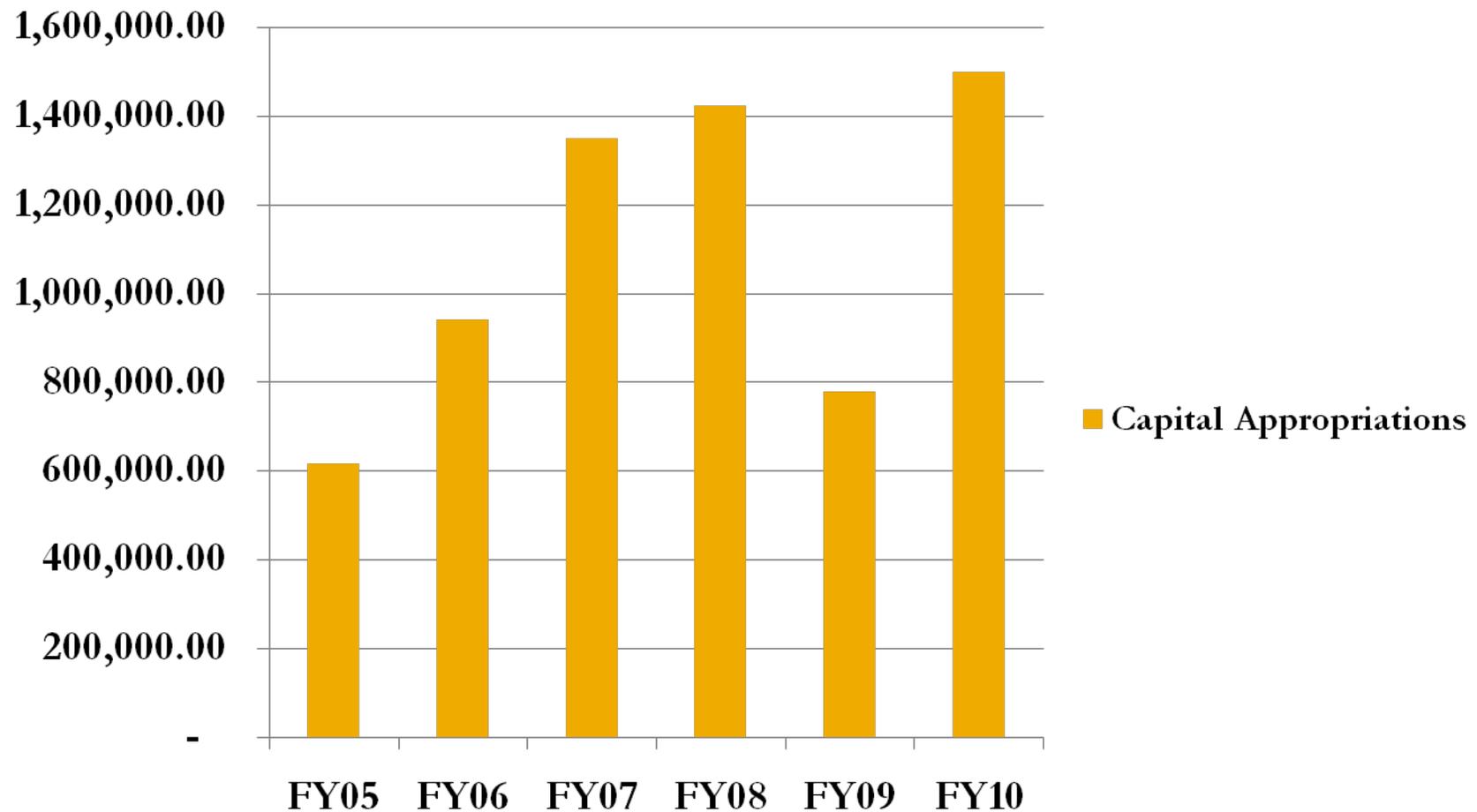
Enterprise Funds

- **Water - no subsidy**
- **Ambulance - decreased subsidy by 2%**
 - **FY09 - 47.3%** **FY10 - 45.5%**
- **Recreation - decreased subsidy by 9%**
 - **FY09 - 25.4%** **FY10 - 15.9%**

Capital Expenses

- Created a Capital Planning Committee who reviewed, prioritized and recommended town-wide capital budget.
- \$1.5M Capital Budget submitted by Town Manager
 - Includes \$361,311 to Capital Stabilization Fund for a balance of \$461,311.

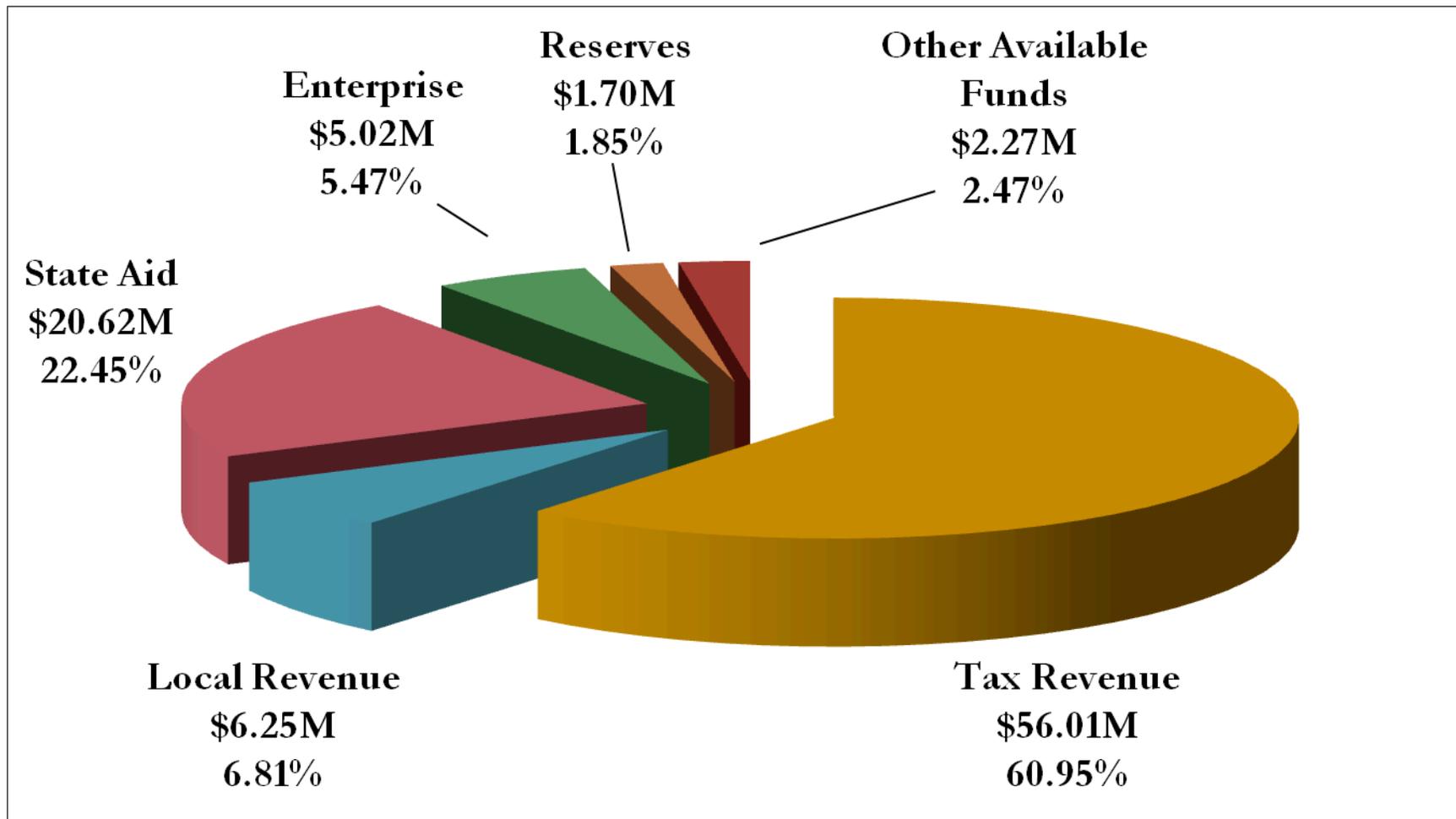
Capital Appropriations FY2005 – 10



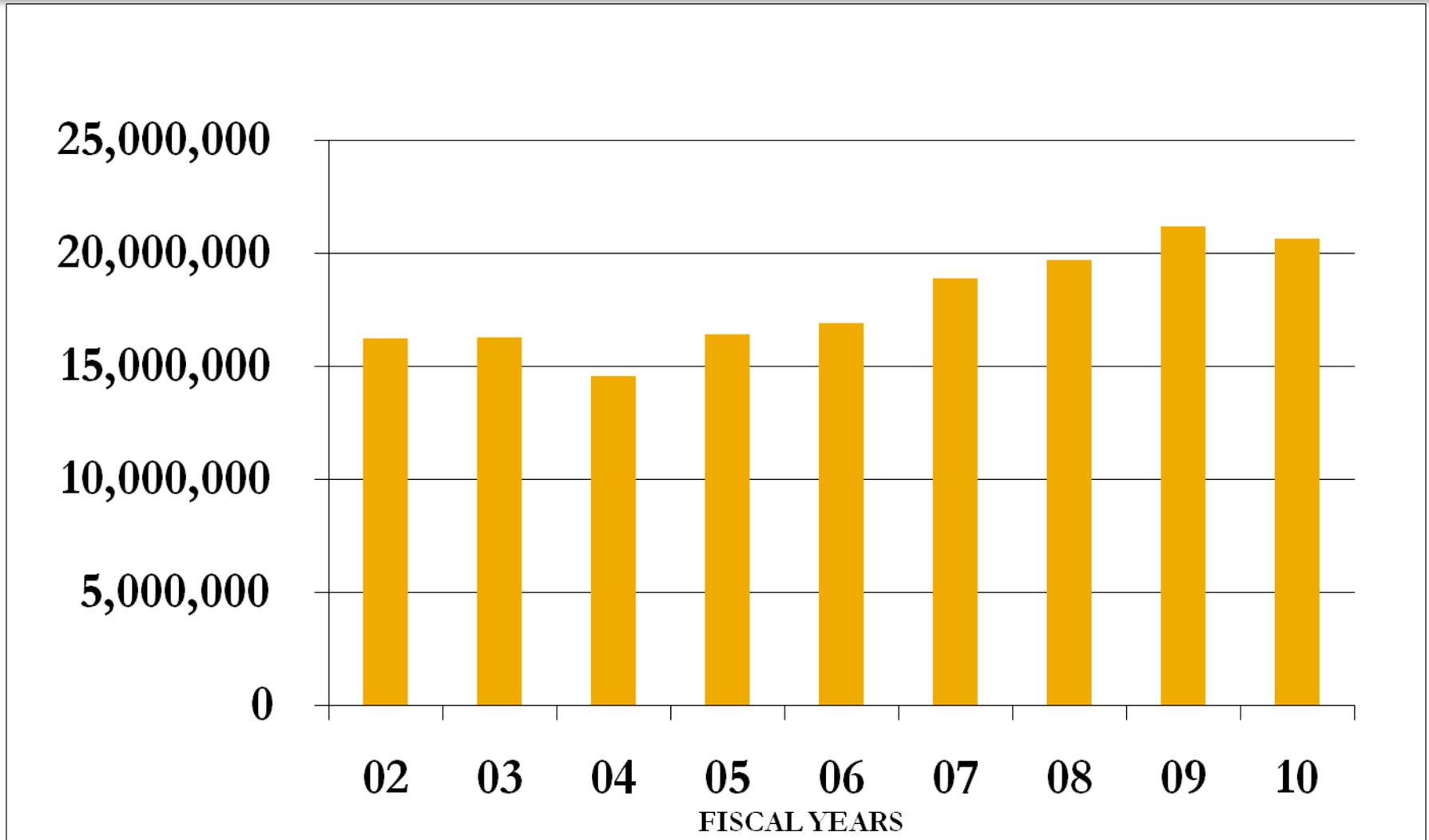
FY2010 Projected Revenue

■ Tax Revenue	\$56,006,671
■ Local Revenue	6,252,618
■ State Aid	20,622,568
■ Available Funds	2,272,238
■ Enterprise Revenue	5,021,652
■ Free Cash Applied	1,696,794
■ TOTAL 2010 Revenue	\$91,872,541

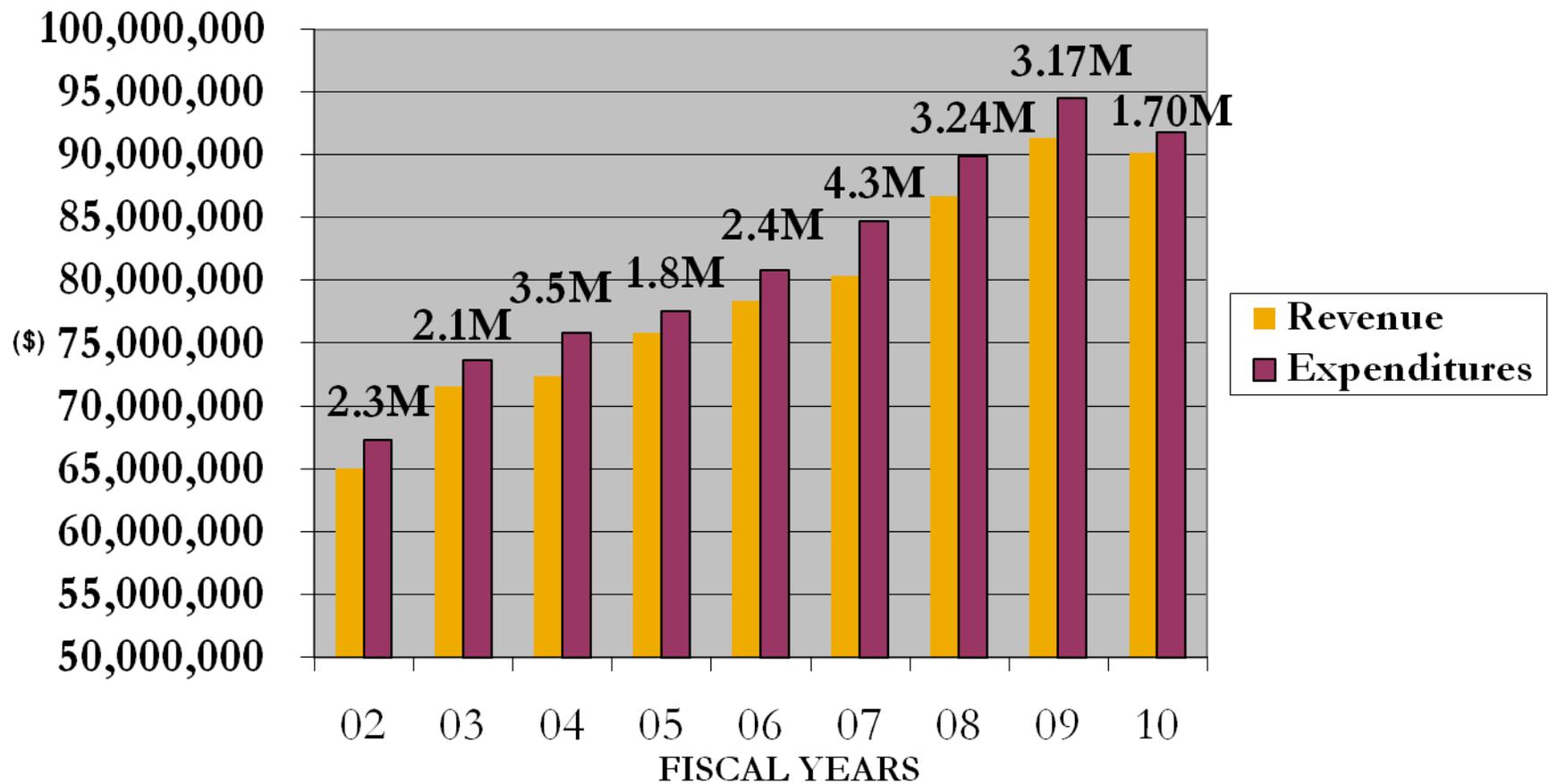
Estimated Revenue/Available Funds



State Aid



Revenue vs Expenditure Gap



Possible New Revenue Sources

- Permitting software sales to other municipalities may produce \$175K+
- Permits & new growth – Cornerstone Square, Westford Crossing
- Boston Road development \$30K+
- Increased user fees \$60k
- Lease or sale of town buildings
- Sale of tax possession land

Other Measures

- Secured FEMA funds for Ice Storm – \$600,000
- Recommend solid waste reduction program to reduce tipping fees – savings est. \$130K /yr
- Regionalize where appropriate
- Improve communication – with staff & public
- Establish department head goals with performance reviews based on achievement
- Project 5 year budget to assist us with long-term strategic planning

Reorganization

- Our organizational structure needs to reflect our current and future needs
- Beginning to consolidate administrative functions of town and schools
- Director of Land Use Management position needed to manage future growth
- Task force studying the formation of a Department of Public Works

Change is necessary

- The best way to insure your extinction is to refuse to change. (Jeff Bezos – founder of Amazon.com)
- We are committed to examining every opportunity and bringing forth creative, innovative recommendations to insure the level of services and quality of life you have come to expect.

Conclusion

- **We are committed to:**
 - **Ongoing review and implementation of Efficient Town Government and Long Range Fiscal Policy committee recommendations**
 - **Seeking acceptance of the Comprehensive Master Plan and insuring its implementation**
 - **Monitoring of the economy, state aid, and local revenues**
 - **Commitment to protect town services, infrastructure, and cost containment to maintain the town's financial viability for now and in the future**