

BOOTHBAY HARBOR BUDGET POLICY ON COMMUNITY SUPPORT ORGANIZATIONS

Each year the Budget Committee and Select Board review funding support requests from nonprofit and other community support organizations. While the goals of these organizations are always laudable, some organizations are appropriate for taxpayer support and some are not. Consequently, the Budget Committee and Select Board typically recommend that the town vote to provide some taxpayer dollars to a very limited number of nonprofit and/or community support organizations in the annual budget.

Below are the general guidelines that the Budget Committee and Select Board use to determine which nonprofits or community support organizations should be recommended to receive taxpayer support:

1. Local organizations are generally favored over regional and national organizations. A significant portion, if not the majority, of the organization's benefit should be focused on the Boothbay region.
2. The organization should provide direct or indirect benefits to a significant number of Boothbay Harbor taxpayers.
3. Taxpayer support is more likely to be recommended for organizations that provide a unique service or activity in the community that is not provided by municipal government, other local nonprofits or community support organizations. These benefits, which should enhance the welfare, safety, economy, health care, or education of the residents, must be appropriate for town government and provide a suitable return on the tax dollars invested.
4. Boothbay Harbor taxpayer funding must not be the only source of funding for the organization. The financial records of the organization should demonstrate evidence of diverse funding streams that include details on organizational fundraising efforts from private and public donors.
5. As part of the budget deliberation process, the Budget Committee and Select Board will review applications from new organizations requesting support; however, new applications must demonstrate that the organization is providing a unique and compelling service that warrants the addition of a new nonprofit or community support organization to the annual budget. With all town budget categories, including funding to community support organizations, the town strives to limit any increases from one year to the next; thus a decision to fund a new organization is more the exception than the rule. A decision not fund a request from a new organization should not be interpreted as expressing an opinion on the importance or quality of the services provided by the organization.
6. Recommendations for funding are not automatic from one budget cycle to the next. The Budget Committee and Select Board have broad discretion in determining the final amount recommended for inclusion in the budget. Every organization seeking support must submit an updated request with a detailed justification by the submission deadline. Unless there have been material changes in an organization's makeup, operating rules, or service obligations, the town will generally not provide any funding increase from year to year that exceeds the CPI (consumer price index). The town may choose to decrease funding to an organization from one year to the next based on the town's financial strength or funding priorities.