

Minutes of the Public Hearing on the 2007 Fiscal Budget held on October 25, 2006 at 3:00 P.M. PRESENT were: Councilpersons Barden, Folts, Hopkins, Stewart, Highway Superintendent Payne, Town Engineer Ackart, Town Clerk McMichael, Bookkeeper McKay, Water Maintainer Dinehart, KPSW Clerk Wheeler.

Guest: Neil Simmons

Deputy Supervisor Stewart called the meeting to order at 3:05 P.M. with the Pledge to the Flag.

RESOLUTION #181-06

APPROVAL - WATER AND SEWER RELEVIES

On a motion of Councilman Stewart, seconded by Councilman Barden, the following was

ADOPTED	Ayes	4	Barden, Folts, Hopkins, Stewart
	Nays	0	

Whereas, the Jerusalem Town Code provides for the collection of delinquent water and sewer bills by Yates County by the relevy of those accounts on the January tax bills; and

Whereas, the Town Water & Sewer office has compiled a listing of the 2006 water and sewer delinquent accounts in the following amounts:

Water	\$36,047.78
Sewer	\$13,087.95

;now, therefore, be it

Resolved that the Jerusalem Town Board does hereby approve the transfer of these delinquent accounts to the County for relevy on the 2007 tax bills.

Supervisor Jones entered the meeting at 3:10 P.M.

RESOLUTION #182-06

OPEN PUBLIC HEARING ON THE 2007 FISCAL BUDGET

On a motion of Councilperson Barden, seconded by Supervisor Jones, the following was

ADOPTED	Ayes	5	Barden, Folts, Jones, Hopkins, Stewart
	Nays	0	

With proof of notice having been duly published and posted, the Public Hearing on the 2007 Fiscal Budget for the Town of Jerusalem be opened at 3:11 P.M.

Supervisor stated that the increase from the 2006 to 2007 budget will result in the Town property taxes increasing to \$3.11 (1.94%) per \$1,000 of assessed valuation for 2007.

The Assessor Personal Services 1410.1 was proposed at a 0% increase because of Resolution #3-2003 which stated the salary was to remain constant following the 2004 reval for the remainder of his term (12/31/2007). The Assessor has requested the Board reconsider this resolution. Councilperson Folts stated his concern over the proposed salary increases in general as they range from 3-15%. Supervisor Jones stated several salary adjustments were made based on a 10-year comparative history of salaries town-wide that was done. This data identified numerous salary inequities. Tracking historical data will be utilized in the future, along with instituting performance evaluations in 2007 to provide the necessary support for future salary adjustments. Tracking and monitoring budget performance will be instituted in many areas of the Town to refine the budget process and ensure informed decision-making.

RESOLUTION #183-06

APPROVE INCREASE TO ASSESSOR'S SALARY

On a motion of Councilperson Hopkins, seconded by Councilperson Stewart, the following was

ADOPTED   Ayes           5     Barden, Folts, Jones, Hopkins, Stewart  
              Nays            0

Whereas Resolution #3-2003 was adopted to maintain the Assessor's salary for the remainder of his term through 12/31/2007; and

Whereas in consideration of a salary increase for 2007, the Town Board has determined that updating the inventory cards and timely processing of property splits needs to be done by the Assessor; and

Whereas the current Town Board feels that the Assessor is entitled to receive the 3% cost-of-living increase; now, therefore, be it

Resolved that \$1,200 be moved from the 1990.4 contingent account to 1355.1 Assessor personal services to provide funds for said salary increase.

RESOLUTION #184-06

APPROVE INCREASE TO WATER MAINTAINER DINEHART'S SALARY

On a motion of Councilperson Hopkins, seconded by Councilperson Barden, the following was

ADOPTED   Ayes           5     Barden, Folts, Jones, Hopkins, Stewart  
              Nays            0

Whereas Water Maintainer Dinehart has assumed administrative duties in the Keuka Park Water & Sewer Department; and

Whereas the Town Board desires to compensate Mr. Dinehart an additional \$1,000 for these administrative duties that were not taken into consideration when his salary was proposed for 2007; now, therefore, be it

Resolved that \$500 be moved from 1990.4 contingent account to 8120.1 Sewer personal services and \$500 be moved from 1990.4 contingent account to 8340.1 Water personal services to provide funds for said salary increase.

#### DISCUSSION

The water budget was discussed at length due to an overall increase of 13% over 2006. Water Maintainer Dinehart addressed some of the big ticket items. He explained we are implementing a 3-year plan to replace the old remote meters with computer-read meters. We are starting to experience problems with the old meters and Badger no longer services or repairs the hand-held readers. We had to manually enter the meter reads into the computer for Keuka Park last billing because the hand-held readers would not download. These problems are becoming costly due to the extra staff hours associated with them.

Councilperson Folts questioned the continual water rate increases. Water Maintainer Dinehart explained we are playing catch up from years of neglect as far as planning and budgeting for future needs of the districts. This includes operating, maintenance and changes in technology. The Town will always need to budget for water meters as they are needed every year, but not to the extent currently budgeted for due to planned replacement of all meters. It was noted that 2005 was the first year the water budget was not in the red. Use of the current \$241,000 fund balance is not included in the preliminary budget. This will not be done until we have at least a 3-year performance history (2005-2007) to ensure the water districts are generating adequate revenues as a self-sustaining fund. We can look to use our fund balance for 2008 after history has been established on solid operation costs. A \$19,000 master meter is needed in Water District #3 as we buy 64 million gallons of water annually that has to be accurately measured and accounted for. The budget includes \$15,000 to establish a tank repair reserve fund for the three water storage tanks. These funds will be used toward the expense of painting the storage tanks and purchasing a mixer for the storage tank at Keuka Park. The New York State Department of Health has stated that in the future when tanks are decommissioned, that a mixing system will have to be installed. We are also establishing a post-employment benefit reserve fund in the 2007 budget. We are anticipating the Village to pass along additional costs to produce our water as the Village undergoes considerable work on the water plant such as the filters.

Councilperson Folts again stated his fear that our water rates will continue to go up and never come down. The KPSW Clerk surveyed surrounding towns to obtain their water rates and Jerusalem is in the mid-range. Councilperson Stewart made an inquiry to our auditor regarding our rates and was told that they are in-line with our size districts. The Town of Jerusalem went through special legislation to bill the capital charges on a quarterly basis, along with the usage. Our goal is to change the billing and put the capital charge on the property tax bill just like other districts in New York State in 2008. The Town's auditing firm is highly suggesting this be done in order to have all water and sewer district's debt separated. The capital charge is directly related to the amount of debt owed by the Town and the water rate/1,000 gallons is based on what it costs us to purchase water from the Village of Penn Yan and general operating and maintenance.

The public perception of KPSW was discussed. The facts are KPSW is growing with 30 miles of water lines, 15 miles of sewer lines, 3 pump stations, 279 grinder pumps on East Bluff Drive and 1300 meters to be operated and maintained. The lack of education on the part of the public is our worst enemy. Water Maintainer Dinehart stated Saturday mornings is an ideal time for him to accompany community members interested in seeing the KPSW operation.

Mr. Simmons inquired about the Citizens Water Committee established by Supervisor Jones. Supervisor Jones replied that the function of this Committee was to work on rates with the Village of Penn Yan. The Village does not desire to work with us in this manner and is currently having our sewer contract reviewed by legal counsel.

The Board was informed of a KPSW relevy on a County-owned property that was sold. The attorneys did not address the outstanding balance at the time of closing and the County is requesting to pay the relevy at this time. Because notice was given that past due balances had to be paid by October 16 and payments after this date have already been returned to other property owners, the Board stated the relevy will remain on this tax bill. KPSW Clerk Wheeler will inform the County of this decision and contact the new property owner and explain the situation to him.

The proposed 2007 Highway budget was discussed. Highway Superintendent Payne noted we are not buying more, but the cost of what we need is increasing. Our goal is to establish a healthy fund balance in Highway DB. It is State law that you can not have a 1990.4 contingent account within the Highway Funds. You should have a healthy fund balance (which could be used to off-set any unexpected expense) but we are not there yet. The highway machine reserve fund needs to replenish.

The Town Board Highway Committee previously met with Highway employees to discuss salary adjustments for that department.

RESOLUTION #185-06

CLOSE PUBLIC HEARING ON THE 2007 FISCAL BUDGET

On a motion of Councilperson Stewart, seconded by Councilperson Hopkins, the following was

ADOPTED	Ayes	5	Barden, Folts, Hopkins, Jones, Stewart
	Nays	0	

Resolved that the Public Hearing on the 2007 fiscal budget be closed at 4:36 P.M.

The time of the Public Hearing was discussed. Mr. Simmons stated a criticism to this Board is "don't be afraid to get the community more involved". It was noted last year's hearing was also held at 3:00.

RESOLUTION #186-06

ADOPT 2007 FISCAL BUDGET

On a motion of Councilperson Stewart, seconded by Councilperson Barden, the following was

ADOPTED	Ayes	5	Barden, Folts, Hopkins, Jones, Stewart
	Nays	0	

Resolved that the 2007 Preliminary Fiscal Budget be adopted.

With there being no further business, on a motion of Councilperson Stewart, seconded by Councilperson Hopkins, the meeting was adjourned at 4:42 P.M.

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Sheila McMichael, Town Clerk