

**OFFICES OF THE
SELECT BOARD
TOWN ADMINISTRATION**

13 Ayer Road, Harvard, Massachusetts 01451
(978) 456-4100

www.harvard.ma.us
(978) 456-4107



TO: All Departments, Boards, Committees and Commissions
FROM: Select Board and Finance Committee
DATE: October 7, 2020
RE: All Boards Meeting – Wednesday, October 14, 2020

You are invited! The Select Board and Finance Committee will hold an all boards meeting in preparation for the upcoming budget season.

When: Oct 14, 2020 07:00 PM Eastern Time (US and Canada)

Topic: All Boards' Meeting: FY22 Budget Kickoff

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_RXM4ZbrjQoWwPpJcvGD4BA

After registering, you will receive a confirmation email containing information about joining the webinar.

Each department, board, committee and commission will be given time to outline their goals for the coming year and explain how they align with the Master Plan goals. It is extremely important and valuable to have a representative from each department, board, committee and commission present.

Enclosed is the FY22 budget memorandum and budget calendar.

We extend our sincere apologies for the late notice of this meeting and as always look forward to working together as we begin yet another budget season.

Fiscal Year 2022 Budget Memorandum

To Department Heads, Boards, Committees, and Commissions
From: Select Board
Subject: FY 2022 Budget Request Submission Process
Date: October 19, 2020

This document provides direction for your Fiscal Year 2022 budget request submission, which is to be completed and returned by December 1, 2020.

Updated Budget Process and Forms

The due date to return budgets will be the beginning of December 2020, and both the Select Board and Finance Committee will ask their questions in a combined format. As we did last year, the meetings will be with the Finance Committee and the Select Board members will attend as they deem necessary. Thank you to all who attended the All Boards meeting on October 14, 2020 and shared thoughts and feelings about the process to be used and your department's, board's, committee's, or commission's goals.

We know the timeline for this year's process is tight, but by working together we can achieve each deadline. The following are the timeframes and deadlines for the FY 2022 budget process:

- Dec. 2, 2020: Completed budget documents due to Town Administrator by 2 p.m.
- Jan. 4, 2021: Questions from the Select Board and Finance Committee sent out.
- Jan. 13, 2021: Answers due back to the Town Administrator's office by 12 p.m.
- Jan. 13, 20, 27, and February 3, 10, 2021: Departments, Boards, Committees, and Commissions will be scheduled to meet with the Finance Committee and Select Board to review budgets and answer any additional questions.
- February 12, 2021: All financial warrant articles are due to the Town Administrator by noon.
- March 2, 2021: Finance Committee financial budget and recommendations delivered to the Select Board.
- Mar. 16 and 19, 2021: The Select Board review and make changes to the budget if necessary.
- Apr. 7, 2021: Finance Committee finalizes their budget recommendation based on the Select Board's final budget.
- April 16, 2021: Budget book sent to print.
- May 15, 2020: Annual Town Meeting.

Budget Goals

After reviewing the Select Board's goals, the Master Plan, and the ideas and goals presented at the All Boards meeting, the goals for the FY 2022 budget will include the following:

- Follow the Town's Charter and Master Plan as guidance in decision making.
- In recognition of the financial conditions facing the State and all of its communities we will strive to utilize available funds to enable the Town and its boards to best serve the community and maintain natural and physical resources.
- Provide operating funds that support a long-term view of capital investment and economic development.

- Provide support for open space needs, recreation, conservation, opportunity for housing diversity, and economic development.

We believe the Town will move forward and be well-served by these goals. As we review budgets and compile the complete Omnibus Budget, your budget documents will be evaluated in the context of the prior goals.

Financial Expectations

The Select Board and Finance Committee have set the following financial expectations for the FY 2022 budget.

Reflecting these uncertain and challenging financial conditions, we are asking you to provide us with:

- A level-funded budget that holds FY 2022 total spending equal to or less than FY 2021.
- A prioritized list of the top additional spending opportunities **and** the value created for the Town beyond the incremental cost requested if this funding were approved.
- A “disaster budget,” with total spending 5% below FY 2021. In this “hope we do not use” budget, it will be important to articulate:
 - What specific line items you would reduce or eliminate.
 - What services you could no longer provide and the resulting impact on the Town.

Over the years most if not all of you have shown that you can be creative in how you provide services with dwindling resources. This type of approach has helped us to get where we are and will certainly be necessary moving forward. We believe there are still more creative ideas that you have that would be beneficial to the Town’s operations, and encourage you to propose any initiative which may cost money this year but will help address out budgetary needs and save money going forward.

We expect a detailed budget narrative explaining each budget, how it fits with our goals, and what decisions you as department head, board, committee, or commission have made with regards to what services will be provided.

Specific Guidelines for Budget Development

You will notice that the budget submission forms have been simplified. All budgets are required to use the following guidelines:

1. Explain the goals and objectives of your budget, how this compares to prior year’s goals, and how these address the overall budget goals.
2. Maintain current (FY21) salary numbers as we will be monitoring the budget process and any decision on COLAs and Merit Pay will be made at a future date. If during the FY22 budget process we find we’re able to implement this, they will be adjusted at that time. (The only exception is departments with contracts, in which case they must adhere to the contract **and must also present a level-funded departmental budget**).
3. Explore any changes to your service delivery that will realize savings. Can you combine your departmental costs with other departments or communities to improve services

and/or reduce costs? Are there new sources of revenue or grant funding that could reduce the net cost of your operations?

4. Provide a detailed report of all non-tax revenues anticipated or received in FY 2021 and anticipated in FY 2022. Include the dollar amounts received, what the money was/is used or intended for.
5. All budget forms must be completed as directed and submitted electronically along with one (1) signed hard copy. Use the forms and format provided and include your narrative with this submission. Should you submit anything not in the form or format required, your budget will not be reviewed by the Finance Committee or Select Board.

If you have any questions regarding how to fill out these forms, please ask Tim or Marie. The forms need to be filled out accurately and explained in detail. All budgets are due no later than 2 p.m. on December 1, 2020.

Finance Committee's Basis for Their Recommendations

The Finance Committee will be determining whether the total Town's FY 2022 budget will:

- Maintain current levels of services to the townspeople while cutting non-value-added spending.
- Provide sufficient funds for building and other infrastructure maintenance to ensure that capital facilities and equipment are properly maintained.
- Maintain adequate reserved and contingency funds for future expenses and unforeseen circumstances, and
- Be supported by the Town's tax base and other revenue sources, without jeopardizing the Town's credit ratings and ability to service its debt in coming years.

BUDGET CALENDAR for FY22



SB: Select Board

FC: Finance Committee

CPIC: Capital Planning and Investment Committee

October	1 st	CPIC submittals due to town Administrator no later than 3PM	
	3 rd	Special Town Meeting	
	6 th	CPIC Meeting Select Board Meeting.	
	7 th	FinCom Meeting	
	14 th	Budget Process Kick-off Meeting for all boards and committees	
	19 th	Budget Documents distributed to Departments	
	20 th	CPIC Meeting – Questions on Applicant Submissions finalized and sent to Departments. Select Board Meeting	
	21 st	FinCom Meeting	
	November	2 nd	Answers from CPIC questions due back for distribution to CPIC
3 rd		CPIC Meeting: Review applicant answers and schedule applicant meetings SB Meeting	
4 th		FC Meeting	
17 th		CPIC Meeting with applicants SB Meeting	
18 th		FC Meeting (If necessary)	
December		1 st	Budgets due back to the Town Administrator's office by 2 p.m. CPIC Meeting: Rating request, deliberation, applicant meetings, preliminary capital plan SB meeting
	2 nd	FC Meeting	
	7 th	Budgets distributed to FC and SB by budget category (electronically)	
	8 th	CPIC Meeting: Rating request, deliberation, applicant meetings, preliminary capital plan SB Meeting:	
	9 th	FC Meeting: Work on budget questions for departments	
	15 th	CPIC Meeting: Deliberation and finalize FY2022 Capital Plan SB Meeting: CPIC presents proposed FY21 Capital Budget. SB provide budget questions to be given to FC.	
	16 th	FC Meeting: Work on budget questions for Departments.	
	31 st	All budget questions due to TA by 12 noon FC sends Initial Budget Roll-up to SB	
	January	4 th	Questions sent to Departments.
		5 th	CPIC Meeting: (if necessary) SB Meeting
6 th		FC Meeting	
13 th		Answers due back to TA from Departments by 12 noon. Answers distributed to SB and FC FC Meeting: Meeting with Departments	
19 th		SB Meeting	
20 th		FC Meeting: Meeting with Departments	
27 th		FC Meeting: Meeting with Departments	

(BUDGET CALENDAR for FY22 continued)

February	2 nd	SB Meeting
	3 rd	FC Meeting: Meeting with Departments
	10 th	FC Meeting: Meeting with Departments
	12 th	Financial Warrant Articles are due per bylaw.
	16 th	SB Meeting
	17 th	FC Meeting: Review Financial warrant Articles and work on Budget
	24 th	FC: Work on Final Budget recommendation
March	2 nd	SB Meeting: FC presents budget recommendations to SB
	3 rd	FC Meeting
	16 th	SB Meeting: Discuss Budget
	17 th	FC Meeting: Address and budget questions SB has
	19 th	SB Meeting: Budget deliberations
	24 th	FC Meeting; Work on Warrant Booklet
	31 st	FC Meeting: Work on Warrant Booklet
April	6 th	SB Meeting: Finalize Budget
	7 th	FC Meeting: Work on Warrant Booklet
	14 th	FC Meeting: Warrant Booklet Finalized
	16 th	Warrant Booklet sent to printer
	20 th	SB Meeting
	21 st	FC Meeting
May	4 th	SB Meeting
	5 th	FC Meeting
	15 st	Annual Town Meeting