

**SUMMER RESIDENTS ADVISORY COMMITTEE  
POSITION PAPER - BUDGETARY ISSUES  
APPENDIX  
August 22, 2013**

This Appendix illustrates the impact of the SRAC recommendations for FY15-FY17

**ASSUMPTIONS**

1. Real estate tax levy held constant at 2014 level for FY 15-FY17, plus tax attributable to new growth of \$40 million annually.
2. State receipts continue at 2012 level.
3. Local receipts continue at 2012 level, escalated at 2.5% annually .
4. Hotel/Motel Tax increased 2% beginning 2015
5. Mooring fees increased to market rates beginning 2015
6. Town will build new firestation in 2015 at cost of \$10.3 million.
7. Town will spend \$7.5 million on wastewater plan in each of FY 15, FY 16, and FY 17
8. Town will fund 5 year capital plan at \$1,800,000 annually in FY 15 - FY 17
9. Town will fund OPEB Trust \$50,000 annually in FY15-FY17

**BUDGETARY IMPACT**

	A	B	C	D
	FY 14	FY 15	FY 16	FY 17
	Budget	Proposed	Proposed	Proposed
<b>SOURCES OF FUNDS</b>				
1 Real Estate Tax Levy	\$ 29,200,000	\$ 29,200,000	\$ 29,200,000	\$ 29,200,000
2 Less: Overlay	\$ 250,000	\$ 250,000	\$ 450,000	\$ 250,000
3 Add: New Growth	\$ 200,000	\$ 400,000	\$ 600,000	\$ 800,000
4 State Aid (net)	\$ 1,152,599	\$ 1,152,599	\$ 1,152,599	\$ 1,152,599
5 Local Receipts	<u>\$ 8,140,860</u>	\$ 8,344,382	\$ 8,552,991	\$ 8,766,816
6 Add: Hotel/Motel Tax Increase		\$ 571,720	\$ 571,720	\$ 571,720
7 Mooring Permits Increase		<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
8 Total Sources	\$ 38,443,459	\$ 39,668,701	\$ 39,877,310	\$ 40,491,135

**USES OF FUNDS**

9 Education	\$ 8,000,516	\$ 8,800,530	\$ 8,705,542	\$ 8,915,680
10 Add: Chatham's share debt service		\$ 800,000	\$ 800,000	\$ 800,000
11 Debt Service	\$ 7,655,582	\$ 7,144,828	\$ 6,880,292	\$ 6,673,752
12 Add: Fire Station 14		\$ 708,000	\$ 708,000	\$ 708,000
13 Wastewater 14	\$ 257,000	\$ 515,000	\$ 515,000	\$ 515,000
14 Wastewater 15		\$ 257,000	\$ 515,000	\$ 515,000
15 Wastewater 16			\$ 257,000	\$ 515,000
16 Wastewater 17				\$ 257,000
17 Five Year Capital	<u>\$ 1,895,545</u>	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
18 OPEB		<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
19 Subtotal	\$ 17,808,643	\$ 20,075,358	\$ 20,230,834	\$ 20,749,432
20 Available for Budget ex Debt and Edu	\$ 20,634,816	\$ 19,593,343	\$ 19,646,476	\$ 19,741,703
21 2014 Budget ex Debt and Education	\$ 19,011,629	\$ 19,011,629	\$ 19,011,629	\$ 19,011,629
22 Surplus or Free Cash	\$ 1,623,187	\$ 581,714	\$ 634,847	\$ 730,074

**NOTES**

Sources and comments noted below. References are to numbered lines and lettered columns.

- 1A 2014 per Finance Director estimate.
- 2A-2D Overlay estimated at \$250,000 annually, increasing to \$450,000 in FY16, a revaluation year.
- 3A-3D Taxes on new growth estimated at \$200,000 annually.
- 4A-4D State revenue constant at 2012 level
- 5A-5D 2012 actual of \$7,748,588 escalated annually at 2.5%
- 6B-6D Per Finance Director Local Options tax survey FY 2012
- 7B-7D Estimated at slightly more than double existing fees
- 9A-9D 2014 budget escalated annually at 2.5%, plus \$600,000 catch up in 2015, \$300,000 in FY16 and FY 17 account underallocation to Chatham in 2014.
- 10B-10D Allocation of Chatham's share of MRSD high school construction debt service
- 11A-11D Existing debt service per Warrant p. A-32.
- 12B-12D \$10.3 million cost bonded at 3.75% for 20 years level amortization
- 13A-13D \$7.5 million bonded 1/1/14 at 3.75% for 20 years level amortization
- 14B-14D \$7.5 million bonded 1/1/15 at 3.75% for 20 years level amortization
- 15C-13D \$7.5 million bonded 1/1/16 at 3.75% for 20 years level amortization
- 16D \$7.5 million bonded 1/1/17 at 3.75% for 20 years level amortization
- 17A-17D 17A: 2013 Warrant p. 18; 17B-17D at approximately 7% of operating budget
- 18B-18D Commence funding OPEB Trust, although amounts are nominal.
- 20B-20D Amount available for general fund expense excluding debt service and education
- 20A-20D Line 8 minus Line 19
- 21B-21D 2014 Budget ex Debt and Education carried forward FY15-FY17