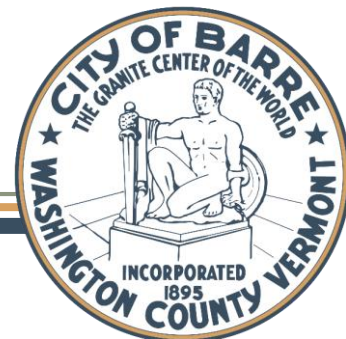


# FY25 BUDGET UPDATE

NICOLAS STORELLICASTRO  
CITY MANAGER  
DECEMBER 5, 2023

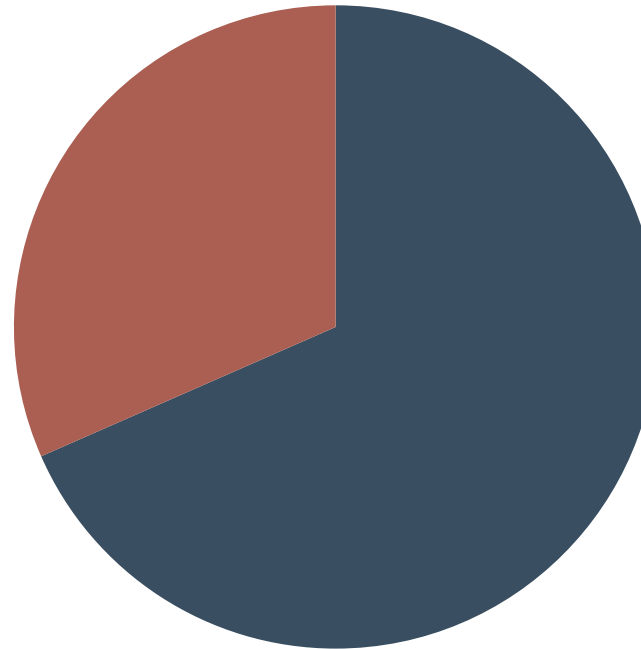


# MOST OF OUR BUDGET IS FIXED

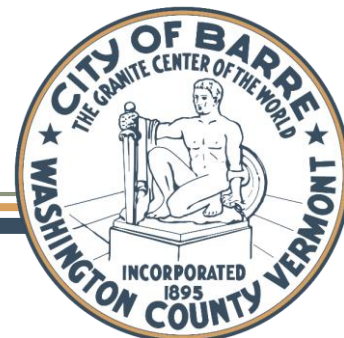
## LABOR v. EXPENSE SUMMARY – 2025 PROJECTED

Of the 32% (or ~\$4.5M) in non-labor expenses, \$3M is for costs where the City has little or no discretion, including:

- Debt service
- Insurance
- Vehicle and heating fuel
- Sand/salt
- Technology (emails, software, phones)



Wages & Benefits 68%



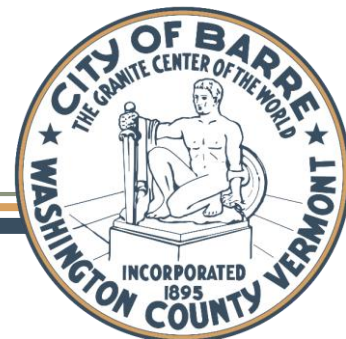
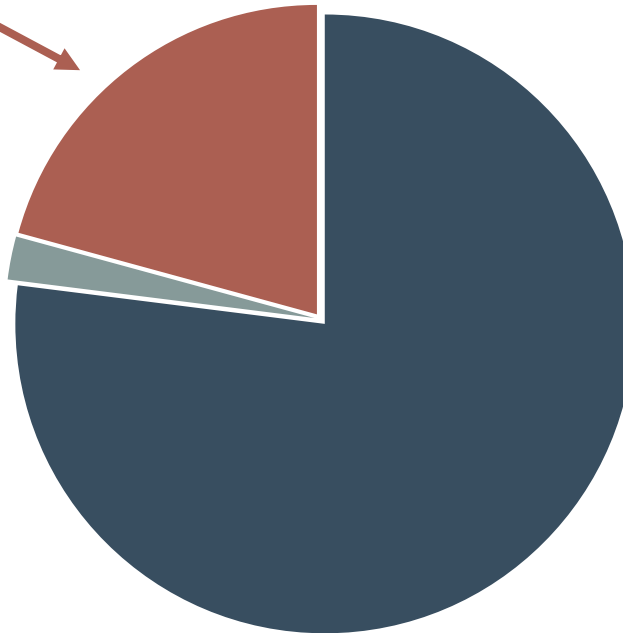
# MOST OF OUR REVENUE IS FROM PROPERTY TAXES

## REVENUE SUMMARY – 2025 PROJECTED

City Generated Revenue – 21%

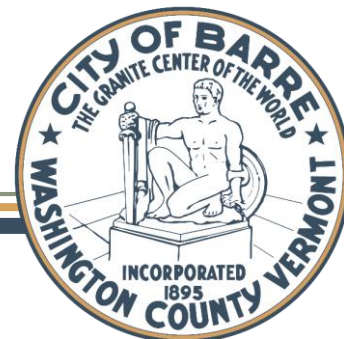
Federal & State Assistance – 1%

Property taxes and PILOT – 78%



# IMPACTS OF THE FLOOD ON THE CITY BUDGET ARE WIDESPREAD

- All inputs in the City Budget will be significantly impacted:
  - **Revenue:** Property tax abatements and loss of tax base from buyouts
    - 363 structures damaged by the flood
    - ~50 properties expected to be Substantially Damaged
    - ~40 property owners have applied for a buyout, representing \$146,361 in total taxes
  - **Expenses:** Cost of flood recovery projects
    - ~55 projects identified at \$2.7M total cost. Generally speaking, the City is responsible for a 25% share of FEMA projects
  - **Cash flow:** Front the cost of flood recovery projects
    - FEMA expenses are reimbursable, so the City has to pay up front and wait for reimbursement, assuming project costs are approved
    - City Council approved our application for a \$3M line of credit at its 10/10/2023 meeting



# BASELINE FY25 BUDGET CONDITIONS

- Before we even started to work on the budget, we were facing significant non-discretionary increases and lost resources:

 ~5% contractual wage increases

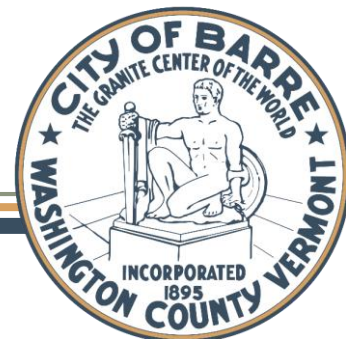
 13% health care rate increases

 \$497K in projected expenses (+\$129K)

 Depleted fund balance due to flood expenses

Key changes since 11/21

- +\$90K Property & Casualty and Workers Comp Insurance
- +\$100K NEW FEMA Consulting/Temporary Assistance line



# RESULTS OF DRAFT FY25 BUDGET



**\$526K in cuts**

*(\$29K) net decrease when offset by \$497K in new expenses*



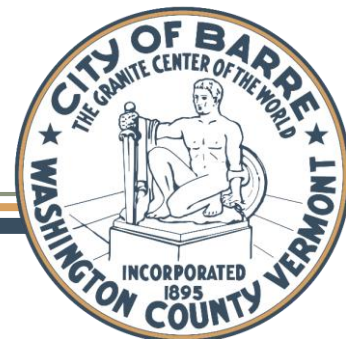
**\$93,312 increase in non-tax revenue**



**3.68% reduction in the grand list**



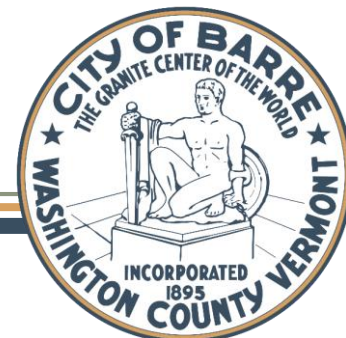
**5.61% increase**  
in expenses from  
FY24 to FY25



# \$526K IN CUTS (\$29K NET REDUCTION)

Cut	Description
\$91,492	Temporary elimination of the Planner position
\$67,486	Reduction in Cemeteries seasonal staff
\$47,497	Police Department overtime reductions
\$32,766	Savings from solar energy project
\$18,000	Fire Department equipment replacement
\$17,200	Eliminate bulky waste, yard waste, and tire disposal events
\$6,395	Utility and fuel savings from sale of the Wheelock Building

Examples above account for over \$280K of proposed cuts.  
Full list of cuts included in the Appendix.



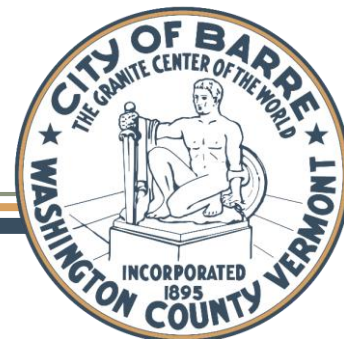
# \$93,312 INCREASE IN NON-TAX REVENUE

Increase	Description
+\$34,889	PILOT payments
+\$23,765	Civic Center rental increases
+\$8,200	Interest income
+\$6,278	State highway aid
+\$5,000	Meter revenue
+\$5,000	Recording fees
+\$3,600	Recreation/camp fees

In addition to these new revenues, staff is proposing to reduce general fund expenses by:

- (1) Using the Semprebon annuity to fund playground maintenance; and
- (2) Dedicating \$8,000 in opioid settlement funds to support Fire and Police Department expenditures.

Examples above account for over \$86K of proposed new non-tax revenue.

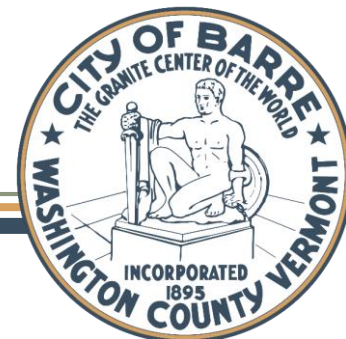




# 3.68% REDUCTION IN THE GRAND LIST

- Due to the expected impact of the flood on 363 taxable properties throughout the City, we have made assumptions to better reflect the potential impacts on the grand list, and the prospective tax rate.

Impacted Property Type	Assumption
40 buyout requests	100% less of grand list value
47 property owners that have applied for abatement	50% less of grand list value
276 balance of 363 total damaged properties	25% less of grand list value

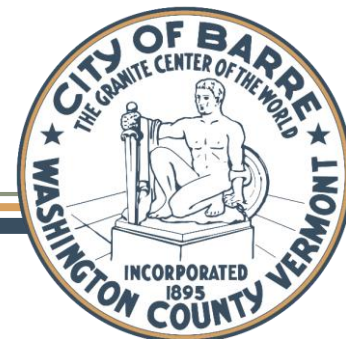


# WE NEED ASSISTANCE TO RESTORE DEEP CUTS AND AVOID UNAFFORDABLE TAX INCREASES

- A \$1.45M aid package would help the City avoid these deep cuts and keep the tax rate at a comparable rate to the previous two years.

Cuts Restored?	\$1.45M Aid Received?	Projected Tax Increase vs. FY24
YES	NO	16.7%
NO	NO	11.5%
YES	YES	2.1%

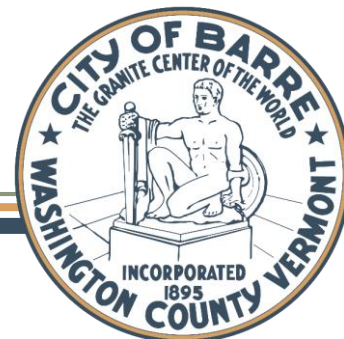
- Absent external assistance, voters will face the daunting choice of either double-digit tax increases or an austere budget that reduces essential and basic services.
  - Eliminate cemetery and park maintenance
  - Close public buildings and facilities (Alumni Hall, Municipal Pool)
  - No overnight plowing
  - Limit City Hall hours, delaying permits

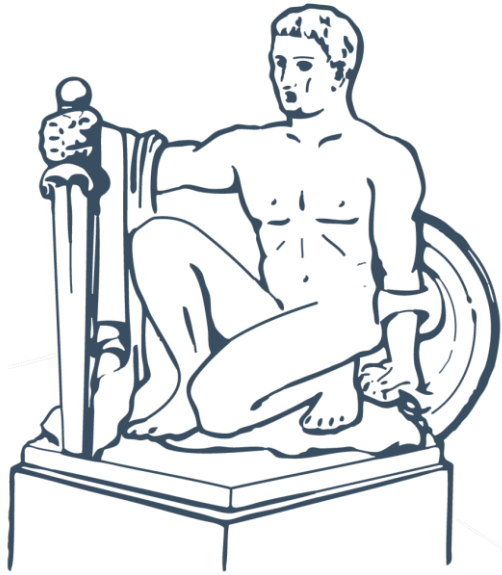


# ABSENT EXTERNAL FUNDING ASSISTANCE, EVEN DEEPER CUTS WILL BE REQUIRED

- Manager and Assistant Manager are preparing contingencies absent external aid package to stabilize the budget
  - Citywide hiring freeze issued November 28: ~\$740K in savings
    - Impacts all positions for which there were no active candidates.
  - Engagement with bargaining units to negotiate contractual savings: ~\$710K needed
    - Examples: overtime savings, early retirements, buyouts, delays in salary increases

If no external aid is received, and absent meaningful savings from labor, the City will have little choice but to consider furloughs and layoffs.





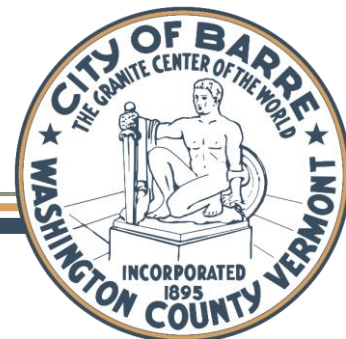
THANK YOU

QUESTIONS/DISCUSSION?

[WWW.BARRECITY.ORG](http://WWW.BARRECITY.ORG)



@BARRECITYVT



# APPENDIX: BUILDINGS & COMMUNITY SERVICE BUDGET CUTS DETAIL (1 OF 3)

<b>(6043) BCS: CITY HALL MAINTENANCE</b>	<b>Decrease</b>
Fuel Oil	(15,361.00)
City Hall BM Solar Project	(4,287.00)
Water and Sewer	(625.00)
<u>Total</u>	<u>(20,273.00)</u>
<b>(7035) BCS: PUBLIC SAFETY BUILDING MAINTENANCE</b>	<b>Decrease</b>
Electricity	(9,423.00)
Propane	(7,955.00)
PSB BM Solar Project	(4,650.00)
<u>Total</u>	<u>(22,028.00)</u>

\$131,906 in cuts across Buildings & Community Services, including:

- \$15,361 in City Hall fuel oil
- \$9,423 in Public Safety Building electricity
- \$7,955 in Public Safety Building Propane



# APPENDIX: BUILDINGS & COMMUNITY SERVICE BUDGET CUTS DETAIL (2 OF 3)

<b>(7050) BCS: RECREATION DEPARTMENT</b>	<b>Decrease</b>
Skate Guards & Cashiers	(1,560.00)
Pool Equipment	(600.00)
Training and Development	(450.00)
Recreation Supplies	(250.00)
Travel and Meals	(200.00)
<b>Total</b>	<b>(3,060.00)</b>
<b>(7015) BCS: FACILITIES: (NB Rink, Charlie's PG, Math, Lincoln)</b>	<b>Decrease</b>
Water & Sewer	(5,500.00)
Fuel - 135 N. Main St (Wheelock Hse)	(5,395.00)
Building Maintenance	(4,500.00)
Electricity	(3,000.00)
Elect: 135 N. Main St (Wheelock Hse)	(1,000.00)
Clothing (Uniform/Dry Cleaning Service)	(639.00)
<b>Total</b>	<b>(20,034.00)</b>
<b>(8040) PARKS AND TREES</b>	<b>Decrease</b>
Tree removal	(12,500.00)
<b>Total</b>	<b>(12,500.00)</b>

\$131,906 in cuts across Buildings & Community Services, including:

- \$12,500 in tree removal, to be funded by the Semprebou annuity
- \$6,395 in savings related to maintenance of the Wheelock Building



# APPENDIX: BUILDINGS & COMMUNITY SERVICE BUDGET CUTS DETAIL (3 OF 3)

<b>(7020) BCS: MUNICIPAL AUDITORIUM</b>	<b>Decrease</b>
BM Solar Project	(9,533.00)
Building and Grounds Maintenance	(2,000.00)
Clothing (Uniform/Dry Cleaning Service)	(1,931.00)
Alumni Hall Maintenance	(1,000.00)
Propane (Alumni Hall & Aud)	(994.00)
<b>Total</b>	<b>(15,458.00)</b>
<b>(7030) BCS: BARRE OUTDOOR RECREATION (BOR)</b>	<b>Decrease</b>
BOR BM Solar Project	(14,296.00)
Electricity	(11,142.00)
Building and Grounds Maintenance	(4,000.00)
Propane	(3,826.00)
Supplies and Equipment	(2,500.00)
Clothing (Uniforms)	(1,789.00)
Overtime	(1,000.00)
<b>Total</b>	<b>(38,553.00)</b>

\$131,906 in cuts across Buildings & Community Services, including:

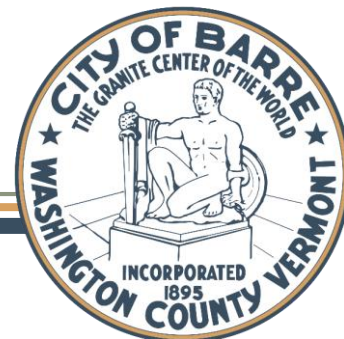
- \$4,820 in Civic Center propane
- \$2,000 in Aud building and grounds maintenance
- \$1,000 in BOR overtime



# APPENDIX: PERMITTING, PLANNING & ASSESSING SERVICES BUDGET CUTS DETAIL

<b>(8030) PLANNING, PERMITTING, &amp; ZONING</b>	<b>Decrease</b>
JR. PLANNER (TOTAL Comp allowance including benefits)	(91,491.53)
Travel and Meals	(150.00)
Dues and Membership Fees	(50.00)
<u>Total</u>	<u>(91,691.53)</u>
<b>(5020) ASSESSOR</b>	<b>Decrease</b>
Overtime	(1,000.00)
<u>Total</u>	<u>(1,000.00)</u>

\$92,691 in cuts across this program area driven almost entirely by a one-time, one-year de-funding of the Jr. Planner position.



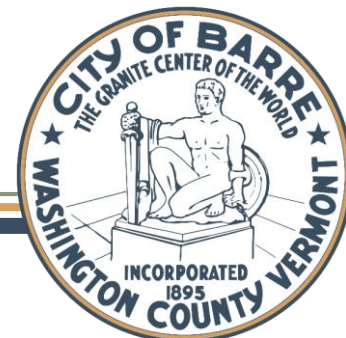


# APPENDIX: POLICE DEPARTMENT BUDGET CUTS DETAIL (1 OF 2)

(6050) POLICE DEPARTMENT	Decrease
Overtime	(47,497.00)
Office Equipment Service Contracts & Maint.	(10,115.00)
Computer Access	(3,328.00)
Vision	(2,330.00)
K-9 Program	(2,200.00)
Travel and Meals	(1,000.00)
Clothing (Phased Uniform Replacements)	(1,000.00)
PD Building Security Cam's (17 total; Replace 2-3 Hi-Res/Yr)	(1,000.00)
Office Supplies	(1,000.00)
Consultant Fees	(500.00)
Juvenile Program	(500.00)
Footwear	(350.00)
<b>Total</b>	<b>(70,820.00)</b>

\$83,942 in cuts across the Police Department, including dispatch and meters enforcement, including:

- \$47,497 in overtime reductions
- \$10,115 in office equipment
- \$2,200 in the K-9 program

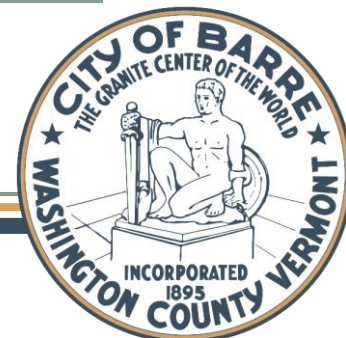


# APPENDIX: POLICE DEPARTMENT BUDGET CUTS DETAIL (2 OF 2)

<b>(6045) METERS ENFORCEMENT</b>	<b>Decrease</b>
Meter & Handhelds Replacements (3 - replace 1/yr)	(4,000.00)
Clothing	(500.00)
Meter Supplies(Batteries, Tickets, Envelopes, Bags)	(500.00)
<u>Total</u>	<u>(5,000.00)</u>
<b>(6055) DISPATCH</b>	<b>Decrease</b>
Clothing	(3,671.00)
Training/Development (APCO)	(2,000.00)
Travel/Meals	(1,000.00)
Tower Rental Fees (American Tower Co.)	(541.00)
Office Supplies/Equipment	(500.00)
Vision	(410.00)
<u>Total</u>	<u>(8,122.00)</u>

\$83,942 in cuts across the Police Department, including dispatch and meters enforcement, including:

- \$4,000 in meter and handheld replacements
- \$3,671 in dispatch clothing expenses
- \$2,000 in dispatch training/development



# APPENDIX: CEMETERIES BUDGET CUTS DETAIL

<b>(8500) BCS: CEMETERIES &amp; PARKS DEPARTMENT</b>	<b>Decrease</b>
Seasonal Staff	(67,486.25)
Electricity (Office)	(5,500.00)
Veterans Flags	(2,434.00)
Small Equipment Maint Exps (No Labor)	(2,000.00)
Grounds Maintenance (Hope)	(1,000.00)
Dufresne Lot Expenses (Water, Taxes)	(550.00)
Overtime Allowance	(500.00)
Travel and Meals	(100.00)
<b>Total</b>	<b>(79,570.25)</b>

\$79,570 in cuts across Cemeteries, including:

- \$67,486 in one-time reduction of seasonal staff
- \$5,000 in electricity savings from closing the office
- \$2,000 from insourcing small equipment maintenance



# APPENDIX: PUBLIC WORKS BUDGET CUTS DETAIL (1 OF 2)

<b>(8020) ENGINEERING</b>	<b>Decrease</b>
Training/Development	(3,309.00)
Director POV Mileage Reimbursement Allowance	(1,652.00)
Engineering Equipment/Licensing (GPS, GIS)	(900.00)
Overtime	(375.00)
Footwear	(145.00)
Travel/Meals/Mileage	(100.00)
<b>Total</b>	<b>(6,481.00)</b>
<b>(6070) TRAFFIC SIGNALS</b>	<b>Decrease</b>
Traffic Light Maintenance	(4,500.00)
Traffic Light Electricity	(1,000.00)
<b>Total</b>	<b>(5,500.00)</b>

\$67,080 in cuts across Public Works, including Engineering, traffic signals and Streets, including:

- \$5,500 in reduced traffic signal maintenance
- \$3,309 in Engineering training/development

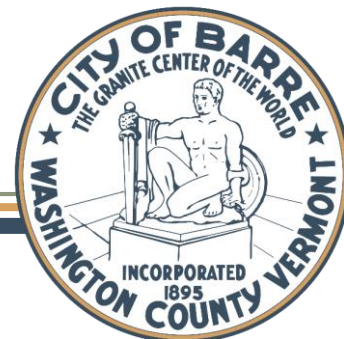


# APPENDIX: PUBLIC WORKS BUDGET CUTS DETAIL (1 OF 2)

(8050) STREET DEPARTMENT	Decrease
Bulk Waste Removal - Disposal Fees	(10,000.00)
Salt - Sno	(10,000.00)
Pre-Cast Catch Basin's & Grates - SS	(5,000.00)
Storm Water Permits (Fees Only)	(3,847.00)
Concrete - SW repairs (small <25ft)	(3,500.00)
Bridge & Railing Repairs	(3,000.00)
Supplies New SW Construction/Rehab	(3,000.00)
Yard Waste Semi Annual Collection Prg Fees	(2,200.00)
Asphalt- SW repairs	(2,000.00)
Vision	(1,900.00)
Culverts - SS	(1,862.00)
Vehicle Grease and Oil	(1,500.00)
Vehicles Damage	(1,000.00)
Plow Damage	(1,000.00)
Guardrails	(1,000.00)
Roadside Mowing	(1,000.00)
Gravel - STS	(1,000.00)
SS - Surface Sewers (Gravel Backfill)	(1,000.00)
Physical Exams	(540.00)
Travel and Meals	(250.00)
Chloride - SNO	(250.00)
Street Light Maint. (Bulbs-not signals)	(250.00)
<b>Total</b>	<b>(55,099.00)</b>

\$67,080 in cuts across Public Works, including Engineering, traffic signals and Streets, including:

- \$10,000 in elimination of bulk waste event
- \$10,000 reduction in salt
- \$8,500 in sidewalk repair materials
- \$3,847 in elimination of storm water permits and fees

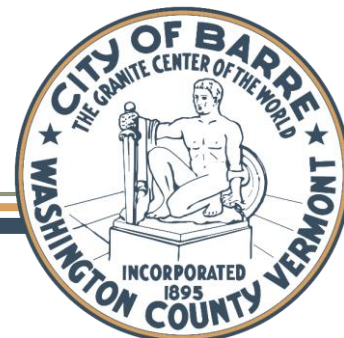


# APPENDIX: FIRE & EMS BUDGET CUTS DETAIL

(6040) FIRE / EMS DEPARTMENT	Decrease
Breathing Apparatus	(7,000.00)
Fire Hose	(7,000.00)
Vehicle Replacement Reserve	(5,000.00)
Office Supplies	(5,000.00)
Safety Equipment	(4,000.00)
Vision	(2,575.00)
Radios and Pagers	(2,500.00)
Clothing (Uniform Replacements)	(2,500.00)
Defib - Batteries/Preventative Maint.	(2,000.00)
Ambulance Billing Training Seminar (Annual)	(1,500.00)
Building Appliances Updates	(1,250.00)
Footwear	(850.00)
Dry Cleaning	(600.00)
Secure Vacant Property	(500.00)
Medical Supplies	(500.00)
<b>Total</b>	<b>(42,775.00)</b>

\$42,775 in cuts across this department, including:

- \$7,000 in fire hose replacement
- \$7,000 in breathing apparatus equipment
- \$2,500 in uniform replacements

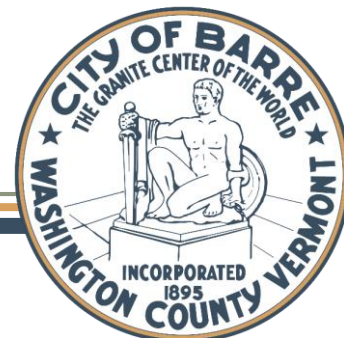


# APPENDIX: GENERAL ADMIN/CITYWIDE BUDGET CUTS DETAIL (1 OF 2)

<b>(5040) CITY MANAGER</b>	<b>Decrease</b>
IT Expenses	(1,416.00)
Manager Expenses	(250.00)
Network HW/SW Expenses	(200.00)
<b>Total</b>	<b>(1,866.00)</b>
<b>(5070) CITY CLERK</b>	<b>Decrease</b>
Base Salary , Longevity	(2,067.42)
Overtime	(500.00)
<b>Total</b>	<b>(2,567.42)</b>
<b>(5050) FINANCE</b>	<b>Decrease</b>
Computer Forms	(500.00)
Overtime Allowance	(200.00)
Travel and Meals	(200.00)
<b>Total</b>	<b>(900.00)</b>

\$28,298 in cuts across these program areas, including:

- \$1,416 in IT expenses
- \$700 in overtime, travel and meals



# APPENDIX: GENERAL ADMIN/CITYWIDE BUDGET CUTS DETAIL (2 OF 2)

<b>(5010) GENERAL ADMINISTRATION</b>	<b>Decrease</b>
Working Communities Grant Match (Yr. 3 of 3)	(5,000.00)
City Report	(2,550.00)
City Hall Printer Expenses (OSV Lease)	(1,725.00)
Interpretive Services Allowance	(1,000.00)
<b>Total</b>	<b>(10,275.00)</b>
<b>(6020) ANIMAL CONTROL</b>	<b>Decrease</b>
Humane Society Fees	(3,000.00)
<b>Total</b>	<b>(3,000.00)</b>
<b>(9130) MISC ACCOUNTS</b>	<b>Decrease</b>
City Committee Funding	(1,500.00)
<b>Total</b>	<b>(1,500.00)</b>
<b>(9060) INSURANCE</b>	<b>Decrease</b>
Unemployment (9100)	(8,190.25)
<b>Total</b>	<b>(8,190.25)</b>

\$28,298 in cuts across these program areas, including:

- \$8,190 Unemployment Insurance
- \$3,000 Humane Society fees
- \$1,500 City Committee Funding

