

Present: Supervisor S. Reiter; Councilmen M. Marra & E. Palmer; Dep. Sup. G. Catlin; Finance Director M. Johnson; 3 Press; 1 Resident.

Absent: Councilmen A. Bax & R. Winkley

Reiter opened the Special Meeting and asked the Finance Officer to provide an update on the 2013 Proposed Budget. Johnson said the Tentative Budget was based on requests “wish lists” submitted by department heads. Based on these, the Budget would rise above the 2% tax-cap. Within this Budget was a request from the Highway Supt. of \$1.2 million for equipment and \$850,000 for paving. Johnson said he got some prices on a bond for that amount of money. In the Highway Budget, we gave him \$100,000 for Permanent Contractual. That, along with \$65,000 for equipment would pay for the bond that we would get to pay that off. This Budget is based on getting a \$1,000,000 bond for the Highway Dept. which I can pay for out of the line-items I had budgeted for last year and this year. That amount would cover the bond debt. We got a quote from Munistat Solutions on a bond at 2 – 2 ½% as it is a smaller bond.

We also found that we have been collecting monies in the Master Sewer District for a bond that has been in existence for a long time. We were able to reduce the \$105 assessment per resident in the LMSD to \$36, which more than covers our expenses. That reduces having to go over the 2% tax cap, although residents would now be taxed the full amount for garbage pick-up, \$70; as opposed to the \$23 they paid in 2012.

Regarding the 2% tax cap, Johnson said he talked with the Comptroller’s office. The State did not anticipate long-term contracts. We have Fire Companies. So, when you’re in long term contracts there may be a provision the State may come up with that would address that. Marra concurred -- We need something to grandfather those things.

Johnson: We don’t have a Town tax. We haven’t had a Town-tax in a long time. With that in mind, you have nowhere to gain anything. We did scale down organizations. We went back to their 2012 allocations. That has been the same for the last three years. Let me also remind you that this is not a final draft. We are not going to be able to address the issues with the Collective Bargaining Units until the end of November/December. We have to have the Budget adopted by November 20.

Reiter: We did put in a 3% raise for them.

Palmer: There are some adjustments the Town should seek with regard to health insurances being offered. The Town has its own health insurance plan except some of the unions have a separate plan thru their national union. It’s getting pretty pricey and I think the Town has a responsibility to provide for its employees adequate health care but also a responsibility to the residents to find the most efficient health care coverage.

Reiter: I found out today that the Village of Lewiston has already broken away from the National Union coverage and utilizing their own projection.

Johnson: It’s saving the Village about \$25,000 to \$30,000 a year.

Reiter: For us, it’s very significant.

Palmer: We’d like to get all Town employees under one umbrella.

Johnson: We’d like to but it’s something you have to negotiate thru the plan.

Palmer: We have three union contracts that are up at the end of this year – Police, Highway and Water. That’s over half the employees in the Town.

Johnson: I also mentioned to you several times about Worker’s Comp. I will have the Rep. speak to us about that. We are pooled in with Niagara County. In 2011, it was \$150,000; 2012 it was \$250,000 and I have to factor in \$350,000 for 2013. We need to

find out why that rate went up so high... Sales tax has helped us out this year. I'm praying that I can project what we got this year. Those are estimates. We hope that sales tax will remain the same but that's an if/come.

We don't have a contract with Time Warner Cable. We projected what it would be. We had an audit on Time Warner and we found out that we are owed about \$53,000 from them. I can't project that in the budget because they haven't responded to that yet. If that happens, then that is another revenue stream that could help out... The revenue streams are stuck, we don't have anymore but the expenses keep going up. This budget here is right on the line. We're not over the 2% tax cap based on what you see in front of you; although that's not concrete yet. I'm going to ask the Board tonight to call for a public hearing on the Budget for November 1.

Again, Johnson said he projected 3% salary increases for Town employees with the exception of the Town Council and Supervisor who elected to stay at its current rate of pay.

Diverting to another matter, Reiter said there is an issue with regard to the Muckland Pumps on Rt. 31. They are costing the Town money in electrical costs. The Town either has to re-build them which would cost upwards to \$20,000 to \$30,000 or the pumps have to be re-designed to become more efficient. The pumps are in the middle of a field. Reiter said he is getting calls on a regular basis from farmers because the water backs up and flows across Upper Mountain Road flooding properties.

Johnson continued with the 2013 budget:

Johnson: You have to take into consideration there's no Town tax. And you have to take into consideration that the State has us at 75-80% of property off the tax rolls. I did a study with the Buffalo News a long time ago. If you used the real value of the properties off the tax rolls, i.e. the Power Authority, Bridge Commission, etc. you would be at 90% of property off the tax rolls. The State doesn't want to utilize the real value as it would have to subsidize local governments. Currently 25% of the people are paying 100% of the values.

Marra: It is a pretty solid budget. There is no Town tax. You basically have user fees which are not going to go up this year.

Reiter: What did the Police Chief put in for a personal count for full-time officers?

Johnson: He has eight (8) projected right now. They came back to us and told us that is what they need. If anything changes and we get more revenue then we'll have a better picture. Most of the departments have been lean. We had to raise them up on their expenses for gas. We don't know where the gas prices are going.

There was a brief discussion regarding the use of natural gas in Town vehicles.

Johnson: There are two things you have to keep in mind. Number one, this is predicating that you go along with the bonding for the Highway Dept and secondly, you need to keep the 2% over-ride tax cap in connection with these other variables that I've told you. The budget in front of you does not go over the 2% tax cap but if you don't have the flexibility in there and things fall apart with the bargaining units in December, you're not going to have a cushion to go back on.

Palmer: So you think we should over-ride it anyway?

Johnson: Yes. Other towns have and ultimately didn't have to go over the tax cap. That's pretty much the overview, hoping that the bottom doesn't fall out.

Marra MOVED for adjournment. Seconded by Palmer and carried 3-0. Time: 4:15 P.M.