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TOWN OF OWEGO 2012 TENTATIVE BUDGET INFORMATION
BY DONALD CASTELLUCCI JR., TOWN SUPERVISOR

The Town receives its operating revenue through two tax rates. The TOWN WIDE rate is paid by everyone in the Town including those people living in the Village of Owego. The TOWN OUTSIDE rate is paid only by those people who live outside the Village. These two tax rates are needed because the people in the Village do not receive some Town services (i.e. snow plowing, road repair, etc.) and legally cannot be charged for them. They instead pay for the following services through their Village taxes.

Examples of what the TOWN WIDE rate covers include the cost of the following services: Town Clerk and Tax Collector, Town Attorney, Assessor, Dog Control, Town Supervisor and Board, Town Court, Coburn Library, Summer Youth Program, Town Historian and Worker's Compensation costs for Village and Town Firefighters. The TOWN OUTSIDE rate covers such things as Highways (Paving, Snow Removal, Machinery), School Crossing Guards, Hickories Park and other Town parks, Apalachin Library and Planning and Zoning. The Utilities Department (Water and Sewer) is not funded by Town taxes but is supported entirely through user fees.

The following is the projected 2012 Tentative TOWN WIDE and TOWN OUTSIDE tax rate stated per \$1,000 of assessed valuation:

TOWN WIDE	\$0.969036
TOWN OUTSIDE	\$2.293528
TOTAL	\$3.262564

2012 Tentative Budget Message

The 2012 Tentative Budget includes a 7% increase in health insurance premiums for 2012, 9% increase in dental insurance premiums. Workman's Compensation costs for the Town remained the same for 2012. Contributions to the State of New York's retirement system are

projected to be set at approximately 18.3% of payroll costs, which is approximately 13.5% more than last year. The AIM (Aid and Incentives to Municipalities) payment received from the State of New York, fell below our estimated revenue projection. We anticipate that this will continue to happen in 2012

Residential taxpayers that pay only the Town Wide rate (Village residents) will pay on an average residential Village assessment of \$65,700 total Town taxes of \$63.67 ($65.7 \times \$0.969036 = \63.67). This total amount is \$6.53 more than the average Village resident paid this year. (An average Village residence in 2011 assessed at \$65,700 paid \$57.14 for Town taxes.)

An average residence outside the Village is assessed at approximately \$101,800. Therefore, for 2012 total Town taxes on an average residence will be \$332.14 (Town Wide ($101.8 \times \$0.969036 = \98.65) and Town Outside ($101.8 \times \$2.293528 = \233.49)). For 2011, total Town taxes on an average residence that was assessed at \$101,800 were \$312.54. (\$88.54 Town Wide and \$224.00 Town Outside). Therefore an average residential taxpayer that pays both the Town Wide and Town Outside rate will pay, on average, \$19.60 in additional total Town taxes next year.

In 2012, there will be changes to our water and sewer rates as follows:

The current water charge of \$3.58 per thousand gallons of water will increase to \$3.67 per thousand gallons. An average residential water user that uses 60,000 gallons of water per year will see an increase in their yearly water charges of \$5.40. For homeowners the \$98.82 per year water capital charge will remain the same, making the total capital charges (\$32.94/bill). Water billing fee will increase from \$4/billing cycle to \$6/billing cycle. The Utilities Department has updated its software program to improve compatibility between the Town Clerk's office and the Utilities Department.

The sewer charge which is based on water consumption is currently \$3.90 per thousand gallons of water. The 2012 rate will be \$4.00 per thousand gallons of water. An average residential sewer user that uses 60,000 gallons of water per year will see an increase in their yearly sewer charges of \$6.00. For homeowners the \$82.23 per year capital charge will remain the same, making the total capital charge (\$27.41/bill). The entire sewer capital charge is used toward debt payments for our two sewer plants and sewer infrastructure.

Homes that have municipal sewer but do not have municipal water will be charged \$240.00 per year (\$80.00/bill) for sewer use and also charged the \$82.23 per year sewer capital fee.

Due to the severe flooding in April and September, the Hickories Park experienced substantial damage. Many of the mitigation repairs completed after the April flood were completely destroyed in the September flood. The camping rates will be reevaluated January 2012.