

SELECTBOARD REPORT

Last year was a challenging but productive year for the Selectboard as we responded to an infrastructure emergency, navigated staffing transitions, managed significant capital projects, and addressed fiscal and budgetary pressures through both spending discipline and exploration of alternative revenue sources. We welcome this opportunity to share highlights from 2025.

Emergency Infrastructure Response. On May 10, 2025, a significant landslide occurred on Pomfret Road north of the North Pomfret post office, with subsidence of Caper Street requiring partial closure. The Selectboard immediately engaged engineering and construction expertise to stabilize the embankment and restore access. Working with VTrans and a local engineer, we developed a comprehensive remediation plan and solicited competitive bids. The project proceeded through summer and fall 2025, with Avery Excavation undertaking slope stabilization, underdrainage installation, guardrail placement, and pavement restoration, and Harrington Civil Engineers providing engineering services. The work is now complete. This emergency demonstrated the value of maintaining experienced road and administrative personnel and strong relationships with state and regional partners.

Highway Department Staffing and Equipment. After the departure of long-serving Road Foreman Jim Potter and crew member Justin Ricard in fall 2024, Frank Rogers came to Pomfret as Road Foreman in November 2024, joining veteran Art Lewin, and soon adding new crew members including AJ Stevens. The team also recently welcomed Peter Gourley and continued building capacity for the town's extensive road maintenance responsibilities. Equipment investments included a new equipment trailer, additional generator for reliability during power outages, and grading attachments to improve efficiency. A new tandem truck is expected for delivery later this year. The crew remained busy with grant-funded improvements on Allen Hill Road and Sugarbush Road (VTrans Grants in Aid Program), culvert replacements, routine grading and ditching, and roadside mowing.

Paving and Transportation Projects. Despite not receiving a state-funded paving grant, the town proceeded with high-priority projects including resurfacing of the Wayside Road bridge at Route 12 and paving of the town office parking lot. Core sampling was conducted on Pomfret Road to inform future maintenance strategies. The town also continued managing foliage season traffic challenges through temporary road closures on Cloudland Road and one-way conversion of Barber Hill Road in coordination with the Town of Woodstock and with support from Cloudland Road residents.

Municipal Administration and Planning. The town commenced its octennial (every 8 years) town plan update, with the Planning Commission holding a public hearing last summer and the Selectboard holding its own hearing in November. The Two Rivers-Ottawaquechee Regional Commission provided feedback on the current draft, which will be considered as the Selectboard works toward final adoption by the August 2026 deadline. The Selectboard also addressed challenges in completing the Fiscal Year 2025 audit after two elected auditors departed, contracting with a licensed public accounting firm to ensure completion. The town continued to advance planning for Town Hall renovations to address accessibility and code compliance issues, with design concepts developed and cost estimates being refined.

Emergency Services and Regional Coordination. Following extended negotiations, the Selectboard entered into ambulance service agreements with both the Town of Woodstock and the Town of Hartford to optimize emergency response times. Hartford now provides ambulance service for the northeast corner of Pomfret, including areas with faster response times from Hartford's expanded

Station No. 2 in Quechee. The town continues coordinating with regional partners on mutual aid arrangements, emergency management planning, and service delivery optimization.

Community Assets and Grant Funding. The town received grants for various projects, including a Municipal Planning Grant for the town plan update and state Emergency Aid funding for the Pomfret Road slide emergency response. Grant funding, combined with strategic use of the town's accumulated reserves and the last remaining ARPA funds, enabled significant capital improvements. The town began planning for a Veterans Memorial and continued engagement through the Vermont 250th Anniversary Committee to develop programming commemorating the state's 250th anniversary in 2026–27.

Fiscal Stewardship in Challenging Times. Pomfret, like all Vermont municipalities, faces pressure from rising costs in areas largely beyond local control. Vermont's affordability crisis continues to deepen as costs stretch Vermonters' budgets thin, with home sale prices swiftly increasing since the Covid-19 pandemic, constraining the tax base while increasing demand for municipal services. Health insurance premiums for small employers continued their relentless rise, a burden that municipalities bear for their employees. Pressures in the pension system, health care, and human services have created additional cost obligations statewide. Additionally, the cost of road maintenance materials has escalated dramatically, with paving and asphalt prices also rising significantly since 2020.

Facing these statewide pressures, the Selectboard has worked diligently to control spending growth and keep municipal tax increases as low as practicable. Despite these efforts, the Selectboard's proposed budget reflects a tax increase of approximately 12.7%. An even steeper increase was avoided through careful scrutiny of every budget line item, grant procurement, strategic use of reserve funds, improved operational efficiency, and optimization of risk-free returns by negotiating higher rates on our Mascoma Bank balances.

Nevertheless, certain cost increases were unavoidable: health insurance premiums for town employees, increases in paving and road maintenance material costs, and rising fuel expenses. The Selectboard has also determined that modest additional staffing to address increasing complexity in municipal administration is necessary to manage the town's growing regulatory obligations and to maintain existing municipal services.

To reduce the impact on property tax payers, the Annual Meeting Warning includes an article to adopt a local option (1%) tax on sales, rooms, meals and alcoholic beverages. While the revenue that would be generated by such a tax can only be estimated in advance, based on data available from the Vermont Department of Taxes and extrapolating from comparable towns, the Selectboard believes a local option tax could raise between \$60,000 and \$105,000 per year. At the midpoint (\$82,500), a local option tax would halve the tax increase shown in the proposed budget.

The Selectboard appreciates that property tax growth of any magnitude contributes to the affordability pressures facing Vermont residents and businesses. We remain committed to maintaining fiscal discipline, pursuing outside funding whenever possible, and managing the town's finances in a way that balances residents' ability to pay with the town's delivery of essential services.

Fiscal Year 2027 Budget Narrative. The combined Fiscal Year 2027 Town and Highway budget of \$2,229,101 (including voted appropriations) represents an 11.0% increase from Fiscal Year 2026's total budget of \$2,007,578. The proposed Fiscal Year 2027 General Fund budget is \$760,799, compared to

Fiscal Year 2026's \$615,875, and the proposed Highway Fund budget is \$1,468,302, compared to Fiscal Year 2026's \$1,391,703.

If voters approve all voted appropriations and re-appropriate a portion of prior year fund balances to offset taxes to be raised, the amount to be raised in taxes for Fiscal Year 2027 will be 12.7% higher than in Fiscal Year 2026. If voters also approve the proposed local option tax, the amount to be raised in *property* taxes for Fiscal Year 2027 will be about 6.5% higher than in Fiscal Year 2026, based on the Selectboard's estimate of revenue that could be generated by a local option tax in Pomfret.

The General Fund ended Fiscal Year 2025 with an unassigned fund balance of \$199,519 and is anticipated to end Fiscal Year 2026 with an unassigned fund balance of \$111,664. The Highway Fund ended Fiscal Year 2025 with an unassigned fund balance of \$31,514 and is anticipated to end Fiscal Year 2026 with an unassigned fund balance of \$35,581.

The primary drivers of Pomfret's municipal budget increases are the continued rapid rise in liability insurance and fuel costs, equipment expenses, health insurance premiums, asphalt and road maintenance material costs, and modest additions to support municipal administrative capacity. Many of these factors reflect national market pressures and statewide trends affecting all Vermont towns and employers.

The Selectboard continues to seek grant funding and manage reserves prudently to keep municipal tax increases in line with inflation while maintaining service quality and funding for future infrastructure needs.

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We thank each department, officer, appointee and board that draws tax dollars for carefully reviewing their needs and making difficult choices to support Pomfret's residents and infrastructure. We also thank all who volunteer to serve their town.

Selectboard meetings are open to the public and we thank those who participate and offer their opinions and guidance. You can find our contact information at pomfretvt.us/index.php/boar/sel. We look forward to seeing you at our meetings and around town.

Benjamin Brickner, Chair
John Peters, Jr. Vice-Chair
Steve Chamberlin
Meg Emmons
Emily Grube