

2018 Preliminary Budget Summary

Wages

We kept wages up with inflation by providing a 2% cost-of-living adjustment.

We have increased the Code Officer's salary by 5.1%, acknowledging increased responsibilities from code changes and Health & Safety Inspections.

At October's business meeting the town board recommitted the Town of Caroline as a Living Wage Employer. Accordingly, the hourly wage rate for part-time employees was set to the new Tompkins County Living Wage of \$15.11/hr. This applied to the Supervisor's Assistant.

Capital Improvements and Long-term Fiscal Planning

Old Town Hall - \$30,000 was budgeted for the Town Hall Capital Reserve for painting the exterior, gut-tering, and a new heating/cooling system.

Highway Barn - \$65,000 was budgeted for the Town Highway Barn Reserve Fund for improvements to the Highway Barn.

Highway Equipment - \$115,000 was budgeted for future highway equipment

Caroline Fire Protection

The contracts for fire protection services for the Caroline Fire Protection District were up 2% for Speedsville Volunteer Fire Co. and 7.5% for Brooktondale Fire District.

Other

We added an honorarium of \$700 for the Deputy Historian.

Proposed salaries of Caroline elected officials for 2018 are:

<i>Town Supervisor</i>	<i>\$18,580</i>
<i>Town Councilperson</i>	<i>\$2,296</i>
<i>Town Clerk</i>	<i>\$33,137</i>
<i>Highway Superintendent</i>	<i>\$63,461</i>
<i>Justices</i>	<i>\$11,408</i>

The tax levy for town tax items (General Fund, Highway Fund, Caroline Fire Protection, and Streetlights) is increased over 2017 by 1.28%, which is \$32,308 below the Tax Cap. For a \$140,000 assessment, the Preliminary Budget will result in town taxes with the two special districts decreasing by about \$70. The changes are broken out as follows, with dollar decreases for a \$140,000 property shown in parentheses:

- For General and Highway Funds combined, I have proposed using \$50,000 of Unassigned Reserves/ Fund Balance to reduce the levied amount. For the services provided by these two town-wide funds, the resulting levy increase is 1.19% (-\$65.80).
 - The General Fund levy increase was small at 0.29%.*
 - A 3.53% increase in the Highway Fund levy was primarily due to additional costs for health care coverage for two new highway employees.**
- The Caroline Fire Protection levy increased by 3.3%, mainly due to a 7.5% increase in the Brooktondale Fire District contract (-\$3.82)*
- The Caroline Lighting District levy was flat (-\$0.04)*

We are budgeting and planning for future capital expenses and attention to maintaining a responsible amount of reserves of town funds (Unassigned "Fund Balance") for unexpected expenses. A rule of thumb is to maintain a Fund Balance of about 20% of budgeted expenditures, enough to finance town operations for about two months, for instance, in the interval between January 1st and the deposit of tax revenues. My projection for this Preliminary Budget, after applying \$50,000 of Fund Balance to reduce the tax levy, is that the Town's Unreserved Fund Balance for General and Highway Funds combined will be a healthy 25% of 2018 budgeted expenses (\$561,000).