

A Budget Workshop was held on Thursday, September 1, 2022, at 5:30 p.m. in the Meeting Room at Town Hall located at 323 Charlton Road, Ballston Spa, New York.

Those present were Supervisor Connolly, Councilman Fendrick, Councilman Carota, Councilwoman Jasinski, Highway Superintendent Joe Whalen, Comptroller David Urkevich, Deputy Comptroller Erin Hadcock, and Town Clerk Carol Gumienny.

Town Comptroller David Urkevich began the presentation by thanking the Board members for sitting with him prior to go over Town finances, our Town Attorney, and the Town Clerk on the budget process.

He stated that tonight, Funds A, B and Highway will be discussed. The 2023 budget will again, not impose a Town or Highway tax to sustain operational costs. The Town has benefited from its growth and respective share in Saratoga County's sales tax revenues. 2022 sales tax revenue is exceeding expectations and he has prepared a 2023 budget using conservative revenue estimates.

Fund A includes Town-wide expenditures, including Town Board, Town Court, Town Attorney, Tax Collector, Town Historian, Elections, Town Comptroller, Town Supervisor, Highway Superintendent, and administrative personnel assigned to each department, as well as Town-owned property and maintenance like Parks (excluding Jenkins Park) and Hillside Cemetery.

Fund B is Town-outside of the Village expenditures. This includes Planning, Zoning, and drainage functions, in addition to programs for youth and aging.

The Highway Fund is Town-outside of the Village road repairs, snow removal, brush and weekly maintenance, related machinery and equipment, personnel, and contractual expenditures.

**Councilman Curtiss arrived at 5:43 p.m.**

Library, Water Funds, Jenkins Park, Lighting Districts, Public Safety Districts, and Sewer Districts will be discussed on Thursday, September 8, 2022.

The 2023 budget includes a 2% wage increase for elected officials and staff, along with a 3% wage increase for union labor pursuant to the collective bargaining agreement. Revenue trends are prevailing at unprecedented levels along with expenses. Costs have increased due to greater demand for services and historic levels of inflation impacting commodity and service prices across all funds. Like last year, the Town will set the water rates annually based on the upcoming fiscal year's budget. The Town Board will hold Public Hearings on all water rates in October. The Town is evaluating a massive expansion of the existing Parks District to include all parks for the benefit of all Town residents. This is the result of the public response to the Town's Comprehensive Plan surveys and may be presented for formal consideration in the fall of 2023 subject to a referendum.

Funds A, B, and Highway are mostly funded with sales tax revenue. There is a delay in receiving sales tax revenue by a few months. As the Town receives the money, it is populated into the Highway Fund, Fund B and Fund A, in that order. Mortgage tax is the second largest revenue source and exclusively goes to Fund A. Mortgage tax is a result of home purchases, refinancing, mortgages, etc. Steady trends are seen. Other revenue sources include utilizing the 2022 surplus

and or/ the remaining ARPA funds. This is a key component to this budget. Mr. Urkevich is using these funds for new investments such as a new plow truck and the Saratoga County sheriff's contract. Other funds received are from the Clerk's office such as hunting licenses, marriage licenses, permits, etc. B Fund relies partially on building permits which is a small revenue source. Court fees make up a very small percentage of revenue as well, however, one half of the fine collected goes to the State. More tickets will require more of a workforce.

A conservative estimate for 2022 for sales tax revenue is \$4.1 million which is roughly equivalent to 2021 actual sales tax receipts, and is also a conservative forecast for 2022. It is also safe to use this amount for 2023 budgeting. If sales tax revenue trends continue, there may be a surplus of \$600,000 in 2022. The expected estimate for 2022 is \$4.3 million and the speculative estimate for 2022 is \$4.5 million.

A conservative estimate for mortgage sales tax for 2022 is \$630,000. An expected estimate for 2022 is \$670,000 and a speculative estimate for 2022 is \$710,000. The conservative estimate of \$630,000 will be used for the 2023 budget.

Maintenance costs will increase for 2023. Maintenance costs refer to doing the same thing as this year for next year's price. Fund A increases include Town insurance (buildings) with a 20% increase, health insurance increase of 8%, 15% increase in heating fuel costs, 50% increase for ground and building maintenance and Hillside Cemetery. Hillside Cemetery Fund has funds available for expenses such as mowing, trimming trees, etc. Fund B increases include a 40% increase for vehicle fuel, and a 65% increase in legal fees. The increase in legal fees is due to an increase request in the law firm retained by the Town for Planning, Zoning, and to work on many other Town projects. The retainer will increase from \$40,000 to \$60,000 (approximate numbers) for Planning and Zoning. A deputy attorney will not be in the budget. It was budgeted last year, and no one was hired. Should the Town find one for next year a supplemental appropriation will be required. Supervisor Connolly stated that this position is hard to fill at a reasonable fee.

Highway Fund increases include a 3% wage increase per the Collective Bargaining Agreement, road salt (\$65,000), a 25% increase for fuel (\$24,000), an 8% increase for paving costs (\$35,000), tree and brush removal increase (\$18,000) and a heating fuel increase of \$4,500.

Investments will be budgeted for in 2023 for A, B and Highway. A Fund will include a 2% raise for employees, a natural gas conversion for Town Hall (\$25,000), Christmas tree and junk disposal (\$29,000), and engineering services for Town Hall door and window replacements. Councilwoman Jasinski was against the Town doing a Christmas tree pickup. Highway Superintendent Joe Whalen stated it is peanuts to have this service done in his opinion. No one wants to put a dead tree on their car in the winter to bring it to the brush dump. The tree pickup last year was \$5,000 for the whole Town. If people were to bring their tree to the brush dump, it would have to be opened, plowed, and then grind up all the Christmas trees. This would cost about \$10,000. The \$29,000 is budgeted for two (2) junk drop offs at Town Hall and a Christmas tree pickup. Supervisor Connolly stated that in the grand scope of things, this is pennies. Councilman Fendrick was in favor of this service. No comment was received from Councilman Curtiss or Councilman Carota.

In B Fund, there will be a 2% increase for employees, a full year contract for services with the Saratoga County Sheriff's department (\$205,000) a new pickup truck for the Building Department for fire inspections (\$50,000). The Board discussed the need for a new truck. The current truck is shared between the Water Department and the Building Department. This vehicle will be used for building inspections as well as for fire inspections performed by the Assistant Building Inspector. It will be asked if a SUV can be used instead. More clarification will be obtained from the Building Inspector Jeff Stickles.

The Highway Fund includes a Western Star dump/plow truck for \$240,000, a pickup truck for \$60,000 and a trailer for the new skid steer for \$15,000. The plow truck needs replacing per the 10-year plan that the Highway Superintendent has.

The 2023 investment summary shows 20% will be for Highway Equipment, 19% for the sheriff's contract, 15% for personal services, 6% salt, 5%, paving, 5% Town Hall, and other small miscellaneous investments.

There are cash balances for A, B and Highway Funds. A Fund has a balance of \$967,000. B Fund's balance is \$868,000, Highway Fund balance is \$1 million. These are the results of being fiscally conservative. There is a projected 2022 surplus of \$600,000; the sheriff's contract will be paid for with this surplus. ARPA fund balance is \$469,000 and the Parkland Deposit Fund as of June was \$742,000; however, \$73,000 is due from Anchor Diamond Park, the bathroom demo at Ballston Lake Fire Department Memorial Park was completed (\$14,000), the fishing pier construction at a cost of \$283,000, and the bike path Phase One design which may soon be considered at a cost of \$180,000. The balance in fall of 2022 will be approximately \$305,000. Highway Superintendent Joe Whalen asked what is the long-term plan for drawing down these fund balances? Mr. Urkevich stated that OSC requires a long-term plan, a layout of all capital investments and to establish what we are doing and when pursuant to fund balance policy.

The long-term plans for the Town include the Highway garage expansion at a cost of \$3.28 million. Half of the money is reserved. This is to be completed in 2023. Long term debt is recommended. This will provide the Town with more time to accumulate potential surpluses to allocate toward the project and avoid new forms of taxation or depletion of fund balances. \$1.79 million is currently reserved from last year's operating surplus. Funds will be used for debt service costs (principal and interest) rather than construction invoices directly.

The Finley Road Bridge is a \$2.1 million project that consists of the reconstruction of Finley Road's crossing of the Mourningkill. It is owned and maintained by the Town; it provides critical roadway connectivity servicing 300+ vehicles per day. MJ Engineering will achieve a 95% design in September 2022; the timeline and the financing for construction will be determined. The plan is to submit for a grant for this project in 2023, having the design plan in place will help with the grant application.

Bike Path Extension: The Town Board is considering a phased approach to connecting the Veteran's Bike Trail to the Zim Smith Bike trail; numerous challenges exist, including right of way and railroad crossings; \$180,000 design fee is possible for Phase One which connects the Veteran's Bike trail to the Beacon Hill neighborhood. The fishing pier replacement total cost will be \$316,000. The emergency demolition of this was completed (\$34,000); upgrade replacement will occur in 2023; Adirondack Floating Dock was the awarded bidder at \$267,000. Foit-Albert

Engineering will oversee the project construction (\$16,000). Town Hall upgrades include a technology upgrade for the Board meeting room and conference room that will occur later this year (\$70,000). In 2023, Town Hall will convert from propane to natural gas heating fuel (\$25,000), door and window replacement will go out to bid at a price to be determined and the asphalt shingle roof will require replacement in the next few years.

The library will do their own budget and present it next week. Other long-term projects are the Carpenter's Acres and Ballston Lake Sewer District projects, and the Ballston Consolidated Water District capital improvement plans. More information on these topics will be heard at the next budget workshop on September 8<sup>th</sup> at 5:30 p.m.

The workshop ended at 7:05 p.m.

Respectfully submitted,

Carol Gumienny  
Town Clerk