

**TOWN OF WESTERLO  
SPECIAL TOWN BOARD MEETING  
2021 Town of Westerlo Tentative Budget  
of  
TUESDAY, OCTOBER 6, 2020**

The Town of Westerlo Town Board met at the Richard H. Rapp Municipal Building and via Zoom ID # 91571318179 on Tuesday October 6, 2020 for the purpose of presenting the 2021 Tentative Budget for the Town of Westerlo. The meeting was called to order by Supervisor William Bichteman Jr. at 7:02 PM with the Pledge of Allegiance to the Flag.

Attending were: Supervisor William Bichteman Jr.  
Councilman Joseph J. Boone  
Councilman Richard Filkins  
Councilman Matthew Kryzak

Absent: Councilwoman Amie Burnside

Also attending were: Highway Superintendent Jody Ostrander, Highway employee Salvatore Spinnato IV, Acting Town Clerk Karla Weaver and one interested resident.

Zoom attendees: Approximately seven

The Town Clerk Karla Weaver provided a copy of the 2021 Tentative Budget as presented by the Supervisor to the Town Board.

Supervisor Bichteman asked all attending to reserve comments/questions until later in the meeting. He indicated he would be presenting and discussing items concerning:

- understanding the budget
- reviewing account codes,
- budget composition
- coding requirements
- housekeeping cost codes which have been eliminated for this year's budget that have been in other years budgets
- presenting highlights
- estimates and forecasts for the year 2021
- discussion of financial planning
- summary

He then reviewed via PowerPoint presentation of the 2021 Town of Westerlo Tentative Budget providing information on the preceding bulleted items and account codes line by line and indicated the following:

- The 2021 appropriations as proposed decreased \$133,945.00 from the year 2020.
- Workers Compensation cost will remain firm as a result of a multi-year policy (22 month) purchased in the year 2020 which worked in the town's favor, he suggested the Town may want to consider doing a two-year policy next year.

- On General Liability /Marine Policy there was a modest increase after capitalization refunds were applied.
- No anticipated increases for Town of Westerlo Vol. Fire Co., Town of Westerlo Public Library or Albany County EMT & ALS; all have held their spending limits to the 2020 budget year figures or less. The Albany County Executive and Sheriff Dept were kind enough to hold the line rather than an increase which they had originally talked about.
- Income: 2021 Solar Pilot Agreements will add \$22,000; 2021 Transfer Station tipping fees will add approximately \$20,000 plus or minus
- Permanent Highway Staff reduction resulted in a savings of \$146,000 in wages, health insurance benefits and NYS retirement costs. Aide in Highway Dept snow removal has been supplemented with additional funds to help utilize part-time employees.
- Decline in Sales Tax Revenue: The Town of Westerlo's portion of the County Sales Tax declined sharply in the second quarter of 2020. Although rebounding slowly from a 26% loss in the second quarter to an estimated 10% in the third quarter. The sales tax revenue for 2021 is estimated at \$950,000 which is a 10.4% reduction from the previous year and in-line with the current County projections. This morning he discovered that the State for the first quarter of 2021 is projecting Sales Tax Revenue to be at minus 10.8%.
- Accounting and Audit 2021 costs are being reduced by approximately \$7,000 due to more efficient use of the Quickbooks system.
- The budget provides for the continuation of the town's self-help program. It includes a part time employee/craftsman and helper and costs for repairs and replacement to the town hall entrances, a bathroom at the South Westerlo park, more space for the Town Clerk's office in the current Assessor's office, paving and striping of the handicap parking area in the front of the town hall and improving the town hall audio system.
- Financial Planning: Highway equipment replacement reserve fund. It's imperative that an the Town does an inventory of equipment and estimate values to help plan for future expenses. The 2021 budget sets aside \$10,000 as the initial reserve for the Highway equipment replacement fund.
- Water system repair modification fund: Establishment of a permanent fund for the Water Dist. to address the bromomethane problem with the system and to help with catastrophic failure. Otherwise the cost would fall on the Town which would further increase the indebtedness of the town.
- The debt retirement strategy: The long-term debt of the town totals approx. \$1,100,000 of which \$463,000 is currently held by the Water Dist. Additionally, \$456,000 is in the form of a bond anticipation note to purchase highway vehicles and not yet cast into an installment bond however, the town is awaiting the final piece of equipment. The annual cost of the new installment would be approximately \$93,000 a year which includes interest at the rate of 1.45% over a 5 yr period. The remainder of the debt for the town is \$173,951 and is held by the National Bank of Coxsackie (NBC) at various interest rates for previously purchased equipment. The strategy for 2021 Tentative Budget proposes is using a portion of the unappropriated fund balance to provide the cash to pay off the previously purchased equipment financed by the NBC of \$159,450 as well as further reduce the tax levy. Paying these off now results in an interest savings of approximately \$15,000 and leaves a sufficient fund balance of approx. \$400,000 in the event of crisis. Addressing the \$450,000 ban, the strategy is to pay the interest only for the 2021 year in the amount of approximately \$6,500 and look to cast the installment note in 2022 when the economy improves.

- Supervisor Bichteman indicated that the 2021 Tentative Budget projects a 5.93% tax increase which requires a Local Law and must be filed with the Comptroller's office.

Supervisor Bichteman reviewed the 2021 Tentative Budget line by line and indicated the following:

The town is projected to be over the cap by \$67,161, which in comparison to actual budgets from last year and 2021, is an increase of \$80,139.00, equating to 5.93% over the cap.

General Fund notes:

- Grant Writer was moved to the Supervisor's office line as she works closely with the Supervisor's staff in preparation with grants/paperwork.
- Town Clerk's office has a lot more responsibility and is inundated with filings, ads, website, etc and is in need of additional staff. The space is limited in the office and more equipment is needed.
- Attorney's rate remains the same which is exceptional.
- Buildings includes part time labor for self help which was discussed earlier, materials and furniture and fixtures has increased for entranceways based on estimates and for potential replacement of the copy machine.
- Insurance deductible includes the pricing that was provided.
- General Liability policy remains the same as last year with the added cost of cyber protection.
- Street lighting is not part of the lighting districts, it's for the lights at the park and outside the town hall.
- Parks include part time help.
- Youth Program includes costs for additional insurance.
- Historian fee has been cut but it is important that the town still has an historian.
- Celebrations includes funds for the Hilltown seniors.
- Planning and Municipal Development was budgeted for \$11,100 which was passed by resolution at the previous meeting.
- Hannacroix Cemetery still has no money so to avoid taking it over the town has budgeted \$1,200.00.
- State Retirement represents an increase over last year because the State Retirement system has modified the system and the Town has to review old records to make adjustments.
- Worker's Comp rates with PERMA have been less. Audit was done recently with the State Insurance Fund and the Town received a refund.
- Hospital/Medical is now broken out between current, retired and Medicare employees and is based on the new rates.

Highway Fund notes:

- Estimated Revenues include some minor sales for some equipment the Highway Dept plans to sell and a reduced amount of CHIPS money however CHIPS is a money in/money out item.
- Maintenance of Roads personal services is considerably down which represents the cost of employees.
- Machinery is the beginning of the highway equipment fund money which was discussed earlier. Contractual is now broken out to keep better track of what is purchased.

- Snow Removal personal services is less than last year for full time employees and includes anticipated part time help during the winter.
- Refuse & Garbage has an increase in tipping and electronic fees.
- State retirement shows a reduction due to moving employees to other lines within the budget and also for a reduction in staff.
- Worker's Comp rates with PERMA are down a little based on the number of employees.
- Hospital/Medical is reduced by \$60,000 in part because some employees were moved from Highway to the Park (under General fund) and also from having a reduction in employees.
- Other Benefits are slightly less due to less people.
- Statutory Installment Bond shows the strategy to pay off now out of the Fund balance to eliminate and save \$15,000 in interest but at the same time shows paying the interest this year for a total expenditure of \$173,951 which leaves the town with a total indebtedness (with the exception of the Water Dist.) of \$450,000.

Library Fund notes:

- Library has reduced their budget by a couple thousand dollars this year.
- Insurance, Social Security, Hospital/Medical & Retirement are all driven by the towns contracts as they are all Town employees.

Water Fund notes:

- The Water Board will meet this week and will be bringing a proposal forward to the Town Board for potential rate increase for both the loan value and the cost per thousand gallons of water used.

Museum Fund notes:

- Personal Services & Contractual items are reduced significantly.

Lighting Fund notes:

- Contractual costs are budgeted for the people that are part of those districts and is not affected by all of the town.

**BUDGET CALENDAR**

Supervisor Bichteman reviewed a proposed budget calendar for the month of October. An additional workshop meeting was proposed for Tues. Oct. 13<sup>th</sup> at 7pm. At the Regular Town Board meeting on the 20<sup>th</sup> he hopes to move the 2021 Tentative Budget to the 2021 Preliminary Budget. He suggested holding two Public Hearings and a Special Town Board meeting on Thursday, Oct. 29<sup>th</sup> at 7pm. The proposed Public Hearings would be for moving the 2021 Preliminary Budget to the 2021 Adopted Budget and for a proposed Local Law to override the tax cap. He suggested advertising the workshop meeting and the two Public Hearings and Spec. Town Board meeting. Councilman Filkins advised he will be out of Town for the workshop on the 13<sup>th</sup> but will try to attend via Zoom.

Councilman Kryzak made a motion to approve the October 2020 Budget calendar as presented by Supervisor Bichteman. The meetings will be as follows:

- A workshop meeting will be held on Tues. Oct. 13<sup>th</sup> at 7pm for the purpose of budget discussions.
- The Town Board plans to move the 2021 Tentative Budget to 2021 Preliminary Budget at the previously scheduled Town Board meeting on Tues. Oct. 20<sup>th</sup> at 7pm.
- The Town Board will hold two Public Hearings on Thurs. Oct. 29<sup>th</sup> at 7pm. The first Public Hearing regarding the 2021 Town of Westerlo Preliminary Budget and 2021 Town of Westerlo Vol. Fire Co. Budget and second on proposed Local Law No. 4 of 2020 for the purpose of overriding the tax cap. A Special Town Board meeting will follow the Public Hearings.

Councilman Boone seconded the motion, motion carried by those present.

#### **PUBLIC COMMENT**

Planning Board Chairwoman Verch asked questions in regards to the residents paying for the lighting in those districts. She indicated the Town could save residents money by taking advantage of Nexamp. Supervisor Bichteman advised that Central Hudson will not allow the exemption on street lights. She also asked about the senior car service. Supervisor Bichteman indicated the people who normally utilize the car are not traveling right now.

Councilman Kryzak suggested putting security cameras in the Town park in the future.

Mrs. Verch asked when the PILOT money kicks in for the Solar Farms. Supervisor Bichteman responded you will start getting money in 2022.

#### **ADJOURNMENT OF MEETING**

With no other public comments, Supervisor Bichteman made a motion to adjourn the meeting. Councilman Kryzak seconded; motion carried by those present. The Town Board meeting adjourned at 8:38pm.

Respectfully Submitted,

Karla J. Weaver  
Acting Town Clerk