

## **ARTICLE 6 FINANCE AND FISCAL PROCEDURES**

### **SECTION 6-1: FISCAL YEAR**

The fiscal year of the town shall begin on the first day of July and shall end on the last day on June, unless another period is required by general law.

### **SECTION 6-2: SCHOOL COMMITTEE BUDGET**

- (a) Public Hearing** - At least seven days before the meeting at which the school committee is to vote on its final budget request, the school committee shall cause to be published in a local newspaper a general summary of its proposed budget. The summary shall specifically indicate any major variations from the current budget, and the reasons for such changes. It shall further indicate the times and places at which complete copies of its proposed budget are available for examination by the public, and the date, time and place when a public hearing will be held by the school committee on the proposed budget. The school committee shall take its final vote on its proposed budget not sooner than at its next regularly scheduled meeting following the public hearing.
- (b) Submission to Town Administrator** - The budget as adopted by the school committee shall be submitted to the town administrator in sufficient time to enable the town administrator to consider the effect of the school department's requested appropriation upon the total town operating budget which is required to be submitted under this article.

### **SECTION 6-3: SUBMISSION OF BUDGET AND BUDGET MESSAGE**

Within the time fixed by by-law, before the town meeting is to convene in its spring session, the town administrator, after consultation with the board of selectmen, shall submit to the finance committee a proposed operating budget for the ensuing fiscal year with an accompanying budget message and supporting documents. The town administrator shall simultaneously provide for the publication in a local newspaper of a general summary of the proposed budget. The summary shall specifically indicate any major variations from the current operating budget and the reason for such changes. The notice shall further indicate the times and places at which complete copies of the proposed operating budget are available for examination by the public.

### **SECTION 6-4: BUDGET MESSAGE**

The budget message of the town administrator shall explain the budget for all town agencies both in fiscal terms and in terms of work programs. It shall outline proposed financial policies of the town for the ensuing fiscal year, describe important features of the budget, indicate any major variations from the current year in financial policies, expenditures and revenues together with the reasons for such changes, summarize the town's debt position and include other material as the town administrator deems desirable, or the selectmen may reasonably require.

### **SECTION 6-5: THE BUDGET**

The proposed operating budget shall provide a complete financial plan for all town funds and activities for the ensuing fiscal year. Except as may otherwise be required by general law, or this charter, it shall be in the form which the town administrator deems desirable or the selectmen may require. In the presentation of the budget, the town administrator shall utilize modern concepts of fiscal presentation so as to furnish maximum information and the best financial control. The budget shall show in detail all estimated income from the proposed property tax levy and other sources and all proposed expenditures, including dept service, for the following year. The budget shall be arranged to show the actual and estimated income and expenditures for the previous, current and ensuing fiscal years and shall indicate in separate sections:

- (a) Proposed expenditures for current operations during the ensuing fiscal year, detailed by town agency and position in terms of work programs, and the method of financing such expenditures;
- (b) Proposed capital expenditures during the ensuing fiscal year, detailed by town agency, and the proposed method of financing each such capital expenditure; and
- (c) Estimated surplus revenue and free cash at the end of the current fiscal year, including estimated balances in any special accounts established for specific purposes.

### **SECTION 6-6: ACTION ON THE BUDGET**

- (a) **Public Hearing** - Forthwith upon it receipt of the proposed operating budget the finance committee shall provide for the publication in a local newspaper of a notice stating the time and place, not less than seven nor more than fourteen days following such publication, at which it will be hold a public hearing on the proposed operating budget as submitted.
- (b) **Review** - The finance committee shall consider, in open public meetings, the detailed expenditures proposed for each town agency and may confer with representatives of each such agency in connection with its review and consideration. The finance committee may require the town administrator, or any other town agency, to furnish it with such additional information as it may deem necessary to assist it in its review and consideration of the proposed operation budget.
- (c) **Action by Town Meeting** - The finance committee shall file a report containing its recommendations for actions on the proposed operating budget, which report shall be available at least seven days before the date on which the town meeting acts on the proposed budget. When the budget proposed by the town administrator is before the town meeting for action it shall first be subject to amendments, if any, proposed by the finance committee before any other amendments shall be proposed.

**SECTION 6-7: CAPITAL IMPROVEMENT PROGRAM**

The town administrator shall submit a capital improvement program to the board of selectmen and the finance committee at least one hundred fifty (150) days before the start of each fiscal year. It shall be based on material prepared by the capital planning committee established by by-law, if any, including:

- (a) a clear and concise general summary of its contents;
- (b) a list of all capital improvements proposed to be undertaken during the next ensuing five (5) years, with supporting information as to the need for each capital improvement
- (c) cost estimates, methods of financing and recommended time schedules for each improvement; and,
- (d) the estimated annual cost of operating and maintaining each facility and piece of major equipment involved.

This information is to be annually revised by the town administrator with regard to the capital improvements still pending or in the process of being acquired, improved or constructed.

**SECTION 6-8: APPROVAL OF WARRANTS**

The town administrator shall be the chief fiscal officer of the town. Warrants for the payment of the town funds prepared by the town accountant in accordance with the provisions of the general laws shall be submitted to the town administrator. The approval of such warrant by the town administrator shall be sufficient authority to authorize payment by the town treasurer, but the board of selectmen shall approve all warrants in the event of the absence of the town administrator or a vacancy in the office of town administrator.