

TO: County Commissioners and Department Heads

FROM: Lawrence C. Soule  
Budget Director

SUBJECT: 2023 Operating Budget Preparation

DATE: July 1, 2022

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This letter officially commences the budget process for the 2023 fiscal year and outlines the parameters for your department's request. The County has been the recipient of extraordinary federal aid that has been provided to state and local governments across the nation. However, this extraordinary federal aid is temporary in nature and is primarily authorized to assist state and local governments with COVID mitigation and response activities. As such, this funding should not be utilized to support recurring expenditures. High levels of inflation and moderate economic growth since the waning of the pandemic have bolstered sales and use tax collections, but leading indicators suggest that an economic contraction may be on the horizon in the near future. The financial services sector remains a key economic driver within the NYC Metro Region, and the US equity markets are down approximately 20 percent since the beginning of the year. Your requests should be mindful of both your department's service delivery mission, as well as the economic backdrop in which we currently find ourselves.

Please adhere to the following guidelines when you prepare your 2023 budget request:

- Your department's budget request should not request any increases to your 2022 authorized position count unless approved in advance by the Director of Operations. Meetings will be scheduled with the Director of Operations and the HR Commissioner to discuss staffing challenges and needs.
- Do not make any assumptions for settlement of labor collective bargaining agreements in your budget submission. The Department of Budget will make any necessary adjustments for union collective bargaining agreements to your department's budget.
- Vacant positions, especially those that have been vacant for an extended period, should be reviewed for necessity. Positions that are deemed unnecessary should be requested to be abolished. These changes will be dependent on the outcome of the staffing meeting mentioned above.
- Increases in non-personal service expenditure requests should be limited to the current rate of inflation (4.8%).

- Any requests for new programmatic initiatives need to be described in detail with an accurate cost estimate and realistic funding source identified. New Initiatives should be communicated to the budget department by August 5<sup>th</sup>.
- Provide a list of all replacement vehicles (including fleet number) intend to be purchased in 2023, and the mileage and condition of the vehicles to be replaced irrespective of funding source. All new passenger vehicles are required to be hybrid or fully electric
- Departments should attempt to identify opportunities for greater operational efficiencies. Any recommendations that involve staffing changes should be discussed during your staffing meeting with the Director of Operations and HR Commissioner.
- For those departments that collect fees and fines, review the current schedule to ensure they are competitive and reflective of current market conditions. Proposed fee changes should be discussed with your budget analyst prior to your submission.
- Revenue projections should be realistic and based on current or anticipated conditions, not past budgeted figures. Increases to your department's 2023 revenue projections should be accompanied by a justification for the change (i.e., demand trends or fee changes).

Your completed budget submission should be filed with my office no later than **Thursday, September 1, 2022**. If your budget is completed earlier, kindly submit it as soon as it is prepared.

Budget preparatory documents including mission statements, organizational charts, position lists, mandates, narratives and trusts and grants will be available on the County Intranet in the Budget Department's Shared Documents folder **"BudgetDocs/2023 Budget Prep Documents"**. The 2023 Budget Instructions, which include deadlines for supporting documents, will also be included in this folder. Your department's fiscal staff should retrieve all the information your department needs from the Intranet in order to prepare your budget submission. The information will be available online beginning the week of **July 4, 2022**.

If there are any changes to this directive based on updated information, we will advise you accordingly.

All budget questions should be directed to me or your budget analyst. I appreciate your efforts towards achieving a structurally-balanced budget for 2023 and beyond.

cc: George Latimer  
Ken Jenkins  
Joan McDonald  
Emily Saltzman