Town of Dennis
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Wednesday, January 16, 2013

Board of Selectmen
Town of Dennis
Town Office Building
485 Main Street
Dennis, MA 02660

Dear Board of Selectmen;

Submitted herewith is the Town of Dennis' Requested Budget for Fiscal Year 2014. The requested budget includes funds for the general operation and maintenance of the municipal government including schools. Also included is a comprehensive listing and description of the Town's capital needs. Considerable effort has been made during the past three fiscal years to develop a plan that accurately identifies a five-year projection of capital improvements. This year's submission adds to that effort. This year we continued our efforts to communicate and collaborate with the Capital Budget Committee. A Capital Budget has been submitted to you and the Capital Committee recommendations under separate cover.

The requested budget includes expenditures of $50,823,325 balanced by non-tax levy revenues totaling $13,553,218, an estimated tax levy of $35,263,973 and debt exclusions for $2,006,134 passed by referendum. It is shown within the budget as dedicated revenue that offsets expenditures shown in the debt service budget. Including the proposed free cash allocation, non-tax levy revenue is increasing 1.3% from the FY 2013 appropriation. This budget proposes to allocate $100,000 in free cash, a $68,000 reduction. The tax levy will increase by $1,290,334 or 3.59 %. A $252,062 increase in the tax levy is attributed to new growth as well as a $173,267 increase in exempt debt. Seventy three percent of all revenue used to fund town services is raised via property tax. This is similar to the revenue split presented in the FY 2013 budget. Ninety two and one half percent of the real estate levy comes from the residential tax base.

The tax rate for FY 2014 is estimated to be $6.38 per $1,000 of assessed valuation (based on the 2013 assessed values) for residential and commercial property. The majority of the tax rate increase is due to the increase in levy growth allowed by law of approximately $818,000, the fire override of $356,000, and the payment of additional exempt debt of $175,000.

A comprehensive interim valuation update was completed per DOR requirements to reflect market conditions as of January 1, 2012. The total Fiscal Year 2013 Town valuation was $5,841,108,100. A complete revaluation of property is required for Fiscal Year 2014, but for planning purposes the total estimated Town valuation is assumed to remain level, with no further market decreases.

The average assessment for a single family home in Dennis for FY 2013 was $392,500 and it is assumed to remain constant in Fiscal Year 2014. The estimated average assessment for a single family home in Dennis for FY 2014 is $392,500. For FY 2014, the average single family tax bill is estimated to be $ (392,500 /1000 X 6.38 or $2,504.15. This compares to $2,390.32 for FY 2013. This is a net percent change of 4.76% and a tax dollar change of $113.83.

Revenue from sources other than the real estate tax can be identified in three broad categories: state aid, local receipts and available funds. State aid, local receipts and available funds are pooled together with revenue generated from the real estate tax to fund most municipal appropriations.

BUDGET GOALS

This budget is submitted consistent with several major goals. They are as follows:

1. To submit a budget that complies with the statutory limitations of Proposition 2 ½;

2. To properly anticipate salary adjustments as per soon to be negotiated labor contracts and town compensation policies;

3. To continue to reestablish the fiscal policies adopted by the Board of Selectmen and to reconcile any differences with the Finance Committee. The Finance Committee's initial reaction to last year's joint meeting was that they were more comfortable with an ad hoc approach. This approach has its perils as it can discourage predictability which in turn leave to chance improvement in the Town's fiscal condition and could potentially undermine our citizens faith in our ability to manage the resources they provide to us;

4. To continue the Town's efforts in establishing a recurring within the tax levy source of revenue though cash investment as well as borrowing to fund a reasonable level of investment in the town's capital program. The failure of the Town Hall rehabilitation project has compromised this goal. However, the strength of the goal remains. Perhaps a policy discussion without the pressure of specific project needing funding will help build some consensus. Continuing the contribution to the stabilization fund should remain a priority even if we cannot reach consensus on within the levy borrowing as eventually significant projects can be funded with the within the levy annual cash value of the appropriation set aside and use of the stabilization fund;

5. To continue the Town's commitment in pursuing a collaborative process with all standing committees to begin to evaluate all financial policies relating to budget management, funding, financial planning and other related fiscal policies so that there is consensus among the various committees as to budget and financing approach for FY 2014 and beyond;

6. To identify emerging operational, capital and financial planning issues for future years;

7. To eliminate the Town's dependence on free cash as a recurring revenue stream so as to bring some long-term stability, predictability and credibility to Dennis's budget process.

8. To provide a 2 ½% increase to school programs so that the commitments made and the performance improvements that have been made during the last few years do not unravel as a result of under funding.

9. To identify trends in the District School Budget Assessment so that the two Boards of Selectmen in Yarmouth and Dennis can develop timely and effective funding strategies that sustain and enhance District educational programs.

10. To make prudent and surgical reductions to the municipal budget that push the departments to provide more with less, but allow the Board of Selectmen and professional staff to evaluate the ongoing effectiveness of these reductions so that adjustments can be made as the economy recovers if necessary in future years.

ISSUES RAISED AS PART OF THE BUDGET SUBMISSION

A. Strengthening the Integrity of the Budget Process

Dennis's budget performance has been improving during the last four years and will continue to get better as long as the "political will" is present to follow the Board's Fiscal Policies. The economy and reductions in economy sensitive revenue has been challenging for the Town. Most of the necessary adjustments have been made and it has positioned the Town extremely well for the future. The FY 2014 budget continues the Board's policy of reducing the recurring commitment of free cash. The permanent override dedicated to establishing a recurring source of revenue to fund capital expenditures has been a catalyst in improving the Town's long-term fiscal health. This budget follows the policy of earmarking an additional $150,000 of tax levy revenue to the capital appropriation base. Dennis finds itself in a much better position than most municipalities in that it is not being required to make drastic reductions in services to its residents nor is it being required to consider extraordinary increases to what is considered to be a very low real estate tax rate. Dennis should be able to continue to provide cost effective high-level services for the foreseeable future providing it continues to improve on its operational and capital budgeting policies and it sustains and expands its current cash reserve policies. It must continue an aggressive program in regard to capital renewal especially in its public buildings if it intends to limit budget and tax rate growth.

The Town has accumulated approximately 2.2 million dollars in its general cash stabilization fund. Over the years, the Town has diligently and in some cases painstakingly set aside funds so as to insure that it can withstand uncontrollable changes to its fiscal environment (mostly as a result of state action or inaction or some imposition of mandates). FY 2009, FY 2010 and FY 2011 brought on new fiscal challenges especially in regard to precipitous and dramatic drops in local receipt collections and loss of state aid. Changes in revenue collections reduced local receipts by more than 1.2 million dollars in one short period between January of 2009 and January of 2011. Fortunately, Town staff was monitoring collections and as a result mid-year and budget year adjustments were made. The FY 2012 budget saw no growth in local receipts or in state aid. Nor were there substantial reductions in services. Revenue collections for both Dennis and the Commonwealth were higher than anticipated for FY 2012. This creates some sense of optimism for the future. However, a tender and unpredictable economy prevents anything other than nominal/token increases in either state aid or local receipts. In addition, the Board recently approved capital set aside policy for some of the fee based programs such as the golf, beach, waterways and trash operations which may impact local receipt collections in the future. There has been some tremendous, but much needed change to some of the Town's budgeting and financial management procedures, policies and processes. However, a prudent person would take care as was done the last two years in making assumptions until time and data provide some reassurance.

Free cash was certified at $2,798,044 on July 1, 2012. Current balance after the Fall 2012 Special Town Meeting is $2,638,418.11. This compares favorably to free cash certification for July 1, 2010 at $2,017,674 as well as the average of the last five years. I recognize that there have been many previous well-intentioned warnings that the Town will experience some reductions in its annual free cash balances in the future and that future seemingly never arrives. However, the data still supports the prediction. Budgets are tighter than they have ever been. In the past, the Transfer Station, Insurance and Public Works budgets were constructed deliberately with some flexibility/cushion. Most if not all of the flexibility have been removed from these budgets over the last three budget submissions and most certainly in this presentation. There has been a slow/small consistent decline in reversions over the last three years. Many of the special warrant article close outs connected with capital investment has been transferred by policy into the Capital Improvement Fund rather than being closed out into the General Fund. Finally, although we have done a great job at insuring that local receipt estimates for budgeting meet Selectmen policy, the last three years estimates have been approximately 94% of previous years collections while in better times estimates have been closer to 92%. Two percent may not seem like much, but over a series of years it can impact free cash balances. This is something that needs monitoring for the future.

We were able to make some structural changes in funding long time underfunded budgets during the FY 2013 budget process. Fire overtime, Workers Compensation, General Liability, Veterans Services, Fuel and Health Insurance budgets all received increased funding so as to cure some long time underfunding problems. This small but critical investment will help release pressure on the future use of free cash. This makes us stronger financially. In order to continue to free ourselves from our dependency on the use of free cash some strategic investment in the Finance Committee's Reserve Fund as well as the Snow and Ice budgets should be made. This budget begins what I hope will be an annual practice for the foreseeable future of increasing the reserve fund by $15,000. Unfortunately, I could not allocate additional resources to the snow and ice budget without compromising service delivery or eliminating important programs. We need to continue to pay attention to and improve our policies regarding accumulation of free cash as another cash reserves to be available in addition to the stabilization fund reserves already in place. Last year you adopted a goal of maintaining a minimum of one million dollars in free cash revenue as a set aside and readily available cash reserve. Originally it was thought it would take three years to reach this goal. I am pleased to say that this goal can be reached in FY 2014, well ahead of the Board's projected target date.

It would be prudent for the Board to consider allocation of the current free cash balance. Currently, $2,638,418.11 of free cash is available. The FY 2014 Budget recommendation allocates $577,185 of this balance to fund the operating and capital budgets ($100,000 for operating and $477,185 for capital projects). Keeping $1 Million of free cash in reserve leaves a balance of $1,061,237. I request that the Board consider allocating $500,000 of the remaining balance to the capital reserve fund anticipating that some investment in the Town Hall will be needed. Allocating $500,000 into the capital stabilization account will produce a balance of approximately $700,000. By taking this action, the Board could consider making a one-time exception to its $150,000 annual capital stabilization set aside policy and reallocate its FY 2014 allocation the Snow and Ice budget curing the current underfunding problem. This will leave $500,000 in funds available for mid-year unanticipated needs as well as supplemental appropriations.

The establishment of a capital budget and dedicated revenue source to fund it helps greatly and addressed the Town's greatest fiscal weakness. As a result the Town was rewarded for its efforts in receipt of a bonding upgrade by the rating agencies in 2011. However, the buildings, their condition, upkeep and maintenance will be the Town's biggest challenge in the future. The reconstruction of the old Police Station and its adaptive reuse as a New Town Hall Annex, combined with the reconstruction of the Town Hall (schedule for reconsideration by Town Meeting sometime in 2013) will help modernize the backbone of the Town's building inventory, (Annex, Town Hall Police Station and DPW building will all have had recent investment). The failure to get authorization to fund the borrowing for the reconstruction of the Town Hall in November of 2012 was a huge blow to the building maintenance program. It is encouraging that the Finance

Committee, Building Committee and Selectmen have agreed to work together in collaboration with the hopes of developing a modest but constructive rehabilitation plan for the Town Hall. Hopefully, it will produce a consensus and some action can be taken in the fall of 2013. What is clear is that some accommodation must be made to upgrade the systems and the layout of the current Town Hall. The building has outlived its useful life and no longer serves the purpose of its design.

B. Cash Reserve and Financial Policies

The Board of Selectmen formally revisited its policies around the accumulation of free cash, Stabilization Fund, Capital Improvement Funds and other special fund cash reserves as well as a host of other financial policies after the FY 2012 Annual Town Meeting. It undertook this task in a joint meeting with the Finance Committee who in the past had voiced concern that they had not been included in the development of these policies. During the meeting, the Board embraced a number of the recommended policies while deferring on others waiting for the concurrence of the Finance Committee. The Finance Committee met later in the year to review the proposed policies. Unfortunately, the Finance Committee decided that it was in their best interest as a Committee to deal with all financial policies ad hoc believing that doing so gave them more control.

Developing sound, predictable financial policies embraced by the elected and appointed leadership infrastructure of Town Government is the foundation for competency, solvency and fiscal strength. Policies are not commandments. They are however financial operational guidelines to be used as direction to the staff, reassurance of organizational competency to the citizens of Dennis and a transparent fiscal road map that provides reassurance to the rating agencies of the Town's fiscal stewardship. Our staff, citizens and the rating agencies all need reassurance that the Town has a financial plan. Operating ad hoc may insure maximum influence but it does not provide guidance to the staff in doing their work. Nor does it inspire confidence amongst our citizens that we operate in a transparent manner and that we manage their resources in a professional and thoughtful manner. The rating agencies look at lack of accepted financial plans and policies as a tell-tale sign of incompetency. Eventually, the disconnect between the Selectmen and the Finance Committee regarding the acceptance of these policies will impact the Town adversely. No policy should be chiseled in stone. However, the tax payer deserves to know how we manage their resources. Our plans should be clear and create certain expectations. Deviations from the plan or policy can be common place but should be made publicly and in context with existing policies. Operating ad hoc only leads to the eventual disenfranchisement of the tax payer. It is my recommendation that the Board reengage the Finance Committee in hopes of developing consensus and acceptance of the recommended financial policies.

The Town's newly increased bond rating of AA+ is an asset and should be used judiciously in combination with a Comprehensive Capital Plan. One of the town's strengths is its unused debt capacity. Right now there is no consensus between the Finance Committee and the Selectmen as to the use of within the levy borrowing. Some thought needs to be given to this issue for future planning. It has always been my feeling that Dennis will need to tap a small portion of that unused capacity in the future to meet some of its infrastructure reinvestment challenges. Generally municipalities do not override Proposition 2 and ½ every time they need to borrow. Most well run and financial secure municipalities build funding capacity into its property tax limitation to fund renewal of existing assets. General referendum overrides for capital are only used to fund new or expanded infrastructure or in rare cases when fiscal pressures are so tight that the Town's fiscal health is compromised if it was to fund within the levy limit. We need to come to a clear understanding with the Finance Committee regarding this policy so that we can adequately plan for Dennis' future.

C. Solar Power Purchase Agreement Revenue Policy

Recently Town Meeting approved and you signed power purchase agreements that will allow American Capital Energy to develop a solar energy farm on the Town's former landfill. The benefits of the development to the Town, the Water District and the Dennis/Yarmouth School District in the best case will bring an additional 18 million dollars to the Town and the two districts over a 20 year period. The first half of the development should come on line by the start of the FY 2014 fiscal year. The potential annual yield to the Town of Dennis could be as much as a half million dollars a year or more. Last November Town Meeting approved creation of Other Post-Employment Trust (OPEB) in hopes of funding long term post-employment health care liabilities or the Town's retirees. I am requesting that the Board place an article on the FY 2013 Annual Town Meeting Warrant and appropriate the proceeds from the solar energy project to the newly created OPEB Trust Fund.

CAPITAL

The capital budget is submitted under separate cover and although not a part of this budget should not be completely estranged from it either. More than 4.9 million of requests were received with recommended $3,113,298 for funding, $325,175 from the Beach Improvement Fund, $168,188 from the Golf Improvement Fund, $35,000 from the Ambulance Fund, $477,185 from Free cash, 1,906,750 through the Tax Levy and the Meals Tax, $50,000 from Waterways Improvement Fund and $6,000 from the Insurance Receipts Reserved, $45,000 within the operating budget and $100,000 from the Waterways Dredge Fund. Detail of Capital can be found below.

BUDGET FORMAT

The Budget is as much a communication tool as it is an accounting document. Although we have a goal to tie an appropriation to a measured outcome and service offered to the community to a budget appropriation much of that has been done informally. The Board needs to determine if it believes it is important to alter the format of the budget to add a dimension other than accounting to the document. Hopefully, it should be our goal to continuously upgrade its content so that it clearly articulates important policy matters needing the Board of Selectmen's attention. Some of this could be accomplished with little impact by trading off on some details by replacing it with expected measured outcomes tied to a particular service offered by the organization. The number of line items identified in to Town Meeting Budget Article is excessive when compared to many other communities. It restricts your flexibility at times to respond to shifting demands and unexpected and unforeseen service demands.

BUDGET ASSUMPTIONS

The following budget assumptions have been made:

- $252,062 in new construction revenue.
- 2 ½% real estate tax revenue increases generating $853,949.
- Level funding of state aid over the FY2013 spring appropriation.
- A net increase of $304,683 or 3.1% of local receipts over the FY2013 appropriation all of which represents 93.95% of what was actually collected in FY 2012.

- $ 100,000 allocation of Free Cash to the operating budget makes the reduction in free cash consistent with the Board's policy.

- $140,000 transfer in overlay surplus.

- A 3.8 % or $585,096 increase local Dennis/Yarmouth school budget~ including debt adjustments. This allocation does not follow the chapter 70 formula but represents the Boards commitment to its school system and a $38,443 increase in the regional vocational school budget based on estimated enrollment projections.

- Most budgets are limited in regard to their expense budgets

There are several issues within the budget that are worthy of mention. They are:

Wages –All of its contracts expire at the end of Fiscal year 2013. Step increases for Police and Fire are included in the budget line items. All other contractual estimates are under the Town Administrator contracts settlements line items. The contract settlement line also includes an increase for seasonal staff. A comprehensive study done by department heads Dennis paid an average of 6% lower than the surrounding towns. A 3 tiered approach will bring these positions in line with our competitors.

Fringe Benefits – The 2014 recommendation for Town benefits and other insurance is estimated at $5,194,324 or $256,656 over what was appropriated for 2013.

Cash Capital –Over $150,000 in new investment is proposed for Fiscal Year 2014, as per the Board's policy

Medicare, Retirement Workers Compensation, Property & Liability Insurance and Central Purchasing Increases. These budgets have been tightened up and scrutinized during the last two budget submissions and are tight. Budget increases in these categories are as much as 19% for Workers Compensation over the original 2013 budget with most budgets have been increased by 5%.

FUTURE ISSUES

Assuming some reasonable facsimile of the capital-funding proposal is adopted there remains a number of issues still needing some attention for the long term.

Dennis/Yarmouth School Funding

The relationship between the communities involved in the Dennis/Yarmouth School District is improving. Long standing disputes over the funding formula have been set aside for the time being. The Board's long term team building and repositioning of the relationship between Dennis and Yarmouth has produced great results. The critical issues around the agreement, governance of the district and funding of the budget has not been resolved. Some resolution is required if we are to avoid a recurrence of the last ten years of acrimony.

Compensation Policies

All employee contracts for labor expire at the end of fiscal year 2013. Over 71% of the Town's operating budget is made up of personnel costs. Much has changed with the economy and labor costs since the Town of Dennis last reached long-term contracts with its employees. Included with this budget submission is a five-year budget forecast. The Town is in great financial condition compared to many communities in the country. Recent modest wage settlements for 2012 and 2013 set a manageable pattern for the future and have been included as guiding goals for FY 2014 and beyond.

Trash Costs

The Town is in the unenviable position of paying below market rates for the disposal of its trash. Currently the Town pays $37.51 per ton compared to the spot market which is $80-$100 per ton. This anomaly will remain in effect until the year 2015. A draft of a stabilization plan has been developed and presented to the Board so that dramatic increases, customer sticker shock and citizen revolt as a result of last minute huge increases in charges for the disposal of trash can be avoided. As a result, the Board has appointed a committee to look at the feasibility of implementing a Pay As You Throw (PAYT) Committee.

Budget Planning/Financial Policies/Proposition 2 ½

The Town has a number of terrific policies that are not universally embraced by all involved in the budget deliberation and financial management process. Long term, these policies need to be fine tuned by the Selectmen and embraced by the Finance and Capital Committees so that there is uniformity in planning and the presentation of budgets. Unfortunately, disagreements at Town Meeting time result in compromises that are not consistent with policies adopted by the Board. Deviation from policies should be made deliberately in public session and with the firm understanding of the community. The Town is now beginning to borrow within the levy limit. The Board needs to think about what it wants its policy to be regarding inside and outside the levy limit debt. Most communities have standing policies as to Proposition 2 and ½ and its management. Dennis does not and would benefit from a more thoughtful and deliberate consideration of the issue.

Buildings

There are over 60 municipal buildings located throughout the Town of Dennis. The average age of these structures is 40 years old. According to the current MA Interlocal Insurance Association (MIIA) "Statement of Values" the building inventory is worth approximately $27 million dollars. The current staffing level for the existing building inventory is not able to keep up with the minimum preventive maintenance.

The Building Division spends a considerable amount of time on structures that are not related to buildings (i.e. docks, bulkheads, lifeguard stands, etc.) and these activities compete with our ability to respond to building related issues. This department currently has two full time craftsmen, of which ¾ of a full time equivalent (FTE) is dedicated to non-building structures. This only leaves 1 ¼ of a FTE dedicated to building related duties. Based upon industry standards for minimum staffing levels for "building maintenance-related positions" a minimum standard for the Town of Dennis inventory should be 6 craftsmen. It is not hard to understand why this division has only been able to focus on approximately half of a dozen buildings with only a cursory involvement in the other buildings with only 1/6th of the recommended work force. Unfortunately, we have not been able to find the resources to properly fund the Building Maintenance budget. This needs to become a priority.

The amount of work load due to the age and condition of the building inventory continues to grow. In addition the renovated buildings have added newer systems which add efficiencies and or bring up to compliance with current code (i.e. alarms, sprinkler systems, elevators, HVAC, etc.) but also add additional square footage (i.e. new Annex, Corporation Beach Concession, Johnny Kelley Park expansions) and complexity which adds to the overall maintenance requirements.

Fire

The FY 2013 Annual Town Meeting increased the Fire budget to add four uniformed firefighters to the current departmental compliment. This increase anticipated that the four additional firefighters would allow for the permanent staffing of an ambulance on the north side of Town. The appropriation was contingent upon passage of an override of Proposition 2 and ½ and commitments were made to the community that the firefighters would not be hired unless the Town was successful in it grant application to the federal government in securing the first two years of funding. To date, the Town has not received a grant award from the federal government and consequently the positions have not been filled. We are optimistic that we will receive funding before the end of this fiscal year. However, there is always the chance that our optimism is misplaced. The need and funding are in place. The Board needs to determine what it will do with the funding if the federal grant is not awarded. I recommend that we proceed with the hiring and staffing of the north side ambulance.

Police

The Dennis Police Department Command Staff just completed its "Five-Year Strategic Plan". The draft plan was developed as a result of interviewing elected and appointed municipal officials and business leaders as well as from a community wide survey. The preliminary results and recommendations of the survey identifies and reinforces some well documented staffing needs that you will be asked to consider and fund as part of this FY 2014 budget process. The Police Department is at the point where it must find additional resources to add staff so that it can maintain its current level of effort regarding drug and traffic enforcement as well as protection of Dennis youth.

Budget Expenses

Balancing budgets in Dennis during the last four years has not been easy. Accommodating labor settlements, a declining revenue base, funding long underfunded budgets, building a capital budget strategy, accommodating higher than inflation increases in employee benefit budgets, reducing the budgets dependency on free cash as a recurring revenue sources while living within the statutory limits of Proposition 2 and ½ has been costly. Departmental expense budgets have been compromised significantly. The expense budget guideline for FY 2014 was 0%. FY 2013 was 1%, FY 2012 was 1% and FY 2011 was 2%. None of these directives met or were close to the increase in the costs of goods and services during those four years. Retaining personnel and municipal services is a laudable goal, but four years of limited expense growth severely restricts the department heads ability to do their job. It is great to have the personnel. It is even better to equip them with the tools and supplies necessary to do their work. It is time we dealt with the expense portion of the budget including investing in professional development now that we have dealt with capital budget financing, funding underfunded budgets, OPEB, free cash and cash reserves.

2% BUDGET

The Finance Committee requested that the Board consider limiting tax levy growth to 2% rather than the statutorily allowed 2 and ½%. Complying with this request would reduce the proposed budget by more than $170,000. In order to comply with the Finance Committee's request every department was given a budget reduction target and asked to submit recommendations in the amount designated. Targets ranged from $2500 to 50,000 depending upon size of budget. The total reductions identified were over $352,000. Based on these submittals I have identified the following budgets and amounts for reduction if you chose to meet the Finance Committee's 2% request. There are no good or easy choices here and I do not recommend that you adopt any, as they cut to the core of what makes Dennis special or unique and eliminates many programs recently implemented or restored that the community supports.

2014 PROPOSED CUTS			
2% VS. 2.5% LEVY INCREASE			
DEPT.	**Line Item**	**AMOUNT**	**DESCRIPTION IMPACT**
Natural Resources	Temporary Salaries	$ 4,000	Reduces hrs.- ORV Beaches/Cons.
Natural Resources	Public Aquaculture	$ 1,500	Reduction in seed purchased.
Natural Resources	Grounds keeping	$ 1,500	Less Maintenance of Conservation Areas.
Planning	Overtime	$ 2,500	No overtime for minute taker.
Municipal Buildings	Additional Equipment	$ 1,900	Cut 2 storage cabinets.
Police	Salaries Temporary	$ 51,836	Cut Specials, Cadets, Training.
Fire	Salaries Temporary	$ 4,500	Cut Call force.
Fire	Fire Overtime	$ 30,000	Reduce OT - Training,Meetings,EMS,Details.
Harbor	Replacement Equipmer	$ 3,800	Navigational Replacement Plan Reduction.
Harbor	Capital Project	$ 20,450	Dock Replacement Plan reduction.
DPW Highway	Private Roads	$ 10,000	Eliminate private Road Repairs.
DPW Highway	Supplies, Paving	$ 18,000	Reduce Drainage & paving.
BOH	Purchase of Service	$ 7,000	Cut Hazardous Waste Day.
Golf	Salaries Temporary	$ 13,014	Close Pines early. Open late.
	Total Cuts	**$ 170,000**	

CONCLUSION

I believe that Dennis's fiscal ship is sailing on smooth seas despite the regional and national turmoil around it. Some of the recommendations within it are difficult but necessary steps to insure stability, structure and financial discipline. It takes care of the basics and offers the promise of doing no permanent harm. Its revenue estimates are sound, prudent and defensible. Operating expenditures are built on recurring revenues. It promises, all things being equal, that there will be modest growth in revenues next year and in future years. This is how solid financial foundations are built. This solid foundation will unravel however if we do not come to some consensus on a set of financial policies. Dealing with Town business on an ad hoc basis may provide one particular governmental body more control but it is unnerving to everyone who plans forward. In the end, all ad hoc does is create unnecessary conflict and last minute crisis, ultimately unraveling our citizens confidence in what we do. Dealing with this issue will put Dennis well on its way at achieving a solid financial foundation. Predictability encourages credibility and credibility results in a willingness of our citizens to invest more of their precious few resources in what we do. Developing and maintaining strong policies and practices regarding free cash or cash reserves, local receipt estimates and capital investment will only enhance our financial stability.

APPRECIATION

This budget and associated participation process is a job well done by the staff. It has not an easy process and was completed in a very short time. The staff was active participants in this process and they deserve our thanks and gratitude. I would like to extend my personal and professional thanks and appreciation to Wendy Pells, Executive Assistant, MaryAnne Gibbs, Town Accountant and to Sandra Fife, Assistant Town Administrator. Both MaryAnne and Sandy worked tirelessly to make this process work and displayed an over abundance of patience in dealing with me coming in so late into the process.

Sincerely,

Richard J. White
Town Administrator

2014- CAPITAL FUNDING SCHEDULE				
TOWN ADMINISTRATOR'S RECOMMENDATIONS				
Dept.	Project	Cost		
AMBULANCE FUND ~ $35,000				
Fire--2014--3	Cardiac Monitor/Defibrillator	35,000.00	Ambulance	35,000.00
WATERWAYS FUND ~ $50,000				
Harbormaster--2014--3	Bass River work barge	50,000.00	Waterways	50,000.00
BEACH FUND ~ $325,175				
Beaches--2014--1	Corporation Beach Project - 4 Year Ban	213,075.00	Beach Imp. Fund	325,175.00
Beaches--2014--2	Beach Paving Parking Lots	97,600.00	Beach Imp. Fund	
Beaches--2014--3	Beach Rescue Mule	14,500.00	Beach Imp. Fund	
WATERWAYS DREDGE & IMPROVEMENT FUND ~$100,000				
Harbormaster--2014--2	Maintenance Dredging	100,000.00	100K Dredge	100,000.00
GOLF IMPROVEMENT FUND $168,188				
Golf--2014--1	Dennis Highlands Bunker,Tee, and cart path renovation plan	12,500.00	Golf	168,188.00
Golf--2014--1	Golf Equipment Leasing Plan B	50,188.00	Golf	
Golf--2014--1	Golf Equipment Leasing Plan C	93,000.00	Golf	
Golf--2014--1	Pines Bunker,tee,and cart path renovation master plan	12,500.00	Golf	
FREE CASH ~ $477,185				
DNR--2014--1	1999 Chevy Tahoe Replacement	28,000.00	Free Cash	477,185.00
MIS--2014--2	Network Operating System Upgrade	16,152.00	Free Cash	

CAPITAL OUTLAY 2014 ~ TOTAL $3,113,298

AMBULANCE FUND ~ $35,000

Cardiac Monitor/Defibrillator

The cardiac monitors/defibrillators are one of the most important and vital pieces of portable equipment used for patient care and diagnostic testing.

The suitcase sized monitors are used for cardiac monitoring, 12 lead EKG diagnostics, Debribillator and CO2 medical functions to name a few. The department has 4 such units, one each on our three ambulances and one of the Station 2 engine.

Some of our older units are approaching 12 years old and need to be replaced. Our original plan in 2010 centered on replacing all 4 units at once but at the time, costs were over $ 25,00 per unit. We then built a plan where each year we would adjust the price of the ambulances accordingly on our outer years to better absorb the costs over time. The disadvantages of that plan were that we would not have 4 identical units as each year, there are minor modifications made to the next model. The longer we wait, the Medics in the field have to deal with units that have different issues with consistency and how they operate. We have also noticed since then, the prices of these units has escalated considerably from $ 25,000 to a major jump of almost $ 35,000 per unit. The reason this project appears in 2014's plan is two fold. The consistency issue of waiting too long between the purchase of each unit and the medical costs of field equipment escalating at such a high rate.

WATERWAYS ~ $50,000

Bass River Work Barge ~ a $50,000 appropriation will be used to purchase, build and outfit a navigation aid/work barge for Bass River and shallow draft areas. This includes installation and recovery of over 75 navigational aids, repair and maintenance of waterways infrastructure and safer work conditions for employees. We will no longer be dependent on the use of Yarmouth's work barge - making the installation of buoys more timely.

BEACH IMPROVEMENT FUND ~ $325,175

Corporation Beach Bath House: At the annual town meeting in May of 2011 $825,000 was authorized to replace the Corporation Beach Bath House. A $213,075 appropriation represents the second year of a four year short term borrowing schedule to pay for this project. The project is completed. This appropriation will be paid out of the Beach Improvement Fund.

Beach Paving: A $97,600 appropriation is proposed to be allocated from the Beach Improvement Fund for paving and repair of Beach Parking lots. This is year four of the five year parking lot improvement plan set up by the Town Engineer. Area impacted WD Beach, Sea Street, Glendon, Chapin and Corporation.

Beach Mule Vehicle: A $14,500 appropriation is proposed to be allocated from the Beach Improvement Fund for this vehicle. We would like to have an ATV (mule) to be garaged at the Corporation beach bath house. We will use the new ATV "mule "for the following:

- assist in transporting a patient from the beach to an awaiting ambulance

- assist in searching for lost children (40 + children during the summer 2012 season)
- assist in patrolling/enforcing beach regulations (drinking, dogs, fires, etc.)
- can be used by Police and Natural Resources for assistance to the beaches during the day and those departments' patrols at night
- used for transporting equipment onto the beaches (defibulators and rescue boards)

WATERWAYS DREDGE AND IMPROVEMENT FUND ~ $100,000

Maintenance Dredging: A $100,000 appropriation is proposed to be allocated from the Waterways Dredge and Maintenance Capital Improvement Fund. This $100,000.00 expenditure will allow monies to maintain the yearly suggested dredging needs for the Town's major waterways. These dredging amounts were identified in the Woods Hole Group Waterway's Plan requiring yearly dredging to maintain tidal flush and safe navigation.

GOLF IMPROVEMENT FUND ~ $168,188

GOLF EQUIPMENT LEASING PLAN B ~ $50,188

A $50,188.00 appropriation is proposed from the Golf Course Improvement Fund. This is year three of a three year lease of three (3) greens mowers and two (2) fairway mowers. We have determined that leasing "High Use" equipment versus buying this equipment results in cost savings, maintenance costs, and down time due to mechanical failures. Also, at the end of life expectancy, there is no residual value.

GOLF EQUIPMENT LEASING PLAN C ~ $93,000

A $93,000.00 appropriation is proposed from the Golf Course Improvement Fund. This lease is replacing the equipment (lease A) of three (3) green mowers, two (2) fairway mowers, and a rough mower with the same, but also includes another rough mower, and a golf course spray tank. The added equipment will be a $1 buyout lease in which determined would benefit our Capital Improvement Fund by leaving more funds available for projects such as bunker reconstruction, additional carts and path reconstruction, and tee reconstruction/additions which are slated for the very near future.

DENNIS HIGHLANDS BUNKER, TEE AND CART PATH RENOVATION PLAN ~ $12,500

A $12,500 .00 appropriation is proposed from the Golf Course Capital Improvement Fund. The scope of this request is to have developed a Master Plan that will guide in the renovation of bunkers, tees and the removal and addition of cart paths at the Dennis Highlands Golf Course. This includes evaluation of current conditions, discussion of goals and objectives and providing plans for renovations. The benefit of this is to have the same golf course architect involved with all renovations from start to finish, which in turn will capture this individual's style in all these projects and renovations. The current wear and tear as well as some existing failure in all three of these areas will have an impact on revenue and maintenance costs should they not be remedied.

PINES BUNKER, TEE AND CART PATH RENOVATION MASTER PLAN ~ $12,500

A $12,500 .00 appropriation is proposed from the Golf Course Capital Improvement Fund. The scope of this request is to have developed a Master Plan that will guide in the renovation of bunkers, tees and the removal and addition of cart paths at the Dennis Pines Golf Course. This includes evaluation of current conditions, discussion of goals and objectives and providing plans for renovations. The benefit of this is to have the same golf course architect involved with all renovations from start to finish, which in turn will capture this individual's style in all these projects and renovations. The current wear and tear as well as some existing failure in all three of these areas will have an impact on revenue and maintenance costs should they not be remedied.

FREE CASH ~ $477,185

Replace 1999 Chevy Tahoe V $34,000 ($28,000 FREE CASH $6,000 INSURANCE ACCT.)
Historically the DNR has retained four (4) vehicles to serve their four full-time staff. In 2010, DNR purchased an ATV to assist with patrol at the ORV beaches and to replace one vehicle. In 2010, DNR inherited a 1999 Chevy Tahoe from DPW which essentially replaced two old vehicles that were nonfunctional. This vehicle was involved in an accident in May 2011 and totaled by the insurance company. Since that time, DNR has functioned with two full time vehicles (2008 Chevy Silverado and 2011 Ford Ranger pickup) and an intermittent loaner vehicle during the summer when staffing levels increase. This loaner vehicle has more than 150,000 miles and was scheduled to be traded-in during 2012. This loaner vehicle is experiencing engine problems and is not safe to operate.

Purchase of a new vehicle will return the DNR to the appropriate number of vehicles needed to complete their duties.

Network Operating System ~ $16,152
The Network Operating System (NOS) is viewed as the "brains" of the network that provides shared data, email and internet access over the Town's local area network. The current NOS version is an old combination of Windows Server 2003, 2007 and 2008 which have become tired and are due for retirement from Microsoft. A new NOS will standardize and extend the life of the network and provide new security threat management. Portions of the current NOS will be retired in 2014 which can open security and operating vulnerabilities.

Rte. 28 Sidewalks Improvement & Design ~ $175,000
A $175, 000 is proposed to hire a consultant to continue the design plans for the reconstruction of sidewalks along Route 28 in the Dennis Port and West Dennis business centers to get final design approval from Mass DOT in anticipation of receiving State and Federal construction funds. . The existing sidewalk network along Route 28 in Dennis is in deplorable condition. Route 28 is a state highway but sidewalks along the route are the responsibility of the town. It is the department's intent to receive state and federal funds for the construction through the Cape Cod Transportation Program. The expenditure of CCTIP funds under this program requires the towns to provide the design. The Rte 28 business centers in Dennis Port and West Dennis are struggling with economic redevelopment. An attractive sidewalk network within these business districts is a critical step in bringing these areas back.

Replace Bubblers – Sesuit ~ $15,000
A $15,000 appropriation is proposed to replace nonfunctioning bubblers and purchase additional necessary bubblers at Sesuit Harbor. These bubblers save the Town infrastructure of pilings and docks over the winter months and eliminate possible damage to electric systems, docks and pilings loss. Bubblers add a minimal increase to electrical costs.

Secondary Roads ~ $200,000

A $200,000 appropriation of the $600,000 is proposed from free cash to be allocated to repair and reconstruct various town roads under the Secondary Road Program. Utilizing free cash will give us the option to do work in the spring. Repair scenarios include a variety of treatments such as chip sealing, hot mix asphalt resurfacing and total reconstruction. A good secondary road system is a necessary component of community character. The Town uses all of its chapter 90 funds to maintain the major primary roads within Dennis. It has historically provided a fairly significant appropriation of tax levy funds to replace or repair the various secondary roads throughout town. During this period the Town has made substantial progress in securing its road system as a valuable infrastructure asset. Life of the road has been prolonged and investment has been made in a timely enough fashion so as to avoid a break down in the road base. This is a continuing program and as long as the Town continues its steady investment it will remain predictable and manageable. As soon as it abandons its investment future investment totals will increase the need does not go away with the resources but the costs of repair does escalate.

DY High School Tennis Courts ~ $43,033

A $43,033 appropriation is requested to resurface all upper 6 tennis courts after cracks are repaired with full armor crack system. The saw cuts of the lower four courts will be filled with cerment and all four courts will be resurfaced. Fencing issues at he upper courts will be addressed. The total cost of the project is $125,000 with the Town of Dennis share being $43,033.

RAISE AND APPROPRIATE (CAPITAL OVERRIDE) ~ $1,506,750

DY Security Upgrades- Final Phase ~ $25,820

A $25,820 appropriation is requested to complete the security upgrades. This money will place additional cameras in the high school, integrate the burglar alarms with Genetec, ass recording/control devices to the schools, install cameras on access control doors and some cameras to the middle schools. Total cost of the project is $75,000 with the town's share of $25,820.

3rd of 4 Lease Payments for Engine 115 ~ $137,000

In the FY'12 Capital Budget, the replacement of Engine 115 was approved and entered into a lease purchase agreement of 4 years at 2.89%. The 3rd annual payment is $137,000. This FY'14 request is the third year of the 4 year lease. This purchase was part of the department's apparatus replacement plan where we replaced a 1988 Pumper which was 25 years old and served its useful life as a first response truck.

Commercial Pier Bulkhead Sesuit – Eng. & Design~ $76,430

This $76,430 appropriation will provide funding for engineering and design for a project that is in failure status. This project has top priority and will have many ramifications if the bulkhead does fail. The wooden timber bulkhead protecting the Commercial Dock has signs of failure. The decking and curbing all need to be replaced. The boom, winch and davit system all need to be replaced. This is a highly used area that is the cornerstone of the harbor. It serves several important daily functions. If this project is not completed, and does fail, the harbor would suffer greatly.

2nd of 3 lease Payments Ambulance 104 Lease ~ $95,000

A $95,000 appropriation is proposed to be allocated from free cash to pay the 2nd of lease payments that replaced Ambulance 104, a 2006 Ford . This is part of the department's cycle rotation of their apparatus replacement program.

Our Ambulance Replacement plan that the Town of Dennis has been following in past years has been a sound and prudent goal of an ambulance being replaced after 6 – 7 years and when they go out our door they average 100 – 125,000 miles. Not completing this project would not only throw off the cycle but put the reliability of these units in question with high maintenance issues.

IT Replacement ~Police ~ $20,000

This is the third of what will be a multi- year IT replacement program at the Police Department. In FY 12 we were approved for $10,000.00 to replace older equipment in the Emergency Operations Center and complete the connections on several data terminals. Last year we received $26,000.00 to replace older equipment. We are in the process of swapping out that equipment now. A list of computer inventory and unit ages is included below:

COMPUTERS

1 Computer 2010 (desktop)
2 Computers 2009 (desktops)
34 computers 2007 (16 desktops, 12 laptops 6 blades servers (dispatch).
8 Computers 2006 (7 desktops, 1 laptop)
1 Computer 2005
1 Computer 2004
3 Computers 2003
3 (specialized desktop computers to support Motorola Radio system 2007)

We expect to use some of the $20,000.00 requested this year to finish out the replacement process. However, the next project – Virtual Server Replacement – has come in much higher than originally expected. I expect that we will need to use $15,000.00 in IT replacement with the $30,000.00 in "Server Replacement" funds to complete that project.

One Ton Truck (C-1) ~ $60,000

The DPW C1 truck is 15 years old and has exceeded its optimal replacement period by 7 years. This vehicle use was changed after having multiple mechanical problems which impacted reliability unfortunately this happened after the warrantees were up. It was pulled off of primary departmental use and primary snow routes and is currently being used as a service truck which has kept the mileage relatively low (70,858). This vehicle is one of two trucks with a supplemental diesel fuel tank which services larger vehicles (reducing overall fuel use by eliminating the need for the larger vehicle to travel to fuel depot. This vehicle's maintenance cost ($16,753) has exceeded its original cost by over 140% ($11,900). The replacement of this vehicle will place this vehicle back into our snow fighting fleet. This will also provide the public and employees with a safer more reliable tool to perform required critical public safety work. Purchase will help maintain a limited equipment repair and maintenance budget. The age and condition of this piece of equipment requires an ever increasing repair expense to keep the equipment running. This vehicle is at the point where if a major repair occurs (e.g. transmission) and it would be better to avoid the cost. Although it may temporarily keep the vehicle on the road the price paid out will not affect the resale value appreciatively.

Replacement of Guard Rail Various locations ~ $50,000
A $50,000 appropriation is proposed to be allocated to Replace non-compliant concrete posts with standard or core-10 steel guard rail on Sesuit Neck Rd, Cold Storage Rd, Salt Works Rd and others.
Concrete posts are a hazard and do not prevent vehicles from exiting road into steep embankments or water hazards.

Replace Animal Control Van ~ $27,500
The 2006 Ford Van, used 7 days a week by the Animal Control Department will be 8 years old and have over 100,000 miles in FY 14. Major maintenance issues over the last 2 fiscal years include:

Major Repair in 2011 and 2012 costs $964.00. The Animal Control budget maintains a line item for vehicle repairs at $400.00. Obviously, one major repair each year decimates this line item.
The vehicle will be replaced with a similar Ford van. All of the interior cages and equipment will be used in the new vehicle. Current bid price for the van is approximately $23,000.00 and $4,000.00 has been set aside to decal the van and equip it with emergency lighting and equipment.

Replace 1998 Pick-Up Truck- Health ~ $25,000
Replacement of a 1998 Chevy 2W Pickup with a Ford Focus. The current vehicle is 14 years old and at the end of its useful lifespan. As a 2W vehicle, it is not reliable in snow or on new construction job sites. The vehicle's chassis is severely rusted and the vehicle body has several areas that are rusted through. We are expecting that the heater core will need replacement within the next 12 months. We expect maintenance costs to continue to rise and reliability to plummet as the vehicle ages. We expect mileage reimbursement to increase due to the increasing unreliability of the vehicle.

Beach Bathroom and Septic Upgrades ~ $95,000
There are seven (7) comfort stations that are located throughout the Town. These buildings exceed 40 years old and are in great need of upgrade. There is no lighting, windows or proper ventilation in these bathrooms, they are in constant need of maintenance due to age and condition (rot and insect damage) and are not ADA compliant. The lack of ventilation creates poor air quality/odor which is a constant cause for complaints from the public. The bathroom stalls are so small that the doors can barely close without hitting knees, wheel chairs cannot navigate the interior of these buildings. The intention is to replace one comfort station every year until all these are replaced with concrete bathrooms. This initiative will provide the public with comfort stations that accommodate for all the public and bring these buildings up to current standards. Since these buildings will be precast concrete their maintenance will be greatly reduced and/or enhanced (these are easier to keep clean and will require less annual maintenance), it will eliminate repairs due to rot and insects and provide for the public needs long into the future. The Town is not providing facilities that are ADA compliant. These comfort stations are in great need of upgrade and the Town will continue to receive complaints regarding these facilities. The Town will continue spending considerable amount of labor and materials on maintenance with little if any appreciable improvement. Beach goers may find other places to go, where the facilities are more amenable and take their families elsewhere. The beaches and harbor are major revenue sources for the Town and these assets should be invested in to maintain these revenue foundations. Although the septic systems in some areas have not been identified as failing, once the building permit is pulled each and every septic system will come under scrutiny for compliance. If the septic system requires upgrade these funds will be used to be in compliance. If it is found that the septic system is adequate for the facility the funds will be

turned back and can be used for other purposes. It would be remiss for us to not to contingency plan for this possible expense.

Swan Pond Boat Ramp ~ $50,000

This $50,000 appropriation is for the permitting, design, and construction for a light boating and emergency ramp for Swan River & Swan Pond. There is currently no accessible ramp for commercial, recreational shell fisherman and any emergency response for waterborne emergencies. There is no emergency access to Swan Pond. Will be used for commercial shell fishing. This is part of the Dennisport revitalization project. Swan Pond and Swan Pond River are highly desirable locations for recreational canoeists and kayakers. Defined access for these activities is extremely limited. In addition, Swan Pond River is a designated shellfishing area and access by small boats is extremely limited. Other existing access points such as the Upper County Road and Indian Pond Landings are overgrown with vegetation and have limited accessibility. None of the existing landings provides an adequate area for the launching of an emergency boat. The proposed improvements include regrading of the existing parking area, removal and trimming of vegetation, and hardening of the existing ramp to support trailers with small boats (boats in Swan Pond are limited to 7.5hp and Swan Pond River speeds are limited to 6mph). Permits will be required from the Conservation Commission, DEP and USACOE for work within the pond waters.

Secondary Roads ~ $400,000

A $400,000 appropriation from Raise & Appropriate is proposed making the total fiscal year appropriation of $600,000. It will be allocated to repair and reconstruct various town roads under the Secondary Road Program. Repair scenarios include a variety of treatments such as chip sealing, hot mix asphalt resurfacing and total reconstruction. A good secondary road system is a necessary component of community character. The Town uses all of its chapter 90 funds to maintain the major primary roads within Dennis. It has historically provided a fairly significant appropriation of tax levy funds to replace or repair the various secondary roads throughout town. During this period the Town has made substantial progress in securing its road system as a valuable infrastructure asset. Life of the road has been prolonged and investment has been made in a timely enough fashion so as to avoid a break down in the road base. This is a continuing program and as long as the Town continues its steady investment it will remain predictable and manageable. As soon as it abandons its investment future investment totals will increase the need does not go away with the resources but the costs of repair does escalate.

IT Server Replacement ~ $30,000

The current Dennis Police Department servers will reach the end of their useful life (7 years) during FY 2014. As of July 1, 2013 Dell will no longer provide computer maintenance contracts for our servers. The Police Department has coordinated with the Town's IT Department and the Town's consultant – John Duff- to determine the proper server configuration for replacement. The "Virtual Server" configuration recommended by IT personnel will mirror the virtual server hardware being installed at Town Hall.

The current servers support all Department technology and programs including Computer Aided Dispatch (CAD), Records Management (RMS) and a myriad of other programs that allow staff to access data, write reports and undertake crime analysis research. CAD and RMS programs run 24 hours a day, 7 days a week, 365 days a year and the servers can never go down. Virtual server hardware will provide for better IT security, better redundancy, more effective backup and more storage ability.

Sidewalks ~ $172,000
A $172,000 appropriation is proposed to be allocated to repair and reconstruct sidewalks throughout Town. Previous articles that have funded improvements to the town's sidewalk network have resulted in the construction and repair of approximately 4 miles of sidewalks. The FY 2014 request is intended to continue to improve a capital asset that is important to both the economic and community character wellbeing of the town. Doing so will enhance public safety, encourage tourism and provide economic development incentives for our retails establishments while allowing a healthy life styles for our active residents and visitors.

Dock/Finger Replacement - $135,000
West Side Main Dock Replacement. This $135,000 appropriation is for ½ of the 34 main supporting docks on the west side of the harbors' dock infrastructure. This appropriation was raised from last years' request due to the fact the staffing level of the harbor prevents the department from doing the building in house. This project will have to go out to competitive bid which is around 2/3 more expensive than doing the project in house

Te**nnis Courts (2) – Johnny Kelley park ~ $108,000**
A $108,000 appropriation is requested to construct 2 additional tennis courts at Johnny Kelley Park. The public would benefit by having two additional public courts since the closure of the Wixon tennis courts and 1/2 of DY High Schools' courts. During the summer there are no public tennis courts while the recreation department conducts the summer programs.

RAISE AND APPROPRIATE (MEALS) ~ $400,000

Roll-off Truck (S-10) ~ $200,000
A $200,000 appropriation is requested to replace the current vehicle. The equipment described as obsolete by the staff is ready for replacement. The current vehicle is 10 years old and is currently at optimal replacement. This vehicle is 3,300 over its optimal replacement (8,000 hours). The truck operates as a front line truck for the transfer Station and waste management operations. The truck is specially outfitted so that it can off load and pick up waste disposal roll off containers conducive to both transport and operational use. This piece of equipment is one of two front line vehicles for use at the transfer station. This piece proposed for replacement if downed would severely hamper the DPW's ability to provide safe, adequate and regular trash disposal service to the community. Total maintenance costs for this vehicle exceed over 68% ($90,320) of the original costs of the vehicle ($132,454). The replacement will provide a safer more efficient vehicle for the staff will be more reliable and should help maintain a limited equipment repair and maintenance budget while providing the employees with a safer more reliable tool to perform required critical public safety work.
Loss of the equipment would severely hamper the departmental and organizational effectiveness. This truck is utilized as a plow truck during snow and ice operations and is one of the front line vehicles, its unreliability will affect our productivity and response time. The public will be adversely affected due to response time in storms (i.e. snow and wind) and the overall effectiveness in productivity and efficiency will be diminished.
Purchase will help maintain a limited equipment repair and maintenance budget. The age and condition of this piece of equipment ever increasingly increases the need to sink more repair expenses into the equipment to keep it running. This vehicle is at the point where a major repair occurs (e.g. transmission) and it would be

better to avoid the cost. Although it may temporarily keep the vehicle on the road the price paid out will not affect the resale value appreciatively.

Drainage ~ $150,000

A $150,000 appropriation is proposed to be allocated to repair and reconstruct various drainage systems throughout Town. During the past year the Department saw a surge in drainage systems failures on town roads particularly within those roads built during the 1980s.The requested funds will provide for the replacement of failed systems and the continued installation of pollution control systems required by EPA as part of the Phase II of the Stormwater Pollution Mitigation laws. In addition the benefits that pollution mitigation brings to our endangered wetlands and waterways, failed drainage systems can be a safety issues for motorists, cause private property damage and undermine road pavement

5 Containers – Transfer Station ~ $50,000

Purchase of 5 Containers ~ In October 2009, Environmental Partners presented to the Board of Selectmen their Transfer Station and Recycling Area-Site Layout for the Town of Dennis. As part of the phased improvements the Town has eliminated commercial hauling and added compaction units which have not only reduced operating expenses, but have had impacts on capital outlay. The Town is in a position to remove approximately $500,000 of replacement items from capital outlay (e.g. containers & trailers). This department will also be requesting that the Board of Selectmen declare the existing obsolete equipment (e.g. containers and trailers) surplus. Although, the number of replacement containers have been greatly reduced it has not eliminated the need to provide an adequate amount of containers and maintain a container replacement program. This proposal would replace two paper containers, two metal containers and add one compaction container to maintain proper capacity. The containers being replaced are 20 years old and are in need of being replaced. As mentioned the one new compaction container would maintain proper capacity and can be used throughout the facility, for MSW, cardboard and plastics (plastic compaction units to be installed spring 2013).

The existing containers have deteriorated to the point that the doors are fatigued and are difficult to open and close, rust has corroded large portions of the structural components and the Town may be creating liability issues by continuing to operate over the road (i.e. flakes of rust dropping off containers while driving down road). The public may be inconvenienced due to inability to provide adequate number of containers for trash and recycling disposal. This request is part of an overall cost saving initiative, the effectiveness in productivity and efficiency will be diminished.

OPERATING BUDGET ~ $45,000

Portable Radio Replacement Program ~ $30,000

In FY 13 we began the first of a 4- year program to replace portable radios. Twelve radios were purchased and issued in July 2012. With the funding we will purchase an additional 14 radios this year. The information on the radio project provided last year is included below:

For several years we have been evaluating the condition and replacement needs of the Department's portable radio hardware. We were holding off on a request to purchase portable radios because we knew a "rebanding project" was underway and that we might be receiving new portable radios as part of the project. Last year we learned that we would not be receiving new radios as part of the project and I included a 4- year Capital program to replace our portable radios as part of my FY 12 Capital submission. The Capital program was scheduled to begin in FY 2013 and continue through FY 2016. I have noticed that the program was left off of this year's Capital Budget request.

Our current cache of portable radios was purchased in 1996. The radios were used during the 1996 Olympics and then purchased through Motorola. The radios are no longer supported by Motorola and it is difficult, at best, to find parts. Motorola portable radios are expensive (over $2,000.00 per portable) however since we are on the Commonwealth's 800 radio system we must purchase Motorola radios.

Interior Painting/ Building Maintenance ~ $15,000
In FY 2013 we requested $15,000.00 for interior painting. We are currently seeking bids for the work required and expect that the funds will cover half of the required painting. This year we have asked for $15,000.00 to finish the painting project and complete other building projects which will include replacement of carpet in high traffic areas. I expect these requests will continue in future years to maintain the capital investment we have made in the building. An argument could be made that ongoing maintenance and small capital projects should be included in the operations budget. However, there have been no increases allowed in the Supplies and Services budgets in the last 5 years.

NOT FUNDED

6 Wheel Dump Truck (H-11) ~ $195,000
Replace 6 Wheel Dump Truck ~ The truck is 14 years old and has exceeded its optimal replacement period by 3 years. This vehicle is within 1,700 hours of reaching its optimal replacement (8,000 hours). The vehicle is operational, but its age makes it vulnerable to breakdown and this will affect operational effectiveness if out of service. This vehicle is used daily for either dump truck operations and/or snow fighting activities. This will also provide the public and employees with a safer more reliable tool to perform required critical public safety work.
Loss of the equipment would severely hamper the departmental and organizational effectiveness. Chevrolet no longer manufactures this size vehicle and as time passes there may be a greater difficulty in obtaining spare parts, necessitating longer down time and or additional cost due to fabrication of parts. This truck is converted over to a sander/plow truck during snow and ice operations and is one of the front line vehicles, its unreliability will affect our productivity and response time. The public will be adversely affected due to response time in storms (i.e. snow and wind) and the overall effectiveness in productivity and efficiency will be diminished.
Purchase will help maintain a limited equipment repair and maintenance budget. The age and condition of this piece of equipment requires an ever increasing repair expense to keep the equipment running. This vehicle is at the point where if a major repair occurs (e.g. transmission) and it would be better to avoid the cost. Although it may temporarily keep the vehicle on the road the price paid out will not affect the resale value appreciatively.

6 Wheel Dump Truck (H-13) ~ $195,000
Replace 6 Wheel Dump Truck ~ The truck is 11 years old and has exceeded its optimal replacement period by 1 year. This vehicle is within 1,400 hours of reaching its optimal replacement (8,000 hours). The vehicle is operational, but its age makes it vulnerable to breakdown and this will affect operational effectiveness if out of service. This vehicle is used daily for either dump truck operations and/or snow fighting activities. This will

also provide the public and employees with a safer more reliable tool to perform required critical public safety work.
Loss of the equipment would severely hamper the departmental and organizational effectiveness. Chevrolet no longer manufactures this size vehicle and as time passes there may be a greater difficulty in obtaining spare parts, necessitating longer down time and or additional cost due to fabrication of parts. This truck is converted over to a sander/plow truck during snow and ice operations and is one of the front line vehicles, its unreliability will affect our productivity and response time. The public will be adversely affected due to response time in storms (i.e. snow and wind) and the overall effectiveness in productivity and efficiency will be diminished.
Purchase will help maintain a limited equipment repair and maintenance budget. The age and condition of this piece of equipment ever increasingly increases the need to sink more repair expenses into the equipment to keep it running. This vehicle is at the point where a major repair occurs (e.g. transmission) and it would be better to avoid the cost. Although it may temporarily keep the vehicle on the road the price paid out will not affect the resale value appreciatively.

Upgrade Capitan Harding's ~ $250,000
This $250,000 appropriation is for the removal of the current building that is non-conforming and replacement with a Natural Resource Shellfish storage building along with a small Bass River Harbormaster emergency equipment access area in the building. This appropriation will also allow for construction of a new licensed floating dock system of eight floating docks that supports the Harbormasters and Shellfish boats and upwellers.

School- EZRA Baker Septic System Replacement ~ $113,563
A $113,563 reimbursement from the town is sought for the emergency repairs to the EHB septic system in the summer/fall of 2011. Originally though cost could be covered by using unexpended funds on the Green Repair project, but was not possible due to other anticipated costs.

School – Wixon Outdoor Track & Field~ $200,000
A $200,000 appropriation has been requested to remove remainder of existing track surface, repair tree root heaves, overlay track with 1 ½ inches of new asphalt. Also included is clean up of grass within 6 inches of perimeter, add a long jump and triple jump land pits and a surface with ½ inch red plexitrac accelerator performance surface. Other alternative discussed include 1): complete removal and construction of new asphalt at an additional cost of $70,000. <u>The MSBA no longer reimburses for any outdoor areas in construction or renovation school projects.</u>

School ~ Wixon (4) Tennis Courts ~ $250,000
A $250,000 appropriation is requested to completely reconstruct 4 existing tennis courts and construction one additional court, for a total of 5 courts. New court to be constructed in current "bang board" area. Construct includes demolishment of fence, netposts and existing asphalt courts and bangboard. Regrading of area, adding 3 inches of recycled base material, compacting & laser grade, installing new net posts and adding 3 inches of new asphalt in two lifts. Installation also includes new vinyl coated fencing with 24 foot bangboard, application of Plexipave color surface system, paining, nets and rough landscaping. Post tensioned concrete in pace of asphalt may be added for an additional $100,000.

DEFERRED

Replace 1995 Aerial Scissor Lift ~$60,000

The Town has many locations that are impossible to safely access with current equipment. Types of maintenance and/or repair jobs that require the use of an articulation lift include; external and internal lighting (building and parking lot), fire alarm and sprinkler work, external trim and gutter, building ventilation and heating systems, carpentry repairs and flag poles.
Utilizing this lift would provide a safe work platform for employees, avoid direct or indirect rental expenses, and avoid unnecessary delay due to procuring rental lift or to indefinitely postpone work due to inability to access location. The intent would be to retain the existing aerial scissor lift since it has very little re-sale value and scrap it at a future date.
Continued reliance on rental of equipment as required. May create a hazardous condition and/or injury if an employee or vendor uses incorrect or improper equipment to attempt to make a repair.
Item was deferred because department is looking into other alternatives that will be more beneficial to Town and department.

Maintenance Dredging ~ $400,000
This appropriation was requested for the estimated removal, transportation, and permitting necessary to dredge the inner basin of Sesuit Harbor. The estimated cost of the transportation alone is $55.00 per cubic yard, there is approximately 14,000 cubic yards of dredge spoils that need to be removed. The inner basin has continued to fill in each year and mooring & slip holders' boats are being impacted more severely including poor maneuverability and potential damage due to the lack of water. After discussion item was deferred to 2015 and funds were recommended for Engineering, Design and permitting for the project.

Town Hall Generator- Replacement ~ $100,000
The replacement of this equipment should be coincidental to the Town Hall Renovation Project to avoid any unnecessary disruptions in operations. The existing generator is 35 years old. The old diesel generator is old, belches carbon filled fumes and is not as efficient or as cost effective as the newer models. The intent is to replace the generator utilizing natural gas. Natural gas prices have been historically lower than other fossil fuels (diesel and gasoline) and a secure domestic fuel supply according to the U.S. Department of Energy's Energy Information Administration. There are two underground fuel storage tanks that are 35 years old, they are bare steel single walled fuel tanks and there is a growing risk of leakage, these should be removed as part of this project. According to the MA DEP "many of the bare steel tanks were not designed to be buried and if left in place will eventually rust and leak and the odds of a leak only increase as the tank gets older".
The Town Hall operations may be disrupted during power failures. Power failures will impact critical municipal functions such as financial (i.e. accounts receivable and payable), communications (i.e. computer systems) and providing service to the public. The core infrastructure fiber network originates at the Town Hall building which feeds the Police, Fire, Public Works, Senior Center, Golf Courses and Town Library, if Town Hall is without power much of the primary servers go with it. Also the Town hall would lose lighting, heating and basic functions required to remain open. Item was deferred until analysis for building projects is completed.

Traffic Signal Repair ~ $38,000
Replace 21 traffic signal fixtures on mast arms at three intersections and re-wire back to control box. Intersection locations at Route 134 at; Bob Crowell Road, Market Place and Theophilus F. Smith Road. These traffic fixtures/lights have been maintained and repaired when necessary, as an emergency repair, within the limits of the operational budget. Since the repair of the light is an emergency in nature it usually involves a delay in response time and/or paying a premium for the services. When the lights do not work it creates an unsafe road condition and may lead to accidents. These lights fail during heavy wind, extreme heat and cold, rain, snow and ice events in many cases due to their underlying condition (i.e. frayed or exposed wiring and

cracked or broken seals). Police details (usually current patrol) are called to direct traffic until temporary repairs are made. The public is adversely affected due to disruptions in traffic flow, until police arrive to secure intersections, motor vehicle accidents have occurred. Item deferred because funds from last year are still available due to reduced costs of previous repairs.

FY 2014 BUDGET MEETING SCHEDULE
Board of Selectmen
Large Hearing Room – As Posted - Town Hall

Tuesday January 22nd

- Budget Overview- Town Administrator
- Capital Committee Recommendations

Tuesday ~ January 29th
- Treasurer/Collector, Tax Title, Debt, 147,158,710,751,752,998
- Assessors/Revaluation 141, 142
- Accounting 135
- Fire 220
- Harbormaster 295
- Golf 640
- Selectmen, Town Administrator, Finance Committee, Central Purchasing, and Miscellaneous 122,129,131,138,195,691

Tuesday ~ February 5th
- Police, Animal Control 210,292
- Information Technology 155
- Legal, Property & Liability, 151,193
- Fringe Benefits 910
- Town Clerk/Elections 161,162
- Planning 175
- DNR 171
- Beach/Recreation 630,635

Thursday~ February 7th
- Veterans 543
- Human Services 599
- Council On Aging 541,548
- Library 610
- Public Works (Municipal Buildings, Engineering, Street Lights ,Highway &
- Grounds Sanitation) 192,411,422,423,424,433
- Health Inspection 510
- Inspectional Services & Old King's/S. Dennis 241,692,693

FY 2014 BUDGET/TOWN MEETING ARTICLE REVIEW SCHEDULE

Activity	Date(s)
Distribution of Fee Packet Material	August 18, 2013
Distribution of Capital Budget Material	August 1, 2013
Submission of Fee Packets	September 28, 2013
Submission of Capital Budget Requests	October 1, 2013
Distribution of Operating Budget Material	October 26, 2013
Submission of Operating Budget	November 21, 2013
Review of Budgets – Depts.	1st week December
Departments Prioritization of Budget Requests	2nd Week of December
October – Outlay Committee	Review Capital requests with Capital November
Selectmen Fee Hearing	December 4, 2013
Town Administrator Budget Submission	January 22, 2014
Selectmen/Finance Committee Budget Meetings	January- March
Due Date for Annual Town Meeting Articles	February 26, 2014
Selectmen/Finance Review of Articles	March /April
Selectmen Sign Warrant	Friday, April 26, 2014
Warrant Posted & Sent to Printer	April 26, 2014
Last Day to post Warrant	April 30, 2014
Town Meeting	May 7, 2014

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