

- a. Discussion of “Proposed Warrant Articles – 2016 Fall Special Town Meeting” (attachment)
 - i. Finance Committee recommendations on warrant articles are requested by at least two weeks prior to Town Meeting.
 - ii. Recommendation on Free Cash may be made closer to or at the Town Meeting.
 - b. Suggestion that Beth Rosenblum be invited to a Finance Committee meeting to CPC Article.
 - c. Request that Water Policy Committee representative present their water by-law warrant to the Finance Committee at an upcoming meeting.
 - i. Dan Conroy to contact Wayne Bates
 - ii. SWAP – Supplemental Water Access Policy
6. The Committee discussed scheduling for the next 12 months, including discussion if which meetings could be broadcast.
- a. All dates discussed at prior meeting
 - b. Budget Meetings scheduled for January 10, 2017, 6-10PM (weather back-up date of January 17)
 - i. Brittany has notified WACA that televised recording of this meeting is required.
7. Approve outstanding Minutes, if any.
- a. Meeting minutes from the August 30, 2016 meeting were reviewed and discussed.

Moved to adopt minutes as recorded: Dan Conroy
Second: Maribeth Morrissey
Vote: 6-0 in favor

8. Adjourn: 8:07 PM
Moved: Dan Conroy
Second: Ryan Turncliff
Vote: 6-0

List of Documents Presented at Meeting

1. FY2018 Budget Instructions to Department Heads
2. FY2018 Budget; DRAFT letter from Finance Committee
3. Proposed Warrant Articles – 2016 Fall Special Town Meeting



TOWN OF ASHLAND, MASSACHUSETTS

OFFICE OF THE BOARD OF SELECTMEN AND THE TOWN MANAGER

Michael Herbert, Town Manager, Ext 7911
Jennifer Ball, Assistant Town Manager Ext 7901
Susan K. Robie, Executive Assistant, Ext. 7921
Diane Mortensen, Personnel/Financial Assistant Ext 7933

BOARD OF SELECTMEN
Joseph J. Magnani, Jr., Chairwoman
Carl Hakansson, Vice Chairman
Yolanda Greaves, Clerk
Steven Mitchell, Selectman
Robert K. Scherer, Selectman

To: All Department Heads

From: Michael Herbert, Town Manager
Brittany Iacaponi, Finance Director/Town Accountant

Date: 10/1/2016

RE: FY2018 Budget Instructions to Department Heads

Overview

This year will mark the second budget under a new administration. Over the past several months, we have seen significant turnover in all types of personnel positions including department head and clerical positions. While the past several months have been challenging trying to fill these positions, we are confident an even stronger team has been put in place to lead Ashland into the future.

Economic & Financial Strategy

Our overall financial strategy has six broad components:

- Retain our AAA credit rating by adhering to the Town's financial policies
- Continue to develop a five-year capital and infrastructure plan and invest in it accordingly
- Maintain, at a minimum, 5% in our reserve stabilization fund with an ultimate goal of 10% (approximately \$5 million)
- Address future liabilities
- Explore opportunities to expand services to our residents and customers
- Develop an economic development strategy to leverage Ashland's full potential

The Town has worked hard over the last few years to strengthen its' financial condition and eliminate reliability on the Stabilization Fund to balance the operating budget.

In order to continuously improve Ashland's financial state, we want utilize realistic, yet conservative budgeting practices to minimize any potential shortfalls in the budget. As a result, the following assumptions will be used to develop the FY18 budget and revenue estimates developed accordingly. State aid will be forecasted at the FY2017 level. Local receipts – typically one of the best indicators of a healthy economy – are still improving. Property taxes will rise by the 2.5% limitation of Proposition 2 1/2. New growth is expected to show an appreciable increase from previous years which is positive.

After this years, Fall Town Meeting, we expect to have over \$5 million in our stabilization fund, less than 1% shy of our ultimate goal of 10 percent. Our joint reserve policy continues to help guide us in our plan to meet our OPEB obligations. Although our capital line item was level funded in the FY17 budget, supplemental funding through free cash will result in approximately \$600,000 being allocated toward capital this year; an increase of over \$450,000 from previous years. We have also been able to expand service levels through examining our expenditures and finding quality employees to fill positions.

Budget Timeline

Attached is a budget timeline for the FY2018 budget. This calendar was prepared based upon the Town's Charter for the budget process and includes goal dates and deadline dates for Management and Department Heads. This calendar will hopefully result in a smoother budget process this year and will be utilized as a benchmark for subsequent budget years.

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

- | | |
|--|---|
| October 1 st | Management issues budget instructions to Department Heads |
| November 1 st | Draft departmental budgets due. Please email budgets to Brittany. |
| Month of Nov. | Management to meet with Departments Heads to review FY17 budgets to determine if any adjustments are needed at Fall Town Meeting. |
| Nov. – Dec. | Management to meet with Department Heads to discuss FY18 budgets |
| Jan. 10 th & 17 th | Finance Committee to have budget hearings on departmental budgets. Departments which will give presentations are the following: Police, Fire, DPW, Library, School, COA/Rec/Y&F |
| March 9 th | FY18 Budget Document finalized and adopted by BOS |

Budget Instructions

The Town will continue to focus on departmental goals and performance indicators. The creation of goals and performance indicators is a collaborative process between you, the department head, and management. Department heads are encouraged to look at other communities' measures and goals to gain ideas, and then tailor those to your specific department vision.

For personnel line items, you should note and take into account any increases in contractually obligated stipends and longevity. All collective bargaining agreements have been settled; therefore, factor in any salary adjustments or COLAs for **union positions only** for the FY18 budget. If you or any of your staff are under contract, please budget for the base amount of your salary and incentives, if applicable. However, do not budget for salary increases based upon performance reviews. A budget will be set up for non-union personnel and allocated to respective departments pending performance reviews.

Developing budgets for each of your line items is a combination of taking historical spending trends and applying what you want to accomplish in the next fiscal year to those trends.

Funding requests will be evaluated based on their service level impacts, the probability of their being implemented, and how they fit into the overall vision for the town. This is also a good time to review the eight Strategic Goals and Objectives, as yours will need to match up with those in one or more categories.

To get started, please prepare a document which includes the following:

1. Department Descriptions

This section should include both the roles and responsibilities of the department and a description of the work that is undertaken within the department. It should be written using terms and descriptions that the public can understand.

2. Staffing

Please create 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).

3. Explanation of Budgetary Changes

In this section, you should explain 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.

4. Department Goals and Objectives

The document should include clearly stated goals and objectives of your department. Once goals have been identified, clearly link the departmental goals to the overall goals of the Town. Please

note if goals are quantifiable and measurable? If not, how will the goal be measured? Also, note the timeframe of your goals.

Please utilize the attached document titled, 'FY18 Objectives & Goals' as a template and further guidance.

5. Department Line Items

You should have access to historical data of the spending in each department through the MUNIS system.

6. Organizational Chart

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).

Next Steps

Please be sure to begin your budget work early. We are asking for more information than ever, and I expect that this year will take more of your time. Asking questions early in the process rather than waiting until the last minute to do so will result in a better final product.

Drafts of budgets will be due on Tuesday, November 1, 2016.

FY18 Department Strategic Goals

Department: _____

Performance Indicator

Other Goal

Town Manager Goals Alignment:

Performance Indicator

	FY2014	FY2015	FY2016	FY2017	FY2018
Describe:	Actual	Actual	Actual	Estimated	Estimated

Other Goal

Describe: _____

Deadline Date for Completion of Goal: _____

Why This Goal/Performance Indicator is Important

Describe: _____

Strategy to Achieve Goal/Target

Describe: _____

Grant Funds

Operating Budget

Capital Budget

Amount:

Amount:

Amount:

Strategic Goal #1 - The Town of Ashland will operate as a best practice and customer-focused and engaging government. We will strive to be the Benchmark Community others look to by employing progressive policies and embracing new technologies whenever doing so will increase the value and efficiency of public service delivery.

Strategic Goal #2 -The Town of Ashland will support sound and transparent fiscal policies that provide a maximum return on taxpayer investment while leveraging alternative forms of revenue whenever possible.

Strategic Goal #3 - The Town of Ashland will provide services that proactively ensure the health, safety and welfare of those who live in, work in, and visit our Town.

Strategic Goal #4 - Collaborating with public and private organizations, the Town will support and maintain thriving neighborhoods, spaces, and programs consistent with the Town's comprehensive master plan as the roadmap to guide what we do.

Strategic Goal #5 - The Town of Ashland will initiate and support economic development efforts that will leverage the Town's unique characteristics and create, attract, and retain both jobs and industries that ensure a diverse local economy.

Strategic Goal #6 - The Town will provide high-quality education opportunities that support and enhance the well-being and success of our students and our community.

Strategic Goal #7 - The Town will embrace, foster and pursue sustainable development practices and initiatives while ensuring environmental stewardship in our unique setting.

Strategic Goal #8 - Develop and maintain our physical infrastructure in a way that actively supports the Town's priorities.



Town of Ashland, Massachusetts

Finance Committee

101 Main Street, 01721-1191

**Daniel H. Conroy, Chair
Maribeth Morrissey, Vice Chair
Ryan Turncliff, Secretary
Adam Elbirt, Member**

**Jack Walsh, Member
Scott Warnetski, Member
Jonathan Moore, Member**

Date: September 20, 2016

To: All Town Department Heads
Relative Boards & Committees
Mr. Jim Adams, Superintendent of Schools

RE: FY 2017 Budget

The Ashland Town Charter, Part VII, Section 7-1 (Budget Process) requires that the Town Manager develop a budget calendar that results in the Finance Committee receiving the town's budget at least 105 days before the Annual Town Meeting. In addition, it provides that the Finance Committee, prior to November 1st, and after consultation with the Board of Selectman, School Committee and Town Manager will issue a policy statement that shall establish general guidelines for developing the next year's fiscal budget for the town. Accordingly, we provide the following guidelines and instructions.

For Fiscal Year 2017 (FY17), we will continue our practice of conservative revenue estimates. To that end, this year we will base our FY17 local aid numbers on FY16's final local aid budget figures. This approach will provide us a level of stability throughout the budget development process. FY17 local receipt figures are anticipated to only go up slightly. Early revenue estimates for FY17 indicate that new growth numbers are expected to grow. The levy limit will increase the standard 2.5 percent.

The budget process in FY15 and FY16 was radically different than in previous years. Central to this approach to doing our business was the adoption of an outcomes-based budgeting approach, which zero-bases line items and establishes performance measures and outcomes associated with any new spending. We intend to continue this approach and improve upon it in FY17 for all departments and our schools.

The Town Manager, Assistant Town Manager, Superintendent and Assistant Superintendent of Schools, will be sending our more detailed instructions and forms to each department and school administrators respectively in late October/early November. Given the structure of the budget this year, we anticipate several meetings between Town Management, School Administrators and department heads throughout the budget season. The Finance Committee will also be interviewing departments throughout the budget process and will be asking for information to be provided prior to any scheduled meeting. We thank you in advance for your cooperation.

Proposed Warrant Articles - 2016 Fall Special Town Meeting

Article Category	Article Title	Article Sponsor (italicized indicates probable sponsor)
Routine	Hear Town Reports	Routine
	FY17 Budget Adjustments	<i>Finance Committee</i>
FY15 Financial	Stabilization Fund/OPEB Stabilization Account/Capital	<i>Finance Committee</i>
	Increasing contractor services for Fields Account	<i>Finance Committee</i>
	Insurance Recovery Receipts Reserved for Appropriation	
FY15 Financial	Property Tax Exemption	<i>Board of Selectman</i>
	Sewer I & I	<i>Water Policy Committee</i>
Administrative	Approval/Funding for MWRA Connection	<i>Water Policy Committee</i>
	Water Bylaw Change	<i>Water Policy Committee</i>
	Zoning Moratorium	<i>Planning Board</i>
	Clear Cutting Bylaw	<i>Planning Board</i>
Administrative	Recission of unused or unneeded Borrowing Authorization	<i>Town Manager</i>
Community Preservation Act	CPC Article	<i>CPC</i>
	Stipend for Treasurer (accepting G.L. Chapter 41 Section 108P)	<i>Town Manager</i>