

**TOWN OF NORTH HARMONY
PUBLIC HEARING BUDGET 2013
TUESDAY 10/30/2012 7:00 PM**

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| SALLY P. CARLSON, SUPERVISOR | PRESENT |
| RALPH, WHITNEY, COUNCILMAN | PRESENT |
| FRANK STOW, COUNCILMAN | ABSENT |
| DICK SENA, COUNCILMAN | PRESENT |
| DUNCAN MCNEILL, COUNCILMAN | PRESENT |

OTHERS PRESENT: Clayton & Helen Emick; Louise Ortman; Dave Stapleton, Attorney; Robin Miller, Bookkeeper; Nancy Thomas, Town Clerk

All rose for the pledge of allegiance. Mrs. Carlson opened the hearing at 7:00 PM.
Mrs. Carlson asked if everyone had received a copy of the budget.

Summary of Budget 2013:

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|---|-----------------------|
| Mrs. Carlson said the <i>Total Budget is:</i> | \$1,910,467.00 |
| <i>Estimated Revenues are:</i> | -\$ 798,040.00 |
| <i>Less Unexpended Balance:</i> | <u>-\$ 449,759.00</u> |
| <i>= Amount to be Raised by Tax</i> | \$ 662,668.00 |

She asked that it be noted that in the *Amount to be Raised by Tax* there is a separate line item for Workman's Compensation in the amount of \$52,000.00. She said this year that amount had to be added to the town's budget and we have no control over this. She stated that previously this item had been a charge back item on each tax bill. She said the town's budget has stayed basically the same at approximately \$400 more than last year or \$2.40 per \$1,000 of assessed value. She said the addition of the Workman's Comp to the town's budget adds an additional \$.21 to the \$2.40 making it \$2.61 per \$1,000 of assessed value. Mrs. Carlson said last year the Workman's Comp cost was \$41,000.00 and this has substantially increased for 2013 at a cost of \$52,000.00. These figures are based on 60% Loss and 40% Experience.

Mrs. Emick asked if the Workman's Comp is through NYS.

Mrs. Carlson said no, it is through the County but if you want to get out of their program there is a substantial penalty that must be paid to cover any ongoing costs incurred. She said an example had been given of a worker who fell and injured a knee in 1985 and the employee came back 19 years later and said he had a problem with his knee from the fall; even though he had not worked for them for 19 years their workman's comp had to pay. There is no statute of limitation.

Mr. Sena said the buyout costs on these programs can run into the hundreds of thousands of dollars.

Mrs. Carlson said our workman's comp not only covers the town employees, but also covers the Fire Department volunteers and that is mandatory under NYS.

Mrs. Carlson said basically raises were kept at 2% with the exception of the Highway Superintendent, Dan Strickland and Court Clerk, Vickie Stow. She said the Town Board's salary was increased by \$400.00.

Mrs. Carlson reviewed each individual expenditure and revenue account for those present. She asked if there were any questions.

Mr. Emick asked why the town uses 2012 budget figures instead of estimated 2012 expenditures in the 2013 budget process.

Mrs. Carlson said because a lot of the town's bills are not paid until the end of the year.

Mrs. Emick said over the years if it had been done that way you would have seen where the actual "cushion" has been built up.

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Mrs. Thomas said the actual expenditures and revenues are included in the annual report to the comptroller which is done every year and is available to the public.

Mr. Emick asked what the carryover amounts are currently.

Mrs. Carlson said the unexpended balances on 12/31/11 were General Fund \$333,006.00 and Highway Fund \$462,922.00. She said NYS recommends a 5% unexpended balance, but she feels that is not enough. She said we have been consistent in our tax rates and the new highway building was built with money accumulated so there is no interest and no tax increase.

There was lengthy discussion of the pros and cons of estimating revenues.

Mrs. Emick asked if the Regner property had been sold yet.

Mrs. Carlson said no. She said someone had expressed interest but it had gone no further.

Mrs. Emick said the sign was taken down.

Mr. Sena said the sign was vandalized and said he had not put it back up yet.

Mrs. Ortman said she has attended meetings and is disappointed in the lack of interest in the budget process. She asked if the meeting was advertised.

Mrs. Thomas said yes, it had been advertised in the Post Journal and this is required by law.

There was further discussion of ways to make people aware (i.e. something on the Region Page).

Mr. Sena spoke about increases in the assessment in past years and said people usually questioned why the tax rates don't go down. He said more recently the town has lost a great deal of assessed value during the past two years and has maintained the same tax rate as before. He said there will be a revaluation next year.

Mrs. Carlson said we have tried to emphasize that people should go to the assessor first before they enter the grievance process.

Mr. and Mrs. Emick discussed at length the way the budget is presented and asked the town for ways to make it more transparent for the average layman.

Mrs. Thomas said the town is constrained to the codes and system that NYS requires.

Mrs. Miller said we operate on the NYS GASB54 (Generally accepted accounting practices). She said all of the General Fund employees salaries are more detailed in the budget but the Highway employees are all paid at the same rate per hour.

Mrs. Emick said the "Contractual" account just appears to be a catch all type of account and should be more defined. She used the example of the Town Building Contractual.

Mrs. Carlson said the Town Building Contractual includes electric, gas, office supplies, etc.

Mrs. Emick said those should all be line items in the budget instead of lumped together.

Mrs. Carlson said we would have to create a complete budget for them and then change it back because NYS does not want it done that way.

Mrs. Thomas said a complete breakdown of expenditures is kept by the bookkeeper.

Mrs. Emick asked what A1910.4 Unallocated Insurance is for.

Mrs. Carlson said that is liability, fire, etc. insurance.

Mr. Emick asked if all the towns do their budget the way we do.

Mrs. Carlson said she doesn't know but imagines they are pretty much the same.

Mr. Emick said there is a town nearby that has a much more transparent budget but declined to say what town it was.

Mrs. Miller said she would like to review this budget.

Mr. Emick asked about Highway Equipment at \$143,000.00.

Mrs. Carlson said that is for a new truck. She said the Highway Superintendent gives the town an estimate of what the equipment will cost for budgeting purposes.

Mr. and Mrs. Emick said there is no detail in this budget, everything is lumped together.

Mrs. Carlson said that is true. She reviewed the annual report and said for 2011 Maintenance of Streets was \$296,652.00; Snow Removal was \$215,862.00; Total Transportation was \$831,335.00.

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There was lengthy discussion of highway overtime and it was determined that the town builds into the budget 100/hrs of overtime per M.E.O. because that has been what past averages per year are.

Mrs. Emick asked if there is a 2% increase in salaries why is the amount for Social Security the same as it was for 2012.

Mrs. Carlson said that is not an exact figure because you do not know how much overtime will be worked in the year.

Mrs. Emick said Social Security is going up from 13.3% to 15.3% the first of the year and there is no change in the amount from 2012 to 2013.

Mrs. Miller said she has received no information regarding the increase.

There was lengthy discussion of salaries, hourly rates and benefits as they relate to the categories in the budget.

Mrs. Emick asked about Highway Machinery and the \$140,000.00 budgeted. She asked if the town had considered leasing.

Mrs. Carlson said the town did not consider leasing because it is so expensive and the town can get more out of the equipment than a lease period allows. She said we usually purchase on state contract price and do very well.

Mrs. Emick asked about the Water Garden Project.

Mrs. Carlson said it is a grant project under the 2% bed tax funds.

Mrs. Emick asked where Dave Lloyd's salary comes from and how much it is.

Mrs. Carlson said it comes out of the General Fund and next year he will make \$3,000.00.

Mrs. Emick asked if he receives benefits.

Mrs. Carlson said no.

Mrs. Emick asked what purpose Mr. Lloyd serves.

Mrs. Carlson said he has made some major improvements to the town through the 2% bed tax grant funding. She said he is responsible for the Cheney Point Project (cleaned out the stream and hauled out 14 10 wheeler loads of debris that the weir had caught and will not go into the lake). The Rain Garden is a demonstration project and shows the advantages of proper plantings to maintain a healthy watershed. It also beautifies the area. She said the Bly Hill Step Down project helps to reduce the flow of water coming down the hill and going to the lake. She said these are the types of projects advocated by the CLMC.

Mr. Emick said he is pleased that the town increased its funding to the CLA.

There was discussion of the Bly Hill Project line item in the budget.

There was discussion of Sales Tax projections.

Mr. Emick asked if the town intends to sell the Mitchell property.

Mrs. Carlson said not for 5 years because it is rented and the rent is currently covering the taxes and insurance. She said the board determined that until they decide exactly what they will do with the property (i.e. Senior Housing, Main Street Concept, etc.) they do not want to sell off the frontage on Rt. 394 which would decrease its developmental value. She said it is prime real estate.

There was general discussion of the properties that the town owns.

Mrs. Emick asked why the Planning Board needs \$11,000 in the equipment budget.

Mrs. Thomas said those funds pay the per meeting attended stipends for the Planning and Zoning Boards.

There was general discussion of the cemetery funds.

ON A MOTION MADE BY MR. SENA AND SECONDED BY MR. MCNEILL, THE HEARING WAS ADJOURNED AT 8:45 PM.

Nancy Thomas
Town Clerk