

**RED HOOK TOWN BOARD MEETING**  
**October 25, 2008**

A budget workshop meeting of the Town Board of the Town of Red Hook, Dutchess County, New York, was convened in public session at the Town Hall, 7340 South Broadway, Red Hook at 9:00 a.m.

Present: Supervisor Sue Crane  
Councilman James Ross  
Councilman Harry Colgan  
Councilman Robert Latimer  
Town Clerk Sue McCann  
Absent: Councilwoman Micki Strawinski  
Also Present: Business Manager Deborah Marks  
Budget Officer Rose Rider

The Board began discussion about health insurance employee contributions as well as reducing the percentage of the health insurance buy out.

Councilman Ross would like to see the original resolution regarding the insurance buy out that was passed a number of years ago. It was keyed at a percentage at what the rate was at that time.

Councilman Latimer suggested comparing pay raises and pay scales to like industries. At his business, he was told the proposed increase for health insurance next year will be 32.54% across the board. At Northern Dutchess Paramedics, they are looking at an EPO plan. He explained that it is not a traditional HMO where you go to your primary physician for everything and get referrals. This is an expanded nationwide network, no referrals are necessary. There is one caveat, the co-pay for a visit is \$5.00 more but it significantly reduces the overhead.

Councilman Ross would like to look at the co-pays before we do anything. We have to decide what to budget then we have a little time to work within the budget, whether we change the plan or ask the employees to come up with a certain percentage.

Councilman Latimer said that Brad Palmatier would be more than happy to explain this to us.

The Board discussed health insurance options.

Councilman Ross asked Business Manager Deb Marks what the percentage increase is in our present budget.

Deb Marks pointed it out on the budget sheet. It is based on an 8% increase.

Councilman Ross' concern is the Public Hearing for the upcoming budget. He wants to make sure we're covered with what we budgeted. We should talk to Brad Palmatier about this. An increase in co-pay is a nicer way to do it.

Supervisor Crane asked what the increase is for Northern Dutchess Paramedics.

Councilman Latimer responded it is going up 17%. If he stayed with the old plan it would increase 32.54%.

Councilman Ross asked what the cost was per family and per individual.

Councilman Latimer responded that in 2008, the cost was \$956.72 going to \$1268.07 per family. His individual plan was \$ 373.00 going to \$495.00.

Deb told the Board that our family plan cost is \$1301, individual is \$483 and two party is \$966.

Councilman Latimer feels it would be beneficial to have Brad Palmatier speak to the Board.

The Board discussed keeping the 8.5% increase in the proposed budget and also discussed possibly going with the EPO after talking with Brad Palmatier.

Supervisor Crane prefers increasing the co-pay more than taking 10% of the premium.

Councilman Ross said the tough thing with the 10% is that it could create different problems. Some employees get the individual and others family. Do they both pay 10%? He doesn't know if the Board wants to cross that bridge. He too agrees with increasing the co-pay.

Business Manager Deb Marks said she doesn't think going to \$25.00 per co-pay would hurt.

Brad Palmatier can break all the numbers down for the Board.

Supervisor Crane read the information Business Manager Deborah Marks researched regarding what other Towns in the area pay. Some offer more than one insurance company, some have employees who pay a percentage, and some Towns pay 100%.

Councilman Latimer suggested explaining to Mr. Palmatier that we want to stay at the same cost. He might be able to suggest a few options for the same amount of money.

Councilman Ross asked if it is fair to drastically cut the buy out. He doesn't think it is. Maybe lowering the buy out a little bit, but to lower it to 10% he doesn't think would be fair. The trouble is that even if we charged 10% for a family that is \$1600 and that's a lot of money for our Highway employees. Lowering the buy out 10% is not fair to the people taking the buy out.

Supervisor Crane will call Brad Palmatier to have him inform the Board of their options.

Deb Marks suggested they set a fixed fee, not based on anything, to be reviewed every few years.

The Board continued to look at and discuss the health insurance issue.

Deb Marks informed the Board that she always adds in the dental portion because employees can take that separately as well. She asked if she should continue to do that and that it be specified.

On a motion of Supervisor Crane, seconded by Councilman Latimer, moved to reduce the insurance buy out amount to 25% of the medical premium that would be applicable to the particular employee.

Adopted	Ayes	4	Crane, Ross, Colgan, Latimer
	Nays	0	
	Absent	1	Strawinski

Supervisor Crane brought up the stipend for the Deputy Supervisor. After discussion it was decided to keep the amount the same.

Supervisor Crane directed the Board's attention to the Assessor's Clerk. She proposed to do the same as they did for the Court Clerks. They increased their salaries 4% and added \$1.00 an hour. She asked if the Board wants to increase her hours. The Board discussed the position regarding the possibility of additional hours or adjusting the salary.

Councilman Colgan asked when the John Watch contract ends.

Deb Marks told him it ends in 2010.

Deb Marks suggested that if the Board created a Deputy Assessor position and give her the authority make decisions that the Assessor would make, that might give you some leeway in that office. That means she would also go out in the field.

Councilman Colgan commented that it would become Civil Service then.

Deb Marks responded yes, definitely. She's been there for twelve years. She's talking about if they increase her hours. Regarding pay scale, Civil Service can only guide you they can't mandate you unless there is a union involved.

On a motion of Supervisor Crane, seconded by Councilman Ross, moved to increase the salary for the Assessor's Clerk 4% plus \$1.00 per hour at 19 hours per week. It brings the total increase to 10.1%.

Adopted	Ayes	4	Crane, Ross, Colgan, Latimer
	Nays	0	
	Absent	1	Strawinski

The Board continued with the budget discussion.

Business Manager Deborah Marks told the Board that she knew where they could cut in the B Fund. She suggested moving the money for the truck purchase for the Building Inspector. The Board discussed the fund balance with Business Manager Deb Marks.

Supervisor Crane told the Board that Purchasing Agent Ted Kudzy said we do not have to go to a competitive bid if it is a State contract.

On a motion of Supervisor Crane, seconded by Councilman Latimer, moved to appropriate from the B Fund balance, the amount of up to \$20,000 for the vehicle (with a V-6 engine if possible) to come from the 2008 budget.

Adopted	Ayes	4	Crane, Ross, Colgan, Latimer
	Nays	0	
	Absent	1	Strawinski

Councilman Ross referred to the fund balance page in the report. The Board discussed the line with Deb Marks.

On a motion of Councilman Ross, seconded by Councilman Latimer, moved that for fiscal year 2009 we will not make any transfers from the B to the DB Fund because we have a more than healthy fund balance in the DB Fund that we will use rather than draw from the B Fund.

Adopted	Ayes	4	Crane, Ross, Colgan, Latimer
	Nays	0	
	Absent	1	Strawinski

Supervisor Crane asked Deb if there were any other items in the budget that she needed the Board to clarify or vote on. She asked her where we were regarding the Red Hook/Tivoli Fire contract.

Councilman Latimer had a call in to Fred to call either Councilman Ross or himself and neither heard from him.

The Board discussed the LOSAP agreement and Workman's Compensation.

Deb Marks explained that, in regard to Workman's Compensation, it is going to go in the contract. Right now we pay a certain percent up to \$25,000. They've exceed that and we made an adjustment. That needs to be addressed. She suggested the figure be \$35,000. Regarding the contract aspect of it you can increase it 5% which would give you some leeway in negotiations.

Councilman Ross is concerned that we have not received proposals from the fire companies at this point.

The Board continued to discuss that section of the proposed budget.

Councilman Ross explained that technically by law before the Town gives the fire departments any money they are supposed to show us a budget. Bard College supposedly gives some money to the Town by way of giving it to the fire company. He doesn't know what that is. It should be in the budget so that all the taxpayers know.

Councilman Latimer explained that it is read every month at the fire company meetings. It is read that "X" amount was received from Bard College when the Treasurer gives the report.

The Board said they are obligated to see that budget. They continued their review with Business Manager Deb Marks. In doing the research for LOSAP Deb discovered that there are not two separate fire districts; it is one fire district covered by two different companies who have boundary ranges they are responsible for. The Board continued reviewing the budget.

Deb told the Board that Supervisor Crane asked her to do a comparison as to how a 4% increase in salary compares to a 3% increase in salary.

Supervisor Crane wanted the Board to be able to compare them.

Councilman Ross brought up the \$10,000 Tivoli Fire Capital. He asked what that is going to.

Councilman Latimer suggested asking the Tivoli Fire Department what their capital reserve fund is.

Councilman Ross wants to know if Bard is giving the Red Hook Fire company money, Tivoli Fire company serves a good portion of Bard, are they giving Tivoli something too? Does it go in the Village budget or the Fire Company budget? He asked Councilman Colgan to speak to Tivoli Mayor Tom Cordier to tell him that our Board would like to see their expenses for the Fire Company.

Councilman Colgan agreed to talk to Tivoli Mayor Tom Cordier.

Supervisor Crane asked Budget Officer Rose Rider if she met with Mayor Cordier.

Rose responded that she spoke with him over the telephone and he referred her to the person in charge of their recreation program, Deputy Mayor Bryan Cranna. She asked for an accounting of the \$6,000 we give them for the recreation program but hasn't received it yet.

Supervisor Crane asked Councilman Colgan to check with Mr. Cranna on that too.

Councilman Ross explained that the way Villages handle their money is different from the Town. If we're giving them money they should be able to show us in their budget that it is in a separate fund for whatever. We can budget this but if they can't show justification that they are actually reserving that for future equipment or fire company needs then we don't have to send them a check.

Rose Rider asked about the money we give their recreation program for the Tivoli Memorial Park fund contribution. Should it be cut back? It is \$7,000 that we give them and she asked for an accounting of it. She told them we are making cuts.

Councilman Ross asked if that was for capital improvements in recreation or is that for the program. The program should be paid out of our general program budget. He explained that has to go towards upkeep and maintenance of the park. It can't go to programs because that's a whole separate budget.

Supervisor Crane agreed and said that they are just asking for justification of the \$7,000. It doesn't look like much has happened. Without justification she suggested dropping that budget line.

Councilman Ross said we can drop it or we can leave it there. We just don't have to spend it until they show us justification. It is as simple as not signing a voucher. They aren't just supposed to send us a bill for \$7,000.

Supervisor Crane is not in favor of just giving them money without justification.

Councilman Ross said the Village must have a separate budget that covers that just like the fire company. They have to have something.

Councilman Colgan said there are two guys that rake the leaves and mow the lawn at the park.

Councilman Latimer commented that there must be some accountability. Rudimentary or not it has to be there.

Councilman Ross said that legally we are supposed to get that before we spend taxpayer's money.

Councilman Colgan will talk to the Village of Tivoli about the justification for the capital expenses for the fire company and we need to see the portion of the budget that covers recreation and the fire company. He'll get a copy of their budget.

The Board and Deb Marks continued to review lines in the budget. A propane gas issue was discussed.

Supervisor Crane will call Brad Palmatier and Highway Superintendent Wayne Hildenbrand to meet at the earliest opportunity. She said we have a list of all of the townships that have attorneys. She intends to have a conversation with the Supervisors of all those towns regarding the method of payment to their attorney and send out a request for proposal. Our attorney fees have become astronomical. We are not unhappy with our attorney, it is a question of what we can afford. We cannot afford to go on like this. Supervisor Crane will find out what other towns do regarding paying their attorneys and she will get RFP's out in the next month. Regarding Planning, the Centers and Greenspace Program has been going on for three years.

Councilman Ross said this has gone on too long. In the last couple of years if you look at the amount we spent not only for Attorney Chale, but Joel Sachs and other attorneys we're probably spending close to \$200,000 when we used to spend only about \$50,000.

Councilman Ross said last year we spent about \$180,000 and at this point so far we've spent about \$130,000.

Councilman Colgan said that about half of the Planning bill was charged to Planning and to escrow accounts.

Deb Marks said that she is going to try to go back and bill some of those charges that got through real estate without applying to the escrow. She will try to collect money from those people as well.

The Board discussed Planning fees.

Councilman Ross asked if a second opinion would be good for the Centers and Greenspace Plan. He wouldn't be opposed to having an outside planner look at that.

Councilman Colgan said it is going to County Planning soon.

Supervisor Crane is counting on and trusts County Planning's reaction to a lot of this. She thinks they are very conservative.

Business Manager Deb Marks will run the changes so the budget is in final form prior to the Public Hearing scheduled for October 29th at 7:30 p.m.

Supervisor Crane asked if anyone else had anything further regarding the budget. There were no more comments or questions from the Board.

On a motion of Councilman Latimer, seconded by Councilman Ross, moved to adjourn the meeting at 11:30 a.m.

Adopted	Ayes	4	Crane, Ross, Colgan, Latimer
	Nays	0	
	Absent	1	Strawinski

Respectfully submitted,

Sue McCann, Town Clerk