

A Citizen's Guide to the FY13 Budget Document

The Town of Falmouth budget document is intended to provide to the public concise and readable information about Town government. The budget document represents the definitive policy statement of the Town, establishing levels of service and determining the allocation of municipal resources. The budget serves as an operational tool and planning guide, wherein the present policies and plans for the future are presented for the scrutiny of citizens, the ultimate consumers of municipal services.

The Table of Contents lists every subject covered in this document and its page number. As a further aid, the document is divided into the following four sections:

- Budget Summary and Overview
- Capital Improvement Program
- Revenue Detail
- Expenditure Detail (Broken down by departments and divisions)

The Budget Summary and Overview section provides general information about the budget. It includes the letter of transmittal from the Town Manager to the Town Council as well as various information and statistical data relating to the budget.

The Capital Improvement Program (CIP) section contains the Town's multi year Capital Improvement Program. This section includes a financial overview of the CIP, a description of approved CIP projects, the equipment replacement schedules for the Town's operating departments, and the Town's proposed street paving schedule.

The Revenue Detail section contains information on the Town's various revenue accounts including actual revenues for FY11, estimated revenues for FY12, and proposed revenues for FY13. Line item notes for the various revenue accounts are also included in this section.

The Expenditure Detail section provides detailed information on all expenditure accounts. This section is further divided into programs within departments. Each department section includes an organizational chart of the department, expenditure detail, and line item notes for the major line item accounts. The line item expenditure detail includes actual expenditures for FY11, estimated expenditures for FY12, and proposed expenditures for FY13.

General Information

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. The operations of each fund are maintained using a set of self-balancing accounts that are composed of its assets, liabilities, fund equity, revenues, and expenditures. This budget document deals with the operations of the Town's general fund.

The general fund is used to account for all financial transactions that are not accounted for in categorical funds (sewer enterprise fund, trust and agency funds, etc.). The principle sources of revenue of the general fund are property taxes, excise taxes, inter-governmental revenue, charges for services, and miscellaneous revenue. Expenditures are for general government, social services, financial administration, public safety, parks and public works, community development, community programs, education, and fixed charges.

Charter/Code Requirements

Article V of the Falmouth Town Charter outlines the requirements for the budget. Per the Charter, the Town's fiscal year begins on the first day of July and ends on the thirtieth day of June of each calendar year. The Charter provides that, at least thirty-five days prior to the beginning of each budget year, the Town Manager "shall submit to the Council a budget and explanatory budget message. The Council shall be limited to the final determination of the total appropriation to be made to each of the several offices, departments and agencies of the Town, including the Department of Education."

The Charter further provides that the Manager's budget will be reviewed by the Town Council, which shall approve the budget with or without amendments. The Council is required to hold a public hearing on the budget. Following the hearing, the Council is required to adopt the budget, "with or without change", no later than sixty days from the beginning of the fiscal year. In the event the Council shall fail to adopt the budget within the said sixty-day period, the budget as presented by the Manager shall automatically become the budget for the fiscal year.

Article V, Section 506, of the Charter states that "the Town Council shall make a gross appropriation for each department, including the School Department, for the ensuing municipal year." The gross appropriation for each department cannot be exceeded except by consent of the Council. Furthermore, the school budget is to be expended under the direction and control of the School Board.

During the budget year, the Town Council has the authority to make supplemental appropriations in order to cover unforeseen or emergency expenditures. The Charter also gives the Council authority to transfer amounts between departments within the budget. Finally, Article III, Section 302.2, provides that once a budget is adopted by the Council, the Town Manager is responsible for its administration.

The Town Manager submits the budget to the Town Council for review in May or earlier. After their review and changes, the Council holds a public hearing and adopts the budget. As noted above, the new budget goes into effect on July 1st.

Further inquiries regarding the budget and the budget process may be made by contacting either the Town Manager, Nathan Poore, Finance Director, Robert Boschen, or Budget/Purchasing Director, Randy Davis at 781-5253.