

Mayor's Budget message  
For the 26 February 2017 Budget Workshop

**The year in review**

We again had a productive year with progress in many areas. And we continue to spend very little. So, I'll start with a reminder of some of the great accomplishments from the past year and then review my budget proposal

- Our Senior Advocacy Committee continues to expand its operations as it pursues its mission of improving the livability of our village for our senior citizens. The service provided to our community is a model for others in the county and throughout the state. The SAC is truly making a difference in their effort to make our village easier for our residents to age in place. They have had success in bringing available services to those that are eligible but unable to avail themselves of the services and they have helped lower the cost of home ownership by assisting with tax exemption applications. Most recently, they have introduced a snow shoveling service to help seniors cope with difficult weather conditions.
- Our Building Department has had two state certified Code Enforcement Officers for the entire year. We now have ample resources to support building projects and ensure compliance with our local regulations.
- Our Public Works Department managed the double chip seal project on Town Garage Road and continued to maintain our roads in excellent condition. We also secured contractors for our highway efforts for at least the next two years. The successful RFP process produced competitive bids for the winter snow clearing resulting in a lower contract costs for that effort.
- After we considered the potential benefits and impacts on our community, our support of the proposed Rensselaer Plateau Alliance Community Forest helped their successful efforts to secure funding for the Forest.
- Our annual cookie contest raised over \$1,000 for the Historical Preservation inventory survey project and other history-related efforts. Although the grant for the survey project was not funded, we will re-apply for it and will be in good shape to provide the required matching funds if/when grant funding comes through.

**Our current financial picture – the summary**

We continue to make significant progress on many fronts without spending beyond our modest means. Our double chip seal program, using state CHIPS funds, seems to be an effective way to upgrade our gravel road surfaces. The state contribution for our road work this year was supplemented beyond the CHIPS funds with an additional \$2,600 in the PaveNY program. It's not clear if those additional funds will be in next year's state budget. We also benefited from the light winter we experienced last year by having significant leftover salt and sand mix and while this winter is certainly harder than last year, it has not been the worst we've seen (at least so far). Sales tax revenues look to be a little short this year, but will be close to what we budgeted. With new retail space opening in Rensselaer County, I am optimistic that we will be able to at least maintain the current sales tax levels.

## What changes are reflected in the proposed budget?

There are few changes in the proposed budget:

- The only salary change proposed in the budget is in the Public Works Department. I have proposed moving the DPW Superintendent's salary to \$4,200 (from \$4,000). Percentage-wise, this is a significant increase (5%), but in actual dollars, this position is still very modestly compensated for the effort required and very low compared to the salaries on statewide salary surveys for similar positions. This increase is an acknowledgement of the significant effort and commitment our superintendent has demonstrated.
- There is a new revenue line for Youth Programs which I hope will seed a new focus on the younger segment of our community. The revenue on that line reflects the anticipated proceeds from this year's Cookie Contest.
- There are no new programs proposed to be funded from our tax revenue.
- The proposed tax rate is a **reduction** from this year's \$1.8200 per \$1,000 of assessed valuation that we approved in the current budget, down to \$1.7700 per \$1,000. The actual rate this year was \$1.7872 due to the confusion at the county with their omission of exemptions for some tax bills. They re-issued the incorrect bills and made us whole (almost) by not charging us for the printing of the bills. So the proposed tax rate is a reduction on even the actual rate for this year as it represents a reduction in the levy of about \$400 from the actual current year levy and about \$1,400 from the budgeted levy we approved last year. The proposed reduction really reflects the fact that our other revenues were higher than expected this year (by over \$5,000), mostly due to an increase in state road support. There was also a small increase in our assessed valuation over last year. With our current assessed valuation, every penny of the tax rate is about \$297 in collected tax.

## Conclusion

It might seem to be easy to accelerate our construction plan or expand existing programs rapidly or start new ones and spend much more rather than lowering our tax rate slightly. But it is safer to expand slowly where we recognize a true need and continue to be conservative with our resources, lest we expand beyond our means and be caught short when the inevitable major required expense (terrible winter season, major road failure/repair) or incredible opportunity finally appears. I am reluctant to increase the rate at which we are applying the double chip seal program since we are just starting to see how well our oldest application (Gardner Hill Road) is wearing. The staggered rollout will help us with staggered maintenance in the future.

Instead, I think we should stay on our steady course of organic growth of programs, using volunteers and fundraising to seed new efforts. We can then fall back onto other municipal funds to support programs that seem to be worthwhile after passing the "seeding" phase if additional funds are needed.