

Proposal for FY23 Annual Budget Development Process

After discussion with the Finance Committee, the Town Administrator, the Town Accountant, and the chair of the Selectboard, here is how I suggest we approach the task of developing the annual budget we'll bring to our Annual Town Meeting on May 7, 2022.

December 2021-January 2022: Information Gathering → Selectboard & Town Admin Proposal

In December the Selectboard, Finance Committee, Town Administrator, and Town Accountant began to receive and review information about anticipated revenue and expenditures for the fiscal year that will begin on July 1, 2022. Some information is still to come but most should be here by the end of January.

By January 26, the Town Administrator and Selectboard should be able to provide the Finance Committee with a proposal for the FY23 budget that includes:

- Recommendations related to personnel changes requested by Town departments and enterprise funds (adding staff, increasing hours, regrading/reworking positions, etc.)
- Recommendations on any other significant opportunities or changes you believe should be addressed in the town's FY23 budget.
- An updated estimate, based on available information, of the revenue we can reasonably expect to receive to support the FY23 budget.
- An updated estimate, based on available information, of what it would cost to support the expenditures proposed for FY23.

January- February 2022: Finance Committee Investigates

The Finance Committee will then focus on evaluating the proposed operating budget, including looking at the long-term implications of changes initiated in FY23. Our goal is to decide whether we will recommend this budget to Town Meeting, or offer suggestions for modifications. This investigation will include discussion by the committee, conversations with selected department heads, and opportunities for the public to give input and ask questions. **By January 13**, we will develop and post a plan for our meetings through March 2.

While members of the Selectboard are certainly welcome to attend Finance Committee meetings during this period, they will not be expected or invited to deliberate.

March- April 2022: Reconciliation and Warrant Votes

At the end of the process, the Finance Committee and the Selectboard will convene together several times. We will hear the Capital Improvement Committee's recommendations on requests for FY23 capital expenditures, we will attempt to agree upon a single budget proposal that we will bring to Town Meeting, we will discuss uses of and contributions to the Town's Reserve funds in FY23, and we will vote recommendations on the articles that will appear on the Annual Town Meeting warrant. The Finance Committee's report on the proposed budget, the warrant and background information on articles will be posted and mailed to Town Meeting members by April 19, 2022.

Jen Audley, Chair
Montague Finance Committee
December 29, 2021