



**TOWN OF RAMAPO**  
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***Michael Specht***  
***Supervisor***

**November 20, 2020**

**TOWN OF RAMAPO**  
**SUPERVISOR'S 2021 BUDGET MESSAGE**

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**Current Year Operations**

2020 has been a difficult year for all of us. The pandemic has affected our jobs, our home life, and our school life. Many of us have had to face illness and even the loss of loved ones. The fight to eradicate the virus continues.

In March, I declared a State of Emergency and since that time we have focused the Town's efforts on providing our residents with help and support during these challenging times.

We were able to supply masks, gloves, gowns and other medical supplies and equipment throughout the community even when these items were in short supply.

We helped our hospitals, first responders, as well as neighboring municipalities and non-for-profit organizations.

We are currently continuing our campaign to ensure that we all follow the CDC and State guidelines of safe practices during the pandemic.

We are cautiously optimistic about the recent reports of encouraging data about the potential success of vaccines that are under development.

I am pleased to say that despite the challenges of the pandemic, we have maintained financial discipline in 2020 and we do not anticipate any major financial setbacks in our commitment to return the Town to a solid financial footing.

From the start we implemented cost reductions to offset the reductions in non-tax revenues.

## **Budget 2021**

- Tax levy of \$86 million is up 1.9% from the 2020 levy of \$84.4 million just under the 2% tax cap.
- Using a taxable assessed value of \$50,000, the budget impact on the areas as follows:

	Spring Valley	Suffern	Full-Service Villages	Unincorporated Ramapo
2020 Tax Bill	-\$16.00	-\$57.00	-\$34.00	-\$210.00
2021 Tax Bill	-\$156.00	-\$118.00	-\$19.00	\$134.00
Two Year Savings	-\$172.00	-\$175.00	-\$53.00	-\$76.00

- Key features of the budget:
  - Hiring freeze continues throughout 2021
  - Conservative estimates of non-tax revenues taking account of the continuing effect of the pandemic on economic activities
  - Tight expenditure budgets and careful cost reductions in every department
  - Our budgeted aggregate expenditures of \$117.5 million are down 5% from the 2020 budget of \$124.1 million
- General Fund Balance continues to improve:
  - Financial management in the past two years improved the General Fund balance from a negative \$13.7 million at the end of 2018 to a negative \$3.7 million at the end of 2019
  - Our current forecast indicates that the General Fund Balance will be a positive balance of approximately \$200,000
  - This estimate is subject to change as we finalize the year.
  - However, the sale of the Quarry property which is under contract and moving toward a close will increase the positive balance by \$5 million.

## **Outlook for 2021**

- We hope and pray that the encouraging trials lead to a speedy implementation of vaccinations.
- With our improved financial condition, we are now moving ahead to obtain a credit rating so that we can return to the municipal bond market to fund important infrastructure improvements.
- Municipal interest rates are at historic lows and once we are rated, we intend to refinance a portion of existing debt to decrease our debt service costs.
- My administration continues to be committed to financial discipline and transparency without compromising the public service quality and community resources our residents deserve.

**Michael B. Specht**  
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