

TOWN OF KIRKWOOD WORK SESSION

September 26, 2017

Present: Supervisor Gordon Kniffen
Councilman Robert Weingartner
Councilman Lewis Grubham
Councilwoman Linda Yonchuk
Councilman William Diffendorf, Jr.

Also Present: Oliver Blaise III, Attorney
Gayle Diffendorf, Town Clerk
John A. Finch, Jr., Commissioner of Public Works
James Smith, Budget Officer
Jessica Kinney, Deputy Town Clerk
Duane Travis, ZBA Chairman
Stephen Flagg, Broome County Legislator

1. Broome County Budget Address.

Faith Vavra from the Broome County Executive's Office, and Mark Heefner, Deputy Commissioner of Aviation, provided an overview of the proposed Broome County "bare bones" budget for 2018 with the hope of getting feedback from the community.

Mr. Heefner said the proposed budget is almost \$370 million and the reason it is a bare bones budget this year is because in 2015 there was a fund balance of \$505 million and in 2016 that fund balance went down to about a quarter of a million dollars. A hiring freeze has been instituted for a savings of about \$350,000 in salaries and benefits. Mr. Heefner said the County Executive wants to stay well under the NYS tax cap, he has proposed that no sales tax would be taken away from the municipalities and he instituted a new pharmacy coalition that they are anticipating will save over a million dollars. There are 49 positions that will be left unfunded, which will amount to a huge amount of savings. The tax rate for this year will only be 1.84%, which is far below the tax cap itself. The County Executive has created a Public Health Coordinator position and is stressing that they want to reduce the heroin epidemic and start to address it more aggressively. The Public Health Coordinator will analyze the statistics, partner with the local communities and spearhead drug prevention programs in Broome County schools. The County Executive is proposing a \$25,000 grant to help fund the local agencies to fight the epidemic. There is a new drug rehabilitation center for long term care which will be funded by the State – a \$3 million a year investment with no tax dollars and it will create 70 jobs. They will be adding another Assistant District Attorney so more cases can be handled out of court or at the arraignment, which will help save time and resources. In 2015 there were a half million 911 calls in Broome County. An emergency services position will be added to help with the caseload. As far as jobs, they are proposing a \$300,000 small business loan which will be administered by The Agency (IDA). The IDA is partnering with the County to provide \$150,000 to fund rural communities for economic development and no tax dollars will be used to fund it. The County Executive is a former teacher and one of his huge initiatives is Books for Babies. When a baby is born in Broome County they will receive a welcome baby

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book and their first library card. This will promote literacy and reading in children. The Broome County Highway Department will be paving 40 miles of roads next year. Eight new buses will be added to the fleet over the next two years, they will be instituting a “Where’s My Bus” app, and thirty new bus shelters will be built. The money for the shelters was secured through a grant by the Commissioner of Transportation.

In regard to the airport, an \$11.9 million runway improvement program (17 miles of pavement) was just completed in 30 days at no cost to the taxpayers. They are also working to develop 300 acres of prime land in that area and have brought utilities in to bring in business.

Mr. Heefner said County Executive Garner wants to develop a new County website that is more streamlined and user friendly. They are also working to reduce blight and encourage development at 59 Lester Avenue and 8 Emma Drive in Binghamton. There is a \$20 million investment proposal for Emma Drive.

Ms. Vavra added they will be working hard to ensure veterans are taken care of. There is a veterans office that helps veterans get money back, noting that they have gotten \$700,000 back for Broome County veterans.

In response to numerous questions from Board members and people in attendance the following information was provided:

Response to Supervisor Kniffen: The proposed \$370 budget for 2018 is down about \$3 million from 2017. Retirement incentives were not involved with the 49 unfunded positions, it was a combination of asking department heads to cut back, combine duties and share services. In response to the question of what is being done to get more carriers to service the airport since \$12 million was spent on the runway improvements and there is only one carrier now, Mr. Heefner said they have spoken to 6 or 7 airlines over the past year and have presented proposals. They have also hired an Air Service Consultant. In regard to the sales tax projection for 2018, that information will be provided to Supervisor Kniffen.

Response to Councilman Diffendorf: His concern is that 52% of the budget is for social programs, welfare, etc., that some money should be spent to go to Albany to get some relief since it is costing the County so much. People come to NYS to get the social programs and it is an on-going problem. Ms. Vavra said this is an issue everyone is expressing and they are actively working on it. Councilman Diffendorf added that the Governor is not interested in helping our area.

Response to Councilman Grubham: It just depends on what happens in the future as to whether the 49 unfunded positions will be added back in. Mr. Flagg added that a lot of these positions have been unfunded for years, they are allocated positions within the budget but not funded so they hold the position for a future date, the positions were not eliminated. A few more

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unfunded positions have been added this year. This is a common practice. Ms. Vavra said this is a continuous savings.

Response to Roy Tondeur: The cost of the runway was paid for as follows: 90% from the Federal Aviation Administration through their Airport Improvement Program, 5% from PFCs collected from passengers at every airport, and 5% from NYSDOT.

Response to Councilman Grubham: The \$150,000 rural development economic development program is a proposal and the ground rules for involvement will be set after the budget is passed. It is a shared services program.

Response to Councilwoman Yonchuk: There is a small amount of money that is completely different from the budget for a plan to help out with housing for veterans to eliminate some of the homelessness issues in the County. They are pretty committed to help and the plan in place is that there might be the possibility for a private agency to come in to build something. They have added a Clear Path for Veterans, a non-profit organization, to the County Executive's Office, which has a big facility in Syracuse to help with veterans' issues.

2. Bid Opening.

2017 or 2018 Dump Truck – With Equipment:

Burr Truck	\$174,580
Stadium International	\$176,757
Tracey Road Equipment	\$171,123

John Finch and Mr. Blaise will review the bids and report at the next meeting.

3. Discussion – 2018 Tentative Budget. (GEK)

Mr. Smith presented an overview of the preliminary budget for 2018 which is based on feedback from the Board members he was able to connect with. A lot of lines in the budget that have had small activity over the last 2 or 3 years were lowered for 2018. There will still be a contingency line of \$40,000 so if something comes up such as assessment litigation they will use contingency to fund it rather than carry a budget line on it. The overall town wide tax increase is about 1.45 cents, the same as it was for this year. Additional sales tax is built in based on the sharing of the formula change that was coming from 2017 and continuing. A lot of the shift of that was to highway to help for the road project, if that goes forward. That and some other cuts to some of the permanent improvement lines for road work will help pay the debt service for that project, under the theory that by doing that we won't be using money to do the annual road work. What hasn't been used for that road project is in the CHIPS money and if that continues that will be available for roads and needs outside the road project. In regard to the fire districts, Mr. Smith has the figures from Five Mile Point but not Kirkwood, but the tax rate was held flat for that and Kirkwood should be providing that information this week.

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It is a Union contract renewal year so the payroll increase for the rank and file has been set based on what the expectation is for the Union increase – 50 cents an hour has been on the table, which equates to about 2.6% and has been factored in. Although health care is always a big increase, this year it is less at about 9.14% and usually it's up over 10%, last year over 12%. A new item is \$2,000 for sharing in the Conklin youth program which Kirkwood kids participate in.

Supervisor Kniffen referred to the health insurance increase of 9.1% and said usually it's a 12% to 14% increase and that it is built into this budget based on that but noted they are still in negotiations with the Union and when they get through money may be saved there. The tax cap will be met again this year. Even though the water and sewer budget hasn't been done, Mr. Smith said we are pretty far under the tax cap. He said 1.84% is our cap and we are at .315% before water and sewer is done. According to Mr. Smith, if he understands it correctly, the amount we stay under is a cumulative carryover. He will verify that with the Comptroller's Office. Mr. Blaise said he agreed, that for a year or two a certain percentage can be added the following year if needed.

In regard to the tax cap, Supervisor Kniffen said from the time of the previous County administration in about 2012 when the tax cap started and carried over to the current administration, we have done a lot of work on that and at one time we had to do an efficiency plan to get a rebate for our people and we joined with the County, like many other municipalities did, and got approved and got a rebate. There have been rebates through the whole tax cap program and in 2016 we should have all received a check for \$185. Beginning in 2017 and in 2018 and 2019 it will be based on income. An example is if someone makes \$75,000, whatever they save in the Star Program (school taxes) the rebate will be 28% of the savings. That will repeat in 2018 and 2019 and in those years the percentage may increase. If someone makes more than \$75,000 they would get less of a percentage.

Councilman Grubham said he spent a fair amount of time with Mr. Smith and they took some things out and he noted he is happy with the budget but asked John Finch about the \$250,000 for snow and salt, questioning if that included something else. It was noted this amount is the combined total for wages and sand/salt. Councilman Grubham said this year we've not even spent half that amount. Mr. Smith explained that accrual will shift over to payroll for snow removal soon and then also the salt contracts will start ramping up again, so it is seasonal. He said after the season is over in about April or May it is transitioned over to the other payroll account. Mr. Smith explained how this is all computed. He added that there is nothing else in there other than salaries and the sand/salt expense.

4. Resolution – Approving the 2018 Preliminary Budget and Directing a Public Hearing for October 31, 2017 at 6:00 PM.
Resolution.

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5. Request from Bill Diffendorf to attend a PERMA Safety Coordinator Certificate Training on Thursday, October 19, 2017 from 10 AM to 2 PM at the PERMA office in Latham, NY, with all reasonable expenses paid.
(WJD)

Resolution.

6. Discussion – Overtime Change Considerations. (GEK)

Supervisor Kniffen explained that some things have been happening over the years that need to be documented. Personnel in the water and sewer department work every other weekend and in addition they get called in for an emergency. They have been getting 2 hours of overtime each weekend day, every other weekend, but in no place is that documented. John Finch said they get 2 hours to come in and check the station and if it doesn't take that long they still get 2 hours. They get paid time and a half since it's over 40 hours a week for them. When they come in for an emergency they get 2 hours as well at time and a half and that is not documented. John said the Deputy Commissioner of Public Works gets 2 ½ hours of overtime when called in and that is not documented. Resolution.

7. Discussion – Benefits for future part time employees. (GEK)

Supervisor Kniffen explained that in May of this year we changed some retirement benefits for the future. He said back in the 1990s benefits were very generous to our employees and in the late 1990s we changed that and looking at the cost of health insurance, which is one of our biggest cost items, we decided to change that only for people hired after May 3rd, everyone already employed were under the old plan. Now we are looking at the part time employees and again we were very generous in the past. The part time positions currently covered are Assessor, Bookkeeper, Budget Officer, Court Clerk, Secretary (Code Dept.), Building & Code Inspector (30 hours per week), and Dog Control Officer. The proposal is to eliminate coverage for all those positions for future employees with the exception of Building & Code Inspector. So anyone hired in the future for any of those positions would not receive any health insurance. Other than Building & Code Inspector, the other positions are less than 30 hours a week and that position is such an important position the thought is to extend individual coverage. He said if we were doing this right now with our current people, next year the savings would be almost \$60,000 on health insurance, \$2,000 on dental and another \$3,000 on optical. Councilwoman Yonchuk said this should be kept in mind when any positions are created or changed in the future. Resolution.

8. Discussion – Property Tax Exemption Law for volunteer firefighters.
(ONB)

Supervisor Kniffen said that in an effort to help volunteer firefighters this exemption would give them some relief just on their town taxes, not county or school. Mr. Blaise has drafted a local law for review prior to the next meeting. Supervisor Kniffen said the impact in the loss of

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tax revenue would be about \$2,000 using the example of a \$75,000 assessment at a tax rate of \$4.00, taking into account there are 67 active firefighters that would qualify. On a tax bill, based on our assessed valuation, it would be 53 cents. Mr. Blaise said a local law would be required if the Board wants to proceed with this. The typical savings to a fireman would be \$30. Mr. Blaise said there is wording in the proposed local law for the Boards consideration, as to whether this would include enrolled members, as opposed to active members. Someone may have been in the fire company for 20 years but is no longer going to fires but it still contributing. Councilman Weingartner said when it was discussed at the last meeting the indication was this would be for active members. Mr. Blaise said that is his recollection as well but then the Board might be excluding older members, that it would depend on how the companies define active. Supervisor Kniffen said he asked the companies what active means and was told it is members that train and go out on calls. Councilwoman Yonchuk said we should think about this because she said in both companies there are a few members who because of age or physical condition, within the company are very active and contribute to the company functioning. She noted that a couple of years ago the Five Mile Point Firefighter of the Year was not a member that goes out on active calls, but did a lot of maintenance, etc. at the building. She said if they get too picky they could leave out someone. Mr. Blaise said the way it is written it is active versus enrolled members, so someone might be in a leadership position but not an active firefighter. To be discussed at the next meeting. Mr. Blaise said a public hearing would be required to enact the local law and he forwarded the numbers to Scott Snyder, the Town's Assessor to ensure they are interpreting this correctly.

8a. Broadband.

Supervisor Kniffen explained that broadband would expand cable television to outlying roads in our town that don't meet the criteria of 20 homes per mile. He said we have been working with Time Warner for quite some time and now Spectrum and during this time NYS came up with \$500 million for broadband expansion. Part of Spectrum taking over for Time Warner was that they add 145,000 homes within NYS. He said he believes by 2019 or 2020 there is light at the end of the tunnel and these roads, like Gorman and Blakeslee, will get cable television. This has been a long, long process.

9. Audit of Claims.

In regard to a bill from Robert Deyo for cutting trees, John Finch responded to a question from Councilman Grubham that Mr. Deyo does have insurance and pays the prevailing wage rate. He noted that his office keeps that information on file. Councilman Grubham also noted that we spent \$1,900 fixing aluminum poles in the parks and we do it every year. He is questioning if we can't find something more substantial than aluminum poles that still look presentable, noting that they shatter very easily. John said a good example is a 9 year old girl riding her bike ran into one and broke it. This will be looked into.

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10. Executive Session.

Councilwoman Yonchuk moved to adjourn this meeting to conduct an Executive Session pursuant to section 105 paragraph h of the Public Officers Law to discuss the proposed acquisition, sale or lease of real property when publicity would substantially affect the value thereof. Councilman Diffendorf seconded. All voted in favor.

MOTION CARRIED.