

January 2025

Vermont League of Cities and Towns 2025 Legislative Priorities



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July 10, 2024 Municipal Flood Damages

- Of the municipal entities impacted by July 2024 severe storm, one third (1/3) make up 91% of the total estimated damages
- Two thirds (2/3) of the municipalities impacted were also impacted in July 2023.
 - Of these towns that were impacted in both 2023 and 2024
 - 64% are towns with less than 2000 population
 - 82% are towns with less than 5000 population



Emergency Response Requires Strong Municipal Finances

VLCT Municipal Operations Team assisted municipalities in accessing funds and assisted the Agency of Administration deploying the FY24 flood grants

- Small population, small grand list towns typically struggle with cash flow, and most do not have the authority to maintain unassigned fund balances
- When disaster strikes, cash strapped towns must immediately take on short-term debt just to cover basic operating expenses
- Flexible state grants to flood affected municipalities will provide much needed financial support at time a when budget pressures have never been greater
- The FY24 Flood Grant process was succesful and equitable, VLCT supports using the same process and formula



Municipal Finance Proposals

Vermont municipalities need support from the state in order to implement best practices for government finance and prepare to meet the obligations of 21st century local government

- Unassigned Fund Balances
- Level Debt Service
- Emergency Borrowing (up to 5 years)



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Questions???



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