

A budget workshop was held by the Town Board of the Town of Moreau on October 4, 2010 in the Town of Moreau Office Building, 61 Hudson Street, South Glens Falls, New York.

Supervisor Jenkins called the budget workshop to order at 6:30 p.m.

Town Board Members Present

Todd Kusnierz	Councilman
Tom Cumm	Councilman
Gina LeClair	Councilwoman
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; Jesse Fish, Water Superintendent; Elizabeth Lanfear, Town Resident and Recreation Commission Member (Ms. Lanfear only attended the beginning portion of the workshop and then went upstairs to attend the Recreation Commission Meeting at 7:00 p.m.)

The tentative budget for the Water Department was reviewed with Jesse Fish, Water Superintendent.

There was discussion on the purchase vs. lease of a backhoe for the Water Department. \$52,590.00 was in the budget request from Jesse Fish for the purchase of a backhoe.

Supervisor Jenkins stated that interest rate on a lease would be 4.75% which for a two year period would equate to about \$2,600.00 a year in interest payments. We are only earning 7/10 of 1% on Town funds so we would be better off purchasing a backhoe and not leasing one.

Councilman Kusnierz recalled a couple of years ago that the Town purchased a backhoe.

Jesse Fish replied that he was experiencing issues with that one. There is a problem with the steering. He contacted Holland Machinery and they said it is not a commercial backhoe and that it can't be fixed and that it is the "nature of the beast". The highway department used it once and will not use it again due to the steering problem. It was in this condition when he took over the water superintendent's position. It is a 1995 backhoe. The backhoe was purchased from Hudson Falls. The trade-in value has been estimated at \$5,000.00.

Councilman Cumm stated that the state contract price through Milton for a John Deere backhoe is \$4,000.00 more than the one quoted for budget purposes.

Jesse Fish stated that they purchased a used machine and got what they got. A new one will last 15 to 20 years.

Fran Thibodeau advised that Water District 1 wouldn't be able to afford their share of a new backhoe if it was charged to them all at once. She said it may be possible to loan Water District 1 their share of the cost from other water districts and Water District 1 could repay their share over a two to three year period.

Fran Thibodeau asked Supervisor Jenkins if he based the \$1,578.00 the share that Water District 1 would have to contribute to a new backhoe on a percentage basis.

Supervisor Jenkins replied that it was the only way to do it.

Fran Thibodeau stated that it should be based on consumption.

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Councilman Kusnierz stated that this is a big ticket item for the water districts and he was not going to say if he was for or against this purchase at this point in time. He was agreeable to putting it in the preliminary budget for the time being. He suggested they consider allocating the funds for the backhoe across different accounts.

Jesse Fish cautioned the board to be careful about allowing other departments to use the backhoe. The current machine was sent to the recreation department and came back with the hydraulic fluid empty and other issues. He stated that this hasn't occurred as often since Jeremy Tripp came on board in the recreation department.

Supervisor Jenkins said he would like to leave it in the budget for now and depending on how the final budget comes out they may need to change it.

Supervisor Jenkins asked where they would store the backhoe.

Supervisor Jenkins stated that storage is a problem for equipment the Town owns. He asked if they should charge other departments for use of the backhoe or keep it only within the water department. He stated that the highway department charges for brush pickup when realistically the only cost is fuel.

Supervisor Jenkins stated that as for the water superintendents salary he allocated the salary amongst all the water districts and it comes out to a 2% increase.

Councilman Cumm stated that he was not happy with the 2% increase proposal for Jesse Fish. He has been doing a lot more than the former water superintendent ever did and yet the board cut his salary when he took the position. Paul Joseph was hired as highway superintendent at the same salary that Steve Barody was getting and yet Jesse Fish's salary was cut \$4,000.00 from what Mike Shaver was making. We are also offering the same salary to whoever takes on the position of Assistant Building Inspector/Code Enforcement Officer as what the previous one made.

Councilman Kusnierz suggested they discuss all the salaries at the end like usual.

Supervisor Jenkins stated he knows what the numbers are and the revenues we are facing and we have to be careful. He was willing to discuss it later.

Councilman Kusnierz stated that he wasn't going to argue for the most part on the big ticket items at this point in time, but he will be cognizant of the final numbers. The revaluation had a significant impact on some taxpayers and depending on how things pan out he may have to take a firm stance on big ticket items.

Councilman Cumm asked what numbers they were using for medical insurance and Fran Thibodeau responded that a 10% increase was factored into the tentative budget.

Councilman Cumm said it may be time to look at the percentage of allocations across the water districts. We are relying heavily on Water District 6.

Supervisor Jenkins said they have to look at the debt. Water District 6 was built with GE money, grant money and loan. If we allocate based on total usage then Water District 2 and Water District 6 will primarily be paying for it. At some point we have to merge the water districts. He has lived in Water District 2 since 1976 and there is a new home being built down the street from him and they are going to pay the same water rates that he does and they have no more assets than him. Why should Water District 2 pay 32%? It will be easier to merge after the next water project.

The projected revenues for Sewer District 1 were discussed. Year-to-date revenues through August in Sewer District 1 were \$22,785.00 and the projected revenues in the tentative budget are \$55,000.00.

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Supervisor Jenkins stated that the Town will receive fees from hook ups and he didn't budget anything for that. He suggested that maybe the hookup fees should be deposited into a capital reserve fund for repairs.

Councilman Kusnierz said they could build in the potential sale of the back hoe.

Supervisor Jenkins stated that there are new users coming on board in Sewer District 1 next year and that is the reason for the high estimated revenues.

Councilman Kusnierz saw where water meter readers were in the tentative budget at \$12.00 per hour and asked what they are getting right now and the answer was \$9.25 per hour and we can't keep them at that rate.

Jesse Fish stated that he was looking to hire four water meter readers. He has three now.

Jesse Fish stated that the water meter readers work a total of approximately 120 hours for the year total for all water meter readers.

Supervisor Jenkins said they would consider this proposed hourly rate when they discussed all the salaries.

Supervisor Jenkins noted that the revenues in Water District 1 were down a little in 2009 from 2008.

Supervisor Jenkins advised that the Town of Queensbury is going to be sending the Town of Moreau a check for \$27,000.00, because they saved $\frac{3}{4}$ million dollars in energy costs as the result of some changes they made in their system. However, the Town of Queensbury is going to be doing capital improvements next year.

Supervisor Jenkins stated that there were additional contractual funds in the 2010 budget from 2009 and he couldn't remember why, but they didn't use all the contractual funds.

The revenues are showing less than in 2009. There is a significant increase in fund balance in Water District 2, which means the rates are high based on the costs.

Councilman Cumm asked what the fund balance was in Water District 2 and Fran Thibodeau responded saying that the fund balance in Water District 2 at the end of 2009 was \$544,817.00.

Supervisor Jenkins stated that Water District 2 is the district most likely to have water pipes fail within the next decade along with Water District 1.

Supervisor Jenkins stated the total fund balance for all the water districts at the beginning of 2010 was \$1.4 million and Water District 2 and 4 have the largest fund balances.

The Water District 3 budget was discussed briefly.

Supervisor Jenkins stated that they needed to look at how to allocate the debt for Water District 6. They have to pay \$128,704.00 in principle. He said they could merge all assets and debts in the water districts by permissive referendum. He said the question has come up as to whether or not it is fair to charge Water District 2 for the debt in Water District 6 and Water District 1 doesn't have enough money to cover their share of the debt if the districts were merged.

Fran Thibodeau stated that Water District 1 doesn't use the water. They get water from the Village of South Glens Falls.

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Supervisor Jenkins said he could allocate the \$128,704.00 debt service for Water District 6 amongst all the water districts by the same percentage method as other allocations are done and he could give the board a copy of the outcome and the board could review it.

Councilman Kusnierz said that if he did that then he should also allocate revenues from the cell towers too.

Supervisor Jenkins noted that Water District 2 got a lot of water from the water tank in Water District 6 this year.

Supervisor Jenkins said he would allocate the debt service with and without Water District 2 so the board could take a look at it both ways.

This concluded discussion on the budgets for all the Water Districts and the Sewer budget.

Jesse Fish left the budget workshop at 7:36 p.m.

The assessor's budget was discussed A1355.

Supervisor Jenkins noted that an increase of 2% was in the tentative budget for salaries in the assessor's office.

Councilman Kusnierz stated that salary increases will be contingent upon health care costs.

It was noted that \$54,000.00 of the \$75,000.00 contractual amount (A1355.4) is for Article 7 estimates per Attorney Auffredou.

The assessor put in her budget a request for a part-time clerical position.

Supervisor Jenkins stated the board has to adopt a plan relating to revaluation whereby we can do our own revaluation updates based on field inspections and sales data. He noted that Linda Blackburn will be staying on in the assessor's office and she may be able to handle this, but the funding for a part-time clerk is in the tentative budget in case it is needed.

Councilman Kusnierz stated that a full-time clerk in the assessor's office is adequate.

Supervisor Jenkins stated that previously the Town Board discussed creating a floating clerk position and he didn't know if that was still being considered or not. The recreation department is in need of clerical help at times and he mentioned the need for someone to handle calls about sports programs and scheduling. He said the figure discussed for a floater was \$26,000.00.

Councilman Kusnierz stated that in his opinion they don't need a part-time clerk in the assessor's office at \$12,000.00 per year now that Linda Blackburn is back to work.

Following brief comments the contractual portion of the assessor's budget A1355.4 was increased to \$80,000.00 and the personnel account A1355.2 was decreased \$12,000.00 (the part-time clerk was removed from the budget).

Discussion followed on the possible creation of private office space for the assessor and how the Route 197 building may be utilized by a couple departments if the proposition to build a new municipal complex fails.

The Tax Collection budget A1330 was discussed and no changes were made to the tentative budget.

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The Town Clerk's budget A1410 was discussed. The contractual account A1410.4 was decreased to \$7,400.00 from \$8,400.00.

The Records Management budget was discussed A6989. \$1,000.00 was deleted from the personnel line item A6989.1, which was for a part-time clerk.

The Town Board's budget A1010 was discussed. Discussion followed on how many Town Board Members really need to attend the Association of Towns. \$2,8335.00 was spent for conferences out of A1010 year-to-date.

Supervisor Jenkins stated he could attend the Association of Counties and get the same information offered at the Association of Towns.

The board members agreed that it wasn't necessary for them to attend the Association of Towns.

Following discussion \$3,000.00 was removed from A1010.4 for conferences.

The Supervisor's budget A1220 was discussed briefly. There was no change to the tentative budget.

This concluded the budget workshop at approximately 8:45 p.m.

Respectfully submitted,

Jeanne Fleury
Town Clerk