

**PUBLIC HEARING**  
**NOVEMBER 13, 2012**  
**PRELIMINARY BUDGET**

Minutes of a Public Hearing held on the above date beginning at 6:45 pm in the meeting room of the North Elba Town Hall, 2693 Main Street, Lake Placid, New York.

**Members Present:** Supervisor Politi, Councilman Favro, Councilman Miller, Councilman Rand, Laurie Curtis Dudley

**Members Absent:** Councilman Doty,

**Others Present:** Cathy Gregory, Attorney Ron Briggs, Larry Straight, James Morganson, Chris Morris, Ted Morgan

**2013 BUDGET HEARING**

Supervisor Politi called the Public Hearing for the Preliminary Budget to order at 6:45 pm by reading the Public Notice for the 2013 Preliminary Budget which he stated was properly published and posted.

Supervisor Politi – The tax levy for 2013 is \$3,982,735 which is 55.6% of the budget. The 2013 tax levy represents a 34% increase over the 2012 tax levy. The NYS implemented tax cap allows for a \$154,609 increase over the 2012 tax levy or 4.4% which is 1.9% of the calculated tax levy limit.

Catherine Gregory presented a PowerPoint presentation on the 2013 Budget. The presentation is on file in the clerk's office.

**2013 Budget Overview**

- The calculated tax levy limit is \$3,982,735
- The department budgetary requests would have a tax levy of \$4,658,570 which would have exceeded the tax cap levy by \$675,835. Requests in the amount of \$245,000 were removed.
- Appropriation of \$534,235 from multiple fund balance accounts to meet the proposed tax levy.
- Proposed revenue increase:
  - Transfer Station (.01¢ increase per pound for 100 pound loads)
  - Cemetery (based on revenue increase for 2011 and 2012)
  - Craig Wood golf course (greens fees and cart rentals)
  - Beach (LP Village shared service contribution)
- Projected tax levies;
  - General fund: \$1,215,919
  - Highway (TOV): \$281,677
  - Park District: \$1,722,588
- Projected tax levy and tax rates:

○ General Fund	\$2,083,579,834	0.58¢
○ Highway (TOV)	\$1,400,443,707	0.20¢
○ Fire Protection 1	\$977,352,977	0.49¢
○ Fire Protection 2	\$89,672,501	0.68¢
○ Fire Protection 3	\$372,432,430	0.50¢
○ Park District	\$2,039,084,152	0.84¢
○ Ray Brook Water	\$36,614,001	0.33¢

Supervisor Politi – The large increase are in fire contracts with the Village of Lake Placid and the Village of Saranac Lake. District #2 is Saranac Lake which increased 157.58%, Districts #1 and #3 are Lake Placid fire districts. There are other communities that are having problems with the fire and ambulance costs. It has become a real problem.

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Attorney Briggs – Cathy, does the money that departments do not spend go into fund balance?

Cathy Gregory – It does. For instance, the transfer station appropriations are less than the attributed revenue and the excess is unrestricted. The only time unspent money would be restricted without a board action is unspent bond proceeds.

Supervisor Politi – It's important to note, our tax rates are higher this year than they were last year. One of the reasons is that last year we utilized more fund balance to keep the rate in check. If you continue to utilize fund balance solely to keep the rate in check, you end up with the same problem the County has in that they had a \$24 million fund balance and now they are down to \$10 million or less. Unfortunately, if we don't tighten our belts more we will lose it. How much fund balance did we use last year, Cathy?

Cathy Gregory – In the General Fund, we started the year budgeting \$300,000 but we did the C&D expansion which we appropriated another \$300,000 for. We used \$600,000 from the general fund last year.

Supervisor Politi – We are using \$300,000 for 2013 which is half.

Cathy Gregory – If we keep up that trend, we will bankrupt the general fund in three years.

Supervisor Politi – The economy isn't good. Health insurance and state retirement goes up and assessments go down. It makes it difficult.

Supervisor Politi - \$66,698 of Worker's Compensation expenditure are being charged back to Essex County Taxes. This is a benefit because it comes off our tax levy cap. All of the other communities in Essex County are doing this except us. We might as well do it too for this year.

Attorney Briggs – You mentioned increase revenue for Craig Wood.

Supervisor Politi – We have the lowest greens fees in the area. It may be raising the fee by \$1 for those off the street. It will not affect the local people.

Ted Morgan – I didn't check the expenses and the revenue at Craig Wood. It sound like the Town is supportive of the facility.

Supervisor Politi- The golf courses in the Adirondacks don't generally make a lot of money. They are primarily a service to bring people into the community. This golf course is very close to a break even every year with the exception of benefits. This year is different because we have some additional costs associated with equipment that is on a lease basis. We find that even though we budgeted we are always closer to a breakeven point. We are hoping with the new facility that things are going to be better. We had to make personnel changes to save money. As we have in every department, we went line by line and made substantial changes and decreases. It is fair to say, we had a PGA Pro that was on a contract basis and we decided to go to a seasonal basis because of financial constraints. That will save close to \$20,000 a year. We have done that in other departments too; Jim wanted an additional code enforcement officer and financially it doesn't make sense at this time. Larry has felt the heat. Butch had felt the heat. Unfortunately, it's the sign of the times. We have to figure out ways to provide the same service for less money.

Ted Morgan – the Town of Harrietstown had issues with the same type of expense/income with their airport. Can you give me a comparison from the Lake Placid airport?

Supervisor Politi – We don't lose money at the airport. It is an aviation based operation and we have a concessionaire that pays rent. People pay rent for the T-hangers. We have a cost of plowing the runway which we charge off to a portion of the Highway Department. Other than having to provide in kind services as a result of the renovations and grants that we received, it doesn't cost us much money. We don't have anything to do with the FAA requirements in terms of personnel to be hired and so forth. We lease it out to Steve Short who runs that operation.

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Jim Morganson – I have a comment and two questions. The Building Department put back \$112,711 plus the \$20,000 into the general fund. Not to make us look bad, we did ok this year. The question, what is the cost per thousand?

Cathy Gregory – That is a tough question to answer because it depends where you live. What fire district are you in? Are you in the park district? If you know where you live and know what taxes you pay, there is a chart in the handout and you could figure that out.

Supervisor Politi – The general fund tax may be going up but the highway tax may be going down. If you live in Ray Brook or Saranac Lake the change is higher because of fire and ambulance and water. It's a tough year.

Cathy Gregory – I can answer your question if you want to come by my office, Jim.

Councilman Rand – On behalf of the board, I would like to thank Cathy for all your help getting this together. It was the clearest presentations I have seen in my 25+ years.

Supervisor Politi – Unfortunately, as I have said, the general fund is burdened by the fact that we can't use sales tax revenue to offset the tax levy. Because there are villages it poses a problem to utilize the money to offset the levy.

Ted Morgan – Did I miss the public hearing for the tax levy increase?

Supervisor Politi – It's right now. We haven't even started our regular meeting. We had a hearing on the water and sewer districts at 6:35 and we had a hearing on the budget at 6:45. We were supposed to start our town meeting at 7:00 but we are ½ hour late.

There being no further questions to come before the board. Supervisor Politi closed the Public Hearing at 7:30 pm.

Respectfully submitted,

Laurie Curtis Dudley, Town Clerk