

RED HOOK TOWN BOARD MEETING

November 3, 2010

A public hearing and special 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 7:30 p.m.

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

Supervisor Crane welcomed everyone to the meeting and opened with the Pledge of Allegiance. She explained that some of them have been working for months to organize a budget that is realistic. Before going further Supervisor Crane commented that she is very proud of the Board, Budget Officer Rose Rider and Business Manager Deb Marks who worked hard on the budget showing what is projected for the year ahead. This is a hard time that we are in and it has not been an easy time to provide a budget. Last year we significantly cut everything but you cannot sustain that kind of cutting when you have continuing expenses and lost revenue. The budget is a conservative effort to have the least negative impact on the residents of the community and still protect what we have in savings which in turn protects our borrowing power. Business Manager Deb Marks provided copies of the budget. She gave an overall presentation of the budget which included salaries of elected officials. One issue she explained is that she researched figures back to 2008 and discovered that our taxable assessed evaluation rate has dropped almost \$123 million. This year it has gone down almost 5%. She explained the tax evaluation rates and how they were arrived at. Deb stressed that the data she presented was as of September 1, 2010. What the public will hear tonight is the summary of all funds on the budget. The preliminary budget is what will be discussed.

PUBLIC HEARING

Supervisor Crane opened the public hearing.

Town Clerk Sue McCann read the public hearing notice.

Vicki Perry asked that the Board keep the budget at no increase to the residents.

Carol Krupski spoke in support of the Village police regarding covering the Town of Red Hook. *Paul Finch*, Red Hook Central School Superintendent, explained that the Sheriff's Department had to reallocate support so Red Hook lost their school resource officer (SRO). The Village police stepped in and filled that void. He advocated for the Village police.

Rosemarie Zengen congratulated the Board, Budget Officer Rose Rider and Business Manager Deb Marks for their work on the budget. She agrees with the previous speakers and is in support of the police department and thanked Supervisor Crane for agreeing to read the letters in support of the police department. You cannot cut when it comes to public safety.

Don Douris feels the professionalism of the police is wonderful. The Village pays for coverage and he would like to see the budget reinstated for the police and for them to get compensation for the calls they make.

Susan Simon knows there is a lot of hard work goes into a budget. She feels the Town should look at the duplication of services. Money can be saved if we consolidate. The police services are very important.

John Fragala, owner of Red Hook Car Quest has had to call the police on a few occasions and said the Village police have always responded quickly and follow up with no problems.

Douglas Krut commented that on multiple occasions he has seen Red Hook police and he feels that omnipresence prevents crime. If there is an accident it is usually Red Hook who is on the scene. With the County Sheriff, you don't know where they are at the time of the call and how long it will take to get there. The Red Hook police can be there in minutes. His concern is the safety of the residents of the Town.

Jane Eng had an emergency last year and the Red Hook police were there within two minutes. They were there; they talked to her and stayed with her until she was calm. She could not do

without them. Red Hook police are interested in us because they know us, they live here they walk the streets and to do without them would be a disaster.

Dick Franklin pointed out that the local police are an important issue but every time we add something remember that our cost will be reflected accordingly. He is on a fixed income but if it means the safety of the community it is extremely important. He also pointed out that this community would not function without the volunteers. Yes there will be increases and none of us like it.

Robert McKeon doesn't support the cuts to the Red Hook police or the Sheriff's Department. He said it is not affordable to live in the Village because of various reasons and suggested looking at shared services in order to save money.

Vicky Lueck knows things are tight as far as the budget but the police and public safety should be a priority. She is concerned that the Sheriff's deputies could be coming from too far a distance if there was an emergency. She wants the Board to consider keeping the Red Hook police department.

Robert McKeon added that he has participating in writing five grants and would be happy to help again next year to keep numbers down to provide relief for the taxpayers.

Rosemarie Zengen said that everyone talks about grants and there is no grant fairy. Someone pays for grants. She is paying on her federal and state tax. She disagrees with the first speaker when she said the Town needs to tighten up. She named Supervisor Crane and Councilman Ross as doing a great job with the budget and she commented that you don't cut the police. She thanked the Board for the job they've done.

Veit Mueller asked about a particular line in the budget. What exactly is year to date?

Business Manager Deb Marks explained that is as of September 1st 2010. They are required to disclose the figures of the current operating budget as of that date.

Veit Mueller asked if there is an increase of 10% in expenditures where does the 20% tax increase come from.

Supervisor Crane responded that mystifies a lot of people. Expenditures are going up even though the expenses are going down. The actual budget is going up because of loss of revenue and because of loss of the assessed valuation in the amount of \$58 million from which we collect tax. It is a mathematical puzzle and difficult to overcome. She explained if there were no increases in expenses we would experience a 5% increase because of the drop in revenue and drop in assessed value. We start out with a 5% increase before we put pencil to paper and that is a hard fact. We lost that amount of value. The tax rate goes up in order to maintain the same experience of spending. We are faced with increases from a variety of arena's that we have no control over and she cited mandates from Albany and Dutchess County. The largest driver is the \$58 million in decrease in real estate value.

Karen Jerro appreciates the Board's position. She appreciates the fact that the Board has to make certain cuts and it is a difficult position to be in. She asked if the Board looks at statistics, if there are certain reasons for making cuts, or is it that cuts are made across the board without looking at statistics.

Dave Baylis is a resident and business owner. It seems that no one has a problem with the police and increased Town patrols. He reflected on Red Hook School Superintendent Paul Finch's comments about how the Red Hook police stepped up in the schools. There are 13 Red Hook police officers who children can get familiar with. If there is a situation children will see officers they recognize. It doesn't seem that anyone here has a problem with a tax increase for additional police patrols.

Linda Benedict told the Board that two years ago her son choked on a marshmallow and thanks to the Red Hook police and fire department they were able to help. If it weren't for them her son might not be here today. She asked not to cut their budget.

Dan Sepesi asked that the Board not cut the police budget. He explained that he lives very close to Bard campus and is constantly running into issues with students. The Red Hook police department responded immediately and they've had great results. Last night he had to call the State Police and he waited outside until 11:30 pm. He called them at 10:15. When he called the Red Hook police on Saturday the Red Hook police were there in about 15 minutes. They were very nice, went to the neighbor and asked them to shut the music down. The officer explained the law to the neighbor and their company and told them they should be considerate of other people. Mr. Sepesi was very pleased with the way the Red Hook police officer handled the situation, they are very effective.

Dick Franklin commented that there have been many increase in taxes. He asked the Town Board to approach the school system to get them to sharpen their pencils and start serious negotiations.

Jim Truitt, Red Hook Village Police Chief, is also a resident of Red Hook. He appreciates the support the police department received at the meeting and he also appreciates the work the Board is doing on the budget. We are all facing the issue of less money and more expectations of service. It is very hard. Last year he was asked if the \$75,000 figure was enough and he was new on the job at the time and wasn't sure of the numbers. They have a system now that allows them to track calls and they hope it will help them with the process of budgeting. He explained the Red Hook Village police patrols in the Town. Shared services are the way to go but they have to be as fair as possible. From their statistics, 2/3 of the calls by Town residents or businesses are not being supported by the current funding arrangement. They are asking not to decrease their funds. He explained the benefits of using the local Village police. They are a community based police department.

Supervisor Crane asked Chief Truitt if the Police Department has a contract with the school system for service in the school system.

Chief Truitt responded that they do and are currently working on it.

Supervisor Crane thinks then those calls are not calls they are counting as service to the Town of Red Hook, they are under a school contract.

Chief Truitt responded that they generally cover sporting events and special events going on. The school has 25% of our population. They do walk throughs every day.

Supervisor Crane said the point she is trying to understand on behalf of the people that are asking is if the school system is also supporting the Red Hook Police Department as well as the Town and the Village of Red Hook.

Chief Truitt responded that if there are different events there are. There is a need for a School Resource Officer.

Red Hook School Superintendent Paul Finch said the last that he looked at it there was a budget in the athletic line for about \$5,000.

Supervisor Crane commented that the school system is largely depending on the Town and Village budget to meet that 25% of the population served when school is in session.

Chief Truitt said they've been paid by the school for some functions at the school. They randomly will cycle through the schools instead of having a full time SRO. Being proactive is what they are trying to emphasize at the schools.

Supervisor Crane asked if many of the calls are from Bard College and are those calls being supported by Bard College or is that a Town expense.

Chief Truitt told her they field very few calls to Bard College. They handle a lot of things in house and are not a large demand on the police services.

Veit Mueller noted that it looks like the budget numbers are pretty much held with the exception of the Highway DB line where there is a 20% increase. He asked for that to be explained.

Councilman Colgan explained that there are a couple of issues. One is that our property values are going down and because of that we have to raise our tax rate. We've tried to communicate the actual increase cost in tax bill rather than tax rate. He asked that people not look at the tax rate but compare your tax bill one year to the last. The Board is trying to hold that to as close to zero as possible. In regard to the DB Fund he is personally concerned about the quality of our roads that we not get behind. So far this year, funds have been added for that so that is what makes it look like it is up a bit. He said he is inclined to look at each line individually and try to take into account how much we expended in the past year and how accurate we were and what the direction is then try to hold the projection at close to a minimum point. Last year we kept the budget very low and this year the objective is to keep it as low as possible and still operate and function as a Town and provide services. You are all asking tonight to provide more services from the police. We will take that into account. It is a work in progress. In the Highway Department we have two trucks for plowing snow that were purchased in 1987. One of them was sway backed and has been put out of service. It was replaced but it is very expensive to replace. Keeping that equipment up to date is very expensive. He referred to a letter from the Highway Department about what they feel is necessary to maintain equipment to do their job and to keep the roads plowed.

Supervisor Crane added that we were in the unhappy circumstance last year during a snow storm to have a truck packed with sand break down in Upper Red Hook. That truck weighed many tons and it pointed out to her how dependent we are on having equipment that is ready to go for emergency vehicles if nothing else. It is particularly important to clear the roads for emergency vehicles to get through. She said that our highway department people are fabulously dedicated men who are sometimes out for 48 hours at a time and we are so fortunate that many of them are trained firefighters so they know how to handle emergencies. We are incredibly blest to have that kind of person, dedication and training working for us to keep us safe. They work every day under the worst of circumstances. We have a five year plan of maintaining the roads and

keeping them up to spec so that we don't get faced with roads falling apart all at the same time. The roads are upgraded on a regular basis. There are 58 miles of road to plow in any given storm. It is thankless work and she is very proud and grateful to them for everything they do. *Mr. Mueller* remarked that the capital budget goes up about 8.5% at the same time the medical budget and retirement goes up by 18%. He is working on a budget at his job and they've been fighting with medical insurance endlessly. He asked where the 18% comes from and asked if the tax rate goes down when the property value goes up.

Councilman Colgan told him yes, the tax rate is a function of arithmetic. We budget the needs for the operation not based on the rate. Regarding the other question, we have a State retirement plan and they tell us what we are going to pay, they don't leave us with options. Regarding medical plan we negotiated for a minimum cost. We don't know yet what the numbers will be until March 2011. He commented that the number of volunteers is amazing and they are dedicated to many aspects of the Town. He wants everyone to know that he doesn't take them for granted.

Supervisor Crane added that medical insurance was dropped for most of the elected officials. Last year the Town Board decided to deny it for the Town Board.

Dan Sepesi said with the economy the way it is, isn't there a better way to structure our taxes based on the assessed value rather than full market value. He explained how the property he owns in Elizaville is taxed.

Supervisor Crane told him that the taxable value is based on assessed value. That is why it was so painful to have real estate devalue.

Councilman Colgan said it is on the assessed value of each individual house.

Carol Krupski asked if we are going to have another reassessment.

Supervisor Crane explained that we have been approached by New York State to consider a continuing reassessment of property valued. They recommend reassessing annually using their own assessors or hired staff to maintain a 100% valuation year by year. We've done a very good job of that over five years and the goal is to continue that. We have to notify the NYS Office of Real Property Tax by December 5th if we intend to do so. She will try to persuade the Board to continue to do that and keep our assessment at 100%.

Dick Franklin said there is a process for grievance for anyone who thinks they are over assessed. They should check with the Assessor's Office. Cost relies on how we maintain our Town and our services. If you have a lower assessment, there will be a higher tax rate to keep those services.

Doug Krut asked what happens to the money the Towns get from the court costs.

Supervisor Crane explained that the complexity of this budget is different from many Towns because we have two incorporated Villages which require us to separate the amount of money we tax people for living in the Village and for living in the Town. She explained the A Fund and how it works to answer his question. Revenue comes in the A Fund and the expenses are in the B Fund outside of the Village.

Karen Jerro asked how many patrols the police department is allowed based upon this budget.

Supervisor Crane said the current contract is based on two additional patrols a week.

Red Hook Police Sergeant Patrick Hildenbrand told her that covers two eight hour shifts.

Supervisor Crane said that is not the only time they are paid to be out there.

Sergeant Hildenbrand explained how the police cover and said it depends on how they are paid.

Supervisor Crane said the Board analyzed the reports from the police department trying to determine if it made any sense for them to try to schedule police patrols. It was decided it is the police departments business. We are trying to arrive at one figure and give whatever remuneration is fair for the police to be available to Town residents. That is why she asked if other people are contracted and helping to pay for the service they offer all of us.

Chief Truitt said the contract is kind of open ended right now. It has not been resolved for the last couple of years. He explained how they are negotiating with the Village and schools. They keep track of calls and make sure their resources are going that way. To just provide \$60,000 and say ok here is your responsibility to give us 16 hours a day 7 days a week, it certainly would not be an equitable arrangement to do that.

Supervisor Crane met with Village of Red Hook Mayor Cohen and he has not gotten back to her so he does not know what the proposal is.

John Fragala asked what the square mileage is of the Village vs. the Town.

Dick Franklin said the Town is 10.7 square miles

Councilman Colgan said each Village is about one mile square.

John Fragala said you have a police department that is owned by a Village of one square mile doing the work of 70 square miles? That doesn't seem logical.

Karen Jerro asked if we pay the State Police too in addition.

Councilwoman Strawinski told her we have a line in the budget for the DC Sheriff's Department. *Supervisor Crane* told her we have had a contract with the DC Sheriff's Department since 2003. *Karen Jerro* asked how many hours a week they patrol. *Supervisor Crane* said they are on a patrol round the clock in a zone which includes Rhinebeck, Red Hook and Milan.

Supervisor Crane read letters from the following people in support of the Village of Red Hook Police Department:

Yvonne Turchetti
Jayne Ives
Marsha Graham (Hannaford Store Manager)
Kenneth and Marcella Appell
Linda Keeling
Anna Fried
Thomas Mollica
Mr. & Mrs. Ralph Frisenda
RV Howland (letter also asked the Town board not to increase Centers & Greenspace budget)
Kathleen Douris (also added don't increase Centers & Greenspace attorney fees)
Mary Tolstick
Rosemarie Zengen

Councilwoman Strawinski appreciates the comments and supports the Village of Red Hook Police Department. We take this very seriously and will consider it as we move forward with the budget. We are going to work hard to see that what you are paying in taxes will be kept to a minimum if raised at all.

Supervisor Crane asked the Board if they wanted to close the public hearing.

Councilwoman Strawinski said that since there was a Board member missing she would like to continue the public hearing so that more people have a chance to voice their opinion.

The Board agreed to continue the public hearing until November 9th at 7:30 p.m.

Supervisor Crane thanked everyone for their comments and invited them to stay for the budget discussion. She suggested taking a break.

The meeting resumed at 9:45 p.m.

The Board discussed adding Board of Election costs to the budget. It was decided to leave it out of the preliminary budget.

Councilman O'Neill thought about the budget, conferred with colleagues and talked to people. He cannot abide by a pay raise for employees of the Town. Under the present circumstances he cannot vote for a pay raise. He will also not vote for a contribution for health care. His proposal is to reconfigure the numbers without the raise across the board for employees. He also wants to take out the contribution for health insurance.

Councilman Colgan said that people don't like these numbers and thinks most taxpayers are negative about it.

Councilwoman Strawinski brought up employee contribution to medical costs.

Deb Marks suggested when they do start it they should start with 5% per year.

Supervisor Crane said if we reduce this budget significantly next year we will be in so much pain they will wish we left it alone.

Councilman O'Neill said we should reduce the cost of government. We have to bite the bullet. He also recommended reducing what we propose we spend in "CE". He explained his reasoning and how much he would cut.

The Board discussed the lines.

Councilwoman Strawinski does not think Red Hook has to be represented at the Association of Towns.

The Board also discussed PANDA. Our contract with them is to film one meeting a month. If we meet more we pay an additional \$60.

Supervisor Crane commented that if items are not budgeted for we will have to pull from the fund balance and it will deplete the fund balance. She wanted to warn the Board of that fact.

The Board continued discussing various budget lines.

Supervisor Crane again reminded everyone that whatever doesn't get budgeted for will have to come from the fund balance.

The Board discussed payroll and decided to change the payroll to every two weeks. It was decided not to go with ADP this year. They continued review of the General A Fund.

Business Manager Deb Marks explained an issue with medical insurance. She told the Board that when we find out whether or not the State approves MVP's request for an increase we will have an idea of what we can do. Brad Palmatier will come back to us with some alternatives. For right now she suggested leaving the line as it is.

The Board discussed medical insurance and buy outs.

Councilman Colgan asked about the transfer of the capital project. He asked if that transfer could be made for this year instead of next year.

Business Manager Deb Marks told him we did one this year and that we could wait until the end of the year and see what the fund balance looks like.

They discussed the line.

Councilman Colgan referred to the cell tower rent.

Supervisor Crane said the contract arrangement has not been discussed yet.

Councilman Colgan feels the mortgage tax revenue line should be raised.

Supervisor Crane does not agree and is concerned that it could leave us short. You do not ever overestimate your revenue if you are worried about your fund balance.

The Board continued discussing revenue, particularly the mortgage tax.

Councilwoman Strawinski wants to address the building department. She feels the staffing in that office should be reduced.

Supervisor Crane would not vote for that.

Business Manager Deb Marks asked if any other Board member felt that way.

No one responded.

Councilman O'Neill spoke about shared services.

Supervisor Crane stated that the Building Department position has to remain in order for us to function. The Building Inspector is a full time position, it has to be filled. We have a commitment to Tivoli too. She explained that we have a part time Building Inspector and one full time Code Enforcement Officer. We made a commitment to Tivoli and this year the multi-family dwellings in Tivoli have to be done.

The Board decided to continue their review of the budget on Friday, November 5th at 7:00 p.m.

On a motion of Councilman Colgan seconded by Councilwoman Strawinski moved to adjourn the meeting at 12:15 a.m.

Adopted	Ayes 4	Crane, Strawinski, Colgan, O'Neill
	Nays 0	
	Absent 1	Ross

Respectfully submitted,

Sue McCann, Town Clerk