

Treasurer comments on town finances as of December 31, 2016. Respectfully submitted, Ellen DesMeules

Revenue: Current use is \$40,000 over budget. There have been many changes in current use over the past 12 months, with the opt-out program, as well as Pomfret property owners changing program enrollment as properties are sold. Many of the income categories are showing more revenue than budgeted:

Tax penalties and interest are at \$4000 so far, with \$6000 being budgeted, and this year's penalties not assessed until February.

Earnings on the operating account are double budget, but this is because I wait until June to spread this income among the various funds that have balances in the checking account (due to/from balances).

Town Clerk processing fee income is at \$8000 of an \$11,000 budget; permit income is already twice budgeted amount.

Traffic fine income is low, at almost \$3000 of an \$8000 budget, but this budgeted amount is an error, as it combines traffic fine income that was accidentally budgeted in both the general and highway funds.

General tax revenue levels are hard to determine at this time, as many people pay in full with the August payment, and others pay early. Total delinquency as of Dec. 31 is \$242,470, of which \$77,685 is late payments due Aug. 19, 2016.

Expenses: Most categories are near the 50% mark, as they should be. Any categories with annual expenses look overspent, and skew annual expenses too, which show that 62% of the General Fund budget has been spent when we are only half way through the fiscal year. There are individual line items that are truly overspent, and which have been discussed in previous months; they are not a surprise, and include:

Professional fees, budgeted at \$6000, shows \$4715 paid for legal fees through October for Chippers zoning issue, \$6500 to John Wood for consultation on Fire Department issues, and \$5858 for accounting support from Sullivan Powers, which was more costly than anticipated.

Selectboard Admin Asst salary and associated costs are above budget, reflecting the laptop computer which was not budgeted, and expansion of hours, also not budgeted but certainly worthwhile and greatly appreciated.

The line for the Town's cost of Medicare and Social Security for town payroll is insufficient for the total of budgeted payroll, being \$93,750 this year, so \$7172 should have been budgeted. Actual budget is 600 less. These taxes should be 7.65% of total payroll.

Insurance totals about \$7000 for the General Fund's 3 buildings; based on the recent VLCT bill, the budgeted amount should have been \$10,000.

Funding for legal notices was woefully under-budgeted at \$250. With job postings and public hearings, \$628 has already been spent.

General outlook: The next tax payment is due Feb 10, and there are some reserves that need to be funded: \$15,000 for tax reappraisal, \$10,000 for town buildings reserve, \$13,000 for non-vehicle FD reserve, \$5000 for communications reserve, \$90,000 for highway vehicles, and \$75,000 for work on the Cloudland Road culvert. Once the 2nd school payments are made, and reserves funded, the General and Highway Fund Balances will be more accurate regarding fiscal year-end forecasting.