

**From the Desk of the Supervisor  
Melinda McKnight**

**November 9, 2023**

### **Clarifying Notes for the 2023 Budget**

I'm pleased to have the ability to provide you with a 2023 Budget without an increase in property taxes for Town operations that include: Town Hall, Transfer Station, Building Department, Town Clerk's Office, Planning & Zoning Departments, Assessor's Office, Town Historian, Park, Rail Trail, Recreation & Justice Court.

This budget represents a new approach. My approach to the budgeting process is very different from those of previous administrations. Twenty-five years of budgeting experience in the non-profit and for profit sectors, participation in the Association of Towns (AOT) Mentorship Program for New Supervisors, attendance at OSC/AOT Newly Elected School, consistent attendance at the Ulster County Board of Supervisors and Mayors meetings, regular communication with both my assigned AOT Mentor as well as my counterparts in other towns and guidance from the New York State Comptroller's Office as well as the Ulster County Comptroller's Office have been very helpful in creating a budget to meet the needs and demands of these times.

The Budgeting Process began in August when we examined the needs of each department and requested input from staff. It was clear from the staff that we began this process earlier than previous administrations. I reviewed every revenue stream and all appropriations. Two years of service on the Town Board and three full Quarters of 2023 as Supervisor have provided me with an understanding of Town operations and helped identify opportunities to improve efficiency in operations.

In preparing this year's budget, several key questions and clarifications needed to be answered and addressed. These were as follows;

#### **1. How can the Town of Hurley provide more services to residents while decreasing property taxes?**

In previous years, the town's budget included appropriations that remained unspent year after year and revenues that remained flat which were rolled into the following year to reduce the tax levy. In discussions with the Office of NYS Comptroller's it was noted additionally that, a large Contingency line on the Appropriations Budget was excessive and reflective of an insufficient understanding of operational needs. To keep property taxes low, previous administrations, dramatically reduced services designed to benefit the residents. The Office of the New York State Comptroller frowns upon a large General Fund balance because it is an indication that taxpayers are overburdened. In the Town of Hurley, property taxes remain relatively low – indicating that taxpayers are not overburdened by Town taxes. My examination of the budget – both revenue and appropriations – revealed that revenue projections have not kept pace with actual revenue received and that budget appropriations have been improperly allocated. My goal is to improve efficiencies over all town operations by making adjustments in keeping with current, municipal budgetary practices.

## **2. What is the 2022 Amended Budget?**

The Office of the New York State Comptroller expects that Town Boards will regularly account for changes in revenue and appropriations as those changes affect the current budget. Previous administrations have adjusted the budget once annually at the end of the Fiscal Year. I have learned that those adjustments need to happen much more frequently to remain in compliance with current NYS Law. In the past two years, the Town of Hurley has received more than \$800k in excess Sales Tax Revenue above the total amount budgeted of \$300k in FY 2021 & FY 2022. Although it is a sound budgeting strategy to be conservative in revenue projections, being too conservative unnecessarily constrains operations and services.

## **3. How is the Town Board paying for the costs associated with relocating the Highway Department?**

Throughout FY2022, the Town Board has passed Resolutions during Public Meetings to accept Unanticipated Revenue into the Current Budget and increased Appropriations lines as necessary to pay for unanticipated expenses. Regular Budget Amendments are expected and a regular part of doing the peoples' business, according to the Office of the New York State Comptroller. *All expenses associated with the relocation have been paid for with excess Sales Tax revenue.*

## **4. It seems like you haven't made provisions to cover the rental of the garage next year. Is that true?**

A Reserve Fund established to cover the cost of the Highway Garage Rental out of excess revenue from FY2022 before the end of the year.

## **5. What is the justification for adding a Bookkeeper to Town Personnel?**

Overall, outsourcing municipal functions is more costly than hiring staff because it reduces efficiency and limits the amount of oversight. Sickler, Torchia, Allen & Churchill have provided bookkeeping, payroll, and accounting services for the Town of Hurley for decades. At one time, the system apparently worked well; however, that is no longer the case. In addition, the Office of the NYS Comptroller prefers that Towns bring bookkeeping under the auspices of the Town government. The funds for this position will be offset by the reduction in fees paid to the accounting firm.

## **6. What is the justification for adding staff to the Building line, and how will you pay for it?**

The Town has consistently paid outside vendors for janitorial services. Maintenance was provided as needed by a former employee by the hour and submitted on a voucher – not run through payroll (a process that was not legal). For the past few years, there has been a Park custodian to open and close the gate as well as some other tasks. The arrangement is far from perfect. Increasingly, it has been challenging to ensure that regular maintenance takes place at the properties owned by the Town. To improve

efficiencies, it makes sense to reduce the number of outside vendors and create a position to perform maintenance and serve as a custodian at all Town properties. Increased oversight and a dedicated staff member should improve efficiency and ensure that regular maintenance takes place where and when we need it.

**7. Why is the budget for “Hurley Seniors” reduced?**

The Town currently has no way of knowing how Hurley residents learn about and get involved in the Seniors group. The Town is happy to participate in a conversation with the group to ensure that the funds expended are serving all Hurley Seniors who are interested in participating.

**8. There are lines that you reduced drastically or eliminated funds from completely. Why and how will you account for any expenses that may be necessary to assign to those lines?**

Budget lines have been reduced based on the average amount spent over the past few years, and considering unusual expenditures made during COVID-19 pandemic (2020 and 2021). Where funds were eliminated from a particular budget line, those funds were allocated on a line with a greater need.

As a Town Board and in my capacity as Town Supervisor, I look forward to addressing these and any other concerns that you may have to improve efficiencies and safe guard our Hurley community.

Sincerely,  
Melinda McKnight