

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, 2023

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

FROM: Robert A. Pontbriand, Town Manager

SUBJECT: FY 2025 Budget Preparation Directive and Process

Dear All:

The Town commences the FY 2025 Budget Process during a period of transition for the Town as we continue to experience high inflation; increased energy costs; and supply chain challenges. Though the Town remains in a strong financial position as the result of conservative budgeting, proactive planning, and effective management; this remains a time of transition and uncertainty. As such, the Town must continue to prepare for the potential negative impacts of inflation, rising energy costs and supply chain issues to the local economy, taxpayers, and the municipal budget. Finally, the Town must always prepare for any future unexpected costs or economic impacts to the Town.

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 2025 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 and any new personnel positions.**

The Town Manager and Finance Manager will be meeting with all Departments upon submission of the FY 2025 Budget Requests. The Town Manager and Finance Manager will be presenting the proposed FY 2025 Budget to a Special Joint Meeting of the Select Board and Finance Committee to take place on January 24, 2024. **It will be mandatory for all Department Heads to attend this meeting and be prepared to answer any initial questions on their proposed FY 2025 budgets.** The Administration, Select Board, and Finance Committee will then continue to meet and work together for the period of January through early March 2024 to come to a consensus for a final FY 2025 Budget to be presented at a second Special Joint Meeting of the Select Board and Finance Committee to take place in March 2024. **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 2025 Budget and prepare to present the FY 2025 Budget for consideration by the Annual Town Meeting which is scheduled to take place on April 22, 2024.

Therefore, in preparation for the FY 2025 Budget; all Boards, Commission, Committees; and Departments are to follow the following directive and timeline. Please note that all documents related to the FY 2025 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 2025 Budget Calendar as approved by the Select Board:

1. **Prepare and submit a FY 2025 level funded services budget request (based on FY 2024) to the Town Manager by no later than 12pm (noon) on Friday, December 29, 2023.** Please use the Budget Submittal Sheet(s) which will be provided via email. **All budget requests for FY 2025 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 new personnel positions. Do not include any personnel raises including cost of living allowances in your FY 2025 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 2025 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 2025 Budget.**
4. **Failure to adhere to these instructions and/or to meet the December 29, 2023, deadline will result in the FY 2024 Budget being used for FY 2025.**

If you have any questions regarding this FY 2025 Budget Directive and/or require assistance with preparing your budget, please do not hesitate to contact the Town Manager (rpontbriand@ayer.ma.us) or the Finance Manager (btierney@ayer.ma.us).

The success of the FY 2025 Budget depends upon timely submission and open and effective communication. I look forward to working with all of you. Working together we will successfully develop the FY 2025 Budget which will maintain the Town's essential functions, services, and infrastructure.

Thank you.

Cc: Ayer Select Board
Ayer Finance Committee
Ayer Finance Manager