

## Revolving Funds By-law

Adopted ATM May 15, 2017 – Article 3

1. Purpose: This by-law establishes and authorizes revolving funds for use by town departments, boards, committees, agencies or officers in connection with the operation of programs or activities that generate fees, charges or other receipts to support all or some of the expenses of those programs or activities. These revolving funds are established under and governed by General Laws Chapter 44, § 53E½.

2. Expenditure Limitations. A department or agency head, board, committee or officer may incur liabilities against and spend monies from a revolving fund established and authorized by this by-law without appropriation subject to the following limitations:

- A. Fringe benefits of full-time employees whose salaries or wages are paid from the fund shall also be paid by the fund [except for those employed as school bus drivers].
- B. No liability shall be incurred in excess of the available balance of the fund.
- C. The total amount spent during a fiscal year shall not exceed the amount authorized by town meeting on or before July 1 of that fiscal year, or any increased amount of that authorization that is later approved during that fiscal year by the Board of Selectmen and Advisory & Finance Committee.

3. Interest. Interest earned on monies credited to a revolving fund established by this by-law shall be credited to the general fund.

4. Procedures and Reports. Except as provided in General Laws Chapter 44, § 53E½ and this by-law, the laws, by-laws, rules, regulations, policies or procedures that govern the receipt and custody of Town monies and the expenditure and payment of Town funds shall apply to the use of a revolving fund established and authorized by this by-law. The Town Accountant shall include a statement on the collections credited to each fund, the encumbrances and expenditures charged to the fund and the balance available for expenditure in the regular report the Town Accountant provides the department, board, committee, agency or officer on appropriations made for its use.

5. Authorized Revolving Funds. The Table establishes:

- A. Each revolving fund authorized for use by a town department, board, committee, agency or officer;
- B. The department or agency head, board, committee or officer authorized to spend from each fund;
- C. The fees, charges, and other monies charged and received by the department, board, committee, agency or officer in connection with the program or activity for which each fund is established that shall be credited to each fund by the Town Accountant;
- D. The expenses of the program or activity for which each fund may be used;
- E. Any restrictions or conditions on expenditures from each fund;
- F. Any reporting or other requirements that apply to each fund; and,
- G. The fiscal years each fund shall operate under this by-law.

### DEPARTMENTAL REVOLVING FUNDS

A Revolving Fund	B Department, Board, Committee, Agency or Officer Authorized to Spend from Fund	C Fees, Charges, or Other Receipts Credited to Fund	D Program or Activity Expense Payable from Fund	E Restrictions or Conditions on Expenses Payable from Fund	F Other Requirements/ Reports	G Fiscal Year
Town Nursing Program	Board of Health	Fees charged for flu clinics	The costs of purchasing medical supplies in	N/A	N/A	Fiscal Year 2018 and

		and other fee programs	in conjunction with conducting flu clinics, rabies clinics and other departmental programs and for any purposes incidental thereto			subsequent years
Vacant & Foreclosing Properties	Board of Health	Funds collected for the administration of Town of Somerset By-law concerning Vacant and Foreclosing Properties	The costs of administering said regulations, and performing remediation and maintenance work as needed and authorized by law, and for any purposes incidental thereto	N/A	N/A	Fiscal Year 2018 and subsequent years
Library's Lost and/or Damaged Materials Program	Board of Library Trustees	Fees charged for lost and/or damaged library materials	The costs of replacing lost and/or damaged library materials, and for any purposes incidental thereto	N/A	N/A	Fiscal Year 2018 and subsequent years
Hazardous Materials	Board of Selectmen/Fire Department	Fees charged for disposal of Haz-Mat materials	The purchase of Haz-Mat equipment and/or any incurred Haz-Mat related expenses, and for any purposes incidental thereto	N/A	N/A	Fiscal Year 2018 and subsequent years
Emergency Medical Services	Fire Chief	Fees charged for Emergency Medical Services	The costs associated with the operation of emergency medical services, including salaries and/or wages of Firefighter/Paramedics, overtime costs, medical supplies, related emergency vehicle payments, medical director fees and for any purposes incidental thereto	N/A	N/A	Fiscal Year 2018 and subsequent years
Early Childhood Program	School Department	Tuition charges and enrollment fees for preschool program.	Salaries and/or wages of faculty and staff; supplies and equipment expenditures related to operating the preschool program	Salaries and/or wages for preschool faculty only; supplies and equipment expenditures for the preschool program only are to be charged to this fund	N/A	Fiscal Year 2018 and subsequent years
<b>A Revolving Fund</b>	<b>B Department, Board, Committee, Agency or Officer Authorized to Spend from Fund</b>	<b>C Fees, Charges, or Other Receipts Credited to Fund</b>	<b>D Program or Activity Expense Payable from Fund</b>	<b>E Restrictions or Conditions on Expenses Payable from Fund</b>	<b>F Other Requirements/ Reports</b>	<b>G Fiscal Year</b>
Creative Arts Program	School Department	Fees charged and received by the School Department for creative arts program,	Salaries and/or wages of faculty and staff; supplies and equipment expenditures related to operating a creative arts program	N/A	N/A	Fiscal Year 2018 and subsequent years

		including performing arts and music				
Transportation Program	School Department	Fees charged and received by the School Department for busing transportation.	Expenditures related to contractual services to offset transportation costs for the School Department.	Expenditures to offset costs of contracted services only	N/A	Fiscal Year 2018 and subsequent years
School Choice	School Department	Cost share of tuition charges and enrollment fees for the before and after school extended day program	Salaries and/or wages of faculty and staff; supplies and equipment expenditures related to operating the School Department that is allowable under the Department of Education regulations related to School Choice Programs	Education expenditures that benefit the student population as a whole or specific building only. Cannot be used to offset contracted transportation expenditure. Funds received after the school budget for fiscal year is submitted must be accounted for in the next year's budget	N/A	Fiscal Year 2018 and subsequent years
Before & After School Care	School Department	Cost share of tuition charges and enrollment fees for the before and after school extended day program	Various operating expenditures of the School Department.	N/A	N/A	Fiscal Year 2018 and subsequent years
Use of School Property	School Department	Fees collected by outside renters to utilize the School Department buildings and athletic fields.	Expenditures related to custodial costs, utilities, ordinary repairs and maintenance of the school facilities	N/A	N/A	Fiscal Year 2018 and subsequent years

Expenditures from each revolving fund set forth herein shall be subject to the limitation established annually by Town Meeting or any increase therein as may be authorized in accordance with M.G.L. c.44, §53E½.

A true copy attest;

Dolores Berge, Town Clerk