

Key Assumptions - 2016 Proposed Budget

1. **Budget Process** – The Town prepares and presents the budget in three stages. A Tentative Budget is presented and reviewed at the September TB meeting. A Preliminary Budget is presented and reviewed at the October TB meeting. A proposed Final Budget is presented at the November TB meeting. Each Budget was available prior to the meetings, and was subject to public hearings. The proposed Final 2016 Budget provides actual numbers for 2013 and 2014, shows the 2015 budgeted numbers, and presents the Tentative, Preliminary and Proposed Final numbers for 2016.
2. **2016 Town Property Taxes** – Budgeted at \$791,550, a 1% (\$8000) decrease.
3. **Revenues** – Budgeted at \$1.3 million, down about \$100,000 from 2015.
4. **Total Costs** – Budgeted at 1.3 million, about flat to prior year (excluding the prior year \$240,000 prepayment of 2.99% garage loan). Line item differences from 2015 are explained below, or reflect expected 2015 experience.
5. **Contingent (reserve) Account** – Budgeted at \$33,000, down from \$82,000 in 2015.
6. **Salaries** – No increase for Supervisor, Town Board, Justices or Highway Superintendent.
7. **Highway compensation:** 25 cent per hour increase (about \$500), plus \$700 increase in health insurance premium; approximate 2.6% compensation increase.
8. **Assessor & ZEO/CEO Compensation & Organization** - \$500 raises proposed (2-3%); Deputy ZEO/CEO positions eliminated, saving about \$2500 and Assessor Clerk duties assumed by Town Clerk, saving about \$5000.
9. **Hourly clerical wages** – 25 cent increase to \$16.25 per hour.
10. **Town Clerk** – Assumes Assessor clerk duties; \$1750 salary increase plus additional hourly compensation for additional hours worked Tuesdays and Thursdays and as needed. This consolidation will save approximately \$5000 per year.
11. **Outside services:** Highway department will assume responsibility for mowing Town Hall, Blass Field, monuments in Ancram and Ancramdale and cemetery saving about \$14,000 annually in building and parks accounts.
12. **Outside audit:** No outside audit in 2016, saving \$7500.
13. **Debt service:** \$84,000 budgeted to repay the \$396,000 five year loan at 1.99% for two new highway plow trucks; funded by \$50,000 reduction of contingent account and \$20,000 in total reductions in highway department fuel & repairs budgets.
14. **Health Insurance** – Carriers are increasing out of pocket maximums in 2016, and lowering premiums. Actual 2015 costs will be about \$53,000. Budget for 2016 is \$65,000, equal to 2015 budget. Still working on finalizing a 2016 program to meet retiree/employee needs at the lowest possible cost to the Town. Likely that town self-insurance risk will increase while premiums will stay about the same.
15. **Property and Liability Insurance** – Budgeted to increase by \$2000 to \$24,500.
16. **Retirement** – Costs projected to be \$47,000, down from expected \$65,000 in 2015. 2015 is \$15,000 over budget due to NYS adjustments and revision of calculation methodology.
17. **Library** – Increased \$2500 to \$7500.
18. **Legal** – Reduced \$2500 to \$7500.
19. **Central Data** – Reduced \$2000 to \$7200 for website maintenance & newsletters.
20. **Debt Transactions** - In September 2015 we borrowed \$396,000 for five years at 1.99% to finance two new 10 wheel plow trucks for the highway department. 2016 budget includes \$84,000 of interest and principal payments to service the truck loans.
21. **Cash Position** – Cash on hand at 10/31/15 was about \$950,000. We expect to end 2015 at about \$775,000, and estimate year-end 2016 cash at about \$800,000, which is consistent with the TB policy on the appropriate level of cash reserves.
22. **Capital Plan** – Over the next 5-7 years we will need to buy two more 10 wheel plow trucks, a new pickup with dump body and plow and a new tractor and mower. Total cost of about \$600,000. In addition, we will need about \$150,000 to upgrade Blass Field and the Town Pool. These funds have not yet been approved by the Town Board, and are not part of the 2016 budget.