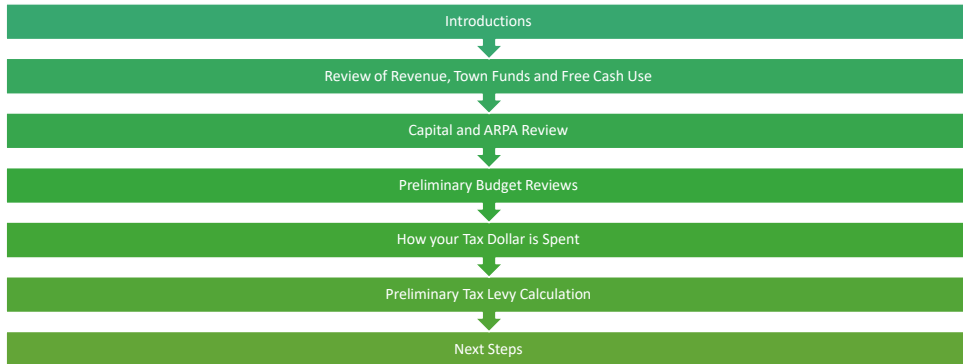


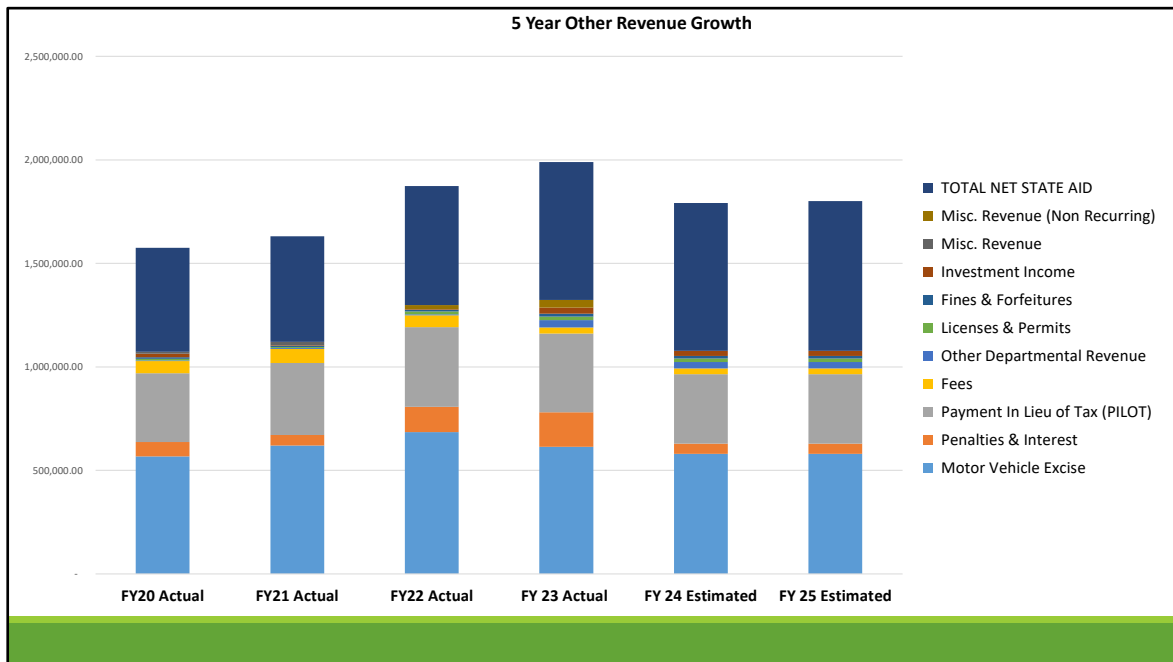
FY 2025 Preliminary Budget Presentation

APRIL 10, 2024

Welcome. The following is the FY 2025 PRELIMINARY BUDGET. We will be making adjustments as we receive new information and after receiving input from the Selectboard and Advisory Committee. The final budget presentation will be held on April 22nd.

Agenda





This slide illustrates revenue other than the tax levy. Please note the FY 20-FY 23 represent actual revenues. The FY 24 and FY 25 revenues are based on estimated receipts. The FY 25 Preliminary Budget plans for level funded local receipts. The state aid revenues are based on the Governor's budget and preliminary cherry sheets, which increase local aid to \$723,953 or by \$9,425. Local receipts, include motor vehicle excise tax, and Payment in lieu of Taxes for state owned land also known as PILOT, penalties and interest, Fees, Licenses and Permits, Investment Income and Miscellaneous Revenue.

| Town Fund Balances | Amount |
|------------------------------------|-----------------|
| Available Free Cash | \$ 809,459.30 |
| Emergency Repair Town Buildings | \$ 85,005.60 |
| Sale of Town owned land | \$ 337,850.13 |
| Town Hall Annex Repair | \$ 44,629.60 |
| Infrastructure Stabilization Fund | \$ 451,585.58 |
| Stabilization Fund | \$ 721,727.54 |
| Available ARPA Fund | \$ 68,762.82 |
| Ambulance Receipts as of 3/28/2024 | \$ 131,805.49 |
| Total | \$ 2,650,826.06 |

Town Fund Balances

The FY 24 Free Cash was certified at \$843,893.00. At the STM in March \$4,157.16 was transferred from Free Cash to establish the Opioid Remediation Fund, \$30,276.54 was transferred from Free Cash to fund the cost items of a collective bargaining agreement for the Police Union.

| Financial Policy Guidelines | | | | | |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|
| | FY 19 | FY20 | FY21 | FY22 | FY23 |
| Certified Free Cash | \$ 339,471.00 | \$ 334,243.00 | \$ 712,647.00 | \$ 717,710.00 | \$ 843,893.00 |
| Revenues | \$ 10,149,703.00 | \$ 10,438,774.00 | \$ 10,827,586.00 | \$ 11,490,281.00 | \$ 12,226,574.00 |
| Stabilization Balance | \$ 442,085.25 | \$ 725,100.77 | \$ 730,426.65 | \$ 711,944.94 | \$ 721,727.54 |
| Infrastructure Funds Appropriated | \$ - | \$ 100,000.00 | \$ - | \$ 100,000.00 | \$ - |
| Liabilities | \$ 575,056.00 | \$ 628,671.00 | \$ 570,555.00 | \$ 591,892.00 | \$ 811,710.00 |

| | FY 19 | FY20 | FY21 | FY22 | FY23 |
|------------------------------|-------|------|------|------|------|
| Free Cash | 3% | 3% | 7% | 6% | 7% |
| General Stabilization | 4% | 7% | 7% | 6% | 6% |
| Infrastructure Stabilization | 0% | 1% | 0% | 1% | 0% |
| Debt Management | 6% | 6% | 5% | 5% | 7% |

Free Cash- 3-6 % of General Fund Revenues (Free Cash/Revenues)
General Stabilization- no less than 5% of Annual General Fund Stabilization (Stabilization Balance/Revenues)
Infrastructure Stabilization- appropriate 2.5% of fixed assets or 3.5% of General Fund Revenues (Infrastructure Funds Appropriated/Revenues)
Debt Management-maintain a debt ratio of 5-7% with annual debt service not to exceed 7% of general fund revenues (Liabilities/Revenues)

The financial management team's goal is to meet financial policy guidelines. This slide represents four main financial policy ratios: free cash, general stabilization, infrastructure stabilization, and debt management. We have maintained the free cash policy over the past four years except for FY 21 and 23, where the ratio exceeded the guidelines by 1%. General Stabilization policy ratios have maintained above 5% since FY20; in FY19, we were below 4%. The recommended debt management ratio is 5-7%, and we have met this benchmark across all five years. We have not met the infrastructure stabilization ratio for the past five years, an area we will work to improve.

Free Cash: This nonrecurring revenue source can be used

to pay one-time expenditures, fund capital projects, or replenish other reserves. Spending requires a majority vote at town meetings.

General Stabilization: The Town of Princeton's Stabilization Fund is a reserve intended to provide long-term financial stability while also improving the Town's creditworthiness and fiscal flexibility. Stabilization Funds are established under Chapter 40, §5B of Massachusetts General Law and can be revenue sources for any lawful municipal purpose. Money is appropriated into a Fund by a majority vote of a Town Meeting and can be expended by Town Meeting approval but only by a two-thirds vote.

Infrastructure Stabilization: An Infrastructure Stabilization Fund is a Special Purpose Fund established under MGL Chapter 40, §5B. The goal of a special purpose stabilization fund is to set aside and earmark money only to be used for defined purposes. There can be multiple special-purpose stabilization funds. Money is appropriated into the Fund by a majority vote of Town Meeting and can be expended by Town Meeting approval but only by a two-thirds vote.

Recommended Free Cash Use

Pending Vote at Town Meeting

| Item | Amount |
|---|---------------|
| Beg. Balance, Free Cash | \$ 809,459.30 |
| Required Hazard Mitigation Plan Update | \$ 12,150.00 |
| Transfer for Tax Title | \$ 10,000.00 |
| Transfer for Capital Plan of Town Buildings | \$ 50,000.00 |
| Transfer to Infrastructure Stabilization | \$ 100,000.00 |
| 9/11/24 Storm Road Repairs | \$ 200,000.00 |
| Recommended Budget Reduction | \$ 150,000.00 |
| End Balance, Free Cash | \$ 287,309.30 |

The FMT is recommending a \$12,150 transfer to update the town's Hazard Mitigation Plan. The Town is required to update the plan every 5 years to be eligible for certain grant programs. A \$10,000 Transfer is recommended to cover expenses including legal and newspaper publication for tax title properties. A 50,000 transfer to create a capital plan for town building improvement's. The FMT Is recommending the transfer of \$100K to the Infrastructure Stabilization Account to get closer to the financial policy recommendations. A \$200K transfer is requested to pay costs associated with road repairs during the 9/11/2023 flood. Any reimbursement received to offset the flood damages will go to the General Fund and become Free Cash for FY 25. A \$150K transfer is recommended to

reduce the operating budget. If these transfers are approved \$337,309.30 will be remaining. Free Cash that is not expended by June 30th will be recertified by the DOR and available for appropriation in FY 25.



Capital Review

The following FY 25 Capital Requests were requested

\$ 75,393.80 Highway Department-Pickup Truck
\$ 65,412.00 Police Department-Cruiser

An article for authorization for lease financing will be presented at the Annual Town Meeting.

| Item | Term | Est. Annual Payment | Appropriation |
|----------------|---------|---------------------|-----------------|
| Highway Pickup | 3 Years | \$ 26,250.00 | FY 25 Operating |
| Police Cruiser | 3 Years | \$ 24,469.00 | FY 26 Operating |

An article for authorization for lease financing will be presented at the Annual Town Meeting. One highway pickup truck with a 3-year lease term with an estimated annual payment of \$26,250, which is included in the FY 25 highway operating budget. One police cruiser with a 3-year lease term with an estimated annual payment of \$24,469, this will be included in FY 26 police operating budget. The ambulance lease was approved at the Annual Town Meeting in June 2023. A \$10,000 down payment was made from ARPA. There is 36-month lead time on delivery. The lease payment will be added to budget in FY 26 or 27.



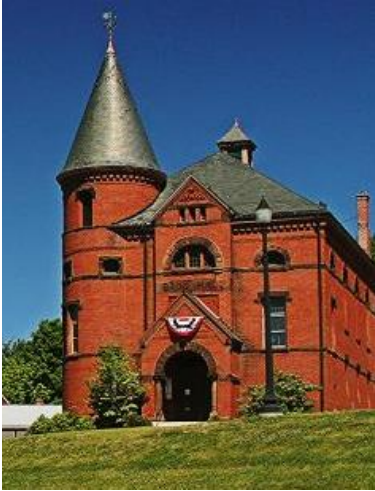
ARPA Review

The following Requests received ARPA allocations at the Selectboard Meeting on March 6th:

| | |
|---------------|---|
| \$ 124,750.00 | Highway Department- Backhoe ** |
| \$ 16,000.00 | Highway Department- Emergency Culvert Repair E. Princeton Rd. |
| \$ 66,628.52 | Police Department- Cruiser ** |
| \$ 10,000.00 | Fire Department- Ambulance Down Payment |
| \$ 13,405.00 | Library- Emergency Boiler Replacement |
| \$ 9,964.36 | Council on Aging- Flooring update |
| \$ 68,762.82 | Remaining unallocated ARPA funds |

** The highway Backhoe and Police Cruiser were previously voted for lease financing at the ATM on June 20, 2023

The remaining balance in the ARPA Fund is \$68,762.82. The \$16,000 ARPA allocation for the culvert repairs on E. Princeton Road and the \$13,405 allocated for the Library Boiler replacement were due to emergencies. These replacements were not part of the Capital Plan. ARPA Funds must be allocated by 12/31/2024 and spent by 12/31/2026.



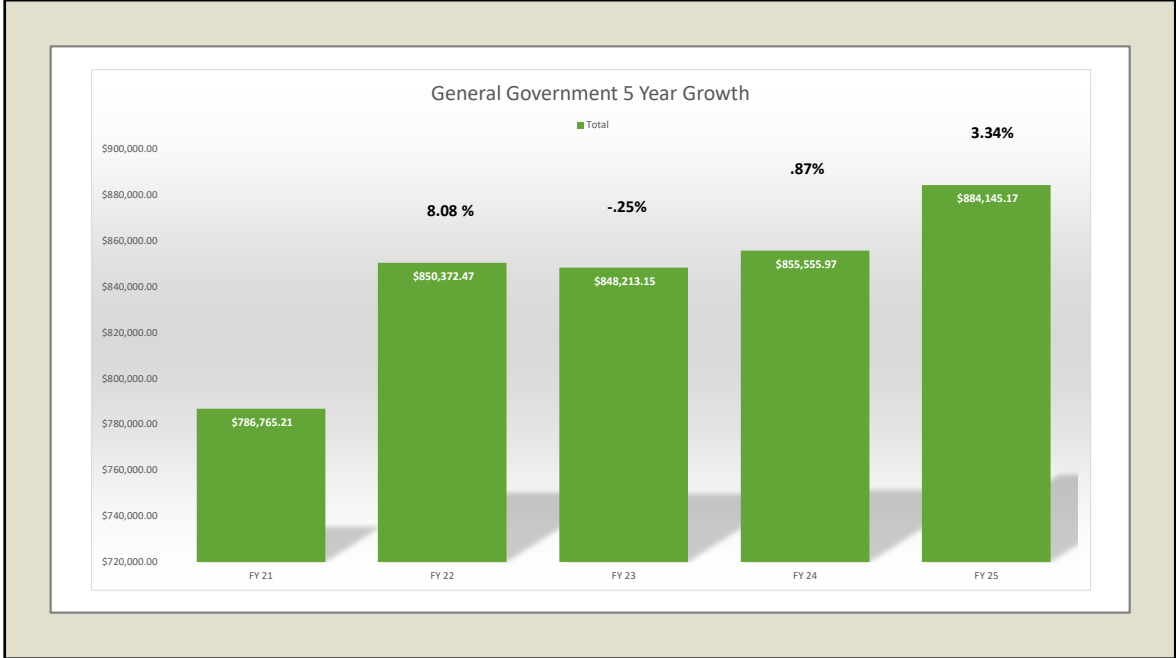
Preliminary General Government Budget

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|---------------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| GENERAL GOVERNMENT: | | | | |
| Moderator | 111.00 | 14.00 | 125.00 | 12.61% |
| Selectboard | 9,785.00 | 500.00 | 10,285.00 | 5.11% |
| Town Administrator | | | | |
| Salary | 109,304.42 | 3,279.13 | 112,583.55 | 3.00% |
| Assistant To Town Administrator | 24,700.00 | 5,147.00 | 29,847.00 | 20.84% |
| Expense | 3,423.50 | - | 3,423.50 | 0.00% |
| Sub-Total | 137,427.92 | 8,426.13 | 145,854.05 | 6.13% |
| Reserve Fund | 75,000.00 | - | 75,000.00 | 0.00% |
| Town Accountant | 92,412.94 | (4,459.94) | 87,953.00 | -4.83% |
| Board of Assessors | 73,614.48 | (2,598.26) | 71,016.22 | -3.53% |
| Treasurer/Tax Collector | 141,111.01 | (5,059.61) | 136,051.40 | -3.59% |
| Town Counsel | 35,000.00 | - | 35,000.00 | 0.00% |
| Information Technology | 65,519.46 | 7,398.00 | 72,917.46 | 11.29% |
| Administrative Assistants | 28,170.29 | 830.11 | 29,000.40 | 2.95% |

The General Government Budget represents a 3.34% increase over FY 24. Salaries reflect 3% COLA for non-union/non contracted employees. The Asst. to TA position reflects reclassification of the position to a Grade 5. This is a part-time position budgeted at 19 hours per week. We have also included \$65,000 in the Town Accountant budget for in house accounting. Accounting services are currently outsourced.

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|-------------------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| GENERAL GOVERNMENT: | | | | |
| Town Clerk | | | | |
| Salary | 46,280.73 | 13,456.87 | 59,737.60 | 29.08% |
| Expenses | 5,800.00 | 1,250.00 | 7,050.00 | 21.55% |
| Sub-Total | 52,080.73 | 14,706.87 | 66,787.60 | 28.24% |
| Elections & Registration | | | | |
| Salaries | 4,000.00 | 2,000.00 | 6,000.00 | 50.00% |
| Expense | 11,240.00 | 5,200.00 | 16,440.00 | 46.26% |
| Sub-Total | 15,240.00 | 7,200.00 | 22,440.00 | 47.24% |
| Conservation Commission | 970.00 | - | 970.00 | 0.00% |
| Environmental Action Committee | 970.00 | - | 970.00 | 0.00% |
| Planning Board | 1,810.51 | - | 1,810.51 | 0.00% |
| Board of Appeals | 500.00 | - | 500.00 | 0.00% |
| Open Space Committee | 985.00 | - | 985.00 | 0.00% |
| Agricultural Commission | 1,000.00 | - | 1,000.00 | 0.00% |
| Town Building Operations | 123,847.63 | 1,631.90 | 125,479.53 | 1.32% |
| TOTAL GENERAL GOVERNMENT | \$ 855,555.97 | \$ 28,589.20 | \$ 884,145.17 | 3.34% |

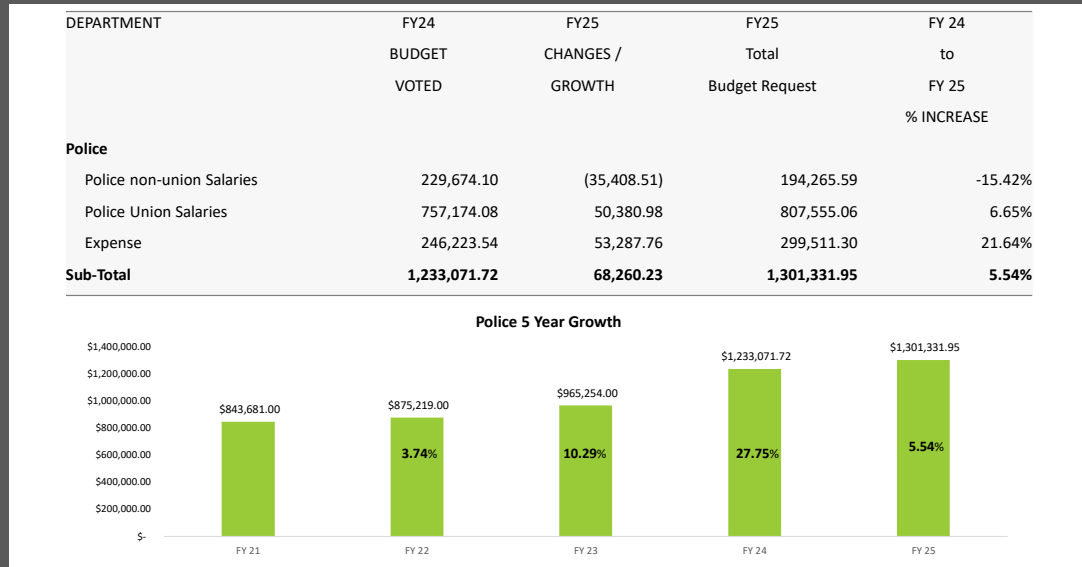
Salaries reflect a 3% COLA. The Town Clerk position reflects an increase in salary due to the reclassification of the position that will bring this position up to the minimum recommended rate. There is also an increase in hours to meet the additional responsibilities and workload for FY 25. The increase in expenses is due to increase database maintenance, postage for required correspondence to voters and residents as mandated by the state. Elections and Registrations salary increase is due to election officers to assist with mandated early voting. Expenses include increase in postage, election equipment and Police details.



This slide illustrates the 5-year General Government budget growth beginning in FY 21. Budget increase to note from FY21 to FY22 include \$20,000 to town administrator budget (\$15,000 was newly created special projects coordinator) and \$11,000 assessors' budget for increase salary and expenses, \$16,000 increase to IT expenses, \$10,000 town clerk salary,

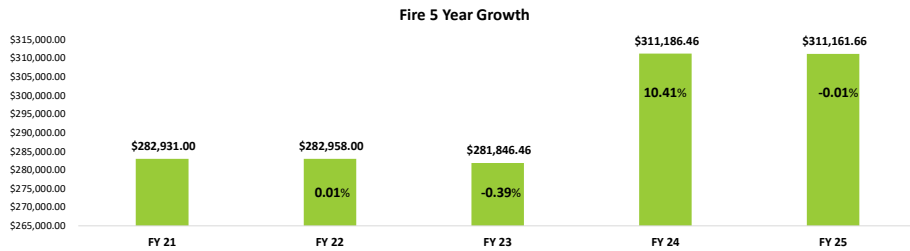


Preliminary Public Safety Budget



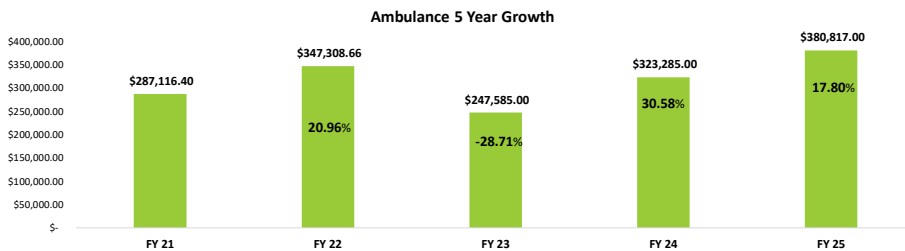
Police cruiser leases that were approved at the annual town meeting in 2022 and 23 have moved from the debt schedule into the police operating budget. This increases the police budget by \$43,687.76 and decreases the debt budget the same amount. These have been moved to the operating budget for best financial management practices as these are recurring operating expenses of the police department. This increases the police budget to 5.54%. If the cruiser funds are removed the police budget has an increase of \$24,572.47 and a percentage increase of 1.99%. This increase is primarily attributed to the new contract signed between the Town of Princeton and The Fraternal Order of Police, necessitating adjustments in union salary and uniform allowance.

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| Fire | | | | |
| Salaries | 181,231.68 | 5,345.00 | 186,576.68 | 2.95% |
| Expense | 129,954.78 | (5,370.00) | 124,584.78 | -4.13% |
| Sub-Total | 311,186.46 | (25.00) | 311,161.66 | -0.01% |



FY 24 increase was due to increased wages for the fire department of \$29,340.

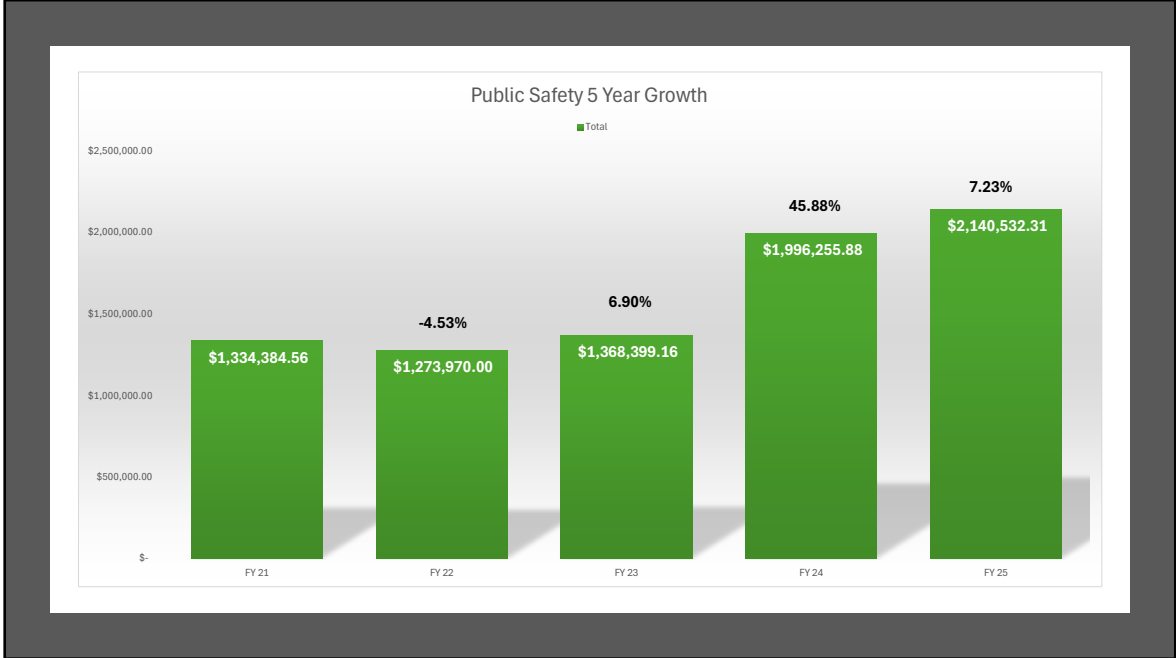
| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| Ambulance | | | | |
| Salaries | 255,600.00 | 57,532.00 | 313,132.00 | 22.51% |
| Expense | 67,685.00 | 0.00 | 67,685.00 | 0.00% |
| Sub-Total | 323,285.00 | 57,532.00 | 380,817.00 | 17.80% |



The FY 25 Ambulance Budget request represents a 17.80% increase. The increase in salary reflects an increase in the EMT rate from \$22 per hour to \$26 per hour and an increase in the Paramedic rate from \$25 per hour to \$30 per hour. This increase is an effort to assist the department with recruiting and retaining staff. The current wage rates are not comparable to surrounding communities. The current level of staffing is not increased. The 5-year ambulance growth reflects the the ambulance budget move to the operating budget, increasing the FY 24 budget by \$323,285. Previously, the ambulance budget was supported by ambulance receipts. Ambulance receipts are used to offset the budget. As of this date \$123K has been received and will be used to offset the FY 25 budget.

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|-----------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| Regional Services | | | | |
| Animal Inspector Salary | 500.00 | - | 500.00 | 0.00% |
| Animal Control Expense | 13,673.50 | - | 13,673.50 | 0.00% |
| Emergency Dispatch | 91,857.00 | 16,009.20 | 107,866.20 | 17.43% |
| Sub-Total | 106,030.50 | 16,009.20 | 122,039.70 | 15.10% |
| Emergency Response | | | | |
| Emergency Mgt. Exp. | 4,918.20 | 2,500.00 | 7,418.20 | 50.83% |
| Emergency Notification Sys | 4,349.00 | - | 4,349.00 | 0.00% |
| Sub-Total | 9,267.20 | 2,500.00 | 11,767.20 | 26.98% |
| Tree Warden | 13,415.00 | - | 13,415.00 | 0.00% |
| TOTAL PUBLIC SAFETY: | 1,996,255.88 | 144,276.43 | 2,140,532.31 | 7.23% |

The FY 25 Public Safety budget reflects an increase of 7.23% over FY 24.



This slide illustrates the 5-year growth of public safety department. The 45.88% increase in FY 24 includes the new police chief contract, adding one additional police officer and a police administrator. The selectboard later voted to replace the police administrator with an additional full-time officer. The total budget increase to the police budget in FY 24 was \$272,632. Additionally, the ambulance budget moved to the operating budget, increasing the FY 24 budget by \$323,285. Previously, the ambulance budget was supported by ambulance receipts. Ambulance receipts are used to offset the budget. As of this date \$123K has been received and will be used to offset the FY 25 budget. The additional FY 24 increase was due to increased wages for the fire department of \$29,340.

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|------------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| SCHOOLS | | | | |
| Wachusett Regional School | 5,641,519.00 | 464,560.00 | 6,106,079.00 | 8.23% |
| Montachusett Reg. Vocational | 415,820.00 | (3,592.00) | 412,228.00 | -0.86% |
| Smith Vocational | 63,648.00 | (63,648.00) | 0.00 | -100.00% |
| TOTAL SCHOOLS | 6,120,987.00 | 397,320.00 | 6,518,307.00 | 6.49% |

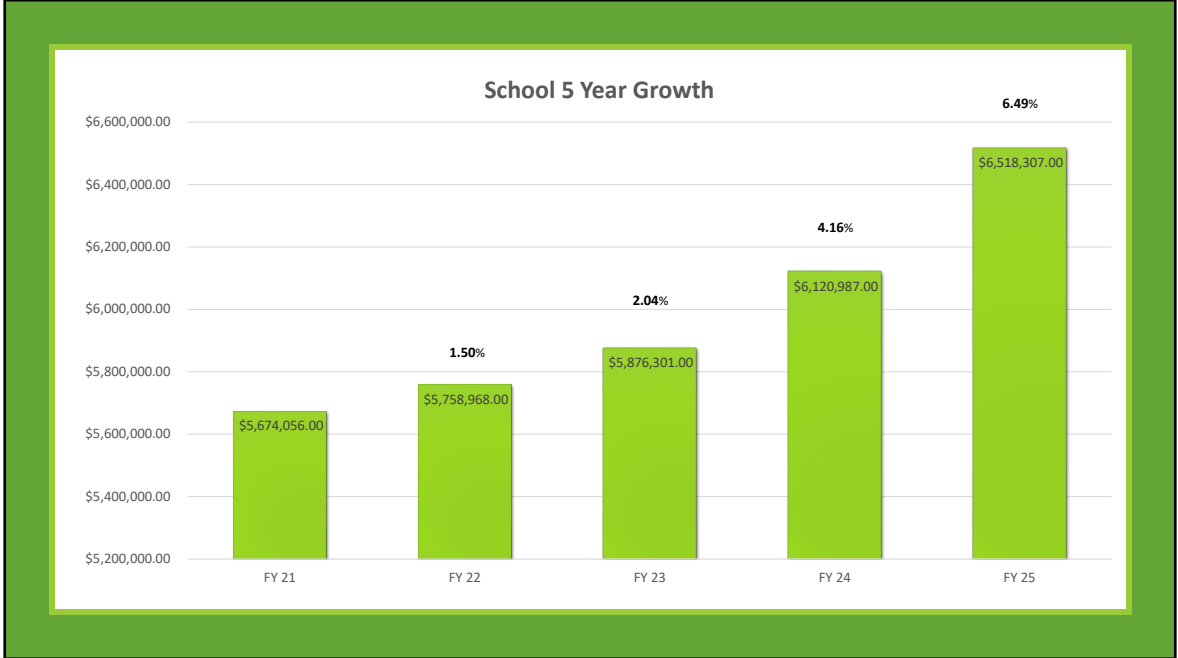
Wachusett Regional Budget-

https://www.town.princeton.ma.us/sites/g/files/vyhlif4891/f/uploads/fy25_budget_discussion_-_princeton.pdf

Monty Tech Preliminary Budget-

https://www.town.princeton.ma.us/sites/g/files/vyhlif4891/f/uploads/monty_tech_final_prelim_fy25_budget_for_public_hearing_030624.pdf

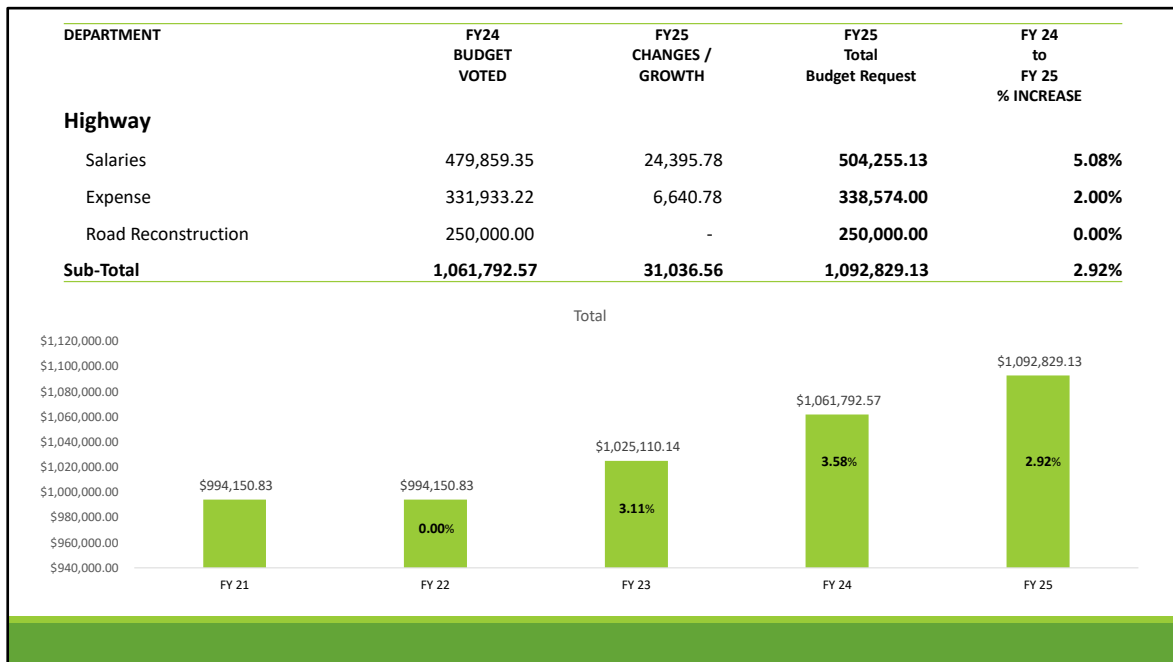
The preliminary FY 25 School budget reflects a 6.49% increase over FY24. The Wachusett budget increase is 8.23% based on the FY 24 budget voted at the Annual Town meeting. Subsequently, Wachusett's FY24 budget was amended after the town meeting from \$5,641,519 to \$5,629,623, which resulted in an \$11,896 decrease in the FY24 budget. This decrease increases the budget by 8.46% from FY24 to FY25. There are 16 additional students attending the Wachusett school district for FY 25. There is a slight decrease in the Monty Tech Budget. There are currently no students at Smith Voc. However, the district will not be notified until April regarding students attending.



This slide illustrates the 5-year growth in the School budget.



Preliminary Public Works Budget

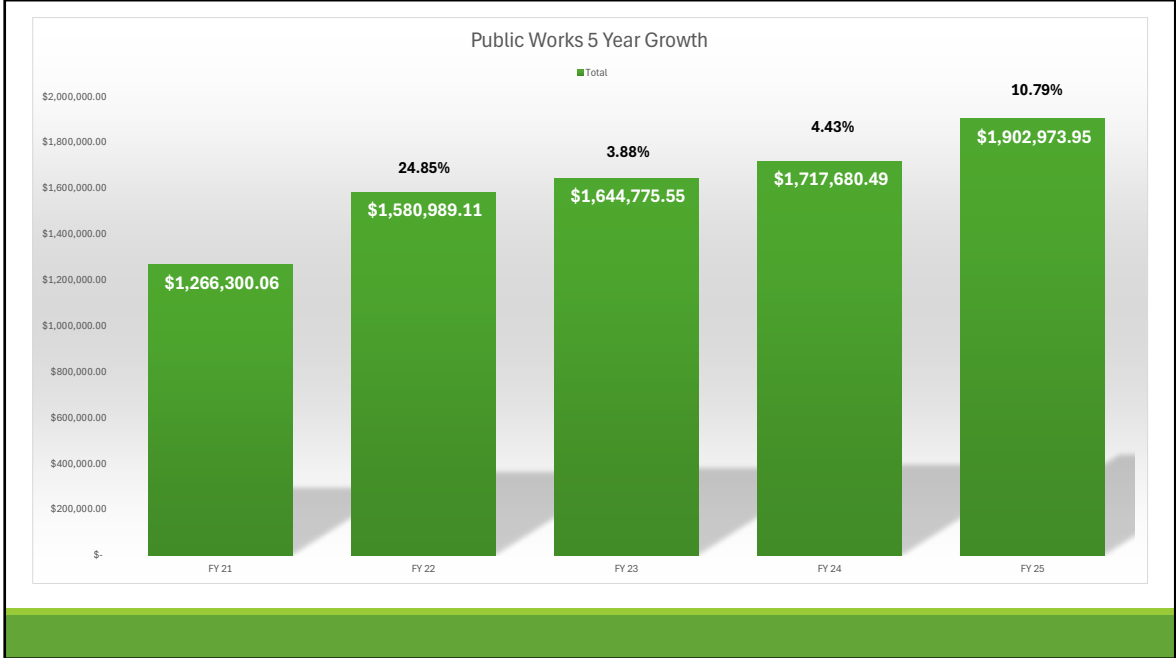


Highway Salaries reflect 3% COLA and overtime wages for unanticipated emergencies flooding, trees down, etc. Superintendent contract negotiations are ongoing. Road Reconstruction is level funded. Additional Chapter 90 Supplemental funds received \$200K. Estimated Chapter 90 pending legislative approval for FY 25 is \$336,690.09. In FY 22 the highway Department Road Construction budget was reduced from \$350K to \$250K. In FY 23 the Cemetery was added to the Highway Budget which resulted in an increase in the budget. We also added one additional Highway employee and one part-time admin support person.

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|--------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| PUBLIC WORKS: | | | | |
| Snow/Ice Removal | 261,335.00 | - | 261,335.00 | 0.00% |
| Streetlights | 7,100.00 | - | 7,100.00 | 0.00% |
| Wachusett Earth day | 2,275.92 | 56.90 | 2,332.82 | 2.50% |
| Wachusett Greenway | 832.00 | - | 832.00 | 0.00% |
| Environmental | | | | |
| Expense | 55,545.00 | - | 55,545.00 | 0.00% |
| PFA's Monitoring/Testing | 318,800.00 | 154,200.00 | 473,000.00 | 48.37% |
| PFA's Water/Filters | 10,000.00 | - | 10,000.00 | 0.00% |
| Sub-Total | 384,345.00 | 154,200.00 | 538,545.00 | 40.12% |
| TOTAL PUBLIC WORKS | 1,717,680.49 | 185,293.46 | 1,902,973.95 | 10.79% |

The FY 25 Public Works budget reflects a 10.79% increase., n FY 24 the Snow and Ice budget was increased (\$210K to \$261,335) to more accurately reflect the increase in cost of road materials and labor. The increase in PFA's monitoring is \$154,200 which represents a 48.37% increase. However, if DEP approves reduced POET monitoring the budget will be reduced to \$390K. The Scope of Work under this proposal includes semi-annual sampling, POET monitoring, annual surface water testing, semi annual groundwater monitoring, Phase III Remedial Action Alternatives Plan, IRA Status Reports and Mountain Road Runoff Treatment. This is a Time and materials budget. We are only billed for actual time and materials. In FY 24 \$318,800 was budgeted. In addition, \$150K was allocated

from the ARPA fund to supplement the budget.



Increase from FY21 to FY 22 reflects PFAS monitoring costs moving to the operating budget. Initially, PFAS expenses were paid from the \$1M borrowing that was authorized at the February 2020 Special Town Meeting. The current balance in this account is \$85,536.43.

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|-----------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| HUMAN SERVICES | | | | |
| Council on Aging | | | | |
| Salary | 47,810.88 | 1,434.33 | 49,245.21 | 3.00% |
| Expense | 67,692.22 | (8,468.88) | 59,223.34 | -12.51% |
| Sub-Total | 115,503.10 | (7,034.55) | 108,468.55 | -6.09% |
| Veterans Services | | | | |
| Salary | 7,000.00 | 200.00 | 7,200.00 | 2.86% |
| Expense | 33,950.00 | 9,250.00 | 43,200.00 | 27.25% |
| Sub-Total | 40,950.00 | 9,450.00 | 50,400.00 | 23.08% |
| TOTAL HUMAN SERVICES | 156,453.10 | 2,415.45 | 158,868.55 | 1.54% |

The FY 25 total increase in the Human Services Department is 1.54%. COA 3% COLA increase in wages, expense reduction reflects last balloon payment on lease agreement for renovations. Veterans service slight increase in Regional Agreement. Expense increase – 5 Veterans currently receiving benefits. The town is reimbursed 75% of these costs by the state.

| DEPARTMENT | FY24 BUDGET VOTED | FY25 CHANGES / GROWTH | FY25 Total Budget Request | FY 24 to FY 25 % INCREASE |
|---------------------------------------|-------------------------|-----------------------------|---------------------------------|------------------------------------|
| CULTURE & RECREATION: | | | | |
| Library | | | | |
| Salaries | 140,796.78 | 4,223.90 | 145,020.68 | 3.00% |
| Expense | 67,168.00 | - | 67,168.00 | 0.00% |
| Sub-Total | 207,964.78 | 4,223.90 | 212,188.68 | 2.03% |
| MISC/Band Concerts | 2,440.00 | - | 2,440.00 | 0.00% |
| Parks & Recreation | | | | |
| Salaries | 20,997.60 | - | 20,997.60 | 0.00% |
| Expense | 21,819.34 | - | 21,819.34 | 0.00% |
| Sub-Total | 42,816.94 | - | 42,816.94 | 0.00% |
| Historical Commission | | | | |
| Expense | 1,500.00 | - | 1,500.00 | 0.00% |
| Town Celebrations | | | | |
| Expense | 4,050.00 | 1,500.00 | 5,550.00 | 37.04% |
| TOTAL CULTURE & RECREATION | 258,771.72 | 5,723.90 | 264,495.62 | 2.21% |

The FY 25 Culture and Recreation Budget reflects a 2.21% increase over FY 24. Library Salaries represent a 3% COLA. The Parks & Rec budget is level funded. Celebrations Memorial Day and Holiday Lighting. Holiday lighting increase in expenses for special lighting for the trees around the common area.

| | BUDGET | CHANGES / | Total | to |
|---------------------------------|-------------------|--------------------|-------------------|---------------|
| | VOTED | GROWTH | Budget Request | FY 25 |
| | | | | % INCREASE |
| DEBT & INTEREST: | | | | |
| Lease Payments | 85,331.00 | (59,225.00) | 26,106.00 | -69.41% |
| Thomas Prince/Green Repair | 113,300.00 | (2,200.00) | 111,100.00 | -1.94% |
| PFAS Remediation | 163,172.00 | 27,778.00 | 190,950.00 | 17.02% |
| Broadband Make Ready | 112,300.00 | (3,000.00) | 109,300.00 | -2.67% |
| Fire Truck Debt/Int | 58,753.00 | - | 58,753.00 | 0.00% |
| Bagg Hall Stab. Debt/Int | 155,071.00 | (3,750.00) | 151,321.00 | -2.42% |
| Salt Shed Debt/Int | 17,855.00 | (450.00) | 17,405.00 | -2.52% |
| General Interest/Borrowing Fees | 25,000.00 | - | 25,000.00 | 0.00% |
| TOTAL DEBT | 730,782.00 | (40,847.00) | 689,935.00 | -5.59% |

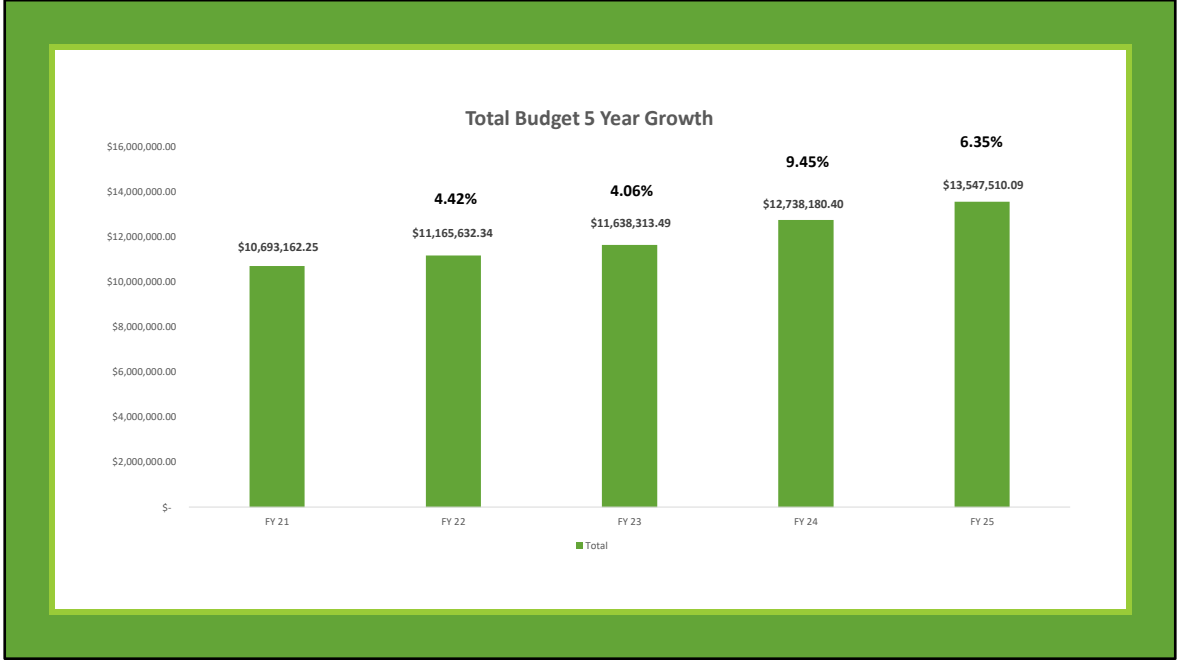
Currently the debt budget shows a decrease of 5.59 percent this reflects moving the police cruiser leases from the debt schedule into the police operating budget as discussed previously. There is also reduction from interest costs as we have paid down principal on Thomas Prince Green Repair, Broadband make ready, and the Bond borrowing for Bagg Hall repairs and the salt shed at the highway department. We renewed the PFAS/ Clock Tower Ban for one additional year on 3/28/2024 as originally planned to allow interest rates to drop. We will permanently finance PFAS/Clock Tower in FY26.

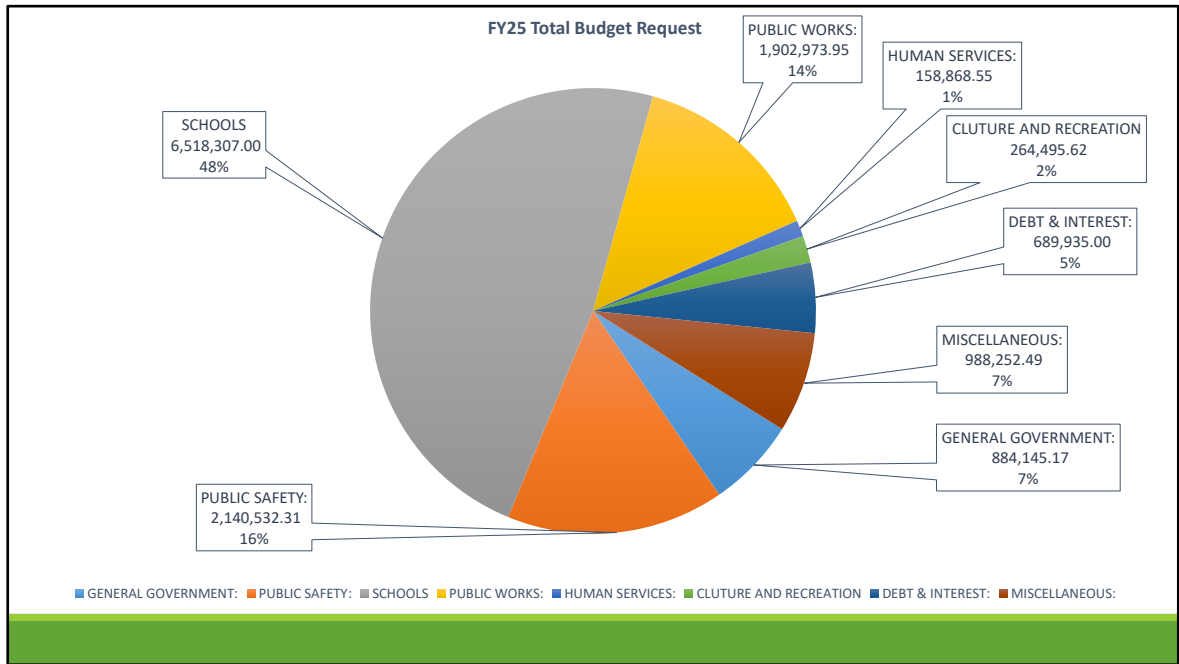
| DEPARTMENT | FY24 | FY25 | FY25 | FY 24 |
|----------------------------|-------------------|------------------|-------------------|--------------|
| | BUDGET | CHANGES / | Total | to |
| | VOTED | GROWTH | Budget Request | FY 25 |
| | | | | % INCREASE |
| MISCELLANEOUS: | | | | |
| Retirement | 340,439.00 | 36,423.00 | 376,862.00 | 10.70% |
| Town Insurance | 125,000.00 | - | 125,000.00 | 0.00% |
| Health Insurance | 328,454.85 | 45,686.89 | 374,141.74 | 13.91% |
| Life & Fringe | 9,900.00 | - | 9,900.00 | 0.00% |
| FICA/Medicare | 47,900.39 | 4,448.36 | 52,348.75 | 9.29% |
| Wage/Salary Reserve | 25,000.00 | - | 25,000.00 | 0.00% |
| Energy Reserve | 25,000.00 | - | 25,000.00 | 0.00% |
| TOTAL MISCELLANEOUS | 901,694.24 | 86,558.25 | 988,252.49 | 9.60% |

Miscellaneous includes energy and wage reserves, which are level funded, and town and employee insurance expenses. The assessment for Worcester regional retirement has increased by 10%; we have no control over this assessment. Our health insurance has risen by 8.78%. This is partly because our mix has changed; we have increased family versus individual plans. In addition, our annual rates increased by 3.79%.

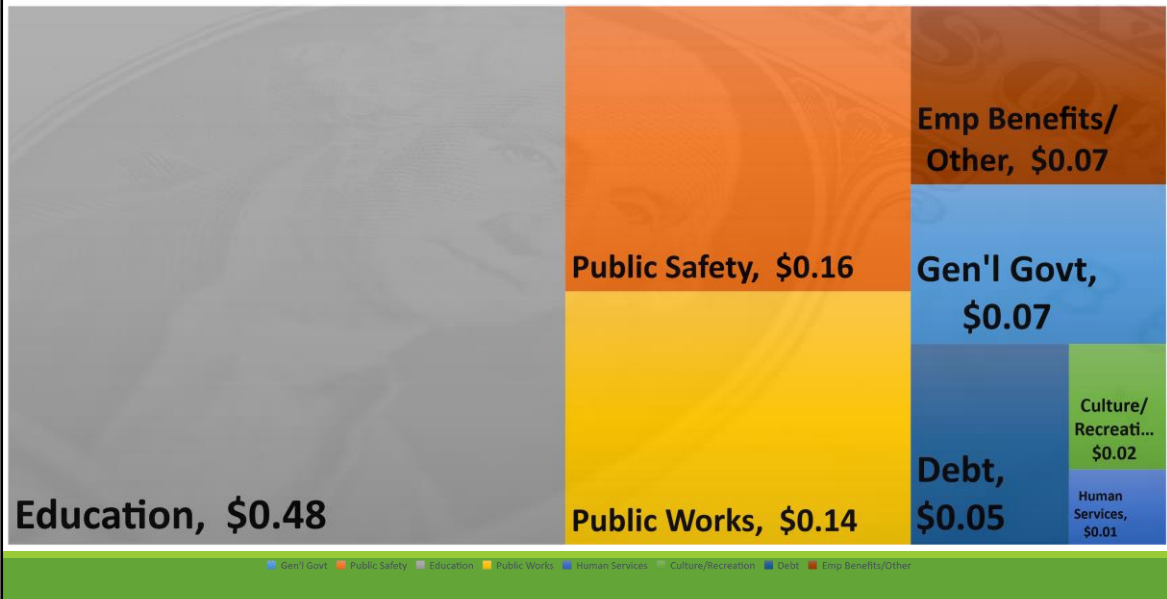
| DEPARTMENT | FY24 | FY25 | FY25 | FY 24 |
|------------------------|-------------------------|----------------------|-------------------------|--------------|
| | BUDGET | CHANGES / | Total | to |
| | VOTED | GROWTH | Budget Request | FY 25 |
| | | | | % INCREASE |
| GENERAL GOVERNMENT: | 855,555.97 | 25,589.20 | 884,145.17 | 3.34% |
| PUBLIC SAFETY: | 1,996,255.88 | 144,276.43 | 2,140,532.31 | 7.23% |
| SCHOOLS | 6,120,987.00 | 397,320.00 | 6,518,307.00 | 6.49% |
| PUBLIC WORKS: | 1,717,680.49 | 185,293.46 | 1,902,973.95 | 10.79% |
| HUMAN SERVICES: | 156,453.10 | 2,415.45 | 158,868.55 | 1.54% |
| CULTURE AND RECREATION | 258,771.72 | 5,723.90 | 264,495.62 | 2.21% |
| DEBT & INTEREST: | 730,782.00 | -40,847.00 | 689,935.00 | -5.59% |
| MISCELLANEOUS: | 901,694.24 | 86,558.25 | 988,252.49 | 9.60% |
| Total Budget | \$ 12,738,180.40 | \$ 809,329.69 | \$ 13,547,510.09 | 6.35% |

The Preliminary FY 25 Budget reflects an overall increase of 6.35% over FY 24. This slide illustrates the % increase by department.





How Your Tax Dollar is Spent
In Proposed FY 2025 Budget



Preliminary Tax Levy Calculation



| 4/1/2024 | FY 25 Budget |
|--|-------------------|
| Preliminary Budget | \$ 13,547,510.09 |
| Plus Overlay | \$ 60,000.00 |
| State Charges | \$ 31,114.00 |
| Offsets (Library) | \$ 8,304.00 |
| Sub-Total Raise & Appropriate | \$ 13,646,928.09 |
| Sub-Total Raise & Appropriate Minus | \$ 13,646,928.09 |
| State Aid | \$ (763,371.00) |
| Local Receipts | \$ (1,077,000.00) |
| Sub-Total Raise & Appropriate Minus Free Cash & Ambulance Receipts | \$ 11,806,557.09 |
| Receipts | \$ (273,000.00) |
| Total Raise & Appropriate FY 25 | \$ 11,533,557.09 |
| <u>LEVY CAL</u> | |
| Prior Year Levy | \$ 10,933,192.00 |
| Plus 2 1/2 | \$ 273,329.80 |
| New Growth | \$ 149,104.00 |
| Prev. Amend Growth | \$ 7,752.00 |
| Debt Exclusion | \$ 259,204.00 |
| Total Max Levy | \$ 11,622,581.80 |
| Minus Total R & A FY25 | \$ 11,533,557.09 |
| Excess Levy Cap | \$ 89,024.71 |

Overlay: Assessors Reserved for abatements

State Charges: RMV Surcharge, MBTA, Regional Transit

Offsets: State charges for Library

Raise & Appropriate: Taxation

State Aid: Chapter 70, General Gov't Aid, Veterans Benefits, Exemptions (VBS, Elderly), State Owned Land

Local Receipts: Excise, Penalties & Interest, PILOT, Fees Fines, Investment Income, Misc. Revenue

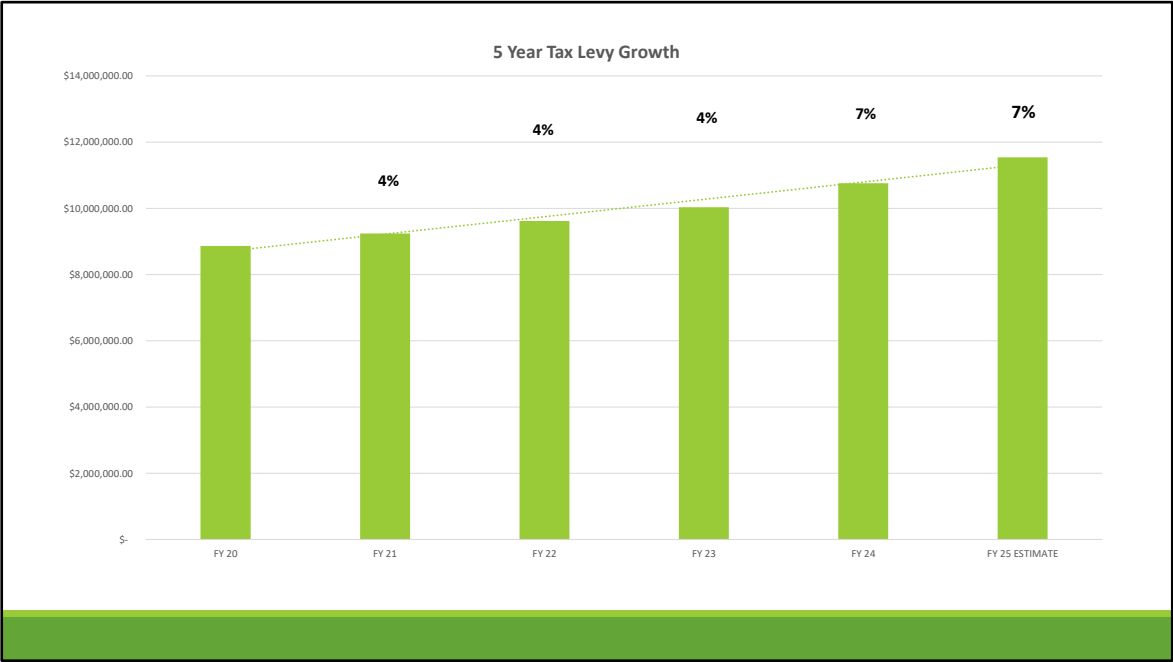
PILOT: Payment in Lieu of Taxes for State Owned Land

Free Cash: DOR Certified Available Funds for Appropriation

Ambulance Receipts: Funds received for Ambulance Services

New Growth: The taxing capacity added by new construction and other increases in the property tax base

Debt Exclusion: Green Repair and WRSD



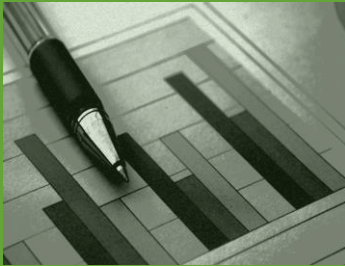
| FY 2024 TAX RATE | | | |
|---|--|----|----------------|
| FY 23 Tax levy from tax recap | | \$ | 10,750,471.93 |
| FY 23 Valuation of properties | | \$ | 766,248,890.00 |
| TAX RATE = LEVY/VALUATION | | | 0.01403 |
| per \$1000.00 | | \$ | 14.03 |
| In general for every additional \$100k we spend the tax rate increases by .13 | | | |
| EXAMPLE | | | |
| TAX LEVY WITH ADDITIONAL \$100,000 | | \$ | 10,850,471.93 |
| VALUATION OF PROPERTIES | | \$ | 766,248,890.00 |
| TAX RATE = LEVY/VALUATION | | | 0.01416 |
| per \$1000.00 | | \$ | 14.16 |
| Increase = New rate - Previous | | \$ | 0.13 |
| Annual tax increase for \$500,00 valued home | | \$ | 65.00 |

| PRELIMINARY FY 2025 TAX RATE INCREASE/DECREASE | | | |
|--|--------|------|---------------|
| FY 2024 Budget | | \$ | 12,738,180.40 |
| Proposed FY 2025 Budget | | \$ | 13,547,510.09 |
| Proposed Increase/decrease | | \$ | 809,329.69 |
| Proposed Tax Rate increase | | \$ | 1.05 |
| Proposed annual increase for \$500,000 valued home | | \$ | 526.06 |
| monthly increase | | \$ | 43.84 |
| TAX INCREASE BY DEPARTMENT | | | |
| | \$ | % | Amount |
| Police | 0.09 | 8% | 68,260.23 |
| Fire | (0.00) | 0% | (25.00) |
| Education | 0.52 | 49% | 397,320.00 |
| Highway | 0.04 | 4% | 31,036.56 |
| Ambulance | 0.07 | 7% | 57,532.00 |
| Environmental | 0.20 | 19% | 154,200.00 |
| All other | 0.13 | 12% | 101,005.90 |
| | 1.05 | 100% | \$ 809,329.69 |

Preliminary FY 25 Budget – Tax Rate Increase/Decrease

This preliminary calculation is a worst-case scenario and does not factor in reductions from State Aid, Local Receipts, or any reductions to the budget from free cash or ambulance receipts. For every additional 100,000 spent, our tax rate could increase by \$0.13. The preliminary budget would increase the tax rate by \$1.05, an increase of \$43.84 monthly for a home assessed at 500,000. Of the 1.05, .52 goes to education, .09 to police, .04 to highway, .07 to ambulance, .20 to environmental, and .13 to all other departments.

Next Steps



- Feedback from citizens, select board, and advisory committee.
- Final adjustments to budget will be made.
- Selectboard will vote to make their FY25 budget recommendations on April 17, 2024.
- The final budget will be presented to the public at a virtual meeting on April 22, 2024.
- Open house will be held at Princeton Community Center- April 25, 2024. Residents are encouraged to attend to ask questions and learn more about the budget.
- The advisory committee will hold a virtual hearing to discuss and make recommendations on April 30, 2024.
- Annual Town Meeting May 14, 2024, at Thomas Prince School.

Upcoming Budget-Related Events



April 22, 2024, 6:30 PM

Virtual-Final Budget
Presentation- Joint
meeting with Advisory
Committee and
Selectboard



April 25, 2024, 6:00 PM

Pre Town-Meeting Open
House Princeton
Community Center
206 Worcester Rd
Princeton, MA



April 30, 2024, 6:30 PM

Virtual- Advisory
Committee Public Hearing



May 14, 2024, 6:00 PM

Annual Town Meeting
Thomas Prince School
170 Sterling Rd Princeton,
MA

Remote meeting links will be posted on the town's website according to open meeting laws and can be found on the calendar.