

Budget Supplementation would be three-part as follows:

Efficiency Account: An additional account added to the budget for a set amount of funds to be applied for by the departments for items that would improve their efficiency and effectiveness. The departments would apply for the funds through a simple documentation process with an application and background information. All use of funds would be tracked by the Town Manager in a regular report to the Town Council. This account would be decreased as needs are met. The first year would be \$25,000 and then the account would decrease based upon projected uses from town department applications. The Town has had extremely conservative budgets over the last 10 years, therefore, this account would be of great assistance. **\$25,000 in 2016 (less or \$0 in 2017 and \$0 in 2018)**

Paving Funds Increased by obtaining a loan: If the Town obtained a paving loan for \$300,000, the loan payment could be paid through the use of this fund, thereby not increasing tax dollars while allowing the Town to improve the rideability of its roads. When the paving price went from \$33.00/ton to over \$100.00/ton and State Revenue Sharing was cut, the Town's paving plan was shelved. The #1 item that people have been asking for is new pavement due to the condition of the roads and sidewalks. At this time, a loan for \$300,000 in 2016 over 10 years would result in a payment of \$36,000 or less yearly. **\$ 0 in 2016 (\$36,000 in 2017 and for 9 more years)**

Economic Development Consulting Increased: Increase funds to obtain assistance with specific economic development projects. This has been advertised in the past, however, the economy was at its lowest. There has been some improvement in the economy so we should be able to obtain qualified assistance. **\$ 50,000 in 2016 (\$50,000 in 2017 and 2018)**
\$ 25,000 Contest in 2016 only (Logo, Best Idea and/or Business Enhancement as chosen by the Town Council).

Other Uses for the Fund which are not budgeted and would be decided upon by the Town Council if necessary:

C. Emergencies: The funds would be accessible in case of emergencies such as collapsed roads, culverts or bridges; major washouts; building infrastructure issues; and other similar items for which funding is not available. The use of funds would be approved by the Town Council.

While not a true emergency, the Town has been unable to apply for grant opportunities which required a large cash match. A project that would be of benefit to the Town may require a 50% match or a 1:1 match. In the past, the Town has not applied for these grant opportunities as we were unable to certify that the funding was available.

D. Legal Liability: The Town does not have any funds currently available to address major legal liabilities. The arrival of this funding comes at a crucial time for protection of the Town and its citizens. The use of the funds would be approved by the Town Council.

Issued: 08/18/2015

Updated: 08/30/2015; 09/13/2015 (updated tenses); 10/14/2015 (removed investment information for separate agenda item)