

MAYOR'S NOTES

NO VILLAGE TAX INCREASE for 2015-16

At its April 7, 2015 meeting, the Board of Trustees approved the 2015-16 Village budget, after a public hearing, and meeting in public workshops twice in March to discuss department budget proposals and Village economic issues. The approved budget essentially contains no increase in Village resident taxes for the fifth year in a row. The Village property tax rate fully meets the tax cap restriction enacted by Governor Cuomo. The Village plans to submit its efficiency cost savings plan one year earlier than required as part of collaboration with Albany County.

The budget plan is to raise \$281,856 in property tax revenue, the same amount as last year, by assessing properties at \$2.8017 per thousand of property evaluation. The prior year's tax rate was \$2.7941 per thousand of property valuation. The full 2015 tax rate is approximately $\frac{3}{4}$ of a cent higher than last year due to a small downward fluctuation in the overall assessed property value attributed to the fire loss of Ron's Service Station. In recent years, the Board has struggled balancing its fiscal restraint philosophy and providing staff with cost of living increases. This year, because of the continued efforts to contain costs and implement cost efficiencies and shared services agreements, the Village Board was able to increase salaries for all staff by 2 %, while not increasing tax revenue.

Economic factors that affected the deliberations included: a small increase in county tax funds, a decrease in worker's compensation insurance premiums after extensive research by office staff, increased sludge removal costs related to the new sewer processing plant, savings resulting from new staff hires at lower salary rates, trimming of staff hires in the summer program, maintaining the police department budget at last year's level, incorporating a small increase in the fire department budget, and smart cost cutting by the superintendent of public works. The Board concluded its deliberations at its April 7th meeting. The following are significant actions the Board approved:

- no increase in property tax revenue
- 2% increase in Cost of Living adjustments for staff
- estimated \$3,500 savings due to fuel purchasing agreements with Guilderland
- \$11,665 savings as a result of a shared services agreement with the Village of Voorheesville's building inspector
- \$5,865 savings as a result of a joint purchase of computer diagnostic tool for Village vehicles with the Towns of Guilderland, Knox and the Village of Voorheesville
- \$15,459 savings as a result of new worker's compensation vender
- \$1,200 savings by reducing the publication of Village newsletter from three to two issues

The total estimated savings amount to \$34,189. Although it appears like a small amount, the budget cost cutting decisions did not come easy. Altamont, like other communities,

struggles to maintain essential services and the quality of life that residents expect. Although we still suffer from no large increases in county tax revenue due to the Village's small population decline in relation to the County and Town as a whole, we are hopeful that we will realize more sales tax revenue because of the continued improvement in the economy's health. . We also are planning to realize a slight increase in property tax revenue next year as a result of the recent annexation of town property to the Village and the return of the Ron's Service Station property to the tax rolls.

Our Governor addresses state spending that he believes has gotten out of control. He wants to correct financial structural problems, while not creating new taxes. The state budget implements measures to cap property taxes while requiring municipalities to come up with cost saving consolidations, or sharing of resources. Although it has been difficult for us, we have kept within the tax cap for all the years since the law was enacted, and have instituted cost-savings measures one year ahead of the Governor's timeline.

Last year, residents received a small rebate because the Guilderland school district kept within its cap. This year, savings from all levels of government - county, town, village, fire and ambulance districts - will be rebated if each entity keeps within its tax cap and enacts efficiencies as we have. We estimate that Village residents will receive approximately \$2 in a tax rebate check from the Governor as a result of the Village's actions.

The Board of Trustees crafted a lean budget that will not unfairly burden our residents while seeking fiscal solutions other than just raising Village taxes. The fact is Altamont has a limited tax base which is not growing like larger municipalities because of our physical size, so we face an unusually tough road to stay lean but efficient. As I have mentioned before, the Village has to tax homeowners at a rate 30 times more than the Town to raise the same amount of funds. Restraints of the Governor's initiatives add additional burden to operate Villages like Altamont.

Regardless of the external restraints, and because of the Board of Trustees' vigilance, they again have been able to cut costs and maintain services, without raising taxes, and with little outside help. The Board is committed to monitor the Village finances throughout the year to ensure your tax dollars are spent wisely.

If you want to read this or past Mayor's Notes, you can find them on the Village website: <http://altamontvillage.org/>. You also may call me at Village office at 861-8554 (X 10) or e-mail me at altamontmayor@aol.com.

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