

VESTAL TOWNBOARD WORK SESSION MINUTES
MONDAY, OCTOBER 1, 2018

Board Attendance: Supervisor Schaffer; Board Members: Messina, Fitzgerald, Majewski
Absent: Fletcher

Also Attending: Town Comptroller Laura McKane, Deputy Comptroller Nick Angeline and Town Clerk Emil Bielecki.

Supervisor Schaffer convened the Work Session at 5:00 PM.

Review of the 2019 Tentative Town Budget

Comptroller Laura McKane referred to the 2019 Tentative Budget to begin the review process, the summary of which is as follows:

TOWN OF VESTAL - BUDGET SUMMARY
2019 Tentative Budget

	APPROPRIATIONS	ESTIMATED REVENUES	APPROPRIATED FUND BALANCES & DEBT RESERVES	TAXES TO BE RAISED	TOTAL REVENUES & OTHER SOURCES
General Fund	\$12,106,117	\$6,269,384	\$221,970	\$5,614,763	\$12,106,117
Highway Fund	\$5,879,154	\$2,962,011	\$49,153	\$2,867,990	\$5,879,154
Fire General Fund (Incl. Foam Dist.)	\$1,423,514	\$10,450		\$1,413,064	\$1,423,514
Special District Funds:					
Consolidated Water District #1	\$3,465,611	\$2,854,391	\$284,370	\$326,850	\$3,465,611
Consolidated Sewer District #1	\$4,448,496	\$3,688,700	\$249,866	\$509,930	\$4,448,496
Central Light	\$270,400	\$0	\$10,400	\$260,000	\$270,400
Drainage Districts	\$99,536	\$658		\$98,878	\$99,536
Debt Service Funds:					
Water Districts	\$1,160	\$39		\$1,121	\$1,160
Internal Service Fund:					
Health Insurance (net of interfund trans.)	\$542,186	\$382,500	\$159,686	\$0	\$542,186
Expendable Trust - LOSAP (net of interfund trans.)	\$53,100	\$0	\$53,100		\$53,100
TOTALS	\$28,289,274	\$16,168,133	\$1,028,545	\$11,092,596	\$28,289,274

2019 Tax Levy Limit = \$10,971,661

Difference 120,935.00

2019 TOWN TAX RATE - TENTATIVE BUDGET	
GENERAL FUND	\$ 3.0157
HIGHWAY FUND	\$ 1.5404
SUB-TOTAL	\$ 4.5561
FIRE GENERAL FUND	\$ 0.7346
TOTAL	\$ 5.2907

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TOWN OF VESTAL - TAX RATE WORKSHEET
2019 TENTATIVE BUDGET

FUND	2018 Taxes Raised	2018 Rates @ Full Value	2018 Adopted Budget	2019 Tentative Budget Appropriations	Non-RPT Rev. Excluding Approp FB	Appropriated Fund Balance & Reserves	Real Property Taxes to be Raised	2019 Projected Tax Rates	% Change 2018 Final Tax Rate to Tentative Budget	Change per \$1,000 of Assessment
General Fund	\$5,452,355	\$2.9646	\$11,652,607	\$12,106,117	\$6,279,384	\$221,970	\$5,614,763	\$3.0157	1.72%	\$0.0511
Highway Fund	\$2,671,568	\$1.4531	\$5,602,526	\$5,879,154	\$2,984,818	\$40,406	\$2,867,990	\$1.5404	6.01%	\$0.0873
TOTALS	\$8,123,923	\$4.4177	\$17,255,133	\$17,985,271	\$9,264,202	\$262,376	\$8,482,753	\$4.5560	3.13%	\$0.1383

% Increase in Spending
4.2%

% Change in Levy
4.4%

Tax Change for Home with \$100,000 AV \$13.83
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Assessed Value 2019 = \$1,861,870,000 (tentative)

2019 FIRE DISTRICT - PROPOSED BUDGET PROJECTION

	2018 Taxes Raised	2018 Rates @ Full Value	2018 Adopted Budget	2019 Proposed Appropriations	Non-RPT Rev. Excluding Approp FB	Appropriated Fund Balance & Reserves	Real Property Taxes to be Raised	2019 Proposed Tax Rates	% Change 2018 Final Tax Rate to 2019 Proposed	Increase per \$1,000 of Assessment
Fire Gen. Fund	\$1,296,686		\$1,311,137	\$1,423,514	\$10,450		\$1,413,064			
Less Foam Dist	\$16,700		\$16,700	\$17,000			\$17,000			
Fire District Wide	\$1,279,986	\$0.6771	\$1,294,437	\$1,406,514	\$10,450	\$0	\$1,396,064	\$0.7346	8.50%	\$0.0575

% Change in Spending
8.6%

% Increase in Spending (without Foam District)
8.7%

% Increase in Levy without Foam District
9.1%

Tax Increase Home with a \$100,000 AV \$5.75

Assessed Value 2019 = \$1,900,443,000 (tentative)

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FUND BALANCE PROJECTION FOR 2019 TENTATIVE BUDGET

	GENERAL FUND	HIGHWAY FUND	FIRE DISTRICT
UNRESTRICTED FUND BALANCE @ 12/31/2017 (including prepaids & encumbrances)	\$2,958,879	\$952,316	\$436,194
-PROJECTED EXPENDITURES FOR 2018 (WITHOUT RESERVE EXP)	\$12,198,917	\$5,664,148	\$933,840
+PROJECTED REVENUES FOR 2018 (WITHOUT RESERVE REV)	\$11,290,122	\$5,682,785	\$927,923
=ESTIMATED FUND BALANCE @ 12/31/2018	\$2,050,084	\$970,953	\$430,277
- RESTRICTIONS OR ENCUMBRANCES			\$250,000
- APPROPRIATED IN 2019 OPERATING BUDGET	\$201,400	\$0	\$0
=EST. UNRESERVED UNAPPROPRIATED FUND BALANCE AT 12/31/18	\$1,848,684	\$970,953	\$180,277
AS % OF 2019 TENTATIVE BUDGET APPROPRIATIONS	15.2794%	16.5152%	12.8173%
	WATER DISTRICT	SEWER DISTRICT	CENTRAL LIGHT
UNRESTRICTED FUND BALANCE @ 12/31/2017 (including prepaids & encumbrances)	\$1,721,706	\$1,747,833	\$52,196
-PROJECTED EXPENDITURES FOR 2018 (WITHOUT RESERVE EXP)	\$3,106,037	\$3,681,673	
+PROJECTED REVENUES FOR 2018 (WITHOUT RESERVE REV)	\$3,204,812	\$3,618,903	
=ESTIMATED FUND BALANCE @ 12/31/2018	\$1,820,481	\$1,685,063	\$52,196
- RECOMMENDED TO RESERVE FOR NEW TREATMENT FACILITY	\$700,000		
-UNRESERVED FUND BALANCE APPROPRIATED FOR 2019 OPERATIONS	\$228,563	\$243,906	
=EST. UNRESERVED UNAPPROPRIATED FUND BALANCE AT 12/31/18	\$891,918	\$1,441,157	\$52,196
AS % OF 2019 TENTATIVE BUDGET APPROPRIATIONS	26.5674%	34.1224%	19.6966%

Comptroller McKane noted that the Tentative Budget is about \$120,000 over the state mandated tax cap but it should not be that difficult to bridge that gap this year. The sales tax revenue is quite strong and could offset most of the gap. Other comments made about the status of the 2019 budget include:

- Although spending is up about 4.2%, the projected tax rate increase is up a smaller 3.13% primarily due to a higher assessed value of the properties in the Town.
- The calculated levy limit is higher than 2% because we still have some credits that we can carry over from prior years.
- The fund balances in most accounts are healthy and are above the range recommended by the State Comptroller. We have already allocated fund balance in the Tentative Budget, but there is room to allocate more. She recommends that the Board review the capital requests for 2019 and select some projects which could be financed with fund balance.
- In the Sewer District, we are anticipating substantial increases in what we pay to the two sewage treatment plants, particularly to the JC/Binghamton Joint Sewage Treatment Plant. The cost escalation will likely mean that we will need to raise sewer rent fees.

The remainder of the meeting was devoted to reviewing budget line items in individual departments, particularly those that showed the most significant increases from year to year. This process will continue through the month of October and some department heads will be asked to meet with the Board for additional discussion.

The Work Session adjourned at 6:28 PM.

Respectfully submitted,
Emil Bielecki, Town Clerk