



DATE: October 15, 2008

TIME: 7:00PM

MEETING: Town Board Meeting, Town of Portville, New York

LOCATION: Westons Mills Community Center, 1310 Olean Portville Road, Westons Mills, New York

PRESENT: Terry Keeley, Supervisor  
William Stern, Councilperson  
Gary Woodhead, Councilperson  
Terri Batt, Councilperson  
James Parks, Town Clerk

Twelve members of the community.

### **Procedural Compliance**

The meeting was opened by Supervisor Keeley asking attendees to stand and join him in the "Pledge of Allegiance".

Supervisor Keeley welcomed everyone and asked the town board, and town clerk to introduce themselves. Four board members were present to satisfy a quorum.

### **Public Comments**

Leo Trahan asked for the Board's help to have Time Warner Cable be more expeditious in settling the WIVB contract dispute. Mr. Trahan also asked if the Town would fund a trip for senior citizens. A letter citing the legality of tax dollar distribution will be sent to Senior Citizens representative Jim Flanagan.

Charlene Van Dusen gave an update on the Santa Claus Lane Parade. Mrs. Van Dusen sent a mass invitation to participate, or give a monetary gift. A generous financial gift was accepted from Katherine Hanley of Portville.

A banner image showing a row of houses with green roofs and white siding. The text "TOWN OF PORTVILLE, NEW YORK" is overlaid in white on a dark green background.

## TOWN OF PORTVILLE, NEW YORK

### **August 20, 2008 Minutes Review**

The minutes of the September 17, 2008 Town Board meeting were reviewed and a motion to approve was made by Councilperson Stern, seconded by Councilperson Batt and approved by the Town Board. VOTE: Keeley (YES), Stern (YES), Woodhead (YES), Batt (YES) MOTION CARRIED 4 YES 0-NO

### **Department Reports**

The following monthly department reports were given:

- Town Clerk
- Town Justice
- Highway Department
- Assessor
- Dog Control Officer
- Planning Board

A motion was made by Councilperson Stern, seconded by Councilperson Woodhead and approved by the Town Board to accept the Department Reports as given. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

### **New Business**

A motion was made by Councilperson Batt, seconded by Councilperson Woodhead and approved by the Town Board to send Planning Board members to Southern Tier West for statutory annual training November 13, 2008 at a cost of \$35 per member. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

Planning Board Chair Dave McCoy submitted the resignation of planning board member Kip Morrow with regrets.

The Town Board directed to Deputy Highway Superintendent Griffin effective October 16, 2008 to start logging mileage out and in of all vehicles, beginning and ending hour meter readings of other road equipment, fuel usage per vehicle, and work location of all equipment and highway personnel.



## TOWN OF PORTVILLE, NEW YORK

### **Agenda Item #1: FINACIAL UPDATE**

Supervisor Keeley gave an update regarding the Town's balance sheet, expenses, and earned interest.

(Refer to attachment accompanying these minutes)

### **Agenda Item #2: TAX INFORMATION LETTER**

Supervisor Keeley stated the draft budget process has been completed and the next step is to hold a public hearing for final review. A motion was made by Councilperson Woodhead, seconded by Councilperson Batt and approved by the Town Board to hold a public hearing November 6, 2008 at 7PM at the Westons Mills Community Center, 1310 Olean Portville Road, Westons Mills, NY. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

(Refer to attachment accompanying these minutes)

### **Agenda Item #3: 2009 SPECIAL DISTRICT TAX TOTALS**

A discussion and vote regarding lighting and sewer special district tax totals for 2009 to meet the Cattaraugus County input deadline of October 27, 2008 was held. A motion was made by Councilperson Batt, seconded by Councilperson Woodhead and approved by the Town Board to adopt the Special District Tax totals; Hollow Lighting District \$2,880.; Westons Mills Lighting District \$4,896.; Happy Hollow Sewer District \$9,338. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

### **Agenda Item #3a: CATTARAUGUS COUNTY SELF INSURANCE PLAN**

It was explained by Town Supervisor Keeley that the County's Self Insurance Plan is \$2.84 million dollars. Portville's share is \$34,909.56. This amount gets added on in computation of the Town mill rate. If this amount is paid out of the cash reserves the taxpayer will not have to absorb this burden because they already have. A motion was made by Councilperson Stern, seconded by Councilperson Batt and approved by the Town Board for the Town to fund the \$34,909.56 out of the Town cash reserve. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

**Agenda Item #4: 2009 HAPPY HOLLOW SEWER DISTRICT QUARTERLY FEE**

The current fee paid by the 44 properties in the Happy Hollow Sewer District is \$39.48 per quarter. The actual recovery cost is \$65 per quarter. To offset partially the charge from Olean, the fee should be \$52.50 per quarter in 2009 which is a shortfall of \$12.50 per quarter. It was suggested by Supervisor Keeley to step this gradually in two stages. A motion was made by Councilperson Woodhead, seconded by Councilperson Stern and approved by the Town Board to increase the Happy Hollow Sewer District quarterly fee to \$52.50 for 2009. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

**Agenda Item #5 BOARD OF ASSESSMENT REVIEW APPOINTMENT**

A motion was made by Councilperson Stern, seconded by Councilperson Batt and approved by the Town Board to appoint former BAR Chair Gary Van Dusen as a member of the Board of Assessment Review with a term expiring September 30, 2013. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO Mr. Van Dusen was sworn in and the Oath of Office book was duly signed by Town Clerk Parks.

**Agenda Item #6 BOARD OF ASSESSMENT REVIEW CHAIR AND DEPUTY CHAIR**

A motion was made by Councilperson Stern, seconded by Councilperson Batt and approved by the Town Board to send a letter of notification to the BAR that their selection of Chairperson and Deputy Chairperson must be received by the Town Board not later than December 31, 2008. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

**Agenda Item #7 COUNCILPERSON APPOINTMENT**

A discussion was held concerning the possible determination of a letter of interest candidate to be appointed as Councilperson with a term expiring December 31, 2009. The Town Board agreed to postpone their decision on selecting a councilperson to enable all candidates to attend the November 6, 2008 board meeting to answer Board and public questions.

**Agenda Item #8 HIGHWAY SUPERINTENDENT CHANGE FROM “ELECTED TO APPOINTED POSITION”**

A recommendation and the process for changing the position of Highway Superintendent from “Elected” to “Appointed” took place. The process is to hold a public hearing to pass a local law and select a date for a special ballot. A motion was made by Councilperson Stern, seconded by Councilperson Batt and approved by the Town Board to draft the local Law and be presented to the Board at the November 6, 2008, 6PM meeting at Westons Mills Community Center, 1310 Olean Portville Road, Westons Mills, New York. VOTE: Keeley (YES), Stern (YES), Woodhead (YES). Batt (YES) MOTION CARRIED 4-YES 0-NO

**Agenda Item #9 EXPENSE REVIEW**

The Town Board reviewed and discussed the filed monthly expense vouchers. It was noted that the IA Construction Corporation invoice was incomplete and will not be paid until corrected. A motion was made by Councilperson Stern, seconded by Councilperson Woodhead and approved by the Town Board to approve for payment the September 2008 monthly bills. VOTE: Keeley (YES), Stern (YES), Woodhead (YES), Batt (YES) MOTION CARRIED 4-YES 0-NO

(Refer to attachment accompanying these minutes)

The Town Board convened to executive session at 9:00PM and reconvened to public meeting at 9:35PM

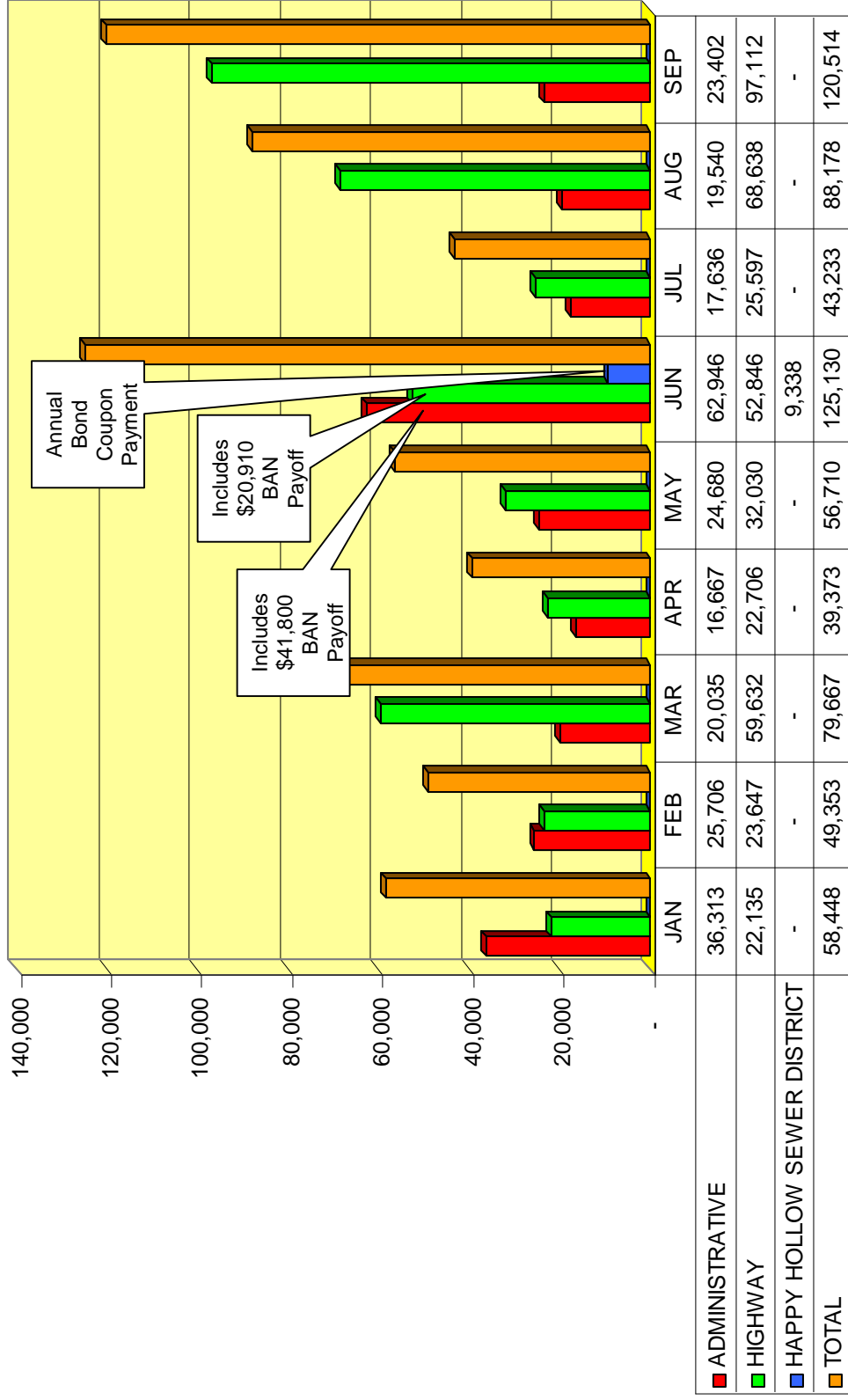
**Adjournment**

Being there was no further business a motion to adjourn at 9:36PM was made by Councilperson Batt, seconded by Councilperson Stern and approved by the Town Board. VOTE: Keeley (YES), Stern (YES), Woodhead (YES), Batt (YES). MOTION CARRIED 5-YES 0-NO.

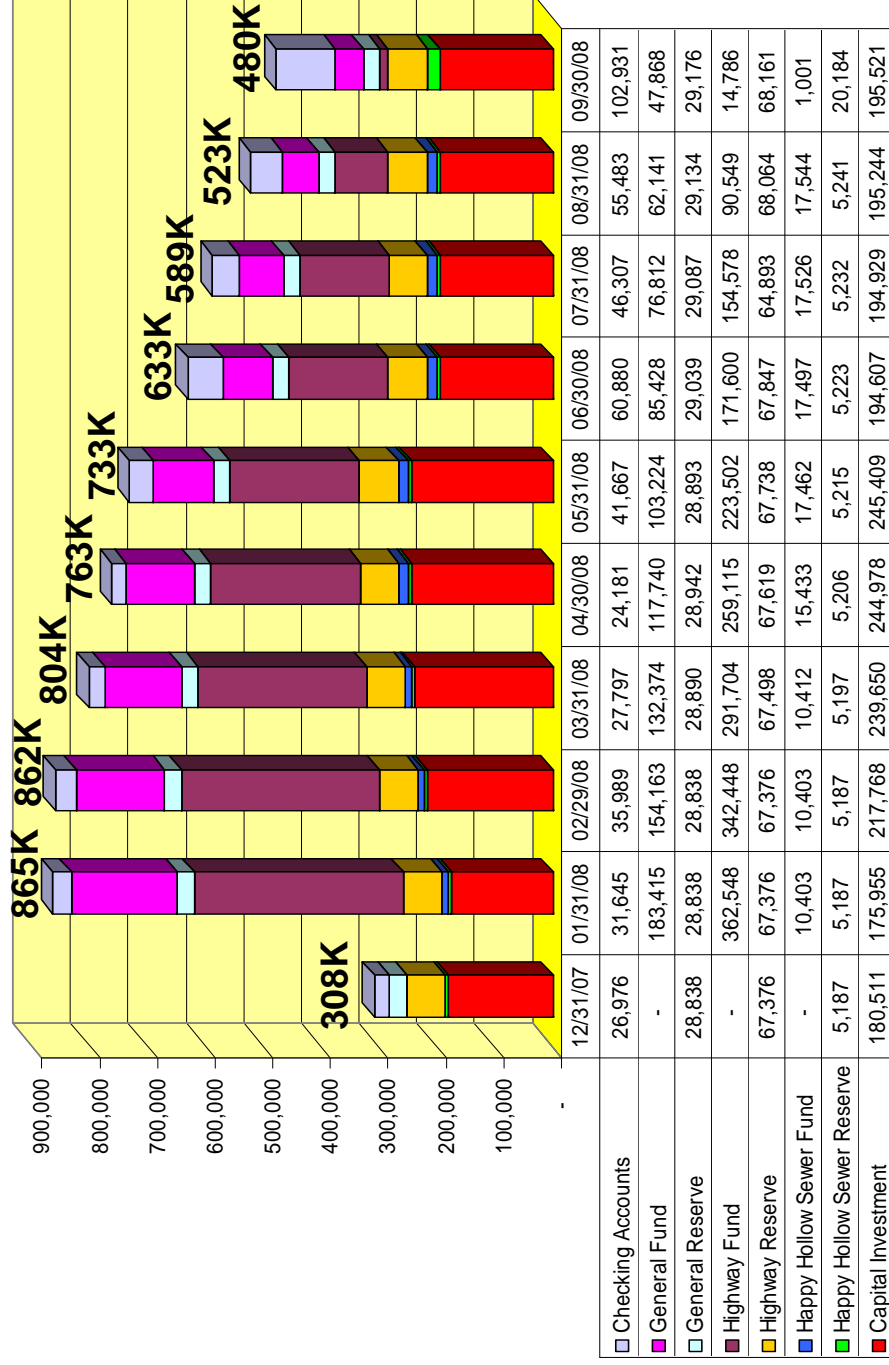
Respectfully submitted and signed,

James Parks  
Town Clerk  
Town of Portville, New York

# Monthly Operating Expense



# Month-Ending Cash Asset Balance Sheet



# Interest Earned – September , 2008

	Interest Paid	Average Daily Balance	Annual Percentage Rate
<b>MBIA NYCLASS</b>			
Highway Reserve	96.89	68,117	1.71%
General Reserve	41.46	29,157	1.71%
Sewer District Reserve	17.24	12,711	1.63%
General Fund	83.89	58,532	1.72%
Highway Fund	98.16	64,871	1.82%
Sewer District Fund	14.13	9,281	1.83%
Investment Fund	277.87	195,396	1.71%
<b>Total</b>	<b>629.64</b>	<b>438,065</b>	<b>1.72%</b>
<b>COMMUNITY BANK, NA</b>			
DEC Licensing Fees	-	1	0.00%
Public Event Fund	-	38	0.00%
General and Highway Fund	1.39	60,028	0.03%
Happy Hollow Sewer District	0.22	2,350	0.11%
Tax Collection	-	5	0.00%
Town Clerk	-	295	0.00%
Town Justice (Hale)	-	3,323	0.00%
Town Justice (Piaggi)	-	5	0.00%
Trust And Agency	-	8,254	0.00%
<b>Total</b>	<b>1.61</b>	<b>74,298</b>	<b>0.03%</b>
<b>Grand Total</b>	<b>631.25</b>	<b>512,363</b>	<b>1.48%</b>



**IMPORTANT PROPERTY TAX INFORMATION**

October 15, 2008

We committed to you when we took office in 2008 that we would run the town with honesty, transparency, and efficiency. Over the last 10 months, we have made many changes to ensure we fulfilled that promise. It is now that time of year when town governments are required to plan their budgets for the forthcoming calendar year. The town budget is the basis on which your town tax portion of your January, 2009 tax bill will go up, go down or stay the same. Let me start by saying your town tax will not be going up in 2009. To achieve this, your town board has carefully looked at each budget expense to know that it is minimally sufficient to get the job done. On Thursday November 6<sup>th</sup>, we want to review with you in detail our proposed budget and how your tax will be computed.

For 2009, we plan to spend nearly \$58,000 less than 2008. More importantly, we expect to reduce the property tax portion, called "tax revenue", of our budget by more than \$87,000. Even though petroleum and petroleum-based products have seen major price increases and are a major portion of our budget, steps have been taken this year to enable more prudent spending in that area now and in the future, yet not change the level of service. Likewise, we plan to use a little more than \$72,000 in our cash reserve from 2008 to reduce tax obligations in 2009, while, at the same time, most probably enabling our cash reserves to end the 2009 calendar year at slightly more than \$270,000. We maintain cash reserves for major capital expenditures when needed so we do not have to borrow money at high interest rates and in the following year reflect that expenditure and interest in our tax revenue portion of the budget. Below is a comparison of revenue generation that occurred in 2008 and planned for 2009.

	<b>FY2008</b>	<b>FY2009</b>	<b>Net Change</b>	
Non-Tax Revenue	184,125	213,779	29,654	16.1%
Tax Revenue	<u>597,810</u>	<u>510,210</u>	<u>-87,600</u>	<u>-14.7%</u>
Total Revenue	781,935	723,989	-57,946	-7.4%

The town budget is made up of four tax allocation categories: a) A Fund which is for administrative expenses that support and apply to all town properties, including the village; b) B Fund which is for administrative expenses that support and apply to all town properties, excluding the village; c) DA Fund which is for highway expenses that support and apply to all town properties, including the village; and d) DB Fund which is for highway expenses that support and apply to all town properties, excluding the village. Thus, if you live in the town and in the village, your property tax is made up of *A Fund* and *DA Fund* expenses. If you live in the town but not in the village, your property tax is made up of *A Fund*, *B Fund*, *DA Fund* and *DB Fund* expenses. From these funding categories we compute the town mill rate, or cost per thousand dollars of assessed property value. On top of that mill rate are added any special district tax (fire districts, sewer district bond payments, lighting districts), ad velorum tax, and county tax. Fire districts and the County prepare their own budgets and that information is added later to the mill rate you will pay. They hold public hearings, just as we do. You can attend those meetings to see how they are evolving their budgets. The lighting districts in Westons Mills and Happy Hollow have slightly higher costs next year because of rising energy bills from National Grid. The sewer bond payment for Happy Hollow Sewer District remains unchanged for those 44 properties with that service.

As we went through the budgeting process, we discovered that, in 2008 and past years, village property owners were being charged for town highway services, even though the Village of Portville has its own highway department whose expense is reflected in the village property tax bill in June of each year. We felt it was inappropriate for the village property owners to pay for town highway services they never receive. So, according to the laws that govern municipalities and enable their decision-making, we decided to eliminate that charge from village property owners' tax bill in our proposed 2009 budget.

For the town budget, the net result of having created a very conservative budget next year and at the same time eliminating town highway expenses from being charged to village property owners is: a) no change in the town mill rate for town property owners outside of the village; and b) an 88% reduction in the town mill rate for town property owners inside the village.

<b>Mill Rate</b>	<b>FY2008</b>	<b>FY2009</b>	<b>Net Change</b>	
Outside The Village	4.576256	4.574804	-0.001452	0.0%
Inside The Village	2.784983	0.325126	-2.459857	-88.3%



When we look at the implications of this change in budget allocation, it is substantial. In 2009, if you live outside the Village of Portville, the town tax portion of your January, 2009 tax bill will be roughly the same as it was in 2008 at around \$4.57 per thousand dollars of assessed value whereas a village property would be about \$0.32. Below are some projected town property tax examples of what you might expect to see on your town tax bill, again excluding special district, ad velorum, and county taxes.

<b>TOWN TAX BILL</b>				
<b>Non-Village</b>	<b>FY2008</b>	<b>FY2009</b>	<b>Net Change</b>	
250K Property	1,144	1,144	0	0.0%
200K Property	915	915	0	0.0%
150K Property	686	686	0	0.0%
100K Property	458	458	0	0.0%
50K Property	229	229	0	0.0%

<b>TOWN TAX BILL</b>				
<b>Village</b>	<b>FY2008</b>	<b>FY2009</b>	<b>Net Change</b>	
250K Property	696	81	-615	-88.3%
200K Property	557	65	-492	-88.3%
150K Property	418	49	-369	-88.3%
100K Property	279	33	-246	-88.3%
50K Property	139	16	-123	-88.3%

However, when we look at what a Village property tax owner is paying annually, the change is substantial. In 2008, the Village of Portville's mill rate was a little more than \$8.86 per thousand dollars of assessed value. When you added the \$2.78 charged by the Town in January, it meant that the Village of Portville property owner was paying roughly \$11.84 per thousand in 2008 or about 157% more than a town property owner outside the village. With this change for 2009, the Village of Portville property owner would be paying approximately \$9.19 per thousand if the Village's mill rate in 2009 remained unchanged, or 101% more than a town property owner outside the village. Below are some examples of the combined town and village impact in 2009 versus 2008 on village property owners if the village mill rate remained unchanged.

<b>COMBINED TOWN AND VILLAGE TAX ON VILLAGE PROPERTY</b>				
<b>Village Property</b>	<b>FY2008</b>	<b>FY2009</b>	<b>Net Change</b>	
250K Property	2,911	2,296	-615	-21.1%
200K Property	2,329	1,837	-492	-21.1%
150K Property	1,747	1,378	-369	-21.1%
100K Property	1,164	919	-246	-21.1%
50K Property	582	459	-123	-21.1%

Even though we have tried to explain what we are doing to create a lean and viable budget and to properly allocate those costs to those that receive the town's services, it still remains that the budget process is complex and you may have many questions that are unanswered. You will have an opportunity soon to pose your questions and ideas regarding our 2009 budget. On Thursday November 6<sup>th</sup> at 7:00PM, there will be a public hearing on the 2009 town budget. This meeting will be held at the Westons Mills Community Center at 1310 Olean Portville Road, Westons Mills, NY 14788. At that time, we will share with you the proposed budget, our rationale for the various expenses, and how your taxes get computed. This is really your meeting and we will answer any questions as well as listen to any recommendations you wish to share with us.

*Terry Keeley*  
 Supervisor  
 Town of Portville  
 terry.keeley@portville-ny.com  
 www.portville-ny.com

**TOWN OF PORTVILLE**  
**Unpaid Bills Detail**  
As of October 15, 2008

	<u>Open Balance</u>	<u>General</u>	<u>Highway</u>
<b>Alfred &amp; Kimberly Marcellin</b>			
	30.00		
Total Alfred & Kimberly Marcellin	30.00	30.00	
<b>American Rock Salt Company LLC</b>			
	7,086.87		
Total American Rock Salt Company LLC	7,086.87		7,086.87
<b>Austin Locksmithing &amp; Security Inc</b>			
	63.00		
Total Austin Locksmithing & Security Inc	63.00	63.00	
<b>Colonial Life Insurance</b>			
	152.32		
Total Colonial Life Insurance	152.32	44.8	107.52
<b>Cynthia Nupp</b>			
	160.08		
Total Cynthia Nupp	160.08	160.08	
<b>Donovans Easten Supply</b>			
	8.83		
Total Donovans Easten Supply	8.83		8.83
<b>Edward J. Bysiek, CPA</b>			
	1,100.00		
Total Edward J. Bysiek, CPA	1,100.00	1,100.00	
<b>IA Construction Corporation</b>			
	6,295.91		
Total IA Construction Corporation	6,295.91		6,295.91
<b>Martonis, Daniel</b>			
	998.04		
Total Martonis, Daniel	998.04	998.04	
<b>Parks, James -</b>			
	32.80		
	141.75		
Total Parks, James -	174.55	174.55	
<b>Rinker Oil Corp</b>			
	1,884.08		
Total Rinker Oil Corp	1,884.08		1,884.08
<b>Service Stores Park &amp; Shop</b>			
	29.56		
Total Service Stores Park & Shop	29.56	29.56	
<b>The Paper Factory</b>			

**TOWN OF PORTVILLE**  
**Unpaid Bills Detail**  
As of October 15, 2008

	<u>Open Balance</u>	<u>General</u>	<u>Highway</u>
	<u>189.23</u>		
Total The Paper Factory	189.23	189.23	
<b>The Times Herald</b>			
	<u>52.18</u>		
Total The Times Herald	52.18	52.18	
<b>West State Auto Parts LLC</b>			
	<u>851.69</u>		
Total West State Auto Parts LLC	851.69		851.69
<b>Worth W Smith Co Surplus</b>			
	<u>78.92</u>		
Total Worth W Smith Co Surplus	78.92		78.92
<b>TOTAL</b>	<u><u>19,155.26</u></u>	<u><u>2,841.44</u></u>	<u><u>16,313.82</u></u>