

Summary of the 2018 Town of Ancram Proposed Final Budget

1) Tax levy - 2018 taxes are budgeted to be \$767,719, about \$7,831 (1.01%) less than the 2017 budgeted tax levy. 2018 will be the eighth year in a row of flat or declining taxes.

2) Total expenses - 2018 budgeted spending is \$1,398,000, about \$16,000 more than the 2017 budget. A reduction of \$84,000 in loan interest and principal in 2018 is offset by a \$74,000 increase in the contingent account and salary increases. 65% (\$911,000) of the total expense budget is for the highway department, 9% (\$130,000) is for the contingent (reserve) account, 5% (\$66,000) is for culture & recreation – the Library, historian kids camp and pool, and 4% (\$62,000) is for the building, planning and zoning departments, including \$15,000 for a review of the 2010 Comprehensive Plan.

3) Salaries - The 2018 Final Budget includes a salary increase averaging 2.5% for all salaried and hourly staff except Town Board, Supervisor, Judges, Building Manager and Animal Control. Total 2018 salaries are about \$12,500 higher than 2017 budgeted salaries.

4) Contingent Account - 2018 contingent account is budgeted at \$130,000, \$74,000 higher than the 2017 Budget. The increase in the contingent account over 2017 offsets the \$84,000 reduction of loan interest and principal, and preserves our ability to borrow in the future, or accumulate reserves to make major equipment purchases without borrowing.

5) Total Revenues - 2018 revenues are budgeted at \$600,000, about \$23,000 more than the 2017 Budget, primarily due to budgeted increases in sales and mortgage tax revenues to reflect actual sales and mortgage revenue collections for the past few years.

6) Fund balance carry forward - Fund balance carryforwards are amounts raised by taxes in the current tax year that were not expended but are budgeted again for the next year and funded by a “carry forward” of unspent current year taxes. In 2018 we have budgeted \$30,000 of these carry forwards, equal to the 2017 Budget

7) 2018 Capital Spending - The Highway Department plans to buy a new grader and a new pickup with plow in 2018, which could cost a total of about \$300,000. These funds are not in the 2018 budget because they will be allocated from the Town’s general reserve account when required.

8) Reserve Account Balances - Unencumbered cash on hand in the Town reserve account will be about \$736,000 at year end 2017, and should be about \$865,000 by the end of the 1Q2018 after we add the \$130,000 in the 2018 contingent account budget to the reserve. At year-end 2018, assuming no major variances to the 2018 budget and we purchase the planned \$300,000 in new highway equipment, cash reserves should be about \$600,000.

9) Community Rescue Squad – The Ancram share of the 2018 Rescue Squad budget totals \$100,000, about \$1,000 higher than 2017. This amount is paid by Columbia County from taxes levied by the County on Ancram property owners.

10) Fire District – The Ancram Fire District has budgeted 2018 Fire District taxes at \$278,400, up 1.8% from the 2017 tax levy.