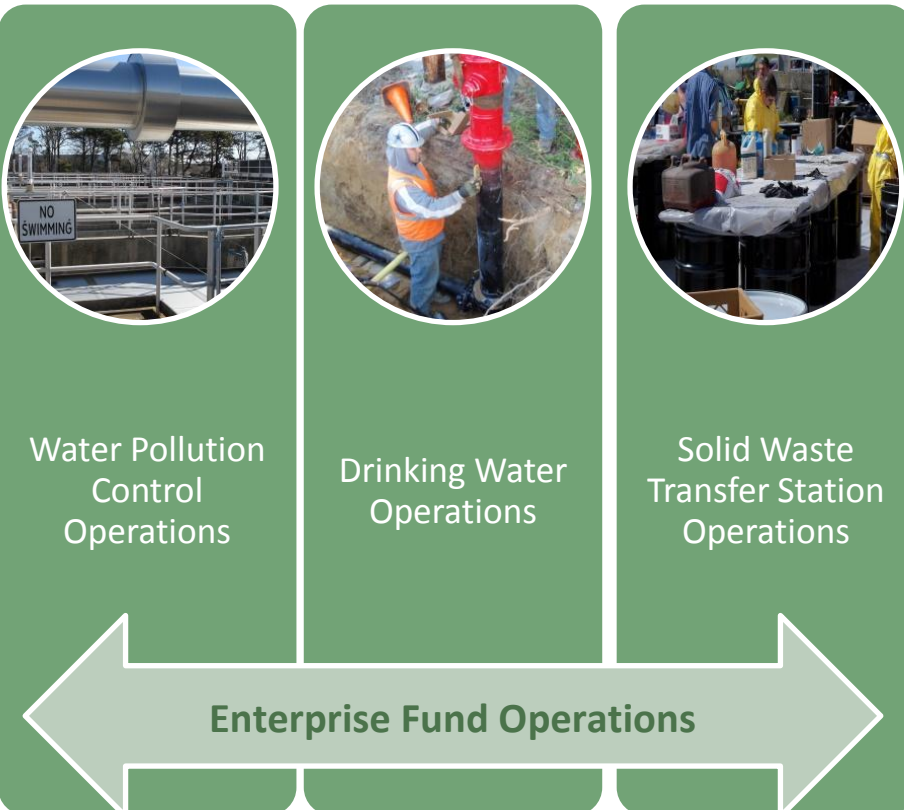


## Public Works Department

### *Department Mission*

The Public Works Department Enterprise Funds' mission it is to provide the citizens of the Town with an environmentally sound, efficient and cost effective means of obtaining drinking water and disposal of solid waste and waste water.

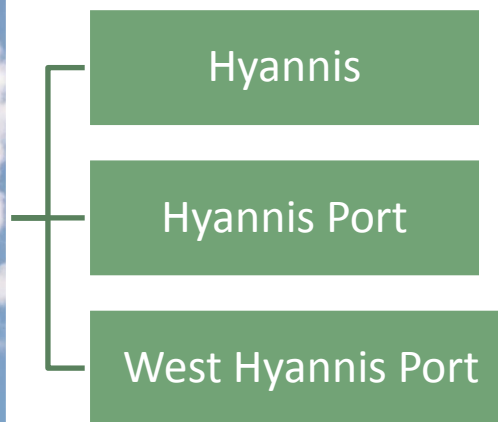


*Providing Safe and Economical Drinking Water, Solid Waste  
and Wastewater Disposal Services*

## Water Supply Division

### *Mission Statement*

The mission of the Water Supply Division is to provide commercial and residential properties in Hyannis, Hyannisport and West Hyannisport with a safe, efficient and effective means of obtaining drinking water and fire-readiness services.



### Description of Services Provided

#### **Water Supply Program**

The Water Supply program, an enterprise account-funded program under the Department of Public Works, oversees the contract management and operation of a water supply system that provides potable water to the residents and businesses (approximately 7300 accounts) located in Hyannis, Hyannisport, West Hyannisport and fire-readiness services. The management of the system involves substantial investment in water supply sources, pumping, treatment, storage and distribution infrastructure, customer service and regulatory compliance

*“Besides air there is nothing more important than water”*

**RECENT ACCOMPLISHMENTS**

1. Pumped, treated, and distributed 823,610,000 Gallons of Water in FY14.
2. Continued construction on multiple water line/system improvement projects funded with State Revolving Funds.
3. Increased water quality by implementing a unidirectional flushing system for the Hyannis Water System.
4. The construction of a pipe replacement and looping project at Cook Circle and Highland Street and the completion of the first phase of the cleaning and lining pipe rehabilitation project on Camp Street.

**Fiscal Year 2016 Goals and Objectives****Short Term:**

1. Maintain close contractual oversight of the administration, finances, and operation of the Water Supply Division.
2. Continue to implement the capital funded pipe replacement program by focusing on water quality improvements and deficient water pipe while maximizing results and minimizing customer impact.
3. Continue to develop and integrate the Water Supply Division's technical and administrative requirements within the Town's regulatory system.
4. Continue the implementation of the new well exploration program to provide the Hyannis Water System with options to develop new water production sources with high quality drinking water.
5. Continue to implement the well building and treatment plant rehabilitation program by prioritizing and replacing building components, process control equipment, security and electrical systems.

**Long Term:**

1. Provide cost-effective water supply services to the customers of the Hyannis Water System.
2. Maintain all assets of the Division to current standards and provide information to the Hyannis Water Board and the DPW Director on needed repairs, and improvements to the water system.
3. Insure reliable and redundant fire-flows to assist the Hyannis Fire Department and support demands on the system.
4. Continue to strive for excellence in customer service, asset-management, and cost-control within the Division.

## Fiscal Year 2016 Water Supply Enterprise Fund Financial Data

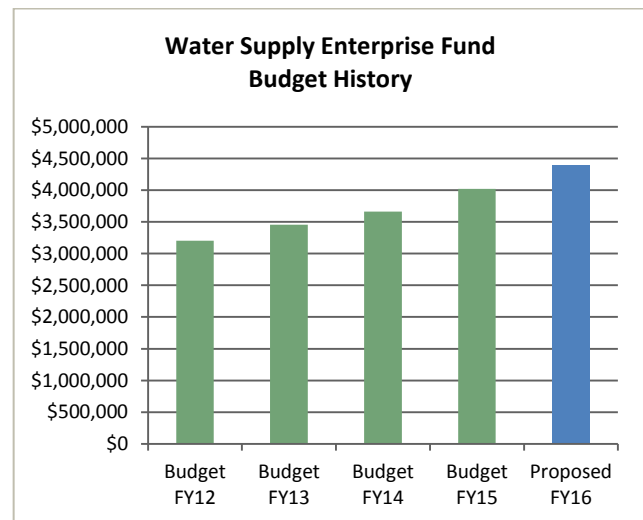
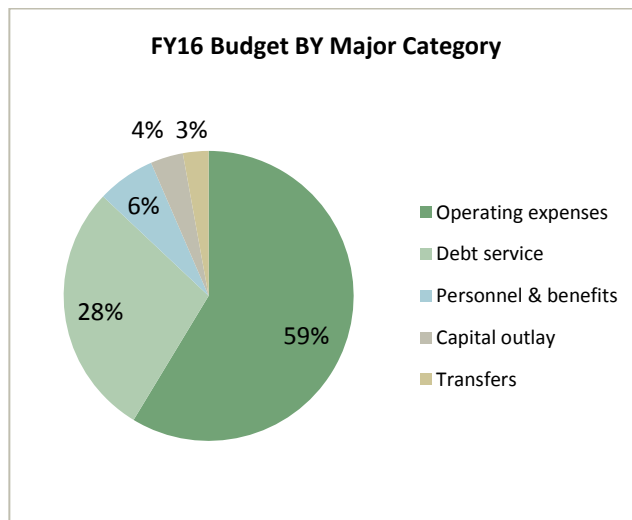
The Water Supply Fund was created through the acquisition of the Barnstable Water Company. This operation provides service to residential and commercial properties within the village of Hyannis. The daily management of the water service is provided for by an outside contractor.

### Factors Affecting Revenues

The rates are set in accordance with the necessary revenue required to run the water operations and pay back borrowings issued for water related capital improvements. Current rates are projected to be adequate to cover the loan payments on the acquisition cost and on-going management contract. Annual rate increases of 3 to 5 percent are projected to help fund operational budget increases and 3 percent to fund an annual infrastructure improvement program. These are reviewed and adjusted annually with an updated rate model.

### Factors Affecting Expenses

Management of this service is provided for by an outside contractor and it is expected to continue operating in this manner. The capital improvement portion of this service could have a significant impact on expenses. Depending upon how aggressive the Town wants to address these improvements over the next 10 years will determine the amount of rate increase necessary to cover this cost.



By activity, operating represents the largest component at 59% followed by debt service 28%. The Water Supply Enterprise Fund budget has increased from \$3.2 million in FY12 to \$4.4 million proposed for FY16 or 37%. The significant increase is mainly due to an increase in debt service from an aggressive capital improvement program as well as increase in the management contract for the system's operations.

Expense Category	Actual FY 2014	Approved FY 2015	Projected FY 2015	Proposed FY 2016	Change FY15 - 16	Percent Change
Personnel	\$ 244,645	\$ 252,775	\$ 251,000	\$ 263,756	\$ 10,981	4.34%
Benefits	11,709	19,783	18,000	20,646	863	4.36%
Operating Expenses	2,035,705	2,231,801	2,230,000	2,574,983	343,182	15.38%
Capital Outlay	134,463	160,000	160,000	160,000	-	0.00%
Debt Service	1,054,684	1,235,000	1,235,000	1,245,000	10,000	0.81%
Transfers Out	106,855	122,109	122,109	125,383	3,274	2.68%
<b>Subtotal Operating Budget</b>	<b>3,588,061</b>	<b>4,021,468</b>	<b>4,016,109</b>	<b>4,389,768</b>	<b>368,300</b>	<b>9.16%</b>
Capital Program	1,468,341	1,997,300	1,500,000	2,902,000	904,700	45.30%
<b>Total Expenses</b>	<b>5,056,402</b>	<b>6,018,768</b>	<b>5,516,109</b>	<b>7,291,768</b>	<b>1,273,000</b>	<b>21.15%</b>

## Permanent full-time equivalent employees

2.90	2.90	2.90	-
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## Source of Funding

Fines & Penalties	60,733	50,000	60,000	50,000	-	0.00%
Fees, Licenses, Permits	111,813	42,500	68,000	45,500	3,000	7.06%
Charges for Services	4,054,846	3,772,968	4,100,000	4,138,000	365,032	9.67%
Interest and Other	220,000	156,000	198,000	156,268	268	0.17%
Borrowing Authorizations	-	1,383,000	1,383,000	2,552,000	1,169,000	84.53%
<b>Total Sources</b>	<b>4,447,391</b>	<b>5,404,468</b>	<b>5,809,000</b>	<b>6,941,768</b>	<b>1,537,300</b>	<b>28.44%</b>

Excess (Deficiency) cash basis	(609,011)	(614,300)	292,891	(350,000)	<u>\$ 264,300</u>
Adjustment to accrual basis	1,574,117	-	2,500,000	-	
Beginning Net Assets per CAFR	12,317,538	13,282,644	13,282,644	16,075,535	
Ending Net Assets per CAFR	13,282,644	<u>\$ 12,668,344</u>	<u>\$ 16,075,535</u>	<u>\$ 15,725,535</u>	

Invested in capital assets, net of related debt (1)	(8,526,938)
User Charges Receivable (1)	(1,059,095)
Intergovernmental receivable (1)	(637,230)
Reserved for subsequent year's budget (2)	(614,300)
Reserved for encumbrances (3)	(279,357)
Reserved for continuing appropriations (4)	(606,990)
Accrued Interest (5)	161,176
Other post employment benefits obligation (5)	92,858
Compensated absences (5)	14,952
Net assets available for appropriation (free cash) (6)	<u>\$ 1,827,720</u>

(1) These are non-cash assets which cannot be appropriated for expenditure. They would need to be converted to cash through sale or collection (accounts receivable) in order to become cash available for appropriation.

(2) This amount represents the net assets appropriated for the subsequent year's (FY15) capital program budget.

(3) This amount represents a reservation of funds to cover obligations arising from purchase orders or contracts that is chargeable to, but not yet paid from, a specific appropriation account.

(4) This represents the portion of the enterprise fund's cash in the town's treasury that has been appropriated for a specific capital expenditure which still remains unexpended as of June 30, 2014.

(5) These amounts represent liabilities that will be provided from future resources and not the net assets at the close of the fiscal year.

(6) Amount certified by the Division of Local Services.

## Summary of Significant Budget Changes

The FY16 proposed budget is increasing \$368,300 or 9.2%. Personnel costs are increasing \$10,981 due to contractual obligations. There are no changes to staffing levels. Operating expenses are increasing \$343,182 due to the operations contract with United Water and a new budget of \$160,000 to purchase water from the Town of Yarmouth in the event it is needed. Capital outlay is level funded at \$160,000. Debt service is increasing \$10,000 for new loans issued to finance the capital program, and transfers to the general fund for indirect support is increasing \$3,274.

Estimated revenue generated by the operations will provide for the increase in the budget. No reserves will be used to finance the FY16 operating budget. \$350,000 of reserves will be used to finance the FY16 capital program with the balance of the capital program financed with \$2,552,000 in borrowing authorizations.

## Additional Funding Recommended

### 1. Operations Contract, Year 7 Increase

**\$110,737 Requested**

**\$110,737 Recommended**

This is intended to fund the yearly increase in costs for the operations contract with United Water in line with the yearly escalation formula and the negotiated amendment 5.

### 2. Operating Capital

**\$160,000 Requested**

**\$160,000 Recommended**

This request is an annual request to fund the operating capital expenses for the DPW Water Supply Division. This recurring funding request funds up to \$10,000.00 for police details and \$150,000.00 toward emergency repairs and improvements as detailed in the operations contract.

### 3. Water Purchase From Town of Yarmouth

**\$160,000 Requested**

**\$160,000 Recommended**

The Hyannis Water System is installing a connection to the Town of Yarmouth's water system in the event the system needed to purchase water to supplement the Town's water supply. This will provide the Hyannis Water System with a backup supply to ensure the continued flow of adequate water resources."

## Solid Waste Division

### Mission Statement

The mission of the Solid Waste Division is to provide the citizens of the town with an environmentally sound, efficient and cost - effective means of disposing of or recycling municipal solid waste.

### Solid Waste Division



### Description of Services Provided

#### Solid Waste Program

The program provides for the operation, maintenance and remedial upgrading of the Town's Solid Waste Transfer Facility to meet State regulations and operation of a residential transfer station and a recycling center including composting of grass clippings and leaves. The transfer station involves a compactor type system that allows residents to manually dispose of their bagged waste. A residential sticker is sold annually which entitles purchasers to utilize the Residential Transfer Station. The Solid Waste Division manages and coordinates the transfer and disposal of solid waste and recyclables on the Town's behalf.

*Managing Waste as a Resource*

**RECENT ACCOMPLISHMENTS**

1. Received and recycled 4,696 tons of various materials.
2. Received and transported approx. 9,245 tons of household trash.
3. Received and transported 2,611 tons of demolition.
4. Initiated single stream recycling.
5. Initiated free residential recycle sticker.
6. Processed and provided between 3,500 and 4,000 yards of screened compost to our residents at no charge.
7. Completed and submitted all DEP, Cape Cod Commission, and Town reports.
8. Completed work on Solar Panel Project, contractor brought panels on line and is producing power at full capacity.

**Fiscal Year 2016 Goals and Objectives****Short Term:**

1. Conduct an evaluation of the facility and develop a Master Plan for future layout and operations.
2. Monitor single stream recycling process with hopes recycling rate will increase.
3. Evaluate Pay as You Throw Disposal as alternative to current procedures.

**Long Term:**

1. Continue to implement cost effective improvements to minimize cost of programs to customer.
2. Pursue all grants available to minimize impact of costs of programs on customers.

**Fiscal Year 2016 Solid Waste Financial Data**

The solid waste fund is used to account for all revenues and expenses associated with operating the Town of Barnstable's facility located on Flint Street in Marstons Mills. The facility operates a transfer station, recycling facility, and bulky item disposal service.

**Factors Affecting Revenues**

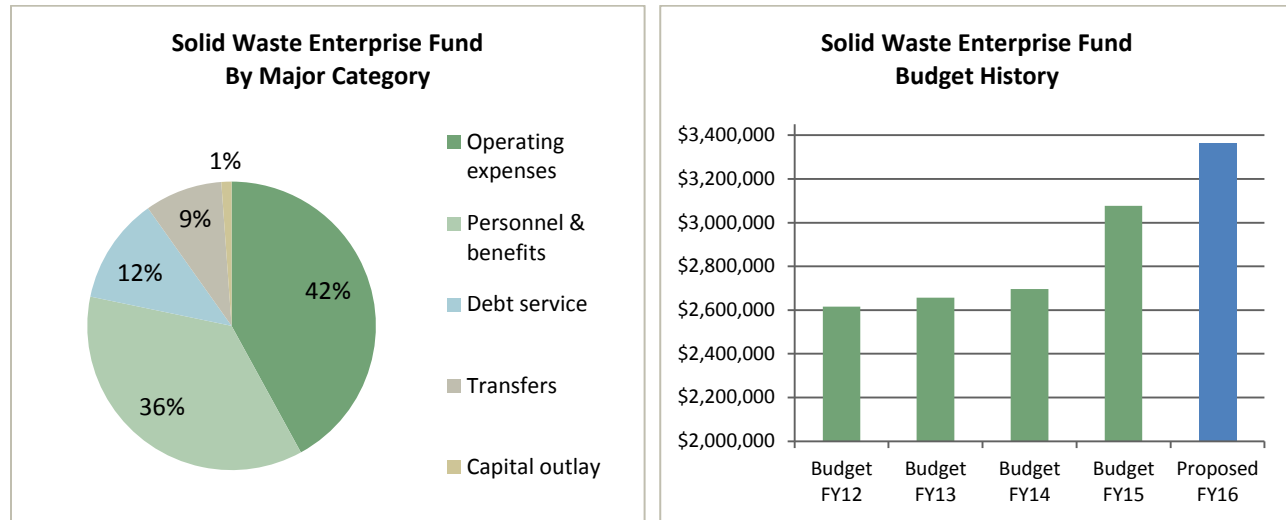
The solid waste fund revenues are affected by rates set at the residential transfer station and recycling facility. Rates are set annually for services provided by this facility. The two major sources of revenue for the fund are the residential sticker and the tonnage fees charged for disposal of construction and demolition materials by homeowners and local small businesses. Residential stickers increased \$50 annually to \$210 on January 1, 2015. The sticker is good for 18 months until June 30, 2016. Rates are projected to increase again in FY17 to cover the increased costs of disposal.

**Factors Affecting Expenses**

Expenses have been forecast to provide staffing levels for a 7 day operation. Projected wage and benefit increases range from 2 to 7.5 percent. Operating expenses are significantly increasing in FY16 for disposal costs. Debt service is included for all solid waste related borrowings.



The recycling operation does not generate enough revenue to offset the cost of operations requiring this operation to be funded partially with surplus funds. A significant amount of the fund's surplus is expected to be used for the landfill capping debt repayment over the next 4 years when it expires. Surplus used for debt repayment has been planned as surplus was accumulated in prior years for this specific purpose in order to eliminate any need for rate increases to repay the loan on the capping of the landfill.



Operating expenses and personnel comprise 78% of this fund's expense. The Solid Waste Enterprise Fund budget has increased from \$2.615 million in FY12 to \$3.363 million proposed FY16 or 29% over the five year period. The significant spikes in FY15 and FY 16 are due to new waste disposal contract that is significantly higher than previous years.

Expense Category	Actual FY 2014	Approved FY 2015	Projected FY 2015	Proposed FY 2016	Change FY15 - 16	Percent Change
Personnel	\$ 1,034,725	\$ 1,071,642	\$ 1,045,530	\$ 1,098,780	\$ 27,138	2.53%
Benefits	81,480	112,827	105,363	119,536	6,709	5.95%
Operating Expenses	1,170,386	1,152,407	1,125,000	1,411,818	259,411	22.51%
Capital Outlay	35,172	35,000	35,000	38,300	3,300	9.43%
Debt Service	401,403	403,667	403,667	400,500	(3,167)	-0.78%
Transfers Out	266,371	302,007	302,007	293,877	(8,130)	-2.69%
<b>Subtotal Operating Budget</b>	<b>2,989,538</b>	<b>3,077,550</b>	<b>3,016,567</b>	<b>3,362,811</b>	<b>285,261</b>	<b>9.27%</b>
Capital Program	393,739	245,000	245,000	480,000	235,000	95.92%
<b>Total Expenses</b>	<b>3,383,277</b>	<b>3,322,550</b>	<b>3,261,567</b>	<b>3,842,811</b>	<b>520,261</b>	<b>15.66%</b>
 <b>Permanent full-time equivalent employees</b>	 <b>15.75</b>	 <b>15.75</b>		 <b>16.75</b>	 <b>1.00</b>	
 <b>Source of Funding</b>						
Intergovernmental Aid	106,549	-	100,000	-	-	0.00%
Charges for Services	2,286,913	2,528,935	2,674,770	2,653,900	124,965	4.94%
Interest and Other	765,388	68,000	91,234	98,000	30,000	44.12%
<b>Total Sources</b>	<b>3,158,850</b>	<b>2,596,935</b>	<b>2,866,004</b>	<b>2,751,900</b>	<b>154,965</b>	<b>5.97%</b>
 <b>Excess (Deficiency) cash basis</b>	 <b>(224,427)</b>	 <b>(725,615)</b>	 <b>(395,563)</b>	 <b>(1,090,911)</b>	 <b>\$(365,296)</b>	
<b>Adjustment to accrual basis</b>	<b>812,075</b>	<b>-</b>	<b>100,000</b>	<b>-</b>		
<b>Beginning Net Assets per CAFR</b>	<b>4,527,639</b>	<b>5,115,287</b>	<b>5,115,287</b>	<b>4,819,725</b>		
<b>Ending Net Assets per CAFR</b>	<b>5,115,287</b>	<b>\$ 4,389,672</b>	<b>\$ 4,819,725</b>	<b>\$ 3,728,814</b>		
 <b>Invested in capital assets, net of related debt (1)</b>	 <b>(548,971)</b>					
<b>Intergovernmental receivable (1)</b>	<b>(552,071)</b>					
<b>Reserved for subsequent year's budget (2)</b>	<b>(725,615)</b>					
<b>Reserved for encumbrances (3)</b>	<b>(112,311)</b>					
<b>Other post employment benefits obligation (4)</b>	<b>436,851</b>					
<b>Compensated absences (4)</b>	<b>72,587</b>					
<b>Landfill post closure care liability (4)</b>	<b>325,000</b>					
<b>Net assets available for appropriation (free cash) (5)</b>	<b>\$ 4,010,757</b>					

(1) These are non-cash assets which cannot be appropriated for expenditure. They would need to be converted to cash through sale or collection (accounts receivable) in order to become cash available for appropriation.

(2) This amount represents the net assets appropriated for the subsequent year's (FY15) capital program budget.

(3) This amount represents a reservation of funds to cover obligations arising from purchase orders or contracts that is chargeable to, but not yet paid from, a specific appropriation account.

(4) These amounts represent liabilities that will be provided from future resources and not the net assets at the close of the fiscal year.

(5) Amount certified by the Division of Local Services.

## Summary of Significant Budget Changes

The FY16 proposed operating budget is increasing \$285,261 or 9.3%. Personnel costs are increasing \$27,138. This includes all contractual obligations. One fulltime laborer is added to the operation with the cost being offset by a corresponding reduction in overtime. Operating expenses are increasing \$260,739 as a result of the increase in tipping costs. Capital outlay will receive an additional \$3,300 for equipment replacement. Transfers to the general fund for indirect support are decreasing \$9,512. Solid waste revenue generated will provide for the FY16 budget. \$1,090,911 of surplus will be used to balance the budget; \$480,000 for the capital program, \$325,411 for the landfill capping debt and \$285,500 for operations to mitigate fee increases.

## Additional Funding Recommended

### 1. Increase Safety Equipment Budget

**\$2,000 Requested**

**\$2,000 Recommended**

With new safety requirements the existing budgets have not been adequate. Heavy vehicle and equipment traffic make the solid waste facility a dangerous place to work and visit. Additional funding is needed to take the right steps to provide safety equipment in an effort to head off potential future accidents.

### 2. Purchase Slop Mower

**\$38,300 Requested**

**\$38,300 Recommended**

For the Solid Waste Facility maintenance requirements are moving and trimming the grass covered capped areas. The slopes in these areas are very steep, and the existing 1999 Tractor mower is a top-heavy machine that is not designed to mow on steep angles. Solar panels have exacerbated the problem by taking up the flat areas where the mower used to turn around, now making it even more dangerous for the machine to turn and causing it to be susceptible to tipping and risking serious or fatal harm to employees.

### 3. Increase Parts/Accessories Budget

**\$5,000 Requested**

**\$5,000 Recommended**

This request is needed to keep up with the increasing cost of vehicle replacement parts. If equipment is out of service, operations would be impacted, affecting productivity of the fleet to serve to its full capability.

### 4. Increase Building and Grounds Repair/Maintenance Budget

**\$5,000 Requested**

**\$5,000 Recommended**

Sound town structures lead to a safe and pleasant work place for our employees to work and to our residents to use. This line item is used to fund contracted maintenance at the Solid Waste Facility.

### 5. Outsource Landscaping

**\$4,500 Requested**

**\$4,500 Recommended**

This increase will allow us to contract out this service consequently freeing up staff to perform other duties. This outsourcing from the Solid Waste Division to contractors would include maintaining flower gardens, fertilizing, weed whacking, edging, and mowing.

## Water Pollution Control Division

### Mission Statement

The mission of the Water Pollution Control Division is to provide the citizens of the Town with an environmentally safe, efficient and effective means of disposing of sanitary waste.

### Water Pollution Control Division



### Description of Services Provided

#### Water Pollution Control Program

The Water Pollution Control Program, an enterprise account-funded program under the Department of Public Works, manages a wastewater collection, treatment and disposal system, including the operation and maintenance of a secondary wastewater treatment plant, 30 sewage pump stations and 55 miles of sewer lines. The Program also includes the operation of a pretreatment program, and a laboratory for testing the quality of sewage and septic to prevent the introduction of toxic wastes into the system and to ensure compliance with Federal and State regulations. In addition, the Program manages an accounts receivable and billing system for users of the sewer system. The Program provides owners of properties with on-site septic systems with a means of disposing of septic pumped routinely from their systems to prevent premature failure of the system and contamination of the groundwater.

*Protecting the Town's Water Resources*

**RECENT ACCOMPLISHMENTS**

1. Treated 547,080,000 gallons of Wastewater
2. Treated 12,537,100 gallons of Septic.
3. Processed 1,166 tons of Sludge
4. Freezer Road Pump Station. Installed VFD on back up pump.
5. High School Road gravity sewer. Relined 627 feet of 8" clay sewer main.
6. Scada system. Install scada system into the secondary building.
7. Old Colony pump station. Installed new grinder.
8. Vacuum system. Repaired two vacuum pumps.
9. Baxter Road Pump Station. Installed grinder pump to alleviate rag clogging

**Fiscal Year 2016 Goals and Objectives****Short Term:**

1. Evaluate the septic building capacity, operation and sludge disposal options.
2. Evaluate, design, and construct improvements to the Water Pollution Control Facility (WPCF) to meet new Commonwealth of Massachusetts effluent discharge requirements. The State has recently decreased the allowable limit of TOC discharged into a Drinking Water Zone II to 3 mg/l. The WPCF's discharge is in a Zone II.
3. Construct a portable generator storage shed. CIP FY15.
4. Study and design an upgrade to the sewer system in South Street, Hyannis.

**Long Term:**

1. Conduct a storm resilience study of the shore pump stations and sewers.
2. Begin WPC Management succession planning.
3. Integration of findings for the CAC regarding the nutrient management study.

**Fiscal Year 2016 Water Pollution Control Enterprise Fund Financial Data**

The Water Pollution Control Fund is used to account for revenues and expenses associated with the Wastewater Facility on Bearses Way in Hyannis, the treatment plant located in Marstons Mills on school property along Osterville-West Barnstable Road, and a treatment system near Red Lily Pond. The main facility in Hyannis acts as a repository for residential and commercial sewage and septic. The facility in Marstons Mills services the two school buildings and a residential housing development located adjacent to the school property. The Red Lily Pond system services residential properties located in the vicinity of the pond.

**Factors Affecting Revenues**

Sewer rates charged to users of the system account for a majority of the revenue in this fund. The number of customers tied into the facility can have a significant impact on revenue. The rates are set in accordance with the necessary revenue required to run the sewer

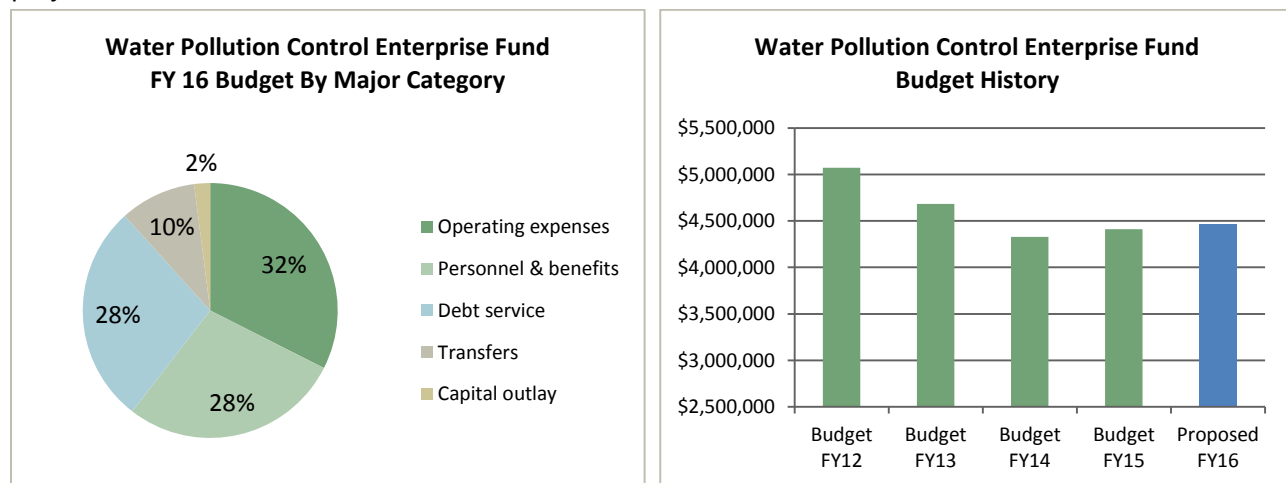
operations and pay back the borrowings issued for the sewer plant improvements.

In July of 2010, the Town Council voted to increase the local rooms tax by 2 percent and to levy a local meals tax of 0.75 percent. The Council also voted to dedicate these new revenues to a sewer expansion program by filing special legislation for the creation of a sewer trust fund. This legislation was passed in FY13. This legislation was modified in August of 2014 so that the fund can pay for private road improvements as well. This fund's balance is projected to reach over \$12 million by the end of FY16. There are currently no projects in planning to be financed with this funding source.

### Factors Affecting Expenses

Expenses have been forecast to maintain current staffing levels, at a projected wage and benefit increase of 2.5 and 7.5 percent respectively. Operating expenses are projected to increase 3 percent per year. Sludge disposal is major expense for this operation. Utility savings have been accounted for in the FY16 proposed budget as a result of the renewable energy upgrades at the facility. Debt service is included for all sewer related borrowings.

This enterprise fund will see some significant changes in the future. There has been much discussion of various funding scenarios for sewer expansion, effluent mitigation and nitrogen management. Part of the expansion discussion includes issues of ability to pay and cost allocation. In the past, the federal and state governments subsidized 90 percent of capital costs for construction of new wastewater facilities and sewer expansion. Decisions will need to be made in regards to the cost allocation for sewer expansion, nitrogen management and effluent mitigation. Cost allocations will include betterments, sewer rates and tax rates, net of any federal and state funding that may be available. The Town Council voted to assess 50% betterments to homeowners tying into the Stewart's Creek sewer expansion; the last major expansion project.



By category, operating expenses is the largest component at 32% followed by personnel and debt service; both at 28%. The Water Pollution Control Enterprise Fund budget has decreased from \$5.1 million in FY12 to \$4.5 million proposed for FY16 or 12% due to a decline in debt service and utilities.

Expense Category	Actual FY 2014	Approved FY 2015	Projected FY 2015	Proposed FY 2016	Change FY15 - 16	Percent Change
Personnel	\$ 983,083	\$ 1,071,094	\$ 1,010,000	\$ 1,122,679	\$ 51,585	4.82%
Benefits	86,990	119,148	110,000	127,550	8,402	7.05%
Operating Expenses	1,254,185	1,448,450	1,425,000	1,448,450	-	0.00%
Capital Outlay	54,293	90,000	85,000.00	90,000	-	0.00%
Debt Service	1,256,406	1,257,000	1,250,000	1,242,600	(14,400)	-1.15%
Transfers Out	390,022	424,361	424,361	431,879	7,518	1.77%
<b>Subtotal Operating Budget</b>	<b>4,024,979</b>	<b>4,410,053</b>	<b>4,304,361</b>	<b>4,463,158</b>	<b>53,105</b>	<b>1.20%</b>
Capital Program	139,955	782,000	750,000	1,284,500	502,500	64.26%
<b>Total Expenses</b>	<b>4,164,934</b>	<b>5,192,053</b>	<b>5,054,361</b>	<b>5,747,658</b>	<b>555,605</b>	<b>10.70%</b>

## Permanent full-time equivalent employees

15.15	15.15	15.15	-
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## Source of Funding

Intergovernmental Aid	130,736	-	125,000	-	-	0.00%
Fines & Penalties	153,473	80,000	77,022	50,000	(30,000)	-37.50%
Fees, Licenses, Permits	-	-	10,000	10,000	10,000	0.00%
Charges for Services	4,799,507	4,210,053	4,653,006	4,303,158	93,105	2.21%
Interest and Other	245,909	120,000	258,356	100,000	(20,000)	-16.67%
Borrowing Authorizations	-	-	-	1,000,000	1,000,000	0.00%
<b>Total Sources</b>	<b>5,329,625</b>	<b>4,410,053</b>	<b>5,123,384</b>	<b>5,463,158</b>	<b>1,053,105</b>	<b>23.88%</b>

Excess (Deficiency) cash basis	1,164,691	(782,000)	69,023	(284,500)	<u>\$ 497,500</u>
Adjustment to accrual basis	3,490,786	-	1,500,000	-	
Beginning Net Assets per CAFR	40,620,321	45,275,798	45,275,798	46,844,820	
Ending Net Assets per CAFR	45,275,798	<u>\$ 44,493,798</u>	<u>\$ 46,844,820</u>	<u>\$ 46,560,320</u>	

Invested in capital assets, net of related debt (1)	(23,938,372)
User Charges Receivable (1)	(1,694,152)
Special Assessments Receivable (1)	(2,911,960)
Intergovernmental receivable (1)	(1,258,786)
Reserved for subsequent year's budget (2)	(782,000)
Reserved for encumbrances (3)	(211,185)
Reserved for continuing appropriations (4)	-
Other post employment benefits obligation (5)	291,787
Compensated absences (5)	67,562
<b>Net assets available for appropriation (free cash) (6)</b>	<u><b>\$ 14,838,692</b></u>

(1) These are non-cash assets which cannot be appropriated for expenditure. They would need to be converted to cash through sale or collection (accounts receivable) in order to become cash available for appropriation.

(2) This amount represents the net assets appropriated for the subsequent year's (FY15) capital program budget.

(3) This amount represents a reservation of funds to cover obligations arising from purchase orders or contracts that is chargeable to, but not yet paid from, a specific appropriation account.

(4) This represents the portion of the enterprise fund's cash in the town's treasury that has been appropriated for a specific capital expenditure which still remains unexpended as of June 30, 2014.

(5) These amounts represent liabilities that will be provided from future resources and not the net assets at the close of the fiscal year.

(6) Amount certified by the Division of Local Services.

### Summary of Significant Budget Changes

The FY16 proposed budget is increasing \$53,105 or 1.2%. There are no proposed changes to staffing levels. Benefits are increasing \$8,402 and this includes a \$25,000 payment to the Town's OPEB Trust Fund for the operation's share of this cost. Operating expenses and capital outlay remain level funded with the FY15 budget.

Revenue generated by the operation will cover the operating budget. \$284,500 of surplus will be used for the FY16 capital program with \$1,000,000 in borrowing authorizations for the remainder of the FY16 capital program.