

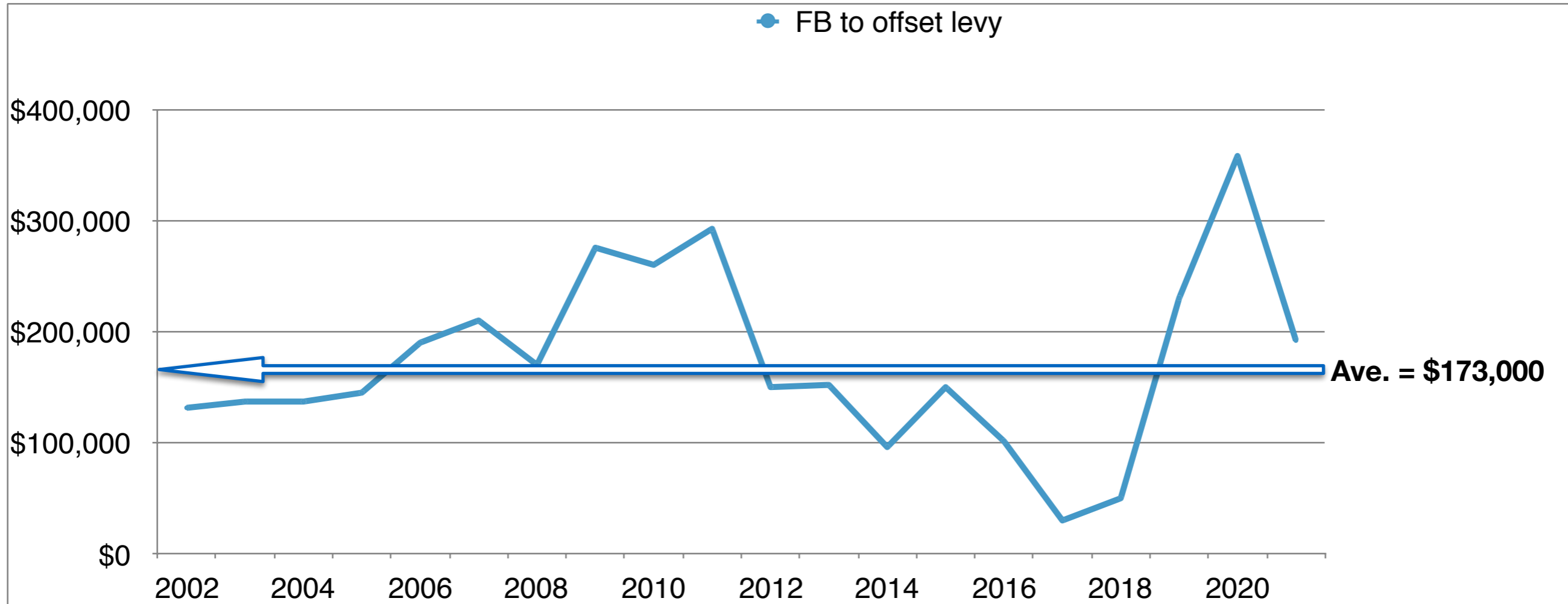
Town Unexpended Surplus Funds (Fund Balance) are projected to be 16.2% of budgeted expenditures at the start of 2021. In early 2017 our Surplus Funds were 27% of budgeted expenditures. The reduction in Surplus Funds resulted from recent highway equipment purchases...

<i>Year</i>	<i>Budgeted (DA5130.2)</i>	<i>Expended</i>	
2012	\$100,000		
2013	\$100,000		
2014	\$65,000	\$66,591	
2015	\$125,000	\$61,395	
2016	\$125,000	\$56,877	MDI Truck
2017	\$115,000	\$404,276	Gradall (\$365,311) RAM Pickup (\$38,965)
2018	\$115,000	\$15,532	
2019	<b>\$268,000</b>	\$83,714	2018 RAM 4500 Dump Truck
2020	<b>\$300,000</b>	\$501,426	2 snow plows (\$227,277 ea.) RAM Pickup (\$47,000)
<b>2016-2020:</b>	<b>\$923,000</b>	<b>\$1,061,825</b>	
	<b>Total \$ Budgeted</b>	<b>Annual Ave.</b>	<b>2021 Tentative Budget</b>
<b>2012-2018:</b>	\$745,000	\$106,429	\$130,000

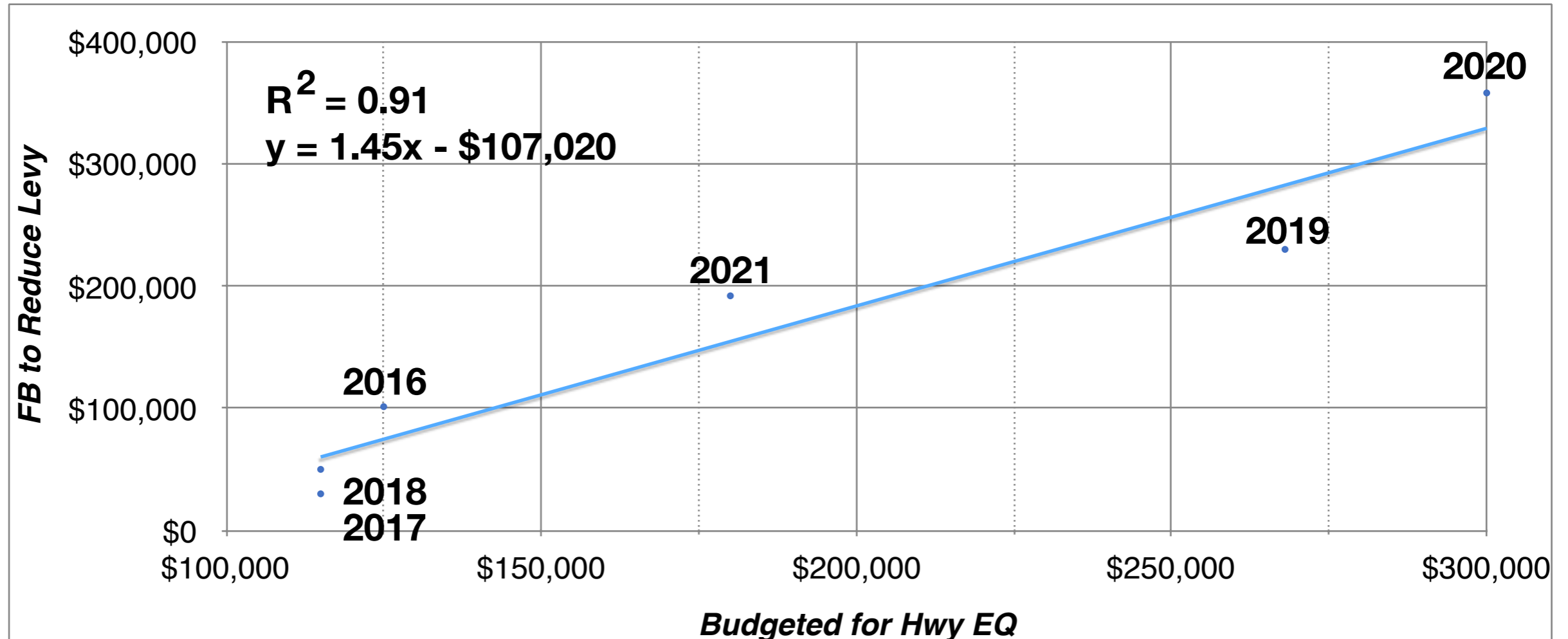
# Budgeting for Highway Equipment, 2016 - 2021

Year	Budget for Highway Equipment	Surplus Funds Used to Reduce Taxes
2016	\$125,000	\$101,300
2017	\$115,000	\$30,000
2018	\$115,000	\$50,000
2019	\$268,000	\$230,000
2020	\$300,000	\$357,999
2021	\$180,000	\$192,000

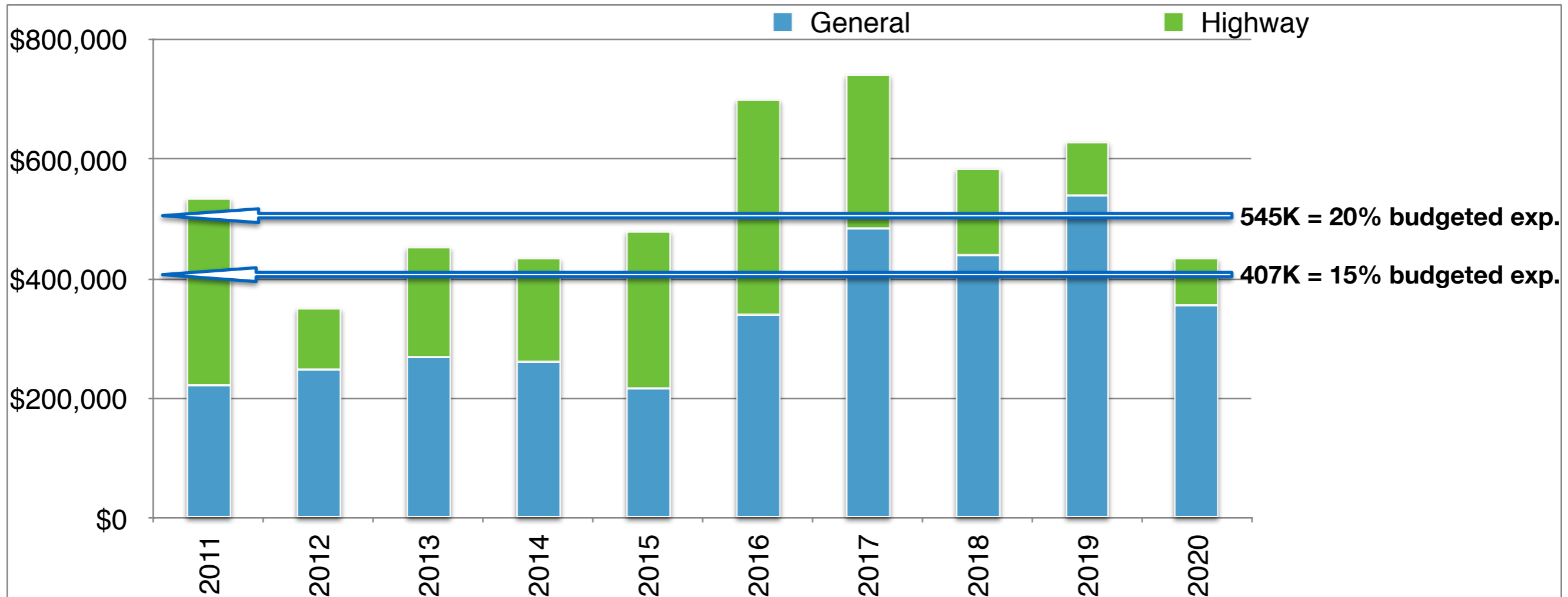
# Annual use of Surplus Funds to reduce taxes 2001 - 2021



# Surplus Funds used to reduce taxes as a function of the budget for highway equipment, 2016 - 2021



# Unexpended Surplus Funds (Fund Balance) History



# ***2022 Town Budget Projection***

## ***Budget Projection Assumptions and Estimates:***

- estimated 2022 Tax Cap as 2% increase over 2021 Tax Cap. Does not include “growth factor”
- 2% increase in personnel lines
- 0% increase for contractual lines
- 4% increase for property and health insurance
- \$30,000 budgeted for Town Hall Reserve
- \$65,000 budgeted for Highway Facilities Reserve
- \$130,000 budgeted for Highway Equipment
- \$0 budgeted for revenue from sales of Highway Equipment
- \$0 budgeted for NYS Aid (AIM) revenue
- \$84,000 of Surplus Funds (A Fund Balance) used to stay under Tax Cap

## ***Result:***

- builds Fund Balance (A + DA) to 20% of budgeted expenditures
- With 2022 contributions, builds capital reserve accounts to following amounts:
  - \$109,094 Town Hall Reserve
  - \$452,046 Highway Facilities Reserve
  - \$347,917 Highway Equipment Reserve

# Recommendations:

We have addressed key highway equipment needs over the past few years, allocating town savings to those purchases.

We are now well positioned to (and must) implement a sustainable equipment management plan.

1. Create priority list for highway equipment and reexamine utility/uses.

2. Assess leasing and/or installment purchasing.

Pros: enables acquisition sooner, warranty coverage, shorter rotation resulting in lower maintenance costs and higher resale price, predictable budgeting.

Con: fees and interest charges

3. Assess potential for procurement of used equipment.

4. Examine sharing of equipment.

5. Consider rental of sporadically used equipment.

5. Develop rotation cycle that minimizes capital + operational costs

6. Other?

# ANNUAL HWY EQUIPMENT REPAIR COSTS

