September 11, 2013

To: Linda Kohl
    Paula Metzler
    Andy Moore
    Rob Quinn

From: Supervisor R.A. LaFountain

Re: Supervisor’s Tentative Budget Proposal for 2014

The 2014 Supervisor’s Tentative Budget, summarized in the attached, proposes no tax increase for 2014. The Town property tax rate will remain at $2.64. The proposed 2014 budget of $15.8 million is less than the current 2013 budget. All departments have cooperated in controlling expenses, and with growth in the property tax assessment of 1.41%, the Tentative Budget will fund all operations.

Revenue projections for 2014 reflect conservative estimates for the fiscal year. The Town continues to benefit from lower costs as a result of quality improvement programs. Highly skilled employees minimize the need to hire many contractors and the continued cooperation with the sharing of equipment across the county’s east side towns has helped ensure that Penfield receives the most value for the money spent.

A major impact on 2014 expenses is the full funding of the retirement cost at 20% of salary, a 12% increase in the workers compensation cost, a 10% increase general liability cost for 2014, and a 12.5% increase in the premium cost for medical insurance for 2014.

The Monroe County Mortgage Tax paid directly to the Town of Penfield is projected to be about $1,050,000 for 2014, which is up $50,000 from 2013. The 2014 home building market is projected to continue along the same level as 2013.

The tax levy will provide approximately $105,156 more than the 2013 budget. This budget reflects a modest increase in the assessed value from new construction of 1.41%. With reduced costs and controlled spending, the Town of Penfield will be able to maintain most of the same quality services in 2014.

Town staff has done an outstanding job, working under the direction of Comptroller Bob Beedon, assisting with the preparation of this 2014 Tentative Budget. I am confident town staff will continue to find ways to provide quality services at lower costs and that we will see additional savings as we move into next year and beyond.

The following comments apply to the 2014 Tentative Budget for the Special District Tentative Budgets:
Drainage District
The Drainage District budget for 2014 is $611,029. The proposed Drainage rate is $3.72 per unit or $37.20 per average household. This is the same tax levy as 2013.

Water District
The 2014 budget includes Debt Service for the Consolidated Water District, and the Thomas Cove Water District Extension. The 2014 proposed budget is $.0033 per thousand or a charge for the average homeowner of $0.54 for those in the town-wide consolidated district. This is an increase of $.17 from the 2013 rate. The Thomas Cove Water District Extension will pay $1.32 per thousand or an average of $211.68 for 2014. This is an increase of $18.08 for the average homeowner from the 2013 rate.

Lighting District
The town-wide lighting district expenses for 2014 will be $.066 per thousand. The 2014 proposed budget for the intensified lighting district is $29.76. This is an increase of $13.49 per home from the 2013 tax levy.

Park District
The only remaining Park District budget will cost $4,400 in the year 2014. The proposed 2014 rate is $.12 per thousand and the average household in this district will pay $19.20 which is the same tax levy as 2013.

Sewer District
Expenditures are expected to be $1,959,512, a decrease of $76,932 from 2013. Sewer Department operations and maintenance charges for residential homes will be $39.79. This is an increase of $0.34 for the average home from the 2013 tax rate. District Debt Service for 2014 is projected to be $68.00 per average household versus a 2013 rate of $68.50. The decrease is due to the reduction of principal debt and the retiring of debt for 2014.

Ambulance District
The Tentative Budget for the 2014 Penfield Ambulance District tax rate is lower than that of 2013. The proposed rate per thousand is $.025 and will result in a charge of $3.77 per average homeowner versus 2013 rate of $.028 per thousand or $4.48 per average household. The 2014 proposed budget for District #2 (Northeast Quadrant) is $.014 per thousand. The average home will pay $2.94 in 2014. This is a $.70 increase from the 2013 tax levy.

Fire Districts
Information is not included on the three fire districts supporting the Town of Penfield. The Town of Penfield does not have responsibility for fire district budgets; each district is responsible through their elected Fire Commissioners. The dates for filing fire district budgets have been changed and they do not follow the Town of Penfield budget calendar.

I appreciate the interest and detailed discussion I have had with all of you in drafting this 2014 Tentative Budget. I know that this Penfield Town Board is highly sensitive to the issues that face all communities regarding increased tax burdens. I am committed to work with you to help our residents by reducing the size of government in Penfield.

Enc. (1)
Cc: Bob Beedon
    Department Heads