

## **SPECIAL TOWN BOARD MEETING**

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Town of Ulysses

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August 13, 2020

Audio of the minutes are available on the website at [ulysses.ny.us](http://ulysses.ny.us).

The meeting was held via videoconference on the Zoom platform.

Notice of Town Board meetings are posted on the Town's website and Clerk's board.

### **ATTENDANCE:**

TOWN OFFICIALS PRESENT:

Supervisor- Nancy Zahler

Board members- Richard Goldman, Michael Boggs, Katelin Olson, Marc Devokaitis

Deputy Town Clerk- Sarah Koski

Second Deputy Supervisor/Budget Officer- Michelle Wright

OTHERS PRESENT: Mary Bouchard (arrived 8:23 am)

### **CALL TO ORDER:**

Ms. Zahler called the meeting to order at 8:01am.

### **DISCUSSION on the YEAR TO DATE BUDGET and the PROPOSED 2021 BUDGET:**

Ms. Zahler stated that the purpose of this meeting is to look at the year to date budget for 2020 and to look forward to the 2021 budget. In years past the board would start this process later in the year, but with the financial downturn due to the Coronavirus Pandemic, the board felt it was prudent to have more time to consider the financial year ahead.

Ms. Wright shared charts which showed the current 2020 budget (See Appendix I). Ms. Wright explained that the CE lines in the budget are discretionary funds that could be trimmed for the coming year, aside from those expenses that are considered essential for town operation. For example, the Highway machinery fund is partially discretionary in that some spending on machinery is necessary to maintain operations, while some spending could be delayed.

Ms. Wright then went over the year-to-date spending for the town (See Appendix II). Yellow cells are updates to the 2020 budget after the onset of the Coronavirus Pandemic. Overall, the NYS state retirement invoice that is due in December will be distributed across all funds to cover that

cost. The town also has received confirmation that it will be reimbursed through CHIPS funding for paving projects, and that reimbursement form has been submitted.

Ms. Zahler pointed out the Code Enforcement budget line increased this year due to the transition to a new Code Enforcement Officer and associated training and staffing expenses.

Mr. Goldman asked about the attorney budget line: does the town expect to spend the entire budgeted amount for 2020? Ms. Zahler explained that the town had budgeted for potential zoning issues which have not been pursued this year, so the town does not expect to spend the balance of this fund. Mr. Goldman asked if some of the attorney funds could be transferred to code enforcement as there are several code violations in the town that need to be pursued. Ms. Wright stated that budget modifications across a single fund are possible but she encouraged savings whenever possible.

Mr. Goldman asked about sales tax revenue. Ms. Wright explained that the town is projecting a 30% loss in sales tax revenue for the entire year. Mr. Goldman suggested calculating the loss on a monthly basis as sales tax may increase in the coming months and has been somewhat strong during the summer months. Ms. Wright explained that the town is being conservative about this calculation since the fall and winter sales tax will depend on how the Pandemic progresses. Mr. Devokaitis feels that being conservative with projections makes sense given what is going on in the county. Ms. Olson feels that the town will be in pretty good financial shape coming out of 2020, but is concerned that with the ongoing pandemic, 2021 may mean an even bigger hit to the economy. She feels that it is prudent to save as much as possible in 2020 against the unknown financial landscape to come.

Ms. Zahler explained that overall, when trimming the 2020 budget, the board started with the assumption that staffing levels would be preserved and instead looked for ways to cut discretionary spending. All departments cut conference and travel expenses, and Scott Stewart, the Highway Superintendent, delayed purchase of major equipment. Instead of purchasing a new ditching machine, Mr. Stewart decided to rent one for the limited season at a considerable savings. Code and Zoning had been considering software to help streamline their process but that spending is on hold.

Mr. Goldman asked about the code and zoning software: while Mr. Goldman urges caution in spending, he wants to make sure the town invests in items that will increase efficiency. Ms. Olson agrees with Mr. Goldman; she does not want to be penny wise and pound foolish. For example,

with road maintenance: if the town does not spend money to maintain roads, the repairs will ultimately be more expensive. She urged the board to work with Mr. Stewart to make sure regular road maintenance is a spending priority. Mr. Goldman suggested that Mr. Stewart look to see if there were other equipment purchases that could instead be rented or leased.

Ms. Wright then reviewed the preliminary fund balance estimates for 2021 (See Appendix III). Mr. Goldman asked about where shortfalls are coming from aside from sales tax. Ms. Zahler stated that AIM and CHIPS funding from the state were assumed to be cut entirely, but now the state has committed funding from these sources. Mr. Goldman asked that if there will be considerable spending cuts and funding is coming in aside from sales tax, why does the town expect to spend from the fund balance? Ms. Wright explained that historically the town has budgeted by overestimating spending and underestimating income. Ms. Wright will work on a document that shows projections on why the town may need to spend the fund balance in the coming year. Mr. Boggs noted that the town budgeted more in the fund balance in 2020. Ms. Zahler explained that the board has used the fund balance in the past to reduce the tax burden on residents.

Ms. Zahler asked how the board wanted to invite public input into the budget process. Mr. Goldman suggested allowing privilege of the floor during budget meetings but it might be counterproductive to get feedback on a line by line item basis. Budgeting is the purview of the board.

Ms. Olson suggested the board could put out a statement about a philosophy of budgeting, such as prioritizing staff over spending, and ask for feedback from the public about that statement. Ms. Olson suggested asking department heads if there is spending that would make departments more efficient, more functional and will result in long term savings.

**ADJOURN:**

Mr. Goldman moved to adjourn the meeting at 9:31 am; seconded by Ms. Olson and passed unanimously.

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*Respectfully submitted by Sarah Koski on 8/14/20.*