

**Mayor & Board of Trustees
Village Board Budget Hearing Meeting
April 10, 2017**

PRESENT:

Mayor Theresa Knickerbocker
Trustees Richard A. Funchion, Duane M. Jackson and Nicolas Zachary
Village Administrator Kevin Hay
Village Attorney Stephanie V. Porteus
Village Board Secretary Susan F. Matthews

ABSENT:

Trustee Cesare Pasquale

1. PLEDGE OF ALLEGIANCE:

Mayor Knickerbocker called the meeting to order at 7:30 PM. She led everyone in the Pledge of Allegiance and informed them of the fire regulations. The Mayor announced that there will be an Executive Session right after the meeting.

The Mayor said that the Board has already met a couple of times on the budget.

2. COMMENTS FROM THE FLOOR (agenda items only):

None

3. NEW BUSINESS:

A) PUBLIC HEARING: 2017-2018 Village Budget:

At 7:32 PM a MOTION to open the Public Hearing was made by Trustee Jackson, seconded by Trustee Zachary with all in favor and Trustee Pasquale absent.

Mayor Knickerbocker called on the Village Administrator to go through the budget.

Village Administrator Hay began with a summary. The tax levy is increasing by \$214,546. It is over the tax cap which is \$23,069. The rate increase is 4.86%. Each 1% is about \$19,000. The average household tax in the previous budget was \$1,143. That would increase to \$1,201, an increase of \$58 per household.

Page 2: There is an increase in the Equipment-Other Expenses for the Board of Trustees to replace the speakers in the meeting room.

Page 3: There is a slight increase for the outside auditor. There is one more year on our audit contract.

Computer-Other Expenses: There is an increase for Wi-Fi for the third floor of the Village Hall, backup batteries, the accounting program, desktop computers if they need to be replaced and internet and IT services.

Other Expenses: includes the web site, paper products, postage and copy machine leases.

The Administrator explained that on the Telephone budget lines, some went up and some went down. We are just trying to break it out evenly, to balance it from department to department. The only increase was for the Highway Department garage and the pool being added in. The overall cost has not changed.

Page 4: Village Attorney-Other: are for the potential labor negotiations with the PBA and on-going tax certioraris.

Page 5: Equipment: We have to replace the Building Inspector's vehicle. Mayor Knickerbocker commented that we spent a lot of money to repair that last year. We will do a lease/purchase which will spread out over 5 years. In reply to a question from Trustee Jackson, the Administrator advised that the vehicle is for Village Hall use but is primarily used by the Building Inspector.

Repairs: Were increased last year for the soffit repairs at Village Hall. That has now been reduced. Line 16480 are the repairs at the central garage. Last year it was budgeted at \$22,000 for roof work that was not done. It is now reduced because we will now have a different way of doing the roof. He advised that he has filled out the paperwork we received from State Senator Murphy's office for a grant. They advised that the processing could take from 8-12 months. So we will probably not do that work until next Spring. The Mayor advised that we need to replace the roof at the Highway Department garage and we have to replace where we store our garbage trucks. The roof is not in good condition. She was able to obtain a \$100,000 grant from State Senator Murphy. She noted that as the Administrator just advised, we will do that next Spring when we receive the funds. The Mayor thanked Senator Murphy.

Page 6: The Administrator noted a highlight is that we held the Contingency at \$100,000.

Page 7: Police Salary: The Administrator explained that we still have one of our employees on disability who will probably transition to permanent disability at some point. Part of their salary is funded in this line. The Administrator commented that talking to our labor attorney, that transition will hopefully happen soon. But we still have to carry the person's cost because he is out on Workers Comp. In reply to a question from Trustee Funchion the Administrator advised that the labor attorney advised it is usually a year and a half in total. It has been over a year now.

Gasoline: went down because of the lower price of gas and usage.

Equipment: We are putting money toward the purchase of a mid-size SUV for the Police Department. In reply to Trustee Jackson, the Administrator thinks that the 2 vehicles last year were about \$10,000 so it will probably be less than that. The total price the Police Chief put into the budget was about \$36,000.

The Administrator noted that we had a question the last time about the increase in the Other line. \$7,875 is for our IMA with Peekskill for dispatching.

Mayor Knickerbocker commented that the Police Department currently has 2 SUVs. She wanted to know if one would go to the Highway Department. The Administrator advised that is not yet decided. It still has good use in it but if we keep it as a police vehicle there will be much mileage and hours. We would get better use with the Highway Department. The Mayor wanted to know if the Police Department would then have 1 or 2 SUVs. The Administrator advised that the current one would be replaced by the new one and it would get used somewhere else. So the Police Department would have one in use.

Trustee Funchion noted that we paid \$7,000 to Peekskill. That still leaves \$11,000. We increased Supplies \$4,000. He noted that uniforms are already covered. He asked what kind of Supplies and Other Expenses are included here. The Mayor noted that one line is another \$4,000 and another is \$8,000. The Administrator advised that one of the other things that we wanted to do is an alarm at the Village Hall. Police Chief Tubbs has advised that at times he has various numbers of weapons there. The Administrator noted that in previous years when the IMA with Peekskill was less that we still had \$18,000 on the Expenses line. That is what we have been using. Trustee Zachary commented that is a line where the Administrator had to do budget transfers. Trustee Funchion thinks it is a lot of money for Supplies and Other Expenses without knowing the specifics. The Administrator can print the lines if the Board wants to look at them.

Fire Department: Their budget went in as is. The Board has been discussing the reserve fund. The Administrator wanted to know if they wanted to continue that discussion now or for him to continue with the rest of budget and come back it. Trustee Zachary commented that while our taxes have not been cut yet, we try to keep that reserve fund for this year. If everybody else feels

differently then we leave it as is. He commented that we had been giving \$50,000 per year. Mayor Knickerbocker advised that last year was when we started giving \$50,000. Trustee Zachary commented that he knows that could change when the taxes start to cut back. He wants to keep it at \$50,000 while we are still getting the full amount from Entergy. Trustee Jackson agreed. Mayor Knickerbocker commented that she hates to be a doomsayer but we have things in motion and things in plan that we would like to do to stabilize the Village. But she thinks this might be the last fire truck for quite a while. It depends on how the finances of the Village end up. This is going to have to happen before Indian Point closes. So she thinks that we should get it now and agrees with keeping it at \$50,000 this year. Trustee Jackson commented that when Reed Outhouse from Buchanan Engine Company came before the Board he said that the repairs on the existing apparatus are day to day if not hour to hour. The Mayor noted that after this budget this will put it at \$159,000.

Mayor Knickerbocker commented that we have 3 more years until 2020 when we lose one of the plants at Indian Point based on the current projection. If one of the plants goes down, we would lose \$450,000 in 1 year. She commented that things are in place with the budget which we will talk about later. There are things that have happened in the State budget that will bring that amount down. But as we go further into this it is less and less money. We will be losing a lot of money. There are going to be some changes in the Village. She wanted everyone to be aware that the Board are not trying to be bad guys but reality is coming.

Page 8: Equipment-Street Maintenance: includes \$20,000 for the lease payment on the dump truck we purchased last year.

Street Signs: increased because of the boxes coming into the Village which we will probably do in house. Mayor Knickerbocker commented that those signs at the entrances to the Village are in tough shape. We talked about waiting to do that until Spring.

Street Repairs: The Administrator advised that we have had a lot of drainage issues. Last year we had to do an \$18,000 job. He increased that to \$9,000 which might do one job if we have it.

Repairs To Equipment: has been kept where it was because things are aging. There was an increase on the Light Path because the Highway Department garage and other out-buildings have been hooked up.

Trustee Zachary wanted to confirm that road repairs are not in this. The Administrator advised that we do paving out of the Capital Fund. That is later in the budget.

The Administrator advised that he is waiting for an answer from the auditors but we will probably move money out of the paving budget, as discussed, to take down the abandoned house

on White Street. Depending on the confirmation from the auditors, it will most likely be from the Street Repairs line. It does not affect the budget. It is just moving money.

Page 9: The Administrator explained that he bumped up Other Expenses because that is where our salt costs come from each year and in the past few years we have been going over that line.

Other Expense-Lighting: is the payment for the LED street lights. The auditors want lease payments made out of the General Fund. We have 2 years' amount in the Capital Fund that we put in there already. We have not made the payments yet because they have not yet completed the street lights. The Administrator advised that he has been pushing them to do the decorative lights which they have not finished. They have the decorative pole lights on Burke Court and on Lake Drive and some of the newer ones and on the Circle. Mayor Knickerbocker noted that was a 5 year payout. Trustee Zachary commented to remember that a good half of the \$38,000 that we are paying for the LED conversion is saved in electricity so it is really costing us only half of that.

Park Maintenance: includes more money to buy soil for Lent's Cove and seed it up.

Special Events: The Administrator noted that the Board was discussing whether it would be \$5,000 or \$6500. That needs to be determined. Mayor Knickerbocker commented that she knows he budgeted \$5,000. That is what we get from Entergy. The Administrator advised that is separate. It is not included in the \$5,000 in the budget. It comes in and we put it in the T&A account. Trustee Zachary commented that is for Buchanan Day which has been running \$5,500-\$6,000 per year. This line also includes the Recreation Department's Easter Egg Hunt, Halloween party and the Christmas Tree Lighting. Trustee Zachary had asked that it be left where it was at \$6,500. The Mayor asked what was important to him about keeping it at \$6,500. Trustee Funchion favors making it \$5,000. Trustee Zachary thinks that at one point the Recreation Department requested \$3,500. Plus we were budgeting \$3,000 for Buchanan Day. So that is the \$6500 without any additional events like music. Trustee Jackson commented that we get \$5,000 from Entergy even though we do not apply it. The Administrator advised that it comes into a separate account and we pay the cost of Buchanan Day from that. Trustee Funchion asked how much it is costing for the Christmas Tree Lighting and what do we pay for. The Administrator advised it is hot chocolate and cookies and the video. It is not a huge expense. The Mayor asked that the Board receive a breakdown of each event: the Halloween Party, Christmas Tree Lighting and Easter Egg Hunt.

Other-Repairs: is to do the pavilion. [The amount] is the estimate from the Village Engineer for the steel in the pavilion.

Trustee Jackson favors keeping Special Events at \$6500. He commented that when we look at the breakdown we can see where we are heading with that.

Mayor Knickerbocker advised that we are not voting on this tonight. She commented that there are things happening in the State and she is not ready to vote on it tonight. It has to be voted on by May 1. The Mayor announced that normally we have a Village Board meeting on the first Tuesday of the month. We have to pass the budget by May 1 so instead of having the Tuesday night meeting on May 2, we are combining both meetings on the Monday night, May 1. The budget will be resolved and we will have our regular meeting. So there will be no meeting on [the regular] Tuesday night. This will be highlighted in the Newsletter.

Page 11: There was money added to Zoning-Other for the Comprehensive Plan.

Page 12: Most lines have stayed where they were. We have maintained money in Equipment for the Wastewater Treatment Plant in case we have to add a supplemental bubble system if the dissolved oxygen numbers are not where they need to be. There are no other increases other than whatever was raised as required in the contract.

Page 13: Refuse Collections-Repair: The truck is getting older. It is a 2005. The Administrator advised that at some point we have to consider that it will have to be replaced.

Trustee Funchion wanted to know what the increases were in Repairs. The Administrator explained that those are sewer line repairs.

Page 14: The big increase was the health insurance which went up over \$120,000. Plus we have the police officer on disability, plus the new hire. Trustee Zachary wanted to know how much is due to the rate increase and how much to the coverage. The Administrator advised that the new family plan is \$25,000 so that would be for the new person. The rest is rate increase over what was possibly not funded high enough in previous budgets. Trustee Zachary commented that just to cover that \$120,000 increase is a 6% increase in the budget. That means that if you are proposing a budget that is 4.87% that means that excluding the medical care you are proposing a budget that is 1% lower. The Administrator commented that we ended up lucky this year. Our special franchises went up and our assessment base went up. Trustee Funchion asked if our new police officer is taking a family plan. We had that in the contract because it was a “win/win” for both of us. He believes that her husband is a police officer, so if he is covered. The Administrator will check if she is a single or family plan. He noted that would make a difference of \$11,000.

Employee Benefits: The pension payments for both police and non-police are the estimates we receive from the State. Trustee Function commented that the stock market is doing well. He

wanted to know why this expense is going up. It does not make sense to him. The Administrator does not know. He noted that there are new tiers but he does not think that they have taken effect at this point and most of our employees are still Tier 4. Trustee Funchion commented that we were taking hits before in 2010 and 2011. Trustee Zachary commented that they were trying to restore their funds. Trustee Funchion commented that the stock market has gone up significantly and that is where the pension fund is invested. Trustee Zachary commented that it is the State Comptroller. He looks at the pension fund, decides how much he needs to put in there for the year then tells everybody what they are going to give them. Trustee Zachary commented that [the State Comptroller] has a very secure, stable fund. Trustee Funchion commented that concerning the contributions, whatever he asks for he gets it and nobody questions it. Trustee Zachary commented that there are certain parameters he has to meet. He makes sure that the pension fund is well funded. Trustee Zachary commented that a lot of them are not. They have to project what their likely pay outs are, the likely growth of their money and come up with a number to keep it well funded.

Debt Service: are the interest and the principal payments on the roadway bond that we took out. Mayor Knickerbocker commented that is our only debt. We took a \$1 million bond. The Administrator advised that after this year there is \$640,000 left to pay.

Page 15: includes inter-fund transfers, the Capital Fund and roadway fund. It also includes the newly added tax stabilization of \$25,000 which the Board wants to discuss to determine a final number. Trustee Zachary commented that he has asked that we try to maximize what we put in there so that when our tax revenue from Entergy starts to go down, we have some money to offset the most immediate increases. He wants to put in \$100,000 per year for 4 years. He noted that Trustee Jackson had proposed compromising at \$50,000.

Trustee Funchion commented that the tax rate is going to be so high that he cannot see doing this. The concept is that we are taking people's money and we are deciding what to do with it. He thinks that everybody is aware that if everything remains the same taxes are going to go up or we are going to have to make choices of services. He does not see the advantage of taking away \$100,000 now because we are not getting much interest if we keep it to the side. It is minimal. He thinks that it is better off in the pockets of our residents instead of putting it into a separate fund. We do not know the future. He commented that we have people who are living paycheck to paycheck. We are already talking about a tax increase of 4.86%. We are talking about an increase in the amount for the Fire Department. That is an 11% increase. He feels that is a lot to expect of our taxpayers at this particular moment. He thinks that we could be forced to end services or to combine with other municipalities or combining school districts or things like that. So putting this money aside seems unnecessary to him at this particular time. He noted that Trustee Pasquale is not present tonight but Trustee Funchion believes that he agrees with him.

Trustee Jackson thinks that having a prudent reserve in light of what is going on in Indian Point and using the example of what the Town of Cortlandt just did that incrementally, we should do it on a smaller scale with \$50,000 and then look at what happens next year; if there is some State aid or whatever. He agrees with Trustee Funchion that \$100,000 is a little absorbent right now.

Mayor Knickerbocker is totally against the double digit tax increase. She commented that she knows what is coming. She has run some numbers. In 2020 we will have a shortfall of \$450,000. But the State budget was just passed. There is not a lot of information out yet. There was an article in Politico, which is a reputable publication, that said more money and longer transition period for communities that lose power plants. The Mayor commented that when she went to the hearing the Chairman of the Senate asked her what are our two “asks”. She told him that number 1, we are going to need transition money and number 2, what is really important to us is that we need money to look at the economic development possibilities in the Village, meaning the property itself. She is trying to get the final budget from the State but she understands that she got her wish because in it there is a program that the State has. She commented that as time goes on with more and more of the coal fired plants and nuclear power plants here, the State is aware of the impact on communities. They have just put in more money. They increased it to \$45 million in this fund. The Mayor advised that as of this Wednesday the payments to local communities start at 80% of the lost revenue and decline 10% each year to 20% in the seventh year. She figured that for us it will be \$450,000 when the first plant goes down. That is 30%. If we were funded by the State for 80% our shortfall for that year would be \$90,000. The next year the other plant goes down and then the scale down continues. She commented that this is in here. They have bumped it up. She commented that other politicians are saying 4 years. That is not correct. 2020 is when the first effect of this plan will be felt. She commented that the reason that she asked for transition money is because we have a combination of things on the Board to do here. We have to look for a replacement of our tax base. That takes time. The State has set up a task force. We will look at that. They have to have the study done by April 30, 2018. That is still 2 years out. The other thing that the Board has discussed is how can we do things differently and better, cost savings. Everything is on the table. The Mayor said that everything we discuss will be shared with the public and go from there. She commented that from what we have talked about and what is happening here, she is cautiously optimistic. Things that we are working on have to fall into place.

Mayor Knickerbocker advised that she has set up a Buchanan 2021 Committee. She has asked for resume’s and received the first one this evening. We are going to form a group that will look at Buchanan after our largest tax payer, the nuclear power plant, leaves. What would people like to see different or maintain; a comprehensive look at how the Village runs. People who are interested in participating can send their resume’s to the Village Hall. It will start some time over the summer.

The Mayor commented that when she read this the other day she felt a little relieved that for the first couple of years there is a little transitioning money. It is not everything but it is better than nothing. She commented that the Board has its work cut out for them. We have a lot to figure out. She understands what Trustee Zachary is saying about setting up a Capital Fund. Town Supervisor Puglisi and the Town Board are setting up a fund. She quoted from their announcement that the monies will come from their annual fund balance/surplus. She noted that they are not putting it on an increase in taxes.

Trustee Zachary commented that they may have a healthy fund balance where they can do that. He believes that they can do the same thing by leaving it in a fund balance but he is not sure. He thinks that we need to position ourselves as strongly as possible. Our fund balance has dipped but it has come back up a bit. He thinks that we need to leave it there. It is like saving for retirement. You do it every year over the years. He is looking at this long term to position ourselves as well as possible even if there is transition money for 7 years. He commented that if we look long term at how the Village will be the healthiest even if we are not on this Board, it may not be the most popular move right now but when he looks ahead he feels that there are some decisions that may not be popular now but would be to the advantage of the Village over 5, 10 and 15 years. He commented that when he was in Europe and saw the old cathedrals that were built in medieval times, they took hundreds of years to build and that the monks who started building them did so knowing that they may only see a wall up when they die. His point is that we might want to take steps for the future. He commented that we could go with less than \$100,000. But anything that we can do to position ourselves with some more strength to adjust over the next 5-15 years would be good. He commented that if the majority of the Board feels that they do not want to do this now, so be it. He noted that every year he has been asking for a tax stabilization fund. He commented that had we started putting in \$100,000 per year when he was first asked, we would now have \$500,000. He has always looked at the budget as a 5 year plan, never as just 1 year because you want to budget long term as well as satisfy your immediate needs. He commented that he is only 1 vote.

Mayor Knickerbocker commented that this is the alternative. Each year there are different reserves at the end of the budget year. This year we had the money and over \$300,000 went into the fund balance. Each year it changes depending on what type of year the Village has had. An alternative is that whatever surplus we would normally put into the fund balance could go into a specific account set up for that. It could be \$100,000 surplus in 1 year. We never know. She commented that concerning Trustee Zachary's proposal if we did the \$300,000 before this happened that does not get us far either. She commented that if we had done that over the last 5 years we would have been looking at double digit increases. Trustee Zachary commented that as he has said in previous meetings it is not good. He commented that having to raise taxes is not his objective, not what he wants to do or thinks is great. He commented that the difference between \$25,000 and \$100,000 is about 4% and he is looking at 4% a year as opposed to 30%. He is trying to buffer it. He commented that it sounds like most people do not want to do it.

Mayor Knickerbocker commented that this is a combination of things. She thinks the best way is that we cannot tax our way out of this. We have to do a combination of things. Trustee Zachary agreed. He said that the Mayor expressed it very well. There are a lot of components to this and there are a lot of changes.

Trustee Zachary commented that the Board had talked about the gross utility tax. We are one of the only villages that do not charge it. His projection in 2011 when he brought this up and it was voted down by the Board was \$41,000 per year in income. He said that if the Board is willing to revisit enacting the 1% gross utility tax maybe we could do that with the intention of allocating that money into the tax reserve fund. Trustee Funchion commented that we could do it if it could be done fairly. But if you just tax people who heat their homes with gas and not those who use oil, then it is not a fair tax. Trustee Jackson agreed. Mayor Knickerbocker commented that you get taxed on what you use. Trustee Funchion commented that his understanding is that the tax is only on the usage of gas. Everybody uses electricity. He would consider it a fair tax if you tax electricity. Trustee Zachary commented that you do not have a choice to separate that. There may be some other way to offset that for people who heat with gas but he thinks that according to New York State law and Village law it would be applied to any utilities that sell services in the Village. He understands Trustee Funchion's concern and agrees that there is an element of unfairness. He commented that it is not a big tax. It is on the order of \$10 or \$15 per year per house. Trustee Funchion commented that there may be some houses in the Village that are heated by electricity but for the most part you really have to save money. You can cut back on electricity. He commented for example you will not die without air conditioning but if it is 10 degrees outside and you do not have the heat on in your house you will. So you would be picking and choosing and saying to someone who lives in a house heated by gas that they have to suck it up while those who live in a house heated by oil get a free ride. He commented that is taxation without representation. The Mayor asked if that tax includes cable t.v. The Administrator will look into it. Trustee Zachary thinks it is only utilities, electric and gas. The Mayor reminded that we discussed this years ago.

Trustee Funchion commented that the Village has changed a lot in the last 10-15 years. We have more younger people living here and they are probably employed in decent and good jobs. But we have a lot of the Village residents who are older people. Some residents do not have great paying jobs. Times are tough. We had one Village resident who came before the Board and said if you cannot live here, move. Trustee Funchion does not go along with that. It is just wrong. He commented that we have to take into account that it sounds great when you say we could add money to places but for some people that could be the thing that pushes it over the edge. He thinks a 4.8% increase is what we can do right now. He would like to see further savings down the line. He commented that between the savings and some of the things the Mayor has laid out, he is looking forward to taking on Entergy, or whomever they sell it to, about taxation. He thinks that all the affected communities are also in line with that. We are trying to make these decisions on our budget. He commented that right now we have a fantastic Village with fantastic

services for a relatively low price. He commented that we all know that if we want to maintain that eventually we will have to pay more. But the reality is that the school district tax increase is the big elephant in the room. Unless we know where we are going with that, he feels that \$100,000 is peanuts in relation to that.

Trustee Jackson thinks that to be prudent a step in the right direction is that we should put away some monies at this point for the Entergy closing and to do a little bit more next.

Trustee Zachary commented that there are other options. Maybe there will be some additional fund from Entergy if we abandon the PILOT and assess them. There might be the State money which will help for 7 years. There might be some other consolidations that take place. We have to see. We have to look at everything.

Mayor Knickerbocker commented that one of the things that it is well known in the industry is that as the storage casks get put on the pad each is assessed at \$1 million. We do not have to fight that. In the end we are going to have two concrete pads over there with approximately 115 of these storage casks on them. When we renegotiate we will go after them.

Mayor Knickerbocker directed that for now we will leave this at \$25,000. The sticking points in the budget are the Special Events being \$6,500 or \$5,000 and the Tax Stabilization being \$25,000. The Board has all agreed with the Fire Department being \$50,000. We will make a final decision at the Budget Meeting on Monday. Trustee Zachary wanted to know if we are still going to be tweaking the budget on Monday. Trustee Jackson said that we will take a vote at that time. Trustee Zachary thinks that we should come to agreement now so that it is in the draft for next Monday. Trustee Funchion thinks that as the Mayor pointed out that it is only a few points. We have agreed on 98% of the lines. We can make a decision right before we vote on that Monday.

Revenues: The Administrator explained the PILOT increase was by the amount we set for the property tax cap, 1.5%. There is a small bump in the Sales Tax.

Engineering & Planning Fees: We have some applicants moving through the Planning Board so those have been bumped up a little.

Recreation fees: have been bumped up.

There are not that many significant changes to the infrastructure agreement. It was bumped up by the 2% that was negotiated.

Water Fund: The water costs are going up and the fund balance went down. We are going to find a way to detect leaks. We are repairing a leak on a 16 inch line so some of it is lost water. Mayor Knickerbocker advised that the reason why we could not detect it earlier is because it is in a wooded area on the paper street behind the Highway Department. It is a line that runs from

behind the Highway Department through the Con Edison property to Bleakley Avenue. Trustee Zachary asked how we detected it now. The Administrator will find out. The Mayor advised that last week we walked the property with the Village Engineer and the water has come through to the surface. The Highway Foreman noted that the water is up towards the towers. Trustee Jackson wanted to know if there was any damage to the garage because of the seepage. The Mayor advised it is back where Spectra dug up. The Mayor directed the Highway Foreman to ask the contractor doing the repair if there is any indication that it was caused by stress from what Spectra was digging back there. She commented that it is not a place that we go into. It is out in the back woods.

The Administrator advised that as we have noted, there was a loss because there are a lot of old water meters which we have talked about replacing. He met with some companies and we will put together a bid for that.

Trustee Funchion wanted to know what is included in Gifts & Contributions. The Administrator explained that it is the infrastructure agreement for water and sewer. That is where we put it last year. We have to go to the auditors to put it in a different line.

Trustee Funchion wanted to know what is included in Unclassified Revenue. The Administrator explained that it is a catch-all. That was the \$724,000 we received from Spectra.

The Administrator commented that with the water meters, finding the leak on the 16 inch line and because we should reevaluate the water rates, the Water Fund should come to a break-even point. Concerning the water meters, he will get a copy of the spec that the Town of Mt. Pleasant did. Then we will put it out for bid.

The Mayor advised that to summarize, we still have to work out two things: Special Events and tax stabilization. Currently, we have put in \$25,000. The Mayor directed that she wants to take out the money the Administrator put in. She commented if things work out during the year we will get more there so he can take \$2500 out. She commented that another thing that she read in the State budget is that when you are doing the grant money from the State, it used to be 50/50 where the State gives you 50% and the municipality puts in 50%. The State is now giving 75% for water items. She commented that we might eventually get some grant money. Trustee Jackson wanted to confirm that we will not be getting dirt for Lent's Cove. The Mayor advised that we will re-look at the budget and if things work out maybe we can do that another way. But it is not a critical thing that has to happen this year.

The Mayor asked the Administrator for the percentage of increase. The Administrator advised that it is now 5.88%. That is with \$5,000 for Special Events, \$25,000 for tax stabilization and \$50,000 for the Fire Department for vehicle replacement. That is approximately a \$75 for the average assessed value.

The Mayor asked if there were any other comments from the Board. There were none.

4. COMMENTS FROM THE FLOOR:

Bob Outhouse, Trustee of the Buchanan Fire Company, thanked the Board. He knows they are in a difficult position. This additional money will offset the increase in the future for the replacement of the fire truck. He is very optimistic about what is happening in the future. He thinks there is light at the end of the tunnel. We have to wait for things that are coming down from Albany. He commented that he was in Washington, D.C. and spoke to Senator Schumer and Congressman Maloney about the Federal aid grant to firefighters that expires this year. He commented that it is very important across the country because Buchanan Engine Company taps into that grant in order to offset their equipment needs. They will continue to do that as long as the Federal government allows them to. The elected officials they spoke to said that they will do this. Trustee Jackson asked if that was for the air packs. Mr. Outhouse advised that was correct. That grant expires this year. The support is for it. Buchanan Engine Company will continue to use it to offset their expenses as long as they can. He again thanked the Board for allowing them to put it in the budget for next year.

5. BOARD MEMBER REBUTTALS:

None

6. ADJOURNMENT:

At 8:38 PM a MOTION to adjourn this meeting until May 1, 2017 was made by Trustee Jackson, seconded by Trustee Zachary with all in favor and Trustee Pasquale absent.

7. EXECUTIVE SESSION:

At 8:40 PM a MOTION to enter into Executive Session to discuss contractual agreements was made by Trustee Funchion, seconded by Trustee Jackson with all in favor and Trustee Pasquale absent.

Mayor Knickerbocker advised that no decisions were going to be made and no monies expended.

8. ADJOURN MEETING:

At 9:45 PM a Motion to exit the Executive Session and adjourn this meeting was made by Trustee Funchion, seconded by Trustee Jackson with all in favor and Trustee Pasquale absent.