

**Statement of Supervisor Chris Burdick**  
**2015 Town of Bedford Budget**  
**November 18, 2014**

Good evening Ladies and Gentlemen. One of the most important duties of the Town Supervisor is to initiate and coordinate the annual budget process and tonight the Town Board is considering the final 2015 budget. The process began months ago with meetings between the Town Comptroller, each of the department heads and me. Following these meetings the Town Board met in work sessions with the department heads. The process began with my instructions to the department heads that apart from contractual obligations, the department's proposed budgets were to show no increase. The department heads' prudent management has resulted in a healthy financial position for the Town, an improving forecast for coming years, controlling the growth in taxes, staying well within the State mandated tax cap while preserving vital services for our quality of life.

Tax Cap

The State computes the property tax cap. First they figure the cost of living increase. It's actually 2.0% or the cost of living, whichever is lower. The State computed the 2015 cost of living increase as 1.55%, which is slightly less than 2014's. Added to that is the "growth factor" – which to simplify, is an allowance for assessed value increases due to construction or other improvements. The State assigned Bedford a growth factor of 0.70%. They add the two together, that is the cost of living increase and the growth factor, to come up with Bedford's cap: which is 2.25%. The 2015 budget falls comfortably below the cap with a levy increase of 1.67%.

The combined general fund and highway fund budgets for 2015 is \$27,332,226. This represents a tax rate of \$32.04 per thousand of assessed value or an increase of 37cents per \$1000. For the average homeowner with an assessed value of \$65,000 this represents an annual increase of \$23.81 for the combined General Fund and Highway Fund.

General Fund

In the General Fund we have total expenditures of \$19,696,484 which is a increase in expenditures of \$609,206. As has been the case for many years, a large component of our budgeted expense is non-discretionary contributions to the NY State pension plans. Due to NYS Comptroller's higher revenue projections for the pension funds, our contributions for 2015 will be 11.69% less than 2014. As to health care costs, we have budgeted for a 5% increase in premiums.

Beginning with the 2014 budget the Town Board recognized the sacrifices which the community and many others had made to help us through the ravages of the recession. We are cautiously continuing that approach while making modest and gradual increases in Town services. The 2014 paving budget at slightly over \$1.1 million was about 30% higher than 2013. Recognizing that we still much more to do for our 94 miles of paved roads, we are continuing that higher level into 2015. Our community partners, who suffered with us through the recession, face so many of the same budgetary constraints as the Town. In 2014 we provided an additional \$20,000 to each of our hamlet libraries. We are adding to that figure an additional \$8,000 per library in 2015. We also are providing \$17,500 for Town co-sponsored community events, and \$17,500 in additional funds for traffic safety measures. Our Town Judges, Town Clerk, department heads and other full time non-union employees sacrificed significantly over the last several years. Our Judges received no salary increases for four years from 2009 through 2012 with only modest increases in last year and this. At the same time, beginning in 2011, they started contributing toward health insurance costs. Not accounting for those contributions, the average annual increase for the last six years is 0.58%. The picture is very similar for our Town Clerk, department heads and other non-union employees. As such, we are providing in the 2015 budget a 3.0% increase for the Town Clerk, Town Judges and full time non-union employees.

Turning to the revenue picture, we have met or exceeded 2014 budget benchmarks and expect to do better in 2015. Our Comptroller is projecting 2015 non property tax revenue of \$8,061,290 which is \$418,090 higher than the 2014 budget of \$7,643,200. The largest contributor to those higher revenues is building permit fees, which is the result of greater construction activity in Bedford, reflecting the gradually improving economy. Our Comptroller projects 2014 building permit fees at \$886,530 or \$346,530 higher than budgeted. We are budgeting those fees for 2015 at \$740,000. 2014 mortgage recording taxes for 2014 are projected at \$1,101,935 or \$151,935 above the 2014 budget amount. We are budgeting \$1,000,000 for 2015, a \$50,000 increase over this year's budget level. Our 2014 sales tax income is projected to be on course at \$2,400,000, and we are using the same figure for 2015. We are projected to be on target in 2014 for parking revenue of \$930,000, and we are budgeting the same figure for 2015.

#### Highway Fund (Department of Public Works)

The 2015 budget for the Department of Public Works is below the New York State tax cap. Its budget shows a decrease of \$1,387 to \$7,407,985. This decrease has been accomplished while maintaining or increasing existing services to the community, including an increased paving level of \$1.1 million. This increase in 2014 allowed us to pave more miles of road, 7.5 miles in total, and

thereby increased the level of service to our residents. We will be able to do more in 2015 as well. Following last year's plan to reduce appropriations from the Highway Fund Balance, the 2015 budget decreases such appropriations by \$50,000 to \$200,000 as we continue to move our paving expense from capital back to the operating budget. In 2015 we will begin the expansion of our Bedford Hills Highway Yard by starting the relocation of our recycling center to allow the existing recycling center space to be used for highway operations. The Town obtained a use permit from NYSDOT for property it owns on Railroad Avenue. We are in the process of constructing a new recycling center at that site. The new facility will offer the same services as the existing facility and will include additional parking. The construction is being performed by Town employees, substantially reducing the cost of the project. We anticipate that the new facility will be in operation in the Spring or early Summer 2015 and in the meantime the existing recycling center will be in full operation.

### Parks

The 2015 Recreation and Parks budget maintains the current level of funding for all programs and special events for next year. In addition there are certain improvements. The Town Board is pleased to announce that starting in the Spring of 2015 Town residents will have the option to register online for many of the Recreation programs. Also in 2015 we are implementing projects in each hamlet park, through park district and capital budgets. In Bedford Hills Memorial Park, a master plan park study, pedestrian lighting (Phase II), park entrance paving and painting of the pool bath house. In Katonah Memorial Park, a new swing set installation at the playground, ongoing drainage projects and ongoing tree maintenance. In Bedford Village Memorial Park, tennis court renovation and fencing project and Chowder & Marching Gazebo renovations to the concrete patio. Also in Canine Commons, turf rehabilitation in the large and small dog enclosures.

Our three Park fund balances continue to be healthy.

### Implementation of Capital Projects and Reduction in Overall Indebtedness

On the debt side, we benefit from a continuation of historically low interest rates. The Town also is reaping substantial savings due to the reaffirmation of our AAA bond rating, reductions in our overall indebtedness and refinancing of higher interest rate bonds. Fewer than 3% of municipalities in the state have the coveted AAA bond rating. The Town's total indebtedness for 2015 will be \$4,539,438 lower than the 2014 level of \$34,021,287.

The net result of these positive developments on both the revenue and debt side is that for the second year in a row we are making no appropriations from General Fund Balances, which remain at healthy levels and we anticipate will remain at healthy levels in future years. The 2015 Budget is a sound fiscal plan that will maintain the Town on a steady course while providing tax relief for our residents. I again wish to thank our Comptroller Ed Ritter for his many hours of work on the budget and our department heads for the fiscal constraint reflected in the 2015 budget. I also wish to thank my colleagues on the Town Board for their participation in the process with many hours of budget work sessions.

While the Town of Bedford is in a strong financial position, we need to be ever careful and cautious with the public's money to enable us to continue to provide good services to the community as economically as possible with an eye toward future fiscal pressures.