



# The Town of East Greenbush

## TOWN SUPERVISOR'S OFFICE

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TO: Honorable Members of the Town Board  
FROM: John J. Conway, Town Supervisor  
RE: 2019 Tentative Budget Message  
DATE: October 1, 2018

It is my privilege to present to you the Town of East Greenbush's Tentative Budget for 2019. I believe it's a fair document that will allow us to effectively provide essential Town services while maintaining an approach that is fiscally prudent and safeguards the use of taxpayer funds. Revenue projections are conservative while expenditures are carefully calculated to ensure the continued delivery of essential services. There is no tax increase in the 2019 Tentative Budget. The amount of total taxes to be levied is the same as last year, \$9,177,300.00. Holding the tax levy constant means that this budget is \$409,472 (or 4.27%) below the New York State Property Tax Cap.

The 2019 budget presented some difficult challenges due to the Town-wide reassessment that was completed this year and the decision of school district voters to raise the school tax by 4.27%. In response to the increased tax burden we crafted a budget that comes in 4.27% under the New York State Property Tax Cap.

The highlights of the 2019 Tentative Budget include:

- No tax increase;
- No reduction in essential services;
- One new position added which will allow us to hire an MS4 Coordinator/Code Enforcement Officer;
- A Funds Balance Analysis page showing that *all* Interfund Borrowing has been repaid;
- Funding to replace and upgrade the HVAC system in Town Hall;
- Funding for the update of the Town's Comprehensive Plan;
- Reduction of \$350,000 in debt service on the Wastewater Treatment Plant due to bringing the final phase of the project in under budget;
- Slight increases in the contract amount for the Best-Luther and 3<sup>rd</sup> Avenue Fire Protection districts;

For the third year in a row, GEIS fees that have been collected since December 2015 are described separately on the Analysis of Fund Balance page. The salaries of elected officials remain the same.

A number of factors posed a challenge in arriving at this budget, including:

- The rising cost of health insurance for retirees as the Town's cost for Medicare Part B was increased from an average payment of \$104.90/month to an income-based approach that will cost the Town an average of \$134.00/month;
- The rising cost of health insurance for current employees: MVP is projecting a 10.2% increase while Empire is projecting a 7% increase and CDPHP is projecting an 3.4% increase;
- The rising cost of the Town's municipal insurance;
- The consolidation of the two water districts required projections of water rates and property taxes;
- Negotiations for a new contract with Council 82 (Police) and CSEA (DPW) have not been concluded so projections had to be used to calculate salary increases;
- Increase in energy costs.
- Despite making major strides by refinancing the Rensselaer County Water and Sewer Authority debt ( a savings of \$99,944 this year) and bringing the WWTP final phase in under budget we still have substantial debt service responsibilities.

We have included copies of the individual department budget requests to facilitate your review and analysis of the Tentative Budget. This budget was prepared by a team consisting of the Town Supervisor, the Director of Finance and the Town Comptroller. Meaghan Hart and George Phillips worked extremely hard to assist in the preparation of the Tentative Budget. We are available to meet with Town Board members at your convenience to review and explain the assumptions and methodologies used to arrive at our final figures. I look forward to working with you on the Preliminary Budget.