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344 Years of Progress



CRANBERRY CAPITAL
OF THE WORLD



Town of Middleborough
Massachusetts

CHARLES J. CRISTELLO
Town Manager

508-947-0928
FAX 508-946-2320

TOWN MANAGER'S REPORT
JANUARY 6, 2014

Attached please find correspondence from the office of the Town Manager for your review. Thank you.

Charles J. Cristello
Town Manager

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MEMORANDUM

To: All Department Heads
From: Charles J. Cristello, Town Manager 
Date: January 2, 2014
Subject: *Instructions for FY 2015 Budget Development*

OVERVIEW

With the economy finally beginning to build some momentum the state fiscal outlook is also pointing upward. Economists testifying at the annual consensus revenue hearing last month told legislators that tax collections are expected to grow by more than 4.5 percent in FY 15 and will generate at least \$1 billion in new revenue. However the Massachusetts Taxpayers Foundation also cautioned that almost all of increase will be needed to cover anticipated increases in non-discretionary spending for pensions, debt service, Medicaid along with expanded commitments to transportation. The other factor working in our favor is that 2014 is an election year both for the state legislature and for constitutional offices. Historically, governors and legislatures tend to be more generous to local governments in election years. With no further cuts coming from above and with the savings generated by the switch to the Group Insurance Commission in July we should be able to balance the FY 15 budget without taking extraordinary measures.

I am asking you once again to prepare a level-funded budget for FY15 based on your approved FY2014 budget, minus capital or other one-time expenditures. I am also suggesting that you all look at ways to increase revenues wherever possible.

Please submit your budget requests electronically in complete and final form by **Friday, January 24, 2014**. Please call me with any questions or clarifications. In order to assist you in meeting the January 24 deadline, I have scheduled to review budgets in individual meetings with the department heads and administrators on Thursday, January 9 and Friday, January 10, as per the attached schedule. Please email Caroline LaCroix at clacroix@middleborough.com as soon as possible if you have a conflict with the time of your appointment.

The budget process this year has been re-designed to allow you to submit the Budget Worksheet electronically using the Town's financial software. Some of you are already familiar with the ACS/Xerox software while others of you are not. Susan Smith will walk you through what you or your staff needs to know to fill out the worksheet from your computer beginning on Tuesday, January 7th.

With this memo I have included an Excel file with the Compensation Worksheet, a Request for New Funding Form, and Special Funds Worksheet, attached. You open the document, fill out the information as explained below, save the document and send it back to me as an email. I suggest saving and/or printing a copy of the document for your records. **I will assume that by receiving this email back from you that you have completed filling out the Budget Worksheet on the ACS/Xerox system.**

- 1) The "Budget Worksheet" will now be filled out on the ACS/Xerox financial software. There are two columns for you to fill out. The "2015 Requested" column must total no more than the 2014 budget total approved by Town Meeting, plus any scheduled step raises. There are no cost of living raises to account for at this time.

Capital outlay and other one-time expenses must be deducted from your request. Similarly, any decrease in personnel expense caused by hiring a new employee at a lower step will also reduce your "2015 Requested" total.

The "2015 Additional" column should be filled out if you are requesting any additional funding for FY2015. This column should correspond to the information on any "Request for New Funding" forms you submit. **Do not add this column to the "2015 Requested" column.**

- 2) The "Compensation Worksheet" (Sheet 1 of the Excel file) asks you to identify salaries and other types of pay by employee and grouped by account number so that the sub-totals on the worksheet tie back to the amounts entered on the "Budget Worksheet". I have enclosed an example form last year to assist you in filling it out. ****Please make a point of filling out the classification title and grade/step columns on this form for verification purposes. For part-time positions, please indicate the number of hours next to the name or title of the employee.****
- 3) A "Request for New Funding" form (Sheet 2 of the Excel file) should be completed for funding requests reflected in the "2015 Additional" column. The 'justification' section should fully explain the need for the funding and the benefits that will be realized. I have also attached a complete example of this form. **Please consolidate requests on a single form whenever possible.**
- 4) The "Special Funds Worksheet" (Sheet 3 of the Excel file) requires that you report on the projected FY 2015 activity of all funds over \$10,000 used by your department that are not accounted for in Article 2. These include, but are not limited to, capital project funds, special revenue funds, revolving funds, trust funds, grants, and continuing appropriations from a special article. Enter the beginning balance for FY2014 to indicate the size of the fund. List each source of funds that you anticipate in FY2015 on the revenue side. Each expenditure or major category of expenditure that you expect, i.e. personnel, supplies, travel, etc., should be identified on the expenditure side. Please see the attached example.
- 5) I also ask that you submit any articles that you want to appear on the Annual Town Meeting warrant with your budget submittals. They do not have to be in article form at this time. An email describing the intent of the article or articles will suffice.

Please feel free to contact me if you have any questions.

Thank you in advance for your cooperation.

**Request For New Funding
FY 2015**

DEPARTMENT _____

1) Short Description of need-

2) Funding Amount Requested

Line item #

Account Description

Amount

(Justify need and describe impact on service delivery, savings, productivity, revenue enhancement, etc)

3) Justification/Impact

