



Memo

From the Office of the Town Manager

To: Colchester Selectboard
From: Aaron Frank, Town Manager; Renae Marshall, Deputy Town Manager; and
Lara Alemy, Finance Director
Date: November 22, 2024
Re: FY 2026 Draft Town Municipal Services Budget – Expense Overview

This memo and the attached spreadsheets show departmental municipal services budget changes to aid the Selectboard in their consideration of the budget request by the Town administration. Three of the twenty-five areas were reduced, and four increased by \$5,000 or less.

Town Municipal Services Budget	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Total	\$ 16,936,693	\$ 15,937,217	6.3%	\$ 999,476

This proposed budget represents an increase of \$999,476 (6.3%). We have not budgeted for additional services but have added resources to maintain the current level of services to the community. The budget increase reflects increased costs for equipment, contracted services, labor, employer-paid taxes and benefits, as well as materials consumed in providing municipal services to the community.

In order to maintain the current level of services to the public, while responding to increased community needs, we are proposing the following changes to the budget:

- *Assessor's Office* – (+\$56,751) One half-time equivalent position to the Assessor's office that was previously held by a full-time staff person shared equally by the Assessor's Office and the Town Clerk's Office. With a retirement at the end of June, and the need to provide additional staff resources to the Assessor's Office for the town-wide reassessment, this change will create one full-time position in the Assessor's office while retaining the half-time person for the Town Clerk's office. (Note: Without the addition of this position, which is necessitated by the reappraisal, the actual budget increase compared with FY25 would be 5.9%)
- *Public Works Engineer* (+\$0) – This position will serve as a project manager for capital projects funded through grants, voter-approved capital plans and specific voter-approved projects. This position will be funded through the associated capital projects, when serving in that capacity. For FY26 and FY27, it will be funded through the Malletts Bay Sewer Project
- *Increase in Stipends for Volunteer Firefighters* – (+\$43,400) In an effort to retain the volunteer membership within the Colchester Fire Department, we have implemented many positive changes in the department, and have explored other ways to recognize the service and commitment of folks who serve as volunteer firefighters, including increasing stipends for when they are responding to calls.
- *Staff Movement* – (+12,000) We transitioned two employees in DPW Highway from Highway Maintenance I to Highway Maintenance II, that had developed the skill and ability necessary to operate heavy equipment. While this change increases the salary line in DPW-Highway, it provides significant benefit to the Town to have more than one person able to operate this large equipment when needs arise.
- *Library Programming* – (+12,000) We transitioned a 35 hour per week library employee to 40 hours per week in FY 24 to support library community programming.

The budget increase would have been higher had the Selectboard not directed the Town Manager to find additional savings that can be realized without reducing services to the community.

Significant savings and efficiencies continue to be realized from hiring the new Fire Chief that now oversees both Fire and Rescue departments. The Department has been able to better leverage the skills within the Department to update policies and procedures and provide more training, as well as focus efforts to positively impact the culture of the Department, continue collaboration with St. Michaels Fire, and increase the number of volunteer members.

Colchester Rescue, which is operated much like a business, continues to provide the high quality of service to the community that is expected from all of our departments, despite the sustained increase in calls. The revenue received by Colchester Rescue has resulted in a gradual decrease each year for the municipal service tax dollars required to support the operations of this service, to the point that in FY26, Colchester Rescue is expected to generate 100% of the revenue needed for its operating expenses.

With the continued rise in healthcare costs, vendor contracts, and the supplies and equipment needed to provide municipal services, we have taken a very close look at our expenses, and have made reductions in planned spending where we can, while maintaining the goal of not reducing services. We have reviewed the services we provide, and have explored ways in which we might be able to do this in the most cost-effective manner.

The Town departments could better meet residents and taxpayer needs with additional resources. However, the residents, businesses, and voters also wish to keep the tax rate affordable, and this budget represents a balance of those competing goals, understanding there are economic pressures outside of our control and increased resource needs. Finally, we have tried to resource services in new, different, and more cost-effective ways, as exemplified by the reduction of expenses in three of the Town's twenty-five cost centers, and four others with increases of \$5,000 or less.

Departmental Summaries:

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Selectboard	\$ 11,218	\$ 76,678	-85.4%	(\$65,460)

The Town's elected, non-party based Selectboard serves as both the judicial and legislative branch of Town government, usually meeting over 30 times a year to consider policy as well as significant legal and operational issues. The Selectboard is a representative form of government that also hires and provides input and guidance to the Town Manager. This service area includes Selectboard Contingency, Selectboard stipends, printing of the annual Town report, and binding a dozen paper copies of the Town ordinances. We have reduced the size and number of printed annual reports and ordinances now that they are published on our website.

The majority of the funding, or \$66,000, for this cost center has typically been directed toward "Selectboard Contingency" which could fund budget over-runs or items not budgeted. This funding for Selectboard Contingency does not come from tax revenues, but rather from the fund balance. If the Selectboard Contingency is spent, future tax dollars would be needed to replace the amount expended, if the Town desired to maintain the fund balance. The Selectboard and Town Management have been protective of these funds and would generally spend them only after other sources of revenue are exhausted.

Notable changes to this cost center include:

- 1) \$66,000 (-97.8%) decrease Services & Utilities, this decrease in FY26 is a result of a proposal to apply this same amount of fund balance, \$66,000, typically utilized for Selectboard Contingency, to instead be transferred to the reserve fund for bridges in FY26, to provide funding toward the replacement costs of the Creek Farm Bridge.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Transfers	\$ 292,033	\$ 226,033	29.2%	\$ 66,000

This cost center includes transfers among various funds, some of which are funded with property taxes and others from other sources. Other funds have special designated purposes, whereas the general fund does not, other than to support the Town's general municipal services.

Notable expenses in this cost center include: Transfer of \$66,000 to the Reserve Fund for Bridges to provide funding toward the replacement costs of the Creek Farm Bridge; \$226,033 to the fire capital fund for long-term capital needs. We will be adjusting this funding for the fire capital over the next few years, as we determine the funding needed to maintain our equipment and what we can save towards future high-cost items like fire trucks. Ultimately, we are likely to recommend a multi-year Fire Capital Plan funded by a voter-approved amount or tax rate.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Civil Board	\$ 40,338	\$ 38,818	3.9%	\$ 1,520

The Civil Board is overseen by the Town Clerk and provides support for running elections, including registering voters; drafting and ordering ballots; mailing and storage of absentee ballots; overseeing and certifying voting results. Expenses primarily include partial support of one Town Clerk staff member who performs these functions, as well as wages for the elected Justices of the Peace who perform these mandated election related functions, should they wish to be paid.

Notable changes to this cost center include:

- 1) \$758 (2.7%) increase for Salaries and Wages for full- and part-time staff;
- 2) \$762 (9.9%) increase in employer taxes and benefits to reflect increased costs for health, unemployment, and workers comp insurance, as well as social security and retirement.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Manager	\$ 1,049,228	\$ 1,006,403	4.3%	\$ 42,825

This cost center provides for: general management of the Town's thirteen external service groups and three internal service groups; municipal service and capital budget development and implementation; tax rate setting; collection of about \$7M in Town fees and grants; collection of \$34M in taxes and fees, including the State Education taxes on behalf of the Colchester School District; identification, procurement, application and compliance with grants; negotiation and implementation of three labor agreements; negotiation and drafting of benefits and vendor contracts on behalf of all Town departments; emergency planning and management; coordination of work by 86 elected and appointed officials serving on 12 boards and commissions so that they operate in concert with each other, the Town management and the Selectboard; coordination with three water entities so that water service complements overall development plans; resourcing the project and construction management and oversight for the construction of the Colchester Recreation Center; coordination and contract management of regional entities such as Chittenden County Regional Planning Commission, Winooski Valley Park District, Lake Champlain Regional Chamber of Commerce, Greater Burlington Industrial Corporation, Green Mountain Transit, Special Services Transportation Agency, and Chittenden Solid Waste District; coordination with the Colchester School District on fiscal and operational issues; oversight of contracted Town attorneys in the areas of labor law, development law, general municipal law, and finance law; reporting to and implementing recommendations of the independent external auditor who is overseen by the Selectboard; drafting, organizing and managing the flow of information and processes of the Selectboard; drafting,

implementing and overseeing 39 Selectboard Policies; drafting charter changes and related ballot language; transportation options evaluation and prioritization; drafting legal documents; recruiting, hiring, and, if needed, concluding employee relationships; leading the information technology, emergency management, and human resources departments; insurance and risk management for property casualty and employee liability, workers compensation and disability; oversight of Town-wide safety; ongoing employee meetings; development and presentation of training on safety, technology, and business analysis and improvement for all Town departments; resetting and analysis of all fees and user services; Town-wide communications coordination and document drafting; constituent concerns and complaints; review, analysis and testimony on Vermont legislation affecting the Town; review, interpretation and implementation of federal and state laws as they relate to our employees and diverse areas of operations; resourcing economic development planning and implementation; engaging with businesses for retention and development; engaging, planning and implementing improvements to Town facilities and services; engagement with our state legislators; and assisting the departments to manage the ongoing day-to-day business of the Town.

Notable changes to this cost center include:

- 1) \$27,662 (4.7%) increase to Salary & Wages;
- 2) \$24,663 (10.1%) increase to Employer Taxes & Benefits primarily for increased costs for health, life/disability, property & casualty, and workers comp insurance;
- 3) \$9,500 (-7.1%) decrease to Services and Utilities, primarily due to reduction in the expense necessary for legal, based on actuals;

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Economic Development	\$ 156,473	\$ 153,715	1.8%	\$ 2,759

The Economic Development Department facilitates the effective management of the growth and development of our community while preserving our natural assets. The departmental goals include facilitating Colchester's planned growth; efforts to create, recruit, and retain high quality jobs while protecting and building upon the community characteristics most valued by residents; and developing alternative funding opportunities. Economic Development has been active in making businesses aware of state and federal funding opportunities and in providing public information to the community.

Notable changes to this cost center include:

- 1) \$4,425 (4.5%) Salary and Wage increase;
- 2) \$4,633 (11.2%) increase in Employer Taxes & Benefits primarily due to increased costs for health, dental, life, disability, and workers comp insurance, as well as retirement and social security.
- 3) \$6,300 (-43%) decrease in Services & Utilities primarily due to a temporary decrease in costs related to producing and printing the brochure, as a new one will not need to be produced and printed until FY27.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Finance	\$ 574,101	\$ 540,621	6.2%	\$ 33,481

The Finance Department provides for accounts payable, payroll, retirement, debt management, financial reporting to the department heads and Selectboard, purchasing for 25 general fund cost centers, wastewater, dispatch, and recreation enterprise funds and six capital funds. It also manages accounts receivable, special assessment billings, wastewater loan management and billing, loans to housing entities, budget modeling, federal grant tracking and compliance, ongoing inventories of fixed assets, drafting and maintaining oversight of Town-wide financial policies and procedures; and maintains financial records and adheres to policies and procedures in a manner that results in few audit findings. The department's outside services include the Town Charter-required annual external audit, federal grant

audits, as well as upkeep of the Town's financial software and hardware. The finance department substantially contributes to the Town-wide budget development.

Notable changes to this cost center include:

- 1) \$9,909 (3.2%) increase in Salaries & Wages;
- 2) \$22,171 (15.5%) increase in Employer Taxes and Benefits primarily due to increased costs for health, dental, life, disability and workers comp insurance;
- 3) \$900 (1.0%) increase in Services and Utilities comprised primarily of increased costs for software maintenance.
- 4) \$500 (16.7%) increase for Supplies and Parts, primarily for increased costs for office supplies.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Assessor	\$ 319,154	\$ 243,677	31%	\$ 75,477

The Assessor's office assesses property in a manner such that no property owner pays more than their fair share in property taxes. This is accomplished through developing up-to-date, fair, and accurate assessments that are based on detailed information and research.

Notable changes to this cost center include:

- 1) \$45,193 (34.6%) increase in Salaries & Wages primarily due to the addition of a half-time equivalent position for the reappraisal;
- 2) \$29,884 (46.3%) increase in Employer Taxes & Benefits primarily for this new half-time equivalent position, and increased costs for health, dental, unemployment, workers comp insurance, as well as social security and retirement;
- 3) \$400 (0.8%) increase for Services & Utilities increase in postage and professional services for annually recurring fees for mapping software and computer-assisted mass appraisal.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Town Clerk	\$447,228	\$433,723	3.1%	\$13,505

The Town Clerk's office provides tax billing and collections, including tax sales when necessary and receipt of cash and checks from billed services. The Clerk's office also records all documents related to land, vital records, elections, issues a variety of licenses and passports; and is responsible for cemetery lot sales and records.

Notable changes to this cost center include:

- 1) \$12,369 (4.5%) increase in Salaries & Wages;
- 2) \$1,136 (0.9%) increase in Employer Taxes & Benefits primarily due to an employee shift in benefit eligibility that offset increased costs for health, life, disability, workers comp, property & casualty insurance, as well as social security;

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Planning & Zoning & DRB	\$519,521	\$518,807	0.1%	\$714

The Department of Planning and Zoning provides regulatory oversight to construction and development within the community as well as quality of life and environmental concerns. The department's activities include planning and drafting of development regulations with the support of an appointed Planning Commission and administration of development regulations with the support of the Development Review

Board.

This department was recently restructured following a request by your Selectboard during the summer 2020 to see what we could stop doing in order to reduce expenses and taxes to the community. Beyond the public policy changes that were made, we had to untangle and reassign duties. We restructured the department from six staff to four staff with broader and more shared responsibilities.

The current staffing consists of a Planning & Zoning Director, Development Manager, Development Planner and an Associate Planner.

Notable changes to this cost center include:

- 1) \$1,405 (0.5%) increase in Salaries & Wages
- 2) \$8,809 (6.7%) increase of Employer Taxes & Benefits primarily due to increased costs for health and workers comp insurance, as well as social security and retirement. These increases were partially offset by
- 3) \$9,550 (-11.1%) decrease in Services & Utilities primarily due to decreasing expense line for technology to reflect actuals.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Information Tech	\$436,883	\$428,951	1.8%	\$7,932

Information Technology provides central hardware, networking IT and telecom services for all Town departments. Purchases of equipment are planned centrally and made through a multi-year capital plan. Departments are responsible for maintaining special purpose software although its hardware requirements are met by the IT department. The department maintains servers, switches, firewalls, back up devices which provide access for four public use software systems, departmental software systems and seven police software systems. IT also provides user support for 201 PC's, laptops, readers, terminals, and iPads used by about as many users who include staff, rescue volunteers, board members, and the public (readers are loaned out from the library). The Town Manager's office oversees this area given its important link to all departments. IT staff set up servers, firewalls, and backup systems.

The current staff include two full-time staff members, including the IT Director, for which funding was included in FY25, and one 0.6 FTE.

Notable changes to this cost center include:

- 1) \$3,076 (1.2%) increase in Salaries & Wages;
- 2) \$2,256 (2.6%) increase in Employer Taxes & Benefits, due primarily to increased costs for dental, life, disability, workers comp and property & casualty insurance that was partially offset by a change in employee plan type from what was previously budgeted;
- 3) \$2,500 (50%) increase in Equipment to better reflect actuals.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Police	\$5,290,324	\$4,980,509	6.2%	\$309,816

The Colchester Police Department provides 24/7/365 police services to the Colchester community. CPD provides emergency and non-emergency response to a broad variety of citizen and officer-initiated calls for service. CPD strives to work collaboratively with citizens, other Town departments and all stakeholders in public safety.

Services include: response to emergencies; proactive community contacts, patrols, public engagement; problem solving, crime prevention; investigation of crimes, crashes, reported incidents; provision of community services such as car seat inspections, fingerprinting and personal safety classes; traffic

safety through enforcement and education; and special units, programs and activities. The Colchester Police budget includes funding for Community Outreach workers from Howard Center and restorative justice services from Essex Community Justice Center. These services are under contract with the Town so are not shown as direct allocations.

Notable changes to this cost center include:

- 1) \$127,716 (4.3%) increase to Salaries & Wages;
- 2) \$160,838 (11.0%) increase for Employer Taxes & Benefits is primarily due to increased costs for health, dental, life, unemployment and workers comp insurance, as well as social security and retirement, which were partially offset by decreased costs for property & liability insurance;
- 3) \$19,261 (4.5%) increase to Services & Utilities primary due to a planned increase of \$15,816 for Howard Community Outreach, which represents a 35.8% increase over FY25, and the continued prioritization of training for sworn officers;
- 4) \$2,000 (16.7%) increase to Supplies & Parts primarily for increased costs for office supplies, based on actuals, and inflationary increases.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Dispatch	\$613,954	\$558,491	4.3%	\$25,463

Colchester's Public Safety Dispatch is managed by the Colchester Police Department, and dispatches for four Colchester entities, including the Colchester Fire Department (which include the Saint Michael's Fire, a connected unit), Colchester Police, Colchester Rescue, and Colchester Technical Rescue. This department moved from an enterprise (revenue) department to a general fund department in FY 25 due to the Town no longer providing contracted dispatch services.

Notable changes to this cost center include:

- 1) \$4,536 (1.1%) for Salaries & Wages;
- 2) \$19,247 (11.2%) for Employer Taxes & Benefits which was primarily due to increased costs for health, dental, life/disability, unemployment and workers comp insurance, as well as social security, retirement. These increases were partially offset by decreased costs for property & liability insurance.
- 3) \$1,500 (33.3%) increase in Services & Utilities for increasing training opportunities for members of dispatch.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Fire Department	\$1,186,751	\$1,133,942	4.7%	\$52,809

The Colchester Fire Department is a combined volunteer and career department, which is augmented by Saint Michael's College Fire. About 43 Volunteers are supplemented by a chief, assistant chief and four career firefighters who work weekday day-time when volunteers are not as available.

The services the department provides include, Fire Suppression, Emergency Medical First Response, Heavy Rescue, Water and Cold-Water Rescue, Hazmat and Marine First Response. The department responds to emergency calls for service, conducts training, public education on fire prevention and fire safety, permit/plan review, and fire prevention activities. The Town supports Saint Michael's Fire from a financial perspective and has incorporated them into the Town-wide command structure.

Notable changes to this cost center include:

- 1) \$39,712 (8.1%) increase in Salaries & Wages including overtime, per-diem and volunteer pay;
- 2) \$20,096 (9.5%) increase in Employer Taxes & Benefits primarily due to increased costs for health, dental, and unemployment insurance, as well as increased costs for social security and retirement, that were partially offset by decreased costs for workers comp, property and liability insurance;
- 3) \$8,500 (-5.9%) decrease to Services & Utilities primarily due to decreased costs for fuel and

- training (based on actuals) that offset increased expenses for vehicle maintenance and supplies;
- 4) \$2400 (-1.6%) decrease in Equipment primarily due to increased costs for the gradual replacement of aging portable radios which has been offset by decreased costs for phone and internet services as we have combined these services for all three stations resulting in cost savings to this line.
 - 5) \$3,900 (3.0%) increase in Supplies & Parts primarily due to increased costs to replace personal protective equipment/ turn-out gear that is required by OSHA to be replaced every 10-years, as well as special operations equipment that was partially offset by decreases in SCBA repairs (due to new equipment) a reduction in expenses for building maintenance based on actuals;

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Rescue	\$0	\$11,215	-100.0%	\$(11,215)

Rescue services are provided to Colchester through Saint Michael's Fire and Rescue in the Route 15 area of Town and the Colchester Rescue squad elsewhere. The Colchester Rescue squad is both a Town department and a volunteer organization. We provide ambulance service with a squad of 40 volunteers, a few "per-diem" staff, five career staff, an Assistant Chief and a Chief.

For over a decade, the Town has been diligently working to operate Town services which can produce their own revenues more like a business. In the case of Colchester Rescue, it is projected to generate 100% of its estimated operating costs, or \$1,001,893 for FY 26, leaving the Town's share of the costs at \$0.

Rescue is growing pretty rapidly with calls for service as follows: FY24—2,279; FY23 – 2,219; FY22 – 1,990; FY21 – 1,914; FY20 – 1,607 (COVID caused reduction in people addressing other emergent and non-emergent medical issues); FY19 – 1,672; FY18 – 1,458; FY17 – 1,469, and FY16 – 1,246. Operating Colchester Rescue more like a business allows us to adjust staffing up and down as service needs grow and contract with the market. This is more effectively done outside of the government funding model and allows for opportunities to earn more revenues to float with demand. In contrast, with tax-funded services, expenses are fixed by a budget that is drafted nine to 21 months in advance of the time of service delivery. In recognition of the success of running rescue more like a business, and one that has gradually required less municipal services tax support over the years, this year's budget funding is entirely coming from earned rescue revenues.

Notable changes to this cost center include:

- 1) \$11,215 (-100.0%) reduction for FY26 is needed from the municipal services budget to support the rescue service due to a continued increase in calls for service, which result in higher ambulance revenues and the Rescue Chief now being shared with Fire. (The Town pays, outside of this budget, for replacement of rescue vehicles, maintenance labor, capital rescue building improvements, as well as overhead and management costs.)

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Tech Rescue	\$43,127	\$43,372	-0.6%	\$(245)

Colchester Technical Rescue (CTR) provides search and rescue services for the Town of Colchester, and other communities in the county, state, and sometimes, across the country. These services include water, dive, rope, trench, confined space and structural collapse rescue and recovery. CTR performs 30-40 activations per year, some of which are local, state and national responses. National deployments, which can last for weeks at a time, and can include CTR volunteers, vehicles, and equipment, are now deployed under the State of Vermont Urban Search and Rescue.

Like Colchester's other public safety services, CTR is also supported from other sources. They are noted here just for CTR, as it is a unique service comprised solely of volunteers and include: a) \$25,000

annually in the Capital Equipment Plan to replace a \$375,000+ 2013 dive truck in 2033, a \$98,000+ 2019 model utility body 4x4 truck in 2034, and a \$49,000+ 2008 4x4 pickup in the next five years; b) \$20,000 in vehicle maintenance labor not charged to CTR; c) \$8,000 a year from the Public Safety Capital Plan, which provides for CTR capital equipment replacement at the discretion of the Chief; d) subsidy of workers compensation insurance charged to the department—which are high for the number of volunteer workers, but not necessarily for the type of work—through Town-wide increases, which are higher than average; e) grant management and managerial support.

Notable changes in Tech Rescue are:

- 1) \$245 (-10.9%) decrease to Employer Taxes & Benefits primarily due to decreases in property & liability insurance.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Public Works-Admin	\$999,670	\$917,860	8.9%	\$81,810

The Public Works Administrative Division consists of the Director, Town Engineer, Senior Operations Manager, Operations Manager, three staff members who collectively manage stormwater permitting and capital projects, and DPW Coordinator. This division is responsible for the management of the Public Works Department, which provides all planning, policy development, program development, finance, engineering, construction and maintenance relative to the Town's critical infrastructure. The Administrative Division manages five maintenance divisions and one capital plan. The overall service objectives are to preserve capital investments; protect and preserve the community's environmental resources; improve the quality of life for citizens; ensure public safety; and preserve and promote economic vitality within the community. DPW Administration supports the enterprise funds of Stormwater and Wastewater. One staff member is entirely funded by the Stormwater Fund and another is funded entirely by the Sewer Fund, neither of which are included in this property tax funded municipal services budget. The municipal services budget is reimbursed by these enterprise funds for time spent in these areas by other staff. As stormwater moves toward implementation of capital projects, more staff time is being used in that area.

Notable changes in DPW Administration are:

- 1) \$38,793 (6.3%) increase in Salaries & Wages;
- 2) \$39,967 (15.9%) increase in Employer Taxes & Benefits, primarily due to increased costs for health, life/disability, property & liability, unemployment and worker's comp insurance, as well as retirement, social security.
- 3) \$3,050 (6.6%) increase in Services & Utilities, primarily for personnel development related to onboarding and training for newer staff members.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Highway	\$1,740,958	\$1,585,693	9.8%	\$155,265

The Highway Division is responsible for the management, maintenance, repair, and inspection of the Town's transportation system consisting of 93.7 miles of public roadways and 42 miles of bike paths and sidewalks. The mission of this division is to improve the overall quality of life of the community through the development of a superior infrastructure; by providing safety improvements and services to the transportation system; preserving the community's investment through preventative maintenance programs; and protecting and preserving the Town's natural resources through sensible maintenance programs.

Notable changes to this cost center include:

- 1) \$59,310 (10.3%) increase to Salary & Wages, in part due to moving two Highway I staff to Highway II do for a need to have more than two staff fully trained and able to operate heavy equipment such as the grader and loader/backhoe;

- 2) \$44,170 (12.0%) increase to Employer Taxes & Benefits primarily due to increased costs for health, dental, life & disability, unemployment and workers comp insurance, as well as retirement and social security which were partially offset by reduced costs for property & liability insurance;
- 3) \$28,430 (13.4%) increase to Services & Utilities for increased costs of utilities, including streetlights and maintenance costs, as well as tree maintenance costs for hazardous tree removal throughout the Town's right-of-way;
- 4) \$23,355 (5.4%) Supplies and Parts increase primarily due to the continued cost increases for tire replacement, as well as the increased costs for parts and external service repairs based on actuals, as well as asphalt for filling potholes and making small roadway repairs, based on expected price increases. These increases have been partially offset by reduced costs for gas and diesel based on forecasted prices.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Maintenance Facility	\$545,032	\$489,851	11.3%	\$55,180

The Maintenance Division is responsible for the management, maintenance, repair, and inspection of the Town's equipment fleet consisting of 110 pieces of rolling stock equipment and 89 other smaller pieces of equipment. The mission of the Equipment Maintenance Division is to provide safe and efficient equipment to Town departments; preserve the capital investment made in the Town's equipment fleet; provide a safe working environment for the equipment maintenance personnel; and protect and preserve the natural resources within the area of the maintenance facility. Significantly, the Maintenance Division of Public Works took on maintenance of our eight fire engines and multiple fire support vehicles in June 2020.

Notable changes to this cost center include:

- 1) \$9,716 (3.7%) increase in Salaries & Wages;
- 2) \$30,544 (25.5%) increase in Employer Taxes & Benefits primarily due to increased costs for health insurance, life & disability, and workers comp insurance, as well as retirement and social security;
- 3) \$11,821 (22.6%) increase of for Services & Utilities primarily to adjust for usage costs based on actuals over past few years, as well as increased costs for uniforms, facility repairs and maintenance for the overhead doors for the Town garage and fuel island, as well as increased costs associated with state required testing and certification of the fuel;
- 4) \$1,500 (25%) increase in Equipment for the replacement of tools and maintenance equipment,
- 5) \$1,600 (3.4%) increase in Supplies & Parts for increased costs for consumable parts to maintain the Town's entire fleet.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Stormwater	\$163,800	\$156,000	5.0%	\$7,800

The Stormwater Division is responsible for the overall management, maintenance, repair, and inspection of the Town's stormwater system consisting of 2,700 structures and associated piping, street sweeping, drainage ditches, water quality sampling and the compliance requirements associated with the Town's Phase II MS4 Stormwater Permit. The mission of the Stormwater Division is to improve the quality of life within the community through the development of a superior infrastructure and preserving and protecting the community's environmental and natural resources. Funding is provided through the Town's Stormwater Utility, plus the above noted fee for services from the General Fund.

Notable changes to this cost center include: An increase in the estimated fee to be paid by the general fund of \$7,800.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Buildings	\$208,542	\$198,164	5.2%	\$10,378

The Buildings Division is responsible for the management and care of 15 Town buildings. This division consists of one full-time employee equivalent whose tasks are fulfilled by DPW highway staff and whose assignments are managed by the department's Operations Manager. The service objectives are to improve the quality of life within the community through the development of a superior infrastructure by providing maintenance and improvements to Town facilities used for the delivery of Town services and programs and the overall management of the community. We have been assertive in rebidding contracts for cleaning, rubbish, elevator maintenance, copier leases, etc., which have allowed us to reduce expenses in these labor-intensive functions. The Parks Department provides winter snow removal around Town buildings and parking lots, allowing the Public Works staff to focus more on winter road and path maintenance.

Notable changes to this cost center include:

- 1) \$270 (0.5%) increase to Salaries & Wages;
- 2) \$3,842 (-8.4%) Employer Taxes & Benefits decrease primarily due to a shift in employee plan type for this position;
- 3) \$15,950 (17.4%) increase in Services & Utilities primarily due to increased costs for utilities, contracted services for boiler and HVACs maintenance, as well as parts and supplies necessary to adequately maintain the buildings.
- 4) \$2,000 (-57.1%) decrease to Supplies & Parts to more closely align with actuals.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Health Services	\$67,812	\$67,253	0.8%	\$559

Health Services includes funding to external entities that assist with protecting and improving the health and welfare of the community. The proposed FY 26 budget for health services includes:

- 1) \$36,000 for the University of Vermont Health Network Home Health and Hospice (formerly Visiting Nurses Association) although it should be noted that they requested \$38,000, an increase of \$4,000;
- 2) \$23,762 for the contracted animal control officer (which is a proposed increase of \$559);
- 3) \$6,500 for kennel fees;
- 4) \$1,000 for Age Well (formerly CVAA);
- 5) \$550 for Steps to End Domestic Violence (formerly Women Helping Battered Women), which is the FY25 budgeted expense, although it should be noted that they requested \$4,000, an increase of \$3,450. It should be noted that the Town forgoes a little more than \$8,390 in municipal service tax revenue since their acquisition of a property in Colchester for the purpose of providing a shelter to those folks fleeing domestic violence.

Additionally, the Town has received requests from: Adult Learning in the Amount of \$1,000 and Howard Center in the amount of \$5,000. We have shared these requests with the Selectboard for their consideration but have not budgeted for them.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Parks	\$578,170	\$519,341	11.3%	\$58,830

The Colchester Parks Division staff maintain 13 parks with amenities that include: nine tennis courts, three basketball courts, six play structures, four sand volleyball courts, four soccer fields, four baseball fields, one softball field, one lacrosse/football field, two pavilions, three bathhouses, two shuffleboard courts, four dedicated pickleball courts, one skateboard park, six cemeteries, two beaches and swim

areas, one dingy dock, seven bike/pedestrian paths, one seasonal ice rink, three miles of Nordic trails, four pump stations, four and a half miles of green belts and all Municipal building grounds (Bayside Activity Center, Burnham Library, Town Hall, Police, Rescue, Public Works, Park Maintenance Fire Stations and Historical Society). This covers approximately 388 acres of land and 10.8 miles of bike/pedestrian paths. This division provides snow removal around all municipal buildings and parks, which covers approximately 7.5 acres of land.

Notable changes to this cost center include:

- 1) \$30,425 (11.8%) Salary & Wage increase primarily due to shifting a non-CDL position that was previously half-time in DPW-Highway and half-time in Parks, to full-time in Parks;
- 2) \$28,015 (35.2%) increase in Employer Taxes and Benefits primarily due to increased costs for health, dental, life/disability, property & liability, unemployment and workers comp insurance, as well as social security, retirement.
- 3) \$2,611 (-1.7%) decrease in Services & Utilities primarily due to cost increases for contractual services and repairs/maintenance that were offset by decreases in utilities, fuel and planned use of fertilizer and rental equipment;
- 4) \$3,000 (42.9%) Equipment increase due to planned equipment repairs and replacement.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Recreation	\$315,027	\$297,441	5.9%	\$17,586

The Recreation cost center provides management and administration for the Parks and Recreation Department and the Recreation Program Fund; manages the Parks Capital Plan; the recreation impact fees on new residential properties; develops, plans and oversees Park maintenance, and pavilion, athletic field and park rentals; plans and implements special events and activities throughout the year; and pays for non-fee generating activities of recreation. The recreation program fund operates services and programs for fees and does not require general fund municipal services tax funds.

Notable changes to this cost center include:

- 1) \$7,463 (4.5%) increase for Salary & Wages;
- 2) \$8,923 (14.1%) increase in Employer Taxes and Benefits due to increased costs for health, dental, life & disability, unemployment, and workers comp insurance, as well as social security, and retirement;
- 3) \$1,100 (31.4%) increase for Supplies & Parts primarily due to an increased cost for operating supplies to better reflect actuals and inflationary impacts.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Library	\$923,726	\$892,966	3.4%	\$30,760

The Burnham Memorial Library welcomes people of all ages and economic backgrounds to enrich their lives through books, audio-visual materials, and programs. The Library provides materials for life-long learning and assistance in using information resources, with an emphasis on early childhood literacy. Colchester residents look to the Library as a place that is attractive and welcoming, with an atmosphere that inspires them to learn, grow, and become better citizens. Library staff manage the Library Meeting House on Main Street where a plethora of programming is typically available for all ages, as well as space for community events and meetings.

Notable changes to this cost center include:

- 1) \$30,802 (6.3%) increase for Salary & Wages, due in part to expanding programming and moving a 35 hour a week staff member to 40 hours a week to address these programming needs;

- 2) \$6,156 (2.7%) increase for Employer Taxes and Benefits due to increases in life & disability, unemployment, and workers comp insurance, as well as social security and retirement, which is partially offset by decreases in health and dental costs due to shifts in employee plan type;
- 3) \$6,497 (-3.9%) decrease for Services & Utilities is primarily a result of a decrease in maintenance lines to better align with actuals, and adjustments to vendor contracts for digital services.

	Proposed FY 26	FY 25	% Change from FY 25	\$ change from FY 25
Intergovernmental	\$413,621	\$387,694	6.7%	\$25,927

This cost center provides for the Town of Colchester's support of regional entities including: the Lake Champlain Regional Chamber of Commerce, the Vermont Council on World Affairs, Greater Burlington Industrial Corporation, Chittenden County Regional Planning Commission, Winooski Valley Park District, Vermont League of Cities and Towns, Green Mountain Transit fixed route and services for persons with disabilities, Special Services Transportation Agency (services for Elders and Persons with Disabilities), Chittenden County (funding for the Chittenden Superior Court and Probate Court operated by the State of Vermont), and the Colchester Conservation Commission.

Proposed changes to this cost center include:

- 1) \$16,531 (28.5%) increase in GMT ADA fees due to increased usage. This amount would be higher if we had not negotiated a multi-year contract;
- 2) \$3,087 (5.3%) increase for Winooski Valley Park District;
- 3) \$550 (2.2%) increase for Vermont League of Cities and Towns dues;
- 4) \$3,469 (2.9%) estimated State operated county court tax increase;
- 5) \$143 (0.5%) increase of CCRPC member dues;
- 6) We have budgeted the same as last year for the Lake Champlain Regional Chamber of Commerce, the Vermont Council on World Affairs, the Greater Burlington Industrial Commission, SSTA (E&D) and the Conservation Commission.