

Town of St. Armand  
Budget Work Session  
Wednesday, October 23, 2019  
6:30 pm

*These Meeting Minutes were approved by the Town Board on January 14, 2020.*

A Budget Work Session of the Town of St. Armand were held on the above date and time at the Town Hall, Bloomingdale, NY.

**BOARD MEMBERS PRESENT:**

Town Supervisor Davina Winemiller, Deputy Supervisor D. Joseph Bates, Councilperson Donald Amell, Councilperson Jennifer Fuller and Councilperson Karl Law

*A quorum of the Board was in attendance.*

**TOWN EMPLOYEES PRESENT:**

Highway Supervisor Douglas Snickles, Town Accountant Donna Bramer, and Town Clerk Barbara Darrah.

**GUESTS:** There were no guests present.

Notice was posted regarding the date of this meeting.

Supervisor Davina Winemiller called the meeting to order at 6:30 pm and immediately asked all to stand for the Pledge of Allegiance.

Winemiller: We need to take care of some housekeeping regarding passing Resolution # 84 introducing Local Ordinance No. 2 – Town of St. Armand Water Ordinance. We held the Public Hearing last Wednesday, October 16, 2019, at 6:15 pm, but during the meeting, we glazed right over the Resolution to Introduce the Ordinance. May I have a motion to introduce the Resolution?

**RESOLUTION # 84 – Introduction of Local Ordinance No. 2 of 2019 – St. Armand Water Ordinance**

**No. 2 OF 2019 ENTITLED “TOWN OF ST. ARMAND WATER ORDINANCE”**

Deputy Supervisor D. Joseph Bates, who moved its adoption, offered the following Resolution:

WHEREAS, by Resolution # 84 dated October 16, 2019, the Town Board of the Town of St. Armand duly introduces Local Ordinance No 2 of 2019 entitled “Town of St. Armand Water Ordinance”; and

BE IT RESOLVED, that the Town Board of the Town of St. Armand shall hold and conduct a Public Hearing on the foregoing proposed Local Ordinance # 2 on the 7th day of November, 2019, at 6:15 pm to hear any and all persons concerning the adoption of said local law; and

BE IT FURTHER RESOLVED, that the Town Clerk of the Town of St. Armand will publish a notice of such hearing in the designated Town newspaper at least five days prior to said hearing and a copy of proposed Local Ordinance # 2 of 2019 is available for review upon request to the St. Armand Town Clerk.

This Resolution was duly seconded by Councilperson Jennifer Fuller and was adopted by Roll Call vote as follows:

Supervisor Davina Winemiller	AYE
Deputy Supervisor D. Joseph Bates	AYE
Councilperson Donald Amell	AYE
Councilperson Jennifer Fuller	AYE
Councilperson Karl Law	AYE

Dated: October 23, 2019

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Barbara J. Darrah  
St. Armand Town Clerk

**HIGHWAY EQUIPMENT**

Winemiller: In front of you tonight is a lot of paperwork and three items. The first item is the Highway Equipment Replacement Budget Spreadsheet. Doug and I sat down after we talked about this, and we worked

through a schedule for replacing vehicles and trading in vehicles, etc. That's why Doug is here, to answer any questions you might have.

Donna Bramer: This first one, let's just look at that. The purchase price was \$203,000. That's what you paid in 2015?

Winemiller: Yes.

Bramer: So, what's the approximate cost mean?

Winemiller: Most of them we added 10%, others Doug kind of gave a roundabout figure of what his experience has been. In all reality it is an estimate of what we can expect to pay. There is a little bit of math statistically, but for the most part, it was 10% or whatever Doug thinks it will be.

Bramer: So, that's what it's worth now?

Winemiller: No, that is what it would cost new. What it would cost to replace it with new. That purchase price is reflected in the year it was going to be purchased.

Bates: You are not replacing the mower for the Kubota, Doug?

Snickles: Not the tow behind. It's new. We just bought it last year or the year before. And with the youth we hired, they have been using the small mowers, so it has worked out good. The loader service man was here today and he hooked up his computer to the loader and there were no issues. Everything was fine. He could tell the wiring harness and everything with his computer if there were any faults, and there were none. He was supposed to bring information on a trade-in with him, but he didn't bring it.

Bramer: This plow truck, we are getting it in 2020? So, it's got a ten-year life?

Snickles: It would probably go longer now, that we are not doing NYS Route 3.

Winemiller: I think it is wise to trade in before it is junk.

Bramer: And, going forward, this is what we are going to budget each year?

Winemiller: It doesn't have to be. Of course, we can make changes at budget time every year, but this is just something to kind of have a basis to work from.

Don Amell: The only issue I see that we go from \$25,000 this year to \$257,000 next year.

Karl Law: I was going through the years to be replaced. Is this.....

Amell: I see where the numbers are coming from. It's as though we are starting, initiating this replacement sort of next year. So, it's like next year we are catching up for the next five years.

Winemiller: It doesn't have to be that way. It's just an example. But you are absolutely right. We are just starting now on doing this type of a program and absolutely that number can go down if we decide to BAN, and we will probably have to at least one.

Amell: Or budget more this year.

Winemiller: I mean unless you want to go over the tax cap. That is the only choice.

Amell: Looking at \$257,000 next year, you think we are going to stay under the cap? If we need that amount of money?

Winemiller: Again, there are other variables to consider. We can make adjustments or do a BAN. It's up to you. I am open. Because we are just starting with this, it might take us a little bit to get in sync. We may need to BAN for a couple of years more until we are 100% on track.

Bramer: So you are looking for 2021, four items.

Winemiller: Exactly. Just to give you an example, that 2015 International, we have \$44,600 up at the top, what if we decide next year we are not going to save anything for the new International and spread the \$44,000 into the next four years. That would reduce that amount from \$44,000. We can work with these numbers to make it work for our budget. This is just an example; it is not set in stone. We have options.

Law: Right. But what I think Don is saying is that if we don't do anything this year, we are going to have to heat it up next year.

Winemiller: Keep in mind this year is a very unique circumstance with the \$247,500 being carried over from last year. We are not going to be in this situation next year. Period.

Bramer: I just wrote that check for \$25,000 that was stuck in Trust and Agency, that belonged to Highway.

Winemiller: Exactly. So, right off the bat, there is \$25,000 into Highway that is not even considered in here that we can use next year to pay down that \$257,000.

Bramer: Plus, just because we allocated \$247,000 in 2018 for 2019, doesn't mean we used it all.

Winemiller: That is exactly my point. Because it was allocated, we cannot touch it until after this budget. We will know at the end of 2019 what our true fund balance truly is. I just want you to know that 2020 is a very unique year as far as our budget goes, and the variables will absolutely be different next year.

D. Joseph Bates: This is a good starting point.

Law: It's great.

Bates: But I think Don is absolutely right that it should change drastically next year.

Winemiller: This is our first; Doug and I had one hour and this is what we came up with. It is a starting point, and this is called Asset Management and that's a great thing. I don't know if you all remember when we did the Wastewater Treatment Plant, one of the requirements was that we create an Asset Management Plan for the Wastewater Department and I wrote an Asset Management Plan for that. We have not been able to start utilizing it because our infrastructure is in such dire straights that we are just trying to catch our breath with it. But eventually, I would like to see us asset manage every single department this way, and really be financially diligent with our purchases and our funding and our spending.

Law: Transparent.

Winemiller: Working on the income surveys, I can't help but think back in 1980, if they had done Capital Reserves at 25 cents and invested the money, 25 cents per unit would have put us well over what we would have

needed. We have to think about future generations. That is something that wasn't planned for was the future and we are paying for it now. I don't want to leave our kids and grandkids in the situation that we find ourselves in today.

Snickles: One good thing out of our three big trucks, we are eliminating one truck out of the cycle of big money because of the big road. It is unfortunate we are replacing the 2004; it's 16 years old and overdue and so it's putting a couple other pieces of equipment at the same time.

Winemiller: One other thing I want to point out to you while we are talking about highway. We had the DOT State contract for \$185,000. I know you all know based on the hard work of Barb going back and being diligent and looking at those numbers over the last three years, we have lost \$71,000 in the highway funds.

Bates: Just by doing the State contract.

Winemiller: This budget, we have shaved \$322,000 off the highway budget from last year in the DA and DB funds. We are still able to save for the next year.

Darrah: I have a question. If the County pays us back for the loss, and if they give us the funds back.....

Winemiller: They won't. I got a letter just yesterday, saying they don't reimburse for past but if we wanted to consider doing it again in the future, they may be willing to increase the amount they would pay us.

Bramer: That \$71,000 that we wrote to them and asked for reimbursement. That's what they said?

Winemiller: Yes. I will also tell you that we know for a fact, that Doug was asked if he knew any drivers; that DOT was hiring two full-time drivers for State Route 3. If you take two full-time drivers, \$40,000 each, \$25,000 for their benefits, then add the salt of \$50,000 on top of that, now add a truck, at least one, does that equal \$185,000? It's their budget. I do know a lot of towns are not doing the DOT roads. It's just not worth it.

Snickles: If it's our road and we are losing money we have to deal with that. But, when it's not our road, nobody would do that. I wish there were a way to put the cost out there so people would understand why we are not doing it.

Bates: Be careful. If you write it, it's out there forever. I think it will just blow over.

The Board agreed that should not be done.

Winemiller: Is everyone good on the Highway Equipment Budget?

The Board agreed it was good.

## WATER AND SEWER

Winemiller: The next thing I want to bring to your attention is the Water and Sewer billing totals. We came out with Water Usage Rate will be \$6.18 and Debt Service Rate will be \$8.00 for full and \$4.00 for half units.

The Sewer Usage Rate went up to \$15.14. Right now it is \$12.36. And, if you recall in the beginning of 2019, it was \$18.75. In order to meet the budget, it is \$15.14 per thousand gallons. The Sewer Debt Service remains \$68.00 and \$34.00 for half lots. And, the Capital Reserve Fund remains \$11.12 per unit. And, \$5.56 for half lots.

Darrah: We do not charge Capital Reserve for ½ lots. We discussed it at the time, and I cannot remember the reason we did not. Let me put it this way, we do not charge ½ lots for Capital Reserve now. We can make the determination to do so, but we don't do it now.

Winemiller: I don't like it. I ended up calling the Village of Saranac Lake. I heard they did some flat rate billing and I wanted to see what it was they bill for. The way they do their billing is: From zero gallons to 8500 gallons, they charge \$144 for usage. Anything above that usage they charge \$9.20 per thousand for sewer above the 8500. They still went out and did their readings. If they were 6500 they still had to pay the \$144. If they were above 8500, they paid \$9.20 per thousand over. We tossed around another idea of doing a delivery charge. I talked to the Comptroller about this and depending on how our district was set up, what type of billing was allowed, so we just came back to usage fees. It depends on the meters, too. Now that everyone has meters, we will have more accurate readings.

Bramer: So, you bill those people directly?

Darrah: Yes.

Bramer: So the work Stan, I and Davina did with the vacant lots, they are being charged?

Darrah: Yes.

## FINAL ADOPTED BUDGET REVIEW

Winemiller: Everyone now has a copy of the revised budget prepared for adoption in November.

Amell: I've got two salaries. For the Town Accountant, we agreed 3%, but 17 hours per week. I can't come up with these numbers.

Bramer: It was \$20.39 per hour

Karl Law: Could we start stapling these (budget)?

Bates: So last year the 9104 was \$17.50 per hour. Right? And maybe I'm doing the math wrong. If we multiply that times 1.03. That comes out to \$18.03 is what I get per hour.

Winemiller: Hear me out. You have to take the 9104 and then you have to go to the Water and Sewer.

Bramer: The Water and Sewer was \$750 and \$750 which came to \$10,006.....

Bates: That would be on Water and Sewer. That would not be on this one.

Bramer: We gave three hours to Water and Sewer and 17 hours to the Bookkeeper.

Winemiller: The Accountant last year was paid for 10 hours per week. That was for General Fund and Water and Sewer.

Amell: Where was it reported?

Winemiller: Go to the very last page of last year's budget.

Bramer: If you add those up, it came to \$10,604.

Amell: There is another entry in Water and Sewer.

Bramer: When she gives you that sheet, it's going to make more sense. Because you wanted it split, we gave some to Water, some to Sewer, and some to the A fund.

Bates: So that's what where the \$7271 is? In water and sewer?

Bramer: If you take \$10,006 and divide it by 52, it comes up to \$203.92 per week for 10 hours is \$20.39 per hour. So we took the \$20.39 and adding 3%, it comes to \$21.00 per hour. That \$7271 was me and Barbara.

Winemiller: In last year's budget, the Accountant and Barbara were lumped together.

Bramer: So, we gave 17 hours to the A fund and 3 hours to the Bookkeeping (Water and Sewer).

Bates: It comes to \$21.00 per hour. It's right.

Amell: I couldn't figure out where Stan's is. I saw the reversal of last year's.

Winemiller: Sewer page 1. Last year is all lumped into SS8130.1 That is Stan and the assistants lumped in together. If you go to the green page on last year's budget, the amount is \$43,697 plus 3% is \$45,007.91 and I gave him the nine cents.

Amell: And the backup is broken down.

Bates: One thing I would ask is that on the spread sheet on the budget, could you please add the % change on the budget items?

Law: Yes, I would like this, too.

Winemiller: I don't have room. I'm sorry. Look at last year's budget.

Law: We have always fit it in. It's on last year's budget.

Winemiller: Instead of a dollar amount, I can change it to a percent?

Darrah: What columns are different?

Winemiller: I can try.

Law: It is easier for us to go through.

Winemiller: I definitely can try to do that before we finalize.

Bramer: I would like to say that Davina has done a great job on this.

Bates: You all did a great job. You went into it with less than apples to work with.

Winemiller: I am happy with it because it is going to be easier to track. For example, how much did we pay for heat? And, there it is.

Bates: Doug, do you have set back thermostats in the garage?

Snickles: No. They are set at one temperature.

Amell: I still haven't let go of the bone of the 2% tax cap. Even with the new budget with \$870, 603

Last year \$831,602, is certainly not 2%. Last time you talked about adding the pilots back into the formula.

Bramer: No, they told us not to add the pilots in.

Amell: You said once you put the pilot in.....

Winemiller: I had it in there. There are other variables in their calculations. They had a growth rate percentage of 1.04%. They have their own methodology. Originally, when I sat there and did this, I put the \$32,000+ pilot in there, because we were not sure the property was going to sell or not. And then, when we found out it had sold, I took that amount out and our number jumped.

Bramer: And, we verified that we should take it out.

Amell: Ok, at that point then, we must have gone beyond the cap.

Winemiller: Oh, we were so beyond the cap, it wasn't even funny.

Amell: See, that's where you lost me.

Winemiller: If everyone wants to wait, I will go in and log in and you can see it.

Bramer: Did you print it?

Winemiller: I printed it last week. Can I show you because there is page after page after page of variables that they calculate?

Bramer: And so next year when AMA pays the omitted tax, that is going to hurt us, actually.

Winemiller: But there won't be a pilot next year, so that will be a taxable property and we will get more in taxes. I can show it to you, Don, and it goes back seven years.

Amell: You understand why I was concerned, because the math doesn't work the way our budget has in the past.

Winemiller: I understand. It's not that we never have been close, but this year we struggled to meet that because of the 2019 budget. There is 15 pages of questions and you use last year's AUD and this year's budget to answer the questions, and they tell you what the tax cap is. The first time I did it and put that number in and it said you are over the tax cap. Once we put in the adopted budget number, it was below the tax cap by \$602.52.

This year the omitted tax was not added in last year. I had to go in and change that. Next year AMA will be fully taxable. Plus, we were behind with our AUD almost 2 years.

#### WATER AND SEWER QUESTION:

Winemiller: One more thing before you go. Karl Law had asked why the Water and Sewer numbers were not equaling where we were. What it boils down to is the Re-levy. Barb sends in the Re-levy amount on November 15<sup>th</sup> and it goes to the County for the January property tax bills. Then Nancy collects the taxes through April, and then we get a check from the County in May. It always works like that. That's the way it works.

Bates: The Re-levy is different every year.

Winemiller: It is the nature of the beast.

Winemiller: I, personally, am very, very glad that I did this (the budget) and worked with Donna and Barb. Now I feel 1,000% confident that I know what is in this Budget is correct as far as what the Comptroller is looking for and everything is in its proper place.

Bramer: I think it is going to help with the AUD.

Winemiller: Yes, it is. Having the budget broken down like this and 100% crystal clear and also because we were putting sales tax in DA last year, which doesn't belong there. I feel very confident and comfortable that this is right.

Bates: Good Job, everyone.

The Board all agreed.

Darrah: I have a couple things. I just want to clarify that everything is good so the preliminary budget can be announced in the Adirondack Daily Enterprise.

The Board agreed that it was okay to announce.

Darrah: A gentleman just stopped in to see if we would be interested in another bench with cushions on it from AMA, free of charge, and he would deliver it.

The Board agreed to accept the bench.

Darrah: The last item: The photographer dropped off the aerial view photograph today. The Board agreed to purchase the framed photo, and each person's share would be \$40.00. The Board agreed to the amount.

Amell: I just wanted to go over the upcoming meeting schedules. We are back on track for November 7<sup>th</sup>, right?

Darrah: November 7<sup>th</sup> will be Public Hearings on the Budget and Water and Sewer Rates and then the Regular Board meeting will follow. And, I would like to confirm we will not be doing the Tax Cap Override, so we will not need a Public Hearing on that.

The Board confirmed the Town would not be needing a Tax Cap Override in the 2020 Budget.

#### MOTION TO ADJOURN:

Deputy Supervisor D. Joseph Bates made a Motion to Adjourn the Budget Work Session. The Motion was seconded by Councilperson Karl Law. The Budget Work Session adjourned at 7:33 pm.

I, Barbara J. Darrah, Town Clerk for the Town of St. Armand, do hereby certify that the above is a true and correct transcript of the Budget Work Session minutes held on the above-referenced date.

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Barbara J. Darrah  
St. Armand Town Clerk

Dated: October 23, 2019