

**Statement of Supervisor Chris Burdick
2016 Town of Bedford Budget
December 1, 2015**

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 will hold a public hearing and then consider adopting the final 2016 budget. The process began months ago with meetings with the Town Comptroller and each of the department heads. 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 improving services for our community.

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 2016 cost of living increase as 0.73%, which is significantly less than the cost of living increase for 2015. 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 0.84 %. In addition, the Town benefits from a carry-over of unused cap from 2015 of 0.6%. The sum of those three items is 2.17%. The 2016 budget falls comfortably below the cap with a levy increase of 1.93%.

The combined general fund and highway fund budgets for 2016 is \$28,618,103. This represents a tax rate of \$32.6212 per thousand of assessed value or an increase of 58 cents per \$1000. For the average homeowner with an assessed value of \$65,000 this represents an annual increase of \$37.68 for the combined General Fund and Highway Fund.

General Fund

In the General Fund we have total expenditures of \$20,690,784 which is an increase in expenditures of \$994,300 over 2015. As has been the case for many years, a large component of our budgeted expense is non-discretionary contributions to the New York State pension plans, which has increased substantially. Our contributions for 2016 will be 5.8% greater than 2015. As to health care costs, we have budgeted for an 8% increase in premiums. Health care

costs are partially offset with all full time town employees now paying toward premiums pursuant to their collective bargaining agreements with the Town.

Beginning with the 2014 budget the Town Board recognized the sacrifices which the community and many others had made to help us through the recession. The paving budget is at a higher level of \$1.1 million, which is about 30% higher than 2013. Recognizing that we still more to do for our 94 miles of paved roads, we are continuing that higher level into 2016, as we did in 2015. Our community partners, who suffered with us through the recession, face so many of the same budgetary constraints as the Town. In 2016 we are providing an additional \$4,000 to each of our hamlet libraries, which is above the \$20,000 increase in 2013 and the \$8,000 in increase in 2015. We also are continuing to provide \$17,500 for Town co-sponsored community events, and \$17,500 in additional funds for traffic safety measures. Our Town Clerk, department heads and other full time non-union employees sacrificed significantly over the last several years. As such, we are providing in the 2016 budget a 4.0% increase for our Department Heads and Town Clerk and 3.0% for other full time non-union employees.

Turning to the revenue picture, our Comptroller is projecting 2015 non property tax revenue of \$8,071,290 which is \$ 10,000 higher than the 2015 budget of \$8,061,290. Our Comptroller projects 2015 Sales Tax revenue projected to be \$2,486,991 which is \$86,991 over our budget of \$2,400,000; mortgage tax is projected to be \$969,725, which is \$30,275 under budget; parking revenues of \$38,728 under budget; fines and forfeited bail projected to be \$681,956 which is \$31,956 over budget; safety Inspection Fees are projected to be \$703,979 which is \$36,021 under budget; and revenue from film permits projected to be \$84,000 which is 79,000 over budget.

Highway Fund (Department of Public Works)

The 2016 budget for the Department of Public Works budget shows an increase of \$290,863 to \$7,698,848. Following the Town's plan to each year reduce appropriations from the Highway Fund Balance, the 2016 budget decreases such appropriations by \$50,000 to \$150,000 as we continue to move our paving expense from capital back to the operating budget. In 2016 we will begin the expansion of our Bedford Hills Highway Yard. The project entails the completion of the construction of a new recycling center on Railroad Avenue on NYSDOT property for which the Town has a use permit. The new recycling center will offer the same services as the existing facility and will include additional parking. We then will relocate our existing recycling center on Adams Street to free up that that space for expansion of the adjacent highway operations, beginning with DEC compliant salt storage facilities. 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 2016 and in the meantime the existing recycling center will be in full operation.

Parks

The 2016 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 scheduled for next year. For the Bedford Hills Community House, we anticipate the installation of air conditioning in the main auditorium prior to spring 2016. For Bedford Hills Memorial Park, we will develop conceptual design options for pedestrian access pathway and lighting at the park entrance; for Katonah Memorial Park, we will continue drainage work and tree management and additional shelter work is planned in partnership with the Katonah Memorial Park Association; and in Bedford Village Memorial Park, we anticipate ball field renovations and fencing work in partnership with the Bedford Pound Ridge Baseball Association

Our three Park fund balances, or reserves, continue to be healthy.

Implementation of Capital Projects

On the debt side, we benefit from a continuation of historically low interest rates. The Town also benefitted from 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 also is moving ahead with the major capital project of refurbishing the Police Station with two small additions. The department will be housed in the lower level of the Town House while construction takes place which we anticipate to begin in mid-2016.

In conclusion, the 2016 Budget is a sound fiscal plan that will maintain the Town on a steady course while providing tax relief for our residents. I 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 2016 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.