



MAYOR'S NEWSLETTER MARCH 2023

In 2022 I shared with you the financial challenges that the village would be facing as a direct result of the global pandemic and the growth in flexible work arrangements for workers throughout the country. Over the past year, these challenges have not subsided.

Last year our income tax revenue was down over \$500,000 from pre-pandemic years resulting from flexible work policies adopted by local employers. As we continue to monitor the situation, it is apparent there will be no significant change in the years ahead. Before the pandemic, our 1% income tax generated on average \$1.4 million in revenue, and in 2022 this dropped to just a little over one million.

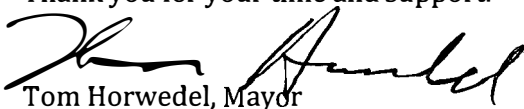
Prior to the pandemic, our yearly expenditures averaged about \$1.4 million and included normal operating expenses, street and road maintenance, cemetery and park maintenance, capital equipment expenditures, Fire and EMS services, capital road improvements and facility improvements. Due to our declining revenue base, we reduce expenses by a bit over \$400,000 in 2022. These cuts resulted in no capital funding for street and road improvements, reductions in maintenance services and reduced funding for capital projects. These reductions were effective in the short-term but are not sustainable for our village.

In 1973 an income tax was put in place at one half percent. Eighteen years later, in 1991, it was raised to one percent where it stands today. For the past 31 years we have managed to operate, maintain, and improve our village with this funding source given the large employee base from Westfield Group working in the village. However, we are now forced to reconsider our long-term financial situation, and the Village Council and I will continue to work diligently on these issues and will keep you updated on our progress.

Another emerging financial concern is our participation in the Westfield Fire District. Currently, fire and EMS services are provided to village residents by the Westfield Fire District under a contractual agreement. These services cost the village \$158,000 annually which is based on approved millage of the Westfield Fire District multiplied by Village property values. This contribution is paid for out of our general fund. This May the fire district is requesting **Township** voters to approve an additional 3.5 mil levy to provide additional staffing, address increasing operating expense and to create a much-needed capital equipment replacement plan. This increased millage would significantly increase the Village's contribution necessary to continue to receive fire and EMS services from Westfield Fire District. As this continues to evolve, we will be looking at how we fund for these services and determine if any changes will be necessary.

I encourage residents to reach out to me or members of council with any questions. Contact information can be found on the village website www.westfieldcenter.org. It is our goal to be as transparent as possible as we work through these challenges in the months ahead.

Thank you for your time and support.


Tom Horwedel, Mayor

