

TOWN OF HALFMOON 2015 TENTATIVE BUDGET HIGHLIGHTS

TOWN BUDGET HIGHLIGHTS

The Town of Halfmoon relies on two major sources of revenue for the Town budget, mortgage tax and sales tax. This year's Town Budget figures are the result of a number of different statistical data and analyses. The Town Supervisor and Town Budget Officer reviewed actual statistical data of the Town budgets over the past five year period and then compared it with recent trends to formulate the budget. The Town Budget is based on very conservative fiscal expenditures and revenues for the 2015 budget year.

NO TOWN PROPERTY TAX AND NO TOWN HIGHWAY TAX

This budget marks the 36th consecutive year there is no general fund Town tax to be levied with the residents of the Town of Halfmoon. This is also marks the 30th consecutive year with no Highway tax.

GENERAL, HIGHWAY and WATER FUND

The General Fund portion of the Town Budget shows that there has been a significant decrease in health insurance costs due to the Town switching to a different health insurance plan. There have also been slight cuts in personnel and other employee benefits. There is a two percent (2%) raise budgeted for all year-round Town employees.

The 2015 budget also takes into account a sharp reduction in the expected mortgage tax the Town will receive as the 2014 budget anticipated verses actual revenues shows the Town will receive significantly less mortgage tax.

The Town will not rely upon any use of its unappropriated fund balance for the 2015 budget.

The overall general fund portion of the budget increased less than one half of one percent (actual .44% increase) from the 2014 budget.

The Highway fund portion of the budget shows a decrease of just over five percent (actual 5.08% decrease) over the 2014 budget. The Town will be relying on grant monies awarded in 2014 as well as State monies received thru the CHIPS program for the majority of its road improvements.

The Water fund portion of the budget will increase two and one half percent (2.5%) over last year's budget. The water fund budget operating portion increased slightly from the previous year based upon (1) The Town's continuing to purchase water from the City of Troy due to GE's dredging of the Hudson River and (2) the increased legal fees associated with the GE lawsuit.

Overall, the Town budget for 2015 decreased \$11,086, which is basically a stable and realistic budget for the year 2015.

PROVIDING NEEDED SERVICES

Our residents continue to use needed services provided by the Town. For example, over 1000 seniors actively participate in the Senior Center's educational and recreational programs, along with other services. Meals-on-Wheels, Day to Day activities, planned trips and senior van use are important and vital services provided to the seniors.

For our youth, the Summer Recreation Program enrolled over 700 children this past summer. The Character Counts program is integrated into the programming for all summer recreation participants whose ages range from pre-school to 15 years old. The Town also employed youth thru its summer beautification program, many for whom it was their first job experience.

The Town partners with several non-profit organizations to provide support to Halfmoon children, seniors and families in need. These partnerships include: CAPTAIN, Center for the Family, Care-Links, and the YMCA Reach Out for Youth program. The programs offered by these organizations are essential components of our Town as they provide educational, financial, emotional, psychological and other support to those in need.

SLOW ECONOMIC IMPROVEMENT CONTINUES TO AFFECT HALFMOON

The slowly improving national economy continues to present realistic challenges to the Town. Sales tax numbers for the calendar year 2014 to date have been better, but mortgage tax revenues have declined sharply from the previous year. The Town has made significant cuts in certain areas of health insurance, reducing costs while maintaining stable coverage for its employees. The Town has also been recently approved for a state sponsored program thru NYSERDA for solar panels to be placed at the Halfmoon Water Treatment facility. They will be installed at no cost to the Town but will result in significant savings in utility bills that the Town pays monthly. Lastly, the Town refunded some of its bonds resulting in substantial savings to Town residents. Conservative budgeting and spending will continue as the Town finds more ways to cut its expenses.

2014 BUDGET FREEZE

Shortly after January 2014, with the realization that mortgage tax numbers were significantly lower, the Town Supervisor instituted a budget freeze for 2014 spending. This means only expenditures for the health, safety and welfare of our community can be incurred without the Town Supervisor's approval.

GRANT FUNDING

The Town continues to aggressively pursue federal, state and other grants. These grant awards have been and will continue to be used for road, sewer, water, energy efficiency improvements, sidewalk, park, trail, recreational, and court projects. These are projects that would have otherwise been funded exclusively by the Town or would have been deferred due to the lack of funds.

AUDITOR AND BOND RATING AGENCY EVALUATIONS OF TOWN FINANCES

Annually the Town's finances are examined by an independent auditing firm. For the most recently completed fiscal year 2013, the CPA Firm, Bollam, Sheedy, Torani & Company issued the following opinion regarding the Town's financial statements and internal controls:

"In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental and fiduciary funds and account groups of the Town of Halfmoon, as of December 31, 2013 and the changes in financial position of the governmental funds for the year then ended in accordance with the accounting and reporting practices permitted by the New York State Office of the State Comptroller..."

The Town of Halfmoon continues to have a very strong credit rating as reflected by Moody's 2014 rating of the Town with its "Aa3" designation. Another rating company, Standard and Poor maintained the Town's AA bond rating and changed its outlook from negative to stable. Standard and Poor's report stated:

"We believe Halfmoon will likely maintain what we consider its very strong financial flexibility and liquidity. Despite continuing operating deficits, we consider the Town's budgetary flexibility strong; in addition its reserves remain what we view as very strong". (Standard & Poor Report, March 12, 2014).

Respectfully submitted;

Kevin J. Tollisen
Town of Halfmoon Supervisor