Budgeting - Tools & Tips

Copyright Vermont League of Cities and Towns
Current as of: 11/9/2026

Approach & Strategy

- Key Budget Pillars Pledge Template (linked under "Documents" in the side menu above)

Budget Timeline & Budget Cycle

- FY28 General Fund Budget Timeline Template (linked)
- Budget Cycle Process Chart (linked)

VLCT Resource: VLCT's Municipal Calendar(opens in a new tab)

Analyze Last Year's Budget Results and Year-to-Date Reports

VLCT Tip: Look at budget trends to be sure you are budgeting enough to cover actual expenses:

- Review last fiscal year end's preliminary budget results for fiscal year ending June 30 budgets and audited budget results (if available) for calendar year budgets.
- Review year-to-date budget results.

Major Budget Drivers

- Major Drivers Budget Worksheet Template

Major Drivers

Copyright Vermont League of Cities and Towns
Current as of: 11/9/2026

- Census Region : Northeast Information Office : U.S. Bureau of Labor Statistics (opens in a new tab)
- **Vermont Municipal Employees Retirement System** (VMERS,) increase in Employer Contributions (see *VMERS Employee and Employer Rate Increase memo*, 5/1/2025, for rate increases through FY30) :

Group	FY2027	FY2028	Increase
Group A	6.00%	6.25%	0.25%
Group B	7.50%	7.75%	0.25%
Group C	9.25%	9.50%	0.25%
Group D	11.85%	12.10%	0.25%

- **Health Insurance (***Green Mountain Care Board Cuts Proposed 2027 Health Insurance Rate Increases, August 18, 2026)*
  - BCBSVT (Individual Market): +2.2%
  - BCBSVT (Small Group Market): +1.2%
  - MVP (Individual Market): 3.9%
  - MVP (Small Group Market): 6.2%
- **Electricity -** Vermont regulators finalize 5.5% rate increase for Green Mountain Power customers for the period starting October 1, 2026 through September 30, 2027.

Other Tips

- New Position? Adjust hire date to help phase in the budgetary impact.

- Minimum Wage for 2027 will be announced in early October on the Vermont Dept of Labor website. The minimum wage for 2026 is $14.42/hour. An increase in the Minimum Wage may impact pay rates for other hourly workers as well.

Copyright Vermont League of Cities and Towns
Current as of: 11/9/2026

- Budget for Compliance with the US Department of Justice (DOJ) Interim Final Rule that extends the compliance deadline of its website accessibility rule for state and local governments by one year. The rule extension allows local leaders important additional time to plan, budget, and implement required updates to their websites and mobile apps.
    - State and local governments with a **total population of 50,000 or more**, which faced a deadline of April 24, 2026, now have until **April 26, 2027**.
    - **Smaller public entities and special district governments** (population <50,000), which had until April 26, 2027, now have until **April 26, 2028.**
- Use the Agency of Transportation's Town Highway Grant Program database to project State Highway Aid for FY28.
- Always double-check budget spreadsheets before publishing in Town Report.

Helpful Resources:

- VLCT's Calculators:
    - Tax Rate Calculator Municipal Tax Rate Calculators (opens in a new tab) (Basic and newly added -Veterans Exemption and CHIP Increment!)
    - Debt Capacity Calculator Debt Capacity Calculator (opens in a new tab)
    - Debt Service Impact on Tax Rate Spreadsheet (08/25/2025) (XLSX, 62.86 KB)
- VLCT's Model Policies:
    - Model Fund Balance Policy + Guidance (revised in 2026!)
    - Model Capital Improvement Plan & Capital Budget Policy + Guidance (revised in 2026!)
    - Model Accounting Auditing and Reporting Policy + Guidance(opens in a new tab)
    - Model Reserve Fund Policy + Guidance
    - Model Balanced Budget Policy + Guidance(opens in a new tab)
    - Model Social Services Appropriation Policy(opens in a new tab)

Copyright Vermont League of Cities and Towns
Current as of: 11/9/2026

- VLCT's:
  - Vermont Municipal Compensation and Benefits Report
  - Local Option Tax
  - High Deductible Health Plans (HDHP) – A Simple Cost Comparison Tool
- VLCT new favorite - Road to Resilience: Town Highway Disaster Reserve Benchmarks | VT Bond Bank (newly added in 2026!) - The **Vermont Bond Bank (VBB)** has released its first-ever **Town Highway Disaster Reserve Benchmarks** — a financial planning tool and online database designed to help municipalities estimate how much to set aside annually to cover the cost of extreme weather damage to local roads and bridges.

Having a tough time getting started?

VLCT's Municipal Support Team is here to help! Government Finance Specialist Marguerite Ladd, **mladd@vlct.org**(opens in a new tab)**,** and Municipal Operations Specialist Kathleen Ramsay, **kramsay@vlct.org**(opens in a new tab)**.**

**VLCT Tools are to be used for informational and general guidance purposes only. It is your responsibility to verify the results, adapt the tool(s) to your specific circumstances, and ensure that any data entered is accurate and appropriate for your intended use. By using VLCT Tools, you acknowledge and agree that any reliance you place on their functionality or outputs is strictly at your own risk. Use at your own discretion.*

Copyright Vermont League of Cities and Towns
Current as of: 11/9/2026

Disclaimer: This resource was created by Municipal Operations Support (MOS) staff of non-legal professionals with expertise of the subject matter. It is only intended to provide information and does **NOT** constitute legal advice. Readers with legal questions are encouraged to contact an attorney. The use or downloading of this resource does **NOT** create an attorney-client relationship and will not be treated in a confidential manner. Non-legal questions about this resource can be directed to MOS staff at mos@vlct.org.

Publication Date

09/03/2025

Copyright Vermont League of Cities and Towns
Current as of: 11/9/2026