

MILLIS BUDGET PROJECT

STATUS REPORT

November 27, 2017

Community Paradigm Associates, LLC

WORK COMPLETED

- **Draft Budget Manual**
 - **Operational**
 - **Capital**
- **Draft of FY18 Budget Spreadsheet**
- **Draft of FY18 Departmental Information**
 - **Departmental Descriptions**
 - **Departmental Programs**
 - **Departmental Org Charts**
 - **Departmental Staffing**
 - **Departmental Budget Highlights**
- **Draft Financial Policies**
- **Glossary**

WORK REMAINING

Change Focus to FY19

- **Finalize FY19 Budget Spreadsheet and add FY19 Requests and Proposed**
 - **Prepare FY20-24 Forecast from Spreadsheet**
- **Finalize Departmental Information and update to FY19**
- **Finalize Financial Policies**
- **Prepare Community Profile**
- **Prepare Readers Guide**
- **Letter of Transmittal**
- **Prepare Budget Analysis**
- **Capital Plan/Budget**

Town of Millis

Fiscal Year 2018 Budget Preparation Manual

December 2016

Overview

During 2016 the Town received a grant from the Commonwealth to make improvements in its overall budget development process and the resulting budget document. One goal of this effort is to increase the flow of information for budget decision makers including the Town Administrator, Board of Selectmen, Finance Committee and citizens who participate through Town Meeting in voting upon a budget adoption. The development of the information by department heads in preparing their budget submissions is also expected to assist managers at the department level as they assess their requests for resources to perform service delivery functions. Over the course of the next several years it is expected that the process will be further modified to build in a more strategic planning perspective by the Selectmen as the chief executive body of the Town, and reserving tactical decisions to the Town administration.

A second goal of this effort is to enable the Town to develop a more robust and informative budget document that will communicate information to citizens about their Town government and the manner in which Millis assembles and allocates its resources, including the performance of departments in performing or supporting service delivery. Such a document is also useful to individuals and parties that may be interested in investing in the Town as businesses, residents or investors.

In order to achieve these goals the process will be modified slightly for the FY 2018 budget submissions and reviews. Departments will be asked to reflect upon their departmental activities, provide a small amount of additional information, and undergo a slightly more rigorous review of information. In the end, the result of these efforts will provide a more useful and user-friendly budget process and budget document.

Budget Process Timeline

It is expected that the FY2018 Budget timetable will be relatively similar to prior years based upon Charter and By-law requirements, and deadlines necessary to insure document preparation and requisite reviews by the Board of Selectmen and Finance Committee before being presented to Town Meeting.

The important dates to note in the budget calendar are the following:

December XXXX	Budget Manual issued to Department Heads
January XXX	Draft departmental budgets due. Budgets should be presented electronically to Karen Bouret and Kathy LaPlante
January-February	Administration to meet with Departments Heads to review FY18 budgets.

February XXXX	FY18 Budget Document finalized and presented to Board of Selectmen for adoption.
March	Finance Committee to have budget hearings on departmental budgets.
May XXXX	Budget presented to Town Meeting

In addition to the budget preparation and presentations, the Board of Selectmen will also be taking up the adoption of Financial Policies and reviewing a five year Fiscal Forecast during January and February, in preparation of a review of the FY18 Budget.

Budget Guidelines

TBD

(Need to determine what specific instructions will be provided, such as level funded, level service, etc)

Budget Preparation Instructions

Form #1: Budget Narrative

This form is a Word document that should be prepared using terms and descriptions that the public can understand, in which Departments provide:

- a. An explanation of their purpose and/or function within the Town and a description of the work that is undertaken within the department
- b. A listing of programs or sub-programs of department in order to further describe departmental activities.
- c. A description of major accomplishments, and/or measurable activities by the department over the past fiscal or calendar year.
- d. A description of goals and initiatives for FY18. In the future it is expected that such goals and initiatives will be expected to link to established Town-wide goals.
- e. An explanation of any significant changes in the budget from the previous year, including but not limited to, changes associated with fixed cost increases or collective bargaining agreements. The changes should be broken down into two categories, personnel and other expenses.
- f. Information related to departmental receipts, through charges or fees that fund a department.

Form #2: Personnel Summary

This form is an Excel spreadsheet document that has been used in the past to detail information regarding departmental personnel including name, position, salary, etc.

Form #3: Staffing History

This form is an Excel spreadsheet document that creates a staffing level table that details the number of full-time equivalent staff in your department for each of the last five fiscal years. This should be listed as full-time equivalents (FTE's). For example, if you have one permanent staff member and two staff members that each work 20 hours per week, your FTE number is 2 (1+.5+.5).

Form #4: Department Line Items

TBD

(Need to discuss how we intend to gather this information)

Form #5: Equipment Requests

This form is an Excel spreadsheet document that details any ordinary equipment or outlay expenditures contained within the submitted departmental budget. Information to be provided includes a description of the item, the number proposed to be purchased, whether the equipment is new or a replacement, any trade-in value of equipment to be replaced, and the budget cost.

Form #6: Budget Request above Level Service

This form is a Word document that should be prepared for any budget request in excess of level service. The preparer should provide a brief title of the request, the total additional cost with a breakdown describing the elements of the cost, and a justification for the request including the citation of any reports, plans, mandates, or supporting documentation for the request. Each individual Request requires a separate form.

Form #7: Capital Budget Request

This form is an Excel document that should be prepared for **ALL** Capital Project requests that are projected for FY18-23. Capital Projects are defined as a major single expenditure exceeding \$25,000 in cost and as a nonrecurring expenditure whereby it has a useful life in excess of five years. These parameters are designed to allow for proper use of debt financing as needed.

The form requires a project title, the department making the request, a detailed description of the project which should include some justification for the expenditure of funds, a digital project picture that should be forwarded with budget materials, and recommendations for financing.

Organizational Chart

Through a Word document provide an organizational chart, which clearly depicts the structure of your department

All narrative-type information should be typed using 12pt Times New Roman font. Submissions should be made by electronic copy only in a Word or Excel document. (In other words do not write it out and scan it in through PDF).

ALL budget materials should be submitted via email to Karen Bouret and Kathy LaPlante by January XXX.

DRAFT

BUDGET NARRATIVE

Description of Department Function

Describe the overall mission or purpose of the Department.

Programs and Sub-Programs

Consider and list the actual Programs and Sub-Programs Executed by the Department

Accomplishments

Describe the major describable accomplishments or measurable activities in FY17 or CY16.
Use statistics whenever possible.

FY18 Departmental Goals

Describe the initiatives and accomplishments planned for FY18

Spending Highlights for FY18

Explain any significant budget changes from FY17

Non-tax Funding

List any expected non-tax revenues that will be use to fund department activities, including an estimate to be received.

PERSONNEL SUMMARY

PERSONNEL SUMMARY											
NAME	POSITION-PAY ITEM	CURRENT TOTAL ANNUAL SALARY	HRS/ WEEK	GRADE	STEP	ANNIV DATE	ANNUAL SALARY # WKS/HRS @ SAL	BASE SALARY	OTHER PAY	LON- GEVITY	TOTAL SALARY

\$0.00

[illegible]

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FISCAL YEAR 2018 BUDGET

Form #6

DEPARTMENT:

Budget Request Above Level Service

Title:

Description of Request:

Detailed Cost Impact:

Justification for Request

Attach copies of reports, master plans, or supporting documentation)

CAPITAL PROJECT DETAIL SHEET

Project Title:	
Department:	Category:
Description and Justification:	<p style="transform: rotate(-45deg); font-weight: bold;">Please send a photo depicting the capital request as a separate file. Do not drop it in to this template.</p>

RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
TOTAL								

Source of Funds Legend

- | | | | |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other | (8) Water Enterprise Fund Fees |

SUMMARY REVENUE	<u>FY2015 ACTUAL</u>	<u>FY2016 ACTUAL</u>	<u>FY2017 APPROVED</u>	<u>FY2017 Six Months</u>	<u>FY2017 ACTUAL</u>	<u>FY2018 DEPT REQUESTS</u>	<u>FY2018 TM ADOPTED</u>
LOCAL TAXES	\$17,909,152	\$18,603,166		\$9,315,337	\$19,828,858	\$20,781,466	\$20,922,883
STATE AID	\$5,627,707	\$5,633,132		\$2,917,638	\$5,823,131	\$6,223,356	\$6,283,526
AVAILABLE FUNDS	\$935,375	\$696,648		\$675,836	\$839,626	\$1,354,384	\$1,863,729
LOCAL RECEIPTS	<u>\$2,139,074</u>	<u>\$2,496,829</u>		<u>\$641,669</u>	<u>\$4,100,640</u>	<u>\$1,841,788</u>	<u>\$1,841,788</u>
TOTAL	\$26,611,308	\$27,429,775		\$13,550,480	\$30,592,254	\$30,200,994	\$30,911,926

	<u>FY2015 ACTUAL</u>	<u>FY2016 ACTUAL</u>	<u>FY2017 APPROVED</u>	<u>FY2017 Six Months</u>	<u>FY2017 ACTUAL</u>	<u>FY2018 DEPT REQUESTS</u>	<u>FY2018 TM ADOPTED</u>
LOCAL TAXES							
Base Factor						\$18,751,220	\$18,751,220
2 1/2 increase						\$468,781	\$468,781
New Properties						\$323,982	\$465,398
Override							
Debt Exclusion						\$1,237,484	\$1,237,484
Levy Limit						\$20,781,467	\$20,922,883
Levy Used/Actual	\$17,909,152	\$18,603,166		\$9,315,337	\$19,828,858	\$20,781,466	\$20,922,883
STATE AID							
Exemptions - Vetera, Blind	\$51,713			\$26,763	\$26,891	\$29,273	\$29,273
Exemptions - Elderly	\$1,504	\$3,012		\$1,255	\$2,510		
School Aid Ch 70	\$4,625,472	\$4,657,397		\$2,362,826	\$4,725,652	\$4,749,632	\$4,761,622
School Choice						\$394,617	\$413,061
Charter School Reimbursement	\$891	\$1,391		\$6,078	\$40,314	\$3,912	\$4,108
Library Aid							\$11,981
Veterans Benefits	\$16,503	\$6,172		\$17,385	\$21,102		\$17,559
Unrestricted General Adi	\$931,624	\$965,160		\$503,331	\$1,006,662	\$1,045,922	\$1,045,922
TOTAL	\$5,627,707	\$5,633,132		\$2,917,638	\$5,823,131	\$6,223,356	\$6,283,526

	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2017 ACTUAL	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
AVAILABLE FUNDS							
Transfer from Spec	\$339,693	\$311,800		\$292,400	\$302,400		\$273,900
Transfer from Trust	\$344	\$385		\$332	\$332		\$332
Transfer from Spec		\$13,410		\$636	\$636		
Transfer from Sewer	\$150,065	\$157,568		\$165,447	\$165,447	\$173,719	\$173,719
Transfer from Water	\$168,273	\$206,687		\$217,021	\$217,021	\$227,872	\$227,872
Transfer from Agency		\$6,798					
Transfer from Free Cash						\$799,003	\$799,003
Transfer from Stabilization	\$277,000				\$153,790	\$153,790	\$388,903
TOTAL	\$935,375	\$696,648		\$675,836	\$839,626	\$1,354,384	\$1,863,729
LOCAL RECEIPTS							
Motor Vehicle Excise	\$1,102,871	\$1,187,576		\$132,697	\$1,230,133	\$1,156,714	\$1,156,714
Penalties, Interest and Demands	\$177,442	\$177,364		\$53,236	\$113,683	\$150,000	\$150,000
PILOT	\$2,387	\$170		\$2,216	\$9,276	\$2,391	\$2,391
Non-Filing Fees	\$1,250						
Meals Tax	\$102,654	\$104,129		\$57,982	\$117,040	\$100,000	\$100,000
Transfer Station	\$129,178	\$116,774		\$59,652	\$115,709	\$117,865	\$117,865
Cementery Intermment	\$12,705	\$14,775		\$4,250	\$9,400	\$12,000	\$12,000
Lien Certificates	\$6,819	\$7,340		\$4,316	\$8,064		
Excise Flagging Fee	\$7,350	\$5,825		\$2,340	\$4,660		
Police Details-Town	\$18,105	\$13,862		\$7,690	\$16,804		
Rental-Life Experience	\$12,479	\$12,734		\$6,430	\$13,020		
Rental-Oak Grove	\$8,160	\$8,160		\$4,080	\$8,160		
Departmental Revenue	\$20,901	\$37,121		\$17,393	\$38,071		
Weights and Measures	\$3,445	\$1,252		\$1,520	\$1,626		
Board of Health Licenses	\$14,440	\$16,940		\$13,690	\$17,715		
Selectmen Licenses	\$4,470	\$4,570		\$4,820	\$4,820		
Dog Licenses/Late Dog	\$12,255	\$11,640		\$975	\$12,020		
Liquor/Victualers Licenses	\$31,050	\$36,350		\$31,150	\$33,800		
Permits-Building Dept.	\$178,762	\$281,208		\$116,494	\$165,142		
Permits-Gun	\$1,988	\$1,825		\$1,913	\$2,938		
Permits-Board of Health	\$11,235	\$10,425		\$7,505	\$21,755		
Permits-Yard Sale					\$90		
Permits-Electrical					\$25,618		
Permits-Plumbing					\$20,374		
Permits-Gas					\$11,805		
Permits-Streets	\$3,400	\$3,450		\$2,150	\$4,450		
Fines	\$18,728	\$14,159		\$5,961	\$4,366	\$15,000	\$15,000
Refunds and Reimbursements	\$190,173	\$131,388		\$42,901	\$150,989		
Medicaid Reimbursements	\$32,296	\$93,129		\$24,653	\$62,818	\$33,000	\$33,000
Miscellaneous	\$20,057	\$96,145		\$26,193	\$36,403		
Tailings Revenue	\$225	\$1,268		\$113	\$113		
Bond Premium		\$87,922			\$1,824,193	\$238,818	\$238,818
Bank Account Interest	\$14,252	\$19,328		\$9,351	\$15,586	\$16,000	\$16,000
TOTAL	\$2,139,074	\$2,496,829		\$641,669	\$4,100,640	\$1,841,788	\$1,841,788
TOTAL REVENUE							
	\$26,611,308	\$27,429,775		\$13,550,480		\$30,200,994	\$30,911,926

SUMMARY GENERAL GOVERNMENT	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2017 ACTUAL	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
<i>Personnel Services</i>	\$921,835	\$927,805	\$988,437	\$471,614	\$970,685	\$1,019,967	\$1,015,595
<i>Expenses</i>	\$4,615,072	\$4,915,184	\$5,385,886	\$3,472,409	\$5,319,127	\$5,599,344	\$5,597,541
TOTAL BUDGET	\$5,536,907	\$5,842,989	\$6,374,323	\$3,944,023	\$6,289,812	\$6,619,311	\$6,613,136

	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2017 ACTUAL	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
EXECUTIVE OFFICE							
<i>Personnel Services</i>	\$238,066	\$251,062	\$254,366	\$126,241	\$233,817	\$238,829	\$240,869
<i>Expenses</i>	\$170,792	\$151,306	\$155,865	\$49,345	\$158,866	\$163,915	\$163,915
TOTAL BUDGET	\$408,859	\$402,367	\$410,231	\$175,587	\$392,683	\$402,744	\$404,784

Personnel

Position	FY2015 FTE	FY2016 FTE	FY2017 FTE	FY2017 FTE	FY2017 FTE	FY2018 FTE	FY2018 FTE

	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2017 ACTUAL	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
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SELECTMEN/TOWN ADMINISTRATOR 0112159

Personnel Services

Salary Town Administrator	\$163,411	\$167,349	\$165,349	\$81,336	\$151,985	\$144,000	\$144,000
Salary Department Head	\$59,221	\$64,224	\$64,521	\$31,928	\$66,590	\$67,993	\$70,033
Wages Clerical	\$15,064	\$16,482	\$18,196	\$8,528	\$10,791	\$19,086	\$19,086
Longevity		\$650	\$250	\$650	\$650	\$650	\$650
Wages Clerical OT	\$371	\$507	\$650			\$300	\$300
Sick Leave Buy Back		\$2,500	\$5,400	\$3,800	\$3,800	\$6,800	\$6,800
Total	\$238,066	\$251,062	\$254,366	\$126,241	\$233,817	\$238,829	\$240,869

Expenses

Physical Exams	\$4,365	\$2,160	\$1,600	\$940	\$1,977	\$2,000	\$2,000
Maintenance Contract	\$11,329	\$11,632	\$10,200	\$4,505	\$9,990	\$10,200	\$10,200
Printing	\$37	\$909	\$800		\$37	\$800	\$800
Supplies and Expenses	\$13,506	\$10,862	\$9,000	\$10,163	\$30,399	\$9,000	\$9,000
Telephone	\$14,066	\$12,035	\$17,000	\$5,716	\$11,789	\$17,000	\$17,000
Postage	\$6,418	\$2,438	\$3,500	\$136	\$1,326	\$3,500	\$3,500
Copy Machine Supplies	\$1,715	\$836	\$1,300	\$267	\$685	\$1,300	\$1,300
Advertising	\$4,842	\$2,506	\$5,000	\$1,220	\$2,657	\$5,000	\$5,000
Dues and Subscriptions	\$5,240	\$3,176	\$3,600	\$3,596	\$3,596	\$4,000	\$4,000
Meetings	\$640	\$1,243	\$1,000	\$191	\$952	\$1,000	\$1,000
Equipment		\$434	\$1,000	\$213	\$713	\$1,000	\$1,000
Administrative Expenses	\$1,300	\$1,499	\$1,615	\$650	\$1,615	\$1,615	\$1,615
Auto/Mileage Reimbursement	\$223	\$139	\$250		\$1,000	\$5,050	\$5,050
Police Details						\$2,450	\$2,450
Total	\$63,682	\$49,867	\$55,865	\$27,597	\$66,735	\$63,915	\$63,915

TOTAL BUDGET	\$301,748	\$300,929	\$310,231	\$153,838	\$300,551	\$302,744	\$304,784
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FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2017 ACTUAL	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
\$1,194						
\$1,194						
\$1,194						

FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2017 ACTUAL	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
\$105,916	\$101,439	\$100,000	\$21,749	\$92,131	\$100,000	\$100,000
\$105,916	\$101,439	\$100,000	\$21,749	\$92,131	\$100,000	\$100,000
\$105,916	\$101,439	\$100,000	\$21,749	\$92,131	\$100,000	\$100,000

FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2017 ACTUAL	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
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Police Departmental Mission Statement

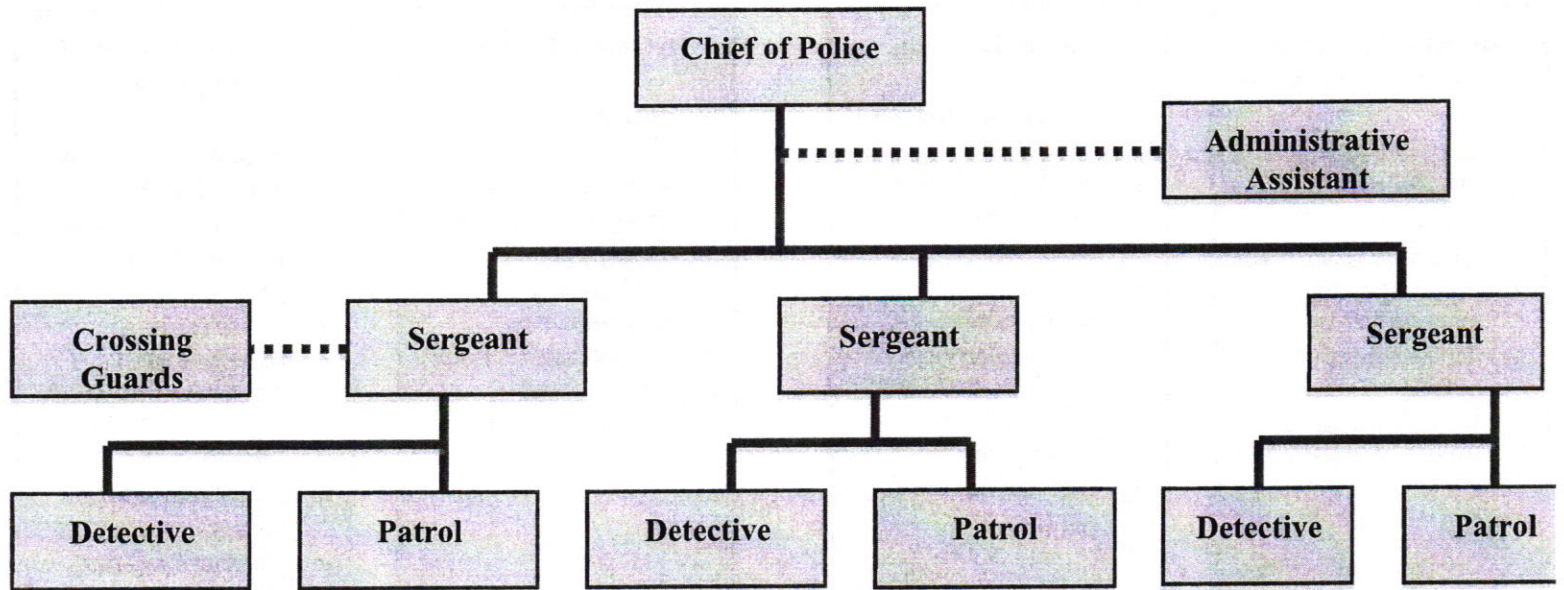
The mission of the Millis Police Department is to consistently find ways to promote, preserve, and deliver a sense of security, safety, and quality of life to the residents of Millis, and those that pass through. We believe that law enforcement has certain values at its core. To fulfill our missions, we are firmly committed to:

- Acknowledge our responsibility to the residents of Millis, our very source of authority;
- Performing our duties in a manner that conforms with the spirit and letter of the laws and constitution;
- Remaining sensitive to human needs and treating each person with dignity, compassion, and respect;
- Approaching each situation as unique and responding creatively with empathy and prudent use of discretion; and
- Promoting mutual trust between our department and the citizens and businesses of Millis.

Police Department FY2018 Goals

1. Develop and retain quality employees within the department through enhanced recruiting efforts and ensuring the department fosters an environment that makes for solid work-life balance, job satisfaction and productivity, and development of officer capabilities.
2. In an effort for the ever-changing climate of police work, we wish to work on enhancing mental health training for our police officers in an effort to assist them in helping individuals with mental health issues find appropriate care.
3. Continue efforts to remain transparent within the community and actively seek citizen suggestions for improvement by examining our social media platform and expanding our Millis Police Open Forum event to include all members of the police department.
4. Increase the quality of our services through efficient use of technology, including transitioning to a web based scheduling and payroll system and expanding our social media platform, in an effort to make information more readily accessible to citizens and officers alike. Additionally, we are committed to utilization of technology for the purpose of producing data and statistics to improve departmental analysis and decision-making.
5. Implementation of a safety officer for the Town. This will be one of our current officers, and the officer will be responsible for working closely with Millis residents and D.P.W. in coordinating construction zone safety and detour planning. Additionally, the safety officer will be responsible for deploying message/speed boards to various areas to enhance traffic safety. The safety officer will play a significant role in securing traffic grants for Millis, which will fund various types of traffic and pedestrian enforcement.

Police Department Organizational Chart



Police Department Programs and Subprograms

Administration & Community Services

- Record keeping
- Human resources
- Training
- Community outreach
- Street opening permits
- Raffle/bazaar permits
- Facility issues
- Firearms licensing

Patrol Division

- Emergency response
- Traffic enforcement
- Crime prevention
- Drunk driving enforcement
- Domestic violence prevention
- Juvenile services
- D.A.R.E. Program
- Child safety seat instructions
- Seasonable bicycle patrols

Detective Division

- Investigative services
- Court prosecution
- Drug investigation
- Employee background investigations
- Liquor control issues
- High School resource officer

Communications / Dispatch

- Emergency 911 for Police/Fire/EMS
- Fire Arm ID Cards
- Elderly check program
- Department receptionist
- After hours point of contact for Town services
- Fire alarm system operator
- Contact for Utility companies
- Clerical duties
- Accident report processing

Police Department Personnel Summary

Personnel

	FY2015	FY2016	FY2017	FY2017	FY2018	FY2018
Position	FTE	FTE	FTE	FTE	FTE	FTE
Police Chief	1	1	1	1	1	1
Deputy Chief						
Lieutenant						
Captains						
Sergeant	4	4	4	4	4	4
Patrolmen	12	12	12	12	12	12
Mechanic	1	1	1	1	1	1
Department Assistant	1	1	1	1	1	1
Principal Clerk	0	0	0	0	0	0
Senior Clerk						
Dispatcher	4	4	4	4	4	4
Part Time Dispatcher						
Full Time Custodian	1	1	1	1	1	1
Part Time Custodian	0.25	0.25	0.25	0.25	0.25	0.25
Dog Officer	1	1	1	1	1	1
	71.25	71.25	71.25	71.25	71.25	69.25

Police Department Budget Summary

	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
POLICE DEPARTMENT 012100						
<i>Personnel Services</i>						
Education/Quinn Bill	\$74,280	\$77,767	\$98,077	\$45,308	\$98,511	98510.59
Holiday Pay	\$39,631	\$42,188	\$48,440	\$24,232	\$50,287	50286.91
Salary Department Head	\$133,965	\$138,811	\$136,708	\$31,241	\$130,288	130288.42
Salaries Clerical Wages	\$23,570	\$24,477	\$25,418	\$12,318	\$26,052	26052.00
Wages	\$800,257	\$828,936	\$953,392	\$440,526	\$994,862	1016342.63
Wages OT	\$391,058	\$353,289	\$153,015	\$204,364	\$177,044	177044.00
Wages Training	\$3,451	\$16,634	\$50,000	\$12,474	\$68,888	68888.00
Wages School Traffic	\$32,516	\$35,432	\$37,720	\$15,483	\$49,036	50518.00
Wages Lockup	\$72	\$263	\$1,500	\$449	\$1,500	1500.00
Night Differential	\$21,982	\$23,169	\$32,673	\$11,598	\$33,979	33979.00
Officer in Charge	\$5,235	\$6,215	\$2,500	\$9,237	\$2,500	2500.00
Longevity	\$9,740	\$13,546	\$11,748	\$6,063	\$10,475	10475.00
Stipends	\$10,553	\$9,976	\$10,422	\$5,082	\$10,036	10056.45
Clothing Cleaning	\$20,325	\$21,216	\$25,500	\$23,792	\$25,600	25600.00
Clothing Cleaning T	\$1,566	\$276	\$1,500	\$382	\$1,280	1280.00
Sick Leave Buy Back				\$17,353		
Total	\$1,568,200	\$1,592,195	\$1,588,613	\$859,902	\$1,680,338	1703321.00

**POLICE DEPARTMENT
(cont'd)**

Expenses

	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
Maintenance Contract	\$20,358	\$19,734	\$20,358	\$10,086	\$24,701	35700.95
Medical Costs	\$145	\$1,604	\$145	\$1,120	\$2,240	2240.00
Tuition/Training	\$13,907	\$8,493	\$13,907	\$1,265	\$13,000	13000.00
Office Cleaning/Custodial	\$8,868	\$8,097		\$2,587		
Printing	\$1,155	\$1,559	\$1,155	\$158	\$1,100	1100.00
Supplies and Expenses	\$13,335	\$11,570	\$13,335	\$20,829	\$13,335	13335.00
Telephone	\$16,601	\$17,867	\$16,601	\$7,549	\$25,605	25605.24
Postage	\$247	\$264	\$247	\$56	\$250	250.00
Dues & Subscriptions	\$6,828	\$6,748	\$6,539	\$7,460	\$7,370	7370.00
Meetings						
Equipment	\$6,454	\$4,138	\$6,454	\$56	\$6,454	6454.00
Equipment Repairs	\$13,084	\$14,112	\$13,084	\$2,231	\$13,000	13000.00
Vehicle Supplies/Repairs	\$2,283	\$10,124	\$10,000	\$4,234	\$10,000	10000.00
Gasoline/Oil	\$40,704	\$28,566	\$29,449	\$7,399	\$29,489	29499.00
Heat & Fuel					\$4,902	10000.00
Water/Sewer					\$1,500	60000.00
Electricity					\$9,750	17445.81
Total	\$143,970	\$132,876	\$131,275	\$65,029	\$162,696	191000.00
TOTAL BUDGET	\$1,712,170	\$1,725,071	\$1,719,888	\$924,931	\$1,843,035	1894321.00

Highlights

- Police Department will be requesting for FY2018 two 2017 Ford Sedan's as cruiser replacements at a cost of \$38,642 per unit for a total cost of \$77,284.
 - Vehicle replacement is scheduled to occur every 7 years.
 - Department currently has two cruisers roughly 10 years old (one purchased in 2007 the other in 2008) and each with 105,000+ miles.
- Police department will request that the FY2018 budget appropriate \$51,480 to put toward a School Resource Officer (SRO.)
 - SRO's teach, counsel, and protect the school community by reducing violence in schools while also building relationships with the employees and students of that school. Officers receive training in counseling and other skills that help them be effective in a school setting.

Dispatch Department Budget Summary

	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 APPROVED	FY2017 Six Months	FY2018 DEPT REQUESTS	FY2018 TM ADOPTED
DISPATCH						
<i>Personnel Services</i>						
Holiday Pay	\$6,145	\$6,667	\$7,859	\$3,901	\$8,242	7979.76
Wages	\$149,474	\$125,057	\$170,272	\$82,188	\$178,691	174640.96
Wages Part Time	\$22,126	\$30,529	\$17,000	\$13,354	\$17,000	17000.00
Wages Overtime	\$33,371	\$52,052	\$30,000	\$19,410	\$30,000	30000.00
Wages Training		\$7,003	\$5,000	\$851	\$5,000	5000.00
Night Differential	\$4,554	\$3,912	\$5,231	\$2,321	\$5,231	5231.42
Longevity	\$1,025	\$1,025	\$1,025	\$638	\$550	550.00
Stipends					\$500	500.00
Total	\$216,695	\$226,244	\$236,387	\$122,662	\$245,215	240902.14
<i>Expenses</i>						
Supplies and Expenses		\$750	\$1,250	\$163	\$1,250	1250.00
Clothing/Uniforms	\$2,952	\$3,935	\$3,800	\$469	\$3,400	3400.00
Equipment		\$750	\$750		\$750	750.00
Equipment Repairs		\$1,125	\$1,500		\$1,500	1500.00
Tuition/Training					\$2,100	2100.00
Total	\$2,952	\$6,560	\$7,300	\$632	\$9,000	9000.00
TOTAL BUDGET	\$219,647	\$232,804	\$243,687	\$123,294	\$254,215	249902.14

Highlights

- Tuition and training costs covers expenses related to the ongoing training for public safety dispatchers to include liability and scenario based training.

TOWN OF MILLIS

FINANCIAL POLICIES

Draft

TABLE OF CONTENTS

OVERVIEW	3
FINANCIAL PLANNING	4
BUDGET	4
CAPITAL ASSETS	8
DEBT MANAGEMENT	11
FINANCIAL RESERVES	13
FISCAL FORECASTING	15
INDIRECT COST ALLOCATION	17
OVERLAY	18
OTHER POSTEMPLOYMENT BENEFITS	20
TAX RECAPITULATION	22
FINANCIAL MANAGEMENT	26
ACCOUNTING AND AUDITING	26
ANTIFRAUD	28
DISBURSEMENTS	30
INVESTMENTS	32
RECONCILIATION	35
REVENUE TURNOVER	38
PROCUREMENT CONFLICT OF INTEREST	40
TAX ENFORCEMENT	43
POLICY ADOPTION LOG	46

OVERVIEW

The Town of Millis is committed to the principles of safeguarding public funds, protecting local assets, and adherence with established financial standards and regulations; and maintaining a stable and adequate delivery of services. In order to achieve these ends, the Town has adopted financial policies that shall guide local planning and decision-making. The policies are intended as a comprehensive guide to outline objectives, provide formal direction, and define authority to help ensure sound fiscal stewardship and management practices. Each policy shall be periodically reviewed and updated as necessary.

With these policies, the Town of Millis, through its Board of Selectmen, Finance Committee, and employees, commits to the following objectives:

- Sustaining a consistent level of service and value for residents and taxpayers
- Withstanding local and regional negative economic impacts
- Adjusting efficiently to the Town's changing service requirements
- Safeguarding financial integrity and minimizing risk through a system of internal controls
- Ensuring the quality and maintenance of the Town's infrastructure and capital assets
- Conforming to general law, uniform professional standards, and municipal best practices
- Protecting and enhancing the town's credit rating
- Improve financial information for decision makers at all levels
- Promoting transparency and public disclosure, and public confidence in financial management

BUDGET

PURPOSE

To establish guidelines regarding the process to prepare, approve and modify the annual operating budget in accordance with state law and all other financial policies of the Town. This policy recognizes that the budget is the Town's central financial planning document, which embodies all operating revenue and expenditure decisions. The budget establishes levels of services to be provided by each department and presents the collective prioritization of service delivery options.

APPLICABILITY

This policy pertains to annual budget preparation and applies to the Town Administrator, School Superintendent, Finance Director, Board of Selectmen, Finance Committee, and School Committee in those duties. It also applies to the related job duties of the Town Treasurer/Collector, the Board of Assessors, and all Department Heads of the Town.

POLICY

The Town will prepare and adopt an annual balanced budget, which shall serve as the annual financial plan for the Town. The budget shall be prepared in accordance with an annual budget calendar that reflects strategic planning by the Town departments, and communication and coordination by participants of the budget making process. The Vision, Goals and Strategic Plan of the Board of Selectmen, will serve as the framework for the budget proposed by the Town Administrator. It will serve as the policy document of the Board of Selectmen for implementing Board goals and objectives. The budget will provide the staff the resources necessary to accomplish Town Meeting determined service levels. The budget document, that reflects the financial plan of the executive branch of the Town, shall embrace the suggested criteria of the Government Finance Officer's Association and its Distinguished Budget Presentation program.

A. Balanced Budget

The budget that is prepared for submission by the Town Administrator and approved by the Board of Selectmen, Finance Committee and Town Meeting shall be such that all current operating revenues are equal to, or exceed, all operating expenditures at adoption and at year-end. Further, the budget that is proposed and approved shall be sustainable beyond the year in which it is approved. Accordingly, the following guidelines shall apply:

1. Current revenues will be sufficient to support current expenditures. Revenue estimates will be realistic and debt financing will not be used to support current operating expenses.
2. "One-Time" resources should not be used to fund ongoing service delivery programs unless circumstances so necessitate such action. In such an event that "one-time" revenues are utilized for a period of greater than one year, there shall be a documented finding of need that includes a plan to replace such funds.
3. All adopted budgets of the Town will list the actual and proposed FTE allocation on a department/fund basis.
4. To aid in the prudent management of Town affairs, service levels will be established, monitored, and reviewed so a determination of required resources (both personnel and non-personnel) can be made for the ensuing budget year.
5. The Town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing

expenditures, or accruing future years' revenues.

6. The Town will not defer current costs to a future date.
7. New programs that are funded through a specific dedicated and/or restricted revenue source (i.e., non-tax revenue), will receive consideration.
8. When practical, resources should be allocated for selective expenditures, whose purpose is to avoid even larger costs in the future.
9. Recognizing that personnel-related expenditures represent the largest portion of the Town's budget, methods to increase efficiency should receive priority funding if it can forestall the addition of permanent staff.
10. Whenever programs or personnel are proposed, the current and future fiscal impact (as reflected in the financial forecast) shall be determined and reported to the Board of Selectmen to aid in their deliberations.
11. Funding for new programs and services should be limited to the extent that they can be funded over the near-to-long-term given the current revenue stream.
12. Department and Fund budgets shall be prepared in a manner that reflects the full cost of providing services.
13. If expenditure reductions are necessary, elimination of selective services is preferable to across-the-board cuts.

B. Revenue Guidelines

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:

- Cash capital budget
- General stabilization fund
- Capital Stabilization Fund
- 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 Finance Director, can recommend its use for operational appropriations. Such use will trigger the Finance Director to develop an action plan to avoid continued reliance on one-time revenues, and to replenish reserves within two years.

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. 53A½

Revenue estimates will be adjusted throughout the budget cycle as more information becomes available.

C. 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.

D. Budget Calendar

The budget process will be coordinated in a way that major policy issues are identified for review and discussion several months prior to budget approval. This will allow adequate time for public input and analysis of options. Budget activities will occur through the year as identified below:

- July/August
 - BOS Identify Goals & Strategic Needs
 - School Committee Identify Goals and Strategic Needs
 - Town Administrator/Finance Director Update 5 Year Financial Plan
- September/October
 - Tri-Board Meeting to Review Town financial status, 5 Year Financial Plan, Upcoming Fiscal Year and Establish Preliminary Financial Framework.
 - Capital Budget Manual sent out to Departments by Town Administrator
- November/December
 - Capital Requests Submitted & Reviewed by Capital Planning Committee
 - Operating Budget Request Manual sent out to Departments by Town Administrator
- December/January
 - Town Administrator & Capital Planning Committee Finalize Capital Budget/Plan
 - Town Administrator/Finance Director Review Budget Requests and Develops Operating Budget
- January/February
 - Tri-Board Meeting to Review Financial Conditions and Financial Framework
 - School Superintendent Presents School Operating Budget to School Committee for Review and Approval
 - Proposed Operating and Capital Budgets for all Departments Presented to Board of Selectmen for Review and Approval.
- February/March
 - Proposed Operating and Capital Budgets Presented to Finance Committee
 - Finance Committee Holds Public Budget Hearings with Departments
- April
 - Finance Committee Determines Recommendations on Budget Articles
- May
 - Proposed Operating and Capital Budgets Presented to Annual Town Meeting by BOS/TA with Presentation of Recommendations by Finance Committee

- June/July
 - June 30th Current Fiscal Year Ends
 - July 1st Fiscal Year Begins
- November
 - Tax Classification Hearing & Final Tax Rate Set

E. Budget Monitoring

The budget shall be continually monitored by the Finance Director with regular reports to the Board of Selectmen and Finance Committee. Budget to actual revenues shall be reported quarterly to ensure timely budget adjustments, if needed, in order prevent a potential revenue deficit. Budget to actual expenditure balances shall be reported monthly to ensure that the total of expenditures/expenses and purchase commitments in any account do not exceed the authorized budget for that account.

The Town will take immediate corrective actions if at any time during the fiscal year expenditure and/or revenue estimates indicate that an operating deficit is projected at year end. Corrective actions can include, but are not limited to, hiring freezes, expenditure reductions, layoffs, or use of contingency funds.

F. Budget Document

The Town shall endeavor to produce a budget document that communicates the linkage of the budget making process with other activities of the local government. As such, the document should reflect and incorporate information relative to organizational goals, the establishment of policies and plans to meet these goals, the allocation of resources that are consistent with the goals, policies and plans, and financial information including documentation of available resources. The Town shall use the standards of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award program as a guide in the preparation of the annual budget in order to produce a document that is citizen/user friendly, transparent, and illustrative of the long-term strategic role of a budget.

REFERENCES

EFFECTIVE DATE

This policy was adopted on _____

Glossary of Terms

Abatement	A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit. (See Commitment)
Accounting System	The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.
Accrued Interest	The amount of interest that has accumulated on the bond since the date of the last interest payment, and in the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)
Adopted Budget	The version of the budget that has been approved by a vote of Town Meeting.
Additional Assistance	This state aid program provides unrestricted, general fund revenue to a certain number of communities through the Cherry Sheet. Additional Assistance evolved from the old resolution aid formula of the 1980s, but following state budget cuts, it was level funded beginning in FY92 and then subsequently reduced.
Amortization	The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.
Appellate Tax Board (ATB)	Appointed by the governor, the ATB has jurisdiction to decide appeals from local decisions relating to property taxes, motor vehicle excises, state owned land (SOL) valuations, exemption eligibility, property classification, and equalized valuations.
Appropriation	An authorization granted by a town meeting to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended. (See Encumbrance, Free Cash)
Arbitrage	As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.
Assessed Valuation	A value assigned to real estate or other property by a government as the basis for levying taxes. In Massachusetts, assessed valuation is based on the property's full and fair cash value as set by the Assessors.
Audit	An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool for evaluating the fiscal performance of a community.
Audit Management Letter	An independent auditor's written communication to government officials, separate from the community's audit. It generally identifies areas of deficiency, if any, and presents recommendations for improvements in accounting procedures, internal controls and other matters.

Glossary of Terms

Audit Report	Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions; (d) financial statements and schedules; and (e) statistical tables, supplementary comments, and recommendations. It is almost always accompanied by a management letter.
Available Funds	Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other onetime costs. Examples of available funds include free cash, stabilization funds, overlay surplus, water surplus, and enterprise net assets unrestricted (formerly retained earnings).
Balance Sheet	A statement that discloses the assets, liabilities, reserves, and equities of a fund or governmental unit at a specified date.
Balanced Budget	A budget in which estimated receipts are greater than or equal to proposed appropriations. This is a requirement for all Massachusetts cities and towns.
Betterments (Special Assessments)	Whenever part of a community benefits from a public improvement, or betterment (<i>e.g.</i> , water, sewer, sidewalks, etc.), special property taxes may be assessed to the property owners of that area to reimburse the governmental entity for all, or part, of the costs it incurred in completing the project. Each property parcel receiving the benefit is assessed a proportionate share of the cost which may be paid in full, or apportioned over a period of up to 20 years. In this case, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.
Boat Excise	In accordance with MGL Chapter 60B, this is an amount levied on boats and ships in lieu of a personal property tax for the privilege of using the Commonwealth's waterways. Assessed annually as of July 1, the excise is paid to the community where the boat or ship is usually moored or docked.
Bond	A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note).
Bond Anticipation Note (BAN)	Short-term debt instrument used to generate cash for initial project costs and with the expectation that the debt will be replaced later by permanent bonding. Typically issued for a term of less than one year, BANs may be re-issued for up to five years, provided principal repayment begins after two years (MGL Ch. 44 §17). Principal payments on school related BANs may be deferred up to seven years (increased in 2002 from five years) if the community has an approved project on the Massachusetts School Building Authority (MSBA) priority list. BANs are full faith and credit obligations.
Bond Authorization	The action of town meeting or a city council authorizing the executive branch to raise money through the sale of bonds in a specific amount and for a specific purpose. Once authorized, issuance is by the treasurer upon the signature of the mayor, or selectmen. (See Bond Issue)