



MAYOR'S MONTHLY

The Village of Millbrook Monthly Newsletter By Mayor Tim Collopy



April 2024 Mayor's Newsletter: The Budget Issue

April 3rd, 2024

Dear Village of Millbrook Residents,

As I said in last year's budget issue, one of the most important responsibilities of the Board of Trustees is to set the annual budget for the next fiscal year (FY). As is true of all villages in NYS, the Village of Millbrook (VoM) FY runs from June 1st of each year to May 31st of the following year. To prepare and mail tax bills by June 1st, there must be a public hearing of the budget by April 15th and board approval by May 1st. The VoM Board of Trustees has been working with the clerks and department heads to prepare the budget for FY 2024-2025 by doing a line-by-line review of expected expenses and revenues for 6/1/2024 to 5/31/2025. I intend to hold a **public hearing** and ask the Board of Trustees to **vote on the budget** at our next meeting on Wednesday, **April 10th** at **6:00 pm** at the Millbrook Firehouse. If you have questions or comments, either call me, email me, or come to the public hearing.

Mayor Tim Collopy

Village of Millbrook

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BUDGET GOALS

For FY 2024-2025, the Village of Millbrook's budget goals are similar to last year:

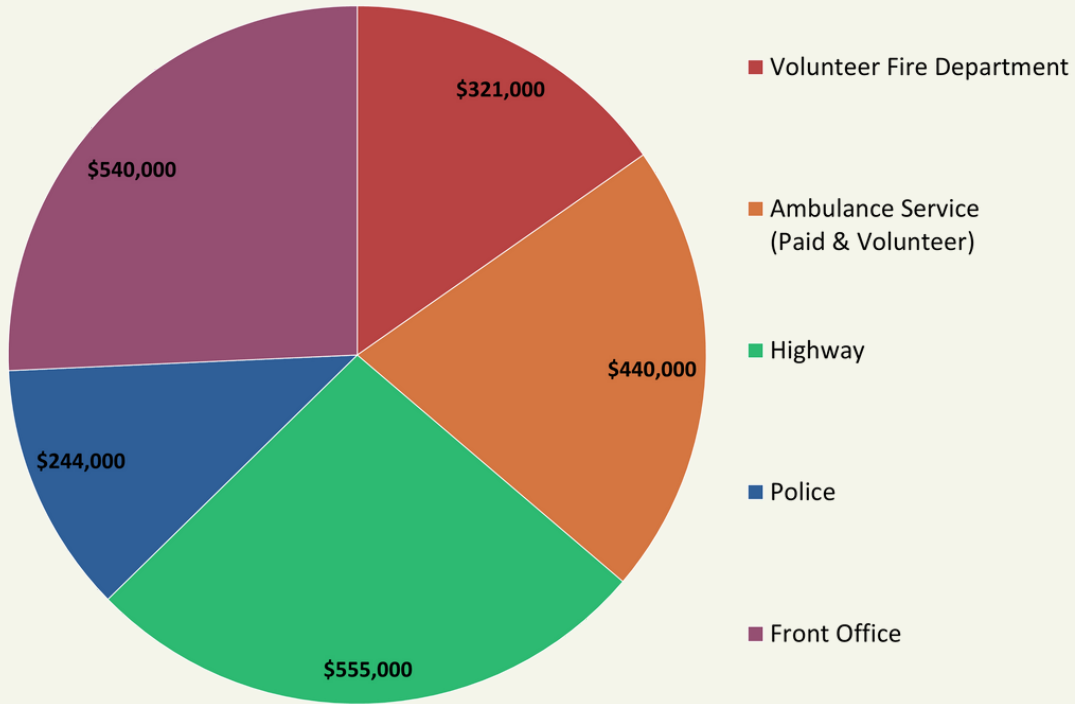
- Stay under the NYS tax cap.
- Maintain the Village's General Fund balance.
- Support ongoing expenses with ongoing revenues.
- Ensure that the budget encompasses all expected operational expenses for the FY.
- Anticipate and include budgeting for infrastructure, facility and equipment upgrades or replacements.
- Ensure that user fees cover the cost of those activities.
- Maintain each of the water and sewer operations as "stand-alone" budgets so that all expenses to run and administer the water service is paid by revenues from the quarterly water bills; same for sewer.
- Monitor year-to-date actual results vs. budget at least monthly so issues are addressed quickly throughout the year.

KEY TAKEAWAYS OF THE PROPOSED BUDGET – GENERAL (A) FUND:

- A 2% increase in the tax levy (+\$23,901) which totals \$1.1M and is just under the tax cap.
- A 1.4% increase in the tax rate from \$5.03/\$1000 assessed value to \$5.10/\$1000.
- A General Fund budget totaling \$2.2M which consists of a tax levy of \$1.1M and \$1.1M of "other revenue" (details in #1 below).
- Addition of the 1st of 5 annual payoffs of the bond used to purchase a new dump truck.
- Generally, a 3% increase in salaries except for employees who received increases during the past year.
- Significant planned changes to the Police Department (details in #2 below)
- Repaving of Washington Avenue and oil/stone resurfacing of Maple Avenue in late summer.
- Allocation of funds to hire a Highway Supervisor to replace Bob Collocola who is retiring in June.
- Hiring of a part time employee to assist the Building Inspector in doing inspections for Short Term Rentals (STRs) and fire inspections of Village businesses.
- Changes to the rollout of the STR permit requirements for residents (details in #3 below).

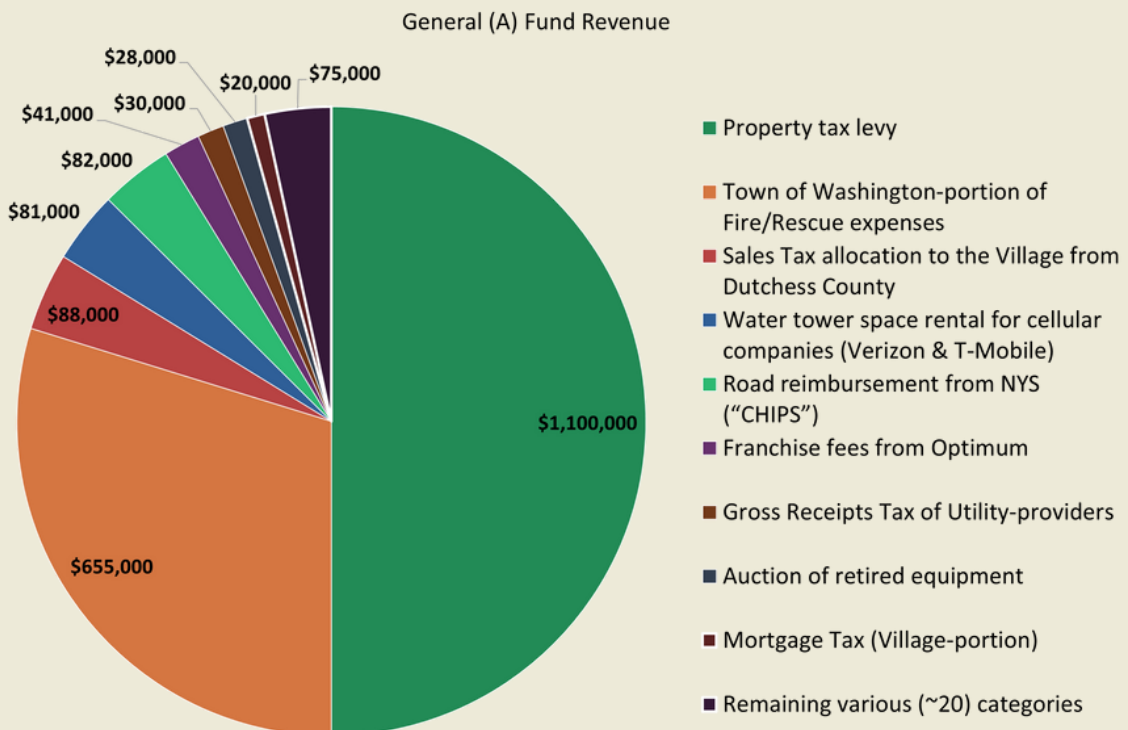
#1 GENERAL (A) FUND EXPENSES MAJOR CATEGORIES

The Village General Fund budget totals \$2.2M of expenses



#1 GENERAL (A) FUND REVENUE SOURCES

To Fund the \$2.2M of expenses, the Village receives \$1.1M from property owners and \$1.1M from other sources



#2 PLANNED CHANGES TO THE MILLBROOK POLICE DEPARTMENT

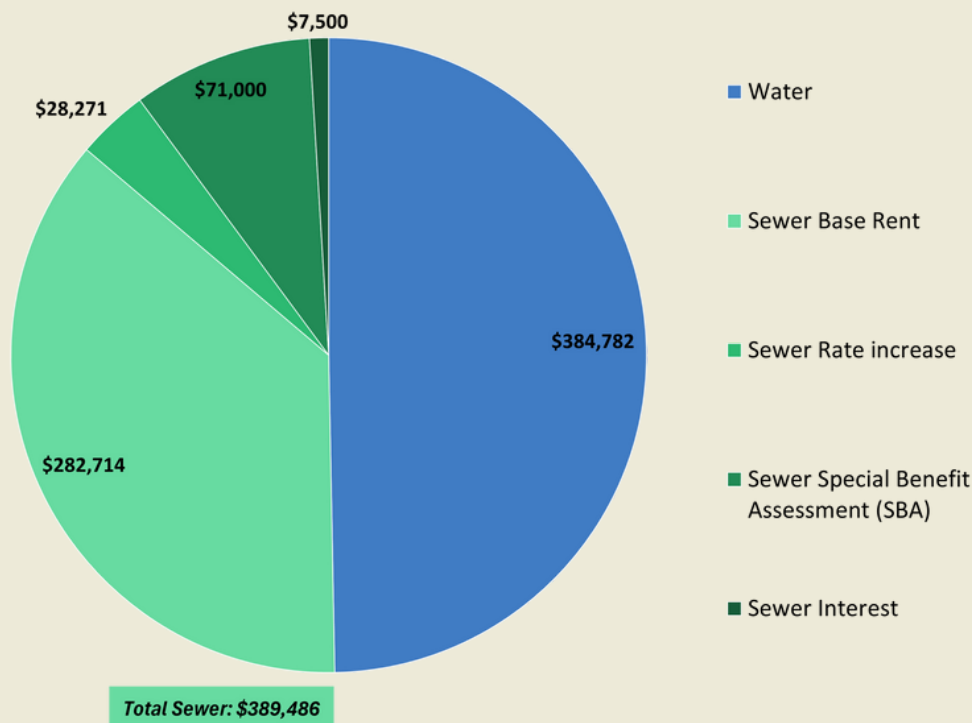
- Effective June 1, 2024, we plan to hire a part time Chief of Police while keeping the total police department hours the same. The Chief will be responsible for administration, scheduling, budgeting, and training of Millbrook police officers.
- To recruit and retain qualified police officers, we are instituting a minimum hourly wage of \$30 for part time officers.

#3 PLANNED CHANGES TO THE ROLLOUT OF THE STR LOCAL LAW

- Permits will become available starting June 1st.
- The permits will be for 2 years, but the \$1000 fee will be divided:
 - \$500 for initial application and
 - \$500 at the time of the 2nd-year reinspection.
- A 5% discount will be given to applicants who use the on-line “HeyGov” application.

WATER (F) & SEWER (G) FUNDS KEY TAKEAWAYS OF THE PROPOSED BUDGET

Water (F) & Sewer (G) Funds



WATER (F) FUND

There is no increase planned in water rates for this FY since the projected revenues are expected to cover the projected expenses for the entire FY, given the implementation in January of a \$20/meter charge on each quarterly bill.

SEWER (G) FUND

Because the Wastewater Treatment Plant (WWTP) is over 50 years old, it needs a major upgrade to (1) fix an increasing number of equipment failures in the system and (2) conform to DEC demands to improve operations and outflows to current standards. To help finance the estimated \$8-10M for this upgrade, we have been awarded a Water Infrastructure Improvement (WIIA) grant of \$3.7M and a 30-year, 0% interest loan for the remainder. While our hope is that we will also be awarded a Water Quality Improvement Project (WQIP) grant when we apply this Fall, we need to plan for the possibility of failing to get that second grant. In that case, sewer rates would have to increase by as much as 60% when the project completes in 3-4 years. Therefore, starting with this FY, we plan to increase sewer rates 10% per year for the next 4-5 years. Hence the sewer rate starting 6/1/24 will increase from \$9 to \$9.90/1000 gallons of water used for the next FY.

We will be holding a 2nd board meeting in April on the 24th at 6PM in the Village Hall (open to the public) for Tighe & Bond to present their proposed upgrade plan. This will be compared to that previously proposed by Delaware Engineering for the board to decide which option to pursue.

Also, we have decided to rollover the \$325K Bond Anticipation Note (BAN) for replacing the South Millbrook sewer pump for another year. This project should begin soon now that both the pump and generator have arrived. Once the project is completed and we have used the \$250K grant which we received from NYS, thanks to the efforts of Senator Michelle Hinchey and Assembly Member Didi Barrett, we will convert the BAN into a 10-year, ~\$100K bond to cover the remaining cost.

CLOSING

Line-by-line details of the proposed budget are posted on the **Village website**. If you have questions or comments, do not hesitate to contact me, or attend the public hearing on April 10th.

