

Neighbor to Neighbor March 2017

The Dunstable Budget Process

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Have you ever wondered about the process that municipal officials follow to create the budget that is presented at Dunstable's Annual Town Meeting? While the specific details can get complex from year to year, the overall process is relatively straightforward.

Three parties collaborate to create a balanced budget to recommend at town meeting. In the past, the Advisory Board worked with the Board of Selectmen to develop recommendations, but this year, Dunstable has created a Capital Planning Committee that is the third party in the process.

Each board has a different role in the process. The Board of Selectmen oversees and reviews the budgets for departments that are under their direct authority, such as Police and Fire. They also look at the town's overall financial situation in order to make recommendations to the residents at Town Meeting. The Advisory Board reviews and analyzes the overall budget, and forecasts the town's financial position for the future fiscal year based on past years' trends. They also look for and recommend funding sources for proposed capital items, as well as review and make recommendations on all warrant articles, paying particular attention to the ones that have a financial impact. The last spoke in the wheel is the Capital Planning committee. Each year, this committee develops a 5-year capital plan and makes recommendations on which items should be funded for the upcoming fiscal year.

The process of developing Dunstable's budget begins with individual department heads, including the Police Chief, Fire Chief, Library Director and others. These individuals create a budget proposal, partially based on the current year's budget and accommodating any special circumstances or plans for the upcoming year. The Town Administrator expects these proposals in late fall. Upon receiving these proposals, the Town Administrator meets with each Department to review and revise the proposed budgets. The budgets under the direct control of the Selectmen, including the Fire and Police Departments, are then reviewed by the Board of Selectmen and the Town Administrator at a posted public meeting, and again potentially revised.

Concurrently, the Capital Planning Committee meets to prepare the five-year capital plan, using the departmental request that are due, by town bylaw, at the end of August. Capital items are those which have a life span of 5 years or greater and cost \$10,000 or more. The Committee meets with each department that submitted a request in order to garner a better understanding of the capital need. After lengthy discussion at public meetings, the Capital Planning Committee makes recommendations as to which items should be funded. While this is a five-year plan, it is updated every year.

By early January, there is a master spreadsheet that looks like the budget that appears in the Town Report. The budget document consists of two parts: the overview and the line item summaries. The budget overview consists of both revenue and expenditures. It shows the actual recap as reported to the Massachusetts Department of Revenue (DOR) and well as what is proposed for the coming fiscal year. The expense side shows the major funding categories used by DOR, as well as any other municipal expenses such as warrant article expenditures.

The line items summary sheets are the individual lines used by the departments to expend town funds.

Once this preliminary budget exists, the Advisory Board begins to review and analyze the individual department budgets, as well as the overall budget. It is important for the Advisory Board to understand the Town's priorities, as defined by ???, and to weigh the needs of the individual departments. Over the course of one to two months, the Advisory Board meets weekly with the heads of the departments that have the largest impacts on the budget.

In the beginning of February, the Superintendent of the Groton Dunstable Regional School District (GDRSD) presents his/her proposed school budget to the School Committee. While the Superintendent is creating the proposed budget, he/she communicates with Groton's Town Manager and Dunstable's Town Administrator to discuss balancing the needs of the district with the financial condition of each community.

Throughout the first few months of the calendar year, while these budget steps are taking place, the Selectmen are considering items to appear on the Town Meeting warrant. The Town Administrator, with the assistance of Town Counsel, formats those items into the proper language for the warrant. While finalizing the budget recommendations, the Advisory Board also makes recommendations to the Board of Selectmen on each of the articles that will appear on the warrant.

Two weeks (14 days) before the Town Meeting, the Advisory Board holds a Public Hearing on the budget and all warrant articles. During this hearing, as at Town Meeting, the Advisory Board delivers an explanation of how the budget was derived and what major issues are addressed in the budget. At this point, the budget has already been submitted to appear in the Annual Report, but amendments are always possible on the floor of Town Meeting.

As always, the public is invited to attend all public meetings to gain a richer knowledge of the issues that will be before Town Meeting. Meeting dates and agendas are posted on the town website at www.dunstable-ma.gov and on the bulletin board at the entrance to Town Hall.

Just a reminder, the Town Reports will not be delivered to each household this year, per the Bylaw amendment at the last Annual Town Meeting. You will receive a post card in the mail when the reports are complete and available for pick up at the Library and Town Office.

Also, please know that the first two quarters on your tax bill are an estimate. Those two bills will equal 50% of the previous fiscal year's taxes. The last two quarter bills are based on the actual tax rate, once set, and will reflect any increase in real estate tax obligation.