

# **Town of Wales**

## **Finance Committee Report for FY 2013**

### **OVERVIEW**

The Wales Finance Committee has worked very hard this year to develop a fiscally sound budget that meets the town departments' needs with the limited resources available to the town, without overburdening the taxpayers. Together with the Capital Improvement Planning Committee, we have also assisted in setting aside funds for future capital investments (Capital Stabilization) and have increased our emergency savings account (General Stabilization).

We would like to thank the Board of Selectmen and other members of the Financial Management Team for their assistance in developing the FY13 Budget. Additionally, we received more budgets on time this year than we have in many years; the Finance Committee would like to thank each of the Departments, Boards and Committees who helped in this effort. We would also like to thank the residents of Wales for their cooperation and support. It continues to be especially valuable as we navigate these challenging times.

### **FY13 DETAILED BUDGET REMARKS**

FY12 was very different from prior years due to the unusual amount of weather-related events. Unfortunately, these weather events created some unexpected costs to the Town, including \$9,391.92 for Hurricane Irene and \$72,453.12 for the October 2011 Snowstorm. Part of these costs will need to be paid for within the FY13 budget. Additionally, in recent years we have become accustomed to very small increases in the school budgets. This year will be different as there are some significant increases from the Elementary School for which State law requires the Town to cover. There will also be a substantial increase in the Tantasqua budget due to an increase in the number of students from Wales.

Last year, the Finance Committee began reviewing departmental budgets and salaries as an overall audit process. This year, the Committee continued this process and paid special attention to the Council on Aging (i.e. Senior Center) and the Library. Additional details for these changes can be found in the meeting minutes posted to the Town of Wales website. During the upcoming year, we hope to continue reviewing additional departments, boards and committees as time permits.

We'd like to highlight the removal of the following line items from the FY13 budget: Financial Audit & Dam Inspections. These two expenses occur every 3 and 5 years, respectively. The Finance Committee, together with the Town Accountant, have agreed to co-sponsor two articles, one for each expense. These articles will replace the line items that currently exist in the full budget. This change will not increase or decrease town expenses, but will be done via warrant articles to simplify the process of setting aside funds for these expenses.

A new Police Dept. New Equipment line item was added and funded at \$3,500 to allow the department to begin replacing outdated equipment over time. Currently, there is not a line item or funding available for these kinds of expenses. This line item is consistent with the New Equipment line item currently available to the Fire Department. Additionally, the Police Salary line items were increased to support a request for additional working hours. Hourly rates will not be increased beyond the standard increase.

Per the request of the Highway Commissioner, the following changes were made to the Highway Dept. Town Garage & Maintenance line item: The Town Garage heating expenses of approximately \$5,500 have been transferred from the Highway Dept. budget over to the Fire Dept. budget as this is not an expense of the Highway Dept. This change does not represent an increase to the town budget. \$300 will remain in this account for small building repairs and upkeep.

A new line item was added to the Fire Dept. budget, Fire Dept. Engineer, to be funded at \$1,000. This amount was transferred out from the currently existing Members Salary line item. This change does not represent an increase or decrease to the Fire Dept. budget.

## **BUDGET FORMAT**

The format of the Town of Wales budget is a long-standing format and has served the Town well. However, we felt that it was time for an update. First, categories have been sorted and named to better resemble the Uniform Massachusetts Accounting System. Except as otherwise noted, no line items have been added to or removed from the budget. Second, and more importantly, the Budget Outline has also been updated to better summarize both Expenses and Revenue projections. We trust these changes will be improvements in the readability of the budget and in the understanding of it.

Finally, we are very pleased to welcome Howard Whyte & Valerie Bernier as new members of the Finance Committee!

Very truly yours,

### **The Wales Finance Committee**

Bonnie Jean, Chair

Judy McKain

Roy Lainson

Valerie Bernier

Howard Whyte