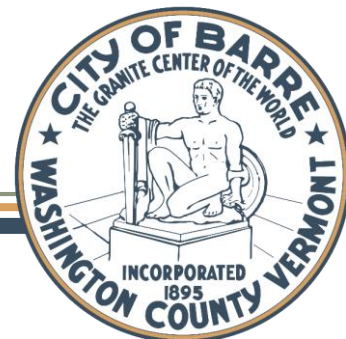


FY25 BUDGET SEMINAR

NICOLAS STORELLICASTRO
CITY MANAGER
JANUARY 9, 2024

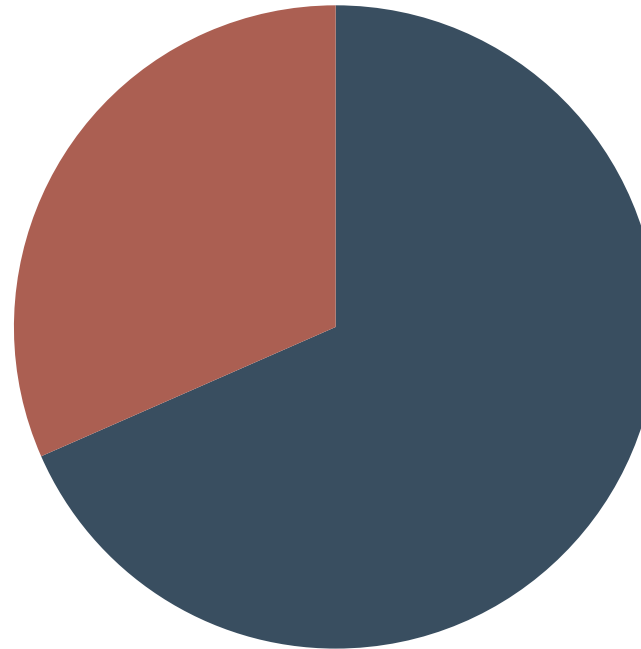


MOST OF OUR BUDGET IS FIXED

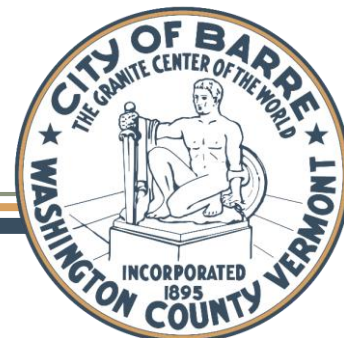
LABOR v. EXPENSE SUMMARY – 2025 PROJECTED

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%



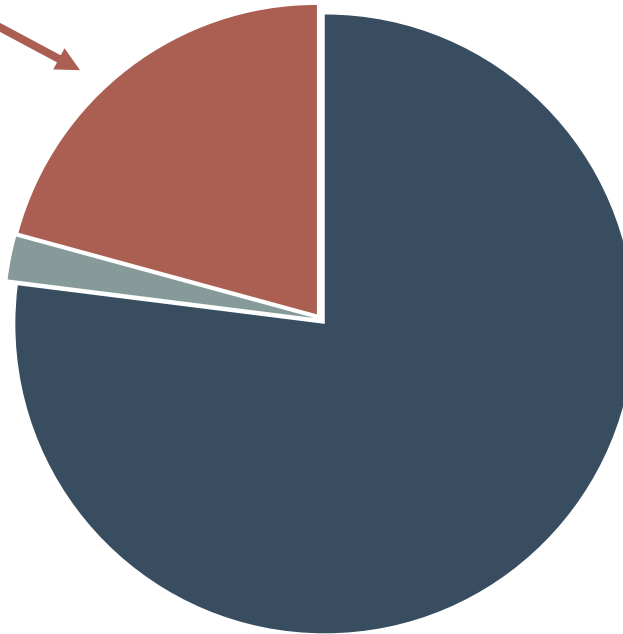
MOST OF OUR REVENUE IS FROM PROPERTY TAXES

REVENUE SUMMARY – 2025 PROJECTED

City Generated Revenue – 21%

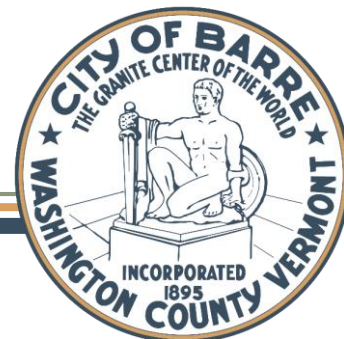
Federal & State Assistance – 1%

Property taxes and PILOT – 78%



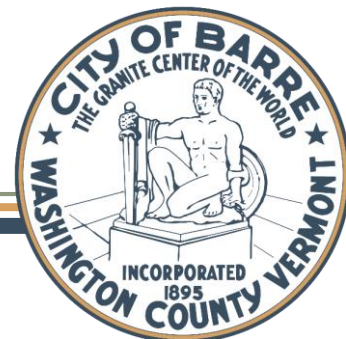
IMPACTS OF THE FLOOD ON THE CITY BUDGET ARE WIDESPREAD

- 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



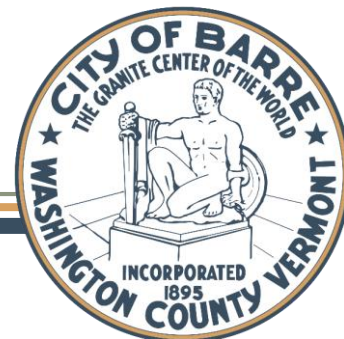
FY25 BUDGET CONDITIONS

- ↑ ~5% contractual wage increases
- ↑ 13% health care rate increases
- ↑ \$497K in projected expenses
- ↑ \$93K in new non-tax revenues (see slide 11)
- ↓ Depleted fund balance due to flood expenses
- ↓ 3.68% projected loss of grand list value (see slide 12)



WHERE DOES THE BUDGET STAND TODAY?

- Staff identified \$526K in deep cuts to services (see slides 13-24)
- In order to restore cuts and maintain a tax increase consistent with last year's amount, \$1.45M in external funding assistance was required
- Following Council feedback, staff targeted a 5% tax increase that allowed restorations of many of the cuts identified.

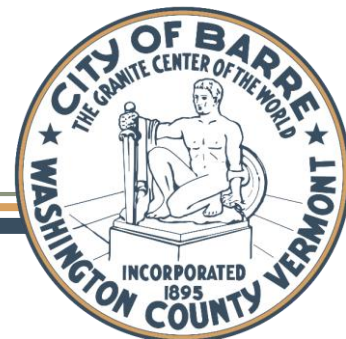


RESULTS OF RESTORATIONS

\$247K to restore cuts

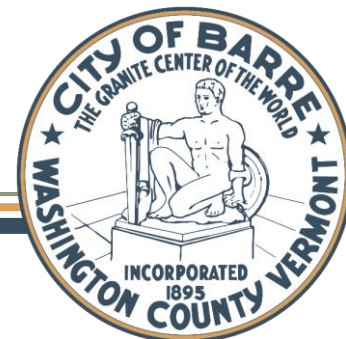
+ \$975K in external operational funding

= 4.78% projected tax rate increase



KEY RESTORATIONS

\$	Service
\$91,491	Planner position
\$32,500	50% restoration of cemeteries seasonal staff
\$30,702	Fully fund Aldrich Public Library
\$6,815	Full season use of the Barre Town yard waste disposal site

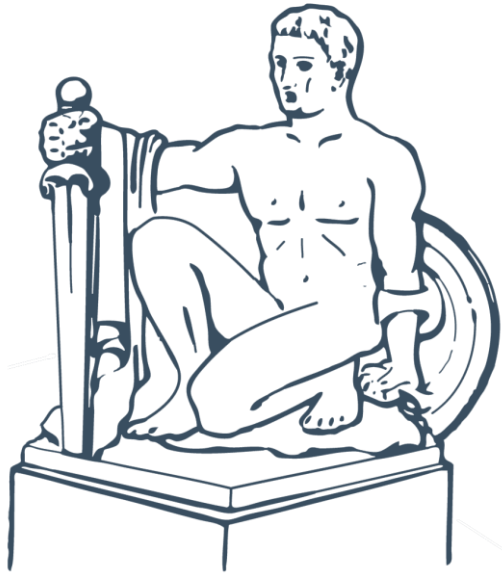


ABSENT EXTERNAL FUNDING ASSISTANCE, DEEP CUTS WILL BE REQUIRED

- 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, 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

LET'S GET STARTED

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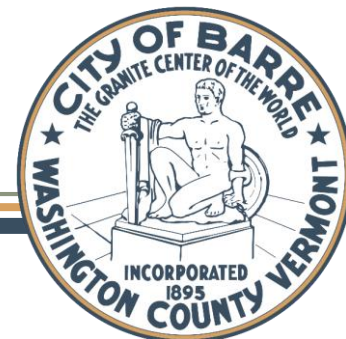
\$93,312 INCREASE IN NON-TAX REVENUE

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.

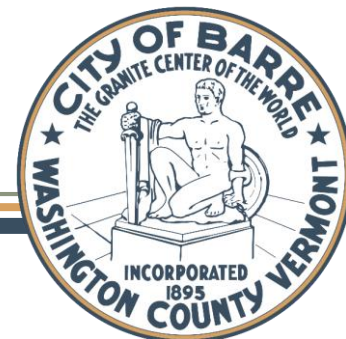
Examples above account for over \$86K of proposed new non-tax revenue.



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



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

(6043) BCS: CITY HALL MAINTENANCE	Decrease
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>
(7035) BCS: PUBLIC SAFETY BUILDING MAINTENANCE	Decrease
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

Highlighting indicates restoration.



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

(7050) BCS: RECREATION DEPARTMENT	Decrease
Skate Guards & Cashiers	(1,560.00)
Pool Equipment	(600.00)
Training and Development	(450.00)
Recreation Supplies	(250.00)
Travel and Meals	(200.00)
Total	(3,060.00)
(7015) BCS: FACILITIES: (NB Rink, Charlie's PG, Math, Lincoln)	Decrease
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)
Total	(20,034.00)
(8040) PARKS AND TREES	Decrease
Tree removal	(12,500.00)
Total	(12,500.00)

\$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

Highlighting indicates restoration.



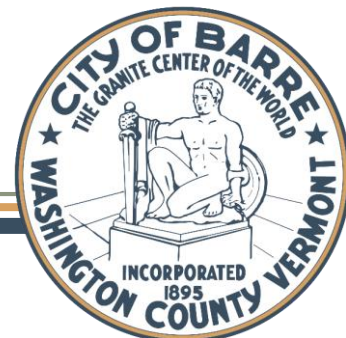
APPENDIX: BUILDINGS & COMMUNITY SERVICE BUDGET CUTS DETAIL (3 OF 3)

(7020) BCS: MUNICIPAL AUDITORIUM	Decrease
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)
<u>Total</u>	<u>(15,458.00)</u>
(7030) BCS: BARRE OUTDOOR RECREATION (BOR)	Decrease
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)
<u>Total</u>	<u>(38,553.00)</u>

\$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

Highlighting indicates restoration.

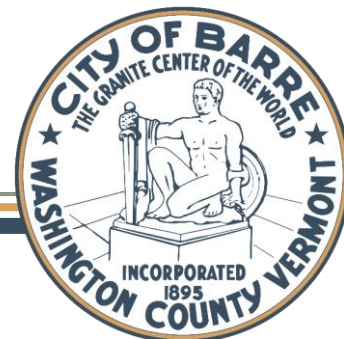


APPENDIX: PERMITTING, PLANNING & ASSESSING SERVICES BUDGET CUTS DETAIL

(8030) PLANNING, PERMITTING, & ZONING	Decrease
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>
(5020) ASSESSOR	Decrease
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.

Highlighting indicates restoration.



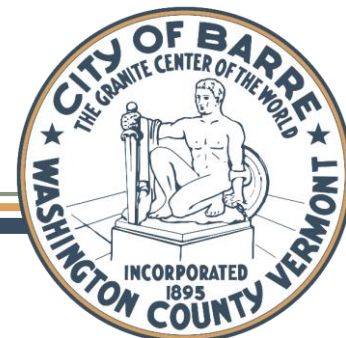
APPENDIX: POLICE DEPARTMENT BUDGET CUTS DETAIL (1 OF 2)

(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)
Total	(70,820.00)

\$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

Highlighting indicates restoration.



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

(6045) METERS ENFORCEMENT	Decrease
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>
(6055) DISPATCH	Decrease
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

Highlighting indicates restoration.



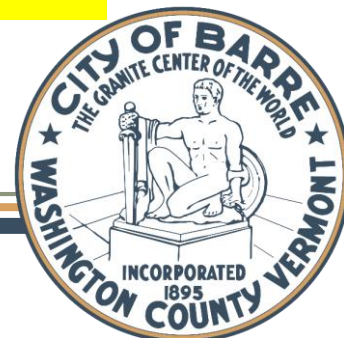
APPENDIX: CEMETERIES BUDGET CUTS DETAIL

(8500) BCS: CEMETERIES & PARKS DEPARTMENT	Decrease
Seasonal Staff	(33,743.13)
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)
<u>Total</u>	<u>(45,827.13)</u>

\$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

Highlighting indicates restoration.



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

(8020) ENGINEERING	Decrease
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)
Total	(6,481.00)
(6070) TRAFFIC SIGNALS	Decrease
Traffic Light Maintenance	(4,500.00)
Traffic Light Electricity	(1,000.00)
Total	(5,500.00)

\$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

Highlighting indicates restoration.



APPENDIX: PUBLIC WORKS BUDGET CUTS DETAIL (2 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)
Total	(55,099.00)

\$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

Highlighting indicates restoration.



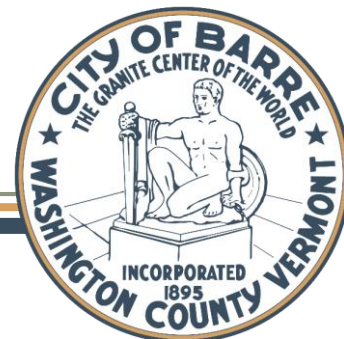
APPENDIX: FIRE & EMS BUDGET CUTS DETAIL

(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)
Total	(42,775.00)

\$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

Highlighting indicates restoration.



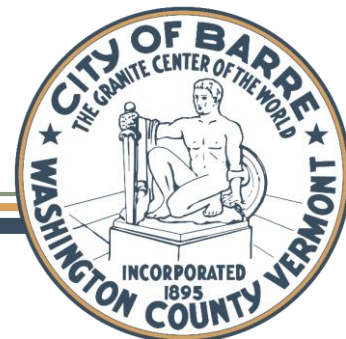
APPENDIX: GENERAL ADMIN/CITYWIDE BUDGET CUTS DETAIL (1 OF 2)

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

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

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

Highlighting indicates restoration.



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

(5010) GENERAL ADMINISTRATION	Decrease
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)
<u>Total</u>	<u>(10,275.00)</u>
(6020) ANIMAL CONTROL	Decrease
Humane Society Fees	(3,000.00)
<u>Total</u>	<u>(3,000.00)</u>
(9130) MISC ACCOUNTS	Decrease
City Committee Funding	(1,500.00)
<u>Total</u>	<u>(1,500.00)</u>
(9060) INSURANCE	Decrease
Unemployment (9100)	(8,190.25)
<u>Total</u>	<u>(8,190.25)</u>

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

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

Highlighting indicates restoration.

