

Office of the Supervisor

Town of Newstead -- Budget Message for 2010

Balancing the requests from each department, increased costs of health care and retirement with a large decrease in revenues continues to be a vigilant process in determining a budget. Towns, villages, school districts, and the county can increase revenue with property tax rate and/or assessment increases. The development of the 2010 budget continues to be a challenging task during this very tough economic time. Requests from all departments, if granted, would have increased the town budget by 20%. Our projected health care and retirement have increases from 7% to 30%. The projected revenues from the State of New York (sales tax, mortgage tax, highway assistance) are down 10% to 40%. Given this to work with, many requests have been cut or eliminated. I have cut some raises, travel to conferences, and the purchase of some highway equipment.

The town tax is a small percentage of one's total taxes. The town has no control over County and school tax rates. The town of Newstead taxes are under 10% of your total tax bill. These figures are based on a home with a market value of \$ 150,000. While the Town is at the lower end of the tax makeup, I believe we need to try to assist our residents and consider their overall financial situation in 2010. It is in this spirit that my tentative budget will have a minimal tax increase. Fire tax and refuse will increase as those items are pass through contractual increases.

As required by Town Law the "Tentative Budget" for 2010 has been prepared by me, your Town Supervisor. It is submitted to the Town Board, citizens and taxpayers for review, consideration and resident input. A public hearing will be held in October for official input. The Town Board has the final vote on passing the tentative budget in November, and may change portions of the budget as presented here after the public hearing.

The Town of Newstead is blessed to be in sound financial condition. Our facilities and infrastructure continue to be upgraded. Grants and partnerships continue to be developed that help offset cost of various upgrades. We have obtained about one million dollars of grant money over the past four years to assist us.

Each year, the departments submit their budgets to the Supervisor for review. The Supervisor reviews all the requests, along with assessment data, and various other information from government agencies, to determine a proposed budget. The Supervisor tries to balance what is best for the financial needs of the town and the residents. I would ask each town department to carefully review the tentative budget as the cuts from the proposed requests are many and some very severe.

The 2010 budget has the following key points:

- Each of the eleven water districts tax rates will remain the same or be lower in 2010.
- Allows for an estimated 5-25% increase in Health Insurance, retirement benefits and other related costs for 2010.
- Potential 3 % increase in salary for most employees. Some employees have declined a pay raise in 2010.
- Set aside funds for building improvements and repairs. Grants are being worked on for the following projects: Newstead Park, joint police garage, Newstead Library basement and mitigation of Murder Creek.
- The refuse yearly rate has less than a \$.50 a month increase per household for 2010. This is a pass through cost based on fuel and other contractual increases from the contractor.

The general fund tax rate will increase from \$1.32 to \$ 1.36 per \$1000 taxable valuation.  
The Fire Protection District tax rate will increase from \$1.15 to 1.19 per \$1000 taxable valuation.

The drainage tax will remain at \$ .09 per \$ 1000 taxable valuation.

The flat yearly rate for refuse will increase from \$ 185.04 to \$ 189.97.

A complete detailed budget and summary of estimated tax rates can be found in the Tentative Budget .

Sincerely,

David L. Cummings  
Supervisor – Town of Newstead