



TOWN OF ROCHESTER

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Accord, NY 12404

Office of the Supervisor
845-626-3043

State of the Town December 31, 2005

Dear Fellow Residents of the Town of Rochester:

At the end of my second year as Town Supervisor, I would like to report to you on the state of the Town as of December 31, 2005 and to tell you what your Town government has done in the past year. As in 2004, our Town's elected officials and employees have attempted to address the many challenges that are facing our community.

I would like to thank the two retiring members of the Town Board, Randy Hornbeck and Tom Ryan, for their service to the Town during the four years that they served on the Town Board. I would also like to thank Town Justice Ron Keillor, who retired after 14 years of service on the bench as one of our two town justices.

We made a lot of changes in 2005, and I'm grateful for the hard work and dedication of our Town employees and my fellow elected officials during the past year.

Organizational Matters

On taking office in January 2004, I learned about the responsibilities that our Town Code gives to our Historic Preservation Commission and Environmental Conservation Commission. These commissions have continued to hold regular meetings that are open to the public and both have made very important recommendations to the Town Board that I expect will be given full consideration in 2006. These boards, consisting of volunteer citizens, provide a valuable service to our community and I'm glad that the Town Board voted to continue to strengthen their numbers by appointing new members in 2005. This provided the commissions with additional good ideas and resources to supplement their hard work.

Citizens appointed to all town boards and commissions are now required to take oaths and provide evidence of training, where such training is required by law. In addition, all Town elected officials, employees, and board and commission members continue to be subject to the Town's Ethics Law, adopted in 2004, and revised in 2005.

In March, the Town Board established a committee to review cable television/broadband service in the Town. The committee reviewed the Town's current cable TV franchise service area and established formal procedures for obtaining service in additional areas. In September, they met with Time Warner Cable and obtained commitments to wire: 1.6 miles of Upper Whitfield Road with 31 homes in 2005; 2.45 miles of Tow Path Road in 2006 with 39 homes; 1.7 miles of Stonykill Road in 2007 with 36 homes. I believe that the expansion of "hard wiring" our community is an important goal because it provides our residents with access to the infinite resources of the internet and an opportunity to study and/or work from home.

While we're on the subject of the internet, I'm proud to report that the Town now has an official website, www.townofrochester.net, which went online in March under the supervision of our volunteer webmaster, Marge Bonner. In the coming year, we hope to integrate more town offices onto the site and to use it as an efficient and low cost way of disseminating information about our Town and our local government's activities.

I was disappointed that in 2005 the Town Board did not establish a procedure for filling vacancies on various Town boards and commissions when legal terms expire. The resolution that I introduced would have required the advertisement of open positions, established a uniform way for interested citizens to

submit letters of application, and formalized a process for the Town Board to evaluate these applications in order to fill the vacancies -- with new members or with incumbents. I am pleased, however, that this new procedure was adopted in early 2006.

Personnel

At of December 31, 2005, the Town had 32 regular employees (included elected officials) as follows:

Elected Officials - 9
Supervisor
Councilpersons (4)
Justices (2)
Town Clerk
Highway Superintendent

Staff:

| | |
|----------------------------|---|
| Highway Department | 8 full-time employees and 1 full-time secretary |
| Town Clerk's Office | 2 part-time deputies |
| Transfer Station | 2 full-time attendants, 2 part-time attendants |
| Assessor's Office | 1 assessor, 1 aide |
| Building Dept. | 1 secretary, 2 part-time inspectors |
| Planning Board/ZBA | 1 secretary |
| Secretary/Bookkeeper | 1 full-time |
| Social Services Officer | 1 part-time |
| Municipal Worker I/Laborer | 1 full-time |
| Clerk of the Court | 1 full-time, 1 part-time |
| Court Officers | 2 part-time |
| Youth Department | 2 full-time, additional part-time as needed |
| Dog Control Officer | 1 part-time |
| Municipal Worker I/Cleaner | 1 part-time |

In addition, the town frequently hires part-time temporary workers to cover for vacations and during snow emergencies as well as election day workers. Altogether, about 65 individuals received a paycheck from the Town in 2005, most of whom fit into the part-time temporary category.

During 2005, we filled the following vacancies, which were created by retirement or resignation:

- Jerry Davis was retained in January 2005 as a part-time building inspector.
- In February, the Town Board approved the hiring of Paula Taylor as Planning Board/ ZBA secretary on an interim basis, pending the temporary leave of Rebecca Paddock-Stange, who has since returned.
- Valerie Weaver, Assistant Recreation Director, became a full time employee.

It is with sadness that I note the passing of Brian Belile in January 2005. Mr. Belile served as Town Court Officer for six years and was a member of the Zoning Board of Appeals. Mr. Belile was well-known in the community and served as president of the all-volunteer Kerhonkson-Accord First Aid Squad and as a member of the Town of Rochester Republican Committee for many years.

2005 was the first full year of implementation of a personnel manual that was adopted in 2004. This personnel manual complements the employee job descriptions and salary & wage administration program for Town employees, many of whom are covered by civil service procedures.

Laws Passed

In 2005, we passed four local laws:

- In May, the Town Board adopted Local Law #1, which amended our existing Ethics Law by providing a time period in which alleged ethics violations by Town employees and/or officers will be reviewed.
- In June, the Town Board adopted Local Law #2 that established a real property tax exemption for housing units for parents or grand parents in an existing housing unit. The adoption of this law provides an incentive for constructing “mother-in-law” type apartments for parents and grandparents, ensuring that our elders have a safe and comfortable home in the proximity of their families.
- This was followed by Local Law #3, which enumerated a site plan checklist for Planning Board applications. This will standardize applications, streamlining the application process by standardizing application requirements.
- The Town Board adopted Local Law #4, which amended our existing veterans’ tax exemption by increasing the maximum amount of real property tax exemptions for veterans and providing an new exemption for “Gold Star” parents, who have lost a son or daughter in the service of our country.

Financial Matters

The Town’s total operating budget for 2006 is \$1.6 million, which is in addition to the \$1.3 million for the Highway Fund. I am proud to say that the Town’s general tax rate decreased. I feel this is quite an accomplishment in light of rising fuel and labor costs. The Town’s Highway Tax increased by a very small amount. Overall, taxes paid to the Town constitute only about 12% of total property tax payments.

I have worked with the Town Board to try to keep municipal expenditures as low as possible and in adopting the 2006 budget, the Town Board looked at all costs to see where expenses could be reduced and made cuts in equipment purchases. Unfortunately, the largest expenditures are beyond the town’s control. Fuel, as you know, has increased dramatically for heating as well as for vehicles. The Board worked hard to be included in the County bidding process for oil and gas products, which is expected to save the Town money, but the budget still had to increase. The amount budgeted for elections jumped by \$10,000 to meet new Federally-mandated election modifications (the County is taking over the entire process for all the Towns, but we continue to pay for it). There was a significant jump related to the Transfer Station with added tonnage fees and a higher pull fee per bin. We expect to recoup some of these costs through the increase in the annual Transfer Station permits.

There were some increases in discretionary spending (many of which were requested by town residents), such as doubling the Town’s donation to the Kerhonkson-Accord First Aid Squad to assist with the excellent work carried out by these volunteers.

The collective bargaining agreement with IBEW Local 1968, the union that represents the employees of our Highway Department, is a three-year contract that calls for aggregate raises of between 6.33% and 7.81% through December 31, 2006.

The Town Board authorized the lease/purchase of a wheeled excavator for the Highway Department costing approximately \$145,000 in May and purchased a new truck for \$20,900 to be accessible for Town employees’ use.

The Town Board, on the recommendation of the Highway Superintendent, also approved the re-configuration of the intersection of Queens Highway and Rochester Center Road.

The flood of April 2-4, 2005 caused approximately \$700,000 in damage to roads in the Town. A portion of the cost of repairs is expected to be reimbursed by FEMA grants. Approximately \$250,000 has been received so far.

In an effort to reduce the burden of property taxes on homeowners, I continue to participate in a task force with representatives from other communities in the Rondout Valley to address the issue of rising property taxes and to examine alternate funding sources for educational and other expenses. This project has had wide support from many other communities state-wide, and from the New York Association of Towns.

With the rising cost of fuel, the Town Board evaluated a number of fuel sources, and decided that purchasing fuel under Ulster County's fuel purchase contract provided the lowest cost for fuel oil, propane, off-road diesel, and gasoline. A capital expenditure associated with fuel utilization was the purchase of a new heater for the Transfer Station at a cost of about \$3,000.

Town Property Revaluation

The Town's Assessor has been working on a property assessment revaluation project that was initiated during my predecessor's administration. The Assessor worked on the revaluation of commercial property during 2004 and initiated the revaluation of residential property in 2005. This process will continue in 2006. A number of Town Meetings were held to explain the process to Town residents. Property values have soared since the last re-valuation in 1999. The purpose of the revaluation is to ensure that all taxable property in Town is assessed properly in order to ensure equity in property taxation. The Assessor's function is independent of the Town Board and the Supervisor and we have no input into the assessment process. If you have any questions on this process, please contact the Assessor's Office at 626-0920.

Borrowings and Debt

We were able to reduce town debt by \$107,000 in 2005. At December 31, 2005 the Town had the following debt outstanding:

| <u>Description</u> | <u>Current Principal</u> |
|---|---------------------------------|
| Highway Fund - Dump Trucks - Front Loader | \$ 237,200.00 |
| Highway Fund - Gravel & Dump Truck | \$ 30,000.00 |
| Highway Fund - Salt Shed | \$ 85,400.00 |
| Special District - Barry Lane | \$ 49,000.00 |
| Special District - Sages Loop | \$ 34,000.00 |
| Total | \$ 435,600.00 |

The Special District debt relates to road maintenance agreements for Barry Lane and Sages Loop, the residents of which pay 100% of the principal and debt service payments through a special tax assessment. The Highway Fund debt is repaid by taxpayers through the Town's Highway Tax.

Future Debt Repayments (principal only, does not include interest payments) are as follows:

| \$ | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009 & Beyond</u> |
|-------------------|--------------------|--------------------|--------------------|-------------------------------------|
| Special Districts | 20,769 | 20,769 | 3,769 | 37,693 |
| Highway Fund | 130,350 | 100,350 | 100,550 | 21,350 |
| General Fund | 0 | 0 | 0 | 0 |

Town debt is in the form of 365-day bond anticipation notes (BANs) that are rolled over at each maturity (with the required principal amortization). The rollovers are subject to interest rate risk, depending on

prevailing interest rates at the time of the rollover. Maturity schedules are prescribed by the estimated useful life of the asset acquired or the project for which the debt is incurred.

Audits and Investigations

In January 2005, the Town Board implemented new financial reporting procedures for the Transfer Station in response to the disclosure in 2004 by the Office of the State Comptroller and subsequent audits that approximately \$24,000 was missing from the Town Clerk's Office. While the component most visible to residents is the new system of transfer station tickets that replaced the old punch card system, the significant improvement is the system of revenue and sales reports prepared by Town employees. These reports make it easier to reconcile revenues properly and to ensure that the Town is better able to track the liability of sold but unused Transfer Station tickets. The under-reporting of these liabilities in prior years caused Transfer-Station revenues to be over-stated, thereby artificially subsidizing current year Transfer Station expenditures. New financial reporting systems were also instituted in the Building Department and the Planning Board/ZBA office to help establish a system with better accounting controls. We expect to adopt further reporting changes to better track our Town's cash receipts.

My office and other Town employees have been cooperating fully with investigating authorities and will continue to do so until this matter is fully resolved and procedures are put in place to ensure that all public funds are properly reconciled.

Update

In March 2006, a court in Kingston convicted the town's former Deputy Town Clerk of one count of falsifying business records, a felony, and two misdemeanor counts of official misconduct in relation to the execution of her duties and funds missing from the Town Clerk's Office. The individual was acquitted on a charge of felony grand larceny.

Legal Matters

The owner of the Streamside Estates manufactured home park sued the Town's Planning Board under an Article 78 proceeding because that body did not approve plans for a proposed 64-unit trailer park development. This case is still pending.

There is a continuing workman's compensation issue with a member of the Kerhonkson/Accord First Aid Squad. We do not believe the case has merit.

The Town Board directed the town attorney to pursue action in State Supreme court to force the clean up of residential properties on Queens Highway and Route 209, as well as an illegal trailer on Whitfield Road.

In March, the Town Board voted to accept a settlement valuation of \$3.6 million in a legal action initiated by Minnewaska Corp. LLC, the owner of the Hudson Valley Resort. Minnewaska had sued the town petitioning for a lower assessment for the hotel and resort property.

Suburban Propane filed a Tax Certiorari action, which was subsequently withdrawn.

The Town also received two notices of claims from residents of Old Kings Highway for alleged damage to trees and other property by the Highway Department totaling \$70,000

We received a number of complaints from residents about the clearing of roadside brush. Clearing brush that obstructs safe passage along our highways and roads is the responsibility of the Highway Superintendent, Wayne Kelder and his crew. In discussion with the Board, Mr. Kelder agreed to post advance notice on the roads to be cleared. This information will also be submitted to the Supervisor to put on the Town's website. If anyone has a concern about their property regarding a pending clearing, they are invited to call Mr. Kelder directly.

Other Matters

The Town Board did the following in 2005:

- In February, the Town Board distributed a newsletter and survey to approximately 4,000 residents asking for input on a variety of subjects in order to provide guidance to the Town Board on establishing priorities for Town government. The results of the survey were presented in a series of Town Hall meetings and are online at www.townofrochester.net.
- The Town formalized the process by which town residents can obtain free fill from the Highway Department.
- In July, established a Property Tax Committee to review and help educate the public about the revaluation process and also established a business development committee. This group has prepared and assisted the Assessor in carrying out four informational Town meetings.
- The Board adopted a resolution in opposition to casino gambling in the Town.
- Made recommendations to improve safety of Route 209 by increasing the length of no-passing zones at Airport Road and Kelder's Farm/NAPA, which have since been implemented.
- The Town entered into road maintenance agreements for Kirby Lane off Kyserike Road, and an unnamed road off Granite Road.
- The Town Board endorsed a grant application regarding the Hudson River Estuary, which would assist in the funding of an open space and natural resources inventory. Town's share of expenditures is capped at \$3,750, while the maximum grant funding would be \$25,000.
- The Town conducted the first ever joint Town Board, Planning Board, and Zoning Board of Appeals public informational session regarding the Hudson Valley Resort's planned Water Park in May 2005.
- Established a committee to re-instate an Honor Roll for veterans in the Town, chaired by Francis Gray.
- Commissioned a Cost of Community Services Report, chaired by Francis Gray with analysis by Marge Bonner.
- Voted in January to establish a Planning and Zoning Committee to address land use issues in the Town. The Town Board appointed members representing the Planning Board (William DeGraw and David O'Halloran), the Zoning Board of Appeals (Marijane Knudsen and Stanley Hudson), as well as a number of residents to the committee, which met monthly throughout 2005.
- Held four Town Hall meetings at locations throughout the town. The purpose of these meetings was to discuss survey results and to gain an understanding of the public's attitudes towards our Town's rural character and to determine which aspects of it are worthy of preservation.
- Engaged Chazen Companies and approved the site plan checklist initiated by the Planning Board and an escrow system for applicants to pay for such services.
- As required by State Law to provide burial sites and services for indigent residents, the Town Board authorized the purchase of 25 burial sites at the Pine Bush Cemetery.
- Voted to add the Town of Rochester to a grant request to develop a Northern Shawangunk Mountains Regional Open Space Plan. Separately, the Town has been an active proponent of the

establishment of the Shawangunk Mountain Scenic By-Way along with eleven other Towns and Villages.

- Encouraged the non-profit Open Space Institute to acquire development rights to a large family-owned farm on Route 209 from the Davis Family. Under the agreement, the land will be preserved as working farmland in perpetuity, thereby protecting an important part of our Town's long agrarian heritage.
- The Town held its first annual photography contest, which culminated in a photography exhibition at the Accord Fire House. There were several entries and prizes were given. I would like to thank Walter Levy for organizing the contest and soliciting donated prizes.

A Special Note of Thanks

During the first weekend in April 2005, the Town suffered the worst flooding in more than 50 years. The County and the Town declared a State of Emergency. I would like to again thank the volunteers and officers of the Accord Fire District and the Kerhonkson/Accord Rescue Squad for the excellent job that they did in helping members of our community deal with this catastrophic event. I am also proud of the way that our community banded together to help those whose property was affected and the many volunteers who helped in many ways big and small. We are grateful that there were no serious injuries.

Conclusion

My second year as Supervisor was a productive one in which the Town Board resolved many long-standing issues. This included many personnel and structural issues that, now addressed, will provide a stronger, more efficient organization and improve the level of service that our Town government provides to our residents.

This year, we worked on finding ways to save money through better financial controls, avoidance of expensive expansion, reduction of potential liability issues, and working with neighboring communities to find ways to alleviate the burden of property taxes. We worked to improve open government by making meetings of various town entities more accessible with clearer goals and responsibilities and by formalizing employee job descriptions in an attempt to provide the best possible service to our Town's residents.

I would like to thank my colleagues on the Town Board, our Town's employees, and the many residents who have volunteered their services and who have expressed their thoughts for making this a successful year. I hope that I can count on their continued support in helping our Town's government make the decisions that are the best for our community's long-term well-being. If you would like to discuss any of the topics that I have covered, or any that I haven't, please don't hesitate to contact me.

Sincerely,



Pam Duke
Supervisor

The information contained in this letter is believed to be correct, however, no responsibility is accepted for any unintentional errors or omissions.