



Town of Chatham
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MEMORANDUM

TO: Honorable Board of Selectmen
Honorable Finance Committee

FROM: Jill R. Goldsmith, Town Manager

DATE: January 22, 2013 - UPDATED February 1, 2013

SUBJECT: Town Manager's Fiscal Year 2014 Budget Summary
(July 1, 2013 – June 30, 2014)

Attached, please find the summary of FY2014 Departmental Requests and Town Manager Recommendations for funding and the Preliminary Financial Forecast which includes revenues and economic forecasts. Also included is a Budget Summary reflecting budget appropriations since FY2011. The information presented below is a summary and snap shot of the information contained in the FY2014 Budget Book. For FY2014 budget planning and in consideration of the Board of Selectmen's (BOS) directive described in detail below, each Department/Division was asked to submit a detailed budget narrative (function and goals) and staffing history. In reviewing the detailed submissions in the Budget Book, and again this year, we also included a column for supplemental requests if funding were to be made available for strategic appropriation, and further as an illustration of operation and funding challenges.

As we work to make more documents available on the Town's website, including the Department Budgets, I would like to direct the public to a new link on the Town's website, called *Budget Central* - http://www.chatham-ma.gov/Public_Documents/ChathamMA_Budget/index. Such includes prior year budgets and budget summaries. FY2014 Budget materials will be placed in *Budget Central* and updated as information becomes available. We also recommend that the public visit the Town Manager's page on the website to review Monthly Reports provided to the Board of Selectmen which provide additional and up-to-date information on Town operations by Department and Division, and a precursor to benchmarking operations and performance

http://www.town.chatham.ma.us/Public_Documents/ChathamMA_Manager/index

Summer of 2012

Before we glimpse into the future, it is important to recognize a substantial achievement that occurred in June 2012 following Town Meeting's acceptance of our budget philosophy and strategy for the fiscal year of FY2013 and preparation efforts for FY2014.

- ✓ The Town's bond rating was affirmed by Standard and Poor's. We received a rating of AAA with a positive outlook. Such rating means *extremely strong capacity to meet financial commitments; Highest Rating*. Many other AAA municipalities across the nation struggled to maintain such rating. Attributing to its affirmation, the rating agency noted the Town's commitment to sound fiscal policies and strong financial management and trust in the officials and professional staff. This accomplishment is achieved at the Town level, and we appreciate the continued support of the community.
- ✓ Budget Summits - The summer months also provided for the opportunity to hold Budget Summits (July 24 and September 11) to present multi-year financial forecasts and examine financial indicators for revenues and cost controls. Participants included the Board of Selectmen, Finance Committee, Monomoy Regional School Committee, and Department Heads. While there was much discussion about revenues and expenses, an important base line of understanding projections was achieved; financial terms and definitions were agreed upon.
- ✓ SRAC Annual Town Meeting - In between the Budget Summits, the Summer Residents Advisory Committee (SRAC) held its annual Town Meeting. The presentations and scorecard results demonstrated cohesion and shared vision for financial matters by our Summer Residents which is a significant collaboration.

Board of Selectmen Goals

The 2013 (FY2014) goals of the Board of Selectmen which are used to drive this budgeting process are attached to this report [Attachment 1]. The BOS embarked on an organic and collaborative approach last year (2012/FY2013) to communicate its mission and directives and resultant goals, and refined such for 2013/FY2014.

The BOS provided a budget directive that provides for a "level service budget." Specifically,

In collaboration with the Town Manager, Finance Director, and Finance Committee, create a level service budget for FY 2014 that:

- A. Begins with a review of the current year appropriations and service delivery in relation to policies and economic conditions to determine if any adjustments need to be made in the next budget year cycle.
- B. Develops fiscal and program priorities to guide strategies for budgeting and collective bargaining.
- C. Provides for salaries and benefits of Town employees to reflect current economic and market conditions, and takes advantage of any new State laws or municipal reform opportunities relating to stabilizing or reducing operational and personnel costs.

- D. Maintains current service levels using new growth and allowable Prop 2½ while trying to offset tax increases through enhancing revenue sources and seeking operational efficiencies.
- E. Draws the attention of the Board of Selectmen and Finance Committee to the difference between financial sustainability and line-item/bottom-line

Thus the directive communicated to the Departments, Boards and Commissions was for a level service municipal budget, as level funded as possible, with an opportunity to highlight/lowlight the impacts of another year of strategic level funding, within the allowable limits of Proposition 2½. The local economy has begun to recover, although slowly, and the budget presented represents a conservative estimate for our local receipts as available funds to present a balanced budget.

FY 2014 Budget Executive Summary

In December 2012, the BOS adopted policy goals for the Board and objectives for the Town Manager to implement. These goals parlayed the efforts and information exchanged at the Budget Summits with further consideration of the Summer Residents Advisory Committee recommendations and a review of the previous year. The Budget as presented relies on projections in key categories also due to the timing of this transmittal:

- Monomoy Regional School Budget Submittal Overview of Spending Plan of 1/16/13
- Cape Cod Municipal Health Group (CCMHG) Plan Design/Costs Release Date of 2/6/13
- Governor’s House 1 Budget Released on 1/23/13
- New Fire Station
 - Capital Planning Review Committee (CPRC) review and BOS recommendations in progress with final presentation scheduled for March and considered under a separate article and Debt Exclusion ballot question

The Omnibus Budget as recommended provides for a balanced budget of:

Revenues:	\$43,238,172
Expenditures	<u>\$43,238,173</u>
	\$ -1 Rounding, not deficit

The difference between the Omnibus Budget and the Operating Budget is \$16,296,674 of which \$8,701,011 is for education. The remaining \$7,595,663 is made up of the Water, CPA, Enterprise expenses, Overlay Account, Cherry Sheet Assessments/Offsets and a portion of the capital budget. The Town’s Operating Budget, without the education assessments, totaled \$26,210,297 in FY2013 and for FY2014 is presented at \$26,941,499 an increase of \$731,202 (or 2.8%). A large percentage (27.5%) of this increase is funding for the second year of the “Quint” fire apparatus lease payment (\$200,000) in the Fire Department operating budget. The detail of the budget increase is described in this transmittal and we have noted education/school assessments separately. The figures as presented on the attached Fiscal Overview/Pro-Forma [Attachment #2] provide a complete financial picture of revenue forecasts and expenses including funding set aside for warrant articles.

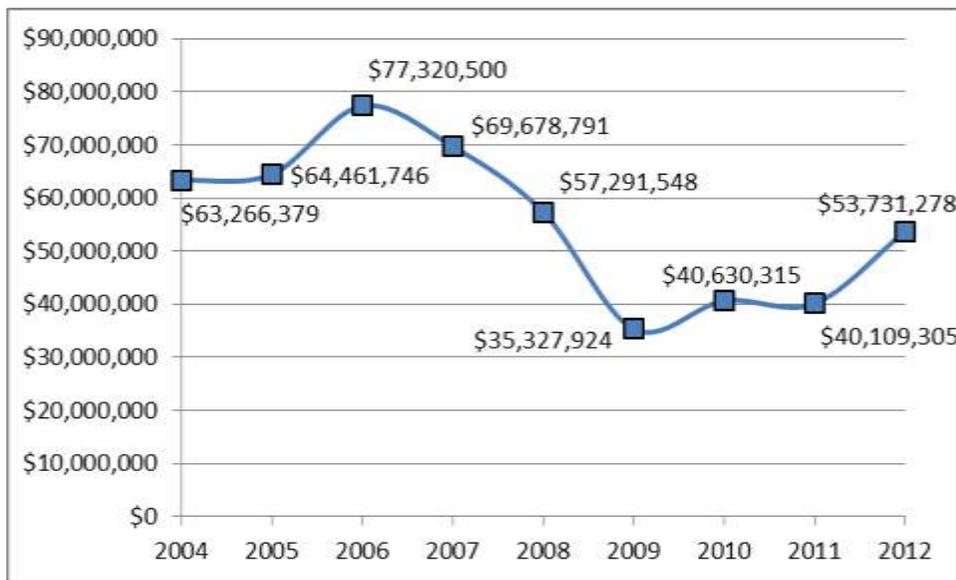
Tax Impact

There was much discussion over the percentage increase in the tax rate from FY2012 to FY2013 primarily related to previously Town approved Capital projects. This is also a property revaluation year (a town-wide review of property values); and as of this date we are still waiting certification of the tax rate. The percentage increase/decrease is dependent upon the value of the Town, amount of new growth as well as the appropriated budget. The projected increase in the amount raised through taxation for FY2014 is estimated at 2.66%; within the amount allowed by Proposition 2 ½% + new growth. Again, this percentage may fluctuate and individual tax bills may differ from this figure. We will provide updates as we near Town Meeting, and the DOR certifies the FY2013 values and new growth.

Economic Conditions Summary

Using the building sector as an indicator of the status of the local economy, it is encouraging to report that there was a significant increase in the total dollar value of construction activity in Chatham in 2012. The total value of building activity in 2012 increased by 34% over 2011 values and 52% over 2009 values. This trend would indicate the Town, like the country, is seeing increased evidence of economic improvement.

Figure 1: Total Building Activity: 2004 - 2012

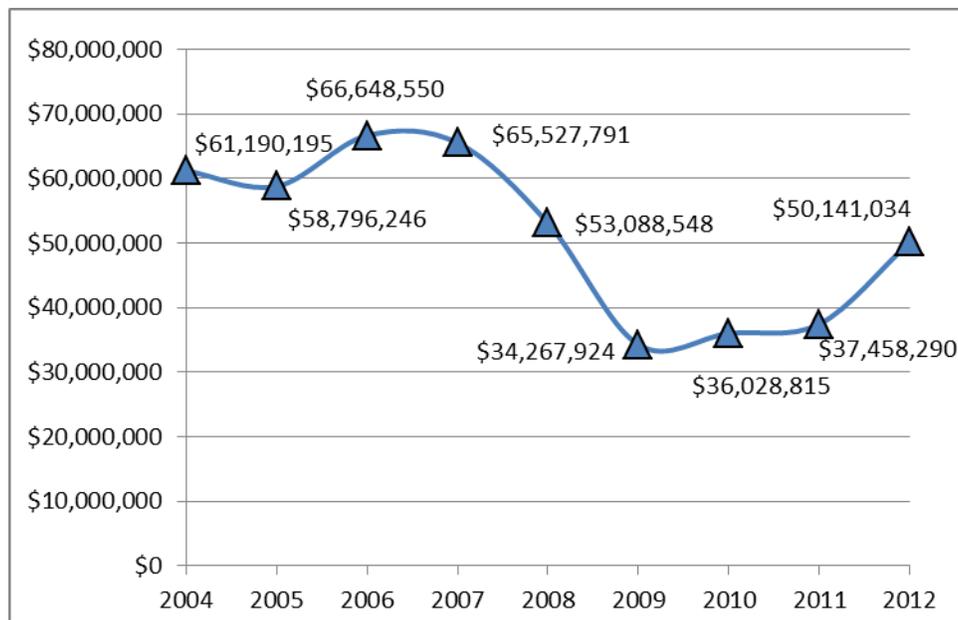


The majority of the increase in construction value was in residential building activity. Most notable in residential building activity is that the average construction value of a new dwelling (as reported on the building permit) has increased from less than \$375,000 in 2004 to more than \$775,000 per new dwelling in 2012. It is likely this reflects the significant increases that have occurred nationally in the cost of construction materials but may also reflect a change in the type of homes being constructed. Indicative of the limited number of vacant lots available in Town, in 2012 there were fourteen times more renovations and additions than there were new dwellings permitted.

Table 1: Residential Building Activity: 2004 – 2012

Year	Activity			Construction Value		
	New Dwellings	Demolitions	Renovations and Additions	New Dwellings	Renovations and Additions	Total
2004	107	31	534	\$39,830,420	\$21,359,775	\$61,190,195
2005	68	27	539	\$35,304,309	\$23,491,937	\$58,796,246
2006	74	34	602	\$38,332,300	\$28,316,250	\$66,648,550
2007	54	24	568	\$39,062,000	\$26,465,791	\$65,527,791
2008	30	25	522	\$19,627,690	\$33,460,858	\$53,088,548
2009	25	10	441	\$15,266,000	\$19,001,924	\$34,267,924
2010	32	17	438	\$19,659,500	\$16,369,315	\$36,028,815
2011	33	14	492	\$17,989,000	\$19,469,290	\$37,458,290
2012	37	24	536	\$28,684,000	\$21,457,034	\$50,141,034

Figure 2: Total Residential Construction Value: 2004 – 2012



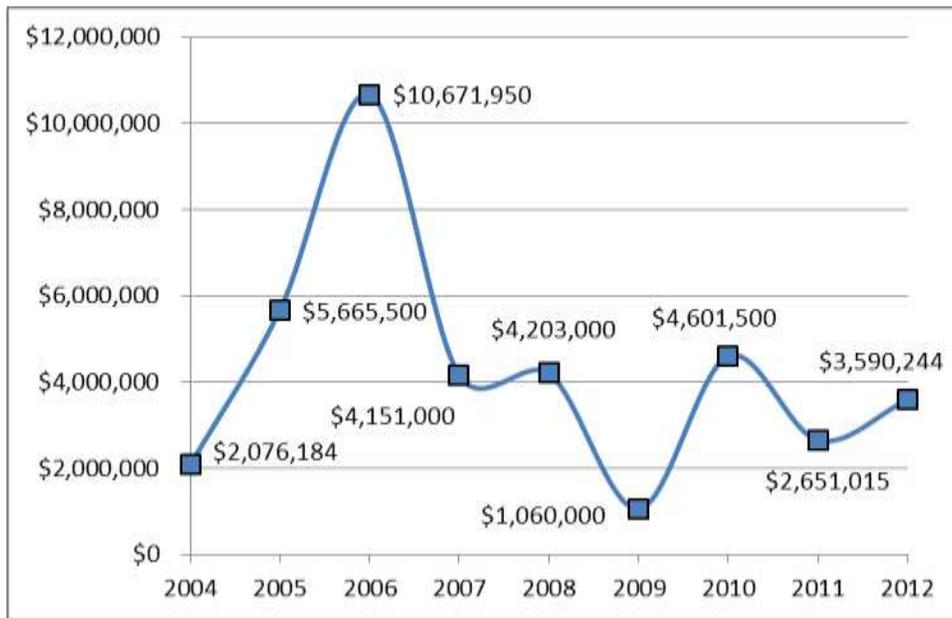
On the commercial side, as indicated in Table 2 below, building activity between 2004 and 2012 has averaged under three (2.5) new buildings per year with renovations and additions averaging 16.6 per year over the same period. Given the limited commercial development potential in town, the value of commercial building activities can be strongly influenced by even one or two projects.

Table 2: Commercial Building Activity 2004 – 2012

Year	Activity		Construction Value		
	New Buildings	Renovations and Additions	New Buildings	Renovations and Additions	Total
2004	2	18	\$1,100,000	\$976,184	\$2,076,184
2005	3	14	\$4,830,000	\$835,500	\$5,665,500
2006	2	15	\$2,900,000	\$7,771,950	\$10,671,950
2007	5	12	\$981,000	\$3,170,000	\$4,151,000
2008	4	9	\$1,200,000	\$3,003,000	\$4,203,000
2009	0	11	\$0	\$1,060,000	\$1,060,000
2010	3	12	\$3,444,200	\$1,157,300	\$4,601,500
2011	0	19	\$0	\$2,651,015	\$2,651,015
2012	1	24	\$306,672	\$2,976,900	\$3,283,572

Similar to the trend in total residential construction values, the trend in total commercial construction values illustrated in Figure 3 below appears to also closely track the broader difficult economic conditions experienced in the United States and Massachusetts between 2007 and 2009 and the slower than expected economic recovery occurring since 2010. The upward spike experienced in commercial construction value in 2010 – although dropping slightly in 2011 and 2012, is hopefully an indicator of the business community’s continued commitment to invest in Chatham as economic conditions improve over the long term.

Figure 3: Total Commercial Construction Value: 2004 – 2012



With the establishment of the new Economic Development Advisory Committee by the BOS, we will have new ideas, innovation, and greater economic sustainability moving forward.

REVENUE

As part of our annual fiscal planning, the Town determines how much additional revenue is available within the limits of Proposition 2 ½ in order to balance its operating costs. The amount the town is able to raise through property taxation is allowed to grow each year by 2½ percent of the prior year's levy limit, plus new growth and any overrides or exclusions. In FY2014, the amount the town can raise through the property tax increases as follows:

2 ½% Allowable	\$593,452
New Growth	<u>\$200,000</u>
Total	\$793,452

Levy limit – it is proposed to use the available tax levy capacity towards funding the Capital Plan, along with free cash so it appears as “\$0” on the attached Financial Overview. Items which cost over \$10,000 for non-reoccurring projects/items are eligible for the Capital Plan.

As you well know, the Revenue Forecast is simply a “snap shot” estimate as to where the Town stands at this moment (1/24/13). There are a number of evolving factors. The “Cherry Sheet” for local aid (School and Town) funding and assessments that work its way through the legislative process beginning with the Governor’s House 1 Budget filed on 1/23/13 with final adoption by the Legislature in late spring. For the FY2014 budget there is no change in the projections for local aid, however a 2.5% increase in assessments (State) charges has been factored into the projection. As the local budget process advances and the Legislature works through its iterations, these numbers will be fine-tuned the closer we get to the Annual Town Meeting. The other factors relate to the non-discretionary expense items such as benefits – health insurance expenses (expected to be received by 2/6/13) and retirement assessments. The Monomoy Regional School Budget Spending Plan was presented on 1/16/13, with the same caveats that figures may change as the formal Budget submission is provided. Meetings have been held between the Chatham, Harwich, and Monomoy Administration in recent months to set provided desired budget parameters.

The preliminary FY2014 forecast reflects the following:

- New Growth is estimated at \$200,000; as FY2013 was a revaluation year. At the time of this message the revaluation is ongoing resulting in a conservative estimate for new growth.
- Debt Structure as submitted by the Finance Director. FY2014 reflects the first full year of debt service payments for both the Wastewater and PD/Annex projects. Debt obligations have increased slightly (2.2%) and will decline in FY2015; allowing the town to use ‘debt drop off’ to fund its last project, the Fire Station. The Town was fortunate to receive zero percent interest on \$14m of debt, 2.75% interest rate from the USDA Rural Development loan program and a net interest rate of 2.869% on the General Obligation Bond issue in June 2012. We have developed a multi-year debt schedule for financial planning purposes and well as adhered to investment and reserve policies. Such is included in *Budget Central*.
- Local receipts are estimated slightly higher than in FY2013, based on two years’ positive growth in the hotel/motel category and the new revenue from the Local Option for Meals Tax.

- Cherry Sheet Charges and Expenses were increased minimally in anticipation of what may be actually charged off the State cherry sheet (included in *Budget Central* when available).

We are not recommending additional revenue in the form of local options taxes at this time, but make mention of the options available as a reminder that these may offset the property tax. The two possible areas of additional revenue are:

- Expansion of the Hotel/Motel Tax
- Special Legislation (Home Rule Petition) for Residential Rentals

The use of any additional revenue generated from the above may be dedicated to capital stabilization fund for such revenue received versus the General Fund. There is also the question on the cost of implementing a residential rental tax; staff time and enforcement. Again, we are not proposing any change at this time but mention the options available as a possible revenue source.

EXPENDITURES

General Operating Budget

Table 3: General Operating Budget

SUMMARY					
Expenses	12 Actual	13 Approp	14 Dept Req	Proposed TM Budget FY2014	%
<u>Operating Budgets</u>		-	-	-	-
General Government	\$ 1,793,396	\$ 1,929,316	\$ 1,925,052	\$ 1,925,052	-0.2%
Public Safety	5,301,331	5,446,243	5,900,578	5,750,750	5.6%
Community Development	651,443	695,823	740,150	715,365	2.8%
Health & Environment	766,756	822,939	835,157	835,157	1.5%
Public Works & Facilities	3,836,284	4,068,848	4,351,927	4,349,927	6.9%
Community & Social Services	906,462	962,262	986,448	976,180	1.4%
Education	10,261,778	8,434,323	8,882,683	8,701,011	3.2%
Employee Benefits	3,804,171	4,100,000	3,982,350	3,982,350	-2.9%
Undistributed Insurances & FinCom Reserve Fund	300,703	451,135	501,135	501,135	11.1%
Debt Service	<u>5,852,861</u>	<u>7,733,729</u>	<u>7,905,583</u>	<u>7,905,583</u>	2.2%
Operating Budget Total	<u>\$ 33,475,185</u>	<u>\$ 34,644,620</u>	<u>\$ 36,011,063</u>	<u>\$ 35,642,510</u>	2.88%

Operating expenditures minus Debt Service amounts to \$27,736,927; slightly more than the actual of \$27,622,324 expended in FY2012. The Operating Budget may realize further reductions as we await the final premium rates for employee health insurance. Also, the forecasted regional educational budget shows growth of 2.9% for Monomoy and 9.5% for Cape Tech, but again we await the outcome of the final budget submission by the Regional School Committees.

Supplemental Funding Requests

Such requests include additional personnel and other expense increases when efforts have been made to demonstrate anticipated efficiencies or future cost savings. Additionally, this is the section to note if there is a new State or Federal mandate for programs or services not previously funded. Most of the items were previously mentioned above relating to deviations to the level service directive. This was included to accompany the Directive recognizing that the starting point is a bare minimum budget submittal. Based on strategic funding for priority/core services or staffing, or with any forecasted increases in revenues or known reductions in operating costs, funds may become available for potential funding. Such requests are noted on in the Department worksheets.

We received a total amount of \$891,050 in supplemental requests. Of that, \$403,273 is recommended for funding. Included in this figure is \$223,000 for contracted services that are new for FY2014. Such is enumerated below:

General Government	34,844	Technology, pre-employment physicals, audit & legal
Public Safety	64,349	Regional dispatch, contracted services
Community Development	10,000	Chamber funding, inspectional certification training
Health & Environment	7,490	Additional hours for landing officer, propagation costs
Public Works	274,200	Additional Sewer Operator, facilities contracts
Human Services	<u>12,390</u>	Municipal requirement for library
	\$403,273	

Nondiscretionary (Fixed) and Other Budgets

- Retirements/Pensions show a decrease of 13% for FY2014 due to school regionalization. The Retirement Assessment is based on the number of employees as of September 30, 2012. At Annual Town Meeting in May 2012 the Town adopted MGL Ch. 32B §20- other post-employment benefits (OPEB) trust fund. The next step is funding this trust fund (see below).
- Liability insurance has been increased by 14% based on the value of the Town owned buildings, and an increase in premium that had been deferred in FY2013. Worker’s Compensation insurance remains stable for FY2014, and we continually monitor this and seek quotes to ascertain market conditions.
- Debt Service is up 2.2% over FY2013 based the first full year of principal on bonds issued in June 2012 for the PD/Annex, Wastewater and road projects. The short term interest is level funded and is targeted for interest on bond anticipation notes for the Fire Station and continued wastewater projects.

Several budgets which increased last year due to unfunded mandates, are ‘back to normal’ for FY2014, an example of which is the Elections budget; which fluctuates depending upon the number of national elections as well as local town meetings. Other budgets increased due to contracted service agreements. We continue to look for cost savings through the competitive bid process. The Snow & Ice budget increased by \$20,000 to correctly reflect actual expenditures. Although we can legally deficit spend this budget, any such deficit must be raised on the tax recap the following year. In FY2013, the County Sheriff instituted a new charge for dispatch services and CMED calls which impacts the Fire Department budget in FY2014 even as we are committed to Regional Dispatching either by way of the Sheriff for Fire only or the preferred County operation of a joint Fire/Police Center which may be 2-3 years out.

Renewable Energy - We again are looking forward to expanding the renewable energy initiatives. The solar photovoltaic [PV] panels on WPCF Plant have been on line since 8/8/12. Since that time 18,995 kilowatt hours of clean energy have been produced. This is the equivalent of 617 days of electricity usage in an average American house. Such project recently received more than \$55,000 in energy efficiency incentive payment from the Cape light Compact. The capped landfill project has been 3delayed by the Interconnection with NSTAR, so the savings will not be realized until FY2015.

The enclosed budget is not reflective of use of any reserves (Stabilization or ‘rainy day’ fund). FY2013 general fund free cash was certified in September 2012 in the amount of \$1,218,029, more than double the amount certified in FY2013 as the carry-forward recommended achieved the desired result as affirmed by our Bonding Agency. Such funds have been earmarked for the Town’s FY2014 Capital Plan.

Water Department Operating Budget

The Water Department operating budget is funded by revenue generated from water receipts continues to have a healthy revenue stream. This budget decreases slightly for FY2014.

Wage/Salary Overview

The net increase in salaries from FY2013 to FY2014 is \$79,000 – or a 0.82% increase. Below is a chart listing the changes in salary line items by division. Increases or decreases are due to changes in staff turnover and contractual step increases. There are no Cost of Living increases included in the chart below as they are highlighted in a separate article.

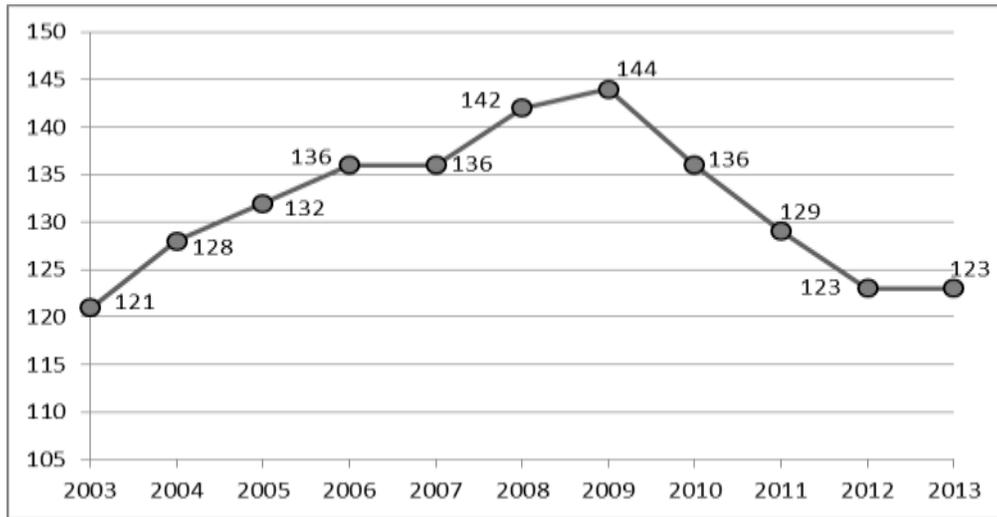
Salary Only	Voted FY13	TM Recommend	\$ Incr./((Decr.)	%
I. General Government	\$ 1,386,876	\$ 1,361,787	\$ (25,089)	-1.84%
II. Public Safety	\$ 4,920,913	\$ 4,968,890	\$ 47,977	0.97%
III. Community Development	\$ 595,698	\$ 653,978	\$ 58,280	8.91%
IV. Health & Environment	\$ 665,485	\$ 673,803	\$ 8,318	1.23%
V. Public Works	\$ 1,819,788	\$ 1,823,667	\$ 3,879	0.21%
VI. Human & Public Services	\$ 219,030	\$ 204,653	\$ (14,377)	-7.03%
Subtotal, I-VI	\$ 9,607,790	\$ 9,686,778	\$ 78,988	0.82%

Staffing Levels

Included in the departmental narratives are the staffing levels for the past five years. There have been no net staff reductions in the FY2014 budget as we continue to assess the level of service delivery and the level of staff required to meet the needs of those services. The staffing level for FY2014 remains at 123 employees. We will continue to review service delivery and the most efficient manner in which to deliver those services; whether it is through a regional partnership, increase (or decrease by attrition) in staff or reassignment of current personnel. Performance Management is a tool that will assist us in the review of service delivery and communicating the functions of each department. The exception is the proposed funding for the Additional Sewer Operator as noted above and the proposed funding for one Firefighter/Paramedic from funds previously allocated to Fire Overtime; thus a reduction to the Fire Department Overtime Line Item. The Fire Chief is continuing to examine management directives to reduce Overtime and actively seeking to recruit call Firefighters and call Dispatchers as we transition to County-wide Regional Police and Fire Joint Dispatching operations.

As has been the practice in Chatham, each year we determine the appropriate staffing levels for the services provided. As this chart illustrates staff grew during periods of economic growth, as the economy declined we adjusted accordingly. We continue to review operations to ensure the most efficient delivery of service with existing staff.

Figure 4: Number of Full Time Staff



Monomoy Regional School Budget

The Monomoy Regional School Administration presented its budget request (Spending Plan) to the Regional School Committee on January 16, 2013. The budget directive to the Regional School Committee was to keep the budget as lean as possible, with particular caution for salary and wage increases. Chatham and Harwich gave the directive to the District to hold their increase to 2.75%, an amount that both towns are able to fund within Prop 2 ½ limits. The preliminary indication is that the Regional budget increase is approximately 4.3% (Total Chatham and Harwich) with the goal to reduce the budget to reach the directive. The amount proposed for Chatham is \$8,356,011 (January 16, 2013). In comparison to the educational line item in FY2012 pre-regionalization of \$10.2m; we see another year of a reduced funding allocation for the Town of Chatham. Fiscal 2013 was the first year of fully integrated budgets, which resulted in a savings of \$2.0m for the Town of Chatham. Chatham’s operation assessment (allocation split), based on the Regional Agreement, decreased by 1% to 27.36% of the total Regional School budget in FY2014.

Public Schools	FY2011	FY2012	Voted FY13	Request 1/16/2013	\$ Increase	% Increase
300 Chatham Public/Monomoy Regional						
Direct Costs-Town	\$ 9,710,595	\$ 9,974,126	\$ 8,119,685	\$ 8,356,011	\$ 236,326	2.91%
Capital School	\$ 134,733	-				
310 Cape Cod Regional Tech High						
Expense	\$ 272,759	\$ 287,652	\$ 314,638	\$ 345,000	\$ 30,362	9.6%
Total Public Schools	\$10,118,087	\$10,261,778	\$ 8,434,323	\$ 8,701,011	\$ 266,688	3.2%

Figure 5: Monomoy Regional School District

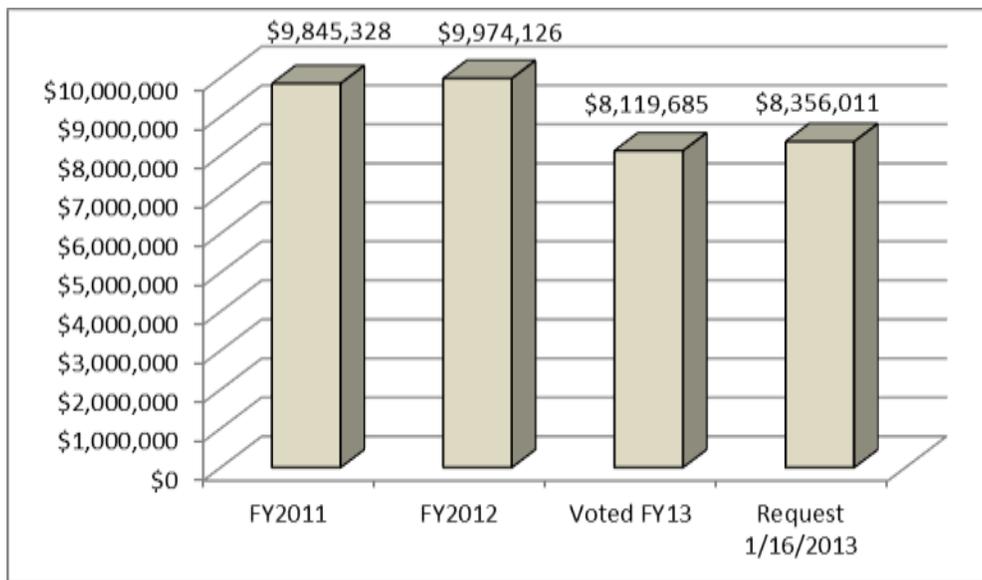
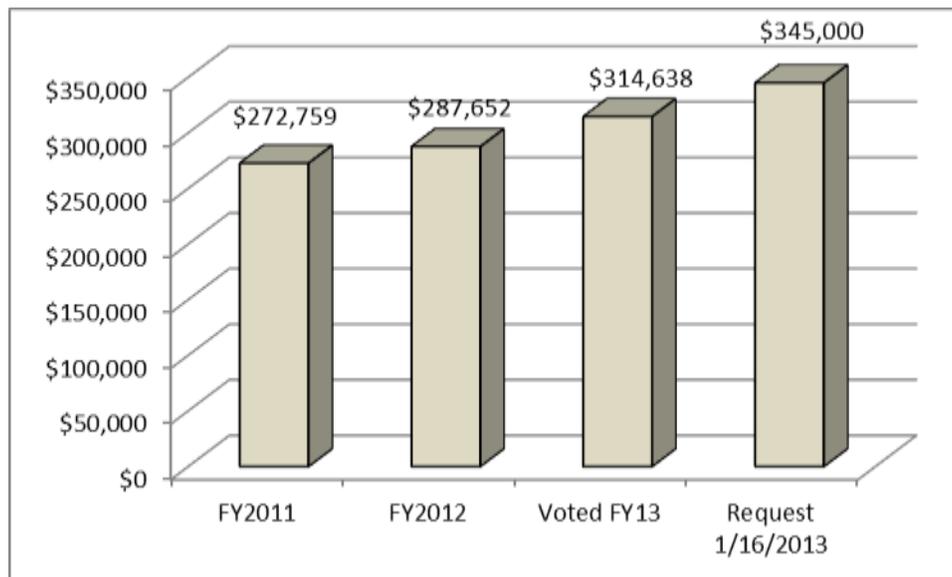


Figure 6: Cape Cod Regional Tech School Budget



As noted above, the Regional School Committee will continue to refine its budget during the coming months based on State Aid and Minimum Contribution for Education amounts. Hearings will be scheduled in each Town in the month of February before Board of Selectmen and Finance Committees.

Wastewater Treatment Facility:

The Plant has been operational for one year without major incident. Again in FY2014 an additional operator is required as part of the operational agreement with DEP. The increase in the operating costs of \$100,000 (or 12.3%) is for contracted services, chemicals and utilities. The installation of a 50

kW solar (photovoltaic) array on the south facing roof of the new Operations Building was constructed last year and will provide a significant portion of the electrical needs for the new operations Building. The cost of the array is partially funded by the existing USDA Rural Development Water and Wastewater Loan/Grant. The remaining cost is being offset by savings in other aspects of the project.

Non-discretionary/Fixed Costs (Level Service Costs)

Each year there are cost increases resulting from a legal/mandate requirement, previous commitment voted by Town Meeting, or cost of providing the same level of service. Often these costs consume most of the allowable growth – for FY2014 (\$793,452). In the past, these were referred to as “budget busters” but we move away from that term as we prepare a balanced budget that includes fixed cost increases but with mitigation offsets. The good news for FY2014 is that there were offsetting decreases that contained these costs within the growth limit.

The following represent increase amounts over the FY2013 budget for FY2014:

Health Insurance	\$157,000
Liability Insurance	\$ 50,000
Quint Lease (2 nd year)	\$200,000 [Approved under Article 10 at the 2012 ATM]
Town Buildings/Facilities Contracts	\$130,000
Police Overtime	\$ 49,500
Salary/Step Increases	\$ 45,500
Sewer Operating Costs	<u>\$100,000</u>
	\$732,000

As noted previously, the FY2013 Fire Department Overtime figure of \$505,000 has been reduced to \$455,000 with a reallocation to hire one FF/EMT for the tour that previously had 5 members, now proposed to increase to 6. The Fire Chief will provide further information.

We are continuing to review expenditures and alternatives, and we have been successful in seeking regional partnerships.

The Town is a member of the Cape Cod Municipal Health Group (CCMHG) – a regional joint purchase group. CCMHG consistently performs well and continues to contribute its savings to reduce the cost of health insurance. The projected increase is 8%; with CCMHG voting on the budget at the beginning of February. Such may include the use of any Group Trust Funds to subsidize the rate increase as has been done in the past.

Cost of Living Adjustment

Any cost of living wage adjustment for both union and non-union municipal employees is funded in a warrant article separate from the operating budget. A Cost of Living Adjustment is not the same as step increases in the Town’s compensation schedules/plan or collective bargaining Agreements (CBAs). The plan is “adjusted” by an indicator – previously the CPI. The presentation of such compensation as a separate article is a long-standing practice by the Town in order to highlight compensation increases (other than step increases) for employees. For the past three fiscal years (FY2010-2013) there were no cost of living adjustments for any Town employee, with the exception of the Fire Union in FY2011. For

FY2014, for two of the unions any cost of living adjustment will be based on the local economic growth factor, and any adjustment will occur under this Article at Town Meeting.

“Debt Drop Off”

The fiscal policy of using “debt drop off” to fund the Town’s Capital Facility Plan has been very effective. Its result has been the replacement of the Town’s aging infrastructure without increasing our tax rate.

Upcoming projects providing for debt exclusions are the Fire Station Project targeted for consideration at the 2013 Annual Town Meeting having hired an Owner’s Project Manager (OPM) and new Design Team - as well as the continuation of the wastewater/sewer system (see below).

The Town has funded much of its infrastructure by using “debt drop off”, and will once again be able to take advantage of this policy for the proposed Fire Station Project. In FY2015, debt service will decline by over \$500,000 allowing the town to finance the Fire Station without impact to the tax rate. Wastewater expansion is also planned for FY2014, allowing the Town to continue to take advantage of the zero percent loans from the SRF. At the time of this writing we are still waiting to see the impact of the zero percent on our existing loan schedule, which may offset the impact of future project borrowing.

Capital Infrastructure – Fire Station Project

The next project to complete is the Fire Station; planned for a vote at the May 2013 Town Meeting. As stated elsewhere in this document the timing of the project will allow the Fire Station to be funded through “debt drop off.” At this time this is the last project scheduled for the short term, but there had been discussions about expansion or new build of the Council on Aging (COA) so we continue to have a placeholder on the Plan.

Wastewater/Sewer Project – Next Phase

The next phase of the wastewater project will be presented before the voters in May 2013. There will be an article presented to ‘rescind’ almost \$19M in borrowing authorization from the May 2009 ATM and reauthorize \$15M for the next phases of the project. *As you may recall, the original plan anticipated borrowing authorizations every other year beginning in 2009. By taking advantage of the federal Stimulus funding the town was able to fund a larger request in 2009 and no request was made in 2011 or 2012. Chatham was fortunate to receive \$18,501,000 in USDA grants, and ARRA forgiveness of \$1,435,011 which reduced the amount borrowed to fund the project as a result of the Stimulus. The town was also the first in the Commonwealth awarded zero percent interest on \$14M of borrowing, resulting in a savings of \$2.9M; and benefitted from a low interest rate (2.75%) on \$21M of borrowing.*

During FY2013 the Town completed Phase 1A of the wastewater project which included construction of a state-of-the-art wastewater treatment facility and 5 wastewater pumping stations, and the extension of sewers along Route 28 from Crowell Rd. to Beacon Hill, Barnhill Rd., George Ryder Rd., and a number of side streets. The FY2014 budget contains an appropriation request of \$15M to fund Phase 1B and the first year of Phase1C.

Phase 1B, which was approved for low interest (the town has submitted a request for zero percent) financing under the State Revolving Fund (SRF) in 2012, will rehabilitate the 1970’s era Stage Harbor

Pump Station and extend sewers along portions of Stage Harbor Road, Cedar St., and several side roads. Work on the pump station is expected to begin in the summer of 2013 while sewer installation will not start until after Labor Day. Phase 1C is a multi-year plan with an estimated total cost of \$27M based on 2014 costs, with \$10M requested in May. The Phase 1C plan has been submitted to the SRF program for low interest funding with construction beginning in 2014. Phase 1C includes sewer extensions in watersheds around Little Mill Pond and Oyster Pond. Both of these water bodies are some of the more highly impacted by excessive nutrients.

A separate presentation of the project funding to date and tax impact will be provided in upcoming weeks as we prepare the Annual Town Meeting warrant.

Five Year Capital Plan

FY2014 continues to redirect the focus back to capital needs. In evaluating the Departments’ requests, jurisdictional-wide priorities affecting department needs must be considered. While the review is conducted on an informal basis, meetings with Departments provide the Town Manager information with each particular request being assessed on its own merit and placed in one of the categories according to that assessment that take into consideration usual best practices with the development of a Plan, such as:

- ✓ Legal mandates - consequences of noncompliance/ cost of compliance;
- ✓ Conformity to Town plans and goals; productivity - return on investment;
- ✓ Future operating budget impact; and
- ✓ Cost effectiveness

There are many steps in the Capital Improvement Plan ("CIP") process - from the Departments putting forth requests, evaluating urgency of needs criteria - to establishing equipment replacement schedules, life expectancies for the projects, annual costs - as well as consideration of inflation factors and financing options. A capital improvements program coordinates community planning, financial capacity and physical development and is composed of two parts - a capital budget and a capital plan. Special Outlay or "Rolling Stock" are considered operating capital items – small equipment, furniture, and other permanent property replacements needed to keep services going, so the Finance Team has placed some Capital or permanent property line items in department operational budgets; such as "small cap", and not part of the Capital Plan.

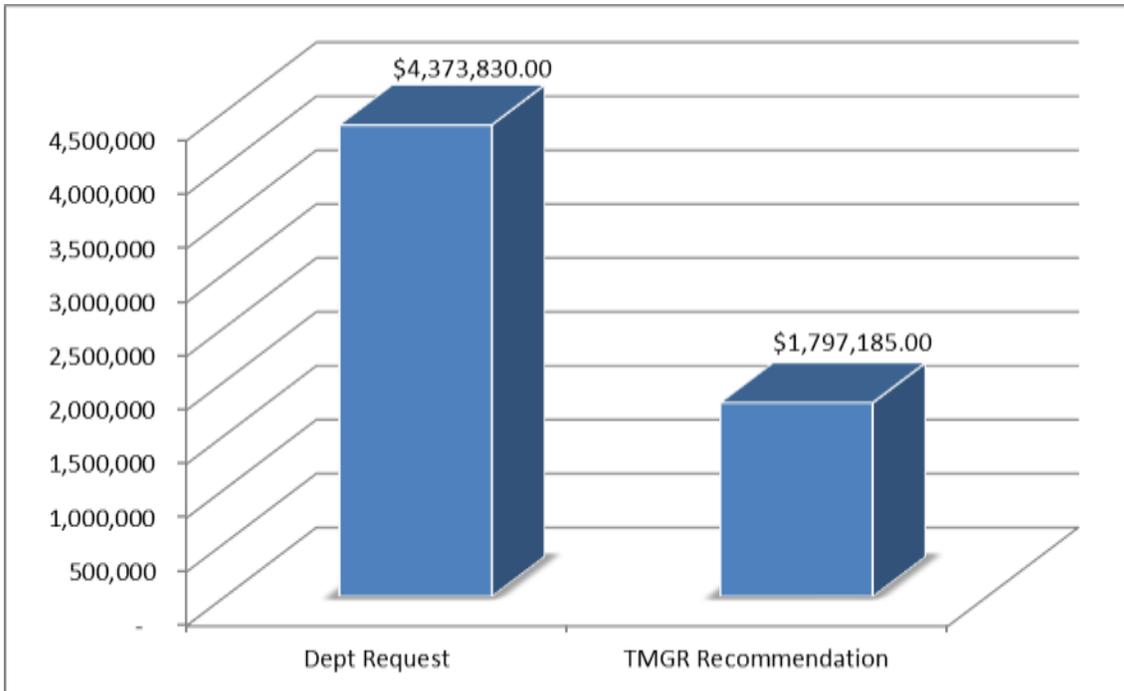
The FY2014 Capital funding recommendations are attached in detail [Attachment 3]. Requests are detailed by Department, with summaries highlighted below including proposed funding sources:

CAPITAL PROGRAM & BUDGET SUMMARY	FY 2014	FY 2014
	Dept. Request	TMGR Recommendation
General Government	157,500	107,500
Public Safety	356,470	44,185
Community Development	12,500	12,500
Health & Environment	1,811,000	374,000
Public Works (without Water)	1,221,000	721,000

CAPITAL PROGRAM & BUDGET SUMMARY	FY 2014	FY 2014
	Dept. Request	TMGR Recommendation
Equipment	\$ 767,000	\$ 538,000
Total Town Funded Capital Budget	4,325,470	1,797,185
Funding Sources:		
Free Cash		750,000
Waterways Improvement Funds		40,000
PEG Access Funds		30,000
Cemetery Sale of Lots		5,000
Shellfish Revolving		4,500
Prior Articles		72,000
Capital Exclusion		
Raise & Appropriate (available Tax Levy)		895,685
Total Funding Sources	1,797,185	1,797,185
	(\$2,528,285)	\$0

The Five Year Capital Plan is located in *Budget Central*.

Figure 7: Capital Funding Recommendations Summary



Vehicle Replacements

We have explored a new funding mechanism for vehicles; such as leases. Municipal leases are different than consumer automobile leases in that the lease term is either 3-5 years with a \$1 buy out at the end. The State has dealerships on its “bid list” and there are other approved regional purchasing

collaboratives. Such action was taken in FY2013 for the Quint Fire Apparatus via a separate capital article, and has also been used to fund the police motorcycle. Funding for the year two and beyond annual leases is included in the Department operating budget (as illustrated in the fire department capital outlay line item). A fleet listing will be provided in *Budget Central*.

The five year capital budget is typically funded from free cash, other available reserves or project balance turn backs. Free cash is generated by revenue from non-property tax sources received in excess of estimates and from budget turn backs. For FY2014 the strategy of carrying forward the previous Free Cash allows us to return to the practice of substantially funding the Town's Capital Plan. Requests still exceed items recommended by \$2,576,645. The capital budget presented uses Free Cash, available funds and the tax levy as funding sources. We recommend that a small portion of Free Cash be held in reserve to contribute to a healthy fund balance for the future.

Water Department Five-Year Capital Plan

The Water Department has a separate capital budget. This Capital budget is funded not from free cash or the tax rate, but from revenue from water charges. The Town has been aggressive in this capital plan in order to systematically replace and expand its water infrastructure. This year the Town proposed \$1,060,000 for four articles. The project cost of \$750,000 for the conversion and upgrade of the water meter reading system. A second article requests funds for the purchase of emergency generators for the Training Field wells; the third requests \$60,000 for an asset management system, and the last for funding to hire an OPM for the construction of the water treatment facility that was approved last year. The amortization costs of this borrowing will be paid by water revenue and reserves anticipated for this purpose. No water rate increase will be necessary.

NEXT STEPS

As we embark another year of level service, we remain committed to looking outside the box for cost saving strategies or ways to expand management capacity. Departments are also examining revenue sources such as reviewing fees and charges against neighboring Towns and market conditions. There were many examples of bi-lateral partnerships with neighboring Towns in FY2013 - regional dispatch, regional assessing data management, and a regional stream-lined permitting software program – all strongly encouraged by the current Governor's Administration – which equals available grant funding being actively sought.

Performance Management

The Town of Chatham participated in a pilot program of 18 communities conducted by the Collins Center at the University of Massachusetts funded through a Community Innovation Grant. This program provides assistance to Massachusetts municipalities looking to tune up or establish a performance management program (*CitiStat* or similar program) or to improve their usage of data in management and policy-making. The program provided an analyst to the Town who assisted in compiling data from three departments (DPW, Fire, and Police) to provide measurable information on operations. *CitiStat* is a leadership strategy that involves the mayor or manager holding regular meetings with department heads where data are used to analyze performance, follow-up on previous discussions, establish goals, and examine the effectiveness of strategies.

The next step is to translate the data/information into performance based budgeting; we expect this will take some time to incorporate into the budget process – at least one budget cycle. We continue to move in this direction to provide quantified information that supports the budget.

E-Permitting

Fiscal transparency at all levels of government demands investment in innovation to achieve cost and process efficiencies in the delivery of primary local services. Chatham was one of three Cape & Islands communities who participated in the CIC grant that would automate the issuance of permits for services. The regional permit, license, and inspection solution will be functional 24 hours a day, seven days a week effectively increasing the Town's hours of operation without adding additional staff hours. More complex transactions will require staff intervention to complete the process. However, these more-complicated transaction types still benefit the customer by enabling review of the status and scheduling the variety of inspections online. The regional permitting software system will free staff time to handle more complex projects rather than be burdened with routine activities. Staff can focus on higher-level transactions while basic information, delinquent bill checks and residency confirmation can be conveyed electronically. The solution will also provide managers with information on how the overall system is working. This will aid decision making regarding project prioritization and budgeting. The project will improve customer service and governmental transparency by allowing users to request and track permits 24/7/365 via the Internet. By adopting this regional approach Chatham, along with other participating communities can benefit from enterprise-level automation and shared cost of services. Phase 1 of the project will be completed by April 30, 2013 and will consist of replicating permit record types and processes for the Building, Health, Licensing and Permitting Departments. Phase 2 will involve building out the solution for the remaining departments involved in land management activities and developing additional interfaces among town and State databases to improve software performance and efficiency.

Technology

The Towns Technology department is looking forward to a very productive FY2014. Some of the projects we will be working on include placing all computers and hardware onto a 3-5 years replacement schedule, upgrading our existing Email server to allow for great communication and productivity, re-designing our Wide Area and Local Area Networks to enhance security and the utilization of the Towns Fiber Optics and evaluating numerous manual processes within Town departments to identify time and cost effective processes to better utilize technology. Another area of focus will be to enhance and expand our online services to the public; this will include accepting online payments in the Permitting, Town Clerk and Harbor Master offices.

FINAL NOTES

This is the fourth year of difficult budget decisions but the strategic budget planning efforts since FY2010 and recent action on local option revenue sources and expense reductions for benefits have placed the Town in a much better position than many other towns in the Commonwealth. The challenge will be to maintain service level expectations with limited revenues. Our excellent AAA Bond Rating has sustained and survived when many other municipalities with the same bond ratings were downgraded. We must remain very cognizant how easy it is to be downgraded and maintain our sound fiscal strategies and review policies regularly.

Furthermore, the Governor just released House 1 Budget on January 23, 2013 providing an initial forecast for state aid and state assessments. We are also awaiting final figures for health insurance premiums and have pending collective bargaining agreements as previously noted. With that said, and in consultation with the BOS and FinCom, there may be need to revisit the Town Manager's recommendations to review and adjust priorities and update forecasts as we continue discussions of core services our community desires and needs, transparency of government operations, and continue to seek innovative funding of programs and services.

I want to acknowledge and express my sincere appreciation to Town Officials and Town Departments for their time, cooperation, and patience to assist me in crafting my second Chatham Town Manager Budget recommendations and summary, and for the great effort to achieve the BOS budget directive. I also appreciate the knowledge, information, feedback, and support from the many taxpayers passionate about our beautiful community. As always, I welcome your continued comments and input on how to make the Budget process and Summary more user-friendly.

For the purposes of the General Bylaws and Charter, submission of this message and accompanying budget satisfies the submission requirements of the Board of Selectmen to the Finance Committee.

Thank you in advance for your thoughtful consideration, and I look forward to working with you through this important process.

Attachments 1-4

**Board of Selectmen/Town Manager
Goals and Objectives
Calendar 2013 and Fiscal 2014
Adopted on December 18, 2012**

Mission Statement: The Board of Selectmen and Town Manager provide executive leadership for the Town of Chatham. Together, we pursue collaborative processes, ethical, and professional procedures to insure that Town resources are directed to providing the best services possible to protect public safety, public assets and a special quality of life in Chatham.

Relating to the Board of Selectmen

I. Protect and Enhance the Financial Health of the Town:
<i>In collaboration with the Town Manager, Finance Director, and Finance Committee, create a level service budget for FY 2014 that:</i>
A. Begins with a review of the current year appropriations and service delivery in relation to policies and economic conditions to determine if any adjustments need to be made in the next budget year cycle.
B. Develops fiscal and program priorities to guide strategies for budgeting and collective bargaining.
C. Provides for salaries and benefits of Town employees to reflect current economic and market conditions, and takes advantage of any new State laws or municipal reform opportunities relating to stabilizing or reducing operational and personnel costs.
D. Maintains current service levels using new growth and allowable Prop 2½ while trying to offset tax increases through enhancing revenue sources and seeking operational efficiencies.
E. Draw the attention of the Board of Selectmen and Finance Committee to the difference between financial sustainability and line-item/bottom-line taxpayer satisfaction as standards for evaluating future proposed Town budgets.
F. Monitor the work of the Economic Development Committee (EDC) leading to a first set of proposed initiatives to be reviewed by the Board of Selectmen before the end of FY2013.
G. Work with the Town Manager to complete collective bargaining agreements with Firefighters (IAFF), and Chatham Municipal Employees Association (CMEA).
II. Protect and Enhance Future Use of Town Land/ Buildings/Facilities
A. Authorize for 2013 Town Meeting a design plan for a central fire station that will deliver a smaller station at a lower cost than that proposed at 2012 Town Meeting.
B. Work with Town Manager to investigate the feasibility of moving the Main Street Town offices to the Town Hall Annex, including consideration of alternative uses for the current Main Street Town offices, and the financial, operational, and incidental impacts.
C. Work with the Town Manager to review available Town-owned properties for sale or reuse.

**Board of Selectmen/Town Manager
Goals and Objectives
Calendar 2013 and Fiscal 2014
Adopted on December 18, 2012**

III. Protect and Enhance the Professionalism and Effectiveness of the Town’s Staff, Boards and Committees, and Enhance Effectiveness and Efficiency:
A. Via support of managerial practices, performance management, professional development, departmental reorganization including the consideration of streamlining, outsourcing, regionalization, and other efforts to improve service delivery.
B. Support professional management by encouraging Departments to seek new and innovative ways to deliver municipal services.
C. Work with Town Manager to enhance effectiveness and efficiency of Town departments.
D. Provide structured orientation and ongoing educational programs for new and current members of regulatory Boards.
IV. Protect the Environmental and Historic Quality of the Town
A. Continue to monitor and review the (CWMP) wastewater plan at the policy level and encourage continued discussion and planning for the next phase of expansion and funding required.
B. Work with MassDOT to ensure that Mitchell River Bridge project can be advertised in August 2013.
V. Emphasize Long-Term, Strategic Planning of Town Operations and Resources, and Service Delivery
A. Provide policy direction relating to Town fire/emergency medical response operations expectations and needs, including but not limited to EMS/first-responder services, equipment, dispatching, personnel and practices. Review recommendations in Fire Department Operational Study, and provide direction for short-term and long-term implementation, including alternative delivery of Town EMS services in a fair and equitable way.
B. Provide policy direction to initiate a Town-wide parking plan and seek solutions to parking limitations at Town landings, Fish Pier, and Lighthouse Beach.
C. Working with Cape Cod Commission, Planning Board, and community, produce an actionable plan as scheduled for zoning district revisions along the Rte. 28 corridor.
D. Work with Planning Board to identify and prioritize those objectives of Land Use section of the Local Comprehensive Plan (LCP) that can be completed during FY2013.
E. Work with design engineering on West Chatham traffic design plan so it can be brought to MassDOT for approval.
F. Where LCP action items have been assigned to Boards or Committees, require these Boards or Committees to include action item progress reports in their annual appearances before the Board of Selectmen.

**Board of Selectmen/Town Manager
Goals and Objectives
Calendar 2013 and Fiscal 2014
Adopted on December 18, 2012**

Relating to the Town Manager for Implementation

I. Protect and Enhance the Financial Health of the Town:
<i>In collaboration with the Board of Selectmen and Finance Committee, create a level service budget for FY 2014:</i>
A. Initiate the budget process with a status report of the current year, and include a multi-year forecast of revenues and anticipated expenditure challenges relating to so called “budget busters” and fixed costs in order to present a level service budget.
B. Work to implement fiscal and program priorities to present a balanced budget without the use of reserves.
C. Work to align the two remaining open collective bargaining agreements by duration.
D. Work to develop a funding strategy that provides for salaries and benefits of Town employees to reflect current economic and market conditions, and consider any new State laws or municipal reform opportunities relating to stabilizing or reducing operational and personnel costs.
E. Present multi-year fiscal projections that include revenues, expenditures, and debt schedules with references to unfunded liabilities in an effort to guide strategies for budgeting and collective bargaining.
II. Protect and Enhance Future Use of Town Land/ Buildings/Facilities
A. Work to coordinate a final conceptual design for a Central Fire Station as approved by the Board of Selectmen for submission to 2013 Town Meeting and a ballot question.
B. Conduct a feasibility study for moving the Main Street Town offices to the Town Hall Annex, including consideration of alternative uses for the current Main Street Town offices, and the financial, operational, and incidental impacts.
C. Review available Town-owned properties for sale or reuse, including Tax Title/Taking properties.
III. Protect and Enhance the Professionalism and Effectiveness of the Town’s Staff, Boards and Committees, and Enhance Effectiveness and Efficiency:
A. Work with Department Heads on performance management strategies, review functions and ways to enhance professionalism, communications and transparency.
B. Seek opportunities to have inter/intra departmental cost sharing, staff sharing, and other ways to control costs and reduce expenses Town-wide.
C. Enhance the use of technology for greater efficiencies and communication.
D. Emphasize service and implement procedures to ensure high levels of productivity, accountability, and customer service.

**Board of Selectmen/Town Manager
Goals and Objectives
Calendar 2013 and Fiscal 2014
Adopted on December 18, 2012**

E. Work to seek bi-lateral and regional partnerships to reduce expenses and/or improve service offerings/ delivery.
IV. Protect the Environmental and Historic Quality of the Town
A. Continue to monitor and review the (CWMP) wastewater plan and implementation for the next phase of expansion and the funding required.
B. Coordinate with appropriate State and Federal agencies to ensure that the reconstruction of the Mitchell River Bridge proceeds within the parameters of the Accelerated Bridge Program.
V. Emphasize Long-Term, Strategic Planning of Town Operations and Resources, and Service Delivery
A. Initiate a review Town fire/emergency medical response operations in conjunction with BOS policy direction, including but not limited to EMS/first-responder services, equipment, dispatching, personnel and practices, and review recommendations in Fire Department Operational Study, including alternative delivery of Town EMS services to provide for a sustainable, yet flexible approach for long term service delivery.
B. In conjunction with BOS policy direction, initiate a review of a Town-wide parking plan that will seek potential solutions to parking limitations at Town landings, Fish Pier, and Lighthouse Beach.
C. Upon approval by MDOT, implement BOS direction for West Chatham/Rte. 28 road improvements.
D. Working with Cape Cod Commission, Planning Board, and community, produce an actionable plan, as scheduled, for zoning district revisions along the Rte. 28 corridor.
E. Work with the BOS to encourage regular review and implementation of the Local Comprehensive Plan (LCP), and the Planning Board relating to zoning.

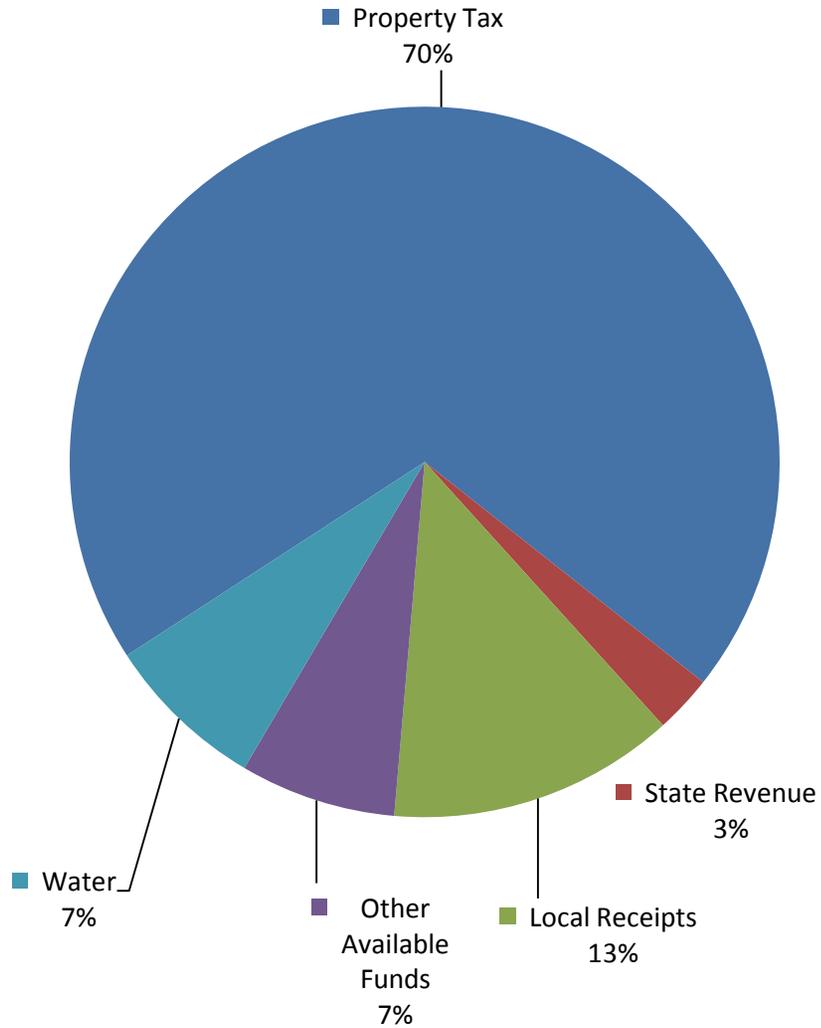


SUMMARIES

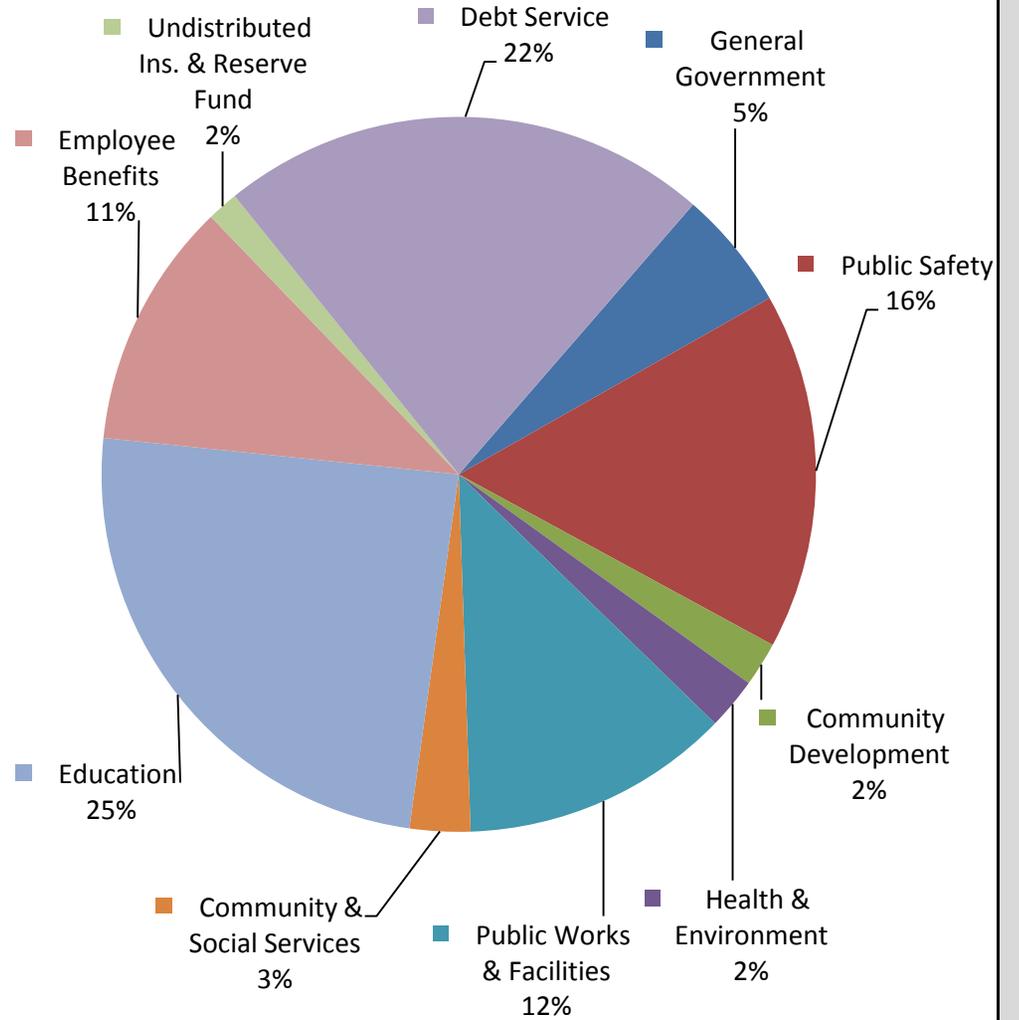
FY 2014 BUDGET

OVERVIEW

Revenues



Expenses





SUMMARIES

FY 2014 BUDGET

REVENUES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Sources of Funding (Summary)					
Property Tax	26,121,908	29,314,675	30,095,721	30,095,721	2.7%
State Revenue	3,361,894	1,152,599	1,139,976	1,139,976	-1.1%
Local Receipts	7,781,136	5,552,732	5,624,582	5,639,582	1.6%
Available Funds	3,204,168	2,412,342	3,092,536	3,092,536	28.2%
Sub-Total Sources of Funding	40,469,106	38,432,348	39,952,815	39,967,815	4.0%
Other Funds					0.0%
Bonding (w/o Water)					0.0%
Transfers					0.0%
Water Revenue, Direct	2,291,372	2,349,746	2,230,357	2,230,357	-5.1%
Water Bonding/Surplus		2,350,000	1,060,000	1,060,000	0.0%
Sub-Total	2,291,372	4,699,746	3,290,357	3,290,357	-30.0%
Total Revenue	42,760,478	43,132,094	43,243,172	43,258,172	0.3%
Over/(Under)	403,499		-2,789,835		0.0%



SUMMARIES

FY 2014 BUDGET

REVENUES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Tax Levy					
Base	22,377,880	23,159,116	23,738,094	23,738,094	0.0%
x2.5%	559,447	578,978	593,452	593,452	0.0%
Growth	221,789				0.0%
Overrides					0.0%
Capital Exclusions					0.0%
Debt Exclusions - Form DE-1	4,109,389	7,048,583	6,564,615	6,564,615	0.0%
Less: Free Cash/SBAB - School Debt	-951,612	-951,612	-951,612	-951,612	0.0%
Estimated exempt short term interest	0	-102,816	-99,544	-99,544	0.0%
Barnstable County Tax	238,635	244,601	250,716	250,716	0.0%
Excess Levy Capacity - Not Used	-433,620	-662,175			0.0%
Total Est. Tax Levy	26,121,908	29,314,675	30,095,721	30,095,721	2.7%
State Revenue					
Education					0.0%
School Aid (Ed Reform)	648,563				0.0%
Sch. Transportation					0.0%
Sch. Const. Reimbursement	951,612	951,612	951,612	951,612	0.0%
Charter School Assessment Reimb	150,471				0.0%
Charter School Capital Fac Reimb					0.0%
Medicaid Reimbursements					0.0%
School Lunch	3,431	2,890			-100.0%
Sub-Total Education	1,754,077	954,502	951,612	951,612	-0.3%



SUMMARIES

FY 2014 BUDGET

REVENUES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
General Government					
Unrestricted General Government Aid	127,294	127,294	127,294	127,294	0.0%
Quinn Bill Reimbursement					0.0%
Veterans' Benefits	25,263	33,466	25,000	25,000	-25.3%
Exemptions Vets/Blind/Etc	30,794	31,267	30,000	30,000	-4.1%
Exemptions Elderly					0.0%
Public Libraries	6,556	6,070	6,070	6,070	0.0%
School Choice	1,417,910				0.0%
Subtotal General Government	1,607,817	198,097	188,364	188,364	-4.9%
Total State Revenue	3,361,894	1,152,599	1,139,976	1,139,976	-1.1%
Local Revenue					
Motor Vehicle Excise	942,922	935,000	935,000	935,000	0.0%
Hotel/Motel Excise	1,143,440	1,035,000	1,035,000	1,050,000	1.4%
Other Excise: Boat, etc.	278,681	210,000	225,000	225,000	7.1%
Penalties & Interest	189,911	80,000	80,000	80,000	0.0%
Payments in Lieu	3,590	20,000	20,000	20,000	0.0%
Chg's for Services: Sewer	298,550	300,000	300,000	300,000	0.0%
Chg's for Services: Trash	902,449	890,000	890,000	890,000	0.0%
Other Charges - Includes Ambulance	560,519	540,000	540,000	540,000	0.0%
Fees	182,531	150,000	150,000	150,000	0.0%
Rentals	148,912	90,000	90,000	90,000	0.0%
Recreation Revenue	501,218	390,000	390,000	390,000	0.0%
Other Dept'al Revenue	57,340	50,000	50,000	50,000	0.0%
Licenses & Permits	680,099	620,000	620,000	620,000	0.0%
Special Assessments	138,401	120,000	120,000	120,000	0.0%



SUMMARIES

FY 2014 BUDGET

REVENUES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Fines & Forfeits	61,104	50,000	50,000	50,000	0.0%
Interest Earnings	22,035	25,000	25,000	25,000	0.0%
Misc.	11,836	6,200	6,200	6,200	0.0%
Misc. non-recurring	1,657,598	41,532	98,382	98,382	0.0%
Sub-Total Local Revenue	7,781,136	5,552,732	5,624,582	5,639,582	1.6%
Available Funds					0.0%
Free Cash	814,300	110,967	700,000	700,000	530.8%
Overlay Surplus		50,000			-100.0%
Stabilization Fund					0.0%
Retirement Fund					0.0%
Enterprise Funds	25,000	25,000	25,000	25,000	0.0%
Other :					0.0%
Land Bank Receipts Reserved	870,519	886,544	926,994	926,994	4.6%
Community Preservation Fund	886,354	842,992	858,000	858,000	1.8%
Water Overhead	341,695	222,339	227,900	227,900	2.5%
Cemetery Perpetual Care	10,000	10,000	1,000	1,000	-90.0%
Sale Of Lots & Graves Trust	1,000	1,000	5,000	5,000	400.0%
Wetland Protection Fund	10,000	10,000	10,000	10,000	0.0%
Waterway Imp. Fund	170,000	208,000	260,000	260,000	25.0%
Prior Articles	64,300	42,500	71,142	71,142	67.4%
Railroad Museum	3,000	3,000	3,000	3,000	0.0%
Shellfish revolving	8,000		4,500	4,500	0.0%
Sub-Total Available Funds	3,204,168	2,412,342	3,092,536	3,092,536	28.2%



SUMMARIES

FY 2014 BUDGET

EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Expenses					
General Government	1,793,396	1,929,316	1,925,052	1,925,052	-0.2%
Public Safety	5,301,331	5,446,245	5,900,578	5,750,750	5.6%
Community Development	651,443	695,823	740,150	715,365	2.8%
Health & Environment	766,756	822,939	835,157	835,157	1.5%
Public Works & Facilities	3,836,284	4,068,848	4,351,927	4,349,927	6.9%
Community & Social Services	906,462	962,262	986,448	976,180	1.4%
Education	10,261,778	8,434,323	8,882,683	8,701,011	3.2%
Employee Benefits	3,804,171	4,100,000	3,982,350	3,982,350	-2.9%
Undistributed Ins. & Reserve Fund	300,703	451,135	501,135	501,135	11.1%
Debt Service	5,852,861	7,733,729	7,905,583	7,905,583	2.2%
Operating Budget Total	33,475,185	34,644,620	36,011,063	35,642,510	2.9%
Capital Budget					
Town (no water)	994,500	1,074,300	4,325,470	1,797,185	67.3%
Water w/ Bonding	0	2,350,000	1,060,000	1,060,000	0.0%
Bonding/Other Avail Fds	100,000	0	0	0	0.0%
Capital Budget Total	1,094,500	3,424,300	5,385,470	2,857,185	-16.6%
Water Operating Budget	2,237,640	2,735,107	2,630,354	2,630,357	-3.8%
Articles-Routine at ATM	50,000	50,000	250,000	250,000	400.0%
LandBank	797,500				0.0%
Community Preservation	1,375,215	842,992	858,000	858,000	1.8%
Library Supplemental					0.0%
Enterprise Fund	25,000	25,000	25,000	25,000	0.0%
Stabilization Fund		50,000			0.0%
Total Town Meeting Appropriation	4,485,355	3,703,099	3,763,354	3,763,357	1.6%



SUMMARIES

FY 2014 BUDGET

EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Overlay for Abatements	245,374	500,000	300,000	300,000	-40.0%
Charges: State & County	991,296	650,708	670,000	670,000	3.0%
Other Articles	131,634	200,000			0.0%
Court Judgements & Other Deficits	730,523	407	9,161	9,161	0.0%
State Aid - Offsets (Lunch & Libr'y)	1,203,111	8,960	13,960	13,960	55.8%
Total Expenses	42,356,979	43,132,094	46,153,007	43,256,173	0.3%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Legislative					
Moderator/Town Meeting					
Salaries	600	600	600	600	0.0%
Expenses	20	50	50	50	0.0%
Total	620	650	650	650	0.0%
Finance Committee					
Salaries	2,478	2,000	2,000	2,000	0.0%
Expenses	483	600	600	600	0.0%
Total	2,961	2,600	2,600	2,600	0.0%
Executive					
Board of Selectmen					
Salaries	10,500	10,500	10,500	10,500	0.0%
Expenses	430	1,000	1,000	1,000	0.0%
Total	10,930	11,500	11,500	11,500	0.0%
Town Manager					
Salaries	223,050	196,975	203,836	203,836	0.0%
Expenses	135,872	158,250	165,550	165,550	3.5%
Total	358,923	355,225	369,386	369,386	4.0%
Staff					
Human Resources/Personnel					
Salaries	163,401	169,070	152,983	152,983	-9.5%
Expenses	15,456	8,900	12,350	12,350	38.8%
Total	178,858	177,970	165,333	165,333	-7.1%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Staff (con't)					
Legal Services					
Expenses	87,025	95,000	97,500	97,500	2.6%
Total	87,025	95,000	97,500	97,500	2.6%
Audit Services					
Expenses	31,767	30,000	32,000	32,000	6.7%
Total	31,767	30,000	32,000	32,000	6.7%
Town Accountant					
Salaries	201,149	211,542	202,496	202,496	-4.3%
Expenses	3,986	4,850	6,200	6,200	27.8%
Total	205,135	216,392	208,696	208,696	-3.6%
Assessors					
Salaries	215,439	221,264	225,790	225,790	2.0%
Expenses	40,278	52,000	52,000	52,000	0.0%
Total	255,717	273,264	277,790	277,790	1.7%
Treasurer/Collector					
Salaries	170,441	171,260	171,560	171,560	0.2%
Expenses	13,987	21,550	21,550	21,550	0.0%
Total	184,428	192,810	193,110	193,110	0.2%
Information Systems					
Salaries	168,357	170,935	154,861	154,861	-9.4%
Expenses	118,583	110,200	118,000	118,000	7.1%
Total	286,940	281,135	272,861	272,861	-2.9%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Staff (con't)					
Town Clerk					
Salaries	123,054	122,269	122,469	122,469	0.2%
Expenses	11,110	13,565	13,565	13,565	0.0%
Total	134,164	135,834	136,034	136,034	0.1%
Elections					
Salaries	1,250	1,275	1,275	1,275	0.0%
Expenses	20,315	33,325	20,050	20,050	-39.8%
Total	21,565	34,600	21,325	21,325	-38.4%
Summer Residents Advisory Comm					
Expenses	2,506	2,300	2,500	2,500	8.7%
Total	2,506	2,300	2,500	2,500	0.0%
Parking Clerk					
Salaries	3,500	3,500	3,500	3,500	0.0%
Expenses	180	3,000	3,000	3,000	0.0%
Total	3,680	6,500	6,500	6,500	0.0%
Permit Office					
Salaries	25,396	17,901	19,890	19,890	11.1%
Expenses	2,781	3,900	3,400	3,400	-12.8%
Total	28,178	21,801	23,290	23,290	6.8%
Projects Operation & Administration					
Salaries		88,385	90,627	90,627	2.5%
Expenses		3,350	13,350	13,350	298.5%
Total		91,735	103,977	103,977	13.3%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
General Government Totals					
Salaries	1,308,616	1,387,476	1,362,387	1,362,387	-1.8%
Expenses	484,780	541,840	562,665	562,665	3.8%
Subtotal General Gov't	1,793,396	1,929,316	1,925,052	1,925,052	-0.2%
 Public Safety					
Police					
Salaries	1,888,132	1,948,167	2,084,140	2,040,270	4.7%
Expenses	122,489	138,932	158,051	150,450	0.0%
Capital Outlay				4,000	
Total	2,010,621	2,087,099	2,242,191	2,194,720	5.2%
 Emergency Management					
Salaries	0	2,500	2,500	2,500	0.0%
Expenses	3,375	6,600	7,600	7,600	15.2%
Total	3,375	9,100	10,100	10,100	11.0%
 Animal Control					
Salaries	57,139	54,868	57,140	57,140	4.1%
Expenses	2,529	1,900	1,800	1,800	-5.3%
Total	59,668	56,768	58,940	58,940	3.8%
 Fire					
Salaries	2,524,905	2,500,338	2,555,025	2,456,798	-1.7%
Expenses	173,411	263,755	307,995	303,865	15.2%
Capital Outlay			200,000	200,000	0.0%
Total	2,698,316	2,764,093	3,063,020	2,960,663	7.1%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Public Safety (con't)					
 Cape & Islands EMS					
Expenses	5,385	5,385	5,385	5,385	0.0%
Total	5,385	5,385	5,385	5,385	0.0%
 Oil Pollution Control					
Expenses	1,006	1,030	1,030	1,030	0.0%
Total	1,006	1,030	1,030	1,030	0.0%
 Harbormaster/Pier/Harbor Patrol					
Salaries	336,098	347,640	344,782	344,782	-0.8%
Expenses	90,553	83,730	83,730	83,730	0.0%
Total	426,651	431,370	428,512	428,512	-0.7%
 Lighthouse Beach					
Salaries	70,277	67,400	67,400	67,400	0.0%
Expenses	16,977	14,000	14,000	14,000	0.0%
Total	87,254	81,400	81,400	81,400	0.0%
 Town Floats					
Expenses	9,010	8,000	8,000	8,000	0.0%
Total	9,010	8,000	8,000	8,000	0.0%
 Mitchell River Bridge					
Expenses	45	2,000	2,000	2,000	0.0%
Total	45	2,000	2,000	2,000	0.0%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Public Safety Totals					
Salaries	4,876,551	4,920,913	5,110,987	4,968,890	1.0%
Expenses	424,780	525,332	789,591	781,860	48.8%
Subtotal Public Safety	5,301,331	5,446,245	5,900,578	5,750,750	5.6%
Community Development					
Community Development					
Salaries	558,701	595,698	630,025	605,240	1.6%
Expenses	47,242	54,625	55,125	55,125	0.9%
Total	605,943	650,323	685,150	660,365	1.5%
Ec Development (CC Chamber)					
Expenses	45,500	45,500	55,000	55,000	20.9%
Total	45,500	45,500	55,000	55,000	20.9%
Community Development					
Salaries	558,701	595,698	630,025	605,240	1.6%
Expenses	92,742	100,125	110,125	110,125	10.0%
Subtotal Community Development	651,443	695,823	740,150	715,365	2.8%
Health & Environment					
Water Quality Laboratory					
Salaries	134,105	139,047	142,428	142,428	2.4%
Expenses	50,008	70,100	71,100	71,100	1.4%
Total	184,113	209,147	213,528	213,528	2.1%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Health & Environment (con't)					
Health Department					
Salaries	144,372	146,812	144,976	144,976	-1.3%
Expenses	14,825	15,400	14,000	14,000	-9.1%
Total	159,197	162,212	158,976	158,976	-2.0%
Conservation Department					
Salaries	152,319	157,600	159,316	159,316	1.1%
Expenses	6,107	20,300	20,300	20,300	0.0%
Total	158,426	177,900	179,616	179,616	1.0%
Pleasant Bay Management Plan					
Expenses	32,774	32,774	32,774	32,774	0.0%
Total	32,774	32,774	32,774	32,774	0.0%
Green Head Fly Control					
Expenses	1,550	1,550	2,050	2,050	32.3%
Total	1,550	1,550	2,050	2,050	32.3%
Coastal Resources					
Salaries	72,619	80,419	82,709	82,709	2.8%
Expenses	3,438	4,050	4,050	4,050	0.0%
Total	76,057	84,469	86,759	86,759	2.7%
Shellfish Constable					
Salaries	146,408	139,807	142,574	142,574	2.0%
Expenses	4,874	9,890	13,690	13,690	38.4%
Total	151,282	149,697	156,264	156,264	4.4%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Health & Environment (con't)					
Leases & Herring Run					
Expenses	1,090	1,490	1,490	1,490	0.0%
Total	1,090	1,490	1,490	1,490	0.0%
South Coastal					
Salaries	374	1,000	1,000	1,000	0.0%
Expenses		500	500	500	0.0%
Total	374	1,500	1,500	1,500	0.0%
Shellfish Advisory Committee					
Salaries	1,057	800	800	800	0.0%
Expenses		200	200	200	0.0%
Total	1,057	1,000	1,000	1,000	0.0%
Waterways Committee					
Salaries		400	400	400	0.0%
Expenses	836	800	800	800	0.0%
Total	836	1,200	1,200	1,200	0.0%
Health & Environment					
Salaries	651,254	665,885	674,203	674,203	1.2%
Expenses	115,502	157,054	160,954	160,954	2.5%
Subtotal Health & Environment w/ Coastal Resources	766,756	822,939	835,157	835,157	1.5%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Public Works & Facilities					
Park & Recreation					
Salaries	815,067	861,451	866,117	866,117	0.5%
Expenses	153,154	163,860	164,260	164,260	0.2%
Total	968,221	1,025,311	1,030,377	1,030,377	0.5%
Highway					
Salaries	303,288	349,773	343,961	343,961	-1.7%
Expenses	68,162	62,200	62,200	62,200	0.0%
Total	371,450	411,973	406,161	406,161	-1.4%
Snow & Ice					
Salaries	6,826	16,000	18,000	16,000	0.0%
Expenses	60,877	55,000	75,000	75,000	36.4%
Total	67,703	71,000	93,000	91,000	28.2%
Street Lights					
Expenses	39,414	46,000	46,000	46,000	0.0%
Total	39,414	46,000	46,000	46,000	0.0%
Transfer Station					
Salaries	313,716	330,735	314,493	314,493	-4.9%
Expenses	161,912	173,600	173,600	173,600	0.0%
Expenses - Hauling & Disposal	256,285	345,000	345,000	345,000	0.0%
Total	731,913	849,335	833,093	833,093	-1.9%
Central Fuel Depot					
Expenses	206,541	186,000	206,000	206,000	10.8%
Total	206,541	186,000	206,000	206,000	10.8%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Public Works & Facilities (con't)					
Buildings					
Salaries	318,698	238,695	259,425	259,425	0.0%
Expenses	383,749	324,200	458,000	458,000	41.3%
Total	702,447	562,895	717,425	717,425	27.5%
Sewer					
Salaries	14,119	21,335	21,872	21,872	2.5%
Expenses (w/o Debt)	660,824	816,000	916,000	916,000	12.3%
Total	674,943	837,335	937,872	937,872	12.0%
Informational Only:					
Sewer Debt (Principal)	57,611	33,531	32,985	32,985	-1.6%
Sewer Debt (Interest)	4,865	2,697	1,900	1,900	-29.6%
Sewer Debt (Short term interest)	0	0	0	0	0.0%
Sewer Debt Total	62,476	36,228	34,885	34,885	-3.7%
Total Sewer Costs	737,419	873,563	972,757	972,757	11.4%
Cemetery					
Salaries	13,030	17,799	17,799	17,799	0.0%
Expenses	60,622	61,200	64,200	64,200	4.9%
Total	73,652	78,999	81,999	81,999	3.8%
Public Works & Facilities					
Salaries	1,784,744	1,835,788	1,841,667	1,839,667	0.2%
Expenses	2,051,540	2,233,060	2,510,260	2,510,260	12.4%
Subtotal Public Works	3,836,284	4,068,848	4,351,927	4,349,927	6.9%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Community & Social Services					
Council on Aging					
Salaries	160,273	203,880	204,653	204,653	0.0%
Expenses	16,533	15,150	17,125	17,125	13.0%
Total	176,806	219,030	221,778	221,778	1.3%
Veterans' Services District					
Expenses	78,065	76,265	77,020	77,020	1.0%
Total	78,065	76,265	77,020	77,020	1.0%
Contractual Services					
Expenses					
VNA of Cape Cod	22,500	22,500	22,500	22,500	0.0%
Monomoy Community Services	111,000	111,000	111,000	111,000	0.0%
Nauset Workshop/Capeabilities	6,000	6,000	5,500	5,500	-8.3%
C.C. Child Development	5,500	5,500	5,500	5,500	0.0%
Independence House	4,200	4,200	4,200	4,200	0.0%
South Coast Legal Services	5,000	5,000	5,000	5,000	0.0%
Sight Loss Services	900	900	900	900	0.0%
Big Brothers/Big Sisters	6,000	6,000	4,000	4,000	-33.3%
Lower Cape Outreach	8,950	9,000	9,000	9,000	0.0%
Eldredge Public Library, Inc.	414,238	424,317	445,000	434,732	2.5%
So. Chatham Public Library, Inc.	5,100	5,100	5,100	5,100	0.0%
Homeless Prevention Council	6,000	6,000	6,300	6,300	5.0%
Aids Council (CARES)	2,000	2,000	2,000	2,000	0.0%
Elder Services of Cape Cod	8,200	8,200	8,200	8,200	0.0%
Consumer Assistance	250	250	250	250	0.0%
Chatham Athletic Booster Club	2,500				0.0%
Operation in from the Streets		3,000	1,000	1,000	-66.7%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Contractual Services (con't)					
Duffy Health Center			2,000	2,000	0.0%
Outer Cape Health Services			2,000	2,000	0.0%
Tooth Tutoring	500	2,000	2,000	2,000	0.0%
Gosnold	8,000	8,000	8,200	8,200	2.5%
Cultural Council	4,000	4,000	4,000	4,000	0.0%
Child Care Network Voucher Scholarship	5,000	7,500	7,500	7,500	0.0%
ARC of Cape Cod	0	1,000	1,000	1,000	0.0%
Subtotal: Contract Services	625,838	641,467	662,150	651,882	1.6%
Public Ceremonies Committee					
Maritime Festival					0.0%
Public Ceremonies Committee	15,000	15,000	15,000	15,000	0.0%
Total	15,000	15,000	15,000	15,000	0.0%
Other Public Events					
Chatham Band	7,500	7,500	7,500	7,500	0.0%
Chatham A's Baseball					0.0%
Total	7,500	7,500	7,500	7,500	0.0%
Railroad Museum					
Expenses	3,253	3,000	3,000	3,000	0.0%
Total	3,253	3,000	3,000	3,000	0.0%
Community & Social Services					
Salaries	160,273	203,880	204,653	204,653	0.4%
Expenses	746,189	758,382	781,795	771,527	1.7%
Subtotal Comm. & Social Services	906,462	962,262	986,448	976,180	1.4%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Education					
Chatham Public Schools/Monomoy RSD.					
Salaries & Expenses	9,974,126	8,119,685	8,537,683	8,356,011	2.9%
Subtotal Chatham/Monomoy Schools	9,974,126	8,119,685	8,537,683	8,356,011	2.9%
CC Tech. Regional High School					
Expenses	287,652	314,638	345,000	345,000	9.6%
Total	287,652	314,638	345,000	345,000	9.6%
Education					
Salaries	9,974,126	8,119,685	8,537,683	8,356,011	2.9%
Expenses	287,652	314,638	345,000	345,000	9.6%
Total Education	10,261,778	8,434,323	8,882,683	8,701,011	3.2%
Employee Benefits					
Workers Compensation Insurance	46,281	91,409	55,000	55,000	-39.8%
Medicare/Social Security	122,095	125,000	125,000	125,000	0.0%
Unemployment Insurance	49,250	40,000	50,000	50,000	25.0%
Public Safety Inj. Ins.	14,412	20,000	20,000	20,000	0.0%
Barn's County Retirement	1,465,293	1,860,903	1,612,647	1,612,647	-13.3%
Group Health Insurance	2,106,840	1,962,688	2,119,703	2,119,703	8.0%
Total Employee Benefits	3,804,171	4,100,000	3,982,350	3,982,350	-2.9%



SUMMARIES

FY 2014 BUDGET

DEPARTMENT EXPENSES

Description	FY 2012 Actual	FY 2013 Budget	FY 2014 Request	FY 2014 Budget	FY13-FY14 % Difference
Undistributed Costs					
Insurance					
Watercraft	18,684	19,460	19,560	19,560	0.5%
Fleet Motor Vehicle	46,112	45,000	46,000	46,000	2.2%
Moorings		1,772	1,775	1,775	0.2%
Flood	7,007	9,115	9,250	9,250	1.5%
Public Officials' Liability	10,395	10,500	10,500	10,500	0.0%
General Liability & Bldg. Ins.	111,056	250,288	299,050	299,050	19.5%
Uninsured Damages	7,449	15,000	15,000	15,000	0.0%
Total Insurance	200,703	351,135	401,135	401,135	14.2%
Reserve Fund (05 Distributed)	100,000	100,000	100,000	100,000	0.0%
Total Undistributed Costs	300,703	451,135	501,135	501,135	11.1%
Debt Service (non-water)					
Principal	3,889,588	5,008,688	5,282,623	5,282,623	5.5%
Interest - Long-term	1,129,308	2,475,041	2,372,960	2,372,960	-4.1%
Interest - Short-term & Bond Costs	833,965	250,000	250,000	250,000	0.0%
Total Debt Service Costs	5,852,861	7,733,729	7,905,583	7,905,583	2.2%



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

PLANNING

Description	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
CAPITAL PROGRAM & BUDGET SUMMARY							
General Government	139,300	157,500	107,500	175,000	170,000	170,000	170,000
Public Safety	135,000	356,470	44,185	436,987	258,500	41,000	41,000
Community Development	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Health & Environment	134,000	1,811,000	374,000	2,739,000	1,716,000	819,000	596,000
Public Works (without Water)	405,500	1,269,360	721,000	1,331,000	1,188,000	699,000	689,000
Equipment	490,500	767,000	538,000	1,043,000	778,000	438,000	881,000
Total Town Funded Capital Budget	1,316,800	4,373,830	1,797,185	5,737,487	4,123,000	2,179,500	2,389,500
Funding Sources:							
Free Cash			750,000				
Waterways Improvement Funds			40,000				
Cemetery Sale of Lots			5,000				
Shellfish Revolving			4,500				
PEG Access Fund			30,000				
Prior Articles			72,000				
Capital Exclusion							
Raise & Appropriate			895,685				
Total Funding Sources			1,797,185				



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

PLANNING

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
General Government									
Annual #1	Land Management, Assessment & GIS	IT	12,500	12,500	12,500	50,000	50,000	50,000	50,000
Annual #2	MIS Training, Website	IT							
Annual #3	Hardware replacement & upgrade	IT	26,800	15,000	15,000	15,000	15,000	15,000	15,000
14-1	Ch 18 Equipment	TM	0	30,000	30,000	10,000	5,000	5,000	5,000
14-2	Consulting & Engineering	TM	100,000	100,000	50,000	100,000	100,000	100,000	100,000
12-2	Tri-Centennial Celebration	TM							
Total General Government			139,300	157,500	107,500	175,000	170,000	170,000	170,000
Public Safety									
Police Department									
14-1	Crossmatch Fingerprint Scanner	PD		7,335	7,335				
14-2	PC Workstations	PD		5,800					
14-3	Replacement of Portable Radios	PD		58,000		58,000			
14-4	Speed Control Display Trailer	PD		10,000	10,000				
14-5	IMC Interfacing (Maps & Online)	PD		10,397		10,397			
14-6	Cruiser Digital Recording System	PD		31,000		31,000			
14-7	Network Printers	PD		998					
14-8	AED Units	PD		5,850	5,850				
14-9	Mobile - Laptops and/or tablets	PD		24,600		24,600			
14-10	Cruiser 800 Radios	PD		14,990		14,990			
15-1	Command Post Trailer	PD				75,000			
15-2	Cruiser VHF Radios	PD		4,000	4,000	35,000			
Subtotal Police				172,970	27,185	248,987			



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

PLANNING

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
Public Safety (con't)									
Fire/Rescue Department									
13-3	Stabilization Kit	FD							
14-1,16-1	Ambulance Stretcher	FD		12,500			12,500		
14-3	Protective Clothing	FD	15,000	30,000		15,000			
14-4	Radio Equipment	FD		6,000					
15-1	Mobile Data Terminals	FD				12,000			
15-2	800 MHZ portable Radios	FD							
16-2	Heart Monitors	FD					50,000		
	Subtotal Fire/Rescue		15,000	48,500		27,000	62,500		
Emergency Management									
11-01;13-0	Emergency Management Brochures	CD		4,000					
13-1	Generator Cables		12,000						
14-1	Trailer Tires			1,000					
	Subtotal Other Pub Safety		12,000	5,000					
Harbormaster/Wharfinger									
Annual 14-	Aids to Navigation	HBR	5,000	10,000	5,000	10,000	10,000	10,000	10,000
	\$5,000 per year proposed from Waterways Impr Fund								
Annual 14-	Mooring Management	HBR	4,000	8,000	4,000	8,000	8,000	8,000	8,000
	\$4,000 per year proposed from Waterways Impr Fund								
Annual 14-	Town Landing Maintenance	HBR	4,000	4,000	4,000	8,000	8,000	8,000	8,000
	\$4,000 in '13 & '14 proposed from Waterways Impr Fund								
Annual 14-	Boat Maintenance & Equipment	HBR	5,000	4,000	4,000	6,000	5,000	5,000	5,000



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

PLANNING

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
Harbormaster/Wharfinger (con't)									
Annual 14-	Mitchell River Drawbridge Repairs & Maint	HBR	10,000	10,000		10,000			
14-8	Fish Pier Repairs	HBR	80,000	80,000		80,000			
	Boathouse/Shed	HBR							
14-10	On-line Mooring Renewal Program	HBR		14,000		14,000			
	\$14,000 per year proposed from Waterways Impr Fund								
15-7. 16-2	Barge Rental	HBR				25,000	25,000		
16-1	Fish Pier Diesel & Gas Tank Replacement	HBR					140,000		
Subtotal Harbor/Pier			108,000	130,000	17,000	161,000	196,000	41,000	41,000
Total Public Safety			135,000	356,470	44,185	436,987	258,500	41,000	41,000
Community Development									
14-1	GIS Flyover	CD	12,500	12,500	12,500	12,500	12,500	12,500	12,500
11-01	GPS Data Collection Device	CD							
Subtotal Community Development			12,500	12,500	12,500	12,500	12,500	12,500	12,500
Total Community Development			12,500	12,500	12,500	12,500	12,500	12,500	12,500



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

PLANNING

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
Health & Environment									
Stormwater Management									
Annual #1	Drainage/Stormwater Management	STW	20,000	100,000	20,000	20,000	20,000	20,000	20,000
14-1, 15-1	Conservation Lands Mgmt/Forest Mgmt Plan	H & E	10,000	20,000		20,000	20,000	20,000	20,000
14-2	Trail Guide - Conservation Lands	H&E		12,000			2,000		2,000
Subtotal Stormwater			30,000	132,000	20,000	40,000	42,000	40,000	42,000
Coastal Resources									
Annual #1	Dredging Program	CR	75,000	75,000	75,000	75,000	200,000	200,000	200,000
Annual #2	Aerial Shoreline Condition Photo Survey	CR	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Annual #3	Town Landing Infrastructure Improvements \$10,000 from waterways improvement	CR	20,000	20,000	20,000	20,000	20,000	20,000	20,000
14-1	OMBY Pier & Float Replacement	CR		350,000	250,000	100,000			
14-2	Ryder's Cove Landing Expansion	CR		950,000					
14-3	Chatham Harbor Public Access	CR		50,000					
16-2	Ryder's Cove Bulkhead Replacement	CR					180,000		
15-1	Bassing Harbor Dredging Permits	CR				50,000			
15-2	Little Mill Pond Re-decking	CR				30,000			
16-3	Scatteree Landing Erosion Protection	CR					65,000		
15-3	Barn Hill Ramp Walkway	CR				15,000			
16-1	South Chatham Nourishment	CR					1,200,000		250,000
17-1	Ryder's Cove Ramp Replacement	CR						300,000	
17-2	Ryder's Cove Restroom	CR						250,000	
17-1	Town Landing Comprehensive Survey	CR							75,000
14-2	Muddy Creek Culvert Replacement	H&E		225,000		1,400,000			
Subtotal Coastal Resources			104,000	1,679,000	354,000	2,699,000	1,674,000	779,000	554,000
Total Health & Environment			134,000	1,811,000	374,000	2,739,000	1,716,000	819,000	596,000



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

PLANNING

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
Public Works (without Water)									
Parks & Recreation & Cemetery									
11-4	Concession Stand - Volunteer Park	P&R							
14-1	Relocate Skate Park & Add Walking Track	P&R	42,500	25,000					
14-3,16-2	New Cardio Equipment for CCC Fitness Rm	P&R		6,000		6,000	6,000	7,000	7,000
	Ryders Cove Park Construction	P&R		10,000		10,000	10,000		
16-1	Sandblast & Repaint Vet's Field Bleachers	P&R					50,000		
15-1	Handicap Access Path Volunteer Park	P&R				25,000			
15-4	Outdoor Basketball Court	P&R				35,000			
16-2	Picnic Pavillion -Volunteer Park	P&R					30,000		
Subtotal - Park & Recreation			42,500	41,000		76,000	96,000	7,000	7,000
Highway Department									
Annual #1	Road Resurfacing	HWY	125,000	225,000	175,000	225,000	250,000	250,000	250,000
Annual #2	Emergency Road Repair	HWY	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Annual #3	Catch Basins	HWY	25,000	50,000	40,000	50,000	60,000	60,000	60,000
Annual #4	Road Maintenance Projects	HWY	12,000	28,000	15,000	28,000	30,000	30,000	30,000
Annual #6	Sidewalk Construction	HWY	50,000	50,000	40,000	50,000	75,000	75,000	75,000
Annual #7	Street Signs	HWY	5,000	6,000	5,000	6,000	6,000	6,000	6,000
Annual #8	Bike Trail Maintenance	HWY	10,000	35,000	10,000	35,000	35,000	35,000	25,000
Subtotal Highway			237,000	404,000	295,000	404,000	466,000	466,000	456,000
Landfill (Transfer Station)									
14-01	Recycling - Phase 1	LDF		300,000	250,000				
15-01	Recycling - Phase 2	LDF				450,000			
16-01	Recycling - Phase 3	LDF					400,000		
Subtotal Landfill				300,000	250,000	450,000	400,000		



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

EXPENSES

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
Public Works (without water) con't									
Building & Grounds									
Annual	ADA Compliance	BG		5,000		5,000			
Annual #1	Property Management/Building Maint Project	TM	100,000	200,000	100,000	200,000	200,000	200,000	200,000
14-01	Council on Aging Renovations			48,360					
Subtotal Building & Grounds Projects			100,000	253,360	100,000	205,000	200,000	200,000	200,000
Cemetery Department									
Annual #1	Clean & Repair Head Stones	CEM	1,000	1,000	1,000	1,000	1,000	1,000	1,000
14-1	Cemetery Expansion - Seaside	CEM		150,000	75,000	75,000			
14-2	Cemetery Expansion - Union	CEM		95,000	0	95,000			
Subtotal Cemetery			1,000	246,000	76,000	171,000	1,000	1,000	1,000
Airport Commission									
Annual #1	Continuing Modernization	TM/AIR	25,000			25,000	25,000	25,000	25,000
Subtotal Airport			25,000			25,000	25,000	25,000	25,000
Total Public Works			405,500	1,269,360	721,000	1,331,000	1,188,000	699,000	689,000
Equipment - All Departments									
Annual #1	Annual Cruisers (3) Replacement	PD/TM	68,000	111,000	74,000	75,000	75,000	111,000	75,000
14-1	Replace Chief's Unmarked Admin. Vehicle	PD/TM	32,000				35,000		
14-2	Purchase of Police Motorcycle	PD/TM	4,000	4,000	0	0	0		
14-3	Replace ATV	PD/TM		8,300	8,300				
15-1	Replace Unmarked Police Detective Vehicle	PD/TM				32,000			
15-2	Replace 4x4 SUV Response Vehicle	PD/TM				38,000			
16-1	Replace Animal Control Vehicle	PD/TM	28,000						30,000



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

EXPENSES

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
Equipment All Departments (con't)									
16-2	Replace Vehicle - Pick-up Truck/SUV	PD/TM					33,000		
13-1	Purchase of Quint Apparatus	FD/TM	200,000						
13-2	Service Chief Vehicle	FD/TM	38,500					30,000	
14-1, 16	Replace Ambulance/Rescue	FD/TM		235,000	235,000		235,000		235,000
14-2	Engine Repair/Paint	FD/TM		15,000					
15-1	Replace Fire Engine/Pumper - Purchase	FD/TM				525,000			
15-2	Replace Staff Vehicle	FD/TM					30,000		
14-1	Inspections Vehicle	CD/TM		28,000	28,000		10,000	5,000	5,000
14-5, 14-8	Engine Replacement - H/master (H-16, H-21)	HBR/TM		24,000	7,000				
14-6	Firefighting/Dewatering Pump	HBR/TM		8,000					
14-9	Truck Replacement	HBR/TM		25,000		0			
15-6	Utility Truck	HBR/TM				10,000			
18-1	Boat Replacement (H-26)	HBR/TM							110,000
14-2, 15-1	Shellfish Outboard Engine Replacement	CR/TM		3,700	3,700	8,000			
14-3	Shellfish Suzuki Engine(03) Replacement	CR/TM		10,000		10,000			
13-1, 14-1	Shellfish Truck Replacement	CR/TM	28,000	28,000	28,000				
14-1, 17-1	Replace H&E Vehicle (Cons/Health)	H&E/TM	27,000	28,000				26,000	26,000
14-1	Replace Park & Rec 1 Ton Dump Truck 03 \$44,000 from prior article	P&R/TM		44,000	44,000				
14-2	Replace Park & Rec 1 Ton Dump Truck 04	P&R/TM		50,000					
15-2	Top Dressing Machine	P&R/TM				10,000			
15-3	New Van for driving participants to programs	P&R/TM		35,000		35,000			
17-1	Replace Park & Rec Dump Truck 07	P&R/TM						46,000	
17-3	Replace Existing Utility Trailer	P&R/TM						10,000	
18-1	Replace Park & Rec 1 Ton Dump Truck 08	P&R/TM							50,000



CAPITAL IMPROVEMENT PROGRAM

FY 2014 CAPITAL BUDGET

EXPENSES

Dept Priority	Description	Dept	FY2013 Actual	FY2014 Request	FY2014 Recommended	FY2015 Program	FY2016 Program	FY2017 Program	FY2018 Program
Equipment All Departments (con't)									
14-6	Large Dump Truck w/ Plow & Sander 94	HWY/TM		110,000	110,000				
15-1	Replace Front End Loader	HWY/TM							150,000
15-6	Pick-up Truck w/Plow	HWY/TM				45,000			
16-1	Large Dump Truck w/ Plow & Sander 94	HWY/TM					110,000		
16-7,18-8	Small Dump Truck with Plow	HWY/TM					50,000		50,000
17-8	Woodchipper	HWY/TM						40,000	
17-9	Forklift	HWY/TM						40,000	
15-02	Small Dump Recycling Truck	LDF/TM				55,000			
16-02	Front End Loader	LDF/TM					150,000		
16-03	Trailer Yard Tractor	LDF/TM					50,000		
17-01	Container Roll Off Truck	LDF/TM						130,000	
13-1	Flat Bed Truck, Plow & Crane	SEW/TM	65,000						
15-2	Replace Sludge Hauling Truck/Cont 90	SEW/TM				200,000			
18-1	Replace 2000 J-washer w/Truck Mtd Washe	SEW/TM							150,000
Total Equipment			490,500	767,000	538,000	1,043,000	778,000	438,000	881,000
Subtotal Capital (General Fund)			1,316,800	4,373,830	1,797,185	5,737,487	4,123,000	2,179,500	2,389,500



MASTER DEBT AMORTIZATION SCHEDULE

OUTSTANDING PRINCIPAL AND INTEREST

DEPT SCHEDULE JUNE 2012

Fiscal Year	General Fund			Water Fund (w/o Betterment)			Totals			Cumulative % of total Debt Service
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2013	5,008,688	2,475,041	7,483,729	751,443	242,353	993,796	5,760,131	2,717,394	8,477,524	7%
2014	5,282,623	2,372,960	7,655,582	689,039	215,380	904,419	5,971,662	2,588,339	8,560,001	15%
2015	4,941,935	2,202,894	7,144,829	599,178	190,292	789,469	5,541,113	2,393,185	7,934,298	21%
2016	4,836,587	2,043,705	6,880,292	484,178	170,063	654,241	5,320,765	2,213,768	7,534,533	28%
2017	4,831,445	1,842,307	6,673,752	484,178	149,054	633,231	5,315,623	1,991,361	7,306,983	34%
2018	4,488,191	1,677,521	6,165,712	357,500	132,836	490,336	4,845,691	1,810,358	6,656,048	40%
2019	3,958,472	1,533,044	5,491,515	357,500	119,298	476,798	4,315,972	1,652,341	5,968,313	45%
2020	3,348,972	1,387,669	4,736,641	307,500	104,549	412,049	3,656,472	1,492,218	5,148,689	49%
2021	2,999,917	1,269,424	4,269,341	302,500	91,311	393,811	3,302,417	1,360,736	4,663,152	53%
2022	2,719,819	1,163,752	3,883,571	302,500	78,193	380,693	3,022,319	1,241,945	4,264,264	57%
2023	2,641,004	1,064,011	3,705,015	272,500	65,668	338,168	2,913,504	1,129,679	4,043,183	60%
2024	2,652,426	976,994	3,629,420	272,500	54,736	327,236	2,924,926	1,031,730	3,956,656	64%
2025	2,549,093	899,096	3,448,189	272,500	44,555	317,055	2,821,593	943,651	3,765,244	67%
2026	2,451,007	826,162	3,277,169	272,500	34,296	306,796	2,723,507	860,458	3,583,965	70%
2027	2,340,674	757,237	3,097,911	107,500	27,213	134,713	2,448,174	784,450	3,232,624	73%
2028	2,023,101	697,041	2,720,142	107,500	23,525	131,025	2,130,601	720,566	2,851,167	75%
2029	2,030,792	643,626	2,674,418	102,500	19,938	122,438	2,133,292	663,563	2,796,855	78%
2030	2,023,753	590,379	2,614,132	77,500	16,881	94,381	2,101,253	607,260	2,708,513	80%
2031	2,036,989	536,376	2,573,365	77,500	14,319	91,819	2,114,489	550,695	2,665,184	82%
2032	1,848,938	483,159	2,332,097	77,500	11,675	89,175	1,926,438	494,834	2,421,272	84%
2033	1,858,673	431,725	2,290,398	12,500	9,031	21,531	1,871,173	440,756	2,311,929	86%
2034	1,396,055	383,807	1,779,862	12,500	8,500	21,000	1,408,555	392,307	1,800,862	88%
2035	1,396,055	360,634	1,756,689	12,500	7,969	20,469	1,408,555	368,603	1,777,158	90%
2036	1,396,055	296,505	1,692,560	12,500	7,438	19,938	1,408,555	303,943	1,712,498	91%
2037	1,396,055	252,376	1,648,431	12,500	6,906	19,406	1,408,555	259,282	1,667,837	92%
2038-2049	7,275,625	1,353,601	8,629,226	150,000	41,438	191,438	7,425,625	1,395,039	8,820,664	100%
	79,732,943	28,521,045	108,253,988	6,488,015	1,887,413	8,375,428	86,220,958	30,408,459	116,629,416	