

TOWN OF KINGSTON

Memorandum

**Office of the
Board of Selectmen and Town Administrator**

TO: All Department Heads, Boards & Committees

FROM: Nancy Howlett, Assistant to the Town Administrator/
Board of Selectmen

DATE: September 30, 2011

SUBJECT: FY13 Budget Request Submittal

Attached please find the FY13 budget guidelines, instructions, and forms to be used by your department for the FY13 budget process. Submittals shall be made electronically – emailed to me – nhowlett@kingstonmass.org, with one hard copy of the budget forms and supporting documentation returned to my office on or before Thursday, November 3, 2011 at 4:30 p.m.

If you are connected to the Town House server, you will find the budget forms on the “A” or “G” drive. Make sure you save the file to your own drive – do not type into the forms or change them in any way on the “A” or “G” drive. For those outside the Townhouse, send me an email request and I will email the forms that you can type into back to you. A PDF version of the forms will be on the Town’s website.

For many years, I have reviewed the budget submittals and worked with Department Heads on any deficiencies or corrections, prior to the review by the Town Administrator. Town Administrator James Thomas is due to start on October 31st and between now and then, he and I will be discussing the method in which budgets will be reviewed. Therefore, it is imperative to submit budgets timely so that he can have the time needed to become familiar with the budgets prior to submittal to the Board of Selectmen. The Board of Selectmen voted several weeks ago to meet with major departments to review budgets prior to the submittal of budgets to the Finance Committee. You will be notified as soon as the date is set for you to meet with the Board.

BUDGET PARAMETERS

In accordance with the budget parameters discussed by the Budget Advisory Board, all departments are requested to prepare and submit FY13 operating budgets as follows:

1. To submit level service budgets for personal services and departmental expenses. (taking into consideration contractual obligations)
2. To fund personal services at a **52.2** week year. Budget for anniversary step increases using the FY13 tables. Wage and Personnel annual increase, if any, will be funded through an Article at Town Meeting.

3. To identify separately, all "Request for New/Additional Funding" with substantiated justification for work flow requirements. **Do not include it in Forms 1 or 2.** Such requests may include additional personnel if the hiring freeze is lifted and efforts have been made to demonstrate anticipated efficiencies or future cost savings. Additionally, this is the area to note if there is a new Local, State or Federal mandate for programs or services not previously funded (i.e. "unfunded mandates").
4. Submit Capital Improvement Plan Requests for FY13 as well as four-year capital projections to Year 2017 to the Town Administrator on or before November 3, 2011. Efforts must be made to maintain a CIP, even if funding is tenuous.

BUDGET GUIDELINES AND INSTRUCTIONS

Before starting to prepare your departmental FY13 budget proposal, please read through the budget guidelines and instructions to ensure that all budget proposals are complete and accurate. Incomplete budget proposals will be returned to you to be completed.

Attached please find the following:

1. MUNIS Departmental Budget Worksheet
2. Personal Services/Compensation Worksheet (Form 1)
3. Expense Worksheet (Form 2)
4. Budget Narrative (Form 3)
5. Request for New/Additional Funding (Form 4) Use as many sheets as needed
6. Revenue Summary (Form 5)
7. Draft Warrant Articles (Form 6 – to be submitted separate from the budget packet)
8. Fleet Schedule (Form 7)
9. Capital Improvement Plan Requests (Form 8)

1. Departmental Budget Worksheet

Review the attached "budget worksheet" for accuracy noting changes as appropriate. The "budget worksheet" includes *FY11* actual expenditures, *FY12* original budget, and *FY12* revised budget; the town meeting approved appropriations. Under the heading *FY13 Department Request*, provide your *FY13* departmental requests that meets the Budget Advisory stated parameters. ***It is not necessary to complete the FY12 Projection Column.***

If you are requesting any new/additional funding you must identify on the budget worksheet under the *COMMENT* heading. This column should correspond to the information contained on the "*Request for New/Additional Funding*" form you submit. Again, these new requests will be carefully evaluated. **DO NOT ADD THIS COLUMN TO THE FY12 DEPARTMENT REQUEST COLUMN.**

Please provide all figures in whole dollars.

2. Form 1- Personal Services/Compensation Worksheet

To facilitate the budget review process, please verify the completeness and accuracy of compensation levels for departmental personnel under your department.

- (a) List all personnel with name, job title, applicable grade/classification level, hourly and/or annual rate and number of work hours per week. Salaries/wages should be based on a **52.2** week year or 261 days.
- (b) Departments with overtime line items should provide a detailed breakdown regarding use of such funds and purpose – ex. Seasonal work flow, meetings, special events, specific shift coverage for vacation, holidays or sick leave. Please illustrate budget assumptions and related calculations.
- (c) Salaries/wages should reflect wage schedules in existence at the time of budget development with the appropriate adjustment for anniversary step increases. Personnel list should reflect any decreases in expense caused by hiring a new employee at a lower rate of pay in anticipation of retirements and note the retirement date/month if possible.
- (d) All calculations used to determine overtime expense, longevity, sick leave buy-back, stipends, etc. should be clearly identified.
- (e) *Any request to be submitted to the Wage and Personnel Board for reclassification consideration must be submitted in advance to the Town Administrator on or before December 15, 2011. Funding for reclassification requests should not be included in this section.*
- (f) Quantify the number of meetings attended for staff serving Boards, Commissions, and Committees. The Finance Committee (“FinCom”) requests this of persons who serve as recording secretaries – i.e. take minutes and conduct follow-up. This does not include any full-time salaried employees who perform such services.

3. Form 2 - Expense Worksheet

- (a) A brief explanation must be included for each line identifying the type of expenses drawn from the line item. The explanation is necessary even though the item requested has not been increased. To assist FinCom in its review for FY13, they requested Departments to provide the following details including but not limited to:
 - i. Training Seminars – purpose, who is attending, is it mandated, enabling contract reference requiring the expenditure or reimbursement;
 - ii. Dues And Memberships – what organizations and the value added by participating;
 - iii. Travel/Meetings - purpose, who is attending, location;
 - iv. Subscriptions/Publications – what is being received, how often, purpose;
 - v. Uniforms/Clothing – number of employees, cost per employee;
 - vi. Gasoline – number of miles per year along with estimated miles per gallon per vehicle; and
 - vii. Office Equipment – types of purchases required under this classification.
- (b) Clearly explain any change in service delivery/program level from the previous fiscal year.
- (c) Submit on the "Request for New/Additional Funding" form all requested increases over the bottom lined level funded expense amounts if appropriate.

Please contact the Town Accountant's office for assistance with vendor and/or expense reports, and contract information. My office will provide procurement assistance or information. Also, for departments that have fuel allocations, we will provide the Boston Low index on October 19th for fuel calculations.

4. Form 3 – Budget Narrative/Mission Statement

List the department's mission statement, services provided, staffing history, number of meetings conducted, number of customers assisted annually, and/or any other data that you believe serves to explain your department's operations to the general public. Also, list any factors that affect staffing or other funding; i.e. state mandates, regulatory requirements, public safety, or contractual obligations. Make your Mission Statement clear and concise (using bullet points), and keep it to a maximum of two pages.

Bear in mind that each budget is to have its own separate mission statement.

5. Form 4 – Request for New/Additional Funding

Identify all funding requests reflected on the "Budget Worksheet" under the New/Additional Request column. The justification/impact section must fully explain the need for the funding and describe the benefits that will be realized to permit review and evaluation. These items will be considered additions to the budget if additional funds be available during the budget process. Circumstances that would allow the possibility for additional spending include fixed cost items coming in under forecast, State aid or new growth increasing beyond expectation, or the identification of additional funding sources. **DO NOT ADD THESE ITEMS TO THE BUDGET WORKSHEET**

6. Form 5 – Revenue Sources

Identify revenue sources generated and/or anticipated to be generated (i.e., enterprise funds) on Form 5 for each department and provide FY11 YTD and estimate/projections for FY12 from these sources. Include a list of fees which are authorized by MGL or By-Law which are currently not in use and a recommendation, if applicable, to increase such fees. Please identify all funds used by your department; these include special revenue funds, revolving funds, gift funds, trust funds, grants, etc.

7. NEW Form 6 – Warrant Articles (submit separate from the budget package)

Utilize Form 6 to submit warrant articles in a draft format outlining the specific scope, purpose and financial impact, if applicable. Such articles begin with, "To see if the Town will..." For any By-law amendments, capture the existing text and also show proposed text in mark-up format as in add or ~~delete~~.

8. Form 7 – Fleet Schedule (Please review it and see below)

9. Form 8 -Capital Expenditures/Improvement Plan Requests (Due November 3, 2011)

Any non-recurring, tangible asset or project which 1) is purchased or undertaken at intervals of not less than 5 years; 2) has a useful life of at least 5 years, and; 3) costs over \$10,000 must be reviewed and recommended by the Capital Planning Committee.

Department's planning to submit a request for a non-recurring capital expenditure must submit their capital improvements request for FY13 to the Town Administrator by November 3, 2011. Attach a copy of your departmental Fleet Schedule with your FY13 capital request. Both the Budget Advisory and Capital Planning encourage departments to submit your four-year capital projections to year 2017 in conjunction with your FY13 capital expenditure requests. Your 2017 capital improvement requests will be forwarded immediately to the Capital Planning Committee so that they can begin its meetings with Department Heads.

10. E. B. Sampson Trustees:

Requests from the E.B. Sampson Trust Fund need to be submitted to the Board of Selectmen by January 15, 2012.

Again, emailed budget submissions, with all supporting documentation are due at the Town Administrator's Office by Thursday, November 3, 2011 at 4:30pm. I must have them compiled for the Board of Selectmen and the FinCom by the first meeting in December. *If we have not received your budget by the deadline, it will be done for you.* While this seems like a tempting proposal for you, submittals will be formulaic and certainly not advocate for your department as well as you.

Thank you in advance for your continued assistance and cooperation. Should you have any questions regarding the foregoing or need any assistance in completing your budget submittals, please do not hesitate to contact me, and I will gladly meet with you. FinCom Chairman, Elaine Fiore also offers her assistance for any clarification needed on the Budget Advisory directive or FinCom requested details.

Attachments

cc Board of Selectmen
Finance Committee
Budget Advisory Committee
Capital Planning Com