

## SEPTEMBER 29, 2011

A Budget Workshop Meeting of the Town Board of the Town of Greenwich, Washington County, New York was held at the Town Office Building, 2 Academy Street, Greenwich, New York on Thursday, September 29, 2011 at 8:00 p.m.

PRESENT:	Sara Idleman	Supervisor
	Bob Jeffords	Councilman
	Steven Patrick	Councilman
	George Perkins	Councilman
	Eric Whitehouse	Councilman

Also Present: Town Clerk Elaine Kelly, Clerk to the Supervisor/Budget Officer Kellie Blake, Rick Sullivan, Stan Mattison, Dan Brown and Brian Barbur.

Dispensing with formalities Supervisor Idleman opened the meeting.

Discussion on 2012 Budget: Supervisor Idleman turned the meeting over to Budget Officer Kellie Blake to explain the budget revisions from last week's budget workshop.

Budget Officer Kellie Blake handed out the revised work copy of the budget with the Board and explained the changes that she had implemented. The Highway Superintendent had decreased several line items in the highway budget that the Town Board did not agree with and Kellie reinstated the original amounts as the Board requested.

Kellie stated that the assessed value has dropped by 3 million dollars. She is still waiting on the mortgage tax from the County. Once she has that figure, the amount of fund balance that she can use towards next year's budget may increase.

### Budget Discussion.

- Retirement costs are up 51% over 2010.
- CDPHP possibly up 5%, won't know final figure until November. MVP (retirees) is up 9%.
- Youth Program: The current cost to run this program is approximately \$200 per child. \$10 is collected from each attendee and the Town pays the remaining \$190 per child. It was noted that the Town of Greenwich is also paying \$190 per child for Town of Easton residents to attend. 33 children from the Town of Easton attended this year costing the Town of Greenwich approximately \$6270. Initially this year, registration was limited to only Town of Greenwich residents. This created a very difficult and uncomfortable situation for Kellie Blake when registering the children. Especially hard was turning away the children that live in the Village of Greenwich but Town of Easton. In the end the Town of Easton children were allowed to come. Because of the \$6,270 cost the Board is trying to find a way to continue allowing the Town of Easton children to attend the program. Supervisor Idleman will speak to Town of Easton Supervisor John Rymph to request that the Town of Easton pay the costs for the Easton children to attend the program.

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- Highway Superintendent Rick Sullivan was not at the last budget workshop so the Board explained to him why they had reinstated the original amounts in some of the highway accounts. The Board reviewed the accounts again. Rick stated that he felt that the department is in the position where some of the line items could be reduced. The Board disagreed citing one account that was originally \$45,000 but Rick had reduced to \$40,000. This particular account expended \$60,000 in 2009 and \$52,000 in 2008 and over \$40,000 every year since 2006. If the account spends the past average it will be overdrawn with only \$40,000 in it. The Brush and Weeds account was cited as a similar situation where reducing the appropriation could result in it being overdrawn.
- Councilman Whitehouse stated that we have run this budget for years as bare bones. Cutting everywhere even as the cost of things continues to rise. We obviously have a responsibility to the taxpayers to keep taxes low but we also have a responsibility to provide the services that they need.
- Raises: The Board had requested a budget draft that included a 2% pay raise. With a 2% raise we would be over the tax cap by \$4,930 and with no raise we would be under the tax cap. Kellie stated that even with staying under the 2% cap, it doesn't mean that our tax rate isn't still going to go up as we have still lost 3 million dollars in assessments. Supervisor Idleman wants to look at a pay raise and believes all fulltime people should get a raise. Rick stated that he told his department that he wasn't asking for a raise for them but he has built in overtime pay into the budget and if they need the money then come in for overtime. The Councilmen all felt that this was not an opportune year to give pay raises for many reasons but they would look at it again next year. Supervisor Idleman noted that the consumer price index had increased between 2 and 3% and would like to see at least a 1% increase. Councilman Whitehouse stated that it is a tough year and the feedback that he got from taxpayers after last year's raise was not good. If we properly represent them they would not be in favor of a raise this year. Supervisor Idleman stated for the record that she disagrees.
- Rick asked the Board about buying a new loader. The Board and Rick had a long discussion on our current loaders and what they need for maintenance. Exhaust, manifold and tires were noted as maintenance needs on the Fiat and with those repairs Rick said he could probably get by for another year or two.
- Fire Protection: Councilman Jeffords stated that the fire committee had met with the fire departments earlier this evening. After a public hearing earlier this year, the Town changed the method for the allocation of fire protection monies to be similar to the way that lighting districts are funded. In the new formula, whatever tax dollars are produced based on the taxable value in a certain coverage area, those same dollars would be paid to that particular fire coverage company. In the old formula roll Section eight (non-taxable properties) was added to the assessed value of properties in a particular coverage area to come up with a new value that was a combination of both taxable and non taxable properties. If the old formula is followed this year the Town would have to add \$47,000 to the budget to make each department whole or in other words so that no department would see a decrease in funding. This is not feasible with the recently imposed 2% tax cap. It was also noted that the Town of Greenwich was the only Town in the county to be using the old formula. Under the new method, Middle Falls Fire

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Department could lose up to \$16,000 while the other departments showed modest gains. This \$16,000 loss is due to a couple of different factors. One of which is that the Middle Falls coverage area lost a lot of assessed valuation due to market values decreasing as well as the loss due to the non-taxables (roll section 8) not being added back into the equation such as the medical center, the Ashlar lodge etc. Secondly, and possibly the biggest reason for the large loss is that the SCA Tissue has completed its PILOT (payment in lieu of taxes) program which has revealed an overlooked error. The SCA, while under the PILOT program, was listed as a section eight property which is non-taxable. However, as part of its PILOT agreement, the SCA has always been paying for fire protection and lighting on its 6 million dollar assessment during the course of the agreement. So, this 6 million of assessment has always been listed in the taxable valuation roll but was inadvertently added in a second time with the Section 8 properties. Thus, the Middle Falls fire department has had the benefit of an extra 6 million dollars of assessment during the full term of SCA's PILOT agreement. So with the correction of the 6 million dollar assessment being added in twice and coupled with the normal decrease in assessment due to market value, the \$16,000 loss in revenue resulted. Councilman Jeffords will verify this with the County and he will also bring two different proposals on how to allocate the funds for the departments to Monday night's meeting.

- Changing of fire coverage areas: Middle Falls Fire Department has requested to take over the coverage area which is currently contracted with the Village of Schuylerville. A long discussion followed which took into consideration: response times, public safety, bringing the current funding back into the Town of Greenwich, etc. More information needs to be gathered before an informed decision can be made. If this change is made it would not take effect until 2013 as a public hearing would be needed and a local law passed which time does not allow for in the upcoming 2012 budget process. This would also allow time for the Village of Schuylerville to prepare for the change in funding.

Motion by Councilman Whitehouse

Seconded by Councilman Perkins

and passed unanimously by said Board,

that the meeting be adjourned at 9:48 P.M.

Respectfully submitted,

Elaine A. Kelly, RMC, CMC  
Town Clerk