

Public Hearing

A public hearing on the 2006 Budget was held November 1, 2005 at 7:30 p.m. with the following in attendance:

Supervisor – Marirose Blum Bump
Councilman – James Ross
Councilwoman – Sue Crane
Councilwoman – Jean Bordewich
Councilman – Harold Ramsey
Town Clerk – Margaret E. Doty
Assistant Budget Officer – Debra Marks

Supervisor Blum Bump opened the public hearing with the reading of the legal notice.

Councilwoman Crane said in the Kingston Freeman the Republicans on this Board took credit for the rise in this Budget and I really take that as an exception, this Board has not even weighed in on this Budget and it was unfair of the Supervisor to represent that this Budget was the work of the Republican part of this Board and it was not true and I take offense to that.

Supervisor Blum Bump said it was not her.

Councilwoman Crane said you are the one who talked to the press who was quoted by the press we should not have been given credit for this budget when it is the Supervisor's Budget at that time, how the reporter got the information only through you.

Councilman Ramsey said Marirose you are quoted here in the paper this budget is in view of the Board's Republican majority. It is not the Board Budget but the Supervisor's Budget as you stated two minutes ago. We have not gone through this budget so it is still the Supervisor's Budget not the Republican majority and to put politics into a budget like this I think is irresponsible.

Supervisor Blum Bump said the article was confusing at that. Right now I am trying to clarify where we are with the budget numbers.

The grant writer in the A Fund, I want to continue with seeking grants without raising property taxes. We have succeeded this year in obtaining solely or jointly with the Villages and school district such as \$25,000 from Saland, \$30,000 quality community impact analysis

Councilman Ramsey said the \$25,000 grant was not from the grant writer but the work of this Board with a letter to Senator Saland.

Supervisor Blum Bump said I do feel that it should be a full time position for a grant writer.

As for Supervisor full time secretary you can see the additional elimination of \$11,474 in salary as well as the additional amount for health insurance. I feel we will need a full time position there soon.

Also suggested we move the appropriation for the Town Attorney PS and secretary PS to attorney CE. There will also be a decrease in our health insurance line which our current Town Attorney receives.

Supervisor Blum Bump said Councilwoman Bordewich has suggested for the time being we use Keane and Beane for all our attorney needs after our Town Attorney retires at the end of this year and see if this is our most efficient way to meet our legal needs. If this doesn't we can begin the process of looking for an attorney in 2006.

Increase of \$103,000 of expenditures in the A fund are for purchase of development rights by voter referendum in 2003 the one single item that has effected our budget most dramatically. This is the first that the PDR cost is in our budget.

Planning and Zoning in our B Fund this covers the on going work of these departments.

Major priority for 2006 is to begin rewriting the zoning to more accurately reflect the Master Plan and the vision of Red Hook as a small town.

Healthy fund balances. The A Fund balance is almost 75% of the annual budget for that account, far more than NY State requires us to have. B Fund Balance is also strong.

We have had discussions on the new highway garage which is not reflected in this budget. We may have to draw on our fund balance this year for architectural and engineering services before we might proceed with and project construction. We would probably need to approve a large bond and probably also have a public referendum as this could have a substantial impact on budget spending, we talked about this last year but it just hasn't happened.

Although the budget has been affected by high energy prices, the PDR, 4% salary increases, greater emphasis on Planning and Zoning needs and other items, I believe it is a sound budget with plenty of money left for our rainy day needs will meet the Town's needs and holds the line on spending.

I invite any reporter who is writing about the budget to contact me or Debra Marks as the format can be confusing. Debra will be going over the budget line by line and we will be keeping the public hearing open.

Debra proceeded to explain what the tax rate for 2006 verses 2005 based on the new assessment.

At this time Mr. Sal Pennini who was present explained about the 30 year bonding. You talked of borrowing in 2005 and a full debt service if the bond was to happen in 2006 as it turns out the Town renewed the outstanding note which was taken out in 2004 to come due in 2005 the rolled over to become due in 2006 note was taken out in April of 2005, coming due April 2006.

If you look in the budget the principal paid on the note is \$20,000. The Bond won't happen until April 2006. The payment in 2006 won't be until March 2007 as we will sell the bond in 2006. The other thing we don't issue the bonds to 2006 and one semi-annual payment so what you will be looking at is maybe \$6-7 thousand in you budget for 2006. For 2007 you will be looking at the regular schedule in 2007 as you will be making regular bond payments instead of notes.

You will make a bond payment in March 2007 which will satisfy the New York State local finance requirement within that period.

Councilwoman Bordewich questioned how would this affect our interest rate?

Mr. Pennini replied I don't foresee any significant increase in rates, I think in March we will be fine.

Councilwoman Crane questioned about our PDR we have \$20,000 for our bond payment what could it be reduced to.

Mr. Pennini replied it could be reduced to \$10,000 with interest payment to be \$30,000 which would be more than sufficient. After the holidays we will look at the sale of the Bond in late February and closing prior to March 9, 2006 to pay off the April note.

Councilwoman Bordewich questioned if we could use the resolution we passed for the highway garage even though we didn't do anything with it.

Mr. Pennini said you could amend the resolution, nothings been started, I have to take a look at to see what class resolution it is. Just amend the resolution make sure it will pay for the project and pay back your 186 which you will put back in your General Fund.

Councilwoman Bordewich questioned if we amend the resolution is it still subject to permissive referendum.

Mr. Pennini replied yes it is. If the Board decides to do that, please give me a call.

Supervisor Blum Bump thanked Mr. Pennini for coming and answering all their questions.

Debra went line for line on the budget starting with the B Fund and answering any questions that they had in the A Fund.

Debra will make the corrections and put a copy in their mailboxes so it can be reviewed in case they have any additional questions.

Supervisor Blum Bump said the public hearing will be continued on November 15th unless someone wishes to meet before that.

Resident Linda Keeling ...in regards to the grant writer she suggests that we have a Chairman to oversee the grant in case something should happen to your grant writer you would loose all the information he had on his computer.

Motion by Supervisor Blum Bump, seconded by Councilwoman Bordewich and carried the meeting adjourned 11:05 p.m.

Town Clerk

Margaret E. Doty