

Section 8

Glossary
Town Manager Budget Guidelines
Table of Contents

Glossary.....	8-1
Town Manager Budget Guidelines.....	8-9

GLOSSARY

Provided below are some of the commonly used terms in budget and capital planning and fiscal and debt management.

Account - A classification of appropriation by type of expenditure.

Accounting Period – A period of time (e.g., one month, one year) where the Town determines its financial position and results of operations.

Accrual Basis - The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

Actuarial - A person or methodology that makes determinations of required contributions to achieve future funding levels by addressing risk and time.

ADA - Americans with Disabilities Act

Athletic Facility Improvement Fund - This fund was created at the 2012 Annual Town Meeting. The purpose of this fund is to allow the Town to reserve funds for the renovation and reconstruction of the Town's athletic facilities, with particular emphasis on the turf fields installed at the Memorial Park and DeFazio Field.

American Reinvestment and Recovery Act - The American Recovery and Reinvestment Act of 2009, abbreviated ARRA or Federal Stimulus, is an economic stimulus package enacted by Congress in February 2009. The Act includes federal tax cuts, expansion of unemployment benefits and other social welfare provisions, and domestic spending in education, health care, and infrastructure, including the energy sector.

Appropriation – A legal authorization granted by Town Meeting to expend money and incur obligations for specific public purposes.

ARRA - See American Reinvestment and Recovery Act

Assessment – The official valuation of property for purposes of taxation.

Available Funds – Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other onetime costs. Examples of available funds include free cash, stabilization funds, overlay surplus, and retained earnings.

Balanced Budget – A budget is balanced when planned funds or total revenues equal planned expenditures, that is, total outlays or disbursements, for a fiscal year.

Betterment (Special Assessment) – Whenever part of a community benefits from a public improvement, or betterment (e.g., water, sewer, sidewalks, etc.), special property taxes may be assessed to the property owners of that area to reimburse the governmental entity for all, or part, of the costs it incurred in completing the project. Each property parcel receiving the benefit is assessed a proportionate share of the cost which may be paid in full, or apportioned over a period of up to 20 years.

Bond – A written promise to pay a specified sum of money (called the face value or principal amount) at a specified date or dates in the future (called the maturity date),

together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a longer period of time and requires greater legal formality.

Bond Anticipation Note (BAN) – Short-term interest-bearing notes issued by a government in anticipation of bonds to be issued at a later date. Notes are retired from proceeds from the bond issue to which they are related and/or from a cash payment and/or Town appropriation.

Capital Budget - A plan for capital expenditures for projects to be included during the first year of the capital improvement plan.

Capital Exclusion – A *temporary* increase in the tax levy to fund a capital project or make a capital acquisition. Exclusions require 2/3 vote of the entire Board of Selectmen and a majority vote in a town-wide election. The exclusion is added to the tax levy only during the year in which the project is being funded and may increase the tax levy above the levy ceiling.

Capital Facility Stabilization Fund - This fund was created at the 2007 Annual Town Meeting. The purpose of this fund is to allow the Town to reserve funds for design, maintenance, renovation or reconstruction relating to the structural integrity, building envelope or MEP (mechanical, electrical, plumbing) systems of then existing capital facilities. For this purpose, capital facility refers to any building or structure which is located on Town property and is under the jurisdiction of the Town Manager, including any Town owned building, structure, room, or space within a building, facility, park or plaza, open space, driveway, landscaped area, or other physical improvements under the administrative control of the Town.

Capital Improvement Fund – This fund was created at the 2004 Annual Town Meeting. The purpose of this Fund is to allow the Town to reserve funds for the acquisition of new equipment and/or the replacement of existing equipment (for which the Town may borrow money for a period of five years or more), and/or for building/facility improvements with a cost of less than \$250,000 (for which the Town may borrow money for a period of five years or more). Only general fund capital that has been recommended in the Capital Improvement Plan (CIP) is eligible for funding in this manner.

Capital Improvement Plan (CIP) – A financial planning and management tool that identifies public facility and equipment requirements and schedules them for funding and implementation.

Capital Project – Major, non-recurring expenditure involving one or more of the following: acquisition of land for a public purpose; construction of or addition to a facility such as a public building, water or sewer lines, play field, etc.; rehabilitation or repair of a building, facility, or equipment, provided the cost is \$25,000 or more and the improvement will have a useful life of five years or more; purchase of equipment costing \$25,000 or more, with a useful life of five years or more; and any planning, engineering, or design study related to an individual capital project.

Cash Basis - A basis of accounting under which transactions are recognized only when cash changes hands.

Chapter 90 – Massachusetts General Laws Chapter 90, Section 34 authorizes the Commonwealth to allocate funds to municipalities, through the Transportation Bond Issue, for highway construction, preservation and improvement projects that create or extend the

life of capital facilities; routine maintenance operations such as pothole filling and snow and ice removal are not covered. The formula for determining the Chapter 90 level of funding is based on a municipality's miles of public ways, population and level of employment. Municipalities receive Chapter 90 reimbursement only for pre-approved projects.

Cherry Sheet - Originally printed on a cherry-colored form, this document reflects all Commonwealth charges, distributions and reimbursements to a city or town as certified by the state Director of the Bureau of Accounts.

Collective Bargaining - The process of negotiations between the Town and bargaining units (unions) regarding the salary and fringe benefits of town employees.

Community Preservation Act (CPA) - Enacted as Massachusetts General Laws Chapter 44B in 2000, CPA permits cities and towns accepting its provisions to establish a restricted fund from which monies can be appropriated only for a) the acquisition, creation and preservation of open space; b) the acquisition, preservation, rehabilitation, and restoration of historic resources; and c) the acquisition, creation and preservation of land for recreational use; d) the creation, preservation and support of community housing; and e) the rehabilitation and restoration of open space, land for recreational use and community housing that is acquired or created using monies from the fund. The local program is funded by a local surcharge up to 3 percent on real property tax bills and funds from the state generated from registry of deeds fees. The voters of Needham approved a 2 percent surcharge effective July 1, 2005.

Community Preservation Fund - A special revenue fund established pursuant to Massachusetts General Laws Chapter 44B to receive all monies collected to support a community preservation program, including but not limited to, tax surcharge receipts, proceeds from borrowings, funds received from the Commonwealth, and proceeds from the sale of certain real estate.

Conservation Fund - The Town may appropriate money to a conservation fund. This money may be expended by the Conservation Commission for lawful conservation purposes as described in Massachusetts General Laws Chapter 40 Section 8C. The money may also be expended by the Conservation Commission for damages arising from an eminent domain taking provided that the taking was approved by two-thirds vote of Town Meeting.

Contingent Appropriation - An appropriation that authorizes spending for a particular purpose only if subsequently approved in a voter referendum. Under Massachusetts General Laws Chapter 59 Section 21C (m), towns may make appropriations from the tax levy, available funds or borrowing, contingent upon the subsequent passage of a Proposition 2½ override or exclusion question for the same purpose. If initially approved at an annual Town Meeting, voter approval of the contingent appropriation must occur by certain date after the Town Meeting dissolves. The question may be placed before the voters at more than one election, but if not approved by the applicable deadline, the appropriation is null and void.

Debt Exclusion - A *temporary* increase in the Town's levy limit (and possibly the levy ceiling) to exclude the payment of debt from the limits of Proposition 2½. The debt service is added to the levy limit for the life of the debt only. To place a debt exclusion question on the ballot requires a 2/3 vote of the entire Board of Selectmen. The debt exclusion question requires a majority vote by voters for passage.

Debt Exclusion Offset - Other funds that are used to reduce the amount of the debt paid

by the tax levy. An example is a bond premium which is the difference between the market price of a bond and its face value. A premium will occur when the bond's stated interest rate is set higher than the true interest cost (the market rate). Additions to the levy limit for debt exclusion are restricted to the true interest cost incurred to finance the excluded project. Premiums received at the time of sale must be offset against the stated interest cost in computing the debt exclusion. If receipt of the premium and the payment of interest at maturity of an excluded debt occur in different fiscal years, reservation of the premium for future year's debt service is required at the end of the fiscal year when the premium was received.

Debt Limit – The maximum amount of gross or net debt that is legally permitted under State Law.

Debt Policy – Part of an overall capital financing policy that provides evidence of a commitment to meet infrastructure needs through a planned program of future financing. The Town of Needham has debt policies that have been developed in consultation with the Finance Committee and reviewed and approved by the Board of Selectmen.

Debt Service – The amount paid annually to cover the cost of both principal and interest on a debt issuance until its retirement.

Debt Service Stabilization Fund - This fund was created at the November 2015 Special Town Meeting. The purpose of this fund is to allow the Town, from time to time, by appropriation to set aside funds to be available if necessary to pay certain debt obligations. This fund is intended to be part of the Town's overall planning strategy for addressing capital facility needs. The fund provides added flexibility to maintain the Town's capital investment strategy by smoothing out the impact of debt payments in years when the debt level is higher than is typically recommended. The fund would also be beneficial at times when interest rates are higher than expected.

Department - A service providing entity of the town government.

Division - A budgeted sub-unit of a department.

Encumbrance – The setting aside of funds to meet known obligations.

Enterprise Fund – A municipal fund established for the operation of a municipal utility, health care, recreational, or transportation facility whereby the operations are fully funded by the fees associated with that enterprise rather than by the tax levy. The "surplus" or retained earnings generated by the operation of the enterprise remain with the fund to offset future capital improvements, extraordinary maintenance expenses, or to reduce future fees and charges of the fund.

Expenditure Account Code - An expenditure classification according to the type of item purchased or service obtained, for example, regular compensation, energy expense, communications, educational supplies, and vehicle equipment.

Fiscal Year - The twelve-month financial period used by the Town beginning July 1 and ending June 30 of the following calendar year. The Town's fiscal year is numbered according to the year in which it ends.

Fixed Assets – Assets of a long-term character, which are intended to continue to be held or used, such as land, building, and improvements other than buildings, machinery, and

equipment.

Formula Grant – Federal funding for which the allocation methodology is strictly determined in federal statute or regulation, and for which a government agency prepares a single application and receives subsequent years’ allocation without re-application.

Free Cash – Free cash is the amount of the General Fund unassigned fund balance that may be used as a source to fund appropriations. The Massachusetts Department of Revenue certifies the amount of “free cash” resulting from closing the financial books as of June 30, the end of the fiscal year. Free cash may only be used after the certification process by the Department of Revenue is complete. For example, the July 1, 2012 certified amount may be used to fund supplemental appropriations voted during fiscal year 2013, or applied as a revenue source to support the fiscal 2014 appropriations that may be voted in the spring of 2013.

Fringe Benefits – Employee-related costs other than salary, e.g., insurance and retirement costs.

Full Faith and Credit – A pledge of the general taxing power for the payment of debt obligations. Bonds carrying such pledges are referred to as general obligation bonds or full faith and credit bonds.

Full-time Equivalent Position (FTE) - A concept used to group together part-time positions into full-time units.

Fund - An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources with all related liabilities, obligations, reserves, and equities that are segregated for specific activities or objectives. Among the fund types used by the Town are General, Special Revenue, Capital Projects, Trust, and Enterprise.

FY - Fiscal Year

GASB – This refers to the Governmental Accounting Standards Board which is currently the source of generally accepted accounting principles (GAAP) used by state and local governments in the United States. It is a private, non-governmental organization. The GASB has issued Statements, Interpretations, Technical Bulletins, and Concept Statements defining GAAP for state and local governments since 1984.

GASB 34 –GASB Statement Number 34 set new GAAP requirements for reporting major capital assets, including infrastructure such as roads, bridges, water and sewer facilities, and dams. The Town of Needham has implemented the Governmental Accounting Standards Board’s (GASB) Statement Number 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments, financial reporting model. This standard changed the entire reporting process for local governments, requiring new entity-wide financial statements, in addition to the current fund statements and other additional reports such as Management Discussion and Analysis.

GASB 45 – The Town of Needham’s financial statements are required to implement Governmental Accounting Standards Board (GASB) Statement Number 45 for other post employment benefits (OPEBs) including health care, life insurance, and other non-pension benefits offered to retirees. This new standard addresses how local governments should account for and report their costs related to post employment health care and other non-pension benefits, such as the Town’s retiree health benefit. Historically, the Town’s cost

was funded on a pay-as-you-go basis. GASB 45 requires that the Town accrue the cost of the retiree health insurance and other post employment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of post employment benefits and the financial impact on the Town. This funding methodology mirrors the funding approach used for pension/retirement benefits. The Town has established Fund and annually appropriates the required contribution based on updated reports. The Fund will allow the Town to capture long-term investment returns and make progress towards reducing the unfunded liability.

Generally Accepted Accounting Principles (GAAP) - The basic principles of accounting and reporting applicable to state and local governments, including the use of the modified accrual or accrual basis of accounting, as appropriate, for measuring financial position and operating results. These principles must be observed to provide a basis of comparison for governmental units.

General Fund - The fund into which the general (non-earmarked) revenues of the municipality are deposited and from which money is appropriated to pay the general expenses of the municipality.

General Obligation Bonds - Bonds for the payment of which the full faith and credit of the issuing government are pledged.

Infrastructure - The underlying foundation or basic framework of an organization or system, e.g., roads, bridges, buildings, land, and natural resources.

Lease-Purchase Agreements - Contractual agreements which are termed "leases," but which in substance amount to purchase contracts in which the financing is provided by an outside party.

Levy Limit - Property tax levy limits that constrain the total amount of revenue that can be raised from the property tax. In Massachusetts, the levy limit is governed by Proposition 2½.

Mandate - A requirement from a higher level of government that a lower level government perform a task in a particular way or in conformance with a particular standard.

Massachusetts Water Pollution Abatement Trust (MWPAT) - A statewide revolving fund that commenced operations in 1990 to address necessary environmental actions outlined in the Federal Clean Water Act.

Massachusetts Water Resources Authority (MWRA) - The Massachusetts Water Resources Authority is a Massachusetts public authority established by an act of the Legislature in 1984 to provide wholesale water and sewer services to 2.5 million people in 61 metropolitan Boston communities. The Town of Needham disposes all wastewater through the MWRA system and purchases drinking water as needed from the MWRA during the year.

Modified Accrual Basis - The accrual basis of accounting adapted to the governmental fund type, wherein only current assets and current liabilities are generally reported on fund balance sheets and the fund operating statements present financial flow information. Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund

liability is incurred except for a few specific exceptions. All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

Note Payable – In general, an unconditional written promise signed by the maker to pay a certain sum in money on demand or at a fixed or determinable time either to the bearer or to the person designated therein.

Official Statement - The municipal equivalent of a bond prospectus.

Operating Budget - A budget making appropriations for the ordinary maintenance or administration of activities for the fiscal year.

Operating Equipment - Equipment that has a life expectancy of more than one year and a value of less than \$25,000 dollars. Equipment with a useful life of five or more years and a value greater than \$25,000 dollars is capital equipment.

Overlay Surplus - Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account. At the end of each fiscal year, unused overlay surplus is “closed” out to fund balance, in other words, it becomes a part of Free Cash (see Undesignated Fund Balance).

Override - A permanent increase of the Town's levy limit (but not the levy ceiling) when a majority of voters in an election approve such an override. The override amount becomes part of the levy base when setting the next year's levy limit. To place an Override question on the ballot requires a majority vote of the Board of Selectmen.

Pay-As-You-Go – A term used to describe the financial policy of a government which finances all of its capital outlay from current revenues rather than by borrowing. A government which pays for some improvements from current revenues and others by borrowing is said to be on a partial or modified pay-as-you-go basis.

Pay-As-You-Use – A term used to describe the financial policy of a government which finances its capital outlays from borrowing proceeds and pays for capital assets over their useful life.

Performance Measure - An indicator of progress toward a goal or strategy. Measures can be defined for identifying output, work or service quality, efficiency, effectiveness, and productivity.

Proposition 2½ - That measure which limits municipal property taxes to 2½ percent of the community's full and fair cash value (levy ceiling), and which limits the amount of revenue a municipality can raise through property taxes (levy limit) to 2½ percent each year, plus a factor for new growth. A municipality may exceed its levy limit in two ways: override or debt exclusion.

Provisional Capital – A capital request that is submitted by a department to identify a future need or obligation, but the department is not in the position to provide the necessary details so that the request can be evaluated.

Reserve Fund - An amount set aside annually by a vote of Town Meeting to provide a funding source for extraordinary or unforeseen expenditures. Only the Finance Committee can authorize transfers from the reserve fund. Any balance remaining in the reserve fund at the end of the fiscal year is “closed” out to fund balance and ceases to be available.

Special Revenue Fund - Used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or sources for major capital projects) that are legally restricted to expenditures for specific purposes. A special revenue fund is accounted for in the same manner as a General Fund.

Stabilization Fund - Massachusetts General Laws Chapter 40, Section 5B allows a municipality to appropriate annually to such fund an amount to be raised in the preceding fiscal year; the aggregate amount in the fund shall not exceed ten percent of the equalized valuation of the municipality. The Treasurer shall be custodian of the fund and may invest the proceeds legally; any interest earned shall remain with the fund. The Stabilization Fund may be appropriated by Town Meeting. The appropriation may be used for any lawful purpose.

Technology Infrastructure - The hardware and software that support information requirements, including computer workstations and associated software, network and communications equipment, and system-wide devices.

Town Meeting - Town Meeting is both an event and a governmental body. As an event, it is a gathering of a Town's representative Town Meeting Members (TMM), and is referred to as "the Town Meeting." As a governmental body, it is the legislative body for the Town of Needham, and is referred to simply as "Town Meeting."

Trust Funds - Funds held by the Town in a fiduciary role, to be expended for the purposes specified by the donor.

Uniform Procurement Act - Enacted in 1990, Massachusetts General Laws Chapter 30B establishes uniform procedures for local government to use when contracting for supplies, equipment, services and real estate. The act is implemented through the Office of the Inspector General.

Warrant - The warrant lists a Town Meeting's time, place, and agenda. A warrant is also known as a warning. A Town Meeting's action is not valid unless the subject was listed on the warrant.

Town Manager Budget Guidelines

Budget Process

This booklet includes instructions, forms, and key dates for submitting budget requests for fiscal year 2020.

The annual budget cycle begins in the late summer, with the release of the five year pro-forma budget. Preliminary budget requests from all municipal departments are submitted in the fall, and each department manager is scheduled to meet with the budget review team to review their operating budget submissions. As in past years, I will invite the Finance Committee liaisons to participate in these preliminary budget reviews. All departmental spending requests are then submitted together to the Finance Committee by the second Wednesday in December.

During the months of December, January and February, the Finance Committee holds hearings with departments. At the same time, the budget review team will be working to balance spending requests with available revenue. The Town Manager's balanced budget proposal is then forwarded to the Finance Committee by January 31st.

Spending Requests

There are two levels of spending requests – base requests and performance improvement requests.

Base Budget Requests – Also referred to as level-service requests, the base budget request assumes that the same level of service will be provided by the department in fiscal year 2020 as in fiscal year 2019. Base budget requests should include:

1. The total fiscal year 2019 appropriation (adjusted for changes in staff, contract pricing, etc.);
2. Statutory or regulatory mandates;
3. Salary and wage increases provided for by collective bargaining agreement or personnel policy, as provided on the PRD1 forms; and
4. Other items considered necessary and approved by the Town Manager.

Performance Improvement Requests – While opportunities for Performance Improvement funding are always limited, department managers are invited to submit such requests on the DSR4 form. This category of spending requests includes items such as:

1. Funding to meet significant inflationary pressure or target population increases; and
2. Funding for contractual or personnel services that will improve service delivery, result in future cost-savings (such as through reduced legacy costs), or are deemed necessary to meet goals and objectives set by the Town and its policy-making boards.

Performance Improvement requests for additional headcount must include a detailed analysis of the condition giving rise to the request, and a description of other alternatives for providing the service that were explored by the department.

Operating Budget Submission Requirements

Please comply with the following submission requirements:

1. Review the all text and make sure it is fresh and up-to-date.
2. Short and concise narratives.
3. Include relevant charts and tables to support the budget request.
4. Include a chart in the Budget Statement section of the DSR1 form that clearly identifies requested line item changes by category. A sample is included in the budget guidelines.
5. Proofread the text for spelling and grammar.
6. Round to whole dollar amounts.
7. Check the math, and then recheck the math.
8. When referring to a particular fiscal year, use the format: "FY2020".
9. Follow the required margins and font instructions.
10. Eliminate any dead space.
11. Do not include pictures in the narrative. Pictures should be reserved for Town Meeting presentations and the Annual Town Report.
12. Do not attach any supplemental material that is not embedded in the DSR1.
13. Print and review the document before filing to make sure it fits properly on the page.
14. Ask an employee in another department to read the document for tone, spelling, spacing, clarity, etc. Members of the budget review team are sure to ask who reviewed your document!
15. If you uncertain whether an item should be filed as a DSR4 or as a financial warrant article on DSR5, please ask. Note that requests for studies should be submitted on the DSR5 unless they are leading to a construction project, in which case they should be submitted in the capital planning process.

Many individuals have devoted considerable time and effort to developing the budget forms, calculating the PRD1 data, and preparing for the budget process. This allows department managers greater opportunity to analyze historical spending patterns, make necessary adjustments, evaluate the operations of your departments, identify areas for improved efficiency and service delivery, and translate those ideas into understandable and persuasive spending requests. As you will be presenting and defending information provided to you by others, it is critically important that you understand all of the material. If you have any questions or need additional information, please contact the Finance and Human Resources Departments as necessary.

Every budget cycle provides its challenges and I am sure this year will be no exception. I appreciate your commitment to the Town and our constituents – be they businesses, residents, or other departments. The Town relies on the thoughtful and professional participation of all of you in order to meet the challenges ahead.

Thank you,

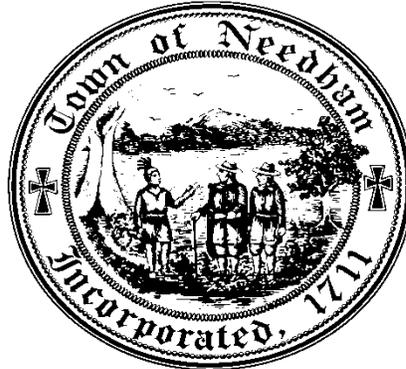
Kate Fitzpatrick

Town Manager

September 24, 2018

TOWN OF NEEDHAM

**Fiscal Year 2020
Budget Guidelines**



**Kate Fitzpatrick
Town Manager**

Monday September 24, 2018

Index

Preparation Hints	1
Budget Submission Checklist	2
Key Dates for the Budget Process	3
An Overview to the Department Spending Request Forms	4
DSR1 Form "Department Information" Instructions	7
DSR1 Form	10
DSR2 Form "Department Expenditure Detail" Instructions	11
DSR2 Form	15
DSR3 Form "Department Personnel Supplement" Instructions	17
DSR3 Form	18
DSR4 Form "Performance Improvement Funding Request" Instructions	19
DSR4 Form	21
DSR5 Form "Special Warrant Article Request" Instructions	22
DSR5 Form	23
Schedule of Fees and Charges Instructions	24
Schedule of Fees and Charges Form	25
Appendix A - Account Codes	26
Appendix B - Department Budget Meeting Schedule	28

PREPARATION HINTS

Please do not change any **margin settings** [All are set at 1"] or the **font styles or sizes** [the primary font is VERDANA 10]. They have been predetermined so that the Town Manager’s Budget will have a uniform look throughout, and can be more easily bound so that text will not be hidden. If you need or want to bring attention to a particular word, phrase, or sentence you may **bold** or underline as appropriate. You may also use **highlighting** or *italics*, but please be aware that they don’t photocopy as well.

Personnel: In accordance with the State’s accounting rules for operating budgets, payment of salary and wages are to be charged to the fiscal year in which the related time falls. This means that in the first or last week of any fiscal year, and more often than not both, the accounting for the payment wages is split between two fiscal years. Budgeting for salary and wages should be based on 52.4 weeks (or 52 weeks plus two extra working days). The estimated dollar impact of the additional days is shown on its own line near the bottom of the PRD1 schedule as “Budgetary Adjustment”. **All individual positions are calculated based on 52 weeks.**

Calculating Overtime: The amount for budgeting general overtime should not be more than overall wage growth, unless you document in your budget submission the reason(s) for a higher amount and the calculation used for the submitted amount. Generally increases in the overtime budget should not be more than 4.00%.

Energy Prices: Please note that the way which the Town budgets for Electricity and Natural is now consolidated (except for enterprise funds) under one budget – Needham Electric, Light and Gas Program. This has been done to manage the Town’s solar program, to improve the transparency of energy use and to help expedite movement towards the Town’s “Green” goals. Heating oil, gasoline, and diesel fuel will continue to be budgeted and managed in individual operating budgets. In lieu of specific documentation, the following prices per unit (see below) may be used in developing your department spending request for Fiscal Year 2020. Departments must provide the actual consumption data for 2018, 2017, and 2016 in their budget submission if the budget includes funding requests for the items below. In order to calculate your requested budget amount for the supplies below, you may use the higher of the three year average or the FY2018 actual, multiplied by the rates below. You should also include in the budget request any flat dollar charges (including the monthly service fees) paid for the service. These are the fees that will be paid during the period of July 1, 2019 through June 30, 2020.

Gasoline 87 Octane	\$3.03/gal
Diesel Low Sulfur	\$3.58/gal
Heating Oil #2	\$3.62/gal
Electric	\$0.225/kwh
Natural Gas	\$1.77/therm

Expenses: There are no automatic across-the-board percent changes for any expense; calculations must be based on the best information that is available to you at the time of submission, and you must be able to document how you came to the requested amount.

Governmental Charges must be itemized on the DSR2 form. **Vehicle Supplies and Parts** has been broken out separately from **Fuel** on the DSR2 form.

***** It is very helpful for you to first complete the Excel budget worksheet (EBW1) before completing the Department Spending Request forms. *****

BUDGET SUBMISSION CHECKLIST

1. Read the Budget Guidelines.
2. Attend the Budget Submission Overview Session.
3. Complete all required forms. Most forms will be found on the Common Drive (K) in the **FY2020 Budget Files** folder. The Excel Budget Worksheet (EBW1) will be sent to you directly by the Assistant Town Manager/Director of Finance after you attend the Budget Training Session. If you cannot access the file, please contact the Assistant Town Manager/Director of Finance to make other arrangements.
4. Most general technology requests come through the Finance Department. Any request for data processing equipment or software is to be submitted to Director of Management Information Systems by **Thursday, October 4, 2018**. Your request will be evaluated by the Information Technology Center prior to any submission to the Town Manager.
5. Building related budget requests that do not constitute capital improvement are budgeted in the Department of Public Works, Building Maintenance Division. Illustrative examples of such requests include, but are not limited to, additional custodial staff, painting of offices, new rugs, blinds, and portable air conditioners. Your request is to be submitted to Director of Building Maintenance by **Thursday, October 4, 2018**. Your request will be evaluated by the Department of Public Works prior to any submission to the Town Manager.
6. Review and verify the Position Register Detail worksheet (PRD1). If you need information regarding pay classification or collective bargaining agreements contact the Director of Human Resources. Any change to the PRD1 must be sent to Assistant Town Manager/Director of Finance who will determine whether a change is necessary.
7. Review your narrative to ensure it is written for the layperson.
8. Re-check all dollar amounts – round to the nearest dollar. Do not include cents on any of the forms. Re-check all totals to make certain they total correctly.
9. Fully complete the Schedule of Fees, Fines, and Charges form and return to ddavison@needhamma.gov the Assistant Town Manager/Director of Finance by Thursday, October 18, 2018.
10. Submit all spending request forms electronically by saving the forms under your Department's the designated budget submission folder found on the Common Drive (K) in the **FY2020 Budget Files** folder. **Requests are due Friday, October 19, 2018**.
11. Prepare for your appointment to discuss your Department's requests.

KEY DATES FOR THE FY2020 BUDGET PROCESS

Date	Activity
1-Aug-18	Capital Improvement budget guidelines released
3-Aug-18	Capital submission overview and instructions sessions Session I 9:00 – 11:00 A.M.; Session II (Fleet Only) 11:30 - 12:00 P.M.; Session III 1:30 to 3:30 P.M. (Powers Hall)
17-Aug-18	Deadline to notify another department manager of a capital request for the FY2020 through FY2024 timeframe
6-Sep-18	Vehicle Request Forms due back to the Finance Department by 12 Noon
11-Sep-18	Town Manager budget consultation with the Board of Selectmen
12-Sep-18	Town Manager budget consultation with the Finance Committee
24-Sep-18	FY2020 operating budget guidelines are released
26-Sep-18	FY2020 operating budget submission overview and instructions Wednesday Session I 9:00 – 11:00 A.M.; Session II 1:30 to 3:30 P.M. (Powers Hall)
4-Oct-18	Deadline for a department to submit a FY2020 operating budget request to another department
9-Oct-18	Town Manager budget consultation with Board of Selectmen
10-Oct-18	Special Town Meeting
12-Oct-18	Capital Requests Due Friday by 12 Noon
18-Oct-18	Schedule of Fees and Charges are due by 12 Noon
19-Oct-18	Department Spending Requests are due by 12 Noon
13-Nov-18	Town Manager budget consultation with Board of Selectmen
12-Dec-18	Department spending requests are due to Finance Committee from the Town Manager and School Superintendent
18-Dec-18	Board of Selectmen Votes CIP Recommendation
8-Jan-19	FY2020 – FY2024 Capital Improvement Plan is released
31-Jan-19	Town Manager's Balanced Budget is due to the Finance Committee
5-Feb-19	Warrant articles for 2019 Annual Town Meeting are due to the Board of Selectmen
22-Feb-19	Finance Committee FY2020 draft budget is due to the Town Manager
15-Mar-19	Finance Committee budget recommendations are due for inclusion in the Annual Town Meeting Warrant
10-Apr-19	Annual Town Election
6-May-19	Annual Town Meeting
1-Jul-19	Start of Fiscal Year 2020

AN OVERVIEW TO THE DEPARTMENT SPENDING REQUEST FORMS

Spending Request Forms

The spending request forms are to be used at the department-wide level and may be used at the division levels of the organization. Department managers should not prepare forms for programs, but if the department manager needs or wants to identify a particular program or the costs associated with it, this can be explained under operational considerations on the Department Information (DSR1) form. At a minimum, most department managers will complete the Department Information form and the Department Expenditure Detail (DSR2) form which consists of three parts: personnel, expenses, and operating budget capital, and the Excel Budget Worksheet (EBW1). Department managers wanting to submit requests for additional hours for existing positions, for additional new staff positions, or for new services must use the Performance Improvement Funding Request (DSR4) form. How this information is to be entered on the EBW1 form will be explained at the budget submission training. A department seeking funding that would not be part of the operating budget or qualifies as capital, or seeks approval of a financial related item that may require separate Town Meeting action, or would only be considered if an alternative source of funds is secured, should be submitted on Special Warrant Article Request (DSR5) form.

EBW1: Excel Budget Worksheet – you should complete the worksheet **before you begin to fill out the DSR forms**. The purpose of this worksheet is to have departments enter their spending request amounts by the account numbers that the expenditures are tracked in the Town's accounting system. This information will be uploaded into Infinite Visions (IV). After Town Meeting has acted on the budget, and any changes that may have been made by Town Meeting have been reflected in the spending request, the budget data will then be transferred into the General Ledger. This will allow departments to begin preparation for the new fiscal year sooner. The worksheet that you will complete shows the Department's current budget as it was posted into IV prior to the start of the fiscal year. There are columns to enter your DSR2 and DSR4 spending request amounts. The worksheet will total, show the dollar change from the current year for each account number and will show the percent change the requested total is to the current year total budget.

DSR1: Department Information – the purpose of this form is for the department to provide a narrative about the department, including financial and services demands. The form focuses on factors affecting the cost of services, and explains programs that are operated through revolving funds, grants, or donations. This form should include information relative to the department's accomplishments over the past year, goals for the coming year, and should identify efforts undertaken in the area of performance measurement (benchmarking, program evaluation, and/or customer satisfaction). The department's spending request is to be summarized at the bottom of the form.

DSR2: Department Expenditure Detail – the purpose of this form is to provide budgetary information about personnel and non-personnel costs. The form is broken into subsections for personnel salary and wage costs, and a line by line expense detail.

The DSR2A section provides the reader with an overview of the staffing levels broken out by the major salary and wage items for the department. If applicable, information for line one of the form (Salary and Wage Permanent Positions) has been provided to you on the Position Register Detail (PRD1) worksheet. You have been provided specific details of compensation by position on the PRD1 worksheet. The PRD1 worksheet lists the permanent full-time and part-time positions; it does not list seasonal, temporary, substitute, or other non-permanent positions. The department manager should determine what amounts, if any, are necessary to fund these services. If the amount changes from the current year you must explain the basis for the change. This information is to be requested under line 2 of the form. If there is scheduled overtime or other compensation that is not incorporated in the PRD1 worksheet, those should be shown in the respective lines, e.g., payment in lieu of vacation, stipends not inherent to a permanent position, seasonal labor, etc.

The DSR2 form is also broken out between expenses (DSR2B) and operating budget capital (DSR2C). This section provides a line by line expense detail of services, supplies and other costs. You must provide a short description of the major items which make up the total object code request. There are examples of the type of expenses that may fall under the different object codes provided in **Appendix A**.

DSR3: Department Personnel Supplement - the purpose of this form is to allow departments to provide additional information about positions that are not detailed on the PRD1 schedule, or wage expenses that are not easily discernable from the information provided under sub sections 2, 3, and 4 of the DSR2 form.

DSR4: Performance Improvement Funding Request - the purpose of this form is to allow departments to identify specific funding requests above the Base Request that would, if funded, provide the resources to allow the department to improve, expand, and/or address unmet needs. Requests for additional hours or new positions must be included on the DSR4 form, and not embedded in the Department Expenditure Detail (DSR2) form.

DSR5: Special Warrant Article Request - the purpose of this form is to allow departments to submit other types of financial requests that may not necessarily be part of the operating budget or qualify as a capital expenditure. This form may be used if a request requires an independent Town Meeting action (matching

a grant or establishing a revolving fund), or seeks funding for a purpose that could overlap fiscal years or requires continuation of the appropriation beyond a single fiscal year (e.g., senior corps program), or seeks alternative funding such as CPA.

PRD1: Position Register Detail - this worksheet was prepared by the Finance and Human Resources departments. This information provided most if not all of the figures that have been prepared and for you to report on DSR2. This register shows the positions that are **currently funded for FY2019** in the department's budget and projected compensation for each position based on the incumbent (as of September 14, 2018), or if vacant, the prior incumbent for FY2019. If a position has been filled within the last year, we budget FY2020 at the new hire's estimated step for FY2020 or the middle of the compensation range for the position, whichever is higher. We ask that you review the PRD1 for accuracy. **Although we make every effort to be accurate, we rely on the department manager to ensure that the PRD1 is reflective of all existing personnel and the pay rates are correct.** The schedule **does not** include overtime or other non-definitive salary and wage items such as payment in lieu of paid time off, tuition reimbursement, seasonal labor, etc. The department manager should be in a much better position to determine the amounts, if any, are necessary to funds those costs. The schedule **does not** include any additional positions or any increase in hours for existing positions. This information is to be requested and itemized in the DSR4 form. Please note any changes proposed to the PRD1 form must be approved by the Assistant Town Manager/Director of Finance.

Schedule Fees and Charges - this is an internal document to be prepared by the department and submitted to the Finance Department to disclose all the non-tax and non-state aid revenue collected by the department. The information is important in order to ensure that the Town is conducting regular reviews of the various revenues collected and that rates are current. The Town will produce a comprehensive schedule of fees which will be for public inspection.

**Department Information
DSR1 Form
Instructions**

DSR1 – Department Information

This form serves as a cover letter to explain the spending request for next year. The form focuses on factors affecting the cost of services, and explains programs that are operated through revolving funds, grants, or donations. This section should include information relative to the department’s accomplishments over the past year, goals for the coming year, and should identify efforts undertaken in the area of performance measurement (benchmarking, program evaluation, and/or customer satisfaction). The department’s spending request is to be summarized at the bottom of the form.

1. **Department:** Fill in the name of the department.
2. **Department Mission:** This section is to provide a description of the Department, including the primary business centers. Explain the primary functions the department provides to the Town. For most departments a single paragraph should be sufficient to provide an overview.
3. **On the Horizon:** This section is to provide information regarding any internal and external pressures that are affecting the department and are driving cost increases. Discuss what goals the Department is seeking to accomplish in the current (FY2019) fiscal year, and Discuss projects and activities that the department is or will be undertaking within the next two to four years. Explain what resources will be required to address these issues.
4. **Budget Statement:** Explain the dollar changes to your department’s FY2020 request from the current appropriated budget for FY2019. **You must clearly identify and explain any increases or decreases from the current budget.** *Here is an example of the format that was utilized by DPW which is the preferred style.*

Line	Div.	Description	Change from FY18	Comments	Net Change
Energy	Build Maint	Oil	(\$656)	Remove Ridge Hill from oil, based on 3 year average of remaining facilities	(\$656)
Repairs & Maintenance Services	Build Maint	Alarm and Sprinkler Servicing	(\$9,348)	Based on current contract pricing	\$34,261
	Build Maint	Building Repairs	(\$12,290)	Based on actual spending in FY 17	
	Build Maint	Door Access Systems	\$426	Based on actual spending in FY 17, and current contract pricing	
	Build Maint	Door Repairs	\$1,377	Based on current contract pricing	
	Build Maint	Electrical Repair	(\$16,476)	Based on actual spending in FY 17	
	Build Maint	Elevator Maintenance	\$28,377	Based on current contract pricing	

Line	Div.	Description	Change from FY18	Comments	Net Change
	P & F	Equipment Repair	\$5,000	Based on actual spending in FY 17	
	Build Maint	Equipment Repair	\$4,000	Based on actual spending in FY 17, and current contract pricing	
	Build Maint	Generator Repair	\$10,232	Based on actual spending in FY 17, and current contract pricing	
	Build Maint	Hardware Maint. Agree	\$14,568	Based on 3 year average spending	
	Build Maint	Masonry Repair	(\$18,632)	Based on actual spending in FY 17, and current contract pricing	
	Build Maint	Mech. Electric. Plumb.	\$11,000	Based on actual spending in FY 17, and current contract pricing	
	Build Maint	Plumbing Repairs	\$14,456	Based on actual spending in FY 17, and current contract pricing	
	Build Maint	Roof Repairs	\$3,876	Based on actual spending in FY 17, and current contract pricing	
	Highway	Specialty Signs	(\$2,305)	Moved to Public Works Supplies	
	Build Maint	Vehicle Repair	(\$12,000)	Moved to Fleet	
	Fleet	Vehicle Repair	\$12,000	Moved from Building Maintenance	

You should identify changes in **personnel** levels which have occurred over time and whether the department may be seeking additional hours for existing positions, or additional positions. However, if you are seeking such an increase the request must be made through the **DSR4 form** and not embedded in the Base Request. You should also disclose any increased costs in **expenses** which have impacted the department's ability to provide the expected level of service for the current year budget, and/or any increase in the **expense** dollar request over the current fiscal year budget. Indicate whether the cost is fixed and/or non-discretionary, or whether it is discretionary based on numbers served. Indicate which expenses are covered by related program/service generated revenue which is credited to the general fund, as opposed to a reserve or revolving fund, (e.g., each additional parking permit tag sold generates more income, but also requires an appropriation to pay for the physical tag to be increased as well).

The department should also identify programs that are supported or administered by the Department which are funded in part or fully by a **revolving fund, grant, or donation**. Also identify activities that are supported by volunteers. However do not include in the budget request any amounts that will be paid by a revolving fund, grant, or donation. **We again ask that departments disclose in their narratives any Federal and/or State grants that they have relied upon to support ongoing programs or that make**

available resources which allow the Department to perform its primary responsibilities. You should also answer the question on the DSR2 form whether there are grants.

This section should also include details of any significant changes that would affect the revenue estimate for the fiscal year, (e.g., change to the fee structure, change in level of demand for a service, creation, or elimination of a program or service). Any adjustment to a charge or fee for next year that is pending action by a Board, Committee, or Town Meeting must be disclosed with a justification as to why you expect the change to be approved and included in the revenue estimate.

5. **Accomplishments and Activities:** Discuss recent accomplishments and goals met in the past year, provide information on workload and performance related activities, ideally three or more years of results is preferred.
6. **Spending Request Recap:** This section is to summarize the spending requests identified under DSR2 and DSR4 Forms, and any additional amounts which are appropriated under separate budget lines at Town Meeting. The DSR2 totals are to be shown under the Base Request column; DSR4 requests are totaled and shown in their own column. If your Department's spending request includes a different appropriation line description (e.g., Snow and Ice), type in the title under the description column and enter the amount(s) under the respective columns.

Department Information DSR1			
Department		(see instruction #1)	
Department Mission			
(see instruction #2)			
On the Horizon			
(see instruction #3)			
Budget Statement			
(see instruction #4)			
Accomplishments and Activities			
(see instruction #5)			
Spending Request Recap (see instruction #6)			
Description	Base Request DSR2	Additional Request DSR4	Total (DSR2 + DSR4)
a) Salary and Wages			
b) Expenses			
c) Capital			
d)			
e)			
f)			
g) Total DSR2 & DSR4 Request (a through f)			
V2020			

**Department Expenditure Detail
DSR2 Form
Instructions**

DSR2 – Department Expenditure Detail

The purpose of this form is to provide budgetary information about personnel and non-personnel costs. The form is broken out by subsections for personnel salary and wage costs, and a line by line expense detail.

DSR2A Section - Personnel

The purpose of this section is to provide the personnel budget data for the department. Information for line 1 has been provided to you on the PRD1 worksheet. The forecast assumes an annualized salary level based on the rate of pay on the last day of the fiscal year (06/30/20) for a period of **52** weeks. You are more familiar with individual situations, and we will rely on you to review the information carefully. You have been provided specific details of compensation by position on the PRD1 worksheet. The PRD1 worksheet lists the permanent full-time and part-time positions; it does not list seasonal, temporary, or non-permanent positions (positions which rates of pay are found in Schedule C). If there is scheduled overtime or other compensation that is not calculated in the PRD1 worksheet, these should be shown in the respective lines. **Requests for new positions must be included on the DSR4 form, and not embedded in the DSR2A.** Please remember to disclose any significant changes from the prior year and identify the reasons under the **Operational Considerations** section of the DSR1 form.

1. **Department:** Fill in the name of the department and if desired, the division.
2. **Permanent Personnel:** Enter the head count for the number of full time positions under the **FT Head Count** column, the number of "permanent part time" benefit-eligible positions under the **PT Head Count** column, and the appropriate calculation of the two columns as **Full Time Equivalent (FTE)** under that column (this information has been provided to you on the PRD1 form). You should enter the number that was funded in the prior fiscal year, the current fiscal year, and the expected number of positions that will be funded within the **Base Request** for next fiscal year. Please note that the FTE count should **NOT** include the portion of the position that is grant and/or revolving fund supported, or temporary, seasonal, and other **Schedule C** positions regardless of the funding source. The FTE total for FY2020 must equal the total shown on the PRD1 report. Please contact the Assistant Town Manager/Director of Finance if you have questions.
3. **Personnel Non-Budget:** Identify whether the department will rely on any positions funded by a grant and/or revolving fund to provide services next year (FY2020). Indicate the number of full-time and part-time positions that are funded by these sources. Do not double count positions – these positions should not be duplicative of the figures entered in the lines above (item 2) that are funded by the operating budget.
4. **Are all union positions covered by a contract for FY2020:** Identify whether all union positions in the department have a collective bargaining agreement in place for FY2020. If there are no union positions in the department, mark "NA"

5. **Salary and Wage Permanent Positions (line 1):** Fill in the total salary and wage amount to fund the full time positions and “permanent part time” positions (these are usually positions working an average of 20 hours or more per week, but may be less than 20 hours provided the work is on a regular basis and the position is held by a specific individual – **a position that is filled in by more than one individual or a rotating or as needed basis is considered temporary help – see #6**) in the Base Request. This information is obtained from PRD1 worksheets. Although we make every effort to be accurate, we rely on the department manager to ensure that the PRD1 is correct. The amount shown on the PRD1 worksheet are to be sub totaled by the amount that is classified in the General Ledger as regular personnel expense and the amount that is classified as other personnel expense. Other personnel expenses are salary and wage items that are coded within the 519x series (i.e., education pay, uniform pay, etc.) If there is other compensation that was not included in the PRD1 form but is paid to full time or permanent part time employees, you will need to add and itemize this information under the “Other Salary and Wage Expenses” section (see instruction #7). Some examples of other salary and wages would be payment in lieu of accrued leave, tuition reimbursement, training, and stipends not specific to the position or part of a collective bargaining agreement. Calculate the total of the lines (a – i) and enter the amount to the right of **Sub Total 1**. *This total must agree with the PRD1 sheet.*
6. **Salary and Wage Seasonal and Temporary Positions (line 2):** Fill in title or general description of the positions or work that would be funded. You should also include temporary part-time, intermittent and substitute workers, and seasonal help under this section; many of these positions are listed on Schedule C, but not all positions are listed under Schedule C. Provide an explanation of how the total was determined, e.g., number of hours; number of dates, events, etc. Calculate the total of the seasonal and temporary positions and enter the amount to the right of **Sub Total 2**.
7. **Salary and Wage Overtime (line 3):** Fill in the total overtime budget request. Provide an explanation for the overtime. Calculate the total of the overtime and enter the amount to the right of **Sub Total 3**.
8. **Other Salary and Wage Expenses (line 4):** Itemize other salary and wage expenses which are not included in line one, two, or three e.g., payment in lieu of vacation, tuition reimbursement, stipends, etc. Then calculate the total of the individual entries, if any, shown on lines a, b, c, d, e, and f. Calculate the total of the other salary and wage expenses enter the amount to the right of **Sub Total 4**.
9. **Total Salaries and Wages (line 5):** Combine the totals of 1, 2, 3, and 4 and enter the amount to the right of **Total Salaries and Wages**.

If you have difficulty determining the amount for any position, please contact the Human Resources office.

DSR2B & DSR2C Sections – Expenses and Capital.

This section provides a line by line expense detail of services, supplies, materials, tools,

equipment, and operating budget capital requested by the department. You must provide a short description of the major expenses that make up the total for each object code. Some examples of the type of expenses which would be included under the respective object codes are shown on the form. It is up to each department manager to determine whether to prepare division based expense requests or a combined single total department request, (remember divisions are not programs, e.g. Highway is a division of DPW, but traffic control is a program within the highway division of DPW). Use as many lines as necessary to provide the appropriate amount of detail.

10. **Object/Description:** The shaded column on the left lists the basic object codes (we have included the primary object code digits (the first three of the four digits) for your reference as to the expenses that are to be reported on the line). To the right is an area intended to describe the significant components that make up the total for each accounting object code. For a listing of which object codes fall under the account group, refer to the **Account Codes** found in **Appendix A**. Describe the major items that make up the expense line. In parenthesis enter the total which corresponds to the identified expense described to the immediate left, e.g., for the "Communications" expense code the components that make up the total object are:

Object	Description	Amount
Communications (543X)	Postage (\$1,200)	
	Cellular Service (\$840)	
	Photocopying Fees (\$500)	
	Legal Notices (\$775)	
	Other Communication Expenses (\$115)	\$3,430

The individual components must total the amount typed under the "Amount" column (see item 10).

11. **Amount:** Enter the total of the itemized expenses shown to the immediate left.
12. **Total Expenses (line 6):** Calculate the total of all object lines and enter the amount to the right of the shaded area.
13. **Total Operating Budget Capital (line 7):** Calculate the total of any capital items requested through the operating budget in line and enter the amount to the right of the shaded area. **Operating Budget Capital** items are those items which either have a total cost of less than \$25,000 or have a primary operational useful life of less than 5 years.
14. **Total Base Request (line 8):** Enter the combined total of lines five, six, and seven.
15. **Will the Department submit any Special Financial Warrant Articles?:** Indicate with an "X" in the appropriate box (YES or NO) whether any DSR5 Forms will be submitted.
16. **Does the Department depend on any Federal or State grants to provide services?:** Indicate with an "X" in the appropriate box (YES or NO)

whether the Department receives or relies on any Federal or State grants to fund services or to provide resources (supplies, contractors, services, multiparty agreements, etc.) that the Department relies on to do its primary responsibilities. This should be explained in the Department narrative in the DSR1 form.

17. **Did the Department submit any requests for FY2020 for the replacement or upgrade of technology or software to the Information Technology Center?:** Indicate with an "X" in the appropriate box (YES or NO) whether the Department submitted, by the deadline, any requests for the replacement and/or upgrade of technology and or software the Information Technology Center (ITC).
18. **Did the Department submit any requests for FY2020 to the Department of Public Works/Building Maintenance division to improve or upgrade a public building or facility?:** Indicate with an "X" in the appropriate box (YES or NO) whether the Department submitted any requests to the Department of Public Facilities (operations) to improve or upgrade a public building or facility.
19. **Recheck your work.**

Department Expenditure Detail DSR2									
Department				(see instruction #1)					
Object				Description				Amount	
DSR2A									
Permanent Personnel (see instruction #2)	Last Year (FY2018)			Current Year (FY2019)			Next Year (FY2020)		
	FT Head Count	PT Head Count	Full Time Equivalent (FTE)	FT Head Count	PT Head Count	Full Time Equivalent (FTE)	FT Head Count	PT Head Count	Full Time Equivalent (FTE)
Non-Budget Personnel: Will the department rely on grant/revolving fund positions to provide services? (see instruction #3)						Yes	No	FT Head Count	PT Head Count
Are all union positions covered by a contract for FY2020? (see instruction #4)						Yes	No	NA	
1. Salary and Wage Permanent Positions. (see instruction #5)									
a.	PRD1 Salary and Wages Base								
b.	PRD1 Differentials (Conditions, Requirements, Shifts)								
c.	PRD1 Education								
d.	PRD1 Extra Holiday								
e.	PRD1 Longevity								
f.	PRD1 Snow Program								
g.	PRD1 Uniform								
h.	PRD1 Other Compensation								
i.	PRD1 Budget Adjustments								
								PRD1 Sub Total	
J.	DSR3 Other Compensation								
								Sub Total 1	
2. Salary and Wage Seasonal & Temporary Positions (Itemized Below) (see instruction #6)									
a.									
b.									
c.									
d.									
e.	DSR3 Total								
								Sub Total 2	
3. Salary and Wage Overtime (Itemized Below) (see instruction #7)									
a.	Scheduled Overtime (contractually obligated)								
b.	Training and Development								
c.									
d.									
e.	DSR3 Total								
								Sub Total 3	
4. Other Salary and Wage Expenses - (Itemized Below) (see instruction #8)									
a.	Incentive Programs								
b.	Pay In Lieu of Accrued Leave								
c.	Program Stipend								
d.	Tuition Reimbursement								
e.	Working Out of Grade								
f.	DSR3 Other Compensation								
								Sub Total 4	

5. Total Salary and Wages (1+2+3+4) (see instruction #9)				
DSR2B				
Object	Description (see instruction #10)	Amount (see instruction #11)		
Energy (521x)				
Repairs & Maintenance Services (524x - 525x)				
Rental & Leases (527X)				
Other Property Related Services (529x)				
Professional & Technical Services (530x - 531x)				
Communications (534x)				
Recreational & Cultural Services (535x)				
Other Purchased Services (538x)				
Office Supplies (542x)				
Building & Equipment Supplies (543x)				
Custodial Supplies (545x)				
Grounds Keeping Supplies (546x)				
Vehicular Supplies (548x)				
Gasoline and Diesel Fuel (5481)				
Food and Service Supplies (549x)				
Medical Supplies (550x)				
Public Works Supplies (553x)				
Other Supplies & Equipment (558x)				
Governmental Charges (569x)				
Travel & Mileage (571x - 572x)				
Dues & Subscriptions (573X)				
Other Expenses (574 X - 579x)				
6. Total Expenses (see instruction #12)				
DSR2C				
Capital Equipment Replacement (587X)				
7. Total Operating Budget Capital (see instruction #13)				
8. Total Base Request (Line 5 + Line 6 + Line 7) (see instruction #14)				
Will the Department submit any Special Financial Warrant Articles? (DSR5 Form) (see instruction #15)	YES		NO	
Does the Department depend on any Federal or State grants to provide services? (see instruction #16)	YES		NO	
Did the Department submit any requests for FY2020 for the replacement or upgrade of technology or software to the Information Technology Center? (see instruction #17)	YES		NO	
Did the Department submit any requests for FY2020 to the Department of Public Works/Building Maintenance division to improve or upgrade a public building or facility? (see instruction #18)	YES		NO	
V2020				

**Department Personnel Supplement
DSR3 Form
Instructions**

DSR3 – Department Personnel Supplement

The purpose of this form is to provide additional salary and wage detail which is not apparent from the DSR2 or PRD1 documents. The form is broken out by subsections for personnel type and cost detail.

1. **Department:** Fill in the name of the department.
2. **Description:** Fill in title or general description of the positions or work that would be funded. Enter the description of the type of pay; this may be a position title, pay type, function, and or purpose. Indicate the unit of measure and how many units being funded. Examples of positions:

Board of Selectmen
Building Monitors
Care of Graves
Coordinator of Ceremonies
Election Workers – Wardens and Clerks
Election Workers - Inspectors
Playground Maintenance Specialist
Emergency Management Program
Parking Clerk
Public Health Nurses
Town Counsel
Town Meeting Workers
Traffic Supervisors
Drivers

3. **Amount:** Fill in the total amount for the year requested for this pay item.
4. **Amount Reflected:** Indicate with an "X" which group on the DSR2A section the amount to the left (under the Amount Column) was added.
5. **Total (Line I):** Calculate the total of the items requested lines 1 through 25 and enter the amount to the right of **Total** line.
6. **Total (line II):** Combine the totals of Sections 1, 2, 3, and 4 and enter the amount to the right of **Total** line. Remember, the Total I must equal Total II, if not recheck you work.

If you have difficulty determining the amount for any position, please contact the Human Resources office.

Department Personnel Supplement DSR3							
Department		(see instruction #1)					
	Description (see instruction #2)	Amount (see instruction #3)	Amount Reflected DSR2A Section (see instruction #4)				
			1	2	3	4	
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
I	Total (see instruction #5)		X				
Sections							
	Amount Reported Under DSR2A Section 1						
	Amount Reported Under DSR2A Section 2						
	Amount Reported Under DSR2A Section 3						
	Amount Reported Under DSR2A Section 4						
II	Total (see instruction #6)						

V2020

**Performance Improvement Funding Request
DSR4 Form
Instructions**

The purpose of this form is to allow departments to submit additional operating funding requests beyond Level Service to improve, or expand services, or to address unmet needs.

1. **Department:** Fill in the name of the department and if desired the division.
2. **Title:** Provide a short title description to identify the request.
3. **Priority #:** Indicate the Department's (not a division's) priority for this request.
4. **Expenditure Classification:** Itemize the cost by the standard budget appropriation lines: Salary and Wage, Expenses, and Operating Capital. You would total the three lines and enter the amounts on line 4 (department Total). Other costs (line 5) would be amounts that may need to be appropriated to other budgets should your request be funded. Other costs include employee benefits for a new position, software license fees for new software application, contracted services generally provided by another department to repair, maintain, or improve the requested items (most often this would be the Public Works), etc. If the request is for additional employees (head count or hours) provide the full time equivalent under the FTE column. The form also requires the cost to be broken out by recurring and non-recurring (e.g., startup costs). Then calculate the total of each appropriation line under the Total column, with a grand total entered to the right of the **Total Request**.
5. **Budgetary Considerations:** Answer the 10 questions with a YES or a NO. Explain whether the request will impact other department budgets. If there are costs that would be paid from another appropriation, so state and provide an estimate of that cost (e.g., new full time position would have benefit costs which are carried in the town-wide budget group; software may have an annual licensing requirement). **Please contact the Finance and Human Resources, as appropriate, if you need assistance calculating these costs.** Please provide answers to the following questions (any YES response must be explained under Description and Explanation):
 - Does this request address a goal of the **Board of Selectmen** or other Board or Committee? *If the response is "YES", please indicate on the line below the name of the Board or Committee.*
 - If yes, which Board or Committee? *Enter the name of the Board or Committee.*
 - Has this request been submitted in the last three fiscal years and not funded? *If the response is "YES" please explain why the request is being submitted again.*
 - Are there additional costs to implement this request (except for future year operating costs which would be ongoing if funding is approved) which are NOT included in this request? *If the response is "YES" please explain why and how those costs will be covered.*
 - Will the assistance of another department be required to provide support (personnel or financial) for this request to be implemented? *If the response is "YES", please identify the other department(s) and what*

assistance would be needed in order to achieve the intended goal of the request.

- *Will additional staff (beyond the staff requested in this DSR4 submission) be required if the request is approved? If the response is "YES", please identify what position(s) would be required and the estimated cost of those positions. Explain whether the request is inclusive of those costs.*
- *Does the request support activities which produce revenue for the Town? If the response is "YES", please identify the revenue(s) that are generated as a result and how the revenue is generated.*
- *If the request is not approved, will current Town revenues be negatively impacted? If the response is "YES", please identify the revenue(s) that would be effected, how much, and why.*
- *Is there an increased exposure for the Town if the request is not approved? If the response is "YES", please explain what the exposure is and why.*
- *Is specialized training or licensing required (beyond the initial purchase)? If the response is "YES", please explain and provide an estimate of the additional cost, if any. If there is not an additional cost, please state such.*
- *Does this request address a documented health or safety issue? If the response is "YES", please identify the issue(s), and provide the citation reference.*

6. **Description and Explanation:** Provide a brief narrative as to why the request is being made. Explain any significant changes affecting the department which led to this request. Priority will be given to performance requests that are directly related to department goals, the need for which can be demonstrated by performance measures and data. Explain the benefits and/or intended results. Provide a detail of the specific budget items, number of hours, position title, type of service, supplies; etc. Summarize by Town Meeting appropriation line the requested amount. Indicate whether the request is recurring, (will appear in subsequent operating budgets if approved this year), or is one-time, (not to be requested in subsequent years). The line totals are to be reported on the DSR1 form under the DSR4 column. If additional head count is requested, include an analysis of other service delivery methods explored and explain why they were not selected. You must also explain any YES answer to the questions under the **Budgetary Considerations** section (item 4) and identify any other budgetary issues which could influence the evaluation of the request.

Performance Improvement Funding Request DSR4					
Department	(see instruction #1)				
Title	(see instruction #2)	Priority	(see instruction #3)		
DSR4(see instruction #4)					
Expenditure Classification	FTE	Frequency		Total Amount (A + B)	
		Recurring Amount (A)	One Time Only Amount (B)		
1. Salary and Wage					
2. Expense					
3. Operating Capital					
4. Department Total (1+2+3)					
5. Other Costs					
6. Grand Total (4+5)					
Budgetary Considerations (see instruction #5)				Yes	No
Does this request address a goal of the Board of Selectmen or other Board or Committee?					
If yes, which Board or Committee?					
Has this request been submitted in the last three fiscal years and not funded?					
Are there additional costs to implement this request (except for future year operating costs which would be ongoing if funding is approved) which are NOT included in this request?					
Will the assistance of another department be required to provide support (personnel or financial) for this request to be implemented?					
Will additional staff (beyond the staff requested in this DSR4 submission) be required if the request is approved?					
Does the request support activities which produce revenue for the Town?					
If the request is not approved, will current Town revenues be negatively impacted?					
Is there an increased exposure for the Town if the request is not approved?					
Is specialized training or licensing required (beyond the initial purchase)?					
Does this request address a documented health or safety issue?					
<i>All "YES" responses above must be explained in the narrative below</i>					
Description and Explanation					
(see instruction #6)					
V2020					

**Special Warrant Article Request
DSR5 Form
Instructions**

The purpose of this form is to allow departments to submit other types of financial requests that may not necessarily be part of the operating budget or qualify as a capital expenditure. This form may be used if a request requires an independent Town Meeting action (matching a grant or establishing a revolving fund), or seeks funding for a purpose that could overlap fiscal years or requires continuation of the appropriation beyond a single fiscal year (e.g., senior corps program), or seeks alternative funding such as CPA.

1. **Sponsor:** Fill in the name of the board, committee, or department seeking the request.
2. **Title:** Provide a short title description to identify the request. Should this request be added to the Warrant, the Title will be the Warrant Article title.
3. **Text of the Proposed Article:** Enter the suggested language of the warrant article to be printed. This language usually is legal and is to be drafted in a form of a motion. Should you need assistance please contact the Assistant Town Manager/Director of Finance.
4. **Article Information:** Provide a brief narrative as to why the request is being made and what is the intended result. Explain any significant changes affecting the department that may have led to this request. This should be written for the layperson who may not understand the article as written or what is actually being requested.
5. **This Request:** Indicate with an "X" whether the request "was" or "was not" submitted last year.
6. **Appropriation Amount:** Enter the amount that is requested for appropriation or authorization.
7. **Special Funding Source(s):** Indicate whether the requested funding comes from sources other than the General Fund (Enterprise Fund). Please state the source(s) and amount(s) of the funds.
8. **Disclosures:** Answer all the questions and explain all "YES" answers under the Disclosure Explanation section.
 1. Does this request address a goal of the Board of Selectmen or another Board or Committee?
 2. Is this a recurring special financial warrant article?
 3. Is this a matching grant funding request?
 4. Is this a CPA funding request?
 5. Is this a revolving fund request?
 6. Is this a lease request?
 7. Is this a pilot program request?
 8. Is this a study?
 9. Is this a program that is planned to be in place for more than one year?
 10. Is this required by a court or other jurisdictional order?
 11. Is this a personnel related request?
 12. Is this a local option acceptance request?

Special Warrant Article Request DSR5			
Sponsor		(see instruction #1)	
Title		(see instruction #2)	
Text of the Proposed Article			
(see instruction #3)			
Article Information			
(see instruction #4)			
This Request	Was	Was Not Submitted Last Year. (see instruction #5)	
Appropriation Amount		(see instruction #6)	
Funding Source		(see instruction #7)	
Disclosures (see instruction #8)			YES
1. Does this request address a goal of the Board of Selectmen or another Board or Committee?			NO
2. Is this a recurring special financial warrant article?			
3. Is this a matching grant funding request?			
4. Is this a CPA funding request?			
5. Is this a revolving fund request?			
6. Is this a lease request?			
7. Is this a pilot program request?			
8. Is this a study?			
9. Is this a program that is planned to be in place for more than one year?			
10. Is this required by a court or other jurisdictional order?			
11. Is this a personnel related request?			
12. Is this a local option acceptance request?			
<i>All "YES" responses must be explained Below</i>			
Disclosure Explanation			
(see instruction #8)			
V2020			

Schedule of Fees and Charges Instructions

The purpose of this form is to itemize the various sources of non-tax and non-state aid receipts collected by the department. This will become an important resource going forward to identify all types of revenues relied upon by the Town to help defray the cost of the service or to change behavior. Examples of fees and charges include penalty charges, water use, parking permits, trash disposal, review fees, permits and licenses, street permits, program fees, rentals, bus service, etc.

1. **Department:** Fill in the name of the department.
2. **Description:** The title of the fee and identify the purpose.
3. **Rate:** Enter the amount of fee.
4. **Frequency:** Indicate how often the fee is to be paid, i.e., annually, quarterly, monthly, one-time, per occurrence/use, etc.
5. **Authority:** Identify the applicable law or regulation for establishing and setting the fee.
6. **Last Reviewed:** Indicate when the fee became effective or was last revised. If unknown, indicate "unknown".

Schedule of Fees and Charges					
Department		(see instruction #1)			
	Description (see instruction #2)	Rate (see instruction #3)	Frequency (see instruction #4)	Authority (see instruction #5)	Last Reviewed (see instruction #6)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Appendix A

Town of Needham Account Codes			
Description	Examples	Start	End
Energy	Electric Heating Oil Natural Gas	5210	5219
Non-Energy Utilities	Sewer Water	5230	5239
Repairs & Maintenance	Building Maintenance Agreements Equipment Maintenance Agreements Outside Vehicle Maintenance & Repairs Hardware Maintenance Agreements	5240	5249
Rental & Leases	Equipment Leases Facility Leases	5270	5279
Other Property Related Services	Custodial Services Pest Control Services within a Building Snow Removal Services Solid Waste Disposal Services	5290	5299
Professional & Technical	Accounting and Auditing Services Consultant & Management Services Employee Training Seminars Licensed Professional Services Legal Services Outside and Temporary Services Seminars and Training Software License & Use Agreements Technology Consulting Related Services Testing Services	5300	5319
Communications	Cable/Internet Services Delivery Services Landline Telephone Services Legal Advertisements Postage Printing & Mailing Services Telecommunications Wireless Communications	5340	5349
Recreation	Athletic Event Official Fees Entertainer, Lecturer, or Films Museum or Event Admission Fees Supervision or Instruction of Recreational Activities	5350	5359
Other Purchased Services	Animal & Pest Control Services Contracted Transportation Services Laundry and Cleaning Services Photography Services	5380	5389
Energy Supplies	Expendable Supplies Purchased to Provide Energy to Municipality not Classified Elsewhere	5410	5419
Office Supplies	Files and Folders Office Equipment & Tools Paper Stock & Forms Pens, Pencils, paper Clips, & Other Sundries Photocopying & Printing Equipment Supplies Plain Envelopes Visual Aids	5420	5429
Building & Equipment Supplies	Doors Electrical Supplies Floor Covering Glass Hand Tools or Power Tools HVAC Supplies	5430	5439

Town of Needham Account Codes			
Description	Examples	Start	End
	Paint Plumbing Supplies Wall Covering Window Coverings		
Custodial Supplies	Brooms and Mops Cleaning Supplies	5450	5459
Grounds Keeping Supplies	Fertilizers Herbicides & Pesticides Loam, Grass Seed, Lime Paint for Grounds Rakes, Hoes & Other Tools Soil & Sod Trees & Shrubs	5460	5469
Vehicular Supplies	Antifreeze Batteries Gasoline, Oil & Lubricants Tires Vehicle Parts and Accessories	5480	5489
Food & Service Supplies	Non-perishables Paper Products & Serving Utensils Perishables Meal Allowance Per CBA –IRS Regulation	5490	5499
Medical Supplies	Chemicals & Solutions for Medical Purposes Drugs First Aid Kits Medical Instruments Other Medical Supplies Oxygen	5500	5509
Educational Supplies	Teaching & Testing Materials (Public School Material Only)	5510	5529
Public Works Supplies	Supplies & Materials Used for Public Works Asphalt Drinking Water Chemicals Pay-To-Throw Supplies Road and Sidewalk Materials Traffic Signals	5530	5539
Other Supplies & Equipment	Crime Prevention Firefighting Equipment Library Supplies Magazine & Newspaper Subscriptions Other Subscriptions not Classified Elsewhere Purchased Uniforms and Other Clothing Safety Boots Safety Glasses Safety Vests Technology & Data Processing	5580	5589
Governmental Charges	Governmental Fees Inter-Municipal Fees Other Governmental District Assessments	5690	5699
Travel & Mileage	Mileage Reimbursement for Work Related Use of Personal Vehicle Reimbursement for Work Related Transportation and Travel Expenses	5710	5729
Dues & Subscriptions	Professional & Technical Organizations Dues & Memberships	5730	5739
Other Expenses	Surety Bonds Veterans Benefits	5740	5790

Appendix B

<u>Date</u>	<u>Location</u>	<u>Times</u>
October 25, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
October 29, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
November 1, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
November 2, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
November 5, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
November 6, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
November 7, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
November 8, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM
November 19, 2018	Town Hall - Great Plain	3:00 PM to 6:00 PM

The specific meeting time will be sent via Outlook.