

TOWN OF LLOYD TOWN BOARD

SPECIAL MEETING

OCTOBER 21, 2011

Present: Supervisor Raymond Costantino
Councilmember Nancy Hammond
Councilmember Herbert Litts, III
Councilmember Jeffrey Paladino

Also present: Sean Murphy, Attorney
Rosaria Peplow, Town Clerk
Frank Lombardi, Highway
Superintendent

Absent: Councilmember Kevin Brennie

10:25 AM – Supervisor opened the meeting and led the Pledge of Allegiance.

Councilmember Litts thanked everyone for wearing red shirts in support of our Troops.

1. OLD BUSINESS

A. Discussion of the 2012 Tentative budget

Supervisor said that there have been questions regarding some of the funds the Town distributes to the Mid-Hudson Seniors, the \$1,200 given to Community Action to help offset their rent, the money given to the American Legion and the request from the VFW for funds. He asked Sean Murphy, attorney, for a legal opinion on giving tax dollars to these entities.

Paladino felt that whatever the legal opinion may be, it may be in the best interest of the Board that these items are funded this year and indicate that these may not be funded in the future as these groups may be counting on the funding for this year. This would give these groups an opportunity to prepare for that adjustment in their budgets.

Supervisor thought the Board should look at Litts' suggestion that this is something that could be moved to the Recreation Department.

Murphy noted that Men's Softball or SummerFun are items that do go through the Recreation budget.

Litts commented that going through the Recreation budget line, there is a Town employee who is accountable for the fund.

Hammond felt what would happen if that was the decision, Frank Alfonso, Recreation Director, would go to the Seniors (for example) and tell them that there was X-amount of dollars to be used for recreation and ask for their input.

Litts said that someone is accountable for every other item in the budget and the funds given to these groups are not accountable; he would like to be able to tell the taxpayers that taxes are being collected and utilized as they should be.

Supervisor feels that invoices received from these groups state that the funds are to offset their budgets and Hammond agrees.

Supervisor said that moving the Seniors into Recreation, Alfonso could approve an invoice from the American Legion to rent the hall for the Seniors, which would be transparency as to where the money went; the Town now gives them \$5,000 and the Town does not know what they do with the money.

Litts offered that they may use the money for something else that is accountable; right now the Board is allocating taxpayers' money and there is no accountability.

Peplow asked if that would not be the duty of the Chief Fiscal Officer of the Town.

Paladino clarified that the Board is asking for an explanation of how the \$5,000 is being used.

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Supervisor would like to know on what authorization is the Town giving the Seniors \$5,000.

Peplow summed up that Murphy will research.

Discussion continued on the 2012 Budget.

Elaine Rivera, Assessor, received estimates from three companies/appraisers for the certioraris, ranging from \$20,000 to \$30,000. The lowest estimate is from Eugene Gruner, real estate appraiser and broker from Kingston, NY. His price is for a restricted appraisal for discussion with the Board of Assessment Review and negotiation with the taxpayer and if there is a court case, the price is \$17,000 to do all eight. She has spoken with Sean Murphy who has said that Gruner is well respected in the courts in Kingston and she would like to proceed with the initial cases. She asked the board to adopt a resolution for a budget transfer in order to proceed.

2. NEW BUSINESS

3. RESOLUTIONS

A. RESOLUTION made by Litts, seconded by Paladino,

BOND RESOLUTION OF THE TOWN OF LLOYD, NEW YORK, ADOPTED OCTOBER 21, 2011, AUTHORIZING THE RECONSTRUCTION OF VARIOUS ROADS IN THE TOWN THAT WERE DAMAGED AS A RESULT OF TROPICAL STORM IRENE AND TROPICAL STORM LEE; STATING THE ESTIMATED MAXIMUM COST THEREOF IS \$500,000, APPROPRIATING SAID AMOUNT FOR SUCH PURPOSE, AUTHORIZING THE ISSUANCE OF \$500,000 SERIAL BONDS OF SAID TOWN TO FINANCE SAID APPROPRIATION AND FURTHER AUTHORIZING ANY FUNDS TO BE RECEIVED FROM THE UNITED STATES OF AMERICA, NEW YORK STATE OR ANY OTHER SOURCES TO BE EXPENDED TOWARDS THE COST OF SAID PROJECT OR REDEMPTION OF THE TOWN'S BONDS OR NOTES ISSUED THEREFOR, OR TO BE BUDGETED AS AN OFFSET TO THE TAXES TO BE COLLECTED FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS OR NOTES

THE TOWN BOARD OF THE TOWN OF LLOYD, IN THE COUNTY OF ULSTER, NEW YORK, HEREBY RESOLVES AS FOLLOWS:

Section 1. The Town of Lloyd, in the County of Ulster, New York (herein called the "Town"), is hereby authorized to reconstruct various roads in the Town that were damaged as a result of Tropical Storm Irene and Tropical Storm Lee. The estimated maximum cost thereof, including preliminary costs and costs incidental thereto and the financing thereof, is \$500,000 and said amount is hereby appropriated for such purpose. The plan of financing includes the issuance of \$500,000 serial bonds of the Town to finance said appropriation, and the levy and collection of taxes on all the taxable real property in the Town to pay the principal of said bonds and the interest thereon as the same shall become due and payable. Any grant funds received from the United States of America, New York State or from any other source in connection with the Project are authorized to be applied towards the cost of said project or redemption of the Town's bonds or notes issued therefore, or to be budgeted as an offset to the amounts to be collected for the payment of the principal of and interest on said bonds or notes.

Section 2. Serial bonds of the Town in the principal amount of \$500,000 are hereby authorized to be issued pursuant to the provisions of the Local Finance Law,

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constituting Chapter 33-a of the Consolidated Laws of the State of New York (herein called the "Law"), to finance said appropriation.

Section 3. The following additional matters are hereby determined and declared:

- (a) The period of probable usefulness applicable to the object or purpose for which said bonds are authorized to be issued is in excess of five years; however, the bonds authorized pursuant to this resolution and any bond anticipation notes issued in anticipation of the sale of said bonds, shall mature no later than five (5) years after the date of original issuance of said bonds or notes.
- (b) The proceeds of the bonds herein authorized and any bond anticipation notes issued in anticipation of said bonds may be applied to reimburse the Town for expenditures made after the effective date of this resolution for the purpose for which said bonds are authorized. The foregoing statement of intent with respect to reimbursement is made in conformity with Treasury Regulation Section 1.150-2 of the United States Treasury Department.
- (c) The proposed maturity of the bonds authorized by this resolution will not exceed five (5) years.

Section 4. Each of the bonds authorized by this resolution and any bond anticipation notes issued in anticipation of the sale of said bonds shall contain the recital of validity as prescribed by Section 52.00 of the Law and said bonds and any notes issued in anticipation of said bonds shall be general obligations of the Town, payable as to both principal and interest by general tax upon all the taxable real property within the Town. The faith and credit of the Town are hereby irrevocably pledged to the punctual payment of the principal of and interest on said bonds and any notes issued in anticipation of the sale of said bonds and provision shall be made annually in the budget of the Town by appropriation for (a) the amortization and redemption of the bonds and any notes in anticipation thereof to mature in such year and (b) the payment of interest to be due and payable in such year.

Section 5. Subject to the provisions of this resolution and of the Law and pursuant to the provisions of Section 21.00 relative to the authorization of bonds with substantially level or declining annual debt service, Section 30.00 relative to the authorization of the issuance of bond anticipation notes and Section 50.00 and Sections 56.00 to 60.00 and 168.00 of the Law, the powers and duties of the Town Board relative to authorizing bond anticipation notes and prescribing the terms, form and contents and as to the sale and issuance of the bonds herein authorized, and of any bond anticipation notes issued in anticipation of said bonds, and the renewals of said bond anticipation notes, and as to the execution of agreements for credit enhancements, are hereby delegated to the Supervisor, the chief fiscal officer of the Town.

Section 6. The validity of the bonds authorized by this resolution, and of any notes issued in anticipation of the sale of said bonds, may be contested only if:

- (a) such obligations are authorized for an object or purpose for which the Town is not authorized to expend money, or
- (b) the provisions of law which should be complied with at the date of the publication of such resolution, or a summary thereof, are not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the date of such publication, or
- (c) such obligations are authorized in violation of the provisions of the constitution.

Section 7. This bond resolution shall take effect immediately, and the Town Clerk is hereby authorized and directed to publish the foregoing resolution, in summary, in substantially the form annexed hereto as Exhibit "A", together with a Notice in substantially the form prescribed by Section 81.00 of the Law in the "NEW PALTZ

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TIMES" a newspaper published in Kingston, New York, and having a general circulation within the Town of Lloyd and hereby designated as the official newspapers of the Town for such publication.

* * *

(NOTICE AND SUMMARY OF RESOLUTION FOR PUBLICATION)

NOTICE

The resolution, a summary of which is published herewith, has been adopted on October 21, 2011 and the validity of the obligations authorized by such resolution may be hereafter contested only if such obligations were authorized for an object or purpose for which the Town of Lloyd, in the County of Ulster, New York, is not authorized to expend money or if the provisions of law which should have been complied with as of the date of publication of this Notice were not substantially complied with, and an action, suit or proceeding contesting such validity is commenced within twenty days after the publication of this Notice, or such obligations were authorized in violation of the provisions of the constitution.

ROSARIA PELOW

Town Clerk

EXHIBIT A

BOND RESOLUTION OF THE TOWN OF LLOYD, NEW YORK, ADOPTED OCTOBER 21, 2011, AUTHORIZING THE RECONSTRUCTION OF VARIOUS ROADS IN THE TOWN THAT WERE DAMAGED AS A RESULT OF TROPICAL STORMS IRENE AND LEE; STATING THE ESTIMATED MAXIMUM COST THEREOF IS \$500,000, APPROPRIATING SAID AMOUNT FOR SUCH PURPOSE, AUTHORIZING THE ISSUANCE OF \$500,000 SERIAL BONDS OF SAID TOWN TO FINANCE SAID APPROPRIATION AND FURTHER AUTHORIZING ANY FUNDS TO BE RECEIVED FROM THE UNITED STATES OF AMERICA, NEW YORK STATE OR ANY OTHER SOURCES TO BE EXPENDED TOWARDS THE COST OF SAID PROJECT OR REDEMPTION OF THE TOWN'S BONDS OR NOTES ISSUED THEREFOR, OR TO BE BUDGETED AS AN OFFSET TO THE TAXES TO BE COLLECTED FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS OR NOTES

The object or purpose for which the bonds are authorized is the reconstruction of various roads in the Town that were damaged as a result of Tropical Storms Irene and Lee at the estimated maximum cost of \$500,000.

The period of probable usefulness exceeds five years; however, the bonds authorized pursuant to this resolution, and any bond anticipation notes issued in anticipation of the sale of said bonds, shall mature no later than five (5) years after the date of original issuance of said bonds or notes.

The amount of obligations to be issued is \$500,000.

A complete copy of the bond resolution summarized above shall be available for public inspection during normal business hours at the office of the Town Clerk, Town of Lloyd, Town Hall, 12 Church Street, Highland, New York.

Dated: October 21, 2011
Town of Lloyd, New York

Roll call: Paladino, aye; Costantino, aye; Hammond, aye; Litts, aye.

Four ayes carried.

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B. RESOLUTION made by Paladino, seconded by Hammond,

WHEREAS funds were borrowed from the General fund and placed in the Capital fund in order to have monies available for the Rail Trail East project PIN 8759.14 before the Town was reimbursed,

WHEREAS the Town has been reimbursed from New York State Department of Transportation a portion of the funds to the Capital fund,

WHEREAS this project has been completed and is in the process of being reconciled

NOW THEREFORE BE IT RESOLVED that the Capital fund will now reimburse a portion of the amount owed to the General fund in the amount of \$100,000.00 while the Town waits for the remaining funds to be reimbursed.

Supervisor explained that the last payment has been paid to Merritt Construction on Rail Trail East and documentation is being prepared to be submitted to the NYSDOT for reimbursement and he does not anticipate much more money to be spent; money was borrowed from the General fund and put into a Capital fund for Rail Trail East and there is a couple of hundred thousand dollars left in there. This resolution is to transfer \$100,000 back; this resolution gives the General fund some cash flow.

Roll call: Paladino, aye; Costantino, aye; Hammond, aye; Litts, aye.

Four ayes carried.

Supervisor interjected the subject of drainage and said that he found a file dating from 2005 and said that the Town borrowed money for various projects; the Drainage Committee met every month and reviewed the projects in a thoughtful process. Members of the committee were Lou DuBois, Bob Hansut, Frank Lombardi, Lew DiStasi and Bill Rohde.

The projects were prioritized and he showed the list to the Board; he was interested to see that Christopher Avenue/Brinkerhoff Avenue was low priority.

Paladino asked what projects were completed.

Frank Lombardi, Highway Superintendent noted: Top Priority Projects that have been completed are Perkinsville Road, Fair Street, Old New Paltz Road, Upper North Road, South Ohioville and Carolyn Drive, and 611 North Eltings Corners Road, partially done because of the wetlands. Medium Priority Projects that are completed are 265 North Eltings Corners Road, 364 North Eltings Corners Road, Oakes Road dead end; Reservoir Road/Brescia Boulevard, Bell Drive and Lockhart Lane projects have not been completed. Low Priority Projects that have been completed are Clearwater Road, Costa Road, Deller Road, Sam Williams Road and Old New Paltz Road box culvert replacement that was shared 50/50 with Town of New Paltz; 61 Main Street, Thorns Lane Bridge Replacement and Christopher/Brinkerhoff drainage have not been done; the projects on Sheep Lane have not been done because easements are needed. Projects with Special Funding are Mile Hill Shoulders and Embankment Stabilization and Oakes Road Wall Replacement and they have been completed.

Supervisor offered the file, which is in his office, to anyone who would like to look at it and said that there are records back to 2003.

Lombardi said that at a meeting with FEMA he was told that if he gets over 50% of the work done, he will receive 50% of the funding; he actually has 75% completed. There will be another meeting on Wednesday, October 26. There is a problem on River Road near the Sewer Plant as the road is ripped up and he is trying to get money to fix the whole road. It was suggested that the contractor for the Sewer Plant ruined the road but he told them that was not the case.

Supervisor feels that Morris Associates has photos.

Lombardi asked if it is the Highway's responsibility to get rid of the material that is between the two houses as it came out of the stream. That is his argument with FEMA.

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Supervisor said that is private property and easements would be needed; however, he would like to recapture the material. He feels that the most important thing is to do is to lower the stream. The sump pumps are running constantly in the Fisher house, as the stream is higher than their basement.

Lombardi said that Mrs. Fisher was talking with the FEMA people about putting an excavator in the stream; they estimate about five thousand yards has to come out of the streambed and permits will have to be obtained from the Army Corps of Engineers. Approximately four hours of work can be done per day in the river when the tide is down.

Supervisor said that Mrs. Fisher is very concerned about the onset of winter and getting the work done. He asked if the invert of the bridge could be lowered to get the water past her house. He hopes that the roads will all be done by the end of next week.

Paladino noted that a month from next Thursday the money would be available, with which Murphy agreed.

Murphy will check to see if that the expense of obtaining the BAN could be the Town's 12.5% share.

Lombardi said that the suppliers all did him a great service as they quickly supplied the materials that he needed and now they are beginning to call him for payment.

Supervisor said this authorizes you to borrow the money and spend it. That was the point of the Board's reason to do it as he would have a clear title to it; there is \$375,000 allocated to fund the contract with the State of New York, a contract with Barton and Loguidice for Rail Trail West. The Town Board has already committed the money and he does not feel that the contracts will be broken. He was trying to make it easier for the Board next year to pool projects and put the money into capital funds so that it could be spent. There are reimbursable funds coming in for Tillson Avenue project and the Board will have to figure out how to fund its 10% until the 5% is available. If Mountainside Woods moves forward and gets into site plan and completion, on their traffic pattern, there will probably be some mitigation there and that is where the 5% will come from for the Tillson Avenue project. It is in the works and you will have money in the budget to do those small projects. We have a contract for \$380,000 so the most that can be spent on this phase at 10% is \$38,000.

The Bob Shepard Highland Landing Park project has a grant for \$999,000 and there are monies waiting from DOS. He was concerned if the project would go out to bid this fall or winter and the contractor starts to order materials, the contractor will want his money. In that DOS grant, the contractor statement says that up to \$25,000 can be borrowed for seed money so he has asked Matt Smith to requisition with 25% to get \$200,000 into the Town Hall.

Paladino said that he was not against the idea; however, there is only the \$375,000 allocated for Rail Trail West, he asked if the Board should consider going forward with the Tillson/Toc Road and the Highland Landing Park projects.

Supervisor said that just because there is authorization to borrow the money, it does not mean that the money has to be borrowed.

Paladino said that the Supervisor said earlier, if the authorization was under one package, the Board would save in legal expenses to authorize the bonding and the money would be available if and when it was needed, the interest would be paid on only what was used. He is of the opinion that the bundling does make sense.

C. Costantino said that it does make the bookkeeping easier as Capital funds would be set up, for ease of operation.

Supervisor explained that before the bid contract documents can be finalized, test borings are needed and Smith has asked Highland Landing Park Association to fund the borings. The test borings would be a legitimate cost for the project and should come out of the DOS

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grant. He would like the Board to think about doing the BAN's for these different projects so that there is money available, the project can be expedited, bills paid and be reimbursed. Paladino felt that the Board should consider \$250,000 BAN for each project.

Murphy said that would involve using the resolution that was tabled in the previous meeting and changing the numbers and the dates.

Litts felt that the BAN for the Highway has been passed and the Board should consider the other projects at the November meeting.

Paladino said that would be another \$10,000 legal fee to do that and does not understand the reasoning.

C. Costantino said that the Rail Trail is a \$4-million asset in the Town that does not cost the taxpayers anything so she does not understand the reluctance of the Board not to go forward.

Litts said that the original BAN resolution that was not voted on was for four projects and the only one that was an emergency was the FEMA project.

Murphy questioned if the Board wanted to adopt the resolution today.

Paladino said that he is in favor of taking the old resolution and amending the dates, the amounts and eliminating the Rail Trail West at this time.

Murphy said that a 'scratched up copy' of the resolution, the changes will be made and what would be in the minutes of the meeting would be a clean copy.

Peplow noted that Hammond wants to tell the Board that at the last meeting of the Highland Landing Park Association, the borings were discussed and the trustees felt that there was enough money in the account to pay for the borings.

Paladino felt that the Park would still need money as the project proceeds and if the resolution is passed, the money will be available; there is no interest charged until the money is withdrawn and it won't cost another \$10,000 in fees.

Litts said that there have been comments made that these important matters are done at meetings when the public is not there. He felt the next action is to bundle the Tillson Avenue project and the Highland Landing Park and go out for a BAN.

Supervisor said that the Town might have enough to fund the Tillson Avenue project until next year.

Litts conceded that he liked the approach in providing an avenue to borrow the money.

Supervisor suggested putting it off until next month or the month after; if the Park can fund the borings, they always can get reimbursed; these FEMA funds that were approved because it is an emergency and the other BAN's can be done in an open meeting.

Supervisor distributed copies of a pamphlet furnished to him by Anne Conroy of the Dutchess County Economic Development Corporation and the Dutchess County Department of Planning, Roger P. Akeley, written in 2006, on *The Fiscal Impact of Development, Balancing Growth*, which he feels contains relevant information on planning for the future.

He referred to the Highland Square project and said that the 2013 budget is going to be severely handicapped as there is nothing to increase the rateables in the Town of Lloyd. The fees that would have been collected are: recreation, building permits, donations to water and sewer (which would have completed the I&I on New Paltz Road); in turning down that project the Town is missing 24/7 jobs, rateables with no impact to the school district.

Supervisor gave some background on the industrial zoning in the Town and said that when inquiries come in from Ulster County asking for a 200,000 or 300,000 square foot building, the Town has nothing to offer with our present zoning. He asked what would be wrong with another industrial area if the Town could get some manufacturing or high tech jobs. People don't understand how this works.

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- C. Costantino commented that County Executive Hein said if things stay the same, you go backwards.
- Supervisor remarked that the Lloyd Development Association fought the racetrack because they and others thought that was the right thing to do; they fought the mine site because it was not the proper place for a hard-rock mine; he does not understand the fight against an Alzheimer's care center and asked what kind of project they would approve.
- Supervisor introduced the subject of the NYS retirement issue; he spoke with Karen McPeck, Bookkeeper, and they looked at the CSEA contract and the hours are prorated in the contract.
- Rivera returned to the table for the discussion; she feels that employees, who work 40 hours, get 20 days for the retirement system and people who work less than 40 hours should get their time prorated to the retirement system.
- Litts noted unless the agency adopts different work hours for certain employees.
- Rivera agreed and said usually it is the elected officials; her take is that is the reason she works an 8 hour day so she gets the 20 days into the retirement system and would work 7 hours if she would still get the 20 days. She gave the example of the Town Clerk's office with one 8-hour worker and one 7-hour worker both receiving the 20 days retirement.
- Peplow feels that it is fair because she has to work within the budget and maintain coverage in the office; the deputies are appointed by Peplow and through the kindness of the Town Board, they receive the same benefits as other Town employees. NYS requires them to be in the retirement system. The Town Board sets the hours of the Town Hall, her office is open as all offices should be open from 8:30 AM to 4:30 PM and in order to cover her office, her workforce is staggered. She does not understand why it would be a problem if one deputy agrees to work 8 hours and the other 7 hours.
- Rivera said that it was not a problem; this is about reporting workdays for someone's retirement purposes. She explained that if the deputy chooses to work 7 hours, then the time in the system should be prorated based on an 8-hour day; therefore, 17 days per month instead of 20 to the retirement system.
- Litts explained that if less work hours are reported to the retirement system than 8 hours and she is voluntarily working 7 hours, then retirement days are prorated; however, if she was hired as a condition of employment as a 7-hour worker, then she is entitled to the 20 day retirement. He feels that is why Mark Elia, former Councilmember, passed that motion as the Town had to set a workday.
- Rivera said that a resolution was done in the past that the workday was 8 hours for retirement reporting purposes and then there was an issue with Mark Elia on the hours and the resolution was not passed after that and it said full time was 7 or 8 hours but it did not say for retirement reporting purposes.
- Supervisor referred to the Reorganization Meeting of 2006, which was the last time that the 8-hour day was mentioned for reporting purposes; in 2007 it was inadvertently left off the agenda.
- Litts felt that Resolution 38 in 2006 was for all employees and in some point in time, it must have been questioned that there are those who do not work the 8 hours each day. In 2007, Resolution 10 established "the hourly work day not covered by the Collective Bargaining Agreement will consist of 7 or 8 hours; this complies with all employee contracts".
- Rivera said that the intent of it got lost because Councilperson Mark Elia was not aware that it was supposed to be for retirement reporting purposes and the issue became who was working 7 hours and who was working 8 hours.
- Litts felt that the resolution of 2007 was still in force and Rivera disagreed because it did not say for retirement reporting purposes.

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Litts stressed that the retirement system will base it on the agency's workday and that the agency's workday is going to be either 7 or 8 hours, according to the 2007 resolution.

Peplow added that 2006 states that the workday is 8:30 AM to 4:30 PM.

Litts feels that the resolution adopted in 2007 is law until a new resolution is passed.

Rivera reported that the 2012 Budget was over the 2% cap; limit by \$2017.00; there is unexpended money in the Water District and she can change it from \$50,000 to \$53,000.

Peplow asked what would happen if the local law was adopted as she understood most of the Towns were going to pass the law as insurance.

Murphy said that nothing would happen but there would be criticism from the taxpayers.

C. Costantino said that it could also be said that the Town Board is making every effort to remain below that threshold but the Town could still be hit between now and the end of the year. As the budget and this local law is scheduled for the same night, it will be known if the budget is okay and will be under the 2% cap but it does not preclude something from happening that will affect the 2012 Budget.

Hammond felt it was better to be prepared and adopt the resolution.

Paladino said that the safety net is a concern, the budget is off by \$2,000 but there is another item to address.

Supervisor said that \$120,000 was budgeted as a safety net; that was exceeded by June or July of this year. There is no money in this year's budget for safety net without a transfer of funds and if it is consistent for 2012, there is not enough in the budget. Some towns are not paying it, letting it roll over. The Board will be proud to say that they maintained the 2% tax cap; however, when the bill comes out, it will be put back and the County will readjust it. There is also a resolution that the Town is not paying the safety net and let it go on the budget in a line item as the Ambulance and the Light District so the taxpayers could see what the safety net cost is.

He explained that the Town would have had enough but in May NYS decided that the share was going to be reallocated, NYS pays 50%, the Town pays 50% and it is administered through Ulster County; the State decided that the Town share would be 71% and the State share would be 29%. The only reason that the Town is still paying 50% is because Ulster County received a windfall of over \$2-million which they are sharing and covering the 21%.

He read from the last paid bill, as of August, expenditure is \$22,000, the Town share is \$16,000, DTNF is the 21% that the County is paying this year; the total amount due is \$38,000. The Town has not paid the bills of June, July or August. He anticipates that the Town is going to be short by \$30,000 or \$40,000 by the end of this year.

Rivera said that NYS is staying within the 2% and they are dumping the extra to the counties, who in turn are dumping it on the villages, cities and towns. She questioned if the safety net should be raised in the budget for next year and do the resolution based on this information for the cap. She felt that there could be a separate line item but she did not feel that safety net could be separate tax because it is not a special district.

Murphy said that he has not researched it but thought that the Town of Ulster was going to put it through as a line item on the tax bill.

Supervisor suggested covering the costs this year but next year the Town would not pay any of the bills and do not budget for it; it would go on the tax bill for 2014. That is the way some of the other towns are doing it to maintain the 2% tax cap.

Rivera cautioned that even if the budget stays within the 2%, that does not mean individual taxes won't go up. At the public hearing, the taxpayers should be told that the budget is going to stay within the 2% and informed of this type of thing which is sign of the economy and the fact that the Town has debt. The debt to Environmental Facilities may go up next year and the Town may not be able to live within the 2%.

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Supervisor added that the tax is going to go up 2% because it was 0% last year, plus the levy is going up and the rateables have not gone up. He would like to look at the water rates, which would affect the sewer rates, which would be income.

C. Costantino asked how to start that process as this has been discussed for a number of years, it is really another tax increase but called something else.

Murphy said this was discussed at the last Water and Sewer Committee meeting and Ray Jurkowski of Morris Associates is going to run the numbers but he said that the water rates are not paying for the water. The Committee is going to recommend at the next Town Board meeting to raise the water rates to at least cover the cost and perhaps a little cushion. This would be a local law and require a public hearing. The next meeting is next Thursday, November 3, at 3 PM. He will write a resolution for a public hearing in December.

Discussion continued on other ways to lower the budget.

Rivera asked if the safety net should be increased and she thought that the true figure should be in the budget.

Paladino felt that it has to be increased.

Hammond would like to present the truest budget possible to the taxpayers.

Rivera noted that Fund 6140 will be \$200,000; the local law doesn't have to be adopted if something changes.

C. Costantino felt the Board could say that the budget is within the 2% cap except for this specific item and Paladino feels that it can be explained to the taxpayers.

Rivera said that she will increase that line and said the Peplow needs the budget so that she can prepare the legal notice and send it to the newspaper and post it.

C. RESOLUTION made by Litts, seconded by Paladino, to transfer \$4,000 from 1990.4, Contingency to 1440.4, Consultants, to cover the cost of the restricted certiorari appraisals.

Roll call: Paladino, aye; Costantino, aye; Hammond, aye; Litts, aye.

Four ayes carried.

D. RESOLUTION made by Hammond, seconded by Paladino,

WHEREAS the assessor would like to obtain restricted appraisals on six certioraris and

WHEREAS the assessor has obtained three quotes for restricted appraisals and

WHEREAS Eugene R. Gruner, Real Estate Appraiser and Broker, has submitted a restricted appraisal quote of \$1,000 for Wingate, \$500 for Guardian Self Storage, \$500 for North Highland Properties, \$475 for Highland Square, \$1,000 for Vineyard Commons, \$500 for Rite Aid for a total quote of \$3,975, which is the lowest quote;

NOW, THEREFORE, be it resolved to appoint and retain Eugene R. Gruner to complete the above mentioned restricted appraisals.

Roll call: Costantino, aye; Paladino, aye; Hammond, aye; Litts, aye.

Four ayes carried.

MOTION made by Litts, seconded by Hammond to adjourn the meeting at 12:34 PM.

Four ayes carried.

Respectfully submitted,

Rosaria Schiavone Peplow
Town Clerk