

**TOWN OF NORTHAMPTON
2016 PROPOSED BUDGET
WORK SESSION
September 24, 2015**

The Town of Northampton held a 2016 Budget Work Session on Thursday, September 24, 2015 at 7:37 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

No one from the Public was present

Supervisor Groff: In 2013 The State started doing a State Financial Stress Rating for the Town of Northampton it was approximately 22.5% and at the end of 2014 we were at 3%.

Nathaniel Matthews: The higher you are the worse off you are.

By making the changes we did last year and doing the budget the way you are supposed to, stated the Supervisor.

Nathaniel Matthew, Budget Officer has provided the Town Clerk and Town Board a proposed Town of Northampton 2016 Budget. The last couple of years have been transition years on getting the budget in the proper format and a proper line item so that a lot of shifts in different departments not necessarily in dollar amounts but reallocating in the proper area.

General A Fund

Page 10

Clerk - Equipment A1410.2 – increased to \$2,500.00 that is due to budgeting for a new computer.

Attorney – Contractual Expense A1420.4 - reduced to \$25,000.00

Page 11

Elections – A1450.4 – increased to \$12,500.00 – this is based on the estimates from the county. We have an extra Primary next year.

Buildings – We left the budget pretty high to cover repairs and painting. Also,

Contractual Expense – A1620.407 increased to \$9,500.00 - that is to potentially cover the cost of vault repairs in the cemetery rather than replacing it.

Page 12

Control of other Animals – Contractual Expense A3520.4 - \$500.00. That is for the stocking of trout in the lake.

Special Items – Contingent Account A1990.4 you have the \$40,000.00 amended to \$20,000.00 stated Councilman Anderson.

Nathanial Matthews: That was transferred to cover other expenses in the budget. It is a just in case type fund.

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The ambulance budget went up considerably. The total has gone up because of the amount of repairs and the cost of the repairs of the ambulance. The other big thing is the training.

They had to increase the training in certain areas for example “EBOLA”, stated Councilman Gritsavage. What are we putting aside for the new ambulance?

We are projecting to put in is \$20,000.00 (page 43) stated Nathanial Matthews. It will largely depend on how we make out at the end of the year from our sales tax and the revenues as to how much we can actually put in that fund. To pay for the repairs this year some of the funds from what we were planning on putting in the reserve had to transfer to cover the cost of the repairs. As a total we have in the reserve approximately \$200,000.00 for the new ambulance right now.

Discussion ensued on bids for a new ambulance.

Page 15

Historian – A7510.1 increased to \$3,000.00. The Village of Northville Board has already approved paying \$1,500.00 toward the \$3,000.00 Historian’s salary stated Nathanial Matthews.

Councilman Simmons: I think sometime we are a little to close to the Village. I’ve heard it been said that the Village is doing this and the Village of Northville has already voted on it. They approved the \$1,500 of the total \$3,000.00 but the Village has already approved it. That should not be a reason that we (Town) have too.

Gail does a nice job but that is quite an increase. That is an increase but compared to what other Historians are making and they have not given an increase with the position in years stated the Supervisor. Check with the other towns and see what they are paying their Historians. It was a suggestion from the Mayor and we do not have to give the Historian \$3,000.00. We also have a Deputy Historian in Fish House.

I am not opposed to giving the Historian more stated Councilman Simmons. I think she does a wonderful job. I don’t want it to be done because the Village did it.

The Historian has been paid the \$800 doing her job for years and has been underpaid stated Councilman Anderson. But what she has done in the past two or three years and doing it for the same rate as other people. I hear from people about the Northville Historic Business District Walking Tour and they are pleased. So think the raise is worthwhile.

That is why the Mayor wanted the Village to pay the \$1,500.00 because that Historic walk was done in the Village stated Supervisor Groff.

Page 18

Employee Benefits – Slight increase from the \$92,975.00 to the \$97,650.00. This is a matter of allocating the benefits based on where they are spending their time. You will see other shifts throughout the budget reflected in the B Fund, Highway Fund and Water as well.

Transfers for Other Uses – that is the Reserves. We removed the amount to go in for the Refuse and Recycling. That I believe is for the garbage truck and I am not 100% sure. That reserve is healthy and there is no need to fund that at this time.

The total General Fund Appropriations Budget increased from \$685,425 to \$699,000.00. That is still a razor line budget stated Nathaniel Matthews. We are not putting in a lot of extra.

Revenues

Page 19

The Sales Tax distribution I increased from \$110,000.000 to \$140,000.00 this trying to disperse it across all of the funds to offset the taxes.

Home and Community Services – you will see a couple of new line items, Sale of Cemetery Lots A2130 and Charges for Cemetery Services A2190. These were always supposed to be in the budget and I am putting them per the Comptroller Office. Previously as the revenues came in they were receipted to the cemetery bank accounts and at the end of the year the monies would be reimbursed to the General Fund off of those accounts. It is technically general fund money to begin with and it not to be a reimbursable. It supposed to be Revenue that is generated by that service. So it should be in the Revenues in the General Fund.

Nathaniel Matthews: The overall increase in Revenues is largely due to the Sales Tax increase.

Tentative Budget General A Fund Year Ending December 31, 2016 for:

“A” General -Townwide Fund

Appropriations	\$699,000.00
Revenues	\$237,800.00
Less Appropriated Cash Surpluses	\$196,866.18
Raised by Tax	\$292,333.82

General B Fund

Page 22

Law Enforcement - B3120 - We did not do a contract with the Village for this year and I not sure if you are looking at it for next year. You will see a budgeted amount of \$10,000.00. That is in case the Town decides they want to enter into contract for Law Enforcement.

Councilman Simmons: Is there any intention of using that \$10,000.00 on the law enforcement?

The previous Town Board always had \$5,000.00 budgeted in case they needed to contract with the Village or Fulton County stated Supervisor Groff. With a new Sheriff coming in we might want the Sheriff to come around sometimes in the summertime when we have the problem on Houseman Street and a few other places. It can come out if the board wishes. If the money is in there and it does raise the budget, it's a cushion. If we need the money elsewhere we can transfer it.

Discussion ensued.

Publicity – B6410.4 - \$5,000.00

We are looking at doing publicity for the whole Town stated Supervisor Groff. We are trying to get people to come up into the area.

Councilman Simmons: Who is going to do the publicity?

Nathaniel Matthews: The County. From what I understand they are hiring somebody who does advertising, publicity, marketing for municipalities. If the Town does decide to opt into it this amount would be our share of the salary.

Youth - B7320 - The Youth has an increase based on what the Boards approved when they approved the Village and the Town contributions to the program. This amount is slightly inflated to cover the current fiscal year of the Youth Program and the full amount for next year's program.

Page 23

Refuse & Garbage - The previous amount was \$47,650.00 was budgeted and the increase would be increased up to \$58,000.00. That was mostly based on the amount of repairs on the garbage truck requires. The Village of Northville is using it also and they are paying 50% of the cost of the repairs. The largest besides the \$5,000.00 that is put in there for repairs which is new to me because that is in their salaries. That is based on the projected amount that they are going to spend.

Page 24

Total General Fund Appropriations goes from \$153,250.00 to \$188,700.00.

The largest items are the garbage, the youth and promotional.

Revenues

Page 25

There are no large changes on the Revenues side.

We do have the salaries; insurance and the retirement with increases in those stated Supervisor Groff.

“B” General –Outside the Village Fund

Appropriations	\$188,700.00
Revenues	\$120,000.00
Less Appropriated Cash Surpluses	\$ 68,700.00
Raised by Tax	\$ -

Highway DB Fund

Page 27

I took what we were spending this year and based everything off of that plus what the Highway Superintendent is looking for in paving among other things.

General Repairs – Paving & Sealing and Capital Improvement - C.H.I.P.S those two line items combined are the total paving budget which this year we are looking at \$170,000.00. I still think that is low for what the Highway Superintendent is requiring but that is what we can afford in the budget right now.

Machinery - there where a few allocations that were decreased because of the contractual expenses. A large amount of the garbage truck repairs were being put under there, allocated under the B Fund where the garbage truck actually is and where the repairs should be occurring.

Page 28 and 29

Snow removal and Services for other Governments - Those are for the snow removal generally. Our portion is usually 2/3 county roads and other services we provide are 1/3 to come up with the total overall budget. The largest increases are the Salt; fuel; heating; sand; things of that nature.

Councilman Gritsavage: Is there any chance we are going to see less with the lower price for fuel? Is that going to be a savings to us?

Nathaniel Matthews: I would hope so but with the amount that Salt is going up and everything else. Last year’s budget it was particularly hard with the increase of Salt and we were going through a ton of it. To try and make sure we have enough for another year hoping that it is not quite as bad. I used that figure projected out for winter months that are still to come.

Discussion ensued on the cost of Diesel fuel.

Page 30

Employees Benefit – this is a reallocation of where they are spending their time based on their time sheet I receive.

Transfers & Other Uses – I am hoping to put a little more into the Machinery Reserve – the highway equipment reserve. There is virtually nothing in there. We have to start somewhere. I increased that by \$10,000.00. I handle it with Board approval. If the fund can support it by the end of the year, if we have excess revenue in there that we haven’t spent and the fund balances are growing well. We take a little of that and put it into reserve if available.

Page 31

Sales Tax I have allocated the same. The contracts with the Town are the same so there were no changes. C.H.I.P.S. - looks to be the same from the State.

“DB” Highway-Outside the Village Fund

Appropriations	\$662,100.00
Revenues	\$445,500.00
Less Appropriated Cash Surpluses	\$216,600.00

Raised by Tax \$ -

Fire Fund

Page 32

Councilman Gritsavage: Did Kenyetto Fire District for Fish House put in a request for an increase of \$10,000.000?

Nathaniel Matthews: No, that is just to cover in case they do ask to increase it. Last year they increased it after we had the budget. The Sales Tax is what pays for all the Fire Contracts.

Councilman Simmons: The Village of Northville Fire District is \$95,000.00 instead of \$85,250.00, this is excluding Fish House?

Right now it looks to be no changes to the contracts but with the new firehouse coming and not knowing where things are going with the financing we put a little extra in there just in case state Mr. Matthews.

And they will have to raise the rates stated Supervisor Groff. We are paying a little over 40 cents a thousand. That’s cheap compared to the rest of the county. \$1.94 in Berkshire and it’s over a \$1 per thousand in Johnstown. We may have to increase it a little. It comes out of the Sales Tax money.

The discussion ensued on the Fish House area Fire District Fund.

“SF” Fire District Northampton/Fishhouse Fire District Fund

Appropriations	\$ 94,250.00
Revenues	\$ 94,250.00
Less Appropriated Cash Surpluses	\$ -
Raised by Tax	\$ -

Sacandaga Lighting District

No changes for the Lighting.

There is a slight decrease in the amount being budgeted.

“SL” Lighting District Fund

Appropriations	\$ 22,000.00
Revenues	\$ 5.00
Less Appropriated Cash Surpluses	\$ 1,212.02
Raised by Tax	\$ 20,782.98

Sewer Fund

Page 34

Had no significant changes stated Mr. Matthews.

Page 35

Engineer – SS8440.4 – decreased from \$20,000.00 to \$15,000.00. I’m not sure where we are going with the projects stated Mr. Matthews.

Page 36

Total Sewer Fund Appropriations - those were a decrease from the \$251,450.00 to \$239,150.00.

The Employee Benefits is another large area of decrease. They are not spending as much time is Sewer as they are in Highway and that is where the funds were shifted.

“SS” Sewer Fund

Appropriations	\$239,150.00
Revenues	\$ 37,875.00
Less Appropriated Cash Surpluses	\$130,681.00
Raised by Tax	\$ 70,594.00

Water Fund

Page 38

A third of the changes are on the Source of Supply. The overall budget decreased by approximately \$4,000.00. They are actually spending more money in Transmission & Distribution than Source of Supply. That is where the funds have been shifted.

Page 39

Engineer – I kept that at \$20,000.00. I don’t know if you have projects in the works where you will be utilizing the Engineer more or not.

Councilman Anderson: A couple of years ago there are significant cracks in the water tank. All of a sudden that could happen. What do we have in a reserve for this?

Nathaniel Matthews: We have \$178,000.00 in reserves on the next to last page for the water system.

Page 40

Councilman Anderson: There is \$15,000 in the water system.

Nathaniel Matthews: I would like to start increasing the amount that is going into the Reserve. I don’t think that is adequate for what is coming down the pike with replacing meters, welding the tanks and things of that nature.

Councilman Anderson: That should take care of things should something go wrong.

Employees Benefits – You will see a decrease based on the allocation of where the employees will be spending their time.

Page 42

That is your Estimated Surplus at the end of the fiscal year. It is not negative on any of them which is not a good thing. We were running in the negative a couple of years ago. Why is that that we are not in a cash deficit because of the increase of taxes?

Nathaniel Matthews: That was a huge help. It was a matter of cutting the budget; slowing the spending in areas as such as the highway fund and there were several different factors that assisted this. Reapportioning Employee Benefits and Salary where they were actually supposed to be spent. There were more in water and sewer.

Nate has the workers breaking their hours down to where they were actually working and he would have it taken from that fund stated Supervisor Groff..

“SW” Water Fund

Appropriations	\$220,150.00
Revenues	\$ 51,100.00
Less Appropriated Cash Surpluses	\$102,775.00
Raised by Tax	\$ 66,275.00

The last page is the Statement of Debt for the Water System.
The outstanding E.F.C. Drinking Water Serial Bonds issued 1998 at 0.00% interest rate.
Outstanding Dec. 31, 2015 is \$128,526.00; due 2015 \$30,684.00; due in 2016 \$31,263.00
and Maturity will be in 2019.

Approximate rate per thousand of assessed value for the General Fund

<u>2015</u>	<u>2016</u>
1.16	1.18

Discussion

Pages 43 through 47 are salary schedules and they are yet to be determined stated Nathaniel Matthews. There are a lot of skips in the pages you will notice. In the beginning of the budget are notes to the budget that will be filled out when the Board approves and adopts the 2016 Budget.

Councilman Simmons: What does the Village of Northville contribute to the Ambulance?

Nothing stated Supervisor Groff.

Councilman Simmons: Why?

Supervisor Groff: Because they never have. It is Townwide.

Discussion ensued on the A Fund and the B Fund; and the cost breakdown between the Town and the Village; and the availability of the ambulance to everybody in the town and village.

Councilman Anderson: Why can't we charge the people who have insurance that can pay for the ambulance?

If we did that we would have to change our entire system stated Councilman Gritsavage. Discussion ensued.

Nathaniel Matthews: This budget reflects the proposed salaries. The levy is within the Tax Cap. It is It would be .85% overall levy. This based on the current evaluation. It is a \$0.01 per thousand decrease in the Lighting; a slight decrease in the Sewer; a \$0.02 increase which is overall in the General Fund. It would be a \$0.02 increase per \$1,000.

Councilman Simmons: If we are \$0.02 per thousand is there any way we could be \$0.00 per thousand?

Because they did that for how many years and it put us behind the eight ball stated Supervisor Groff. If it is only 2 cents and it is under the tax cap we need to say ahead of the game.

Councilman Simmons: Page 8. Secretary to the Supervisor – Could that position be eliminated and combined with Secretary to the Supervisor, Deputy Clerk and a Clerk for the Court?

The Deputy Clerk is the Clerk's decision and Mr. Farquhar doesn't want anyone but his wife as Clerk and Mrs. Lewek doesn't want a Clerk. So why would we hire one if they don't want one? How about the tax collector in the future?

Discussion ensued.

Something to think about in the future is the Cemetery Caretaker position after the current one retires. Very few communities have permanent workers in the cemetery stated the Supervisor.

Councilman Simmons: I wouldn't have any problem with increasing the salary of the Board members 2%. We work hard for very little. I could certainly see not doing that last year with the situation that we were in. That would be \$52 a year increase.

If you are going to do that, then everyone should get a 2% increase stated Councilman Anderson. I would be in favor of this next year.

Discussion ensued.

If you are talking about everyone then that would include the Town Clerk and the Budget/Bookkeeper. I will stay the same stated the Supervisor.

Nate can do the calculations for the 2% increase for those that didn't get the increase (Town Clerk, Budget Officer, Town Board members) for the next meeting for the board to consider stated the Supervisor.

The second 2016 Budget work session will be held on Tuesday, October 6, 2015 at 6:30 p.m.

Having no further business come before the board, Councilman Anderson motioned to adjourn the meeting at 7:59 PM, seconded by Councilman Gritsavage, and passed by, 5-Ayes: Groff, Gritsavage, Anderson, Roosa, and Simmons 0-Nays

Respectfully submitted,

Elaine Mihalik, Town Clerk