

**MINUTES OF THE BUDGET WORKSHOP OF
THE TOWN BOARD OF THE TOWN OF NEW LEBANON
HELD ON OCTOBER 29, 2018**

Present: Colleen Teal, Supervisor
Kevin Smith Sr., Councilmember
Jesse Newton, Councilmember
Mark Baumli, Councilmember
Norman Rasmussen, Councilmember

Recording Secretary: Marsha “Marcie” Robertson, Deputy Town Clerk
Tistrya Houghtling, Town Clerk

Others Present: Jeff Winestock, Highway Superintendent
Cynthia Creech, Court Clerk & CAC Member
Hazel “Cissy” Hernandez, CEO/ZEO/Bldg Dept Admin
Bill Black, CC Emergency Management
Kevin Darcy, LVPA
Ed Godfroy, LVPA
Bobbie Waters, LVPA
Greg Gilliland, LVPA
Mary Young, LVPA
Eugenia Browning, LVPA
Several members of the public

CALL TO ORDER:

The meeting was called to order at 5:30 p.m. by Supervisor Teal.

2019 CRS CONTRACT:

Supervisor Teal asked if the Town Board has any questions or concerns on the contract or anything. Councilmember Smith stated that he hopes the 10 min and 13 min response time Chatham Rescue Squad submitted for New Lebanon is accurate. He stated that a couple of years ago it took 40 minutes for the ambulance to respond but that was before it went with the county. Supervisor Teal stated that now it is part of the whole county and anytime an ambulance is deployed, all the other ambulance assets throughout the county are redistributed. It is coordinated by the county EMS.

Councilmember Newton made a motion authorizing Supervisor Teal to execute the contract with Chatham Rescue Squad for 2019 for ambulance services. Councilmember Rasmussen seconded that motion.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Smith -	Aye
Supervisor Teal -	Aye
Councilmember Newton -	Aye
Councilmember Baumli -	Aye

Councilmember Smith made a motion authorizing Supervisor Teal to execute the county chargeback agreement for the Chatham Rescue Squad ambulance service.
Councilmember Rasmussen seconded that motion.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Smith -	Aye
Supervisor Teal -	Aye
Councilmember Newton -	Aye
Councilmember Baumli -	Aye

LVPA:

Supervisor Teal stated that the LVPA Attorney is calling the Town Attorney directly and that is initiating legal expenses on the Town's part and we don't do that. It should come to the town board first and they should deem whether or not they want to incur those legal expenses. Ed Godfroy stated okay.

Supervisor Teal stated that everyone has the new proposal from the LVPA. Bill Black shared everything with her and she forwarded it to the board. Bill Black stated that he took the 2017 budget which is a more realistic budget than in 2018. They reviewed the equipment, they reviewed the stations, they reviewed what need to be done to get everything up. The LVPA has been on an austerity budget because of what they were given this year so they clamped down on every expense so they didn't overspend. The numbers you are seeing are very tight.

Councilmember Baumli stated that the LVPA gave Bill Black their budgeted amount in 2017, not the actual amount spent. Bill Black stated that he understands. What they were trying to do is be very frugal with everything they have done. We are looking at replacing connectors and reducing couplings, things that haven't been maintained that should be maintained. This is a budget, it is not written in stone. They could spend \$5,300 on a line that has \$5,500 budgeted or they could spend \$6,500. Their intent right now is that they are carrying roughly \$45,000 in their budget for this year. They are going to buy the tires, the hose and the turnout gear that is needed. That \$45,000 will be completely gone before they even look at this budget. Moving in to 2019, they have to get through until the first town payment which has been historically at the March meeting. He stated that Supervisor Teal was going to try and move it up to the February meeting.

Bill Black stated that he is trying to take his best estimate based on what he sees they need today and where they are going to go over the next 10-12 months. There are going to be line items that they are going to go way over on. What this is going to create is a communication situation with the town. They will be giving the town reports and updates on where they are. The town will be able to see what needs to be fixed and what doesn't need to be fixed. They will be transferring amongst these accounts to balance their own budget and we are going to get things accomplished so first and foremost, the apparatus can go out of the fire station and be certified and you won't have a problem with it arriving. Secondly, the buildings that maintain the equipment will be up to speed and more cost efficient to operate. The third item they are going to look at is how to increase membership. He has some ideas on that and he

will probably submit some information to the town once the LVPA has had a chance to review it.

Bill Black stated that they are going to look at the truck situation when they do their capital reserve and give a report to the town which they want to have a draft to the town by June and they want to be able to come and discuss it in July. He has told the LVPA how he would proceed that it should be written.

Councilmember Smith stated that under utilities the internet went from \$500 to \$1,700. He stated it doubled because they had the FOB system put in which requires a separate line, correct. Ed Godfroy stated it is also a technical support on the whole system now.

Bill Black stated that he put a miscellaneous line under each major category also. If you needed an unforeseen purchase, you would use this line. Also if you needed to pull money to balance the budget, you would take it out of that line item. There is nothing for radios. Under radio repairs, the county is going to repair them with the exception of damage. If one gets run over on a fire scene, the LVPA has to replace it. Supervisor Teal stated that none of the accessories were covered. She asked if those have all been acquired. Greg Gilliland stated that they are still getting those.

Bill Black stated that there is an air grant that, once the town signs a contract, that will give them a boost and save the taxpayers a lot of money because that is substantial. The grant will buy new air packs.

Supervisor Teal stated that the town would want to retain control of contingency, they will fund it and maintain it. As it grows, the town would take whatever excess down to that base point. Her thought process with the contingency was to look at it from the same perspective that the town operates under which is that you should have at least 3 months of operating which is where she was looking at the \$30,000. She knows there have been some different numbers proposed and would like to hear any other ideas.

Bill Black stated that the \$30,000 would probably work if he had the right line item in his budget of the \$12,000 for the turnout gear. \$30,000 would definitely work because he thinks if the LVPA gets new members and the town is willing to help with taking out of contingency, he thinks they could squeeze out a couple more sets of turnout gear from their budget. Supervisor Teal stated that if there was an expense that came up, the LVPA could come to the town and the town could authorize them to use it from contingency. The other plan was that the \$30,000 would sit there for their January/February use and when they got funding from the town, they would replace it.

Councilmember Baumli asked if the contingency funds would stay with the town. Supervisor Teal stated that the contingency would go with the LVPA. Councilmember Baumli asked if the LVPA wanted to spend anything out of the contingency, they would have to check with the town. Bill Black stated that how he would do it is if it was turnout gear and they know they are going to be buying 3 sets, they would send a written request to the town and say we have 3 new members, the cost is \$8,500 and the town would say yes we want new members go ahead and spend it. If it is an emergency, like a pump where you are at a fire scene and

you blow a pump and have to get the truck back up and running, it would be a phone call to the Supervisor or the liaison saying we blew a pump up and need to hit contingency for \$7,500. They would get the permission to spend that money on the phone, and then follow it up in writing.

Councilmember Baumli stated that in the past we gave them \$225,000 a year and it was funneled at the end of the year to the building fund. He would give the LVPA whatever they need to operate with and at year end, what is left in the operating budget should carry over to next year's operating budget. The LVPA still planned on funneling anything leftover in the operating budget to the building fund which is exactly what the taxpayers don't want to happen. That is what the taxpayers are aggravated with. Councilmember Baumli stated that he is willing to fund the LVPAs full operating budget as long as what is leftover at the end of the year goes forward to the following year's operating budget. Supervisor Teal stated that she asked Bill Black at the end of the year, if there was a surplus, to put it into the contingency. If we start at \$30,000, then we cap it somewhere and as it rolls higher, the town comes to the LVPA and says we either put it into a capital reserve in the next year's contract or towards the operating budget and we wouldn't zero it, but would bring the contingency back down to the \$30,000.

Bill Black stated as we move forward in the next 6 months, there is going to be a couple of different things coming in front of the town board, some they may really like, others they may not like but he asks that everyone looks at them with an open mind.

Supervisor Teal made a motion to accept \$159,500 for the LVPA budget. Councilmember Smith seconded that.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Smith -	Aye
Supervisor Teal -	Aye
Councilmember Newton -	Aye
Councilmember Baumli -	Aye

Ed Godfroy asked if we have to wait until after the public hearing to get the Attorney's working on a contract for 2019. Supervisor Teal stated they should start right away as we will need to have a separate public hearing on the 2019 LVPA contract. Ed Godfroy stated that there was a draft contract that Supervisor Teal gave the LVPA that looked good to them. He asked if the town wants to add in some language about the contingency. Supervisor Teal stated yes. Ed Godfroy asked if the LVPA can get a new draft contract with that language to have their attorney look over. Supervisor Teal stated yes. Ed Godfroy suggested the two attorneys work together to draft up the contract. Supervisor Teal stated yes.

HEALTH INSURANCE:

Councilmember Newton stated that he is fine with giving employees that currently get health insurance paid for by the town the choice of staying with CDPHP or moving to MVP. Supervisor Teal stated that because the MVP plan has a higher deductible, the idea was to have the town fund that deductible through an HRA. She stated that 60% is the industry

standard of what is used of the HRA. The town would fund the HRA at 100% just in case, but the town would then retain any money not utilized.

Supervisor Teal stated the next piece is the potential of part time employees. We were talking about the town paying 40% of the premium for the employee only (not spouse or children) for the MVP plan for employees that work between 20 and 34 hours per week and then some portion of the deductible if the board so chose. This option we were looking at funding through an HSA which the employee can add more to, but they keep whatever they don't use at the end of the year. Councilmember Baumli asked if we have 3 employees that would qualify for this. Supervisor Teal stated yes, there are 3 employees who would qualify. Councilmember Smith asked what about the highway employees. Supervisor Teal stated that it is not for seasonal employees, but rather year round 20-34 hour a week employees. Highway Superintendent Winestock stated that one of his current employees would qualify.

Councilmember Smith stated that he personally cannot support part time benefits. You don't find that in the private sector. Supervisor Teal stated that municipalities generally pay low and offer good benefits. We are paying low and we are trying to offer good benefits but if the board feels like we should go back to increasing the compensation because in private sector they are going to make more money. Supervisor Teal stated that the majority of town employees work part time.

Councilmember Baumli asked how much it would cost per person to offer these part time employees partial insurance. Deputy Town Clerk Robertson stated that it is the last two pages of the packet. Supervisor Teal stated that if we didn't fund any of the deductible, it would be \$9,000 if all eligible, part time employees participated. It would be \$10,982 if the town paid 40% of the premium and 40% of the deductible and all eligible, part time employees participated.

Councilmember Baumli stated that we currently have an employee that has a child under the age of 26 who has a full time job someplace else but he thinks we have a loophole in our plan that allows that individual to stay on the town plan as opposed to going off the town plan and getting his own insurance through his own job. Supervisor Teal stated that she needs a second opinion on that because although Whitney said if we added that language to our policy, going forward we could prevent that, but when she looks at the actual law, it's specific to being grandfathered to plans that were in place prior to the change, so did that language have to be in there in order to be grandfathered at the time the law was enacted. She needs to get that clarified. Councilmember Baumli stated that he would need an answer to that as well because moving forward he wants to make that change. Councilmember Rasmussen stated that he has never known of an employer asking an employee to remove their child from the employer's insurance plan because they have the option of coverage somewhere else. Councilmember Smith stated that he agrees with Councilmember Baumli that we should not allow adult children on our insurance plan if they have the option to get their own insurance plan, if we are allowed to do that. Councilmember Newton stated that he thinks we should cover employees children up to age 26.

Councilmember Rasmussen stated on page 16 it states that the proposed compensation plan will cost an additional \$1,500 for highway and \$2,700 for general. He asked how that

reconciles with the increase of \$10,982 that we are talking about here. Supervisor Teal stated that page 16 shows the overall budget impact and the \$10,982 is the increase for part time health benefits. There are other offsets to get that down to \$4,200. The overall impact of the proposed compensation plan is \$4,200 plus the dental insurance which is not in there for a total of \$4,263.24 which would be split between highway and general. The dental plan was not added as part of the compensation plan. We are not changing anything for the dental plan from last year.

Councilmember Rasmussen stated that the proposal offers partial health insurance, compensation adjustments where needed to get positions more equitable with each other, and partial sick/personal and vacation time to part time employees who work 20-34 hours per week year round and we do all of that for \$8,400. He stated that seems like a good deal to him.

Councilmember Newton asked if we are getting to that \$8,400 by knocking the pay of the Constable down and the possible Justice and Tax Collector changes. Supervisor Teal stated the Constable change is in there but none of the other proposed changes for Justices and Tax Collector are in there because they were not proposed until later years.

Supervisor Teal asked if all Town Board members are in support of current, full time employees having the option of CDPHP or MVP as laid out in the proposed plans. All answered yes.

Supervisor Teal asked how people feel about giving partial health benefits to part time employees. Councilmember Baumli stated that he would support covering partial health insurance for part time employees but down the road if we got a lot more employees eligible for this, we may need to reconsider or consider combining multiple part time positions into one full time position. Councilmember Smith stated that he cannot support giving part time employees partial benefits. He stated that he could support taking someone that is part time and making it a full time position. Supervisor Teal stated that it would be more expensive to cover a full time position with health insurance than two part time positions. Councilmember Smith stated but then you would keep them, that is just his opinion.

Supervisor Teal made a motion to cover part time employees who work between 20 and 34 hours a week, year round with the MVP plan with the town paying 40% of the premium for the employee only and the town funding 40% of the HRA. Councilmember Rasmussen seconded that motion.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Smith -	Nay
Supervisor Teal -	Aye
Councilmember Newton -	Nay
Councilmember Baumli -	Nay

Supervisor Teal made a motion to cover part time employees who work between 20 and 34 hours a week, year round with the MVP plan with the town paying 40% of the premium for

the employee only and the town funding none of the HRA. Councilmember Rasmussen seconded that motion.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Smith -	Nay
Supervisor Teal -	Aye
Councilmember Newton -	Nay
Councilmember Baumli -	Aye

DENTAL INSURANCE:

Supervisor Teal stated that there are some significant differences between the new plan and the plan we currently have so for \$137 per year, she strongly recommends we stay with the plan we have currently.

Supervisor Teal made a motion for the Town to keep the Delta Dental PPO for dental insurance. Councilmember Rasmussen seconded that motion.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Smith -	Aye
Supervisor Teal -	Aye
Councilmember Newton -	Aye
Councilmember Baumli -	Aye

COMPENSATION PLAN:

Councilmember Smith stated that the COLA is fine and if we feel that someone is doing a good job and we want to pay them more, we have the right to pay them more. As far as the merit and doing evaluations and stuff, he doesn't agree. Supervisor Teal asked how he feels about the original adjustments for equity where people were out of whack.

Councilmember Newton asked if they can go line by line. Councilmember Newton stated that he sees an hourly rate calculated for each position and he can't imagine that Jeff Winestock only works 40 hours a week throughout the year. He knows that is what he enters on his retirement calendar but he wonders how accurate these are. Supervisor Teal stated that the only thing we have to go by for salaried positions is what the employee reports on their retirement calendar. Town Clerk Houghtling stated that she believes, other than Jeff, everyone reports actual hours worked as that is the instructions that retirement gives to fill out your calendar. She instructed all employees to enter their actual hours worked on their retirement calendar.

Supervisor Teal stated that the Town Supervisor salary was based on 20 hours per week at \$25 per hour for a total of \$26,000 and the County pays \$14,000. It is in green because it was not applied to the budget for 2019 as Supervisor Teal will continue at her current rate. That would be going forward for a new person coming in. Councilmember Smith stated that Supervisor Teal is not running for another term and we don't know if a new person coming in would want to do it full time or not. Supervisor Teal stated that we did not set it at full

time. We set it at 20 hours per week.

Supervisor Teal stated that there is no change for the Town Board. For Highway Superintendent, Assessor, and Town Clerk there is no change currently, but a starting rates are set for each position for new people coming in to the position. Highway Crew we adjusted by bringing them each up \$2 per hour. Councilmember Smith stated that Highway Superintendent Winestock will bring them up if he wants to, we are giving him the ability to give them raises.

Highway Superintendent Winestock asked if the Town Board or Highway Superintendent or any other elected officials are getting raises this year. Supervisor Teal stated that the compensation committee proposed no raises this year while we equalize the pay between the positions, then moving forward to next year implement an evaluation process and give merit based raises. Councilmember Newton stated that there is \$0.25 per hour marked as a merit increase. Supervisor Teal asked Town Clerk Houghtling to explain this.

Town Clerk Houghtling stated that originally the committee proposed that we do no merit increases. The goal was just equity increases just looking at positions that were underpaid or overpaid and adjusting them while everyone else was on hold. Then a request was received from a department that a merit increase be given and we thought it wouldn't be right to give just one position a merit increase so we went back to the positions already receiving an equity increase and took \$0.25 of that equity increase and called it a merit increase. If the town board agrees that we should do no merit increases this year, you would remove any proposed increases that are merit only and for the positions that are proposed as an equity and merit combined, you would keep the total increase the same but put it all as an equity increase to get back to the original proposal of the committee.

Councilmember Smith stated that they are getting insurance, do they really need equity raises too. He thinks by offering insurance, you are offsetting the inequities. Supervisor Teal stated that the proposed equity adjustments are because salaries are out of whack with each other. When we bring all the proposed equity adjustments in, we are still the lowest compensated in all the municipals. We are not bringing everyone up with the equity adjustments. This person has more responsibility than the other person but is getting paid less. That is what we are trying to adjust. Councilmember Newton stated that if you look at the Assessor, it is right up there. Supervisor Teal stated that is fair market value for an Assessor.

Supervisor Teal stated that she thinks we need to wait on merit increases until we have an evaluation process in place and allow department heads to weigh in on recommendations for merit raises. She thinks for now we should only be looking at the equity raises. Councilmember Newton stated equity and COLA. Supervisor Teal stated the board can absolutely consider applying COLA increases across the board any time. That wasn't something for the compensation committee to apply. We had multiple positions that were completely out of whack based on responsibilities and duties. Equity adjustments were to bring those in line based on the duties and responsibilities of the position. That is what we were looking to do.

Councilmember Newton stated he would look at the planning/zoning clerk and the assessor's clerk and put them as a 4 in the rating, not a 5. Supervisor Teal stated that some of what she had discussed with CEO/ZEO Hernandez was when the position changed, the boards were going to pick up their responsibilities and this clerk was going to be completely clerical. It was going to be minutes and filing and that's it. No interaction with the public, no application review, none of that. If that changes, that position would have to be re-evaluated, but based on what the duties are currently assigned by that department, it is strictly clerical and therefore a 5. Councilmember Newton stated that the Assistant Camp Director is a 4 and higher grade than the planning/zoning clerk. He doesn't think it should be higher. Supervisor Teal stated that the Assistant Camp Director is in charge of running the entire camp and overseeing 100 children in the absence of the Camp Director. She feels that is much more responsibility than just taking the minutes and filing.

Supervisor Teal stated that we have one of the busiest courts in the County. The range per hour for court clerk is \$15-20 per hour. Our Court Clerk is at \$15.63 right now. It is one of the lowest paid in the entire County. CEO/ZEO Hernandez stated that our building department is the second highest in the County and Canaan is paying their planning/zoning clerk starting at \$16 per hour. Supervisor Teal stated that Canaan is paying their planning/zoning clerk \$16 per hour and their court clerk \$18.42 per hour.

Councilmember Smith stated that if we weren't offering this insurance for part time employees, he wouldn't object to bringing the salaries up, but to do them both simultaneously. Court Clerk Creech stated that if your person doesn't take the insurance, don't they still deserve a fair hourly rate. Supervisor Teal stated that as an organization that has to function, we have certain positions that need to be filled. We are on our third planning/zoning clerk. We are on our third deputy court clerk. We can't keep these positions filled. That is a huge cost to the town to keep re-training people into these positions. Councilmember Smith stated that he hears department heads saying if we don't pay people more, we are going to lose them. Supervisor Teal stated because other people are offering them \$3 more per hour for the same duties. Councilmember Smith stated that he doesn't see these employees coming to the town board. Supervisor Teal stated that their supervisors, the department head, do come to the town board. That is the chain of command. It is up to their supervisor to put in the budget request and pitch that pay increase.

Supervisor Teal stated that CEO and Deputy CEO the compensation committee recommended keeping the same. There were requested increases for both of these positions. For the Judges there was a proposal to reduce the salaries over time. Councilmember Baumli stated that it would not be happening this year. Supervisor Teal recommended that we freeze the Judge's salaries where they are at until we see the impact that the change in the State Trooper barracks has.

Councilmember Smith stated that he would be in favor of doing just the COLA. Councilmember Newton stated that if he had to pick he would do equity and COLA as some of the positions are a little underpaid. Court Clerk Creech stated that when Supervisor Teal was running 3 years ago she remembers hearing her say over and over again that one of the things she was campaigning on was to get the employees to respectable salaries because they were underpaid in the County and she didn't hear anyone complain about that. She thinks

that everybody who works here appreciates that Supervisor Teal has stuck to that.

Councilmember Baumli stated that he thinks that the committee has put in a lot of work and come up with a great proposal. The equity raises work to bring up some positions that are grossly underpaid compared to other positions within the town. The positions that are overpaid won't be looked at until the person retires and then we adjust them then. Councilmember Newton asked about the proposed pay cut to the Constable. Councilmember Baumli stated that is because his hours have greatly decreased. Town Clerk Houghtling stated that she talked to Constable Powell about it and told him that this is not because anybody thinks he should be paid less but because his work load went from 4 nights a month to 2 nights a month and he understood that. Councilmember Baumli stated that she is fine with the equity adjustments as proposed and if there is room for COLA as well, because these people are some of the lowest paid in the County, then he is on board with that as well.

Councilmember Rasmussen stated that whether it is an across the board freeze or an across the board increase, you haven't actually motivated someone to keep working or do a better job because they know they are getting the 2% increase anyway. If he is coming in late, reading a comic book and going home two hours early and he is getting the same 2% that someone else gets that is working hard. Councilmember Smith stated that that person should be fired. Councilmember Rasmussen stated that they should have but they weren't so they continue to get an increase for poor performance. He stated that COLA increases are some of the worst compensation practices there is. Councilmember Baumli stated that he agrees with that point but for this year, since we have no evaluation in place for merit increases, we should do a COLA for this year then get the evaluation process in place for next year otherwise employees are going to work for all of 2019 with no increase. Supervisor Teal stated that she agrees with Councilmember Baumli that we should do a COLA this year and then move to merit based raises for next year. Councilmember Newton asked for a total budget impact for the equity raises and a 2% COLA across the board. Supervisor Teal stated that a 2% COLA across the board would increase the budget by \$11,304.

Councilmember Baumli made a motion to do the equity raises as proposed and a 2% COLA raise across the board. Supervisor Teal seconded that motion.

Roll Call Vote:

Councilmember Rasmussen -	Nay
Councilmember Smith -	Nay
Supervisor Teal -	Aye
Councilmember Newton -	Nay
Councilmember Baumli -	Aye

Councilmember Smith made a motion to do the equity raises as proposed with no COLA raises. Councilmember Rasmussen seconded that motion.

Roll Call Vote:

Councilmember Rasmussen -	Aye
Councilmember Smith -	Aye
Supervisor Teal -	Nay

Councilmember Newton -	Aye
Councilmember Baumli -	Nay

Councilmember Newton stated that he would like to see the evaluation process implemented so we can do merit raises for next year. He couldn't approve both the equity raises and the COLA in the same year as it was close to \$22,000 impact on the budget in one year. Councilmember Baumli stated that bringing people up to where they should have been all along with the equity raises is just balancing out the positions but by not doing the COLA, the rest of the employees get nothing.

PUBLIC HEARING FOR THE 2019 BUDGET:

Supervisor Teal stated that she needs until tomorrow to put in the new numbers into the budget that were approved tonight. If we hold a special meeting tomorrow night, we can set the public hearing then with the final numbers in front of us.

Supervisor Teal made a motion to set a special meeting for Tuesday, October 30th at 6:30pm. Councilmember Smith seconded that motion. The motion passed unanimously.

ADJOURNMENT:

A motion was made by Supervisor Teal to adjourn the meeting at 8:13pm. Councilmember Rasmussen seconded that motion.

Respectfully submitted,

Tistrya Houghtling
New Lebanon Town Clerk