

**TOWN OF NORTHAMPTON
2015 PROPOSED BUDGET
SECOND WORK SESSION
October 15, 2014**

The Town of Northampton held its 2nd 2015 Budget Work Session on Wednesday, October 15, 2014 at 6:30 PM in the Municipal Building, 412 South Main St., Northville, NY.

PRESENT: Supervisor: James Groff
Councilmen: William Gritsavage, Ivar Anderson, Darryl Roosa and Art Simmons

RECORDING SECRETARY: Elaine Mihalik, Town Clerk

Other Town department representative in attendance was:

Bookkeeper/Budget Director- Nathaniel Matthews
Code Enforcement Officer-Matthew Ginter

Nathaniel Matthew, Budget Officer provided figures on the proposed 2015 Budget increase.

2010 the Town over spent their expenditures \$41,502.00

2011 the Town over spent their expenditures \$28,226.00

2012 the Town over spent their expenditures \$38,203.00

2013 the Town over spent their expenditures \$94,898.00

This was combining the two large Funds the A Fund and the DB Fund

Nathaniel Matthews: Those are your two main driving Funds where the expenditures exceeded your revenues. I only went back that far just to see the trend.

Councilman Gritsavage: As Board members, why didn't we get this information?

Councilman Anderson: This is my seventh Budget that I have worked on. We had three members of the board saying "we are not raising the taxes". Darryl and I were here and we were outnumbered. But we never raised the taxes.

Councilman Gritsavage: We raised the taxes last year because I insisted.

Councilman Anderson: We didn't get the full story last year. That is why we are in the predicament we are in. Carol wrote a letter in 2012 that we were going to be in trouble and nobody listened to her.

Supervisor Groff: This 2015 Budget that Nathaniel put together and he and I went over it. It is \$3,000 less than last year's budget. You have had increase in wages. Everything has gone up.

Councilman Anderson: We need to get back on base and get out of the red. There are a few things out there that we should be taking advantage. If we can't do it this year we can work on it for next year.

Councilman Simmons: There are some people that have said that I wasn't here and Supervisor Groff wasn't here except for you three guys (Roosa, Anderson and Gritsavage). The answer is that you people asked the questions and you didn't get answers. You got buffaloed. I was at those meetings and you asked questions and it was like you were talking to the wall.

Councilman Gritsavage: In my defense last year was my first year working on the Budget.

Supervisor Groff: I think that one of the biggest problems was that Carol wouldn't come to the meetings.

The Highway Superintendent didn't have much money in the Highway Reserves - \$15,000. He needs a truck and the truck is \$200,000.00.

Nate has laid out some options for an increase in the 2015 Budget. Currently, we are \$0.96 per thousand. The Board had talked about a \$0.20 increase per thousand which is 13.4% increase in the budget.

Councilman Anderson: I think that this is basically a bare bones budget. I am not happy about going into the Reserve Funds as much. But we had to this year. Next year we can ease into it and I think that I can bring \$40,000 or \$50,000 out of the budget, easy.

Nathaniel Matthews: You have two main issues with this Budget. There is no surplus in the Budget. The problem is that the funding isn't there to support the spending and we do not have excessive spending. I am sure that there are ways that we can tighten our belts and find ways to save more and share more things. But, as it is right now we are looking at closing that year. It's kind of a two-fold method.

The \$0.20 increase won't really fund the Reserves to the level that they should be. But it is a start. If the Board chooses to go higher than the \$0.20 that is your prerogative. It will affect the Reserves that we are going to put away or the amount of Fund balance that we build.

Councilman Simmons: If we went with this "as is" what is the percentage increase?

Nathaniel Matthews: It would be 13.4%.

Councilman Simmons: I think that we owe it to our constituents if only for a few things. Too take a few things out of the 2015 Budget.

Councilman Anderson: Would it reduce it down to maybe 5%, nope.

Councilman Simmons: But we made the effort.

Councilman Anderson: We are trying to make the effort to keep it fiscally responsible.

We owe it to our constituents to tell them that this situation has been and the money has been over spent and we placed ourselves in a serious situation that the Auditor said that our Fund Balance was less. It's a mess because it was over spent and we owe it to our constituents to bring it back to where it should be. I don't know how we would cut it. What do you have in mind Art?

Councilman Simmons: We have never that I know of contracted with the Village Police Department even though they don't patrol the way they used to, it is by the State Police and Sheriff. Can we wait another year and take that \$10,000.00 to contract with the Village Department? Do we need \$7,500.00 for a Confidential Secretary? Can that wait a year or is that something that the Supervisor absolutely positively has to have?

Supervisor Groff: We've used about \$2,000 of that this year. We also cut the Supervisor's salary by \$12,000.00.

Councilman Anderson: Unless we can find a major cut. I just as soon have it come in as a Fund Balance at the end of the year and have it help for next year. I feel that we should have something posted in the Edinburg Newsletter as a press release. We have to explain ourselves.

Supervisor Groff: What the problem is that \$0.20 is not a large increase but when you say 13.4% it sounds terrible.

Matthew Ginter: The approximate median house cost is \$150,000.00 - \$175,000.00 and there those that are up in \$400,000.00 to \$500,000.00 range.

Supervisor Groff: That's a \$40.00 increase.

Councilman Anderson: That's why we need a re-valuation next year.

Supervisor Groff: Providence and Caroga Lake is doing a re-valuation right now.

Matthew Ginter: As a member of the public, where are we in relation to the surrounding communities in comparisons to the amount per thousand? Are we on the low end to what the other towns are?

Supervisor Groff: In Fulton County I think that Mayfield, Perth and Broadalbin are on the low end.

Councilman Anderson: I think that the Town of Johnstown Budget was just adopted at \$1.76 a thousand and they have all kinds of businesses and everything else.

Nathaniel Matthews: It is very hard to compare apples to apples. You can't just compare municipalities. You would have to compare "like population" and "like budget factors" to get a true feel.

Councilman Anderson: We can't compare to Edinburg because they don't have a tax.

Nathaniel Matthews: It's not like we have services being provided by the Village of Northville Police. We haven't contracted with the Village of Northville Police or any other Police. So, even if you remove these items from the budget it is not going to affect what I would recommend for the tax increase. All it would assure would be that it wouldn't get spend and come from the Fund Balance.

Councilman Simmons: Not everybody out there can afford a \$100 or \$200 increase in their taxes. It is that, "We made the effort".

Supervisor Groff: We already did.

Councilman Simmons: What did we spend, a half hour discussing the budget? I would like to go along with the rest of you. But, when you have a budget that is presented and you don't cut one damn thing from it. Something is wrong.

Councilman Gritsavage: I don't agree with that rational.

Supervisor Groff: Do think that anyone here wants to raise the taxes? You may want a little leftover for next year.

Councilman Simmons: Why do we need \$10,000 for Police?

Supervisor Groff: You may need it for next year. We need to build up a little bit of a fund. We can change it somewhere else. But, what if we need to contract with the Police?

Councilman Simmons: One of the problems that we have and it a subject for another meeting but it ties into this one. There is no one here from the newspaper. They were here at the last meeting and I saw nothing in the newspaper from our last meeting. So when we talk about we have to inform the people.

Supervisor Groff: That's why we said we will do a Press Release. Half the time they don't get it right in the beginning.
There is nothing extra in this 2015 Budget except maybe \$10,000 or \$15,000. If you take it out of the Budget and it is not going to make a pennies difference.

Nathaniel Matthews: It's in the B Fund which doesn't drive taxes up.

Supervisor Groff: We would all like to say no to a tax increase. We would like to reduce them if we could but you have operating expenses. We aren't going overboard with

anything. We're not even putting enough money into paving where we should be paving. That's a problem.

Councilman Anderson: You're going to be buying a new truck. You are going to be buying a lot more in repairs to keep the old ones running.

Supervisor Groff: I would take the \$10,000 out of Police and put it into paving.

Nathaniel Matthews: I know that you feel like nothing has been cut from a Board level. I have spent months trying to whittle this down.

Councilman Simmons: I didn't say that you haven't.

Nathaniel Matthews: With the increases that we have been faced with from health insurance, from property insurance, from National Grid, from the Retirement System. All have a double digit increases. Health insurance alone is a 11% increase this year. Couple that with salaries and everything else and the fact that we were able to reduce the overall appropriations by approximately \$2,000 to \$3,000 in the budget with all of these increases is fairly substantial. I took out as much as I could bring the budget into balance.

Councilman Gritsavage: I think that he (Nate) makes a good point. We have things that what you can call mandated because we have to have insurance and the retirement. We have to have it. That is not something that you can cut. Going up itself is cutting from something else.

When you say that you are proposing going up \$0.20 you mean \$1.16 per thousand?

Nathaniel Matthews: Yes. The Board recommended a \$0.20 increase bring that to \$1.16 per thousand.

MOTION on 2015 Preliminary Budget

Councilman Anderson motioned to approve moving the 2015 Tentative Budget to the 2015 Town of Northampton Preliminary Budget at raising it \$0.20 bring that to \$1.16 per thousand and to post a Public Hearing on the 2015 Preliminary Budget for November 12, 2015 at 7 p.m. Seconded by Councilman Roosa and
Adopted by a vote of 4 Ayes: Groff, Gritsavage, Anderson and Roosa
1-Nay: Simmons

A Public Hearing on the 2015 Budget will be held on November 12, 2014 at 7 PM.
Having no further business come before the board, Councilman Anderson motioned to adjourn the meeting at 6:52 PM, seconded by Councilman Gritsavage, and passed by,
5-Ayes: Groff, Gritsavage, Anderson, Roosa, and Simmons 0-Nays

Respectfully submitted,

Elaine Mihalik, Town Clerk