

TOWN OF LLOYD TOWN BOARD
PUBLIC HEARING – 2015 BUDGET
NOVEMBER 5, 2014

PRESENT: Supervisor Paul Hansut
Councilmember Kevin Brennie
Councilmember Michael Guerriero
Councilmember Michal Horodyski
Councilmember Jeffrey Paladino

ALSO PRESENT: Kate Jonietz, Secretary
Karen McPeck, Bookkeeper
Rosaria Peplow, Town Clerk

7:00 PM – Supervisor opened the Public Hearing on the 2015 Budget and led the Pledge of Allegiance.

Supervisor explained that this is the opportunity for members of the public to speak on the proposed 2015 Preliminary Budget; copies of the budget are available. He thanked Karen McPeck and Kate Jonietz for the work that they did to prepare this budget and noted that for the third straight year the Town of Lloyd will be under the tax cap set by Governor Andrew Cuomo. He then read the bulleted items furnished by Karen McPeck:

~These figures are only for the Town General, Highway, Water, Water Capital, Sewer, Sewer Capital, Light and Ambulance.

~2015 Tentative Budget was submitted with numbers that were requested by the departments. There was an increase of \$862,041 from the previous (2014) budget. The Preliminary Budget shows an increase of only \$148,219 from the 2014 budget. *Supervisor confirmed with Karen McPeck that the requests submitted by the department heads would have amounted to an increase of \$862,041 and after working on the 2015 budget, that amount was reduced to \$148,219. There was a lot of work done on the Tentative Budget.*

~The budget is under the Tax Cap. (Calculation on the State Comptroller's website gives you a dollar amount not a percentage.) *Supervisor said that this budget is broken down to the actual dollar amounts for the taxpayers.*

~Outside Water/Sewer District tax rate is down 5 cents per \$1,000 value, for a \$300,000 house that will mean a savings of \$15 per year for the Town portion of taxes.

~Inside Water District the increase is 30 cents per \$1,000 value, for a \$300,000 house that will mean about \$90/year or \$7.50/month.

~Inside Water and Sewer Districts increase of 50 cents per \$1,000 value, for a \$300,000 house that will mean about \$150/year or \$12.50/ month.

Supervisor noted that they struggled with the budget for inside the Water/Sewer Districts as the Town is paying for a new sewer plant and the increase was quite substantial. There were not a lot of cuts that could be made to that portion of the budget. The payment is over \$400,000 for the next 20-something years; last year there was some unexpended money available to make the first payment, however, that money was not there this year. He hoped that through fiscal responsibility, there will be some unexpended money to use.

~There are no pay increases in this budget any increases are longevity increases. Both CSEA and PBA contracts expire 12/31/14. There have been CSEA negotiations and the Town is waiting for ratification.

Supervisor said that requests for pay increases above the union raises have been denied. The contract with the CSEA has been negotiated and will be ratified on November 13. The Town offered 2% increase for two years and there was an added personal day. The contract negotiations were for two days, approximately three hours. He thanked the CSEA employees for working with the Town and understanding that the Town has tight financial responsibilities and caps; even with the 2% they are probably receiving less salary than surrounding towns. He said that he is very proud of the Town employees working through the CSEA and he feels that they do a good job for the Town.

~No safety net budgeted for 2015

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Supervisor explained that the County had taken back the safety net over the last three years at 1/3 per year and 2014 was the final year. That was removed from the budget and amounted to about \$100,000 in savings.

~Reduction of Election expenses by 30% for 2015

Supervisor related that Ulster County is also reducing the costs to the town for Elections. It will be the same formula, they will take 1/3 of the cost each of three year. The towns will not have to contribute after the three-year period. That is about \$10,000 in savings. He thanked County Executive Mike Hein and the Ulster County Legislature for hearing the problems that the towns are facing and responding by taking those responsibilities.

~Sales Tax calculated at 8%

~Ambulance – rate stayed level, new contract increased response time by a few minutes.

Supervisor said that there will be a new contract with Mobile Life Ambulance Service and the Town is waiting for their contract to be submitted. The only change will be an increase in response time. If the response is longer than nine minutes, Mobile Life now pays \$100 per minute to the Town.

Horodyski asked how much Mobile Life has paid the Town.

Kate Jonietz replied that it has not been a lot.

Supervisor felt they are on time and to negotiate another minute or so would be satisfactory.

~Contingency – increased to \$200,000

Supervisor explained that there are two projects next year. One of the projects is the western extension of the Rail Trail, for which the Town pays a local share, so there was extra money put in to offset the cost of that.

~Property & Casualty Ins – NYMIR – rates expected to remain stable for 2015

~High Deductible Plan – analysis

Supervisor asked Karen McPeck to explain the analysis of the High Deductible Health Plan with CDPHP.

Karen McPeck explained that she did an analysis of the savings with the HRA plan; it is hard to know for sure since we do not know what the plan would have cost if we stayed with MVP and that plan does not exist anymore. She took the premiums the Town was paying and added 15% increase each year and used those numbers to compare to what the Town is paying with the high deductible plan. She did a few scenarios between 7.5% increase and 15% increase and we are saving between \$110,000 and \$300,000 than if we had the old plan. The Town is saving with the high deductible plan.

Supervisor noted that they looked at what the department heads requested along with the trends over the last three years and considered where we expected to be, consequently, we were able to bring down the requested dollar amounts. The Supervisor's report shows the Building Department revenue has gone up. The 2015 budget also reflects a full-time Building Inspector. Anthony Giangrasso had been working part-time and really doing a great job; he took the Civil Service test for the full-time position and scored in the top three. The full-time position will begin in January 2015. He said that in the past, each line item was discussed at the Public Hearing but he does not feel that is necessary tonight. The 2015 Preliminary Budget will be on the website. After the Preliminary Budget was determined, they met with the department heads again to apprise them of the new amounts. There are no pay increases for any elected officials. He asked if there were any questions or comments.

Jack Maguire, ECC Chairman, referred to budget line 8090.40 and said that he appreciated that the ECC was getting a bigger budget but he felt that it needed the requested \$3,000 amount for a lot of reasons. He said that the Council was on the frontline of a many environmental issues including answering questions about fracking, recycling, the Walkway and other environmental activities in Highland. They do not have the budget to participate and said that a mailing costs \$1,500. He feels it is frustrating that there are guidelines on how to use the

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boat launch, how to recycle, understanding Lyme disease, etc., but the ECC has no way to get the information out.

Horodyski suggested using the Town website.

Maguire said that they could do that and they also have a Facebook page but no one knows they have it as they have a problem organizing events to publicize these things. He said, that it takes money to do an event as safety vests, gloves, water, have to be bought, at a cost of \$300 to \$400, which is a quarter of the ECC budget. He noted that they cannot do water testing, road clean up, or anything with Highland High School students, Boy Scouts or Girl Scouts. He said that they have the smallest budget in the Town and he feels that it does not send the message that the environment is important to Lloyd and its future. He feels that the Board does not know of ECC's day-to-day situation. The ECC has taken over the maintenance of the Black Creek stairs and money will be needed to be spent on that this year. The plan was for the Town to do the maintenance when the Black Creek stairs were created. Now there is the Black Creek launch and it is foreseeable that there will be maintenance on that. It can be done with a volunteer event but money needs to be spent.

Supervisor felt that of the things he is talking about, the biggest item is the postage and what the Board suggests is that through the use of the website, Facebook, Channel 22, they can reach volunteers.

Maguire said that his figures of what they have spent do not match the Supervisor's report; so far the ECC has spent \$937.

Horodyski asked what the Supervisor's report shows and Karen McPeck replied that it is \$1,284. Maguire did not understand that figure and asked if that was something that was carried over from last year. The ECC had bills from October and November and were not submitted until January. It was worked out at that time that some of the bills were paid from what was left from 2013 and the rest attributed to the 2014 budget which left \$790 to begin 2014. He said that according to their records they have \$93 left to spend.

Paladino suggested using the Robo call for an event or request for volunteers.

Maguire asked what the options would be if they hit a brick wall with their expenses.

Brennie said that he should come to talk to the Board, as there are available contingency funds.

Horodyski asked if he could engage businesses to help sponsor events and felt that they could go to a local financial institution or Hannaford's and ask for donations.

Maguire replied that the emphasis was Black Creek Park so they did not have that option.

Guerriero stressed that this organization does a lot, works hard and is very creative; their numbers are increasing.

Maguire added that there are certain things for which ECC cannot ask for donations such as joining local environmental organizations to speak up for Lloyd because they cannot afford their membership fees; also, they cannot go to conferences because they cannot afford the fees. Networking is what creates an environmental community. Lloyd has no voice in the environmental agendas which are being driven by Dutchess County and Putnam County.

Horodyski offered that he would be willing to hear about those types of initiatives as they come up and talk about the need for extra funding.

Brennie felt that the budget could be bumped up in 2016.

Supervisor said that when he first took office the ECC budget was \$300 and every year the ECC budget has been increased.

Guerriero said that on the day that the grass seed was planted at Black Creek Park, a couple of kayakers pulled in and they thought that the Town was doing the work but he told them that it is being done by volunteers and the ECC. They commented that they appreciated it and expressed their thanks.

Supervisor said that the Final Budget will be presented at the November 19 Town Board meeting, the only way this Preliminary Budget gets changed from this point on is through Town Board resolution and amendment for a specific line item and a specific amount, which has to be seconded and voted on.

Horodyski asked if those resolutions would be written by Sean Murphy or by a Board member.

Supervisor answered that they do not have to be written resolutions; it can be simply said that the Board member would like to make a resolution stating the line item and the amount. He cautioned that if money is increased in the budget, it would be dangerously close to the cap.

Brennie asked if the budget dollar amount is in under the cap.

Supervisor said that it was approximately \$30,000 and it goes to next year's cap so the more that is taken from that, the less comes off the cap and makes it harder next year.

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Kate Jonietz clarified the ECC statement. There was \$416.66 that was turned in January. That was back-paid to 2013 and there is \$200 which is for the NYSDEC wetlands permit and that has been taken out so that is not affecting the ECC budget. The \$1,284.02 that is shown in the Supervisor's report is the actual expenditure to date.

Kate Jonietz added that Bud Hossenlopp was reimbursed \$182.08; a copy of the records will be made for the ECC.

Rafael Diaz commented that it was said that if ECC needs \$100 to send people to a conference, there are discretionary funds for that but he asked where that money comes from.

Horodyski explained that each month at the Regular meeting there are budget amendments, moving funds from one line to another.

Supervisor said that the budget line has to be exhausted and a request can be made for an amendment to their budget, subject to a vote of the Town Board. He explained that right now, for example, his budgeted salary cannot be amended from \$29,000 to \$50,000; money cannot be taken out of Contingency. The Economic Development Committee asked for more money in their 2015 budget and that was denied. If the ECC exhausts their budget and they would like to do something else, the Board could adopt a resolution to add money to their budget from Contingency.

Diaz posed if there was a need for extra funds, they would have to let the Board know a month or so ahead of time to allow time to vote on the resolution.

Supervisor said that if Jack Maguire, ECC, needs funds he can speak with liaison, Councilmember Guerriero, who can relay it to his office and the request would be put on the agenda.

MOTION made by Brennie, seconded by Paladino, to close the Public Hearing on the 2015 Budget at 7:30 PM.

Five ayes carried.

Respectfully submitted,

Rosaria Schiavone Peplow
Town Clerk