

A Budget Workshop was held on Thursday, September 8, 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 Curtiss, Comptroller David Urkevich, Deputy Comptroller Erin Hadcock, Town Clerk Carol Gumienny, and Library Director Rebecca Darling.

Town Comptroller David Urkevich stated that last week he discussed A, B, and Highway Funds. Tonight, the tax cap and special districts will be discussed. The 2023 budget will not require a tax cap override to sustain dependent special districts, even with the introduction of a new district, Carpenter's Acres Sewer. Tax rates per \$1000 of assessed value will decrease slightly for the two largest dependent special districts, Library and Consolidated Water. This is possible because new growth outpaced their tax levy requirements. Other districts will experience rate increases due to rising costs caused by historic levels of inflation impacting commodity and service prices. The method for calculating the Town's cost share for each special district is unique. Most public safety district costs, for example, are socialized among neighboring municipalities. State laws restrict the use of tax levy for water districts to costs related to capital improvements and capital financing. Water rates must cover operations and maintenance costs. The Town Board will hold Public Hearings for all 2023 water rates at the end of October.

The Town of Ballston Community Library is the largest special district. The library develops and maintains facilities, resources, and services to meet the ongoing needs of all persons for education, personal enrichment, and recreation.

There are three water districts. These funds support the acquisition and delivery of water to district customers, expansion and maintenance of the water infrastructure, training of personnel, and administration of the Town's Water Department. Types of costs include wages and benefits, equipment, contractual expenses, and costs related to State mandated reporting.

Jenkins Park District has expenses related to the operations and maintenance of Jenkins Park.

There are three lighting districts. Street lighting expenses are based on geographic location and curb cuts. Expenses consist almost exclusively of electricity costs.

There are six public safety districts, four of which are dependent and include fire protection and emergency medical services based on geographical location and 911 dispatch boundaries.

There are two sewer districts: Ballston Lake and Carpenter's Acres, based on service areas.

Mr. Urkevich did an overview of the tax cap. The tax cap limits the total levy set by local government, not assessed value or tax rate. Excluding new growth, local governments generally may not adopt a budget that requires a tax levy exceeding the prior years by 2% or the rate of inflation, whichever is less, unless they officially override. For the Town's purposes, this includes dependent special districts only because core operations in Funds A, B and Highway are currently supported by other sources, with no tax levy. This includes all dependent special districts: library, Jenkins Park, BH-BL Lighting Districts #1 and #2, Stonebridge Lighting, Consolidated Water, Paradowski Water, Morningdale Water, Ballston Lake Sewer, Carpenter's Acres Sewer, Ballston Lake Ambulance, Ballston Spa Ambulance, Ballston Spa Fire and Round Lake Fire. For 2023, 4.24% growth is possible without an override.

The 2023 tax levy highlights include the library which allows for a 4.24% increase to the tax levy, slightly less than the district's growth. Water districts' tax levy will support capital improvements and financing only. Water rates that support operating and maintenance will be assigned in late October for 2023. Lighting districts expenses consist mostly of utility expenses, which have increased substantially. BH-BL #1 and BH-BL #2 will enjoy energy savings in 2023 thanks to an upcoming conversion to LED. Stonebridge lighting cost increases will be offset partially by a fund balance appropriation. The sewer districts consist of Carpenter's Acres and Ballston Lake. Carpenter's Acres will have a first ever tax levy that will occur and be limited to \$670.95 per equivalent dwelling unit (EDU) (x50 parcels) for a total of \$33,548. Increases are likely for this district in 2024 and beyond. The Ballston Lake Sewer District's tax levy will remain flat as we transition to 30-year subsidized financing with the help from NYS EFC. Public

safety districts' tax levy supports the cost of services, often split amongst nearby municipalities who share services. Each method is unique.

The library makes up 30% of the 2023 tax levy, 18% is for Ballston Lake Sewer District, 16% is for the Consolidated Water District, 9% is for Ballston Spa Ambulance, 9% is for Ballston Spa Fire, 8% is for Round Lake Fire, 5% is Ballston Lake Ambulance, and about 1-2% each for Carpenter's Acres Sewer, all three lighting districts, Jenkins Park, and Morningdale Court Water.

There will be a slight tax rate increase (per \$1000 of assessed value) for Ballston Spa Fire and Jenkins Park. All others will remain the same or have a very slight decrease.

The long-term plans for the Town include: the construction of the Library History room and LED upgrades which will occur this year with the assistance of a NYS Department of Education grant. It also includes a new dependent special district, Carpenter's Acres Sewer District, a \$731,000 project for a sewer system available to 50 EDUs. A 30-year debt issuance will occur to mitigate tax levy growth in 2024. Currently, there are no grants or external funding sources, but we are exploring all opportunities. Another long-term project is the Ballston Lake Sewer Project totaling \$17.8 million. The installation will be available for approximately 585 EDUs. The Town has received a \$2.55 million grant and a \$3.73 million grant from NYS. The remainder of the debt will be funded by a 30-year debt partially subsidized by NYS EFC. \$355,000 of an ARPA grant program is underway to assist low-income households with connection costs. Other long-term plans are water capital improvements such as: Lake Hill Road pump station upgrades in 2022 (\$587,000), SCADA upgrades in 2022 (\$80,000), McCrea Hill water storage tank upgrades in 2023 (\$678,000), Outlet Road connection to Eastline Road in 2024 (\$3,164,000), master PRV installation on Eastline Road in 2024 (\$80,000); NYS Route 50 water main replacement in 2025-2027 (\$7.3 million), hamlet area loops/water main replacement in 2028-2030 (\$6.9 million), Curtis Lumber area water main replacement in 2031 (\$1.5 million) and a new water storage tank in 2032 (cost TBD).

Ms. Darling presented the 2023 Library budget. She stated that the proposed budget is up 5.8% from the 2022 budget with a 4.24% tax levy increase for the library district residents. Due to library district growth, residents will see a very slight reduction in taxes for 2023. The budget includes an augmented programming budget line (+12%, \$1500) to meet the increased demand that they are seeing. The library offered 284 programs and have had over 7,000 people attend the library so far in 2022. The library offers a service called Hoopla, which is a service only available to residents in Ballston and Charlton to download books or movies. Circulation of physical items is up 13% from August 2022 as compared to August 2021. Circulation of digital downloads, including eBooks, eAudiobooks, movies and magazines are up 7.5%. To support these increases, the library is increasing the print and materials budget 3.3% (\$2,000) and the digital material budget 17.4% (\$2,000). Budgeting for utility costs have been reduced due to the LED lighting upgrade project. This update is projected to save the library \$6,000 annually. The library will experience an increase in operating costs include rising minimum wage which is projected to be \$13.90 for 2023 and benefits. In 2022, the overall budget was \$691,545. Salary and benefits for 2023 include expenses for the staff salaries increases of 6.3%. Salary employees wage increase is based on proposed U.S. government employee increases of 4.6%. Minimum wage increase is reflected in pay for Pages (5.3%); Clerk wages increased to maintain differential from minimum wage (6 to 8%) which equates to approximately a \$1 per hour increase, and an increase in health insurance costs of 7%. The library will be fine free to provide equitable access to the community. In 2023, \$16,000 of fund balance will be allocated to pay for one-time expenses including new marketing services \$(6,000), and legal fees associated with the transition to becoming a true special district library in the amount of \$10,000. The library will be proposing to Charlton next week to return to their 2008 funding level of \$54,000 annually to reduce the tax burden on individual homeowners in the district. Charlton is currently paying \$46,000 annually. The library district has grown by more than the proposed budget tax increase. A 4.24% tax increase is a 59-cent reduction for a property assessed at \$150,000. District growth and a fiscally conservative approach mean taxes have been within a \$5 range based on assessed value since 2008. The library has four current cash balance accounts; an operating account with a balance of \$260,691, Fund Balance of \$260,514 some of which is already allocated such as the MJ engineering oversight of the construction for the History Room, \$148,657 balance in the

capital improvements and \$11,301 in the trustees account which is made up of fund donations. Construction has started on the History Room and they have received \$96,000 of the \$107,000 grant for this project and will receive the rest upon completion. The library has applied for a second grant to cover the LED project. Ms. Darling very briefly went over the proposed salaries.

Supervisor Connolly asked Ms. Darling, “Assuming that the growth doesn’t outpace in 2023, how will this be handled in the future? Do you foresee this being an issue moving forward as far as having to raise taxes?” Ms. Darling stated that they will always be pushed by the minimum wage rate and increases in insurance, and they will have to make those decisions. They worked in part with the special district calculations this year; if the decision to go forward with legislation occurs, then the budget would be voted on by the district residents. There would be a different calculation. If the tax cap is exceeded, this would be voted on by the public to do so. Supervisor Connolly stated that the budget is well thought out and he has no issues with employee pay increases.

Mr. Urkevich stated that the library district has grown, and they have a conservative budget.

The tentative budget will be distributed at the September 27, 2022, meeting. Any changes need to be made prior to this meeting.

The workshop ended at 6:40 p.m.

Respectfully submitted,

Carol Gumienny  
Town Clerk