

A special meeting of the Town Board of the Town of Moreau was held on October 28, 2010 in the Town of Moreau Office Building, 61 Hudson Street, South Glens Falls, New York, for the purpose of discussing the 2010 Tentative Budget.

Supervisor Jenkins called the meeting to order at 7:05 p.m.

Town Board Members Present

Todd Kusnierz	Councilman
Gina LeClair	Councilwoman
Tom Cumm	Councilman
Preston Jenkins	Supervisor

Town Board Members Absent

Bob Prendergast	Councilman
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Also Present: Jeanne Fleury, Town Clerk; Fran Thibodeau, Principle Account Clerk; Peter Beames from TD Insurance

A motion was made by Councilman Cumm and seconded by Councilwoman LeClair to adjourn to executive session at 7:05 p.m. to discuss insurance negotiation issues.

Roll call vote resulted as follows:

Councilman Cumm	Yes
Councilman Prendergast	Absent
Councilwoman LeClair	Yes
Councilman Kusnierz	Yes
Supervisor Jenkins	Yes

The Town Clerk did not sit in on the executive session.

Fran Thibodeau and Peter Beames were invited to participate in the executive session.

A motion was made by Councilman Cumm and seconded by Councilwoman LeClair to adjourn the executive session and re-open the special meeting at 8:05 p.m.

Roll call vote resulted as follows:

Councilman Cumm	Yes
Councilman Prendergast	Absent
Councilwoman LeClair	Yes
Councilman Kusnierz	Yes
Supervisor Jenkins	Yes

No action was taken in the executive session.

The Town Board proceeded to discuss the 2011 Tentative Budget for the Town.

Supervisor Jenkins stated they are currently at \$916,836.00 in DB5112.4 Highway Improvements Contractual. Our highway budget is up \$629,000.00 and \$300,000.00 of that is for repair of a culvert that should have been done about ten years ago. The sales tax revenues projected are \$2.7 million. The budget currently shows \$2.2 million in highway, we are sending \$200,000.00 back to the county and we have \$185,000.00 in town-outside village so we are a little under \$2,285,000.00.

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He stated it is a big increase, but there are reasons for it. We cut back last year and “there are some things on this list that have some issues”.

Discussion followed on roads.

Councilman Kusnierz said he went down every road that we had discussed to see for himself what really needed to be done and what might be able to wait another year and it was his suggestion that we do either the east or west end of Hatchery Road in 2011.

Councilman Cumm stated the east end has been done and the west end wasn't done, because of the culvert.

Councilman Kusnierz suggested that we should consider doing the west side of Old West Road up to the Northway Bridge and the following year do the east side.

Supervisor Jenkins stated that Paul has on the list to do the west side from Route 9 to Washburn Road.

Councilman Kusnierz suggested that we haven't done crack sealing since 2004 so he had no problem removing \$10,000.00 for that at least for this year. He stated that the new bases on Fedor and Burt Road are starting to crack and we should do crack sealing on those roads to protect the new surfaces.

Councilman Cumm asked Councilman Kusnierz how he felt about doing Michael Road and Jon Kay Road and Councilman Kusnierz stated it needs to be done. Councilman Cumm said if we don't do it this year it will be the fourth year we will have put it off. Councilman Kusnierz said he would do those roads before doing the second half of Hatchery Road.

Councilman Kusnierz asked if we have a good firm number for the Clark Road culvert and Supervisor Jenkins replied no. He was given a number of close to \$240,000.00 to \$250,000.00 about 1 ½ years ago when he was trying to get money from the stimulus plan that didn't happen.

Councilman Kusnierz stated if they left in the \$300,000.00 for the culvert we may have money left over for paving and Supervisor Jenkins agreed with this.

Supervisor Jenkins stated that he thought there was money that hasn't been spent in this year's budget that could be used for Hatchery Road.

Supervisor Jenkins stated that we are looking at removing \$144,000.00 from the DB5112.4 for grinding and paving of Hatchery Road and the board members all agreed.

Councilman Kusnierz asked how they felt about the \$10,000.00 for crack sealing.

Councilman Cumm was adamant about keeping it in the budget. We could get a lot more life out of the roads if we seal the cracks.

Supervisor Jenkins thought we should own our own crack sealer and he would like to know what the cost is for one. He is sure there are afternoons when highway would have time to seal cracks if we had the equipment. It is something the Town should consider for the future. He was aware that Paul is against it and he thought Steve Barody was against it. He walked two and half miles today and there wasn't a road that he walked on that didn't need cracks sealed and you can see sand in the cracks, which means the water is going through.

Councilman Kusnierz didn't want to give the impression that he didn't think the roads needed to be done.

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Councilman Cumm was of the opinion that we could get another year or two out of some of the roads that need to be done if we sealed the cracks. He knows of a person who bought a used crack sealing machine cheap and he uses it on every one of his paving jobs.

Supervisor Jenkins was all for removing the \$10,000.00 for crack sealing and look into whether or not we can buy a crack sealer.

Councilman Kusnierz thought there is still a cushion in there to be able to do that without the \$10,000.00 for crack sealing since we may have money left over from the \$300,000.00 that is in the budget for the Clark Road culvert.

It was agreed to remove the \$10,000.00 from DB5112.4 for crack sealing.

Supervisor Jenkins stated that under machinery he thought the only thing they had in the budget was a lease on a boom mower with tractor and leasing a tandem truck. It was noted that there was \$47,410.44 budgeted for a five year lease on a tandem truck and \$25,918.00 for a four year lease on a boom mower with tractor.

Councilman Kusnierz stated that a couple of years ago we purchased a new mower with a back and side mower and down the road we may need to purchase a grad all and that is more important than a boom mower with tractor.

Councilman Cumm stated that he marked down how the highway superintendent ranked his needs for equipment and the tandem was number one, boom mower with tractor was number two, small dump truck with plow third and the ¾ ton extended cab pickup. We removed the small dump truck with plow and the ¾ ton extended cab pickup.

Councilman Kusnierz questioned how many times throughout the year they would use a boom mower with tractor. We would get “more bang for our buck” buying another piece of equipment and we were told early on we have big problems with the grad all which is our main workhorse and we will probably need that if not next year then the year after otherwise we will be making huge repairs to it.

Councilman Cumm noted that Paul Joseph didn't include a grad all on his list of equipment that he ranked in importance and Councilman Kusnierz said no, but he had it on his list earlier on. The growing season is May through August or September and they wouldn't use the boom mower every day so it was hard to justify it at least where we are with this type of economy this year. It isn't to say he wouldn't support it in future years.

Councilman Cumm stated he didn't want to second guess the highway superintendent, because this is his job.

Supervisor Jenkins read what Paul Joseph had written and that was that the boom mower was to replace the 1986 Heston boom mower that needs tires and new mower head and many other parts that come to an estimated cost of \$9,790.00 and the price of replacement has gone up \$17,500.00 in just a two year period and in 2012 the price will be even higher due to emission regulations. A lease on this machine would be \$5,900.00 a month and you have to lease it for a minimum of two months and we use it for at least six month.

Supervisor Jenkins stated we have no idea what the grad all would cost and Councilman Kusnierz said it would be upwards of \$250,000.00.

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Supervisor Jenkins said he would like to leave it the way they have it now and take \$50,000.00 out of what they took out of paving and put it into a capital reserve fund. There is \$50,000.00 in there now and if we add \$50,000.00 then we will have \$100,000.00 towards the purchase of a grad all in 2012.

It would have an effect on fund balance, but it wouldn't impact taxes and at the same time we have cut paving \$154,000.00.

Councilman Kusnierz stated that we had to cut \$200,000.00 anyway, because we anticipated using \$400,000.00.

Supervisor Jenkins stated that the numbers he got from the county were higher than anticipated in the tentative budget so we will have enough sales tax revenues to put \$2.2 million in the highway budget, send \$200,000.00 back to the county and have \$185,000.00 left over that could go into town-outside village as fund balance or leave it in highway, whatever the board wants to do. The county treasurer is pretty conservative so he was comfortable with the estimates.

Councilwoman LeClair and Councilman Cumm said they were okay with this.

Supervisor Jenkins stated we can't keep making the hole deeper. Next year we may have another culvert to do on Burt Road.

Councilman Cumm asked how much the Clark Road culvert cost and Supervisor Jenkins stated he thought it was around \$229,000.00.

Councilman Kusnierz stated he would be on board with all of this if we weren't shifting the tax and if we have extra sales tax revenue then we should send more sales tax money back to the county to get it back up to \$400,000.00.

Councilman Cumm told Councilman Kusnierz that he didn't understand why \$800,000.00 was sent back to the county to artificially keep the county tax rate down.

Councilman Kusnierz replied that through conservative budgeting a majority of the board felt that we were meeting the immediate needs of the Town and to offset any increases at the county level we could either take the money and use it in town outside or eliminate the highway tax and one way we were able to do away with the highway tax was by utilizing a lot of sales tax money to balance the budget. Rather than asking the taxpayers to absorb the minor increases at the county level we chose to send some of the sales tax money back to the county.

Councilman Cumm asked why the \$800,000.00 wasn't applied to eliminate the town tax and Supervisor Jenkins replied, because the village takes the sales tax money.

Supervisor Jenkins stated the \$800,000.00 was too high and that created part of the issue we have now. He understood why it was done though.

Supervisor Jenkins suggested they leave the equipment the way it is for now and Councilman Kusnierz asked if they were leaving the two pieces of equipment in and Supervisor Jenkins said yes for now. We can make a decision after the public hearing.

Supervisor Jenkins said they could hold off on the capital reserve fund for now too.

The Moreau Emergency Squad budget was discussed next.

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Supervisor Jenkins stated that the amount in the tentative budget is \$218,400.00 and \$425,000.00 that they would collect from the insurance companies. If we gave them a 4% increase like the Fire Company that amount would be \$8,736.00, which is a little less than what we paid out in legal fees to try and get to a contract. It was his opinion that we should leave it at the \$218,400.00. He knows that most of the people on this board are unhappy that the squad can't answer the questions posed to them. He said they would have given them a 4% increase, but we had to spend it on legal fees.

Councilman Kusnierz stated that the squad could make the same argument against the Town in that they had to expend funds that they didn't anticipate.

Supervisor Jenkins replied that they didn't have to sue the Town. We weren't far from an agreement and he thought it was their attorney.

Councilman Kusnierz stated that historically with our not-for-profits we have always tried to be fair, because they do serve our community. We gave the Fire Company a 4% increase and we should do the same for the squad.

Councilwoman LeClair said she wasn't for a 4% increase. She was willing to offer them the whole \$218,400.00 and hold approximately \$40,000.00 to \$50,000.00 on the contingency that they work with us and show us what we need.

Supervisor Jenkins suggested that at this point for the preliminary budget we leave it at \$218,400.00, because we don't have a contract yet and we can still deal with the other issue and if we want to hold some in reserve we could. He doesn't want to shut them down, public safety is important. Maybe they will get the message that they should work with us more on the issue. He also stated that he thought we were close to resolving the issue and then the squad's attorney got involved again.

The Superintendent of Highways budget was discussed next A5010.4.

Supervisor Jenkins suggested changing the \$11,000.00 to \$7,000.00 and add the \$4,000.00 difference to highway contractual garage account A5132.4 based on the numbers in the current year budget.

No objections were raised.

Supervisor Jenkins suggested reducing A7310.1 Personal Services Youth Programs to \$147,025.00 based on the numbers in the current year budget.

No objections were raised.

The Moreau Community Center budget was discussed next A8060.4.

Supervisor Jenkins stated that there is a 7 ½% increase in the tentative budget for the Moreau Community Center. They will be paying \$8,000.00 more in taxes next year due to the reval so it really would bring it down to a 4% increase if you look at it that way. He stated that they could look at their financials and if things improve for them next year then we could look at it differently for the 2012 budget.

Councilman Kusnierz stated they came before the board and were well aware of the economics as we are and yet they asked for a \$32,000.00 increase in their budget or a 14% increase. He realized that the Supervisor cut their request in half, which is the right direction. However, he has an extremely difficult time when we are treating one not-for-profit differently with a zero percent increase when their number one goal is public protection and the board appears to be in favor of giving the Moreau Community Center a 7 ½% increase. That isn't fair. He understands clearly their economic conditions and how they got there. He was very vocal when they were going down that road. There was a problem there from the

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beginning, he saw the financials. The taxpayers shouldn't be on the hook to cover those increased costs. He knows that the community center is doing a very good job trying to minimize their expenditures.

He stated that 4% is adequate and 7 ½% is excessive and because of their poor management he didn't think the taxpayers of Moreau should suffer.

Supervisor Jenkins stated in that case the budget amount would be \$237,120.00.

Councilman Cumm stated he wouldn't go along with anything less than \$245,000.00. The community center provides services for hundreds and hundreds and hundreds of people in this community from two year olds up to 90 year olds and it is money well spent.

Councilman Kusnierz told Councilman Cumm that they are governed by a board of directors and Councilman Cumm was president when Doug Taylor was hired, which in hind sight he would say was a very poor decision.

Councilman Cumm stated that it started out good, but it didn't end well.

Councilman Kusnierz replied it didn't end well for all the taxpayers of the Town.

Councilman Cumm stated he left the board soon after Doug Taylor was hired.

Supervisor Jenkins said he would go with \$238,000.00, which is a little over a 4% increase. He stated that last year they got a 2 ¼% increase.

Councilman Kusnierz stated that historically 4% is more than they have ever received percentage wise and the reason he is willing to go with 4% is because he is sensitive to the position they are in financially.

Councilwoman LeClair stated \$240,000.00 and Councilman Cumm said he would support \$240,000.00.

Councilman Kusnierz said he was higher than he wanted to be now.

Supervisor Jenkins said he would go with \$240,000.00 to get it done.

Brief discussion followed on the Refuse and Garbage account. No changes were made.

Health Insurance was discussed next.

Supervisor Jenkins stated that he reduced the \$200,000.00 in A9060.8 Employee Health Insurance Benefits to \$160,000.00. He went through the numbers with Fran and considered some of the savings we will have and the \$160,000.00 should cover it.

No objections were raised.

Supervisor Jenkins stated the \$6,000.00 in Refuse and Garbage B8160.4 can be removed. This would have been for hazardous waste.

No objections were raised.

Councilman Kusnierz stated that he wasn't on board with purchasing a backhoe for the water department at this point. The board can leave money in the budget for this, but he probably won't be on board with the purchasing of a backhoe. He couldn't justify the use. He thought they could rent one cheaper or get the highway department to help us.

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Councilman Cumm stated he was okay with leasing one for three years at \$19,232.25 per year.

Supervisor Jenkins stated that he had in the tentative budget money to purchase a backhoe not lease one. He thought it was silly to pay interest on a lease when there is money sitting in fund balance. He said they could set it aside for now and work on payroll.

Supervisor Jenkins stated that the elected official's salaries have already been settled. He put in a 2% increase for the other employees except for the assessor's clerk position that is in the budget for a \$500.00 increase.

Councilwoman LeClair noted that in her copy of the tentative budget there was written in \$13.60 per hour for a working foreman for the recreation department and she asked if they were going to move forward on that.

Supervisor Jenkins said he didn't know who wrote that in, but the hourly rate for both laborers is \$12.60 in the tentative budget.

Councilman Cumm stated the working foreman for the recreation department should be \$1.00 more per hour differential from laborer.

Councilwoman LeClair agreed and said Jeremy would be taking on a lot of responsibility and has already taken it on.

Supervisor Jenkins said the problem he has with that is it would be an 8 1/2 % increase.

Councilman Cumm stated he does a good job though.

Supervisor Jenkins stated that there isn't a single person on the list that doesn't do a good job and they are getting 2%.

Councilwoman LeClair said it is the added responsibility of taking on some of Steve's responsibility for the extra \$1.00 per hour that we pay Bruce, we would be able to free up Steve's time to be able to offer additional programs. There are people with softball that he has to deal with. Jeremy goes above and beyond and fills a role of more than a laborer.

Councilman Kusnierz said he tries to be consistent. He mentioned about when they talked about creating a new position for a clerk and how he was adamant that if we were going to create a new position it was going to have to be advertised, because we are an equal opportunity employer and if we create a position of working foreman then he was going to be adamant that we advertise and interview for the position. He asked if anyone checked with civil service as to whether or not this position would be competitive.

The response was that it was a non-competitive position.

Councilwoman LeClair said that Jeremy goes above and beyond a laborer and it saves us money. She mentioned about his fertilizing the fields.

Councilman Kusnierz said he wasn't arguing that point.

Councilman Cumm stated we are inconsistent across the board with salaries.

Councilman Kusnierz stated that we should have a policy in a handbook whereby we equate a monetary increase over and above everyone else to performance. We don't have that and it is grossly unfair in the absence of that policy to do something like this.

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Councilman Cumm stated that we have a new hire at the Transfer Station making \$11.48 per hour and Royce Pixley making \$11.48 who has been here how many years and that isn't fair.

Supervisor Jenkins recalled that when that happened Councilman Prendergast brought up the rate for that person and it was voted on and approved.

Fran Thibodeau stated that Councilman Prendergast called her and she gave him a rate and he didn't like it.

Supervisor Jenkins said we have two issues, what is fair and what is unfair for everybody else. Who is to say 2% is fair for anybody. Maybe somebody should have gotten 1 ¼% and somebody else 2 ½% and some people 4% we don't have anything to tell us that. He realizes that Jeremy does a lot of great things. The only thing he would consider is \$13.00 per hour, but he couldn't see going to \$13.36 per hour.

Councilman Cumm asked if they would go with a 50 cent difference making it \$13.10 per hour and making him a working foreman.

Councilwoman LeClair stated that she would agree to that and the working foreman title and that would make things go a lot smoother there in the positions and she realized they would have to advertise.

Supervisor Jenkins stated we aren't creating a new position. We had a working foreman there and he retired. We didn't replace him rather we added another laborer. We shouldn't have to advertise. It is just a title change.

Councilman Cumm stated he didn't think so either and we would be crazy to lose him he is a working dynamo.

Supervisor Jenkins asked if Councilman Kusnierz would agree to \$13.10 per hour to get it done.

Councilman Kusnierz stated if he goes from \$12.36 per hour to \$13.10 per hour that is a 6% increase, three times what we are giving every other employee. He has no problem changing his title and going with an hourly increase, but not that much.

Councilwoman LeClair said if they look at where they have brought new people in at and where our prior working foreman went out at then a 50 cent per hour increase for that position is not enough. It seems like we have brought people in at the same amount as people who have left. The other working foreman left at \$18.13 per hour. We are putting him in that position with a 50 cent per hour increase when the former working foreman five years ago made \$17.00 per hour and he couldn't do what Jeremy does. She wanted to make it clear that she wasn't pushing for \$17.00 per hour however.

Supervisor Jenkins said he would go with \$13.10 per hour, but he has issues with it.

Councilman Cumm stated it is still \$5.00 per hour less than the former working foreman made.

Councilman Kusnierz stated that has no correlation. He could tell them how that occurred.

Supervisor Jenkins stated he had one other issue with payroll.

Councilman Cumm stated there is still the disparity between what Harold Coombs is making and what Royce Pixley is making.

Supervisor Jenkins told Councilman Cumm he voted on it and Councilman Cumm stated he didn't realize that he was making the same as Royce and that they weren't given that set of information.

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Councilwoman LeClair said she wasn't either.

Supervisor Jenkins said he thought Councilman Prendergast was aware of it.

Fran Thibodeau said that Councilman Prendergast was aware of it. She told him a new employee for the Transfer Station got about \$9.00 per hour.

Councilman Cumm stated that on top of that he is making the same wage when he is working the compactor vs. when he is working the booth.

Councilman Kusnierz asked if they knew how many people out there are desperate for jobs and to have a job with benefits and he could guarantee that they would work for a significantly lower rate than all the starting figures we have here.

Councilman Cumm asked him where they were. We advertised and we didn't get anybody.

Councilman Kusnierz said they got about 100 applicants for code enforcement officer and a stack for water meter readers.

Councilman Cumm said not for the Transfer Station, we got about two people. They only work one hour a day and sometimes a Saturday.

Supervisor Jenkins asked if they looked at what they did change. Royce got more than 2% so he would be up to what Harold Coombs was making.

Councilman Cumm stated that Royce Pixley has been working for the Town for years and is doing a fantastic job.

Supervisor Jenkins said that decision to pay him \$11.25 per hour was made by this board when Councilman Prendergast said there was no way we could pay somebody to run the compactor for that amount of money and it was voted on and the outcome was five to zero in favor of it.

Councilwoman LeClair stated that in the future when they make these decisions they need to have a discussion on it.

Fran Thibodeau stated that it could be because he ran the pay loader and he may have a special license.

Councilman Cumm replied he doesn't.

Supervisor Jenkins stated that the whole idea was that we thought that was what the job was worth and we have Royce Pixley at the same rate doing that particular job. He didn't see an issue with that. He realized that Royce was one of our best employees and he didn't question that.

Councilman Cumm said we need a policy with some guidelines for us so we don't have these types of disparities happening.

Councilwoman LeClair said they talked about freezing the base pay and re-evaluating it so we don't hire someone at the same base pay as someone who has been working for a year or two. If we find that we are getting minimal applications then we could look at the base pay and maybe raise it and every employee in that class gets that so they are proportionately ahead of new hires. There didn't seem to be an easy solution.

Councilman Kusnierz stated that they had to be consistent and one place that some of them weren't consistent was with the elected official's salaries. We had discussion on what was characterized as full-

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time and if you follow that reasoning then you should be giving the supervisor the same raise as other "full-time" elected officials got and you didn't do that. There wasn't any discussion on it. He was very sensitive about this issue.

Supervisor Jenkins asked about meter readers. They work so little time and it is hard to keep them. Jesse Fish thought they should get \$12.00 per hour. They don't work very many hours during the year.

Councilman Cumm asked if he wanted to pay a meter reader more than Royce Pixley.

Supervisor Jenkins said he didn't say that. He had in the tentative budget \$9.43 per hour for new and \$10.82 for experienced.

Councilwoman LeClair said there were a good amount of applicants.

Supervisor Jenkins said they come and go.

Councilman Kusnierz said he was fine with the tentative figures.

Supervisor Jenkins said the Personnel Committee should meet and come up with a plan to present to the full board and they would review it.

Councilman Cumm stated we need a performance management system.

Supervisor Jenkins said he didn't agree with Councilman Kusnierz on the elected officials, but what he said made sense. We are talking about one person and we talk about being consistent, but at the same time we are talking about individual situations.

Councilman Cumm stated that they were consistent on the elected officials. The people who make decisions don't get any raises and we gave raises to all the other elected officials that can't make the decisions. This is what we have to clarify.

Supervisor Jenkins said no they didn't, the Town Justices didn't get a raise.

Councilman Cumm asked if didn't they give the Town Justices 2% the other night and the answer was no.

Supervisor Jenkins said we made it clear that the only two elected officials that got a raise were the Town Clerk and the Highway Superintendent.

Councilman Cumm said he stood corrected.

Supervisor Jenkins said they would leave money in the budget for a backhoe, but it doesn't mean they have to purchase one.

Councilman Kusnierz asked if it would impact rates and Supervisor Jenkins replied no, the water rates have remained stable and we are going to have an excess in revenues over expenses by about \$200,000.00. That is what we have been consistently doing is building up fund balance for what the former supervisor said was for a reserve.

Fran Thibodeau said that Water District 6 is going to be in trouble if something isn't done.

Councilman Cumm asked if they needed to look at reallocation. We are taking too much out of Water District 6.

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Supervisor Jenkins said he prepared some numbers for the board to review and he hasn't heard back from the board.

Supervisor Jenkins asked if Water Districts 2, 3, 4, 5, and 6 or Water Districts 3, 4, 5 and 6 should share in the costs since Water District 2 has its own water tank.

Supervisor Jenkins said the water tank in Water District 6 serves all the districts.

Councilman Cumm added that the water tank in Water District 2 can serve all the districts too.

Supervisor Jenkins thought that if Councilman Prendergast was present he would say why Water District 2 should pay for the tank in Water District 6 when they could use the tank in Water District 2 also.

Supervisor Jenkins stated that eventually they will have to merge the districts.

He said the debt is \$3.8 million and the question is how much do we allocate amongst districts. How much of it relates to the water tank, do we apply any of the GE money we used or grant money. He didn't have a problem allocating the debt cost amongst Water Districts 2 through 6 based on usage. It did improve the system with the telemetry and this next project will be about a 55% to 65% improvement to the system.

Councilman Cumm stated they can't merge districts until Water District 1 is on the same water system and Supervisor Jenkins said this was correct.

Supervisor Jenkins said he could take the \$128,000.00 debt payment and allocate it, but he needs to know if they allocate it amongst Water Districts 2 through 6 or 3 through 6.

Supervisor Jenkins said he gave the board a spreadsheet on this.

Councilman Kusnierz asked if the residential rate was the same in all districts and Supervisor Jenkins said no, but they are close.

Supervisor Jenkins said when we finish our buy-in system which will help support our fund balance too we can start creating a reserve and everybody will probably end up at the same rate.

Councilman Kusnierz asked if in the districts that have low or no debt if we could justify their rate coming down by explaining how we are realigning debt so that they derive a benefit as we comingle.

Supervisor Jenkins said the rates would be the same and the debt and the assets would be shared equally. It is the only case in municipal government where you can do that. The main reason is because if you merge to special districts that have the same services, the same costs and the same everything then they feel that it doesn't matter what the fund balances are in the districts, because they belong to everyone in the districts. If Water District 2 gives up some fund balance upon merging the districts it doesn't mean anything, because it doesn't belong to anybody. Water District 2 is the district that is really facing an expense they can't afford and Water District 1 is obviously facing an expense they can't afford.

Councilman Kusnierz said Water District 1 has infrastructure that is past its life expectancy and they can't afford to go it alone.

Supervisor Jenkins said there is a session coming up next Friday on Asset Management and what we should be looking at and he is going to attend. Asset management schedules on our water districts would be a full-time job.

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Councilman Cumm stated that Water District 1 and Water District 6 are running out of money and we need to do a readjustment on how much we are taking out of each district right away.

Fran Thibodeau said she gave the board a resolution to transfer funds in Water District 6 and it put \$18,000.00 into this administrative contractual, which was down \$13,000.00. There is only \$4,400.00 in there to pay bills and last year we had \$22,000.00 that we owed the Town of Queensbury at the end of the year. She told the board that they were going to have hit fund balance before the year is done.

Supervisor Jenkins said they could make the decision at some point.

Fran stated that they can't keep hitting fund balance. If they are going to reallocate the tower, that will help that district tremendously.

Supervisor Jenkins said they could reallocate what they already paid this year and that would solve the problem, but the question is what districts should be included in the reallocation.

Fran Thibodeau stated that if they went with the new percentages it would change the whole budget and today is not the day to do it with the preliminary. If it is something they want to work towards before they adopt the budget they could do that.

Supervisor Jenkins stated they could leave the preliminary the way it is and work on coming up with something that everyone will think makes sense. He stated he has worked on allocating numbers throughout the years and this is the most difficult one he has ever worked on, because there isn't any simple answer. Water District 2 is probably using more water than Water District 6 and last year Water District 6 used more. This is because of the change in weather and the different types of housing in those areas. The residents in Water District 2 water their lawns and in Water District 6 you have major mobile home parks.

Fran Thibodeau said the whole board should be in agreement to make that change, because it is a lot of work.

Supervisor Jenkins asked if they wanted to leave the back hoe in or take it out. He questioned how much it would get used. We don't have a place to store one right now either. He didn't have a problem leaving it in the budget, but he would have to be convinced on why they need it before he would authorize buying it. It may make more sense to buy one that would be owned by the Water Department and Highway Department and shared.

Supervisor Jenkins said he would rework the numbers on the debt and come up with a couple of different ways to allocate it for the final budget.

Fran Thibodeau asked what they decided on the working foreman and Supervisor Jenkins said they were going to leave \$13.10 per hour in the preliminary budget for now, but it could change.

Councilman Cumm said it could, but they might not get a budget passed.

A motion was made by Councilman Cumm and seconded by Councilwoman LeClair to adjourn the budget meeting at 9:29 p.m.

Roll call vote resulted as follows:

Councilman Cumm	Yes
Councilwoman LeClair	Yes

A special meeting of the Town Board of the Town of Moreau was held on October 28, 2010 in the Town of Moreau Office Building, 61 Hudson Street, South Glens Falls, New York, for the purpose of discussing the 2010 Tentative Budget.

Councilman Kusnierz	Yes
Councilman Prendergast	Absent
Supervisor Jenkins	Yes

Meeting adjourned.

Respectfully submitted,

Jeanne Fleury
Town Clerk