

First Selectman's Recommended Budget July 1, 2019 – June 30, 2020



Presentation to the Board of Finance
March 6, 2019

Overall Strategic Objectives

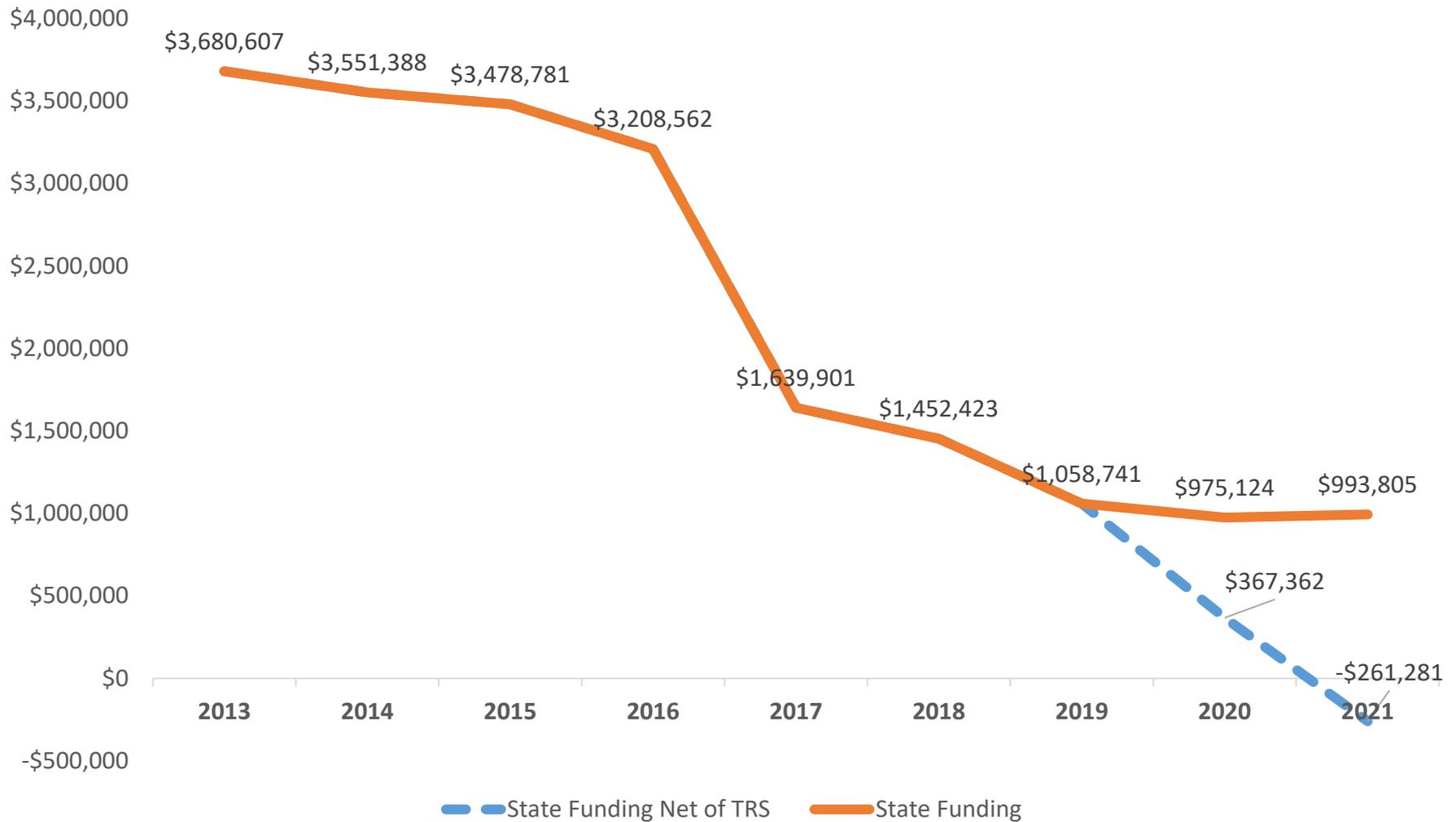
Maintaining and Improving Westport's Brand

- Quality of life
- Economic vitality
- Fiscal stability

Outside Challenges - State

- Transfer cost of teacher's pension contribution to town (+\$600k and continue to increase)
- Quality of services threatened by regionalization
- Potential for further reduction of Educational Cost Sharing
- Minimum wage increase
- Cost implications of Family Medical Leave

State Reduction in Funding



PROJECTED

Outside Challenges - Other

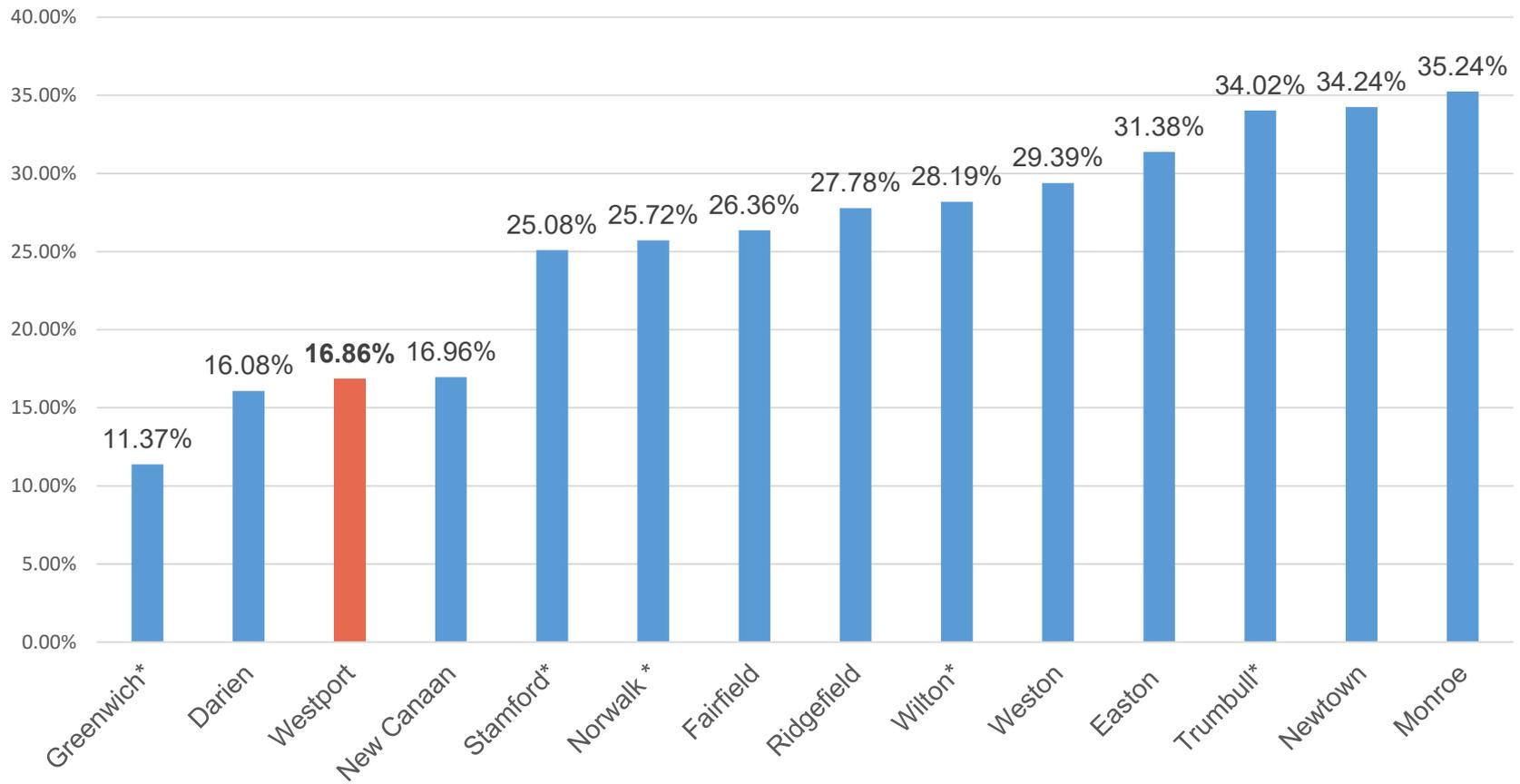
- Impact of reduced SALT deductions from Federal government tax reform
- Rehabilitation of Coleytown Middle School
- Large multi-family housing developments & demands on infrastructure
- Solid Waste and cost of recycling
- Deteriorating transportation infrastructure
- The “Amazon Effect” and the New Mall

Yearly Fiscal Objectives

- Funding Long Term Liabilities (pension, OPEB & long-term debt)
- Operational Cost Efficiencies
- Revenues to Offset Costs
- Grand List Growth
- Stable mill rate (our competitive advantage)

Municipal Neighbor Mill Rates

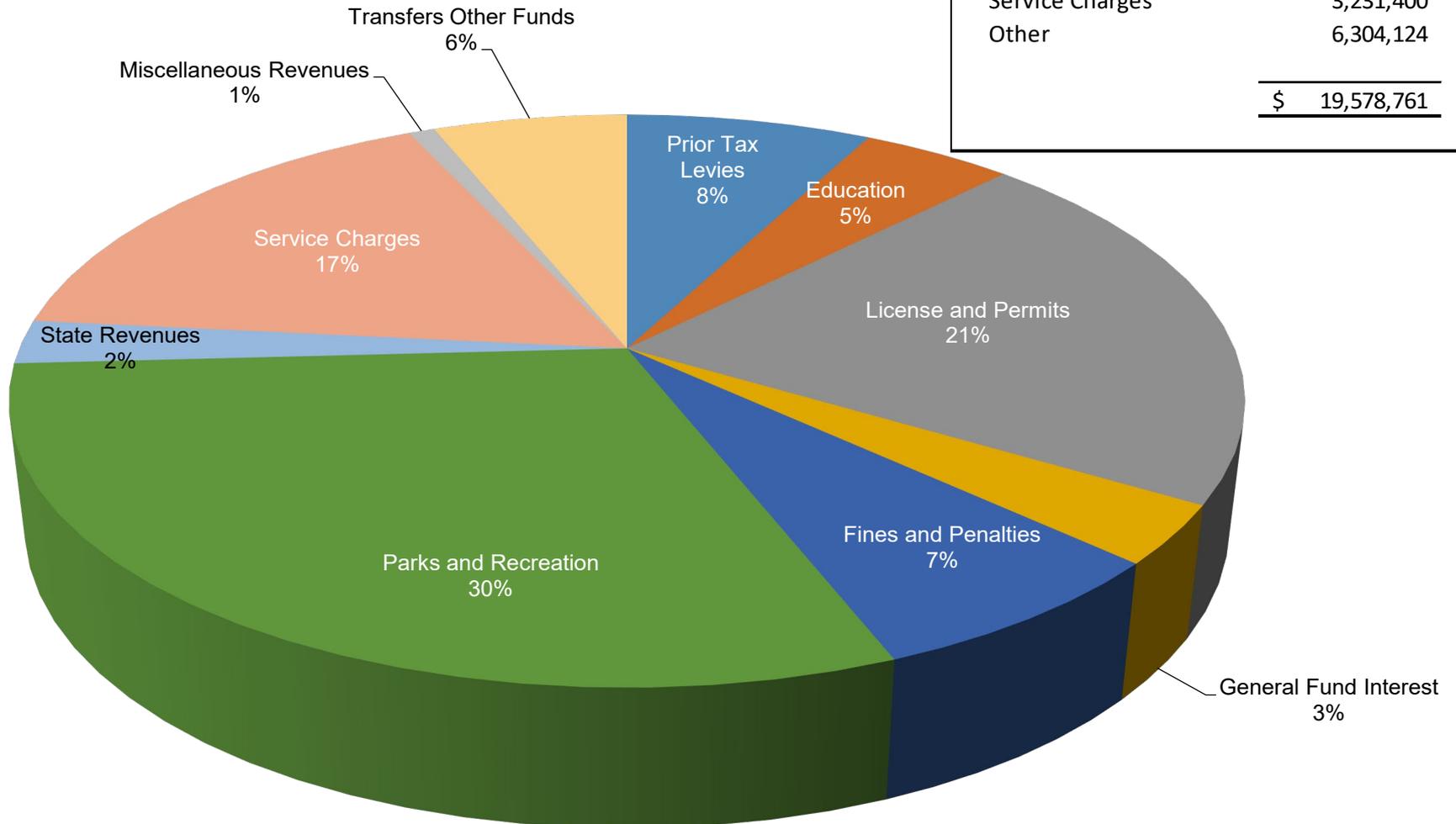
Grand List Year 2017/Fiscal Year 2019



* Reflects averages or base mill rates. Some municipalities vary mill rates by neighborhood or service.

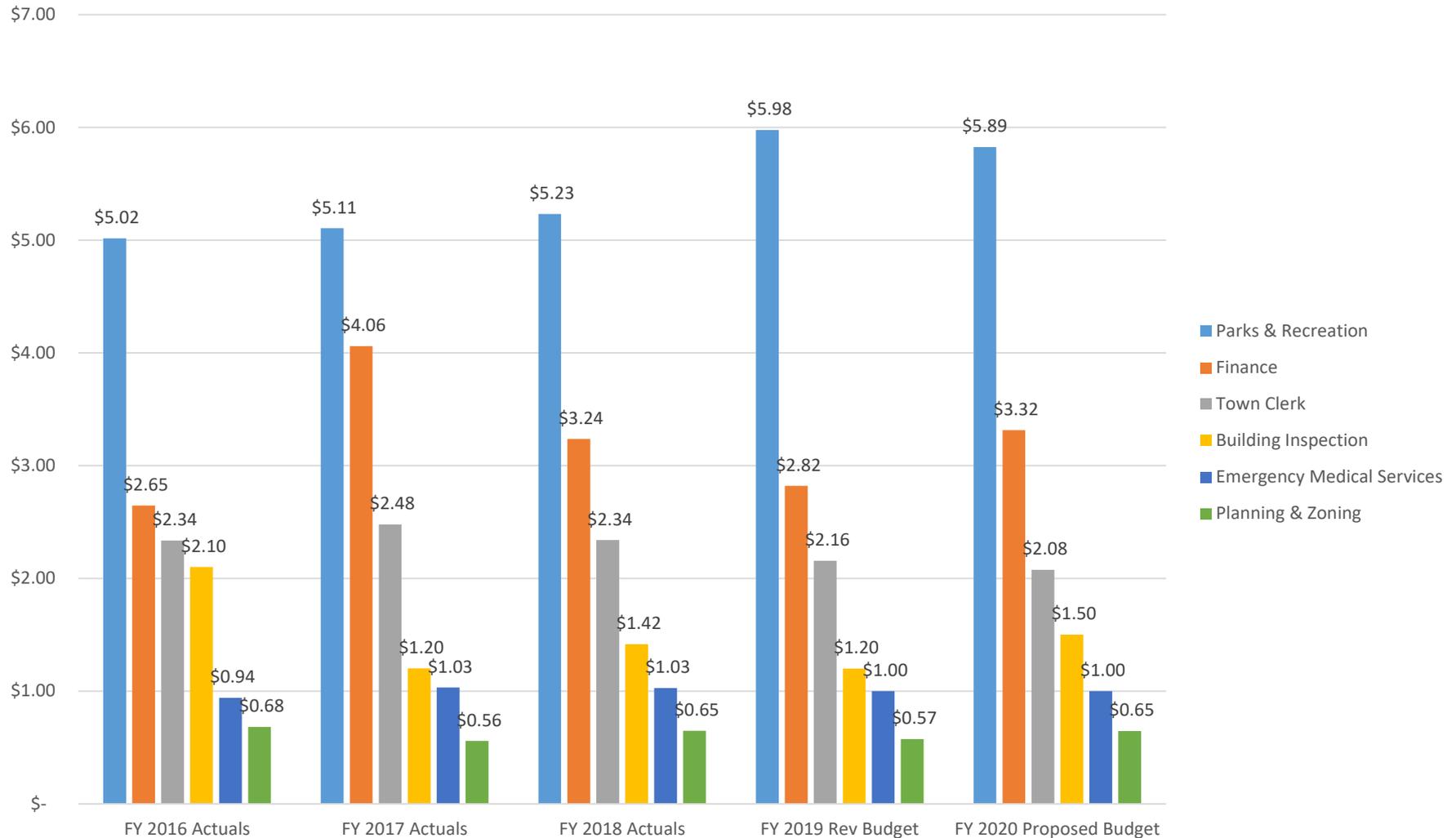
FY 2020 Non-Tax Revenue Projections

\$19,578,761



Historical Non-Tax Revenue by Dept.

In Millions



Major Current Year Initiatives

- Coleytown Middle School strategies & peer review
- CMS Construction management oversight
- ADA accessibility of Compo Beach
- Riverside Park and Wadsworth Arboretum enhancements
- New wing in the Westport Center for Senior Activities opened
- Library Transformation

Major Current Year Initiatives (cont.)

- Improve Payroll Timekeeping Data Collection
- LED lighting replacement of street lights – 5 year payback
- Continued implementation of the downtown master plan
- Saugatuck and Green's Farms Railroad parking
- Completed Police pension negotiation
- Launch the new mobile friendly WestportCT.Gov webpage

Fiscal Year 2020 Initiatives

- On-going project management of CMS rehabilitation and completion of CMS reconstruction
- Establish town wide facilities maintenance management
- Relocate our public safety dispatch center to Sacred Heart University in collaboration with the Town of Fairfield
- Launch the new Accela online land use permitting software
- Longshore Park plan

Long Term Financial Related Goals

- Taxes – Flat or Small increase in mill rate
- Pension, Health Reform and Debt Control
- Sustainability – Net Zero by 2050
- Collaboration (schools, cross-department, other municipalities)

Budget Process

- Guidance to reduce budget and minimize budget increases
- Zero based budget exercise and historical expenditure review
- New costs to be offset by revenue generating activities
- Multi-layer review with Department Heads
- Board of Finance Workshops

Budget Book

- Incorporates review and recommendations of budget process and budget book
- Capital budget accelerated
- General government management reports
- More metrics and key performance measurements established
- Emphasis on goal setting and tracking
- Commenced revisions to the budget book layout to enhance budget transparency

Overview of Combined Budgets

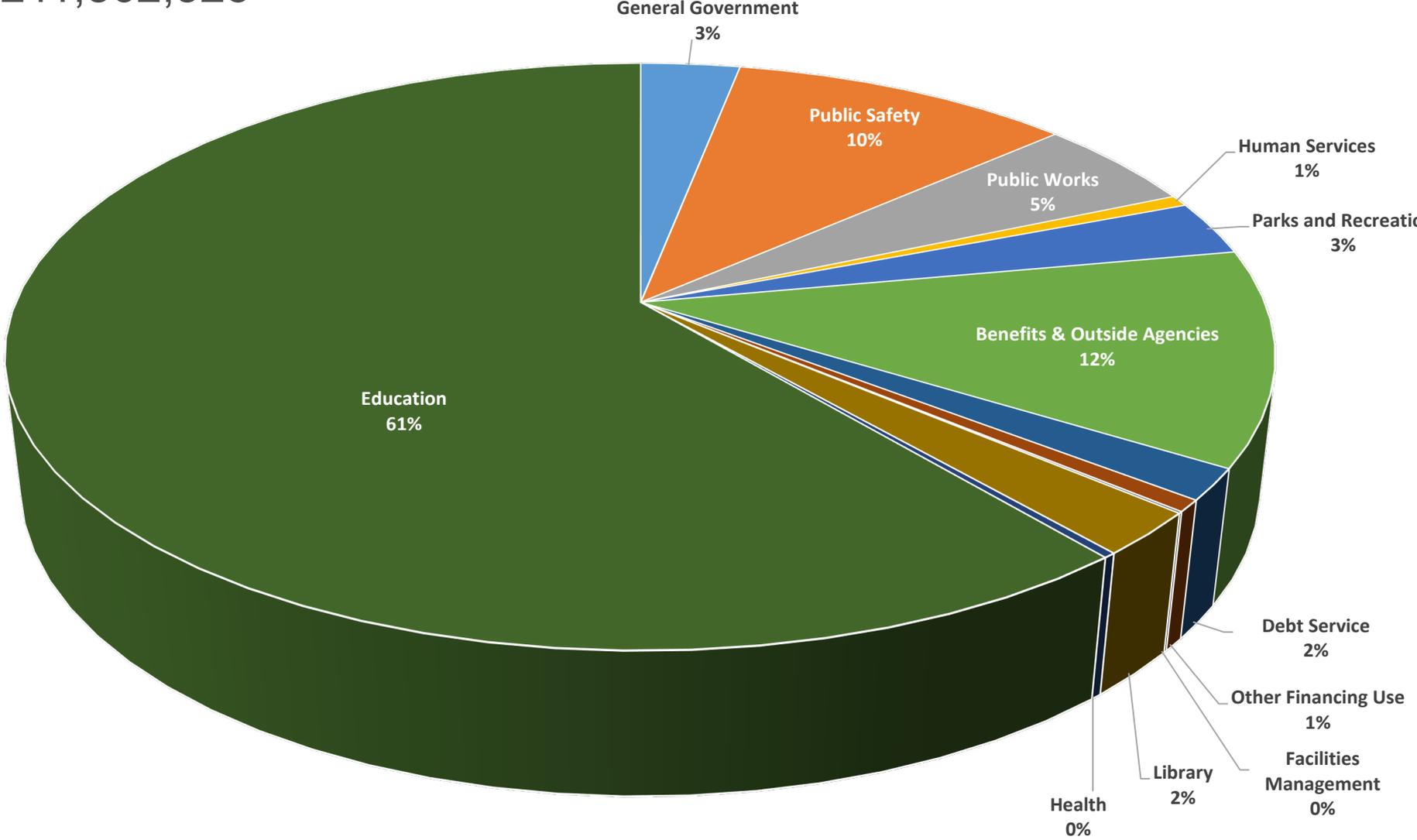
- **TOTAL** incl. Education: **\$212 million** **+1.66%**

- **TOWN:** **\$76.5 million** **+1.80%**

- **Grand List** Increase: **\$2.2 million** **+1.07%**

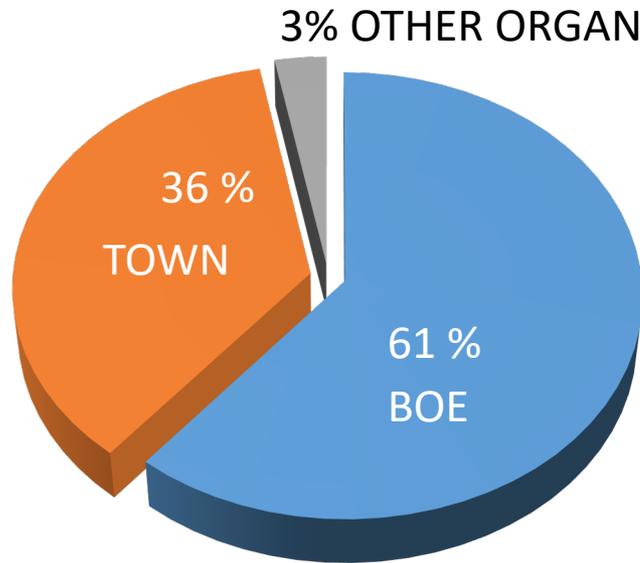
FY 2020 Total Budget

\$211,862,325

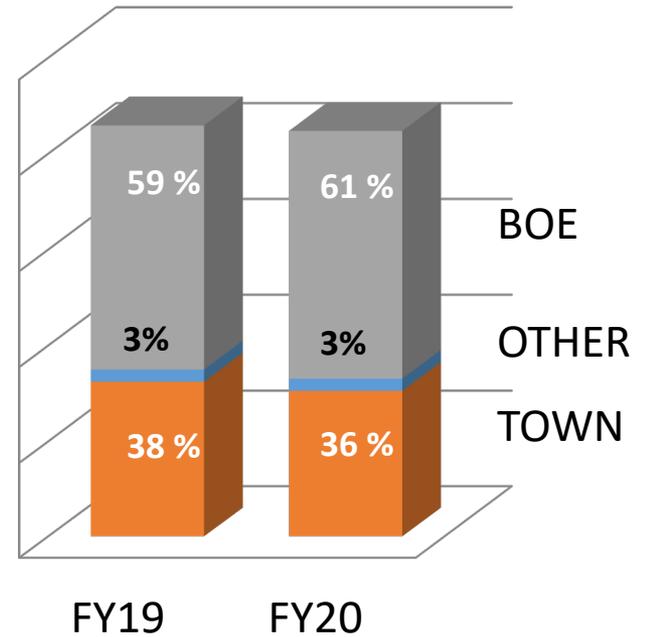


FY 2020 Total Budget

\$211,862,325



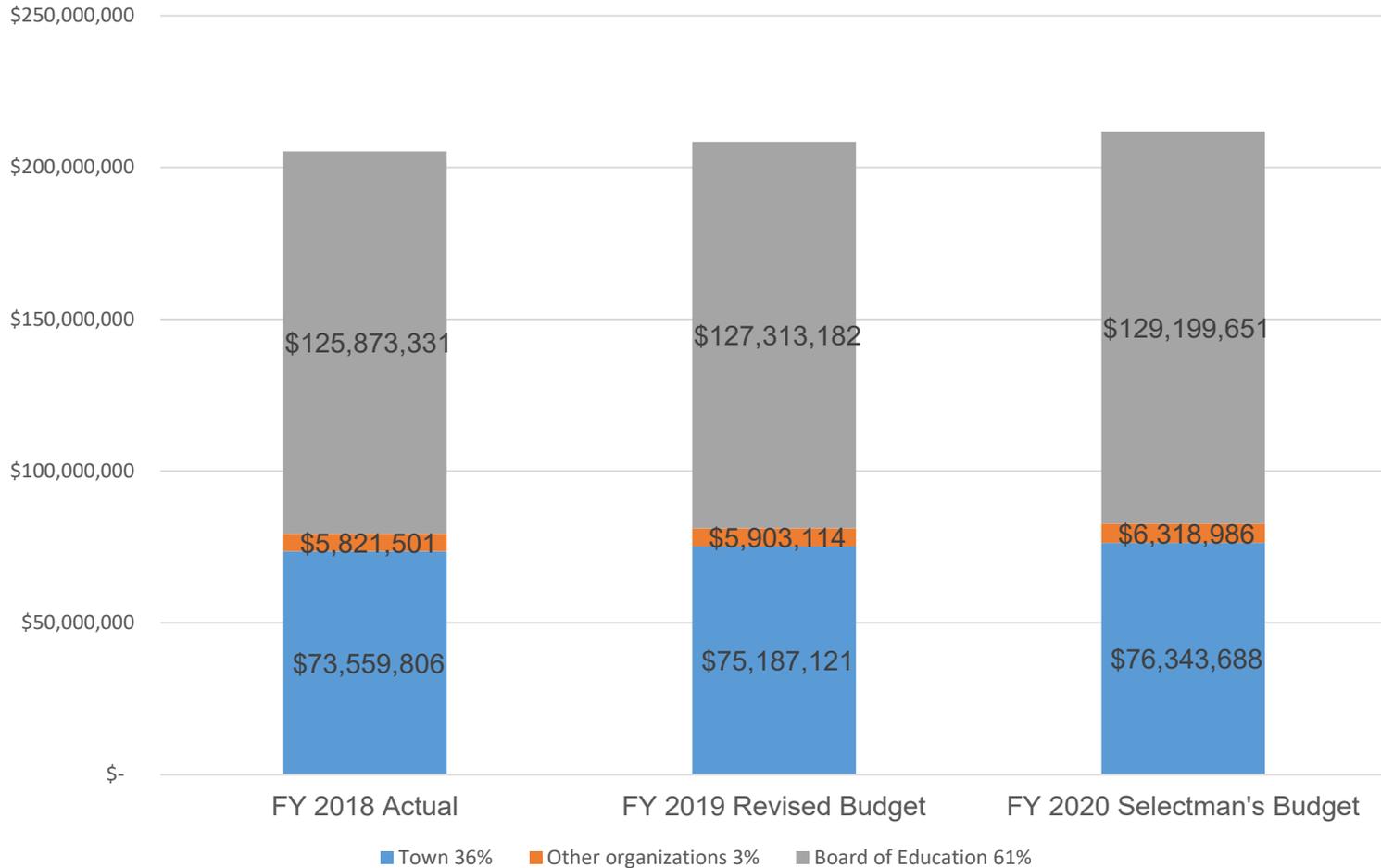
\$250,000,000
\$200,000,000
\$150,000,000
\$100,000,000
\$50,000,000



■ TOWN ■ OTHER ■ BOE

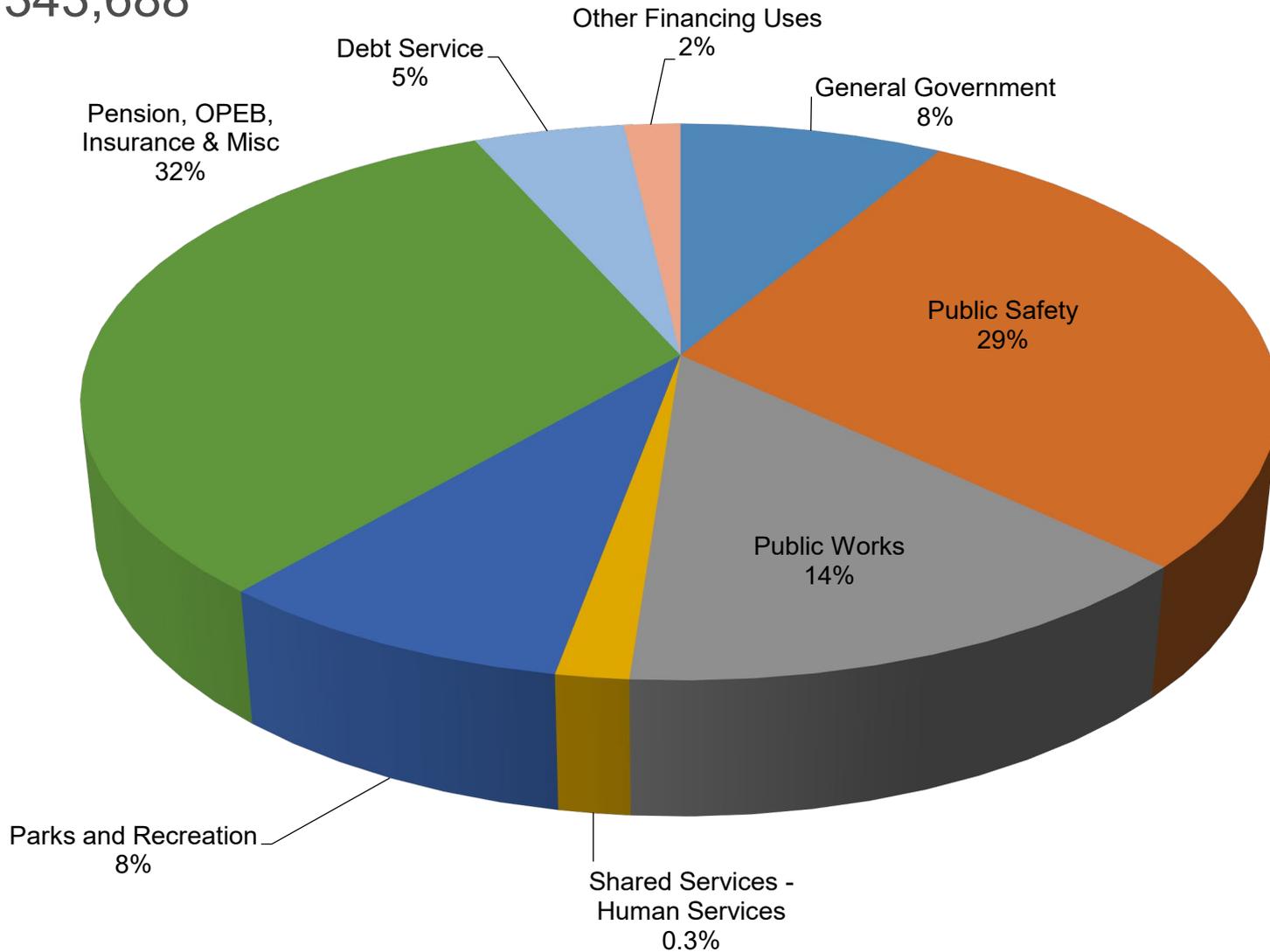
Town Budget \$77 million – 1.8% increase

Historical Budget for Town, Other and BOE



FY 2020 Town Budget

\$76,343,688



Town Budget Request 2020

TOWN REQUEST 2020	TOTAL BUDGET	INCREASE/ (DECREASE) FROM FY19	PERCENT CHANGE
GENERAL GOVERNMENT	\$6,379,438	\$178,823	2.88%
PUBLIC SAFETY	\$21,990,149	\$595,174	2.78%
PUBLIC WORKS	\$10,679,334	\$508,925	5.00%
HUMAN SERVICES	\$1,287,436	\$69,078	5.67%
PARKS AND RECREATION	\$6,397,379	\$205,604	3.32%
PENSION, OPEB, INS & MISC	\$24,593,963	\$422,713	1.75%
DEBT SERVICE	\$3,647,824	\$(323,751)	-8.15%
OTHER FINANCING USE	\$1,368,165	\$(500,000)	-26.76%
TOTAL TOWN	<u>\$76,343,688</u>	<u>\$1,156,566</u>	<u>1.54%</u>

Public Safety Budget

29% of Town's budget

	TOTAL BUDGET	INCREASE/ (DECREASE) FROM FY19	PERCENT CHANGE
POLICE	\$9.2m	\$167,000	1.85%
FIRE (+ EMERG MGMT)	\$9.7m	\$482,000	5.22%
OTHER PUBLIC SAFETY*	\$3.1m	\$(54,000)	-1.72%
TOTAL	\$22.0m	\$595,000	2.78%

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

Pension, OPEB & Health Insurance Contributions

25% of the Town's budget

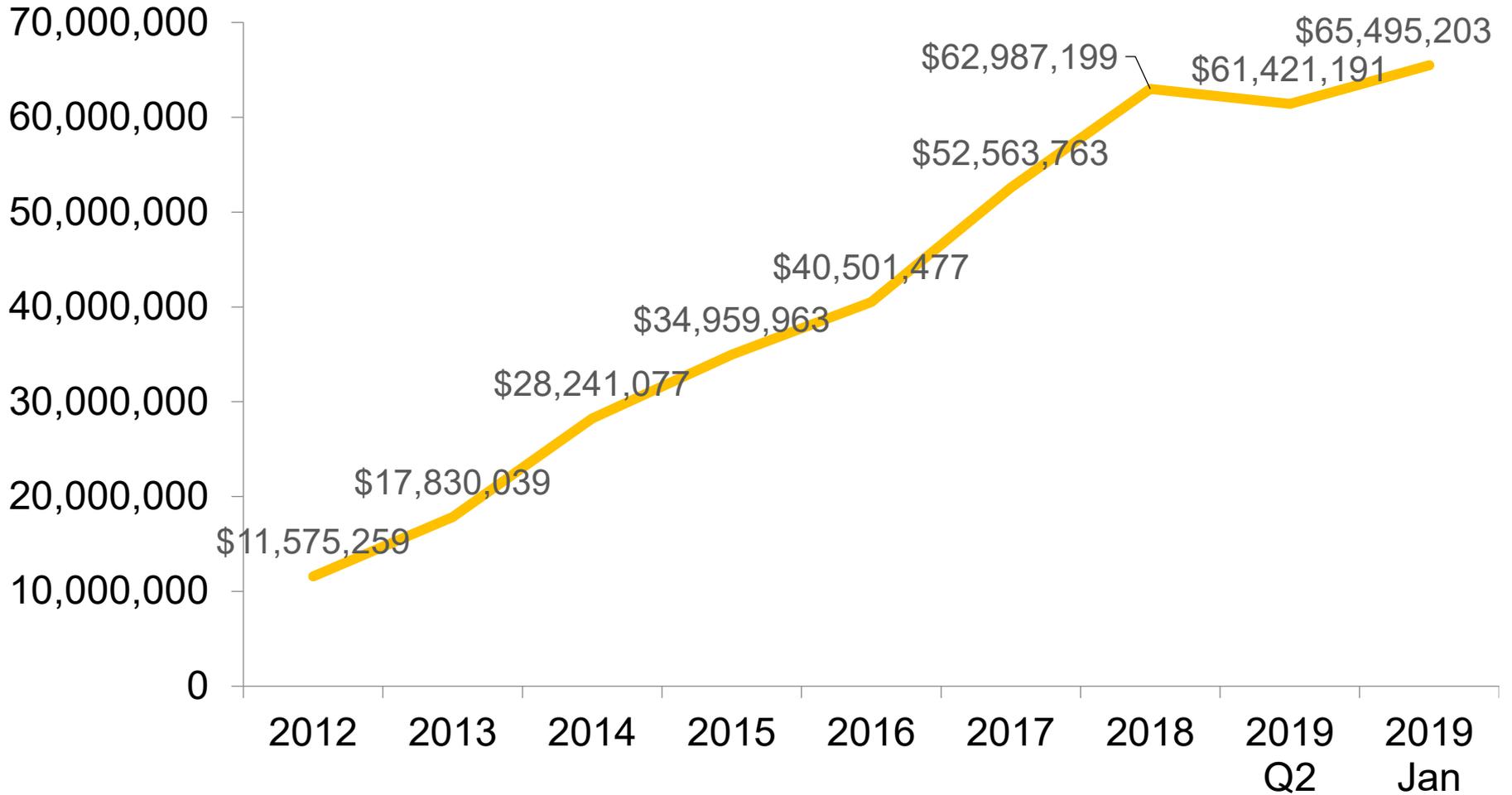
	TOTAL BUDGET	INCREASE/ (DECREASE) FROM FY19	PERCENT CHANGE
PENSION	\$7.1m	\$0.5m	7.6%
OPEB	\$5.3m	\$0.3k	6.8%
HEALTH INSURANCE	\$8.4m	(0.5)m	-5.6%
TOTAL HEALTH & RETIREMENT BENEFITS	<u>\$20.8m</u>	<u>\$339k</u>	<u>1.7%</u>
OTHER BENEFITS AND INSURANCES*	\$4.3m	\$(58)k	-1.3%
TOTAL	<u>\$25.1m</u>	<u>\$281k</u>	<u>1.1%</u>

*Workers Compensation, Liability, Auto, Property, Social Security, Salary Adjustment, Unemployment and Transit District

OPEB Contributions

- OPEB Liability \$145.4 m
- OPEB Assets 1-31-19 \$ 65.4 m
- OPEB Contribution \$ 9.9 m
 - \$4.6 million “pay as you go”
 - \$5.3 million funding the trust

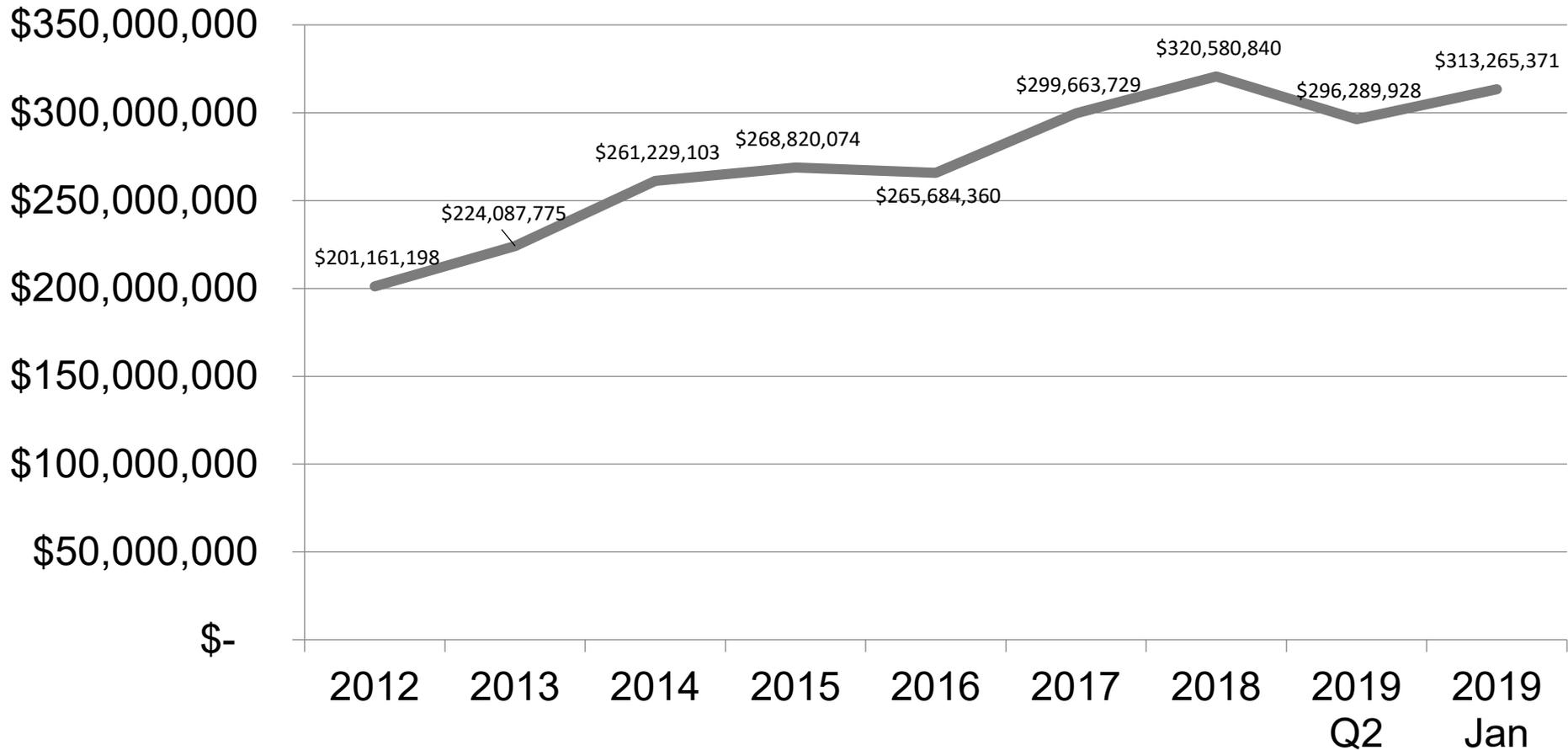
OPEB Asset Value



Pension Contributions

- Pension Liability 6-30-18 \$333 m
- Pension Assets 1-31-19 \$313 m
- Pension ADC 2019-20 \$6.3 m
- Funded Ratio 6-30-18 94.05%
- Defined Contribution Plan \$.427 m

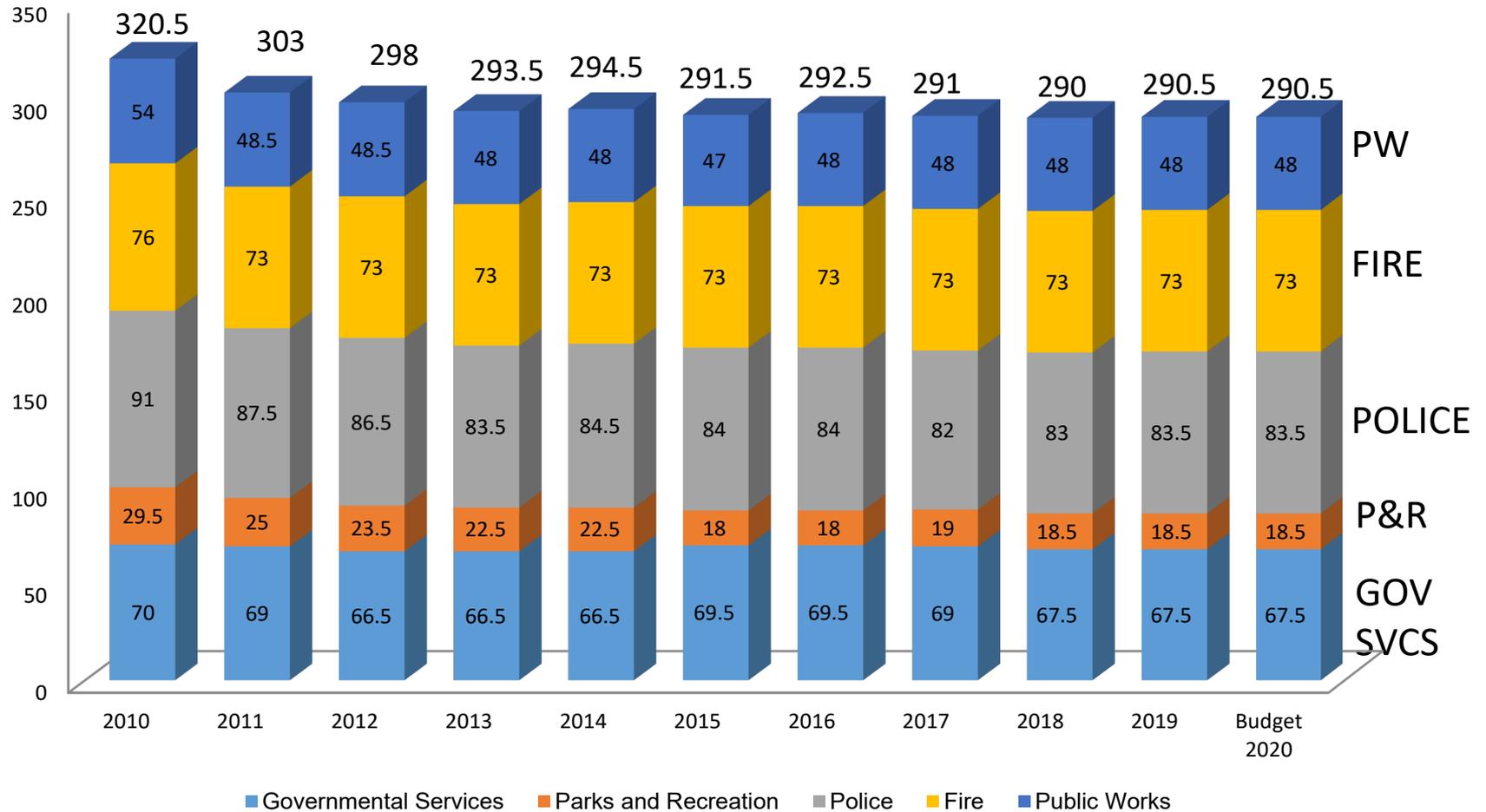
Pension Asset Value



Other Organization Budget Request 2020

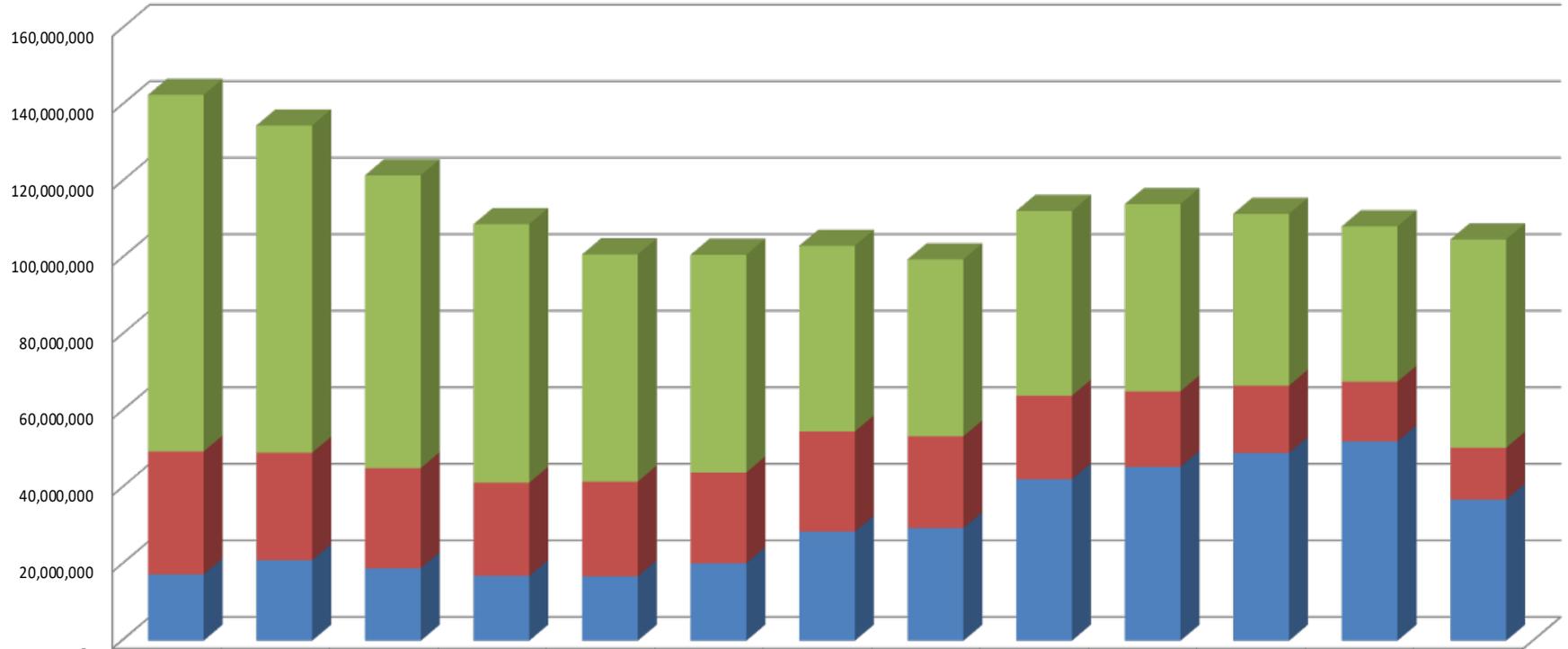
OTHER BUDGET REQUEST 2020	TOTAL BUDGET	INCREASE/ (DECREASE) FROM FY19	PERCENT CHANGE
FACILITIES MANAGEMENT	\$200,000	\$200,000	100%
HEALTH DISTRICT	\$583,611	\$5,500	0.95%
LIBRARY	\$5,085,375	\$213,672	4.39%
EARTHPLACE	\$95,000	\$0	0.00%
WESTPORT TRANSIT DISTRICT	\$355,000	\$(3,300)	-0.92%
TOTAL REQUEST	<u>\$6,318,986</u>	<u>\$415,872</u>	<u>7.04%</u>

Budgeted Full Time Equivalent Positions (Town)



Long Term Debt

WESTPORT TOTAL DEBT (ACTUAL & PROJECTED)



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
WPS	93,182,940	85,511,760	76,505,820	67,563,880	59,380,940	56,899,250	48,514,043	46,223,234	48,258,304	48,938,112	44,896,301	40,583,109	54,426,560
SEWERS	32,114,302	28,092,837	26,169,565	24,336,044	24,739,885	23,715,694	26,188,673	23,996,801	21,851,657	19,709,812	17,633,828	15,600,258	13,547,646
GENERAL PURPOSE	17,328,680	21,044,933	18,937,596	16,945,842	16,821,542	20,237,315	28,482,182	29,427,701	42,180,250	45,432,827	49,037,644	52,081,313	36,868,659

TOTAL	142,625,922	134,649,530	121,612,981	108,845,766	100,942,367	100,852,259	103,184,898	99,647,736	112,290,211	114,080,751	111,567,773	108,264,680	104,842,865
--------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	-------------------	--------------------	--------------------	--------------------	--------------------	--------------------

First Selectman's Recommended Budget July 1, 2019 – June 30, 2020



Presentation to the Board of Finance
March 6, 2019