

THINGS TO KNOW ABOUT:

THE BUDGET

WHAT WE'LL GO THROUGH

- REVENUES
- EXPENDITURES
- FUND BALANCE
- SUPPLEMENTAL REPORTS
- CAPITAL RESERVE FUNDS
- ANNUAL CONSIDERATIONS
- MULTIFACETED PROCESS
- THINGS TO THINK ABOUT

PREPARED 07/06/22, 13:55:29
PROGRAM GM601L

BUDGET SUPPORT DETAIL
FOR FISCAL YEAR 2022
(BUDGET SUPPLEMENT)

ACCOUNT	ACCOUNT DESCRIPTION	2019 ACTUAL	2020 ACTUAL	2021 Y-T-D ACTUAL
FUND 110	General Fund			
DEPT 10	Legislative			
DIV 10	Town Board			
	Personal Services			
511.10-00	Personal Svc. w/ Fringes	0	0	0
511.11-00	Salaries and Wages	0	0	0
511.11-02	Part Time > Half Salaries	63,530	64,801	65,846
*	Personal Services	63,530	64,801	65,846
	Fringe Benefits			
511.15-00	Fringe Benefits	0	0	0
511.15-01	FICA	3,938	4,018	4,082
511.15-02	Medicare	921	959	988
511.15-03	Employees Retirement Sys	6,216	6,078	7,217
511.15-07	Workers' Compensation	189	234	258
511.15-08	Life Insurance	0	0	0
511.15-09	Disability Insurance	0	0	0
*	Fringe Benefits	11,267	11,269	12,649
	Equipment			
511.20-00	Capital Outlay	0	0	0
511.22-00	Equipment	0	0	0
511.22-02	Equipment & Furniture	0	0	0
*	Equipment	0	0	0
	Contractual			
511.25-00	Other Services	0	0	0
511.25-11	Other Contract Services	4,099	4,099	4,200
	LEVEL			TEXT AMT
222M	GRANTUCUS - MINITRAQ SYSTEM FOR BOARD MEETINGS			4,200
				4,200
511.54-00	Advertising	0	0	0
511.54-11	Legal Ads & Notices	0	0	0
511.59-00	Education	0	0	0
511.59-11	Dues & Memberships	0	0	0
511.59-12	Seminars & Conferences	1,105	215	0
	LEVEL			TEXT AMT
222M	1 BOARD MEMBER TO AOT CONFERENCE			1,000
				1,000

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PROGRAM GM601L

ADOPTED REVENUE BUDGET
FOR FISCAL YEAR 2022

ACCOUNTING PERIOD 12/2021

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	2019 ACTUAL	2020 ACTUAL	2021 Y-T-D ACTUAL	2021 ADOPTED BUDGET	2022 ADOPTED BUDGET	2021 ADOPTED 2021 ADOPTED CHANGE
FUND 110	General Fund						
	BASIC 21 Taxes						
110-0000-311.10-01	Property Taxes	2,254,911	2,395,909	2,504,806	2,504,808	4,020,891	216,086
110-0000-312.10-01	PILOT Payments	123,872	122,820	127,832	125,890	148,908	12,988
110-0000-314.11-20	Sales Tax	12,600,632	11,727,664	14,130,649	11,879,000	13,234,503	1,361,503
	LEVEL			TEXT AMT			
222M	DOE TO THE VOLATILITY OF 2020, 2021 AND THE POSSIBILITY THAT THE JUMP IN SALES TAX REVENUES ARE THE RESULT OF A CATCH-UP OF PURCHASING THAT DIDN'T OCCUR IN 2020, WE'RE GOING TO LEAVE 2022 FLAT TO 2021 FOR THE FIRST 2 QTRS AND ONLY INCREASE 2020, WHICH WAS RELATIVELY CONSISTENT TO THE 3RD AND 4TH QTR 2019 EV \$4.						
	2021 Q1 - \$2,028,919			2,028,919			
	2021 Q2 - \$2,437,890			2,437,890			
	2020 Q3 - \$2,098,754 X 105.4%			2,266,087			
	2020 Q4 - \$2,158,277 X 105.4%			2,277,217			
				13,234,503			
110-0000-315.11-70	Cable	686,757	668,280	644,019	650,000	640,000	10,000-
	LEVEL			TEXT AMT			
222M	WE ONLY HAVE ONE QUARTER OF FRANCHISE FEE FOR 2021 TO DATE WHICH IS \$5,750 LOWER THAN 2020. EXTRAPOLATING THAT OUT TO THE REMAINING 3 QUARTERS, WE'LL LOSE \$42,000 AGAINST 2020 WHICH WAS \$62,964. THIS WOULD PROVIDE FOR REVS OF \$640K IN 2021. THIS WOULD BE DUE TO PRIMARILY TO A SWITCH TO STREAMING ENHANCED BY COVID. SINCE WE DON'T HAVE A WHOLE LOT OF INFORMATION WE'LL LEAVE THIS FLAT TO 2021 SINCE THE ECONOMY IS REBOUNDING. NOTE: DESPITE RUNNING OVER THE SAME CABLE LINES, INTERNET IS NOT SUBJECT TO FRANCHISE FEES.						
				640,000			
110-0000-315.11-71	RPTL Section 626 Offset	1,000-	1,254-	1,269-	1,200-	1,415-	115-
	LEVEL			TEXT AMT			
222M	NYS RPTL SECTION 626 PROVIDES A CREDIT AGAINST SPECIAL FRANCHISE TAXES FOR CABLE COMPANIES. IN ORDER TO OFFSET GENERAL FUND PROPERTY TAXES IF THEY PAY THE MAX RATE UNDER THE LAW TO THE TOWN						
				1,415-			

WHAT IS A BUDGET?



- **A PROJECTION OF REVENUES AND EXPENDITURES FOR A SPECIFIED PERIOD OF TIME.**
 - **REVENUES ARE THE FUNDS COMING IN:**
 - **PROPERTY, SALES & MORTGAGE TAXES, PROGRAM FEES, WATER & SEWER CHARGES, GRANTS, ETC.**
 - **EXPENDITURES ARE THE FUNDS GOING OUT:**
 - **PERSONNEL COSTS (SALARIES & BENEFITS), EQUIPMENT, CONTRACTUAL, DEBT SERVICE AND “OTHER”.**
 - **THE ACCUMULATION OF THE DIFFERENCES BETWEEN REVENUE AND EXPENDITURES MAKE UP FUND BALANCE.**

REVENUES

- **THE TOWNS LARGEST REVENUE SOURCES ARE:**
 - **PROPERTY TAXES & PILOTS: \$15,951,349
(BUDGETED ACROSS ALL 4 MAJOR FUNDS)**
 - **THIS IS THE LARGEST & PRIMARY SOURCE OF
REVENUE FOR THE HIGHWAY DEPARTMENT.**
 - **SALES TAX: \$13,234,503 (GENERAL FUND)**
 - **METERED WATER: \$7,856,730 (WATER FUND)**
 - **SEWER CHARGES: \$2,958,000 (SEWER FUND)**
 - **MORTGAGE TAXES: \$1,200,000 (GENERAL FUND)**



EXPENDITURES

- **THE TOWN'S LARGEST EXPENDITURES:**

- **PERSONNEL CATEGORY (SALARY & FRINGE):**

- **GENERAL FUND \$16,493,248 (76% OF THE TOTAL 2022 BUDGET)**
- **HIGHWAY FUND \$4,729,313 (63%)**
- **WATER FUND \$3,440,204 (29%)**
- **SEWER FUND \$1,835,239 (41%)**

- **GENERAL FUND – POST RETIREMENT \$698,666 & DEBT SERVICE \$477,160**
- **HIGHWAY FUND – PAVING \$924,813**
- **WATER FUND – ALBANY WATER CONTRACT \$2,100,000 & DEBT SERVICE \$1,988,057**
- **SEWER FUND – DEBT SERVICE \$562,812**



FUND BALANCE

NOT ALL FUND BALANCES ARE CREATED EQUAL

Fund Balance Reporting			
Classification	Definition	Examples	
Nonspendable	"Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact." ²	<ul style="list-style-type: none"> Inventories, Prepaid items, Long-term receivables in the general fund, and Permanent principal of endowment funds. 	
Restricted	"Fund balance should be reported as restricted when constraints placed on the use of resources are either: <ol style="list-style-type: none"> Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or Imposed by law through constitutional provisions or enabling legislation."³ 	<ul style="list-style-type: none"> Restricted by state statute, Unspent bond proceeds, Grants earned but not spent, Debt covenants, Taxes dedicated to a specific purpose, and Revenues restricted by enabling legislation. 	
Unrestricted	Committed	"Used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority." ⁴	<ul style="list-style-type: none"> The governing board has decided to set aside \$1M for a new city hall. Property tax levies set for a specific purpose by resolution.
	Assigned	"Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed." ⁵	<ul style="list-style-type: none"> Governing board has set aside \$2 million for a county hospital and the county manager may amend this up to \$100,000. Governing body delegates the authority to assign fund balance to the finance officer. Governing board has appropriated fund balance often to balance next year's budget.⁶ Positive residual balances in governmental funds other than the general fund.
Unassigned	Unassigned fund balance is the residual classification for the General Fund. This is fund balance that has not been reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned. ⁷		

Layman's Guide to Classifications:

Unassigned
Assigned

You're single and playing the field.
You're in a dating relationship and being pressured.

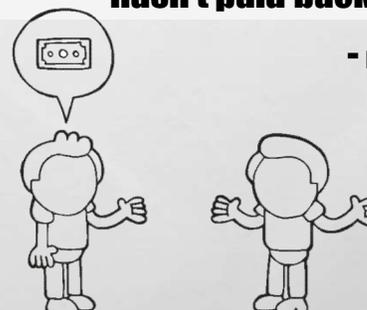
Committed
Restricted

You're married.
Court-ordered child support; if you don't pay it, an outside party will compel you.

Non-spendable

That \$50 that your brother-in-law borrowed 3 months ago and still hasn't paid back.

- From March 2012 presentation



FUND BALANCE POLICY



- **IN 2012, A POLICY WAS PASSED THAT SPELLED OUT THE EXPECTATIONS FOR THE TOWN'S FUND BALANCE:**
 - **"THE TOWN WILL STRIVE TO MAINTAIN A CONTINGENCY RESERVE BALANCE (IN THE FOUR MAIN OPERATING FUNDS) OF 15% OF BUDGETED APPROPRIATIONS."**
 - **THIS RELATES TO THE UNASSIGNED BALANCE IN THE GENERAL FUND AND ASSIGNED FOR CONTINGENCY IN THE OTHER FUNDS.**
 - **"THE DESIGNATION OF CONTINGENCY RESERVE FUNDS WILL BE INCLUDED AS ASSIGNED FUND BALANCES FOR FINANCIAL STATEMENT PURPOSES."**
 - **"BALANCES FALLING BELOW 7.5% WILL REQUIRE THE COMPTROLLER AND TOWN BOARD TO ADOPT A PLAN TO REPLENISH THE CONTINGENCY RESERVE TO A MINIMUM LEVEL OVER A PERIOD NOT TO EXCEED 3 YEARS."**
 - **"BALANCES IN EXCESS OF 20% OF BUDGETED APPROPRIATIONS WILL BE TRANSFERRED TO THE CAPITAL RESERVE FUNDS."**

WHAT'S INCLUDED IN THE BUDGET?



- **THE TOWN PRESENTS A BALANCED BUDGET WHICH INCLUDES EACH OF THE TOWN'S FOUR MAJOR FUNDS:**
 - **GENERAL FUND** – \$21,740,940 (ADOPTED BUDGET FOR 2022)
 - **HIGHWAY FUND** - \$7,480,816
 - **WATER FUND** - \$11,773,663
 - **SEWER FUND** - \$4,457,132
- **AND, WE PROVIDE IN OUR BUDGET THE COSTS OF DBEMS (DELMAR BETHLEHEM EMERGENCY MEDICAL SERVICES) AND ALBANY COUNTY ADVANCED LIFE SUPPORT - \$1,416,802**

SUPPLEMENTAL INFORMATION

- MOST MUNICIPALITIES PROVIDE THE BASIC BUDGET DOCUMENT (IN VARIOUS FORMS), HOWEVER, BETHLEHEM PROVIDES 2 ADDITIONAL DOCUMENTS THAT PROVIDE INSIGHT INTO CURRENT AND FUTURE NEEDS:**

- CAPITAL PLAN –**

- PROVIDES A 5 YEAR SCHEDULE OF CAPITAL NEEDS, COST, CLASSIFICATION OF NEED (HEALTH & SAFETY, GENERAL REPAIR OF AGING EQUIPMENT, ETC), PPU (PERIOD OF PROBABLE USE), EXPECTATION OF FINANCING, ETC.**

- MULTI-YEAR FINANCIAL PLAN –**

- PROVIDES A 2 YEAR LOOKOUT (BEYOND THE CURRENT BUDGET) BASED ON KNOWN UPCOMING FACTORS (TAX INCREASES & CHANGES IN PILOT AGREEMENTS, EXPECTED COLAS & STEPS, CONTRACTS, ETC...)**

- ALLOWS FOR BETTER LONG RANGE PLANNING BY HELPING TO AVOID PUSHING FINANCIAL PROBLEMS INTO THE FUTURE.**

- NEITHER DOCUMENT IS A COMMITMENT TO FUTURE SPENDING.**

2022 Capital Plan		Proposed 2022				
Fund	OCDG	2022	2023	2024	2025	2026
O General Fund	Operating	584,734	217,500	300,250	366,115	319,661
C	Capital Reserve	883,600	285,000	302,500	167,500	202,750
D	Debt Borrowing	2,568,250	2,386,000	4,507,250	587,750	4,312,500
B	Bonded	0	0	0	0	0
D	Grant	662,750	218,000	4,061,750	0	236,000
P	Parkland setaside	140,000	75,000	35,000	35,000	35,000
G	Total	4,339,414	3,181,500	9,214,750	1,146,365	5,105,911
O Highway Fund	Operating	387,500	389,000	390,500	392,000	393,500
C	Capital Reserve	1,150,000	0	0	0	0
D	Debt Borrowing	750,000	1,000,000	1,100,000	1,075,000	1,900,000
B	Bonded	0	0	0	0	0
G	Grant	3,055,813	605,813	605,813	605,813	705,813
Total		5,243,313	1,995,813	2,096,313	2,072,813	2,995,313
O Water Fund	Operating	584,500	449,000	609,000	709,000	709,000
C	Capital Reserve	370,000	750,000	0	0	0
D	Debt Borrowing	2,390,000	1,960,000	4,526,000	1,971,000	0
B	Bonded	45,000	0	0	0	0
G	Grant	250,000	0	0	0	0
Total		3,669,500	3,159,000	5,135,000	2,680,000	709,000
O Sewer Fund	Operating	424,000	372,000	547,000	547,000	547,000
C	Capital Reserve	1,645,000	590,000	100,000	375,000	50,000
D	Debt Borrowing	3,215,000	1,300,000	2,500,000	0	1,500,000
B	Bonded	0	0	0	0	0
G	Grant	0	0	0	0	0
Total		5,284,000	2,262,000	3,147,000	922,000	2,097,000
Other		0	0	0	0	0
TOTAL		19,136,227	10,597,313	19,593,063	6,831,178	10,911,244

Town of Bethlehem Financial Plan, Fiscal Year 2021 Combined - Detail												
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Watered Water Charges	718,577	836,484	7,617,151	7,897,000	7,856,730	8,092,432	8,330,205	159,730	21%	3.0%	3.0%	3.0%
Water Charges	2,818,196	2,833,043	3,887,791	2,868,000	2,856,000	3,448,740	3,135,142	59,000	2.0%	3.0%	3.0%	3.0%
Charges for Services	2,948,897	2,033,585	1,664,361	1,991,228	1,822,115	1,949,733	1,977,838	30,889	1.6%	1.4%	1.4%	1.4%
Rent Income	326,275	296,882	271,456	287,000	302,500	301,145	292,796	15,500	5.4%	0.7%	0.2%	0.2%
Insurance Recoveries	229,305	167,387	118,945	100,000	70,000	70,000	70,000	-30,000	-30.0%	0.0%	0.0%	0.0%
Statement and Water Reserves	0	0	136,400	0	0	0	0	-134,400	-100.0%	0.0%	0.0%	0.0%
Use of Fund Balance	0	0	0	1,588,238	774,417	0	0	-413,021	-61.2%	-100.0%	0.0%	0.0%
Other Revenue	565,651	554,814	303,023	308,000	301,000	309,544	292,431	16,400	5.4%	-3.3%	1.9%	1.9%
Total Revenues and Other Sources	\$43,484,661	\$44,637,849	\$43,866,338	\$46,378,834	\$46,899,396	\$46,894,778	\$47,227,227	\$1,490,852	3.3%	6.1%	6.1%	1.8%
Expenditures												
Personnel Services	\$18,536,285	\$16,852,319	\$16,517,188	\$17,847,546	\$16,185,412	\$16,549,130	\$16,920,103	\$537,866	3.0%	2.0%	2.0%	2.0%
Health Insurance	2,316,758	2,408,758	2,416,869	2,748,787	2,899,260	3,034,814	3,168,817	124,889	4.8%	5.0%	5.0%	5.0%
Employee Retirement System	1,659,866	1,680,548	1,707,868	1,931,872	1,874,516	1,724,711	1,778,484	-227,466	-12.0%	3.0%	3.0%	3.0%
Pension Investment System	897,508	962,791	1,086,580	1,238,122	1,228,274	1,585,255	1,810,122	47,238	40.0%	3.0%	3.0%	3.0%
Other Employee Benefits and Payroll Taxes	2,352,865	2,387,257	2,371,237	2,498,382	2,519,348	2,469,733	2,621,128	33,064	1.3%	2.0%	2.0%	2.0%
Police Health Insurance	786,202	804,847	881,077	1,057,982	1,097,482	1,152,387	1,208,895	98,801	3.0%	5.0%	5.0%	5.0%
Equipment and Capital Outlay	1,527,738	1,192,734	838,094	1,136,189	1,136,189	1,168,500	1,238,789	528,585	46.4%	-33.3%	19.9%	19.9%
Wiring	361,306	472,871	788,622	776,000	624,613	702,380	722,818	214,813	30.1%	24.1%	2.7%	2.7%
Vehicular Maintenance	541,988	560,688	452,000	484,810	474,411	480,646	482,891	13,881	0.0%	0.0%	0.0%	0.0%
Gasoline & Diesel Fuel	303,637	383,164	232,898	388,998	328,602	330,781	344,247	-87,094	-14.0%	2.2%	2.2%	2.2%
Road Repairs	143,753	122,739	127,514	203,790	249,760	252,318	255,865	-14,000	-5.3%	1.2%	1.2%	1.2%
Salt & Sand	262,821	251,707	85,281	247,500	238,500	238,669	240,891	-800	-3.0%	0.0%	0.0%	0.0%
All Other Supplies	877,250	838,586	625,843	787,111	687,761	660,713	680,869	-106,861	-14.3%	0.0%	0.0%	0.0%
Albany Water Contract	1,701,000	1,850,000	1,977,004	2,050,000	2,100,000	2,152,000	2,200,000	50,000	2.4%	2.5%	-75.0%	-75.0%
Expenses	176,628	196,234	171,287	255,500	254,000	252,270	258,548	-1,500	-4.3%	0.0%	0.0%	0.0%
Taxes - Town of New Scotland	401,474	398,802	404,726	424,550	424,500	426,623	428,758	2,135	0.0%	0.0%	0.0%	0.0%
Equipment Repairs	181,585	118,866	181,508	331,431	329,602	333,840	338,238	-7,811	-2.1%	1.3%	0.4%	0.4%
Property Repairs	202,977	83,140	168,813	188,550	202,002	203,012	204,027	21,922	11.9%	0.0%	0.0%	0.0%
Electricity	873,652	778,112	716,463	898,732	846,110	848,811	859,008	63,278	6.0%	1.0%	1.0%	1.0%
Chemicals	202,977	194,280	222,188	518,348	547,000	547,451	547,855	28,702	5.5%	0.1%	0.1%	0.1%
Maintenance Contracts	227,867	178,083	210,262	241,200	273,210	288,871	301,214	32,010	13.3%	0.0%	0.0%	0.0%
Other Contract Services	689,783	1,034,102	877,586	1,253,814	1,396,716	1,363,500	1,370,317	103,142	8.2%	0.0%	0.0%	0.0%
Contractual	2,787,162	3,320,821	2,330,329	3,018,885	3,066,296	3,016,280	3,121,478	881,414	19.3%	0.0%	-2.0%	-2.0%
Deer Service (Principal and Interest)	2,843,258	2,418,108	3,271,346	3,280,240	3,291,048	3,179,230	3,619,789	5,809	0.2%	2.4%	13.9%	13.9%
Interest/Transfers - Expenditures	437,784	1,823,455	467,483	467,483	467,483	467,483	467,483	-467,483	-100.0%	0.0%	0.0%	0.0%
Amortization Charges	1,211,462	1,247,207	1,264,231	1,379,445	1,416,048	1,445,184	1,474,991	37,800	2.7%	2.8%	2.8%	2.8%
Total Expenditures and Other Uses	\$43,983,847	\$42,266,847	\$42,442,916	\$47,442,916	\$46,899,396	\$46,820,841	\$48,048,872	\$1,490,852	3.3%	6.1%	6.1%	1.8%
Surplus (Deficit)	\$3,294,889	\$2,239,002	\$1,445,622	\$0	\$0	\$0	\$537,375	\$791,645				

CAPITAL RESERVE FUNDS

- **OSC DEFINES THESE AS “A MECHANISM FOR LEGALLY SAVING MONEY TO FINANCE ALL OR PART OF FUTURE INFRASTRUCTURE, EQUIPMENT AND OTHER REQUIREMENTS. RESERVE FUNDS CAN ALSO PROVIDE A DEGREE OF FINANCIAL STABILITY BY REDUCING RELIANCE ON INDEBTEDNESS TO FINANCE CAPITAL PROJECTS AND ACQUISITIONS...”**
- **THE TOWN USES THESE FUNDS AS A WAY TO PAY FOR MANY OF ITS PROJECTS, AND MUCH OF ITS LARGE EQUIPMENT.**
- **FUNDED PRIMARILY BY FUND BALANCES IN EXCESS OF 20% AS DEFINED IN THE FUND BALANCE POLICY; ALLOWING FOR CASH PURCHASES RATHER THAN BORROWING, WHICH COMES AT A COST.**
 - **BESIDES TIME, THE COST OF BORROWING RANGES FROM SEVERAL THOUSAND DOLLARS IN INITIAL COSTS TO OVER \$50,000. THESE COSTS GO TO ATTORNEYS, FINANCIAL ADVISORS, RATING AGENCIES, AUCTION SITES, PRINTING & LEGAL ADS, ETC...**
 - **THERE IS ALSO THE INTEREST COST ASSOCIATED WITH BORROWING.**
 - **THE TOWN COMMITTED TO \$9.1M IN INTEREST COSTS IN 2019 WHEN \$17.2M WAS BORROWED, PRIMARILY FOR CLAPPER ROAD WTP.**
 - **THE AMOUNT THAT HIT OUR 2022 OPERATING BUDGET ACROSS GENERAL, HIGHWAY AND WATER FUNDS WAS \$468,275 (EXCLUDING THE PRINCIPAL BALANCE OF \$400,000).**



ANNUAL CONSIDERATIONS



- **WHAT DO WE NEED TO CONSIDER IN ORDER TO CREATE A BUDGET?**
 - **REVENUES MUST EQUAL EXPENDITURES (A BALANCED BUDGET).**
 - **ONE TIME FUNDING SHOULD NOT BE A WEDGE TO BALANCE A BUDGET UNLESS THERE IS A PLAN IN PLACE TO PLUG THAT HOLE IN A SUCCESSIVE BUDGET.**
 - **THE EXPECTATIONS SHOULD BE REALISTIC.**
 - **EXCESSIVE PRESSURE SHOULD NOT BE PLACED ON OUT-YEARS (I.E. KICKING THE CAN DOWN THE ROAD).**

MULTI-FACETED PROCESS



INPUT



REVIEW



APPROVAL

- **DEPARTMENT HEADS ARE ASKED IN EARLY JUNE TO SUBMIT THEIR “REQUESTED BUDGET” THROUGH THE “BUDGET MODULE” WITHIN THE TOWN’S ENTERPRISE SYSTEM.**
- **HUMAN RESOURCES USES THE PAYROLL SYSTEM TO CALCULATE SALARIES AND BENEFITS.**
 - **DEPARTMENT HEADS ARE ASKED TO SUPPLY ESTIMATED PART-TIME AND OVERTIME FIGURES.**
- **COMPTROLLER’S OFFICE PROVIDES ESTIMATES FOR MOST REVENUES, FUEL, UTILITIES, INSURANCE, POST-RETIREMENT AND DEBT APPROPRIATIONS.**
- **COMPTROLLER’S OFFICE REVIEWS THE TOTAL BUDGET AND DISCUSSES WITH EACH DEPARTMENT HEAD.**
- **MOST YEARS, INCLUDING THIS YEAR, THE TOWN HAS HELD (OR WILL HOLD) WORKSHOPS TO ALLOW DEPARTMENT HEADS TO DISCUSS THEIR BUDGET WITH THE TOWN BOARD.**
- **WITH MODIFICATIONS AGREED TO BY DEPARTMENT HEADS AND/OR TOWN BOARD, A COMPLETE BUDGET IS GENERATED.**
- **THE MULTI-YEAR PROJECTION AND 2023 BUDGET WILL BE PRESENTED AT THE FINAL MEETING IN SEPTEMBER.**
- **IT WILL BE RE-PRESENTED WITH ANY CHANGES IN OCTOBER AND PASSED IN NOVEMBER.**

2023 BUDGET - INCREASE STAFFING

WE'VE ASKED OUR DEPARTMENT HEADS WHAT THEIR STAFFING REQUIREMENTS ARE FOR 2023, A BIG STEP FORWARD FROM THE PAST 10+ YEARS WHERE WE'VE HELD THE LINE ON NEW POSITIONS.

- **3 QUESTIONS TO CONSIDER:**

- **WHY ARE NEW POSITIONS BEING REQUESTED?**

- **WHAT DEPARTMENTS ARE FAILING AT DELIVERING THEIR CORE MISSION?**
- **WHAT CRITICAL FUNCTIONS HAS THE TOWN BEEN LIVING WITHOUT?**
- **HAVE THE RESIDENTS BEEN UPSET WITH A LACK OF SERVICE?**
- **IS THE INCREASE RELATED TO A REGULATORY REQUIREMENT?**
- **CAN THE NEED BE FULFILLED WITH A PART-TIME POSITION?**

- **WHAT ARE THE COSTS OF THE IDENTIFIED NEW POSITIONS?**

- **THE LOWEST PAID ARE BUDGETED TO START AT ~\$75K INCLUDING BENEFITS.**
- **WHAT OTHER COSTS, BEYOND SALARIES & BENEFITS WILL EACH POSITION REQUIRE? EXAMPLES: PHONE, VEHICLE, OFFICE SPACE, FURNITURE, COMPUTER, GENERAL SUPPLIES, UNIFORM, SOFTWARE LICENSES, ETC.**



2023 BUDGET - INCREASE STAFFING

- **WHAT ARE THE COSTS OF THE REQUESTED NEW POSITIONS? (CONTINUED)**
 - **WHAT ARE THE “OUT-YEAR” COSTS (E.G. BEYOND THE FIRST YEAR)?**
 - **2% OF THE TOWN’S 2022 TAX LEVY (TAX CAP) IS \$319K; 2% COLA ON 2022 BUDGETED SALARIES IS \$328K, WITHOUT STEPS, OT & BENEFITS**
- **HOW WILL THE IDENTIFIED POSITIONS BE FUNDED?**
 - **IS “BREAKING THE TAX CAP” AN OPTION?**
 - **INCREASED REVENUE IN ORDER TO PAY FOR INCREASED EXPENSE.**
 - **DISCONTINUE OR REDUCE SERVICES?**
 - **DECREASE COSTS IN ONE AREA TO PAY FOR INCREASED EXPENSE.**
 - **ALSO MAY DECREASE THE NEED FOR ADDITIONAL STAFF AS THOSE RESOURCES CAN SHIFT TO COVER OTHER NEEDS).**
 - **ONE TIME REVENUE SOURCES ARE NOT AN OPTION.**



2023 BUDGET – OTHER CONCERNS

- **SALES TAX REVENUES HAVE BEEN VERY GOOD, BUT THE ECONOMY ON WHICH THIS REVENUE RELIES, IS UNSTABLE AND ANY INCREASES ARE LIKELY SPENT ON ITEMS IDENTIFIED BELOW.**
- **THE STOCK MARKET IS SIGNIFICANTLY DOWN FROM ITS PRE-COVID HIGHS.**
 - **RETIREMENT SYSTEM ANTICIPATES A 5.9% ANNUAL RETURN. WHEN IT DOESN'T HIT THAT, THE MONEY IS RECOVERED THROUGH ERS AND PFRS RATES CHARGED TO THE MUNICIPALITY.**
 - **IN THE 2008 CRASH, IT TOOK JUST 3 YEARS (2009 TO 2012) FOR THE RETIREMENT CONTRIBUTION TO MORE THAN DOUBLE – FROM \$1.38M TO \$2.94M.**
 - **ERS TODAY IS \$1.82M FOR 237 MEMBERS INCLUDED IN 2021 (146 FOR THE ENTIRE YEAR)**
 - **PFRS TODAY IS \$1.17M FOR 41 MEMBERS INCLUDED IN 2021 (33 FOR THE ENTIRE YEAR)**
- **INFLATION IS 9.1% OVER JUNE 2021, EFFECTING THE COST OF EVERYTHING THAT WE PURCHASE.**
 - **DESPITE THIS, WE'RE TRENDING MORE THAN A 9% INCREASE ON FUEL AND ELECTRICITY AT \$130K AND \$270K OVER BUDGET, RESPECTIVELY IN 2022. WHAT MIGHT BE THE CONTINUED TREND?**



2023 BUDGET – OTHER CONCERNS

- **WHAT “OTHER” NEW ANNUAL COSTS MIGHT WE BE LOOKING AT GOING FORWARD THAT WILL FURTHER STRAIN RESOURCES (E.G. THERAPY DOG (\$32K), BODY CAMS (\$150K), INCREASED SIDEWALK FUNDING (\$100K), 2022 DEBT APPROVALS (\$714K), POST-RETIREMENT HEALTH (\$116K), ETC.)?**
- **WHAT IS THE IMPACT OF ADDITIONAL OPERATING COSTS ON CAPITAL ASSETS GOING FORWARD?**
 - **THE MORE THAT IS PULLED FROM ANNUAL SURPLUSES, THE FEWER RESOURCES AT OUR DISPOSAL IN ORDER TO AVOID DEBT.**
 - **BY ADDING EXPENDITURES, THE CLOSER TO THE BONE WE SLICE, THE LESS THAT WILL BE LEFT FOR CAPITAL COSTS.**
 - **GREATER DEBT COMES WITH HIGHER COSTS INCLUDING INTEREST AND BORROWING COSTS.**
 - **THE COST OF SELLING A BOND IS ROUGHLY \$50,000 AND INTEREST RATES ARE INCREASING DAILY.**
- **ALBANY COUNTY IS PREPARING TO SUBSTANTIALLY INCREASE THE COST OF EMS SERVICES.**
 - **LOOKING INTO A SEPARATE EMS TAXING DISTRICT TO TRANSFER ACCOUNTABILITY TO THE COUNTY.**



TO LEAVE YOU ON A HAPPY NOTE

