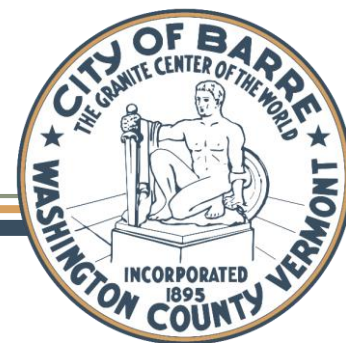


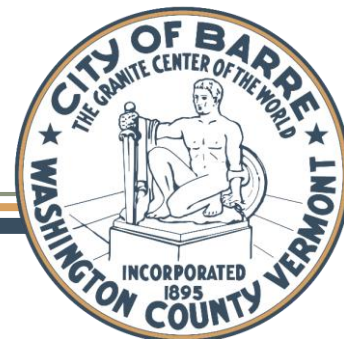
APPROVE FY26 BUDGET

NICOLAS STORELLICASTRO
CITY MANAGER
APRIL 8, 2025



MAJOR CHANGES SINCE PROCESS STARTED

- **INCREASED** Aldrich Library to requested amount: **+\$16,980**
- **INCREASED** The Barre Partnership to requested amount: **+\$2,100**
- **DECREASED** BADC to last year's amount and recommend making the funding contingent on hiring an Executive Director approved by the City/Town: **(\$7,029)**
- **RETURNED** excess fund balance to lower tax rate **(\$84,730)**
- **RESTORED** most Cemetery seasonal staff **(\$50,000)**
- **RESTORED** year-round use of Barre Town Yard Waste Site **(\$10,000)**
- **ADDED** voter-approved request for Granite Museum **(\$15,000)**



HOW IT STARTED...

PRELIMINARY FY26 BUDGET MATH

- **1.34%:** Increase in expenses over FY25 budget
- **\$1.1M:** projected deficit, due to loss of \$1M in state operating aid
- **10.77%:** Projected increase to the tax rate if nothing changes

- Some initial changes to highlight:
- Removed Associate Planner and Engineering Tech positions
 - Moved Superintendent of Public Works to Enterprise Funds
 - Added \$36K for a new PT Treasurer

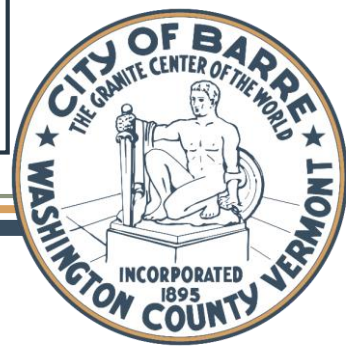


Due to the loss of state operational funding assistance, we faced an initial projected tax rate increase of 10.77%.

We faced a difficult financial picture, with key indicators all moving in the “wrong” direction.

FY26 BUDGET BASELINE CONDITIONS

- ↑ ~5% contractual wage increases
- ↑ 18% health care rate increases
- ↓ Depleted fund balance due to flood expenses
- ↓ Loss of grand list value due to buyouts
- ↓ Loss of State Operational Aid




...HOW IT'S GOING?

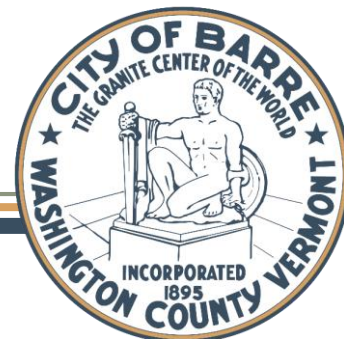
- ~\$396,000 of property tax relief
 - \$321,000 of cost savings identified →
 - \$75,000 of new non-tax revenues identified

Reductions include:

- Elimination of bulky waste event
- Elimination of Associate Planner position
- Fuel savings
- Reductions in office equipment and supplies



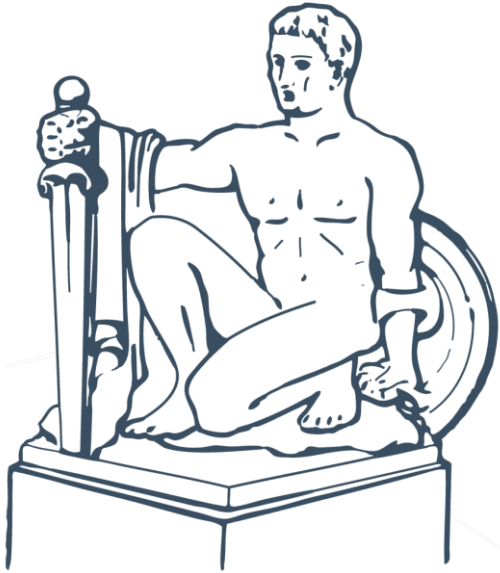
Category	FY26 Proposed	Change (\$, %)
Rental Registration	\$113,390	+\$4,610, 4.06%
Time of Sale Inspection Fees	\$3,500	(\$2,250), -64.28%
Excavation Permits	\$6,000	+\$1,000, 16.67%
Passport Processing Fees	\$700	+\$700
State Highway Aid	\$146,278	+\$8,722, 5.96%
BOR Turf Rental	\$25,025	(\$12,512), 50.00%
<u>Cozzi</u> Trust Interest	\$0	+\$75,000



FY26 BUDGET MATH

- Total General Fund budget: \$14,800,120
 - FY25 approved: \$14,873,781 (0.004% reduction year-to-year in expenses, essentially flat)
- Projected tax rate increase: 5.87%





THANK YOU

QUESTIONS/DISCUSSION?

SUGGESTED MOTION:

MOVE TO APPROVE GENERAL FUND BUDGET OF \$14,800,120, OF WHICH AN AMOUNT NOT TO EXCEED \$10,762,686 IS TO BE RAISED BY LOCAL PROPERTY TAXES FOR THE FISCAL YEAR JULY 1, 2025 THROUGH JUNE 30, 2026.

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