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Office of the Town Manager

Town Manager's Proposed Fiscal Year 2026 Budget

Board of Selectmen
Winchester Town Hall
338 Main Street
Winchester, CT 06098

March 14, 2025

Members of the Board of Selectmen,

I am pleased to submit the Town Manager's proposed budget for Fiscal Year 2026 (FY 2026), a plan that reflects our community's needs while maintaining fiscal responsibility. This year's proposed mill rate is 29.20, representing a 1.96 mill increase, or 7.2% change, from the current FY 2025 mill rate of 27.24. This adjustment ensures that we can continue providing high-quality services and funding education at their full request; while keeping our town financially stable and prepared for the future.

It is never easy to ask residents to contribute more, especially through higher taxes. Every effort has been made to keep this budget as responsible and needs-based as possible while maintaining essential services and planning for Winchester's future. Below is a table outlining what this proposed mill rate means for various properties, helping to illustrate the real impact on taxpayers.

Item	Mill Rate	Property #1	Property #2	Property #3	Property #4	Property #5
Appraised Property Value	-	$ 214,286	$ 285,714	$ 357,143	$ 428,571	$ 500,000
Assessed Value (70% of Appraisal)	-	$ 150,000	$ 200,000	$ 250,000	$ 300,000	$ 350,000
Annual Property Tax (Now)	27.24	$ 4,086	$ 5,448	$ 6,810	$ 8,172	$ 9,534
Annual Property Tax (FY 2026)	**29.20**	$ 4,380	$ 5,840	$ 7,300	$ 8,760	$ 10,220
Daily Property Tax (Now)	27.24	$ 11.19	$ 14.93	$ 18.66	$ 22.39	$ 26.12
Daily Property Tax (FY 2026)	**29.20**	$ 12.00	$ 16.00	$ 20.00	$ 24.00	$ 28.00
Additional Tax Burden per Year	-	**$ 294.07**	**$ 392.10**	**$ 490.12**	**$ 588.14**	**$ 686.17**
Additional Tax Burden per Month	-	**$ 24.17**	**$ 32.23**	**$ 40.28**	**$ 48.34**	**$ 56.40**
Additional Tax Burden per Day	-	**$ 0.81**	**$ 1.07**	**$ 1.34**	**$ 1.61**	**$ 1.88**

As you read ahead, tough choices had to be made to get us to this point. It is the responsibility of the Town Manager to act in the best interests of Winchester. Any further reduction will compromise the quality of public services, particularly education; and therefore, the attractiveness of this great community to potential investors.

Budget Process

This year marks the first time that I, as Town Manager and Chief Executive Officer, and you, as a Board of Selectmen, have worked through the entire budget process together from start to finish. It was a thorough and collaborative effort, ensuring every step was intentional and transparent.

The budget process begins much earlier than many may realize. This budget cycle commenced much earlier than any other year. Earlier planning allowed me to fully grasp and understand each line item, project, and goal, and make recommendations in the best interest of Winchester. Initial efforts commenced in October 2024, only ten weeks after the adoption of our FY 2025 budget, with our Capital Improvement Plan (CIP) meeting and kickoff discussions. By November, municipal departments had submitted their CIP requests to the Budget Office, setting the stage for the broader budget discussions.

In December 2024, the Budget Office sent operating budget templates to department directors and revisited the CIP to refine priorities. January 2025 was dedicated to department directors finalizing their operational budget requests into formal submission. The submissions were followed by in-depth one-on-one meetings with directors that continued into February 2025.

Throughout February and March, we finalized the Town Manager's CIP and department budget proposals while fine-tuning other critical areas. This work ensured a well-balanced and needs-driven budget. That leads us to today, where I officially submit my proposed budget to the Board of Selectmen, marking the final step in this process before public review and approval. This process was thorough, strategic, and built on teamwork. It reflects a shared commitment to fiscal responsibility and the long-term success of our community.

2024 Grand List

The grand list serves as the foundation for our budget, determining the town's revenue capacity and shaping financial decisions. A strong, growing grand list helps ease future budget constraints by distributing the tax burden more effectively. Our commitment remains firm: we will continue expanding development opportunities to strengthen our financial position and reduce reliance on tax increases.

The 2024 signed grand list reflects several key changes from 2023. The Real Estate Grand List, which now encompasses both Real Estate and Elderly Home Owners Grant List, decreased by $4,949,904. In 2020-2021, the real estate market experienced unprecedented growth due to historically low interest rates and increased demand during the COVID-19 pandemic. However, as we move further from that period, the market is beginning to cool. Rising mortgage rates have reduced affordability, leading to slower home sales and price stabilization. The rapid appreciation seen during the pandemic has tapered off, and in some cases, property values have adjusted downward.

The Motor Vehicle Grand List decreased by $4,207,856. This significant decrease is primarily due to changes in valuation methodology pursuant to Public Act 22-118 and June Special Session Public Act 24-1. Under this new law, beginning with the October 1, 2024 Grand List, municipal Assessors will no longer use fluctuating market values to assess registered and non-registered passenger vehicles. Instead, they will determine a vehicle's assessed value based on its original Manufacturer Suggested Retail Price (MSRP) and apply a statutory depreciation schedule.

The motor vehicle grand list figure incorporates a recommended increase in the assessment rate from 85% ($82,802,060 MV value) to 90% ($92,349,220 MV value) of the MSRP, as authorized by Connecticut's Emergency Bill HB7067. This legislation permits municipalities to adopt an alternative depreciation schedule for motor vehicle property tax assessments, allowing for higher initial assessment percentages. Using this increased assessment rate, we would avoid an additional loss of $239,258 in revenue from decisions made in Hartford. Ultimately, however, this increase in the motor vehicle assessment rate would be subject to Board of Selectmen approval.

This shift represents a fundamental change in how vehicle values are calculated. Previously, market conditions heavily influenced vehicle assessments, leading to valuation spikes in recent years due to supply chain disruptions, increased demand for used cars, and rising new car prices. However, the new approach removes market volatility from the equation and standardizes depreciation rates, which has resulted in a significant reduction in the overall Motor Vehicle Grand List. While this adjustment provides more predictability for taxpayers, it also means an immediate loss of taxable value, and revenue as a result, for municipalities.

The Personal Property Grand List increased by $2,332,723, driven by several key factors. One source of this growth is that several large manufacturers and industrial entities did not receive their requested exemptions. These exemptions, which significantly impact assessed values, remain subject to potential adjustments following a Board of Assessment Appeals (BAA) review. Depending on the outcome, some of this increase could be reduced, but for now, it contributes to the overall rise in personal property valuation.

Another contributing factor is the implementation of personal property audits by Tax Management Associates (TMA), which was approved as part of our FY 2025 budget. TMA has begun systematically auditing business declarations, identifying missing or underreported assets. To date, the program has yielded a positive return on our initial investment. Next year's budget includes a dialed-back, revised audit plan.

The BAA will conclude its appeal hearings on real estate, motor vehicle, and personal property assessments by April 2025. For budgetary purposes, I estimate a maximum BAA adjustment of $2,500,000. These adjustments reflect changes made to individual assessments based on appeals, impacting the overall taxable value of the grand list.

FY 2026 will be year three of our five-year revaluation cycle. Historically, the most significant changes to the grand list occur in the first and second years following a revaluation. This is because property owners, reacting to reassessment increases, are more likely to file appeals in those initial years. Many taxpayers seek reductions based on market fluctuations, comparable sales data, or changes in property conditions that may not have been fully captured during the revaluation process.

As we move into year three, the number of appeals typically stabilizes, and adjustments become more moderate. However, it remains crucial to monitor these trends and anticipate their budgetary impact. While the BAA adjustments are necessary to ensure fair and accurate assessments, they also influence our overall revenue projections. By planning conservatively and maintaining a focus on strategic growth, we can offset potential revenue fluctuations and keep the town financially stable.

These shifts highlight the evolving nature of our local economy and tax base, reinforcing the need for strategic planning and investment to maintain growth. Despite our efforts, we anticipate an initial loss of revenue even before factoring in any new spending. This reality underscores the importance of proactive economic development and responsible budgeting. By fostering growth and carefully managing expenditures, we can navigate these financial challenges while maintaining essential services and investments in our community's future.

Revenues

The proposed FY 2026 budget includes total projected revenue of $40,743,139, reflecting a $63,231 or 0.2% decrease from FY 2025. Of this, $29,165,861, or 71.6% of total revenues, is sourced from tax revenues, directly impacting the mill rate, while $11,577,278 or 28.4% of total revenues, is sourced from non-tax sources with no taxpayer impact. FY 2026 will be the most reliant budget on tax revenue since FY 2023, as detailed in the table below.

Sources of Revenue	FY 2023 Amended	FY 2024 Amended	FY 2025 Adopted	FY 2026 Proposed
Non-Tax Revenue	$ 10,547,603	$ 13,163,637	$ 13,458,580	$ 11,577,278
Tax Revenue	$ 25,505,771	$ 26,581,034	$ 27,347,790	$ 29,165,861
Total Revenue	**$ 36,053,374**	**$ 39,744,671**	**$ 40,806,370**	**$ 40,743,139**
Non-Tax Revenue % of Total	29.3%	33.1%	33.0%	28.4%
Tax Revenue % of Total	70.7%	66.9%	67.0%	71.6%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

This shift is largely due to the removal of fund balance injections for capital expenditures from General Fund revenues. Beginning in FY 2024, these injections were included as a revenue source, temporarily reducing the town's reliance on tax revenue. However, this approach does not align with Government Finance Officers Association (GFOA) budgeting standards, which emphasize structural balance and discourage the use of one-time revenues for ongoing expenses. To closer adhere to GFOA standards, we reversed this practice in FY 2026, removing fund balance injections for capital expenses from the General Fund schedule. This change reduces the bottom line and improves long-term financial stability, ensuring that recurring expenditures are matched with sustainable revenue sources rather than temporary funding solutions.

As of the time of writing, the Governor's Proposed Fiscal Year 2026 Budget includes mostly unchanged state aid for Winchester, with modest adjustments across various programs. Notably, Town Aid - Improved Roads (also known as the Special Transportation Fund) is set at $295,707, reflecting a slight increase of $49. Payment in Lieu of Taxes (PILOT) is projected at $215,420, a $6,713 increase. The Pequot-Mohegan Grant (also known as the Mashantucket Pequot Fund) remains steady at $49,474, with no change from the previous year. Similarly, Municipal Revenue Sharing is unchanged at $105,432, as is the Grants for Municipal Projects (also known as Municipal Grants-in-Aid) at $306,204. Lastly, Education Cost Sharing (ECS) is set at $7,823,991, maintaining the same amount as the last several years, marking no change for at least the fourth year in a row. While these state aid figures are largely consistent, it's important to note that this stability offers predictability for budgeting purposes. However, the lack of significant increases also means that the town cannot rely on state aid alone to cover rising costs, particularly with the challenges presented by the grand list decrease and other local financial pressures.

Key tax exemptions and credits further impact revenue by reducing the taxable grand list, requiring adjustments elsewhere to maintain budget stability. The Disabled Veteran Tax Exemptions and Volunteer Firefighter Tax Credits provide targeted relief but shrink the overall tax base. A total of $1,778,690 in Disabled Veteran Tax Exemptions are included within the Real Estate Grand List and the former Elderly Homeowners Grand List numbers detailed on *Schedule A: FY26 Mill Rate without Motor Vehicle Cap*. This exemption alone translates to a 0.06 mill rate increase, shifting the tax burden to other property owners.

The $25,000 addback in Volunteer Firefighter Tax Credits as approved within the Ordinance to create a Tax Abatement for Firefighters and Volunteer Emergency Medical Services, was unanimously approved by the Board of Selectmen in November 2024. This program was implemented to attract and retain local volunteer firefighters by offering property tax relief in recognition of their service. While the credit serves as an incentive to support public safety, it also contributes to the overall reliance on tax revenue.

The $80,000 in Addback Local Tax Programs cover tax deferrals and freezes designed to assist eligible residents, primarily seniors and others who may experience financial hardship. These programs allow qualifying taxpayers to delay or cap their tax obligations, providing immediate relief to those who need it most. However, while these programs provide essential support, they also reduce the town's immediate revenue by deferring tax payments to future periods. These addbacks are routine and have been consistently included in the budget to ensure that the town accounts for the deferred revenue. The $80,000 allocation for these programs remains unchanged from FY 2025, reflecting the stable level of participation and the ongoing need for such relief.

This year's budget required creative revenue solutions. A major challenge was that we maximized revenue potential across many budget lines in FY 2025, leaving few areas to expand further. After a mid-year review of FY 2025 projections, we identified and further maximized several revenue sources, including motor vehicle supplemental taxes, building permits (reflecting the increased rates approved by the Board of Selectmen), income on investments, and Town Clerk fees. These adjustments ensure we are capturing every available dollar, but they also limit flexibility for future budgets. In addition, and still subject to Board of Selectmen approval, I hope to enter a Non-Residential Renewable Energy Solutions (NRES) agreement that will yield an approximate $400,000 injection for capital expenditures as shown in *Schedule D: FY 2026 Capital Improvement Projects*.

Other revenue lines depend on contractual renegotiations. This includes a rental agreement with the State of Connecticut for the use of the Senior Center as part of its Senior Enrichment Program and the telecommunications property tax line, both of which require finalized agreements before their full revenue potential is realized. For the first time, we are injecting blight funds into the General Fund to offset land use code enforcement software costs, an approach that reallocates existing resources to reduce taxpayer burden. While these strategies help close revenue gaps, they also highlight the increasing difficulty of identifying new revenue sources without significant changes to state aid, grant opportunities, or local tax structures.

Expenditures
The proposed FY 2026 expenditure budget total is $40,743,139, reflecting a $63,231 or 0.2% decrease from FY 2025. However, this decrease is not a true reduction, as the FY 2025 total was inflated by a $2,050,000 fund balance injection for capital expenses. When adjusting for this one-time funding, there is an actual increase is $1,986,769 or 5.1%.

The three largest non-reclass line item increases are:

1. Board of Education Expenditures – $1,544,400 increase due to various factors that will be further presented and discussed at the March 25 Public Hearing on the Board of Education budget.
2. Transfer to Capital – General Fund – $711,752 increase due to the "fiscal cliff" created in FY 2025 where 96% of capital project funds were sourced from the one-time fund balance injection of $2,050,000.
3. Retirement – Police CMERS Plan – $82,788 increase due to a general raise increase from 24.1% to 24.12% and the addition of a new patrol officer position.

The three largest non-reclass line item decreases are:

1. Principal – 2022 Infrastructure Bond 2 – $210,000 decrease due to the not pursuing a second-year issuance of the 2022 Infrastructure Bond funds.
2. Interest – 2022 Infrastructure Bond 2 – $185,000 decrease due to the not pursuing a second-year issuance of the 2022 Infrastructure Bond funds.
3. Town Planner – $79,800 decrease due to this position eliminated as its responsibilities are being reassessed and redistributed.

The expenditure categories show varying changes in the proposed FY 2026 budget. The largest percent increases are seen in the CIP - General Fund, which rose by 828.1%, reflecting a $711,752 increase. Following this, BoE - Winchester Public Schools experienced a 9.2% increase, adding $1,275,911 to its budget. The BoE - Gilbert School Tuition rose by 3.1%, with a $268,489 increase. The Town Operating Budget saw a modest 1.1% increase while Town Support for Education remained unchanged. On the other hand, Debt Service decreased significantly by 29.3%, and the CIP - Fund Balance dropped by 65.9%.

Expenditures by Category	FY 2025 Adopted	FY 2026 Proposed	Dollar Change	Percent Change
Town Operating Budget	$ 14,076,437	$ 14,230,804	$ 154,367	1.1%
BoE - Winchester Public Schools	$ 13,841,906	$ 15,117,817	$ 1,275,911	9.2%
BoE - Gilbert School Tuition	$ 8,607,559	$ 8,876,048	$ 268,489	3.1%
Town Support for Education	$ 697,272	$ 697,272	$ -	0.0%
Debt Service	$ 1,447,250	$ 1,023,500	$ (423,750)	-29.3%
CIP - General Fund	$ 85,946	$ 797,698	$ 711,752	828.1%
Expenditures Subtotal	**$ 38,756,370**	**$ 40,743,139**	**$ 1,986,769**	**5.1%**
CIP - Fund Balance	$ 2,050,000	$ 700,000	$ (1,350,000)	-65.9%
Expenditures Total	**$ 40,806,370**	**$ 41,443,139**	**$ 636,769**	**1.6%**

Since the Summer of 2024, the Budget Office has tracked key "budgetary winds" that have shaped the town's FY 2026 operating expenditure total, including:

- The Supervisors Union CBA and Clerical Union CBA are undergoing renegotiation.
- The Police CMERS Retirement Plan will increase by 0.02%.
- The addition of one new patrol officer position.
- State-mandated minimum wage increases effective January 1, 2025.
- Employee medical insurance, municipal insurance, and workers' compensation insurance costs are rising.
- The town's fixed-rate electric supply contract will expire in FY 2026.
- Eversource's electric delivery charges are projected to increase.
- The GIS provider contract will expire in FY 2026.
- The software and IT consultant contract will expire in FY 2026.
- The lack of state aid for Highland Lake management keeps the fiscal burden entirely on the Town.

Capital Improvement Plan

The FY 2026 CIP includes a total proposed expenditure of $1,930,061. It is our budgetary responsibility to fund $1,497,698 of that amount, reflecting a $638,248 decrease from FY 2025's $2,135,946. Of this amount, $797,698 will be funded through the general fund, while $700,000 will be injected from fund balance, subject to Board of Selectmen approval. $400,000 of the general fund portion is expected to come from the NRES agreement, pending Board of Selectmen approval.

The FY 2025 capital funding approach created a structural imbalance that must be addressed in this year's budget. Historically, CIP funding has been split approximately 50-50 between the general fund and fund balance as detailed in the table below. However, in FY 2025, the split was 4-96, with $2,050,000 taken from fund balance. This overreliance on fund balance is unsustainable.

CIP Funding Source	FY 2023 Amended	FY 2024 Amended	FY 2025 Adopted	FY 2026 Proposed	Dollar Change	Percent Change
General Fund Dollar Amount	$ 1,020,000	$ 947,200	$ 85,946	$ 797,698	$ 711,752	828.1%
Fund Balance Dollar Amount	$ 893,346	$ 1,093,346	$ 2,050,000	$ 700,000	$ (1,350,000)	-65.9%
Total CIP Funding	**$ 1,913,346**	**$ 2,040,546**	**$ 2,135,946**	**$ 1,497,698**	**$ (638,248)**	**-29.9%**
General Fund % of Total	53.3%	46.4%	4.0%	53.3%	49.2%	N/A
Fund Balance % of Total	46.7%	53.6%	96.0%	46.7%	-49.2%	N/A
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**0.0%**	**N/A**

The general fund portion of CIP directly impacts the mill rate, as these funds are sourced from current-year tax revenues. In contrast, fund balance injections have no mill rate impact, as they come from rolled-over prior year surpluses. The GFOA recommends that municipalities maintain a fund balance of at least 16.7% of annual operating expenditures - equivalent to two months of operating revenue. Based on FY 2025 metrics, this means a minimum fund balance of $6,814,664 should be maintained. This year's $700,000 fund balance injection represents a measured step toward restoring fiscal sustainability, moving closer to a balanced funding approach while ensuring critical capital needs are met without overburdening taxpayers.

In August 2024, the Board of Selectmen approved a motion to allocate $273,049 for the NexGen RMS upgrade in the FY 2026 CIP, with $251,940 from the general fund/fund balance and $21,109 from federal asset forfeiture. This obligation is now non-negotiable but was crucial for law enforcement and public safety operations to ensure that the town's records management system remained up-to-date and efficient. However, it became an obligation before the full budget was finalized, further complicating the CIP and limiting flexibility for other projects.

During the budget review process, we conducted a thorough evaluation of the town's five-year CIP. As a result of deferring several projects to future fiscal years - effectively "kicking the can down the road" - the initial FY 2027 projection reached an astounding $41 million for all department-requested projects. This figure was heavily skewed by a substantial $17 million request for a new police station. Recognizing that this number was not realistic given the town's current financial position, I carefully reviewed each department's five-year project requests. To mitigate the impact of these deferrals, I strategically redistributed projects and/or funding projections across the five-year timeline to ease the financial strain. Despite these efforts, with the volume of project requests still considerable, I made the decision to defer many projects to align with another potential bond issuance anticipated around FY 2030.

As we move forward in our budget planning process, the Town Manager and the Board of Selectmen will need to engage in discussions over the coming weeks and months regarding the potential drawdown of another tranche of bond funds to support the town's ongoing road and bridge construction projects. While this expenditure has also been deferred to FY 2027 in the current five-year CIP, proactive conversations will be essential to ensure we are well-prepared. We are currently in the process of acquiring updated debt service and cash flow estimates, which will help inform these discussions and guide our financial planning decisions.

Given all of these factors, FY 2026 may serve as a “reset year” - a time to finish up ongoing projects and initiatives with the limited personnel available before considering any new endeavors. Department directors were informed at the beginning of the budget process that new funding requests were unlikely to be funded due to the looming budgetary constraints. As a result, the focus shifted towards completion and refinement of current tasks, ensuring that existing projects were brought to fruition before resources were allocated to new initiatives.

Actions to Date

Significant steps have already been taken to reduce expenditures and prioritize essential services in the budget process. Almost every municipal department has faced cuts to their initial requests, with total department requests amounting to $42,817,351. As Town Manager, I have already reduced this by $2,074,213 to create a more sustainable financial plan while preserving quality public services.

To further control costs, we have pursued the consolidation and reevaluation of roles and responsibilities within existing positions, including the Town Planner, Communications Coordinator, and Director of Social Services. This approach aims to maximize efficiency without adding to personnel costs. Proposals for new full-time positions have been eliminated, despite the recognized need for them. These cuts include a Deputy Chief for the Winchester Police Department, a new Sergeant position, one of two new Patrol Officer positions, three paid firefighter positions, and two permanent temporary help positions in the Department of Public Works.

Outside agencies have also faced reductions to their initial requests, impacting organizations that provide valuable community services. After a thorough review of financial positions, many organizations were found to be in a healthy position. Cuts have affected the Winchester Ambulance Association, Beardsley Memorial Library, Foothills Visiting Nurses, Susan B. Anthony Project, Greenwoods Counseling Referrals, Winsted Youth Soccer Association, and Winsted Youth Baseball Association. While these reductions are difficult, they are necessary given the financial constraints.

Additionally, the Capital Improvement Plan (CIP) has been significantly reduced from an initial proposal of $14,175,076 to $1,930,061 - a decrease of $12,245,015, or approximately 86% of initial requests. This substantial reduction reflects the effort to scale back capital expenditures to align with available funding and long-term fiscal responsibility.

Upcoming Budget Schedule

Following the submission of the Town Manager’s budget proposal, the budget process continues with several key meetings and deadlines in the coming months. These include:

- **Tuesday, March 25, 2025, at 7:00 PM** – The Board of Selectmen, along with the Board of Education (at its discretion), will hold a joint Public Hearing on the proposed FY 2026 Board of Education Budget at Pearson School. This meeting must occur within 30 days of receiving the Town Manager’s proposed budget.
- **On or before Monday, March 31, 2025** – The Board of Assessment Appeals (BAA) will conclude all real estate, personal property, and motor vehicle hearings, with any final adjustments determined at this time.

- **Monday, April 7, 2025, at 7:00 PM** – The Board of Selectmen will hold a Public Hearing on the proposed FY 2026 Town Budget during their regularly scheduled meeting at Town Hall. Following this hearing, the Board will recommend a budget for the Annual Town Budget Meeting.
- **Monday, April 14, 2025** – The Board of Selectmen must have completed two public hearings on the budget, with at least one specifically focused on the Board of Education's budget.
- **Monday, April 21, 2025, at 7:00 PM** – This is the last regularly scheduled Board of Selectmen meeting where budget decisions can be made before sending the proposal to the Annual Town Budget Meeting. Any further decisions would require a Special Meeting.
- **Tuesday, April 22 – Thursday, April 24, 2025** – The Board of Selectmen may hold Special Meetings to finalize and approve the FY 2026 Annual Town Budget proposal.
- **Friday, April 25, 2025, at 12:00 PM** – This is the absolute deadline for the Board of Selectmen to finalize the budget, ensuring it is filed with the Town Clerk and published.
- **Monday, May 12, 2025** – The Annual Town Budget Meeting will take place at The Gilbert School, where the budget will be presented, and a vote will be held to set the referendum date.
- **Tuesday, May 27, 2025** – The recommended Budget Referendum will be held from 8:00 AM to 8:00 PM at Pearson School, allowing residents to vote on the final budget.

The referendum date of May 27, 2025, is only a recommendation at this time and will not be finalized until the Annual Town Budget Meeting on May 12, 2025. Due to the timeframe set by the Town Charter, there is a maximum of two budget referendums allowed before July 1; the start of FY 2026. This means the town must be decisive and efficient in finalizing a budget that can gain public support within this limited timeframe.

To ensure transparency and community engagement, the Town Manager and Superintendent of Schools will launch a joint public communication campaign once the Board of Selectmen finalizes its budget proposal. This effort will help inform residents about key budget details, financial challenges, and the importance of their participation in the process.

Conclusion
This budget is, above all else, a needs-based budget - one crafted with extreme care to sustain essential services and maintain the quality of life our residents expect and deserve. It is not driven by wish lists or excess; it is a direct response to the economic and financial realities facing Winchester. We are not alone in these challenges. The Town of Plymouth, which is similar to Winchester in grand list value, total expenditures, and population, is grappling with similar financial pressures. Their proposed budget includes a 1.35 mill increase to 39.99, driven by the same fundamental issue we face: a declining grand list. Like ours, their adjusted grand list fell by approximately $11 million, forcing necessary revenue adjustments to maintain essential operations.

Here in Winchester, the primary driver of this budget increase is the Board of Education. Our commitment to our students and their future remains steadfast, and this budget reflects the funding required to provide them with the education they need to succeed. The Board of Education's proposed $1,544,400 increase accounts for about 1.54 mills. This reflects not only the rising costs of delivering quality education but also the critical investments needed to ensure our schools remain strong, competitive, and equipped to serve the needs of our students.

Any further reductions would not be trimming excess but dismantling the core services that keep this town running. Public safety would be at risk. Roads and infrastructure would deteriorate. Essential services would wither. And with that decline, private investment would vanish. Businesses will not come to a town that doesn't invest in itself. Families will not settle in a place that is falling behind. If we want economic development, if we want community growth, if we want the "easier" budgets that come with a thriving tax base, we must create an atmosphere that invites it. That starts with strong schools, reliable public services, and a town that shows it is willing to invest in its own future. Winchester cannot afford to move backward. Now is the time to protect what we have worked for and to build toward something greater.

As I close, I would like to express my deepest gratitude to members of our Finance Department, Director of Finance Ann Marie Rheault and Budget Analyst & Grants Manager Tom Heuschkel for their incredible level of detail, attention, and accuracy throughout this challenging budget process. Their expertise and dedication have been instrumental in ensuring that this budget is as precise, transparent, and financially responsible as possible.

I also want to extend my sincere thanks to our department directors and town employees. Your time, patience, and unwavering support during this difficult period have not gone unnoticed. Your willingness to stand by me, to engage in difficult conversations, and to navigate these challenges together speaks volumes about your dedication to this town and its residents.

To the Board of Selectmen, thank you for your dedication to this process and to the Town of Winchester. Your willingness to engage in tough discussions, weigh challenging decisions, and put the needs of the community first is appreciated. Your commitment helps shape Winchester's future, and I am grateful for the work that we have done thus far and will continue to accomplish together.

Respectfully submitted,

Paul Harrington
Winchester Town Manager & CEO