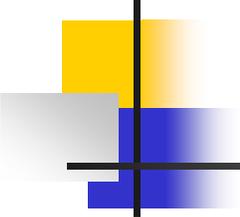


RECENT HEADLINES

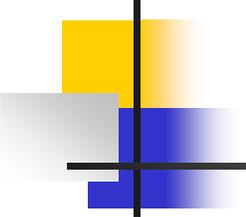
- **Stratton Proposes 2.9% Tax Increase for Schenectady**
- **Albany Sees 4.9% Tax Increase in 2009 (\$96.00 to the average homeowner)**
- **Colonie Raises Property Tax 3% Before \$1.00 Special Tax**
- **Cohoes Seeks 3.96% Tax Rise**
- **Bethlehem To Raise Taxes Nearly 7%**



ALL PERCENTAGES ARE NOT EQUAL

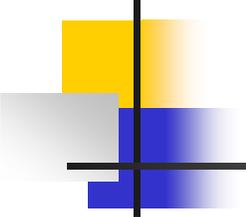
$\$1.00 = \1.00

$1\% \neq 1\%$



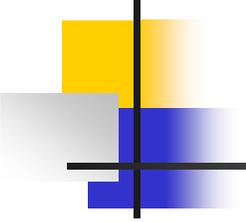
ALL PERCENTAGES ARE NOT EQUAL

Location	Announced Increase for 2009	Cost to Homeowner Per \$100,000	Town of Bethlehem Equivalent
Albany	4.9%	\$64.00	25%
Schenectady	2.9%	\$60.00	23%
Cohoes	3.96%	\$56.25	22%
Colonie	3% + \$100	\$108.00	42%
<u>Bethlehem</u>	<u>6.89%</u>	<u>\$17.45</u>	<u>6.89%</u>



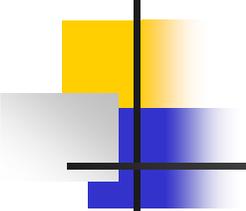
Real Dollar Cost per \$100,000 Assessed Value for 2009

Municipality	Cost to Homeowner per \$100,000 Assessed Value in 2009
Guilderland <small>*includes water, sewer & special assessment Districts</small>	\$253/\$338
BETHLEHEM	<u>\$270</u>
Colonie	\$288/\$388
Niskayuna (for 2008)	\$398
Albany (excludes water/sewer)	\$854
Schenectady	\$2,145
Cohoes (excludes water/sewer)	\$1,671



THE FACTS ABOUT OUR TOWN BUDGET

- Property taxes are the **ONLY** revenue stream over which the Town Board has control
- Property Tax revenue account for 27% of the proposed 2009 Town budget
- Sales and Mortgage tax revenue accounts for 31% of the proposed 2009 Town budget
- Annually the Town draws down fund balances to meet expenditures – Approximately \$4 million since 2005.



THE FACTS ABOUT OUR TOWN BUDGET

Source of Funds	Amount	Percent of Total
Town's portion of County Sales Tax	\$ 10,300,000	27%
Mortgage Tax	\$ 1,400,000	4%
General Fund Tax/PILOT	\$ 1,883,000	5%
Highway Tax	\$ 5,583,000	14%
Water Tax	\$ 2,010,800	5%
Sewer Tax	\$ 1,600,000	4%
State Aid	\$ 385,000	1%
All Other Sources	\$ 13,729,200	36%
Draw from Fund Balance	\$ 1,776,000	4%
<u>Total Revenue for 2009</u>	<u>\$38,667,000</u>	100%

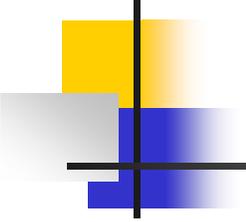
TAXES PER \$100,000 OF ASSESSED VALUE

	2008	Est. 2009	Change	% of Total
General Fund	42.31	44.00	1.69	16%
Highway Fund	124.29	131.74	7.45	49%
Water Dist #1	55.74	62.87	7.13	23%
Sewer District	30.82	32.00	1.18	12%
Total Town Tax	253.16	270.61	17.45	

Overall increase of 6.89%

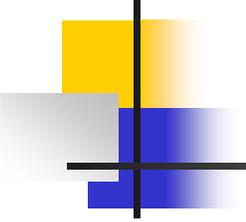


Note: excludes Albany County taxes and other special districts



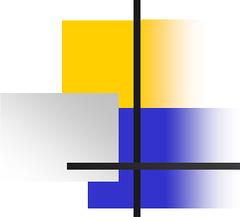
WHAT ARE WE DOING TO MANAGE COSTS?

- Reduced Water budget by \$150,000 from 2008 budget
- Reduced Health Insurance benefit costs for retirees saving \$250,000 annually
- Consolidated Fleet Management to reduce redundancy and improve fleet management
- Reduced Equipment expenditures
- Implemented a hiring freeze to help manage current and future costs
- Reduced overtime expenditures in 2009 budget
- Place moratorium on all non-discretionary spending to ensure that budgeted spending does not get ahead of revenue
- Launched an initiative to explore new revenue generating initiatives



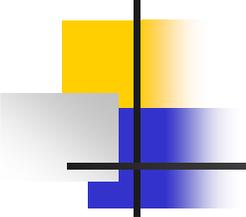
OTHER BUDGET INITIATIVES

- Encouraging new revenue streams
 - User Fees
 - Service fees
 - Colonial Acres Golf Course
- Joined Health Insurance Consortium Study with Albany County to examine self funded insurance program
- Joined Albany County Storm Water Management consortium to reduce overall cost of Storm Water Management program
- Joined PSAP (911) consolidation study with Albany County
- Persist with Automation initiatives designed to deliver government services while reducing costs.
 - SCADA
 - Automation of Parks registration programs
 - Improved Park access system
 - On-line assessment information and property valuation tools
 - Electronic agenda system



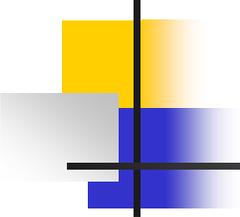
SERVICE INITIATIVES FOR 2009

- Complete the 20/20 initiative
 - Complete a Capital Plan to identify future facility needs of the Town
 - Complete an analysis of the Town's projected financial position through 2014
- Continued growth of GIS mapping to help reduce the future costs of asset management
- Complete a Grant Audit for the Town
- Continue the \$5 million Sewer Pump Station upgrade project
- Initiate a feasibility study on the purchase of a service garage and facility for DPW
- Complete Water Plant and Waste Water Plant upgrade studies



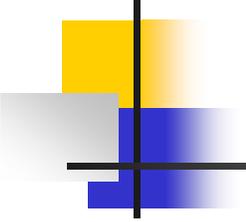
SERVICE INITIATIVES FOR 2009

- Build sidewalks on Feura Bush Rd, Elsmere Avenue, Orchard Street, and Delaware Avenue to the YMCA.
- Help implement the revenue recovery program for the Town's two ambulance service providers to reduce taxes
- Begin development of the Simmons Road property
- Install new Elm Avenue Park pool filter system
- Complete Planning Initiatives:
 - Farmland Protection
 - Open Space Protection
 - Delaware Avenue Study
 - Route 9W Study
 - Thruway Interchange Feasibility Study
 - LWRP



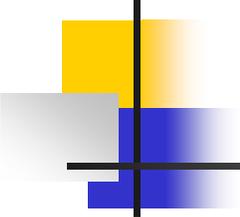
WHAT TO WATCH FOR IN 2009

- Watching economic news closely
 - Sales and Mortgage tax accounts for 30% of overall budget and 67% of the General Fund Budget
 - Economic downturn will impact sales tax revenue
 - Housing market downturn will impact mortgage tax revenue
- Economic downturn could impact public safety costs
- Highway budget is weather sensitive
- Petroleum cost could help or hurt the budget for 2009



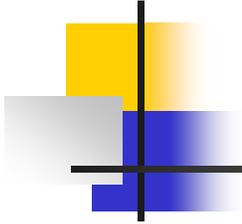
PROPOSED BUDGET OVERVIEW

- Increase to staff by one full time police officer at mid-year.
 - Brings number of officers to 44
- Health insurance up 14% or \$156,000
- Retirement system costs are stable for 2009 but will increase in 2010
- Highway service demands continue to rise
- Maintain Highway staffing levels remain at 56 –
Efficiencies with DPW staff being sought Fuel costs are significant portion of budget and impact cost
- Costs for paving materials and petroleum based products continue to rise dramatically



PROPOSED BUDGET OVERVIEW

- Managing aged infrastructure
- Meeting emergency infrastructure failures
- Planning for major infrastructure upgrades
 - Sewer Pump Station Upgrade
 - Trunk-line Study and upgrade
- Managing cost of goods and services that are increasing at a rate greater than the CPI
 - Chemicals
 - Steel
 - Fuel



AS WE CONTINUE TO INVEST
IN OUR COMMUNITY

OUR COMMUNITY
CONTINUES TO BE A GOOD
INVESTMENT