

November 3rd, 2011

A Special Meeting of the Town Board was held on Thursday, November 3rd, 2011 with the following members present: Richard Rowland, Supervisor; Thomas Kinsella and Daniel Cochran, Councilman. Daniel Pemrick and Walter E. Chandler were absent. Also present was Highway Supt. Barss and 4 residents.

At 7:25 PM a public hearing was opened for the purpose of hearing public comments on Proposed Local Law #2-2011 to Override Tax Levy Limit. Clerk presented proof of legal publication. Michael LaGalles, South Creek Road - Mr. LaGalles asked if the only advertisement for this hearing was in the Gazette. Town Clerk advised that the Gazette is the Town's legal paper and that it was published on October 18th. In addition, the information has been posted on the Town website. Mr. LaGalles recommended that the Town may want to put it in other places, such as The Pennysaver, as well. Mr. LaGalles stated that he came this evening to say that he was not in favor of the override. Supervisor Rowland stated that from the time that the tax cap was starting to be discussed he could see that there were going to be increases in expenses that were not going to be below the 2% cap. He reviewed some of the basic costs. Road salt has risen from \$45.95/Ton in 2008 to \$58.31/Ton in 2011 – 26.90% increase. In 2008 the cost of salt was \$226,358. To date this year we are already approximately \$30,000. over that amount. From 2010 to 2011, the asphalt costs for the base coat has gone from \$40.60/Ton to \$44.40/Ton or up 9.40% and the top cost has gone from \$48.44/Ton to \$51.26/Ton or up 5.80%. The largest increase is in diesel fuel. In 2010 diesel fuel was \$2.4296/gallon and has gone up to \$3.2474 in 2011, which means a 33.70% increase. Gas has gone from \$2.2189 to \$2.9298 or up 32%. Cochran, C. asked approximately how many gallons of diesel we used per year. Highway Supt. Barss advised that they use about 31,000 gallons per year. Between the years 2008 to 2011 the Highway Dept. has been reconstructing between 5.5 and 7.0 miles of road per year. For the year 2012, they are hoping to pave approximately 7.05 miles of road with the amount budgeted. The Town maintains and takes care of 100+ miles of road and it takes many years to get through all of them when you are doing 7 miles a year. Supervisor Rowland stated that from the current \$1.18 Highway Tax rate, 93.24% of the money goes toward road costs, i.e. maintenance & repairs, plowing, sanding & salting. The remaining 6.76% goes towards administrative costs. All the general fund expenses for the Town Hall, Community Center, Parks & Recreation is paid for with Sales Tax money. Sales tax money has remained fairly flat the past several years. Supervisor Rowland added that to stay within the 2% cap, it would mean an increase in the tax rate of 5¢ per thousand. To do that there would have to be a \$425,000. draw from the Fund Balance. Kinsella, C. noted that was approximately ¼ of the fund balance. Supervisor Rowland added that at that rate in approximately 4 years the Town would be out of money and would be facing a large tax increase. He would like to see small steady increases over the next couple of years, rather than hitting the residents with a large increase. He likes to look at budgets as a five year plan and not just year by year. Supervisor Rowland did not see where sales tax revenues would increase significantly and the mortgage tax revenues that the Town receives are down. Supervisor Rowland suggested that the Board consider raising the rate an additional 10¢ up to \$1.33 per thousand. This would mean an increase in taxes of \$36.00 for the year for the average home assessed at \$240,000. This would still require a

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draw from the fund balance of \$315,000. Mr. LaGalles stated that he understands the difficulty, however somebody has to say “no”. He was disappointed with the turnout at the meeting. Cochran, C. stated that the Board has done a lot of work with the Town Code over the past few years and has tried to make changes to help the average citizen. In addition, the Board has not taken a salary increase since 2008. Kinsella, C. stated that they can only take so much out of the fund balance before they run out and then they are going to have to face a large tax increase. He added that the only variables in the whole budget are the number of employees and the amount of highway miles completed. He noted that if they do 7 miles of road a year it will take approximately 15 years to do all the roads, which he felt was about the right frequency. There being no further public comments either pro or con, the hearing was closed at 7:45 PM.

Town Clerk