

**TOWN OF BEDFORD**  
**COMPTROLLER'S OFFICE**

**Abraham J. Zambrano**  
Comptroller



December 3, 2019

Honorable Supervisor and Town Board  
Town of Bedford  
Westchester County  
Bedford Hills, NY 10507

Dear Supervisor Burdick and  
Town Board Members Roberts, Scott, Carr and Galligan:

In accordance with the provisions of Article 8 § 106 of New York State Town Law, I present the adopted Preliminary 2020 Town Budget to the Town Board for your consideration and review in connection with adopting a final budget following the public hearing. In my capacity as Budget Officer, I filed the Tentative 2020 Town Budget with the Town Clerk on October 31, 2019.

The appropriations for the 2020 Preliminary Budget for all funds is \$40,943,398 and the projected non-tax revenues total \$14,958,665, leaving an amount of \$25,984,733 to be levied as taxes; this amount is \$1,578 below the calculated allowable tax cap of \$25,986,311.

The 2% Property Tax Levy Cap legislation was initially legislated in 2012 as a temporary measure to control real property tax growth in the state, and in April of this year, the 2% Property Tax Cap was enacted as a permanent law. This year, based a higher inflation rate in comparison to the last couple of years, our allowable tax cap growth was set at 2.00% by the Office of the State Comptroller and our tax base growth factor has been set at 0.89% by the Department of Taxation and Finance; this percentage is related to the increases in assessed valuation based on improvements to properties such as home renovations or new construction. The compounded combination of those rates total 2.91% and has allowed for the Town's total tax levy to grow by \$735,179 over the 2019 tax levy.

This year, taking into account increases in health and liability insurance costs, retirement system contributions, as well as contractual labor obligations and the Town Board's continuous proactive measures to maintain efficiencies, the proposed 2020 tax levy of \$25,984,733 will be under the Property Tax Levy Cap as set by the State Comptroller's Office.

The total General Fund budget is \$23,343,526 which requires \$13,097,370 to be raised by taxes at a tax rate of \$22.1441 per \$1000 of assessed valuation. The proposed rate is \$0.10 higher than the rate for 2019, which represents a 0.44% tax rate increase. The General Fund Appropriations will increase \$812,681 or 3.60% higher than for 2019.

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The Preliminary General Fund budget includes increases of \$600,000 in Sales Tax Revenues, \$55,000 in Parking Fees, \$105,000 in Fines, \$17,450 in Summer Camp fees, and a \$50,000 decrease in Mortgage Tax revenue. On the expense side of the Preliminary Budget, aside from the fore mentioned, the budget makes provisions for an increase in funding for the three hamlet libraries, municipal buildings maintenance, recreation programs/events, town co-sponsored events, update to the Climate Action Plan and the Energize Residential program, expansion of the Town's Summer Intern program, Debt Service, as well as the establishment of reserves for Certioraris and Uncompensated Absences. The General Fund's Budget also includes an appropriation of \$200,000 from Fund Balance and a transfer of \$150,000 from the General Fund's Debt Service Fund Balance.

The Highway Fund's Preliminary Budget totals \$8,797,581 and requires a tax levy in the amount of \$8,336,741 and a tax rate of \$14.0952 per \$1,000 of assessed value. This rate represents a tax increase of \$0.89 or 6.76% over the 2019 budget.

The Highway Fund's Preliminary Budget makes provision for a total of \$950,000 for Town Road Maintenance, increases in liability insurance as well as contractual labor obligations and associated retirement contributions. The 2020 does not include appropriation of Fund Balance.

The Consolidated Water, Cedar Downs, The Farms and Old Post Water Districts' Preliminary 2020 Budget require that the Town Board consider a 12% increase in water rates; the last water rate increase was 8% in 2019. The water rate increase reduces the tax levy based on assessment and redistributes the funds' expenditures based on water consumption. The Preliminary 2020 Budget for the four water funds will cover the necessary expenses for each district in order to operate and deliver such a vital resource.

The 2020 Preliminary Budget for the three Park District Funds include funding that would enable to the Town's Recreation & Parks Department to continue providing such an important amenity to the residents. The Budget for the three Hamlet Parks includes funding to appropriately staff the three parks and pools as well as for the maintenance of the grounds.

In addition to the information provided above, the following is a summary of additional factors regarding the Preliminary 2020 Budget as presented.

Town-wide projections for non-tax revenues for 2020 have been set at \$14,958,665 and represent 36.53% of the overall town-wide revenue sources for the year or 8.1% higher than in 2019.

The proposed budget reflects salary increases throughout the budgetary accounts based upon our collective bargaining agreements with Teamsters' Local 456 Blue and White Collar Units, the Bedford PBA and recommended increases for the non-contract employees; the Town has current contracts with its three bargaining units.

The Town did not issue Short Term Debt in 2019. However, on April 3, 2019, the Town sold \$8,321,325 in Bonds to finance capital projects approved by the Town Board for 2018 and 2019. The issuance of the Bonds produced a net increase in the Town's debt service payments by \$349,000 in 2020.

Assessed Valuations as reported by the Town Assessor demonstrate an increase from \$590,181,207 to \$591,460,491; a net increase of taxable assessments of \$1,279,284. Increases

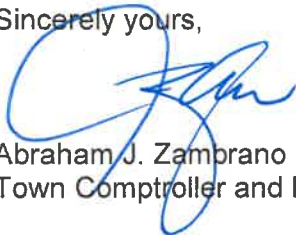
in the taxable assessments has allowed for the Town's Tax Base Growth to provide much needed increases in the tax cap calculation.

On November 19, 2019 the Town Board approved a Ten (10) Year Capital Plan that included \$7,874,300 in projects for 2020; which incorporates the projected cost of renovating the Bedford Hills Community House and the conversion of the HVAC systems in town offices to Geothermal. Other projects in the Ten Year Capital Plan for 2020 range from improvements to Town owned facilities, parks, infrastructure and road maintenance, replacement of heavy equipment, police vehicles, records management and traffic safety.

Financial Condition – Our auditors, PKF O'Connor, Davis, LLP have expressed to the Board that our financial condition is excellent. Standard & Poor Global Ratings (S&P), reaffirmed the Town's AAA credit rating earlier in 2020, because they (S&P) "believe the town can maintain better credit characteristics than the U.S. in a stress scenario" and due to the Town's "strong management, with good financial policies and practices". With this budget and the overall financial health of the Town, we are in a position to keep the Town of Bedford moving forward into the second decade of the twenty first century. With the Town Board's support we anticipate having another great year and continuous financial health.

All in all, the 2020 Preliminary Budget as presented to the Town Board will meet the needs of the Town government in 2020.

Sincerely yours,



Abraham J. Zamprano  
Town Comptroller and Budget Officer