

DRAFT

TOWN BOARD BUDGET WORKSHOP

November 4, 2024

6:00 PM

Please note: We are live streaming our meetings through YouTube. See www.townofshelbyny.org and click on the link.

Note-There was a technical error and there was no video of the live stream however there was audio

Present: Scott Wengewicz, Supervisor
Steve Seitz, Councilman
Ed Zelazny, Councilman
Jeff Schiffer, Councilman
Linda Limina, Councilwoman
Kathy Bennett, Attorney via zoom
Darlene Rich, Town Clerk
Dale Root, Highway Supt.

Others: Lorraine Limina Christine Mason
Sharlene Pratt John Pratt
James Zelazny John Parada
Phil Rudnick Scott Carlton
Steve Mazur

Meeting was opened at 6:00 PM

Discussion regarding the changes that were made to the tentative budget.

Supervisor Personal Services– needs to be increased, didn't allow for the 3% salary of new employee

Limina-Employee has only been here a couple months so doesn't see why she should be getting a raise.

Seitz and Schiffer were ok with it, Zelazny said absolutely not. Supervisor said it passes.

Supervisor contractual thinks we should keep at 9,000. Don't want to have to pull money out of A fund if we run out. Will put it at 7,000. Everyone agreed.

Building contractual- a couple weeks ago it was lowered down to 110,000. Decided to keep it at 110,000

Snow removal- Limina wanted to move it to DB. Supervisor said he is totally against that. Zelazny said he would have liked to have Tina here to answer questions. Supervisor said she had a dental emergency and couldn't speak.

Limina said at the last meeting the numbers that Supervisor gave for the snowplowing

when moved from DA to DB and when Tina recalculated and Schiffer was very concerned the outside was going to be very high. She went back and looked at that sheet. When Linda did the calculations, it didn't go up that much. Tina's revisions in the fund balance shows negative. If formula is correct the

taxes actually go down by eighteen cents. The town wide goes up by eighteen cents and the outside goes down eighteen cents. It doesn't triple or do what she said it would do. Limina recreated the spreadsheet

making sure formulas totaled coming out with what they are working with. So, for the outside taxes to go down by eighteen cents she thinks it should be moved. Your asking people who live in the Town of

Shelby in the village to cover snow plowing for the village and the whole Town of Shelby. She

apologized to the board because she quoted from a text, she received from Brian Napoli about what

Ridgeway did. He said they charged whatever the fund is outside the village, the town outside the village. She took what he said. Over the weekend the Ridgeway Budget had been posted and Ridgeway changes

their snow plowing to the whole town. She wanted to be clear as she did not know that, she went on what

Brian told her. He must have been confused by her question. She did say other towns do it both ways. East Aurora charges only outside the town for snow plowing as does Orchard Park, every town in

Onondaga County does it that way. We should make a decision in which we believe is right.

Supervisor said he understood what Limina is saying and if we had hard numbers he might tend to agree with her. Doesn't believe we should change until we have actual numbers.

Seitz said he would rather wait until we have hard numbers for next year.

Schiffer said so the people that live outside the village are not going to have their taxes go up?

Limina said no they will go down eighteen cents.

Schiffer asked if the budget could be amended later?

Schiffer thinks we should all get together with the village and the town of Ridgeway and discuss this.

Zelazny said we need to get Tina here for another meeting

Schiffer said he gets what she is saying.

Limina said the outside would go down eighteen cents while the inside would go up eighteen cents as opposed to \$1.20.

Supervisor said he thinks everything should be left as it is.

Schiffer said it benefits the people in town and it doesn't hurt the people outside.

The calculations that Tina had were not the same as Limina. Limina would like to call her to get the numbers and calculations.

Public hearing needs to be done no later than November 7.

Limina said she understand what Seitz is saying. She said when we are talking about reducing contractual expenses for the Supervisor, she understands you need to see the actual numbers where we are so that holds true for some of the things they are saying here not for taking the plowing out of the village. They are not changing any numbers; we are just changing the line item. Seitz said before he would agree to changing because if it's going to be double in taxes where ever she come up with the \$4.00. Limina said she will call her and see how she came up with the figures.

Attorney Bennett said Limina's math was correct.

Schiffer asked the attorney opinion regarding moving it but she said it is the board opinion. Legally in terms of the budget it doesn't matter. You can move it you can leave it but Lindas numbers were correct, there was a mistake on what Scott shared

Schiffer said if Lindas number are correct what would be the reason why we wouldn't do it. Supervisor said he was advised not to do it this year by the accountant.

Limina said her problem is they have an accountant sitting in Syracuse telling them how to do a budget and tax our taxpayers here in Shelby. That's not her call to make. That's our call to make. Supervisor said she is not making the call. Supervisor said she advised him on how to do it and when you guys wanted to move this over, He told her to run another budget, granted there may have been a mistake. We can run it again. He said it wasn't her making the decisions, it was him. He said there are certain things they should not change. Limina said she feels as though it's not fair to the taxpayers in Shelby within the village. They are still in the town of Shelby and we have to trat them like they are.

Schiffer said if Attorney is saying the numbers from you are correct, he wants to know how the other person came up with her numbers. Limina said she is going to call her tomorrow and ask her. Maybe she knows something that Limna doesn't know why there were some changes made. Supervisor said he will seeif we can have a meeting tomorrow night if he can talk to her tomorrow.

Supervisor will call Tina in the morning and have her rerun the numbers.

Limina-Water-Had concern about making changes as there were no actuals on the sheets that were given today. Wanted to stay more conservative. If we fixed all of the leak's why would we be at least not covering.; Water comes in and immediately goes to a house. We only pay for what's getting used. How would we not be at least, we should be making \$2.40 or \$2.30 per thousand gallons. How come we are budgeting less revenue than we are actually purchasing?

Zelazny-District 1What is non metering?

Supervisor-sales equipment, anything we have to sell to the public.

Limina put debt service as non-metered sales as it was discussed at the last meeting.

Limina said you should be collecting more at \$2.40. Why are we only budgeting for 45, why are we not putting in there at least 69,500.

Supervisor said they were actual sales up top

Limina said last year Supervisor said all of the leks had been fixed. So, if that the case and we have no more we should be selling what we are buying.

Supervisor said we are still flushing. Do we charge the fire departments for water?

Seitz said yes, they have a meter but not if the take it out of the hydrant. They get it out of the fire hall, they have a meter in the fire hall.

Attorney – with respect to revenues that isn't taxed money. It's based-on water rates and based on the number of homes and usage in each of the districts so she thinks what has to happen to turn the water districts around and doesn't think we are in a position to figure it out before you pass this budget but I think it needs to be figured out. What should the water rate be? Think we are going to need to get into that and see if water rates need to change.

Zelazny- said increase it?

Attorney said – yes

Limina said the leaks are all fixed and it sounded like we leaked quite a bit of water so that should be a huge cost savings.

Supervisor is thinking the numbers is what was spent

Limina said that is what she had written down what was purchased from the village.

Supervisor said the numbers are probable from 2023

Limina said what we buy and what we sell should be the same as it should be. We should only be buying what we are selling. Once it crossed our meter it goes to a household.

Supervisor said this has been going on for years.

Limina said that is because there has been leaks apparently. But now you don't have that. If you don't have leaks, you should at least be matching the same number.

There should be revenue but you need to find out really how much are your flushing in each district so that can be taken into account that revenues would have to be reduced but that amount each district. But right now, you should be at least covering what you are buying.

So why aren't we putting the revenue in District 1 at 69,500?

Attorney said metered sales are based on water rates so she doesn't know. Is this all actual?

Supervisor said yes.

Attorney said typically what you bring in from district 1 is 45,000

Supervisor said yes.

Limina said just what you sold to the end used.

Attorney said she would reduce the expenses and not the revenue. Attorney said if you think you will buy less because you fixed the leaks she would change the expenses. Don't know if you would change the revenue without changing water rates.

Limina said the two numbers should be the same.

Zelazny- said about every district is the same

Supervisor said 4A and 4B are the problem

Zelazny asked about the source of supply contractual we paid for \$40,000. It is up to almost double. How could that be?

Supervisor said past water leaks. We don't have any water leaks now. We just got the report this year Dale had them run and as of now the town has no leaks.

Limina said let's say we leave it so when we get to 4A we are taking to balance the budget you're taking almost 40,000 out of fund balance but there is not fund balance, your already negative so you can't go more negative. She is not sure they can pass a budget like that because there isn't anything in fund balance to take and the same with 4B. We clearly know if we leave everything where it is -you have to figure out something with the rates in those districts but if we leave it the way it is we are going to overdraw in those districts and you can't take money from anywhere else to put in there. As it is we have \$40,000 in 4A and we are taking \$35,000 in 4B, we are taking almost \$75,000 that we don't have. She asked the attorney how are we going to fix this?

Attorney said she doesn't know.

Limina said if we can't take it from another district or the general fund, we can either borrow it from the general fund but that's got to be paid back by the end of the year which means we would have to look at the rates right away, make that change right away or we have to take a loan in those districts.

Supervisor. The other have enough fund balance. said the only ones that are negative are 4A and 4B.

Limina said others are low and can't be spent in those districts or they will be overdrawn.

Supervisor said that's why nobody picked this up in the past 10 years. Nobody has fixed any of these. Either they didn't know about it or they just didn't understand the financials enough when you look at them.

Attorney said when you think about it its not an excuse but there's not been a lot of consistency. In the past she doesn't know how many years we had a number of different supervisors so she agrees a lot of people don't think people either didn't understand the financial or just didn't look at it and she thinks

somebody made the point during the last meeting you just go by the previous year. She thinks it the first time it's been really looked at in a while.

Supervisor asked Limina if she was ready to make it the preliminary tonight.

Limina said she is not comfortable. Looking at 4A if you look at metered sales and what they are buying, its about a \$30,000 difference which is almost what we are taking out of the fund balance so she would want to know. Wondering about numbers for the last quarter of billing, if Beth could tell us what did we buy from the village in each of these districts and what did we sell. It won't be exact but it will give us a starting point. At least they will see if they fixed the leaks if we are buying and selling the same amount in the districts. She is not sure if you can pass a budget with a negative because you can't go negative in your fund balance.

Supervisor said if we don't pass it just falls back to the tentative or last years' budget.

Limina said she is not saying don't pass it, she said we got to do something about it. We have to figure it out. Going to have to borrow money or take a loan if you take a loan form the A fund you can do that but it's got to be paid back from what the state told her it got to be paid back like it's a short-term thing. You have to pay it back by the end of the year. So, they could borrow to cover it but that means in December we need to come up with new water rates for those districts if they are not covering their expenses.

Supervisor said they need to figure out the source of supply contractual. We need to see what the difference is.

Limina said are we selling now what we are buying. That will make a big difference. Right now, part of the reason we are using so much fund balance is because we are saying we are going to buy a lot more than we are actually using. She would like to know from the state what the option is. Guess you'll have to figure out and raise the rates in order to cover and it might only be for a year until they figure out. She doesn't know but you can't be negative because that means that we are taking money from other districts to pay these bills. We are not supposed to do that.

Schiffer- Wonder if we get the water in Royalton running maybe that would help.

Supervisor said we have to long to go on that. Have to do pressure tests and studies and all that.

Zelazny asked if it will reach 4A and 4B.

Limina said it has to help the districts that are in trouble.

Supervisor asked if they could meet Wednesday 6PM?

Limina asked if Tina could have all the changes made by Wednesday?

Supervisor said she could have it done tomorrow. He will tell her Wednesday at 6PM.

Limina asked to have her run the snow numbers. She said she knows her calculations is correct. If you guys are going to vote against it no matter what the numbers are there is no sense in having her do it. He said he wouldn't vote for if it was going to raise it to \$2.50 or \$4. He doesn't think it is fair to the people outside the village.

Limina said she is comfortable her numbers are right.

Seitz said if she tells us that its going to be 18 cents like limina is saying he is good with that. He wasn't good with it when she come back and said it was \$4., it's not fair for the people on the outside.

Limina said not only did they increase but they took away using fund balance and they did all kinds of other things than just move the money so not sure what happened just as long as she re runs it.

Supervisor said he will talk to Tina about 8320 Source of Supply contractual for the water districts, re run the snow numbers and next workshop at 6 PM on Wednesday.

Limina asked if they could reveal the changes one more time.

Supervisor read off the changes.

Limina asked about Equipment reserve -why is that so high.

Supervisor -Paying off the other half of the truck. I think it was whether we bond it or was to come up with cash on that.

Limina said it was 165,000 for the plow so there still is 170,000 extra in there. Why so much extra?

Thinks it could be paying for the truck She understands trying to build a reserve but she doesn't want to build it in one year. We are starting to put money away but not doing it all in one year. With the 250,000 figuring 170,000 fort the plow and the box and if you put another 80,000 in for a reserve that's 250,000 so from 312,000 you would be dripping \$62,000 unless there is some other reason thinking maybe originally had thought we were paying for the truck out of that. But we have already covered the truck.

Limina asked if we could do it tomorrow. Even though its election day we would be over here. She just doesn't want to give the budget to people with only a day to look at it.

Supervisor said there is no reason we can't meet.

Zelazny asked if someone would be available from LGSS?

Supervisor said he would find out in the morning.

Limina said there are not a lot of changes.

Attorney said she could send a zoom link.

Zelazny asked about the email he sent the other day about access to the camera can he get it on his phone?

Supervisor said no its on a thumb drive it wont go on a phone.

Attorney said he should be able to come in and look thought the videos.

Supervisor said he can put them on a thumb drive anything he wants.

Limina said he wants access to the system.

Supervisor said its really complicated

Zelazny said he could figure it out tomorrow.

Limina said she wouldn't mind seeing how it works.

Meeting closed at 7:35PM

Respectfully submitted by Darlene Rich