

VESTAL TOWN BOARD WORK SESSION MINUTES
MONDAY, SEPTEMBER 15, 2014

In Attendance: Supervisor Schaffer; Board Members Fitzgerald, Majewski, Messina

Also Attending: Comptroller Laura McKane, Town Clerk Emil Bielecki and 5 members of the community.

WORK SESSION - Supervisor Schaffer convened the meeting at 6:00 PM.

Introduction to the Budget Review Sessions

Comptroller Laura McKane distributed to the Board the general fund review level budget for 2015. The review level budget, after adjustments by the Board, will become the 2015 Tentative Budget that will be filed with the Town Clerk by September 30, 2014. She also distributed a review level 2015 Fire Department budget and asked the Board to review it first because the Proposed Fire Budget must be adopted before the general Town Budget.

As a starting point for Board review, Comptroller McKane highlighted a number of themes and trends that are affecting the 2015 budget processes including the following:

- We continue to struggle with the overall condition of rising expenditures and flat revenues.
- Health insurance rates are expected to increase about 4%. We will have better estimates after we meet with our insurance consultant Doug Bulman and Excellus on September 17th. Additional coverage is needed for new hires: 2 police, 1 code, 1 business office, 1 highway.
- Library aid from Broome County is estimated to be cut in half.
- Our carrier estimates that Workers Comp will increase by about 15% due to poor experience. (we had a few serious accidents).
- Based on the outlook for the remainder of 2014, we will see increased overtime for snow removal and police.
- We currently have 3 unsettled union contracts which will affect the level of increases in wages.
- The review level budget provides funding for all Board members to attend the Association of Towns annual training conference.
- The minimum wage is going from \$8 to \$8.75 in 2015. The Recreation Budget reflects higher than minimum wage for some seasonal positions. The Highway and Parks seasonal employees are budgeted at the minimum rate. This policy needs to be reviewed.
- The contribution rate to the NYS Retirement System is down.
- Currently, we are not using fund balance in the 2015 general fund budget. The fund balance in the general fund is less than 10% of spending. We should avoid dropping below this level.
- The business office is facing the potential of multiple employees retiring. Additional details will be provided.

Comptroller McKane noted that we can increase the tax levy by up to about \$384,000 and still stay under the State cap. A preliminary look at the 'review level budget' indicates that we need to cut at least \$300,000 to stay within the cap.

Fire Department Budget

Comptroller McKane noted that we are trying to budget more in capital reserves so that less borrowing will be needed to fund major equipment purchases.

Supervisor Schaffer noted that some changes have already been made to the submitted Fire

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Department budget. The request for a part-time employee was cut as was some spending that was requested for Station 4. While it is recognized that Station 4 needs to be replaced, the Fire Department has been asked to present the Board with alternative designs that would be less costly than what is currently being proposed.

After a brief discussion, it was noted that the Board needed time to review the budget submitted by the Fire Department. Supervisor Schaffer stated that he would invite the Fire Department representatives to attend the Work Session on Monday, September 22nd to continue the review of the budget.

Highway Department Budget

Comptroller McKane noted that the largest increases in spending in the Highway budget is primarily in 3 areas: overtime, salt and sand and line painting. What happens in the rest of 2014 could have a dramatic impact on budgeting for 2015. We may have to use additional fund balance to meet shortfalls. Salt price are up 23% which will require a large increase in the budget just to purchase the same amount as last year. There are some predictions of a harsh winter.

Supervisor Schaffer stated that with the continuing budgetary pressures, we may be forced to cut back some services. For example, people may be asked to bag leaves.

Comptroller McKane suggested that after an initial look at the 'review level budget', the Board should determine which department heads it wants to schedule to appear in person for additional discussion.

The Work Session was adjourned at 7:09 PM.

Respectfully submitted,
Emil Bielecki, Town Clerk