**TOWN OF PRINCETON**

**Office of the Town Administrator**

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FROM: Sherry Patch, Town Administrator

TO: All Boards/Commissions/Committees/Departments with an “operating” budget in FY’20

CC: Board of Selectmen, Advisory Committee Jim Dunbar, Treasurer/Collector, Jenny Lin, Town Accountant

DATE: November 7, 2019

RE: FY 21 Budgets and Capital Requests

The Fiscal Year 2021 budget process has begun. Attached please find an Excel spreadsheet for completion by each Department for FY’21 budget requests and the department narrative for last year’s budget for updating (please update the information and reference to years. You should list FY’19 Accomplishments, FY’20 Goals and Their Current Status, and FY’21Goals). Also attached is the FY 21 Capital Budget Request Form. Please review your capital plan for the next 4 years, update and project for the new 5th year. Your capital request should include expenses with a 5-year life costing 10K and over.

As you know, the budget is voted at the Annual Town Meeting primarily based on (1) Salaries Wages and (2) Expenses. The budget request form shows the amount expended in FY’19 and the amount budgeted and spent year-to-date for FY’20.

Last year, our direction to you was a Level-Service budget. Because salaries and some other costs increase year over year, most budget numbers were higher than the previous year's number. This year we are asking departments to present Level-Funded budgets (the bottom line of your FY’20 budget should not be greater than the bottom line of your proposed FY’21 budget). We understand that we are asking you to either do the same job with no cost increase or to make cuts in what you provide to live within the same dollar amount. This is the time to get creative. How can your job get done for less money? If you are unable to find a way to do your job within the budget guidelines, how much extra do you need and why? Departments should attach written explanations as necessary to clearly explain the budget you have submitted. For example, what you have done to try to live within a Level-Funded budget, any savings you identified and utilized, and/or back up for any requests beyond level funded. Requests beyond level funding should only be listed under the “Changes/Growth” column. Any department not proposing a change in level-funding, should leave the column for “Changes/Growth” blank.

Collective bargaining, contractual agreements, or step increases in the Classification & Compensation plan for salaries & wages should be provided as part of the Level-Funded Budget (they are not considered Changes/Growth). For Classification & Compensation employees, a two (2) percent increase should be applied (equivalent to a step increase), unless the employee is already at or near the top step. Increases to salaries & wages may mean that expense budgets will have to be decreased to meet a level-funded budget.

All forms should be completed in their entirety using the documents/links provided. Budget (spreadsheet and narrative) information should then be submitted electronically to Jim Dunbar by the end of the day on **MONDAY, DECEMBER 2, 2019**. The Selectboard and Advisory Committee will be conducting joint Budget Presentations beginning Tuesday, December 3rd. The goal is to have the budget in pretty good shape by January.

As you are aware, all Departments have been assigned an Advisory Committee Liaison who can assist in helping you with your budget and capital requests. Please take advantage of this resource. Everyone is busy so feel free to reach out to someone who can assist in helping you research options, identify other potential resources and/or obtain quotes to get an understanding of the costs. This is a great opportunity to work together and to educate each other on what we do, why we do it and what it costs. Additionally, Jim, Jenny or I are available to assist you as well.

Thank you for your cooperation.

**FY 21 BUDGET PRESENTATION SCHEDULE**

Tuesday, December 3, 2019 DPW & Road Advisory Committee

Wednesday, December 4, 2019 Princeton Public Library

Thursday, December 5, 2019 Police Department

Monday, December 9, 2019 Fire Department

Wednesday, December 11, 2019 Buildings

Thursday, December 12, 2019 General Government, Parks & Rec, COA