

**\*\*\*\*DRAFT\*\*\*\***

The Town of Forestburgh Town Board held a **Budget Workshop** on **Wednesday, October 20, 2010** at the Town Hall.

Supervisor Galligan called the meeting to order at 5:00 p.m.

Roll Call: Present – James P. Galligan, Supervisor  
Eugene D. Raponi, Councilman  
John W. Galligan, Councilman  
William B. Sipos, Councilman  
Michael Creegan, Councilman

Absent – None

Recording  
Secretary – Joanne K. Nagoda, Town Clerk

Others  
Present – Dan Hogue, Jr. – Highway Superintendent

Councilman Sipos asked the Supervisor if he had removed the funds that had been requested at the last workshop, the \$5,000 out adult recreation, the \$2,500 out of the beautification, the \$5,000 out of Dan's line. I know he doesn't want to lose it, but, let's cover what you want to cover first.

Supervisor Galligan stated that he re-did the tentative budget and took out the salaries, which was a big thing you wanted removed, everything is back at no increase. I took the other money out of the line items that you wanted. We had to change the unexpended balance, because the \$18,500 that you voted on to fix the old Town Hall reduces our unexpended balance for this year. It just means there is more money coming out of the fund balance. Councilman Sipos asked where will we be at after we take out the \$18,500? Supervisor Galligan responded that if you look at the top, tax dollars to be raised by taxes it's the same as last year, \$313,586 for general fund and \$661,634 for highway fund for a total of \$975,220. That is where we are, and again, my only concern is increases in salaries, the highway department is getting 4%. Councilman Sipos stated that is based upon the union contract. Supervisor Galligan agreed, but I think we should do something for the other three, if you want to talk about the part time people, we can make those decisions in January. Currently there is no salary increase for anybody in what is in front of you.

Councilman Sipos stated that his next question to Councilman Raponi, is one that he asked Councilmen Galligan and Creegan, do you want to hold off on repairs to the old Town Hall, at least until spring? Based upon the elements we are coming into and scope of work to be done. We can do it, I'm not saying we can't. The board decided to contact the contractor and discuss it with him.

Supervisor Galligan returned to the budget and stated that the big hassle here is \$4,100 for salary increases for the three full time people, I would like to see that happen, so we need to find \$4,100 in the general fund to make that happen. Councilman Raponi stated that we've all had pretty good discussions, and I would like to keep the 4% increases, the amount of money is small and it wouldn't be fair to take that out, we can discuss the part time help in January. Councilman Galligan stated he believed that we should leave it alone and leave the raises out, it would be symbolic, it's one year, it's bad times. Basically we are just leaving the money raised by taxes the same, and even to do that, we have to dip into our reserve. Councilman Sipos stated he wished it to be left as it is, and here are the reasons why, the health insurance went up \$2,400 for a family plan, which is almost another \$200 per month. Discussion followed that these are estimates that we receive for the health insurance, it could be more, it could be less. Councilman Sipos stated that to him, health insurance is beyond gold. I know the county has it that you must contribute to your health insurance, but we don't, that constitutes a raise right there. In the last four years I have given raises without hesitation, but this year, I really want to hold the line. Councilman Creegan stated this is a bad time to give raises, people I speak to would like to see the budget dropped. I have a question about the salary for the man on workers comp – is his salary included in this budget? It was stated that salary money is in the budget, it stays there. Councilman Creegan's concern was that if we have to replace that employee, are the funds there. Dan Hogue informed the board that new employees are hired at a lower salary and have to contribute 15% to their health

insurance, so we do have a contribution mechanism in place, we just haven't hired anyone since it's been in place. Councilman Sipos continued that with regard to Mrs. Hylas, I believe we had some discussion, and we should give her two months to find out when she will be receiving her disability, so we can act accordingly. Discussion continued to what benefits Mrs. Hylas is entitled to and may or may not currently be receiving. Supervisor Galligan will contact Mrs. Hylas.

Supervisor Galligan asked if there were any further discussion on this tentative budget. Councilman Galligan requested that the public that is in attendance be permitted to comment.

#### **PUBLIC COMMENT –**

Mary Ann Toomey - I think everyone who uses the summer youth program should be charged. Every other town charges, I think it should be \$150 - \$200. We have a wonderful program, but you can no longer afford it. I don't think in Forestburgh we have that many children who are destitute. As far as the old Town Hall is concerned, it's been hanging for ten years, we had the funds for it then, but they had to be used when the Town had to drill a new well. If we want to preserve it, we have to do it now. We have filed major, major paperwork to apply for historic status for it. We do not have a historic site in Forestburgh. We also have the tree at the cemetery, and now I have to go into landscaping. I think you should hire a landscaper to maintain all of it for less money, and put it out to bid.

Jill Onorato – Is the budget increasing our taxes by 4%? Supervisor Galligan stated that the original tentative budget did. Councilman Galligan stated we are raising the same amount of taxes as we did last year.

Dan Hogue – We went through this last time, the Town portion of your tax bill, is about 25% of the total that the Town actually receives. So when you get your tax bill in January, 25% of what you are paying goes to paying for everything in Forestburgh, recreation, seniors, everything. Myself, I pay \$1,855 in my January tax bill, 25% of that comes to \$463.75, a 4% increase in the town budget would be another \$18.55 in my bill, 3% would be \$13.91. My neighbor, who is a senior and lives in a mobile home, pays \$840.00 a year in taxes, \$210.00 of that goes to the town. 4% to him is \$8.40, 3% is \$6.30. A co-worker, who has a house that is probably five years old, pays \$2,100 – his 25% is \$525.00 – 4% to him is \$21.00, \$15.00 is 3%. A house on St. Josephs Hill that I reviewed, trying to get a broad scope, pays \$3,100 in January taxes, \$775.00 goes to the function of the town – 4% for that would be \$31.00 and 3% would be \$23.25. Anyone of those four examples, what you are paying in town taxes, you are receiving quite a benefit. Local municipalities are the greatest bang for your buck. Calling if you have a problem, either the Town Clerk or the highway department. I don't like to see you guys dip into your reserve fund year after year to balance the budget, because in 3-4 years, you are going to get hit with a 20% increase or better at the town level. It will be substantial. Councilman Galligan stated we have a pretty good reserve right now. Dan agreed that we do, but you say a zero percent increase in the budget, but it's really not. There are mandated increases, such as your contract agreements, your workers compensation, your medical benefits. There are increases in the budget, so to say the budget is a zero increase, it's misleading. There is an increase in the overall budget.

Mary Ann Toomey – For the last few years you have been digging at our reserve fund, at some point payback will be get you. The board agreed that it will come, it is inevitable. We don't know what the County is going to come down with. We don't know, but we are going to have to pay back and you can't keep going into the reserve.

Jill Onorato – I understand what you are saying, and maybe in a few years the economy might be better, but right now, if we have to dip into it, then we have to. People are very strapped right now. Just watch the news, in January our income tax might go up and you can't expect people, if they don't have it. Maybe in two years, we'll be in a better situation, maybe in two years, we'll need a lot more homes in Forestburgh, and bring more revenue in.

Dan Hogue – If you really want to make hard cuts, there are places to make cuts. I paged through it and I came up with \$29,000 that could be cut, but you know, there are going to be cut backs in programs and services and stuff. Mary Ann has a great point with the recreation program. We have a great program, I have kids in it, I went through it, it's wonderful, but in today's day and age and during these times, it's a really great program, I don't think too many people, myself included would have a hard time paying \$150 - \$200 for the summer.

The board discussed and agreed now is not the time to cut services, everyone wants to see the program remain the way it is.

MOTION by Councilman Galligan, seconded by Councilman Sipos that the Board accept the budget as the preliminary budget with no raises.

Vote: Councilman Raponi voting nay;  
Councilman Galligan voting aye;  
Councilman Sipos voting aye;  
Councilman Creegan voting aye;  
Supervisor Galligan voting nay.

Motion carried.

MOTION by Councilman Galligan, seconded by Councilman Sipos to schedule a public hearing on the preliminary budget for Thursday, November 4, 2010 at 7:00 p.m. in the Town Hall. Vote: 5 ayes- 0 nays. Motion carried.

**ADJOURNMENT** – MOTION by Councilman Sipos to adjourn at 5:25 p.m.

Respectfully submitted,

Joanne K. Nagoda,  
Town Clerk