

TOWN OF LLOYD TOWN BOARD

SPECIAL MEETING

NOVEMBER 7, 2018

Present: Supervisor Paul Hansut
Councilmember Leonard Auchmoody
Councilmember Michael Guerriero
Councilmember Claire Winslow

Also present: Sean Murphy, Attorney
Rosaria Peplow, Town Clerk
Kate Jonietz, Secretary

Absent: Councilmember Joseph Mazzetti

7:00 PM – Supervisor opened the meeting and led the Pledge of Allegiance.

7:01PM - Supervisor opened the Public Hearing on the 2019 Town of Lloyd Budget

Supervisor stated that there will be a special meeting next Wednesday, November 14, 2018 at 7 PM to adopt the budget.

He stated that the Preliminary Budget is \$230,000.00 over the Tax Cap which is approximately a 5% property tax increase. The budget is \$230,000.00 over cap because the union contract was out for four years; it was settled at the end of last year. The settlement is equal to the \$230,000.00 over the cap. They have been working on this budget for three months. There are no salary increases for any elected officials. There is a Dispatchers contract that expires at the end of this year and will need to be negotiated. The CSEA contract expires next year and the Police contract the year after that. The Union benefits increase each year. The last six years the Town budget has been under the cap. The Board will take comments tonight and at next Wednesday's meeting they will add to or take out of the budget before the adopting the budget.

The Tentative Budget was reviewed with the department heads. They used historical usage over the last five years for each budget line item as it was reviewed. They removed two items from the court budget; overtime for the Court Officers and a TV. It was proposed to have a part-time floating position that could help with payroll and other bookkeeping tasks. It is a problem when Karen McPeck, the Bookkeeper, is not here as she is the only one in her department. Kate Jonietz, Confidential Secretary to the Supervisor, has taken on extra responsibilities as Project Manager for the New York State funded projects, the Hudson Valley Rail Trail and the Tillson Ave. and therefore does not have time to help Karen. The board removed the floating position from the budget.

The Rail Trail project used NYS funds which triggered a single audit that will cost about \$7,500.00.

Attorney fees were reduced from \$70,000.00 to \$55,000.00. They reduced the Planning Consultants line based on historical usage. They reduced Records Management employee to \$5,000.00. Postage line was increased as postage is going up in January 2019. The Town will need two new servers in 2019. Microsoft Office will be obsolete by 2020 and the town will need an upgrade. Insurance was lowered by \$2,000.00 based on historical data. The contingency last year was \$180,000.00. The 2019 tentative budget was \$200,000.00 and that has been reduced to \$150,000.00. The Police contract for 2015-2019 was settled on December 7, 2018 and retroactive salary was paid. This increase is reflected in Police Personal services and in the severe increase in the budget overall. A traffic officer was removed. As discussed previously they are no longer able to find part-time Police Officers. There used to be 13 or 14 part-time officers and now they only have 2 or 3 officers. The Police budget was at 95% as of October because they had \$40,000.00 in overtime. They are going to add a full-time Police Officer because they are unable to find part-timers.

They have applied for a TAP Grant to repair and add sidewalks in the Hamlet. If they get the grant, they will need \$50,000.00 for Engineering and therefore \$50,000.00 is in sidewalks. If they don't get the TAP Grant, they will bond money to do the repairs and add some sidewalks which is estimated at \$1.2 million. They have discussed a sidewalk district. They removed the medical buy out for Town Board members which saves approximately \$12,000.00. Salary increases for elected officials were removed.

The projection for revenue through sales tax was increased. The department heads were asked if they can increase revenue in their departments. Dave Barton, Building Department Director, felt he could increase revenue by \$40,000.00 due to proposed projects on the table. The Board felt that \$25,000.00 was more realistic.

Highway requested \$80,000.00 for a backhoe and that was removed.

The town is responsible for the maintenance of the new Phase III and IV of the Hudson Valley Rail Trail which includes snow removal. The Highway Department is going to plow the Rail Trail so purchasing a new truck is being discussed. It is out of the realm of Highway work under the NYS Highway Law. The Highway Department may do the work but must bill the other department (Recreation/Buildings and Grounds) for the work. Empire Trails donated a 40" zero turn riding mower to the town to cut grass on the trail.

In Water budget. The Water and Sewer Department originally considered painting the inside and outside of the tank and decided it was more cost efficient to order a new one. There is an addition of a full-time Secretary/Receptionist to the Water/Sewer Department. There is \$15,000.00 for the extension of water and sewer to Highland Landing. The late Assemblyman Frank Skartados secured a grant of \$250,000.00 to extend the water and sewer to Bob Shepard Highland Landing Park. CSX has given their approvals and start of construction is planned for the Spring 2019. I & I reserve is increased and professional services reduced to \$80,000.00.

McPeck said the water plant is in desperate need of upgrades so they have been putting money away.

Adam Litman, Water and Sewer Administrator explained that I & I is the lining of the existing sewer mains. He started doing this in 2004 and continues to do some each year. The last few years they have budgeted money for this.

There has been discussion of using the unexpended water and sewer to reduce the budget.

Claire Winslow, Councilmember said that they had considered using the unexpended balance from water and sewer to put in the general fund. They learned that the Town cannot do that. She has spoken with Ray Jurkowski, Morris associates, and he is going to look at the Water and Sewer budget to see if there are any lines they can tighten up.

Karen McPeck, Bookkeeper, explained that she spoke with the NYS Comptroller and was told that Water and Sewer unexpended funds cannot be used to reduce the general fund. It can only reduce the water and sewer budget.

Supervisor said they are starting the Tillson/ Toc/ Vineyard Ave. project in the Spring and do not know the condition of the water and sewer lines. One of the reasons that they are keeping the unexpended is to have money to pay for that infrastructure. The first thing they ask when the town applies for grants is how much is in unexpended because if you don't have any money to pay your share you probably won't get the grant.

Adam Litman, Administrator Water and Sewer, said that he has a healthy unexpended balance and that is due to careful spending and conserving money. He has been fortunate in the last five years that they have had enough rain to allow the plant to stay on reservoir water longer. If he had to treat river water all the time, he would exhaust those unexpended funds.

Supervisor said they looked into other options for Ambulance Service but there aren't any in the area. The Town will pay \$223,000.00 for a dedicated ambulance 7 days a week, 24 hours a day and 365 days a year, plus another Ambulance stationed in Lloyd. The rent the Ambulance pays at the fire house is Fire District revenue.

The health insurance increase is about 12% for next year. The health insurance year is from June to June. Some years it increases 9% others it increases 15%.

They had approximately \$1.2 million unexpended balance in 2017 which was higher than the 10% that they like to have. They created a line items for the Rail Trail expansion and a line item for the Tillson Ave. project. This was to be sure that the Town would have the money when the two projects came up. They have kept under the 2% cap for 6 years. He does not believe the budget will keep under the cap this year and does not want to jeopardize the services of the town. A house appraised at \$350,000.00 will mean a tax increase of \$161.00 which is \$13.42 a month outside the water/sewer district.

Jeff Paladino asked what new taxes revenues have been considered for next year. There are the new storage units on route 9W, the Quest Health project on Route 299 and new housing: Mountainside Woods and High Bridge. The Dollar General and the apartments off Mile Hill Road will be built. He encouraged the board to be open to commercial development. This issue with the budget will repeat if development is not allowed. He asked that they did not shut down commercial development or adaptive re-use and potential opportunities like Falcon Ridge to put in water and sewer. Lloyd has infrastructure and the possibility of improving it in the light industrial corridor which could open up numerous possibilities for new commercial development. The new storage units are adding to the tax roll without adding children to the district or a need for highway services and only minimal water and sewer.

Dave Plavchak, resident, said everyone loves the Rail Trail but it doesn't pay the bills so the town has to offset that recreational and economic impact with commercial development. He asked if the unexpended balance is 5% or 10% for all departments or does it vary.

Supervisor responded that most are within 5% to 10%. Water maybe higher because water and sewer are revenue generators. The General fund unexpended is about 7%-9% and every year they take from that to help with the tax cap. The Highway has a good fund balance. The fund balance depends on the weather. A bad winter that requires more plowing, sanding and salting will deplete the reserve. All the unexpended funds are healthy; they have money so they don't have to borrow money to complete projects. He said that this was going to be a difficult budget process three months ago; this is not a Republican or a Democratic thing. It is what is dictated from Albany that we have to do. He told the board that if they want to get under the cap to pick four employees to let go and that will bring the budget under the cap. He doesn't think that \$161.00 a year increase to save those four families, taxpayers from unemployment is too much to ask. He invited anyone who has questions about the budget to come to his office and talk to him. The Town has paid the bills, has provided residents with services and has a police department to be very proud of. He has heard comments that a few employees make more than they would in other towns; he supports these employees and they are paid more because they do more.

Karen McPeck said the problem with using too much unexpended funds to bring down the budget is that next year for the 2020 budget you are starting off in a deficit.

MOTIONS AND RESOLUTIONS

A. MOTION to close the public Hearing on the 2019 Town of Lloyd budget.

Supervisor stated that the public hearing on the budget will remain open to allow additional comments.

B. MOTION made by Auchmoody, seconded by Winslow to authorize the Supervisor to send letter to NYSDOT RE: Study #818-5498/File #51.00-SDV Special Dimension Vehicle Access Request to approve and agree with the Federal Highway Administration Regulations (23 CFR 658) mandate as per letter dated 10.18.2018.

Four ayes carried.

C. RESOLUTION for November 21, 2018 meeting to approve the following budget amendments to the 2018 budget:

HIGHWAY

Hawley Corners Rd	5112.88	+\$69,656.48
N. Chodikee Lake Rd	5112.89	+\$24,022.25
White St	5112.80	-\$ 4,565.63
Clearwater	5112.82	-\$ 2,297.34
Raymond	5112.83	-\$ 71.50
Crest Lane	5112.84	-\$ 683.92
N. Elting Crns Rd	5112.87	-\$ 1,587.26
General Repairs CE	5110.40	-\$ 84,473.08

MOTION made by Auchmoody, seconded by Winslow to adjourn the meeting at 8:05PM.

Four ayes carried.

Respectfully submitted,

Rosaria Schiavone Peplow
Town Clerk