

Office of the Select Board
Office of the Town Manager



Town of Ayer| Ayer Town Hall| 1 Main Street| Ayer, MA 01432|978-772-8220| www.ayer.ma.us

MEMORANDUM

DATE: December 1, 2021

TO: All Town Boards, Commissions, Committees, and Departments

FROM: Robert A. Pontbriand, Town Manager

SUBJECT: FY 2023 Budget Preparation Directive and Process

Dear All:

The Town commences the FY 2023 Budget Process during the second year of the COVID-19 Pandemic. Though the Town remains in a strong financial position as a result of conservative budgeting, proactive planning, and effective management; this is a time of great uncertainty. The full economic impacts of the pandemic have yet to be realized at a time when the pandemic lingers. Additionally, various COVID-19 relief measures such as CARES Act funding have expired. As such, the Town must continue to prepare for the potential negative impacts of COVID-19 to the local economy, taxpayers, and the municipal budget. Additionally, unemployment and inflation continue to impact the overall economy; and the level of fiscal certainty remains unclear. Finally, future unexpected costs to the Town due to the ongoing COVID-19 Pandemic remain unknown. It remains unclear how long the COVID-19 Pandemic will continue, and this may have negative impacts to Town services and programs in the Spring of 2022, Fiscal Year 2023, and beyond.

All departmental budget submissions will be closely analyzed to identify appropriate budgetary efficiencies and savings. **I want to stress the importance of two major themes for the FY 2023 Budget: reduced spending when possible and a clear demonstration of budgetary efficiencies and savings.** As always, all departmental budget line items will be thoroughly reviewed, including historic spending trends to determine if certain budget line items need to be properly adjusted. **Furthermore, all departments are advised against discretionary, increased line-item expenses.**

The Town Manager and Finance Manager will be meeting with all Departments upon submission of the FY 2023 Budget Requests. The Town Manager and Finance Manager will be presenting the proposed FY 2023 Budget to a Special Joint Meeting of the Select Board and Finance Committee to take place on January 26, 2022. **It will be mandatory for all Department Heads to attend this meeting and be prepared to answer any initial questions on their proposed FY 2023 budgets.** The Administration, Select Board, and Finance Committee will then continue to meet and work together for the period of January through early March 2022 to come to a consensus for a final FY 2023 Budget to be presented at a second Special Joint Meeting of the Select Board and Finance Committee to take place on March 30, 2022. **This meeting will also be mandatory for all Departments to attend and participate.** At the conclusion of this second Special Joint Meeting, the Administration, Select Board, and Finance Committee will finalize the FY 2023 Budget and prepare to present the FY 2023 Budget for consideration by the Annual Town Meeting which is scheduled to take place on April 25, 2022.

Therefore, in preparation for the FY 2023 Budget; all Boards, Commission, Committees; and Departments are to follow the following directive and timeline. Please note that all documents related to the FY 2023 Budget including the Budget Schedule can be found at the following Budget Page on the Town's website at www.ayer.ma.us/budget Please note that the Town will be adhering to all budgetary deadlines set forth in the Town's FY 2023 Budget Schedule as approved by the Select Board:

1. **Prepare and submit a FY 2023 level funded services budget request (based on FY 2022) to the Finance Manager by no later than 12pm (noon) on Thursday, December 30, 2021.** Please use the Budget Submittal Sheet(s) provided by the Town Finance Manager. **All budget requests for FY 2023 that are new requests and/or increases MUST be clearly indicated on the budget submission sheet AND accompanied by an explanatory memo for the request demonstrating a cost benefit analysis.**
2. **Do not include any personnel raises including cost of living allowances in your FY 2023 Budget submissions. Only contractual increases are to be included.** The issue of the cost-of-living allowance will be addressed later in the budget process.
3. **Upon receipt of all FY 2023 budget submissions, the Town Manager and Finance Manager will meet with Departments to review and discuss their respective budget submissions. Additionally, the Finance Committee may elect to meet with Departments as part of their review and due diligence of the FY 2023 Budget.**
4. **Failure to adhere to these instructions and/or to meet the December 30, 2021, deadline will result in the FY 2022 Budget being used for FY 2023.**

If you have any questions regarding this FY 2023 Budget Directive and/or require assistance with preparing your budget, please do not hesitate to contact the Finance Manager (lgabree@ayer.ma.us) and/or the Town Manager (rpontbriand@ayer.ma.us).

The success of the FY 2023 Budget depends upon timely submissions and open and effective communication. I look forward to working with all of you during these unprecedented and challenging times. Working together we will successfully develop the FY 2023 Budget which will maintain the Town's essential functions, services, and infrastructure.

Thank you.

Cc: Ayer Select Board
Ayer Finance Committee
Ayer Finance Manager