

Supervisor David P. Kelly opened a Special Meeting of the Town Board of the Town of Pawling at 6:30 PM October 24, 2012 at Pawling Town Hall, 160 Charles Colman Blvd., Pawling, New York. Present were Councilmen Montemarano, DeRosa, Upham, Johnson and approximately 10 interested citizens.

Supervisor Kelly opened the meeting for public comment and there was none.

LAKESIDE PARK BOND REFINANCING

Supervisor Kelly said the Board has a bond resolution before them. This is a bond resolution to refinance the current bonds at Lakeside Park that were issued on January 14, 2003 in the amount of \$8,500,000.00. After working on this all year long, and it has been a long process, he is looking at borrowing approximately \$5.7 million dollars, which will cover the cost of refinancing the park and also \$500,000.00 for the highway trucks that the Town purchased this year. It is a savings of well over half a million dollars over the next ten years. The rate goes from a little over 3% to 1.9900135% so it is under 2%. Now is the time to do it while the interest rates are low. The Town is in good financial shape and this is the time to do it.

Councilman Johnson asked what the term of the bond would be.

Supervisor Kelly said it would be ten years, to be paid off in 2023.

Councilman Upham asked what the cost of doing the financing was.

Supervisor Kelly said they are holding back \$70,000.00 in the issuance costs for refinancing and he is currently negotiating those numbers. He stated that Capital Markets out of Hopewell Junction, New York is the Town's Financial Consultants and Orrick out of New York City are the attorneys representing the Town in this matter. He would continue to negotiate and hoped to have the \$70,000.00 substantially reduced.

Councilman DeRosa asked about the restrictions that were on the old bond for Lakeside Park regarding selling and renting.

Supervisor Kelly said they stay pretty much the same as the bonds are pretty much written the same way so the Town would not be able to do business with a "For-Profit" business but could do business with a "Not-For-Profit" for public good. He discussed these terms with counsel and the terms are pretty much all the same.

Councilman DeRosa asked why the highway trucks are being lumped into this.

Supervisor Kelly said under the recommendation of the Town's financial consultant, this a perfect time to sell them both at the offering, do all of the paperwork and then all of the costs are associated in the same borrowing. It is good to do them at one time.

Councilman Johnson said he had spoken with John Daley, Highway Superintendent about doing a bond on the trucks for fifteen years originally. Now they will be paid off in ten years and the life expectancy of those vehicles is 25 to 30 years so this is a great way to do it.

Supervisor Kelly said the bond for the trucks will be paid off in nine years, the money will be issued all at one time.

Councilman DeRosa asked if the \$70,000.00 would be rolled into the total amount of the bond.

Supervisor Kelly said that is correct. The over \$500,000.00 in savings will be used to pay the issuance costs.

Councilman DeRosa asked why the savings isn't transferred into next year's budget so it could be used for projects.

Supervisor Kelly said savings will not be realized because of the timeline until 2014, which is when the savings could be used for projects.

Supervisor Kelly offered the bond resolution for adoption, seconded by Councilman Johnson and passed with the following roll call vote (bond resolution is affixed to the end of these minutes):

ROLL CALL VOTE:

Councilman Johnson – "AYE"

Councilman Montemarano – "AYE"

Councilman DeRosa – "AYE"

Councilman Upham – "AYE"

Supervisor Kelly – "AYE"

COURT CLERK POSITION

Supervisor Kelly said the current Court Clerk is resigning as the full time clerk and would like to stay on to train the new clerk, and stay on in a part time capacity if needed.

The motion to offer the Court Clerk position in the media (newspaper, website, Town Clerk's board and the Dutchess County Human Resources) was made by Councilman Johnson, seconded by Councilman Upham.

Councilman Montemarano said this is an exempt position and typically appointed on an annual basis.

Supervisor Kelly said that is correct, appointed by the Justices.

Councilman Montemarano asked if they would be involved in this process.

Supervisor Kelly said yes, he has been in contact with Justice Daniels extensively on this process. He has contacted Dutchess County Human Resources on this and because it is an exempt position and an appointment, they referred him to the Town's Employee Handbook, which states that the position is to be noticed. It is the choice of the Justices to appoint their candidate.

Councilman Montemarano said he was of the understanding that the exempt positions were not noticed.

Supervisor Kelly said he was also and that is why he contacted Dutchess County Human Resources. They referred him to the Employee Handbook. He did discuss this with Justice Daniels.

The motion passed unanimously.

2012 BUDGET DISCUSSION

Supervisor Kelly said the Board has the Tentative 2013 budget. He would like to discuss it this evening with the Board and department heads. He stated that the increase at this time is 3.45%.

Following discussion, the Board agreed that they would lower the increase for health insurance from 12% to 10% in the budget, which would save \$15,000.00.

Following discussion, the Board agreed that they would cap the health insurance buyout at \$4,000.00 in the budget, which would save \$12,000.00.

The motion to remove any increase for the Town Board in line A1010.1 and waive the stipend for Deputy Supervisor was made by Councilman Johnson, seconded by Councilman Upham.

Councilman Montemarano said he was fine with this. It comes out to a savings of \$158.00 per councilman for a total of \$600.00, plus the \$500.00 stipend.

Councilman DeRosa said he was fine with it also. He said social security will go up 1.7% in January and employees are getting a 2% raise.

The motion passed unanimously.

Councilman DeRosa said he would like to make sure that all employees receive a 2% raise across the board. The budget can be confusing and this is his first time going through the budget process. He saw some sections he felt were over 2%, for instance the Bookkeeper.

Supervisor Kelly said the projection was to do 2% across the board. He would go over those sections with Councilman DeRosa.

Councilman Montemarano agreed with Councilman DeRosa, that 2% raises should be across the board. He noticed that the Bookkeeper looked like it was \$1,000.00 high and the Deputy Tax Collector looks like it is a 15% increase. His preference was that the Legislative Aide be increased 2%.

Supervisor Kelly said the increase for the Deputy Tax Collector was cut back from what was submitted. Supervisor Kelly explained that the increase for the Legislative Aide was for central purchasing and explained the savings for 2012 in central purchasing. He said he could justify reducing the time to three 8 hour days, to \$19,500.00. The hourly rate would stay the same.

Councilman Johnson suggested cutting the raise for the Legislative Aide in half and see how the numbers come out as the Board continues to go through the budget.

The Board discussed reduced health insurance rates for retirees. Jerry Terwilliger, Bookkeeper, said he would review those numbers and update the budget.

The Board discussed Transfer Station revenues. Following lengthy discussion, it was agreed that the Board, in 2013, would research privatizing the Transfer Station.

The Board discussed hiring a mowing crew and having Gary Lattrell, Turf Manager, oversee that crew and increase his duties.

Supervisor Kelly said the \$5,000.00 increase for Mr. Lattrell reflects the increase in his duties. This increase would be offset by the C-CAP grant the Town just received for the ballfields. He also added in the budget two part time/seasonal people for the mowing crew.

Councilman Montemarano suggested putting a caretaker in the house on the Murrow Park property, who could also help mow the grass and upkeep Murrow Park.

Councilman Johnson said he would get a copy of the proposal for the mowing crew to Councilmen Montemarano and DeRosa for their review.

The Board discussed the individual department budgets with department heads.

The Board discussed media policies for the Town's Facebook page and Town website.

Supervisor Kelly said the Employee Handbook is being revised and a revised Handbook is expected shortly. The revised Handbook will have media and website policies included in it.

Following further discussion on the budget, Supervisor Kelly said he would update the numbers in the budget and send the Board a revised budget with the adjusted increase.

Supervisor Kelly opened the meeting for public comment.

Mr. Stephen Sollazzo said he appreciated the work the Town Board has done on the budget. He understood it was a difficult process but hoped the Board could get the budget under 2%.

The motion to adjourn was made by Supervisor Kelly at 8:25 PM, seconded by Councilman Johnson, motion passed unanimously.

Town Clerk