

Memo

To: Department Heads and Committee Chairpersons

From: Board of Selectmen

Date: 5/16/16

Re: Budget Directive for FY 2017

The Board of Selectmen has issued the following directives in regards to the preparation of the FY 2017 budgets.

The steps of the wage classification will be adjusted to include a 1% increase on the employee's anniversary date. The Town Administrator will provide salary projections for each department head and enter those numbers into the individual budgets.

Budgets should be prepared and include the default budget. The goal of the BOS is to have no or minimal increase in the town portion of the tax rate in 2017. The BOS anticipates cost increases in certain areas such as health/dental insurance. Retirement rates are anticipated to increase on July 1, 2017. The actual rate of increases in these areas will not be known until sometime in October. Department Heads are expected to develop their 2017 Budgets with no more than a 1% increase in spending. This will provide a starting point for the BOS to make overall budget decisions. Department Heads should look at the long term strategic impacts of their budget proposals. The BOS anticipates the long term budget analysis will focus on the priority objectives of the Town. It is unlikely budgets with even moderate tax increases will be viable in the future. The budget reductions you make should be in the context of a longer term plan not just short term budget fixes.

The Board of Selectmen will carefully analyze the budget submissions and prioritize the budget requests. This may cause department heads to make additional necessary budget reductions to allow for funding of priority budget items. The goal as always is to limit the impact on service delivery to the extent possible. Department heads should analyze the short and long term impacts of specific budget reductions. Department heads should develop contingency plans for additional budget cuts when they develop their budgets. Department heads should be prepared to have those options available during the budget process and be able to discuss the impacts of budget cuts.

All of the department/functional area budgets of the Town (budgets under the jurisdiction of the BOS) will be reviewed by the BOS on a set schedule beginning in October. After all of the budgets are reviewed by the BOS additional adjustments may need to be made to ensure priority objectives are met. Once this process is complete the budget will be turned over to the Budget Committee for its consideration.

Department heads requesting warrant articles must submit the proposed warrant articles to the TA no later than **Wednesday, August 31st, 2016 at 5 PM.**

Budgets must be prepared with narratives for each expenditure line with specific formats for lines containing payroll. The TA will provide an example document for department heads to use.

Budgets must be submitted to the TA no later than **Friday, July 29th, 2016 at 5 PM.** An overview of the budget will be presented to the BOS on August 31st. The BOS will consider individual budget recommendations during the month of October. The BOS will then submit the completed budget to the BUDCOM for consideration. Department heads are encouraged to seek assistance from the TA in the development of their respective budgets.

The term "Department Head" also means Board, Committee or Commission Chairpersons.

Jason Tardiff, Chairman

Kate Walker, Selectmen

David Eaton, Selectmen