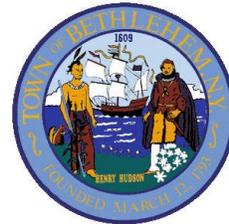


Town of Bethlehem 2012 Tentative Budget September 28, 2011

Sam Messina, Supervisor
Suzanne Traylor, Comptroller



2012 Budgeting Principles

- Keep taxes and fees as low as responsibly possible
- Reduce the structural budget imbalance by decreasing the use of fund balances
- Maximize efficiency and cost-cutting while maintaining the quality of services that make Bethlehem a wonderful community to live and work in

2012 Budgeting Principles

- Demonstrate that we value our Town's most important asset – the employees
- Aggressively and courageously address our critically important capital infrastructure needs
- Work collaboratively as a Town Board to build a sound fiscal plan for Bethlehem in 2012, and leading into the future

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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Challenges for 2012

- 2% Tax Cap Legislation
- Rising fuel costs
 - Increase of approximately \$167K for 2012
 - Gas prices up almost \$1.00/gallon since last year
 - Utilization of 184K gallons/year
- Goal to minimize use of fund balance
- Continued economic uncertainty
- Unfavorable investing rates - favorable borrowing rates
- Impact of 2013 future pilot revenue loss
 - Affects General Fund & Highway Fund by \$1.75 million
- Pension Increases - \$1.0 Million
 - Employee Retirement System = \$699 K
 - Police Retirement System = \$318 K

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Challenges for 2012

In 2002, Pension Costs represented 0.48% of the Town's operating budget (238 full time employees)

In 2012, Pension Costs represent 7.77% of the Town's operating budget (237 full time employees)

- Pension Increases - \$1.0 Million
 - Employee Retirement System = \$699 K
 - Police Retirement System = \$318 K

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Meeting our challenges

- Opting to forgo 2012-2013 reassessment project
 - Saving - \$125K (\$125K in 2011 & 2012; \$250K in 2013)
- Increasing health insurance co-pays
 - Saving - \$290K
- Excluding 1% COLA
 - Saving - \$183K (\$142K in salaries; \$41K in fringes/taxes)
- Providing for limited merit increases
 - Saving - \$203K (\$159K in salaries; \$44K in fringes/taxes)
- Eliminated 5 "unfilled" positions
 - Saving - \$364K (\$225K in salaries; \$139K in fringes/tax)
- Applying blended tax levy by 1.27%
 - General Fund = \$48K (\$44K Taxes / \$4K PILOT)
 - Highway Fund = \$86K (\$79K Taxes / \$8K PILOT)
- Capitalized assets with:
 - Useful Life > 5 years
 - Cost > \$10K

Town of Bethlehem Tentative 2012 Budget Presentation - 09-28-2011

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PROPOSED 2012 TENTATIVE BUDGET All Funds

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2012 Tentative Budget

FUND	BUDGETED APPROPRIATIONS	ESTIMATED REVENUE	APPROPRIATED FUND BALANCE	TO BE RAISED BY TAXES	TOTAL FINANCING SOURCES	OTHER: DEBT/CAP RESERVES	TOTALS
General	18,245,922	15,996,197	129,503	2,120,222	18,245,922	468,000	18,713,922
Highway	6,445,683	2,161,509	231,114	4,053,060	6,445,683	1,112,500	7,558,183
Water	9,438,947	7,043,730	450,023	1,945,194	9,438,947	3,150,000	12,588,947
Sewer	4,616,998	2,716,784	372,980	1,527,234	4,616,998	2,305,000	6,921,998
GRAND TOTALS	38,747,550	27,918,220	1,183,620	9,645,710	38,747,550	7,035,500	45,783,051
FOR REFERENCE: 2011 FINAL TOTALS							
General	17,801,327	15,592,482	130,196	2,078,649	17,801,327	60,500	17,861,827
* Highway	6,376,165	1,989,667	412,910	3,973,588	6,376,165	1,140,000	7,516,165
Water	9,499,128	6,868,505	685,429	1,945,194	9,499,128	1,590,000	11,089,128
Sewer	4,906,801	2,621,751	757,816	1,527,234	4,906,801	410,000	5,316,801
GRAND TOTALS	38,583,421	27,072,405	1,986,351	9,524,665	38,583,421	3,200,500	41,783,922
Change from P/Y	0.43%	3.12%	-40.41%	1.27%			

* - Bonding removed from 2011 Highway Fund equipment expenditures budget due to a change in interpretation of government accounting rules on bonding.

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2012 General Fund Revenue Budget

General Fund Revenue:	
Sales Taxes	9,825,481
Property Taxes & PILOT Payments	2,835,559
Mortgage Taxes	1,200,000
Cable Franchise Fees	611,422
Fines & Forfeitures	510,000
Interfund Reimbursements & Transfers	952,914
Landfill & Answers Charges	336,000
Miscellaneous User Fees & Other Revenue	<u>1,831,543</u>
Draft Budget - Presented August 31, 2011	18,102,919
Changes to Draft Budget:	
Paid Detail for Police OT	13,500
Increase use of Fund Balance	<u>129,503</u>
2012 Tentative Budget	18,245,922
2011 Adopted Budget	17,801,327
Additional General Fund Revenue in 2012 Tentative Budget over 2011 Adopted Budget	<u>444,595</u>

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 General Fund Appropriation Budget

General Fund Appropriations:	
Salary and Wages	8,984,285
Police Overtime	597,536
Other Personnel Services	134,500
Employee Retirement System	834,561
Police Retirement System	857,536
Health Insurance	1,111,219
Other Fringe Benefits/Taxes	935,985
Equipment	278,570
Contractual Costs	3,699,281
Debt Service & Other Financing	<u>669,446</u>
Draft Budget - Presented August 31, 2011	18,102,919
Changes to Draft Budget:	
Employee Retirement System Costs	116,612
Police Retirement System Costs	130,464
Limited Merit Incentives	108,665
Salary/Fringe/Taxes Based on Retirements	(75,600)
Adjustment of anticipated fuel costs	(20,138)
Reduction of Police Software Support Maint.	(9,000)
Finance Police Vehicles	(100,000)
Finance Seniors Replacement Vehicle	(33,000)
Selkirk Cogen Appraisal	<u>25,000</u>
2012 Tentative Budget	18,245,922
2011 Adopted Budget	17,801,327
Additional General Fund Appropriations in 2012 Tentative Budget over 2011 Adopted Budget	<u>444,595</u>

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 General Fund Expenditure Budget

FUND	2012	2011	\$ Change	% Change
General Fund				
Personal Services	9,751,695	9,837,389	(85,694)	-0.9%
Fringe Benefits & Payroll Taxes	3,984,068	3,458,928	525,140	15.2%
Equipment	145,570	263,775	(118,205)	-44.8%
Contractual	3,695,143	3,581,863	113,280	3.2%
Debt Service & Other Financing	669,446	659,372	10,074	1.5%
Total Operating	18,245,922	17,801,327	444,595	2.5%

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 Highway Fund Revenue Budget

Highway Fund Revenue:	
Property Taxes & PILOT Payments	5,401,069
Interfund Reimbursements	520,000
CHIP Aid	250,000
Use of Fund Balance	204,582
Other Miscellaneous Sources of Revenue	<u>43,500</u>
Draft Budget - Presented August 31, 2011	6,419,151
Changes to Draft Budget:	
Increase use of Fund Balance	<u>26,532</u>
2012 Tentative Budget	6,445,683
2011 Adopted Budget	<u>6,376,165</u>
Additional Highway Fund Revenue in 2012 Tentative Budget over 2011 Adopted Budget	<u>69,518</u>

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 Highway Fund Appropriation Budget

Highway Fund Appropriations:	
Salary and Wages	2,668,320
Overtime	290,663
Employee Retirement System	451,972
Health Insurance	507,703
Workers' Compensation	283,400
Other Fringe Benefits/Taxes	251,929
Equipment	-
Contractual Costs	1,397,600
Debt Service & Other Financing	567,564
Draft Budget - Presented August 31, 2011	6,419,151
Changes to Draft Budget:	
Employee Retirement System Costs	63,164
Limited Merit Incentives	20,000
Reduction of Rental of Equipment	(2,500)
Reduction of Road Materials	(15,000)
Reduction of Furniture & Equipment	(15,000)
Reduction of Salt & Sand	(16,000)
Reduction of Other Contractual Services	(7,500)
Reduction of All Other Supplies	(4,000)
Recalculation of Anticipated Fuel Costs	3,368
2012 Tentative Budget	6,445,683
2011 Adopted Budget	6,376,165
Additional General Fund Appropriations in 2012	
Tentative Budget over 2011 Adopted Budget	69,518

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 Highway Fund Expenditure Budget

FUND	2012	2011	\$ Change	% Change
Highway Fund				
Personal Services	2,973,910	3,013,259	(39,349)	-1.3%
Fringe Benefits & Payroll Taxes	1,563,241	1,406,456	156,785	11.1%
Equipment *	-	-	-	0.0%
Contractual	1,340,968	1,434,221	(93,253)	-6.5%
Debt Service and Other Financing	567,564	522,229	45,335	8.7%
Total Operating	6,445,683	6,376,165	69,518	1.1%

* - Bonding removed from 2011 Highway Fund equipment expenditures budget due to a change in interpretation of government accounting rules on bonding consistent with 2010 audited financial statements.

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 Water Fund Revenue Budget

Water Fund Revenue:	
Property Taxes	1,945,194
Water Metered Sales	6,425,000
Processing Fees	330,000
Rental of Real Property	125,000
Other Misc. Fees and Interest	163,730
Use of Fund Balance	<u>452,680</u>

Draft Budget - Presented August 31, 2011 9,441,604

Changes to Draft Budget:	
Adjustment of Fund Balance Usage	<u>(2,657)</u>

2012 Tentative Budget 9,438,947
2011 Adopted Budget 9,499,128

Additional Highway Fund Revenue in 2012 Tentative Budget over 2011 Adopted Budget (60,181)

2012 Water Fund Appropriation Budget

Water Fund Appropriations:	
Salary and Wages	1,651,295
Overtime	167,357
Other Personnel Services	6,000
Employee Retirement System	280,886
Health Insurance	284,048
Workers' Compensation	96,445
Other Fringe Benefits/Taxes	153,401
Equipment	409,550
Contractual Costs	4,872,850
Debt Service & Other Financing	<u>1,519,772</u>

Draft Budget - Presented August 31, 2011 9,441,604

Changes to Draft Budget:	
Employee Retirement System Costs	40,657
Limited Merit Incentives	48,742
Adjustment of anticipated fuel costs	(56)
Reduce Engineering Costs	(10,000)
Reduce New Scotland WTP Equip/Furniture	(20,000)
Reduce New Scotland WTP Property Repairs	(15,000)
Reduce Clapper Road WTP Equip/Furniture	(19,000)
Reduce Water Transmission Equip/Furniture	(10,000)
Reduce New Scotland WTP Other Contractual Services	<u>(18,000)</u>

2012 Tentative Budget 9,438,947
2011 Adopted Budget 9,499,128

Additional General Fund Appropriations in 2012 Tentative Budget over 2011 Adopted Budget (60,181)

2012 Water Fund Expenditure Budget

FUND	2012	2011	\$ Change	% Change
Water Fund				
Personal Services	1,862,679	1,882,372	(19,693)	-1.0%
Fringe Benefits & Payroll Taxes	866,152	791,274	74,878	9.5%
Equipment	360,550	540,700	(180,150)	-33.3%
Contractual	4,829,794	4,852,550	(22,756)	-0.5%
Debt Service and Other Financing	1,519,772	1,432,232	87,540	6.1%
Total Operating	9,438,947	9,499,128	(60,181)	-0.6%

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 Sewer Fund Revenue Budget

Sewer Fund Revenue:

Property Taxes	1,527,234
Sewer Charges	2,320,500
Processing Fees	284,075
Other Misc. Fees and Interest	112,209
Use of Fund Balance	373,723

Draft Budget - Presented August 31, 2011 **4,617,741**

Changes to Draft Budget:

Use of Fund Balance	(743)
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2012 Tentative Budget **4,616,998**

2011 Adopted Budget **4,906,801**

Additional Highway Fund Revenue in 2012 Tentative Budget over 2011 Adopted Budget **(289,803)**

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 Sewer Fund Appropriation Budget

Water Fund Appropriations:	
Salary and Wages	1,140,140
Overtime	91,224
Other Personnel Services	10,000
Employee Retirement System	195,784
Health Insurance	170,487
Workers' Compensation	49,903
Other Fringe Benefits/Taxes	103,538
Equipment	176,500
Contractual Costs	2,094,500
Debt Service & Other Financing	585,665
Draft Budget - Presented August 31, 2011	4,617,741
Changes to Draft Budget:	
Employee Retirement System Costs	24,974
Limited Merit Incentives	26,283
Reduce Engineering Costs	(17,000)
Reduce Maintenance Contract Costs	(15,000)
Reduce Other Contractual Service Costs	(20,000)
2012 Tentative Budget	4,616,998
2011 Adopted Budget	4,906,801
Additional General Fund Appropriations in 2012	
Tentative Budget over 2011 Adopted Budget	(289,803)

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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2012 Sewer Fund Expenditure Budget

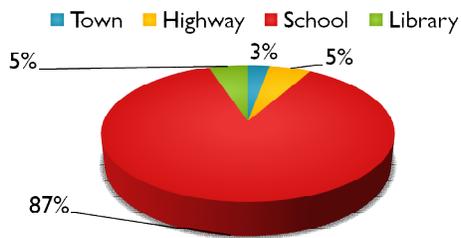
FUND	2012	2011	\$ Change	% Change
Sewer Fund				
Personal Services	1,260,926	1,272,111	(11,185)	-0.9%
Fringe Benefits & Payroll Taxes	551,407	496,798	54,609	11.0%
Equipment	176,500	267,000	(90,500)	-33.9%
Contractual	2,042,500	1,984,893	57,607	2.9%
Debt Service and Other Financing	585,665	885,999	(300,334)	-33.9%
Total Operating	4,616,998	4,906,801	(289,803)	-5.9%

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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Look at your Fall 2011 and Est. January 2012 tax bills ...

AV	Town	Highway	School	Library
\$200k	\$133	\$255	\$4,020	\$240
\$300k	\$200	\$383	\$6,030	\$360
\$600k	\$400	\$765	\$12,060	\$720



Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

Taxes per \$100,000 of A.V.

	2011	Est. 2012	Change
General Fund	65.40	66.71	1.31
Highway Fund	125.03	127.53	2.50
Water Dist #1	57.66	57.66	0.00
Sewer District	30.80	30.80	0.00
Total Town Tax	278.89	282.70	3.81

Note: excludes Albany County taxes and other special districts

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

Budget Calendar – Town Hall Auditorium at 6 pm:

- October 13, 2011
 - Budget Workshop
- October 17, 2011
 - Budget Workshop
- October 26, 2011
 - Town Board Meeting - Public Hearing
- November 2, 2011
 - Budget Workshop
- November 9, 2011
 - Town Board Meeting – Budget Adoption

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

To Review Budget Documents

- www.townofbethlehem.org
- Town Clerk's Office
- Town Libraries (Reference Desk):
 - Bethlehem Public Library
 - Guilderland Public Library
 - RCS Public Library

Public Hearing: October 26, 2011

Town of Bethlehem Tentative 2012 Budget Presentation – 09-28-2011

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