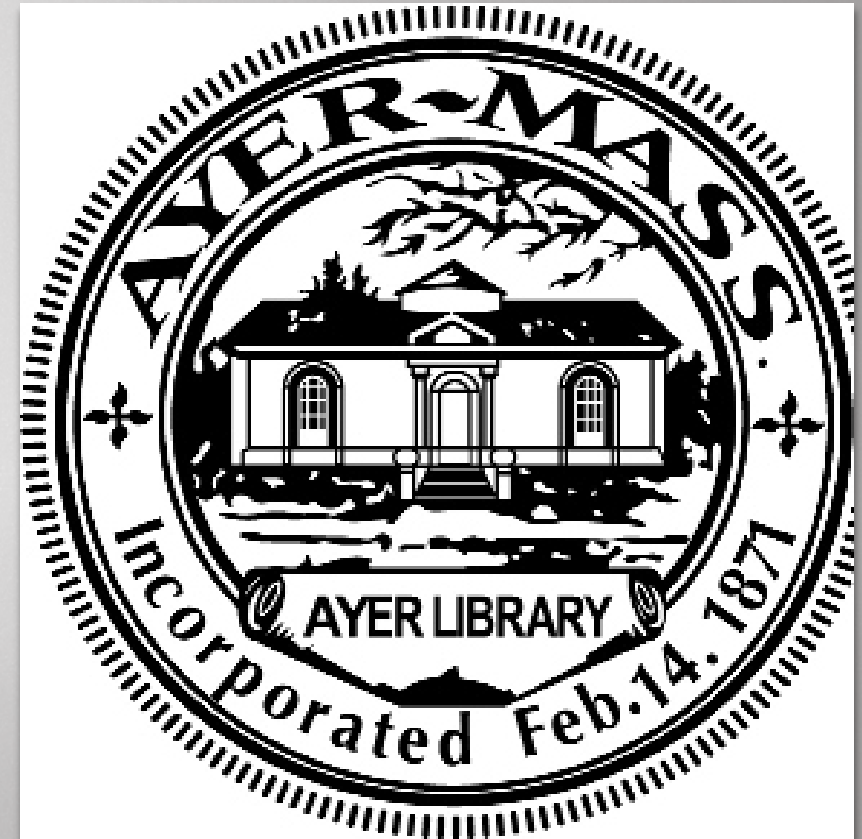


Town of Ayer Second Presentation of the FY 2023 Omnibus Budget

**Robert A. Pontbriand, Town Manager
Lisa A. Gabree, Finance Manager (Retired)**

March 16, 2022

**Online Public Presentation to the
Ayer Select Board and Finance Committee**



BUDGET PROCESS AND BUDGET CALENDAR

The municipal budget cycle starts on July 1 and ends on June 30. This is referred to as a fiscal year.

For example, Fiscal Year '23 begins on July 1, 2022 and runs to June 30, 2023.

The Town of Ayer begins budget preparation in October/November for the following July 1.



October

- Town Manager sends out Capital Planning Directive
- Union Negotiations Begin



November

- Capital Budget Requests Due
- Town Manager sends Operating Budget Directive



December

- Tax Classification Hearing
- Capital Planning Comm. begins to review requests
- Operating Budgets due from departments



January

- First Draft of Budget sent to SB and Fin. Com.
- Town & Fin. Managers meet with depts.
- Budget Presentation
- ATM warrant opened




February

- Rate Review Comm. meets
- Major budget drivers such as health insurance and school assessments begin to take shape



March

- Union negotiations end
- SB holds Rate Hearing for Water/Sewer
- 2nd budget presentation



April

- ATM Warrant Closed
- ATM Warrant approved by SB
- CPC Estimated Revenues
- ATM – April 25, 2022
- Final Budget Voted on at ATM



May

- Annual Town Election Held
- May 10, 2022

Town of Ayer Financial Strengths

The Town of Ayer is in
a Strong Position of
Fiscal Stability and
Financial Strength

<u>Fund</u>	<u>Balance</u>
2021 Certified Free Cash	\$2,528,927
2021 Stabilization Fund	\$2,684,322
2021 Capital Stabilization Fund	\$2,787,812
2021 Standard and Poor (S & P) Bond Rating	Aa2
S & P Rating Includes Findings of: Very strong economy. Strong management with good financial policies and practices. Healthy Reserves.	

FY 2023 Reserve Fund: \$300,000

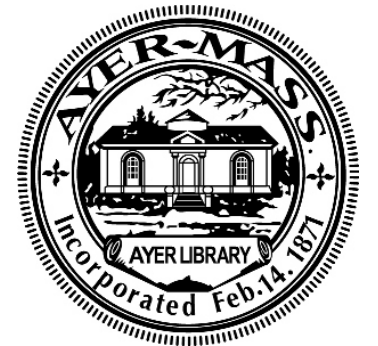
The Reserve Fund is governed by State Law (MGL Chapter 40, Section 6) and the Town's Financial Policies. Requires public review and approval by the Finance Committee and Select Board (for most Town Departments) when not requested by an Elected Official.

The Reserve Fund is for the purposes of the Town to address extraordinary or unforeseen budget impacts that may occur during the year.

Until the COVID Pandemic (FY 2021) the average Reserve Fund amount was \$150,000. The Reserve Fund was increased to \$300,000 due to the Pandemic

Recommendation to continue \$300,000 for FY 2023 is based on:

- Current economic uncertainty, specifically inflation
- Unforeseen/ongoing potential COVID-19 impacts
- Current increasing cost trends for fuel/energy
- Current volatility and uncertainty in commodity costs and supply chain delays





History of School Budget Assessments



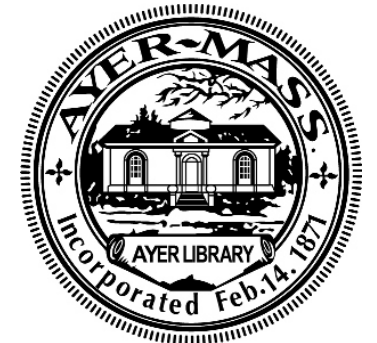
<u>FY</u>	<u>Assessment</u>	<u>%</u>
2023	\$12,244,196	4.03%
2022	\$11,769,808	2.12%
2021	\$11,525,813	3.71%
2020	\$11,113,083	3.92%
2019	\$10,693,991	3.14%
2018	\$10,368,598	2.92%
2017	\$10,074,800	2.77%
2016	\$9,803,576	5.80%
2015	\$9,266,326	
<u>Average Annual Increase</u>		<u>3.55%</u>

<u>Assessment</u>	<u>%</u>
\$1,010,957	5.95%
\$954,555	9.63%
\$870,317	13.88%
\$764,256	12.30%
\$680,545	7.56%
\$632,697	-13.47%
\$731,147	3.67%
\$705,284	20.87%
\$583,509	
<u>Average Annual Increase 7.54%</u>	

History of Omnibus Budget Increases

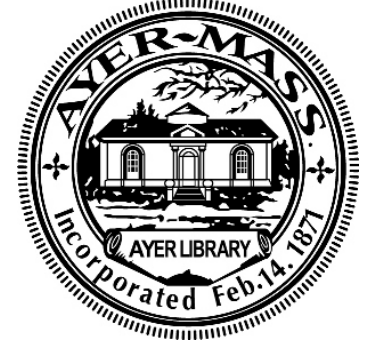
<u>Fiscal Year</u>	<u>Omnibus (ATM)</u>	<u>Percent Increase</u>
2022	\$16,293,201	4.26%
2021	\$15,626,301	3.30%
2020	\$15,127,722	5.54%
2019	\$14,334,194	5.64%
2018	\$13,568,372	4.73%
2017	\$12,955,252	7.90%
2016	\$12,006,554	1.77%*
2015	\$11,797,952	5.06%
2014	\$11,229,899	

Average Annual Omnibus Percent Increase: 4.77%



**Note: FY 2016 STM Appropriated an additional \$248,158 resulting in a 4.20% increase*

FY 2023 Omnibus Budget Evolution



FY 2022 Omnibus Budget: \$16,293,201

DRAFT #1 of FY 2023 Budget (Jan. 14, 2022): \$16,980,667
Increase of \$687,466 or 4.22%

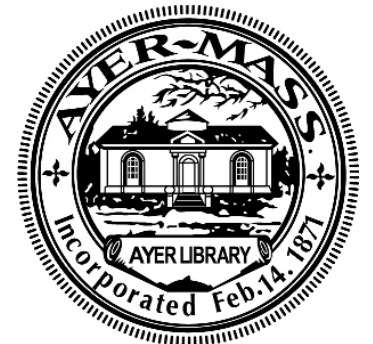
DRAFT #2 of FY 2023 Budget (Feb. 24, 2022): \$16,793,689
Increase of \$500,488 or 3.07%

DRAFT #3 of FY 2023 Budget (March 10, 2022): \$16,954,547
Increase of \$661,346 or 4.06%

Summary of DRAFT#3 of the FY 2023 Omnibus Budget

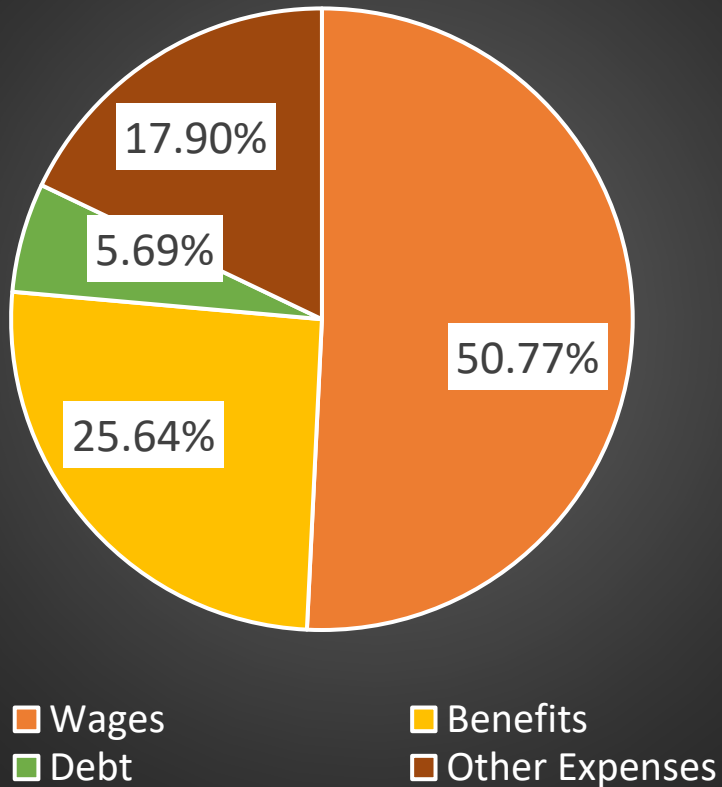
- Includes Funding for the Following New Positions: Social Worker; Town Manager/Select Board Office Admin Support; DPW Civil Engineer; Conservation/Planning Admin Support
- Includes 2% Cost-of-Living Adjustment (COLA)
- Includes FY 2023 Cost Impacts for Union Contracts: DPW; Fire; Police Sergeants
- Includes FY 2023 Cost Impacts for Non-Union Contracts: Town Manager; Assistant Town Manager; Building Commissioner; Facilities Director
- Includes FY 2023 Cost Impacts for Library Personnel Salary Reclassifications

<u>DRAFT #3 Budget Total:</u>	\$16,954,547
<u>Increase from FY 2022 Budget:</u>	\$661,346
<u>Percentage Increase from FY 2022:</u>	4.06%

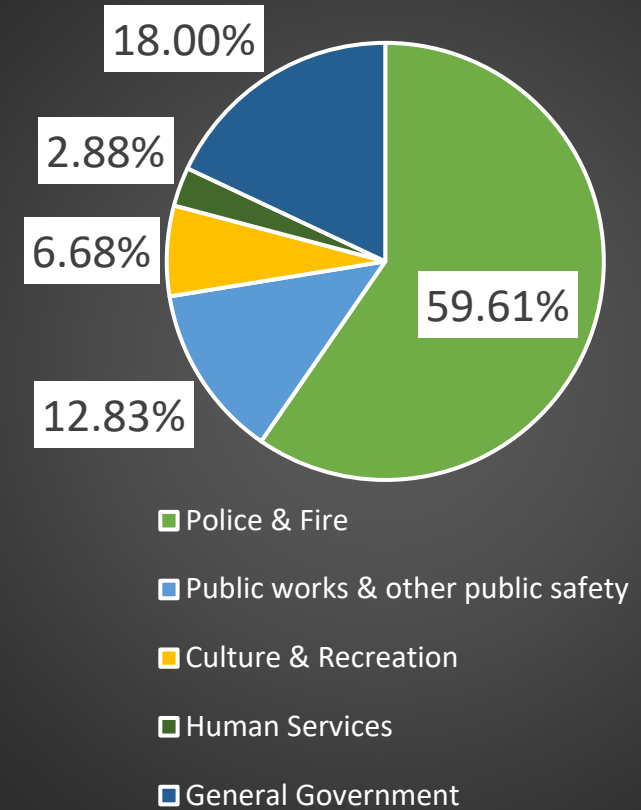


FY 2023 Wage and Expense Analysis

Omnibus Expenses



Wages



FY 2023 Omnibus Budget Drivers



The FY 2023 Omnibus Budget Drivers

• Proposed New Positions: 4 Full-Time	\$217,253
• Retirement Pension Assessment:	\$123,893
• Health Insurance:	\$128,071
• Firefighter SAFER Non-Grant Costs (4 New Firefighters):	\$96,743
• 2% COLA for all Non-Union; Call Firefighters; Paid Officials	\$50,000
• COA Food Program	\$25,850
• Increase in Zoning/Code Enforcement Hours:	\$28,800
• Library Wages (Includes Reclassifications of Positions)	\$26,031
• Tree Warden Services (Part of Tree Management Plan)	\$22,600
• Parks Department Administrative Support (Part-Time)	\$10,040
<u>Total (Estimated)</u>	<u>\$729,281</u>

Proposed New Full-Time Positions for the FY 2023 Budget

Town Social Worker (Full-Time)

\$65,000

Increase need and demand for professional social services including Senior services; addiction/substance abuse; housing/homelessness; food insecurity; mental health and health care issues

DPW Junior Engineer (Full-Time)

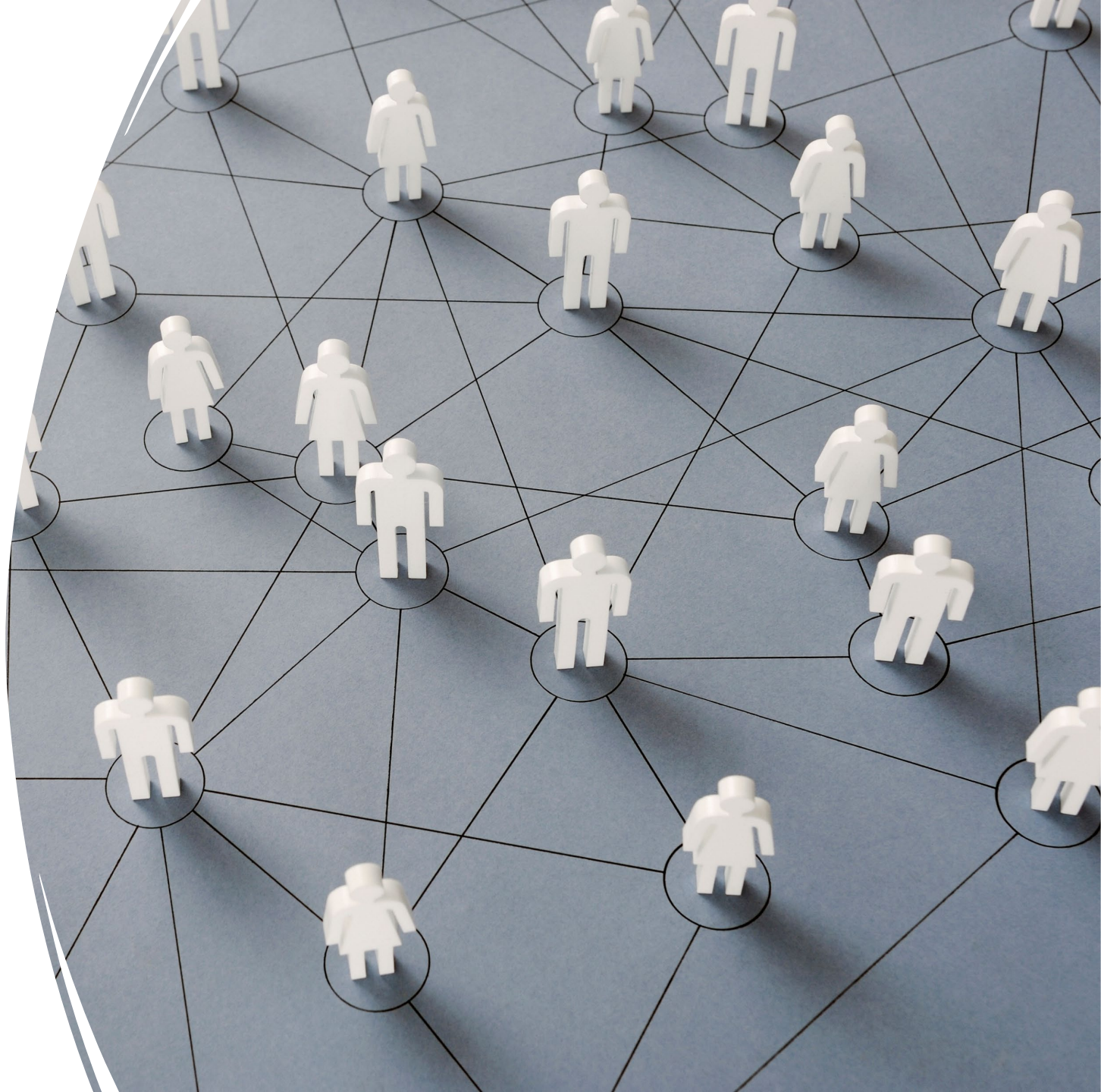
\$57,253

Additional engineering support to the DPW. Reduces reliance on consultants = cost savings. Would replace paid DPW internship program and funding of \$8,000 from Stormwater Budget efficiencies.

SB/TM Office Admin. Support (Full-Time)

\$50,000

Position would provide Administrative support for the Offices of the Select Board/Town Manager. Functions to include: clerical and office support; public inquiries and assistance; minute taking and processing for the various committees under the Select Board. Parking tickets; Notary services; Improved customer service.



An aerial photograph of a vast wetland landscape. A narrow, winding waterway, possibly a tidal creek or a small river, flows through the center of the image, meandering from the top towards the bottom. The surrounding land is covered in dense, low-lying vegetation, likely marsh grasses or sedges, which exhibit a range of colors from vibrant green to deep brown and reddish-brown, suggesting seasonal changes or different plant species. The water in the channel is a pale, milky white, indicating a high concentration of suspended sediment or silt. On the left side of the image, there is a large, irregular white shape that partially obscures the landscape, resembling a stylized map outline or a graphic element. The word "ions" is printed in a black, sans-serif font on this white area, positioned towards the top left.

Planning & Conservation Administrative Support (Full-Time): \$45,000

Recommended Uses of Free Cash

Certified Free Cash: **\$2,528,927**

Replenish UDAG for Depot Square
Per Feb. 8, 2022 Bi-Board

(\$65,000)

GASB 45-OPEB

(\$181,000) +\$119,000 Meals Tax = \$300,000

Forward Funding of
Pension Assessment

(\$300,000)

Compensated Absences
Reserve Fund

(\$50,000)

(\$13,837) *Replenishment of FY 2022 Payouts*

Capital Stabilization Fund

(\$1,519,090)

Stabilization Fund

(\$400,000) *Dedicate towards Year 4 of SAFER Grant*

\$0



FY 2023 Capital Budget Overview

Department

DPW-Highway

Item

Road Paving

Barnum Road Bridge Repairs

1-Ton Pick-Up Truck w/Plow



Amount

\$85,000

\$70,000

\$60,000

Facilities

VOIP Phone Upgrades and
Wiring for Buildings

\$65,000

Fire

Fire Department Vehicle

\$65,000

Parks

Pirone Park Playground Project

\$320,000

Police



Redesign Patrol Workspace

\$63,238

Sewer Enterprise

Portable Generator
(50% of cost split with Water)

\$75,000

Water Enterprise

New Well Source Approval
Portable Generator
(50% of cost split with Sewer)



\$120,000

\$75,000

Total: \$998,238

Debt Exclusion for Fire Engine (Pumper)

The Fire Chief submitted an FY 2023 Capital Requests for funding to replace the Fire Engine (Pumper). The Capital Planning Committee voted to recommend this capital project including the funding of \$805,000 subject to a debt exclusion per the Town's Financial Policies.

A debt exclusion requires the authorization of Town Meeting (an Article will be on the ATM Warrant and requires a simple majority vote by ballot at the Annual Town Election to be held on May 10, 2022. Presentation to be made at Town Meeting.

For more information on the Fire Engine (Pumper) please go to the FY 2023 Budget Page on the Town's website at www.ayer.ma.us/budget



FY 2023 Capital Budget Overview

The following are the FY 2023 Capital Budget Recommendations for funding from the Capital Stabilization Fund by the Capital Planning Committee

Department

DPW – Admin.

DPW-Highway

DPW-Stormwater

Facilities

Fire

Information Technology

Library

Police

Town Clerk

Water Enterprises



Item

Hybrid SUV

Sandy Pond Road Sidewalk Design
Highway Garage Roof Repair

Stormwater Biofilt./Outfall Imprvs.

Town Hall Slate Roof & Gutter Repair

Office Furniture
Training Room Audio/Visual Upgrade

Replace Town Hall Copier

Reading Room Plaster Ceiling Repair

Haz Mat Gear

Vault Repairs
Election Poll Pads

Meter Reader Vehicle



Amount

\$35,000

\$25,000
\$20,000

\$50,000

\$30,000

\$25,000
\$16,500

\$13,000

\$48,500

\$29,546

\$10,000
\$10,150

\$35,000

\$347,696

Raise and Appropriate Articles

First Year's Interest-General Fund Borrowing: Amount TBD

This Article would raise and appropriate the sum required to provide for the first- year interest charges associated with the administrative expenses on all General Fund borrowing/bonding authorized by the 2022 Annual Town Meeting.

Funding for Aquatic Weed Control for Town Ponds: \$30,000

This Article would raise and appropriate the sum of \$30,000 for the purposes of aquatic weed control for the Town's ponds as requested and administered by the Conservation Commission.

Matching Funding for Firefighters Grant: \$2,376.19

This Article would raise and appropriate the sum of \$2,376.19 as matching funds(5%) for a Federal Assistance to Firefighters Grant for Heavy Vehicle Extrication training. If the Town does not receive the grant, then this sum will not be raised and appropriated.



Next Steps in the FY 2023 Budget Process



Questions and Further Information

FOR MORE INFORMATION ABOUT THE FY 2023 BUDGET: VISIT THE TOWN MANAGER'S "2023 BUDGET PAGE" ON THE TOWN'S WEBSITE AT: AYER.MA.US/BUDGET

CONTACT THE TOWN MANAGER AT (978) 772-8220 OR AT TM@AYER.MA.US

ATTEND THE 2022 ANNUAL TOWN MEETING ON MONDAY, APRIL 25, 2022 AT 7PM IN THE AUDITORIUM OF THE HIGH SCHOOL

[Home](#) » [Departments](#) » [Town Manager](#)



FY2023 Budget

Documents:

Budget and Town Meeting Calendar	11/15/2021
Budget Preparation Directive and Process	12/1/2021
FY23 DRAFT Budget #1	1/14/2022
Public Budget Forum - January 26, 2022 6:00pm	1/26/2022

Capital Requests:

- [Summary of Capital Planning Requests](#)
- [Summary of Capital Planning Request Votes](#)

Presentations:

- [DPW](#)
- [Depot Square](#)
- [Facilities](#)
- [Information Technology](#)

Departmental Requests

- [Council on Aging](#)
- [Depot Square](#)
- [Department of Public Works](#)
- [Facilities](#)
- [Fire Department](#)
- [Information Technology](#)
- [Library](#)
- [Parks Department](#)
- [Police Department](#)
- [Town Clerk](#)

