

**ANNUAL PERFORMANCE EVALUATION of TOWN MANAGER JILL GOLDSMITH**

Report prepared by Chairman Jeffrey Dykens and Vice Chair Timothy Roper

As she completes her fifth year as Town Manager, we are pleased report the Board of Selectmen has once again awarded favorably high marks to Jill Goldsmith for the excellent performance she has demonstrated in carrying out her executive responsibilities to the Town of Chatham during the past year.

In each year since her hire in 2011, the Town Manager has been evaluated annually with a Performance Evaluation instrument developed collaboratively by the Board of Selectmen and the Town Manager. To assist the Board in preparing the evaluation, Ms. Goldsmith provided a summary of the accomplishments and activities occurring in the 2015 review period.

Under the Board-approved methodology, Ms. Goldsmith's performance was evaluated on six general managerial categories:

- 1) Personnel/Professional
- 2) Board Support/ Relations
- 3) Financial Management
- 4) Personnel Management/Organizational Leadership
- 5) Community Leadership/Public Relations
- 6) Town Operations /Infrastructure

Participating Selectmen then awarded "performance points" based on a total of 38 different sub-categories, using 4-point rating scale for each:

- 4 points = Excellent/Highly Commendable
- 3 points = Strong Performance
- 2 points = Satisfactory/Commendable
- 1 point = Improvement Needed
- N/O = Not Observed.

Based on this point system and the number of participating Selectmen, Ms. Goldsmith was awarded a composite score of **3.84**, which indicates strong collective praise from the Selectmen for her continued high performance and excellent managerial skills.

It is noteworthy that Ms. Goldsmith received "perfect" 4.00 scores in 19 of the 38 sub-categories, and received highly commendable composite scores of 3.50 to 3.75 in an additional 18 sub-categories.

**2016 BOS Comments Town Manager Performance Evaluation**

In addition to the metric measurements cited above, individual Selectmen were also encouraged to provide their own written comments and make personal observations regarding Ms. Goldsmith's performance in the past year. Selectmen also had the opportunity to meet with Ms. Goldsmith prior to completing the evaluation. Some of the submitted comments received under the six general management categories are as follows:

## **1. Personal/Professional**

"Jill continues to deliver outstanding performance despite the wide variety of fast-changing challenges Chatham has addressed in the past year, including the Town's response to the USFW CCP; citizen lawsuits filed against operations at Chatham Airport; preparation of an IMA with Harwich concerning wastewater treatment; and, locally contentious discussions on sidewalks and more. No matter the complexity of the challenge, Jill always moves with alacrity and commendable attention to detail."

"Highly professional; considerable equanimity under pressure."

"The TM has done a solid job in balancing her professional integrity with the unique 'characteristics' of Chatham. The TM is open to comments from our public concerning the various issues facing our Town."

## **2. Board Support/Relations**

"I am again impressed by how Jill Goldsmith exemplifies the ideal relationship between a Town Manager and the Board of Selectmen and sets an admirable standard. We Selectmen are continually and instantly provided informational updates on all matters before the town. Our Agenda packets always provide the in-depth background information required to deliberate and establish policies. Every request I have made to Jill, by phone or email, is answered without fail, and promptly. Jill is always transparent, impartial and extremely mindful of her responsibilities.

I should add no Town Manager before Jill ever provided the Board of Selectmen (or the town) with the monthly "Town Manager Report." This document provides, in detail, the actions and accomplishments of every department in Chatham and its value is huge. For example, it was information in the Town Manager's Report, submitted by the DPW/Water Department, that caused the BOS to quickly focus on the town's rising well-water usage in the prior year. This notice caused the BOS to take action on recommendations for improved water metering data collection, improved water treatment via an iron/manganese treatment plant, and potential future consideration of new regulations or fees for high-volume water users. In short, good information provided in a timely manner by our Town Manager enabled the BOS to take decisive policy action."

"Would be ideal if she could take on a more heightened role in 'guiding' the board."

"The TM communicates well with the BOS and is available to answer concerns outside the weekly meeting. I would like to see the BOS packet be ready Thursday to allow additional time to review, especially on more detailed agenda items."

## **3. Financial Management**

"As I finish my sixth year as a Selectman, I have nothing but the highest applause for the efforts Jill Goldsmith has made to vastly improve the town's budget process during her years as Town Manager. Long gone are the bulky and sometimes puzzling budget "blue books" of the past. The budget review process for BOS and FinCom has been greatly

enhanced by clear and well-delivered early presentations in joint session; continual updates as financial data emerges or is added; and weekly Agenda opportunities for Selectmen to ask questions or provide input on any line-item matter. Although our town budget has grown due to fixed-rate increases caused by union employee contracts, I note that the Town Manager works hard to reduce departmental requests while remaining focused on delivering quality services to taxpayers. Jill's fine efforts are reflected in the Town's "perfect" AAA bond rating and low tax rate – arguably the lowest tax rate in Massachusetts for a town faced with complications unlike most other small towns in Massachusetts."

"Ongoing outstanding performance; exemplary collaboration with Finance Director."

"Works well with other Town departments/committees to continue maintaining Town's healthy financial status. Open to reviewing new items that may assist the Town in its financial goals."

#### **4. Personnel Management/Organizational Leadership**

"Staff management is the key challenge for every business and municipality, and I consider Jill Goldsmith particularly gifted in this realm. In the last year, she successfully emplaced a new Assessor, new DPW Director, Treasurer, Wharfinger, Transfer Station manager, plus a number of new mid-range staff members who are very qualified and serve the Town with enthusiasm. My only concern has been with the departure of the new Conservation Agent, who was an excellent choice; yet his departure after only a matter of months indicates to me there may be some managerial attention needed in the Natural Resources department."

"Overall, quality of new hires appears high, but would like to see if more local hirings, especially for leadership positions, could be realized (assuming qualified)."

"I appreciate the TM report provided to the BOS that includes data for each Town department and the day to day activities of the Town. I would like a better understanding of turnover of Town employees beyond those who retire. The information from exit interviews may assist with this understanding."

#### **5. Community Leadership/Public Relations**

"Expectations of the "public profile" of a Town Manager will vary according to the person asked. Some expect a Town Manager as akin to an elected mayor, with all the ceremonial trappings. Others recognize a Town Manager's key responsibility is to efficiently execute the policies of the BOS and monitor town staff and the progress of all projects undertaken by the Town. I believe Jill Goldsmith strikes exactly the right balance – always agreeable to meet with various citizen groups, participate in all town functions, and freely welcomes casual interchanges with our citizens on any and all matters. Yet Jill's abilities are also recognized outside Chatham's borders; she has frequently been named to leadership positions in various municipal association activities and earned the highest marks for her knowledge, skills and always pleasant manner."

"Overall, very positive; with 4 yrs experience and community acceptance, Town would benefit from T. Mgr's advancing higher profile advocacy of BOS policy positions."

"The TM is visible to the public and appears to have an "open door policy" to our citizens. The TM also participates in many meetings and events as listed in her reports to the BOS."

## **6. Town Operations and Infrastructure**

"I believe the Town is better-run today than ever before in its history thanks to the vigilance and foresight of Town Manager Jill Goldsmith. Her interest and knowledge of information technology has helped keep operational costs down while improving efficiency. Today, as a result of Jill Goldsmith's efforts, residents in Chatham can pay taxes or fees on-line; ... can renew moorings with on-line fee payments, etc."

I also note that 'speed of delivery' has improved during the Goldsmith Administration. Her collaboration with Police Chief Pawlina, Fire Chief Ambriscoe, plus the heads of all other governmental departments has created a substantial improvement in 'customer service' already, and is on the right path to greater improvements in the future."

"Management of infrastructure improvements might benefit from some tightening (e.g. proposed WTF {*Water Treatment Facility*}), but in general high marks here."

"The TM continues to take steps to improve the Town's operations. The 'Long Range Plan' should be reviewed and all funding mechanisms be taken advantage for these projects."

### **Conclusion**

It is regrettable that one Selectman chose not to participate in the Annual Town Manager Evaluation process<sup>1</sup> established by the Board of Selectmen in 2011 and completed every year since. Nevertheless, it remains clear from her excellent composite score of 3.84, and the positive comments provided by participating Selectmen, that the Town of Chatham has greatly benefited from the superior managerial skills and dedicated executive leadership of Town Manager Jill R. Goldsmith during the past year.

We retain the highest possible confidence in Ms. Goldsmith as Chatham's Town Manager and look forward to collaborating with her in addressing all of the challenges ahead.

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<sup>1</sup> The Town Manager noted that she met with that Selectman to discuss this process.

**Town Manager Performance Evaluation Form: Jill R. Goldsmith  
2015 COMPILATION OF SCORES**

AREA	EVALUATOR					TOTAL		/5	EQUALS
	#1	#2	#3	#4	#5				
1a	4	4	4	4	*	16	<i>div by</i>	4	4.00
1b	4	4	4	4	*	16		4	4.00
1c	4	4	3	4	*	15		4	3.75
1d	4	3	3	4	*	14		4	3.50
1e	4	4	4	4	*	16		4	4.00
2a	4	4	4	4	*	16		4	4.00
2b	4	4	3	4	*	15		4	3.75
2c	4	3	3	4	*	14		4	3.50
2d	4	3	4	4	*	15		4	3.75
2e	4	4	4	4	*	16		4	4.00
2f	4	4	4	4	*	16		4	4.00
2g	4	4	3	4	*	15		4	3.75
2h	4	NO	3	4	*	11		3	3.67
2i	4	4	4	4	*	16		4	4.00
3a	4	4	4	4	*	16		4	4.00
3b	4	4	4	4	*	16		4	4.00
3c	4	4	4	4	*	16		4	4.00
3d	4	4	4	4	*	16		4	4.00
3e	4	4	4	4	*	16		4	4.00
4a	3	3	3	4	*	13		4	3.25
4b	4	NO	3	4	*	11		3	3.67
4c	4	3	4	4	*	15		4	3.75
4d	4	4	3	4	*	15		4	3.75
4e	4	4	4	4	*	16		4	4.00
4f	4	NO	3	4	*	11		3	3.67
4g	4	4	3	4	*	15		4	3.75
4h	4	4	3	4	*	15		4	3.75
5a	4	4	4	4	*	16		4	4.00
5b	4	4	4	4	*	16		4	4.00
5c	4	4	4	4	*	16		4	4.00
5d	4	4	4	4	*	16		4	4.00
5e	4	4	3	4	*	15		4	3.75
5f	4	4	3	4	*	15		4	3.75
5g	4	4	4	4	*	16		4	4.00
6a	4	3	3	4	*	14		4	3.50
6b	4	4	3	4	*	15		4	3.75
6c	4	4	4	4	*	16		4	4.00
6d	4	4	3	4	*	15		4	3.75
									145.75
<b>OVERALL RATING</b>									<b>3.84</b>
<i>Any "N/O" ratings or blanks will not be counted. The remaining reviewers' scores will be averaged/divided for the "equals" score.</i>									

\* One Selectman chose not to participate in the evaluation process.

**Acknowledgement of Receipt**

This is to acknowledge the fact that the performance review was conducted by the Board of Selectmen in accordance with the procedures and that the Town Manager has received the overview document with the compilation of scores.

BOARD OF SELECTMEN

Jeddy S. Doyle  
[Signature]  
[Signature]  
[Signature]  
Dean B. Nicastro

Date: 5/3/2016

TOWN MANAGER

[Signature]

Date: 5/3/16



# Town of Chatham

Office of the Selectmen  
Town Manager  
549 Main Street  
Chatham, MA 02633



Jill R. Goldsmith  
TOWN MANAGER  
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## MEMORANDUM

Tel: (508) 945-5105  
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TO: Honorable Board of Selectmen

FROM: Jill R. Goldsmith, Town Manager

DATE: March 28, 2016

SUBJECT: Town Manager Performance Evaluation #4 Transmittal– Fiscal Year/Calendar Year 2015

Attached, please find the Town Manager Performance Evaluation form for Fiscal Year/Calendar Year 2015. To assist the Board of Selectmen in preparing the evaluation, I wanted to share with you some of the accomplishments and activities that have occurred in the 2015 review period which also includes the previous year budget cycle - in addition to the day-to-day core management of the Town. I also included a preview of the 2015 Annual Town Report for the Town Manager. While I have said this often, it bears repeating: the accomplishments of our administration are the result a strong partnership with Town Officials and the collaboration and hard work of all Town employees, and through the diligence and commitment of my management team. The ability of this team to work together to continuously strive to improve our processes, address concerns, resolve issues, and provide our citizenry and the BOS with the programs and services expected is both impressive and critical to achieving the goals set by the Board. I am proud of the team we have built, the relationship we have developed with the Monomoy Regional School Administration, and the partnerships we have nurtured within the community over the past four years.

### Town Operations and Infrastructure:

As you are well aware, early in my first appointment, I began providing a compilation monthly report to the BOS which is also published on the Town's website. Much is guided by the BOS commitment to the annual goals and objectives process, Committee and Board priorities, proactive best practices, and responses to the welcome demands of the public. Additionally, much time is invested by me in leadership activities necessary to run a municipality which happens to be a \$40M entity – regular weekly Department Head meetings, bi-weekly meetings with off-site Department Heads and staff, and an open door policy for internal and external customers. I also devote much time and effort behind the scenes to coach staff in the preparation and presentation of weekly agenda staff reports, under the signature of the Department, to ensure the BOS has the information and resources necessary to contemplate any action.

In 2015, I continued to focus on identifying reforms and developing strategies to enhance the delivery of services to the public, maximize resources, and strengthen operations at all levels of government. In partnership with the BOS, many strategic planning initiatives came to fruition. Highlights of

accomplishments during the past year include the continuation of Budget Summits initiated in 2012; Implementation of health insurance reforms/tiered benefits; Completion of collective bargaining negotiations for three of four unions; Participation at community events; Completion of land acquisitions as voted by the Town Meeting, Construction of the new Fire Station; Advocacy for the Town's position locally and in Washington DC for the final draft Monomoy Comprehensive Conservation Plan; Completion of renewable energy projects and first year return on investment, new fire station energy efficiencies, and virtual Net Metering agreements to serve the balance of our energy needs; Enhancing technology use and launch of new applications to provide for electronic payment transactions and new on-line sewer connection permits. Worked continued on refinements to the on-line mooring permits in its third year as well the e-permitting pilot project for land-use permits. Other highlights included consulting with the Golf Advisory Committee for the new golf course management contract; research and staff assistance to the Airport Commission and coordination of a third party safety review when FAA declined; Rte. 28 Visioning Project with the Planning Board; West Chatham Road Design Project beyond 75%; Mitchell River and Muddy Creek Bridge projects; Increased opportunities for recycling; Water and Sewer Contract services for the installation of automatic water reading devices; and Working to provide BOS recommendations to manage water consumption and secondary/peer review of the Water Treatment project design. Much more is highlighted in the Monthly Reports.

Additionally, I worked to enhancing multi-media approach to public information - Channel 18 cable show on the budget and ATM and award winning self-service recording in meeting rooms as well as *Chatham Today* programming highlights. *Budget Central* and *Town Meeting Central* enhancements to the Town's website gets us closer to 24/7 access to information, including links to the Town Manager's proposed Budget and Budget Book as promoted in the Town Manager's budget message.

#### Financial Management:

The fiscal condition of the Town remains stable due to conservative budgeting, multi-year forecasts, and the review/implementation of reforms which result in savings and efficiencies. The economic outlook included in the Town Manager's budget message illustrates activities of a coordinated department permit review and a component of the Town's increased valuation in 2015 – with a tax rate of \$5.02 per thousand. The Town's strong reserves, coupled with the continued commitment to fund the OPEB Trust in 2015, and financial management leadership/ policies enabled the Town to maintain its 2009 AAA Bond Rating again in June 2015. Work is done throughout the year with Department Heads to evaluate and prioritize departmental needs and financial requests recognizing the need to be flexible and adapt to changing situations. As variables arise, such as broken equipment, staff injuries/illnesses/retirements, new regulations or requirements, or weather-related issues, each Department Head keeps me apprised as to the issues and proposed remediation to address those needs. All department and division heads are encouraged to review costs/charges for services and continually seek alternate funding sources to augment their programs and services. 2015 was particularly notable in grant awards.

#### Personnel Management/Organizational Leadership:

Personnel management is not always apparent to the public - or the Board, but a commitment remains to team-building, professional development, and transition/succession planning. Enhanced benefit cost sharing and limitation to employee pay-outs implemented in 2013 for new employees contributing 35% to benefits (legacy employees' share is 30%) has resulted in initial cost containment. As we have seen a turnover in more than 20% of our workforce since 2010 - many expected due to retirement eligibility, I directed the Human Resources Director to proactively plan for such transition and succession planning in

collaboration with the Departments. Feedback to Department Heads is provided on information received in exit interviews with separated employees and the encouragement of goal setting in annual performance evaluations commences with the adoption of the BOS goals. We also have a robust performance evaluation system which was revamped in 2015 in partnership with employees. On-going efforts and attention is committed to employee relations, review of administrative procedures, and resources for our most important asset.

I continue to have weekly Department Head meetings to ensure interdepartmental communication and collaboration, but also to provide a forum to preview agenda reports or contemplated new practices. I continue to meet bi-weekly with department heads/staff at the off-site locations to remain current on personnel and operational matters. I continue to remain open to refine administrative procedures for Town employees and this past year continued to focus on centralized human resources functions and standard practices which had needed refinement.

I also completed negotiations for three collective bargaining agreements (without Legal assistance) based on parameters set by the BOS, with one union still in progress. I must note it has been my pleasure to negotiate 2015 successor contract settlements. It was consensus driven and solution oriented recognizing the priorities of the parties.

To protect the rights of employees under the law and to protect the Town from liability exposure, I have kept the Board apprised of personnel matters to the extent possible within the law. A notebook is maintained in our office with employment contracts since the initial appoints of the Finance Director, Fire Chief, and Police Chief. Current and previous collective bargaining agreements with the Town's unions are also included, along with my Agreement.

Community Leadership/Public Relations:

Communications with my peers continues to remain a priority. As a member of the Massachusetts Municipal Managers Association (MMMA) and Cape Cod Managers Association, I attend regular meetings throughout the year in order to stay apprised of pertinent legislative initiatives, best practices and compelling issues of my colleagues. Further, I worked with the MMA to inform the legislature of our needs or any impacts contemplated to the Town. For the past two years I have served as the Management Chairman for the MA Joint Labor-Management Committee (JLMC) for Municipal Police and Fire contracts. I was originally appointed in 2006 by the Governor Patrick and reappointed by Governor Baker. I also participated at the invitation of Lt. Governor Polito to serve as a member of a 15 person municipal focus group to initiate a municipal compact program and Municipal Modernization Act between the Governor and 351 cities and towns. Collaboration locally continues with our regular Finance Team meetings with the Harwich Town Administration, Monomoy Regional School District Administration and our Finance Team including the Finance Director.

Throughout the year, during regular and after-hours at various events, I meet or speak with many residents, property owners and business owners to listen to and address matters of concern; sometimes it is a quick compliment. I make every effort to respond to phone calls, emails, visits and letters in a timely fashion and/or delegate to the appropriate staff person with the same expectation. Over the past year, I received and responded to approximately 3,500 emails relating to issues before the Board or general community issues or questions, and public record requests. I will continue to remain accessible to the members of our community and strive to be responsive personally to inquiries in a timely manner – a directive I have made to staff as well.

Board Support/Relations:

I have kept the Board of Selectmen informed of major issues throughout the year including emergency situations, legislative updates, new initiatives and significant issues in our administration. This includes regular email notifications to inform the Board of various issues or concerns of which they should be aware so that they can respond to constituent inquiries, including but not limited to storm updates, roadway projects, public safety issues, as well as community events, development projects, and various issues that residents have brought to my attention. In addition to these communications, I have also provided or asked staff to provide numerous reports, information and updates to the Board at BOS meetings and in Executive Sessions throughout the year.

While I strive to effectively oversee and manage the daily operations and administration of town government, I do not hesitate to seek input from the Board. I meet regularly with the Chairman of the Board of Selectmen to review agendas, discuss policy issues for future agendas, as well as word on street. I have been and remain open to direction and guidance by the Board and I work hard to provide feedback and implement when feasible those suggestions provided. Communication with the Town Manager is integral to our partnership and I appreciate your continued efforts. I am always available to meet with Board members and will continue to keep all similarly informed.

Final Thoughts:

I want to extend my gratitude to our Executive Secretary, Shanna Nealy, who is dedicated, knowledgeable, and has a great sense of humor. I also want to recognize and thank all Chatham employees, division heads and department heads for their hard work and commitment to serving the citizens of Chatham, as well as the board and commission members for their support and dedication to the Town. For 2015 in particular, it is also important to acknowledge and thank our State and Federal legislative delegation.

It is an honor to serve as Chatham's Town Manager and I greatly appreciated my reappointment by the BOS in 2014. I look forward to continuing in this capacity over the next several years, working with the Board of Selectmen to implement policy, and maintaining effective operations which meets the needs of our citizenry. Thank you!

*Attachments: 2015 Town Manager Annual Report  
Town Manager Performance Evaluation Form*

## 2015 Annual Town Report – Town Manager

I feel very privileged to have served as your Town Manager in 2015, my 4<sup>th</sup> year – and the 303<sup>rd</sup> year of our great community! We have made great efforts to provide 24/7 access to Town departments – via Town’s website [www.chatham-ma.gov](http://www.chatham-ma.gov) and improved speed for such via the Town’s use of the Open Cape Fiber Network. The website is now more accessible using a smart phone or tablet device and meetings are available on demand via the Channel 18 link. The public has even greater access to meeting information – agendas, packets, and minutes via the Town’s meeting calendar [www.mytowngovernment.org/02633](http://www.mytowngovernment.org/02633) on the main page of the Town’s website. Additionally this Annual Report as well as the prior three years is available on the Town Manager’s web page - [http://www.chatham-ma.gov/Public\\_Documents/ChathamMA\\_Manager/index](http://www.chatham-ma.gov/Public_Documents/ChathamMA_Manager/index)

The FY2016 (July 1, 2015-June 30, 2016) budget and financial planning efforts are highlighted on the Town’s website in *Budget Central*. The Town Manager Budget Message includes a look at previous years as well as future forecasts in consideration of economic conditions and a conscious effort to contain the Town’s tax rate – the most recent Budget Book can be reviewed at [www.chatham-ma.gov/Public\\_Documents/ChathamMA\\_Budget/FY2017/Budget%202017.pdf](http://www.chatham-ma.gov/Public_Documents/ChathamMA_Budget/FY2017/Budget%202017.pdf) Budget summaries from FY2001 to current are also available in *Budget Central*.

We have worked to provide the public greater insight into Town-wide operations. The Town Manager’s page provides links to the Monthly Reports to the Board of Selectmen (BOS) now in its fourth year. This information is the precursor to a State grant we received for Performance Management –data collected for “inputs” used for better policy, management, and financial decisions. The data collected also provided for more budget information to be presented graphically – of particular note for FY2017

[http://www.town.chatham.ma.us/Public\\_Documents/ChathamMA\\_Manager/index](http://www.town.chatham.ma.us/Public_Documents/ChathamMA_Manager/index)

In 2015, we worked to enhance payment opportunities for Town transactions. In addition to providing on-line credit and debit payments for property and excise tax bills, Town departments such as the Beach/Transfer Sticker Permit Office, Moorings, Recreation, and Town Clerk also accept credit/debit cards for a minimal transaction fee. All on-line payment options as well as debit/credit transactions are processed through a third party secure site. Added this year were on-line sewer connection applications and inspections, and other permits are soon to follow.

Many strategic planning efforts continued in partnership with the Board of Selectmen (BOS). As noted in the BOS Annual Report, much work was done on strategic land-use planning and capital facilities. Such included continuation of the Route 28 Corridor Land Use Visioning Project (Crowell Rd to Harwich), and the West Chatham Roadway Design Project (Barn Hill Rd to George Ryder Rd). Following Town approval in the fall of 2013 for the new Fire Station Headquarters project, the anticipated completion (move-in) is scheduled for June 2016. Much of 2015 was directed to maintaining existing Town facilities with a focus on public access to waterfront infrastructure such as the property at 90 Bridge Street acquired in 2015, and Fish Pier facility improvements. In addition, work by the State continued on the Mitchell River Bridge project with an expected opening date in June 2016. Town drinking water facility improvements were also discussed in late 2015.

We continued advocacy of the Town's jurisdictional boundary position related to the US Fish and Wildlife Service (USFWS) Draft Comprehensive Conservation Plan and Environmental Impact Statement for Monomoy National Wildlife Refuge. With all recognizing the Town has been a good steward of Monomoy for many generations, the primary issue is ownership - as the Commonwealth owns the submerged lands and the Town manages the open waters in conjunction with the Commonwealth - i.e. the refuge and wilderness boundary limit is at mean low water. In April, a visit by Town officials (Chairman Summers, Town Manager, Director of Natural Resources) and State Representative Peake to our Washington DC delegation contributed to making this a high priority issue and USFWS administratively agreeing with the Town on the Eastern Boundary. When the Final Report was presented in late Fall, the MA Attorney General's Office agreed with the Town's position relating to the Western Boundary jurisdiction of the Commonwealth and the limited review by USFWS of relevant documents. Such comments were filed in December 2015. The Record of Decision by USFWS is still pending as of the writing of this report.

Our updated financial policies and conservative financial management efforts resulted in the reaffirmation of our excellent AAA bond rating by *Standard and Poor's* in June 2015. Such rating means *extremely strong capacity to meet financial commitments; Highest Rating*. Attributing to its affirmation, the rating agency noted the Town's commitment to sound fiscal policies, strong financial management, and trust in the officials and professional staff.

Since 2012, our annual kick-off of the budget process begins with a Budget Summit. The FY2017 Budget Summit was held on October 13, 2015. Multi-year financial forecasts and assumptions were reviewed and updated for the 2017 fiscal year and beyond, as well as an examination of financial indicators for revenues and cost controls. Participants included the Board of Selectmen, Finance Committee, Monomoy Regional School District (MRSD) Committee/Administration, and Department Heads. Also discussed were financial trends, prior recommendations by the Finance Committee and upcoming funding priorities. Discussion at the recent Summit focused on the Town's liability for "other post-employment benefits" (OPEB) as it relates to health insurance for retired Town employees. The BOS established an OPEB Trust Committee and funding was again contributed in 2015 via Town Meeting. These presentations and OPEB actuarial report can be found on *Budget Central*. Such collaboration was again evident in the 2015 Summer Residents Advisory Committee "Score Card" with the financial leadership receiving high marks. The financial presentations and scorecard results demonstrated cohesion and shared vision for financial matters by our Summer Resident Representatives which remains a significant collaboration since 2012. Further, working in partnership with our employee unions, settlements were reached in 2015 with three of the four Town Unions providing for enhanced performance, services, and greater controls of future cost liabilities such as health insurance contributions and elimination or reduction of buybacks/pay-outs.

Town Departments have been very successful in obtaining grants; notably in 2015 was the Stage Harbor Old Mill Boat Yard (OMBY) Improvement Project Grant Funding. After more than four years of application submissions, the Town was awarded a \$1 million Coastal Infrastructure Construction grant from the Seaport Economics Council (SEC) in November 2015. The project will repair serious deficiencies in the existing facility and provide for enhanced public use and berthing opportunities for the boating

public. Construction costs are estimated at \$1,540,000. The Town was previously awarded a grant for \$102,750 for final engineering and permitting which is nearing completion. The Town has already appropriated \$350,000 toward our total project cost share as required, and an additional \$200,000 will be requested in FY2017 to fully fund the project for costs not covered by grants received. Contract award is estimated to occur in spring/summer 2016 with construction to begin in the fall/winter 2016.

Senior Tax Work-off Program – in 2015, we embarked on Year 3 of the program which provides senior taxpayers with property tax relief - an opportunity to receive a tax abatement of up to \$500 annually by sharing intellectual and lifetime experiences by working with Town staff. The program is flourishing and many projects were undertaken utilizing our Chatham talent. In 2015, participants worked 755 hours in 8 different departments completing projects that would not be achievable with Town staffing.

Wastewater/Sewer Project – The first contract (1C-1) in the multi-year, multi-contract Phase 1C was completed in 2015. Funded at the 2013 and 2014 Annual Town Meetings, these contracts target the restoration of Oyster Pond and Little Mill Pond watersheds. These water bodies are highly impacted by excessive nutrients. Additional benefits will result as improved water quality in Oyster Pond and Little Mill Pond propagates throughout the Stage Harbor System. Design and permitting work continue on contracts 1C-2 to 5. Construction on these contracts is expected to finish by the end of 2018. As with previous contracts, it is expected these will qualify for 0% SRF funding from the State.

The Muddy Creek Restoration Bridge Project, a joint effort of Chatham and Harwich along with State and Federal agencies, got underway in 2015 with the selection of the General Contractor. Actual construction began in November with utility relocations (gas, telephone, electric). Bridge construction will continue until mid-May 2016, when the project is scheduled for completion. The Project Team was successful in obtaining a NOAA grant of \$300,000; bringing total grants received for the project to \$4.6M. After 10+ years of planning and study this important environmental project will be completed.

Chatham and Harwich continue to evaluate the use of the Chatham treatment facility as a means to address wastewater nitrogen within jointly shared watersheds to Muddy Creek. This joint venture will provide an opportunity for some of the capital costs on Chatham taxpayers related to the new treatment facility to be offset by Harwich.

Renewable Energy - With a total of four renewable energy/solar installations becoming fully operational in calendar year 2015, the Town moves toward generation of 75% of total energy demand at municipal facilities from renewable energy sources in the upcoming year. The net benefits from the three new PV projects was approximately \$225,000 in the first full year of operation and is on target for over \$3.6 million in financial benefit cumulatively by the end of the power purchase agreements at year 20. In 2015, the Town continued to participate in other renewable energy initiatives such as “off-taker” agreements to receive net metering credits. Additional efforts to save energy and operational costs are incorporated in the design of the new Fire Station Headquarters project which includes high efficiency measures: LED lighting, water boilers and heating and cooling systems. Upon completion of the project the Town will seek incentive rebates from the Cape Light Compact (CLC).

As we look back on the year, it is important to acknowledge the many dedicated and hardworking Town employees who strive to retain the Town's unique culture, tradition, and excellent customer service while working to enhance technology to provide essential Town services. We are here to serve you 24/7 and welcome your input on how we can serve you better.

Respectfully submitted by,

Jill R. Goldsmith, Town Manager