

Town of Waterbury 2025 Budget Proposal: 1/11/25

2024 Action and Implications

- Local option tax (LOT) became law in 2024, but we did not include funding in Town budget. Year end revenues will be \$425k-\$450k.
  - Important action on 8/19/24. Selectboard voted to allocate \$160k to pay off debt, reducing 2025 expenses by \$105k.
  - 2025 revenues expected to total \$750k, very conservatively.

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Local Option Tax Policy

- Reductions or stability in the tax rate through purchase of capital expenses, or payment of existing debt.
- Funding for affordable housing, economic development, and community vitality efforts.
- Efforts to streamline and modernize municipal operations.
- Improve the Town's fund balance and create a local option tax reserve.

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Local Option Tax (LOT) – New & Improved Options

Gravel Roads	150,000
New Fire Truck (A)	126,667
Highway Capital Fund	25,000
Recreation Facility Planning/Estimating	17,500
Public Works Vehicle (A)	103,333
Housing Trust Fund	75,000
Card Access/Security System	25,000
Pool Coating	55,000
Planning/Conservation	50,000

- Use of LOT prevents double digit tax increase.
- \$240k balance in LOT funds projected at end of 2025.

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General Government

- General government revenues and expenses – no major stories impacting the bottom line
  - Some reserves pulled to pay for reappraisal, flood recovery
  - Town lister moved to full time in 2024
- Public safety expenses are a major driver of the budget.
  - Police increases from \$415k to \$477k.
  - Ambulance service proposed to increase from \$128k to \$199k.
- ARPA funds completely allocated by the end of 2024.

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- Library is a quiet budget. Impact on tax rate comparable to 2024.
- Fire department operations are level funded – debt is reduced based on use of local option tax this past August.
- Planning & zoning utilizes \$50k of LOT funds for consultant help to complete a required update to the Town Plan.
  - Public engagement & outreach, natural resources inventory
- Projected to cost \$50k to maintain cemeteries, which is a decrease from prior years.

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Highway Department

- Overall operating expenses are flat.
  - Staff turnover will be a challenge in future years with pending retirements.
- Major shifts in the capital fund, thanks to LOT funds.
  - New dump truck @ \$310,000 – financed with LOT.
  - \$150k to purchase gravel – financed with LOT.
  - Paving budget remains strong @ \$450k. Focus will include portions of Kneeland Flats, top of Barnes Hill.
- Stowe street bridge will be replaced, but that is a state project involving a 60-day closure.

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Recreation

- The pool has a net operational cost of \$50k. This has been the case for many years. Plan to use additional \$55k in LOT funds to resurface.
- Summer enrollment is reduced due to major staffing challenges.
  - Can return to higher numbers of campers, but only if staffing permits.
- \$17.5k to study a recreational facility.
- \$128k to maintain Town parks.

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Tax Implications

- Net budget increase of \$60k in final summation.
- Increase mirrors projected growth in the grand list.
- Draft budget requires a 0% municipal tax rate increase in 2025.
- Future budgets always present challenges, but using LOT to manage debt relieves pressure over time.



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- Next steps and Town Meeting Day format.