COMMON COUNCIL
Special Work Session Meeting

October 16, 2000

Mayor Robert Raphael presided at a special budget work session meeting of the Common Council held at 7:13 PM on October 16, 2000, at One Court Plaza.

Present:
Mayor Robert Raphael
Ald. Gary Clark
Ald. McNeil
Ald. Rabinowitz
Ald. Sharon Jeffer
Ald. Joseph Biviano

Also:
Police Chief Joseph Angelino
Fire Chief John Tighe
Director of Finance William Roberts

Absent:
Ald. Jeffrey Thornton

Review of Tentative 2001 Budgets – Mayor Raphael turned the meeting over to Director of Finance Roberts to review the remaining categories and overall status of the tentative budget. Roberts first summarized that not all of the necessary details were complete enough to give a definitive bottom line impact for the General Fund. Ald. McNeil indicated that the Council still needed to go over details on total revenues and the effects of capital reserves and debt service. Roberts responded that was correct, with only the major revenue items for Sales & Use Taxes and General Purpose State Aid being addressed so far. He said that he will need to coordinate the next review meeting time and date with the Council on Tuesday. Meanwhile, Roberts handed out a rough, incomplete draft of General Fund Appropriations. He pointed out that the 2000 Estimated Actual column was not complete on all lines, and that grand totals were not yet reconciled with revenues and interfund transfers from reserves. The purpose at this point was to compile all the departments and cost centers that the Council has separately reviewed to date, plus include and review the remaining areas. Meanwhile, Roberts reported that his interim work indicates that of the $547,000 originally scheduled as appropriated fund balance in the 2000 budget, none of it has been required to date, as the result of a higher than projected ending fund balance on December 31, 1999, and higher revenues in 2000 for sales & use taxes, plus increased supplemental state aid. He also pointed out that this should mitigate property tax impact in the new budget. Ald. Biviano asked if this meant that the 2000 budgeted appropriated fund balance will not need to be utilized. Roberts replied that an extraordinary event or situation could change the outlook, but under normal conditions for the remainder of 2000, he did not expect it will be needed.

Finance: The personal services line reflects the plusses and minuses of the current year's organizational changes involving the Clerk's function and temporary vacancy in one of the departmental positions. The reduction in office expense reflects a procedural change of charging copying and postage expenses of administrative departments to a single administrative overhead account, A1930.4. This saves time in tracking individual copying and postage costs and preparing journal entries to each department. Ald. McNeil asked if that meant that other departments should also show a corresponding reduction from previous office expense budgeted amounts, which in total should equal the $12,200 being budgeted in the new account line. Roberts confirmed that was correct, and that he would be making a cross check to make sure the net effect would be zero in the new budget.

Assessment: The 2001 budget does not show any significant changes from current levels, except that Roberts said he will have to check with the Assessor on the postage and office line per the above discussion.

Management Information Systems: Roberts indicated that this line was tied to and would come from the funds being scheduled as State Aid revenue under the SARA grant program.

Other: The major items are property & liability insurance, which is largely influenced by stock market trends, and the contingency line. Roberts confirmed that he will later be providing a breakdown of the contingency detail.

Undistributed: Under the Employee Benefits grouping, Roberts pointed out that the 2000 Estimated Actual column shows correct amounts for retirement which he confirmed through Albany. Retirement costs are also influenced by market investments by the Comptroller's office, and the fire & police will be zero this year, with all other employees cost at $21,656. For the 2001 budget, he has projected $24,500 for fire & police, and $32,600 for all other. Social security is directly tied to total payrolls. The hospital & medical insurance costs are projected to increase due to current rising trends, especially for prescriptions. Roberts said he preliminarily discussed this with Human Resources Director DeForest, and that a more detailed discussion will covered with her at the next review session. Under the Interfund Transfers grouping, a brief discussion followed on certain capital reserves transfers for parks categories and others. Also, Roberts indicated that transfer to debt service was only preliminary, and could change substantially after coordination with timing of interest and principal payments and utilization of supplemental state aid. This overall grouping will be reviewed more closely after completion of the remaining budget details.

Executive Session - Ald. Biviano moved to go into executive session at 8:12 PM to discuss the employment history of a particular individual. Seconded by Ald. McNeil and duly adopted, ayes all.

Ald. McNeil moved to go out of executive session at 8:28 PM. Seconded by Ald. Clark and duly adopted, ayes all.

Adjournment – Ald. Jeffer moved to adjourn at 8:29 PM. Seconded by Ald. Rabinowitz and duly adopted, ayes all.