

Fiscal Year 2021-2022
J. Mark Rooney
Town Manager

MUNICIPAL BUDGET

Presented to Board of Finance
March 23, 2021



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Topics

- Revenue Trends and Drivers
 - Property Values and Tax Rates
 - State Aid
- Debt Discussion
- Organization Review
- Town Manager Updates and Recommendations

**Town of Westerly
2020 Housing Facts⁽¹⁾**

WESTERLY

Median Single Family Home Price	\$335,000	Average 2 Bedroom Rent	\$1,482
Five Year Price Comparison since 2014	\$304,832	Five Year Rent Comparison since 2014	\$1,568
% Increase since 2014	10%	% Decrease since 2014	5%
Income to afford	\$89,098	Income to afford	\$59,280
Monthly Housing payment	\$2,227		
Housing Stock	12,892		
Single Family	65%		
Multi-family	35%		

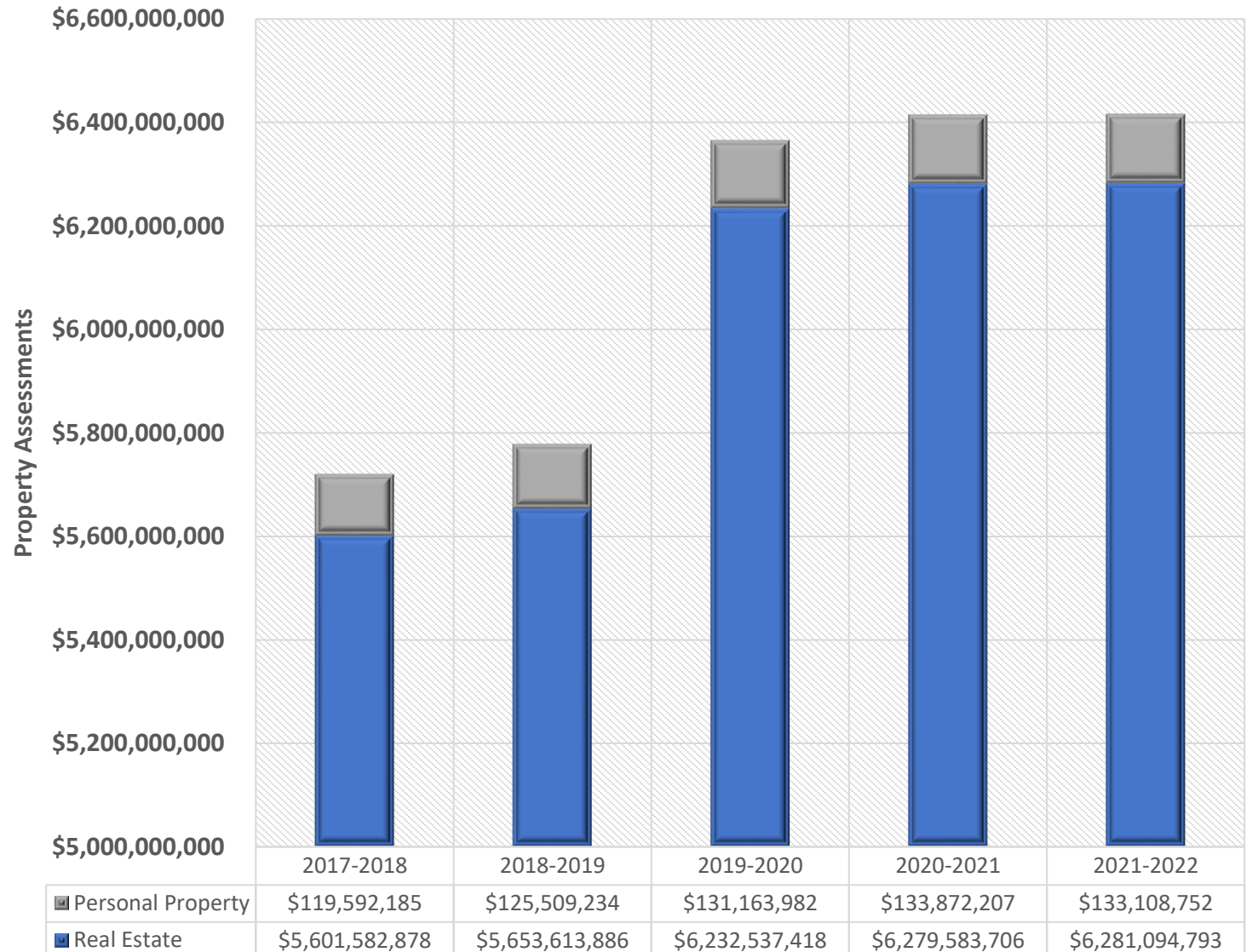
RHODE ISLAND

Median Single Family Home Rhode Island	\$285,000	Average 2 Bedroom Rent Rhode Island	\$1,651
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Real Estate and Personal Property Assessments & Tax Rates

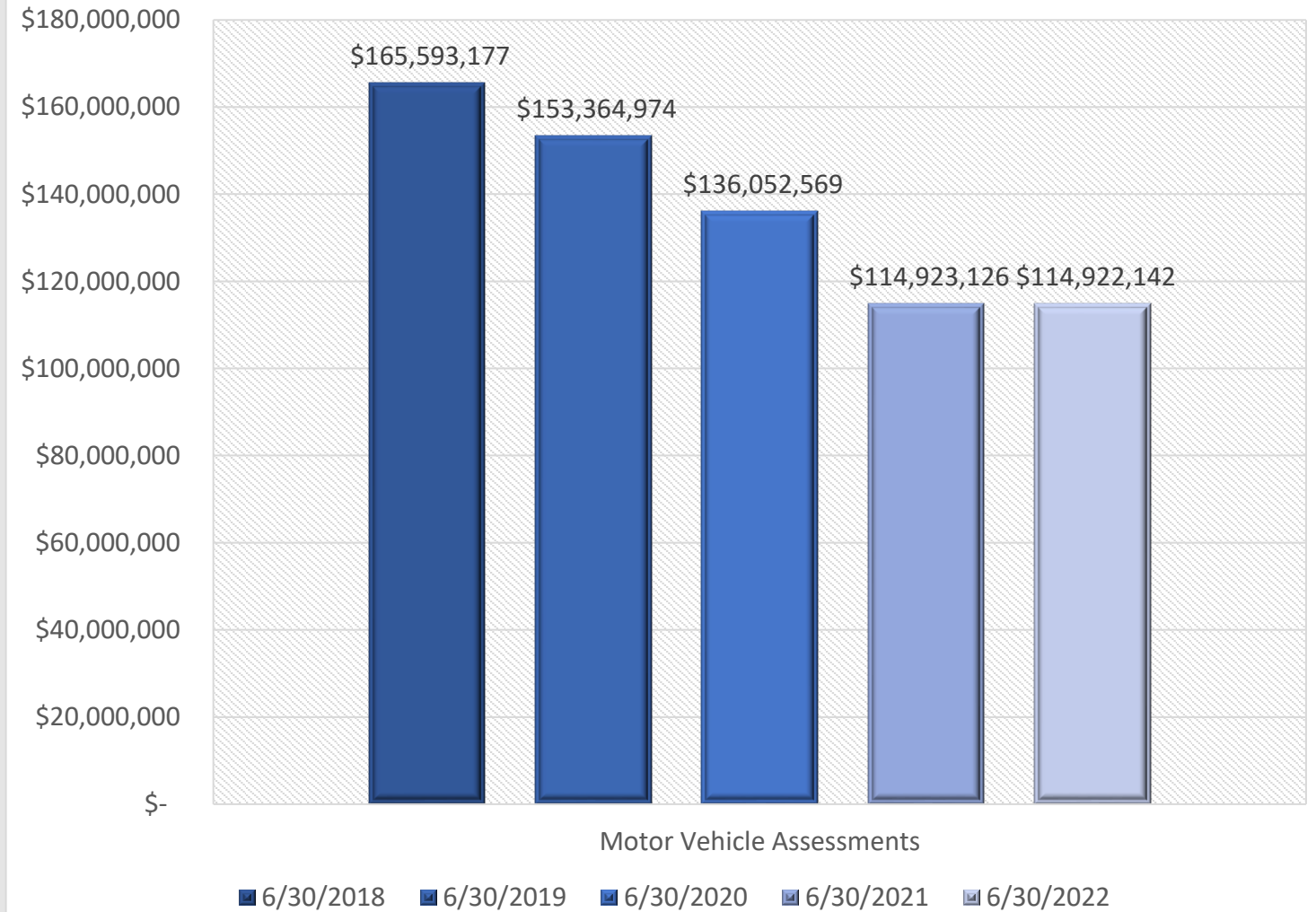
Tax Rates

2017-2018	11.59
2018-2019	11.88
2019-2020	11.20
2020-2021	11.31
2021-2022	11.48



Motor Vehicle Annual Assessments Tax Rates

Tax Rate is fixed at
29.67 per year



Real Estate Taxes by Home Value

Annual Home Value Based on Assessment Changes									
6/30/2018		6/30/2019		6/30/2020		6/30/2021		6/30/2022	
\$	301,000	\$	304,049	\$	334,804	\$	337,422	\$	337,461
\$	550,000	\$	555,571	\$	611,769	\$	616,552	\$	616,624
\$	750,000	\$	757,597	\$	834,230	\$	840,752	\$	840,850
\$	900,000	\$	909,116	\$	1,001,076	\$	1,008,903	\$	1,009,021

Annual Estimated Real Estate Taxes									
6/30/2018		6/30/2019		6/30/2020		6/30/2021		6/30/2022	
\$	3,489	\$	3,612	\$	3,750	\$	3,816	\$	3,874
\$	6,375	\$	6,600	\$	6,852	\$	6,973	\$	7,079
\$	8,693	\$	9,000	\$	9,343	\$	9,509	\$	9,653
\$	10,431	\$	10,800	\$	11,212	\$	11,411	\$	11,584

	2021	2022	2022	CHANGE
		DEPARTMENT		
	REVISED BUDGET	LEVEL	TOWN MANAGER	
General Property Taxes	\$ 74,854,603	\$ 76,594,937	\$ 76,721,230	\$ 1,866,627
Licenses and Permits	727,176	700,092	700,092	(27,084)
Fines and Penalties	214,400	214,400	214,400	-
Use of Property and Money	617,000	552,000	552,000	(65,000)
State Grant In Aid - GF	4,776,508	5,046,367	5,568,225	791,717
State Grant In Aid - School	10,005,760	9,849,485	9,849,485	(156,275)
Revenue From Other Sources	2,038,073	1,845,691	1,845,691	(192,382)
Recreation	313,000	324,000	339,000	26,000
TOTAL REVENUE	\$ 93,546,520	\$ 95,126,972	\$ 95,790,123	\$ 2,243,603

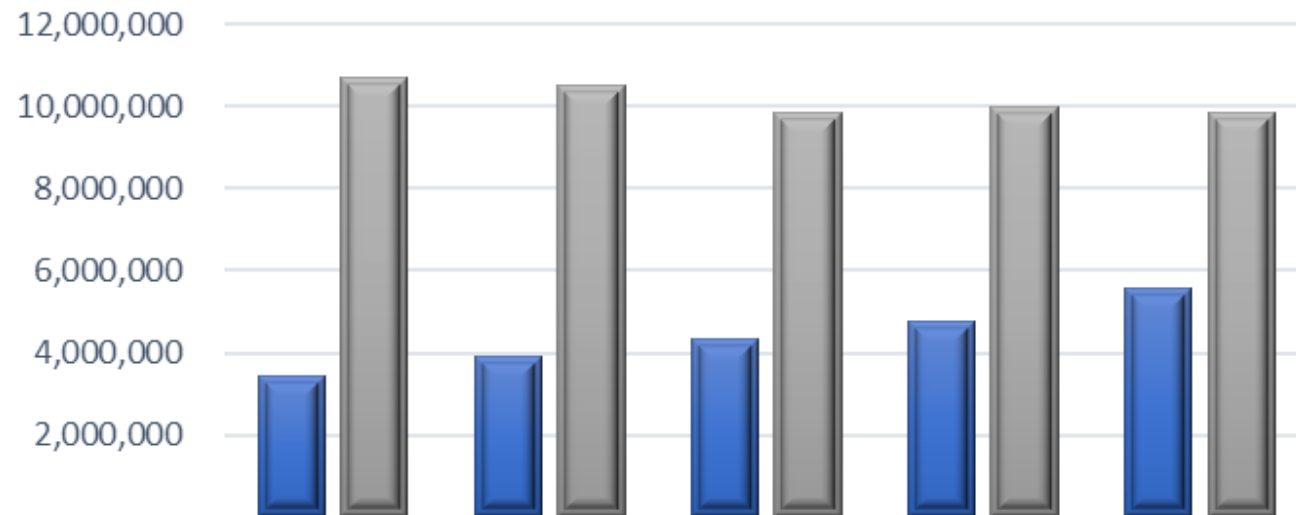
TOTAL
REVENUE

STATE AID TOWN AND SCHOOL

	2018 ACTUALS	2019 ACTUALS	2020 ACTUALS	2021 BUDGET	2022 MANAGER	2022 VS 2021 INC (DEC)
Public Service Corp. Tax	285,934	285,179	281,776	285,179	281,776	(3,403)
State Beach	191,802	190,781	222,065	225,000	225,000	-
M V Reimbursement	852,374	220,009	220,009	220,009	220,009	-
MV Phase-Out Reimbursement	-	995,209	1,508,925	1,777,878	2,724,180	946,302
Vacation Rental Tax	41,345	51,416	131,684	70,000	70,000	-
Meal Tax	933,854	990,459	859,102	973,892	864,129	(109,763)
Hotel Tax	636,110	707,805	632,175	754,486	681,839	(72,647)
In Lieu of Taxes	176,420	168,006	168,006	162,421	185,126	22,705
Westerly Public Library	318,791	315,893	317,010	307,643	316,166	8,523
TOTAL STATE AID: GENERAL FUND	3,436,631	3,924,757	4,340,753	4,776,508	5,568,225	791,717
School Operations	8,850,061	8,764,667	8,098,554	8,298,599	8,072,324	(226,275)
School Housing Aid	1,845,054	1,759,614	1,734,075	1,707,161	1,777,161	70,000
TOTAL STATE AID: SCHOOL FUND	10,695,115	10,524,281	9,832,629	10,005,760	9,849,485	(156,275)

STATE AID TOWN AND SCHOOL

State Aid: Town and School

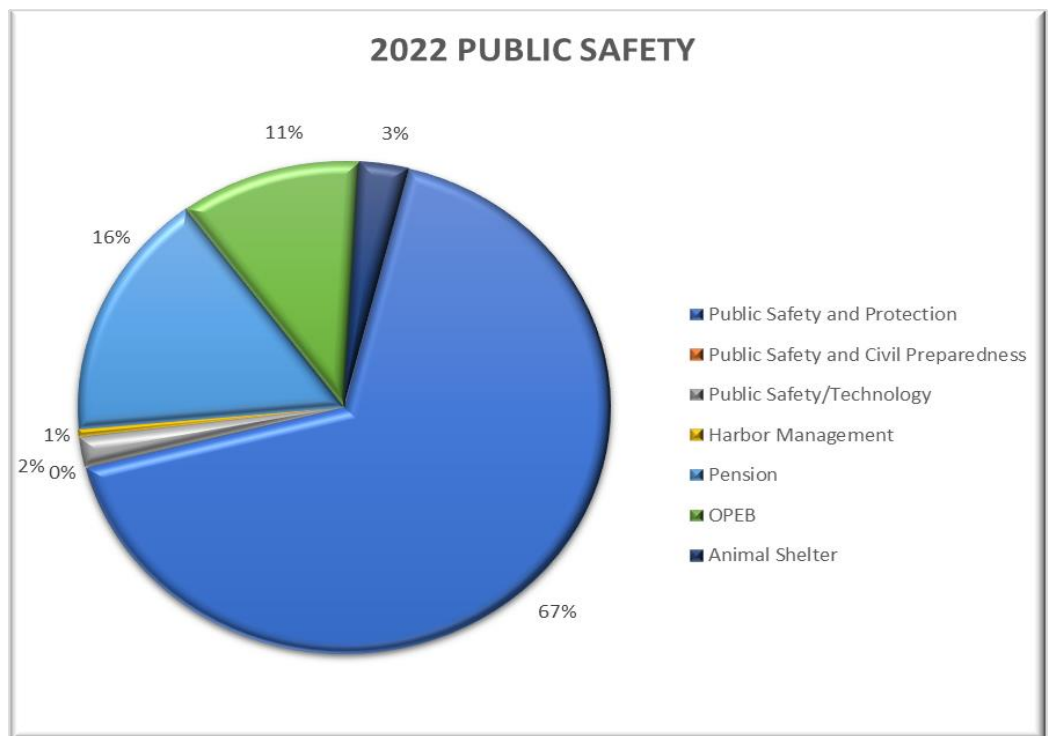


	ACTUALS 2018	ACTUALS 2019	ACTUALS 2020	BUDGET 2021	MANAGER 2022
State Grant in Aid: General Fund	3,436,631	3,924,757	4,340,753	4,776,508	5,568,225
State Grant in Aid: School Fund	10,695,115	10,524,281	9,832,629	10,005,760	9,849,485

■ State Grant in Aid: General Fund
 ■ State Grant in Aid: School Fund

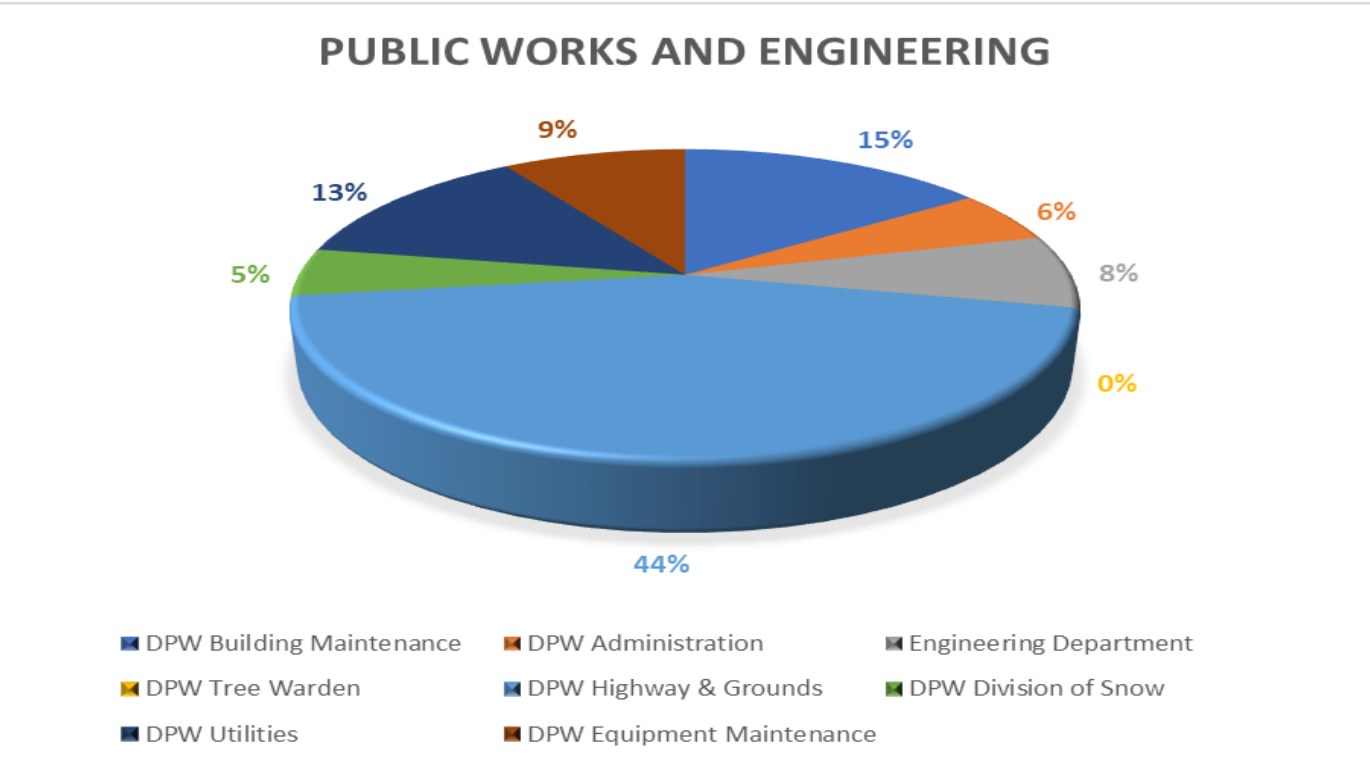
	2018 ACTUALS	2019 ACTUALS	2020 ACTUALS	2021 BUDGET	2022 MANAGER
Public Safety and Protection	\$ 7,081,509	\$ 7,018,860	\$ 7,299,309	\$ 7,747,466	\$ 7,782,799
Public Safety and Civil Preparedness	5,000	6,250	10,211	10,700	11,083
Public Safety/Technology	178,935	168,488	174,076	217,069	222,657
Harbor Management	-	-	-	53,079	59,063
Animal Shelter	-	-	-	310,510	343,831
Police Pension ARC	1,850,000	1,795,200	1,759,248	1,786,470	1,891,700
OPEB Contribution	1,912,794	1,535,800	1,252,893	1,258,061	1,276,541
TOTAL ORGANIZATION	11,028,238	10,524,599	10,495,737	11,383,354	11,587,674

PUBLIC SAFETY,
CIVIL
PREPAREDNESS,
TECHNOLOGY
AND ANIMAL
SHELTER



DEPARTMENT
OF PUBLIC
WORKS AND
ENGINEERING

	2018 ACTUALS	2019 ACTUALS	2020 ACTUALS	2021 BUDGET	2022 MANAGER	PCT CHANGE
DPW Building Maintenance	\$ 742,718	\$ 716,154	\$ 705,781	\$ 793,193	\$ 832,434	4.90%
D.P.W. Administration	288,729	289,974	231,858	282,235	298,306	5.70%
Engineering Department	93,387	99,595	122,035	224,878	412,721	83.50%
D.P.W. Tree Warden	4,875	1,000	1,000	1,000	1,000	0.00%
DPW Highway & Grounds	1,614,394	2,175,418	2,253,698	2,402,442	2,418,484	0.70%
D.P.W. Division of Snow	270,237	219,562	123,014	254,650	269,650	5.90%
DPW-Utilities	366,291	646,986	576,501	695,600	714,950	2.80%
D.P.W. Equipment Maintenance	368,241	473,190	451,290	466,351	493,057	5.70%
TOTAL ORGANIZATION	3,748,872	4,621,879	4,465,177	5,120,349	5,440,602	6.3%



- DPW Building Maintenance
- DPW Administration
- Engineering Department
- DPW Tree Warden
- DPW Highway & Grounds
- DPW Division of Snow
- DPW Utilities
- DPW Equipment Maintenance



GENERAL
GOVERNMENT

	2021 REVISED BUDGET	2022 TOWN MANAGER
Total General Government	\$ 4,584,752	\$ 5,362,856
2022 Increase over 2021		<u>\$ 778,000</u>
Legal Services		117,000
Town Manager		32,000
Finance Department		26,000
Assessment Administration		10,000
Information Technology		12,000
Tax Collector		9,000
Self Insurance Fund		428,000
Development Services		118,000
COLA Increases		23,000
		<u>\$ 775,000</u>

RESTRICTED AND CAPITAL REQUESTS

	2018 ACTUALS	2019 ACTUALS	2020 ACTUALS	2021 ACTUALS	2021 BUDGET	2022 MANAGER	PCT CHANGE
Restricted Programs	1,194,372	1,266,584	1,284,460	203,477	792,350	2,069,000	161.10%
Capital Improvement	498,445	887,636	804,000	4,492	482,710	1,181,500	144.80%
Capital Improvement - School	429,301	353,293	582,493	123,000	826,140	3,499,068	323.50%

DEBT
SERVICE
PFM
Update

Moody's MFRA Analysis

Fiscal Year Data	2020	2019	2020	2020
	Westerly Rated: Aa3	State of Rhode Island ¹ Aa3 Entites	New England Aa3 Entites	United States Aa3 Entites
Total General Fund Revenues (\$000)	97,636	26,931	46,000	23,570
General Fund Balance as % of Revenues	18.0	21.8	18.2	37.2
Total General Fund Balance (\$000)	17,864	14,177	7,845	7,777
General Net Cash as % of General Revenues	14.9	23.2	24.8	38.2
Unrestricted Spendable General Fund Balance as % of Revenues	12.4	21.6	18.1	33.1
Total Full Value (\$000)	6,499,790	1,276,228	1,542,002	1,425,807
Full Value Per Capita (\$)	287,296	116,858	115,390	99,875
Average Annual Increase in Full Value (%)	1.8	1.3	2.1	3.2
Top Ten TaxPayers as % of Total	3.3	3.7	6.6	10.2
Direct Net Debt Outstanding (\$000)	66,814	38,921	28,279	18,334
Direct Net Debt Outstanding as % of Full Value	1.0	1.2	1.3	1.1
Direct Net Debt Per Capita (\$)	2,911	1,428	2,062	1,430
Pay out, 10 years, All GO debt (%)	78.2	74.5	77.7	76.7
Debt Service as % of Total Revenue (%)	8.4	8.7	4.5	5.4

Source: Moody's Investment Service, Local Government Ratings

Populations Under 50,000

(1) FY2019 data used - FY2020 data not yet available

**Information provided by PFM Financial Management, LLC to Westerly Town Council
March 1, 2021**

DEBT
SERVICE
PFM
Update

Existing Net Debt Service Requirements

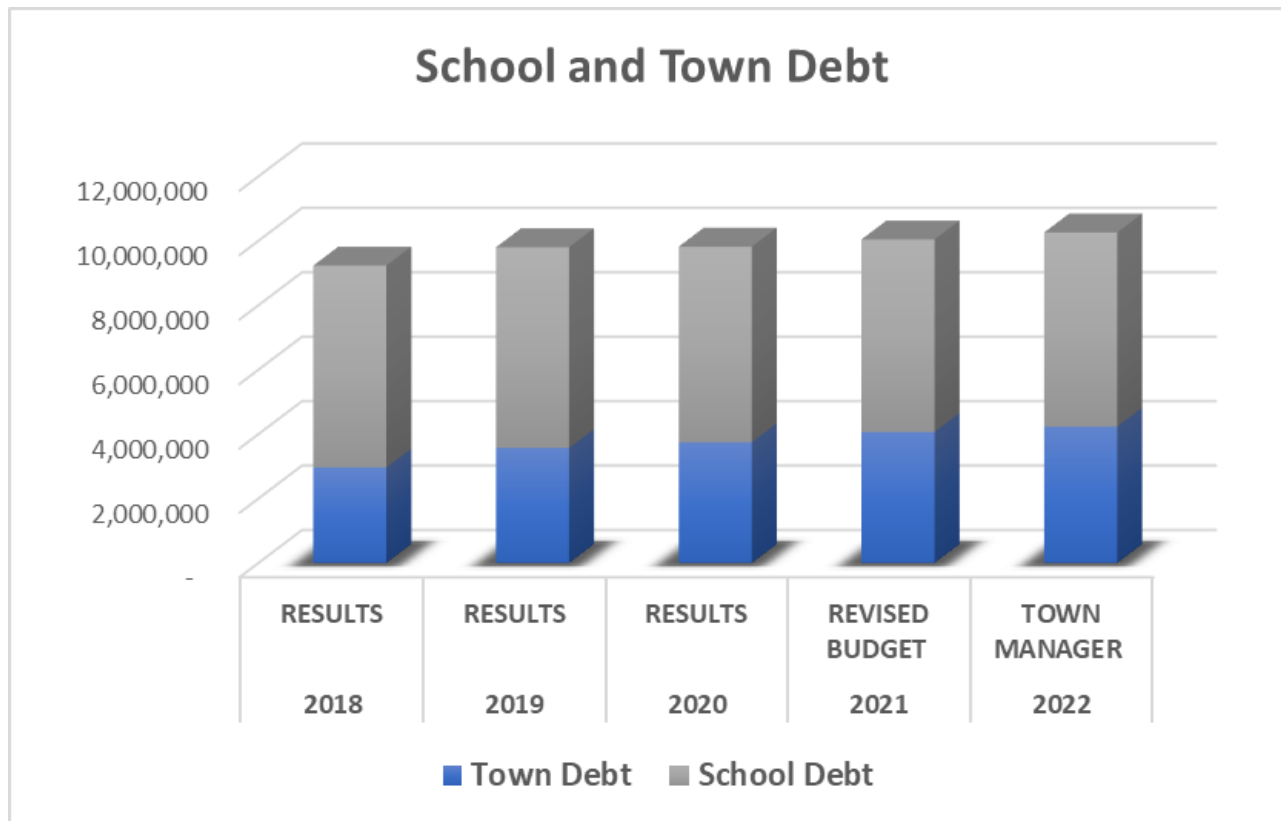
EXISTING DEBT					
General Obligation Debt					
As of June 30, 2020					
Existing					
Period Ending	Existing GO Debt Service	School Debt Service	Total Debt Service	State Aid (35%)	Net Debt Service
6/30/2021	6,440,293	2,784,767	9,225,060	(974,668)	8,250,392
6/30/2022	6,756,030	2,733,273	9,489,302	(956,645)	8,532,657
6/30/2023	6,829,464	2,686,723	9,516,186	(940,353)	8,575,833
6/30/2024	6,717,486	2,641,748	9,359,234	(924,612)	8,434,622
6/30/2025	6,518,898	2,595,417	9,114,314	(908,396)	8,205,918
6/30/2026	3,974,961	2,547,729	6,522,690	(891,705)	5,630,985
6/30/2027	3,234,451	2,497,329	5,731,780	(874,065)	4,857,715
6/30/2028	2,394,957	1,295,350	3,690,307	(453,373)	3,236,935
6/30/2029	2,008,120	1,244,556	3,252,676	(435,595)	2,817,082
6/30/2030	1,986,373	1,192,406	3,178,780	(417,342)	2,761,437
6/30/2031	1,966,933	1,138,900	3,105,833	(398,615)	2,707,218
6/30/2032	1,945,585	-	1,945,585	-	1,945,585
6/30/2033	1,925,596	-	1,925,596	-	1,925,596
6/30/2034	1,428,889	-	1,428,889	-	1,428,889
6/30/2035	1,425,737	-	1,425,737	-	1,425,737
6/30/2036	992,425	-	992,425	-	992,425
6/30/2037	996,676	-	996,676	-	996,676
6/30/2038	1,001,593	-	1,001,593	-	1,001,593
6/30/2039	1,003,954	-	1,003,954	-	1,003,954
	59,548,421	23,358,197	82,906,618	(8,175,369)	74,731,249

*Information provided by PFM Financial Management, LLC to Westerly Town Council
March 1, 2021*

DEBT SERVICE

	2018 ACTUALS	2019 ACTUALS	2020 ACTUALS	2021 BUDGET	2022 MANAGER	PCT CHANGE
BONDS AND NOTES	5,862,680	5,903,975	5,814,760	5,736,363	5,713,088	
LEASES	405,526	325,103	257,850	236,356	310,610	
TOTAL EDUCATION DEBT SERVICE	6,268,206	6,229,077	6,072,610	5,972,719	6,023,698	0.85%

	2018 ACTUALS	2019 ACTUALS	2020 ACTUALS	2021 BUDGET	2022 MANAGER	PCT CHANGE
BONDS AND NOTES	2,668,453	2,965,262	3,202,953	3,535,890	3,893,798	
LEASES	295,244	605,310	543,773	533,952	342,315	
TOTAL TOWN DEBT SERVICE	2,963,697	3,570,572	3,746,726	4,069,843	4,236,113	4.09%



Town Manager Update and Recommendations

Budget Deficit	(\$4,824,612)
School Capital Projects supported by Bond Funding, subject to referendum	1,895,000
Roads, Sidewalks and Drainage Projects supported by Bond Funding, subject to referendum	925,000
Demolition split over two years	175,000
Fund DPW Garage with prior year surplus	500,000
Move Recreation Mower to three-year lease	45,000
DPW Director vacancy defer to January 2022	37,000
Total Recommended changes	\$3,577,000
Remaining deficit	\$(1,247,612)