

**DRAFT 2-10-17**  
**Departmental Revolving Fund By-law**

**Purpose**

This by-law establishes and authorizes revolving funds for use by town, departments, boards, committees, agencies and 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 Massachusetts General Laws Chapter 44, §53E½.

**Expenditure Limitations**

A department or department manager, 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:

1. Full-time employee salaries shall not be charged to the fund unless fringe benefits associated with full-time employees are also charged to the fund.
2. No liability shall be incurred in excess of the available balance of the fund.
3. The total amount spent during a fiscal year shall not exceed the amount authorized by Annual Town Meeting on or before July 1 of that fiscal year, or any increased amount of that authorization that is later approved during the fiscal year by the Selectboard and Finance Committee.

**Interest**

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

**Procedures and Reports**

Except as provided in Massachusetts General Laws Chapter 44 §53E½ and this by-law, the laws, charter provisions, 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 the fund, the encumbrances and expenditures charged to each 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.

**Authorized Revolving Funds**

<b>REVOLVING FUND</b>	<b>REVENUE SOURCE</b>	<b>AUTHORITY TO SPEND FUNDS</b>	<b>USE OF FUNDS</b>	<b>FISCAL YEARS</b>
Student Transportation	Bus Fees	School Committee	To defray expenses related to student transportation.	2018 & subsequent years

Preschool Program	User Fees	School Committee	To defray expenses related to Preschool Program services.	2018 & subsequent years
Fire Alarm	Alarm Fees	Lincoln Fire Department	To defray expenses related to fire alarm services.	2018 & subsequent years
Affordable Housing	Rental Income	Housing Commission	To defray expenses for maintenance and rehabilitation of town-owned affordable homes, to cover administrative costs of running the housing program, and to defray miscellaneous costs of memberships and training for the housing commission members, staff, and members of related boards.	2018 & subsequent years
Firearms Licenses	Firearm Fees	Lincoln Police Department	To defray expenses related to the administration of the firearms licensing program.	2018 & subsequent years
Ambulance	Service charges	Lincoln Fire Department	To defray expenses related to ambulance service operations and to build the balance in the fund to offset the purchase of a future ambulance.	2018 & subsequent years
Parks & Recreation	Parks & Rec Fees	Parks & Recreation Committee	To defray expenses related to Town activities organized or sponsored by the Parks & Recreation Committee.	2018 & subsequent years
Transfer Station/Recycling	Recycling Program receipts	Highway Department	To defray expenses related to transfer station operations.	2018 & subsequent years
Codman Farmhouse	Lease Fees	Board of Selectmen	To defray expenses related to the care and maintenance of the Codman Farmhouse.	2018 & subsequent years