

At the regular meeting of the Town Board of the Town of Elmira, Chemung County, New York held Monday March 18, 2019 at 7:00 PM at 1255 West Water Street, Elmira, NY, there were present:

Supervisor: David Sullivan
Councilmember: Thomas Milliken
Councilmember: Scott Bush
Councilmember: Karen Krusen

Others present

Town Clerk- Jo Ann Sherwood
Attorney- Scott Moore
Code Enforcement Officer – Eric Crandall
Chief of Police- Peter Michalko
Highway Superintendent- Matthew Mustico
Buildings and Grounds Caretaker- Scott Eschbach
Retired Code Officer- Chip LeValley

Resolution #64-19

Minutes

By Mr. Bush

Seconded by Mrs. Krusen

Motion was made to accept the minutes of the February 21, 2019 regular meeting and workshop meeting of March 11, 2019.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

Resolution #65-19

Financial Report

By Mrs. Krusen

Seconded by Mr. Milliken

Supervisor Sullivan reviewed the Town Financial position as of February 31, 2019 and stated the expenses and revenues were per budget plan. The February 2019 YTD bank statements and fund balance reports were provided to the board. Motion was made to accept the Supervisor's report for the month of February 2019.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

Resolution #66-19

Audit of Bills

By Mr. Milliken

Seconded by Mr. Bush

Resolved that all claims in the total amount of \$134,624.29 were audited and approved for payment when in funds.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

Communications:

James Hare, Fassett Road, Elmira, NY, Re: parking at dead end of Fassett Road

Department Reports

Highway Superintendent Matthew Mustico reported that there was damage at Country Club Dam from prior storms and that FEMA monies are available for this repair. He stated that three hundred ton of stone was brought in and that Mark Watts stated that the Chemung County Soil and Water Conservation Department will set the stone in a few weeks. Matt stated they took down some trees in Elmira Heights on McCanns Blvd. and they will be replanting trees when the weather allows. His crews have been cold patching most days, he stated. They also provided shared service to Horseheads and hauled sand and stone for them for a few projects. Matt stated the crews were also busy trimming trees in the park near where the new pickle ball courts will be. Matt reported that the sweeper needs some major repairs and to save money had Gregg do the motor rebuild for this sweeper. Matt stated he will be having a one-week spring leaf pickup from April 1 to April 5. They will be going around just one time. All leaves must be out by curbside in clear plastic bags by April 1. No brush or tree limbs will be allowed.

Code Enforcement Officer Eric Crandall reported he has received a few inquiries regarding the possibility of building on the W. Clinton St. demolition property. He stated he is still waiting on NYSERDA for the link to the portal to upload the documents for the grant. He reported he is also waiting for a quote from Charlie Lechliter for electric work that needs to be done for the charging station. Eric stated that there is interest for a minor subdivision on East Hill and there is interest for a use variance for the monastery. Eric stated that the owner of 408 Wall Street has boarded up the windows and doors and wrapped the home, but there is still a very wide visible hole in the middle of the property. This property is still considered unsafe. The owner has no application on file for a building permit to date. Eric recommended to the board to still send a notice of demolition. Joseph Works would like to purchase the Monastery and establish a School of Good Works residence/ retreat/ bible study center. They will be going to the Zoning and Planning Boards for a use variance.

Police Chief Peter Michalko submitted his written report and gave a brief oral report on this. On Friday, March 15, 2019 he and Officers Barr and Marrone attended a school shooting drill. Officer Joseph Marrone was one of the instructors. Peter stated the town is very lucky to have him on our force as a part time officer as he is very knowledgeable. Peter stated he will be participating in this type of training once a year. Peter reported asked the board to approve the appointment of Part-time Officer Tim Dacy who is a retired lieutenant from the EPD. He stated he is very good with police software programs such as E-Justice and the Tracs program.

Buildings and Grounds Caretaker Scott Eschbach thanked the highway department for all the tree work they have done in the park by the pickle ball court project. He reported that they removed trees from the median strip on West McCanns Boulevard as 80% of the trees were dead or malformed. These trees will be replaced. Scott stated that with the weather breaking he has started working in the park. He has prepped the playground area and will be spreading mulch soon. Softball field conditioner which is being purchased by the softball league will be put on the softball fields.

Chip LeValley- generator project. Chip stated that the proposed areas for this project are near the town garage or the code office. It will be a shared project between the fire department and the town. The Fire department applied for the grant through NYS dormitory and Senator O'Mara's office. A memorandum of understanding between the town and the fire department needs to be approved.

Discussion:

Fund Balance Policy- Supervisor Sullivan stated this is recommended by the State and we will be approving one tonight.

Public Comments

Al Lucarelli, Durland Avenue, asked if there is a lot of noise when the generators do their required testing. He asked whether they could be set to test after work hours.

Resolution #67-19

Set public hearing for condemnation of 408 Wall Street

By Mrs. Krusen

Seconded by Mr. Bush

Motion was made to set the date of April 22, 2019 at 7:00 P.M. for a public hearing to determine whether condemnation and demolition should take place at 408 Wall Street and the code enforcement officer shall provide notice, pursuant to Section 82-6 and 82-7 of the Town of Elmira Code.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

Resolution #68-19

Approve Fund Balance Policy

By Mr. Bush

Seconded by Mr. Milliken

Whereas to alleviate any undue burden to the tax payers in the Town of Elmira and to adequately pay the annual operating costs of the Town, and

Whereas the Office of the New York State Comptroller recommends that every municipality develop its own Fund Balance policy based on what local boards determine is an appropriate level of Fund Balance, and

Whereas the Town Board of the Town of Elmira has developed Fund Balance guidelines for each Fund within the annual budget,

Now Therefore Be It Resolved that Town Board of the Town of Elmira hereby adopts the Fund Balance Policy that is attached to this resolution; and

Be It Further Resolved that the Town Board of the Town of Elmira shall review each Fund within the Town Budget annually and make any adjustments as may be necessary according to the Fund Balance Policy.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

FUND BALANCE POLICY

PURPOSE

To establish annual Fund Balance Policy for each separate Fund. Determine what is reasonable amount for each fund and establish practices to achieve, maintain or replenish to agreed upon level of Fund Balance.

The funds covered by this policy include the Town Wide General Fund (A), Town Outside Village General Fund (B), Highway Fund (DB), Traffic District (SM) and Park District (SP).

BACKGROUND

Traditionally the Town of Elmira has designed its annual budgets with planned operating deficits; that is, balancing the budget by allocating the use of Fund Balance. In the 2009-10 budget cycle the Town’s combined Fund Balances were more than 70% of the Town’s annual budget. At this time sales tax revenues were at an all-time high. In the 2011 Town Budget the Town Board wanted to provide tax relief to its resident and adopted a budget with a tax decrease of more than 20%. This was achieved by using greater amounts of Fund Balance in the budget. Sales tax peaked at \$1.7 million in 2011 but remained strong through 2014. In 2015 the sales tax allocation formula for local municipalities changed and the Town began receiving a smaller percentage of revenue, dropping receipts to about \$1 million per year.

From 2015-2019 the Town increased taxes but annually stayed within the Tax Cap established by New York State, and generally cap was less than 2%. Town of Elmira property tax revenues increased from \$999,161 in 2015 to \$1,066,591 in 2019. An increase of 6.32 % over five tax years.

From 2012-2015 the Town Board kept the gross annual budget to about \$3.5 million. Savings were achieved by enacting many shared service contracts that reduced cost or produced additional revenue. Fund Balance was also used to balance annual budgets.

State Recommendations

The Office of the New York State Comptroller (OSC) recommends that every municipality develop its own annual Fund Balance Policy based on what local boards determine is an appropriate level of Fund Balance. Training provided by the OSC stressed that whatever level of Fund Balance is approved it should include a plan to achieve, maintain or replenish fund balance levels; strategies that should be updated annually. Local boards can determine using a percentage of operating budget as a guideline, or establish a certain number of months of operating expenses needed in reserve, or just use a set dollar amount. What municipalities decide on must answer the questions – how and why?

What is Appropriate Fund Balance Guideline for Town of Elmira?

To determine appropriate level of Fund Balance we must first look at each of the Funds and examine the overall stability of revenue, along with the predictability of expenses.

RECOMMENDATION BY INDIVIDUAL FUND

Town Wide General Fund (A):

At the end of 2017 the A Fund Balance was less than \$16,000 after expenses of more than \$800,000. The A Fund property tax is about \$240,000, state aid and user fees account for about \$260,000 and the A Fund relies on a substantial transfer from the B Fund annually of about \$340,000. The A Fund needs the most work in terms of long-term planning because user fees can vary from year to year, it relies on too large a transfer from the B Fund.

Recommendation: The General Fund is the only one reviewed by the NYS Comptroller’s office under the Stress Monitoring System. In the short-term, for year-end 2018, a larger transfer from the Town Outside Village B Fund is recommended because by increasing Fund Balance in the A Fund to OSC recommended 10% of expenditures, it will be enough to remove the Town from the “Susceptible to Stress” designation.

For the long term, it is advisable to increase A Fund balance to the level of \$150,000, which is about two months of operating expenses for the fund. This can be achieved by allocating more money to the Contingency line item. However, more than that is needed so increasing taxes in the general fund by \$75,000 per year (2020-2023) will move the tax levy to about 50% of adopted expense budget, thus relieving pressure on the B Fund.

Town Outside Village (B):

The B Fund is the healthiest of all funds. Expenses, before transfer to A Fund, generally run about \$300,000. There is no property tax in the B fund as expenses are covered by sales tax. In addition to normal operating expenses the B Fund subsidizes the A Fund to the tune of more than \$300,000 annually.

Recommendation: The B Fund Balance should keep a minimum of six months operating expenses, about \$150,000, or 50% of normal expenses. Currently, the B Fund exceeds this level but will be spent down in 2019 with budgeted transfer to A Fund at year end 2019. Moving forward, desired level will be maintained with reduced or eliminated subsidy to A Fund. Note: There has never been a property tax in the B Fund. That fact, along with no property tax in DB Fund, allows for the transfer of money to A Fund. The imposition of a tax in B or DB funds would negate the allowance of transfers.

Highway Fund (DB):

At the end of 2018 the DB Fund Balance was about 12% on expenses of \$1,034,081. The advantage that the DB Fund has is that we have fixed salary and medical expenses projected for three years at a time per collective bargaining contract. There is no property tax and all expenses are paid by sales tax revenue. Using two months of expenses to have on hand as a guideline, a DB Fund Balance of approximately \$172,000 is the goal. At year end 2018 the Fund Balance was about \$124,000.

Recommendation: The Highway Fund expenses are fairly consistent so to grow the Fund Balance to the goal of \$172,000 should be straight forward. Increasing the Contingency line item by \$12,000 per year for four years (2020-2023), and no use of fund balance in annual budgets, should achieve this.

Traffic Fund (SM):

Fund Balance for the Traffic District fluctuates from year to year, based on activity and specifically overtime costs. At the end of 2018 there is an approximate Fund Balance of \$37,000, or about 8% on expenses of \$471,725. Total costs in 2019 are budgeted at \$510,719 so ideally, we want to have two months of expenses on hand so roughly \$85,000 should be the goal.

Recommendation: The Traffic district property taxes increased by 4% in 2019. A new five-year labor agreement brings stability to budget forecasting, however, due to the nature of police work the budget is still vulnerable to large variations in personnel cost, i.e., overtime related to casework. To reach fund balance goal it is recommended to increase the Contingent budget line by \$12,000 per year for four years, thus achieving the goal of \$85,000 by 12/31/23. Further, no fund balance should be used in annual budgets 2020-2023.

Park District (SP):

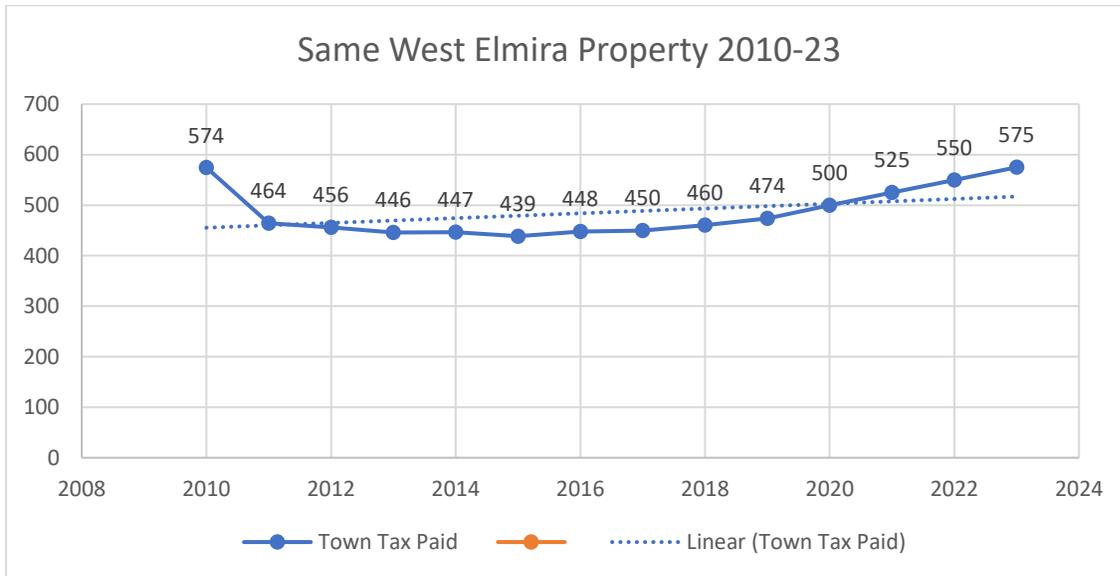
Fund Balance for the Park District was about \$34,074 or 15% on expenses of \$226,416. The Park relies on tax revenues and user fees as well as a small allocation of Fund Balance. User fees can fluctuate due to the weather. The largest cost is the maintenance of the pool and equipment and repairs are accounted for in budget line items. Two months of expenses, based on 2019 budget, would mean a Fund Balance goal of \$37,000. Projections indicated that at 12/31/19 the Park Fund Balance will be in the \$20,000 range.

Recommendation: To maintain year-end Fund Balance at \$37,000 it is recommended that Contingent budget lines be increased by \$5,000 annually and that no fund balance is used in annual budgets 2020-2023.

Conclusion:

The total recommended Fund Balance for all funds discussed under this policy is two months of operating expenses (six for the B Fund), or a total of approximately \$594,000. Contingent line items will be utilized to grow fund balances from their current levels. To relieve pressure on Fund Balance levels taxes will have to be increase between 4%-5% annually over the next four years (2020-2023) in the A Fund, SM Fund and SP Fund. There is no recommendation at this time to implement tax in the B Fund or DB Fund. The town tax increase referenced herein amounts to an annual increase per parcel of about \$25.

The chart below represents the town tax paid by the same West Elmira property between 2010-2019, and includes projections for the same property if \$25 were added to tax bill each year from 2020-2023. This property is currently assessed for about \$154,000. Essentially it would take until 2023 for this property to return to what the tax levy was in 2010, around \$575.



Resolution #69-19

Approve Dog License Fees

By Mr. Milliken

Seconded by Mr. Bush

Whereas to alleviate any undue burden to the tax payers in the Town of Elmira and to adequately reimburse the Town for services provided to private citizens and developers by employees of the Town, and

Whereas the Town has evaluated and considered the cost associated with licensing and finds that the cost for the services provided by the Town are reasonable and attributable to the applicant for such considerations, licensing, and

Whereas for environmental review purposes the adoption of a Fee Schedule is a Type II action under SEQRA, 6NYCRR part 617.5(c) (19) and (26),

Now Therefore Be It Resolved that all expenses incurred by the Town relating to licensing as required by the Town Code are to be paid by the applicant for such actions, and

Be It Further Resolved that the following licensing fee schedule is hereby adopted and in effect immediately:

Spayed/Neutered Dog	\$ 8.50
Un-spayed/Un-neutered Dog	\$16.50
Purebred License 1-10 Dogs	\$26.00 (spayed/neutered) \$28.00 (unspayed/unneutered)
11-25 Dogs	\$51.00 (spayed/neutered) \$58.00 (unspayed/unneutered)
26+ Dogs	\$101.00 (spayed/neutered) \$103.00 (unspayed/unneutered)
Replacement Tag	\$3.00 per tag

Late fee- Dog Licenses unpaid 11 days after the License expires will be charged a \$5.00 late fee
An additional \$5.00 will be added for each month the dog license is unpaid.

Violation of Town Code Court Warrant: \$25.00 plus licensing fees

Aye- Bush, Milliken, , Krusen, Sullivan No- None

Resolution #70-19

Authorize NYERSDA grant application for charging station at town hall

By Mr. Bush

Seconded by Mrs. Krusen

Authorize Code Officer to proceed with application through NYERSDA for Town Hall charging stations.

Aye- Bush, Milliken, , Krusen, Sullivan No- None

Resolution #71-19

Appoint Leo Dacey III as part time traffic officer

By Mr. Milliken

Seconded by Mrs. Krusen

Motion was made to approve the appointment of Leo Dacey III as a part time traffic officer effective March 19, 2019 at the rate of \$21.50/hr.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

Resolution #72-19

Approve Intermunicipal Agreement with Chemung County Planning Board

By Mr. Milliken

Seconded by Mr. Bush

Motion was made to approve the intermunicipal agreement with the Chemung County Planning Board to streamline the planning review process and lessen the amount of time it takes to approve minor land use applications.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

Resolution #73-19

Authorize Supervisor to sign MOU between the Town and Fire District #1 to purchase and install generator

By Mr. Bush

Seconded by Mrs. Krusen

WHEREAS, the emergency electrical generators of the Town of Elmira and Fire District No. 1, Town of Elmira (collectively the “Agencies”) need updating in order to protect the health, safety and welfare of the residents; and

WHEREAS, the Agencies agree that replacing existing generators with a shared generator to serve the combined campus is in the best interests of the agencies and of the taxpayers; and

WHEREAS, the Agencies have applied for grant funding from the New York State Dormitory Authority (“Authority”) and been approved for such funding; and

WHEREAS, the Agencies must pay for the generator replacement and then seek reimbursement from the Authority up to an amount of \$78,000.00; and

WHEREAS, the Town of Elmira will serve as the lead agency on the project, which will by law require competitive bidding; and

WHEREAS, the Agencies shall both approve the bid specifications for a 60 Kw natural gas generator and its location; and

WHEREAS, the Agencies agree that employment of an electrical engineer to prepare bid specifications and to oversee the project is necessary; and

WHEREAS, the Agencies agree to engage Labella Associates D.P.C. to serve as the electrical engineer at a cost not to exceed \$ 16,950 (plus reimbursable charges with a 10% surcharge), with Labella to provide appropriate bid specifications for mutual approval of the agencies, before being advertised for public bidding by the Town of Elmira, all as more particularly set forth in an attached proposal of Labella Associates addressed to Fred LeValley and dated January 7, 2019; and

WHEREAS, the Town will advertise for bids as the lead agency for the project; and

WHEREAS, the Town will not award the winning bid without the consent and agreement of the Fire Commission representing the Fire District; and

AND NOW, THEREFORE, the Agencies agree as follows:

That a contract between the Town as lead agency and Labella Associates D.P.C., upon agreement regarding the same by the Fire District, shall be entered into for Labella to prepare bid specifications and if the bid is awarded to supervise the installation of the generator (all as more particularly set forth in the above referenced January 7, 2019 proposal of Labella Associates).

That the said cost of Labella’s services will be split equally between the Town and the Fire District and paid as called for in the above contract.

That the bid specification shall be subject to approval by the Agencies and then advertised by the Town (as lead agency).

That the award of the successful bidder, if any, shall be made by the Town (as lead agency) upon agreement of the Agencies.

That the contract between the successful bidder and Town shall be approved between the Agencies prior to execution.

That the costs of construction as payable under the contract shall be split equally between the Agencies and payable in accord with the applicable contract terms.

That the Agencies shall consult and come to reasonable agreements with regard to any necessary alterations, modifications, etc. which may be required by unforeseen facts/conditions which may be discovered during construction.

That the Agencies shall consult to assure that the work is completed in a professional and workmanlike manner.

That the Agencies will share the cost of the natural gas supply to operate the generator and will share the cost of maintaining the generator.

That specific equipment which is particular to one agency (i.e. equipment particular to that agency's building(s)) shall be paid for and maintained by that agency.

That the parties agree to use best practices to assure continued proper maintenance and operation of the generator, with the Town being the lead agency in regard to generator maintenance, including without limitation employment of service contractors and service personnel.

That before the Town enters into any maintenance agreement, the Agencies will agree to the terms and be bound thereby until the termination of said agreement.

That this Memorandum of Understanding and its execution by the Town Supervisor and Chairman of the Board of Fire Commissioners has been approved by resolutions duly passed by the Town Board and Board of Fire Commissioners.

Aye- Bush, Milliken, Krusen, Sullivan

No- None

On a motion by Mrs. Krusen and seconded by Mr. Milliken the meeting was adjourned at 7:35 P.M.

JoAnn Sherwood, Town Clerk