

Chaplin Board of Finance
FY 2022-23 Budget Development Policies for Town Agencies

The Board of Finance (BOF) has adopted the following policies that should govern the preparation of all Town Agency budget requests for FY 2022-23:

Policies for Town Agencies:

1. **The Board's foremost goal for FY 2022-23 is to present a budget to the Annual Town Budget Meeting that adequately supports Town services at current year levels. A second and closely related goal is to craft a budget that keeps taxes stable.** Therefore, agency budget increases will be considered only if they are legally or statutorily mandated, are mandated by collective bargaining agreements, or are the result of emergency or safety conditions. Such increases should be appropriately documented. *New program initiatives WILL NOT be considered unless they recoup their costs during the FY 2022-23 fiscal year through associated revenue offsets.*
2. It is anticipated that State of Connecticut funding for municipalities will remain constant in FY 2022-23. However, the persistence of the COVID-19 pandemic may have an adverse effect on the State and local economy. In addition, the town's Grand List continues to decrease due to the depreciation of capital equipment owned by Eversource and Algonquin Gas. This factor alone can cause town tax receipts to decline by up to \$175,000. **Therefore, the Board of Finance must insist that your budget for FY 2022-23 remain the same as your FY 2021-22 budget – a 0% increase, exclusive of salaries.**
3. Salaries shown on your FY 2022-23 budget request form have been carried forward at current year levels pending a decision on salary increases by the Board of Selectmen. *For FY 2022-23, agency requests for salary increases that exceed Board of Selectmen standard guidelines WILL NOT be considered.*
4. The BOF expects that reductions to agency budgets will be made in any area where the opportunity exists to reduce the costs of providing services during the next year. We do, however, recognize that projections in certain areas must be "best estimates" at this time, and this practice is acceptable as it has been in the past.
5. The BOF realizes that utility costs, particularly electricity, are expected to vary from year to year. To ensure uniform utility budgeting practices across all agencies, the following procedures should be followed:
 - a. Agencies MAY NOT change energy suppliers (electricity, propane, heating oil) without approval from the Town Finance office. It is essential that energy suppliers be selected centrally for the entire Town to ensure best pricing and to avoid costly long-term contracts.
 - b. All agencies must coordinate their FY 2022-23 utility budget calculations with the Town Finance Office to ensure uniformity.
6. All information technology expenses (hardware and software) must be listed separately and require written explanation, which should include complete vendor quotes for purchase, licensing, and annual maintenance costs.
7. For all single purchases or contracts in excess of \$5,000, the Board requires that all Agencies obtain written quotes from vendors prior to purchase. Written justification for these purchases must be submitted with your budget request.
8. The Town ordinance requiring formal bids for purchases in excess of \$7,500 must be strictly observed. In such cases, all contracts for services and CIP purchases must be accompanied by a preliminary RFQ or a pricing example from a trade publication or similar printed advertisement for goods or services. *This requirement will not be waived.*