Pathways to a 4.00% Brunswick Tax Rate Increase for 2026-27

April 30, 2026

The Town Manager's recommended budget and the School Board's adopted budget would create a 5.52% tax rate increase. Reducing this to 4.00% would require finding $962,000 in a combination of additional general fund revenues and expenditure cuts. This could be achieved via multiple pathways. Three possible actions are outlined here, which would NOT include any further reductions in staff. There is one sheet for the Town and one for the Schools. The target reductions are based on the Town Manager's splits of tax dollars, as published in her summary report dated April 29, 2026.

Municipal

Target reduction in tax dollars:	**$400,000**
Action # 1: Include Tier 3 Major Adjustments identified by the Town Manager in her April 26 work papers as budget adjustments	**- 191,000**
Net remaining:	**$209,000**
Action # 2: Include selected line items from the Tier 4 Major Adjustments identified by the Town Manager in her April 26 work papers as further budget adjustments (specifically by deferring the addition of any new Firefighter positions to the 2027-28 budget year and delaying the addition increase in hours of the Planning- Coastal Resources Technician)	**- 105,000**
Net remaining:	**$104,000**
Action # 3: Establish an ongoing annual contribution from the Pay-Per-Bag Proprietary Fund (aka Enterprise Fund) of $104,000 (0.167 of 1.00% of the net from property tax revenues) as a contribution to the general fund to cover a portion of the solid waste management operating costs	**- 104,000**
Status: to be considered to reach goal of $400,000. Net remaining:	**$ 0**

Optional Action # 3: Find additional capital projects or other one-time contractual or other expenses to fund from unallocated fund balance instead of new property tax dollars.

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Schools

Target reduction in tax dollars:	**$562,000**
Action # 1: Seek additional State funding for FY2026-27	**- 123,000**
Status: Achieved successfully. Net remaining:	**$439,000**

Action # 2: Decide to fund the new bus garage via bonding; transfer the School Department's Bus Garage Reserve Fund balance of just under $2 million to the general Capital Improvement Reserve Fund. Retain existing budgeted uses and additions to this Fund.

Action # 2B: Reduce new tax dollars required for capital projects in FY2026-27 by funding the budgeted Projects & Facilities of $265,000 from the now robust Capital Improvement Reserve Fund	**- 265,000**
Status: To be considered after above transfer of funds. Net remaining:	**$174,000**

Action # 3: Reduce new tax dollars required by increasing the budgeted use of Reserve Fund Balance in FY 2026-27 from $3,000,000 to $3,174,000, still less than the current year amount of $3,250,000	**- 174,000**
Status: to be considered to reach the goal of $562,000. Net remaining:	**$ 0**

Optional Action # 3: Allocate an additional $174,000 from the School Capital Improvement Reserve Fund to fund a portion of the two School capital improvements of $670,000 in the Town's budget, freeing up this $174,000 of current town commitment to use for reductions in the Town's proposed use of new tax dollars.