

## Budget Footnotes to the April 1 2017 year budget.

1. **Transfer Tax**, what you see in the *above the line operational budget* is a number that represents 92% of what we anticipate coming in to the town from transfer tax
  - a. 3 % of the money is being set aside to help fund our 10 year Comp Plan review. This will be the 5th year of allocating the reserves. As of Jan 31 2016 we had \$49,304 set aside and is reflected in our asset account #1000113. In the year ending March 31 2017 the town will be spending monies for the 10 year Comp Plan Review. The services from town planner Chris Fazio will come to approx \$28,000. I anticipate approx \$15,000 in additional expenses. It would be my hope that as we end FY 2017 we will have approx \$27,208.
  - b. I would anticipate this account to end the year (March 31 2018) with approx \$42,000
  - c. 5% of the money is being set aside in a Transfer Tax recoup account. This will be the 4th year we have done this. The idea is that the Town's income from transfer tax comes to approx 18% of total revenue and it is one of the few areas where we have minimal control over. The concern is what happens if in a given year we were to fall short of this number. The thought is that by setting aside money we would be setting up a reserve that will serve to "backstop" a possible future shortfall. As an added measure we are budgeting approx 85% of anticipated (net) current year revenue. As of 10-31 2016 we have \$79,696 set aside and is reflected in our equity account #3010003. It would be my hope that that by March 31 2017 we would have approx \$88k in the account
  
2. **Parking Permits**, what you see in the *above the line operational budget* is a number that represents 95% of what we anticipate coming in to the town from parking permits.
  - a. 5% of all money coming into the town from parking permits is set aside in a separate account to build up a reserve for signage and striping to help define parking in our town. This will be the 4<sup>th</sup> year for this initiative. As of Oct 31<sup>st</sup> \$86,430 has been set aside and is reflected in our equity account #3010004.
  
3. **Building Permit**, what you see in the *above the line operational budget* is a number that reflects 80% of what we anticipate coming in to the town from building permits (see 3b below re DBE building permit revenue).
  - a. 20 % of all building permit revenue is set aside into asset account # 100111 which as of October 31<sup>st</sup> 2016 has a balance of \$242,587. Money spent on infrastructure, roads as well as the Bayard Ave debt load is paid out of this account.
  
4. **Lawsuit Litigation**, two years ago we capped our Lawsuit Litigation expense at \$50,000 for our *above the line operational budget* and that any money in excess of that would come from the Legal & Litigation fund. Any money spent in excess of the \$50k allocated would need to be paid back the following year and, any money spent above that number will be paid out of the legal & litigation fund and repaid the following year. As of October 31<sup>st</sup> 2016 there is \$267,326 in the Legal & Litigation fund asset account #1000100.
  
5. **Additional Town Space**, any money that is to be spent on acquiring town space, studies, review, design and associated costs will not be part of the *above the line operational budget*.