State of the Town
Fiscal Year 2011
Jodi Ross
Town Manager
March 27, 2010
By budgeting conservatively and reducing or controlling expenses where possible - our town finances are in good shape

We are optimistic about our ability to balance the FY2011 budget

Bond ratings Aa3 and AA+

Low debt burden according to S&P – decrease in P&I of $1.3M

Committed to long term fiscal planning & transparency

Committed to responsible economic development
Develop FY11 budget without override and reduce reliance upon non-recurring cash reserves
- Implement cost-savings measures
- Consolidate procurement across town departments
- Evaluate contracted services, use bids and RFPs to improve service and reduce costs
- Review health insurance plans for cost control
- Complete RFP process and recommend lease for town-owned buildings
Board of Selectmen/Town Manager
2010 Goals

- Oversee Town Hall and Cameron Senior Center construction projects
- Coordinate and assist with Boston Road affordable housing project
- Manage perchlorate remediation
- Increase recycling to reduce solid waste costs
- Assist with Unaccepted Road Committee
Board of Selectmen/Town Manager 2010 Goals

- Redesign town’s sign bylaw and insure enforcement
- Redesign town’s cell tower bylaw seeking input from residents and officials
- Enhance employee morale
- Perform annual performance reviews
- Insure consistency across collective bargaining agreements
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating budget</td>
<td>$89,462,637</td>
</tr>
<tr>
<td>Capital projects</td>
<td>1,975,000</td>
</tr>
<tr>
<td>Other articles</td>
<td>1,891,640</td>
</tr>
<tr>
<td>Other amounts to be raised</td>
<td>521,504</td>
</tr>
<tr>
<td>State &amp; County cherry sheet chg</td>
<td>386,662</td>
</tr>
<tr>
<td>Allowance for abatements</td>
<td>475,000</td>
</tr>
<tr>
<td><strong>TOTAL 2011 Budget</strong></td>
<td><strong>$94,712,443</strong></td>
</tr>
</tbody>
</table>
Fiscal 2011 Operating Budget

- **Unclassified (insurances, pension, Medicare, enterprise dir/ind)**
  - $10,481,604
- **N.V.T.H.S.**
  - $683,262
  - 0.76%
- **Westford Public Schools**
  - $45,143,337
  - 50.46%
- **Other Town Departments**
  - $18,165,092
  - 20.30%
- **Debt Service**
  - $8,542,125
  - 9.55%
- **Enterprise**
  - $6,447,217
  - 7.21%
FY11 Budget Highlights

- Tax Possession Sale Committee auction
- Recreation Enterprise – zero subsidy
- Implementation of Advanced Life Support
- Wetlands fees offset increase
- Renovated Town Hall opening fall 2010
- Cameron Senior Center opening June 2010
- Two additional police dispatchers
- Reduction of SAFER grant
- Management Performance Training
Capital Planning Committee reviewed, prioritized and recommended town-wide capital budget

- $1.975M Capital Budget submitted by Town Manager ($600K transferred from previous projects)
  - Includes $435,728 to Capital Stabilization Fund for a balance of $775,565
Capital Appropriations FY2005 – 11

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Appropriations ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY05</td>
<td>500,000</td>
</tr>
<tr>
<td>FY06</td>
<td>1,000,000</td>
</tr>
<tr>
<td>FY07</td>
<td>1,500,000</td>
</tr>
<tr>
<td>FY08</td>
<td>2,000,000</td>
</tr>
<tr>
<td>FY09</td>
<td>1,500,000</td>
</tr>
<tr>
<td>FY10</td>
<td>2,000,000</td>
</tr>
<tr>
<td>FY11</td>
<td>2,500,000</td>
</tr>
</tbody>
</table>
## FY2011 Projected Revenue

<table>
<thead>
<tr>
<th>Revenue Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Revenue</td>
<td>$56,973,508</td>
</tr>
<tr>
<td>Local Revenue</td>
<td>6,554,258</td>
</tr>
<tr>
<td>State Aid</td>
<td>*20,661,081</td>
</tr>
<tr>
<td>Available Funds</td>
<td>3,682,222</td>
</tr>
<tr>
<td>Enterprise Revenue</td>
<td>5,200,064</td>
</tr>
<tr>
<td>Free Cash Applied</td>
<td>1,641,310</td>
</tr>
<tr>
<td><strong>TOTAL 2011 Revenue</strong></td>
<td><strong>$94,712,443</strong></td>
</tr>
</tbody>
</table>

*Senate state aid proposal*
Estimated Revenue/Available Funds

- State Aid: 20,661,081 (22%)
- Local Revenues: 6,554,258 (7%)
- Enterprise: 5,200,064 (5%)
- Reserves: 1,641,310
- Other Available Funds: 3,682,222 (4%)
- Tax Revenue: 56,973,508 (60%)
State Aid

FISCAL YEARS

($)

02 03 04 05 06 07 08 09 10 11
Reserves Applied to Balance Budget

FISCAL YEARS

($)

02 03 04 05 06 07 08 09 10 11
New Revenue Sources

- Permitting software sales to other towns $50K+
- Permits & new growth $850K+
- Boston Road development $30K+
- Lease of town owned buildings
- Lease of East Boston Camps
- Sale of tax possession land $100 - $200k
- Maine Drilling and Blasting settlement $1M
- Seeking additional settlement from perchlorate suppliers
- 2% SRF financing for Stepinski/Cote/treatment plant project, including $500k principal forgiveness
# MD&B Settlement Allocation

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment 1</td>
<td>$500,000</td>
</tr>
<tr>
<td>Payment 2</td>
<td>250,000</td>
</tr>
<tr>
<td>Water Department Allocation</td>
<td>(314,376)</td>
</tr>
<tr>
<td>To Receipts Reserved Appropriation</td>
<td>$435,624</td>
</tr>
<tr>
<td>ATM Appropriations:</td>
<td></td>
</tr>
<tr>
<td>• Art. 2 Replenish Reserve Fund</td>
<td>$115,000</td>
</tr>
<tr>
<td>• Art. 5 Debt Payment Year 1</td>
<td>49,696</td>
</tr>
<tr>
<td>• Art. 11 Perchlorate Expenses</td>
<td>100,000</td>
</tr>
<tr>
<td>• Art. 12 Perchlorate Stabilization</td>
<td>170,928</td>
</tr>
<tr>
<td>(Additional $250K to be received 12/20/11)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$435,624</td>
</tr>
</tbody>
</table>
Cost Saving Measures

- Town operating budgets increase less than 1%
- Bids/RFPs for health ins, refuse collection & disposal, recycling, electricity, gasoline
- Ongoing monitoring of staffing levels
- Reduced compensation reserve
- Virtualization of computers
- Internal hosting of MUNIS
- Reduced office supplies & printing
- Restricted use of town vehicles
- Cancel lease with 515 Groton Rd for records storage
- Final payment for Abbot oil spill clean-up
Westford Public Schools' Spring 2009 MCAS scores in top 2 - 3% of all school systems in the state in most grade levels tested

Recycling Commission recommended enhanced recycling program to reduce tipping fees – savings estimated $130K per year

Energy Committee received $150K grant for installation of solar panels on Stony Brook School (solar panels will also be installed on Westford Academy)

Board of Health coordinated a successful public health response to H1N1 – controlling costs by utilizing MRC volunteers
Our Commitment

- Examine every opportunity and bring forth creative, innovative actions to insure the level and quality of services you have come to expect
- Implement Comprehensive Master Plan recommendations
- Monitor the economy, state aid, local revenues, and pursue appropriate business opportunities to increase local jobs
- Maintain the town’s financial stability for now and in the future