

TOWN BOARD MEETING

Chatham Town Hall
488 State Route 295

Town Board Meeting

July 14, 2016, 7:00 PM

PRESENT: Supervisor Maria Lull, Councilman Bob Balcom, Councilwoman Landra Haber, Councilman Henry Swartz, Councilman John Wapner

CALL TO ORDER: Lull called the meeting to order at 7:00 PM, led the pledge to the flag, and asked for a moment of silence in respect for the fallen heroes in Dallas, TX.

PUBLIC COMMENT: Lull read the guidelines for public comment.

Tom Curran (Email): The Village Board of Trustees was invited to attend the meeting but could not due to their own meeting. They are very concerned about 1) an expected tax increase in the Town's part of the Village and 2) an expected cut in the Chatham Fire Contract.

Jim Temple had a complaint about how the Board deals with public comments based on Lull's standards and mentioned from a previous meeting that a man used swear words to refer to his neighbors. He wondered how the Board addresses problems if individuals do not stand up and identify themselves. Lull stated that she did not hear any foul language. Temple explained that it was in the video recording of the meeting and stated that the Town owed the videographer a tremendous amount of gratitude.

NEW BUSINESS:

Lull explained the purpose of the meeting to allow Mike Bucci from Pattison, Koskey, Howe, and Bucci to explain the Town's financial situation. Bucci initially began by explaining that he finished gathering all records last month, submitted his report, and received a call yesterday from the State accepting the report with several minor corrections.

In particular, Bucci explained that the Town submitted the wrong budget to the County for the tax roll. From NYS Finance Law, if a budget is voted down, the preliminary budget is accepted. The budget sent to the County was the final proposed budget instead of the preliminary budget so there are several differences that will need to be changed, including an increase in the Justice Service line and increases to the three Fire Districts. To fix the error, Bucci explained that the Town will need to set aside the funds that were raised inappropriately and use them for next year's taxes.

Bucci went on to explain that the major errors discovered with the Town's finances were budget shortfalls, lack of maintaining reserve funds correctly, and excessively using fund balances instead of bonding for purchases. There were several questions and answers throughout the detailed explanation of the state of each fund and Bucci also provided recommendations to the Board about what to do for the future.

- A Fund: Currently facing two types of deficits, one immediate and one long term, caused by the Board using the nonexistent reserve fund to balance the budget.
 - o Recommendations:
 - Petition the Legislature to allow the Town to use the Town Hall Reserve fund for retirement money for several years.
 - Cut spending by making an immediate spending cap with the Board only allowing absolutely necessary expenditures.
 - Raise taxes, even though it will cause some problems and will force the Town to go over the 2% property tax cap.
 - As a long-term consideration, the Town could sell the Town Hall and work with the Village to combine services.
- B Fund: Currently facing deficits because of the same problem of assigning money to the budget that did not exist, as well as spending money on areas that were not budgeted for, including hiring an analyst to evaluate the Comprehensive Plan for \$18,000.

- Recommendations:
 - Increase Planning and Zoning fees, even though they will not cover the shortfall, it will be helpful in the long run.
 - Cut spending.
 - Transfer funds from the DB Fund to the B Fund to cover the loss. This can happen in this account, but does not help the A Fund.
- DB Fund: Currently in good shape, however, the Town should maintain a large amount of funds in this account in case of a difficult winter.
 - Recommendations:
 - Long term: Maintain a 50% fund excess when possible.
 - Short term: Avert some funds from this account to the B Fund to reduce the taxes and offset the cash requirements. However, be aware of appropriating nonexistent funds to other areas of the budget.
- DA Fund: Currently in good shape, but this one should also be well-maintained in case of a severe winter.
 - Recommended:
 - Long term: Maintain a 10% excess when possible.
 - Short term: Reduce the tax burden for this fund to keep it under the tax cap, though it will need to be raised on other funds to cover the deficit.
 - There was also discussion about bonding with various people giving their options about the viability of such a method, but Bucci did not give a definite opinion or recommendation either way, concluding that it is something that the Board would need to consider.
- Other Items of Discussion:
 - The CDs were moved into money market saving accounts and then spent.
 - The Town should be receiving money from the bridge project toward the A and DB Funds, which are reimbursements and not additional monies.
 - The Board should talk to the Town Attorney about recuperating the loss of money from the Accounting Firm that did no work in the previous year.

Balcom invited everyone to the next meeting of the Citizens' Finance and Planning Committee to be held Tuesday morning of July 26. The Committee will be updating the accounting codes to provide increased oversight over the expenditures and Balcom expressed his gratitude for the whole group and for Tammy Shaw in particular who works like three people. The Board also discussed the necessity of regular audits and decided that increased transparency is beneficial for the whole Town.

RESOLUTION 128-16 To Request that the Comptroller's Office Audit the Town

Offered by Supervisor Maria Lull, moved adoption to request the Comptroller's Office to audit the Town of Chatham. Councilman Henry Swartz seconded the motion and it carried unanimously.

The Board discussed the budget timeline and Lull mentioned that the Committee is working to compile all information from all departments.

Jim Temple referred to a previous meeting where they discussed cutting services in an effort not to raise taxes. He advised the Board not to cut from the Highway Dept so that road conditions would not become unsafe because many of them are preserved dirt roads.

MOTION TO ADJOURN: Haber moved, Wapner seconded, and the motion carried unanimously to adjourn the Board meeting at 8:35 PM.

Respectfully submitted by,
Beth Anne Rippel, RMC
Town Clerk