2027 Preliminary Town Budget

Budget Evaluation & Select Board Presentation | November 2026

Working draft • Preliminary figures, not a final adopted budget

Executive Summary

The proposed 2027 grand total is $1,025,566, compared with $996,284.56 in 2026, an increase of $29,281.44 (2.90%). The proposed operating budget is lower than the 2026 operating budget, while capital fund requests are higher. This distinction is important when reviewing the overall increase.

Budget component	Budget line	2027 preliminary	2026 budget	Change
Town expenditures	#143	$750,087.00	$760,891.68	-1.36%
Capital fund requests	#150	$122,000.00	$77,383.88	+44.75%
Town including capital	#151	$872,087.00	$838,275.56	+3.95%
Appropriations	#152	$153,479.00	$158,009.00	-2.91%
GRAND TOTAL	#153	$1,025,566.00	$996,284.56	+2.90%

Budget Notes — Challenges and Context by Expense Area

Treasurer – accounting systems: 2026 exceeded budget after a previously available software discount ended; **professional development** also exceeded budget because of a new GFOA membership.

Town municipal expenses – technology: Unexpected computer hardware needs and the unforeseen replacement of the Town website caused 2026 budget overruns.

Town municipal expenses – operating costs: Reappraisal envelope costs were not included in the original postage budget. An unexpected Humane Society holding contract increased animal-control costs.

Town municipal expenses – seasonal costs: Challenging winter conditions increased plowing and mowing expenses; higher fuel prices increased Town heating costs.

Town park: Picnic tables purchased in 2026 used grant funding received in a prior year, resulting in spending above the current-year budget.

Insurance and benefits: Health insurance costs increased 17.84%, with a surplus refund reducing the net increase to approximately 9%.

Capital – Town Hall furnace: Funds raised in 2025 were spent in 2026 on the Town Hall furnace replacement; timing affects the comparison of annual expenditures.

Energy Commission / MERP: The MERP grant was expected to run out of funds in 2026; spending is reflected in the grant expense account.

Select Board – potential legal costs: A possible Potash Hill property valuation appeal creates uncertainty around 2027 legal spending.

Delinquent tax collection: The 2027 draft adds a new $2,400 legal line for anticipated tax sale expenses.

Cemetery maintenance: King and Clark Warren cemetery maintenance is proposed to use existing cemetery funds rather than requesting the funds.

QuickBooks fees: A new QuickBooks fee was implemented in February 2026.

These notes reflect the explanations recorded in the preliminary budget workbook. They describe 2026 spending pressures or identified 2027 risks, not confirmed final-year results.

2026 Challenges and 2027 Budget Responses

Technology and systems

Ongoing Town Hall computer problems, unexpected hardware needs, and the replacement website contributed to 2026 overruns. The 2027 draft provides for IT services, hardware and website costs, while continued system reliability remains a priority.

Winter operations and utilities

Difficult winter conditions increased plowing and mowing costs; higher fuel costs also affected Town Hall operations. The 2027 draft increases these lines to reflect experience.

Insurance and employee costs

Health insurance premiums rose substantially, partially offset by a surplus refund. The 2027 benefits budget should be monitored against final premiums, employee coverage, and retirement costs.

Positive Developments and Budget Wins

- The proposed operating budget decreases by $10,804.68 (1.36%) despite cost pressures in several departments.
- Appropriations decrease by $4,530 (2.91%), moderating the total budget increase.
- The draft identifies cemetery maintenance to be supported by existing cemetery funds rather than adding those costs to the proposed cemetery operating lines.
- The new website and technology work address long-standing service and infrastructure needs, although costs and reliability still require monitoring.

Capital Reserve Planning and Special Budget Lines

Key Budget Consideration:

The Town needs to take a more proactive approach to funding its capital reserve accounts. By consistently setting aside funds for anticipated major expenses, such as equipment replacement, building maintenance, and infrastructure improvements, we can reduce the need for large, one-time budget increases.

Our Goal: Establish a long-term capital funding strategy that spreads costs over multiple years, reduces unexpected financial burdens, and helps stabilize the municipal tax rate.

Request	2027 proposed
Capital Building Fund	$20,000
Operational Reserve Fund	Any 2026 surplus funds (no fixed dollar allocation shown)
VMERS Recovery	$70,000
HPC Capital Fund	$2,000
Hogback Cottage Demolition	$30,000
TOTAL CAPITAL REQUESTS	$122,000

The $122,000 total comprises the four stated dollar amounts; the operational reserve proposal is contingent on any 2026 surplus. Capital requests represent a major reason the total budget rises while operating expenses decline.