

Town Article 7 – Operating Budget

This article asks the voters to raise and appropriate a 2025 Operating Budget of \$10,628,322 (1), which includes a Town component of \$9,813,464 and a Water Department component of \$814,858. The 2025 Town component represents an increase of \$243,190 or 2.54% over 2024, which was \$9,570,274. The 2025 Water component represents a decrease of \$80,563 or 9% under 2024, which was \$895,421. If this motion fails, the default budget will be \$10,534,633 (2), which is \$93,689 or 0.88% less than the proposed budget, with the Town budget being reduced by \$73,914 or 0.75% and the Water budget being reduced by \$19,775 or 2.4%. The reason that the default budget is \$93,689 less than the 2025 Operating Budget, while the 2025 Operating Budget is \$162,627 higher than the 2024 Operating Budget, is that the default budget includes monies required to meet obligations that are the result of previous actions of the Town or legal obligations.

Notable areas of increase by budget line include (3):

- Town (Executive/HR/Finance): increasing \$85,210 (11.75%) to total \$810,362 which is \$18,265 over the default
- Cemetery: increasing \$60,249 (539%) to total \$71,429 which is \$8,647 over the default
- GGB: increasing \$45,470 (17.89%) to total \$299,646 which is \$26,798 over the default
- Assessing: increasing \$15,812 (15.44%) to total \$118,221 which is \$11,593 over the default
- Fire: increasing \$33,802 (4.13%) to total \$851,322 which is \$45,329 over the default
- Highway: increasing \$92,754 (11.59%) to total \$892,974 which is \$50,511 over the default
- DPW Fleet: increasing \$27,724 (21.62%) to total \$155,967 which is \$9,500 over the default
- Recreation: increasing \$29,047 (7.42%) to total \$420,525 which is \$5,241 over the default
- Insurance: increasing \$104,204 (7.26%) to total \$1,539,607 which is the default amount

Notable areas of decrease by budget line include (3):

- Elections: decreasing \$26,542 (55.66%) to total \$21,147 which is the default amount
- Regional Associations: decreasing \$10,478 (51.16%) to total \$10,001 which is \$10,478 under the default
- Police: decreasing \$66,157 (2.65%) to total \$2,431,060 which is \$9,847 over the default
- Building: decreasing \$24,591 (22.60%) to total \$84,241 which is \$601 over the default
- DPW Admin: decreasing \$62,075 (27.50%) to total \$163,633 which is \$3,492 under the default
- Transfer: decreasing \$25,090 (30.51%) to total \$57,146 which is \$29,933 under the default
- Library: decreasing \$81,265 (23.61%) to total \$262,885 which is \$91,615 under the default
- Trash cost for the schools that was passed to the School District

The Estimated 2025 Tax Impact of the Operating Budget is \$5.18 per thousand of valuation, or \$1,036 on a \$200,000 home. The Estimated 2025 Tax Impact of the Default Budget is \$5.13 per thousand of valuation, or \$1,026 on a \$200,000 home.

A YES vote would approve the 2025 Operating Budget, and allow the Town to pursue specific projects and staffing targets.

A NO vote would set the budget at the default funding level, and allow the Governing Body to hold a special meeting to deliberate on a revised operating budget.

Reasons why some voters might vote yes:

- Consider the difference between the 2025 Operating Budget and the Default Budget to be small dollar-wise, and the Operating Budget includes adjustments to certain budget items that would not take effect in the Default Budget (4)
- The Town developed the Operating Budget as a “bottom-up” budget which allowed for detailed consideration of each budget line and, ultimately, a 2.51% overall increase.

Reasons why some voters might vote no:

- Default Budget is roughly \$65,000 lower and would alleviate some of the tax burden
- Don't agree with the adjustments to certain budget lines resulting from the Town's budgeting process
- Not satisfied with the results of the vote at Deliberative Session, and would like the Governing Body to hold a special meeting on the Town Operating Budget

References:

1. 2025 Proposed Town Budget (MS-737) <https://tinyurl.com/j4k3nbkn>
2. 2025 Default Town Budget (MS-DTB) <https://tinyurl.com/57yypzza>
3. 2025 BOS Approved Budget with Line Items and Two Years of Historical Data, 11/20/2024, <https://tinyurl.com/bde4mv3a>
4. Town presentation to Budget Committee at 1/14/2025 public hearing, Town manager Ken Robichaud and Finance Director Julie Jenks, Town presentation for public hearing Budget Committee, 01/14/2025, <https://tinyurl.com/5a82vz9p> RCTV link: <https://tinyurl.com/yxwn4x5f>