

Department in mid August. A draft of the budget is prepared early in September and adjustments made prior to budgets being filed with the Town Clerk. Mr. Malecki stated he met with both councilmen to discuss the budget in detail, noting it is important to remember that tonight's budget is the Supervisor's budget. A work session is scheduled on November 3rd for the councilmen's input and an anticipated adoption of the budget is scheduled for November 10th. Adoption and filing of the budget with the county has to take place prior to November 20th. Mr. Malecki stated the four major budgetary components that comprise the budget include estimated revenues (state aid, mortgage and sales tax), appropriations (includes mandated increases), appropriated fund balance (residual money from previous years used to decrease the tax levy) and the tax levy (real property taxes which makes up 52 percent of the budget). Budget challenges with revenues include the leveling off of sales tax distributions, state aid, mortgage taxes and the continuation of low interest rates. Appropriations also present many challenges such as debt service requirements on capital improvement projects from previous years, utilities/commodities exceeding budget amounts for fuel costs, street lighting and road salt, which due to a shift in providers could increase costs by 30 percent. Litigation and networking costs over the past three years have exceeded budget and are being addressed to create a budget more reflective of actual costs incurred by the town. Projected health insurance rates have increased four percent, while the rate of inflation is projected to increase only 1.56 percent. Retirement costs have stabilized and show a projected decrease of \$70,000 in 2015; however, mandated payments to the retirement systems have almost doubled since 2010. Mr. Malecki outlined capital improvements that occurred over the last few years and commented on annual depreciation of assets that should be replaced annually instead of allowing several years to pass without replacement. He stated the Town Board is working diligently to make sure priorities exist to encourage sustainability of assets for public safety and health of the community. In the general fund, \$350,000 in savings (matured 2001 series/refunding) will be used to help offset principal and interest costs associated with improvements done in 2012 - 2014 totaling \$1.4 million dollars. The Burchfield, Metz Building and recreation project total approximately \$260,000 with the issuance, causing a \$24,000 increase to the 2015 levy. He further commented on the impact associated with the police headquarters/rehabilitation of garage, garbage totes, interest debt and the energy performance contract. The highway fund includes costs associated with previous and current projects (Greenbranch, Larkwood, Cardinal, Woodmar, Stephenson and North America/Commerce). The sewer fund includes additional principal costs of \$248,000 for sewer improvements due to a DEC consent order and the energy performance contract increase of \$173,000. The NYS Comptroller released a study stating spending statewide has decreased 8 percent over the last three years on infrastructure assets. West Seneca has taken a different approach and has decided to address the town's aging infrastructure assets, noting 2015 is a year when several project costs will affect the budget. The Town Board is committed to prioritizing capital projects over the next five years based on a set of nine criteria in order to prevent spike years and create more of a balance. Mr. Malecki outlined allocation of appropriations - public safety 34 percent; employee benefits 29 percent; debt service 5 percent; general government support 12 percent; transportation 2 percent; home & community services and culture &

recreation 18 percent. Employee benefits, salaries and wages are 76 percent of budget costs and are mandated or bound contractually. Only equipment and contractual (19 percent of the general fund budget) can be adjusted. Mr. Malecki commented on appropriated fund balances of the general fund (\$800,000), highway fund (\$700,000) and sewer districts (\$224,500), and a .31 percent increase in taxable assessed valuation. The overall \$1.6 million increase in total levy includes \$926,000 for capital improvements. He further gave a breakdown of proposed tax changes, comparing costs to actual 2014 tax rates, noting the proposed tax rate for 2015 is \$18.2731 per thousand, an increase of \$.80. The 2015 proposed tax rate is only 3.1 percent higher than 2006 and over the past ten years the average tax rate has changed 0.36 percent. Mr. Malecki stated the sewer district levy is projected to increase \$540,000 or 7 percent and \$421,000 of the increase is for debt service.

Matt Nycek questioned the overall increase per thousand of assessed valuation and commented that the number of employees should be cut to better reduce the budget. He further commented on the use of totes and questioned the need for two men on the back of garbage trucks.

Mr. Malecki responded with a tax rate of \$18.28 per thousand, a \$100,000 home will have an approximate increase of \$41.

A resident referred to a recent article in the Buffalo News stating the top four elected officials in Erie County have not had a raise in 18 years and Lancaster taxes are decreasing for the third consecutive year. He noted that Lancaster has 40 percent more area than West Seneca yet their budget is \$5 million less.

Councilman Hart noted that the Village of Lancaster is a separate municipality and may not be included in those figures.

Supervisor Meegan further noted that Lancaster has not settled their union contracts for three years or set aside funding and those settlements will have a definite impact on their budget.

Dave Kims referred to wages and benefits being 76 percent of the budget and asked board members to commit to holding the line on wages and seek meaningful concessions when Police, Blue & White Collar contracts expire in 2015. He further questioned if letters were sent to Governor Cuomo and state legislators asking that they do away with the Triborough Amendment where nothing contractually changes when contracts expire, allowing them to continue unchanged for years.

Supervisor Meegan responded the Town Board will negotiate responsibly with all unions. She had not sent any letters regarding the Triborough Amendment, but will look into that.

Beverly Leising referred to Supervisor Meegan's budget letter and commented that retirees have not seen an increase in their savings either. She thought transparency was vague when discussions took place regarding the totes and understood they were free, yet now there is a debt owed for them.

Supervisor Meegan responded it was never implied the totes were free. In years to come, the totes will pay for themselves when tipping fees go down and recycling goes up.

Amy Carpenter suggested recycling or garbage be picked up every other week to save money.

Councilman Hanley responded that was an option that hasn't been looked into but can be, noting the contract has not been in place for a full year.

Mrs. Carpenter questioned what is included in the cleaning supplies line of \$40,000 and suggested it be more specific and detailed.

Supervisor Meegan responded this would include cleaning & restroom supplies for all buildings.

Paula Minklei commented on the format of the proposed budget stating pages 2 – 13 could have been omitted. She stated the supplemental section was more helpful and could be even more helpful with the addition of footnotes and explanations.

Mr. Malecki responded the format of pages 2 -13 is the level the budget will be approved at which allows for ease of budget transfers.

Mrs. Minklei commented on minimizing overtime and the need for employee contract concessions. She further questioned why the human resource consultant is appropriated under the Supervisor category and suggested it be placed in a category of its own.

Supervisor Meegan responded that funding is coming from the Bookkeeper to the Supervisor line, but it will be removed and placed in a category of its own.

Mrs. Minklei commented the Police Department is doing a great job, but she did not believe there was a lot of crime around town and hoped there will not be additional hires. Mrs. Minklei further questioned if the Real Property Appraiser passed the civil service test.

Supervisor Meegan responded he had passed the test and scored #1 in West Seneca.

Mrs. Minklei questioned if there are any evaluated mechanisms available for analyzing productivity within departments.

Supervisor Meegan responded human resources will address this area.

Mrs. Minklei questioned litigation costs for this year.

Mr. Malecki responded they do not have a total cost for 2014; however, the 2013 amount was \$188,610. The attorney's proposed budget for 2015 as a whole increased \$117,000 to reflect actual activity of the office.

Councilman Hart stated litigation expenses have never been properly budgeted, noting in 2014 costs were overspent by \$112,000. The proposed budget reflects a realistic figure to cover litigation costs.

Mrs. Minklei commented she did not feel the information provided in the budget was clear and transparent.

Dave Kims questioned if Personal Services reflects wages and if projected overtime is included in the figure.

Mr. Malecki responded that Personal Services includes wages and projected overtime.

Mr. Kims suggested a separate line to show overtime costs.

Supervisor Meegan responded a separate line can be established for anticipated overtime.

Frank Russo also commented that salaries and overtime costs should be listed separately. He questioned who monitors overtime and commented on the large amount within the sewer department. Mr. Russo suggested staggering employee's hours to cut overtime costs and commented there are things that are not mandated that could be cut.

Supervisor Meegan responded overtime is monitored and approved by department heads. Extraordinary events (blizzard, flooding, Mineral Springs Road issue) this year are responsible for an increase in overtime. Once the Supervisory Control and Data Acquisition system (SCADA) is operational, overtime in the sewer department will be reduced.

Councilman Hart questioned why the SCADA System is not already in place.

Town Engineer Steven Tanner responded that originally the SCADA system was meant to be on a cell tower communication system; however, one of the main towers is located in a NYS Thruway right-of-way and they would not approve a permit. In order to get an FM signal they had to go to FCC Communications, and due to the proximity to Canada it took much more time (1 – 1 ½ year process). The actual permit was received last week, all equipment is ordered and the system should be up and running by the end of the year. Mr. Tanner stated there would have been a minor decrease in sewer department overtime if not for the Mineral Springs Road issue and Lexington Green flooding. He further stated once the SCADA system is operational, he feels there will be at least a 50 percent reduction in overtime. Sewer relining/rehabilitation/replacement projects have and will

continue to contribute to overtime being reduced. Realistically, it would cost \$70 million to fix all sewers; however, \$30 million was bonded to address 95 percent of the immediate sewer issues. Once work is complete, the town will take a step back and evaluate if additional work is necessary.

Councilman Hart stated he is in support of the sewer work currently being done, noting eventually the sewers will spin off into Erie County Sewer Districts eliminating all staff and overtime issues.

Mr. Tanner responded it will be negotiated to have current town employees become Erie County Sewer Authority staff and this will result in savings on salaries, benefits, equipment, etc.

Amy Carpenter questioned if detention ponds will be handled like lighting districts.

Mr. Tanner stated he was not present for the local law that was adopted, but he understood any detention ponds going forward will be handled as a special district.

Supervisor Meegan responded she will review the local law and get back to Mrs. Carpenter with an answer.

Motion by Supervisor Meegan, seconded by Councilman Hart, to table the budget and adjourn the meeting until November 3, 2014 at 3 P.M.

Ayes: All

Noes: None

Motion Carried

JACQUELINE A FELSER
TOWN CLERK