

TOWN OF CONCORD BOARD PUBLIC HEARING
2020 Preliminary Budget

October 10, 2019
6:00 p.m.

PUBLIC HEARING OPENED BY CLYDE M. DRAKE, SUPERVISOR

ROLL CALL:

PRESENT: CLYDE M. DRAKE, SUPERVISOR
JAMES M. KREZMIEN, COUNCILMAN
KENNETH D. ZITTEL, COUNCILMAN
WILLIAM F. SNYDER, III, COUNCILMAN
PHILIP DROZD, COUNCILMAN

ALSO PRESENT: DARLENE G. SCHWEIKERT, Town Clerk
DENNIS DAINS, Hwy Supt
BRIAN F. ATTEA, Town Attorney
DENISE CISZAK, Bookkeeper

KELLEN M. QUIGLEY, Springville Times
GEORGE DONHAUSER
LINDA GELLATLY

MAX BORSUK, Springville Journal
MARY JANE MIESS

Supervisor Drake opened the Public Hearing at 6:00 p.m. Town Clerk Schweikert had published the Notice of Public Hearing in the Springville Times on September 27th, 2019. The Public Hearing Notice was posted on the signboard at the Town Hall and on the Town's website: townofconcordny.com on September 20, 2019.

Supervisor Drake stated that this is a time for people in the audience to ask questions on the budget. There have been four public work sessions. Supervisor Drake advised that the General Fund at this point is at 5.5% increase; the main reason for that increase is that for many, many years the Town has lived off the fund balance and the Town no longer has the fund balance to apply to the budget. Fund balances are getting down to levels that he considers almost dangerous. The Town Board is looking at several ways to rebuild the balances up to what he feels is an acceptable level. The appropriations, what the Town plans on spending, went up \$60,000 but with the Town is applying \$70,000 less of fund balance than the Town did less year so that is the main reason for the increase in the taxes.

Supervisor Drake advised that he would now entertain any questions from those in attendance. George Donhauser asked how many years he had been involved in the budget; Supervisor Drake answered this is sixth year. Mr. Donhauser asked if he had been okay for five years using the fund balance to make everything gel. Supervisor Drake compared it to using your savings account; you see it going down and sooner or later you realize that you can't do that anymore. G. Donhauser questioned him that he did not know that the fund balance was low and that it was a problem. Supervisor Drake noted that truthfully fund balances were not something that were really given to the Board; in past the Board had been told what was being applied and it wasn't until he became Supervisor that he realized where these fund balances truly were.

G. Donhauser asked for a line by line review of what went up or down and why. Supervisor Drake stated that of the \$60,000 that went up, roughly \$20,000+ is the 2.5% wage increases to the Town employees. Other parts of that increase came out of the highway fund. Hwy Supt Dains stated that the increases in the highway funds were, compared to last year, everything in the A line stayed the same with the exception of the control center charges. Every year there is a increase from the Village; last year \$6,700 was in the budget and this year it has been increased to \$7,200 based on those increases. The DB increases were wages and benefits for the men and then under equipment repair \$5,000 was added to make it \$55,000 this year; a 10% increase. Another addition was General Repairs for Town Highways for road repairs which was \$185,000 and that was increased to \$200,000 to try and stay on somewhat of an even keel with the oil index. That line had not been increased since 2010. Salt and sand remained the same in the budget but it has gone up this year. State bid price is \$58.25 and Erie County bid price

went up to \$57.35. Both have gone up; the reason being that when there is only bidder (American Rock Salt) there is no flexibility of someone else coming in and bidding on it. The fuel line remained the same because you never know what Mother Nature is going to do. Hwy Supt Dains has been tracking this and he feels safe with the amount that is in there for the fuel usage.

Supervisor Drake noted that we all enjoy good town roads; the Town also have six cost management agreements that we have to abide by. In Special Districts, the DEC is pushing the Town in Craneridge and Kissing Bridge Sewer to make improvements and that is not something the Town has control over. In the past, the Town has tried to keep the rates pretty flat but the Town made the decision that they were sending the wrong message; the Town needs to charge for what we see happening and not try to keep them flat. Costs are going up. Supervisor Drake advised that he would like to say that everything is fine and that we stayed within the tax cap but the Board does not see that happening right now. The increase started at 7.8% and it is now at 5.5%. There are some towns that will stay under the tax cap but he is sure that it all has to do with what their fund balances are. There are some Towns that are at 12% in Orchard Park; Holland is 6+/-%. The Board is just trying to put a realistic budget in front of the public.

Councilman Snyder advised that he has the dissenting opinion; he won't be able to vote for the budget because he believes we can stay under the tax cap. Councilman Snyder recognizes all the work that went into the budget; the Board a lot of adjustments were made in the right direction. He believes the Board is close but he thinks the Board has agreed to take some steps over the next year or two to set a fund balance policy and do some other things to help the Town get closer to controlling that. Supervisor Drake noted that he always appreciates Councilman Snyder's comments; he doesn't pull any punches.

Supervisor Drake noted that another item is the fire protection LOSAP (Length of Service Award Program) which is a retirement fund that was put in place for the firemen several years ago. Last year's budget had \$85,000 in it; it was refigured this year and it is \$109,000. This is one of those things the Town doesn't have control over.

George Donhauser read an article in the paper that stated that the towns that were staying under the tax cap was because their assessor kept the assessment on property up to date; not letting it go for years and years. Supervisor Drake advised that the assessment in the town went up 1.6 million dollars. The Assessor had attended one of the work sessions asking them about increases in assessments and the Assessor noted that basically their hands were tied. The Town of Concord does not have the industrial base that towns like Aurora, Elma have.

Councilman Drozd advised that the Town's share for the control center for the two fire companies that are funded out of there; the expended revenues from 2018 were \$45,484.99 and what we are billed for for 2020 is \$70,982. That's \$25,000 or a 9% increase from last year at no fault of the Town. The Town is being held hostage because of the situation that happened over there and there is nothing the Town can do about it. George Donhauser countered that that is not true; Sardinia did something about it. Councilman Drozd stated that that is what put the Town in this situation. The Village pays half of this too.

George Donhauser questioned Springville Youth Inc. and how the Town pays the insurance, water/sewer. Bookkeeper Ciszak advised that he is wrong on that; it comes out of the Joint Youth account but the Village and the Town put equal shares into that account. There is a total \$120,000. George Donhauser said that in the Town abstracts it does not look like that; it looks like the Town is paying. Bookkeeper Ciszak noted that the Town is acting as the Fiscal Officer. The Village cuts the Town a check for the Joint Youth Account for \$60,000; it is listed as a Revenue in the budget.

George Donhauser asked Hwy Supt Dains if he could explain the budget line for bridges; nothing was used in 2018 or 2019. Where does that money go at the end of the year? Hwy Supt Dains stated it goes in Bridges; it is a accumulative total that goes into reserves. The Bridge Account has \$178,022.80 for bridge replacements. That number

does not stop, it is for bridge replacement; it would not even pay for one bridge. Then there was discussion about costs of bridges repaired over the years and the type of concrete bridge. Councilman Snyder advised that when the Town gets a fund balance policy in place and vote on it, the Town can set limits as to what dollar amount could be held in those accounts. George Donhauser said that at the work session the other night Councilman Snyder said something that made a lot of sense; that he could go through this budget and find \$100,000. George Donhauser believes that to be true because if you have something in the budget and it has not been used for two or three years and keep putting it in there and not in a fund like bridges, what happens to that money every year? Does it go back into the General Fund? Councilman Snyder advised that it sits in the fund reserve; every account has a reserve. Bookkeeper Ciszak advised that once they are tax dollars they go into General Fund A or Highway DB. The funds cannot be transferred to another account; it has to stay in the account that it was taxed for. General Fund B stands alone by the sales tax that the Town receives. Fund B, Joint Van and Joint Youth are different. George Donhauser noted that for several years there has been a grant writer in the budget for \$5,000 and it wasn't used. What happened to that money? Bookkeeper Ciszak advised that it went into the fund balance at the end of the year; for the fund that it was under, General Fund B. Bookkeeper Ciszak advised that there are times that the fire companies will apply for grants and the Town has elected to pay for the grant writers to help the companies get grants for trucks, equipment. The last couple of years the fire companies have not done this; will they in the future, there is a possibility.

Councilman Snyder advised that the bigger point is that the Town has been using those fund balances over the past couple of years to stabilize the tax rate. He has always been an advocate of using those fund balances but now there are reasons to hold on to them. The Town has not just been sitting on the balances; they have been used year after year after year to stabilize the tax. The Town is now at a point that if we continue to do that the Town will run the risk of getting itself in trouble. George Donhauser questioned if our fund balances had been way too high; that the State recommended 10% and ours has been way over that. Bookkeeper Ciszak noted that if the State has now increased it to 15%. Bookkeeper Ciszak continued that when she started in 1992 that she remembers General Fund A having a fund balance of almost \$700,000; the Town with what we will be using for 2020 will have roughly \$200,000 left in General Fund A. Supervisor Drake noted that that amount is \$155,827.99 which is just a bit more than 11% and the State recommends 15%. Bookkeeper Ciszak noted that the new tax cap was all well and good but it is not realistic. If the Town does go over the tax cap, Bookkeeper Ciszak has to work with the State Comptroller's Office to get their approval; that does not mean that the State Comptroller will not come back to the Town. Bookkeeper Ciszak noted that she does recall Towns being denied.

The Public Hearing remained open until 6:25 p.m. No one else addressed the Board.

Motion by Councilman Krezmien, seconded by Councilman Zittel, to close the hearing at 6:25 p.m. Councilmen Krezmien, Zittel, Snyder & Drozd; Supervisor Drake, voting aye. Carried.



Darlene G. Schweikert
Town Clerk