

**FY 2011 DRAFT BUDGET
GAP CLOSURE PLAN
"THE GAP" = \$1,850,483**

Additional Use of the Reserve

| <u>FY 2011 DRAFT BUDGET</u> | <u>NET ADDITIONAL</u> | <u>FY 2011 REVISED</u> |
|-----------------------------|-----------------------|------------------------|
| 551,336 | 300,000 | 851,336 |

THE IMPACT

Reserve Fund balance could potentially fall as low as \$2,719,070 by the end of FY 2011
May necessitate consideration of semiannual collection of taxes to assist with cash flow and bolster the Reserve Fund

1.00¢ Increase in the Personal Property Tax Rate

| <u>FY 2011 DRAFT BUDGET</u> | <u>NET ADDITIONAL</u> | <u>FY 2011 REVISED</u> |
|-----------------------------|-----------------------|------------------------|
| 5,581,115 | 1,090,072 | 6,671,187 |

THE IMPACT

Equates to \$150 per year increase for owner of a \$15,000 vehicle
Equates to \$300 per year increase for owner of a \$30,000 vehicle

Additional 2 ¢ Increase in the Real Estate Tax Rate

| <u>FY 2011 DRAFT BUDGET</u> | <u>NET ADDITIONAL</u> | <u>FY 2011 REVISED</u> |
|-----------------------------|-----------------------|------------------------|
| 10,374,708 | 277,952 | 10,652,660 |

THE IMPACT

An overall increase of 5¢ increase on the Real Estate Tax Rate (the initial Draft Budget already included a 3¢ increase)
Equates to \$75 per year increase for owner of a \$150,000 home
Equates to \$150 per year increase for owner of a \$300,000 farm

Additional Expense Reductions

| | <u>FY 2011 DRAFT BUDGET</u> | <u>ADDITIONAL CUT</u> | <u>FY 2011 REVISED</u> | <u>ADDITIONAL REDUCTION</u> |
|-----------------|-----------------------------|-------------------------|------------------------|-----------------------------|
| Schools | 29,493,734 | (51,228) | 29,442,506 | 0.17% |
| Social Services | 2,489,150 | (16,310) | 2,472,840 | 0.66% |
| General Fund | 14,027,965 | (110,729) | 13,917,236 | 0.79% |
| Enterprise Fund | 2,585,763 | (16,939) | 2,568,824 | 0.66% |
| | <u>48,596,612</u> | <u>(195,206)</u> | <u>48,401,406</u> | <u>0.40%</u> |

ADDITIONAL EXPENDITURE REDUCTIONS FOR FY 2011

GENERAL FUND

| | | <u>FY 2011 DRAFT BUDGET</u> | <u>ADDITIONAL CUT</u> | <u>FY 2011 REVISED</u> |
|------------------------|----------------------------|-----------------------------|-----------------------|------------------------|
| Refuse Disposal | | | | |
| 42400-3845 | Transfer Refuse to Suffolk | 1,611,600 | (80,729) | 1,530,871 |
| 42400-3846 | Transfer Refuse to Waverly | 0 | 20,000 | 20,000 |
| | | | <u>(60,729)</u> | |

EXPLANATION - In accordance with the Use and Support Agreement with SPSA, we intend to divert 5% of the municipal waste stream to Atlantic Waste Disposal in Waverly at a substantially lower tipping fee for a net reduction of \$60,729.

Economic Development

| | | | | |
|------------|-----------------------------|---------|-----------------|---------|
| 81500-7006 | Economic Development Office | 150,000 | (50,000) | 100,000 |
| | | | <u>(50,000)</u> | |

EXPLANATION - Reduces the Annual Appropriation to FSEDI by \$50,000

ADDITIONAL REDUCTIONS - GENERAL FUND

(110,729)

ENTERPRISE FUND

| | | | | |
|------------|-------------------------------|--------|-----------------|--------|
| 89500-3310 | Repair & Maintenance | 65,927 | (2,189) | 63,738 |
| 89500-5110 | Electrical Services | 96,750 | (6,750) | 90,000 |
| 89500-6007 | Repair & Maintenance Supplies | 55,000 | (5,000) | 50,000 |
| 89500-8201 | Equipment | 30,000 | (1,000) | 29,000 |
| 89600-6007 | Repair & Maintenance Supplies | 18,000 | (2,000) | 16,000 |
| | | | <u>(16,939)</u> | |

ADDITIONAL REDUCTIONS - ENTERPRISE FUND

(16,939)