

VESTAL TOWN BOARD WORK SESSION MINUTES (budget review)

MONDAY, SEPTEMBER 21, 2015

In Attendance: Supervisor Schaffer, Board Members: Fitzgerald, Majewski, Agneshwar and Messina.

Also Attending: Comptroller Laura McKane, Town Clerk Emil Bielecki and 3 members of the general public.

The Budget Review Work Session was convened by Supervisor Schaffer at 5:02 PM.

CONTINUING REVIEW OF THE 2016 TOWN BUDGET

Comptroller Laura McKane gave a brief description of the budget lines that she and Supervisor Schaffer adjusted since the last budget review meeting on Monday, September 14th. The proposed changes will represent a total decrease of approximately \$89,000 from the 2016 initial budget appropriations. These adjustments will reduce the required 2016 tax levy for Townwide funds from \$8,603,087 to \$8,493,047, as shown below. There were no objections expressed by the Board to the proposed adjustments.

**TOWN OF VESTAL - TAX RATE WORKSHEET
2016 BUDGET AS OF 9-21-15 TOWNWIDE FUNDS**

FUND	2015 Taxes Raised	2015 Tax Rates	2015 Adopted Budget	2016 Initial Budget Appropriations	Estimated Non Real Property Tax Revenue	Appropriated Reserves & Fund Bal Used	Initial Budget Real Property Taxes to be Raised	2016 Tax Rates Per \$1,000 of Assessment	% Change in Tax Rate 2015 to 2016	Increase per \$1,000 of Assessment
General Fund	\$5,182,955	\$2.8637	\$10,732,056	\$10,989,182	\$5,549,529	\$40,491	\$5,399,162	\$2.9737	3.84%	\$0.1100
Library Fund	\$530,630	\$0.2932	\$679,076	\$690,620	\$114,810	\$0	\$575,810	\$0.3171	8.17%	\$0.0240
Highway Fund	\$2,501,312	\$1.3820	\$5,360,380	\$5,527,638	\$2,913,100	\$96,463	\$2,518,075	\$1.3869	0.35%	\$0.0049
TOTALS	\$8,214,897	\$4.5389	\$16,771,512	\$17,207,440	\$8,577,439	\$136,954	\$8,493,047	\$4.6777	3.06%	\$0.1388

% Increase in Spending
2.6%

% Increase in Levy
3.4%

Tax Increase for Home with (\$100,000 AV) \$13.88
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Full Value 2014 = \$1,813,682,142
Full Value 2015 = \$1,809,900,108
Full Value 2016 = \$1,815,657,536

2016 FIRE DISTRICT - INITIAL BUDGET

	2015 Taxes Raised	2015 Rates @ Full Value	2015 Adopted Budget	2016 Budget Total Appropriations	Non-RPT Rev. Excluding Approp FB	Appropriated Fund Balance & Reserves	Real Property Taxes to be Raised	2016 Tax Rates	% Change 2015 Final Budget to 2016 Initial	Increase per \$1,000 of Assessment
Fire Gen. Fund	\$1,089,725		\$1,181,018	\$1,222,737	\$10,500	\$48,564	\$1,163,673			
Less Foam Dist	\$20,200		\$20,200	\$32,575			\$32,575			
Fire District Wide	\$1,069,525	0.5738	\$1,149,059	\$1,190,162	\$10,500	\$48,564	\$1,131,098	\$0.6070	5.78%	\$0.0332

% Increase in Spending (excluding Foam District)
3.6%

% Increase in Levy subject to tax cap
6.8%

Tax Increase Home with a \$100,000 AV \$3.32

2014 AV = \$1,884,431,822
2015 AV = \$1,863,863,577
2016 AV = \$1,863,446,951

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Additionally, Comptroller McKane provided the Board with the Fund Balance Projection for the 2016 Budget as follows:

FUND BALANCE PROJECTIONS UPDATED 9/17/2015

FUND BALANCE PROJECTION FOR 2016 BUDGET

	GENERAL FUND	LIBRARY FUND	HIGHWAY FUND	FIRE DISTRICT	TOTALS
UNRESERVED FUND BALANCE @ 12/31/2014 (including encumbrances)	\$1,323,033	\$72,267	\$848,998	\$300,322	\$2,544,620
-PROJECTED EXPENDITURES FOR 2015	\$10,655,728	\$685,871	\$5,286,498	\$843,982	
+PROJECTED REVENUES FOR 2015	\$10,720,045	\$643,791	\$5,377,769	\$819,101	
=ESTIMATED FUND BALANCE @ 12/31/2015	\$1,387,350	\$30,187	\$940,269	\$275,441	\$2,633,247
-UNRESERVED FUND BALANCE APPROPRIATED FOR 2016	\$0	\$0	\$40,000	\$48,564	
=EST. UNRESERVED UNAPPROPRIATED FUND BALANCE AT 12/31/15	\$1,387,350	\$30,187	\$900,269	\$226,877	\$2,544,683
AS % OF 2016 TENTATIVE LEVEL APPROPRIATIONS	12.5625%	4.2732%	16.2184%	19.0627%	
	WATER DISTRICT	SEWER DISTRICT	CENTRAL LIGHT		
UNRESERVED FUND BALANCE @ 12/31/2014 (including encumbrances)	\$1,657,444	\$518,552	\$78,993		
-PROJECTED EXPENDITURES FOR 2015	\$3,220,563	\$3,237,366	\$248,900		
+PROJECTED REVENUES FOR 2015	\$3,078,639	\$3,824,161	\$245,800		
=ESTIMATED FUND BALANCE @ 12/31/2015	\$1,515,520	\$1,105,347	\$75,893		
-UNRESERVED FUND BALANCE APPROPRIATED FOR 2016	\$86,222	\$78,166	\$8,600		
=EST. UNRESERVED UNAPPROPRIATED FUND BALANCE AT 12/31/15	\$1,429,298	\$1,027,181	\$67,293		
AS % OF 2016 TENTATIVE LEVEL APPROPRIATIONS	42.4246%	28.9373%	26.4517%		

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Comptroller McKane noted that a fund balance in the range of 10% to 15% is considered healthy. We are proposing to use a bit more fund balance for 2016. The Library fund balance is low. The Highway fund balance is good. However, as we tighten the operating budget, the fund balance may need to be used to cover emergencies. She cautions that the use of fund balance is a one shot deal and excessive reliance on it to plug holes in the operating budget is risky.

Supervisor Schaffer noted that a recent sale of a high value building in the Town should result in a meaningful bump in the mortgage tax.

Several Board members stated that they have approached the departments under their respective committees for suggestions on budget cuts. Thus far, that effort has produced little in terms of results. Supervisor Schaffer noted it is not unusual for the departments not to offer up any additional cuts to their budgets. He is urging the Board members to continue exploring alternatives to doing things the same old way.

Supervisor Schaffer is asking the County for a detailed explanation of the dramatic increase in the Election Board chargeback to the Town.

Councilman Majewski stated that Town needs to ask the County for additional money when it renews its contract to plow Tracy Creek Road.

For a period of approximately 3 hours, the Board engaged Comptroller McKane in a line by line review of all budget lines. The effort produced reductions in numerous budget lines totaling approximately \$50,000 which will be compiled and incorporated into the revised tentative budget that is subject to undergo further review at the next special Work Session scheduled for Monday, September 28th at 5:00 PM. The 2016 Tentative Budget is to be filed with the Town Clerk by September 30th.

The meeting was adjourned at 8:34 PM.

Respectfully submitted,
Emil Bielecki, Town Clerk