First Selectman's Recommended Budget July 1, 2017 – June 30, 2018

Presentation to the Board of Finance
March 1, 2017

Yearly Fiscal Objectives

Funding Long Term Liabilities

- Pension
- OPEB
- Long-Term Debt

Operational Cost Efficiencies

- Sustainable
- Repeatable

Revenues to Off-set Costs

Grand List Growth

Key Considerations

- Impact on Town Finances from Major Decrease in State Funding
  - Hartford's Deficits become Westport's Challenge
- Westport's Response
  - Financial Discipline
  - Operational Discipline
  - Brand Management Discipline
- Continuing to Deliver Excellent Service
  - efficient
  - effective
  - innovative
  - long-term implications
- Citizen Centric
- Sustainability
- Maintenance of Public Spaces

State Revenue Challenges

- FY17 PROJECTED BUDGETARY SHORTFALL OF STATE REVENUES: 1.3 MILLION

FY17 BUDGET	ANTICIPATED STATE REVENUES FY17	PERCENT
$ 3,085,078	$ 1,818,624	-41%

State Revenue Challenges (continued)

- FY18 PROJECTED STATE REVENUES:

$ 450,000

TOTAL BUDGET GENERAL FUND*	INCREASE/ (DECREASE) FROM FY17	PERCENT CHANGE
$ 448,738	$ (2,103,264)	-82%

*excludes Town Aid Roads and LOCIP, which are accounted for in grant funds.

Major Current Year Initiatives

- Positive Financial Management Results
- Second Beneficial Bond Refunding ($600k Savings)
- Energy Performance Contract Initiative
- Enhancing the Center for Senior Activities
- Downtown Master Plan Implementation
- Saugatuck TOD Master Plan
- Downtown Westport Flood Resiliency Planning

Major Current Year Initiatives (continued)

- Compo Beach Improvements
- Wakeman Town Farm Renovations
- Cell Tower Lease Renegotiations
- Commission on People with Disabilities
- Rebuilding Harbor Road Bridge
- Repaving Railroad Parking Lot #1
- Attention to Baron's South

Fiscal Year 2018 Initiatives

- Complete Major Pension Contract Negotiations
- Streamline Land Use Permitting Processes
- Begin Library Renovation
- Additional Collaboration with BOE
- Potential Real Estate Sale
- Develop/Enhance Departmental Performance Measures
- Implement Town Website

Long Term Financial Related Goals

- Taxes – Flat Mill Rate; Changes at or below CPI
- Pension Reform and Debt Reduction
- Energy Conservation – Net Zero by 2050
- Collaboration
  - Schools
  - Cross-Department
  - Other Municipalities
- Greater Use of Technology

Budget Process

- Direction and Review with Department Heads

  Focus on flat or reduced spending.

- Experienced Review/Consolidation

- Board of Finance Workshops

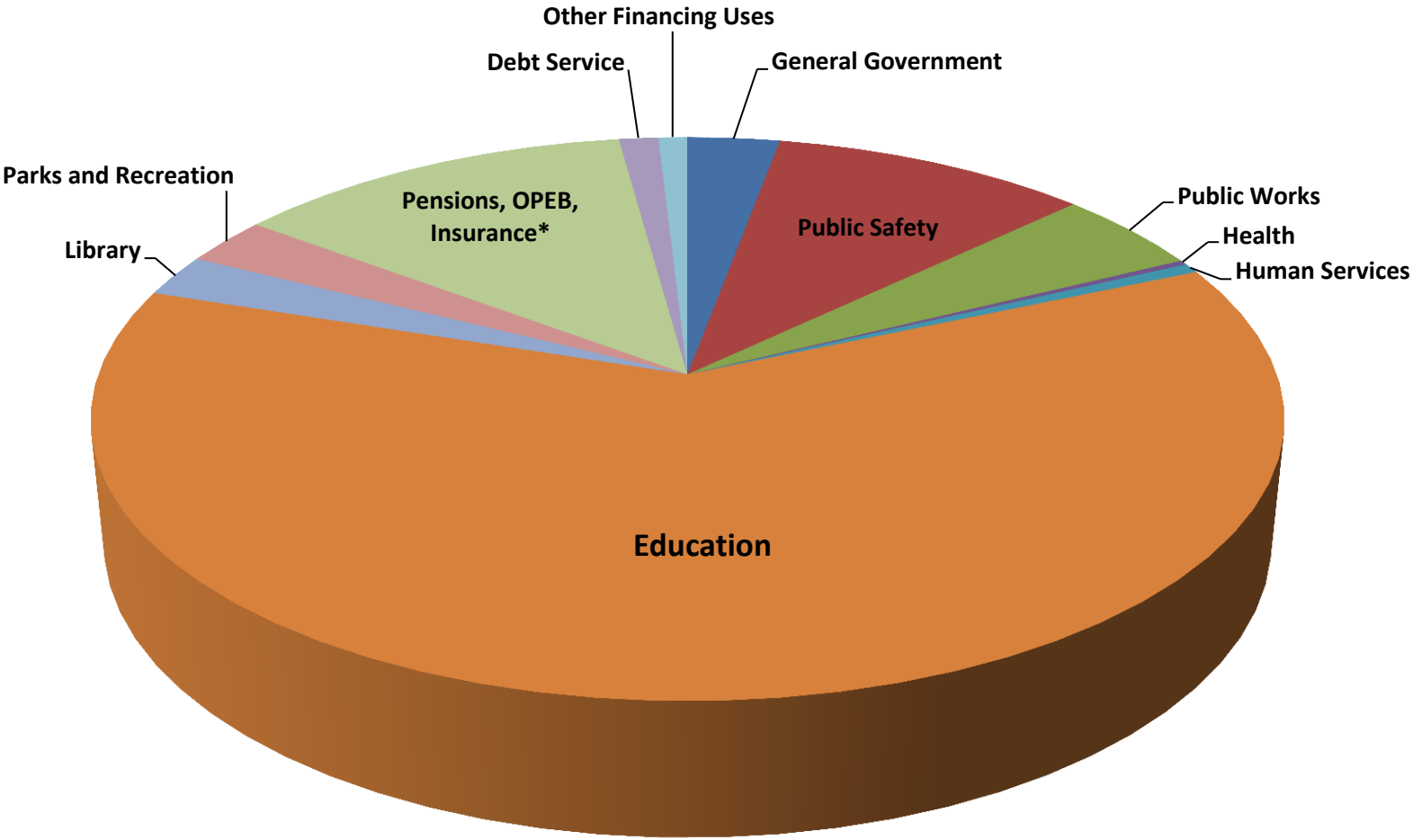
Overview of Combined Budgets

- $206 million
- 0.59% increase
- Grand List Increase 1.36%
- Grand List + Non-Tax Revenue Increase:

  $2.3 million additional revenue from the Grand List, offset in part by $.8 million in lower non-tax revenues.

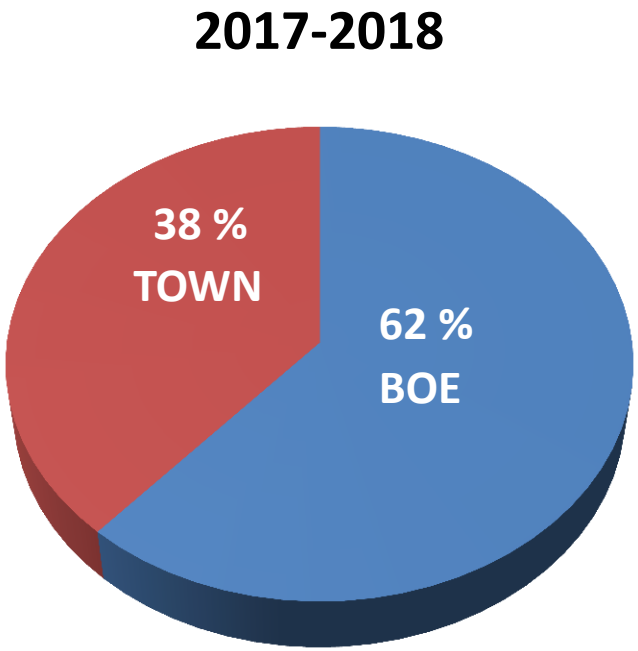
- Draw down $1.2 million from reserves to soften the impact of reduction in State funding ($750k Health Benefits and $450k Public Protection Fund).

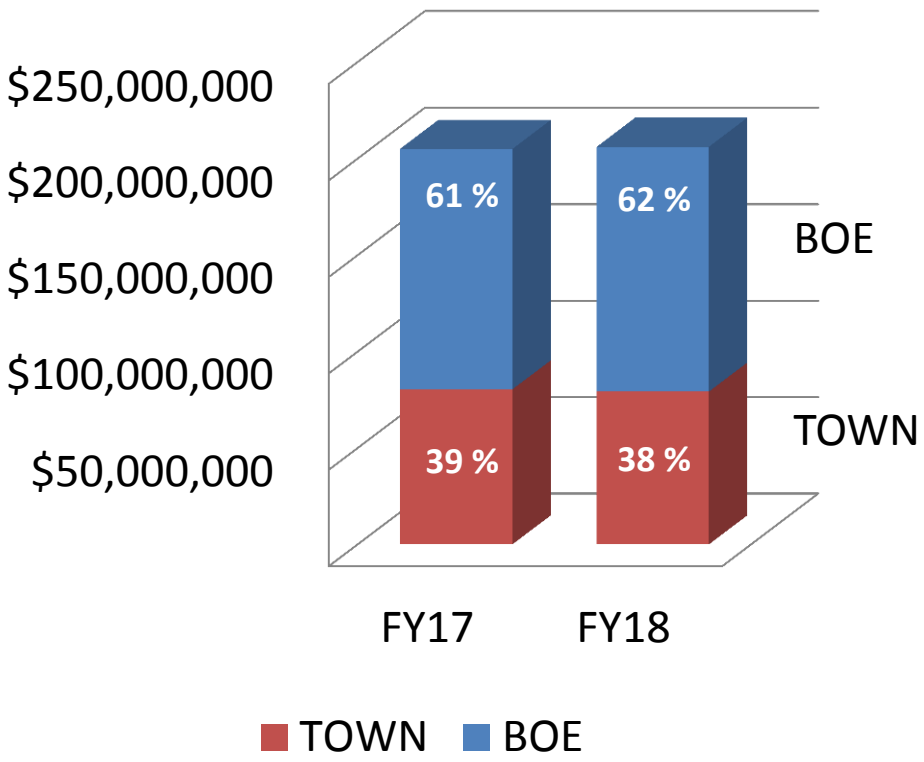
FY 2018 Total Budget
$206 million



*Also includes Westport Transit Authority, Earthplace & Misc.

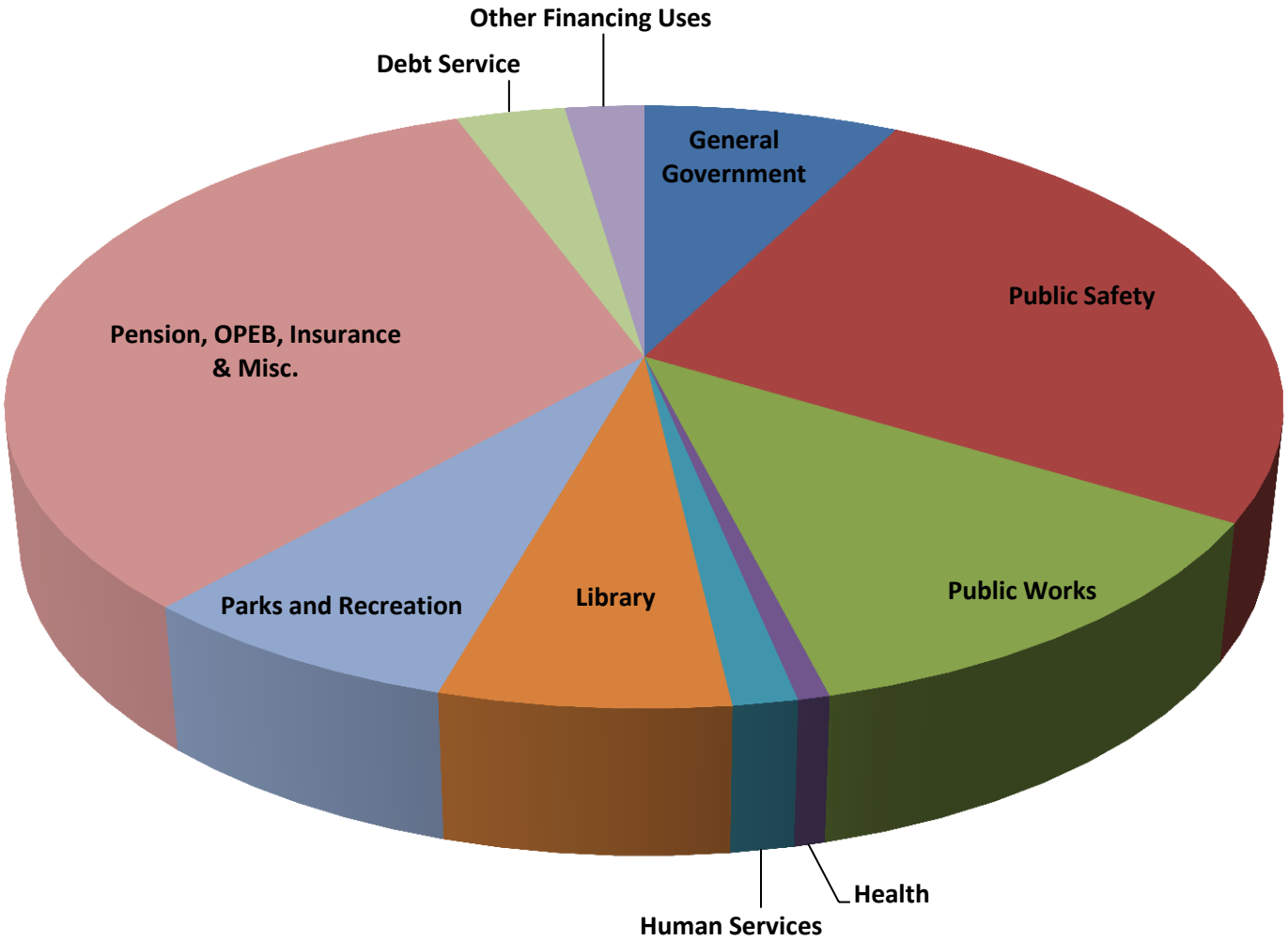
FY 2018 Total Budget
$206 million





Town Budget $79 million

FY 2018 Town Budget
$79 million



1.44% DECREASE

DEPARTMENTAL BUDGETS

Pension, OPEB & Health Insurance Contributions Represent 28% of the Town's budget

	TOTAL BUDGET	INCREASE/ (DECREASE) FROM FY17	PERCENT CHANGE
PENSION	$8.4m	$(70,000)	-0.8%
OPEB	5.7m	(360,000)	-6.1%
HEALTH INSURANCE	7.9m	(57,000)	-0.7%
TOTAL	$21.9m	$(487,000)	-2.2%

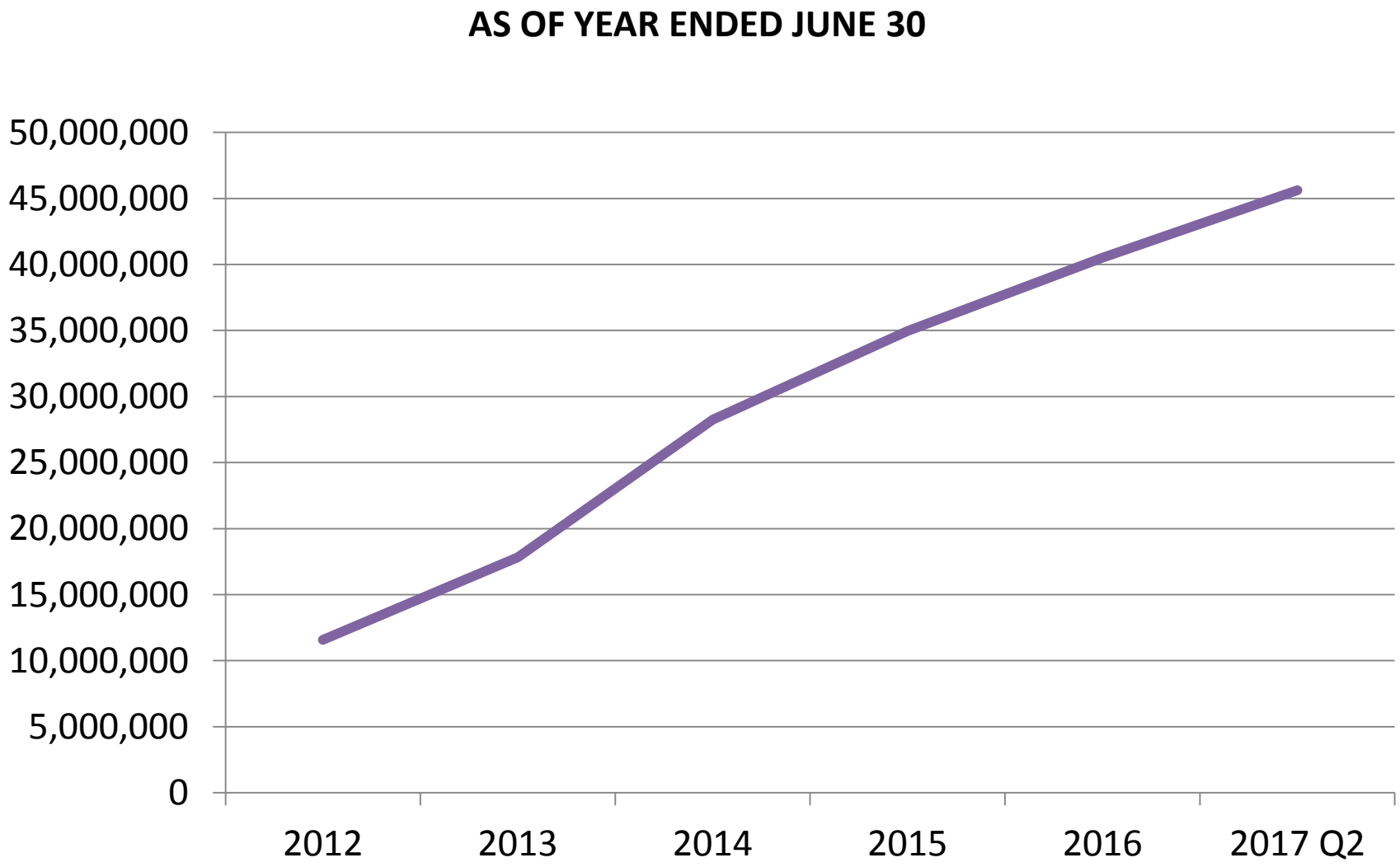
OPEB CONTRIBUTIONS

- OPEB Liability $105.4 m
- OPEB Assets 12-31-16 $45.6 m
- OPEB ARC $9.7 m

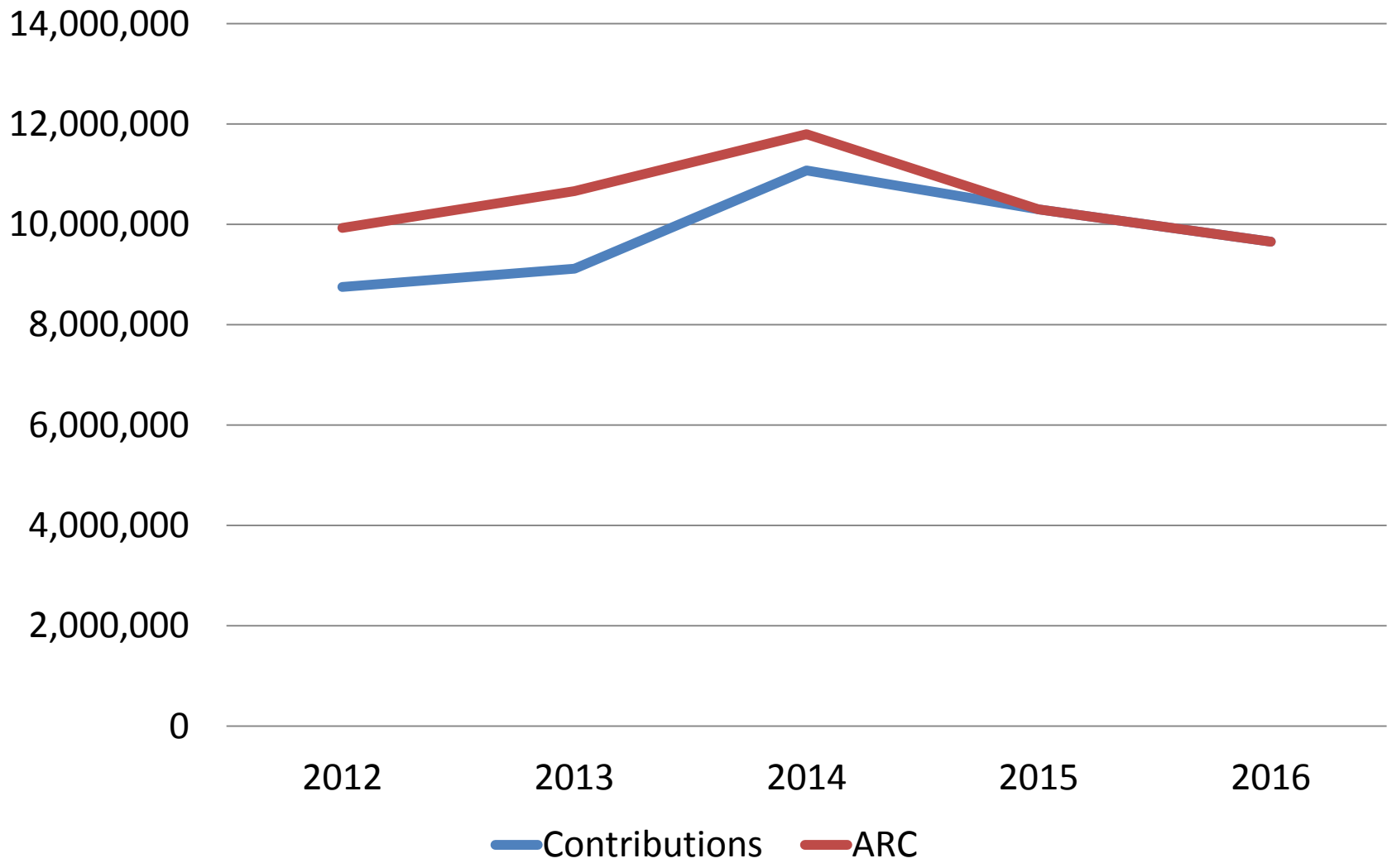
  $4.0 million "pay as you go"

  $5.7 million funding the trust

OPEB ASSET VALUE



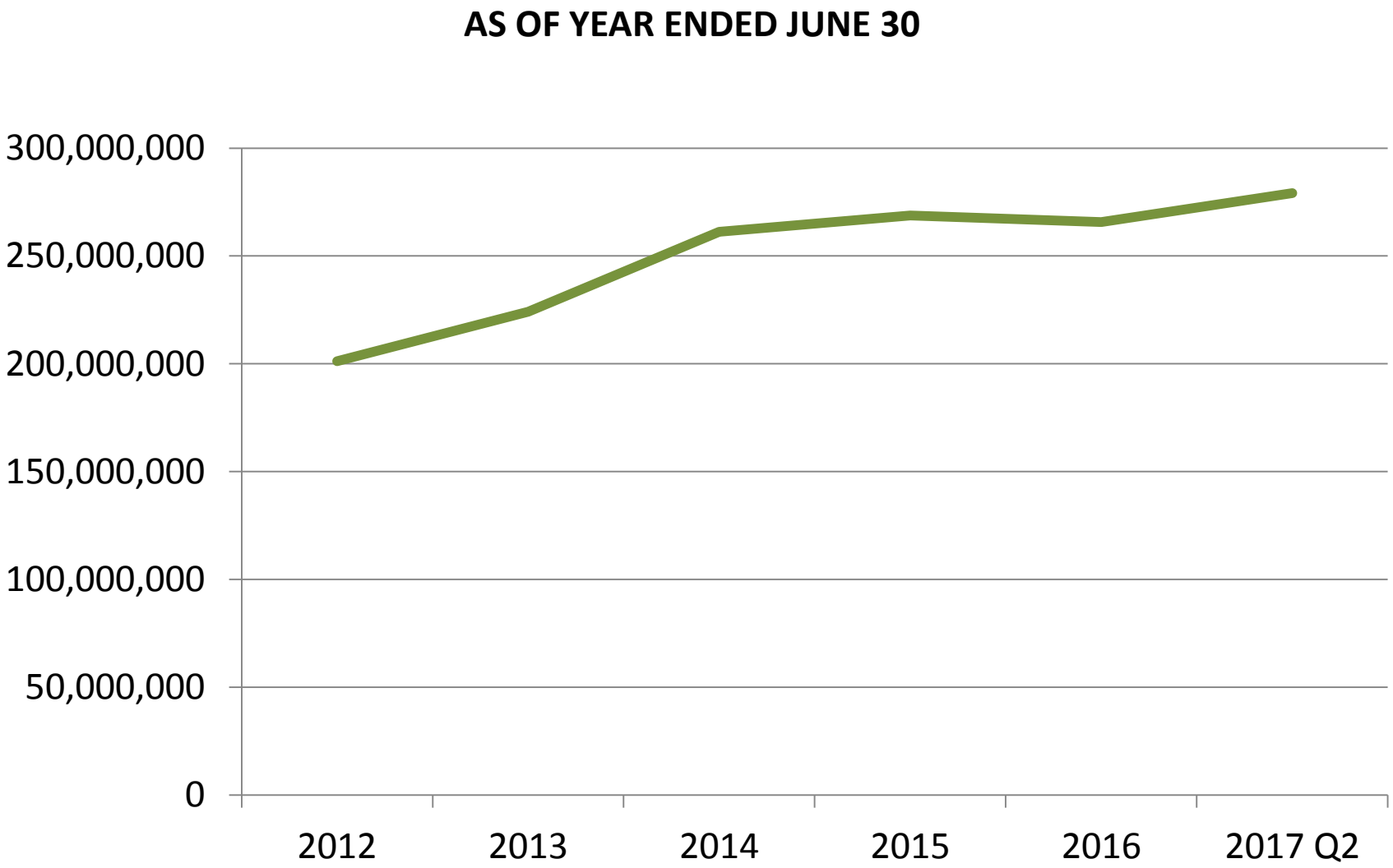
OPEB CONTRIBUTIONS VS ARC



PENSION CONTRIBUTIONS

- Pension Liability 6-30-15 $295 m
- Pension Assets 12-31-16 $279 m
- Pension ARC 2016-17 $8.4 m
- Funded Ratio 6-30-15 87.5 %

PENSION ASSET VALUE



DEPARTMENTAL BUDGETS

Public Safety (26% of Town's budget)

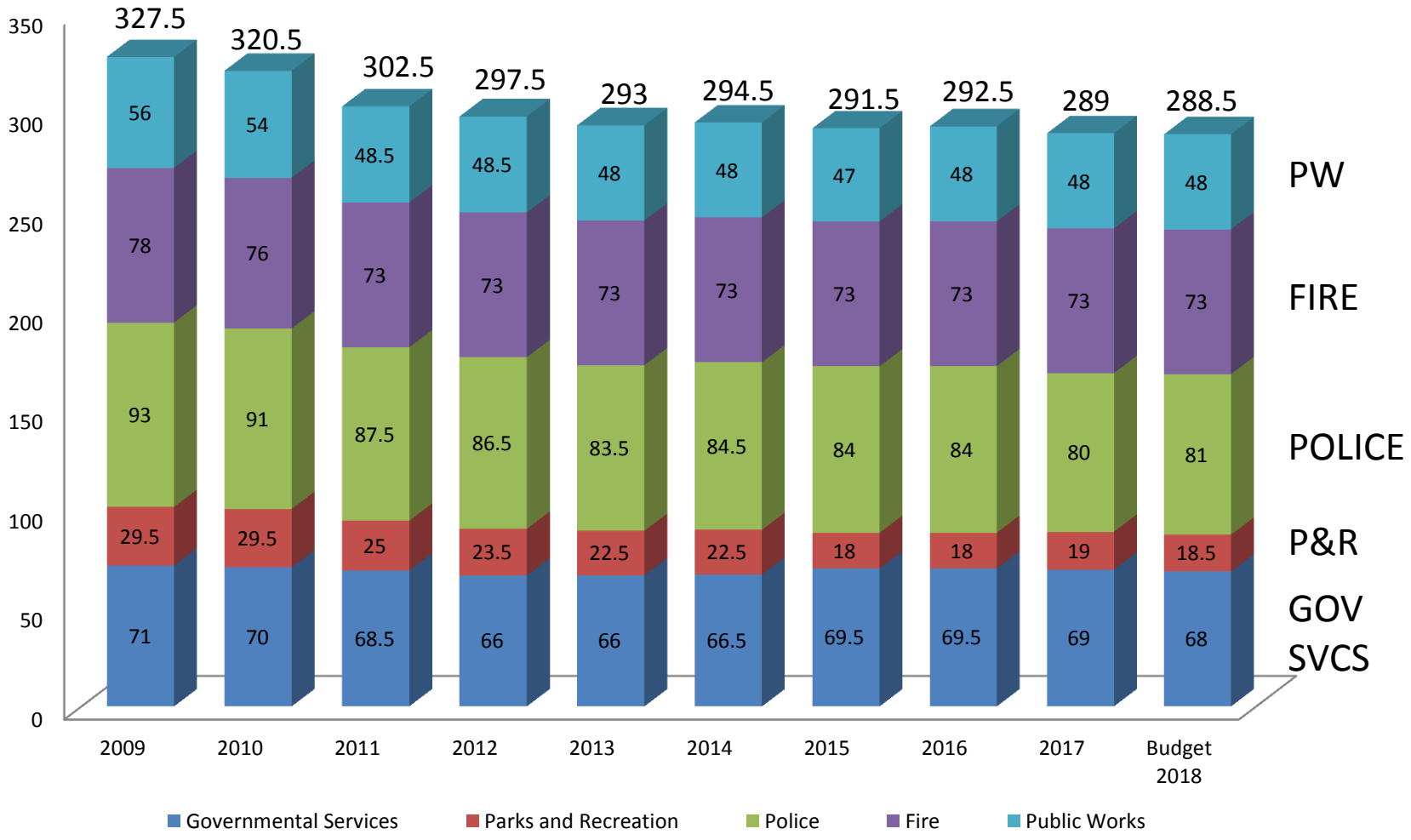
	TOTAL BUDGET	INCREASE/ (DECREASE) FROM FY17	PERCENT CHANGE
POLICE	$8.5m	$(35,000)	-0.4%
FIRE	9.2m	(70,000)	-0.8%
OTHER PUBLIC SAFETY*	3.0m	86,000	2.9%
TOTAL	$20.7m	$(19,000)	-0.1%

*Other Public Safety includes Dog Warden, Fire Hydrant Water, EMS and Building Departments

DEPARTMENTAL BUDGETS

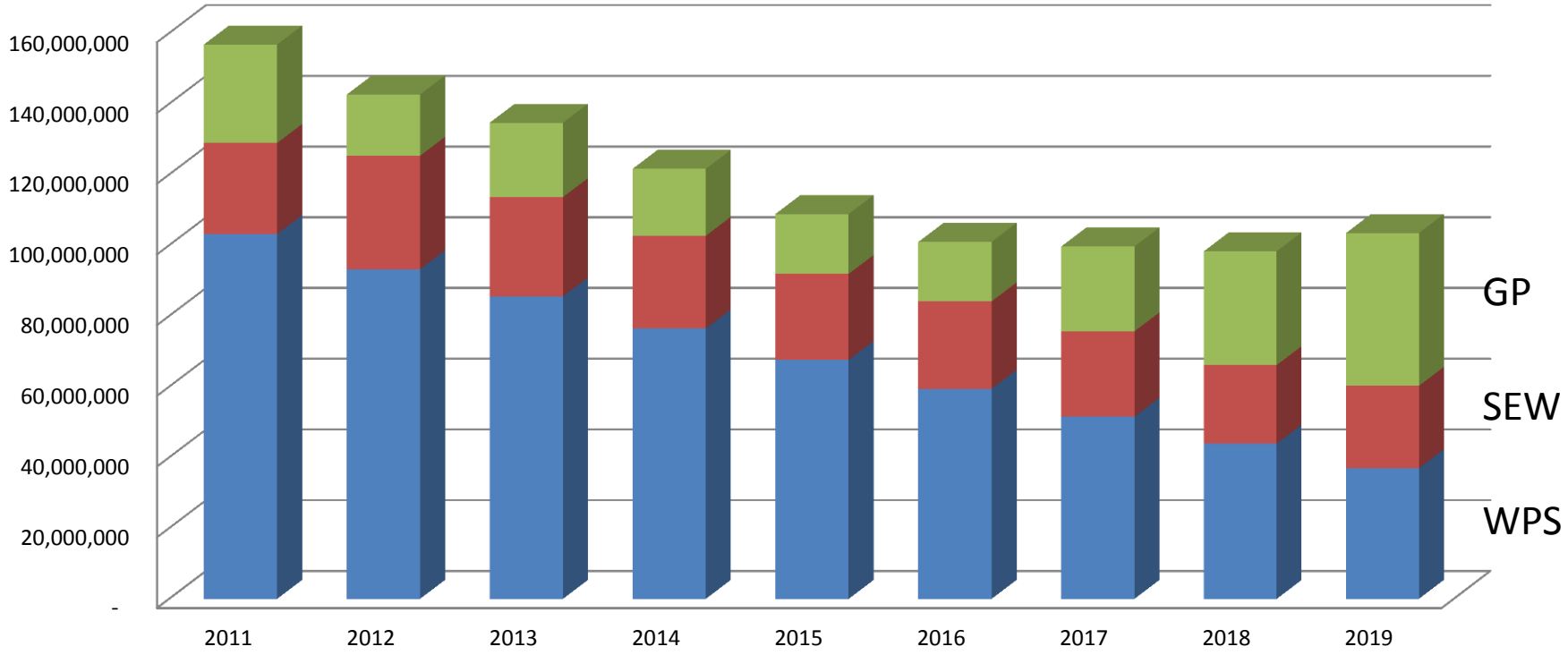
	TOTAL BUDGET	INCREASE/ (DECREASE) FROM FY17	PERCENT CHANGE	PERCENT OF TOWN BUDGET
PUBLIC WORKS	$9.8m	$(18,000)	-0.2%	12%
PARKS & REC	$5.7m	$173,000	3.2%	7%
HUMAN SERVICES	$1.1m	$(23,000)	-2.0%	1%
LIBRARY	$4.9m	$220,000	4.6%	6%
TRANSIT DISTRICT	$0.4m	$(9,045)	-2.4%	0%
GENERAL GOVERNMENT	$6.0m	$(79,000)	-1.3%	8%

Budgeted Full Time Equivalent Positions (Town)



LONG TERM DEBT

WESTPORT TOTAL DEBT (ACTUAL & PROJECTED)



							PROJECTED		
	2011	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL PURPOSE	27,840,490	17,328,680	21,044,933	18,937,596	16,945,842	16,821,542	23,984,940	32,177,267	43,236,976
SEWERS	25,732,794	32,114,302	28,092,837	26,169,565	24,336,044	24,739,885	24,134,694	22,217,673	23,283,801
WPS	103,204,370	93,182,940	85,511,760	76,505,820	67,563,880	59,380,940	51,527,000	43,900,312	36,934,312
TOTAL	156,777,654	142,625,922	134,649,530	121,612,981	108,845,766	100,942,367	99,646,634	98,295,252	103,455,089

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