

Minutes of the Town Board Meeting held by the LaFayette Town Board on August 24, 2010 at 5:00 p.m. in the Meeting Room of the LaFayette Commons Office Building at 2577 Route 11 in the Town of LaFayette

Present: Adrian Shute, Supervisor
 David Knapp, Councilman
 William McConnell, Councilman
 Andrew Ohstrom, Councilman
 Gerry Doolittle, Councilman

Recording Secretary: Mary Jo Kelly, Town Clerk

Others Present: John Greeley, Dep. Highway Superintendent
 Tom Chartrand, Bookkeeper

Supervisor Shute called the meeting to order at 5:04 p.m.

The Town Clerk took the Roll. All present.

Tom Chartrand submitted information on sales tax credits over the past few year as well as an estimate of what it could be in 2011. He said the equalization rate is 21 cents/thousand. This is the amount the county rate is dropping.

Supervisor Shute said this will probably come more into play at budget time. What's the deadline for giving the county notice that we might want the sales tax money.

Tom Chartrand said September 1st.

Supervisor Shute said he has heard from 8 towns and they are all taking their sales tax money. There are 19 towns and he doesn't know about the other ones. Onondaga is taking \$500,000 this year and \$500,000 next year to set aside for their Highway Barn.

Tom Chartrand said Pompey is taking \$225,000 to put aside for their Highway Barn as well. In the past the Town used this to offset the residents county taxes.

Councilman McConnell asked how the count can afford for 9 towns to take this money.

Tom Chartrand said whatever you take in sales tax money is still going on the bill.

Councilman McConnell said we are really taking a bond from the taxpayers.

Councilman Ohstrom said kind of.

Councilman Doolittle said what it really does is make the county look bad as it will show up on their bill.

Councilman McConnell asked if the Board supported taking \$527,000, when would we receive it?

Tom Chartrand said it would be in quarterly payments unless it was a smaller amount.

Councilman McConnell asked if we took the half million dollars, what would the effect on the taxpayers be?

Tom Chartrand said 21 cents per thousand.

Councilman McConnell asked if the money could be taken and used for tax reduction.

Supervisor Shute said the only problem with that is the taxes would go up the next y ear.

Councilman McConnell said this sum could be taken at the taxpayers expense and given back to them over the next few years to offset their taxes.

Tom Chartrand said this could be done in a tax stabilization account.

Supervisor Shute felt this way from the beginning to assure this money is going back to the taxpayers.

Councilman McConnell thinks you use this to build a tax stabilization fund and increase the Highway Fund. He would be in favor of this.

Councilman Doolittle said part of it is that we have a couple of things that could effect the budget by increasing it. If we could use some of this to help, it might help with the taxes.

Councilman McConnell said there is \$50,000 in the Highway Building Fund now.

Tom Chartrand said there's \$50,000 in the Transfer to Reserve that we haven't done anything with yet.

Councilman McConnell asked if this money could be put in a CD, etc.

Tom Chartrand said yes. If you take the half million, you will had \$1.60/thousand. A \$100,000 home would see an increase of about \$160.00 in their county taxes.

Supervisor Shute asked what we have to tell them to take the money.

Tom Chartrand said that we are taking the sales tax as cash.

Councilman Ohstrom said if \$250,000 were used to offset taxes and \$250,000 would be put in the Highway Fund, he would be O.K. with it.

Supervisor Shute said by putting it in a tax stabilization fund, we can use it for whatever we want to.

Tom Chartrand said you need a referendum to put it into a tax stabilization fund but you can put it in a reserve line at budget time without a referendum.

Councilman Knapp asked what we did with the cell tower money.

Tom Chartrand said we did a Permissive Referendum at the end of the year to create a tax stabilization account.

Councilman McConnell is online to move ahead with the process.

Supervisor Shute thinks we should take the money and decide during budget time if we are going to use it to offset taxes.

Councilman McConnell asked Tom Chartrand if he saw any danger in this.

Tom Chartrand said if your apply it all to the town, you will drop your tax rate by about 30%. Next year you will only get half or less of what we get this year for the sales tax and you will see a bump up. How many people really look at their tax bills to see where the money goes. 90 % of the people's bills go straight to escrow.

Councilman McConnell asked what affect this will have on the money we get from the county for winter plowing.

Tom Chartrand said that is a separate contract.

Councilmen McConnell moved and Doolittle seconded the motion authorizing the Supervisor to request from the county the full amount of appropriated sales tax for 2011. Motion passed unanimously.

Tom Chartrand said in the letter he must request the exact amount they will be giving us so we can have it for budget time.

John Greeley said the Koehring excavating machine has just about had it. We put \$6,000 into it this year and \$40,000 last year. It has a bad air leak and a bad valve. Tracey Equipment said we can do what we want but it's their opinion that this machine isn't worth fixing. He said you would probably get more for the machine for scrap than from an auction.

Councilman Knapp asked the cost to fix it.

John Greeley said \$5,000-\$6,000 depending on the labor and parts.

Supervisor Shute asked what if the back engine goes.

John Greeley said \$27,000-\$30,000. He did find out the machine is obsolete. There might be a couple of towns interested in the machine as they have one.

Councilman Knapp said they would basically be looking to use it for parts.

John Greeley thinks if we get \$6,000-\$7,000 for it, we would be doing good. If we want to pay \$6,000 to get it fixed then it will probably be worth \$10,000. That machine has been great. It's at the point where we could keep putting money into something that is obsolete. There is no state contract for this particular piece of equipment.

Supervisor Shute said right now we don't need to decide which machine we want as we will have to bid it anyway. This is a machine we need if there is an emergency. He called the Special Meeting to see if the Board wanted to send out bids for this.

Councilman Doolittle asked if he meant to bid or to lease this.

Supervisor Shute said he discussed this with Tom Chartrand earlier.

Tom Chartrand said we have \$65,626 in the Machinery Line, \$30,000 in the Transfer to Reserve Line and \$15,100 actually in the Reserve. This is a total of \$110,726 that we actually have for equipment.

Supervisor Shute said the lease John Greeley showed him he felt would fit nicely inside these numbers. We budgeted \$60,000 this year. Next year we would just have to stay below \$60,000 to keep the taxes the same.

Councilman McConnell asked the average cost for this machine.

John Greeley said about \$180,000.

Supervisor Shute asked John Greeley to work up a 5-year plan for equipment.

Councilman McConnell said we bought the new 10 wheeler in 2005 and we said at that time we would never lease again as it was too costly.

Tom Chartrand said right now the rates are very low. This could change. Right now the best purchase method is a serial bond. You are locking yourself into a bank with this.

Supervisor Shute said interest rates are not going down from where they are right now.

Councilman Ohstrom asked if a really beefy backhoe would do the same thing.

John Greeley said no.

Councilman Doolittle asked about the Bobcat.

Tom Chartrand said that would have to come out of the \$110,000.

Supervisor Shute thinks it's only about \$7,000. He is not in favor of putting another cent into the Koehring.

Councilman Knapp asked about a Permissive Referendum for this equipment.

Tom Chartrand said he thought this was under state bid.

John Greeley said there are none on state contract.

Tom Chartrand said the first thing the Board has to do is adopt a proposal authorizing the Highway Superintendent to go out to bid on this and set a date for bids to be back and a date they will be opened. He thinks the purchase would be subject to a Permissive Referendum because you are financing part of it. John Greeley must do a set of specs for the equipment. The Board needs to approve the specs and authorize going out to bid on it and set a date the bids must be in by and a date when they the bids will be opened.

Councilman McConnell asked if there is a used market out there.

John Greeley said the problem is they have a ton of hours on them. You must buy a maintenance plan. Most of the used models are bigger than what we need.

Supervisor Shute asked if we could take bids for used as well as new.

Tom Chartrand said you could say new or used in the specs . He agrees with John Greeley that there aren't a lot of used machines out there.

Supervisor Shute said we need something that can be serviced locally and that we will be able to get the parts that we need.

The board was in agreement for John Greeley to get the specs together for the Board to review.

A letter was received regarding auditing of Justice Dept. books.

Councilmen Knapp moved and McConnell seconded the motion to respond to this with a letter advising the records have been audited. Motion carried unanimously.

Councilmen Ohstrom moved and Doolittle seconded the motion to authorize purchase of the Skidsteer subject to review of the 3 quotes and this is the best quote of the 3. Motion passed unanimously.

Councilman Knapp said he is submitting a bill from Jennifer Jackowski for a volleyball net, etc. that she purchased for the park.

Supervisor Shute said he sent a letter to each of the Assessors stating we are looking at the possibility of consolidating to one Assessor. He has only heard back from Shawn Adam who seemed to be for the idea. He was thinking he would give them notice that this will be discussed at the second Town Board Meeting in September so they have a chance to be there if they would like to. Right now we at \$47,154 for Assessors salary and the Clerk to the Assessors. At budget time, he thinks this is a place we can look to cut.

John Greeley said there is an outstanding August bill for the excavator rental which was used for the CHIPS program.

Councilmen Knapp moved and Ohstrom seconded the motion to authorize payment of the following bills as well as the outstanding August bill for the excavator rental.

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|-------------------------|---------------------|
| GENERAL FUND | #6361 – 6362 |
| HIGHWAY FUND | #6365 |
| COMMUNITY DEVEL. | |
| CAPITAL FUND | #6364 - 6366 |

Motion passed unanimously.

Councilman McConnell said he was supposed to meet with Bernie Thoma last Monday but his mother passed away. He will send a sympathy card to Bernie on behalf of the Town of LaFayette. The Board needs to decide who's on the Steering Committee for the Comprehensive Plan.

Councilman Shute asked if he had a group he was contemplating on already.

Councilman McConnell said he submitted one name but others have come forward wishing to serve on this committee. He thinks we should invite people to the next Town Board Meeting so the Board can meet them.

Councilman Ohstrom asked who the folks are.

Supervisor Shute will send an email around with a list of those who have shown interest.

Councilmen Knapp moved and Ohstrom seconded the motion for the Board to go into Executive Session to discuss a personnel matter. Motion carried unanimously.

The Board went into Executive Session at 6:24 p.m. and Supervisor Shute called the Special Town Board Meeting back to order at 6:46 p.m.

Councilmen McConnell moved and Knapp seconded the motion to adjourn. Motion carried unanimously.

The Special Town Board Meeting adjourned at 6:47 p.m.

Respectfully submitted,

Mary Jo Kelly
Town Clerk

Adopted 9/13/10