

TOWN OF LEICESTER

BUDGET DOCUMENT | A COMMUNITY COMPACT CABINET INITIATIVE

APRIL 2017



DLS

DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

PREPARED BY:

DLS | Technical Assistance Bureau

100 Cambridge Street, Boston, MA 02114-9569

www.mass.gov/dls



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DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

Michael J. Heffernan
Commissioner of Revenue

Sean R. Cronin
Senior Deputy Commissioner

April 11, 2017

Kevin J. Mizikar, Town Administrator
Town Hall
3 Washburn Square
Leicester, MA 01524

Dear Mr. Mizikar,

I am pleased to present the enclosed report on budget document best practices for the Town of Leicester. As part of the Baker-Polito Administration's commitment to cities and towns, the Community Compact Cabinet initiative strives to create clear mutual standards, expectations, and accountability for both the state and municipalities. It is our hope this report provides important guidance on creating a transparent, thorough, and accessible budget document, as together we seek to build better government for our citizens.

If you have any questions regarding the document, please contact Zack Blake, Technical Assistance Bureau Chief, at 617-626-2358 or blakez@dor.state.ma.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean R. Cronin".

Sean R. Cronin
Senior Deputy Commissioner

Supporting a Commonwealth of Communities

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INTRODUCTION

At the board of selectmen's request, the Technical Assistance Bureau (TAB) at the Division of Local Services developed a budget document and guide for the Town of Leicester. This project was the result of the Community Compact Cabinet (CCC) initiative, whose goal is to encourage implementation of best practices that promote efficiency, accountability, and transparency in municipal government. With an effective budget document, local officials can show expenditure allocations within the context of available revenues, highlight community priorities, and explain plans for contending with external pressures and anticipated difficulties in the upcoming year.

Leicester, a suburb of Worcester, is a community of about 11,200 residents with an FY2017 budget of approximately \$29.6 million. The town is governed by a five-member board of selectmen and an open town meeting. The selectmen appoint a town administrator, whose duties according to bylaw include overseeing Leicester's financial administration and managing its budget process. The town administrator has thus far proven his ability to ensure that budget development is effective and well organized. However, the current budget document is not being maximized as a policy tool or as a vehicle for public information, and its contents should be expanded. In addition, there are opportunities to reduce the inefficiencies associated with its development.

Background on the Current Budget Process and Document

Leicester's budget process begins in October, when the selectmen hold a public meeting to discuss their priorities. A few days later, the select board, finance advisory board, and school committee meet jointly to reach consensus on goals and priorities for the upcoming budget cycle. To provide context for this meeting, the town administrator presents a preliminary budget forecast and policy-driven proposal for allocating certified free cash.

Next, the town administrator's assistant pulls prior-year departmental budget data from VADAR (the town's financial software) and copies it into an Excel workbook. This workbook contains a spreadsheet with a line-item budget table for each individual department section, as well as descriptions of services, mission statements, vision statements, and summaries of budget changes. The budget table has columns for: 1) prior-year actuals, 2) current-year appropriations, 3) a blank column for departments' next-year budget requests, 4) the town administrator's next-year recommendations, 5) dollar changes from the previous fiscal year, and 6) percentage changes from the prior year. The assistant also creates a separate spreadsheet that allows departments to calculate payroll information before entering it into the primary document.

Along with a spending guidance memo, the town administrator emails the Excel workbook to all department heads and instructs them to find their section on the budget spreadsheet and input their spending request in the appropriate column. Department heads email their completed Excel files to the town administrator by mid-December. Thus, the town administrator receives multiple spreadsheet copies, each containing the town's entire operating budget with a single department updated. He sorts through these, extracts individual departmental data from each, and compiles it all into a budget request master sheet, which ultimately becomes the budget document.

From January to February, the select board and town administrator review the budget and submit it to the finance advisory board by mid-March. After reviewing this budget, the finance advisory board only decides on "yes" or "no" recommendations, which appear next to corresponding articles in the town meeting warrant (as opposed to the board drafting its own budget). The town administrator presents the budget at annual town meeting in May.

Based on conversations with the town administrator and his assistant, the budget process runs relatively smoothly in Leicester, thanks in part to good cooperation among the select board, finance advisory board, school committee, and town departments. The current process also benefits from some sound budget practices. For instance, the town administrator prepares an early preliminary forecast with a detailed free cash strategy. He also composes for the finance advisory board an annual budget message, which includes a policy-level overview of revenues, expenditures, and priorities. To guide decision making, the town also has a formal, written free cash policy that outlines its appropriate uses and identifies a minimum annual funding level. However, these components are not incorporated in the currently produced, 56-page budget document, which essentially consists only of a series of departmental operating budgets.

The town administrator cited his recognition of the gap between the current budget document and a potentially more informative and efficient model as the reason Leicester applied for this CCC project. In a meeting with TAB, he explained that his goals include making the budget process easier, improving detail in the departmental budget narratives, increasing transparency, and ensuring the smooth transfer of budget materials across fiscal years.

On the following pages, we provide guidance to help Leicester meet these goals with a comprehensive, informative, and transparent budget document. Separately attached are budget preparation spreadsheets for departmental-level and overall budget development. Taken together, they can serve as a blueprint for Leicester to reduce inefficiencies in the budget submission process and to compile disparate budget components into a complete budget document.

BUDGET DOCUMENT COMPONENTS

Core Concepts

For budget planning to be effective it must incorporate practical, data-driven forecasting, sound financial policies, and long-range capital financing strategies. Accordingly, the budget document should reflect these three, core concepts. For instance, budget recommendations should be grounded in an understanding of the community's ongoing financial condition based on a long-range forecast, which should be made clear in a budget message. Financial policies should guide how revenues are allocated by dictating, for example, the appropriate uses of free cash and stabilization funds. Policies should also set a predictable, sustainable level of capital investment, since effective long-term planning must include the maintenance of the town's infrastructure and large capital assets. For a budget document to be a practical communication tool, these core concepts must be combined in a logical format with accessible content and reliable data.

Budget Document Workflow

The document creation process should align with budget development to create a logical flow of data that eliminates duplication of effort. Maintaining a defined cycle ensures that line-item classifications are uniform and that the budget process starts with consistent base data. It also makes it easier to monitor appropriations during the year.

The budget cycle properly begins after town meeting approves the finalized budget at the annual town meeting in the spring. Shortly thereafter, the town accountant should enter each line item into VADAR's general ledger (GL) as the new fiscal year's appropriation. Thus, the data for the most recent town meeting appropriation becomes the current year's appropriation in the GL, where it can then be entered into the corresponding column in the working budget spreadsheet. Effective working budget documents contain line-item details that tie directly to object codes in the GL, allowing the town administrator to accurately note changes in the upcoming budget.

During the budget request submission stage, department-level workbooks will provide the source data for the final budget document, which should also align with Leicester's GL records for accurate monitoring. The point of user input should always start with line-item detail. The document we present uses Excel formulas and linked sheets to automatically summarize this line-item data into a final, presentation-ready format. This set-up standardizes the point of change and keeps data consistent throughout the development process. Any subsequent budget alterations should single out specific line items for reduction or increase.

Once the next annual town meeting approves the budget, the cycle restarts. To support an efficient, year-to-year workflow conversion, we designed a budget document template that will allow the town administrator's office to easily transfer the working spreadsheets' content to new workbooks, including their mission statements, objectives, personnel information, budget narratives, and budget data.

The Budget Document

The budget document we designed consists of two workbooks, one for department-level submissions and the other for the master workbook. Readers will find the following components in them, along with embedded instructions as appropriate:

- Table of Contents
- Budget Message
- Forecast
- Organizational Chart
- Budget Calendar and Process
- Overview of Revenues and Expenditures
- Revenues Section
- Departmental Budget Sections
- Capital Investment Section
- Financial Policies
- Appendices

Each departmental budget section has the following common elements: department overview with a mission statement, goals, objectives, personnel table, organizational chart, budget narrative, and budget data. The instructions embedded in this workbook allow it to serve as a manual for department heads. In addition to the departmental workbook is the budget master workbook, which contains a template for all town-wide budget components.

When implementing the document, the town administrator should password-protect the workbooks' formulas before distributing to department heads. Finally, while the electronic version has a table of contents to aid navigation, when hard-copy versions are created, we suggest they incorporate physical tab separators between sections for ease of use.

ADDITIONAL RECOMMENDATIONS

1. Expand Financial Policies

We recommend Leicester add forecasting, reserves, and capital planning policies to its existing policy manual. With input from the select and finance advisory boards, the town administrator should draft these policies and submit them for formal adoption by the boards. Subsequently, relevant policy excerpts should be included in the final budget document. For guidance, in the appendix are sample policies on these topics that TAB recently created for the Town of Charlton. Additional financial policy drafts can be found on the CCC's [webpage](#).

A forecasting policy will strengthen and expand on the three-year forecast that the town administrator currently produces for the October budget meeting. Using this as a basis, we recommend the policy call for a five-year forecast, incorporate projected revenues, and identify potential future deficits and any other areas of budgetary concern. Significant trends should be noted in the budget message, and the forecast should be given its own section in the document.

We further suggest the town incorporate its existing free cash policy into a broader reserves policy. This policy should set usage conditions for the general stabilization fund, the finance advisory board's reserve fund, the assessor's overlay account, and any special purpose stabilization funds. It should also establish target funding levels for certain reserves.

An effective capital planning policy defines capital projects and outlines the town's approach to funding its capital plan. The town's capital improvement planning committee bylaw already defines a capital project as costing \$10,000 or greater and having a useful life of five years or more. We recommend incorporating these criteria into a detailed capital policy that also outlines the town's long-term financing strategy.

2. Expand and Revise Departmental Budget Sections

- a) Combine the mission and vision statements – The town administrator should consider removing the departmental vision statement since it often replicates or reformulates the content in the mission statement. Instead, the administrator should instruct departments to review and revise existing mission statements.
- b) Add department descriptions to all budget entries – Some departmental budget entries have detailed descriptions, while others lack them altogether. The administrator should

work with each department head to develop descriptions of services for all budget entries that can be reused each budget year. These should be distinct from mission statements.

- c) Add departmental goals and objectives – Each department head should, in discussions with the town administrator, develop a set of goals and objectives driven by policy. Goals are broad statements of purpose and may span a few fiscal years. Objectives are the specific, measurable steps necessary to accomplish goals, and as such they should be reviewed and updated annually. Use this space to also describe the status of any prior-year goals and objectives.

3. Revise the Operating Budget Submission Process

Using TAB's budget document workbook as a model, we recommend the town administrator email department-specific workbooks to each department. This eliminates the current step of parsing through superfluous information when each department head returns a spreadsheet with only their department updated. Instead, the town administrator will be able to incorporate each submission into an appropriation summary in his budget master workbook. Since all working documents will at this point be stored on the town administrator's drive, he can then link the summary totals from those spreadsheets to the appropriation summary in the budget master.

APPENDIX A:

Town of Charlton Forecasting Policy

PURPOSE

To assess the range of choices available to budget decision makers when determining how to allocate resources, this policy establishes guidelines for evaluating revenue sources and the requirement to determine an expenditure strategy as part of the annual budget process and longer range fiscal planning. Forecasting helps local officials understand the long-range implications of pending near-term decisions.

APPLICABILITY

This policy applies to the Board of Selectmen and Finance Committee in their budget analysis and decision-making responsibilities. It also applies to the job responsibilities of the Town Administrator, Town Accountant, and all the managers of revenue-generating departments, including the Town's Water and Sewer Department.

POLICY

A. Revenue Guidelines

The Town will continuously seek to diversify its revenue to improve the equity and stability of sources. Each year and whenever appropriate, the Town will reexamine existing revenues and explore potential new sources. A balance will be sought between elastic and inelastic revenues to minimize any adverse effects caused by inflation or other economic changes. Additionally, intergovernmental revenues (e.g., local aid, grants) will be reviewed annually to determine their short- and long-term stability in order to minimize detrimental impacts.

The Town will avoid using one-time revenues to fund ongoing or recurring operating expenditures. These one-time revenue sources can include, but are not limited to, free cash, overlay surplus, sale of municipal equipment, legal settlements, insurance proceeds, and gifts. Additionally, the Town hereby establishes the following priority order when appropriating one-time revenues:

- General stabilization fund
- [Capital stabilization fund]
- [Cash capital budget]
- [OPEB trust fund]
- [Other]

Economic downturns or unanticipated fiscal stresses may compel reasonable exceptions to the use of one-time revenue. In such cases, the Town Administrator, in consultation with the Town Accountant, can recommend to the Board of Selectmen its use for operational appropriations. Such use will trigger the Town Administrator to develop an action plan with the Town Accountant to avoid continued reliance on one-time revenues.

Historically, bond premiums (net of issuance costs) have been considered general one-time revenue to be used as an available source. [Chapter 218 of the Acts of 2016](#) amends current law by allowing communities to either apply the proceeds to the issuance, thereby reducing the amount needed to

borrow, or to place the money in a separate fund and appropriate it for a future capital project. (Note: Premiums received for excluded debt must still be used to offset the stated interest costs of financing the project.)

State laws impose further restrictions on how certain types of one-time revenues may be used. The Town will consult the following General Laws when the revenue source is:

- Sale of real estate: [M.G.L. c. 44, §63](#) and [M.G.L. c. 44, §63A](#)
- Gifts and grants: [M.G.L. c. 44, §53A](#) and [M.G.L. c. 44, §53A½](#)

This policy further entails the following expectations regarding revenues:

- The Assessing department will maintain property assessments for the purpose of taxation at full and fair market value as prescribed by state law.
- Town departments that charge fees will annually review their fee schedules and propose adjustments when needed to ensure coverage of service costs.
- The Water/Sewer department will set rates for the enterprise operations sufficient to cover all their direct, indirect, and capital improvement costs on self-supporting bases.
- The Building department will notify the Town Administrator of any moderate-to-large developments that could impact building permit volume.
- Department heads will strive to seek out all available grants and other aid and will carefully consider any related restrictive covenants or matching requirements (both dollar and level-of-effort) to determine the cost-benefit of pursuing them.
- Revenue estimates will be adjusted throughout the budget cycle as more information becomes available.

B. Expenditure Guidelines

Annually, the Town will determine a particular budget approach for forecasting expenditures, either maintenance (level service), level funded, or one that adjusts expenditures by specified increase or decrease percentages (either across the board or by department). A maintenance budget projects the costs needed to maintain the current staffing level and mix of services into the future. A level-funded budget appropriates the same amount of money to each municipal department as in the prior year and is tantamount to a budget cut because inflation in mandated costs and other fixed expenses still must be covered.

C. Financial Forecast Guidelines

To determine the Town's operating capacity for each forthcoming fiscal year, the Town Accountant will annually create and provide the Town Administrator with a detailed budget forecast. The Town Accountant will also annually prepare a [five]-year financial projection of revenues and expenditures for all operating funds. These forecasts shall be used as planning tools in developing the following year's operating budget as well as the five-year capital improvement plan.

To ensure the Town's revenues are balanced and capable of supporting desired levels of services, forecasts for property taxes, local receipts, and state aid will be conservative based on historical trend analyses and will use generally accepted forecasting techniques and appropriate data. To avoid potential revenue deficits, estimates for local receipts (e.g., inspection fees, investment

income, license fees) should generally not exceed [90] percent of the prior year's actual collections without firm evidence that higher revenues are achievable.

Additionally, the Town's forecast model should assume that:

- The current level of services will be maintained.
- Property taxes (absent overrides) will grow at the limits of Proposition 2½.
- New growth will be projected conservatively, taking into account the Town's three-year average by property class.
- Local receipts and state aid will reflect economic cycles.
- Historical trends in the growth of specific operating expenses and employee benefits will prevail.
- Potential cost-of-living adjustment estimates for the impact of future contract settlements and compensation plan increases are included.
- Debt service on existing debt will be paid and Capital Planning and Debt policies will be followed.
- Annual pension contributions and appropriations to amortize its other postemployment benefit liabilities will continue.
- Reserves will be built and maintained in compliance with its Financial Reserves policy.

REFERENCES

[Chapter 218 of the Acts of 2016](#), Section 67

[M.G.L. c. 44, §20](#)

[M.G.L. c. 44, §53A](#)

[M.G.L. c. 44, §53A½](#)

[M.G.L. c. 44, §63](#)

[M.G.L. c. 44, §63A](#)

Division of Local Services Best Practice: [Revenue and Expenditure Forecasting](#)

Division of Local Services Bulletin 2013-01B: [Bond Premiums and Debt Exclusions](#)

Government Finance Officers Association article: [Structuring the Revenue Forecasting Process](#)

Town of Charlton Capital Planning Policy

Town of Charlton Debt Management Policy

Town of Charlton Financial Reserve Policy

EFFECTIVE DATE

This policy was adopted on [].

APPENDIX B:

Town of Charlton Financial Reserves Policy

PURPOSE

To help the Town stabilize finances and maintain operations during difficult economic periods, this policy establishes prudent practices for appropriating to and expending reserve funds. With well-planned sustainability, Charlton can use its reserves to finance emergencies and other unforeseen needs, to hold money for specific future purposes, or in limited instances, to serve as revenue sources for the annual budget. Reserve balances and policies can also positively impact the Town's credit rating and consequently its long-term cost to fund major projects.

APPLICABILITY

This policy pertains to short- and long-range budget decision making and applies to the Board of Selectmen, Town Administrator, and Finance Committee in those duties. It also applies to the related job duties of the Town Accountant, Water/Sewer Commissioners, and Board of Assessors.

POLICY

The Town of Charlton commits to building and maintaining its reserves so as to have budgetary flexibility for unexpected events and significant disruptions in revenue-expenditure patterns and to provide a source of available funds for future capital expenditures. The Town will strive to maintain overall reserves in the level of eight to ten percent of the annual operating budget. Adherence to this policy will help the Town withstand periods of decreased revenues and control spending during periods of increased revenues. There are multiple types of reserves, including free cash, stabilization funds, retained earnings, and overlay surplus.

A. Free Cash

The Division of Local Services (DLS) defines free cash as "the remaining, unrestricted funds from operations of the previous fiscal year, including unexpended free cash from the previous year." DLS must certify free cash before the Town can appropriate it.

By September 15th each year, the Town Accountant will submit to DLS a year-end balance sheet, free cash checklist, and year-end reporting checklist. Once DLS certifies free cash, the Town Accountant will review any reduction to the certified balance and provide the Town Administrator a detailed explanation and subsequent year remediation plan.

The Town will set a year-to-year goal of maintaining its free cash in the range of three to five percent of the annual budget. To achieve this, the Town Accountant will propose budgets with conservative revenue projections, and department heads will carefully manage their appropriations to produce excess income and budget turn backs.

The Town will endeavor to transfer a minimum of 50 percent of the certified free cash to the general stabilization fund. As much as practicable, the Town will limit its use of free cash to funding one-time expenditures (like capital projects or emergencies and other unanticipated expenditures). Alternatively, budget decision makers may reserve a portion of the remaining 50 percent to avoid fully depleting the Town's free cash so that the succeeding year's calculation can begin with a positive balance.

B. Stabilization Funds

A stabilization fund is a reserve account allowed by state law to set aside monies to be available for future spending purposes, including emergencies or capital expenditures, although it may be appropriated for any lawful purpose. Prior to the adoption of this policy, the Town established and appropriated to a general stabilization fund.

General Stabilization: The Town will endeavor to maintain a minimum balance of five percent of the current operating budget in its general stabilization fund. Withdrawals from general stabilization should only be used to mitigate emergencies or other unanticipated events that cannot be supported by current general fund appropriations. When possible, withdrawals of funds should be limited to the amount available above the five percent minimum reserve target level. If any necessary withdrawal drives the balance below the minimum level, the withdrawal should be limited to one-third of the general stabilization fund balance. Further, the Town Accountant will develop a detailed plan to replenish the fund to the minimum level within the next two fiscal years.

Capital Stabilization: The Town will establish and appropriate annually to the capital stabilization fund so that over time it achieves a target balance sufficient to cover the Town's cash outlay for capital. Doing so enables the Town to pay outright for moderate-range capital expenditures and thereby preserve debt capacity for major, higher-dollar purchases or projects. This approach balances debt with pay-as-you-go practices and protects against unforeseen costs.

C. Retained Earnings

The Town has separate enterprise funds to provide water and sewer utilities. By accounting for each utility's revenues and expenditures in individual funds segregated from the general fund, the Town can identify the true costs of each service—direct, indirect, and capital—and recover these through user fees and other fees. Under this accounting, the Town may reserve each operation's generated surplus (referred to as retained earnings or, alternatively, as net assets unrestricted) rather than closing the amount out to the general fund at year-end.

For each enterprise fund, the Town will maintain a reserve amount at 20 percent of the utility's total budget, at minimum, but any reserve may be significantly higher if major infrastructure improvements are necessary. These reserves shall be used to provide rate stabilization and to fund

major, future capital projects. To maintain the target reserve levels for each enterprise requires the Water and Sewer departments to periodically review, and when necessary, adjust user rates.

D. Overlay Surplus

The overlay is a reserve the Town uses to offset unrealized revenues resulting from property tax abatements and exemptions. Charlton officials will prudently manage the overlay in accordance with the Town's Overlay policy to avoid the need to raise overlay deficits in the tax levy.

At the conclusion of each fiscal year, the Board of Assessors will submit to the Town Administrator and the Town Accountant an update of the overlay reserve with data that includes, but is not limited to, the gross balance, potential abatement liabilities, and any transfers to surplus. If the balance exceeds the amount of potential liabilities, the Board of Selectmen may request that the Board of Assessors vote to declare those balances surplus available for use in the Town's capital improvement plan or for any other one-time expense.

REFERENCES

[M.G.L. c. 40, §5B](#)

[M.G.L. c. 59, §25](#)

[M.G.L. c. 44, §53F½](#)

DLS Best Practice: [Free Cash](#)

DLS Best Practice: [Reserve Policies](#)

DLS Best Practice: [Special Purpose Stabilization Funds](#)

DLS Informational Guideline Release 08-101: [Enterprise Funds](#)

DLS Informational Guideline Release 16-104: [Overlay and Overlay Surplus](#)

DLS Informational Guideline Release 04-201: [Creation of Multiple Stabilization Funds](#)

Government Finance Officers Association Best Practice: [Appropriate Level of Unrestricted Fund Balance in the General Fund](#)

EFFECTIVE DATE

This policy was adopted on [].

APPENDIX C:

Town of Charlton Capital Planning Policy

PURPOSE

To provide a means for planning the maintenance and improvement of capital assets and infrastructure, this policy outlines guidance for reviewing, planning, and coordinating capital improvements. This policy also promotes a systematic acquisition and replacement schedule to ensure that, given limited resources, the Town's capital needs are met.

APPLICABILITY

This policy establishes a framework for long-term capital planning, sets guidelines and expectations for all Town departments in planning for and requesting capital projects, and outlines consensus budgetary goals for the Town Administrator and Board of Selectmen.

POLICY

The Town will maintain its physical assets by providing funding in the operating budget to protect its capital investments and minimize future maintenance and replacement costs. The Town sustains a capital improvement program (CIP) overseen by the Town Administrator to identify and prioritize projects, analyze funding, and create a long-term financial plan achievable within the Town's budget limitations. The Town will sustain a five-year plan for capital improvements, which will be updated annually. Included in the CIP will be those projects that will provide and preserve the infrastructure needed to achieve the highest levels of public services and quality of life possible within the available financial resources. The Town will emphasize preventive maintenance as a cost-effective approach to capital reinvestment and replace exhausted goods as necessary.

A. Definition of a CIP Project

A capital improvement is a tangible asset or project estimated to cost over \$25,000 and estimated to have or to extend, five or more years of useful life. These include:

- Real property acquisitions, construction, and long-life capital equipment
- Major improvements to physical infrastructure, including streets, sidewalks, stormwater drains, water distribution systems, and sanitary sewer systems
- Major renovations of existing capital items that extend their useful lifespans, as distinguished from normal operating expenditures
- Planning, feasibility studies, and designs for potential capital projects
- Items obtained under a long-term capital lease
- Bulk purchases of similar items, like software or furniture, with expected useful lifespans of five or more years that, when aggregated, have total costs exceeding the capital threshold

B. Evaluation of CIP Projects

The Town Administrator orchestrates the CIP. Only projects that have gone through the Town Administrator's review process will be included in the CIP unless required by an emergency, in which case, a written report explaining the emergency must be provided to the Town Administrator and Board of Selectmen.

The Town Administrator will evaluate and prioritize capital projects using the below criteria:

- Eliminates a hazard to public health and safety
- Required by state or federal laws or regulations
- Supports adopted plans, goals, objectives, and policies
- Stabilizes or reduces operating costs
- Replaces a clearly obsolete facility or makes better use of an existing facility
- Maintains or improves productivity or existing standards of service
- Directly benefits the Town's economic base by protecting and increasing property values
- Provides new programs having social, cultural, historic, economic, or aesthetic value
- Uses outside financing sources, such as grants
- Maintains a minimum annual \$25,000 technology investment

C. Multiyear Capital Plan

The Town Administrator will annually update and propose for adoption by the Board of Selectmen and Finance Committee a five-year capital improvement plan, including the upcoming fiscal year's capital improvement budget and a four-year projection of capital needs and expenditures that details their estimated costs, descriptions, and anticipated funding sources.

D. Capital Financing

Long-term debt is an appropriate funding source for certain types of projects, while current revenues should be used for assets with short useful lifespans. The Town will strive to maintain [three - five] percent of the general fund operating budget, net of debt, on capital investment allocations. Funding shall be derived from a combination of property taxes and the general stabilization fund.

The CIP shall be prepared and financed in accordance with the following policies:

- Grant funding shall be pursued and used to finance the capital budget whenever possible.
- Capital projects for the enterprise fund shall be financed solely from the fund's revenues.
- The annual operating costs of each proposed capital project, as well its debt service costs, shall be identified before any long-term, bonded capital project is recommended.
- Major capital projects, such as new construction or major renovations to existing facilities, may be accomplished through capital or debt exclusions.
- Infrastructure or facility maintenance budgets built into the general operating budget will not be reduced to fund other departmental budgets.

E. Capital Project Closeouts

The Town will endeavor to close out all capital projects within six months of completion. As these projects are closed out, the Town Accountant will do the following:

- For bonded projects with residual balances, the Town Accountant and Treasurer will propose reallocating any balances for other applicable capital projects.
- For projects funded with available revenue (tax levy or reserves) having residual balances, the Town Accountant will propose reallocating the balances for other capital projects or close the balances to the appropriate fund surplus.

REFERENCES

[M.G.L. c. 44, §20](#)

[M.G.L. c. 44, §33B](#)

Division of Local Services Guidance: [Presenting and Funding Major Capital Projects](#)

EFFECTIVE DATE

This policy was adopted on []



Town of Leicester
Town Administrator's Budget
FY2018

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SECTION I

Budget Overview



Budget Message

Use the budget message to present a "budget in brief." Highlight community priorities and describe how the budget meets them. Speak to any policy objectives that may have been decided by the board of selectmen or finance advisory board earlier in the budget process, including how these priorities were developed. In addition to reviewing policy priorities, the budget message should identify cost centers, revenue trends, and any challenges facing the community. This is also a good opportunity to discuss the town's five-year forecast and describe the proposed budget in a more strategic context. We recommend that the forecast immediately follow the Budget Message.

The town administrator already prepares an extensive and thoughtful budget message, so implementing this component would be a matter of aligning it to the revised document's format and structure.





Forecast

Use this sheet for the town's five-year forecast.

Budget Calendar

October	
BOS meeting to discuss budget priorities	17
BOS, Finance Advisory Board, School Committee meet to set budget priorities	19
Town Administrator distributes capital request forms to departments	27
November	
Town Administrator distributes operating budget forms to departments	10
December	
Capital request submissions due to Town Administrator	5
Town Administrator and CIPC capital review sessions begin	12
Departmental operating budgets due to Town Administrator	15
Departmental budget review meetings with Town Administrator begin	19
January	
Departmental budget review meetings with Town Administrator end	12
BOS operating budget workshop	23
February	
Town Administrator and CIPC capital review sessions end	2
Final capital budget voted by CIPC and presented by Town Administrator	2
BOA operating and capital budget workshop	6
Town Administrator presents FY18 Operating and Capital Budget to BOS	21
March	
Town/School operating and capital budgets presented to Finance Advisory Board	13
Departmental budget reviews with Finance Advisory Board begin	13
April	
Departmental budget reviews with Finance Advisory Board end	24
May	
Annual Town Meeting vote on budget	2

An organizational chart should clearly indicate the town's reporting structure and specify all separately elected bodies and positions. Ensure that the chart is either created in this sheet or, if created elsewhere, easily importable.

Budget Overview

Personnel Summary

	FY2015 Actual	FY2016 Actual	FY 2017 Budget	FY 2018 Request	Town Administrator Budget
Public Works					
Highway					
Public Works FTE	0	0	0	0	0

Public Safety

Police					
Fire					
Ambulance					
Animal Control					
Public Safety FTE	0	0	0	0	0

Land Use and Community Development

Development and Inspectional Svcs.					
Code Department					
Planning Board					
Land Use FTE	0	0	0	0	0

Budget Overview

	FY2015 Actual	FY2016 Actual	FY 2017 Budget	FY 2018 Request	Town Administrator Budget
Library					
Library					
Total Library FTE	0	0	0	0	0

Human Services					
Council on Aging					
Veterans' Services					
Veterans' Graves					
Total General Government FTE	0	0	0	0	0

Parks and Recreation					
Parks and Recreation					
Total Parks and Recreation FTE	0	0	0	0	0

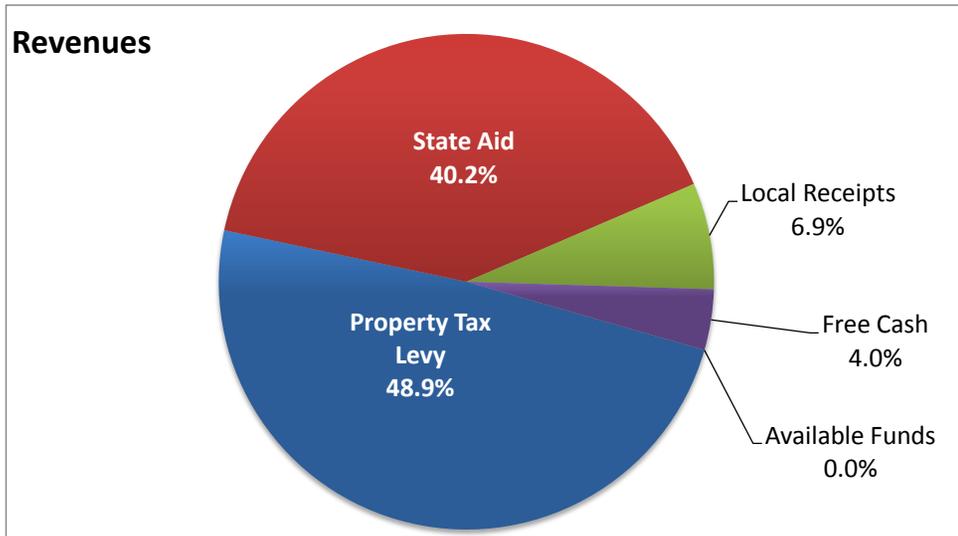
General Governement					
Board of Selectmen					
Town Accountant					
Assessors					
Treasurer/Collector					
Human Resources					
Town Clerk					
Elections/Registrars					
Total General Government FTE	0	0	0	0	0

Total Municipal FTEs	0	0	0	0	0
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Overview of Revenues and Expenditures

General Fund

Revenues	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Town Admin. Budget	Dollar Change	Percent Change
Property Tax Levy	\$ 12,914,134	\$ 13,403,625	\$ 14,126,570	\$ 14,802,963	\$ 676,393	4.8%
State Aid	11,725,932	11,950,425	12,090,907	12,171,422	80,515	0.7%
Local Receipts	2,270,903	2,636,707	2,102,100	2,102,100	-	0.0%
Free Cash	-	-	508,773	1,198,694	689,921	135.6%
Available Funds	-	-	441,660	-	(441,660)	-100.0%
General Fund Revenues Total	\$ 26,910,968	\$ 27,990,757	\$ 29,270,010	\$ 30,275,179	\$ 1,005,169	3.4%
Expenditures						
Education	\$ 16,190,400	\$ 15,748,000	\$ 15,910,800	\$ -	\$ (15,910,800)	-100.0%
Municipal Departments	4,919,095	4,992,700	5,109,356	-	(5,109,356)	-100.0%
Debt Service	753,739	665,832	1,051,799	-	(1,051,799)	-100.0%
Benefits and Insurance	3,690,097	3,854,791	4,411,105	-	(4,411,105)	-100.0%
Capital	726,175	1,523,939	1,328,643	-	(1,328,643)	-100.0%
Other Amounts Raised	422,949	475,814	529,111	-	(529,111)	-100.0%
General Fund Expenditures Total	\$ 26,702,454	\$ 27,261,075	\$ 28,340,814	\$ -	\$ (28,340,814)	-100.0%
General Fund Surplus/(Deficit)	\$ 208,514	\$ 729,681	\$ 929,196	\$ 30,275,179		



Budget Overview

Appropriation Summary

General Fund

	FY 2015 Actual	FY 2016 Actual	FY 2017 Appropriation	FY 2018 Request	FY 2018 TM Budget	Dollar Change	Percent Change
Education							
Leicester Public Schools	\$ 16,190,400	\$ 15,748,000	\$ 15,910,800	\$ 16,308,570	\$ -	\$ 560,570	3.56%
Education Total	\$ 16,190,400	\$ 15,748,000	\$ 15,910,800	\$ 16,308,570	\$ -	\$ (15,910,800)	-100.00%
Debt Service							
Maturing Debt Principal	\$ 553,898	\$ 499,013	\$ 819,894	\$ 919,485	\$ -	\$ (819,894)	-100.00%
Maturing Debt Interest	199,010	166,087	219,205	306,027	-	(219,205)	-100.00%
Temporary Loan Interest	830	731	11,200	15,433	-	-	-
Bond Issue	-	-	1,500	-	-	-	-
<i>Total Non-Excluded Debt</i>	\$ 753,739	\$ 665,832	\$ 1,051,799	\$ 1,240,945	\$ -	\$ (1,051,799)	-100.00%
Debt Service Total	\$ 753,739	\$ 665,832	\$ 1,051,799	\$ 1,240,945	\$ -	\$ (1,051,799)	-100.00%
Benefits and Insurance							
Retirement	\$ 979,523	\$ 946,178	\$ 1,024,269	\$ 1,055,412	\$ -	\$ (1,024,269)	-100.00%
Unemployment	14,270	32,133	66,330	66,610	-	(66,330)	-100.00%
Workers' Compensation	133,582	143,719	191,034	202,496	-	(191,034)	-100.00%
Employee Benefits	2,434,605	2,588,431	2,992,509	2,886,534	-	(2,992,509)	-100.00%
Bonding and Insurance	128,118	144,330	136,963	145,181	-	(136,963)	-100.00%
Benefits and Insurance Total	\$ 3,690,097	\$ 3,854,791	\$ 4,411,105	\$ 4,356,233	\$ -	\$ (4,411,105)	-100.00%
Public Works and Facilities							
Highway Dept Personnel	\$ 399,918	\$ 387,471	\$ 424,707	\$ 418,561	\$ -	\$ (424,707)	-100.00%
Highway Dept Expenses	239,303	250,129	269,068	269,368	-	(269,068)	-100.00%
Snow and Ice Personnel	69,371	34,739	24,500	24,500	-	(24,500)	-100.00%
Snow and Ice Expenses	174,805	129,263	95,000	95,000	-	(95,000)	-100.00%
Street Lights Expenses	77,782	80,938	86,000	66,000	-	(86,000)	-100.00%
Public Works and Facilities Total	\$ 961,179	\$ 882,539	\$ 899,275	\$ 873,429	\$ -	\$ (899,275)	-100.00%

Budget Overview

	FY 2015 Actual	FY 2016 Actual	FY 2017 Appropriation	FY 2018 Request	FY 2018 TM Budget	Dollar Change	Percent Change
Public Safety							
Police Personnel	\$ 1,486,785	\$ 1,615,221	\$ 1,559,134	\$ 1,668,656	\$ -	\$ (1,559,134)	-100.00%
Police Expenses	219,279	229,817	270,930	275,015	-	(270,930)	-100.00%
Fire Personnel	134,298	127,924	155,275	160,285	-	(155,275)	-100.00%
Fire Expenses	111,076	103,749	110,674	114,174	-	(110,674)	-100.00%
Ambulance Personnel	298,367	322,419	334,365	343,684	-	(334,365)	-100.00%
Ambulance Expenses	41,882	43,960	46,550	62,050	-	(46,550)	-100.00%
Emergency Management Personnel	3,600	3,720	3,720	3,720	-	(3,720)	-100.00%
Emergency Management Expenses	992	-	1,000	1,000	-	(1,000)	-100.00%
Animal Control Personnel	16,750	20,629	20,950	20,950	-	(9,150)	-100.00%
Animal Control Expenses	5,006	5,703	9,150	9,150	-	(9,150)	-100.00%
Public Safety Total	\$ 2,318,035	\$ 2,473,141	\$ 2,511,748	\$ 2,658,684	\$ -	\$ (2,511,748)	-100.00%
Land Use and Community Development							
Development and Inspectional Services Personnel	\$ 39,680	\$ 141,493	\$ 145,324	\$ 145,287	\$ -	\$ (145,324)	-100.00%
Development and Inspectional Services Expenses	63,927	65,517	78,850	78,850	-	(78,850)	-100.00%
Code Department Personnel	116,260	91,915	94,258	94,258	-	(94,258)	-100.00%
Code Department Expenses	6,316	7,592	9,709	9,709	-	(9,709)	-100.00%
Insect Pest Control Personnel	1,807	1,848	1,900	1,900	-	(1,900)	-100.00%
Insect Pest Control Expenses	6,044	7,000	7,000	7,850	-	(7,000)	-100.00%
Planning Board Personnel	60,519	-	-	-	-	-	-
Planning Board Expenses	8,300	-	-	-	-	-	-
Zoning Board Personnel	4,467	-	-	-	-	-	-
Zoning Board Expenses	100	-	-	-	-	-	-
Conservation Commission Personnel	8,418	-	-	-	-	-	-
Conservation Commission Expenses	3,750	-	-	-	-	-	-
Land Use and Community Development Total	\$ 307,420	\$ 315,366	\$ 337,041	\$ 337,854	\$ -	\$ (337,041)	-100.00%

Budget Overview

	FY 2015 Actual	FY 2016 Actual	FY 2017 Appropriation	FY 2018 Request	FY 2018 TM Budget	Dollar Change	Percent Change
Library							
Library Personnel	\$ 123,478	\$ 130,297	\$ 133,755	\$ 144,077	\$ -	\$(133,755)	-100.00%
Library Expenses	41,660	45,758	48,250	45,000	-	(48,250)	-100.00%
Library Total	\$ 165,138	\$ 176,055	\$ 182,005	\$ 189,077	\$ -	\$(182,005)	-100.00%
Human Services							
Council on Aging Personnel	\$ 44,106	\$ -	\$ -	\$ -	\$ -	-	#DIV/0!
Council on Aging Expenses	30,609	500	950	950	-	(950)	-100.00%
Veterans' Services Personnel	4,800	6,000	6,150	6,335	-	(6,150)	-100.00%
Veterans' Services Expenses	100,299	113,270	103,600	91,425	-	(103,600)	-100.00%
Veterans' Graves Registration Personnel	372	380	390	390	-	(390)	-100.00%
Veterans' Graves Registration Expenses	1,982	1,982	2,000	2,000	-	(2,000)	-100.00%
Human Services Total	\$ 182,168	\$ 122,133	\$ 113,090	\$ 101,100	\$ -	\$(113,090)	-100.00%
Parks and Recreation							
Parks and Recreation Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	-	#DIV/0!
Parks and Recreation Expenses	5,384	6,031	6,060	6,060	-	(6,060)	-100.00%
Parks and Recreation Total	\$ 5,384	\$ 6,031	\$ 6,060	\$ 6,060	\$ -	\$(6,060)	-100.00%
Town Committees							
Historical Committee	\$ -	\$ 500	\$ 950	\$ 950	\$ -	(950)	-100.00%
Memorial Day Committee	350	-	440	440	-	(440)	-100.00%
Moose Hill Committee Personnel	931	-	-	-	-	-	-
Moose Hill Committee Expenses	2,680	-	-	-	-	-	-
Town Committees Total	\$ 3,961	\$ 500	\$ 1,390	\$ 1,390	\$ -	\$(1,390)	-100.00%

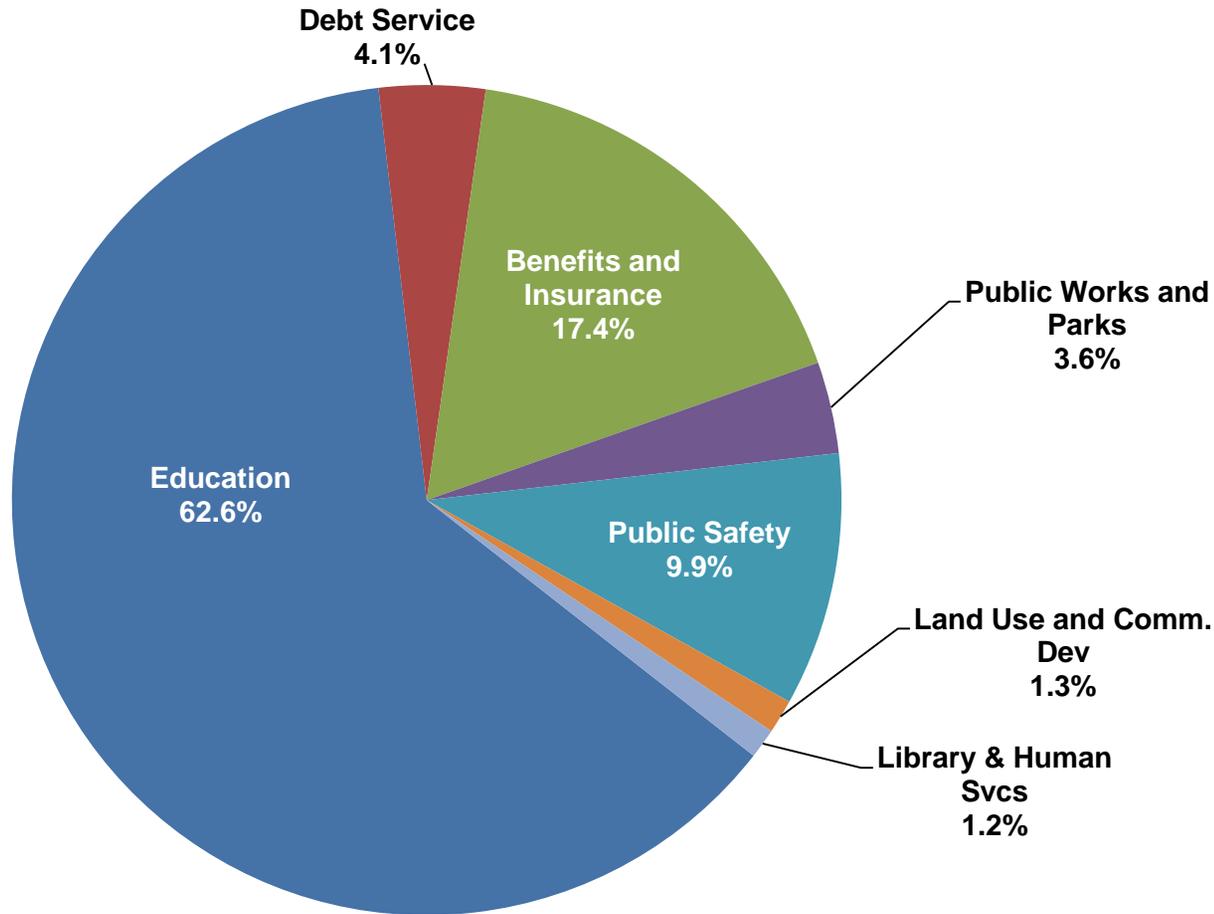
Budget Overview

	FY 2015 Actual	FY 2016 Actual	FY 2017 Appropriation	FY 2018 Request	FY 2018 TM Budget	Dollar Change	Percent Change
General Government							
Legal	\$ 45,592	\$ 61,640	\$ 59,000	\$ 60,000	\$ -	\$ (59,000)	-100.00%
Moderator Personnel	80	81	81	81	-	(81)	-100.00%
Moderator Expenses	20	70	70	70	-	(70)	-100.00%
BOS Personnel	151,120	158,401	175,315	204,461	-	(175,315)	-100.00%
BOS Expenses	64,805	74,263	71,855	43,600	-	(71,855)	-100.00%
Reserve Fund	31,800	14,500	50,000	50,000	-	(50,000)	-100.00%
Advisory Board	204	204	875	1,325	-	(875)	0.00%
Town Accountant Personnel	75,272	92,017	98,000	92,840	-	(98,000)	-100.00%
Town Accountant Expenses	25,596	25,331	26,375	27,575	-	(26,375)	-100.00%
Assessors Personnel	96,997	101,577	103,942	103,854	-	(103,942)	-100.00%
Assessors Expenses	6,956	7,695	8,240	8,240	-	(8,240)	-100.00%
Treasurer/Collector Personnel	139,374	133,055	136,474	136,318	-	(136,474)	-100.00%
Treasurer/Collector Expenses	31,680	25,361	23,795	23,795	-	(23,795)	-100.00%
Tax Title	16,824	13,920	18,000	18,000	-	(18,000)	-100.00%
Personnel Board	562	483	250	250	-	(250)	-100.00%
IT Expenses	104,072	118,793	111,785	117,000	-	(111,785)	-100.00%
Town Clerk Personnel	86,359	89,396	91,433	100,843	-	(91,433)	-100.00%
Town Clerk Expenses	1,973	2,766	3,025	3,650	-	(3,025)	-100.00%
Elections/Registrars Personnel	13,703	14,641	21,000	9,000	-	(21,000)	-100.00%
Elections/Registrars Expenses	11,790	14,157	12,900	11,500	-	(12,900)	-100.00%
Town Owned Buildings Maintenance	-	781	4,500	4,500	-	(4,500)	-100.00%
Town Hall Building Maintenance	65,262	61,944	35,432	35,598	-	(35,432)	-100.00%
Town Hall Telephones	5,770	5,860	6,400	6,400	-	(6,400)	-100.00%
Other - General Government	-	-	-	39,938	-	-	0.00%
General Government Total	\$ 975,810	\$ 1,016,934	\$ 1,058,747	\$ 1,098,838	\$ -	\$ (1,058,747)	-100.00%

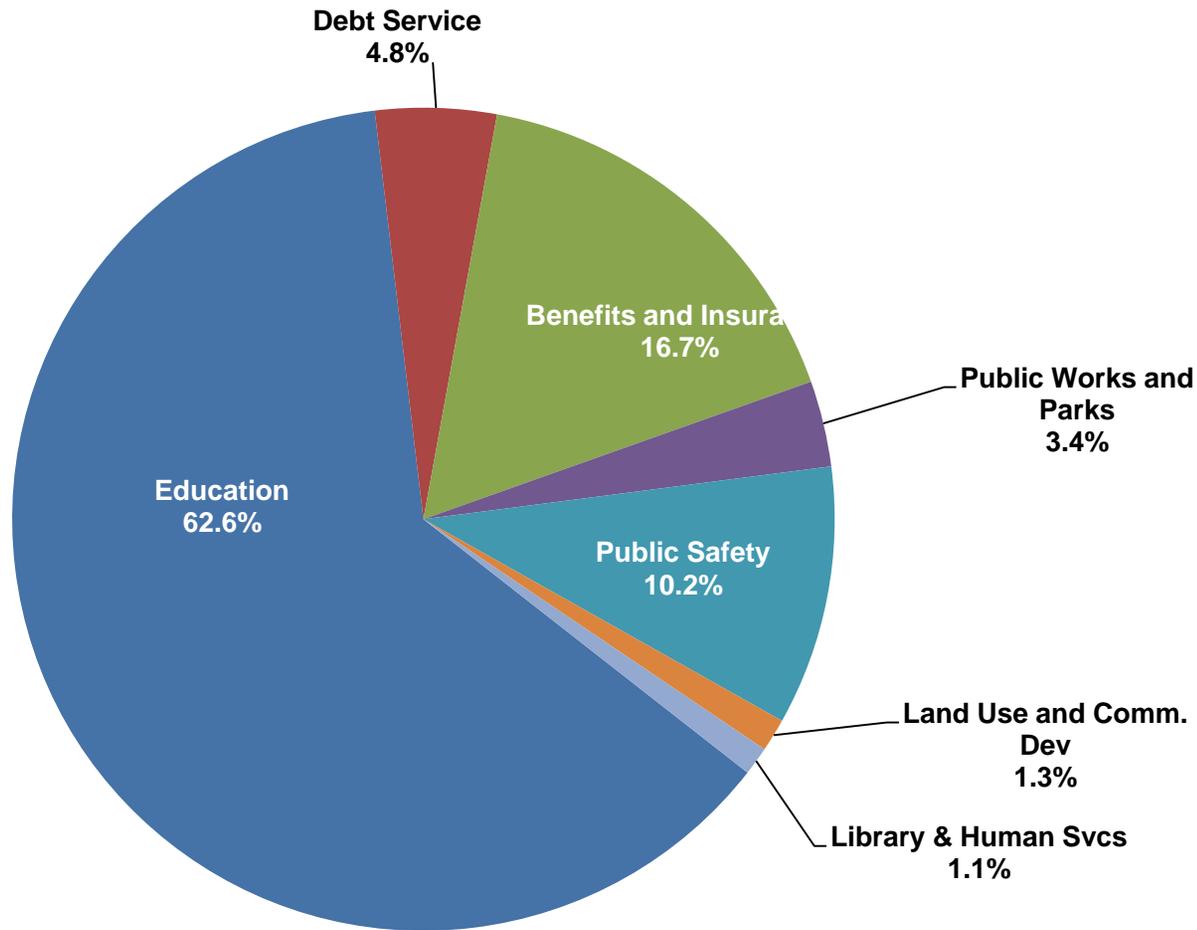
Budget Overview

	FY 2015 Actual	FY 2016 Actual	FY 2017 Appropriation	FY 2018 Request	FY 2018 TM Budget	Dollar Change	Percent Change
Operating Budget Summary							
Total Municipal Departments	\$ 4,919,095	\$ 4,992,700	\$ 5,109,356	\$ 5,266,432	\$ -	\$ (5,109,356)	-100.00%
Total Education	16,190,400	15,748,000	15,910,800	16,308,570	-	(15,910,800)	-100.00%
Total Debt Service	753,739	665,832	1,051,799	1,240,945	-	(1,051,799)	-100.00%
Total Benefits and Insurance	3,690,097	3,854,791	4,411,105	4,356,233	-	(4,411,105)	-100.00%
Operating Budget Total	\$ 25,553,330	\$ 25,261,322	\$ 26,483,060	\$ 27,172,180	\$ -	\$ (26,483,060)	-100.00%
Capital Budget							
Capital Budget	\$ 726,175	\$ 1,523,939	\$ 1,328,643	\$ 404,556	\$ -	\$ (1,328,643)	0.00%
State Assessments							
Air Pollution	\$ 2,742	\$ 2,775	\$ 2,845	\$ 2,822	\$ -	\$ (2,845)	-100.00%
RMV Non-Renewal Surcharge	10,880	10,880	10,880	13,820	-	(10,880)	-100.00%
Regional Transit	122,174	95,349	100,460	104,932	-	(100,460)	-100.00%
SPED	-	774	21,786	8,037	-	(21,786)	-100.00%
School Choice Sending	160,875	162,376	212,982	325,982	-	(212,982)	-100.00%
Charter School Sending	126,278	203,660	180,158	136,184	-	(180,158)	-100.00%
State Asssments Total	\$ 422,949	\$ 475,814	\$ 529,111	\$ 591,777	\$ -	\$ (529,111)	-100.00%
Additional Appropriations							
Overlay Deficit from prior years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Snow and Ice Deficit	-	-	-	-	-	-	#DIV/0!
Allowance for Abatements/Exemptions	-	-	-	-	-	-	#DIV/0!
Appropriate to Stabilization Fund	-	-	-	269,784	-	-	#DIV/0!
Appropriate to Capital Stabilization Fund	-	-	-	-	-	-	#DIV/0!
Additional Appropriations Total	\$ -	\$ -	\$ -	\$ 269,784	\$ -	\$ -	0.00%
General Fund Grand Total	\$ 26,702,454	\$ 27,261,075	\$ 28,340,814	\$ 28,438,297	\$ -	\$ (28,340,814)	-100.00%

FY2017 Appropriations as Percent of Total



FY2018 Proposed Budget as Percent of Total



SECTION II

Revenue



Revenue

Revenue Summary

General Fund

Revenues	FY2015 Actual	FY2016 Actual	FY2017 Budget	FY2018 Projected	Dollar Change	Percent Change
Property Tax Levy	\$ 12,914,134	\$ 13,403,625	\$ 14,126,570	\$ 14,802,963	\$ 676,393	4.79%
State Aid Cherry Sheet	11,725,932	11,950,425	12,090,907	12,171,422	80,515	0.67%
Local Receipts	2,270,903	2,636,707	2,102,100	2,102,100	-	0.00%
Free Cash	-	-	508,773	1,198,694	689,921	0.00%
Available Funds	-	-	441,660	-	(441,660)	-100.00%
General Fund Revenues	\$ 26,910,968	\$ 27,990,757	\$ 29,270,010	\$ 30,275,179	\$ 1,005,169	3.43%

[Revenues discussion]

Revenue

Property Tax Levy

	FY2015 Actual	FY2016 Actual	FY2017 Budget	FY2018 Projected	Dollar Change	Percent Change
Prior Year Levy Limit	\$ 12,024,225	\$ 12,449,284	\$ 12,980,784	\$ 13,469,074	\$ 488,291	3.76%
Allowed 2.5% increase	300,606	311,232	324,520	336,727	12,207	3.76%
New Growth	124,453	220,268	163,771	115,000	(48,771)	-29.78%
Prop 2.5% Override	-	-	-	-	-	0.00%
Excluded Debt	472,904	423,486	662,172	882,162	219,990	33.22%
Excess Levy Capacity	(8,054)	(645)	(4,676)	-	4,676	-100.00%
Tax Levy Total	\$ 12,914,134	\$ 13,403,625	\$ 14,126,570	\$ 14,802,963	\$ 676,393	4.79%

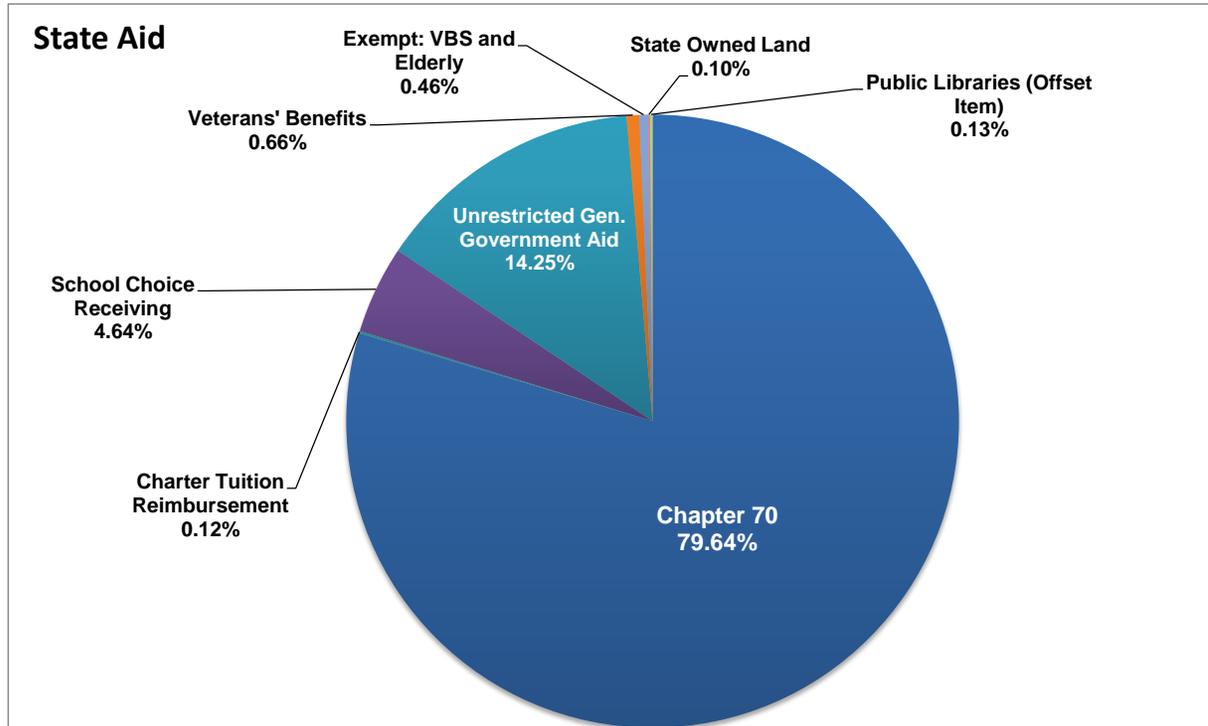
[Property Tax Discussion]

State Aid

	FY2015 Actual	FY2016 Actual	FY2017 Recap	FY2018 Projected*	Dollar Change	Percent Change
Chapter 70	\$ 9,534,162	\$ 9,574,112	\$ 9,661,287	\$ 9,692,727	\$ 31,440	0.33%
Charter Tuition Reimbursement	11,609	64,005	19,403	14,335	(5,068)	-26.12%
School Lunch	9,693	-	-	-	-	-
School Choice Receiving	472,137	544,663	564,881	564,160	(721)	-0.13%
Unrestricted Gen. Government Aid	1,545,000	1,600,620	1,669,447	1,734,555	65,108	3.90%
Veterans' Benefits	65,580	83,529	90,398	80,785	(9,613)	-10.63%
Exempt: VBS and Elderly	60,309	55,686	57,752	56,594	(1,158)	0.00%
State Owned Land	12,373	12,373	12,226	12,226	-	0.00%
Public Libraries (Offset Item)	15,069	15,437	15,513	16,040	527	3.40%
State Aid Total	\$ 11,725,932	\$ 11,950,425	\$ 12,090,907	\$ 12,171,422	\$ 80,515	0.67%

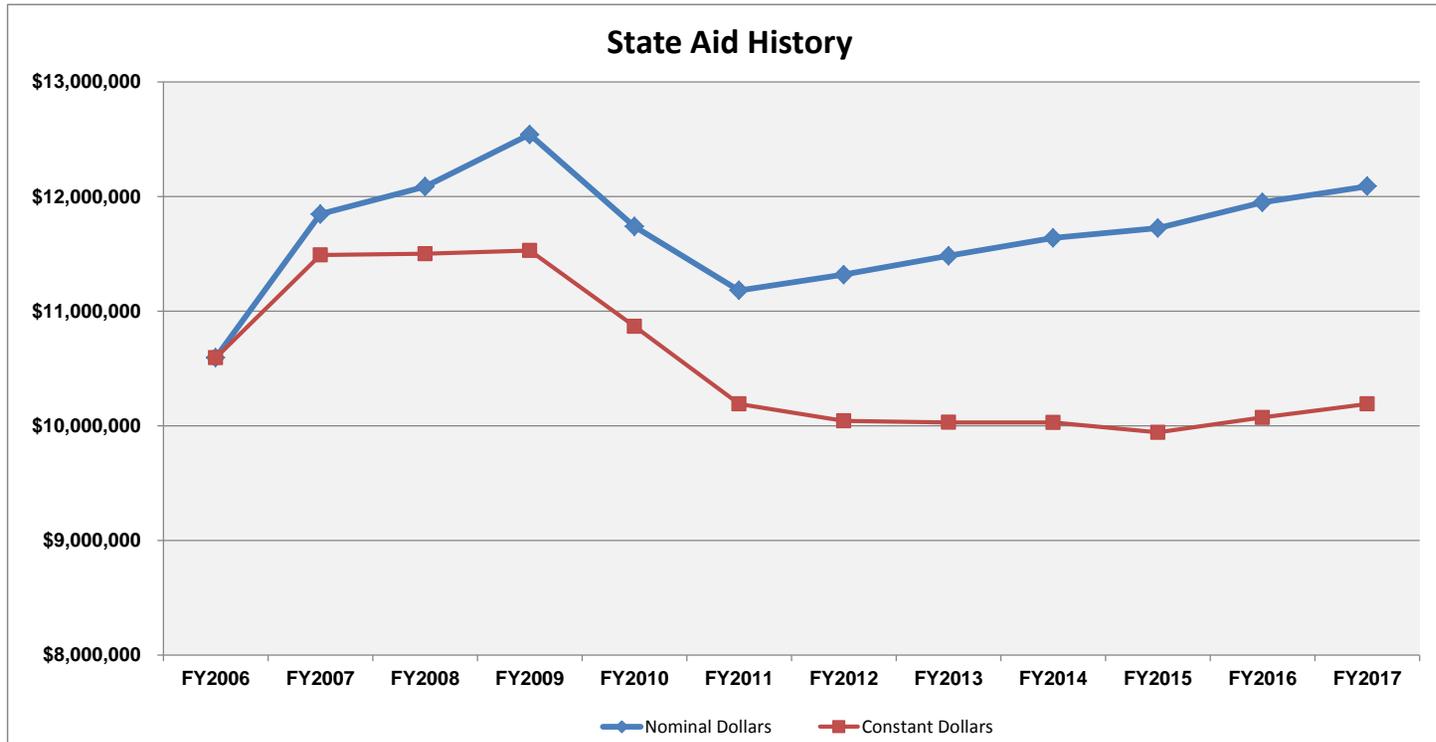
[discussion of state aid receipts]

* Figures do not constitute a projection on the part of DLS and are included here to demonstrate the spreadsheet's mechanics. Numbers are subject to change as part of the state budget process.



State Aid History

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Nominal Dollars	\$10,595,037	\$11,846,945	\$12,087,663	\$12,541,060	\$11,740,787	\$11,182,644	\$11,319,577	\$11,483,871	\$11,639,075	\$11,725,932	\$11,950,425	\$12,090,907
Constant Dollars	\$10,595,037	\$11,491,165	\$11,502,492	\$11,530,294	\$10,868,030	\$10,191,472	\$10,044,064	\$10,031,404	\$10,029,091	\$ 9,943,773	\$10,073,708	\$10,192,129

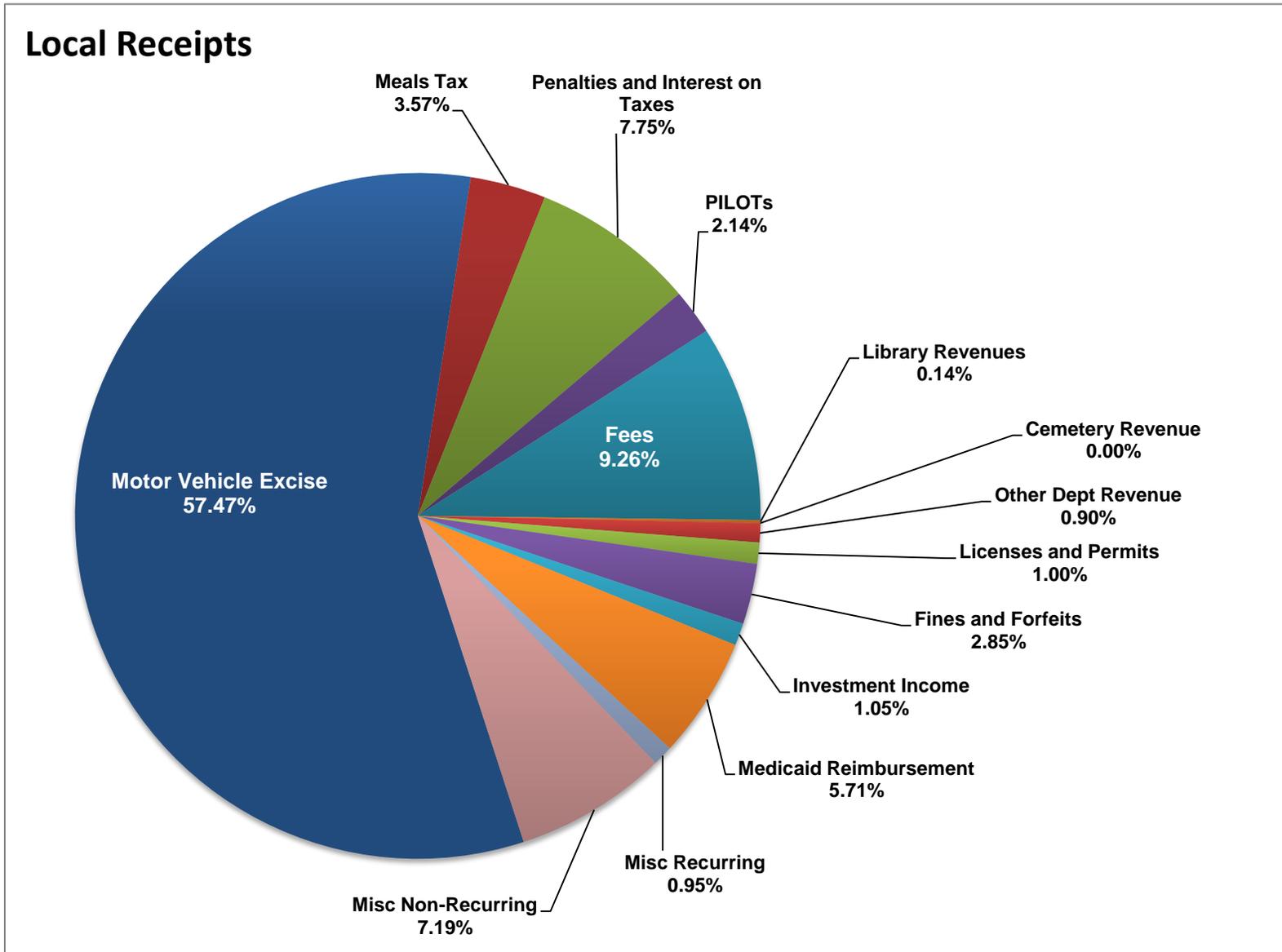


Local Receipts

	FY2015 Actual	FY2016 Actual	FY2017 Recap	FY2018 Projected	Dollar Change	Percent Change
Motor Vehicle Excise	\$ 1,263,631	\$ 1,401,961	\$ 1,208,121	\$ 1,208,121	\$ -	0.00%
Meals Tax	88,378	88,704	75,000	75,000	-	0.00%
Penalties and Interest on Taxes	164,934	201,648	163,000	163,000	-	0.00%
PILOTS	46,393	46,393	45,000	45,000	-	0.00%
Fees	233,518	234,264	194,750	194,750	-	0.00%
Library Revenues	3,781	3,906	3,000	3,000	-	0.00%
Cemetery Revenue	1,100	-	-	-	-	0.00%
Other Dept Revenue	21,684	21,894	19,000	19,000	-	0.00%
Licenses and Permits	23,179	25,779	21,000	21,000	-	0.00%
Fines and Forfeits	35,105	33,046	60,000	60,000	-	0.00%
Investment Income	34,959	41,144	22,000	22,000	-	0.00%
Medicaid Reimbursement	162,349	151,729	120,000	120,000	-	0.00%
Misc Recurring	28,882	38,310	20,000	20,000	-	0.00%
Misc Non-Recurring	163,012	347,930	151,229	151,229	-	0.00%
Local Receipts Total	\$ 2,270,903	\$ 2,636,707	\$ 2,102,100	\$ 2,102,100	\$ -	0.00%

[discussion of local receipts activity]

The data for Local Receipts feeds into the pie chart below. FY18 data is a placeholder.



Revenue

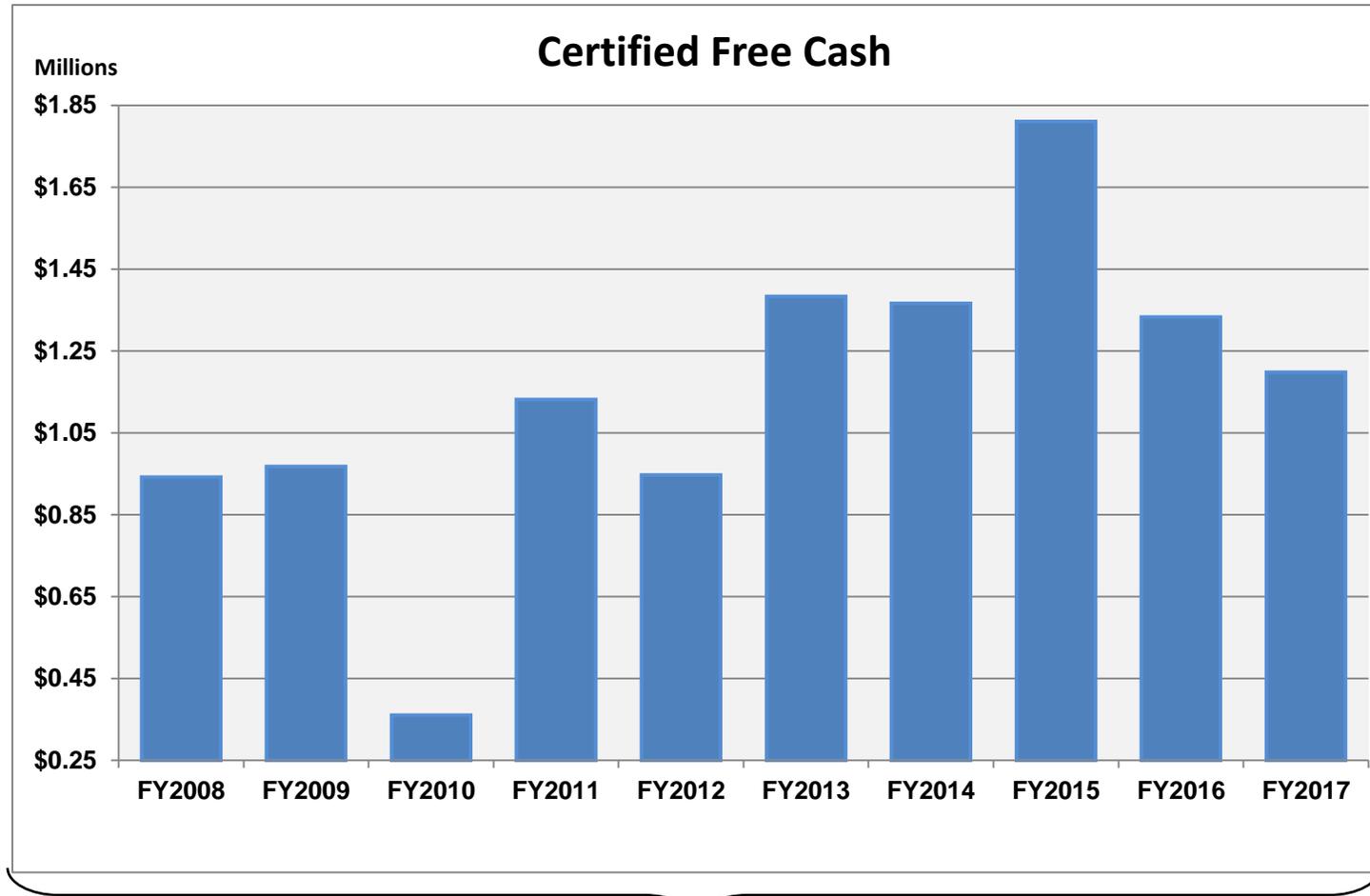
Free Cash

Appropriation History	FY2015 Actual	FY2016 Actual	FY2017 Recap	FY2018 Proposed	Dollar Change	Percent Change
10% Reserved per Policy	\$ -	\$ -	\$ -	\$ 119,878	\$ 119,878	0.00%
Stabilization Fund Deposit	-	-	-	269,704	269,704	#DIV/0!
Capital Budget	-	-	508,773	404,556	(104,217)	0.00%
Unallocated	-	-	-	404,556	404,556	#DIV/0!
Reduce Tax Rate	-	-	-	-	-	0.00%
Other	-	-	-	-	-	100.00%
Appropriated Free Cash	\$ -	\$ -	\$ 508,773	\$ 1,198,694	\$ 689,921	135.60%

[discussion of free cash use]

Use the Appropriation History table to show free cash usage for the prior three years and projected use in the upcoming budget. In the text box, provide a narrative explanation that includes spending rationale and refers to any policies in place governing free cash.

FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
\$941,846	\$967,817	\$360,671	\$1,131,963	\$947,372	\$1,383,485	\$1,366,610	\$1,811,336	\$1,333,522	\$1,198,687



On a rolling, annual basis, fill in certified free cash amounts over the most recent 10-year period to visually illustrate trends in the chart.

Revenue

Available Funds

	FY2015 Actual	FY2016 Actual	FY2017 Budget	FY2018 Projected	Dollar Change	Percent Change
Ambulance Receipts	\$ -	\$ -	\$ 368,195	\$ -	\$ (368,195)	-100.0%
Dog Fund	\$ -	\$ -	\$ -	\$ -	-	0.0%
Overlay Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Miscellaneous	\$ -	\$ -	\$ 73,465	\$ -	\$ (73,465)	-100.0%
Available Funds Total	\$ -	\$ -	\$ 441,660	\$ -	\$ (441,660)	-100.00%

[discussion of available funds]

SECTION III

Departmental Budgets



SECTION IV

Capital Improvement Plan



Capital Investment

This section should provide an overview of the community's capital financing strategy and identify community-driven priorities. It should also include the town's definition of a capital project, mention capital financing policies, and identify dedicated funding sources. The town administrator may also want to provide a breakdown of cash versus debt-financed projects and the town's framework for managing that balance.

The capital budget numbers shown below link to the Capital Budget table on the right. Sample numbers are used to demonstrate the sheet's function and should be updated to reflect the town's capital budget.

The rest of this section should include brief, plain-language descriptions of each funded project that state the project title, department, budgeted cost, timeline, and funding source(s).

Capital Funding Summary						
Funding Source	2018	2019	2020	2021	2022	Five Year Total
General Fund	\$ -	\$ 58,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 178,000
Bond	-	4,987,000	-	558,000	-	5,545,000
Capital Fund	455,380	616,092	669,459	228,845	305,253	2,275,029
Ambulance Fund	38,000	-	-	-	-	38,000
Funding All Sources	\$ 493,380	\$ 5,661,092	\$ 709,459	\$ 826,845	\$ 345,253	\$ 8,036,029

[funding discussion]

Capital Improvement Plan

FY2018 Capital Budget			
Department	Project	Cost	Funding Source
Fire and EMS	Swap Loader	\$ 35,000	Capital Fund
Highway	Pick-Up Trucks	30,000	General Fund
Highway	Brush Mower	45,000	Capital Fund
Facilities	IT Infrastructure	50,000	Capital and General
Facilities	Building Security	60,000	Capital Fund
Transfer Station	Baler	40,000	Capital Fund
Library	Carpet Replacement	20,000	Capital Fund
Parks	Property Improvements	46,500	Capital Fund
Police	Police Cruisers	89,746	Capital Fund
Police	Boat	38,000	Ambulance
Police	Tasers	39,134	Capital Fund
Capital Budget Total		\$ 493,380	

Proposed Capital Projects by Funding Source

General Fund							
Program	Description	FY2018	FY2019	FY2020	FY2021	FY2022	Source
Town Facilities	IT Infrastructure/Computer Purchase	-	40,000	40,000	40,000	40,000	General Fund
Police	ATV	-	18,000	-	-	-	General Fund
Subtotal General Fund		-	58,000	40,000	40,000	40,000	

Bonds							
Program	Description	FY2018	FY2019	FY2020	FY2021	FY2022	Source
Fire and EMS	Ladder 1 Replacement	-	987,000	-	-	-	Bond
Fire and EMS	Engine 3 Replacement	-	-	-	558,000	-	Bond
Council On Aging	New/Renovate Senior Center	-	4,000,000	-	-	-	Bond
Subtotal Bonds		-	4,987,000	-	558,000	-	

Capital Stabilization Fund							
Program	Description	FY2018	FY2019	FY2020	FY2021	FY2022	Source
Fire and EMS	Swap Loader	35,000	-	-	-	-	Capital Fund
Fire and EMS	Engine 5 Refurbishment	-	-	197,000	-	-	Capital Fund
Fire and EMS	Service 1 Replacement	-	-	-	50,000	-	Capital Fund
Fire and EMS	Engine 1 Refurbishment	-	-	-	-	210,000	Capital Fund
Highway	Pick-Up Trucks	30,000	-	-	40,000	-	Capital Fund
Highway	Brush Mower	45,000	-	-	45,000	-	Capital Fund
Highway	Intermediate Truck	-	60,000	-	-	-	Capital Fund
Highway	Dump Truck	-	-	200,000	-	-	Capital Fund
Highway	Backhoe	-	95,000	-	-	-	Capital Fund
Town Facilities	IT Infrastructure/Computer Purchase	50,000	-	-	-	-	Capital Fund
Town Facilities	Public Safety Dispatch - Update	-	60,000	-	-	-	Capital Fund
Town Facilities	Town Hall Exterior Repairs	-	30,000	-	-	-	Capital Fund
Town Facilities	Paint Police Station	-	-	45,000	-	-	Capital Fund
Town Facilities	Building Security	60,000	-	-	-	-	Capital Fund
Town Facilities	Town Hall Roof	-	-	50,000	-	-	Capital Fund
Transfer Station	Tractor Trailer Unit/Trash Trailer	-	140,000	85,000	-	-	Capital Fund
Transfer Station	Baler	40,000	-	-	-	-	Capital Fund
Library	Carpet Replacement	20,000	-	-	-	-	Capital Fund
Park Department	Property Improvements	46,500	-	-	-	-	Capital Fund
Park Department	Cow Pond Brook Walking Track	-	140,000	-	-	-	Capital Fund
Police	Police Cruisers	89,746	91,092	92,459	93,845	95,253	Capital Fund
Police	Tasers	39,134	-	-	-	-	Capital Fund
Subtotal Capital Asset Stabilization Fund		455,380	616,092	669,459	228,845	305,253	

Ambulance Fund							
Program	Description	FY2018	FY2019	FY2020	FY2021	FY2022	Source
Fire/Police	Boat	38,000	-	-	-	-	Ambulance Fund
Subtotal Ambulance Fund		38,000	-	-	-	-	

CIP Total	\$ 493,380	\$ 5,661,092	\$ 709,459	\$ 826,845	\$ 345,253
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Proposed Capital Projects by Department

Fire and EMS							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
Swap Loader	35,000	-	-	-	-	35,000	Capital Fund
Fire Chief's Vehicle	-	-	-	-	-	-	Ambulance
Joint Radio Project/Back-Up Console	-	-	-	-	-	-	Bond
Ladder 1 Replacement	-	987,000	-	-	-	987,000	Bond
Engine 5 Refurbishment	-	-	197,000	-	-	197,000	Capital Fund
Service 1 Replacement	-	-	-	50,000	-	50,000	Capital Fund
Engine 3 Replacement	-	-	-	558,000	-	558,000	Bond
Engine 1 Refurbishment	-	-	-	-	210,000	210,000	Capital Fund
Subtotal	\$ 35,000	\$ 987,000	\$ 197,000	\$ 608,000	\$ 210,000	\$ 2,037,000	

Highway							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
Pick-Up Trucks	30,000	-	-	40,000	-	70,000	General Fund
Brush Mower	45,000	-	-	45,000	-	90,000	Capital Fund
Intermediate Truck	-	60,000	-	-	-	60,000	Capital Fund
Dump Truck	-	-	200,000	-	-	200,000	Capital Fund
Backhoe	-	95,000	-	-	-	95,000	Capital Fund
Subtotal	\$ 75,000	\$ 155,000	\$ 200,000	\$ 85,000	\$ -	\$ 515,000	

Town Municipal Facilities							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
IT Infrastructure/Computer Purchase	50,000	40,000	40,000	40,000	40,000	210,000	Capital & General
HVAC Upgrades - Town Hall	-	-	-	-	-	-	Capital Fund
Public Safety Dispatch (Update)	-	60,000	-	-	-	60,000	Capital Fund
Town Hall Exterior Repairs	-	30,000	-	-	-	30,000	Capital Fund
Paint Police Station	-	-	45,000	-	-	45,000	Capital Fund
Building Security	60,000	-	-	-	-	60,000	Capital Fund
Country Club Roof	-	-	50,000	-	-	50,000	Capital Fund
Subtotal	\$ 110,000	\$ 130,000	\$ 135,000	\$ 40,000	\$ 40,000	\$ 455,000	

Transfer Station							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
Bobcat/Utility Loader	-	-	-	-	-	-	Capital Fund
Tractor Trailer Unit/Trash Trailer	-	140,000	85,000	-	-	225,000	Capital Fund
Baler	40,000	-	-	-	-	40,000	Capital Fund
Subtotal	\$ 40,000	\$ 140,000	\$ 85,000	\$ -	\$ -	\$ 265,000	

Library							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
Carpet Replacement	20,000	-	-	-	-	20,000	Capital Fund
Subtotal	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000	

Council on Aging							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
New/Renovate Senior Center	-	4,000,000	-	-	-	4,000,000	Bond
Subtotal	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000	

Parks							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
Field Upgrades and Modifications	-	-	-	-	-	-	Capital Fund
Property Improvements	46,500	-	-	-	-	46,500	Capital Fund
Cow Pond Brook Walking Track	-	140,000	-	-	-	140,000	Capital Fund
Subtotal	\$ 46,500	\$ 140,000	\$ -	\$ -	\$ -	\$ 186,500	

Police							
Description	FY2018	FY2019	FY2020	FY2021	FY2022	Five Year Total	Funding Source
Police Cruisers	89,746	91,092	92,459	93,845	95,253	462,395	Capital Fund
Boat	38,000	-	-	-	-	38,000	EMS Fund
ATV	-	18,000	-	-	-	18,000	General Fund
Tasers	39,134	-	-	-	-	39,134	Capital Fund
Subtotal	\$ 166,880	\$ 109,092	\$ 92,459	\$ 93,845	\$ 95,253	\$ 557,529	

CIP Total	\$ 493,380	\$ 5,661,092	\$ 709,459	\$ 826,845	\$ 345,253	\$ 8,036,029	
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SECTION V

Financial Policies



This section should include excerpts from the town's financial policies that are relevant to the budget development process, such as policies on forecasting, reserves, and capital planning.

SECTION VI

Appendix



The appendix should include supplementary financial data that provides context to the budget or acts as a reference. It may consist of several subdivisions, and the content depends on the community and intended audience. Other additions may include:

- The community's fund structure (this could take the form of an organizational chart)
- Town expenditure types as a percent of total budget
- The budget's impact on an average annual property tax bill
- Revenue and expenditure history and trends
- A summary of town fund balances and activity for the most recent fiscal year
- Relevant financial bylaws
- Historical balances of the town's general and specialized stabilization funds
- A glossary of municipal finance terms
- Comparisons to peer communities
- Other financial data of interest to community stakeholders