FY27 BUDGET UPDATE

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CITY MANAGER
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CURRENT FY27 BUDGET MATH

- Total General Fund budget: **<u>$15,832,770</u>** (up $10,201 from last week)
  - FY26 approved: **<u>$14,732,390</u>**
  - **<u>7.47%</u>** increase in year-to-year expenses (up from **<u>7.40%</u>** last week)
  - **<u>5.00%</u>** increase in amount to be raised by taxes to support general fund budget (down from **<u>6.66%</u>** last week)

This budget **<u>funds the Council's priorities</u>** and funds requests from the Aldrich Library, BADC, and The Barre Partnership.

OPEN QUESTIONS

- **Green Mountain Transit:** Staff proposed $25,901 cut due to inequitable local contributions.
  - **Restored full amount to $38,401 with condition that GMT/TVT makes progress towards equitable local share allocations**
- **Rental Registry:** Staff proposed $82,000 in revenue by increasing the fee from $60 to $100 per year.
  - **Revised proposal to increase fee from $60 to $75 for $31,000 in new revenue**
- **Housing & Homelessness Liaison:** Staff proposed to fund the position while we advocated for State funding.
  - **$100,000 in State revenue included in budget since this is a State responsibility**
- **Project Management:** Mayor proposed restoration of the Associate Planner position which was cut last year due to inability to fill the position.
  - **Created "Consultant Fees/Contracted Services" line for $90,000 to allow more flexibility to fill this need without having to hire a full-time position.**

OTHER ADJUSTMENTS

- Increased Cozzi Fund Interest Income **from $85,000 to $135,000**
- Increased General Fund Interest Income **from $40,000 to $65,000**
- **Added $35,000** in new revenue from Downstreet 173 S. Main Street PILOT
- Kept Traffic Light Maintenance at **$24,500** since line has underspending

USE OF FUND BALANCE

- **Estimated cumulative fund balance:** $2,163,987

- **Amount that can be retained per Charter**
  - Current Charter (5% of general fund): $743,689
  - **Expected Charter (10% of general fund): $1,487,378**

- **Available fund balance with 10% retained:** $676,609

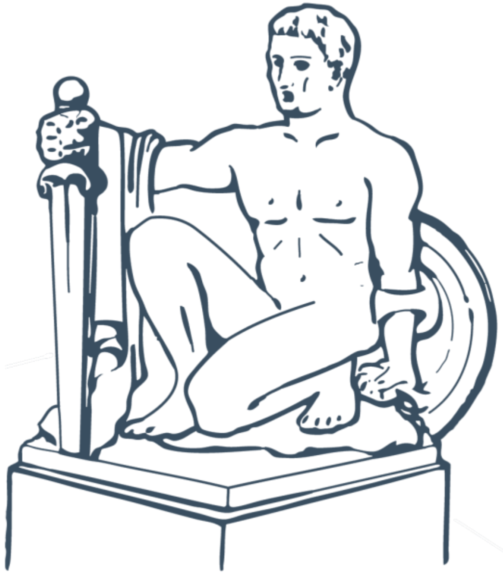
USE OF FUND BALANCE

Fund Balance Options:

- Designate **$1.4 million** as undesignated fund balance as allowed by anticipated Charter amendment.

- Estimated **$255,000** in Fund Balance required to meet ~5% target in projected increase in amount to be raised by taxes.

- If full $255,000 is allocated to the FY27 budget, an estimated **$421,000** would remain in balance to be allocated to the Capital Improvement Fund.



THANK YOU

QUESTIONS/DISCUSSION?

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