

VESTAL TOWN BOARD WORK SESSION MINUTES (budget review)

MONDAY, OCTOBER 26, 2015

In Attendance: Supervisor Schaffer, Board Members: Fitzgerald, Majewski, Agneshwar and Messina.

Also Attending: Comptroller Laura McKane, Town Attorney David Berger, Human Resource Officer Nancy Olmstead, Insurance Consultant Doug Bulman, Police Chief John Butler, Town Clerk Emil Bielecki and 2 members of the general public.

The Budget Review Work Session was convened Supervisor Schaffer at 5:02 PM.

CONTINUING REVIEW OF THE 2016 TOWN BUDGET

Comptroller Laura McKane stated that with the calculations to date, the 2016 Budget will require a tax levy increase of approximately 1% from the 2015 level. That amount would be approximately \$124,000 over the state mandated tax levy limit.

Before the 2016 Preliminary Budget is filed with the Town Clerk, the following topics need to be addressed by the Board. A summary of the topics discussed is as follows:

Health Insurance – Medicare Advantage Plan

Comptroller McKane and Insurance Consultant Doug Bulman stated that after a thorough review of the coverage provided to retirees, the replacement for the Excellus Medicare Plan which would most closely match up to the levels of benefits would be the MVP Buy-Up Plan. This plan would cost more than the Basic MVP Plan, but switching to it from the Excellus Plan would still save approximately \$69,000.

The Board engaged in a lengthy discussion about which MVP Plan should be selected as a replacement for the Excellus coverage. Responding to several questions about the Town's ability to reduce benefits to retirees, Human Resource Officer Nancy Olmstead noted that although the bargaining units have limited ability to bargain for retired members once the contract under which they retired has expired, there have been a number of successful legal challenges in cases where retiree benefits have been reduced. We have a good working relationship with our bargaining units based on trust and it would set a bad precedent if we unilaterally made significant cuts to retiree health benefits. Councilwoman Agneshwar stated that we should go with the Basic or the Standard MVP Plan to make some progress in reducing what is generally considered to be an overly generous benefits package. It would be good start.

The consensus of the Board was to switch to the MVP Buy-Up Plan as a replacement for the Excellus Medicare Plan.

Police – new hires in 2016

Comptroller McKane informed the Board that the Police Department would like to fill the 34th position with a transfer from another police agency. This will require budgeting some additional money, however, we benefit by getting an experienced officer on the job more quickly. Experienced officers do not have to go through the training academy and can start to work independently in a shorter period of time. No Board member expressed opposition to this request.

Retirement Incentives or Layoffs

Human Resource Officer Nancy Olmstead reviewed a proposed retirement incentive plan that would provide credits toward health insurance contributions during retirement. This incentive would be

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designed for full time employees who are eligible for health insurance coverage during retirement. For employees who are taking the health insurance buyout, some sort of cash incentive would need to be offered. At this time, the non-union employees and those covered by CSEA would probably be the best target. If the Board decides to offer some form of retirement incentive that would have an impact on the 2016 Budget, it would need to act soon.

After some discussion of the topic, no consensus was reached as to whether to offer a retirement incentive at this time. Supervisor Schaffer encouraged the Board to continue looking at possible retirement incentive options because there may still be a need to implement a plan next year.

Wage Increases – non union and elected officials

Due to a lack of time, it was decided to discuss this topic at the regularly scheduled Work Session immediately following this meeting.

The Budget Review Work Session adjourned at 6:05 PM.

Respectfully submitted,
Emil Bielecki, Town Clerk