Meeting Date: November 13, 2013   **Called to Order**: 6:01 PM
Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Michael Naughton, Lynn Reynolds, Sharon Kennaugh and Lisa Adams. Greg Garrison was absent.

Selectmen Present: Christopher Boutwell (left at 7:00 PM), Michael Nelson (arrived at 6:10 PM, left at 7:00 PM) and Mark Fairbrother (arrived at 6:04 PM, left at 7:00 PM).

Others Present: Town Administrator Frank Abbondanzio and Town Accountant Carolyn Olsen

Minutes
Finance Committee Moved:
>   To approve the minutes of October 23, 2013.
>   Vote: 5 In Favor   0 Opposed   0   Abstained

Selectmen Moved:
>   To approve the minutes of September 25, 2013.
>   Vote: 2 In Favor   0 Opposed   1   Abstained

Town Administrator Budget Presentation
Mr. Abbondanzio presented the following documents and discussed his vision for the Fiscal Year 2015 budget process. Two issues raised by the bonding agency were the need for a long term financial plan for revenues and expenditures and a financial policy regarding the budget. Addressing these issues may allow the town to improve our bond rating from A+ to AA, which would decrease interest costs.

Fiscal Year 2015 Draft Budget Message
>   From: Town Administrator
>   To: All Departments, Boards and Commissions
>   Re: FY 2015 Budget

>   (1.)   Under separate cover you have received your FY 2015 budget package from the Town Accountant. This package contains your department's individual operating budget forms. The Selectmen's Office will also be sending out capital project request forms under separate cover.

>   **(2.)   Deadlines:** This year the **Operating Budget** and **the Capital Budgets and Programs** for all departments, boards and commissions will be due on Monday, January 6, 2014**.**

>   (3.)   **Fiscal Projections for FY 2015:** A copy of my FY 2015 revenue and expenditure forecast will be provided under a separate e-mail.

(I will be submitting my revenue and expenditure forecast to the Finance Committee and Board of Selectmen at the November 20, 2013 meeting. My gut feeling is that revenues in the upcoming fiscal year will at least be stable, with a possibility that the economy may support a very modest increase in State Aid. The only wild cards are (a) the impact of the loss of tax revenues from software industries and (b financial instability at the federal level, which could have a budgetary ripple effect at the state and local level.)

(4.)   **Operating Budget Format**

This year the Selectmen's office will be implementing significant changes in the operating budget format that are designed to make the budget a better communication tool and policy document. The information gathered through the budget process, in addition to providing the basis for the Annual Finance Committee Report, will be used to prepare a Town Administrator Budget and Recommendations. The latter report will be submitted to the Finance Committee and Selectmen in February, and will include research, analysis and recommendations that will be used the joint boards in the formulation of the annual budget to be submitted to Town Meeting in May. My goal is to have a completed Town Administrator's Budget posted on the town's web site prior to the Annual Town Meeting.

(a) Line Item Budgets: No changes have been made in the line item budget portion of your submission.

(b) Narratives: The following budget information will be gathered from department heads. A staff meeting will be held to explain the proposed changes; and the Town Administrator will be available to assist in the preparation of this portion of the budget submission.

• Program Description/Description of Services: This section provides a brief and concise description of your department/program. What is the overall mission of your department and what are your primary goals? How will the department go about achieving them? And, in a few sentences, describe the responsibilities of each element/division of your department, and the programs/services that each provides.
• Budget Statement: In this section, departments should describe the significant changes that are being proposed in their FY 2015 budget submission. What the key factors that are driving your budget? These could include uncontrollable increases (greater than inflation) for materials, supplies or utilities; increases related to the implementation of collective bargaining agreements; staffing increases; the implementation of new programs or services, possibly driven by new statutory requirements, compliance issues or the need to address deferred maintenance.

- Objectives: In this section departments describe their primary objectives for the upcoming budget year. These could include "maintenance objectives" – continuing to provide the same level of service as the current year, or "new initiative objectives". Wherever possible an attempt should be made to identify and articulate the two or three key objectives for each of the divisions/elements in your department. A matrix identifying the apparent divisions/elements of each department/program has been provided by the Town Administrator in this budget request packet.

- Major Accomplishments: In this section departments should describe their most significant accomplishments over the past eighteen months. This could relate to the achievement of major objectives set previously by the department. Departments should also describe why these accomplishments are considered significant and identify the benefits that have been/will be realized by the town. These could include cost savings, greater efficiency, increased service levels, improved safety, or enhancements to quality of life.

- Performance/Workload Indicators: This section provides quantitative measures of the services delivered by the department in the past two years, with estimates for the current and FY 2015 years. Such measures focus on the performance in obvious program areas of individual divisions/elements. For example, the DPW Highway Construction and Maintenance Division/Element, some representative measures might include "number of miles of road resurfaced" or "numbers of catch basins cleaned". While in the Library program, the Children's Services Division, it might include "number of e-books circulated in the children's library." Such measures are meant to show the workload of the department as well as highlight progress made in achieving objectives.

 (5.)   **Budget Guidelines**
This year we are asking departments to prepare a budget "level service budget". A level service budget represents a level of funding that will be required to provide the same level of service provided in FY 2014, recognizing that inflation or other contractual factors may cause some costs to increase from one year to the next.

Under the "level services" scenario the following guidelines apply:

(a) All budgets shall include the wage and salary numbers provided by the Town Accountant. In some, and possibly all, cases budget requests will reflect costs associated with the implementation of the pay and classification study. These include contracted step increases and where negotiated through collective bargaining, any approved cost of living adjustments.
(b) All departmental expenses shall reflect the estimated cost of delivering the same level of services provided in FY 2014.
(c) Energy related costs (heating oil, electricity and gasoline) shall include a 5% increase. These numbers may be adjusted later in the budget process once the town has established a better history of energy use.

(d) Projected increases in fixed costs (debt), intergovernmental expenses, health insurance, and other employee benefits are based on projections from information known at this time.

(e) Insurances (including workers compensation) are assumed to increase by 5%.

(f) Increases in retirement costs and intergovernmental expenses as determined by actual assessments.

(g) Stipends for elected officials to remain level funded at FY 2014 levels.

(6.)   Joint Budget Meetings of Board of Selectmen and Finance Committee

The Board of Selectmen and Finance Committee will hold joint budget meetings beginning in late January. This process will run for about five or six weeks. The meetings will be held on Wednesday nights. A detailed meeting schedule will be posted as soon as possible. As in the past, the budget meetings will be held jointly to avoid a duplication of presentations by departments to the two boards. Not all departments will be required to make presentations. If any department that is not required to present its budget desires to do so for any reason, they should contact the Town Accountant.

(7.)   Capital Budget

This year the Capital Improvements Committee will continue its effort to the implementation of a comprehensive, multi-year (6 years) capital program that was established this year. The capital budgeting format for the upcoming year is the same as that used in FY 2014.

GFOA Budget Evaluation Criteria

Town of Montague
Budget Document Self Evaluation
Government Officers Financial Association (GFOA)

(1.) Is the budget an effective Policy Document?

(a) Does the budget include a coherent statement of budgetary policies? These may take the form of goals and objectives, strategies or other mechanisms.

(b) Does the budget explain the budgeting process? If not, the attached application materials must.

(c) Does the budget describe and articulate basic policy changes? Explain the substantive impact of the policy changes on operations, service levels and/or finances?

(d) Does the budget explain the rationale for the policies?

(e) Does the budget explain how policies (particularly new policies and revised policies) will be implemented and monitored?

(2.) Does the budget function as an Operations Guide?

(a) Does the budget explain the relationship between organizational units and programs where appropriate?
(b) Does the budget include an organizational chart, description of workforce organization (e.g. personnel count comparisons) and sufficient data regarding past operations to provide a basis for comparison?
(c) Does the budget explain how capital planning decisions will affect operations and operating expenditures?
(d) Does the budget provide specific objectives and performance measures/targets? If appropriate, are timetables and deadlines also included?
(e) Does the budget describe the general directions given to department heads or line managers? This could be accomplished through (1) goals and objectives, (2) reorganizations, (3) statement of functions, (4) appropriations or staffing limits, (5) delegation of authority, or (6) other methods that clarify the responsibilities or managers or supervisors.

(3.) Is the budget document an effective Financial Plan?

(a) Does the budget explain the financial structure and operation of the government? It should explain major revenue sources, how funds are organized etc.
(b) Are all operating funds and all resources included in the financial plans provided in the budget? This need not mean that all activity be subject to an appropriation budget, but rather should provide for the deliberate financial planning of governmental activity.
(c) Does the budget include projections of the government's financial condition at the end of the proposed fiscal year?
(d) Does the budget explain any conditions or projected events that require changes in operations in order to ensure financial stability or solvency?
(e) Does the budget include projections of current year financial activity, and provide a basis for historical comparisons, (e.g. last year, this year, next year)?
(f) Does the budget include both an operating and capital financing element? If a separate capital program exists, the operating budget should explain the relationship between the two documents.
(g) Does the budget include a consolidated picture of all operations and financial activity in condensed and aggregated form?
(h) Is the budget prepared in such a way that budgetary performance can be measured and accounted for?
(i) Does the budget address debt management issues, particularly those that affect current and future operations?
(j) Does the budget explain its basis, whether GAAP, cash, or other statutory basis?

4. Is the budget an effective communication device?

(a) Is the budget available to the public in some draft form prior to governing body action?

(b) Does the budget provide summary information suitable for use by the media and the public?

(c) Does the budget avoid complex technical language that cannot be understood by the reasonably informed reader?

(d) Does the budget include a transmittal letter or budget message that outlines key policies, strategies etc.?

(e) Does the budget provide a table of contents and/or an index?

(f) Does the budget include a glossary of terms?

(g) Are the basic units of the budget, whether they be funds, programs, departments or whatever, concisely explained?

(h) Does the budget employ the use of simple charts and graphs to highlight key relationships? Is there sufficient interpretation of graphs given in the budget?

(i) Are the sources of revenue for the budget disclosed? Are assumptions underlying the revenue estimates explained and key revenue trends highlighted?

(j) Does the budget (or the application materials) explain the procedure for amending the budget during the coming fiscal year?

(k) Are related financial and operational activity cross classified or cross indexed to assist the lay reader?

(l) Are statistical and supplemental data included in an appendix or throughout the text of the budget?

Note: For each of the above budget criteria one of the following rankings shall be selected: : "Does not Satisfy Criteria", "Proficient" or " Especially Notable"

Town Administrator Budget Outline
**TOWN ADMINISTRATOR BUDGET
REPORT OUTLINE**

1. **Title Page: FY 2015 Budget and Financial Plan
Town Administrator Recommendations
Town of Montague**

2. **Table of Contents**

3. **Introduction and Budget Message:** A letter to the Board of Selectmen from the Town Administrator in support of the enclosed budget recommendations. The letter provides an overview of the operating and capital budget, identifies significant budget issues, and explains the Town Administrator's rationale for budget recommendations (5 or 6 pages).

   - **Introduction:** This section provides a "resident's guide to the budget" which includes (a) description of the budget process and (b) the budget calendar.

- **The Budget Message:** This is a summary and analysis of the annual budget and financial plan for the upcoming fiscal year. Includes the following elements: (a) Brief <u>Narrative Budget Summary</u>, (b) <u>Overall Summary</u> of the total budget in tabular form. It is a very general summary of the sources and uses table that provides a year to year comparison of revenues and expenditures, (c) <u>Department Budget Summary</u> – description of significant changes in major departmental spending that drive the annual budget, (d) An <u>Analysis of Town Personnel Trends</u> (total town staffing – not by department for the past ten years), (e) Discussion of <u>Health Care/OPEB</u> as significant expenditure categories, (f) Discussion of <u>Cost Savings/Performance</u> Strategies, (g) Discussion of <u>Energy Use</u>, (h) Discussion of <u>Collective Bargaining</u> status, (i.) Discussion of <u>State Aid</u>, (j.) <u>Financial Structure and Health</u>, (k) Capital Programs and Policies, and (l.) <u>5 year Financial Projections</u> (Revenues and Expenditures).

4. **Budget Overview: "Everything You Wanted to Know About_____":** This section is designed to inform and educate the public about key budget concepts. A budget glossary will also be included in the appendix to the report. This section is considered an important component of the web site presentation. It is historical in nature and meant to be informational.

   - The <u>Tax Levy</u> - describes (a) What Proposition 2 ½ is and what a general override, debt exclusion and capital outlay expenditure exclusion are, (b) provides a history of proposition 2 ½ overrides in Montague, (c) provides a history of the tax levy (last eight years) with and without new growth, and (d) a history of tax rates and average tax bills for the same eight year period.
   - <u>State Aid</u> - describes (a) What it is, and (b) Provides a detailed State Aid History and Analysis (receipts and charges).
   - <u>Free Cash</u> - describes (a) What it is, (b) provides a history of amounts of Free Cash used to fund subsequent budgets and (c) history of certified free cash as a percentage of total operating budget.
   - <u>Debt Management</u> - describes (a) What it is and how Montague rates based on standard criteria, and (b) provides a history of total town debt and sewer debt carried by the town in the past eight years.
   - <u>Cost of Local Government for Typical Residential Taxpayer</u> – (a) Graph showing history of average real estate and sewer bills for past eight years.
   - <u>Personnel Summary</u> - Eight year history of personnel by department (full time and part time).
   - <u>Some Facts about the Town of Montague</u> - Community Profile
   - <u>How has Montague Compared with other communities?</u> Choice of comparables based on location, population, equalized valuation per capita. Comparisons to include (a) residential tax rate, commercial tax rate, tax levy, percentage of budget funded by taxation, average single family tax bill, (b) comparison of expenditures on various program functions, (c) amount of stabilization fund and free cash, and (d) town bond rating.

5. **FY 2015 Budget Summary with Year to Year Comparison.**

- Sources and Uses, including proposed spending on special articles (Carolyn's Working Budget)
- Overall Revenue Summary – detailed description by individual revenue category and comparison with prior year.
- Revenue Pie Chart (Where the Money Comes From)
- Tax Levy Limit Table (five year history)
- Projected State Aid
- Overall Expenditure Summary – detailed description by program/expenditure category.
- Expenditure Pie Chart (Where the Money Goes)
- Personnel – proposed department staffing under the FY 2015 plan with year to year comparison.

6. **Program/Departmental Budgets:** This section includes the FY 2015 budgets/spending plans that have been submitted by the various departments. All department heads will be asked to include in their budget the following information:

- **Program Description/Description of Services**: This section provides a brief and concise description of the department/program. What is the mission and what are the primary goals of the department? How does the department go about achieving them? What are the basic elements/divisions of the department/program? And in a few sentences, describe the responsibilities of each element/division and the programs/services that each provides.
- **Budget Statement:** In this section, departments describe the significant changes that are included in their FY 2015 budget proposal. What are the factors that drive the budget? These could include uncontrollable increases (greater than inflation) for materials, supplies or utilities; increases related to the implementation of collective bargaining agreements; staffing increases; the implementation of new programs or services, possible driven by new statutory requirements, compliance issues or the need to address deferred maintenance.
- **Objectives:** In this section departments describe their primary objectives for the upcoming budget year? These could include "maintenance objectives" – continuing to provide the same services at the same level as the current year, or "new initiative objectives". Wherever possible an attempt should be made to identify and articulate the two or three objectives for each of the divisions/elements in their department/program. A matrix identifying the apparent divisions/elements of each department/program will be provided by the Town Administrator in his budget request packet.

- **Major Accomplishments:** In this section departments describe their most significant accomplishments over the past eighteen months. This could relate to the achievement of a major objective set previously by the department head. Departments will also describe why these accomplishments are considered significant and identify the benefits that have been/will be realized by the town. These could include cost savings, greater efficiency, increased service levels, improved safety, or enhancements to quality of life.
- **Performance/Workload Indicators:** This section provides quantitative measures of the services delivered by the department in the past two years, with estimates for the current and FY 2015 years. Such measures focus on the performance in obvious program areas of individual divisions/elements. For example, in the DPW Highway Construction and Maintenance Division/Element, some representative measures might include "number of miles of road resurfaced" or "numbers of catch basins cleaned". While in the Library, Children's Services Division, it might include "number of e-books circulated in the children's library." Such measures are meant to show the workload of the department as well as highlight progress made in achieving objectives.

7. **Five-Year Projections:** This section includes a very general projection of total expenditure requirements and revenues for the next five years including the FY 2015 budget year. Projections will be calculated in the aggregate, using very conservative assumptions, with the intention of giving an overall perspective on the Town's budget situation. The projections will be presented in sequence with the current year and two prior years for comparisons.

- **Expenditure Requirements**: Expenditure requirements will be based on assumptions that reflect (a) the implementation of the pay and classification study and collective bargaining agreements, (b) a 2 ½% increase in departmental expenses, (c) known and projected debt service requirements, (d) historical trends in spending growth for key expenditures categories including pensions, health care and other potential budget busters (utilities, sludge handling and solid waste collection and disposal), (e) school assessment projections including a consideration of the affordable assessment calculation. Capital budget assumptions will also be made as well. Capital cash appropriations as well as enterprise articles will be based on actual department requests in the 5-year capital improvements program for future years.
- **Revenue Requirements:** On the revenue side, property tax growth estimates will assume that the Town continues to levy up to the maximum levy limit and that new growth will return to the historical average. Cherry Sheet (undesignated) revenue estimates will be made based on historical performance and current economic projections. All other state aid categories will be level funded. Estimated local receipts will reflect historical trends.

An effort will also be made to project the use of <u>reserves</u> (free cash and stabilization) as a source of revenue, with consideration being given to the town's desire to gradually reduce its dependence on the use of reserves to fund operating expenses.

<u>Fiscal Year 2015 Budget Structure</u>

**TOWN OF MONTAGUE
BUDGET STRUCTURE
GENERAL FUND**

(1) General Government (Program)   100

(A) Legislative (Subprogram)   110
- Town Meeting (division/element)   113

(B) Executive (Subprogram)   120
- Selectmen/Town Administrator (division/element)   122
    1. Administrative (program/service)   -1
    2. Financial Planning/Budgeting (program/service)   -2
    3. Personnel Management (program/service)   -3
    4. Purchasing (program/service)   -4
    5. Property Management   -5
    6. Economic/Capital Policy/Planning (program/service)   -6
    7. Licensing (program/service)   -7
    8. Annual Report (program/service)   -8
    9. Grants (program/service)   -9

(C) Financial Management (Subprogram)   130/140
- Finance Committee (division/element)   131
- Reserve Fund (division/element)   132
- Town Accountant (division/element)   135
    1. Accounting/Payroll/Compliance (program/service)   -1
    2. Budget Support Finance Committee (program/service)   -2
- Board of Assessors (division/element)   141
    1. Property valuation (program/service)   -1
    2. Tax Exemptions (program/service)   -2
    3. Tax Abatements (program/service)   -3
    4. Motor Vehicle Excise (program/service)   -4
    5. Property Inspection (program/service)   -5
    6. Public Access Assessment Info (program/service)   -6
- Treasurer/Collector (division/element)   145
    1. Property tax collection (program/service)   -1
    2. Motor vehicle excise collection (program/service)   -2

3. Sewer user fee collection (program/service)   -3
4. Department receipts collection (program/service)   -4
5. Parking ticket fine collection (program/service)   -5
6. Payroll disbursement (program/service)   -6
7. Accounts payable disbursement (program/service)   -7
8. Banking investments /Cash flow mgt. (program/service)   -8
9. G.O Bonding for Projects (program/service)   -9
10. Benefits Admin: Health/Life/W.C. (program/svc.)   -10
11. State/Federal reporting (program/service)   -11
12. Tax title foreclosure (program/service)   -12

(D) Operations Support (Subprogram)   150
- Town Counsel (division/element)   151
  1. General legal (program/service)   -1
  2. Labor Relations   -2
- Shared Services (division/element)   159
  1. Computer Services (program/service)   -1
  2. Copier/Duplicator (program/service)   -2
  3. Audit (program/service)   -3
  4. Web-site (program/service)   -4
  5. Postage meter (program/service)   -5

(E) Licensing/Registration (Subprogram)   160
- Town Clerk Licensing (division/element)   161A
  1. Vital Records Management (program/service)   -1
  2. Business Certificates (program/service)   -2
  3. Town Licensing (program/service)   -3
  4. Records Storage (program/service)   -4
  5. Planning Board/Zoning Decisions (program/service)   -5
  6. Board of Appeals Decisions (program/service)   -6
  7. Town By-Laws (program/service)   -7
- Elections/Registration (division/element)   161B
  1. Town/State Elections (program/service)   -1
  2. Town Meetings (program/service)   -2
  3. Voter Registration (program/service)   -3
  4. Yearly Town Census (program/service)   -4
  5. Street List/Voter List (program/service)   -5
  6. Certification/Nomination (program/service)   -6
  7. Political campaign financing (program/service)   -7

(F) Planning/Conservation/Zoning Enforcement (Subprogram)   170
- Planning (division/element)   175A
  1. Planning Board Tech. Support (program/service)   -1
  2. Public Consultations (program/service)   -2
  3. Master Planning (program/service)   -3

4. Zoning By-Law Revision (program/service)	-5
5. Subdivision Development Admin. (program/service)	-6
6. Site plan regulations (program/service)	-7
7. Town Admin./Selectmen Support (program/service)	-8
8. Energy Comm./Broad Band Support (program/service)	-9
9. Grants (program/service)	-10
10. FRCOG Networking (program/service)	-11
11. GIS (program/service)	-12
• Conservation (division/element)	175B
1. Conservation Commission Support (program/service)	-1
2. Conservation Land Acquisition (program/service)	-2
3. Open Space Planning (program/service)	-3
4. Resource Mapping (program/service)	-4
5. Agricultural Commission Support (program/service)	-5
6. Wetland Protection Act Permits/Enf. (program/service)	-6
7. River Protection Act (program/service)	-7
8. Plan Review (program/service)	-8
• Zoning Board of Appeals (division/element)	176
1. Zoning Interpretations (program/service)	-1
2. Hearings (variances, spec. permits) (program/service)	-2
3. Review of Building Inspector Decisions (program/svc.)	-3
(G) Community and Economic Development (Subprogram)	180
• Community Development (division/element)	181
1. Community development grants (program/service)	-1
• Economic Development (division/element)	182
1. Industrial development (program/service)	-1
2. Downtown revitalization (program/service)	-2
3. Economic development plan (program/service)	-3
4. River Culture program oversight (program/service)	-4
• EDIC Support (division/element)	183
(H) Other (Subprogram)	190
• Public Buildings (division/element)	190
1. Energy Use (program/service)	-1
2. Public Safety (Program)	200
(A) Law Enforcement (Subprogram)	210
• Police (division/element)	211
1. Administration (program/service)	-1
a. Personnel Management/Civil Service	
b. Training	
c. Collective Bargaining/Contract Administration	
2. Patrol and Enforcement (program/service)	-2
3. Investigation/Prevention (program/service)	-3
4. Emergency Services (program/service)	-4

- Civilian Dispatch (division/element) 212

(B) Inspectional Services (Subprogram) 240
- Building Inspector (division/element) 241
  1. Building Code Enforcement (program/service) -1
  2. Zoning By-Law Enforcement (program/service) -2
  3. Zoning Board of Appeals Support (program/service) -3
  4. Zoning Inspections & Interpretation (program/service) -4
  5. Building Reuse Support (program/service) -5
  6. Building Code Consultations (program/service) -6
  7. Records and Retrieval (program/service) -7
  8. Electrical Inspections (program/service) -8
  9. Plumbing and Gas Inspections (program/service) -9
  10 Building Inspections (program/service) -10
  11. Education (program/service) -11
  12. Plan Review (program/service) -12
  13. Liaison and support to other Boards (program/service) -13
- Sealer of Weights and Measures (division/element) 244
  1. State Contract (program/service) -1

(C) Other Public Safety (Subprogram) 290
- Emergency Management (division/element) 291
  1. State Liaison (program/service) -1
  2. Public Education (program/service) -2
  3. Auxiliary training (program/service) -3
  4. Emergency shelter (program/service) -4
  5. Radio Communications -5
- Animal Control (division/element) 292
  1. Regional ACO (program/service) -1
  2. Animal Shelter (program/service) -2
- Forest Warden (division/element) 294
- Tree Warden (division/element) 299
  1. Street tree master planning (program/service) -1
  2. Emergency tree trimming/removal (program/service) -2
  3. Tree Replacement (program/service) -3

(4) Public Works (Program) 400

(A) DPW Combined Highway (Subprogram) 420
- DPW Administration (division/element) 421
  1. Long range planning (program/service) -1
  2. Maintaining personnel records (program/service) -2
  3. Engineering/maps and plans   (program/service) -3
  4. Budgeting (program/service) -4
  5. State/County DPW Liaison (program/service) -5

- 6. Street Openings (program/service)   -6
- 7. Collective Bargaining Contract & Negotiations (p/s)   -7
- 8. Public inquiries/Ombudsman (program/service)   -8
- Highways/Streets Construction/Maintenance (p/s)   422
  - 1. Roadway maintenance (program/service)   -1
  - 2. Sidewalk maintenance (program/service)   -2
  - 3. Storm drains/culverts (program/service)   -3
  - 4. Street sweeping (program/service)   -4
  - 5. Street signs/markings (program/service)   -5
- Public Building Maintenance (division/element)   192
  - 1. Building maintenance & repair (program/service)   -1
  - 2. Custodial Services (program/service)   -2
  - 3. Contracted maintenance/repair services (program/svc.)   -3
- Parks and Grounds (division/element)   654
  - 1. Park and Field Maintenance (program/service)   -1
  - 2. Service to Other Departments (program/service)   -2

(B) DPW Snow and Ice Control (Subprogram)   420
- Snow and Ice (division/element)   423

(C) DPW Solid Waste Collection and Disposal (Subprogram)   430
- Collection and Disposal Contract (division/element)   433
  - 1. Trash collection contract (program/service)   -1
  - 2. Curbside Recycling Pickup (PYT) (program/service)   -2
  - 3. Household Hazardous Waste Pickup (program/service)   -3
- Transfer Station (division/element)   433A
  - 1. Recycling Drop-off (program/service)   -1
- Landfill Monitoring (division/element)   433B

(D) Cemeteries (Subprogram)   490
- Cemetery grounds repair and maintenance (div./element)   491

(5) Health and Human Services (Program)   500

(A) Health (Subprogram)   510
- Board of Health/Director (division/element)   511
  - 1. Immunizations and Vaccinations (program/service)   -1
  - 2. Food sanitation (program/service)   -2
  - 3. Communicable diseases (program/service)   -3
  - 4. Lead paint control (program/service)   -4
  - 5. Water and air quality (program/service)   -5
  - 6. Housing/Dwelling Sanitation (program/service)   -6
  - 7. A.G. Receivership Program (program/service)   -7
  - 8. Death Certificate Review (program/service)   -8
  - 9. Occupational Safety (program/service)   -9

10. Title V Administration (program/service)	-10
11. Elderly Health services (program/service)	-11
12. Hazardous Chemical Waste Mgt. (program/service)	-12
13. Bioterrorism Preparedness (program/service)	-13
14. Maternal Child Health (program/service)	-14
15. Health Screening Clinics (program/service)	-15
16. Health Education (program/service)	-16
17. Health Code Enforcement (program/service)	-17

(B) Human Services (Subprogram) 540
- Council on Aging (division/element) 541
  1. Administration and Advocacy (program/service) -1
      a. Community Education a.
      b. Facility management b.
      c. Grant Development c.
      d. COA policy, program and service development d.
      e. Budgeting e.
  2. Health and Nutrition Programs (program/service) -2
      a. Blood pressure clinics a.
      b. Eye, Hearing, Dental, Cancer, and Glucose Screens b.
      c. Wellness (prevention) c.
      d. Fitness Program d.
      e. Nutrition (meals on wheels, senior meal) e.
  3. Social Services (program/service) -3
      a. Adult Day Care a.
      b. Intake and Transportation b.
      c. Outreach c.
      d. TRIAD d.
  4. Fitness, Recreation and Education (program/service) -4
      a. Artists in Residence a.
      b. Classes (dance, art, tai chi) b.
      c. Community, cultural and social events c.
      d. Trips/Outings d.
  5. Volunteer Coordination (program/service) -5
      a. Recruitment and training a
      b. Placement and retention b.
- Veterans Services (division/element) 543
  1. Financial Assistance   (program/service) -1
  2. Benefit Services (program/service) -2
  3. Patriotic Celebrations (program/service) -3

(6) Recreation and Culture (Program) 600

(A) Library (Subprogram) 610
- Library Administration (division/element) 611

1. Strategic Planning (program/service)   -1
2. Information Service (program/service)   -2
3. Collection Development (program/service)   -3
4. Personnel Development (program/service)   -4
5. Building Management   (program/service)   -5
6. Budgeting (program/service)   -6
- Circulation Services (division/element)   612
  1. Book and Other Check-outs (program/service)   -1
  2. Book and Other Check-ins (program/service)   -2
  3. Book and Other Shelving (program/service)   -3
  4. Home deliveries   (program/service)   -4
  5. Reserves   (program/service)   -5
  6. Data base Management (program/service)   -6
  7. Periodical Storage/Retrieval (program/service)   -7
  8. Video/DVD/E-Book collection (program/service)   -8
- Community Services (division/element)   613
  1. Programs/concerts (program/service)   -1
  2. Exhibits/publications (program/service)   -2
  3. Liaison to Friends of Library (program/service)   -3
- Technical Services (division/element)   614
  1. Materials acquisition (program/service)   -1
  2. Materials processing (program/service)   -2
  3. Automation Operations (program/service)   -3
  4. Materials maintenance   (program/service)   -4
  5. Data base maintenance   (program/service)   -5
- Interlibrary Loans (division/element)   615
  1. Point to point loans/local (program/service)   -1
  2. National OCLC (program/service)   -2
  3. Delivery and pickup (program/service)   -3
  4. Regional supplemental collections (program/svc.)   -4
  5. Regional Interlibrary loan collection (p/s)   -5
- Children's Services (division/element)   616
  1. Book and other Loans   (program/service)   -1
  2. Reference and Selectmen (program/service)   -2
  3. Programs and Story Hours (program/service)   -3
  4. Processing/Cataloging (program/service)   -4
  5. Summer Reading (program/service)   -5
  6. Displays and Publications (program/service)   -6
  7. Library/Schools Liaison (program/service)   -7
- Reference (division/element)   617
  1. Reference Services (program/service)   -1
  2. Materials Selection (program/service)   -2
  3. Equipment Management (program/service)   -3
  4. Publications (program/service)   -4
  5. Book Displays (program/service)   -5

      6.   Young Adult Services (program/service)   -6

(B) Parks and Recreation (Sub-Program)   630

- Administration (division/element)   631
  1. Recreation Planning &Development (program/svc.)   -1
  2. Policy & Procedure Support to P&RC (p/s)   -2
  3. Personnel Mgt. for F/T & PT Rec. Employees (p/s)   -3
  4. Grants Administration (program/service)   -4
  5. Fund Raising (program/service)   -5
  6. Budgeting (program/service)   -6
  7. CPR/First Aid Training (program/service)   -7

- Aquatic Services (division/element)   632
  1. Swim Programs (incl. Bluefish) (program/service)   -1
  2. Coordination of public, open swim (program/service)   -2

- Parks and Playgrounds (division/element)   633
  1. Summer playground program (program/service)   -1
  2. Adult leagues (program/service)   -2
  3. Sports programs (baseball, softball, soccer, b.b.) (p/s)   -3

- Special Events (division/element)   634
  1. Sawmill River Run (program/service)   -1
  2. Peter Cottontail Eggstravaganza (program/service)   -2
  3. Pumpkin Carving/Scarecrows (program/service)   -3

(C) Cultural Programs (Sub-Program)   690

- Historic Commission (division/element)   691
- War Memorials (division/element)   693

(7) Debt (Program)   700

- Debt Management (Sub-Program)   701
- Principal (Sub-Program)   710
- Interest (Sub-Program)   750
  1. Long Term Interest (division/element)   751
  2. Short Term Interest (division/element)   752

(8) Intergovernmental (Program)   840

- Franklin Regional Council of Govts. (division/element)
- FRCOG emergency communications (division/element)

- FCSWMD (division/element)
- Veteran's District (division/element)

(9) Miscellaneous (Program)   900

- Employee Benefits (Sub-Program)   910
    1. Non-Contributory Retirement (element/division)   911
    2. Retirement (element/division)   912
    3. Workers' Compensation (element/division)   913
    4. Unemployment Compensation (element/division)   914
    5. Health Insurance (element/division)   915
    6. Life Insurance (element/division)   916
    7. Medicare (element/division)   917

- Insurances (Sub-Program)   946

    1. Property, Inland Marine, Crime (element/division)
    2. Auto Fleet (element/division)
    3. Boiler & Machinery (element/division)
    4. Liability (element/division)
    5. Public Officials (element/division)
    6. Umbrella Insurance (element/division)
    7. EAP (element/division)

Discussion of above documents:
The Town Administrator's most optimistic timeline for his budget will be mid-February, but it may take longer because of research requirements and it being the first time for the departments to go through the process.

Mr. Hanold's observations include: there's a combination of focused budget work and a lot of other things that are not budget dependent, things that the budget is supposed to support. Some of these are operating issues- supervision, etc., and some of the financial things affect the finance committee more directly. Making all things dependent on each other runs the risk of compressing effort for a lot of different directions into a single process. Noted the more detailed budget narratives that were done a few years ago are worth revisiting on a regular basis. Looks like two parallel budgets and budget reports going on rather than working together as we've been doing. Would like to better understand how the Town Administrator's budget will dovetail with the current process. Mr. Abbondanzio replied that the Town Administrator budgets are an executive budget, while the Finance Committee report is a legislative document making recommendations to town meeting. There is a parallel process going on, but the executive presents the budget first. The ideal would be for this document to be on the table in mid-February or earlier. It would precede the work of the Finance Committee by providing the detail and research. Mr. Abbondanzio would be looking at it more at the programmatic level. Mr. Abbondanzio sees the Finance Committee discussion and evaluation happening later

through the hearing process, but he would be laying the groundwork for the Finance Committee and focusing the departments on how resources are being allocated. The intent is to present the data in a way to make the evaluation by the Finance Committee easier.

Mr. Hanold asked if the Town Administrator's discussions with department heads would duplicate the budget hearing process. Mr. Abbondanzio replied that they would not.

Mr. Hanold noted that the operational side is the Board of Selectmen's jurisdiction while how much is being spent is the Finance Committee's jurisdiction and that the Town Administrator's budget process primarily supports the operational side.

Ms. Kennaugh reported that she attended a session on budgeting, there's no one way to budget at the ATFC meeting, and what she took away from the session is that it's best to focus on transparency. The whole point is for town meeting to understand functions of departments and variances between years. The Town of Northborough concentrated on an executive summary of the budget explaining particular challenges of the year, significant changes, and trends within the budget.

Mr. Hanold expressed concern that we not have different versions or alternatives going out to the public. One thing that currently distinguishes Montague within the county is that the Board of Selectmen and Finance Committee present a unified message to town meeting. Town meeting expects us to have worked things out in advance. Mr. Hanold just wants to make sure we're on an integrated path rather than parallel paths.

Mr. Abbondanzio responded that the line item budgets being used will be the same, and that the Town Administrator's budget will encompass the narrative portion rather than numbers.

Ms. Adams thinks the dialogue that the process will create will work out some of the issues at the beginning of the process.

Past practice was to gather questions prior to each budget meeting, this new process will require that questions be given to Mr. Abbondanzio for his discussions with departments.

Mr. Naughton said it seems to him that one of Mr. Abbondanzio's goals is to get a lot of questions out there, and their answers, earlier in the process. Mr. Naughton thinks it's a great idea to try. It will evolve and be refined over the next few years, will change a few things including the Finance Committee report which is not necessarily a bad thing, and the resulting information for the public will be a good thing. Mr. Naughton noted that, in the past, requests for department narratives have had mixed results in terms of quality and usefulness. Having more consistent narratives will be helpful.

Mr. Fairbrother said that, considering that narratives already exist, he doesn't see why narratives following new guidelines can't come in with the numbers. Mr. Abbondanzio

will look at old narratives to determine. Mr. Naughton feels it is better to get an earlier version by Jan 6th than a better one later.

Mr. Naughton also suggested that we review the idea of requesting a level services budget. We've asked for level services budget for several years. The payroll numbers change, and a few numbers get tweaked, but there aren't a lot of real changes. If departments are to approach the budget in a different way, a level services budget may run counter to that. Mr. Naughton doesn't want to discourage anyone from doing something different. It would be interesting to know the choices that we're not making.

The Selectmen's meeting adjourned at 7:00 PM.

Ms. Reynolds observed that the new process will make people focus more than they have in the past. Different department heads have different skill levels, and Mr. Abbondanzio's assistance in drafting the narratives will be worthwhile.

Mr. Naughton would like the budget message to ask: where do people see the town/your department in the future? Are things going to stay the same or change, and if change will it be good or bad, and what will it be? We may be in the new normal now, so what do we expect from it – treading water or are there places we want to get to and a vision as to what the steps will be to get there. Or are we sinking in some areas, like our buildings and asbestos sewer pipes?

Topics not anticipated within in the 48 hour posting requirements None

Next Meetings:
November 20, 2013
December 4, 2013
December 11, 2013
January 8, 2014

Meeting Adjourned at 7:35 PM

List of Documents and Exhibits
- Minutes September 25, 2013
- Minutes October 23, 2013
- Budget Calendar