

FY 2015 Budget Presentation

Board of Selectmen
January 28, 2014

Town's Fiscal Position - State of the Town

- Property values remain high
- Tax rate remains low
- AAA Bond Rating (affirmed Nov. 2013)
- Reserves improved over FY2013
- Major Capital projects completed
- OPEB funding strategy

Budget Summit -Year 2

- Budget Summit – September 2013
 - Collaboration
 - Directive
 - Process/Calendar
 - Revenue/Expense Trends
 - Long-range Forecast
 - Fiscal Policies

Multi-year Financial Plan; Long Range Forecast

- BOS and Fiscal Policies
- Revenues
- Expenses
- Debt Service
- Challenges/Opportunities
- Sustainability

Town's Budgetary Components

- I. Revenue Outlook
- II. Expenditures
 - i. General Operating Budget
 - ii. Water Operating Budget
 - iii. Five Year Capital Plan
 - iv. Educational Assessments
(MRSD/CCRTHS)
 - v. Capital Facilities Plan
 - vi. Other (OPEB)

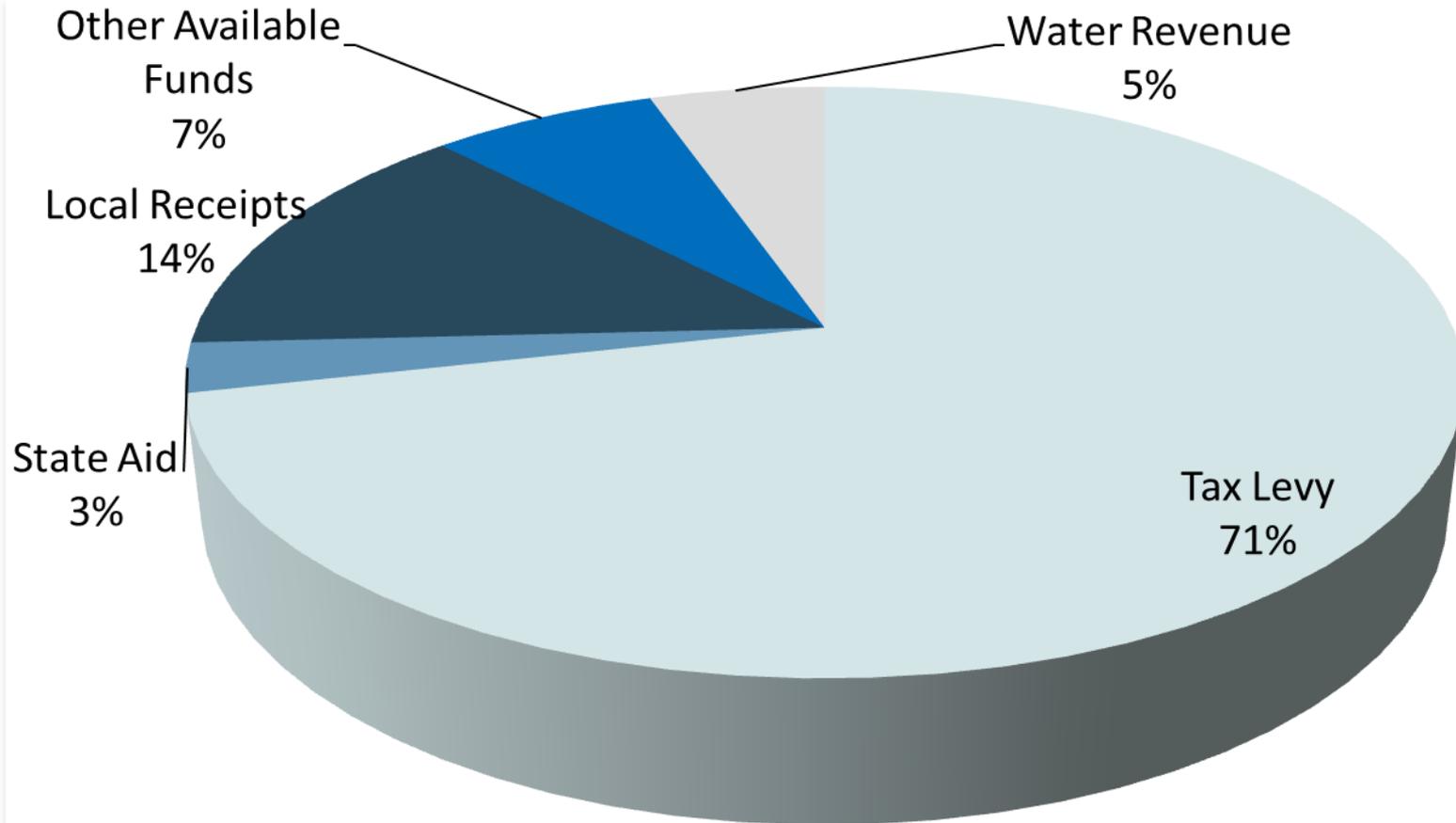
FY2015 Directive

- BOS Goals & Objectives (Nov.-Jan. 2014)
- Level Funded Budget
 - Staffing levels equal to FY2014
 - Supplemental Expense Requests are highlighted in the Summary

Revenues

- Allowable Growth *estimated* \$819,800
- Local Receipts *increase* \$ 40,000
 - Hotel/Motel
 - Meals Tax
- Departmental Fees *review*
 - Percent that fees 'cover' operating costs
 - Year to date
- State Aid Level to FY14

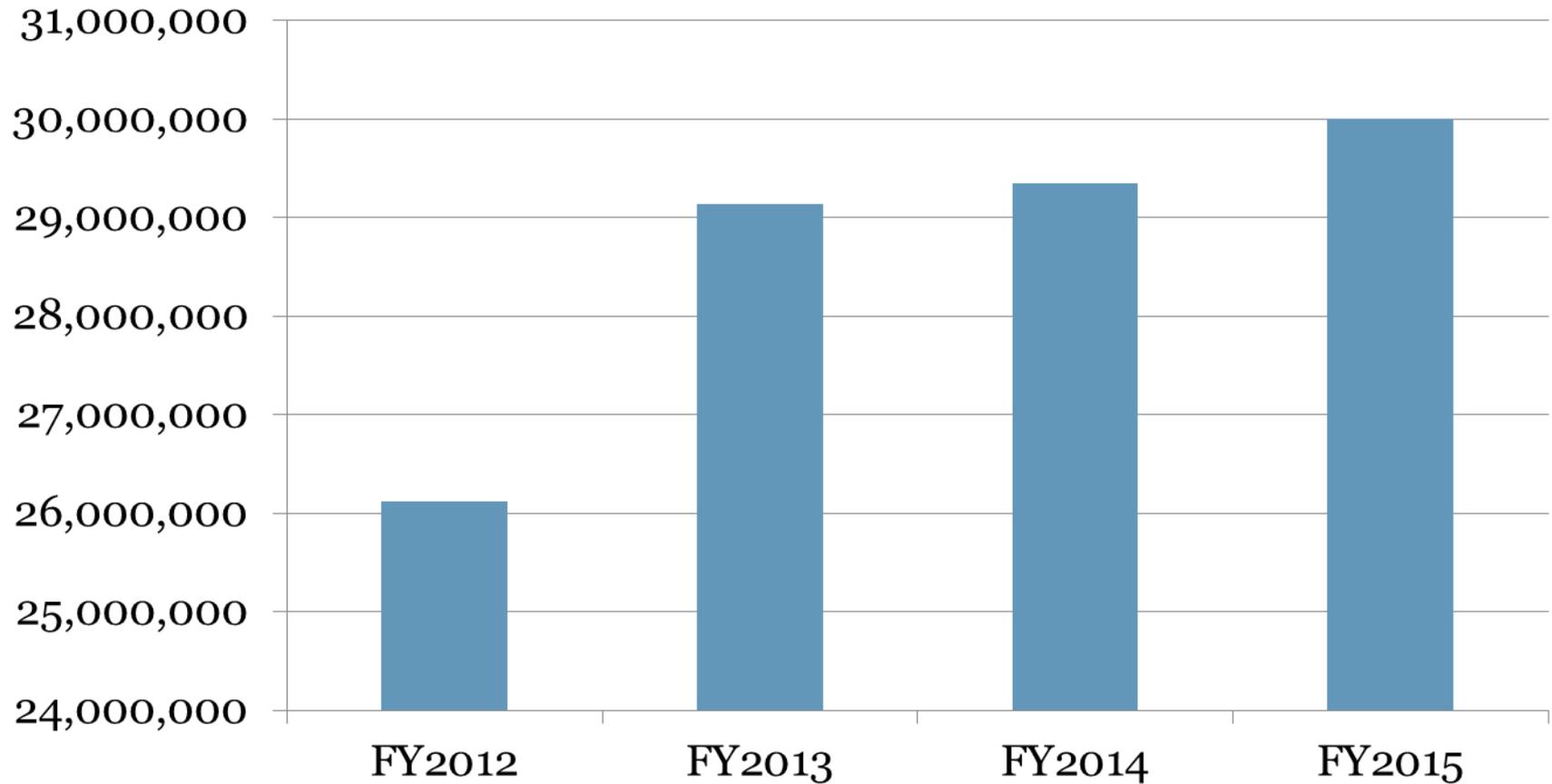
FY2015 Revenue



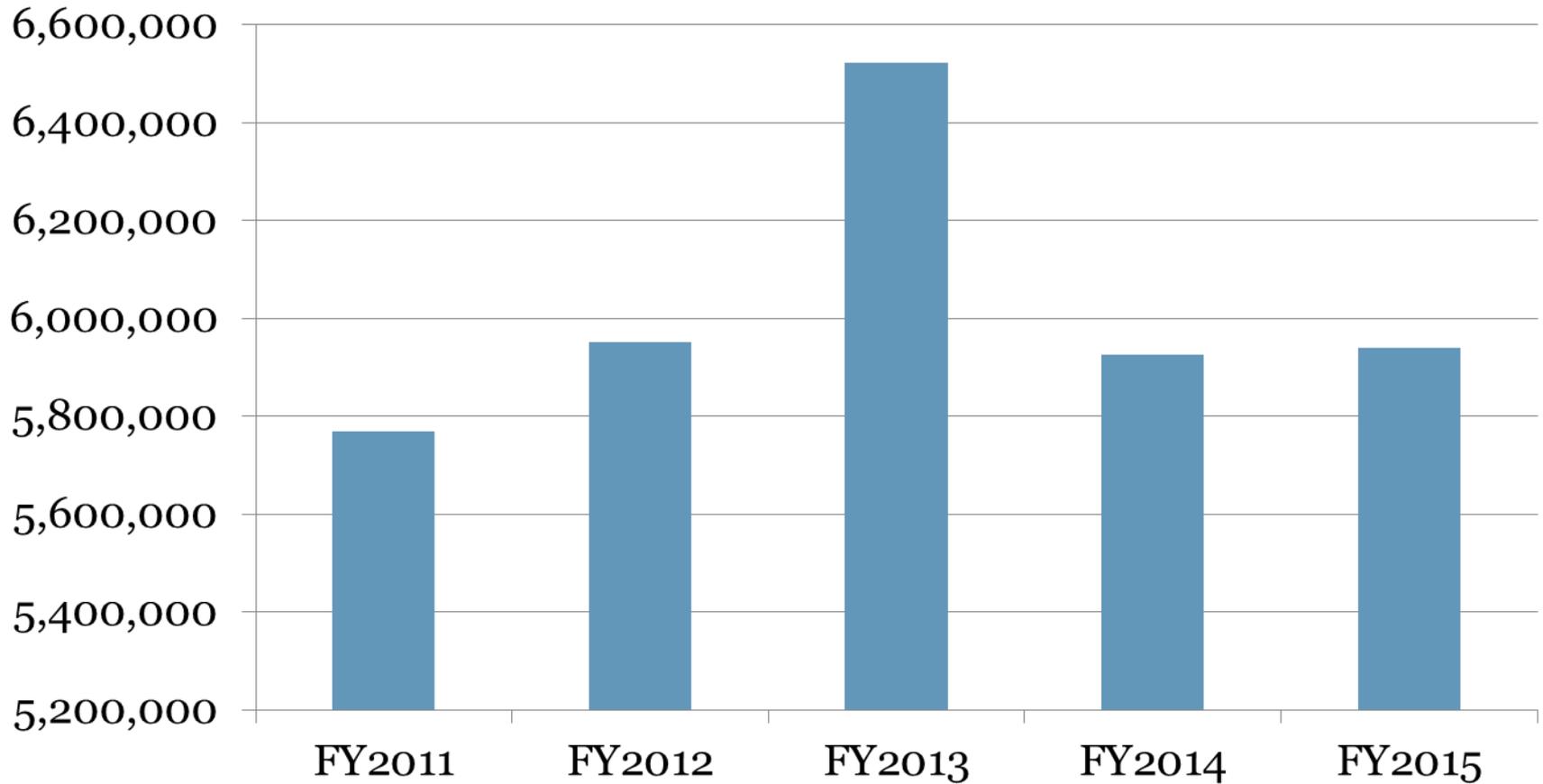
Tax Levy (not Tax Rate)

- Property Tax FY2015 –Allowable Growth
- \$30,533,306 vs \$30,008,306 (all inclusive)
 - 2.33% increase (*projected*)
- Local Receipts
 - Increase over FY2014
- Other Available Funds
 - Increase over FY2014; Free Cash \$1,000,000
- State Aid
 - Flat to FY2014 based on Gov's H2 (1/22/14)

Tax Levy



Local Receipts



FY2015 Operating Budgets

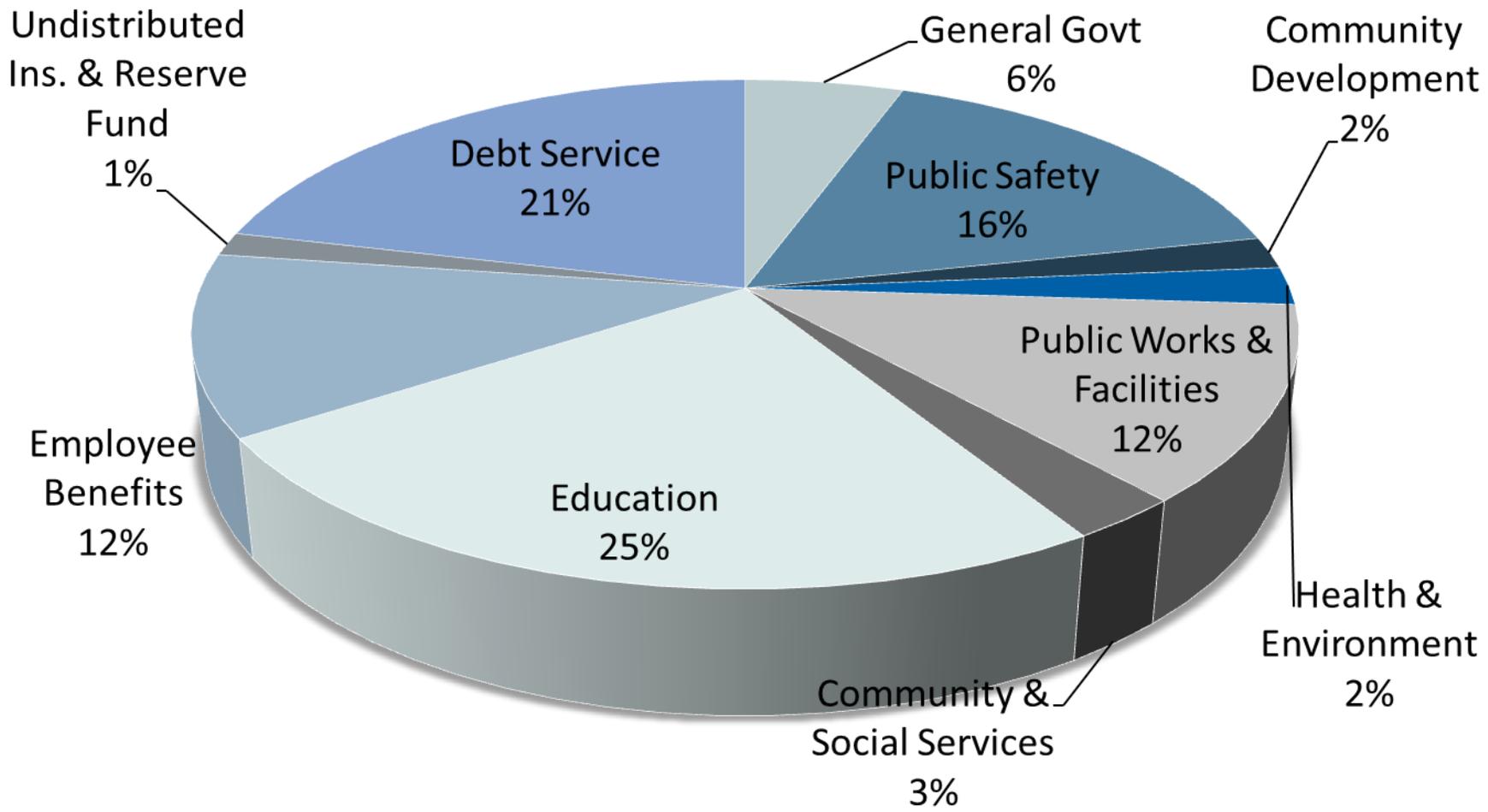
	FY2013	Voted FY2014	TM Recommend FY2015	% Change
I. General Government	\$ 1,898,390	\$ 1,926,680	\$ 1,982,884	2.9%
II. Public Safety	\$ 5,544,029	\$ 5,754,115	\$ 5,799,990	0.8%
III. Community Development	\$ 661,747	\$ 715,365	\$ 728,190	1.8%
IV. Health & Environment	\$ 805,927	\$ 835,157	\$ 859,986	3.0%
V. Public Works	\$ 4,252,406	\$ 4,349,927	\$ 4,458,063	2.5%
VI. Human & Public Services	<u>\$ 921,677</u>	<u>\$ 976,340</u>	<u>\$ 999,260</u>	<u>2.3%</u>
Sub-total:	\$ 13,896,630	\$ 14,557,584	\$ 14,828,373	1.9%

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FY2015 Operating Budgets

	FY2013	Voted FY2014	TM Recommend FY2015	% Change
I – VI sub-total	\$ 13,896,630	\$ 14,557,584	\$ 14,828,373	1.9%
<i>(From prior slide)</i>				
VII. Debt Service	\$ 5,852,861	\$ 7,905,583	\$ 7,658,244	-3.1%
VIII. Employee Benefits	\$ 4,219,258	\$ 3,952,910	\$ 4,142,970	4.8%
IX. Undistributed/Reserve	<u>\$ 342,353</u>	<u>\$ 501,135</u>	<u>\$ 537,085</u>	<u>7.2%</u>
Total, I-IX	\$ 25,876,851	\$ 26,916,212	\$ 27,166,672	0.93%

FY15 Expenses



Operating Budget (Article 6)

- FY2015 proposed - \$27,166,672
- Increase of \$250,460
- 0.93% over FY2014

FY2015 Differences to Prior Years

- **Public Safety**
 - Overtime – level funded to FY2014
 - Regional Dispatch (-)
 - Contracted Services (+)

- **Public Works**
 - Solid Waste Contract Expiration– Recycling

- **Employee Benefits**
 - Health Insurance – less than 2.5% increase
 - Liability Insurances – based on prior actuals

Differences

- Same # of Staff
- Contractual Agreements
 - Salary Increases account for \$173,545
- Budget ‘consolidations’
 - Greenhead Fly & Water Quality Lab
 - Channel 18
- “Consolidations” ≠ savings

Differences from prior year

FUNCTION	AMOUNT	IMPACT
General Government	\$(69,599) transfer \$ 89,265	Channel 18 Budget moves back to IT from Human Resources, technology cost increase \$20,000
Public Safety	\$(35,982) \$ 9,080	Regional FD Dispatch (-); PD Contracted services (+)
Health & Environment	\$ 4,260 \$(220,987) transfer \$ 220,987	Additional hours for Landing Officers Budget Consolidation for H&E, Lab, Greenhead Fly
Public Works	\$67,000 \$20,000	Transfer Station to collect from public solid waste/recycling facilities; cost for ½ year of solid waste disposal contract (20 year contract expires on 12/31/14); Facilities contracts
Human Services Library Budget	\$(439,980) transfer \$439,980	Municipal requirement for Library presented as a separate budget; 610

Water Budgets (Separate Articles)

- FY2015 Operating
 - \$2,624,936 (level to FY2014)
- Water Capital -
 - Iron & Manganese Treatment Plant
 - OPM funded and design development previously approved
- Funded through Water Revenues and Debt Drop-off

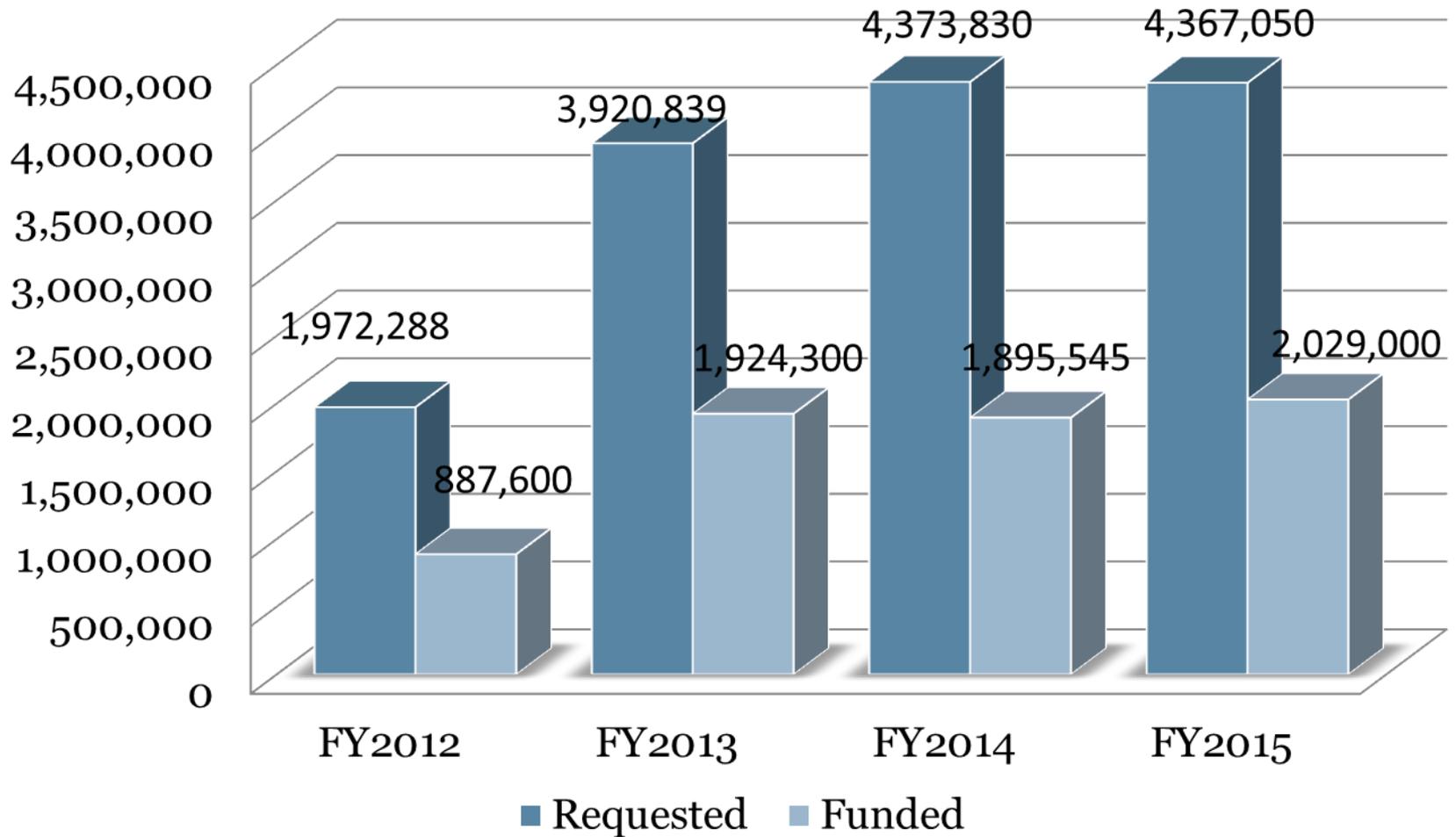
FY2015 Capital Plan Funding

- Adequate level –Policies/Summits
- Requests vs. Priorities/Needs
- Funding Sources
 - Free Cash
 - Available Funds
 - Waterways, Old Articles
 - Tax Levy
- Future Planning (5-year capital plan)

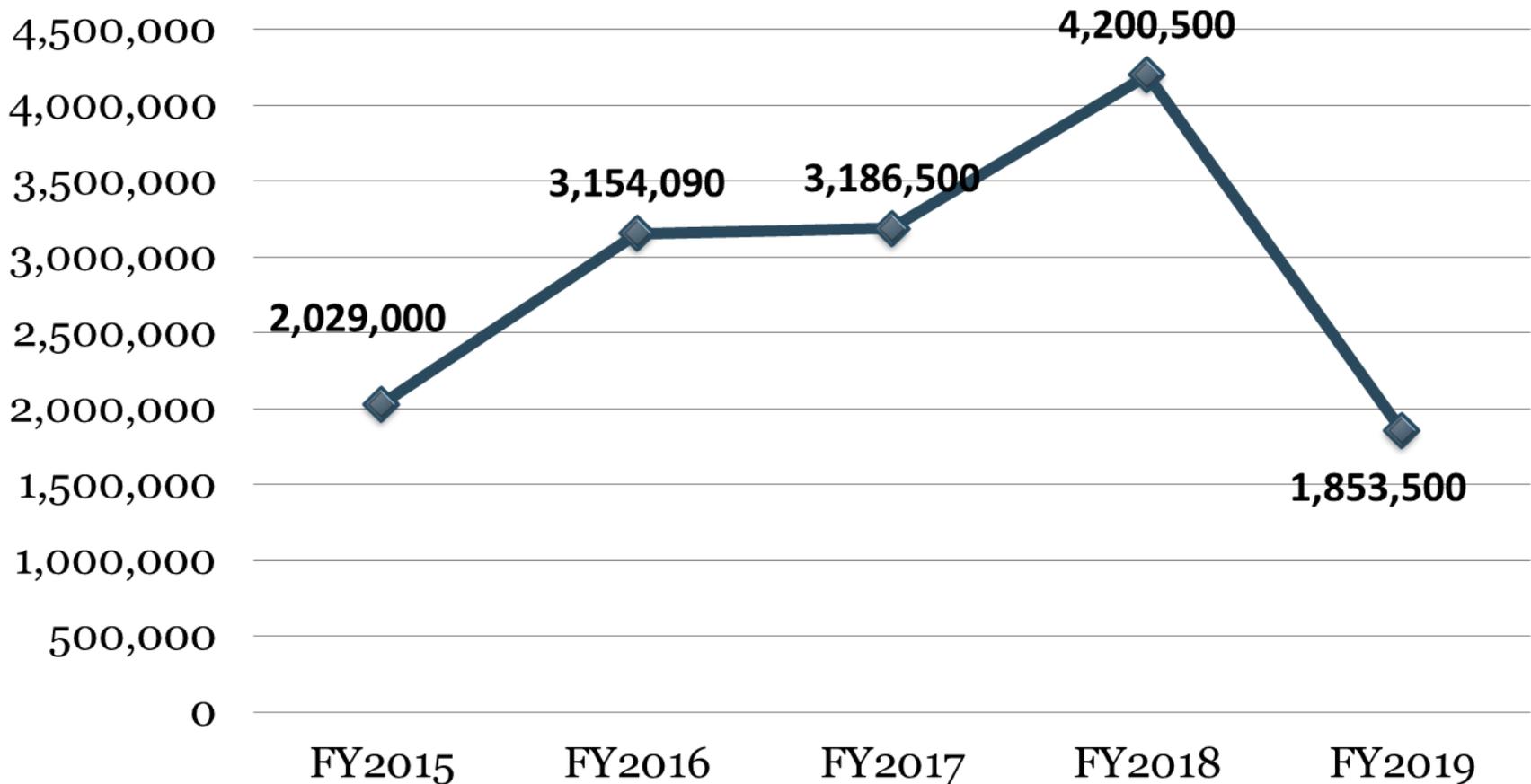
5 Five Year Capital Plan

CAPITAL PROGRAM & BUDGET SUMMARY	FY 2015	FY 2015
	Dept. Request	TMGR Recommendation
General Government	\$217,500	\$157,500
Public Safety	342,250	225,000
Community Development	95,000	50,000
Health & Environment	1,761,000	374,000
Public Works (without Water)	1,363,500	938,500
Equipment	\$587,800	\$284,000
Total Town Funded Capital Budget	4,367,050	2,029,000
Funding Sources:		
Free Cash		1,000,000
Waterways Improvement Funds		45,000
PEG Access Funds		30,000
Cemetery Sale of Lots		1,000
Shellfish Revolving		
Prior Articles		3,000
Capital Exclusion		
Raise & Appropriate (available Tax Levy)		950,000
Total Funding Sources	2,029,000	2,029,000
	(\$2,338,050)	\$0

Capital Plan



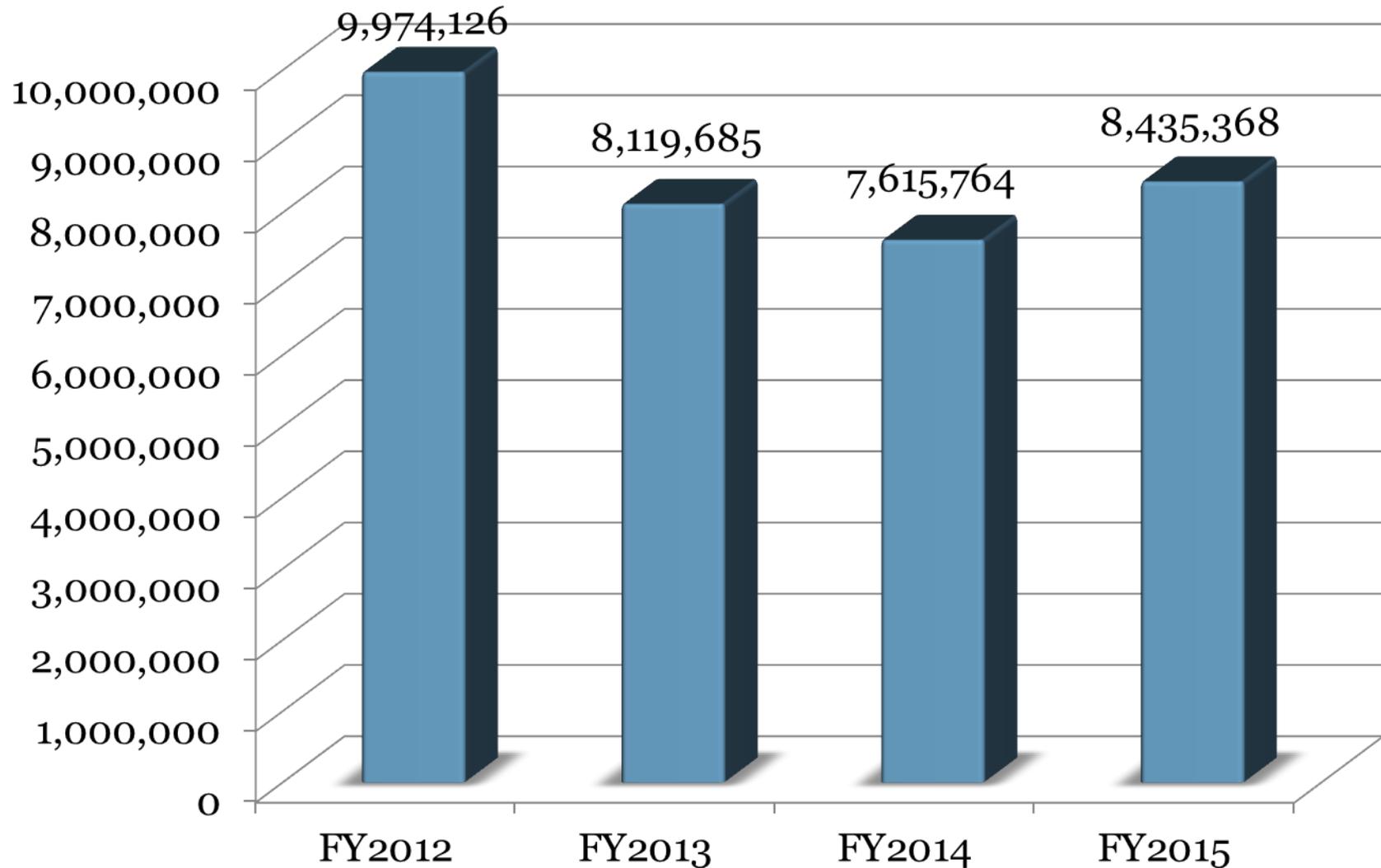
5-Year Capital Plan - requests



Educational Assessments (Separate Articles)

- Monomoy Regional
 - Overall Increase of 11.1% in assessment to Chatham (\$819,604)
 - Total Operating Budget 0.88% increase
 - OPEB Funding 1% of Payroll
 - Technology Upgrades
 - Required Minimum Contribution
 - \$336,245 due to change in FY14

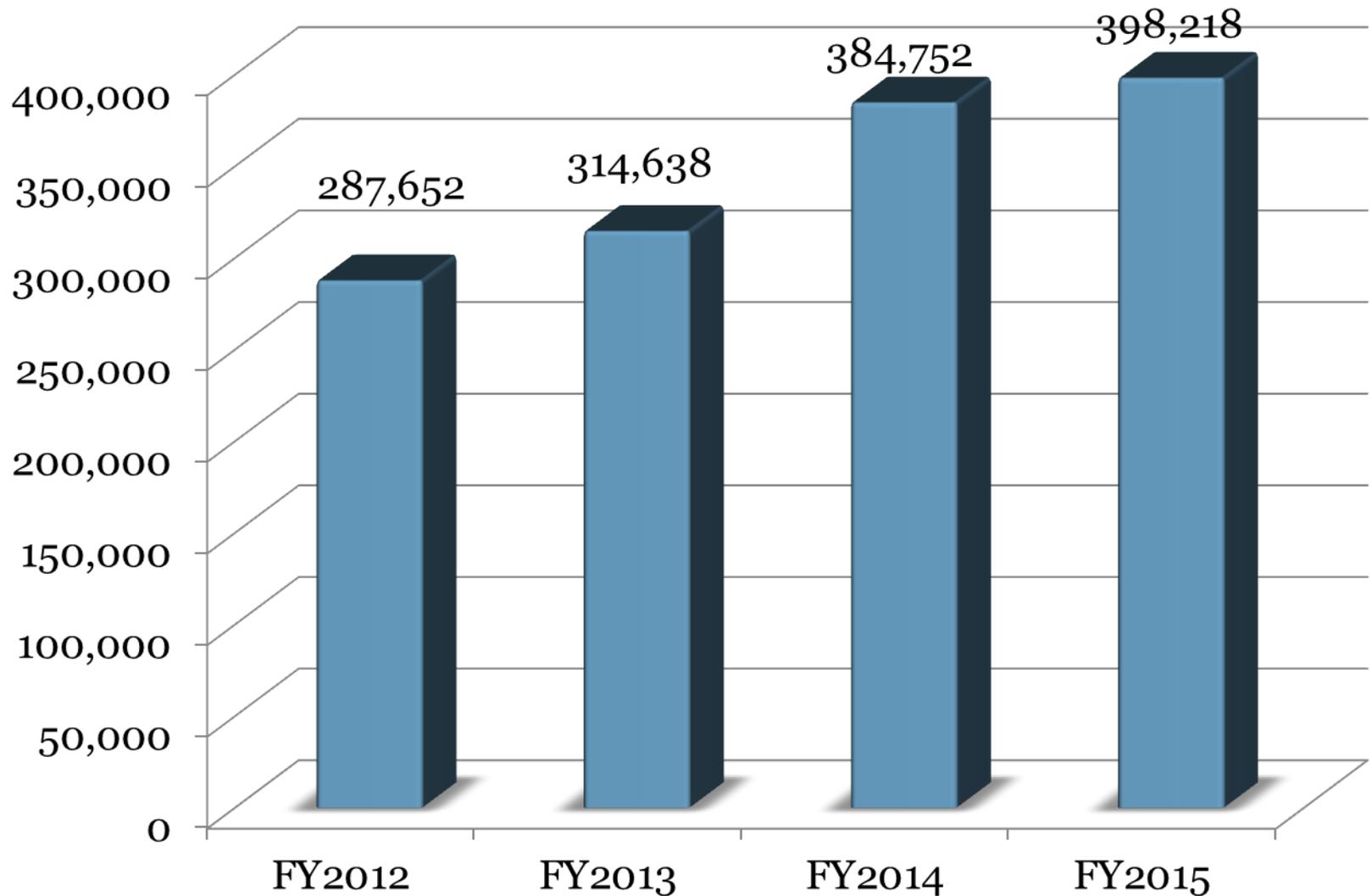
Monomoy Regional School District



Cape Cod Regional Tech High School

- *Projected* Increase 3.5% in assessment to Chatham
- Based on number of students and Local Minimum Contribution
 - Down 2 students from FY2014
- Article—Establish Stabilization Fund; No \$
- Budget Presentation 1/29/14

Cape Cod Regional Tech High School



Capital Infrastructure Projects

- Fire Station – approved Oct 2013
 - Debt schedules projected – FY2015 ST; FY2016 LT
- Wastewater continuation
 - Zero Percent Loans
- Iron & Manganese Treatment Plant
 - Funded by Water Revenues

Capital Projects Directive

- Project “Holiday”
 - In queue; no new projects planned
- Wastewater/Sewer
 - Continue to maximize low interest loans
- Water Capital
 - Paid by water rates

Other Post-Employment Benefits

- “OPEB” Trust Fund – established 2013
- Liability = \$16,559,085
- Funding request – May 2014
 - \$150,000
- Funding Strategy (long range forecast)