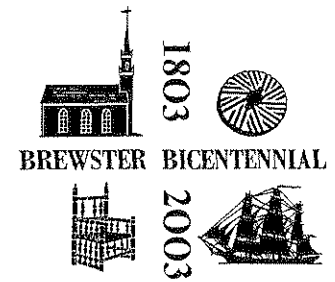




Board of Selectman Town Administrator

2198 Main Street
Brewster, Massachusetts 02631-1898
(508) 896-3701
FAX (508) 896-8089



To: Department Heads
From: Charles L. Sumner, Town Administrator
Lisa Souve, Finance Director
Subject: Fiscal Year 2014 Budget Development Process
Date: December 5, 2012

The Board of Selectmen voted to adopt the following budget policy statement relative to the development of the Fiscal Year 2014 Town and Schools operating budgets.

1. It is the overall goal of the town to develop operating budgets for the Town and School Departments that focus on maintaining the current level of services to the community.
2. The Board has established an initial maximum cap of a 2.75% increase on the operating budgets over Fiscal Year 2013 for the overall Town, Elementary School, Nauset Regional School District and the Cape Cod Technical High School, exclusive of debt obligations. The budget increase for the Nauset Regional School District and the Cape Cod Technical High School will be adjusted (+/-) to reflect changes in proportionate enrollment share.
3. Increases related to the Town's operating budgets for salaries and wages will be limited to the C.O.L./merits/step increases dictated within the various collective bargaining agreements and the personnel bylaw. All of the Town's union agreements expire on June 30, 2015.
4. Requests for new personnel and/or services should be presented in a separate funding request outside of your proposed operating budget document; and must contain documentation and justification of the proposal.
5. As of this date the Town has a balance of \$1,384,030 in the Free Cash account. The Board has established a Free Cash goal that limits expenditures at the 2013 Special and Annual Town Meeting to the sum of \$725,000, which would result in a retained balance of \$659,030 as of June 30, 2013. These funds will be used to finance any Fiscal Year 2013 operating deficits and/or warrant articles in May of 2013.
6. I have attached a copy of the budget calendar for Fiscal Year 2014 which provides scheduling information for the submittal of operating budgets and warrant articles.

**TOWN OF BREWSTER
BUDGET & TOWN MEETING CALENDAR
FISCAL YEAR 2014**

- 1. December 21, 2012:**
Budgets to be received from Department Heads by the Town Administrator.
- 2. January 4, 2013:**
Preliminary budget reviews by the Town Administrator with Departments, Boards & Committees.
- 3. January 8, 2013:**
Fiscal Year 2014 Town operating budget delivered to the Board of Selectmen & Finance Committee.
- 4. January 14, 2013:**
Administrative schedule for the Department Heads to submit warrant articles for inclusion within the May 2013 Special & Annual Town Meeting warrants.
- 5. February 20, 2013:**
Town Code final deadline for submittal of warrant articles for inclusion within the 2013 Annual Town Meeting warrant.
- 6. March 28, 2013:**
Post the warrants for the May 2013 Special & Annual Town Meetings.
- 7. April 4, 2013:**
Deadline for Board of Selectmen's & Finance Committee's recommendations on the May 2013 Special and Annual Town Meeting warrant articles.
- 8. April 11, 2013:**
Send the May 2013 Special & Annual Town Meeting warrants to the printer.
- 9. April 16, 2013:**
Deadline for the Board of Selectmen to place a ballot question on the May 21, 2013 Annual Town Election.
- 10. April 19, 2013:**
Fiscal Year 2014 Budgets and warrant distributed to the general public as an insert in the Cape Codder and on the Town's website.
- 11. May 6, 2013:**
2013 Special & Annual Town Meeting held at the Stony Brook Elementary School.
- 12. May 21, 2013:**
2013 Annual Town Election held at the Brewster Baptist Church.



TOWN OF EASTHAM

2500 State Highway, Eastham, MA 02642-2544
All departments 508-240-5900 • Fax 508-240-1291
www.eastham-ma.gov

TOWN OF EASTHAM

Board of Selectmen

Budget Policy - Fiscal Year 2014

1.0 The Board of Selectmen in accordance with the Eastham Home Rule Charter,

“Annually, prior to the first day of November, the Board of Selectmen, after consulting with the Town Administrator, shall issue a policy statement that shall establish the general guidelines for the next town budget.” Section 6-1-4

hereby issues the following statement to provide guidance to the community, Town Administrator, departmental managers and the school districts for the preparation of the FY 14 budgets.

This FY 14 Budget Policy provides a framework for preparation of the FY 14 Operating and Capital Budgets. While the Operating Budget includes regional and local school operating budgets, the Capital Articles are limited to Municipal and Elementary School needs.

2.0 General FY 14 Budget Guidelines:

As we, the Board of Selectmen from the Town of Eastham consider Fiscal Year 2014, our concern for the tax impact of spending, remains high. Specifically, we are concerned about the impact of new debt payments for the municipal well studies, and the improvements at Nauset Regional High School. Both of these Capital Expenditures will increase debt payments in the upcoming fiscal year. Even though this debt is not subject to the limits of proposition 2 ½, it will impact the tax bills of property owners. We will not accept a budget which relies on an override for funding.

As a general guideline, we request that no additional staff be included. However reorganization of staff, programs, and services should be considered if such activities provide enhanced services and/or efficiency.

3.0 Available Funds Under the Levy Limit (2 ½)

The primary funding source for Eastham is the real and personal property tax levy. The levy this year is projected to be \$18,593,233. In addition to these funds, the town also makes use of "Local Receipts" and "Receipts Reserved." It is projected that three million will be collected from local receipts and assigned to FY 14 spending. Receipts Reserved, such as ambulance receipts, are expected to contribute to the Fire/Rescue Operations and Capital Budget. The Board expects a minimum of \$75,000 from this account to support Fire Department operations.

4.0 Allocation of FY 14 Spending

In FY 14, the town will need to fund Capital Acquisition, Operating Budgets for the Municipality and School Local and Regional Budgets and anticipated transfers to certain reserve accounts.

With respect to the Operating Budgets, the Board directs that any growth be contained within the limits of Proposition 2 ½.

Municipal and School Operating Budgets will be supported by local receipts and transfers from reserve accounts. *Local receipts* is the money from various sources as a result of fees and charges. Some of the key sources are as follows: Hotel, Motel Taxes; MV Excise Taxes; Permit Fees such as Transfer Station, Building and Health. *Receipts Reserved* are accounts established to accept monies from certain activities. One such account is the Ambulance Receipts Reserved.

Following are the specific funding and expenditure guidance. Additionally, articles to transfer money to other funds are included.

4.1 Municipal Budget and School Budgets

For the Municipal Budget, all salary increases are set for FY 14 for all union and non-union employees. Insurance and other fixed costs will increase, but every effort should be made to absorb these increases with the allocation. Elementary School increases should be limited to 2.5%, inclusive of insurance cost increase. Nauset Region increases, wherein insurance is included, should also be limited to 2.5%. This increase is exclusive of the additional debt exclusion amounts. Nauset Region assessment increase to Eastham may result in more than a simple 2.5% over last year's assessment, since that assessment amount is a function of our percentage share of the total school population. Regardless, the Board policy is to support both municipal and school budgets that are within the guidelines of a 2.5% increase.

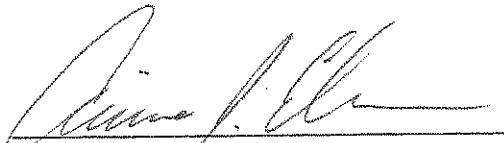
4.2 Transfers/Reserve Accounts

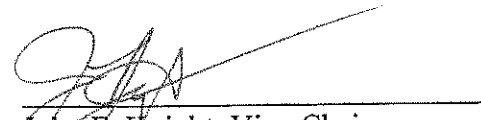
In developing the FY 14 expenditures, shall provide for transfers to the Stabilization Fund of no less than \$50,000 and begin a set-aside of funds in accordance with GASB 45, Post Retirement Benefits requirements.

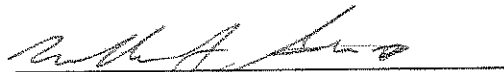
4.3 Capital Acquisitions for FY 14

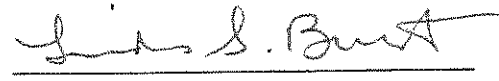
The Capital Acquisitions article includes Capital items for the municipal departments and the Elementary School department. It does not include Capital needs for the Regional School District.

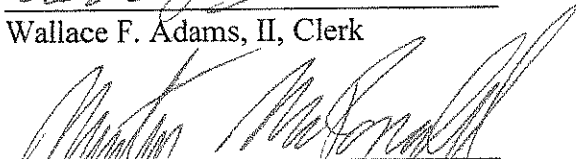
Long and short term Capital needs are met by transfers from free cash, other reserve funds and taxes. With respect to Capital Acquisitions for FY 14, the Town Administrator is directed to use approximately \$500,000 - \$700,000 in free cash to support Capital Acquisitions. Other funding sources may be used to support Capital Acquisitions as appropriate.


Aimee J. Eckman, Chair


John F. Knight, Vice-Chair


Wallace F. Adams, II, Clerk


Linda S. Burt


Martin F. McDonald

BOARD OF SELECTMEN

This policy was adopted by the Board of Selectmen at a public meeting on Monday, November 19, 2012

TOWN OF ORLEANS

BUDGET POLICY FISCAL YEAR 2014

It is the policy of the Orleans Board of Selectmen that the budget for the period beginning July 1, 2013 and ending June 30, 2014 (FY14) shall be developed in accordance with the following guidelines.

GOAL

The goal for the FY14 budget is to maintain the core level of services being provided to the community during this time of continuing economic uncertainty, rising costs and diminishing state revenues.

REVENUES

Real Property Tax

As reflected in the September 27, 2012 Financial Plan, the FY14 property tax levy would increase by 3.2%.

Non-Property Tax

In accordance with the Board's Policy, free cash reserves will be maintained at a minimum of 4.5% of the proposed operating budget. An additional amount up to 0.5% in free cash reserves will be considered for future OPEB funding, with the remaining balance applied to reduce property taxes.

Undertake a comprehensive review of all departmental revenues, including user fees currently being charged for town services in order to determine the appropriate level of funding to be supported by real property taxes.

EXPENDITURES

Non-Schools

Non-school operating expenditures necessary to maintain the core level of town services shall increase by not more than 3%. This amount includes anticipated union contract settlements in FY13 and retroactive salary and wage increases for union and non-union employees for both FY12 and FY13. The FY14 projection assumes a general wage increase of 1.5% per year for all employee groups.

Operating expenditures shall include salaries and wages, fringe benefits, pensions, general expenses and state/county assessments, but not debt. Capital outlay expenditures shall not exceed \$800,000 next year.

10/3/2012

FINANCIAL PLAN
FISCAL YEARS 2013 - 2016
(\$000)

**REVISED TO SHOW IMPACT
OF RETRO COLA FUNDING
ON FY14 PROJECTED**

	REVISED		REVISED		PROJECTED		PROJECTED		PROJECTED	
	F.Y. 2012	% Chg.	F.Y. 2013	% Chg.	F.Y. 2014	% Chg.	F.Y. 2015	% Chg.	F.Y. 2016	% Chg.
REVENUES										
Property Tax										
Property Tax (Base)	18,107	3%	19,296	6.6%	19,897	3.1%	20,544	3%	21,211	3%
Statutory Increase	453	3%	482	6.6%	497	3.1%	514	3%	530	3%
Growth	166	7%	119	-28.6%	150	25.9%	153	2%	166	9%
Debt/Capital Exp. Exclusions	2,364	26%	2,268	-4.1%	2,283	0.7%	3,775	65%	4,093	8%
Cape Cod Commission Act	147	8%	150	2.5%	154	2.5%	158	2%	162	2%
General Override	570		-	-100.0%	-		-		-	
Unused Levy Capacity	(528)	1901%	(654)	23.8%	(631)	-3.4%	(725)	15%	(523)	-28%
Community Preserv. Surtax	626	6%	637	1.8%	658	3.2%	718	9%	754	5%
Total Property Tax	21,904	6%	22,299	1.8%	23,007	3.2%	25,137	9%	26,394	5%
Provision for Abatement/Exempt	(192)	-8%	(200)	4.4%	(200)	0.0%	(200)	0%	(200)	0%
Non-Property Tax										
State Aid	445	0%	467	5.0%	474	1.6%	482	2%	494	2%
Motor Vehicle Excise	850	3%	850	0.0%	876	3.0%	902	3%	929	3%
Local Receipts	4,224	1%	4,381	3.7%	4,596	4.9%	4,775	4%	4,860	2%
Free Cash	721	67%	970	34.6%	400	-58.8%	400	0%	400	0%
Funds Resv. Appr./Other Avail.	981	-2%	925	-5.7%	719	-22.2%	897	25%	670	-25%
Hotel/Meals Tax	431	128%	484	12.4%	496	2.4%	506	2%	521	3%
Total Non Property Tax	7,651	8%	8,076	5.6%	7,561	-6.4%	7,961	5%	7,874	-1%
Total Revenues	29,363	7%	30,176	2.8%	30,368	0.6%	32,898	8%	34,068	4%
Assessed Value (est. as of 1/1/11)	3,600,381	0%	3,620,481	0.6%	3,645,481	0.7%	3,670,481	1%	3,695,481	1%
Tax Rate	5.91	6%	5.98	1.2%	6.13	2.5%	6.65	9%	6.94	4%
EXPENDITURES										
Non-School										
Salaries and Wages	9,035	1%	9,171	1.5%	9,401	2.5%	9,683	3%	9,974	3%
Fringe Benefits	2,084	4%	1,881	-9.7%	1,994	6.0%	2,113	6%	2,240	6%
Pensions	1,302	2%	1,349	3.6%	1,429	6.0%	1,487	4%	1,546	4%
General Expenses	3,409	2%	3,502	2.7%	3,550	1.4%	3,657	3%	3,766	3%
State/County Assessments	506	8%	517	2.1%	529	2.5%	543	2%	556	2%
Sub Total - Non Sch Operating	16,336	2%	16,419	0.5%	16,904	3.0%	17,482	3%	18,082	3%
Capital Outlay	539	-12%	880	63.4%	800	-9.1%	854	7%	739	-14%
Debt	3,068	30%	2,821	-4.8%	2,775	-5.0%	4,348	57%	4,719	9%
Sub Total - Non Sch Capital/Debt	3,606	22%	3,801	5.4%	3,575	-6.0%	5,203	46%	5,458	5%
Total - Non School	19,942	5%	20,220	1.4%	20,478	1.3%	22,685	11%	23,541	4%
School										
Nauset Regional	3,703	3%	3,680	-0.6%	3,790	3.0%	3,904	3%	3,994	2%
Debt	(153)	818%	(148)	-3.5%	53	-136.0%	44	-18%	69	58%
NRS Capital Outlay	91	-2%	88	-3.0%	88	0.0%	88	0%	88	0%
Sub Total - NRS	3,641	-1%	3,620	-0.6%	3,932	8.6%	4,036	3%	4,151	3%
Orleans Elementary	3,135	2%	3,214	2.5%	3,289	2.3%	3,367	2%	3,446	2%
Fringe Benefits	765	5%	625	-18.3%	663	6.0%	703	6%	745	6%
Pensions	94	15%	86	-7.9%	91	6.0%	95	4%	99	4%
OES Capital Outlay/Spec. Articles	37		13	-64.9%	25	92.3%	25	0%	25	0%
Sub Total - OES	4,031	4%	3,939	-2.3%	4,068	3.3%	4,190	3%	4,315	3%
C.C. Technical High	305	17%	325	6.8%	335	3.0%	345	3%	355	3%
Total - Schools	7,977	2%	7,884	-1.2%	8,335	5.7%	8,570	3%	8,621	3%
Other Expenses										
Community Preserv. Expenses	483	-20%	483	0.0%	485	0.6%	490	1%	495	1%
Community Preserv. Fund	144	-1729%	155	7.9%	172	11.3%	228	32%	260	14%
Special Articles	819	438%	1,433	75.1%	897	-37.4%	924	3%	952	3%
Sub Total - Other Expenses	1,445	94%	2,070	43.3%	1,555	-24.9%	1,643	5%	1,706	4%
Total Expenditures	29,363	7%	30,176	2.8%	30,368	0.6%	32,898	8%	34,068	4%
Excess/Def. Rev Vs Exp	0		0		0		0		0	

9/18/2012

SPECIAL ARTICLES - FY 13

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>RECURRING</u>
Chamber of Commerce	20,450.00	20,450.00
Selectmen	8,100.00	8,100.00
Human Services	63,163.00	63,163.00
4th of July Parade	8,000.00	8,000.00
Water Service Connections	25,000.00	25,000.00
Pavement	307,500.00	315,187.50
Drainage	153,750.00	157,593.75
Stabilization Funding	100,000.00	
COLA	-	
OPEB Funding	150,000.00	
Add'l Building & Facility Maint. Costs	365,000.00	300,000.00
Fire Department Staffing & Org. Study	20,000.00	
Dredging Design & Engineer	25,000.00	
Water Tank #1 Design & Engineer	50,000.00	
Mitigation Fund	101,088.00	
Fire Patrol Boat Outboards	35,000.00	
TOTAL	1,433,051.00	897,494.25

TOWN OF WELLFLEET BUDGET POLICY FISCAL YEAR 2014

It shall be the policy of the Town of Wellfleet that this Budget Policy articulates the Town's priorities and goals and provides an overview outlining the issues to be addressed during the Town of Wellfleet's budget process.

1) **BUDGET COMPLIANCE:** The Budget will be estimated in accordance with all applicable laws. The budget is based on separate funds set forth from anticipated revenues and expenditures for the General Fund and the Enterprise Funds.

2) **BUDGET COMPONENTS:** The Budget shall be composed of a General Fund Operating Budget, the Marina Enterprise Fund, the Water System Enterprise Fund, a Capital Budget, a ten year Capital Improvement Plan and any budget Articles proposed for the Annual Town Meeting Warrant. The Budget should include financial results for the previous year and the current year. Object codes and summaries should be consistent across all organizational units. The Budget shall also include detailed revenue estimates and projections which will be created with the input of the Department Heads and the Town Accountant.

3) **ENTERPRISE FUNDS:** The Town of Wellfleet shall propose budgets for the Enterprise Funds that are self-supporting without a property tax transfer and which shall also reasonably and accurately allocate indirect costs.

4) **CAPITAL BUDGET:** The Town of Wellfleet shall propose a Capital Budget for the upcoming Fiscal Year that will encompass capital projects or items with an overall expenditure of at least \$5,000 and a life expectancy of at least one year.

5) **CAPITAL IMPROVEMENT PLAN:** The Town of Wellfleet shall propose a ten year Capital Improvement Plan that will encompass any capital project or item with an overall expenditure of at least \$5,000 and a life expectancy of at least one year. Inclusive within the Capital Improvement Plan shall be a breakdown of the possible additional operational costs associated with the capital project or item, including if additional personnel may be required. The Capital Improvement Plan shall be submitted to the Finance Committee and the Board of Selectmen not later than the 15th of November. The Finance Committee shall by the 15th of December submit a report to the Board of Selectmen and the Town Clerk with their recommendations on the Capital Improvement Plan and shall hold a Public Hearing on the Capital Improvement Plan by the end of December. As part of the review of Capital Improvement needs, it is expected that the Nauset Regional School District shall submit a ten year plan to the Town of Wellfleet.

6) **BUDGET DEVELOPMENT:** Department Heads shall make appropriate and well-reasoned budget submittals to the Town Administrator by the end of October. The Town Administrator shall submit his proposed budget to the Board of Selectmen and the Finance Committee in the first week of December.

7) PUBLIC MEETINGS ON THE PROPOSED BUDGET AND BUDGET

APPROVALS: The Town Board of Selectmen and the Finance Committee shall hold joint budget workshops at 7:00 p.m. on Tuesday's or Wednesday's in December and, if necessary, in January. Department Heads will only need to be present at budget workshops if requested by the Board of Selectmen, the Finance Committee or the Town Administrator. The Board of Selectmen shall approve its proposed budget by the end of January. The Board of Selectmen's proposed budget may be subject to modifications if subsequent additional or unexpected budget or revenue information becomes available prior to the Annual Town Meeting. Any modifications to the budget will be dated and consolidated where possible. The Finance Committee shall hold at least one Public Hearing on the proposed budget and shall make its recommendations on the proposed budget by the end of March.

8) ADDITIONAL REQUESTED BUDGET AMOUNTS: Additional requested budget amounts above the previous year's budget request are not encouraged but will be considered if justification for such additional amounts is included with the budget materials. Priority will be given for requests that place a minimum reliance upon the property tax to fund these endeavors.

9) NON-PROPERTY TAX REVENUE SOURCES: The Town of Wellfleet shall continue supporting the concept that user fees, reasonable sponsorships and other non-property tax revenues be utilized to help offset the property tax and, to the fullest extent possible, be devised to recoup the costs of supplying a particular service. The Town Administrator in preparation of the budget shall review current department fee structures and charges for services and propose modifications as deemed necessary and appropriate.

10) FISCAL MANAGEMENT GOALS:

- ◆ The Town of Wellfleet shall have as a goal to work towards presenting a balanced budget, within the constraints of Proposition 2 ½, without requesting an override.
- ◆ The Town of Wellfleet shall have as a goal to not authorize any new significant program without an identified financing source to pay for said program.
- ◆ The Town of Wellfleet shall have as a goal to not authorize any new full time personnel beyond current authorized levels. However, if any such new personnel are funded the positions shall be valued at a cost that includes both salary and benefits.
- ◆ The Town of Wellfleet shall have as a goal, whenever reasonable, to replace open full time positions with part time employees or equally qualified volunteers to realize savings in employee benefits.
- ◆ The Town shall have as a goal that there be no borrowing to fund operational programs.
- ◆ The Town of Wellfleet shall have as a goal the maximum utilization of funds from all revenue sources to fund programs.
- ◆ The Town of Wellfleet shall have as a goal, whenever possible and reasonable, to cultivate productivity improvements that could lead to realized savings.
- ◆ The Town of Wellfleet shall have as a goal, whenever possible and reasonable, to investigate regional opportunities that could lead to realized savings.
- ◆ The Town of Wellfleet shall have as a goal that the Town Administrator shall review regularly the methods of operation, program service delivery and expenditure of resources in the various Town departments to ensure maximum efficiency for the Town of Wellfleet.
- ◆ The Town of Wellfleet shall have as a goal to gradually increase its annual OPEB appropriation to achieve a level of \$400,000 by FY2018.

[Amended September 14, 2012]