

# **Tools & Tips - Budgeting**



## Approach & Strategy:

NEW! VLCT Tool:

[Key Pillars of Our Budgeting Process \(08/25/2025\)](#)

## Budget Timeline & Budget Cycle:

NEW! VLCT Tools:

[FY27 General Fund Budget Timeline Template \(Word \)](#)

[Budget Timeline with Dates](#)

[Budget Cycle Process Chart](#)

VLCT Resource: [VLCT's Municipal Calendar](#)

## 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

### NEW! VLCT Tools:

#### [Major Drivers Budget Worksheet Template \(08/25/2025\)](#)

#### [Retrieving Northeast CPI U from BLS.gov Website](#)

### Major Drivers

- [Census Region : Northeast Information Office : U.S. Bureau of Labor Statistics](#)
- [Green Mountain Care Board Sets 2026 Health Insurance Rates Far Below Carriers' Requests.](#) Key outcomes of the 2026 rate review:
  - BCBSVT (Individual Market): 9.6%
  - BCBSVT (Small Group Market): 4.4%
  - MVP (Individual Market): 1.3%
  - MVP (Small Group Market): 2.5%
  - [GMCB Press Release](#)
- Local Option Tax: Thanks in large part to the VLCT Advocacy Team, there was an upward revision to the local option tax withholding formula. Act 57 of 2025 changed the apportionment of Local Option Tax receipts for municipalities and the Payment in Lieu of Taxes (PILOT) Fund. Effective October 1, 2025, municipalities receive 75%, and the Pilot Fund receives 25%.

### Other Tips:



- New Position? Adjust hire date to help phase in the budgetary impact.
- Minimum Wage for 2026 will be announced in early October on the Vermont Dept of Labor website, <https://labor.vermont.gov/>. The [minimum wage for 2025 is \\$14.01/hour](#). An increase in the Minimum Wage may impact payrates for other hourly workers as well.

### **Helpful Resources:**

- VLCT: Tax Rate Calculator [Municipal Tax Rate Calculator](#)
- VLCT: Debt Capacity Calculator [Debt Capacity Calculator](#)
- [VLCT's Model Accounting Auditing and Reporting Policy with Guidance](#)
- [VLCT's Model Balanced Budget Policy](#)
- [Vermont Municipal Compensation and Benefits Report](#)
- [VLCT Model Social Services Appropriation Policy](#)
- [Debt Service Impact on Tax Rate Spreadsheet \(08/25/2025\)](#)
- Vermont Department of Taxes: [How to Adopt a Local Option Tax in Your Community](#). The Town of Hartford has a nice informational piece on their website, [Local Option Tax | Hartford, VT](#).



## Having a tough time getting started?

VLCT's Municipal Support Team is here to help! Government Finance Specialist Marguerite Ladd, [mladd@vlct.org](mailto:mladd@vlct.org), and Municipal Operations Specialist Kathleen Ramsay, [kramsay@vlct.org](mailto:kramsay@vlct.org).

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