# BOARD OF ALDERMEN MINUTES
**Thursday, July 17, 2025**

**SETTING FY24 TAX RATE**

Members present: President Allaire, Aldermen Cupoli, Savage, Talbott, Donahue, Gillam, McClure and Davis. Also present: Mayor Doenges, Treasurer Markowski, Assistant Treasurer Holmquist, Assessor Langlois, and Clerk Kapusta. Alderman Clifford was absent. Alderman Whitcomb called into the meeting at 5:44 PM.

**5:30 PM SPECIAL BOARD OF ALDERMEN MEETING**
President Allaire called the meeting to order at 5:31 PM.

**Additions / Deletions**
President Allaire entertained a motion to add Alderwoman Davis's Public Safety committee report from July 15, 2025 to the agenda. So moved by Alderwoman Davis and seconded by Alderman Gillam. Motion passed.

**Public Comment**
There were no Public Comments.

**FY26 – Tax Rate Proposal**
Treasurer Markowski remarked that there were some small changes from what she provided earlier that Assistant Treasurer Holmquist found in some calculations. Last year's recorded tax assessment on $150,000 was recorded wrong and should be $325. Treasurer Markowski went ahead and released a couple of restrictions on funds because there was no meeting right beforehand, so she will be asking to ratify those changes. Last year $574,212.26 was set aside as the prior year's fund balance.

A motion was made and seconded (Davis, Savage) to suspend the rules. Motion passed. A motion was made and seconded (Davis, Savage) to remove the prior year fund balance of $574,212.26. Motion passed.

Treasurer Markowski stated that last year when presenting the tax rate, the Department of Public Works had over $100,000 in pavement markings that weren't able to be spent from FY24 and were rolled over to FY25. In FY25, only $43,000 was spent.

A motion was made and seconded (Davis, Savage) to suspend the rules. Motion passed. A motion was made and seconded (Savage, Davis) to remove the pavement markings of $68,520.94. Motion passed.

At the end of FY25 there was $2,939,512 in unassigned fund balance and then any changes throughout the year reduced the fund balance by $1,357,071. There was a lot of ARPA spending, which was fund balance spending, but appropriations were already made for that spending which brings down the fund balance.

The Board will set the unassigned fund balance between 10-15% based on revenue at the end of the year. Revenue of $24M was used to make the calculation of 10% for $2.4M. Financial books are held open for 60 days into the new FY and any revenue received or expenses that belong to FY25 are moved back within those 60 days.

The Board approved using opioid funds so the Police Department can get a situation table. Opioid fund balance was reduced and added to the fund balance. $220,000 was set aside for the two positions in the Police Department and $60,000 for a truck purchase that was unspent in FY25.

At 5:44 PM Alderman Whitcomb called into the meeting. President Allaire stated that anyone phoning in or up on the screen, when a vote is taken, must be done by roll call. President Allaire stated that it would be a good time for Alderwoman Davis's Public Safety report from July 15, 2025.

Alderwoman Davis read the Public Safety report of the July 15, 2025, meeting. The topic of discussion was to fund two Police Officers positions numbering 34 and 35. In the FY25 budget 33 officers were budgeted with the understanding if the Chief was able to fill the two positions, funding would not be on the tax rate. The Chief is requesting that 39 positions be filled and that discussion will continue with the Mayor to see if there are savings in the FY26 budget for example OT to fund another officer. Discussion will continue for FY27 budget.

A motion was made and seconded (Davis, Talbott) to fund the two positions totaling $220,000 from the unassigned fund balance. A roll call vote was done.
Alderwoman Savage – Yes
Alderman Cupoli – Yes
Alderman Talbott – Yes
Alderwoman Tadio – Yes
Alderman Donahue – Yes
Alderman Gillam – Yes
Alderwoman McClure – Yes
Alderwoman Davis – Yes
Alderman Whitcomb – Yes

There were 9 Yes votes and zero No votes. Motion passed.

A motion was made and seconded (Davis, Savage) to suspend the rules. Motion passed. A motion was made and seconded (Davis, Donahue) to keep the request for the $60,000 DPW vehicle purchase. A roll call vote was done.
Alderwoman Savage – Yes
Alderman Cupoli – Yes
Alderman Talbott – Yes
Alderwoman Tadio – Yes
Alderman Donahue – Yes
Alderman Gillam – Yes
Alderwoman McClure – Yes
Alderwoman Davis – Yes
Alderman Whitcomb – Yes

There were 9 Yes votes and zero No votes. Motion passed.

Alderman Talbott looked up the open meeting law and roll call only needs to be done if the vote is not unanimous.

Treasurer Markowski went over the tax rate proposal with one column based on the voter approved budget and one column with the Board approved budget. The tax rate proposed is 2.1536, up from 2.0172 in FY25. By Charter the City is required to set the tax rate based on the voter approved budget. Treasurer Markowski worked with the City's auditors and the Vermont League of City and Towns (VLCT). VLCT offered possibly to collect the $800,000 then return it to the voters in the next year. Due to the way the City manages the unassigned fund, the City is able to move the $800,000 from the unassigned fund balance and keep it in the balance sheet. It will be reserved as part of the prior year fund balance and the rate will still be 2.1536. The request would be to set aside $1,045,979.59 as prior year fund balance on the balance sheet to keep those funds available.

A motion was made and seconded (Savage, Davis) to suspend the rules. Motion passed. A motion was made and seconded (Talbott, Savage) to set aside the prior year fund balance $1,045,979.59. Motion passed.

Based on that motion, Treasurer Markowski asks for the Board's approval to set the municipal tax rate at 2.1536, a 6.7% increase over the prior year.

A motion was made and seconded (Davis, Savage) to suspend the rules. Motion passed. A motion was made and seconded (Davis, Savage) to set the municipal tax rate at 2.1536. Motion passed.

Treasurer Markowski stated that for a $150,000 assessment, the increase will be $204.48 per year. The homestead rate for FY26 is 1.6058 and that's down from 1.6745 in FY25. The non-homestead rate is 1.9273 and that is up from 1.8571.

A motion was made and seconded (Davis, Savage) to suspend the rules. Motion passed. A motion was made and seconded (Davis, Cupoli) to set the homestead rate at 1.6058 and the non-homestead rate of 1.9273. The vote was not unanimous, so a roll call vote was done.
Alderwoman Savage – Yes
Alderman Cupoli – Yes
Alderman Talbott – Yes
Alderwoman Tadio – Yes
Alderman Donahue – Yes
Alderman Gillam – No
Alderwoman McClure – Yes
Alderwoman Davis – Yes
Alderman Whitcomb – Yes

There were 8 Yes votes and one No vote. Motion passed.

For the record Treasurer Markowski stated the impact of the combined rate on a home assessment of $150,000, the net increase would be $101.43 because of the offset from the homestead rate going down. For a house assessment of $150,000 the non-homestead combined rate would increase taxes by $309.78.

A motion was made and seconded (Cupoli, Talbott) to adjourn at 6:01 PM.

Respectfully submitted,

Tracy L. Kapusta
City Clerk