



*Town of Barnstable  
Massachusetts*

***FY 2013  
OPERATING  
BUDGET (Summary)***

***Thomas K. Lynch***  
*Acting Town Manager*  
*May 17, 2012*

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# TOWN MANAGER'S FY 2013 BUDGET MESSAGE

Thomas K. Lynch, Acting Town Manager

## *Fiscal Stability In A Changing Environment*



The state of our community continues to provide challenges to us every day. The FY 2013 Operating Budget reflects the economic challenges we are all facing. This budget maintains fiscal stability in a changing environment. Some of the changes took place in the Town Manager's office and with the composition of the Town Council. Under a contract buyout in September, Town Manager John Klimm ceased his official duties as Town Manager. In November, five new town councilors were elected to the Town Council. I became Interim and then Acting Town Manager throughout this budget process. Despite the changing political environment, we have maintained our fiscal stability, achieved modest service enhancements, spent within our means, and prudently planned our financial future. This budget reflects that prudent financial management and is structurally balanced.

### **Financial Accountability**

Financial accountability continues to be the Town of Barnstable's highest priority. Of the State's 351 cities and towns, Barnstable is one of 21 to attain the **AAA bond rating**, the highest a town can receive. We have maintained this rating six years running. We have also received our 11<sup>th</sup> consecutive Distinguished Budget Presentation Award for the FY 2012 budget document and the Excellence in Financial Report Award for 9 years in a row. These awards demonstrate the Town's commitment to providing the most comprehensive and highest quality financial information.

We have passed an FY 2013 Capital Budget designed to improve our infrastructure and preserve our valuable public assets. In FY 2012, we completed the new Bath House at Sandy Neck Beach Park, opened the new Barnstable Municipal Airport Terminal and Tower, completed the exterior town hall renovations, began Phase III of the Stevens Street/High School Road Gateway and appropriated \$3.25 million for public road improvements. In Fiscal 2013, Barnstable continues to work toward preserving our capital assets and improving our infrastructure. The FY 2013 Capital Budget funds interior town hall repairs, improves West Barnstable and Centerville Community buildings, improves septic needs at Hathaways Pond, Marine and Environmental Affairs and our Structures and Grounds Building. The schools have adopted a capital plan and funding for school repairs is included. Municipal and school management is taking steps to further consolidate our maintenance and grounds operations and will be funding a study of this consolidation in FY 13.

Our revenues have shown growth over FY 2012. Motor vehicle excise tax revenues have increased and we are budgeting an extra \$332,598 or 6.95%. Investment income has also grown and FY 2013 revenues from this resource are being increased 30% or \$150,000. We are conservatively estimating new growth revenue at \$521,000. Over the last ten years, the percent of total tax collections to net tax levy has averaged between 99 and 100%. Tax collection rates for this fiscal year are tracking to reach a similar high collection percentage.

### **Dedicated Staff**

Our dedicated Town and District employees are second to none. We keep asking them to do more with less. Our employees have given their all again this year. Our dedicated School Committee, School Superintendent and staff have done an extraordinary job in advancing excellence in our school system. Our schools' non-negotiables remain academic success, safe school environments and meeting the needs of our students. We will not compromise on these core principles. There has been change at the school department. Our School Superintendent, Patricia Grenier, left us in August. We welcomed Dr. Mary Czajkowski who has set the bar high working toward academic excellence throughout our school district.

### **Community Resources**

As a community, we have libraries that cultivate and foster our intellect. We are grateful to our Fire and Water Districts, made up of the very finest professionals in the country, as they work to preserve and protect our health and safety. Our community is committed to our children through recreation programs and a state of the art Youth and Community Center. Seniors have a facility that provides daily programs and an Adult Supportive Day Program for seniors who can no longer remain alone at home. Civic and business associations are our partners in providing a vibrant, livable community.

## Fiscal Year 2013 Priorities

We will be busy in FY 2013 continuing to provide the highest quality services possible within the budget constraints that confront us. One area which will receive extra attention will be our current health care plan design. We are committed to studying both the current health care benefit plan offered through the Cape Cod Municipal Health Group and looking at models which might save money, reduce employee costs, and maintain our current benefit offerings. The priorities listed below are designed to keep us financially sound: keep our community safe; improve and increase the amount of information available to our citizens; promote economic development; and improve the environment with our green initiatives.

**First**, the FY 2013 budget is balanced and does not rely on any one-time fixes or solutions. Minimal reserves are used to cover one-time costs. Structurally we have placed our health care costs under our Employee Benefits budget which will create a better understanding of how much of the budget is directed towards this category. This will also allow us to expand our strategy for financing our unfunded healthcare benefit liabilities as any budgetary savings in this category can be directed towards the trust fund that the Town Council created for this purpose as part of the FY12 budget. We are proposing to establish an account to set aside funding for the capital needs of our town owned leased properties. And in FY 2013, we began planning to include a performance based measurement system into our award winning budget document. We plan to improve efficiency and effectiveness each year as we produce performance measures and indicators to track the performance of our operations. The budget funds a new parking ticket processing contract to increase the collection rate on citations issued through our Regulatory Services Department.

**Second**, public safety remains one of our highest priorities. We will continue our community approach to crime prevention and public safety, with our Police Chief Paul MacDonald and the dedicated members of the Barnstable Police Department. The budget restores an additional full time police officer to keep our department fully staffed at 115. The new Street Crimes Unit, which has taken over 600 criminals off our streets, will receive additional overtime funding to keep this unit operational. The budget restores the Domestic Violence Specialist to a full time position. We applaud the daily patrol protection, the targeting of high crime areas, the nationally recognized cyber crimes successful efforts, and the community policing which keeps us all safe.

**Third**, we understand that community outreach and citizen engagement are at our core of what we do. Over the past year, civic engagement continued to be an important priority. We implemented outreach measures with thousands of households now receiving our monthly bulletin and E-newsletter. Our recently improved website is seen by many residents each day. We continue to produce over two hours of live television programming every day on **Barnstable This Morning**, attend **village meetings with our civic associations and neighborhood groups** and provide **streaming video** and **Video on Demand**. We also continue our successful **Citizens Leadership Academy**, "Inside Barnstable Town Government", and the ever popular Barnstable Citizens Police Academy. We are the first community in Massachusetts to have introduced the **Barnstable iForum**, a virtual town meeting which engages citizens in a discussion of issues confronting our community.

The School Department's Channel 22 has been offering excellent student driven programming and we expect great things again from them this coming year.

In January, we introduced the **Citizens Resource Line**, a direct line for citizens to reach an employee with a concern which will be followed up and addressed. The CRL has been well received with over fifty calls received and forty-two cases closed.

We have also strengthened our internal network abilities with the Town Council's approval to construct the Barnstable Fiber Optics Network (BFON). BFON will provide reliable, high speed networking connectivity between all municipal, school, fire, library, water and county buildings within the Town of Barnstable. The system will serve us for decades to come.

**Fourth**, we remain committed to improving our economic climate. We have partnered with the Gateway Cities Program and the Executive Office of Housing and Economic Development to bring all available resources to Barnstable. Gateway Cities provided a \$50,000 grant which we have used to create the Kennedy Legacy Trail, part of our effort to make downtown Hyannis a walkable place to live, work and visit. We are changing the funding for our Arts and Culture Coordinator from relying on grants to the General Fund.

Our environment is our economy and residents and visitors alike enjoy our natural resources. We have funded clean up efforts at our ponds. There is beach equipment replacement at Veterans' Park. The budget funds ramp attendants at Blish

Point to assist boater access to Barnstable Harbor and Cape Cod Bay. There is dinghy removal money to protect our fragile coastal dunes after the summer boating season ends.

**Fifth,** we continue to aggressively pursue our “green” agenda. The Water Pollution Control turbine and solar array systems are on line. We are working on a major renewable energy generation project at the transfer station. There are new photovoltaic projects scheduled for the industrial park, Barnstable Municipal Airport, and the roof tops of municipal buildings. Although not budgeted, we expect funding from renewable energy projects in FY 2013 to be collected, which be used to fund future projects in FY 2014. And working with staff and the Renewable Energy Commission, we will improve our recycling rates and explore ways to reduce our trash stream. Barnstable will continue to use organic methods to address turf management and pesticide programs.

## ALL FUNDS SUMMARY

The total proposed FY13 operating budgets for the Town of Barnstable's appropriated funds is \$155,614,901. This is a decrease from the FY12 budget of \$284,682, or 0.18 percent. In addition to the General Fund, this figure includes the Town's eight enterprise fund operations; Airport, Golf, Solid Waste, Sewer, Water Supply, Marina, Sandy Neck and the Hyannis Youth and Community Center. These funds comprise the Town's annually appropriated funds. The General Fund accounts for revenues and expenditures necessary to provide general governmental services. By definition, all financial resources that are not required to be accounted for in other funds are accounted for in the General Fund. This is the fund that receives all property tax revenue except for property tax surcharges for the Community Preservation Act. The enterprise funds are primarily supported by user fees. Residents that access these services pay a fee to support the operation. The fees charged by the enterprise fund operations are set at levels which should allow them cover all operational and capital costs unless a general fund subsidy is provided.

### SUMMARY OF ALL APPROPRIATED FUNDS

Fund	FY12 Budget	FY13 Budget	\$ Change	% Change
General Fund	\$129,954,256	\$130,531,843	\$577,587	0.44%
Airport Enterprise Fund	\$7,744,400	\$7,349,458	(\$394,942)	-5.10%
Golf Enterprise Fund	\$3,100,883	\$2,870,000	(\$230,883)	-7.45%
Solid Waste Enterprise Fund	2,615,406	\$2,656,754	\$41,348	1.58%
Sewer Enterprise Fund	5,072,446	\$4,684,189	(\$388,257)	-7.65%
Water Supply Enterprise Fund	\$3,203,284	\$3,454,571	\$251,287	7.84%
HYCC Enterprise Fund	\$2,897,704	\$2,766,644	(\$131,060)	-4.52%
Marina Enterprise Fund	\$652,512	\$617,000	(\$35,512)	-5.44%
Sandy Neck Enterprise Fund	\$658,692	\$684,442	\$25,750	3.91%
Total All Budgeted Funds	<u>\$155,899,583</u>	<u>\$155,614,901</u>	<u>(\$284,682)</u>	-0.18%

The General Fund budget is increasing \$577,587 in FY13. Factors driving an increase to the budget include contractual salary obligations, increases to employee benefits and an increase in the Commonwealth Charter School assessments (Sturgis & Lighthouse charter schools). Cost reductions offsetting these increases include declines in debt service, operating capital, transfers to other funds and no snow and ice deficit for FY12 to fund in FY13.

The decrease in the airport enterprise fund is principally due to the declining sale of jet fuel. The airport purchases jet fuel for resale. This one activity generates more than 50% of the fund's operating revenue. A decline in the number of gallons sold results in a reduced budget proposal for FY13.

The golf course enterprise fund is declining \$230,883 as a drop in play has resulted in less recurring revenue available to fund operations. The proposed FY13 budget includes a reduction in seasonal staff, overtime, supplies and capital improvements.

The solid waste enterprise fund budget is increasing slightly by \$41,348 or 1.6%. Contractual salary obligations and capital improvements account for most of the budget increase.

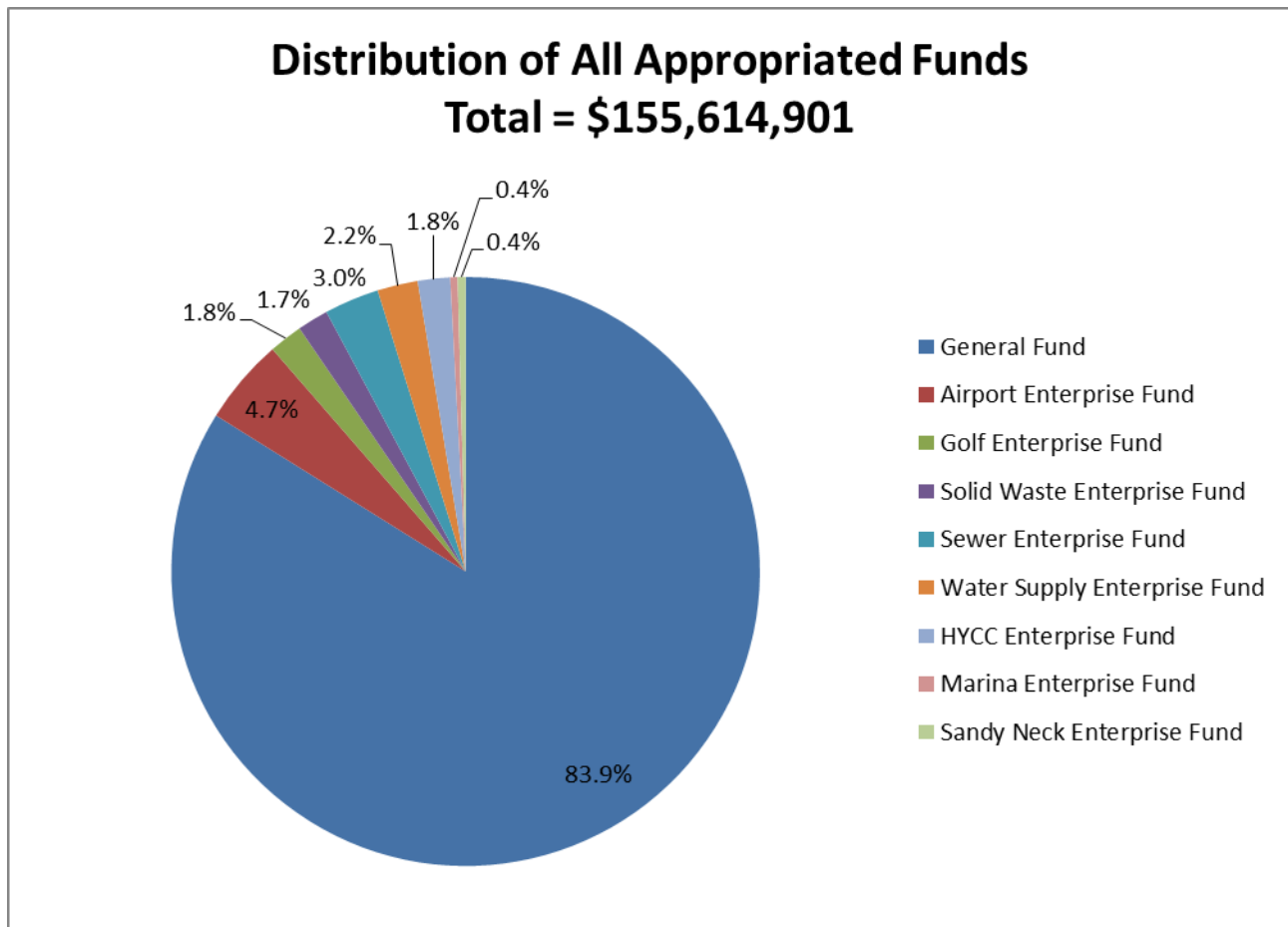
The decrease in the sewer enterprise fund is primarily due to decreases in debt service and utility costs.

The water enterprise fund budget is increasing \$251,287 primarily due to an increase in the management contract for operating the system. Two new water storage tanks and pump stations require a higher level of service.

The HYCC enterprise fund is decreasing \$131,060 in FY13 as this operation is also experiencing a revenue decline. As a result, reductions to part-time staffing, overtime and operating expenses have been implemented to offset most of the revenue decline. Debt service payments on the facility's construction bonds are also declining in FY13.

The marina enterprise fund is decreasing \$35,512 mainly due to reductions in debt service and operating capital.

Finally, the increase in the Sandy Neck enterprise fund of \$25,750 is mainly attributable to contractual pay increases as well as an increase in part-time staff and an increase in the hourly seasonal wage for some positions.



General Fund operations comprise 84 percent of the Town's total appropriated funds. The enterprise funds make up the remaining 16 percent. The Airport Enterprise Fund is the largest enterprise fund in the Town with a proposed budget of \$7.3 million for FY13, or 4.7 percent of all appropriated funds.



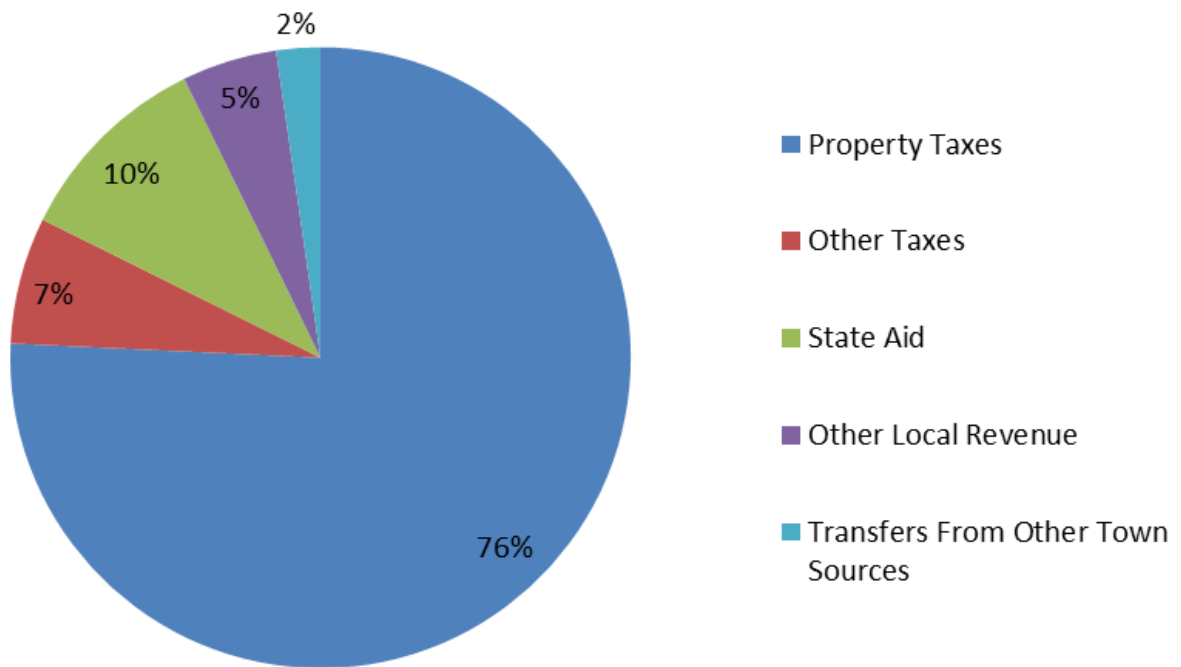
# GENERAL FUND SUMMARY

## GENERAL FUND REVENUE SUMMARY

	<u>FY 2012</u>	<u>FY 2013</u>	<u>Change</u>	<u>Percent</u>
<b><u>Property Taxes</u></b>				
Property Tax Base Subject to Prop 2 1/2		<u>\$ 94,857,168</u>		
<b><u>Add:</u></b>				
Proposition 2 1/2 Increase (2.5% of \$94,857,168)		2,371,429		
Estimated New Growth		521,000		
Voter Approved Debt Exclusions		1,979,200		
Voter Approved Cape Cod Commission Assessment		<u>528,701</u>		
Total FY13 Additions to Base		<u>5,400,330</u>		
Tax Levy Limit	\$ 97,325,379	100,257,498	\$2,932,119	3.01%
Property Taxes Reserved for Abatements and Exemptions	<u>(1,494,713)</u>	<u>(1,400,000)</u>	94,713	-6.34%
<b>Property Taxes Available for Operations</b>	<b><u>95,830,666</u></b>	<b><u>98,857,498</u></b>	<b><u>3,026,832</u></b>	<b><u>3.16%</u></b>
<b><u>Other Taxes</u></b>				
Motor Vehicle Excise Tax	4,784,402	5,117,000	332,598	6.95%
Boat Excise Tax	140,000	150,000	10,000	7.14%
Motel/Hotel Excise Tax	2,325,000	2,325,000	-	0.00%
Meals Tax	1,000,000	1,000,000	-	0.00%
Payments in Lieu of Tax	<u>25,000</u>	<u>25,000</u>	-	0.00%
<b>Total Other Taxes</b>	<b><u>8,274,402</u></b>	<b><u>8,617,000</u></b>	<b><u>342,598</u></b>	<b><u>4.14%</u></b>
<b><u>Other Resources</u></b>				
State Aid	13,594,313	13,605,169	10,856	0.08%
Penalties and Interest on Taxes	863,650	920,100	56,450	6.54%
Fines	250,000	294,000	44,000	17.60%
Fees and Rentals	925,000	940,000	15,000	1.62%
Total Licenses, Permits, Inspections	1,500,000	1,625,000	125,000	8.33%
Total Charges For Services	1,400,000	1,500,000	100,000	7.14%
Departmental and Other	233,408	230,881	(2,527)	-1.08%
Investment Income	500,000	650,000	150,000	30.00%
School Medicaid Reimbursements	300,000	300,000	-	0.00%
Enterprise Fund Reimbursements	2,005,290	1,686,775	(318,515)	-15.88%
Transfers From Special Revenue Funds	524,197	555,420	31,223	5.96%
Transfers From Trust Funds	331,000	315,000	(16,000)	-4.83%
General Fund Surplus	<u>3,422,330</u>	<u>435,000</u>	<u>(2,987,330)</u>	<u>-87.29%</u>
<b>Total Other Resources</b>	<b><u>25,849,188</u></b>	<b><u>23,057,345</u></b>	<b><u>(2,791,843)</u></b>	<b><u>-10.80%</u></b>
<b>Total General Fund Resources</b>	<b><u>\$ 129,954,256</u></b>	<b><u>\$ 130,531,843</u></b>	<b><u>\$ 577,587</u></b>	<b><u>0.44%</u></b>

Total general fund resources are projected to increase \$577,587 or 0.44%. Property taxes available for operations are projected to increase \$3 million which is almost entirely offset by a reduction in the amount of general fund surplus used to balance the FY13 budget. A majority of the surplus used in FY12 included a one-time transfer of \$2 million to the Capital Trust Fund that is not repeated in FY13 and a \$925,000 snow and ice removal deficit from FY11 and paid for in FY12.

## FY13 General Fund Revenue Sources



Property taxes and excise taxes comprise 83% of General Fund revenues. The second largest category is state aid at 10%. State aid is a relatively small percentage of the Town's General Fund revenue sources compared to many Massachusetts communities. The remaining 7% is generated from local receipts and surplus funds.

## TAX LEVY, TAX RATES & TAX BILL

### History Of Town And Fire District Tax Levy Growth For The Past 5 Years

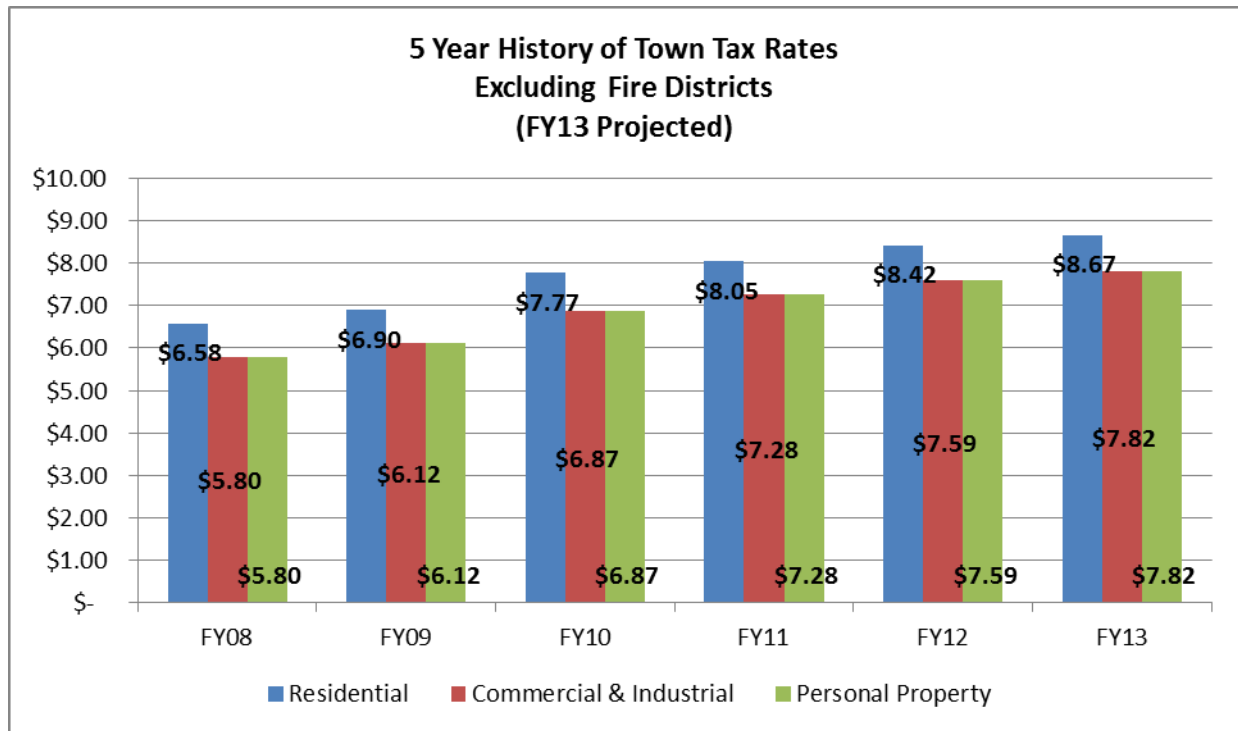
	FY 2008		FY 2009		FY 2010		FY 2011		FY 2012		Growth in Levy FY08 to FY12	
Town tax levy	\$ 86,040,891	81%	\$ 89,064,457	80%	\$ 91,769,862	81%	\$ 94,579,102	81%	\$ 97,325,379	80%	\$ 11,284,488	13%
Hyannis FD tax levy	6,238,186	6%	7,152,301	6%	6,836,967	6%	7,363,834	6%	7,992,181	7%	1,753,995	28%
Barnstable FD tax levy	2,522,490	2%	2,852,855	3%	2,884,014	3%	2,713,369	2%	2,914,168	2%	391,678	16%
Cotuit FD tax levy	2,091,491	2%	2,217,884	2%	2,063,825	2%	2,222,660	2%	2,901,523	2%	810,032	39%
W. Barnstable FD tax levy	1,205,038	1%	1,303,867	1%	1,332,277	1%	1,345,754	1%	1,344,740	1%	139,702	12%
COMM FD tax levy	8,030,068	8%	8,299,303	7%	8,892,217	8%	9,099,538	8%	9,637,526	8%	1,607,458	20%
Total FD tax levy	20,087,273	19%	21,826,210	20%	22,009,300	19%	22,745,155	19%	24,790,138	20%	4,702,865	23%
Grand total all tax levies	\$ 106,128,164	100%	\$ 110,890,667	100%	\$ 113,779,162	100%	\$ 117,324,257	100%	\$ 122,115,517	100%	\$ 15,987,353	15%

The Town maintains a property assessment database by Fire District. The tax rates for the Town of Barnstable and the five Fire Districts are determined by dividing the Town's tax levy into the Town's total property value and the Districts' tax levy into the Districts' respective property value. The Town's tax levy is subject to Proposition 2½ taxing limitations while the Districts' are not. The table above illustrates the tax levies for the Town and each district for the past five years and their relative percentage of the total. The Town's tax levy has increased \$11.3 million over the five year period of FY08 to FY12 or 13%. The Fire Districts' tax levies have collectively increased \$4.7 million over the same time period or 23%.

### History of Tax Rates For Town And Fire Districts

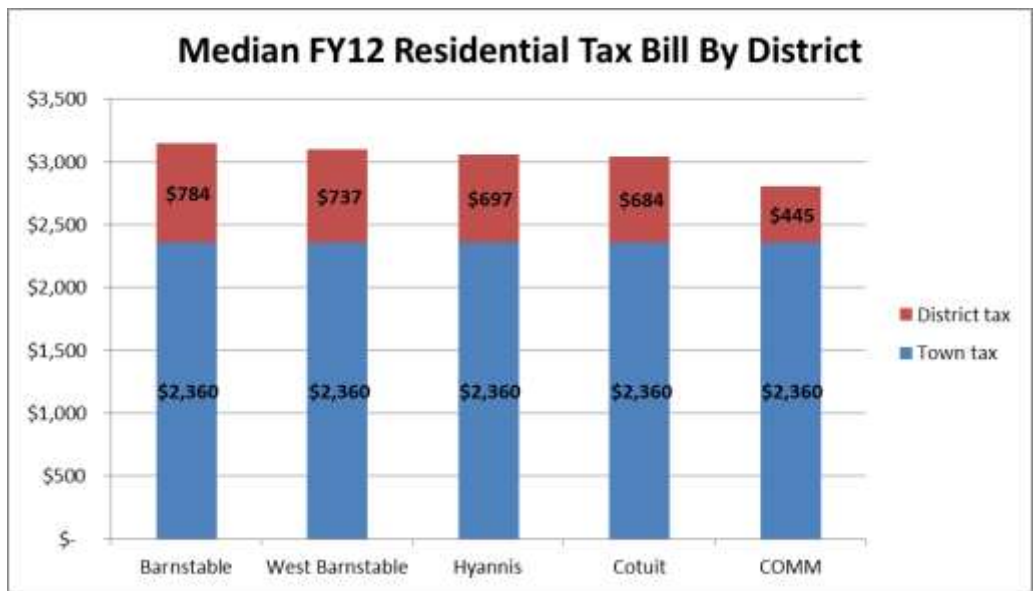
	FY 2008		FY 2009		FY 2010		FY 2011		FY 2012	
Town Tax Rate	\$5.80	79%	\$6.12	77%	\$6.87	79%	\$7.28	78%	\$7.59	77%
Hyannis FD	\$1.53	21%	\$1.78	23%	\$1.82	21%	\$2.04	22%	\$2.24	23%
<b>Total</b>	<b>\$7.33</b>	<b>100%</b>	<b>\$7.90</b>	<b>100%</b>	<b>\$8.69</b>	<b>100%</b>	<b>\$9.32</b>	<b>100%</b>	<b>\$9.83</b>	<b>100%</b>
Town Tax Rate	\$5.80	74%	\$6.12	72%	\$6.87	74%	\$7.28	76%	\$7.59	75%
Barnstable FD	\$2.04	26%	\$2.37	28%	\$2.43	26%	\$2.31	24%	\$2.52	25%
<b>Total</b>	<b>\$7.84</b>	<b>100%</b>	<b>\$8.49</b>	<b>100%</b>	<b>\$9.30</b>	<b>100%</b>	<b>\$9.59</b>	<b>100%</b>	<b>\$10.11</b>	<b>100%</b>
Town Tax Rate	\$5.80	81%	\$6.12	81%	\$6.87	81%	\$7.28	81%	\$7.59	78%
Cotuit FD	\$1.33	19%	\$1.43	19%	\$1.56	19%	\$1.68	19%	\$2.20	22%
<b>Total</b>	<b>\$7.13</b>	<b>100%</b>	<b>\$7.55</b>	<b>100%</b>	<b>\$8.43</b>	<b>100%</b>	<b>\$8.96</b>	<b>100%</b>	<b>\$9.79</b>	<b>100%</b>
Town Tax Rate	\$5.80	76%	\$6.12	74%	\$6.87	75%	\$7.28	76%	\$7.59	76%
W. Barn. FD	\$1.86	24%	\$2.11	26%	\$2.28	25%	\$2.34	24%	\$2.37	24%
<b>Total</b>	<b>\$7.66</b>	<b>100%</b>	<b>\$8.23</b>	<b>100%</b>	<b>\$9.15</b>	<b>100%</b>	<b>\$9.62</b>	<b>100%</b>	<b>\$9.96</b>	<b>100%</b>
Town Tax Rate	\$5.80	85%	\$6.12	85%	\$6.87	85%	\$7.28	85%	\$7.59	84%
COMM FD	\$1.03	15%	\$1.08	15%	\$1.26	15%	\$1.33	15%	\$1.43	16%
<b>Total</b>	<b>\$6.83</b>	<b>100%</b>	<b>\$7.20</b>	<b>100%</b>	<b>\$8.13</b>	<b>100%</b>	<b>\$8.61</b>	<b>100%</b>	<b>\$9.02</b>	<b>100%</b>
Town Tax Rate	\$5.80	79%	\$6.12	78%	\$6.87	79%	\$7.28	79%	\$7.59	78%
Average FD Rate	\$1.56	21%	\$1.75	22%	\$1.87	21%	\$1.94	21%	\$2.15	22%
<b>Average Total</b>	<b>\$7.36</b>	<b>100%</b>	<b>\$7.87</b>	<b>100%</b>	<b>\$8.74</b>	<b>100%</b>	<b>\$9.22</b>	<b>100%</b>	<b>\$9.74</b>	<b>100%</b>

The table above illustrates the total tax rates for **residential property only** including the Town and each Fire District for the most recent 5 years assuming no residential exemption was elected by any entity. The portion of the combined average tax rate attributed to the Fire Districts has been in the range of 21 to 22 percent over this five-year period.

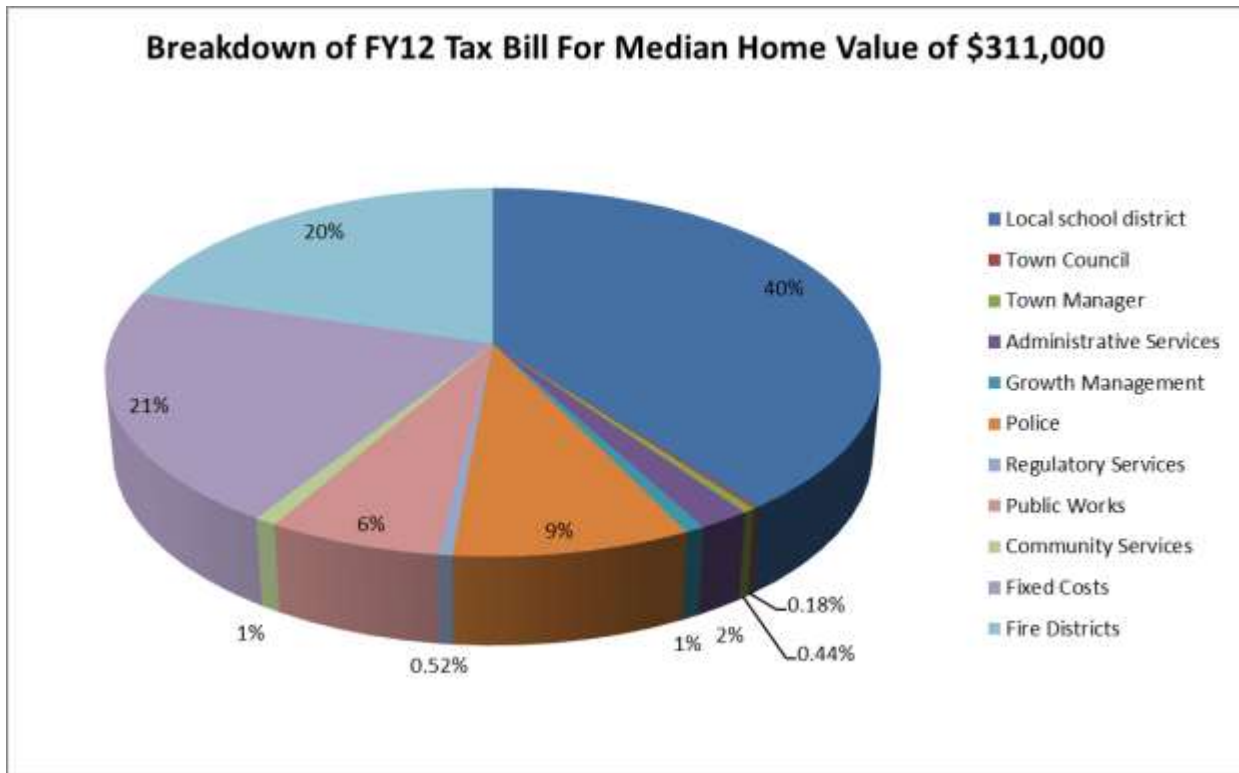


The chart above illustrates the Town's tax rates over the past 5 years. The residential rate exceeds the rate for commercial, industrial and personal property due to the adoption of a residential exemption by the Town Council.

The projected tax rate for FY13 assumes no change in property value and the amount of the residential exemption. FY13 is a revaluation year which will result in some modest changes to property values. The actual tax rate for FY13 is projected to be set in November 2012 and should be very close to the projected rates above unless there is a major change to the levy or property values.



The graph above illustrates the FY12 combined residential Town and Fire District tax bill on a property value of \$311,000 (the Town median residential value) for each District.



The graph above illustrates how the FY12 tax bill on a \$311,000 assessed home is distributed by major category for government operations. The fire district amount is an average for the five districts and includes the district's operations and fixed costs where these are separated for the town's operations and included in the fixed costs category.

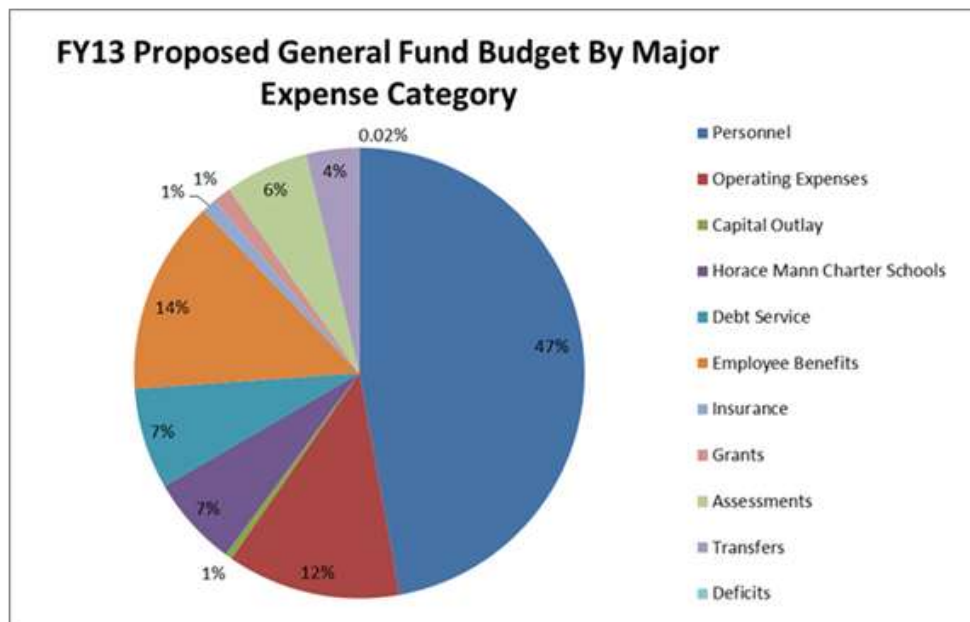


## GENERAL FUND BUDGET BY MAJOR EXPENDITURE CATEGORY

Expenditure Category	Actual FY 2010	Actual FY 2011	Budget FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - FY13	Percent Change
Personnel	\$ 56,327,265	\$ 57,734,246	\$ 59,656,030	\$ 59,158,204	\$ 61,530,414	\$ 1,874,384	3.14%
Operating Expenses	16,504,210	16,215,723	15,998,534	15,898,158	16,284,572	286,038	1.79%
Capital Outlay	844,345	488,709	890,878	884,000	664,800	(226,078)	-25.38%
Horace Mann Charter Schools	7,958,579	8,222,890	8,349,943	8,349,943	8,497,452	147,509	1.77%
Debt Service	9,685,913	9,876,504	10,390,994	10,298,533	9,456,306	(934,688)	-9.00%
Employee Benefits	15,669,235	16,321,690	17,743,163	17,563,747	18,203,846	460,683	2.60%
Insurance	1,205,171	1,281,890	1,300,000	1,299,000	1,386,000	86,000	6.62%
Grants	1,570,937	1,618,159	1,655,727	1,654,896	1,692,352	36,625	2.21%
Assessments	6,647,798	6,692,310	7,275,478	7,491,941	7,850,411	574,933	7.90%
Transfers	2,601,565	2,452,521	5,656,868	5,656,868	4,945,690	(711,178)	-12.57%
Deficits	-	-	1,036,641	20,000	20,000	(1,016,641)	-98.07%
<b>Total Expenditures</b>	<b>\$ 119,015,019</b>	<b>\$ 120,904,642</b>	<b>\$ 129,954,256</b>	<b>\$ 128,275,290</b>	<b>\$ 130,531,843</b>	<b>\$ 577,587</b>	<b>0.44%</b>

The FY13 proposed General Fund budget is \$133,531,843 or \$577,587 more than the FY12 approved budget. The more significant changes by expenditure category include the following:

1. Salary and wages are increasing \$1.874 million, or 3.1 percent. This covers all contractual pay increases and a 7.15 increase in the full-time equivalents budgeted within the general fund.
2. Operating expenses are increasing \$286,000 and capital outlay is decreasing \$226,000.
3. Debt service is decreasing \$934,688 or 9% as some bonds have been retired.
4. Employee benefits will increase \$461,000 principally due to the county retirement assessment and unemployment insurance.
5. Property and casualty insurance will increase 6.6% (\$86,000) principally due to the new facilities at the airport being added to the policy coverage.
6. Assessments are increasing \$575,000 due to the expansion of the Sturgis Charter School.
7. Transfers to other funds will decline \$711,000 as the FY12 budget included a one-time transfer of \$2 million to the Capital Trust Fund
8. Deficits are \$1 million less in FY13 due to the absence of an FY12 snow and ice budget shortage.



Personnel costs account for 47% of all general fund expenses. Employee benefits are the second largest category of expenditures representing 14% of the total general fund budget. The Horace Mann Charter School allocations are mainly personnel expenses as well. Collectively, these areas represent 68% of all general fund expenditures.

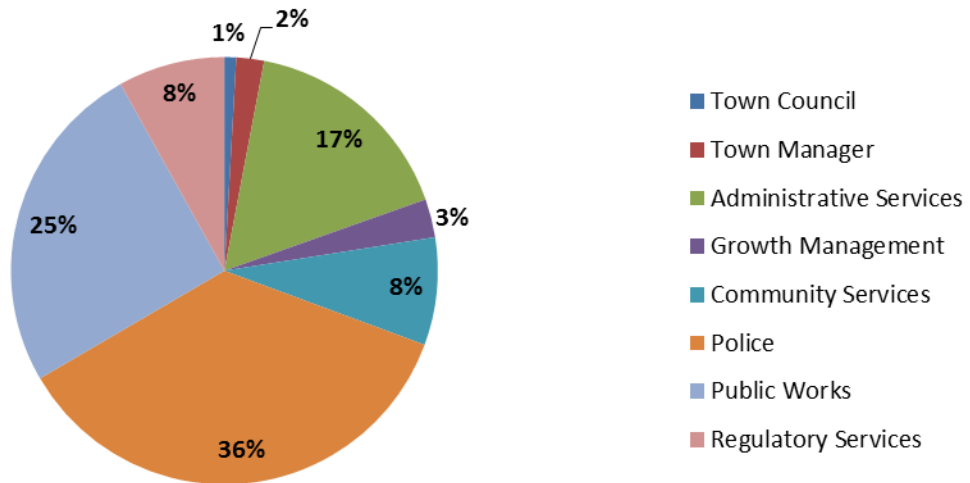
#### MUNICIPAL OPERATIONS DEPARTMENT EXPENDITURES AND RESOURCE SUMMARY

<b>Municipal Department</b>	<b>Actual FY 2010</b>	<b>Actual FY 2011</b>	<b>Budget FY 2012</b>	<b>Projected FY 2012</b>	<b>Proposed FY 2013</b>	<b>Change FY12 - 13</b>	<b>Percent Change</b>
Town Council	\$ 281,773	\$ 256,308	\$ 276,477	\$ 236,758	\$ 276,543	\$ 66	0.02%
Town Manager	573,179	511,034	615,443	612,600	652,806	37,363	6.07%
Administrative Services	4,843,818	4,703,920	4,981,607	4,916,300	5,157,780	176,173	3.54%
Growth Management	827,164	860,848	840,847	832,830	901,437	60,590	7.21%
Community Services	2,319,193	2,362,895	2,478,340	2,443,050	2,529,989	51,649	2.08%
Police	10,622,755	10,603,468	11,001,137	10,977,000	11,178,649	177,512	1.61%
Public Works	7,803,170	8,248,780	7,878,281	7,553,000	7,863,952	(14,329)	-0.18%
Regulatory Services	2,069,638	2,046,964	2,285,837	2,245,000	2,515,247	229,410	10.04%
<b>Total Expenditures</b>	<b>\$ 29,340,690</b>	<b>\$ 29,594,217</b>	<b>\$ 30,357,969</b>	<b>\$ 29,816,538</b>	<b>\$ 31,076,403</b>	<b>\$ 718,434</b>	<b>2.37%</b>
<b>Sources of Funding</b>							
Taxes	\$ 21,486,565	\$ 20,998,929	\$ 23,030,258	\$ 21,857,917	\$ 23,654,870	\$ 624,612	2.71%
Intergovernmental Aid	372,101	335,625	267,726	289,036	283,636	15,910	5.94%
Fines & Penalties	1,070,306	1,199,933	1,113,650	1,205,000	1,214,100	100,450	9.02%
Fees, Licenses, Permits	2,405,782	2,549,555	2,300,000	2,342,150	2,437,000	137,000	5.96%
Charges for Services	1,528,725	1,808,936	1,400,000	1,553,210	1,500,000	100,000	7.14%
Interest and Other	1,215,547	1,398,496	625,000	947,170	780,880	155,880	24.94%
Special Revenue Funds	318,680	386,075	393,231	393,951	405,794	12,563	3.19%
Enterprise Funds	942,984	916,668	1,000,775	1,000,775	765,123	(235,652)	-23.55%
General Fund Surplus	-	-	227,329	227,329	35,000	(192,329)	0.00%
<b>Total Sources</b>	<b>\$ 29,340,690</b>	<b>\$ 29,594,217</b>	<b>\$ 30,357,969</b>	<b>\$ 29,816,538</b>	<b>\$ 31,076,403</b>	<b>\$ 718,434</b>	<b>2.37%</b>

The FY13 proposed municipal operating departments' budget is \$31,076,403; an increase of \$718,434 or 2.37%. Factors driving the increase are detailed within each operating department's narrative contained in the budget documents. Total municipal department operating expenditures have increased from \$29.3 million in FY10 to a proposed \$31.1 million in FY13 or 5.6 percent over the 4 year period; an average of 1.4 percent per year.

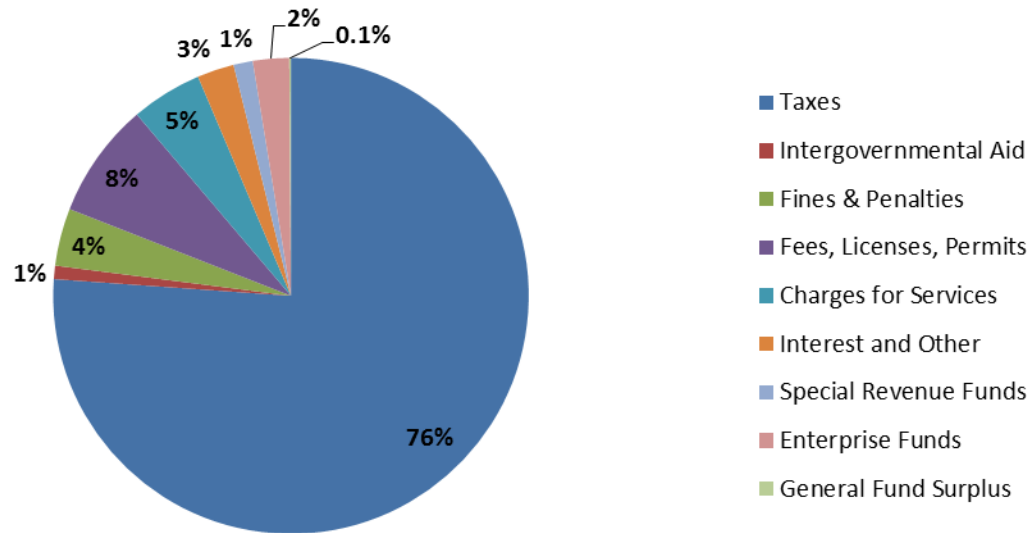
76% of the funding for the FY13 municipal department's budget will come from taxes or \$23,654,870. This is an increase of \$624,612 over the FY12 budget amount. Other notable funding increases for this budget include \$100,450 in fines and penalties, \$137,000 increase in fees, licenses and permits, \$100,000 increase in chargers for services and \$155,880 in investment and other income. These offset funding decreases of \$235,652 in enterprise fund reimbursements and \$192,329 in surplus. The reduction in the enterprise fund reimbursements are mainly a result of a budget change. Public Works staff who provide support to the enterprise funds now have a portion of their salary directly budgeted in the enterprise fund. The reduction in surplus is principally due to an FY12 supplemental budget appropriation from surplus to purchase police vehicles which will not be repeated in FY13.

### FY13 Municipal Operating Budget By Department



The Police Department is the largest municipal operation representing 36%. Public Works is the second largest at 25% and Administrative Services is third at 17%.

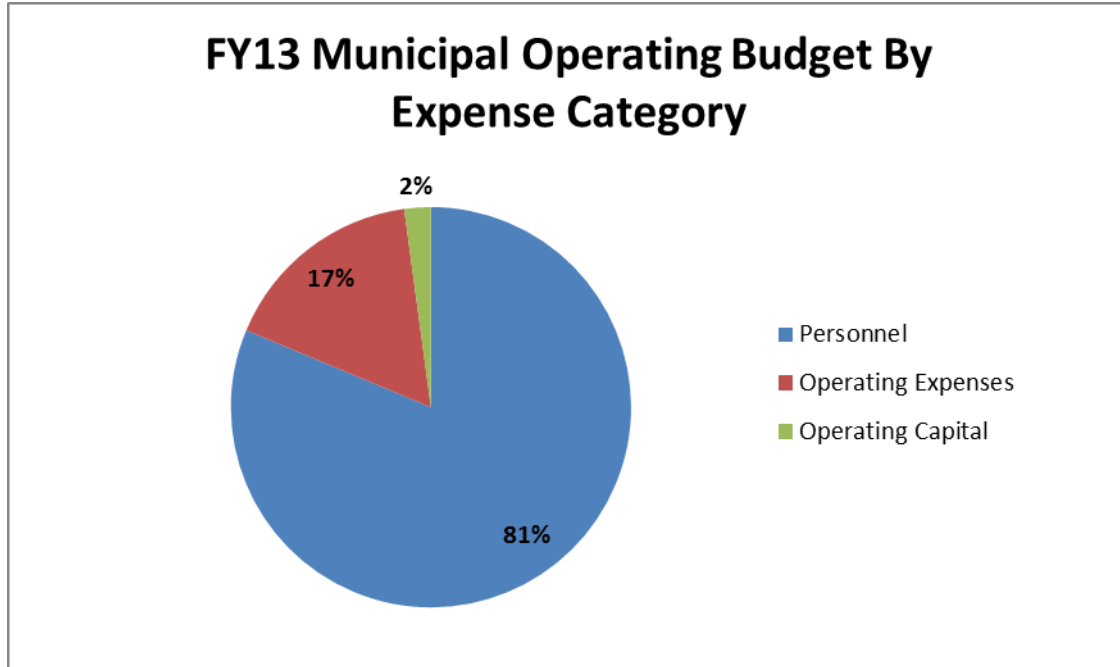
### FY13 Funding Sources for Municipal Operations



Taxes are the largest funding source for these operations providing 76% of the funding for the proposed FY13 budget. Fees, licenses and permits are the second largest category representing 8%.

## MUNICIPAL OPERATIONS EXPENDITURES BY CATEGORY

Expense Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 23,315,857	\$ 23,645,384	\$ 24,436,974	\$ 23,984,380	\$ 25,258,417	\$ 821,443	3.36%
Operating Expenses	5,180,487	5,460,124	5,030,117	4,948,158	5,153,186	123,069	2.45%
Operating Capital	844,345	488,709	890,878	884,000	664,800	(226,078)	-25.38%
<b>Total Expenditures</b>	<b>\$ 29,340,690</b>	<b>\$ 29,594,217</b>	<b>\$ 30,357,969</b>	<b>\$ 29,816,538</b>	<b>\$ 31,076,403</b>	<b>\$ 718,434</b>	<b>2.37%</b>



81% of the municipal operating budget is comprised of personnel expenses. This category is increasing \$821,443 in the proposed FY13 budget. Operating expenses are increasing \$123,069 and represent 17% of municipal operating expenses. Additional funds are provided to cover the increased costs for software support and licensing fees, utilities, road striping, police uniforms and fuel. Operating capital is decreasing \$226,078 to \$664,800 for FY13. This represents 2% of the total municipal expenses.

## MUNICIPAL OPERATING DEPARTMENT EXPENDITURES BY DIVISION

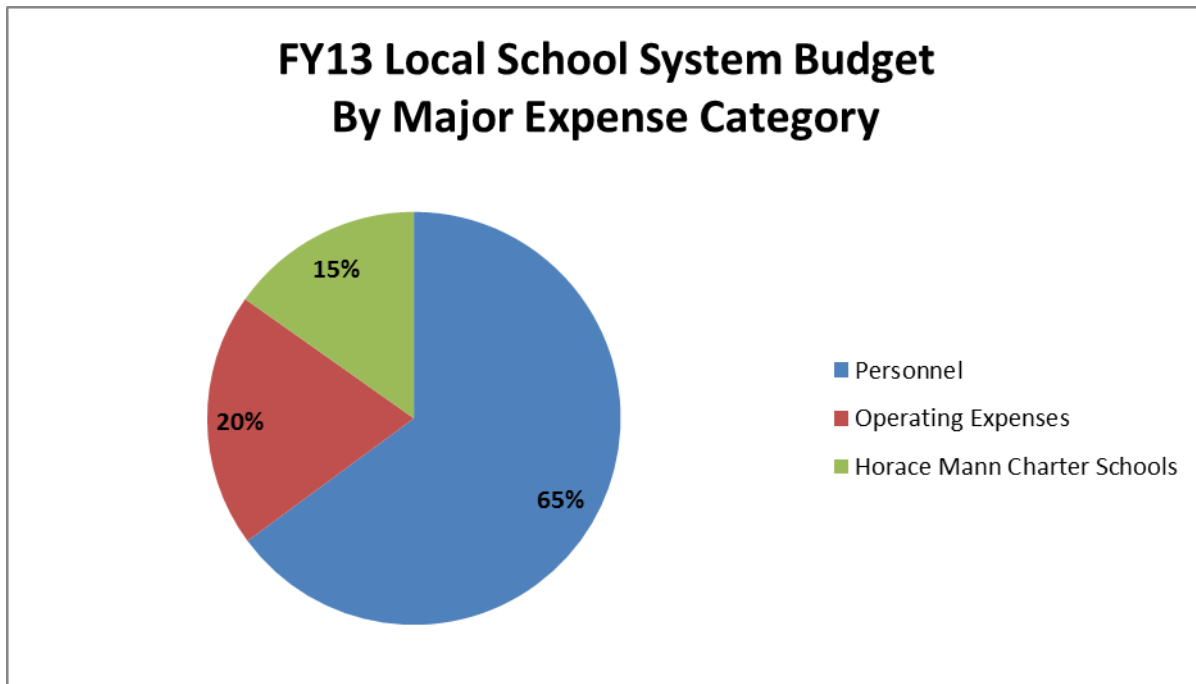
	ACTUAL FY10	ACTUAL FY11	BUDGET FY 12	PROJECTED FY 12	PROPOSED FY 13	CHANGE FY12 TO FY13	
						\$	%
<b>Legislative &amp; Executive</b>							
Town Council	\$ 281,773	\$ 256,308	\$ 276,477	\$ 236,758	\$ 276,543	\$ 66	0.02%
Town Manager	573,179	511,034	615,443	612,600	652,806	37,363	6.07%
<b>Total Legislative &amp; Executive</b>	<b>854,952</b>	<b>767,342</b>	<b>891,920</b>	<b>849,358</b>	<b>929,349</b>	<b>37,429</b>	<b>4.20%</b>
<b>Administrative Services Department</b>							
Finance Division	2,515,398	2,440,384	2,587,784	2,554,300	2,688,399	100,615	3.89%
Legal Division	396,028	419,733	426,867	422,000	443,374	16,507	3.87%
Human Resource Division	732,506	725,787	710,245	701,000	730,188	19,943	2.81%
Information Technology Division	1,199,885	1,118,016	1,256,711	1,239,000	1,295,819	39,108	3.11%
<b>Total Administrative Services Department</b>	<b>4,843,818</b>	<b>4,703,920</b>	<b>4,981,607</b>	<b>4,916,300</b>	<b>5,157,780</b>	<b>176,173</b>	<b>3.54%</b>
<b>Growth Management</b>							
Administration	-	178,776	263,100	262,330	273,838	10,738	4.08%
Regulatory Review	409,950	264,705	160,226	157,000	198,910	38,684	24.14%
Comprehensive Planning	185,627	135,728	116,594	114,000	88,137	(28,457)	-24.41%
Economic Development	34,356	34,328	98,165	98,000	137,498	39,333	40.07%
Community Development	62,877	113,565	68,248	68,000	72,086	3,838	5.62%
Property Management	50,004	48,709	49,847	49,500	42,443	(7,404)	-14.85%
Traffic Management	84,350	85,037	84,667	84,000	88,525	3,858	4.56%
<b>Total Growth Management Department</b>	<b>827,164</b>	<b>860,848</b>	<b>840,847</b>	<b>832,830</b>	<b>901,437</b>	<b>60,590</b>	<b>7.21%</b>
<b>Community Services Department</b>							
Recreation, Leisure & Aquatics Division	1,234,302	1,284,065	1,290,100	1,279,050	1,264,070	(26,030)	-2.02%
Senior Services Division	362,078	370,205	349,121	340,000	363,921	14,800	4.24%
Marine & Environmental Services Division	722,813	708,625	839,119	824,000	901,998	62,879	7.49%
<b>Total Community Services Department</b>	<b>2,319,193</b>	<b>2,362,895</b>	<b>2,478,340</b>	<b>2,443,050</b>	<b>2,529,989</b>	<b>51,649</b>	<b>2.08%</b>
<b>Police Department</b>							
Administration & Investigative Services Division	3,290,470	3,583,498	3,681,471	3,672,000	3,692,151	10,680	0.29%
Field Services Division	7,332,285	7,019,970	7,319,666	7,305,000	7,486,498	166,832	2.28%
<b>Total Police Department</b>	<b>10,622,755</b>	<b>10,603,468</b>	<b>11,001,137</b>	<b>10,977,000</b>	<b>11,178,649</b>	<b>177,512</b>	<b>1.61%</b>
<b>Public Works Department</b>							
Administration & Technical Support	1,639,006	1,446,637	1,672,227	1,539,000	1,484,557	(187,670)	-11.22%
Highway Division	3,657,002	3,983,549	3,305,599	3,220,000	3,390,457	84,858	2.57%
Structures and Grounds Division	2,507,162	2,818,594	2,900,455	2,794,000	2,988,938	88,483	3.05%
<b>Total Public Works Department</b>	<b>7,803,170</b>	<b>8,248,780</b>	<b>7,878,281</b>	<b>7,553,000</b>	<b>7,863,952</b>	<b>(14,329)</b>	<b>-0.18%</b>
<b>Regulatory Services Department</b>							
Building Services Division	672,519	721,125	807,524	788,700	851,595	44,071	5.46%
Conservation Division	280,526	288,868	354,461	351,000	368,336	13,875	3.91%
Consumer Affairs Division	473,266	352,838	402,627	397,800	507,895	105,268	26.15%
Health Division	643,327	684,133	721,225	707,500	787,421	66,196	9.18%
<b>Total Regulatory Services Department</b>	<b>2,069,638</b>	<b>2,046,964</b>	<b>2,285,837</b>	<b>2,245,000</b>	<b>2,515,247</b>	<b>229,410</b>	<b>10.04%</b>
<b>TOTAL MUNICIPAL OPERATIONS</b>	<b>29,340,690</b>	<b>29,594,217</b>	<b>30,357,969</b>	<b>29,816,538</b>	<b>31,076,403</b>	<b>718,434</b>	<b>2.37%</b>

The largest operational increase is in the Regulatory Services Department as FTE's are increasing by 1.20 and \$28,150 of additional funds are provided for a new parking ticket processing contract and flu vaccinations. There is also an increase of 1.50 FTE's in the Police Department for one sworn officer and an increase to the Domestic Violence Specialist position to full-time. Growth Management has a 0.50 FTE increase in personnel while Public Works and Community Service's FTE's are declining 2.25 and 0.50, respectfully. There are no changes to the FTE's in Administrative Services, Town council or town manager operations.



### SCHOOL OPERATION EXPENDITURES BY CATEGORY (LOCAL SCHOOLS ONLY)

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - FY13	Percent Change
Personnel	\$ 33,011,408	\$ 34,088,862	\$ 35,219,056	\$ 35,173,824	\$ 36,271,997	\$ 1,052,941	2.99%
Operating Expenses	11,323,723	10,755,599	10,968,417	10,950,000	11,131,386	162,969	1.49%
Horace Mann Charter Schools	7,958,579	8,222,890	8,349,943	8,349,943	8,497,452	147,509	1.77%
<b>Total Expenditures</b>	<b>\$ 52,293,710</b>	<b>\$ 53,067,351</b>	<b>\$ 54,537,416</b>	<b>\$ 54,473,767</b>	<b>\$ 55,900,835</b>	<b>\$ 1,363,419</b>	<b>2.50%</b>
<b>Sources of Funds</b>							
Taxes	\$ 44,207,612	\$ 45,407,038	\$ 47,052,688	\$ 46,989,039	\$ 48,416,107	\$ 1,363,419	2.90%
Intergovernmental Aid	7,589,756	7,146,363	7,184,728	7,184,728	7,184,728	-	0.00%
Interest and Other	496,342	513,950	300,000	300,000	300,000	-	0.00%
<b>Total Sources</b>	<b>\$ 52,293,710</b>	<b>\$ 53,067,351</b>	<b>\$ 54,537,416</b>	<b>\$ 54,473,767</b>	<b>\$ 55,900,835</b>	<b>\$ 1,363,419</b>	<b>2.50%</b>

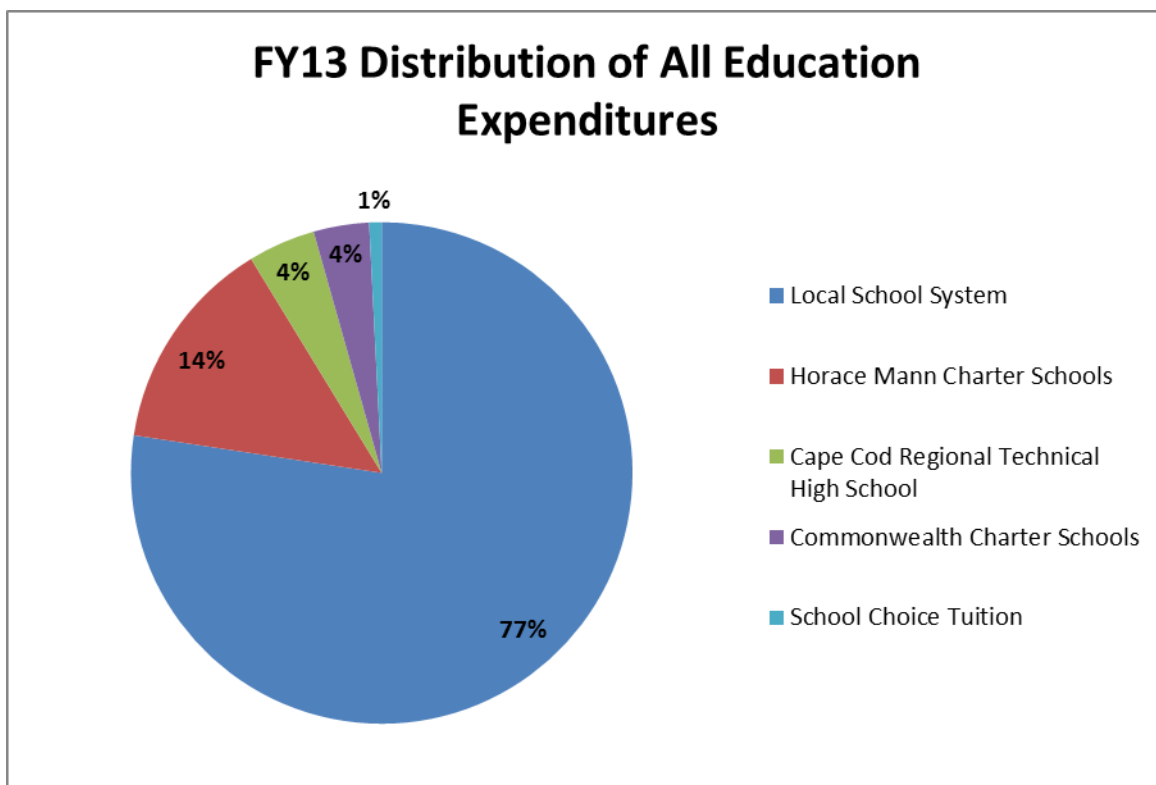


65% percent of the school operating budget is in the form of personnel expenses. This amount is increasing \$1,052,941 or 2.99% for FY13. 20% of the School's operating budget is allocated for the two Horace Mann Charter Schools (HMCS). The allocation for the two HMCS is \$147,509 more in FY13 or a 1.49% increase. A majority of the HMCS budget is for personnel as well. Operating expenses represent 15% of the budget. The entire FY13 budget increase of \$1,363,419 will be provided from taxes as other funding sources are not changing.

## ALL EDUCATION EXPENDITURES

**INCLUDES LOCAL SCHOOL SYSTEM, REGIONAL SCHOOL DISTRICT, COMMONWEALTH CHARTER SCHOOLS AND SCHOOL CHOICE**

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Local School System	\$44,335,131	\$44,844,461	\$46,187,473	\$46,123,824	\$47,403,383	\$1,215,910	2.63%
Horace Mann Charter Schools	7,958,579	8,222,890	8,349,943	8,349,943	8,497,452	147,509	1.77%
Cape Cod Regional Technical High School	2,823,678	2,822,920	2,707,304	2,707,304	2,657,683	(49,621)	-1.83%
Commonwealth Charter Schools	1,004,574	1,058,352	1,623,486	1,850,236	2,191,908	568,422	35.01%
School Choice Tuition	373,621	477,596	487,596	491,426	491,426	3,830	0.79%
<b>All Education Expenditures</b>	<b>\$56,495,583</b>	<b>\$57,426,219</b>	<b>\$59,355,802</b>	<b>\$59,522,733</b>	<b>\$61,241,852</b>	<b>\$1,886,050</b>	<b>3.18%</b>



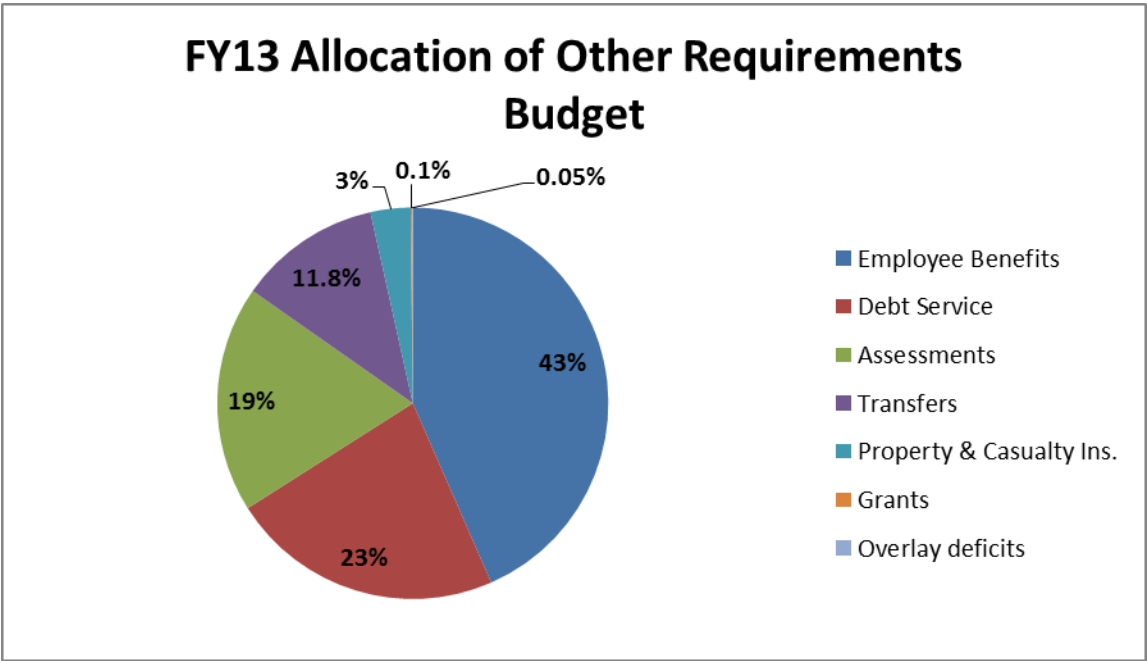
Total expenditures for the direct education of students who live or go to school in Barnstable are budgeted at \$61,241,852 for FY13. The local school system comprises a majority of the expenditures on education. Combined with the amount for the two Horace Mann Charter Schools; which receive their allocations out of the local district's budget, they represent 91% of all direct expenditures on education. Assessments received for Barnstable children that attend the Cape Cod Regional Technical High School and Commonwealth Charter Schools represent 4% each, while the assessments for students attending other school districts through the School Choice program represent about 1% of all education expenditures. The significant increase to the Commonwealth Charter School assessment is a result of the expansion to a second campus at the school. This assessment has more than doubled since FY10 as the school has introduced a second campus. The school will be adding a third grade level in FY13 to the second campus and a fourth grade level in FY14.

## OTHER REQUIREMENTS EXPENDITURE SUMMARY

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY 12 - 13	Percent Change
<b><u>Debt Service</u></b>							
Principal	7,033,192	7,461,400	7,933,533	\$ 7,933,533	\$ 7,350,743	\$ (582,790)	-7.35%
Interest	2,640,924	2,384,897	2,432,461	2,350,000	2,080,563	(351,898)	-14.47%
Interest on tax refunds	11,797	30,207	25,000	15,000	25,000	-	0.00%
<b>Total Debt Service</b>	<b>9,685,913</b>	<b>9,876,504</b>	<b>10,390,994</b>	<b>10,298,533</b>	<b>9,456,306</b>	<b>(934,688)</b>	<b>-9.00%</b>
<b><u>Employee Benefits</u></b>							
Retirees Health Insurance	982,973	1,036,179	1,155,000	1,110,000	1,150,000	(5,000)	-0.43%
Retired Teachers Health Insurance	2,457,661	2,474,696	2,319,247	2,319,247	1,999,215	(320,032)	-13.80%
Health Insurance - Active Employees	4,889,912	5,162,374	5,659,302	5,600,000	5,617,417	(41,885)	-0.74%
OPEB Trust Fund Contribution	-	-	50,000	50,000	200,000	150,000	300.00%
Medicare Tax	761,723	808,058	847,291	825,000	879,405	32,114	3.79%
Life Insurance - Active Employees	5,957	6,155	8,332	6,000	6,028	(2,304)	-27.65%
Unemployment Insurance	172,205	145,216	200,000	150,000	380,000	180,000	90.00%
County Pension Assessment	5,730,624	5,990,911	6,553,491	6,553,000	6,971,781	418,290	6.38%
Worker's Compensation	668,180	698,101	950,500	950,500	1,000,000	49,500	5.21%
<b>Total Employee Benefits</b>	<b>15,669,235</b>	<b>16,321,690</b>	<b>17,743,163</b>	<b>17,563,747</b>	<b>18,203,846</b>	<b>460,683</b>	<b>2.60%</b>
<b><u>Insurance</u></b>							
Fire/Casualty/Liability	961,424	1,046,802	1,055,000	1,060,000	1,139,000	84,000	7.96%
Boats/Equipment/Inland Marine	37,096	38,056	40,000	33,000	35,000	(5,000)	-12.50%
Boiler and Machinery	25,745	29,400	30,000	31,000	32,000	2,000	6.67%
Motor Vehicles	180,906	167,632	175,000	175,000	180,000	5,000	2.86%
<b>Total Insurance</b>	<b>1,205,171</b>	<b>1,281,890</b>	<b>1,300,000</b>	<b>1,299,000</b>	<b>1,386,000</b>	<b>86,000</b>	<b>6.62%</b>
<b><u>Grants</u></b>							
Libraries	1,473,565	1,473,565	1,488,238	1,488,238	1,525,444	37,206	2.50%
Tourism Grant	50,072	96,348	116,831	116,000	116,250	(581)	-0.50%
Lombard Trust	47,300	48,246	50,658	50,658	50,658	-	0.00%
<b>Total Grants</b>	<b>1,570,937</b>	<b>1,618,159</b>	<b>1,655,727</b>	<b>1,654,896</b>	<b>1,692,352</b>	<b>36,625</b>	<b>2.21%</b>
<b><u>Assessments and Other</u></b>							
Regional School District	2,823,678	2,822,920	2,707,304	2,707,304	2,657,683	(49,621)	-1.83%
Commonwealth Charter School Assessments	1,004,574	1,058,352	1,623,486	1,850,236	2,191,908	568,422	35.01%
School Choice Assessments	373,621	477,596	487,596	491,426	491,426	3,830	0.79%
Special Education	20,401	10,277	10,380	10,380	24,815	14,435	139.07%
Veteran's District Assessment & Benefit Payments	480,282	411,016	464,187	450,000	462,317	(1,870)	-0.40%
County Tax & Cape Cod Commission	975,627	1,000,019	1,008,933	1,008,933	1,034,156	25,223	2.50%
Mosquito Control	290,012	294,390	299,782	299,782	311,291	11,509	3.84%
Air Pollution Control Districts	20,884	21,271	21,409	21,409	21,824	415	1.94%
RMV Non-Renewal Surcharge	77,300	66,340	66,340	66,340	68,680	2,340	3.53%
Cape Cod Regional Transit Authority	450,033	461,523	473,061	473,061	473,061	-	0.00%
Old Kings Highway	7,750	8,000	8,000	8,250	8,250	250	3.13%
Greenhead Fly Control District	4,820	4,820	5,000	4,820	5,000	-	0.00%
Celebrations	118,816	55,786	100,000	100,000	100,000	-	0.00%
<b>Total Assessments and Other</b>	<b>6,647,798</b>	<b>6,692,310</b>	<b>7,275,478</b>	<b>7,491,941</b>	<b>7,850,411</b>	<b>574,933</b>	<b>7.90%</b>
<b><u>Transfers</u></b>							
Capital Trust Fund	2,601,565	2,452,521	3,859,618	3,859,618	3,110,690	(748,928)	-19.40%
Sewer Construction Fund	-	-	1,767,250	1,767,250	1,775,000	7,750	0.44%
HYCC Enterprise Fund	-	-	30,000	30,000	60,000	30,000	100.00%
<b>Total Transfers</b>	<b>2,601,565</b>	<b>2,452,521</b>	<b>5,656,868</b>	<b>5,656,868</b>	<b>4,945,690</b>	<b>(711,178)</b>	<b>-12.57%</b>
<b><u>Appropriation Deficits</u></b>							
Snow & Ice Removal	-	-	927,677	-	-	(927,677)	-100.00%
Abatements & Exemptions	-	-	108,964	20,000	20,000	(88,964)	-81.65%
<b>Total Deficits</b>	<b>-</b>	<b>-</b>	<b>1,036,641</b>	<b>20,000</b>	<b>20,000</b>	<b>(1,016,641)</b>	<b>-98.07%</b>
<b>Total Expenditures</b>	<b>\$ 37,380,619</b>	<b>\$ 38,243,074</b>	<b>\$ 45,058,871</b>	<b>\$ 43,984,985</b>	<b>\$ 43,554,605</b>	<b>\$ (1,504,266)</b>	<b>-3.34%</b>

Other Requirements include general fund operating costs that are not part of the municipal or school department operations. This area of the budget is decreasing \$1,504,266 from the approved FY12 budget. Notable decreases include \$934,688 in debt service as some bonds have matured, \$320,032 in retired teachers' health insurance due to a

reconciliation of over assessments in prior years from the State, \$49,621 in the Cape Cod Regional Technical High School assessment, \$748,928 in the transfer to the Capital Trust Fund as the FY12 budget included a one-time additional allocation, and a \$927,677 reduction in snow and ice removal costs as there is no FY12 deficit to include in the FY13 budget.



# DEPARTMENT BUDGETS

## 1. POLICE DEPARTMENT

The Police Department Budget represents 8% of the overall General Fund budget. This is the second largest operating budget after the School Department. 94% of the operation is financed with taxes with the other six percent raised through fines, fees, licenses, and administrative charges for outside detail work. \$35,000 of general fund savings will be used to balance the FY13 proposed budget.

### Summary of police department expenditures and funding sources

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 9,800,692	\$ 9,834,742	\$ 9,989,259	\$ 9,968,000	\$ 10,434,449	\$ 445,190	4.46%
Operating Expenses	650,132	639,236	727,000	725,000	744,200	17,200	2.37%
Capital Outlay	171,931	129,490	284,878	284,000	-	(284,878)	-100.00%
<b>Total Expenditures</b>	<b>\$ 10,622,755</b>	<b>\$ 10,603,468</b>	<b>\$ 11,001,137</b>	<b>\$ 10,977,000</b>	<b>\$ 11,178,649</b>	<b>\$ 177,512</b>	<b>1.61%</b>
<b>Full-time Equivalent Employees</b>	<b>126.26</b>	<b>126.26</b>	<b>124.26</b>		<b>125.76</b>	<b>1.50</b>	
<b>Sources of Funds</b>							
Taxes	\$ 9,980,346	\$ 9,763,478	\$ 10,307,109	\$ 10,158,122	\$ 10,499,499	\$ 192,390	1.87%
Intergovernmental Aid	69,129	58,739	-	-	-	-	0.00%
Fines & Penalties	190,728	191,297	150,000	175,000	175,000	25,000	16.67%
Fees, Licenses, Permits	98,797	178,902	95,000	90,000	175,000	80,000	84.21%
Charges for Services	261,127	388,894	240,000	300,000	240,000	-	0.00%
Interest and Other	22,628	22,158	4,150	49,000	4,150	-	0.00%
Special Revenue Funds	-	-	50,000	50,000	50,000	-	0.00%
General Fund Surplus	-	-	154,878	154,878	35,000	(119,878)	-77.40%
<b>Total Sources</b>	<b>\$ 10,622,755</b>	<b>\$ 10,603,468</b>	<b>\$ 11,001,137</b>	<b>\$ 10,977,000</b>	<b>\$ 11,178,649</b>	<b>\$ 177,512</b>	<b>1.61%</b>

### Summary of significant budget changes for police department

The FY13 Police Department budget is increasing \$177,512 or 1.6%. Personnel costs are increasing \$445,190. This covers all contractual pay increases as well as an increase of 1.5 full-time equivalents. One sworn police officer position is being restored from an FY11 early retirement that was not filled in FY12 and the current part-time Domestic Violence Specialist position is being increased to full-time. Also included in the increase is \$35,000 of additional overtime for the Street Crimes Unit operations.

Operating expenses are increased to cover the rising cost of gasoline (\$10,000) and \$7,200 is provided in additional funding for uniforms as 5 new officers were hired under a Federal Grant program which does not cover the annual uniform allowance. These cost increases are offset by a reduction in operating capital of \$284,878. The Police Department was provided advanced funding in FY12 for their FY13 vehicle replacements eliminating the need to budget for operating capital in FY13.

A majority of this operation is funded through taxes and tax support will increase \$192,390 in FY13. Estimated revenue from fines, licenses, fees and permits are also increasing by \$105,000. General fund surplus used to fund the operation will decline by \$119,878.

### Police department appropriation order 2012-112

That the sum of \$11,178,649 be appropriated for the purpose of funding the Town's FY 2013 Barnstable Police Department budget; and to meet such appropriation that \$11,093,649 be raised from current year revenues and that \$50,000 be transferred from the Embarkation Fee Special Revenue Fund, and that \$35,000 be transferred from the general fund savings account as presented to the Town Council by the Town Manager.



## 2. BARNSTABLE MUNICIPAL AIRPORT ENTERPRISE FUND

Charges for services provide 90% of the funding for this operation. A majority of this revenue comes from the sale of jet fuel. Operating budget expenses have increased from \$5,272,056 in FY10 to \$7,349,458 in FY13 mainly due to the rising cost of jet fuel.

### Summary of airport expenses and funding sources

Expense Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 1,754,794	\$ 1,824,625	\$ 1,911,369	\$ 1,900,000	\$ 2,009,740	\$ 98,371	5.15%
Operating Expenses	3,245,313	3,917,007	5,299,062	5,200,000	4,862,765	(436,297)	-8.23%
Capital Outlay	-	70,883	66,000	65,000	112,500	46,500	70.45%
Debt Service	16,680	-	200,479	51,000	50,850	(149,629)	-74.64%
Transfers Out	255,269	250,336	267,490	267,490	313,603	46,113	17.24%
<b>Subtotal Operating Budget</b>	<b>5,272,056</b>	<b>6,062,851</b>	<b>7,744,400</b>	<b>7,483,490</b>	<b>7,349,458</b>	<b>(394,942)</b>	<b>-5.10%</b>
Capital Program	2,245,343	14,342,113	1,312,000	1,000,000	1,866,000	554,000	42.23%
<b>Total Expenses</b>	<b>7,517,399</b>	<b>20,404,964</b>	<b>9,056,400</b>	<b>8,483,490</b>	<b>9,215,458</b>	<b>159,058</b>	<b>1.76%</b>
<b>Permanent full-time equivalent employees</b>	<b>26.40</b>	<b>25.00</b>	<b>24.60</b>		<b>25.30</b>	<b>0.70</b>	
<b>Funding Sources</b>							
Taxes	-	-	-	-	-	-	0.00%
Intergovernmental Aid	4,349,634	14,596,208	87,709	87,000	77,000	(10,709)	-12.21%
Fees, Licenses, Permits	469,918	473,490	728,622	650,000	624,500	(104,122)	-14.29%
Charges for Services	4,995,713	6,035,520	6,824,069	6,800,000	6,596,958	(227,111)	-3.33%
Interest and Other	80,993	152,823	104,000	50,000	51,000	(53,000)	-50.96%
Borrowing Authorizations	-	730,000	-	-	-	-	0.00%
<b>Total Sources</b>	<b>9,896,258</b>	<b>21,988,041</b>	<b>7,744,400</b>	<b>7,587,000</b>	<b>7,349,458</b>	<b>(394,942)</b>	<b>-5.10%</b>
<b>Excess (Deficiency) cash basis</b>	<b>2,378,859</b>	<b>1,583,077</b>	<b>(1,312,000)</b>	<b>(896,490)</b>	<b>(1,866,000)</b>	<b>\$ (554,000)</b>	
<b>Adjustment to accrual basis</b>	<b>(2,164,865)</b>	<b>12,323,787</b>	<b>-</b>	<b>2,000,000</b>	<b>-</b>		
<b>Beginning Net Assets</b>	<b>45,266,629</b>	<b>45,480,623</b>	<b>59,387,487</b>	<b>59,387,487</b>	<b>60,490,997</b>		
<b>Ending Net Assets</b>	<b>\$ 45,480,623</b>	<b>\$ 59,387,487</b>	<b>\$ 58,075,487</b>	<b>\$ 60,490,997</b>	<b>\$ 58,624,997</b>		

### Summary of significant budget changes for airport enterprise fund

The FY13 proposed Airport operating budget is decreasing \$394,942 or 5.1%. Personnel costs are increasing \$98,371. This includes all contractual pay increases as well as an increase of 0.70 FTE's. A part-time custodian position is increased by 0.20 FTE's and a part-time Noise Abatement Officer position is added for 0.50 FTE's.

Operating expenses are decreasing \$436,297 mainly due to an anticipated decrease in the amount of jet fuel purchased due to declining sales. Operating capital is increasing \$46,500 to \$112,500 to cover taxiway lighting, a taxiway pavement crack sealer and electrical system improvements in Hanger II. Other changes to the FY13 budget include a decrease in debt service of \$149,629 and transfers to the general fund are increasing \$46,113.

Estimated revenue for FY13 will provide for the FY13 proposed budget and no airport surplus will be used to balance the operating budget.

### Airport enterprise fund appropriation order 2012-114

That the sum of \$7,349,458 be appropriated for the purpose of funding the Town's FY 2013 Airport Enterprise Fund budget, and to meet such appropriation that \$7,349,458 be raised from current year revenues by the airport as presented to the Town Council by the Town Manager.

### 3. EDUCATION

The School department's operating budget is 43% of the FY13 total general fund budget. Approximately 13% of the School Department's operating budget is provided from state aid and other resources. The remaining 87% is provided from taxes. Sixty-five percent of the School Department's operating budget is comprised of personnel costs of which eighty-one percent goes towards instructional services. Health insurance for active and retired employees as well as the retirement expense for non-teaching school employees is included under the "Other Requirements" section of the budget. The Commonwealth of Massachusetts pays the retirement expense for teachers. FY13 is the fourth year in a row in which the School Department has not required the use of the district's savings account to cover reoccurring operating costs. Total expenditures have increased from \$52.3 million in FY10 to \$55.9 million in FY13 or 7% over the 4 year period.

#### **Summary of school department expenditures and funding resources** **local district operations**

<b>Expenditure Category</b>	<b>Actual FY 2010</b>	<b>Actual FY 2011</b>	<b>Approved FY 2012</b>	<b>Projected FY 2012</b>	<b>Proposed FY 2013</b>	<b>Change FY12 - FY13</b>	<b>Percent Change</b>
Personnel	\$ 33,011,408	\$ 34,088,862	\$ 35,219,056	\$ 35,173,824	\$ 36,271,997	\$ 1,052,941	2.99%
Operating Expenses	11,323,723	10,755,599	10,968,417	10,950,000	11,131,386	162,969	1.49%
Horace Mann Charter Schools	7,958,579	8,222,890	8,349,943	8,349,943	8,497,452	147,509	1.77%
<b>Total Expenditures</b>	<b>\$ 52,293,710</b>	<b>\$ 53,067,351</b>	<b>\$ 54,537,416</b>	<b>\$ 54,473,767</b>	<b>\$ 55,900,835</b>	<b>\$ 1,363,419</b>	<b>2.50%</b>
<b>Permanent full-time equivalent employees</b>	<b>811.58</b>	<b>812.58</b>	<b>813.03</b>		<b>815.53</b>	<b>2.50</b>	
<b>Sources of Funds</b>							
Taxes	\$ 44,207,612	\$ 45,407,038	\$ 47,052,688	\$ 46,989,039	\$ 48,416,107	\$ 1,363,419	2.90%
Intergovernmental Aid	7,589,756	7,146,363	7,184,728	7,184,728	7,184,728	-	0.00%
Interest and Other	496,342	513,950	300,000	300,000	300,000	-	0.00%
<b>Total Sources</b>	<b>\$ 52,293,710</b>	<b>\$ 53,067,351</b>	<b>\$ 54,537,416</b>	<b>\$ 54,473,767</b>	<b>\$ 55,900,835</b>	<b>\$ 1,363,419</b>	<b>2.50%</b>

#### **Summary of significant budget changes for the school department**

The FY13 appropriation request for the Barnstable Public School Department is \$55,900,835 or \$1,363,419 more than the FY12 budget. FY13 represents the first year of budgeting employee health insurance under a central cost center and the FY12 budget, as well as the FY10 and FY11 actuals, has been restated to reflect this change.

The proposed budget maintains all staff, programs, services and replaces retiring staff. In addition, the district has absorbed approximately twelve full-time equivalent positions that were funded during FY12 from the Education Jobs Fund Program (Ed Jobs). Ed Jobs was a one-time appropriation from the U.S. Department of Elementary and Secondary Education to States to save or create education jobs for the 2010-2011, 2011-2012 school years. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education. The Ed Jobs fund provided a useful tool in preserving core educational services until local and state aid stabilized.

The School Department request submitted to the Town Council for approval is \$55,900,835. While this figure represents the anticipated revenue allocation received from the town, it does not represent the full amount of funds required to fund the budget. In order to fund the full school department budget request of \$57,915,364 the School Committee has authorized using funds from transportation fees, athletic fees, and reimbursements from the State for extraordinary special education costs (Circuit Breaker funds) and School Choice. The use of these reoccurring funds provide stability to on-going district programs while the multi-year budget development initiative implemented by the School Committee insures the district is living within its means.

#### **School department appropriation order 2012-113**

That the sum of \$55,900,835 be raised and appropriated for the purpose of funding the Town's FY 2013 Barnstable Public Schools budget as presented to the Town Council by the Town Manager.

#### 4. DEPARTMENT OF PUBLIC WORKS GENERAL FUND BUDGET

The Public Works Department represents 6% of the total general fund budget. 97% of the funding for this department is provided from taxes. \$56,000 of special revenue funds provides 1% of the total operating budget. These funds come from the Bismore Park parking receipts and embarkation fees. The Highway Division is the largest division in this department consuming 43% of the total budget. The proposed budget for FY13 is approximately \$60,000 more than the actual expenditures in FY10. The FY11 expenditures included nearly \$1 million more in snow and ice removal costs that did not occur in the FY12 budget year which accounts for the significant decrease in spending.

##### **Summary of Public Works Department expenditures and funding sources** **(General Fund)**

<b>Expenditure Category</b>	<b>Actual FY 2010</b>	<b>Actual FY 2011</b>	<b>Approved FY 2012</b>	<b>Projected FY 2012</b>	<b>Proposed FY 2013</b>	<b>Change FY12 - 13</b>	<b>Percent Change</b>
Personnel	\$ 4,476,356	\$ 4,739,432	\$ 4,942,731	\$ 4,689,000	\$ 4,844,402	\$ (98,329)	-1.99%
Operating Expenses	2,710,359	3,180,927	2,459,550	2,389,000	2,518,550	59,000	2.40%
Capital Outlay	616,455	328,421	476,000	475,000	501,000	25,000	5.25%
<b>Total Expenditures</b>	<b>\$ 7,803,170</b>	<b>\$ 8,248,780</b>	<b>\$ 7,878,281</b>	<b>\$ 7,553,000</b>	<b>\$ 7,863,952</b>	<b>\$ (14,329)</b>	<b>-0.18%</b>
<b>Permanent full-time equivalent employees</b>	<b>90.30</b>	<b>85.30</b>	<b>84.80</b>		<b>82.55</b>	<b>(2.25)</b>	
<b>Sources of Funds</b>							
Taxes	\$ 7,199,716	\$ 7,621,435	\$ 7,340,960	\$ 7,005,659	\$ 7,652,945	\$ 311,985	4.25%
Fees, Licenses, Permits	182,132	179,927	155,000	165,000	155,000	-	0.00%
Interest and Other	3,581	2,191	-	20	-	-	0.00%
Special Revenue Funds	68,680	110,131	56,007	56,007	56,007	-	0.00%
Enterprise Funds	349,061	335,096	326,314	326,314	-	(326,314)	-100.00%
<b>Total Sources</b>	<b>\$ 7,803,170</b>	<b>\$ 8,248,780</b>	<b>\$ 7,878,281</b>	<b>\$ 7,553,000</b>	<b>\$ 7,863,952</b>	<b>\$ (14,329)</b>	<b>-0.18%</b>

##### **Summary of significant budget changes for public works general fund operations**

The FY13 general fund operating budget for the Public Works Department is decreasing \$14,329. Personnel costs are decreasing \$98,329 as a total of \$258,916 representing 3.05 FTE's are budgeted under the enterprise funds for FY13. In addition, 0.48 FTE's are added for a part-time Energy Coordinator position. It is anticipated that this position will eventually be funded from the solar array project to be installed at the Marstons Mills Transfer Station which should be operating by the end of FY13. Other additions include .20 FTE's a position in Structure's & Grounds (S&G) that was partially funded in the enterprise funds in FY12 and .10 FTE for an administrative assistant in S&G. These personnel changes net to a decrease of 2.27 FTE are for FY13 in the general fund portion of the budget. Operating expenses are increasing \$59,000 to cover fuel and utility increases (\$40,000) and \$19,000 is provided for road striping costs. Operating capital is increasing \$25,000 to provide funds for necessary improvements on various town-owned properties that are leased. Tax support for this operation is increasing \$311,985 and enterprise fund charges are decreasing \$326,314. The budget change of placing 3.05 FTE's under the enterprise funds eliminates the chargeback made to the enterprise funds for portions of these individuals as performed in previous years.

##### **Public works department general fund appropriation order 2012-115**

That the sum of \$7,863,952 be appropriated for the purpose of funding the Town's FY 2013 Department of Public Works General Fund budget, and to meet such appropriation, that \$7,807,945 be raised from current year revenue, \$36,695 be transferred from the Embarkation Fee Special Revenue Fund and \$19,312 be transferred from the Bismore Park Special Revenue Fund, as presented to the Town Council by the Town Manager.

## 5. DEPARTMENT OF PUBLIC WORKS SOLID WASTE ENTERPRISE FUND

Solid waste expenses have increased from \$2,433,771 in FY10 to \$2,656,754 in FY13 or 9.2% over this four year period. Much of the cost increase is attributable to a higher level of service since the operation went to 7 days a week. 16% of the FY13 proposed operating budget is financed with surplus. Surplus was accumulated prior to the capping of the landfill in order to pay for loan issued to finance the capping. The FY13 loan payment is \$315,540. About \$120,000 of surplus is used as fee mitigation for FY13.

### Summary of Solid Waste Division expenditures and funding sources

Expense Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 906,220	\$ 891,966	\$ 1,022,713	\$ 1,003,761	\$ 1,090,475	\$ 67,762	6.63%
Operating Expenses	673,830	692,539	844,886	805,000	854,886	10,000	1.18%
Capital Outlay	98,892	1,944	-	-	35,600	35,600	0.00%
Debt Service	411,664	415,465	403,713	403,713	405,598	1,885	0.47%
Transfers Out	343,165	345,199	344,094	344,094	270,195	(73,899)	-21.48%
<b>Total Expenses</b>	<b>2,433,771</b>	<b>2,347,113</b>	<b>2,615,406</b>	<b>2,556,568</b>	<b>2,656,754</b>	<b>41,348</b>	<b>1.58%</b>
<b>Permanent full-time equivalent employees</b>	<b>15.10</b>	<b>15.10</b>	<b>15.10</b>		<b>15.75</b>	<b>0.65</b>	
<b>Sources of Funds</b>							
Charges for Services	2,061,516	2,086,778	1,950,000	2,099,000	2,138,500	188,500	9.67%
Interest and Other	50,822	118,946	116,000	81,500	82,000	(34,000)	-29.31%
<b>Total Sources</b>	<b>2,112,338</b>	<b>2,205,724</b>	<b>2,066,000</b>	<b>2,180,500</b>	<b>2,220,500</b>	<b>154,500</b>	<b>7.48%</b>
<b>Excess (Deficiency) cash basis</b>	<b>(321,433)</b>	<b>(141,389)</b>	<b>(549,406)</b>	<b>(376,068)</b>	<b>(436,254)</b>	<b>\$ 113,152</b>	<b>-20.60%</b>
<b>Adjustment to accrual basis</b>	<b>261,633</b>	<b>809,212</b>	<b>-</b>	<b>250,000</b>			
<b>Beginning Net Assets</b>	<b>4,323,303</b>	<b>4,263,503</b>	<b>4,931,326</b>	<b>4,931,326</b>	<b>4,805,258</b>		
<b>Ending Net Assets</b>	<b>\$ 4,263,503</b>	<b>\$ 4,931,326</b>	<b>\$ 4,381,920</b>	<b>\$ 4,805,258</b>	<b>\$ 4,369,004</b>		

### Summary of significant budget changes for solid waste operations

The FY13 Solid Waste Enterprise Fund operating budget is increasing \$41,348 or 1.6%. Personnel costs are increasing \$67,762 and include an increase in 0.65 FTE's as portions of positions previously funded in the general fund are partially budgeted here in FY13. Operating expenses are increasing \$10,000 to cover diesel fuel increases and \$35,600 in operating capital is provided for equipment and vehicle replacements. Offsetting these increases is a reduction of \$73,899 in transfers to the general fund as this charge no longer includes the positions which are included in the personnel category. Estimated revenues are increasing \$154,000 due to an increase in usage and an anticipated increase of \$5 in the landfill sticker fee. This results in \$436,254 of fund surplus being used to balance the budget. The surplus covers the cost of the landfill capping loan (\$315,540) with the balance of \$120,714 covering the cost of operations.

### Solid Waste enterprise fund appropriation order 2012-116

That the sum of \$2,656,754 be appropriated for the purpose of funding the Town's FY 2013 Department of Public Works Solid Waste Enterprise Fund budget, and to meet such appropriation that \$2,220,500 be raised from current year revenues by the solid waste facility, and that \$436,254 be transferred from the solid waste enterprise fund surplus, as presented to the Town Council by the Town Manager.

## 6. DEPARTMENT OF PUBLIC WORKS WATER POLLUTION ENTERPRISE FUND

Operating expenses have increased from \$4,480,559 in FY10 to \$4,684,189 proposed in FY13 or 4.5% over the four year period. Utility charges provide 79% of the funding for the operating budget. \$771,189 of fund surplus will be used to balance the operating budget and pay for the FY13 capital program of \$77,000. Using surplus to balance the operating budget avoids a significant rate increase. There is no additional revenue included in the FY13 utility charge estimate from new customers.

### Summary of Water Pollution Control expenses and funding sources

Expense Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 897,916	\$ 958,916	\$ 1,038,453	\$ 1,010,000	\$ 1,123,130	\$ 84,677	8.15%
Operating Expenses	1,377,316	1,471,051	1,530,084	1,350,000	1,455,194	(74,890)	-4.89%
Capital Outlay	51,982	41,171	90,000	90,000	90,000	-	0.00%
Debt Service	1,660,530	1,584,133	1,907,778	1,505,000	1,625,000	(282,778)	-14.82%
Transfers Out	492,815	493,800	506,131	506,131	390,865	(115,266)	-22.77%
<b>Subtotal Operating Budget</b>	<b>4,480,559</b>	<b>4,549,071</b>	<b>5,072,446</b>	<b>4,461,131</b>	<b>4,684,189</b>	<b>(388,257)</b>	<b>-7.65%</b>
Capital Program	1,664,566	3,971,043	350,000	3,100,000	77,000	(273,000)	-78.00%
<b>Total Expenses</b>	<b>6,145,125</b>	<b>8,520,114</b>	<b>5,422,446</b>	<b>7,561,131</b>	<b>4,761,189</b>	<b>(661,257)</b>	<b>-12.19%</b>
<b>Permanent full-time equivalent employees</b>	<b>14.10</b>	<b>14.10</b>	<b>14.10</b>		<b>15.15</b>	<b>1.05</b>	
<b>Sources of Funds</b>							
Intergovernmental Aid	1,029,836	8,153,034	-	500,000	-	-	0.00%
Fines & Penalties	89,067	95,537	100,000	95,000	80,000	(20,000)	-20.00%
Fees, Licenses, Permits	14,385	18,685	15,000	20,000	15,000	-	0.00%
Charges for Services	3,495,801	3,617,705	3,675,000	3,650,000	3,695,000	20,000	0.54%
Interest and Other	271,033	261,324	275,000	225,000	200,000	(75,000)	-27.27%
Borrowing Authorizations	-	300,000	300,000	-	-	(300,000)	-100.00%
<b>Total Sources</b>	<b>4,900,122</b>	<b>12,446,285</b>	<b>4,365,000</b>	<b>4,490,000</b>	<b>3,990,000</b>	<b>(375,000)</b>	<b>-8.59%</b>
<b>Excess (Deficiency) cash basis</b>	<b>(1,245,003)</b>	<b>3,926,171</b>	<b>(1,057,446)</b>	<b>(3,071,131)</b>	<b>(771,189)</b>	<b>\$ 286,257</b>	<b>-27.07%</b>
<b>Adjustment to accrual basis</b>	<b>883,862</b>	<b>(4,454,200)</b>	<b>-</b>	<b>2,000,000</b>			
<b>Beginning Net Assets</b>	<b>24,322,085</b>	<b>23,960,944</b>	<b>23,432,915</b>	<b>23,432,915</b>	<b>22,361,784</b>		
<b>Ending Net Assets</b>	<b>\$ 23,960,944</b>	<b>\$ 23,432,915</b>	<b>\$ 22,375,469</b>	<b>\$ 22,361,784</b>	<b>\$ 21,590,595</b>		

### Summary of significant budget changes for water pollution control operations

The FY13 operating budget is decreasing \$388,257 or 7.7%. Personnel costs are increasing \$84,677. This covers contractual pay increases as well as an increase of 1.05 FTE's as a portion of some positions previously funded in the general fund are partially budgeted here in FY13. Operating expenses are declining \$74,890 principally due to decline in utility costs. Debt service is declining \$282,778 and transfers to the general fund are declining \$115,266 due to portions of general fund positions previously budgeted in the general fund being included in the personnel costs line of this budget in FY13. The FY13 proposed budget of \$4,684,189 is funded from estimated revenues of \$3,990,000 for FY13 and \$694,189 of sewer fund surplus. The amount of surplus used to balance the operating budget is \$313,257 less than the amount used to balance the FY12 budget.

### Water pollution control enterprise fund appropriation order 2012-117

That the sum of \$4,684,189 be appropriated for the purpose of funding the Town's FY 2013 Department of Public Works Water Pollution Control Enterprise Fund budget, and to meet such appropriation that \$3,990,000 be raised from current year revenues by the water pollution control facility, and that \$694,189 be transferred from the water pollution control enterprise fund surplus, as presented to the Town Council by the Town Manager.



## 7. DEPARTMENT OF PUBLIC WORKS WATER SUPPLY ENTERPRISE FUND

Water fund expenses have increased from \$2,462,832 in FY10 to \$3,454,571 in FY13 or 40%. Increases in debt service and operating expenses associated with the repair and maintenance of a very old system have been the driving factors in the cost increases.

### Summary of Water Supply Division expenses and funding sources

Expense Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 88,693	\$ 128,800	\$ 144,361	\$ 144,000	\$ 249,181	\$ 104,820	72.61%
Operating Expenses	1,374,200	1,696,321	1,634,868	1,630,000	1,970,457	335,589	20.53%
Capital Outlay	120,052	198,597	160,000	160,000	160,000	-	0.00%
Debt Service	751,446	752,046	1,097,639	922,000	982,000	(115,639)	-10.54%
Transfers Out	128,441	129,399	166,416	166,416	92,933	(73,483)	-44.16%
<b>Subtotal Operating Budget</b>	<b>2,462,832</b>	<b>2,905,163</b>	<b>3,203,284</b>	<b>3,022,416</b>	<b>3,454,571</b>	<b>251,287</b>	<b>7.84%</b>
Capital Program	1,100,839	463,612	1,220,000	1,200,000	2,418,102	1,198,102	98.21%
<b>Total Expenses</b>	<b>3,563,671</b>	<b>3,368,775</b>	<b>4,423,284</b>	<b>4,222,416</b>	<b>5,872,673</b>	<b>1,449,389</b>	<b>32.77%</b>
<b>Permanent full-time equivalent employees</b>	<b>1.00</b>	<b>1.00</b>	<b>1.50</b>		<b>2.90</b>	<b>1.40</b>	
<b>Sources of Funds</b>							
Intergovernmental Aid		705,226				-	0.00%
Fines & Penalties	49,643	95,914	75,000	55,000	55,000	(20,000)	-26.67%
Fees, Licenses, Permits	42,207	65,722	37,000	80,000	67,500	30,500	82.43%
Charges for Services	2,983,250	3,257,562	2,945,284	3,050,000	3,142,100	196,816	6.68%
Interest and Other	631,119	186,153	146,000	190,000	189,971	43,971	30.12%
Trust Funds	-	2,695,000	-	-	-	-	0.00%
Borrowing Authorizations	-	-	1,050,000	1,050,000	2,120,000	1,070,000	101.90%
<b>Total Sources</b>	<b>3,706,219</b>	<b>7,005,577</b>	<b>4,253,284</b>	<b>4,425,000</b>	<b>5,574,571</b>	<b>1,321,287</b>	<b>31.07%</b>
<b>Excess (Deficiency) cash basis</b>	<b>142,548</b>	<b>3,636,802</b>	<b>(170,000)</b>	<b>202,584</b>	<b>(298,102)</b>	<b>\$ (128,102)</b>	<b>0.00%</b>
<b>Adjustment to accrual basis</b>	<b>938,241</b>	<b>842,387</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Beginning Net Assets</b>	<b>4,580,067</b>	<b>5,660,856</b>	<b>10,140,045</b>	<b>10,140,045</b>	<b>10,342,629</b>		
<b>Ending Net Assets</b>	<b>\$ 5,660,856</b>	<b>\$ 10,140,045</b>	<b>\$ 9,970,045</b>	<b>\$ 10,342,629</b>	<b>\$ 10,044,527</b>		

### Summary of significant budget changes for water supply operations

The Water Fund operating budget for FY13 is increasing \$251,287 or 7.8%. Personnel costs are increasing \$104,820 and include an increase in 1.4 FTE's as portions of positions previously funded in the general fund are partially budgeted here in FY13. In addition, the Administrative Assistant position has been increased by .25 FTE's. Operating expenses are increasing \$335,589 to cover the cost of the management company's contract increase which includes managing two new water storage tanks and two new pump stations. Offsetting these cost increases is a decrease in debt service of \$115,639 and a decrease in transfers to the general fund of \$73,483. Estimated operating revenue for the water enterprise fund for FY13 is sufficient to cover the operating budget and no surplus is being used. \$298,102 of surplus will be used to fund the FY13 capital budget.

### Water supply enterprise fund appropriation order 2012-118

That the sum of \$3,454,571 be appropriated for the purpose of funding the Town's FY 2013 Department of Public Works Water Supply Enterprise Fund budget, and to meet such appropriation that \$3,454,571 be raised from current year revenues by the water supply operations, as presented to the Town Council by the Town Manager.

## 8. REGULATORY SERVICES DEPARTMENT

Regulatory Services Department represents 1.9% of the total general fund budget. 75% of the operation's costs are recovered through fees and 25% is paid for through taxation. The amount provided from special revenue funds (3%) comes from the Bismore Park parking receipts account to help offset the parking enforcement costs included in this general fund operation. The Building Division and Health Division are the two largest operations in this department representing 34% and 31% of the total budget, respectfully. Total expenditures have increased from \$2,069,638 in FY10 to \$2,515,247 in FY13 or 43%.

### Summary of Regulatory Services Department expenditures and funding resources

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 1,831,630	\$ 1,826,867	\$ 2,003,017	\$ 1,972,000	\$ 2,204,277	\$ 201,260	10.05%
Operating Expenses	238,008	220,097	282,820	273,000	310,970	28,150	9.95%
Capital Outlay	-	-	-	-	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 2,069,638</b>	<b>\$ 2,046,964</b>	<b>\$ 2,285,837</b>	<b>\$ 2,245,000</b>	<b>\$ 2,515,247</b>	<b>\$ 229,410</b>	<b>10.04%</b>
<b>Permanent full-time equivalent employees</b>	<b>33.15</b>	<b>31.25</b>	<b>32.15</b>		<b>33.35</b>	<b>1.20</b>	
<b>Sources of Funds</b>							
Taxes	\$ 189,181	\$ 36,815	\$ 535,651	\$ 334,594	\$ 629,341	\$ 93,690	17.49%
Fines & Penalties	100,919	111,401	80,000	120,000	120,000	40,000	50.00%
Fees, Licenses, Permits	1,712,256	1,811,701	1,578,600	1,698,000	1,672,600	94,000	5.95%
Charges for Services	1,647	1,606	-	1,600	-	-	0.00%
Interest and Other	2,135	4,135	4,000	2,500	4,000	-	0.00%
Special Revenue Funds	60,000	77,806	84,086	84,806	85,806	1,720	2.05%
Enterprise Fund Reimbursements	3,500	3,500	3,500	3,500	3,500	-	0.00%
<b>Total Sources</b>	<b>\$ 2,069,638</b>	<b>\$ 2,046,964</b>	<b>\$ 2,285,837</b>	<b>\$ 2,245,000</b>	<b>\$ 2,515,247</b>	<b>\$ 229,410</b>	<b>10.04%</b>

### Summary of significant budget changes for regulatory services department

The FY13 Regulatory Services Department budget is increasing \$229,410 or 10%. \$201,260 of this increase is in personnel costs. This covers all contractual pay increase as well as an increase of 1.20 FTE's. The increase in FTE's includes the funding for a part-time (0.50) Hazardous Material Inspector that was previously paid for with mitigation funds received from the Cape Cod Commission that have expired. The continuation of this position will protect our vital water resources. The other 0.70 FTE increase results from transferring a portion of the Consumer Affairs Division Supervisor's position to the general fund from the Weights & Measures revolving fund. This reflects where the position will be focusing its attention in FY13.

Operating expenses are increasing \$28,150 as additional funds are provided for a new parking ticket processing vendor that will increase our collection rate. This also includes \$15,000 for flu vaccine as it is expected that the state will no longer provide this for free.

An estimated increase in revenue from this operation in FY13 will cover \$135,720 of the budget increase and tax support will increase \$93,690 to \$629,341.

### Regulatory Services Department appropriation order 2012-119

That the sum of \$2,515,247 be appropriated for the purpose of funding the Town's FY 2013 Regulatory Services Department budget, and to meet such appropriation, that \$2,429,441 be raised from current year revenue, \$42,000 be transferred from the Wetlands Protection Special Revenue Fund and \$43,806 be transferred from the Bismore Park Special Revenue Fund, as presented to the Town Council by the Town Manager.

## 9. COMMUNITY SERVICES DEPARTMENT GENERAL FUND BUDGET

The Community Services Department represents 1.9% of the overall general fund operating budget. 39% of the budget is funded through taxes with 61% coming from various fees that are charged by the operations. 8% of the operation's funding is provided from the special revenue Waterways Improvement Fund which is where all mooring fees collected are credited. The Recreation, Leisure & Aquatics Division is the largest area of the Community Services Department general fund operations. Total expenditures for this department have increased from \$2,319,000 in FY10 to \$2,530,000 in FY13 or 9% over the 4 year period.

### Summary of Community Services Department expenditures and funding sources (General Fund)

Expenditure Category	Actual FY 2010	Actual FY 2011	Budget FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12-13	Percent Change
Salaries and Wages	\$ 2,030,045	\$ 2,058,902	\$ 2,114,900	\$ 2,086,350	\$ 2,129,824	\$ 14,924	0.71%
Operating Expenses	263,298	300,060	338,440	331,700	341,365	2,925	0.86%
Operating Capital	25,850	3,933	25,000	25,000	58,800	33,800	135.20%
<b>Total Expenditures</b>	<b>\$ 2,319,193</b>	<b>\$ 2,362,895</b>	<b>\$ 2,478,340</b>	<b>\$ 2,443,050</b>	<b>\$ 2,529,989</b>	<b>\$ 51,649</b>	<b>2.08%</b>
<b>Permanent full-time equivalent employees</b>	<b>25.76</b>	<b>24.61</b>	<b>24.20</b>		<b>23.70</b>	<b>(0.50)</b>	
<b>Sources of Funds</b>							
Taxes	\$ 772,772	\$ 659,202	\$ 1,035,102	\$ 913,912	\$ 975,908	\$ (59,194)	-5.72%
Fees, Licenses, Permits	76,696	85,152	76,100	71,000	76,100	-	0.00%
Charges for Services	1,264,083	1,416,268	1,159,000	1,250,000	1,259,000	100,000	8.63%
Interest and Other	5,910	4,135	5,000	5,000	5,000	-	0.00%
Special Revenue Funds	190,000	198,138	203,138	203,138	213,981	10,843	5.34%
Enterprise Fund Reimbursements	9,732	-	-	-	-	-	0.00%
<b>Total Sources</b>	<b>\$ 2,319,193</b>	<b>\$ 2,362,895</b>	<b>\$ 2,478,340</b>	<b>\$ 2,443,050</b>	<b>\$ 2,529,989</b>	<b>\$ 51,649</b>	<b>2.08%</b>

### Summary of significant budget changes for Community Services Department general fund operations

The Community Services Department general fund budget is increasing \$51,649 in FY13, or 2.1%. Personnel costs are increasing \$14,924 and there is a reduction of one-half of a full-time equivalent position. The Recreation Director's position was eliminated and pieces of administrative positions are transferred from the HYCC enterprise fund to more accurately reflect where the employees have been allocating their time. This results in a reduction of 0.5 full-time equivalents.

Operating expenses are increasing \$2,925 and operating capital is increasing \$33,800 to \$58,500. This will be used for the replacement of one vehicle, new boards for lifeguards and picnic area improvements at the Veteran's Beach space.

Tax support is decreasing \$59,194 for this operation as the estimate on charges for services is increasing due to increased usage as well as funding from special revenue funds.

### Community Services Department general fund operations appropriation order 2012-120

That the sum of \$2,529,989 be appropriated for the purpose of funding the Town's FY 2013 Community Services Department budget, and to meet such appropriation, that \$2,316,008 be raised from current year revenue, and that \$213,981 be transferred from the Mooring Fee Special Revenue Fund as presented to the Town Council by the Town Manager.

## 10. DEPARTMENT OF COMMUNITY SERVICES GOLF COURSE ENTERPRISE FUND

### Summary of Golf Course Enterprise Fund expenses and funding sources

Expenditure Category	Actual FY 2010	Actual FY 2011	Budget FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12-13	Percent Change
Personnel	\$ 1,157,657	\$ 1,139,687	\$ 1,283,580	\$ 1,175,000	\$ 1,208,614	\$ (74,966)	-5.84%
Operating Expenses	867,256	920,550	1,025,692	920,000	1,006,975	(18,717)	-1.82%
Operating Capital	28,000	105,309	110,000	51,100	22,000	(88,000)	-80.00%
Debt Service	599,967	380,411	381,611	381,611	382,411	800	0.21%
Transfers Out	225,000	225,000	300,000	300,000	250,000	(50,000)	-16.67%
<b>Total Expenditures</b>	<b>2,877,880</b>	<b>2,770,957</b>	<b>3,100,883</b>	<b>2,827,711</b>	<b>2,870,000</b>	<b>(230,883)</b>	<b>-7.45%</b>
<b>Permanent full-time equivalent employees</b>	<b>18.35</b>	<b>15.85</b>	<b>15.85</b>		<b>15.75</b>	<b>(0.10)</b>	
<b>Sources of Funds</b>							
Charges for Services	2,890,681	2,812,616	3,098,883	2,840,000	2,864,000	(234,883)	-7.58%
Interest and Other	2,618	6,774	2,000	6,000	6,000	4,000	200.00%
<b>Total Sources</b>	<b>2,893,299</b>	<b>2,819,390</b>	<b>3,100,883</b>	<b>2,846,000</b>	<b>2,870,000</b>	<b>(230,883)</b>	<b>-7.45%</b>
<b>Excess (Deficiency) cash basis</b>	<b>15,419</b>	<b>48,433</b>	<b>-</b>	<b>18,289</b>	<b>-</b>	<b>\$ -</b>	
<b>Adjustment to accrual basis</b>	<b>220,000</b>	<b>158,498</b>	<b>-</b>	<b>100,000</b>	<b>-</b>		
<b>Beginning Net Assets</b>	<b>10,182,701</b>	<b>10,418,120</b>	<b>10,625,051</b>	<b>10,625,051</b>	<b>10,743,340</b>		
<b>Ending Net Assets</b>	<b>\$ 10,418,120</b>	<b>\$ 10,625,051</b>	<b>\$ 10,625,051</b>	<b>\$ 10,743,340</b>	<b>\$ 10,743,340</b>		

### Summary of significant budget changes for Golf Course Enterprise Fund

The golf course operations are decreasing \$230,883 for FY13 or 7.5%. A decrease in play which correlates into declining revenue of this amount results in the budget reduction. Reductions have been made to full-time equivalents (0.1), seasonal wages and overtime resulting in a personnel cost decrease for FY13 of \$74,966.

Operating expenses have been reduced by \$18,717, operating capital by \$88,000 and the transfer to the general fund is reduced \$50,000.

No reserves will be used in FY13 to balance the operating budget as current year estimated receipts are sufficient to cover the proposed operating budget.

### Golf Course Enterprise Fund appropriation order 2012-121

That the sum of \$2,870,000 be appropriated for the purpose of funding the Town's FY 2013 Golf Course Enterprise Fund budget; and to meet such appropriation that \$2,870,000 be raised from current year revenues by the golf course facilities as presented to the Town Council by the Town Manager.

# 11. DEPARTMENT OF COMMUNITY SERVICES HYCC ENTERPRISE FUND

## Summary of Hyannis Youth and Community Center expenditures and funding sources

Expense Category	Actual FY 2010	Actual FY 2011	Budget FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12-13	Percent Change
Personnel	\$ 614,175	\$ 489,565	\$ 751,789	\$ 564,000	\$ 721,912	\$ (29,877)	-3.97%
Operating Expenses	654,363	569,567	687,286	589,000	618,744	(68,542)	-9.97%
Debt Service	1,526,030	1,491,270	1,458,629	1,408,629	1,425,988	(32,641)	-2.24%
<b>Total Expenses</b>	<b>2,794,568</b>	<b>2,550,402</b>	<b>2,897,704</b>	<b>2,561,629</b>	<b>2,766,644</b>	<b>(131,060)</b>	<b>-4.52%</b>
<b>Permanent full-time equivalent employees</b>	<b>8.27</b>	<b>9.50</b>	<b>8.90</b>		<b>9.50</b>	<b>0.60</b>	
<b>Source of Funding</b>							
Taxes	-	-	30,000	30,000	60,000	30,000	100.00%
Intergovernmental Aid	200,436	-	-	-	-	-	0.00%
Fees, Licenses, Permits	376,560	395,525	594,400	356,000	379,568	(214,832)	-36.14%
Charges for Services	668,528	758,119	862,275	685,000	650,081	(212,194)	-24.61%
Interest and Other	163,570	174,664	202,500	285,281	179,360	(23,140)	-11.43%
Trust Funds	1,526,030	1,241,270	1,208,529	1,208,529	1,425,988	217,459	17.99%
<b>Total Sources</b>	<b>2,935,124</b>	<b>2,569,578</b>	<b>2,897,704</b>	<b>2,564,810</b>	<b>2,694,997</b>	<b>(202,707)</b>	<b>-7.00%</b>
<b>Excess (Deficiency) cash basis</b>	<b>140,556</b>	<b>19,176</b>	<b>-</b>	<b>3,181</b>	<b>(71,647)</b>	<b>\$ (71,647)</b>	
<b>Adjustment to accrual basis</b>	<b>9,125,742</b>	<b>287,416</b>	<b>-</b>	<b>250,000</b>	<b>-</b>		
<b>Beginning Net Assets</b>	<b>-</b>	<b>9,266,298</b>	<b>9,572,890</b>	<b>9,572,890</b>	<b>9,826,071</b>		
<b>Ending Net Assets</b>	<b>\$ 9,266,298</b>	<b>\$ 9,572,890</b>	<b>\$ 9,572,890</b>	<b>\$ 9,826,071</b>	<b>\$ 9,754,424</b>		

### Summary of significant budget changes for HYCC Enterprise Fund

The FY13 operating budget for the HYCC is decreasing \$131,060 or 4.5%. Declining revenue estimates result in the lower proposed budget. To offset the decline in revenue personnel costs are budgeted \$29,877 less in FY13 and operating expenses have been reduced by \$68,542. Also contributing to the reduced budget is a decrease in the debt service of \$32,641.

The estimated revenue for FY13 includes an increase in the amount of meals and rooms tax of \$30,000, a reduction of \$450,166 in estimated user charges and an increase of \$217,459 in the amount of the transfer from the Capital Trust Fund to pay the construction loans. A total of \$71,647 of enterprise fund reserves is being used to balance the operating budget.

### HYCC Enterprise Fund appropriation order 2012-122

That the sum of \$2,766,644 be appropriated for the purpose of funding the Town's FY 2013 Hyannis Youth and Community Center Enterprise Fund budget; and to meet such appropriation that \$1,209,009 be raised from current year revenues by the Hyannis Youth and Community Center operations, and that \$60,000 be raised from the general fund, and that \$1,425,988 be transferred from the Capital Trust Fund, and that \$71,647 be transferred from the Hyannis Youth & Community Center enterprise fund surplus as presented to the Town Council by the Town Manager.

## 12. DEPARTMENT OF COMMUNITY SERVICES MARINA ENTERPRISE FUND

### Summary of Marina Enterprise Fund expenditures and funding sources

Expense Category	Actual FY 2010	Actual FY 2011	Budget FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12-13	Percent Change
Personnel	\$ 192,032	\$ 193,360	\$ 207,727	\$ 205,000	\$ 213,476	\$ 5,749	2.77%
Operating Expenses	87,115	89,097	110,150	107,000	139,457	29,307	26.61%
Operating Capital	-	37,150	50,000	48,000	20,000	(30,000)	-60.00%
Debt Service	161,933	157,933	229,933	172,000	188,393	(41,540)	-18.07%
Transfers Out	43,857	47,413	54,702	54,702	55,674	972	1.78%
<b>Subtotal Operating Budget</b>	<b>484,937</b>	<b>524,953</b>	<b>652,512</b>	<b>586,702</b>	<b>617,000</b>	<b>(35,512)</b>	<b>-5.44%</b>
Capital Program	48,503	2,464,671	110,000	340,000	80,000	(30,000)	-27.27%
<b>Total Expenses</b>	<b>533,440</b>	<b>2,989,624</b>	<b>762,512</b>	<b>926,702</b>	<b>697,000</b>	<b>(65,512)</b>	<b>-8.59%</b>
<b>Permanent full-time equivalent employees</b>	<b>1.40</b>	<b>1.45</b>	<b>1.45</b>		<b>1.45</b>	<b>-</b>	
<b>Sources of Funds</b>							
Intergovernmental Aid	-	1,965,196	-	190,000	-	-	0.00%
Fees, Licenses, Permits	505,014	577,743	563,000	570,000	563,500	500	0.09%
Charges for Services	11,516	8,847	10,500	12,000	7,500	(3,000)	-28.57%
Interest and Other	44,378	70,891	33,000	40,000	22,000	(11,000)	-33.33%
Special Revenue Funds	-	24,000	24,000	24,000	24,000	-	0.00%
Borrowing Authorizations	-	525,000	-	-	-	-	0.00%
<b>Total Sources</b>	<b>560,908</b>	<b>3,171,677</b>	<b>630,500</b>	<b>836,000</b>	<b>617,000</b>	<b>(13,500)</b>	<b>-2.14%</b>
<b>Excess (Deficiency) cash basis</b>	<b>27,468</b>	<b>182,053</b>	<b>(132,012)</b>	<b>(90,702)</b>	<b>(80,000)</b>	<b>\$ 52,012</b>	
<b>Adjustment to accrual basis</b>	<b>(14,275)</b>	<b>1,851,441</b>	<b>-</b>	<b>300,000</b>	<b>-</b>		
<b>Beginning Net Assets</b>	<b>2,176,541</b>	<b>2,189,734</b>	<b>4,223,228</b>	<b>4,223,228</b>	<b>4,432,526</b>		
<b>Ending Net Assets</b>	<b>\$ 2,189,734</b>	<b>\$ 4,223,228</b>	<b>\$ 4,091,216</b>	<b>\$ 4,432,526</b>	<b>\$ 4,352,526</b>		

### Summary of significant budget changes for Marina Enterprise Fund

The FY13 Marina Enterprise Fund operating budget is decreasing \$35,512 or 5.4%. The reduction is a result of a decrease in debt service and operating capital.

\$20,000 has been provided in the FY13 budget to continue a dock replacement program. The operating expense increase of \$29,307 includes \$27,907 in depreciation.

A capital program of \$80,000 in FY13 for the permitting of a dredging project has already been approved by the Town Council. This will be funded from the enterprise fund's reserves. No reserves will be used in FY13 to balance the operating budget as current year estimated receipts are sufficient to cover the proposed operating budget. Current year estimated receipts include \$24,000 from the Bismore Park special revenue fund to offset the cost of monitoring and maintaining the Bismore Park area by this operation.

### Marina Enterprise Fund appropriation order 2012-123

That the sum of \$617,000 be appropriated for the purpose of funding the Town's FY 2013 Marina Enterprise Fund budget; and to meet such appropriation that \$593,000 be raised from current year revenues by the marina facilities and that \$24,000 be transferred from the Bismore Park Special Revenue Fund as presented to the Town Council by the Town Manager.

### 13. DEPARTMENT OF COMMUNITY SERVICES SANDY NECK ENTERPRISE FUND

#### Summary of Sandy Neck operating expenses and funding sources

Expense Category	Actual FY 2010	Actual FY 2011	Budget FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12-13	Percent Change
Personnel	\$ 351,614	\$ 358,548	\$ 367,324	\$ 365,000	\$ 401,948	\$ 34,624	9.43%
Operating Expenses	74,961	105,054	95,250	90,000	97,750	2,500	2.62%
Operating Capital	22,967	26,115	21,500	21,000	21,500	-	0.00%
Debt Service	22,000	-	106,200	111,700	94,500	(11,700)	-11.02%
Transfers Out	45,426	57,052	68,418	68,418	68,744	326	0.48%
<b>Subtotal Operating Budget</b>	<b>516,968</b>	<b>546,769</b>	<b>658,692</b>	<b>656,118</b>	<b>684,442</b>	<b>25,750</b>	<b>3.91%</b>
Capital Program	38,074	1,348,146	-	-	-	-	0.00%
<b>Total Expenses</b>	<b>555,042</b>	<b>1,894,915</b>	<b>658,692</b>	<b>656,118</b>	<b>684,442</b>	<b>25,750</b>	<b>3.91%</b>
<b>Permanent full-time equivalent employees</b>	<b>2.75</b>	<b>2.70</b>	<b>2.70</b>		<b>2.75</b>	<b>0.05</b>	
<b>Sources of Funds</b>							
Fees, Licenses, Permits	386,512	379,827	375,000	390,000	410,000	35,000	9.33%
Charges for Services	174,768	194,835	187,500	190,000	203,400	15,900	8.48%
Interest and Other	54,824	119,210	63,500	63,000	63,500	-	0.00%
Borrowing Authorizations	-	1,265,000	-	-	-	-	0.00%
<b>Total Sources</b>	<b>616,104</b>	<b>1,958,872</b>	<b>626,000</b>	<b>643,000</b>	<b>676,900</b>	<b>50,900</b>	<b>8.13%</b>
<b>Excess (Deficiency) cash basis</b>	<b>61,062</b>	<b>63,957</b>	<b>(32,692)</b>	<b>(13,118)</b>	<b>(7,542)</b>	<b>\$ 25,150</b>	
<b>Adjustment to accrual basis</b>	<b>38,724</b>	<b>56,900</b>	<b>-</b>	<b>60,000</b>	<b>-</b>		
<b>Beginning Net Assets</b>	<b>461,424</b>	<b>561,210</b>	<b>682,067</b>	<b>682,067</b>	<b>728,949</b>		
<b>Ending Net Assets</b>	<b>\$ 561,210</b>	<b>\$ 682,067</b>	<b>\$ 649,375</b>	<b>\$ 728,949</b>	<b>\$ 721,407</b>		

#### Summary of significant budget changes for Sandy Neck Enterprise Fund

The FY13 Sandy Neck Enterprise Fund operating budget is increasing \$25,750 or 3.9%. Personnel costs are increasing \$34,624 as additional funds are provided for new seasonal positions and an increase in pay for other seasonal positions. This is partially offset by a reduction of \$11,700 in debt service.

Estimated revenue for FY13 is increasing to \$676,900. A small amount of enterprise fund reserves are used to balance the budget (\$7,542). This is \$25,150 less than the amount used to balance the FY12 budget.

#### Sandy Neck Enterprise Fund appropriation order 2012-124

That the sum of \$684,442 be appropriated for the purpose of funding the Town's FY 2013 Sandy Neck Park Enterprise Fund budget; and to meet such appropriation that \$676,900 be raised from current year revenues by the Sandy Neck Park operations, and that \$7,542 be transferred from the Sandy Neck enterprise fund surplus as presented to the Town Council by the Town Manager.

## 14. GROWTH MANAGEMENT DEPARTMENT

The Growth Management Department represents 0.7% of the total general fund operating budget. Taxes provided 96% of this operation's funding. Administration, which includes all department expenses, is the largest budget area for this operation at 30% of the budget. Comprehensive planning is the next largest program area at 21%. Total expenditures have increased from \$827,164 in FY10 to \$901,437 in FY13 or 9% over this four year period.

### Summary of Growth Management Department expenditures and funding resources

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 769,298	\$ 772,637	\$ 741,147	\$ 733,830	\$ 801,737	\$ 60,590	8.18%
Operating Expenses	57,866	88,211	99,700	99,000	99,700	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 827,164</b>	<b>\$ 860,848</b>	<b>\$ 840,847</b>	<b>\$ 832,830</b>	<b>\$ 901,437</b>	<b>\$ 60,590</b>	<b>7.21%</b>
<b>Full-time Equivalent Employees</b>	<b>13.15</b>	<b>12.35</b>	<b>11.50</b>		<b>12.00</b>	<b>0.50</b>	
<b>Sources of Funds</b>							
Taxes	\$ 808,209	\$ 830,826	\$ 767,847	\$ 797,705	\$ 865,437	\$ 97,590	12.71%
Fees, Licenses, Permits	18,955	30,002	73,000	35,125	36,000	(37,000)	-50.68%
Interest and Other	-	20	-	-	-	-	0.00%
<b>Total Sources</b>	<b>\$ 827,164</b>	<b>\$ 860,848</b>	<b>\$ 840,847</b>	<b>\$ 832,830</b>	<b>\$ 901,437</b>	<b>\$ 60,590</b>	<b>7.21%</b>

### Summary of significant budget changes for the Growth Management Department

The proposed FY13 budget for the Growth Management Department is \$901,437. This is an increase of \$60,590 over the FY 12 approved budget. The growth in personnel costs includes an increase of 0.50 full-time equivalents as a position that was formerly funded through the State's Adams Grant Program is being added to this budget in order to continue the Town's investment in its downtown Arts Programs.

There are no changes to the department's operating expenses. Tax support will increase \$97,590 in FY13 in order to fund this department's operations.

### Growth Management Department appropriation order 2012-125

That the sum of \$901,437 be raised and appropriated for the purpose of funding the Town's FY 2013 Growth Management Department budget as presented to the Town Council by the Town Manager.



## 15. TOWN COUNCIL DEPARTMENT

The Town Council budget represents less than one quarter of one percent of the overall general fund budget. Seventy nine percent of the budget is funded with tax support. The other 21 percent is financed by enterprise funds. Total expenditures for the Town Council's operation have decreased from \$281,773 in FY10 to \$276,543 in FY13. Projected expenditures for FY12 are \$39,000 less than the FY12 budget as one of the staff positions in the office has been vacant for several months.

### Summary of Town Council expenditures and funding sources

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	247,624	240,524	247,777	\$ 211,000	\$ 247,843	\$ 66	0.03%
Operating Expenses	34,149	15,784	28,700	25,758	28,700	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 281,773</b>	<b>\$ 256,308</b>	<b>\$ 276,477</b>	<b>\$ 236,758</b>	<b>\$ 276,543</b>	<b>\$ 66</b>	<b>0.02%</b>
<b>Full-time Equivalent Employees</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>		<b>2.00</b>	<b>0.00</b>	
<b>Sources of Funds</b>							
Taxes	\$ 239,023	\$ 213,444	\$ 226,015	\$ 186,296	\$ 219,341	\$ (6,674)	-2.95%
Charges for Services	-	29	-	-	-	-	0.00%
Enterprise Funds	42,750	42,835	50,462	50,462	57,202	6,740	13.36%
<b>Total Sources</b>	<b>\$ 281,773</b>	<b>\$ 256,308</b>	<b>\$ 276,477</b>	<b>\$ 236,758</b>	<b>\$ 276,543</b>	<b>\$ 66</b>	<b>0.02%</b>

### Summary of significant budget changes for Town Council operations

The proposed budget for FY13 is \$276,543 or \$66 more than the FY12 approved budget. The budget includes funding for two full-time staff positions; the same as the FY12 budget.

Operating expenses are level funded with the FY12 amount of \$28,700.

Funding for this operation is comprised of taxes and enterprise fund charges. Tax support is declining \$6,674 as enterprise fund support is increasing \$6,740.

### Town Council Department appropriation order 2012-126

That the sum of \$276,543 be raised and appropriated for the purpose of funding the Town's FY 2013 Town Council budget as presented to the Town Council by the Town Manager.

## 16. TOWN MANAGER DEPARTMENT

The Town Manager budget represents one-half on one percent of the overall General Fund budget. Eighty two percent of the budget is financed with taxes with the remaining 18 percent financed by enterprise funds, fees and permits issued by this operation. Total expenditures for the Town Manager's operations have increased from \$573,000 in FY10 to \$653,000 in FY13; or 14%. The large increase in the FY12 approved budget and FY12 projected expenditures over the FY10 and FY11 actual expenditures include the additional funds necessary for the former Town Manager's severance package. In addition, the FY13 proposed budget includes 9 months of salary for the former Town Manager. The FY14 budget should realize a significant decrease as the cost of the severance package will be completed in the FY13.

### Summary of Town Manager expenditures and funding sources

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	382,962	396,784	\$ 483,111	\$ 481,000	\$ 520,474	\$ 37,363	7.73%
Operating Expenses	190,217	114,250	132,332	131,600	132,332	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 573,179</b>	<b>\$ 511,034</b>	<b>\$ 615,443</b>	<b>\$ 612,600</b>	<b>\$ 652,806</b>	<b>\$ 37,363</b>	<b>6.07%</b>
<b>Full-time Equivalent Employees</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>		<b>4.50</b>	<b>0.00</b>	
<b>Sources of Funds</b>							
Taxes	\$ 474,098	\$ 403,679	\$ 429,944	\$ 427,101	\$ 538,065	\$108,121	25.15%
Fees, Licenses, Permits	35,023	24,677	31,500	32,000	31,500	-	0.00%
Charges for Services	-	5	-	-	-	-	0.00%
Interest and Other	116	17,426	1,000	500	1,000	-	0.00%
Enterprise Funds	63,942	65,247	80,548	80,548	82,241	1,693	2.10%
General Fund Surplus	-	-	72,451	72,451	-	(72,451)	-100.00%
<b>Total Sources</b>	<b>\$ 573,179</b>	<b>\$ 511,034</b>	<b>\$ 615,443</b>	<b>\$ 612,600</b>	<b>\$ 652,806</b>	<b>\$ 37,363</b>	<b>6.07%</b>

### Summary of significant budget changes for Town Manager operations

The FY13 proposed budget is \$37,363 more than the FY12 approved budget representing a 6% increase. This budget includes funding for 4.5 full-time employees as well as 9 months of salary for the former Town Manager.

Operating expenses are level funded at \$132,332.

Funding sources are comprised of taxes, enterprise funds and permits. Tax support is increasing \$108,121 for FY13. This covers the FY13 budget increase and replaces the general fund surplus used to balance the FY12 budget.

### Town Manager Department appropriation order 2012-127

That the sum of \$652,806 be raised and appropriated for the purpose of funding the Town's FY 2013 Town Manager budget as presented to the Town Council by the Town Manager.

## 17. ADMINISTRATIVE SERVICES DEPARTMENT

The Administrative Services Department represents four percent of the overall general fund budget. Taxes provide 44% of the funding for this operation followed by 18% from fines and penalties, 15% from intergovernmental aid, 12% from enterprise funds and the remaining 11% from fees and interest on investments. The Finance Division is the largest operation in this department representing 52% of the total budget. This includes the two elective offices of the Town Clerk and Town Collector. The Information Technology operation represents 25% of the department budget with Human Resources and the Legal Division comprising the remaining 23%. Expenses have increased from \$4.844 million in FY10 to \$5.158 million in FY13, or 6.5% over a four year period.

### Summary of Administrative Services Department expenditures and funding sources

Expenditure Category	Actual FY 2010	Actual FY 2011	Approved FY 2012	Projected FY 2012	Proposed FY 2013	Change FY12 - 13	Percent Change
Personnel	\$ 3,777,250	\$ 3,775,496	\$ 3,915,032	\$ 3,843,200	\$ 4,075,411	\$ 160,379	4.10%
Operating Expenses	1,036,458	901,559	961,575	973,100	977,369	15,794	1.64%
Capital Outlay	30,109	26,865	105,000	100,000	105,000	-	0.00%
<b>Total Expenditures</b>	<b>\$ 4,843,818</b>	<b>\$ 4,703,920</b>	<b>\$ 4,981,607</b>	<b>\$ 4,916,300</b>	<b>\$ 5,157,780</b>	<b>\$ 176,173</b>	<b>3.54%</b>
<b>Permanent full-time equivalent employees</b>	<b>61.30</b>	<b>61.30</b>	<b>61.30</b>		<b>61.30</b>	<b>-</b>	
<b>Sources of Funds</b>							
Taxes	\$ 1,823,220	\$ 1,470,050	\$ 2,387,630	\$ 2,034,528	\$ 2,274,334	\$ (113,296)	-4.75%
Intergovernmental Aid	302,972	276,886	267,726	289,036	283,636	15,910	5.94%
Fines and Penalties	778,659	897,235	883,650	910,000	919,100	35,450	4.01%
Fees, Licenses, Permits	281,923	239,194	290,800	251,025	290,800	-	0.00%
Charges for Services	1,868	2,134	1,000	1,610	1,000	-	0.00%
Interest and Other	1,181,177	1,348,431	610,850	890,150	766,730	155,880	25.52%
Enterprise Funds	473,999	469,990	539,951	539,951	622,180	82,229	15.23%
<b>Total Sources</b>	<b>\$ 4,843,818</b>	<b>\$ 4,703,920</b>	<b>\$ 4,981,607</b>	<b>\$ 4,916,300</b>	<b>\$ 5,157,780</b>	<b>\$ 176,173</b>	<b>3.54%</b>

### Summary of administrative department significant budget changes

There are no significant changes to the Administrative Services Department for FY13. The FY13 budget is increasing \$176,173 or 3.5% over the approved FY12 budget. Personnel costs are increasing \$160,379 or 4%. This includes funds to cover all contractual pay increases covering 61.3 full-time equivalents.

Operating expenses are \$15,794 more than the FY12 budget. Additional funds are provided for increases in software support and licensing fees (\$10,244) and \$5,550 for office furniture replacement in the Town Clerk operations. Operating capital is level funded at \$105,000. This funds the replacement of computers and laser printers throughout the municipal operations as well as the cost of creating additional capacity and redundancy for our Information Technology systems.

Tax support for this operation is decreasing \$113,296 as other funding sources are increasing. The largest increase is \$150,000 in investment income as investment returns have improved. Funding from enterprise funds are increasing \$82,000 and an increase in fine and penalty revenue of \$35,000 is also projected.

The intergovernmental aid category includes aid received for exemptions provided to the elderly, blind, surviving spouses and veterans. These exemptions are processed by the Assessing operations.

### Administrative Services Department appropriation order 2012-128

That the sum of \$5,157,780 be raised and appropriated for the purpose of funding the Town's FY 2013 Administrative Services Department budget as presented to the Town Council by the Town Manager.

## 18. GENERAL FUND OTHER REQUIREMENTS

This area of the budget comprises 33% of the total general fund expenditures for FY13. Total expenditures have grown from \$37,380,619 in FY10 to \$43,554,605 in FY13. The growth is concentrated in the transfers and employee benefits categories. Transfers include the new meals tax and increased room's tax that have been dedicated for sewer expansions and are transferred to other town funds. This amounts to almost \$1.8 million annually with FY12 being the first year of implementation. Most of the increase in employee benefits is centered on the county pension assessments and health insurance.

Taxes provide 81% of the funding source for this area of the budget. Intergovernmental aid provides 14% which is mostly derived from school construction reimbursements from the Massachusetts School Building Authority. These reimbursements will expire when the corresponding debt payments expire. A total of \$400,000 in general fund surplus will be used to balance this area of the budget. This includes \$380,000 for unemployment insurance and \$20,000 for overlay deficits.

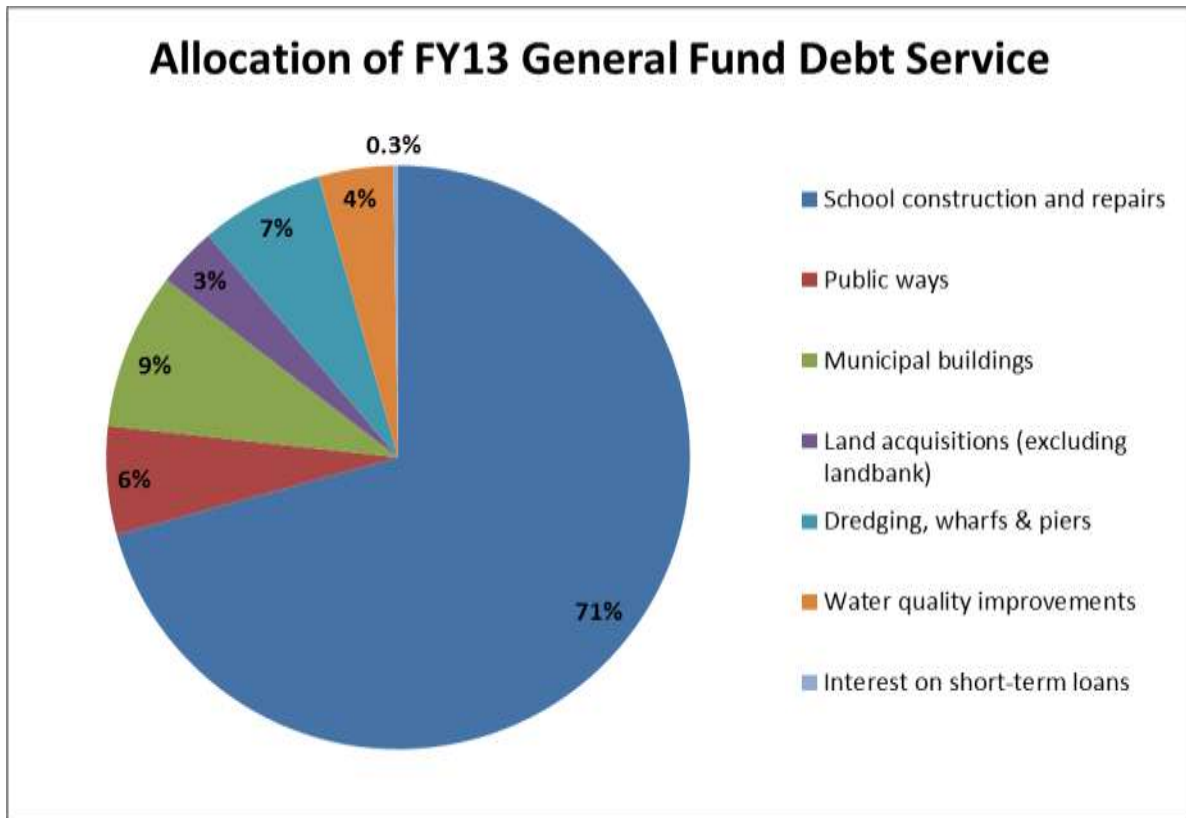
Employee benefits are the largest area comprising 42% of the total budget. Debt service and assessments are the next largest categories totaling 22% and 18%, respectively. Transfers include general fund revenues dedicated for the capital program which go into the Capital Trust Fund and Sewer Enterprise Fund.

### Summary of Other Requirements expenditures and funding sources

<b>Expenditure Category</b>	<b>Actual FY 2010</b>	<b>Actual FY 2011</b>	<b>Approved FY 2012</b>	<b>Projected FY 2012</b>	<b>Proposed FY 2013</b>	<b>Change FY 12 - 13</b>	<b>Percent Change</b>
Debt Service	9,685,913	9,876,504	10,390,994	10,298,533	9,456,306	(934,688)	-9.00%
Employee Benefits	15,669,235	16,321,690	17,743,163	17,563,747	18,203,846	460,683	2.60%
Insurance	1,205,171	1,281,890	1,300,000	1,299,000	1,386,000	86,000	6.62%
Grants	1,570,937	1,618,159	1,655,727	1,654,896	1,692,352	36,625	2.21%
Assessments and Other	6,647,798	6,692,310	7,275,478	7,491,941	7,850,411	574,933	7.90%
Transfers	2,601,565	2,452,521	5,656,868	5,656,868	4,945,690	(711,178)	-12.57%
Deficits	-	-	1,036,641	20,000	20,000	(1,016,641)	-98.07%
<b>Total Other Requirements</b>	<b>\$ 37,380,619</b>	<b>\$ 38,243,074</b>	<b>\$ 45,058,871</b>	<b>\$ 43,984,985</b>	<b>\$ 43,554,605</b>	<b>\$ (1,504,266)</b>	<b>-3.34%</b>
<b>Sources of Funds</b>							
Taxes	\$ 29,995,757	\$ 30,954,388	\$ 34,022,119	\$ 32,852,400	\$ 35,403,521	\$ 1,381,402	4.06%
Intergovernmental Aid	5,891,839	5,834,125	6,141,859	6,233,104	6,136,806	(5,053)	-0.08%
Interest and Other	218,496	121,692	233,412	238,000	228,000	(5,412)	-2.32%
Special Revenue Funds	108,408	133,250	130,966	130,966	149,626	18,660	14.25%
Enterprise Funds	793,369	849,619	1,004,515	1,004,515	921,652	(82,863)	-8.25%
Trust Funds	372,750	350,000	331,000	331,000	315,000	(16,000)	-4.83%
General Fund Surplus	-	-	3,195,000	3,195,000	400,000	(2,795,000)	-87.48%
<b>Total Sources</b>	<b>\$ 37,380,619</b>	<b>\$ 38,243,074</b>	<b>\$ 45,058,871</b>	<b>\$ 43,984,985</b>	<b>\$ 43,554,605</b>	<b>\$ (1,504,266)</b>	<b>-3.34%</b>

### Debt Service

Major capital improvements within the Capital Improvement Program will be funded through the issuance of notes and bonds and repayment of the debt issuance is included in the debt service appropriation. This budget does not include debt associated with enterprise fund operations. Debt service for enterprise fund operations is included in each respective enterprise fund. Additionally, this budget does not include debt service on land acquisitions made by the Community Preservation Fund (CPF). The CPF, a special revenue fund, pays for its own debt service out of surtaxes added to the Town's real estate tax bills. The chart below details the General Fund debt service budget by type of capital improvement.



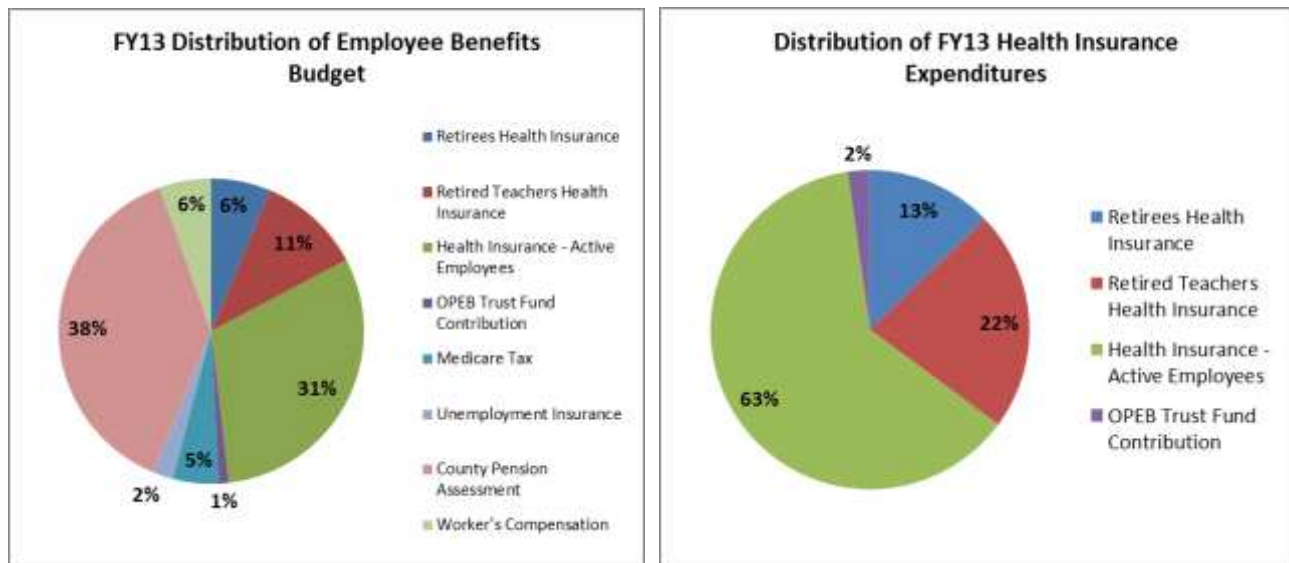
Debt service for school construction is the largest component of this expenditure. This includes loans on the high school expansion and renovation project, the Barnstable Intermediate School renovation, the construction of the Barnstable Horace Mann Charter School as well as several other smaller renovation projects. Debt service on loans for municipal building improvements, dredging, wharfs and piers are the next largest categories. Eighty-seven percent of debt service expenditures are concentrated in these three areas.

#### **Debt service appropriation order 2012-129**

That the sum of **\$9,456,306** be appropriated for the purpose of funding the Town's FY 2013 **General Fund Debt Service** budget, and to meet such appropriation, that **\$9,306,680** be raised from current year revenue, and that **\$68,253** be transferred from the Embarkation Fee Special Revenue Fund, and that **\$81,373** be transferred from the Bismore Park Special Revenue Fund, as presented to the Town Council by the Town Manager.

### Employee Benefits and Insurance

This category of expenditures includes life insurance, health insurance, Medicare, retirement assessments, unemployment insurance, worker's compensation insurance as well as an annual contribution to an Other Post-Employment Benefits Trust Fund.

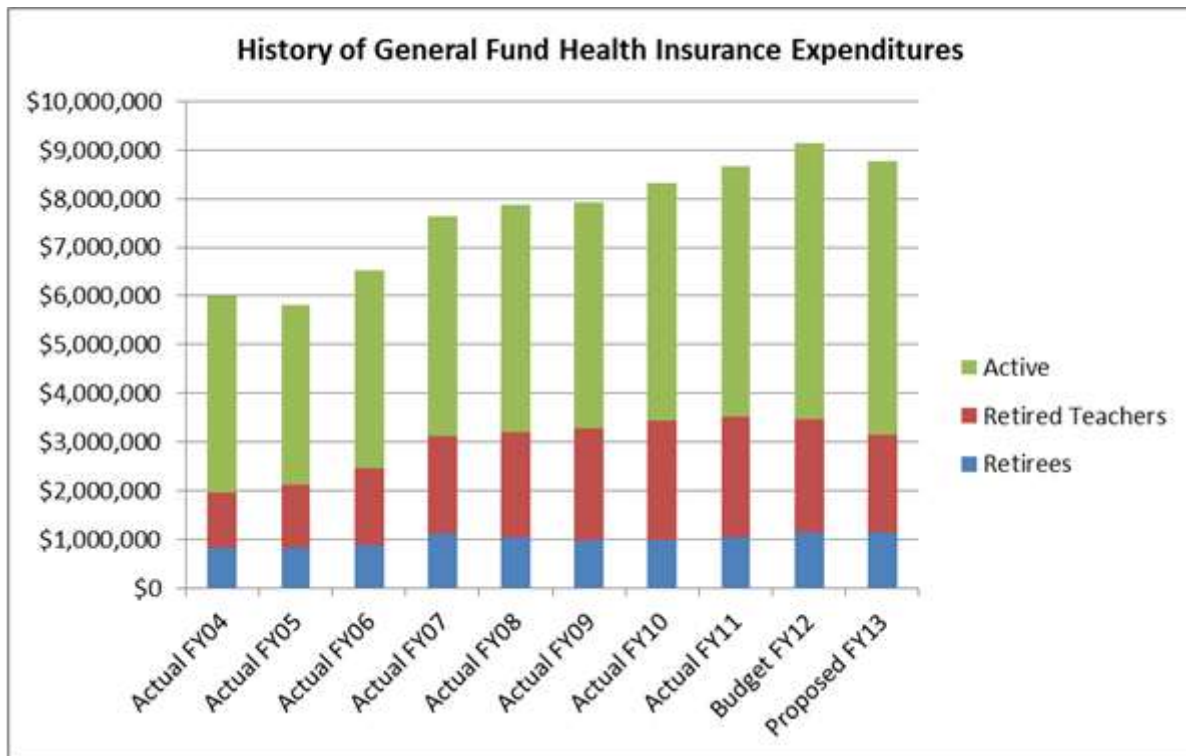


Health insurance for active and retired employees is the largest expenditure in this area of the budget. Collectively, they represent 49% of all employee benefits spending. This includes the contribution to the Town's trust fund for other-post employment benefits which is budgeted at \$200,000 for FY13. The Town's annual required contribution (ARC), as calculated by actuaries, for fully funding its other post-employment benefit obligation is approximately \$5.5 million. This level of funding cannot be achieved immediately without significant cuts to services or increases in the tax levy. Health insurance for active employees comprises 63% of all health insurance expenses while retirees make of 35%.

The county retirement assessment is the second largest expenditure in this category representing 38% of the total budget. These assessments have increased considerably over the past few years due to the declining investment performance of pension assets. The Town has been able to mitigate some of the increase by adopting a new payment schedule that saves approximately \$125,000 per year.

### Health Insurance

The Town contributes 50% towards the health insurance premium for employees except for retired teachers. Retired teachers join the State's Group Insurance Commission upon retirement and the Town is responsible for contributing 15% to 20% towards their health insurance costs. The State deducts this cost from the Town's quarterly state aid distribution.

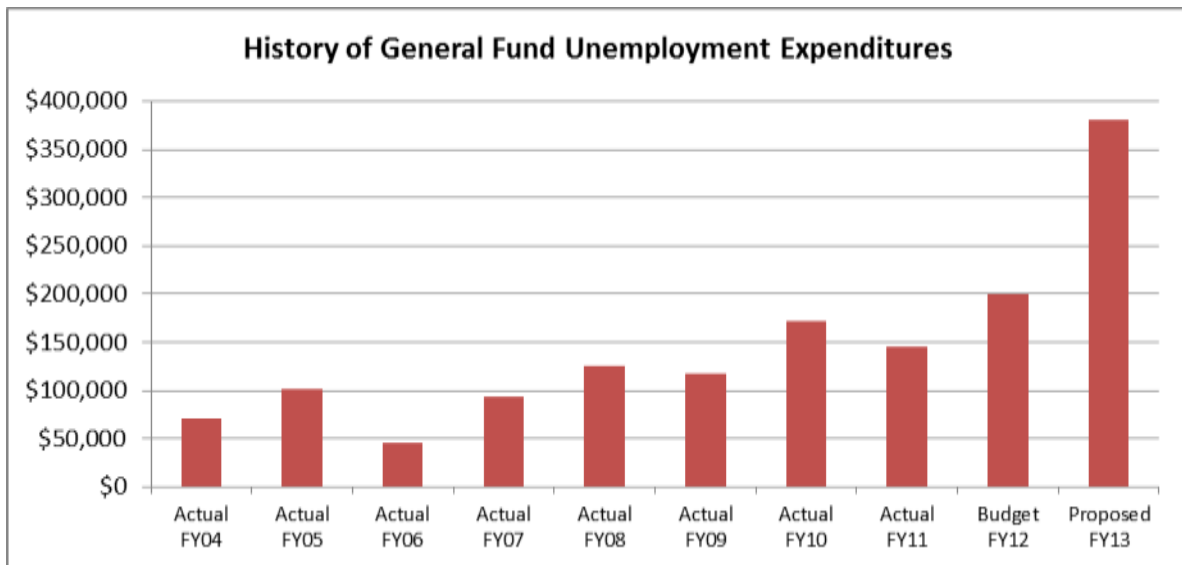


Factors affecting costs in this category are the number of retirees, co-pay levels, deductibles and health insurance premium changes. Plan design changes for the FY13 health insurance plans have been implemented which result in decreased premiums saving the Town approximately \$800,000 in FY12. This savings will be absorbed across all funds including the general fund, enterprise funds and special revenue funds where some employee health insurance is charged to grants and revolving fund type activities. One-half of the savings will be shared with plan subscribers and is included in this area of the budget for FY13



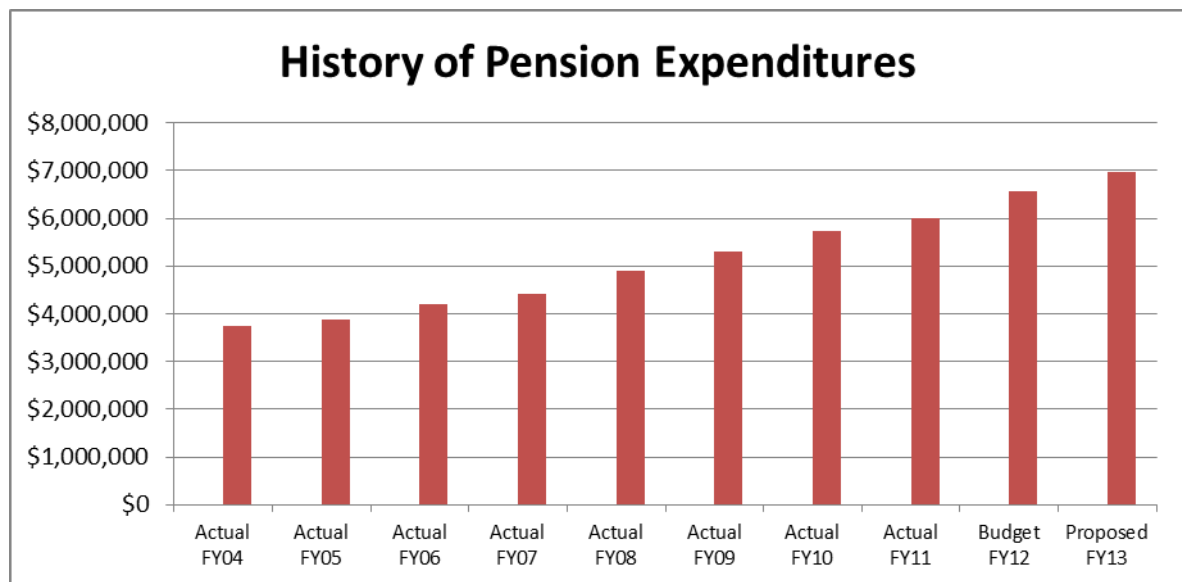
### **Unemployment**

The Town self-insures for unemployment costs. There are no significant layoffs anticipated in FY13. Unemployment costs are significantly higher in FY13 due to reclassifying the School Department's unemployment expense from the operating budget to the employee benefits budget. .



### **Pension Assessments & Non Contributory Pension**

The Town belongs to the Barnstable County Retirement Association (BCRA). Each year the County Retirement Board notifies each member town with the amount of its share of the county retirement pension expense. This assessment includes the normal costs for current retirees, an amount for the amortization of the unfunded liability of the system and the expense of running the system. Additionally, the Town has one retiree collecting a pension that retired before the Town joined the BCRA. This cost is also included in this category. Pension assessments are expected to continue to rise in the neighborhood of 4.5% to 8% per year depending upon the investment performance of the system's assets. The county pension system conducts an actuarial calculation every other year of the unfunded liability for the system which will readjust the assessment levels. The assessments have increased more \$3 million over the past 10 years.



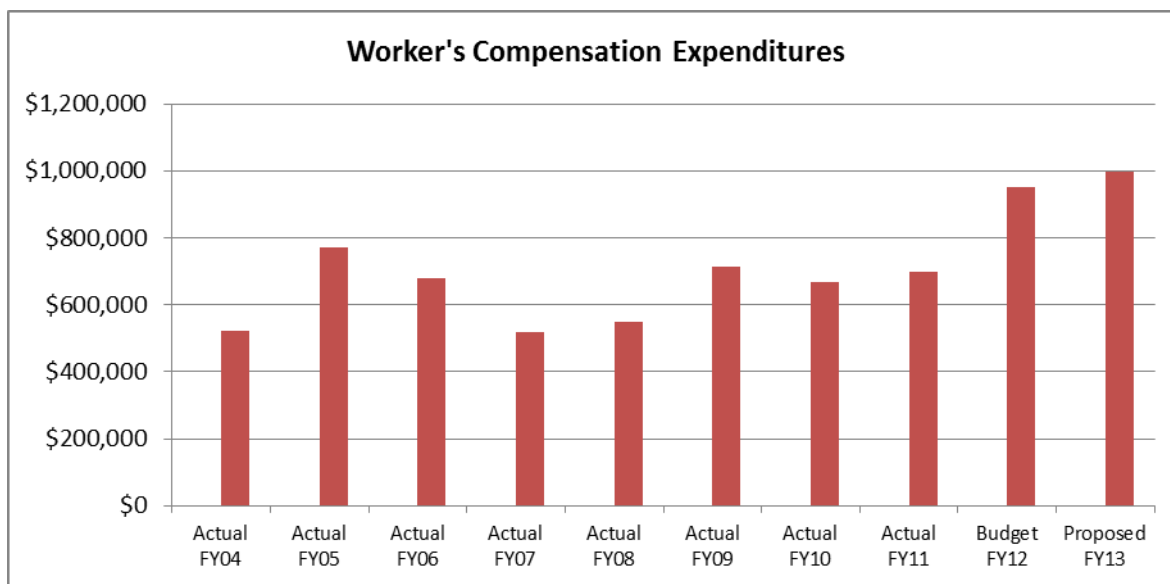
### **Worker's Compensation**

The Town began self-insuring for worker's compensation in FY12. This expense covers all active Town employees including those working for the School Department and enterprise funds. Costs have risen significantly due to a number of



recent factors. First, an increase in workplace claims and severity of claims has driven up our experience rating which translates into higher premiums. Second, the market for worker's compensation coverage has changed making fewer carriers interested in the large payroll exposure the Town and Schools have. This has limited our options for carriers and creative programs that allow us better pricing. In the past, discounted programs have been an option for the Town and Schools, but lately, these programs have tightened up, and the deviated premium programs have offered smaller discounts. Finally, the payroll and job classification rates which determine our premium have continued to rise. These are set by the State and we have little control over this change, which has translated into increased premium. For these reasons, the town converted to a self-insured program in FY12 and will continue operating in this manner for FY13.

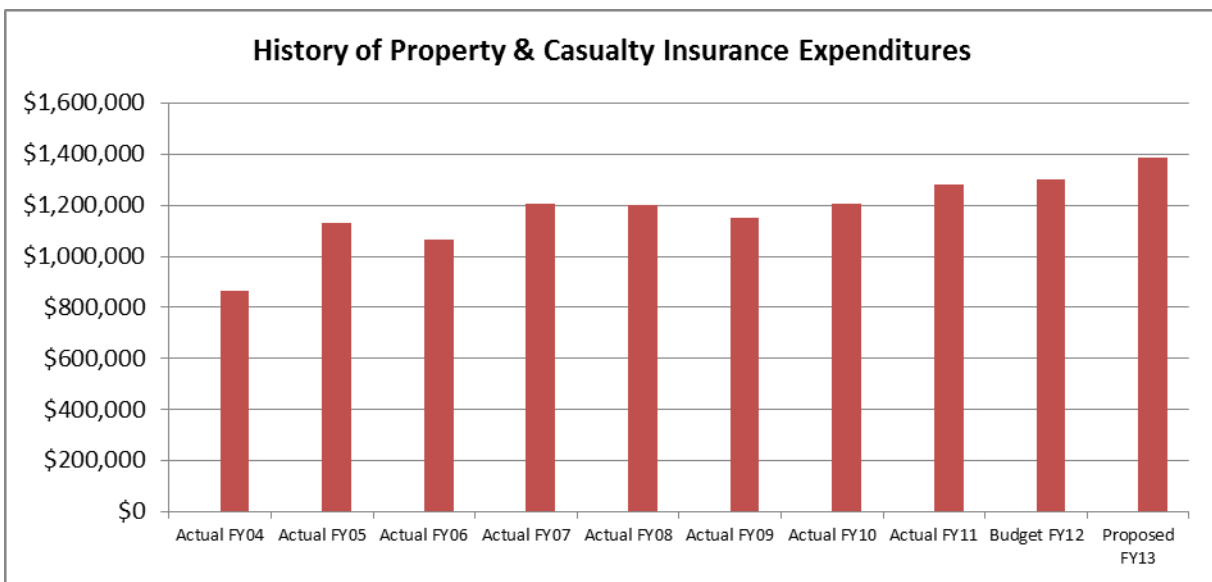
Despite these financial challenges, the Town's objective is to strive to create a safe workplace through appropriate supervision and safety education. We adopt loss control measures and offer training programs to limit potential losses, and we actively engage in developing a climate of safety for all Town and School employees. The reality for this current fiscal year is that a number of factors including, an aging workforce which can be more prone to accidents in the workplace, have combined to result in a dramatic increase in our workers compensation expenditures.



### **Property And Casualty Insurance**

The Town procures premium based liability, property, casualty, automobile, specialty and fire insurance on all its land, building and equipment. The total listed value of the Town's "fixed asset" holdings exceeds \$400 million. In addition, specialty coverages including Public Officials Liability, School Board Legal Liability, Aviation Liability, limited pollution coverage and Police accident and Health insurance are secured each year to protect the activities and employees of the Town, School and Enterprise operations. In addition, many of these coverages extend over the boards and commissions as well as the many volunteers who participate in local municipal operations annually.

Each year the actual renewal premium amounts fluctuate based on past experience and coverage needs. These Factors affect the cost of insurance and include claims history, insurance market conditions, deductible levels and insured values. In addition to the incremental rise in the insured value of our existing property and buildings, new buildings have been added to the policy in recent years (Bismore Visitor Center, the Hyannis Youth & Community Center, and airport terminal and air traffic control tower). This escalating value directly affects premiums as it broadens our coverage. The total cost of insurance has grown from \$866,000 in FY04 to \$1.386 million in FY13. This is a 60% increase, an average of 6% per year.

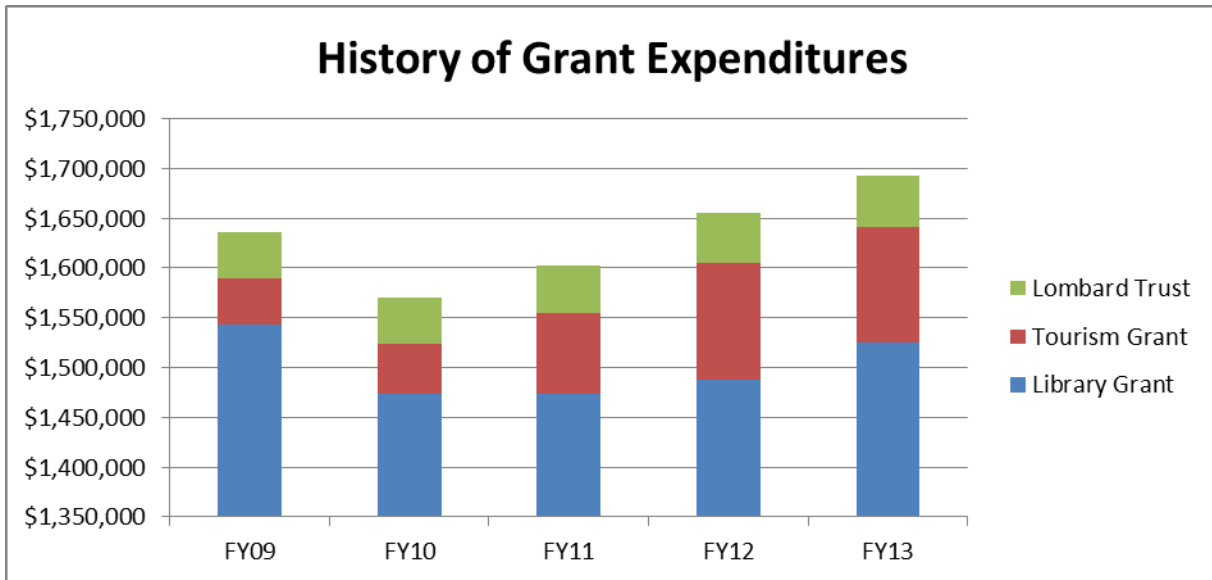


### **Employee Benefits and Insurance Appropriation Order 2012-130**

That the sum of **\$19,589,846** be appropriated for the purpose of funding the Town's FY 2013 **Employee Benefits & Insurance** budget, and to meet such appropriation, that **\$18,894,846** be raised from current year revenue, **\$315,000** be transferred from the Pension Reserve Trust Fund, and **\$380,000** be transferred from the general fund savings account, as presented to the Town Council by the Town Manager.

### **Libraries and Other Grants**

Included in this category is the funding provided to the Town's seven village libraries, funding for a tourism promotion contract to enhance the Town's economy, and rent paid to the Lombard Trust for land used by the Town. Each library has its own Board of Trustees and the Town exercises no control over their operations. The Town is a major source of funding for the village libraries. The tourism grant is funded from the local portion of the Hotel/Motel tax collected by the Town. The FY13 proposed budget includes a tourism grant amount that represents 7.5% of the total estimated rooms tax to be collected by the Town using a 4% rooms tax rate. The grant to the libraries is increasing 2.5% and the payment to the Lombard Trust remains the same at \$50,658.



### **Library Appropriation Order 2012-131**

That the sum of **\$1,525,444** be raised and appropriated for the purpose of funding the Town's FY 2013 **Library Grant** as presented to the Town Council by the Town Manager.

### **Other Grants Appropriation Order 2012-132**

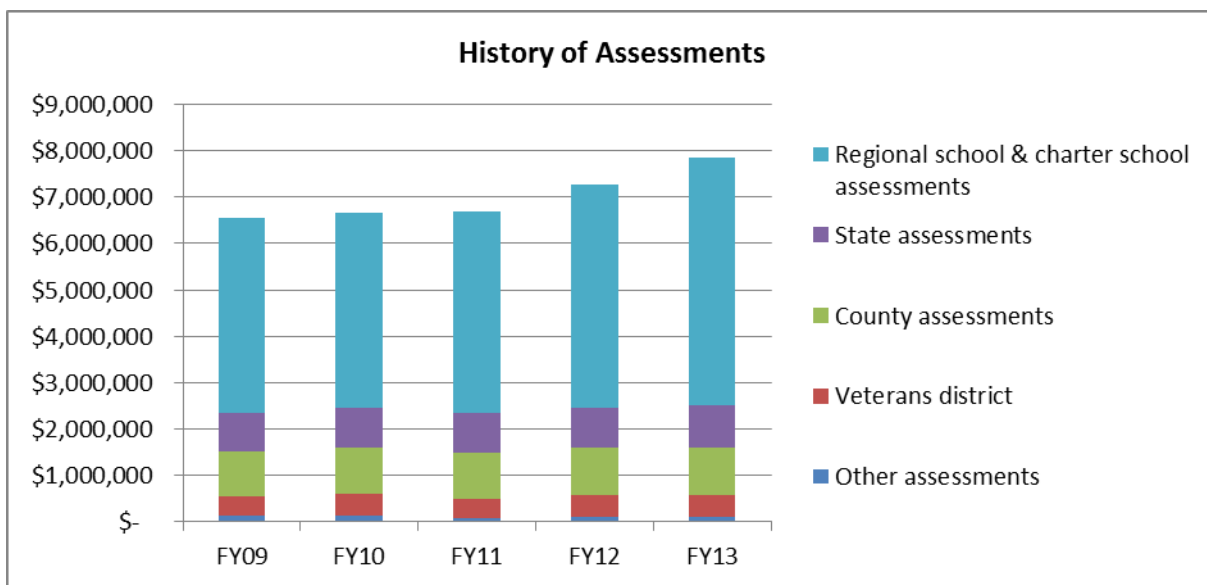
That the sums of **\$116,250** and **\$50,658** be raised and appropriated for the purpose of funding the Town's FY 2013 **Tourism Grant** and **Lombard Land Lease** budgets; respectively, as presented to the Town Council by the Town Manager.

### Assessments

The Town participates in four districts, namely: the Cape Cod Technical Regional High School, the Veteran's District, the Old King's Highway Historic District, and the Cape Cod Greenhead Fly Control District. These assessments are based on the Town's share of the cost of running these operations. The largest assessment is the Cape Cod Technical Regional High School District. Members appointed by the Town Council represent the Town on the Regional School Committee. The Veteran's District administers to our Veterans needs and this appropriation represents our share of the administrative cost and direct benefits paid to veterans.

Also included in this category are state and county assessments. County assessments consist of the Town's portion of the county's operating budget and the Cape Cod Commission. The assessment for the Cape Cod Commission is excluded from Proposition 2½ taxing limitations and is added to the tax levy every year. State assessments include such items as mosquito control projects, regional transit authorities, and other smaller items. These cost must be budgeted, however, no appropriation by the Town Council is required since the state deducts the assessments from the Town's quarterly aid distributions.

Finally, this category also includes a budget for school choice and commonwealth charter school assessments. The Barnstable School District participates in the state's school choice program. The school choice program allows parents to send their children to schools in communities other than the city or town in which they reside. Tuition is paid by the sending district to the receiving district. Districts may elect not to enroll school choice students if no space is available. Commonwealth charter schools are independent public schools designed to encourage innovative educational practices. Charter schools are funded by tuition charges assessed against the school districts where the students reside. The state provides partial reimbursement to the sending districts for the tuition costs incurred.

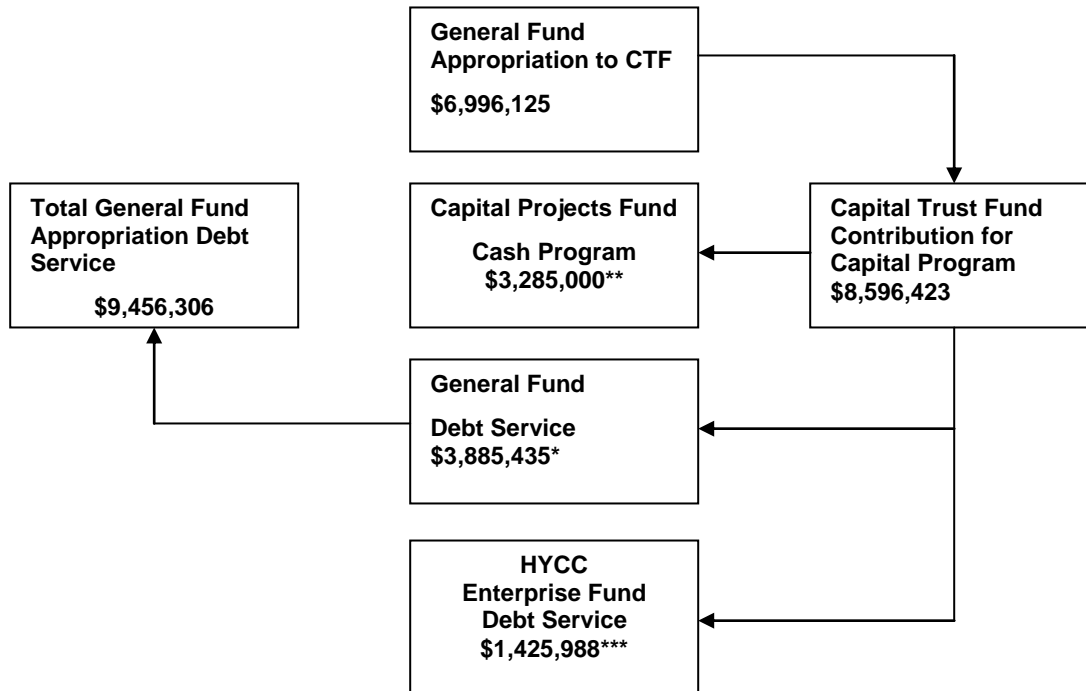


### Assessments Appropriation Order 2012-133

That the sum of **\$3,233,250** be raised and appropriated for the purpose of funding the Town's FY 2013 **Assessments** budget, as presented to the Town Council by the Town Manager.

### **Transfers and Appropriation Deficits**

Included in this category are all budgeted transfers to other town funds from the General Fund. This includes \$60,000 to the Hyannis Youth & Community Center enterprise fund, \$1,775,000 to the sewer enterprise fund and \$6,996,125 to the Capital Trust Fund (CTF). The CTF will in turn, transfer \$3,885,435 back to the general fund, resulting in a net transfer to the CTF of \$3,110,690. The following diagram illustrates the transaction flow between the CTF and other funds for the FY13 budget year.



\* Transfer of \$3,885,435 to the general fund from the CTF reduces the appropriation from the general fund to the CTF.

\*\* Cash appropriation from CTF of \$3,285,000 to the Capital Projects Fund is appropriated by Town Council as part of the capital program.

\*\*\* Transfer of \$1,425,988 to the HYCC enterprise fund is appropriated by Town Council as part of the operating budget.

Also included in this area of the budget are appropriation deficits. The Town has the authority under Massachusetts General Law to expend amounts in excess of appropriations for snow & ice removal, overlay deficits and any court ordered judgments. Any such expenditures in the prior year must be raised on the subsequent year's tax levy, and as a result, reduces the amount of funds available for the subsequent year's operating budgets. The Town has no snow and ice deficit from FY12 that needs to be raised in FY13. The only deficit to be raised in FY13 is an overlay deficit from the FY10 tax year of \$20,000.

**Transfers Appropriation Order 2012-134**

That the sum of **\$4,945,690** be raised and appropriated for the purpose of funding the Town's FY 2013 **Transfers** budget, as presented to the Town Council by the Town Manager.

- 1) And that the following sums be transferred from the Town's enterprise accounts for the purpose of reimbursing administrative, employee benefit and insurance costs budgeted within the General Fund:

<b>Water Pollution:</b>	<b>\$390,865</b>
<b>Solid Waste:</b>	<b>\$270,195</b>
<b>Water:</b>	<b>\$92,933</b>
<b>Airport:</b>	<b>\$558,365</b>
<b>Golf Course:</b>	<b>\$250,000</b>
<b>Marinas:</b>	<b>\$55,674</b>
<b>Sandy Neck:</b>	<b>\$68,744</b>

- 2) And further, that the sum of **\$20,000** be transferred from the General Fund Savings Account all for the purpose of funding the Town's FY 2013 General Fund budget as presented to the Town Council by the Town Manager.

## 19. REVOLVING FUNDS

### Revolving funds authorization order 2012-135

Pursuant to Chapter II, Article XVIII-A, Section 3 of the General Ordinances, the Town Council hereby authorizes the following revolving funds for FY 2013:

<b>Fund</b>	<b>Revenue Source</b>	<b>Dept Officer Auth. To Expend Funds</b>	<b>Use of Fund</b>	<b>Total Expenditure Limit FY 2013</b>
Classroom Education Fund	Program registration fees	Senior Services Director	Salaries, benefits, expenses, contract services to operate program	\$35,000
Adult Social Day Fund	Program registration fees	Senior Services Director	Salaries, benefits, expenses, contract services to operate program	\$150,000
Recreation Program Fund	Program registration fees	Recreation Director	Salaries, benefits, expenses, contract services to operate program	\$450,000
Shellfish Propagation Fund	Fees from permits	Natural Resources Director	Salaries, benefits, expenses, contract services, shellfish equipment to operate program	\$115,000
Building Inspections Fund	Fees from permits for municipal & private projects	Building Commissioner	Salaries, benefits, expenses, contract services to operate program	\$150,000
Consumer Protection Fund	Fees from weights & measures services,	Director Regulatory Services Dept.	Salaries, benefits, expenses, contract services to operate program	\$375,000
Geographic Information Systems Fund	Fees for GIS maps & reports	Information Systems Director	Salaries, benefits, expenses, contract services to operate program	\$20,000
Arts and Culture Program Fund	Shanty revenue, and gifts or contributions for arts and culture	Growth Management Director	Expenses related to arts and culture program	\$50,000
			<b>Total</b>	<b>\$1,345,000</b>

# POSITION SUMMARY

Includes General Fund, Enterprise Funds and grant position in the School Department

DEPARTMENT	FY 04 FTE's	FY 05 FTE's	FY 06 FTE's	FY 07 FTE's	FY 08 FTE's	FY 09 FTE's	FY 10 FTE's	FY 11 FTE's	FY 12 FTE's	FY 13 FTE's
<b>Town Council</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>
<b>Town Manager</b>	<b>6.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>	<b>4.50</b>
<b>Administrative Services</b>	<b>68.33</b>	<b>66.90</b>	<b>65.90</b>	<b>66.00</b>	<b>65.75</b>	<b>63.75</b>	<b>61.40</b>	<b>61.30</b>	<b>61.30</b>	<b>61.30</b>
Finance (restated for school consolidation)	28.80	28.50	27.50	27.50	27.50	27.50	27.25	27.25	27.25	27.25
Town Collector	7.00	7.00	7.00	7.00	7.00	6.00	5.00	5.00	5.00	5.00
Town Clerk	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Legal	4.53	4.65	4.65	4.75	4.75	4.75	4.65	4.55	4.55	4.55
Human Resources (restated for school consolidation)	8.50	8.25	8.25	8.25	8.00	8.00	8.00	8.00	8.00	8.00
Information Technology	14.00	13.00	13.00	13.00	13.00	12.00	11.00	11.00	11.00	11.00
<b>Community Services</b>	<b>43.87</b>	<b>42.99</b>	<b>42.99</b>	<b>50.37</b>	<b>51.37</b>	<b>52.79</b>	<b>56.53</b>	<b>54.66</b>	<b>53.90</b>	<b>54.05</b>
Recreation	9.00	9.33	9.33	9.33	9.33	10.33	6.55	6.55	8.20	7.70
Golf Enterprise Fund	11.00	11.00	11.00	18.00	19.00	19.00	18.35	15.85	15.85	15.75
Senior Services	9.04	8.21	8.21	8.21	8.21	8.21	8.21	7.61	6.35	6.35
Youth Services	0.00	0.00	0.00	0.38	0.38	0.80	0.80	0.80	0.80	0.90
Marine & Environmental Affairs	10.68	10.30	10.30	10.30	10.30	10.30	10.20	10.20	9.65	9.65
Marina Enterprise Fund	1.40	1.40	1.40	1.40	1.40	1.40	1.45	1.45	1.45	1.45
Sandy Neck Enterprise Fund	2.75	2.75	2.75	2.75	2.75	2.75	2.70	2.70	2.70	2.75
HYCC Enterprise Fund		0.00	0.00	0.00	0.00	0.00	8.27	9.50	8.90	9.50
<b>Growth Management</b>	<b>11.75</b>	<b>9.50</b>	<b>15.00</b>	<b>15.55</b>	<b>14.15</b>	<b>14.15</b>	<b>13.00</b>	<b>12.35</b>	<b>11.50</b>	<b>12.00</b>
Administration		0.00	0.00	0.00	0.00	0.00	0.00	2.50	2.50	2.50
Regulatory Review	4.00	3.50	8.00	8.50	7.00	7.00	7.00	3.35	3.00	3.50
Comprehensive Planning	4.00	3.50	3.50	3.50	3.50	3.50	2.50	2.00	1.50	1.00
Economic Development	0.00	0.00	1.00	0.65	0.65	0.65	0.65	1.65	1.65	2.15
Community Development	2.75	1.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Property Management	0.00	0.00	0.50	0.90	1.00	1.00	0.85	0.85	0.85	0.85
Traffic & Parking Management	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Police</b>	<b>134.25</b>	<b>139.00</b>	<b>139.00</b>	<b>139.48</b>	<b>139.48</b>	<b>137.48</b>	<b>126.26</b>	<b>126.26</b>	<b>124.26</b>	<b>125.76</b>
Administrative & Investigative Services	37.10	37.10	37.10	37.58	37.58	37.58	35.50	34.00	33.50	35.00
Field Services	97.15	101.90	101.90	101.90	101.90	99.90	90.76	92.26	90.76	90.76



# POSITION SUMMARY CONTINUED

Includes General Fund, Enterprise Funds and grant position in the School Department

DEPARTMENT	FY 04 FTEs	FY 05 FTEs	FY 06 FTEs	FY 07 FTEs	FY 08 FTEs	FY 09 FTEs	FY 10 FTEs	FY 11 FTEs	FY 12 FTEs	FY 13 FTEs
<b>Public Works</b>	<b>118.00</b>	<b>113.90</b>	<b>113.90</b>	<b>119.50</b>	<b>119.50</b>	<b>120.50</b>	<b>115.50</b>	<b>115.50</b>	<b>115.75</b>	<b>116.35</b>
Administration & Tech Support	17.00	15.00	15.00	15.00	15.00	16.00	16.00	15.50	15.50	12.95
Highway	41.00	39.50	39.50	39.50	39.50	39.50	35.50	35.50	35.50	35.50
Structures & Grounds	35.00	34.80	34.80	34.80	34.80	34.80	33.80	33.80	33.80	34.10
Solid Waste Enterprise Fund	10.50	10.50	10.50	15.10	15.10	15.10	15.10	15.10	15.10	15.75
Water Pollution Control Enterprise Fund	14.50	14.10	14.10	14.10	14.10	14.10	14.10	14.10	14.10	15.15
Water Supply Enterprise Fund	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.50	1.75	2.90
<b>Regulatory Services</b>	<b>31.00</b>	<b>30.00</b>	<b>32.00</b>	<b>31.66</b>	<b>31.66</b>	<b>34.65</b>	<b>33.15</b>	<b>31.25</b>	<b>32.15</b>	<b>33.35</b>
Building & Zoning	11.50	11.50	12.50	12.50	12.50	12.50	11.50	12.15	12.50	12.50
Conservation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Consumer Affairs	6.00	6.00	6.00	6.00	6.00	6.50	6.50	3.95	4.50	5.20
Health	9.50	8.50	9.50	9.16	9.16	11.65	11.15	11.15	11.15	11.65
<b>Airport Enterprise Fund</b>	<b>25.80</b>	<b>25.80</b>	<b>26.40</b>	<b>26.40</b>	<b>26.40</b>	<b>26.40</b>	<b>26.40</b>	<b>25.00</b>	<b>24.60</b>	<b>25.30</b>
<b>SUBTOTAL GENERAL FUND</b>	<b>375.05</b>	<b>369.54</b>	<b>376.04</b>	<b>377.21</b>	<b>375.56</b>	<b>376.97</b>	<b>351.37</b>	<b>347.62</b>	<b>345.51</b>	<b>346.06</b>
<b>SUBTOTAL ENTERPRISE FUNDS</b>	<b>65.95</b>	<b>65.55</b>	<b>66.15</b>	<b>78.75</b>	<b>79.75</b>	<b>79.75</b>	<b>87.37</b>	<b>85.20</b>	<b>84.45</b>	<b>88.55</b>
<b>TOTAL MUNICIPAL OPERATIONS</b>	<b>441.00</b>	<b>435.09</b>	<b>442.19</b>	<b>455.96</b>	<b>455.31</b>	<b>456.72</b>	<b>438.74</b>	<b>432.82</b>	<b>429.96</b>	<b>434.61</b>
<b>Schools</b>	<b>935.24</b>	<b>903.24</b>	<b>903.24</b>	<b>911.30</b>	<b>903.54</b>	<b>891.38</b>	<b>811.58</b>	<b>812.58</b>	<b>813.03</b>	<b>815.53</b>
Administration (restated for school consolidation)	12.60	12.60	12.60	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Instructional Services	792.14	762.14	762.14	774.05	763.16	751.00	686.20	686.20	686.03	638.90
Health Services	14.00	14.00	14.00	14.00	16.50	16.50	16.50	16.50	14.90	14.93
Transportation	28.00	28.00	28.00	24.00	23.00	23.00	21.00	21.00	21.00	24.00
Food Services	14.00	14.00	14.00	15.25	14.38	14.38	13.38	13.38	15.00	13.00
Athletics	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Other Student Services	6.00	6.00	6.00	6.00	6.00	6.00	6.60	7.60	7.60	48.46
Maintenance of Plant	58.50	56.50	56.50	62.00	63.50	63.50	51.90	51.90	52.50	59.24
Network & Technology	8.00	8.00	8.00	8.00	8.00	8.00	7.00	7.00	7.00	8.00
<b>TOTAL ALL DEPARTMENTS</b>	<b>1376.24</b>	<b>1338.33</b>	<b>1345.43</b>	<b>1367.26</b>	<b>1358.85</b>	<b>1348.10</b>	<b>1250.32</b>	<b>1245.40</b>	<b>1242.99</b>	<b>1250.14</b>
<b>Note:</b> As part of the FY05 budget a total of 6 FTEs were transferred to the Finance Division and 3 FTEs to the Human Resources Division as a result of consolidation with the School Department. These positions were transferred out of the School Administration section.										