

October 2nd, 2013

The Special Town Board meeting of the Town of Stony Creek was held on October 2, 2013.

Supervisor Thomas called the meeting to order at 6:31 PM with members present:

Councilman John Thomas

Councilwoman Doreen Ryan

Absent: Councilman Harry Paul Gill

Councilman Nathan Thomas

Attorney James Cooper was not required to attend.

Supervisor Thomas reported the purpose of the meeting tonight is to present and review the Tentative 2014 Town Budget.

Supervisor Thomas stated there is a 2% pay increase for everyone.

6:33 PM: The Town Board reviewed the Tentative 2014 budget.

6:42 Councilman Nathan Thomas attended the meeting.

General Fund:

Employees Benefits increased from \$95,300.00 to \$103,858.00.

Debit Services decreased from \$48,264.00 to \$29,738.00. This is an \$18,526.00 decrease.

Supervisor Thomas reported this is due to the last payment on the town hall is due at the end of December 2013. There will be no debt service in 2014.

General Fund Total Appropriations is \$580,259.00, which is up \$3,342.00.

Total estimated revenue is \$379,350.00 this is up \$13,350.00

On the Tentative Summary Page:

Total Appropriations is \$580,259.00, Less Revenue \$379,350.00. The \$10,000.00 that he increased in Sales Tax he used to reduce the Unexpended Balance from \$65,000.00 to \$55,000.00. Total to be raised by tax is \$145,909.00, which is \$300.00 less then last year.

Highway Fund:

Street maintenance Personal Services increased \$4000.00

Capital Improvements CHIPS; this is for paving; is increased from \$96,000.00 to \$120,704.00.

\$20,304.00 is added due to the increased of CHIPS money from the State and he added \$4000.00 to it.

Supervisor Thomas reported a few years ago we were at \$100,000.00 instead of \$96,000.00, the town was putting in \$25,000.00 and he thinks its time we get it back up to \$25,000.00.

Bridges Personal Services increased \$1000.00.

Machinery Contractual Services increased \$2500.00.

Brush and Weeds Personal Services increased \$500.00.

Snow Removal Personal Services increased \$3000.00.

Snow Removal Contractual Services increased \$1000.00.

Total Transportation increased from \$617,000.00 to \$653,704.00.

Employee Benefits increased from \$156,489.00 to \$158,236.00
Supervisor Thomas stated there is no debt service for the Highway Fund.

Revenues:

CHIPS State Aid increased from \$75,000.00 to \$95,704.00
Total Revenues \$243,885.00 increase from \$224,181.00

Fire Protection:

Supervisor Thomas stated the 2014 Contract in the amount of \$88,000.00 he left the same.
The Benefits were increased from \$26,000.00 to \$27,000.00.
Total Fire Protection is \$115,000.00.

On the Tentative Summary Page:

Highway Fund: Total Appropriations is \$811,940.00, Less Revenue \$243,885.00, Less
Unexpended Balance \$47,000.00. Total to be raised by taxes is \$521,055.00

Fire Protection Fund: Total Appropriations is \$115,000.00. He decreased the Unexpended by
\$1000.00 so it is an extra \$2000.00 levy. Total to be raised by taxes is \$113,000.00

Supervisor Thomas stated the Highway Fund is up about \$1,900.00 over last year.

The total budget is \$1,507,199.00, Less Estimated Revenue is \$623,235.00 Less Unexpended
Balance \$104,000.00, total to be raised by tax \$779,964.00.

The total to be raised by town tax is \$666,964.00, which competes in a tax rate of \$464.07,
which is up from \$441.05, which is an increase of \$23.02 per \$1000.00 in assessment. The
percentage increase on the tax rate is 5.22%. The difference in the amount to be raised in taxes
between this year and last year is \$18,539.00.

Supervisor Thomas stated one of the things is Retirement.

The amount we have to pay this year is \$130,000.00. The Retirement cost for December 2012
was \$107,000.00. They are going to have to dip into the Fund Balance to make the December
2013 payment. The rates do decrease for next year. They need \$122,000.00 they are not at
\$122,000.00 they are about \$5-6,000.00 behind that. He thinks rather than raising the tax
hopefully the rates will keep going down. It should equal out here at some point. They need to
come up with \$130,467.00.

The rates this year jumped

Tier 4 went from 18.4% to 20.8%, next years rate is 20.1%

Tier 5 went from 14.9% to 16.7%, next years rate is 16.4%

Tier 6 went from 9.9% to 11.3%, next years rate is 10.8%.

Plus the salaries went up last year. They had the town at \$400,000.00 last year.

Supervisor Thomas stated they calculated it out to about \$444,000.00. They projected
\$465,700.00 and next year they projected it up to \$488,982.00.

He doesn't think it will be that high but they think we are. Hopefully it will be less than that. They also have a deficiency payment. We are on payment 11 of 25 of \$32,457.00. Supervisor Thomas stated the town didn't join the Retirement System until 2002 so anyone that had been working for the town prior to that there is a deficiency that we have to pay to cover there expenses.

Supervisor Thomas stated he went back to 2006 and the tax rate was \$367.00 but the value was \$1,667,268.00. The tax rate this year, 2013 is \$441.05, but the value is \$1,470,185.00. So you can see we are losing value each year, He took the increase in the levy this year and applied it to last year's value. He calculated out \$10.41 of the \$23.00 is directly due to lost of value. We lost \$32,985.00 at 1%. Councilman John Thomas stated that's the value on what? Supervisor Thomas stated that's the Transition Assessment. The increase in the tax rate is 5.22%. The increase in the levy is 2.85%.

Supervisor Thomas reported the town tax they were levying in 2006 was \$695,00.00, 2010 was dropped to \$671,000.00, 2011 was dropped to \$663,000.00, 2012 was dropped to \$648,000.00 2013 stayed the same \$648,000.00 and 2014 is projected to go up to \$667,000.00. He doesn't think we can keep going down we are going to have to make some changes if we do.

Supervisor Thomas stated we are not over the tax cap even if they say it's the 2%. Actually this year its 1.66% because they say inflation is less then 2%. The town had a carry over from this year in the amount of \$11,660.00 and according to the Comptroller our total levy before we would exceed the tax cap would have to be \$784,773.00; we are at \$779,964.00 so we are under the tax cap. The tax rate has stayed pretty consistent since 2009. In 2008 it was \$425.60 in 2007 is the last time it took a good jump. In 2009 it was \$436.30, in 2010 it was \$433.28 and had to decrease the levy by \$22,754.00 to keep it there. In 2011 it was \$433.61 and had to decrease the levy again by \$7,805.00, in 2012 \$432.40 which was actually lower then 2011 and then had to decrease the levy by \$14,701.00, in 2013 is was \$441.05 and the increase in the levy was \$132.00. This year it is proposed to go to \$464.07 and the increase in the levy is \$18,539.00.

Supervisor Thomas stated it is possible that the town may get more money from the county for snow and ice removal, it all depends on the county budget however he is talking to them about mowing the side of the roads, so there might be a little more revenue there too, it won't be a lot. Councilman John Thomas asked what the percentage was last year. Supervisor Thomas stated 2% it went up \$8.65 that was the tax rate. The increase in the levy was \$132.00.

Councilman John Thomas stated the people would be looking to see how much the rate is going up.

Retirement:

Supervisor Thomas stated there is more money in the Highway Budget for Retirement cost then what he had in both of them three or four years ago. It was under \$60,000.00 for a couple years now we're at \$130,000.00.

Workers Comp:

Supervisor Thomas stated this has dropped this year. This year it was \$41,188.00 it dropped \$4,695.00 its now \$36,493.00. A couple years ago it was \$55,000.00. Councilman John Thomas stated this is from what you have for claims. Supervisor Thomas stated yes.

Fire Protection:

Supervisor Thomas stated the Emergency and Fire Dept. Workers Compensation, he is arguing with Warren County Self Insurance now. He is only going to pay one of the bills; he received two of the same bill. Councilman John Thomas stated he redid this in February and sent a note with it and talked to Amy that they are only one company, they only have one Federal ID number and updated a list of everyone in the company at that time. He doesn't know why they are stilling do this. Supervisor Thomas talked to her and told her that he is going to pay only one and that he expects the money that was paid all these years, he wants that money back.

That will go in the Fire Protection Fund Balance. Councilman Nathan Thomas stated \$6000.00 versus \$3000.00 a year it's quite a bit. Supervisor Thomas stated he doesn't know how many years they have been doing this but it's been a long time.

On the last page of the budget is the salary breakout:

Supervisor Thomas stated he left the Youth Director at \$10.50 an hour. The lifeguard was left at \$10.00 an hour. The Board of Assessment Review was increased to \$10.00 an hour. The hourly wages for Maintenance, HEO, MEO and Laborer and Recycling Custodian are also listed.

Supervisor Thomas stated the process is to adopt the Preliminary Budget, once the Preliminary Budget is adopted you can't change it until we have a Public Hearing and after the Public Hearing we can alter it.

Councilman John Thomas asked if it was possible to get it back down to 2% tax increase is it a possibility? He knows there is retirement increased and stuff. Supervisor Thomas stated yes we can do whatever we want to do, your talking about the tax rate? Councilman John Thomas stated yes. Supervisor Thomas stated the tax rate is at 5.22%. The State tax cap is 1.66%. Supervisor Thomas stated yes we will have to cut a lot out of the budget. Councilman John Thomas stated that is what he is asking and this is a result of not completely the retirement a lot of it is based on the assessment, the value. Supervisor Thomas stated some of it is. He increased the levy by \$18,539.00. Councilman John Thomas stated he looked through it and there isn't no huge differences. It's not like one area that sticks out. Supervisor Thomas stated yes it's mainly the retirement. The town hall money basically went back into the General Fund or a good part of it so that is why that's down two or three hundred dollars. The rest of the increases are in the Highway Dept. Personal Services they were bumped up maybe a little more then they need to be. We are going to be close this year if we have enough money to pay everybody, depends on the snowstorms. Supervisor Thomas stated like the paving we can reduce that. Councilman John Thomas stated the County reimburses for the storms is that per mile? Supervisor Thomas stated it's a contract its so much a mile and they pay for bridges, it's like three bridges they pay so much for and additional on top of mileage there is about 22 miles of county road and there is another 9 miles they consider more frequent, like the Hadley and Warrensburg Road, they add an additional rate for that. They pay for sweeping and pay for mowing but we haven't taken them up on that maybe next year. It is a set amount, that hasn't been increased. The last time it went up was in 2008 and 2009, in 2010 they dropped it back down. Depending on how things go maybe we can get it back up where it was in 2009. Councilman John Thomas agreed and stated because it is costing more to do the same job.

Councilman Nathan Thomas stated to get it down to the 2% we could only increase the levy by; Supervisor Thomas stated that you would have to cut out basically everything that was put in. Councilman Nathan Thomas stated if you don't raise it a little this year you won't have anything to work with next year. Supervisor Thomas stated like he said we are digging ourselves a hole here and the State is helping us; they are giving us the trouble, if we continue down this rate we will have to do something different. We will have to lay someone off or have less people working in the highway or whatever we have to do. We will have to do something.

Councilman John Thomas asked if Thurman was having the same problem, having State Land, are they going through the same thing? Supervisor Thomas stated he didn't know but didn't think so. Councilman John Thomas asked how do we fix it? He has been looking at the assessment and as far as just private forest, it's the way its listed, the classification for example his property. He has private forest and there's 40% reduction because its not road frontage its back property so he is assuming when the state assesses their property they are saying there is a 40% decrease they have. We are going to do a 40% decrease, because we're in the same situation. He assumes that's what happened. Supervisor Thomas stated he is sure they do. Councilman John Thomas stated so how do we fix it? If other towns aren't having the same trouble because Thurman has a good amount of State Land.

Supervisor Thomas stated from what he understands it gets back to the Transitional Assessment and most towns have expended or paid off basically the Transitional Assessment and he guesses we haven't. Assessor LaGrasse said about a year ago we have another six years, if its true or not he doesn't know but it needs to stop here. On one hand you can say it was a good thing and that's fine maybe it was a good thing but right now its not. If you look at it from that way we benefited from it all those years because we got the extra assessment. Councilman John Thomas stated now we're paying for it. Supervisor Thomas stated he would almost be tempted to if its five or six years lets take the whole thing and just do it and get it done. Councilman Nathan Thomas stated and regroup from there. Supervisor Thomas stated at least we're not going down every year. Just for his own mind he went back to 2006, he took the value and multiplied it to what he proposed as a levy and the tax rate would be \$400.00, it's \$64.00 up because of the lost of value since 2006. Councilman John Thomas stated that's the over all value of the town. Supervisor Thomas stated town taxable yes, that's less the exemptions and etc. You have Veterans, Seniors, Combat and Exempt property.

Councilman Nathan Thomas asked how long before the budget hearing? Supervisor Thomas stated in the past we have done it the day after Election. You adopt a Preliminary Budget; we don't have to necessarily have to do it tonight. You need to get time before the Public Hearing to be able to look it. Councilman John Thomas is looking at it as a business point. The other services you have to have but if you can afford only 2% and your rates at 5% you have to cut back to 2% because that's what you have to work with but the question is where do you cut? If you cut you get more money so you either increase your income or cut on the other end. He doesn't know if we have the opportunity to increase the income. Supervisor Thomas stated not really. Councilman John Thomas stated other then mowing and that's another expense, how are you going to make out on that, that's the next question? Supervisor Thomas stated it's not going to amount to much even if we double the rate they're paying right now with making one swipe each side your only talking \$6000.00. Councilman John Thomas stated its going to cost us that much to do it.

Supervisor Thomas stated he thinks you have to leave the money in for retirement, which is \$16,000.00. The Highway Fund doesn't have that much of a Fund Balance. The General Fund has a better Fund Balance. But if we knock that down to far and we start paving next summer we'll be going to the bank to borrow money to meet the payroll. If the retirement would straighten out and get back to where it was we'd be fine.

Councilman John Thomas asked if Supt Bradley gave him a budget on what he is expecting to spend. Supervisor Thomas stated he has in the past, it wasn't always realistic.

Councilman John Thomas stated he was just wondering if he had because the majority is in the Highway Dept. Supervisor Thomas stated that's been flat for three or four years. His thinking was the tax rates been pretty consistent since 2009-2012, this year it went up \$8.00. In his mind he doesn't think they can stay at the same level or dropping the levy each year. We are going to have to make drastic changes here and get rid of some people or something.

Councilman John Thomas stated like you said before when you lose roughly 2% to start with, that doesn't leave you any increase. Supervisor Thomas stated last year he cut close to \$20,000.00 out of the budget so we could stay even or go up a little bit. He doesn't know if Supt. Bradley was expecting anything really, he probably thinks it was going to stay the same.

Councilman Nathan Thomas asked if the Highway Dept. has the same amount of employees, as there has been right along. Supervisor Thomas stated yes.

Supervisor Thomas reported he took \$8000.00 out of the Highway Budget that reduced the increase in the levy down \$10,539.00, the percentage increase on the tax rate is 3.958% rounded off is 4%. The tax rate itself would be \$458.51.

Supervisor Thomas made adjustments to the 2014 town Highway budget as follows:

Street Maintenance personal services decreased by \$2000.00.

Permanent Improvements capital outlay decreased by \$4000.00.

Machinery contractual expense decreased by \$1000.00.

Snow Removal Contractual expense decreased by \$1000.00.

They do get a 1½% pay raise next year.

Supervisor Thomas stated he talked to Supt. Bradley about creating a couple permanent part time positions where they would work 20 hours a week rather than the situation that's going on now.

It's a lot cleaner and he thinks the town risks getting into hot water with the Civil Service.

Councilman John Thomas agreed. He stated you have to watch the hour thing. They just got an e-mail about the Safe-Act/Obama Care from Warren County saying even though they are volunteer fire co. watch your hours to make sure they don't get 30 hours on a regular basis because if they do we will have to provide them with health care. Supervisor Thomas stated you also deal with unemployment too. The town doesn't pay unemployment insurance so when someone draws unemployment the town pays the whole thing.

Councilman John Thomas asked how many full time employees are in the highway dept.?

Supervisor Thomas stated six. They work full time most of the time.

Councilwoman Ryan asked if they were seasonal. Supervisor Thomas stated we had a seasonal thing and had a youngster doing that and got paid \$8.50 an hour. All he is saying is we play this little game with 180 days of probation and lay people off then don't work them until a year has lapsed then bring them back and start over again.

Councilman John Thomas stated if they work more than 180 days? Supervisor Thomas stated they become full time. He doesn't know Civil Service Law in and out but does know that is probably the problem. You have the Union Contract and then you have Civil Service, two separate things. Councilman John Thomas asked if he could have as many employees that he wants as far as part time? Supervisor Thomas stated as far as his budget will allow, as he would put it. He thinks Supt. Bradley would argue with him he is sure, but he thinks as a town board they can set the number of positions. He can hire whoever he wants to hire but he thinks the town board has the purview to say we are going to have X number of positions and that's how its going to be. Councilman Nathan Thomas stated it would be a lot easier to budget for your Personal Services. Supervisor Thomas stated he is quite sure Supt. Bradley would argue with him, he would say its his budget and he has money in his budget he can hire them. At the County that's what they do there. We don't tell them who to hire but we do tell them how many people they are going to have.

Councilman John Thomas stated the law has just changed yesterday it went into effect so that's why all these other companies have dropped their employees 29 hours a week. Are we going to need to do the same thing? Its not going to be the 180 days it's going to be 29 hours.

Councilman Nathan Thomas stated its going back to permanent full time part time employees 20 hours a week. Supervisor Thomas stated that's a good point. He doesn't know what the time frame is.

Councilman John Thomas stated he doesn't know what the period is but if you get the 30 hours your golden as an employee. Supervisor Thomas stated so if a person works one week at 40 hours? Councilman John Thomas stated the law just came out, you can probably ask the ones that wrote it and they couldn't tell you. He got the e-mail on it and it says 30 hours is your problem number. Councilman Nathan Thomas stated it's a tending pattern he thinks its consistency of you work 30 hours of every week for a month, he doesn't know he hasn't had the chance to read the law. Supervisor Thomas stated it's a good point because there is a couple of them that are defiantly working over 30 hours and he doesn't know what the time frame is.

Councilman John Thomas asked if the county could answer that. Supervisor Thomas will check. Councilman John Thomas stated if it is then we have to make the change otherwise we wouldn't have enough in the budget to cover it, you take a few part timers and provide them with health care. Supervisor Thomas stated even through its capped we are still paying quite a lot of money and also stated that maybe permanent part time isn't an option. He suggested maybe talking to Supt. Bradley and try to limit it and say you can have two or one, whatever and see how he reacts. Councilman John Thomas stated its going to come down to if its 30 hours a week and if they hit 30 hours we have to provide them with health care. Is that going to come out of his budget and he will lose on his end? That's what it's going to come to. Supervisor Thomas stated that's where it will come from. It's separate funds you can transfer money over. Councilman John Thomas stated when we start providing someone with health care and they leave or whatever how long do we have to payout after that. He stated that this is new and he thinks half of the people that wrote it doesn't know what it says. Supervisor Thomas agreed.

2014 Town Budget:

Councilman John Thomas stated \$8,000.00 was pulled from the Highway Fund. He doesn't see anything that can be cut in the General Fund. Supervisor Thomas stated he doesn't recommend it. The Town Clerk asked if Supervisor Thomas knew how much the County tax rate would be. Supervisor Thomas stated he depends on what he does. They are shooting for the 1.66% so what that equates to the towns tax rate he isn't sure. Last year it went up over 2% and our tax rate went up 4.54% about \$10.00. The county hasn't received the health care numbers yet until they get them they are in a circling pattern. They met with all the department heads and just seeing who is getting a pay raise and who isn't. They hope to put more money in the highways too because they are falling apart.

The 2014 Town Budget it at 3.948%, which will be 4%. The tax levy will be increased to \$10,539.00. It doesn't include the \$2000.00 in the Fire Protection.

The tax rate will be \$458.51 and \$17.45 per \$1000.00 assessed value.

126-13. A resolution was made by Councilman Nathan Thomas seconded by Councilwoman Ryan to adopt the 2014 Preliminary Budget and hold a Public Hearing on November 6, 2013 at 7:00 PM on the 2014 Town Budget along with the 2014 Contracts on the Stony Creek Free Library, Stony Creek Fire Protection and the Stony Creek Historical Association. Roll call vote, all in favor.

A motion was made by Councilman John Thomas seconded by Councilman Nathan Thomas to adjourn the meeting at 8:13 PM. All in favor, motion carried.

Respectfully submitted,

Susan Harrington
Town Clerk