

**Village of Millbrook
Board of Trustees
Minutes October 26, 2010**

Call to Order by Mayor Hurley at 7:05 p.m.

Pledge of Allegiance led by Mayor Hurley

In Attendance-Mayor Hurley, Trustee Morse, Trustee Cox, Trustee Spagnola and Clerk Linda Wiltse

Shared Services Grant-Trustee Morse stated that at the last meeting the Board approved the reallocation of unused funds from the Shared Services Grant toward new projects which require the Department of State's approval. The application was submitted by Steve Lynch but the turnaround will be hopefully in two weeks time from tonight. Trustee Cox asked how quickly Lash Contracting could mobilize again if the state approves the application and will weather play in this timeframe. Mayor Hurley responded that Lash can mobilize quickly. The new project manager from Lash Contracting assures the Board of Trustees they can mobilize very quickly.

Water Committee-Trustee Morse informed the Board the committee held their 4th meeting this week. The use of water, the billing process and looking at a backup aquifer are being reviewed by a subcommittee. Several questions are being looked at according to Trustee Morse. He added that it may be more complex and they are still in the data gathering mode. See the attached. Mayor Hurley stated that Dana Sukow, the water/sewer clerk is pulling water usage reports for 2007 to 2009 to compare to the amount of water produced.

Water Source-Mayor Hurley stated that Jerry Baker, ZBA Chairman for the Town of Washington informed the Village Board of Trustees that the water aquifer is of concern based on a recent application they received. The Mabbettsville area application for an auto body repair shop and it may affect the water supply located nearby. She added it appears the requested use is more favorable to the Village water supply concerns. Andrew Ciferri stated an auto body shop is of concern since the ZBA would not allow the property owners to have a horse since they were concerned about manure and its effect on filtering into the Village water supply. Mayor Hurley stated they will need a recovery system and they will also have an air and water capture system. Trustee Morse added that perhaps a water base paint is not optimal.

UBS Presentation-Frank Salvagni and Jeanne Forkeutis were representatives from UBS who manage the LOSAP program for the Village. Frank manages the investment side of the portfolio. Frank stated as the fiduciary of the LOSAP plan the Village Trustees should demonstrate an active management of the plan. He provided benchmark quarterly reports to the Board. They are accountable for maintaining the current investment policy. Currently they have 60% in stocks and 40% in bonds invested which is very balanced. Frank added that the cash position is high currently.

As the plan continues to grow and when it reaches \$500,000 the administrative cost reduces. This is very standard. See attached. Frank defined the contribution plan that pays out annually. He added that 93% of all pension plans are under funded due to the stock market being quite flat. Frank also stated that the environment for fixed income is not good but with stocks it does look good. From the agenda submitted they have a current money market balance of \$19,475.60. Frank informed the Board that any change to the plan does not incur any incremental costs. In other words, no commission with funds going in or out. He proceeded to hand out an asset allocation as of 10/25/10.

Frank informed the Board the portfolio is 30% off of the high on the account. He is advising the Board to move cash to investments. He recommended the Perkins Small Cap and the Black Rock Ginnie Mae. Mayor Hurley asked about the conservative nature for the Village in reference to their investment strategy. Frank responded that the allocation is appropriate for this defined contribution pension plan.

Jeanne stated they need a verbal confirmation from who ever is on the corporate resolution. Mayor Hurley asked the Board to entertain a motion to exchange BlackRock Mid Cap Value with Perkins Small Cap Value and exchange the Manager Bond to BlackRock GNMA fund. Also, to invest the cash balance into the PACE to bring the allocation back to the 60/40 allocation. Trustee Cox made a motion to adopt these investments as stated and Trustee Morse seconded. All were in favor. Andrew Ciferri asked about who gets the statements after making the appropriate points as a Fire Department member. Jeanne stated that Penflex submits a report to the Fire Dept. and a stack is dispersed to each individual fire fighter member. Jeanne explained how the program works to the Board. Matthew Rochfort requested the beneficiary copies which must be submitted to Penflex and the originals are to go to the Village Clerk. Mayor Hurley stated that the contribution levels fall under Penflex's responsibilities. Jeanne stated the limit is 700 but the Village is doing 350 so there is room for an increase.

Miscellaneous Treasurer-Mayor Hurley read the resolution confirming authority of Village Treasurer, Linda T. Wiltse, to execute claim to recover unclaimed funds. Trustee Morse made a motion to accept and Trustee Cox seconded. All were in favor.

Public Comments-no comments

Events-November 2nd is Election Day where the Mayor term has 1 year remaining and the 2 Trustees are up for a 4 year term.

The Board of Trustees has cancelled the meeting on November 23 which is the second regularly scheduled meeting. The Town of Washington will hold a Comprehensive meeting on December 11th at 9 am.

Records Management-Daryl Matthews met briefly during the meeting with Mayor Hurley. Mayor Hurley stated that the Village needs manpower to review the damaged records. Daryl stated that the downstairs problem is putting the Village in a compliance status in terms of OPRA for the records which need re-categorizing. If they are reviewed, this will make them accessible for the Village Records Officer. He informed

the Board that NYS has a grant for disaster recovery which we have experienced directly from the water pipe bursting. They want to move forward immediately. Once they establish a records management program then they can apply for a secondary grant for the Village Court, the Planning Board, the Zoning Board of Appeals, the Police Department and the Clerk's records. This grant will help establish electronic records for the Village. They must keep in mind that certain guidelines pertain to Court and Police records.

Mayor Hurley stated that the damaged boxes are part of the disaster and then the Court and Police records need to be turned over to the Clerk in an organized manner. The Village wants a mobile records management system and room. Daryl stated the records must be sorted by department. He added that the retention schedule must be looked at and the expired records must be destroyed. He also added the Village must notify the NYS Archive Dept. of their doings. The Village does not have the capacity to train people but the grant has allocated funds to assist with training which can be pursued to assist the records custodian with that task. The program is only going to be as good as the people working it according to Daryl. The Mayor has asked that he move forward with his proposal.

The next phase is the electronic phase which will give the Village the ability to access and retrieve this data. Daryl requires the Board to sanction this so the Village can participate in this program. The person hired for this task, according to Daryl should be sensitive to the confidentiality of the documents they would be handling. Mayor Hurley stated she was in favor of this first phase which equals the disaster portion. Trustee Cox questioned if this undertaking will take additional staff and will the grant provide for this additional staff. The Mayor stated the problem is the staff doesn't have enough hours in their work week to manage and deal with the disaster records. She added the Village should focus on these records.

Trustee Spagnola asked about the timeframe needed to complete the scope of this task. Daryl answered that he has provided this in his submitted proposal. He added that the Village did use donated funds to assist in the disaster recovery for the room itself. Daryl stated he is confident the Village will receive the disaster grant funding since it is just as important to safeguard the citizen's records in their current physical situation. He plans to take the Village forward. The inactive records are the victim of the disaster. Trustee Cox asked if the disaster portion of this grant has a matching component to it. Daryl stated that it is unknown at this time.

Miscellaneous-Questions for Al Debonis on his submission were requested. However, the Board did not have any at this time. Trustee Spagnola stated the basement is progressing. The basement floor will be poured tomorrow. Mayor Hurley added that in a few weeks the water filtration system will be installed. Trustee Morse is still working on Central Hudson and information gathering.

Trustee Spagnola read Al's submission twice. Trustee Morse stated he read it in detail. Al stated he is available if questions come up during the Board's discussions in executive

session. Mayor Hurley stated a decision will be available on Friday. Al stated he wants to stay to answer questions as they arise or the Board has concerns over issues that were submitted in his report.

Andrew Ciferri asked about the Central Hudson presentation to the Board.

Trustee Cox stated that on October 12, 2010 the Village was sent a letter in support of the speed zones near school entrances. He added that he believes this fulfills the Village's requirements to enforce this school speed zone.

Audit of the Bills.

Executive Session-Trustee Morse made a motion to enter into executive session to review the submission made by Al DeBonis and to discuss the negotiation status regarding the property restoration at 9:15 and Trustee Spagnola seconded. All were in favor. Trustee Whalen's presence was requested in executive session and he obliged.

Trustee Cox made a motion to exit out of executive session and Trustee Spagnola seconded at 10:19 p.m. All were in favor.

Adjourned at 10:20 p.m. with a motion made by Trustee Morse. The motion was seconded by Trustee Cox. All were in favor.

Respectfully submitted,

Linda T. Wiltse
Village of Millbrook
Clerk/Treasurer