

**TOWN OF NORTHAMPTON
2021 PROPOSED BUDGET
WORK SESSION
September 23, 2020**

The Town of Northampton held a 2021 Proposed Budget Work Session on Wednesday, September 23, 2020 at 6:30 p.m. in the Municipal Building, 412 South Main St., Northville, NY.

PRESENT: Supervisor: James Groff
Councilmen: Darryl Roosa, William Gritsavage, and Molly Zullo
Absent: Councilman Art Simmons

RECORDING SECRETARY: Elaine Mihalik, Town Clerk

Other Town department representative in attendance was:

Bookkeeper/Budget Director- Nathaniel Matthews
Ken Cramer – Highway Superintendent

Town Clerk, Elaine Mihalik had provided the Town Board a proposed Tentative 2021 Town of Northampton Budget at the September 23, 2020 Budget Work Session. Supervisor Groff has asked Nathaniel Matthews, Budget Officer to explain what they had discussed, what he had come up with and where we are at.

It was asked, how far are we over the Tax Cap?

The Tax rate tax amount the same meaning \$1.56 and \$0.27 no increase in the actual taxes. We are over by \$36,815 +/-10%.

Nathaniel Matthews stated that he is still working with the State Comptroller regularly with the Fire District and their conversion of how they wanted us to cut out just shy of \$95,000.00 out of taxes.

That is what they reduced the tax levy by, by removing the Water Tax that cut out \$53,000 of it. Instead of shifting the \$53,000 of it we just kinda ate that. That is approximately ½ of what they wanted us to reduce. We are over the limit considerably with no increase in actual dollars and cents. It is a slight increase because the assessments went up but we are keeping the dollar amount the same and we are still over by the \$36,000.00.

Usually it goes up every year. We try to keep it within a certain figure but we having been trying to rebuild the budget to a full operating budget and build some fund balance. The rates should go up every year but this year with everything happening with COVID, with the transfer of function. So, we removed \$95,000.00 from our budget by taking it and putting it into a Fire District. The Comptroller does not care how we pay for it. The Comptroller's Office just says your budget should go down by \$95,000.00 therefore it is \$95,000.00 less in taxes. I told the Comptroller's Office that it would absolutely kill the Town. They asked if we had passed a tax over ride and we did.

If we leave it right where we are we are over the cap but we still have not raised the taxes stated Supervisor Groff.

We are actually reducing the amount levied explained Nathaniel Matthews. Supervisor Groff explained that in 1941 the board formed a Fire District but never had it as a line item. They were paying with the insurance money which is illegal which they should have had a line item in the budget. Then somewhere in the 1980-1990 they decided to pay it out of the sales tax money. It wasn't in the budget, so to speak. Now it is going to be a line item for the Fire District.

Nathaniel Matthews stated that the outlook of where we are going to be at the end of this year with the preventive measures that the town has taken with not replacing the vacancy on the highway crew and cut backs on pretty much every angle and the fact that we did not get hit with the Sales Tax reduction that a lot of people did. We are actually coming out good. I also budget very conservatively always just because it's a fluid number. You never know what is going to happen. We are actually coming in within the budgeted amount. Our fund balances are actually increasing for the town pretty much across the board. The lighting which a planned reduction and because it has such a high fund balance it actually is going up. Not by a lot but it is increasing. The highway Fund is going up but not by a lot. The projected increase is going up by \$9,900.00. COVID is coming still and not knowing where it is going to come next year. Supervisor Groff and I have talked quite a lot about the budget. The salary reflects 0% pretty much across the board except for a couple of exceptions. The Assessor was one of the only one seeing an increase and it was putting her half way basically more on the lower side between where she was and where she went down when she retired. The logic behind that was because when that she is not having Audrey coming in. The Assessor is doing the work and it is a shift from that line item to her. The labor crew gets a 2% increase based on their contract. There was a shift of water administration to from me to Wendy because she is really handling the front-line work. There is a line item for the Court Clerk now.

COURT CLERK

Supervisor Groff explained that Judge Lewek called him and requested a Court Clerk because of the COVID and all the things that the State is requiring. She explained that we just can't do it. Judge Farquhar wanted the Town to hire Ruth and I explained that you can't hire your wife. We could put it out for a job, interview and we can hire somebody. Judge Farquhar didn't want to hire someone else and at that time Judge Lewek didn't want to hire anybody. We had money in there and it is probably not going to be more than \$5,000.00 for a year. But we are going to have to have somebody. After discussion a motion was made as follows:

MOTION: Councilman Gritsavage motioned to approve to hire a Court Clerk for the Town of Northampton Justice Court. Councilwoman Zullo seconded the motion and passed by a vote of

4-Aye: Groff, Gritsavage, Zullo and Roosa

0-Nays

0-Abstain

Nathaniel Matthews explained that the budget is built around in keeping the Tax rate the same. The salaries that are projected before you obviously are a shift in Sales Tax. There were some requests.

* The Town Clerk has requested a new computer for her Deputy Clerk to update and to incorporate new cemetery data.

*The Sales Tax Mr. Matthews budgeted for this year is \$766,000.

*Increasing the Highway Budget up to \$400,000 in Sales Tax to accommodate Ken Cramer's request:

- \$75,000.00 for paving
- \$58,000 in C.H.I.P.S.
- There is some equipment budgeted for excavator lease and also mower rental.
- \$25,000 for rehab of well #2, that is a budgeted item and we cannot afford to take it out of reserve.
- Ken also has \$40,000 for sewer repairs which that we can utilize out of the budget for that but we can plan it to come out of reserve.

General Fund

Page 1. There has been nothing substantial that has changed.

The Court Clerk \$5,000.00 is the new line item.

Page 2. Independent Audit and Accounting

A large reduction the contractual \$15,150.00 to 3,500.00 that is because all of the software has now been implemented, and been converted and everything is up and running.

Page 3. The change in Assessor salary.

Page 4. Buildings - The change in equipment. I put that in there for the new electronic sign out front.

Page 5. No substantial changes.

Page. 6. No substantial changes. There were reallocation of appropriations.

Page 7. We are still within our budgeted items.

Page 8. No substantial changes. Slight increase of allocation of highway in the Park.

Page 9. Increase in Refuse & Garbage for the increase in payroll.

Page 10. Employee benefits. Employer contributions projected amount is going up by 14%. There is an allocation through the fund to retirement that covers that increase plus some. Worker Comp has been working well for us, we haven't had anything substantial. I did budget a healthy amount in unemployment because based on their rates and with what is going on we don't know what they are going to hit us with. It depends on what is happening. The hospital and medical is always based on worst case scenario.

The transfer of reserves. I did decrease the transfer to building funds and put that into the building equipment to cover the sign. Rather than doing the transfer later.

Page 11. I really budgeted the Sales Tax conservatively. I still feel even with a reduction in 4th Quarterly that we are going to be okay.

I did try to budget tight knowing that we also had that extra \$95,000.00 that was utilized for Fire, that came over and that being all factored in the allocation.

Page 12. I am not anticipating any changes for revenues.

Page 13. Employees contributions to health insurance. Retirees and new employees contribute. State Aid- I am not sure that is going exist or not. The NYSERTA we are at the tale end of that grant. We only have one more project we need to do. Then we will be reimbursed the \$15,000.00 out of that. that will be an expense that will be reimbursed.

B Fund

Page 14. We still have the \$5,000.00 in the Law Enforcement.

Under Youth the amount remains the same. I had the Town Clerk ask to have an official motion from the Joint Youth Commission to not have the Towns contribute anything to the Youth Program this year. Even though we are still paying salaries and with the little bits that are going on. I didn't feel it to be fair if there is not a program or events to collect from each township. So, based on not program and no events let the contracts hold over for a year and utilize from balance. We have a health fund balance.

Page 15. No substantial changes

Page 16. The change is in the health insurance.

Page 17. Bumped up the Sales Tax to help accommodate the B Fund to be self-sustaining from \$100,000.00 to \$130,000.00. Franchises are coming in strong still \$14,000.00 to \$17,500.00, which is conservative.

Page 18. Interest is not doing anything.

Mortgage Tax bumped up from \$50,000.00 to \$52,500.00. I think that is a very conservative approach.

Highway Fund

You are going to see the reflections of Ken Cramer, Highway Superintendents requests.

Page 19. Paving. Last year we budgeted \$65,000.00 and amended it up to \$75,000.00. C.H.I.P.S. has seen a reduction. Who knows what that reduction will actually be when all said and done with the state budget? Right now, they are saying a 20% reduction. Ken Cramer's was told what we will bring in is \$58,000.00. If this holds true, we will see. Whatever we get from C.H.I.P.S. I am sure we will spend. There is an offsetting revenue on the other side.

Page 20. Brush and Weeds the allocation is in personal Services. That has been increased because they have spent more time in doing that.

Snow Removal, I am not sure if that is a realistic amount. Snow removal is split between Snow Removal on page 20 and Services for Other Governments on page 21. That is also plowing the county roads also. We are tight coming in and I think this budget here is going to accommodate that overall.

Page 21. Not substantial changes.

Page 22. Employees benefits with a slight increase in Social Security.

The Debt Service. We acquired a new debt.

This is the last year for the payment for the Truck. That will be going away next year. There is \$20,000.00 in machinery.

Page 23. Revenue - We increased the Sales Tax Distribution by the County in the Highway Fund from \$320,000.00 to \$400,000.00.

Page 24. C.H.I.P.S. this is the appropriations.

Fire District

Page 25. This is a transfer of function. We were paying just shy of \$95,000.00 that has been removed from the budget. The only thing in the in the budget is the Fish House Broadalbin Kenyetto Fire Protection, which we have been informed has not changed and it will be the same as last year.

Sacandaga Lighting SL Fund

Page 26. Still budgeting \$16,000.00 as in the past. The changes in lighting would normally be a reduction in the tax rate. However, with everything already the way it is we are at a good rate of reduction of getting that down in Fund Balance savings.

Sewer Fund

The Budget hasn't changed at all. The budget we do are for a three year projected budgets basically.

On the bottom of page 28 you can see the change from \$159,975.00 to \$161,575.00.

That is reallocations and slight increases of where they need to be.

Page 29. There are a little bit of differences \$500.00 in Social Security Benefits.

Hospital & Medical Insurance there is only a \$500.00 increase. We are budgeting \$50,000.00 in sewer reserve because we are going to need it.

Page 30. Keep in mind that the Sewer Tax is going to remain the same at \$40 per point this year.

Everyone one that is not on meters that are not receiving water billing will have to have a meter installed that way we can factor out the rate based on their usage on the consumption of water because of a percentage of what comes in goes out.

Water Fund

Page 31. The big changes are the Sources of Supply, Power & Pumping. That is where I have budgeted the \$25,000.00 rehab of the well. It went up from \$4,250.00 to \$30,000.00.

Page 32. There were really no substantial changes. A slight allocation in the Purification line.

Page 33. A slight alteration in the Employees Benefits with a reduction in the State Retirement it is reallocated elsewhere. Social Security has changed a little based on salary. Health Care went up and we are also budgeting \$20,000.00 to go into the reserve.

Page 34. Water Revenue- Metered water Sales. \$150,000.00 there is no tax. It is going to be levied for water. All coming through metered sales.

Page 35. Is Schedule 3 Estimated Surplus at the end of the year. The very bottom line is going to show you not only how much do we have at the end of the year. But how much is left after appropriating Fund Balance for the new and upcoming budget.

General -Townwide Fund

Appropriations	\$910,390
Revenues	\$304,100
Less Appropriated Cash Surpluses	\$201,641
Raised by Tax	\$404,649

“B” General –Outside the Village Fund

Appropriations	\$216,730
Revenues	\$212,200
Less Appropriated Cash Surpluses	\$ 4,530
Raised by Tax	\$ -

“DB” Highway-Outside the Village Fund

Appropriations	\$644,700
Revenues	\$510,650
Less Appropriated Cash Surpluses	\$134,050
Raised by Tax	\$ -

“SF” Fire District Northampton/Fishhouse Fire District Fund

Appropriations	\$11,500
Revenues	\$11,000
Less Appropriated Cash Surpluses	\$ 500
Raised by Tax	\$ -

Sacandaga Lighting District

“SL” Lighting District Fund

Appropriations	\$ 16,000
Revenues	\$ 50
Less Appropriated Cash Surpluses	\$ 4,118
Raised by Tax	\$ 11,832

The budget has decreased.

Sewer Fund

“SS” Sewer Fund

Appropriations	\$236,765
Revenues	\$ 38,950
Less Appropriated Cash Surpluses	\$136,255
Raised by Tax	\$ 61,560

Water Fund

“SW” Water Fund

Appropriations	\$206,645
Revenues	\$151,250
Less Appropriated Cash Surpluses	\$ 55,395
Raised by Tax	\$ -

If you have no changes on this proposed 2021 Budget then I will file it with Elaine Mihalik, Town Clerk as the 2021 Tentative Budget.

The Town Board was in agreement to file the proposed 2021 Budget as the 2021 Tentative Budget with Elaine Mihalik, Town Clerk. It can be changed if needed as presented as the 2021 Tentative Budget.

Having no further business come before the board, Councilman Gritsavage motioned to adjourn the meeting at 7:250p.m. Seconded by Councilman Roosa and passed by, 4-Ayes: Groff, Roosa, Gritsavage, and Zullo 0-Nays

Respectfully submitted,

Elaine Mihalik, Town Clerk