

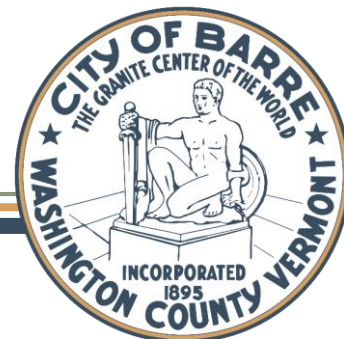
# FY26 BUDGET KICKOFF & SURVEY RESULTS

NICOLAS STORELLICASTRO  
CITY MANAGER  
FEBRUARY 11, 2025



# Goal for tonight: Provide staff clear and consensus direction so we can provide you with a credible preliminary budget:

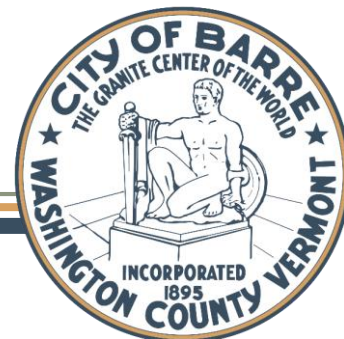
- What are Council's priorities for this budget?
- What are expenses we can reduce/services we can eliminate?
- What are investments we should make?
- What is a projected tax rate increase we should target?



# RECAP OF THE 2025 BUDGET

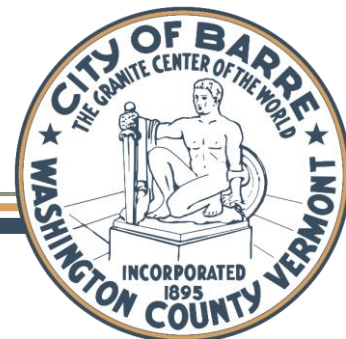
- \$14.8M total expense budget
- \$10.1M to be raised by property taxes
- \$246,000 in savings identified by staff
- \$1M from the state legislature for operational flood relief

The voters of Barre City approved a responsible budget that protects key services, provides for growth in new non-tax revenues, and modernizes City government.



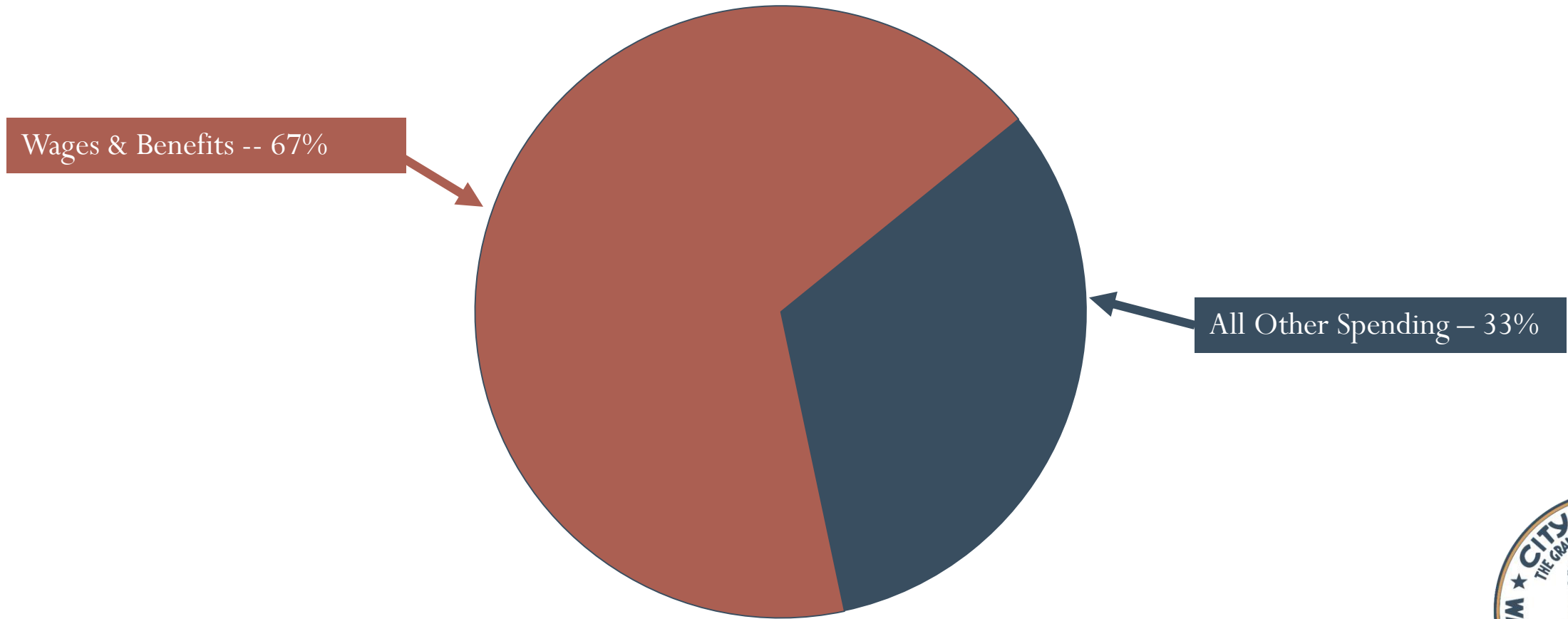
# FY26 BUDGET BASELINE CONDITIONS

- ↑ ~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



# MOST OF OUR BUDGET IS FIXED

## LABOR v. EXPENSE SUMMARY - 2026

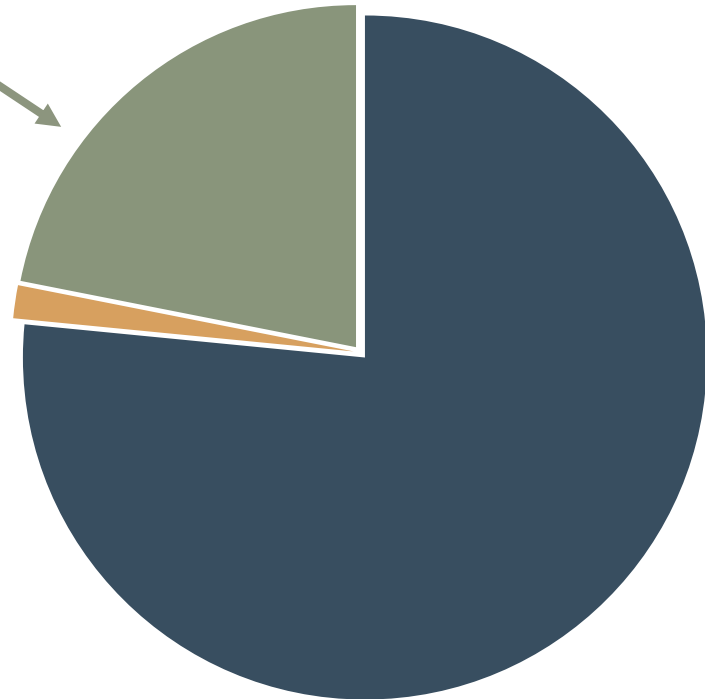


# MOST OF OUR REVENUE IS FROM PROPERTY TAXES

REVENUE SUMMARY - 2026

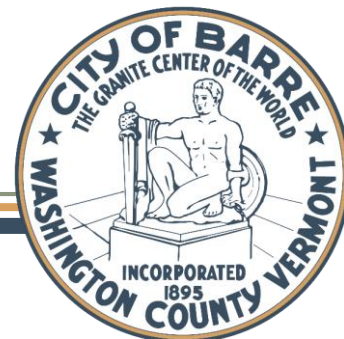
City Generated Revenue – 22%

Federal & State Assistance – 2%

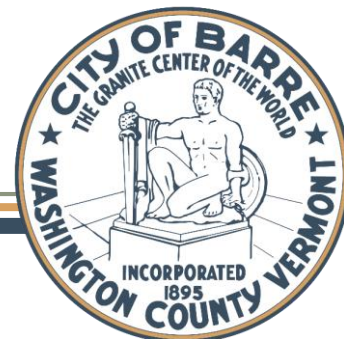
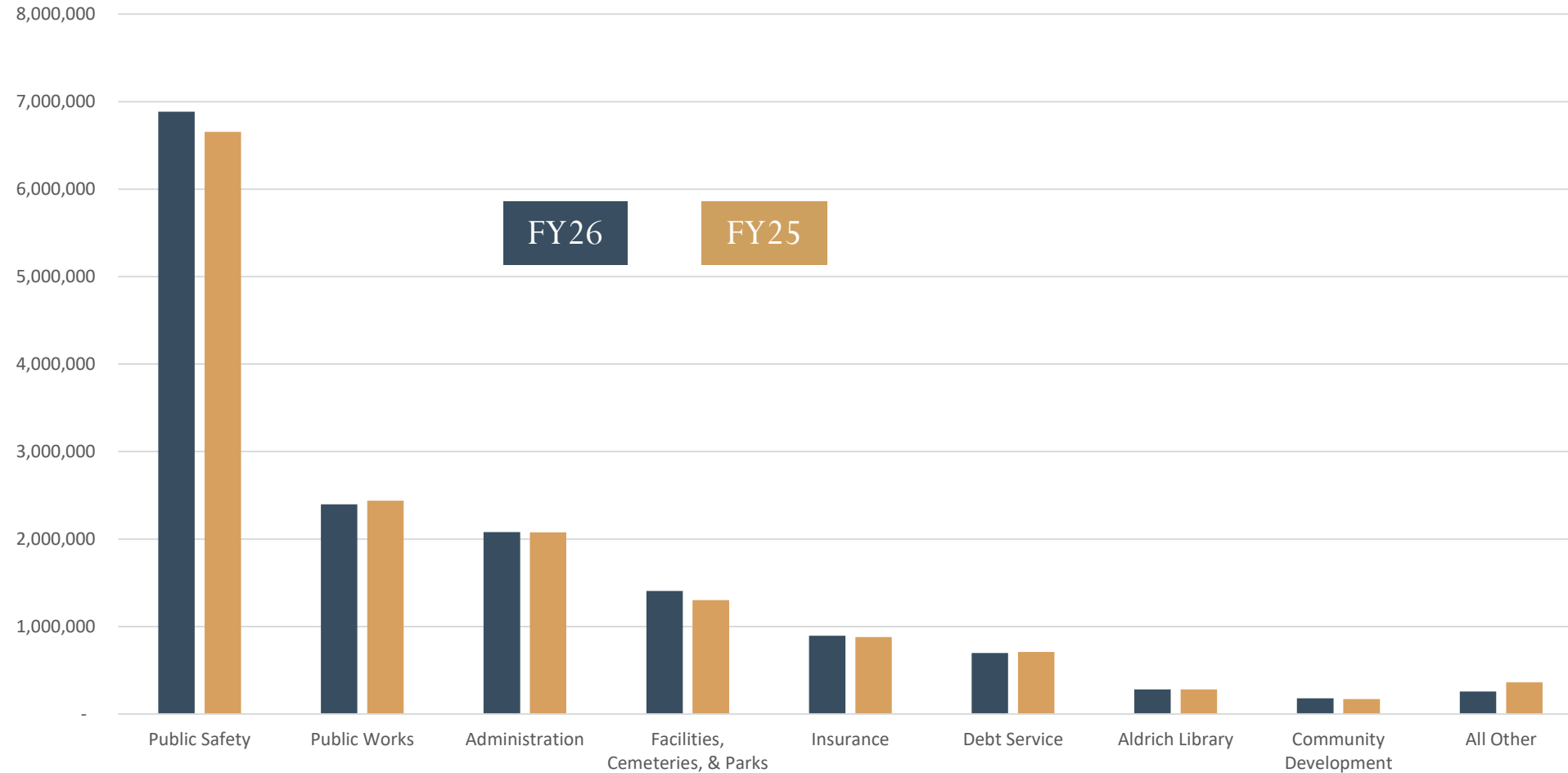


Property taxes & PILOT – 76%

Revenue	FY25 Enacted	FY26 Proposed (Change from FY25)
Property taxes & PILOT	72%	76% +4%
City Generated Revenue	20%	22% +2%
Federal & State Assistance	8%	2% (6%)



# 79% OF EXPENSES ARE FOR DIRECT SERVICES TO RESIDENTS

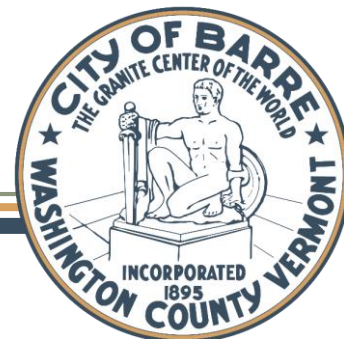


# PRELIMINARY FY26 BUDGET MATH

- **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:

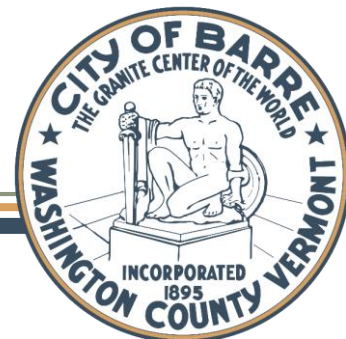
- Removed Associate Planner and Engineering Tech positions
- Moved Superintendent of Public Works to Enterprise Funds
- Added \$36K for a new PT Treasurer





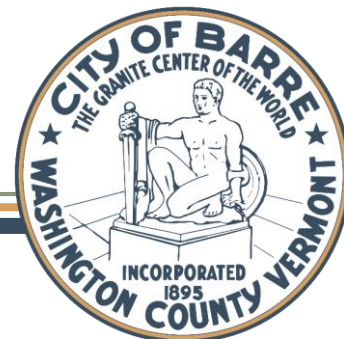
# EXAMPLES OF REDUCTIONS WE CONSIDERED LAST YEAR

- Elimination of Associate Planner position
- Reduction of Cemeteries seasonal staff
- Eliminate bulky waste, yard waste, and tire disposal events
- Delays in replacement of equipment/maintenance

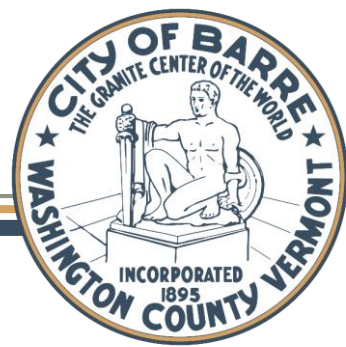
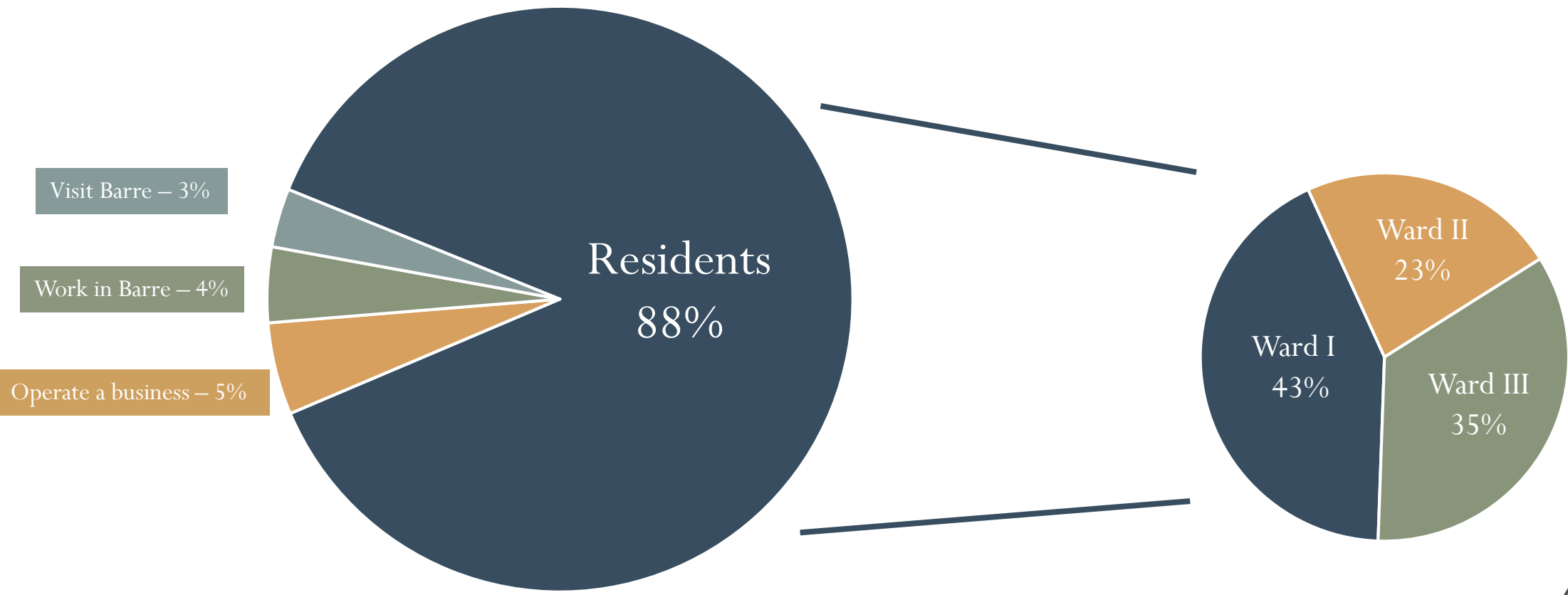


# STATE ASSISTANCE STILL NEEDED

- The \$1 million secured by the legislature last year was instrumental to the stabilizing our finances.
- We discussed needing multi-year assistance to smooth out the impacts of the flood.
- Additional assistance this year will be crucial as impacts to grand list will begin to hit.
  - City property taxes needs to make up the \$1 million from the state
  - \$125,000 impact of approved buyouts

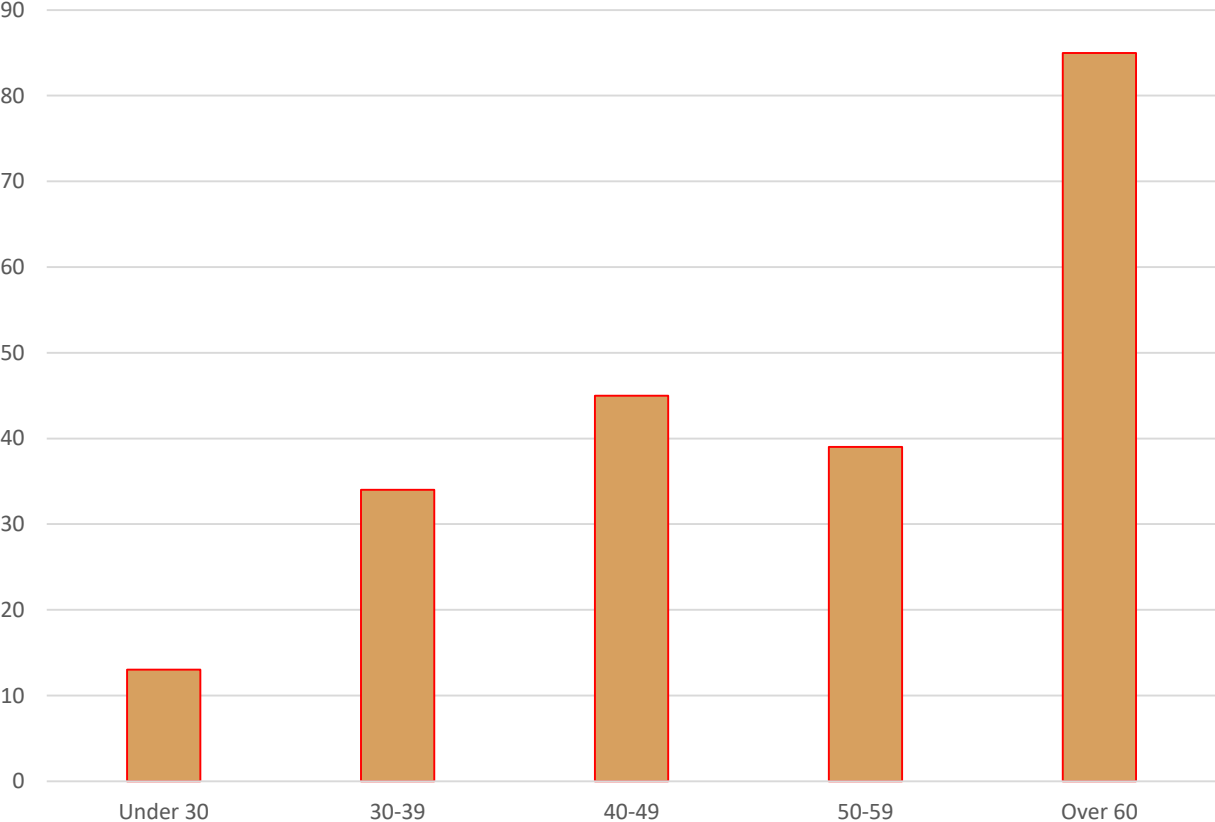


# 88% OF RESPONDENTS WERE RESIDENTS

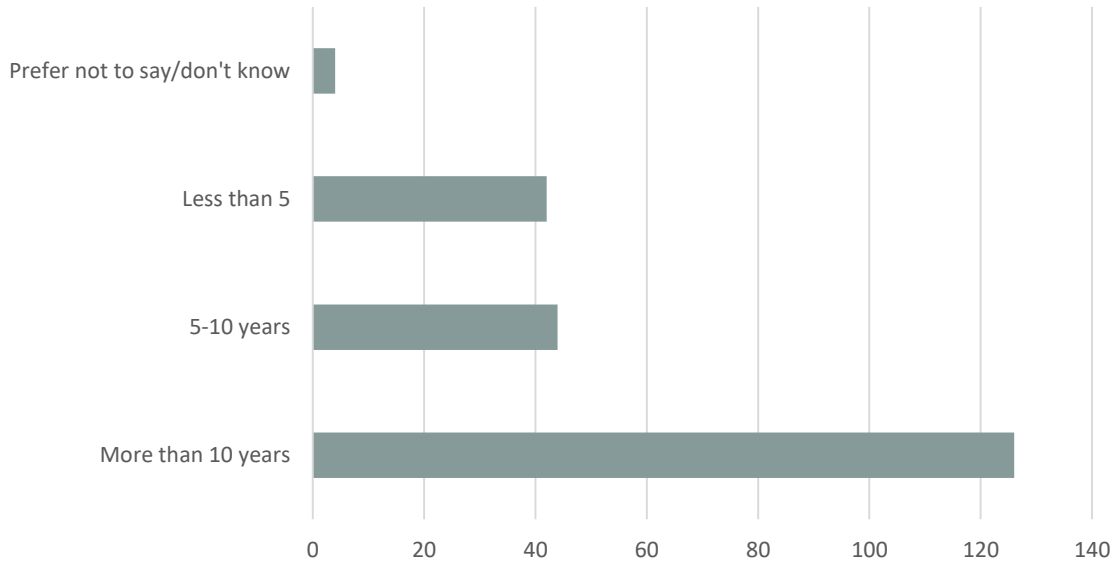


# MOST RESPONDENTS OVER 50 YEARS OLD AND HAVE LIVED IN BARRE OVER 10 YEARS

57% of respondents over 50 years old

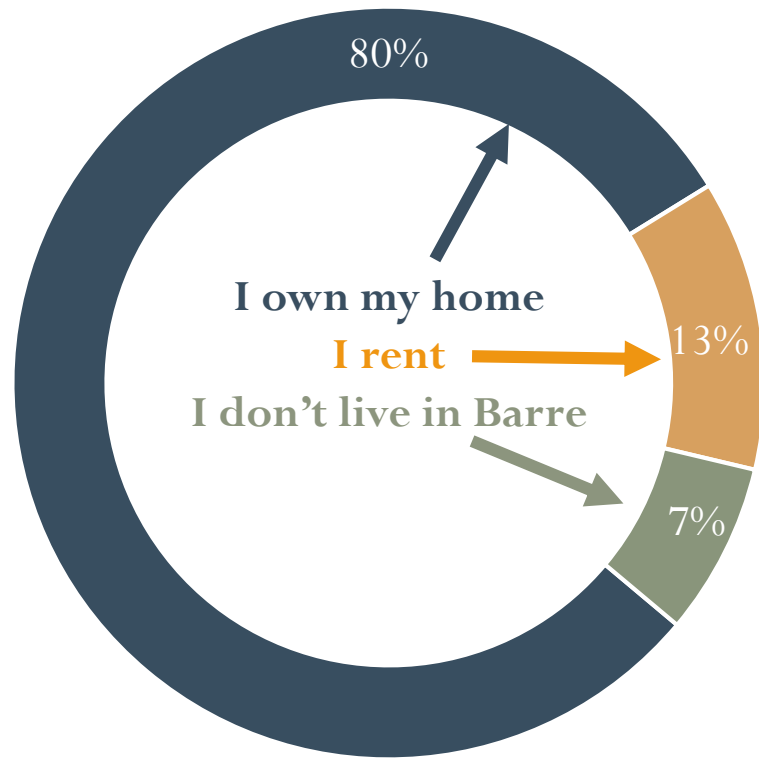


58% of respondents have lived in Barre more than 10 years

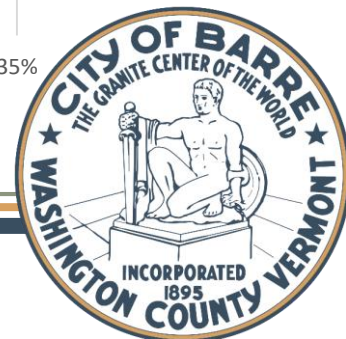
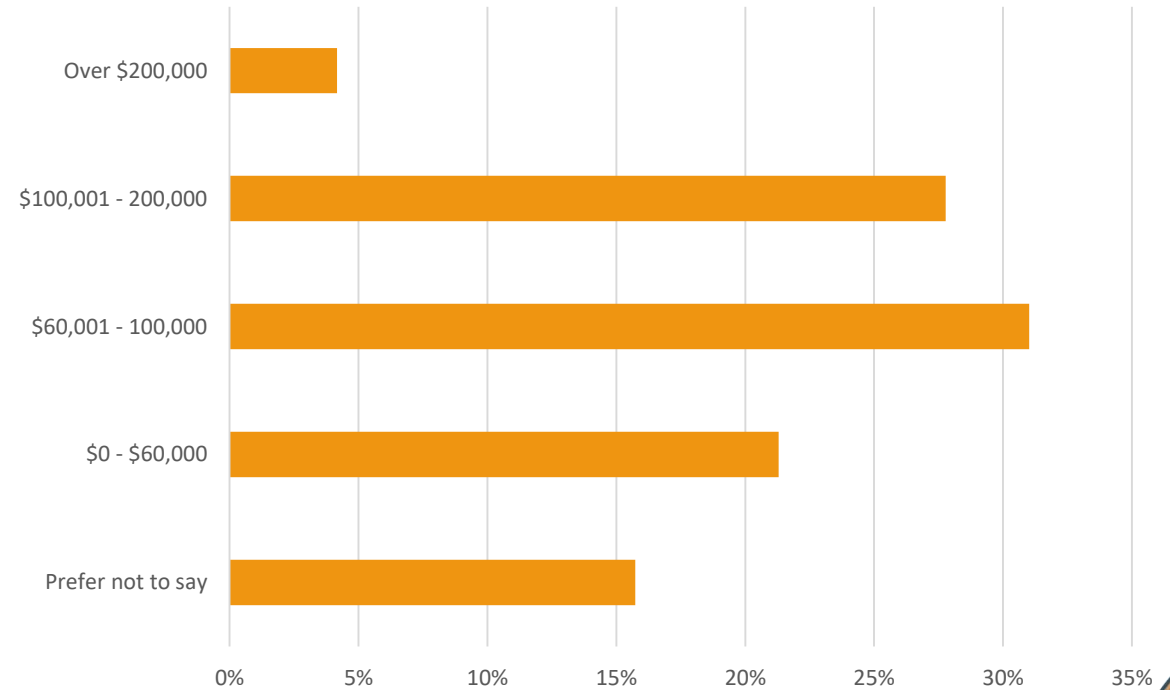


# VAST MAJORITY OF RESPONDENTS OWN THEIR OWN HOME

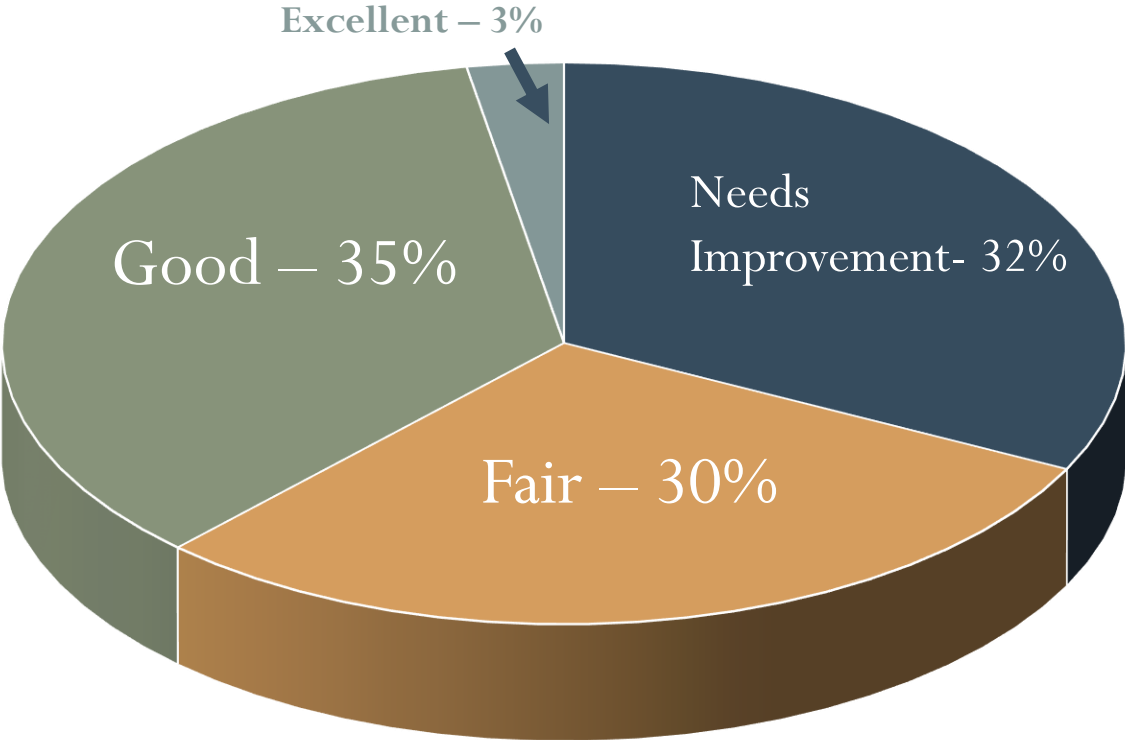
## Housing Status



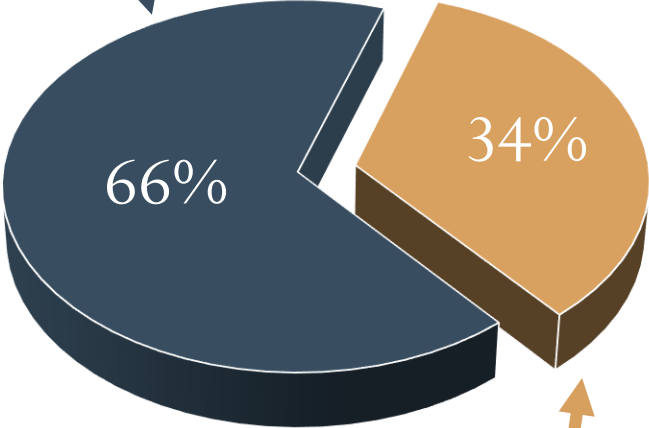
## Income Level



# 65% OF RESIDENTS RATE CITY SERVICES AS FAIR OR GOOD AND 66% WANT THEM MAINTAINED



Maintain or increase municipal services, even if it means higher taxes



Decrease taxes, even if it results in reduced City services

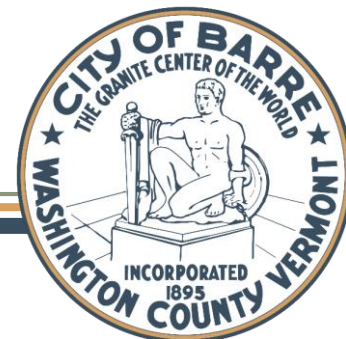


# RESIDENT VIEWS OF DEPARTMENTS

Needs Improvement	Good	Excellent		Decrease \$	Maintain \$	Increase \$
1	129	86	Fire & EMS	9	174	33
41	122	53	Police	20	109	87
62	129	25	Parks & Playgrounds	19	144	53
134	60	22	Streets Maintenance	7	79	130
119	80	17	Water/Wastewater	6	90	120
32	154	30	Recreational Facilities	26	161	29
54	147	15	Permitting	26	164	26
23	159	34	City Pool	32	173	11
11	98	107	Library	17	150	49
16	115	85	Cemeteries	26	178	12
93	115	8	Capital Improvement Projects	20	119	77
100	103	13	Traffic Control/Calming	17	126	73
156	54	6	Economic & Housing Development	30	66	120

Key:

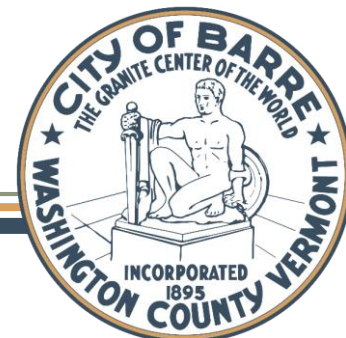
**Greener** hues are more favorable;  
**Redder** hues are less favorable.



# HOW IMPORTANT IS IT TO YOU THAT THE CITY INVEST IN THE FOLLOWING?

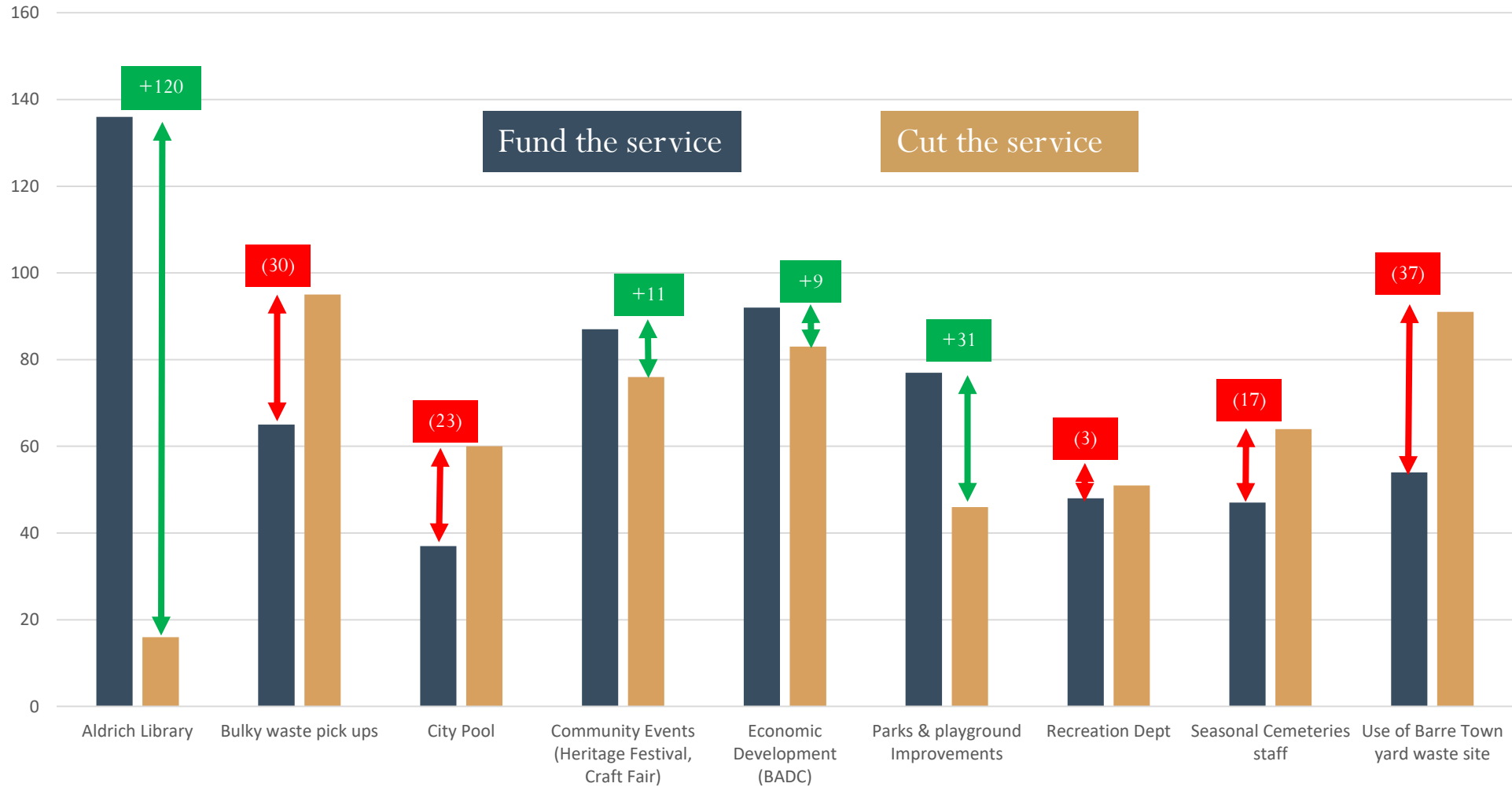
	Not important	Neutral	Very important
<b>Buildings &amp; Facilities</b>	21	127	68
<b>Sidewalks</b>	2	16	198
<b>Parks &amp; Playgrounds</b>	23	119	74
<b>Traffic Calming</b>	31	107	78
<b>Equipment</b>	10	118	88
<b>Flood Resilience Projects</b>	6	37	173
<b>Non-FEMA Buyouts</b>	43	120	53
<b>Housing Development</b>	24	59	133
<b>Water/Wastewater</b>	1	72	143

**Key:**  
**Greener** hues are more favorable;  
**Redder** hues are less favorable.





# VIEWS ON NON-MANDATORY SERVICES

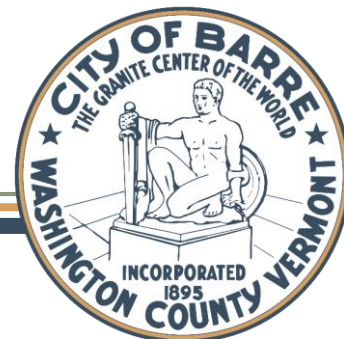


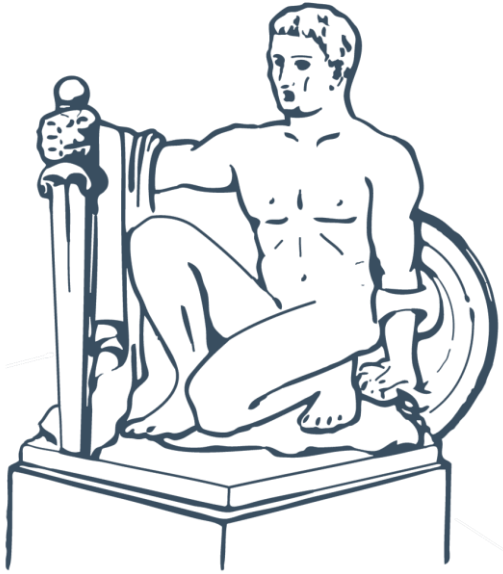
Respondents were asked to list the 3 “non-mandatory” services they would continue to fund and the 3 they would eliminate.



# FY26 BUDGET DEVELOPMENT PROCESS

- February 2025
  - Council budget briefings
  - Staff Budget Congress
  - Partner presentations (Aldrich, Barre Partnership, BADC)
- March 2025
  - Council budget briefings/seminar
  - Preliminary Budget presented to Council
- April 8, 2025
  - Warned budget for Town Meeting Day
- May 13, 2025
  - Town Meeting Day





# THANK YOU

## QUESTIONS/DISCUSSION?

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