

Article ___: FINANCE AND FISCAL PROCEDURES

SECTION ___-1: FISCAL YEAR

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

SECTION ___-2: JOINT MEETING

The mayor shall call a joint meeting of the town council, school committee, superintendent of schools, and _____ before the commencement of the budget process to review the financial condition of the town, revenue and expenditure forecasts and other relevant information prepared by the mayor in order to develop a coordinated budget.

Comment [T1]: Do we want to call this the Budget Coordinating Group? Who else should be included?

SECTION ___-3: SCHOOL COMMITTEE BUDGET

The proposed budget adopted by the school committee shall be submitted to the mayor at least 21 days before the date the mayor is required to submit a proposed municipal budget to the town council.

Comment [T2]: Do we want to have a specific timeline here?

SECTION ___-4: PUBLIC FORUM

Before submitting a proposed operating budget to the council, the mayor shall hold a public forum on the topic of the budget intended to present the public with context and relevant information as well as solicit feedback from the public.

SECTION ___-5: SUBMISSION OF BUDGET

Not later than 60 days before the start of the municipal's fiscal year, the mayor shall submit to the town council a proposed operating budget for the ensuing fiscal year with an accompanying budget message and supporting documents. The mayor shall simultaneously have the entire document posted to the town bulletin board.

Comment [T3]: Do we want specificity here? If so, is 60 days appropriate?

SECTION ___-6: THE BUDGET

- a) Budget Message: The budget message of the mayor shall explain the budget for all municipal agencies both in fiscal terms and in terms of work programs. It shall outline proposed financial policies of the town for the ensuing fiscal year, describe important features of the budget, indicate any major variations from the current fiscal year in financial policies, expenditures and revenues, together with the reasons for these changes, summarize the town's debt position, and include other material that the mayor considers desirable, or that may be required by the provisions of a municipal ordinance.
- b) Proposed Operating Budget: The proposed operating budget shall provide a complete financial plan for all town funds and town activities for the ensuing fiscal year. Except as may otherwise be required by general law or this charter, it shall be in the form that the mayor considers desirable or that a town bylaw may require. In the presentation of the budget, the mayor shall use modern concepts of fiscal presentation so as to furnish an optimum level of information and the best financial control. The budget shall show in detail all estimated income from the proposed property tax levy and from all other sources and all proposed expenditures, including debt service, for the fiscal year. The budget shall be arranged to show the actual income and expenditures for

the previous three fiscal years and the estimated income and expenditures for the current and ensuing fiscal years and shall indicate in separate sections:

- i. Proposed expenditures for current operations during the ensuing fiscal year, detailed by municipal agency and position, in terms of work programs, and the method of financing such expenditures;
- ii. Proposed capital expenditures during the ensuing fiscal year, detailed by municipal agency, and the proposed method of financing each capital expenditure;
- iii. The relationship of each proposed capital expenditure to the capital improvement program required to be submitted under Article VI, section 10; and,
- iv. Estimated surplus revenue and free cash at the end of the current fiscal year, including estimated balances in any special accounts established for specific purposes.

Comment [T4]: Change according to structure.

Comment [T5]: Consider deleting as very detailed and proscriptive.

SECTION __-7: ACTION ON THE BUDGET

- a) Public Hearing: Immediately upon its receipt of the proposed operating budget, the town council shall refer the budget to the town council's Finance subcommittee. The Finance subcommittee shall hold a public hearing on the proposed operating budget, providing no less than 10 days' notice of such hearing. The committee will thoroughly review the budget making a presentation and recommendation to the full town council within 21 days.
- b) Finance subcommittee: The Finance subcommittee of the town council shall consider any or all questions which it deems appropriate for the purpose of considering the budget. It shall have authority at any time to investigate the books, accounts, and management of any department of the town and to require officers and employees of the town to appear before it and to provide information.
- c) Review: The town council shall consider the budget in open public meetings after the Mayor and Finance subcommittee make presentations to the full council.
- d) Action by Town council: The town council shall adopt the budget, with or without amendments, within 21 days after the day the proposed budget was reported out by its Finance subcommittee. In amending the budget, the town council may delete or decrease any programs or amounts except expenditures required by law, or for debt service, but the town council shall have no authority to add programs or increase amounts. If the town council fails to take any action with respect to any item in the proposed budget within the 21-day period that amount shall, without any action by the town council, become a part of the appropriations for the ensuing fiscal year and shall be available for the purposes specified. The vote to approve the budget shall be on a roll call vote.

Comment [T6]: Do we want this specified timeline?

Comment [T7]: Do we want this specific timeline?

SECTION __-8: SUPPLEMENTARY BUDGETS, OTHER APPROPRIATIONS

Whenever the mayor shall submit to the town council a request for a new appropriation of any sum of money, either as a supplement to some item in the annual operating budget or for an item, or items, not included in the annual operating budget as adopted, the town council shall not act upon the request until it has (1) been reviewed by the Finance subcommittee, (2) been posted on the municipal bulletin board for a minimum of 10 days and (3) held a public hearing concerning the request. The publication of the notice and the public hearing shall be in conformity with Article II concerning the proposed annual operating budget.

SECTION __-9: CAPITAL INVENTORY AND CAPITAL IMPROVEMENT PROGRAM

- a) The mayor and town council shall be active stewards of Framingham’s physical assets.
- b) Capital Inventory: The mayor shall establish and update not less frequently than annually an inventory of significant capital assets such as buildings, infrastructure (water, sewer, storm water, and roads), moveable equipment and such other property as determined by ordinance. The town council shall by ordinance establish the requirements of the inventory, such as age, condition, maintenance and repair history, remaining useful life and other features as the town council may deem appropriate.
- c) Contents Capital Improvement Program: The mayor shall create a capital improvement program, which shall include: (i) a clear summary of its contents; (ii) a list of all capital improvements proposed to be undertaken during the next 5 fiscal years with supporting data and rationale; (iii) cost estimates, method of financing and recommended time schedules; and (iv) the estimated annual cost of operating and maintaining the facilities and/or equipment included. The above information shall be revised and extended each year.
- d) Participatory Budgeting: A portion of no less than ____% of the capital budget shall be allocated to projects that are initiated by and voted upon by the residents of Amherst.
- e) Submission: The mayor shall prepare and submit to the town council the inventory and the 5-year capital improvement program at least 6 months prior to the mayor’s submission of the next fiscal year’s operating budget.
- f) Public Hearing: The town council shall make the proposed capital improvement program available to the public and shall hold at least one public hearing on the capital improvement program.
- g) Adoption: After the public hearing, concurrently with the passage of the next fiscal year’s budget, the town council may amend and shall, by resolution, adopt the capital improvement program with or without amendments.
- h) Annual Report: The mayor shall annually report on the town’s progress regarding the capital improvement program.

Comment [T8]: This can be expanded a little and may want to include language that neighborhood area councils shall be the methods by which people vote on this portion of the budget.

SECTION __-10: INDEPENDENT AUDIT

The town council shall annually provide for an outside audit of the books and accounts of the town to be conducted by a certified public accountant or a firm of certified public accountants, which has no personal interest, direct or indirect, in the fiscal affairs of the town or any of its officers. The mayor shall annually provide to the town council a sum of money sufficient to satisfy the estimated cost of conducting the audit as presented to the mayor, in writing, by the town council. The award of a contract to audit shall be made by the town council on or before September 15 of each year. The clerk of the council shall coordinate the work of the individual or firm selected. The report of the audit shall be filed in final form with the town council not later than March 1 in the year following its award.

SECTION __-11: CONTRACTS

All contracts entered into by, for, or on behalf of, the town by any officer or town agency shall be subject to the approval of the mayor.

SECTION __-12: STRATEGIC INITIATIVES AND FINANCIAL OVERSIGHT COMMITTEE (SIFOC)

There shall be a Strategic Initiatives and Financial Oversight Committee (SIFOC) to advise the mayor, town council and school committee on the status of Framingham’s long range strategic plan in accordance with Article III, section 11(b), the state of the municipal economy, sufficiency of municipal

revenues, and other fiscal matters that may from time to time be referred to it by the mayor, town council or school committee. The Committee shall be comprised of nine members appointed to staggered three-year terms, three chosen by the town council, three chosen by the school committee, and three chosen by the mayor, including its chair. Members shall be residents of the town and shall not hold any other elected or appointed office in the town and shall not receive any compensation. Each appointing authority shall select at least one member with expertise in finance and one member who is a member of the local business community. SIFOC will report annually to the mayor, town council, and school committee and shall file all of its reports with the town clerk.