

TOWN BOARD
SEPTEMBER 28, 1992

A special meeting of the Town Board of the Town of Bethlehem was held on the above date at the Town Hall, 445 Delaware Avenue, Delmar, NY. The meeting was called to order by the Supervisor at 11:00 a.m.

PRESENT: Kenneth J. Ringler, Supervisor
Frederick C. Webster, Councilman
M. Sheila Galvin, Councilwoman
Charles Gunner, Councilman
Sheila Fuller, Councilwoman
Bernard Kaplowitz, Esq., Town Attorney
Kathleen A. Newkirk, Town Clerk

Presentation
Tentative
1993 Budget

SUPERVISOR RINGLER: I would like to call the special meeting of the Town Board to order. Basically, I have to say, this meeting is a formality that is required by law because the Town Board has not seen the budget until this very minute. Sheila hasn't even opened the cover as yet.

COUNCILWOMAN GALVIN: Just got to it.

SUPERVISOR RINGLER: What you have in front of you is the product of several months work by staff and so forth. The Supervisor is required to present the tentative budget at this time and then the Town Board begins working from here on in leading to a public hearing in November. Let me read a brief budget message for the record and so forth.

Each year at this time, the Supervisor is required to present a tentative budget for the upcoming fiscal year to the Town Clerk for consideration by the Town Board. From this point on, the Town Board will review the proposed budget and make changes they deem necessary. A series of workshops will be held in October for the Board to review requests with Department Head personnel.

With the recession continuing, budgeting for the upcoming year, once again, has been a difficult process. An uncertain revenue picture in the future created many questions regarding the direction the Town should be taking. As we all know, we will be receiving additional sales tax revenue for part of 1993; however, it is unsure if this will continue beyond August 31, 1993. We continue also to lose other revenue sources from different government entities and those government entities are passing on additional costs to the Town. Revenue sharing from New York State continues to decrease, and we do not know what they will do to us in 1993. The New York State Building Code Enforcement funding has been eliminated. We do not know if the Consolidated Highway Improvements Program will be replaced with a new Dedicated Highway Fund. Interest rates have dropped, and as a result, revenues from our investments have decreased. We do not expect the rates to improve next year.

With all this in mind, we once again, asked our Department Head personnel to be very frugal in their budget requests, while also giving them the difficult task of continuing to provide the services our residents expect. I believe this budget accomplishes that to a great degree. The tax levy in the General Fund will decrease approximately 18%, again, as a result of additional revenue from the one time sales tax increase. With a 5% increase in the Highway levy, the two Town-wide taxes combined will decrease by 2.5%. There will be modest increases, approximating 3% in the Water and Sewer Districts. The budget provides for an increase in our Town employee salaries by a 3.5% cost-of-living increase. This is tied in with the expected cost-of-living as projected for 1993. However, I must point out that over the last two years, the total increases to Town employees have been less than the current inflation rate. I thank

our employees for their understanding during these very difficult times.

For the public's information, I would like to announce the dates for work sessions, which are open meetings:

Monday, October 19, 1992, 7:30 pm

Data Processing
Assessor
Parks and Recreation
Receiver of Taxes
Project Hope
Senior Services
Building
Police and Communications

Tuesday, October 20, 1992, 7:30 pm

Planning Department
Highway
Recycling, Garbage and Refuse
Public Works: Engineering, Water and Sewer

Thursday, October 22, 1992, 7:30 pm

All others, if necessary

The public hearing will be held on Monday, November 2, 1992 at 7:30 pm.

I would now like to ask our Comptroller to provide some of the highlights in the various funds.

COMPTROLLER KEHOE:

GENERAL FUND

Appropriations in the General Fund will increase by approximately \$360,000. This increased cost is basically due to the normal inflationary increases that affect everyone. I would, however, like to point out some of the highlights.

Workers' Compensation costs have risen by 11%. In addition, Health Insurance has risen approximately 15%, representing an increase of \$58,000 to the General Fund.

Our Contingency Fund has been increased by approximately \$100,000. We have increased this because we are concerned with the direction the New York State Retirement System is taking. As we know, several years ago the State tampered with this system, in an effort to mitigate revenue sharing reductions to localities. They have since been sued by State Unions. The Union prevailed in their suit and although New York State may appeal the decision, it is likely that municipalities will be forced to pay sizable contributions to reinstate the fund to the levels that would have been achieved if the State had not changed the retirement funding in 1989.

Debt Service has been increased by \$132,000 to provide for debt service on the proposed recommendations by the Capital Projects committee. This recommendation includes required repairs to our tennis courts and a new computer aided dispatch system in the Police Department, which will enhance the 911 system.

With these increases, the General Fund tax levy still has decreased by approximately 18%. As was indicated in the opening remarks made by the Supervisor, increased revenues from the one-time sales tax increase have allowed this tax decrease. The uniform tax rate for the General Fund would be approximately \$.54 per thousand of assessed valuation. However, current law which is in effect and has provided for Homestead/non-Homestead rates, affect this rate differently. If the Town Board does not make any changes to the current law, the

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Homestead tax rate would be approximately \$.50 per thousand and the non-Homestead tax rate would be approximately \$.61 per thousand.

HIGHWAY FUND

The Highway Fund has increased by approximately \$135,000. There are no major increases of significance in the Highway appropriations. The increase is based upon the proposed salary increase and inflationary increases in operating this department. Some expenses and revenues will have to be adjusted in the Highway Fund if the State of New York does not provide the anticipated monies through the Dedicated Highway Fund. This is still unknown; however, the Highway Superintendent has budgeted this into his projections. If this is lost, he will have to reduce the amount of work to be done in next year's paving programs.

The Highway Fund tax rate will be \$1.40 per thousand. Again, due to the Homestead/non-Homestead provision, unless adjustments are made by the Town Board, the Homestead tax rate would be approximately \$1.30 per thousand and the non-Homestead tax rate would be approximately \$1.66 per thousand.

WATER FUND

The Water Fund shows an increase of approximately \$300,000. This increase is primarily due to increases of water rents paid to the City of Albany (+\$140,000), increases for the cost of electricity at the deep wells and the Water Purification Plant (+\$15,000), increases in taxes paid to the Town of New Scotland for property owned in New Salem (+\$19,000), Hospitalization (+\$6,000), and increased Debt Service for interest during construction of the major water facilities expansion program (\$120,00).

The increase in appropriations will be funded by a requested increase in the industrial water rate of \$0.03/1,000 gallons (from \$1.00/1,000 gallons to \$1.03/1,000 gallons) and by a projected 3 percent tax increase for the General Water District Tax which translates into a rate of \$.66 per \$1,000 of assessed valuation.

SEWER FUND

The 1993 Sewer Budget shows an increase of \$200,000 from \$2,562,145 to \$2,769,000.

The major increases in the Sewer Budget are: the purchase of a new utility dump truck for the Sewage Collection crew and purchase of safety equipment, including a trench safety box (+\$33,500), increases in cost of electricity for pumping stations and other repairs (+\$15,000), increases in Contractual Expenses for disposal of sludge at the Sewage Treatment Plant (+\$36,000), increases in Debt Service (+60,000), due to principal and interest on the payments on bond improvements for major maintenance improvements at the Sewage Treatment Plant.

These increases in appropriations will be financed through a raise in the property tax and the water use surcharge of approximately 3 percent for both the Delmar-Elsmere Sewer District and the Bethlehem Sewer District Extensions.

The tax rates in the Delmar-Elsmere Sewer District will approximate \$.47 per thousand and the rate in the extensions will approximate \$.53 per thousand.

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SUPERVISOR RINGLER: Thank you very much, Judi. Is there any questions from the Board at this point. If not, I would entertain a motion to adjourn and we go to work.

The motion was made by Ms. Galvin and seconded by Mrs. Fuller.

MRS. CAPONE: Can I ask a question?

SUPERVISOR RINGLER: Well, what would your question be?

MRS. CAPONE: I would address it to Bruce, what's a trench safety box?

MR. SECOR: When the men are working down in a hole, we have a steel box which prevents the sides of the trench from caving in on them. We have to go down and purchase one of those for working underground. It is required by the OSHA regulations.

MRS. CAPONE: Okay.

SUPERVISOR RINGLER: All in favor.

Ayes: Mr. Ringler, Mr. Webster, Mr. Gunner, Ms. Galvin,
Mrs. Fuller.

Noes: None.

SUPERVISOR RINGLER: Thank you all.

Meeting adjourned at 11:12 a.m.

Kathleen A. Newkirk
Town Clerk