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PROPOSED FY18 BUDGET MESSAGE & BUDGET DEVELOPMENT GUIDELINES

The Barnstable County Commissioners, in preparation of the Barnstable County Regional Government Annual Budget FY19, would like to take this opportunity to first and foremost thank the County Administrator, Finance Director, Staff and Departments Heads for their efforts in achieving the outstanding Standard and Poor Bond Issuance Rating of AA.

All of you should see this effort as a Report Card, and achieving the rating of AA did not come without sacrifice through the FY18 Budget preparation.

However; let's not enjoy spring break yet. Much work lies ahead to maintain this excellent rating and continue, as promised to S&P during their review, to establish standards, policies, procedures and practices that will assure a long future for County Government.

As we begin to prepare our FY19 Budget we are faced with many decisions that may impact the services we provide. With continuing decreases in revenue, and less grant opportunities, the County is faced with challenges similar to all the Towns across the Commonwealth such as rising Health costs past spending habits and adding settlement costs on litigation.

It is for these reasons the County Commissioners have compiled the following Budget Development Guidelines for our Administration and Departments. Most are self-explanator.

As we move forward with our space allocation and fulfilling the space requirements for our tenants, the County should be aware of true carrying costs of its Departments.

The County Commissioner strongly consider that Budget will no longer be balance with expenditures from Reserves. A practice the Board adopted in FY17.

Since the adoption of this practice, County reserves are beginning to become re-established. Now more than in recent years the Commissioners will maintain the practice of NOT balancing the Budget with reserve.

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1. Commissioners have adopted a New Hire Policy in July 2017; all Departments shall follow these Guidelines. Any proposed new positions must show a revenue increase directly related to the new position and adequately increase enough revenue to cover not only salary but related costs, i.e.; benefits, future COLA, OPEB. And follow the procedure in the New Hire Policy.
2. Any increase of hours of Part-Time employees. Any proposed increase of hours to a part-time employee shall be supported by a direct increase in Department Revenue to cover all related salary costs.
3. All departments shall continue reporting and Budget request similar forms. The Finance Department shall create a Budget form which all Departments shall use. (simple and same format)
4. The Budget submitted to the Commissioners and Assembly of Delegates shall not include the standard boiler plate “Goals, Objectives and Narrative” that have been included in the past. They can be available on line, or to any new elected official that requests them.
5. All Capital Budget Requests with funding source shall be listed on the Departments Request form, and compiled on a separate sheet with all projected bonding expenditures. These items shall be included in the FY18 Budget Ordinance, and a separate Bonding Ordinance shall be prepared listing each project and amount with term of Bond anticipation. Capital Bonding Budget shall follow the time line within the County Charter.
6. Each Department shall continue to allocate an estimate of related cost of Utilities, Phone service, Custodial Service as relates to the space allocated to the Department. This exercise will begin to establish the future true costs of each Department and be a useful tool in the allocation of space, and ability of County Departments becoming self-sustaining.
7. The Budget shall contain a line item of Debt Budget, i.e. principal and interest on debt. A recurring funding source should be allocated for this continuing expense. Staff is requested to attempt to address this allocation for future bonding expenses.
8. Staff shall continue to address the outstanding Bonding of projects that have been completed with budgeted and available revenue. This includes the re-vote of Ordinances to change funding from Bonding to a funding source such as Stabilizations Fund, Other Available Funds, Reserves, or sources recommended by the Finance Director, and reconsideration on votes of projects not yet started.
9. The Budget shall reflect (if any) the effects of the new State and Federal laws that deal with Earned Sick Time, Overtime Calculation, Health related increases and Massachusetts Wage & Hour Laws. Staff shall continue to keep the Commissioners informed as to any changing laws and their effect on County operation.
10. The FY19 Budget shall be balanced with projected Revenues with consideration the use or transfer of Reserves, or new Tax increase.
11. The County Commissioners plan to create a 3-year Strategic Plan for Barnstable County. Staff shall review all services related to their Departments and establish a Cost vs Effectiveness of these services. This exercise will aid the Commissioners in establishing a Strategic Plan.

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12. In the event the Early Retirement Plan is offered to staff by the Commissioners, the New Hire Policy shall be followed for purpose of back filling vacancies.
13. Projected Revenues shall reflect, along with other projection tools and practices, a three-year average of actual Revenue collected. Consideration of unusual years maybe be noted.
14. Each Department shall identify a reduction within their respective Budgets in the event the Commissioners are faced with Budget Deficit steaming from rising fixed cost such as Health, operating costs and possible litigation settlement costs.
15. Staff shall continue to identify a fixed funding source to be allocated to OPEB reserve account.
16. Staff need to evaluate all positions which have been established using a Grant funding source, each position and Grant shall be reviewed to determine that the County still receives Grant funding and is adequate to cover the expense of the Position. Positions which have been determined the Grant Funding is coming to an end, or ended, will need to be re-evaluated as to their continuing funding within the General Fund of the Budget. New funding sources shall be identified for their continuing support.
17. Each Department shall explore all services under its jurisdiction and explore possibilities of reorganization within the Department, County Government and other State and Federal agencies to limit the Counties Liability and better provide the service.

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