**TOWN OF OAK RIDGE**
**2016-2017**
**BUDGET MESSAGE**

The Town of Oak Ridge now begins the preparations for our nineteenth full year as a town. The budget for the 2016-2017 fiscal year has been prepared by the Finance Committee in conjunction with input from the Town Council, various committees, and our citizens. After many hours of meetings and evaluations, the committee presents their report to the council and citizens in the form of a recommended budget. I have placed this recommendation in the proper form for budgetary adoption and verified it as to accuracy and completeness.

During 2016-2017 the Town will face many challenges. The economy has improved, but still remains soft and appears to be recovering albeit slowly. Our main challenge is to continue to contain our costs while delivering increased services desired by our citizens. We continue to face rising costs on all Town expenses while revenues are increasing at better, but still low rates. The Finance Committee has taken these items into consideration in drafting this budget. Expenses have been meticulously researched and again reduced to the minimum. Income has been conservatively estimated after due consideration of our own historic financial data as well as the best information we could obtain from the North Carolina State Treasurer, the North Carolina Department of Revenue, and the Guilford County Tax Department as well as other sources. As in past years, all requests for expenditures have been heard, debated and evaluated before being included in the budget.

One item to note is that the 2016-2017 expenditures do not include any debt service payments. During the past budget year the Finance Committee evaluated the cost of carrying this debt versus the benefit of the unassigned fund balance. Their decision was to recommend to council to pay off the debt on the Town Park using a large portion of the unassigned fund balance. The Town Council voted to pay off the debt realizing large long term interest savings while maintaining a much smaller unassigned fund balance.

After these extensive procedures, the Town has drafted a budget that keeps the property tax rate the same as the prior years, covers our needed expenditures, and replenishes some of our reduced unassigned fund balance.

The budget for fiscal year 2016-2017 continues to provide adequate funding for the operation of the town offices, committees, programs and staff. This year's budget continues funding that provides services to our senior citizens, special events, and more efficient operations of the Town. Capital improvements within the Town will seek to continue providing the evolving amenities and services desired by our citizens within the confines of our existing tax rate and revenue structure.

The council has pursued in the past, and will continue to an even higher degree to pursue a path of fiscal conservatism so as to deliver the most return for the citizen's tax dollar.