

**COUNCIL MEETING
MONDAY, MAY 16, 2016
COUNCIL CHAMBERS
www.lackawannany.gov**

Regular session of the Lackawanna City Council met in the Council Chambers, Council President Keith Lewis presiding. The meeting was preceded by the Pledge of Allegiance led by Council President Lewis.

**Meeting called to order
NB: Meeting being recorded**

**Roll Call: Council: Present: Lewis, Noman, Iafallo, Jerge, DePasquale
Dept. Heads: Present: Comptroller, Development, Public Works
City Attorney, Recreation
Excused: Public Safety**

Approval of Minutes: of regular meeting of May 4, 2016

Moved by Lewis seconded by Jerge to adopt minutes of regular meeting of May 4, 2016 as written

Yeas: Lewis, Noman, Iafallo, Jerge, DePasquale Carried 5-0

Departmental Reports:

1. City Clerk-Monthly report for April 2016
2. Treasurer-Receipts deposited into General Fund, April 2016
3. City Comptroller-A/P Check Listing #39, April 29, 2016
4. City Comptroller-Statement of Condition of Appropriations as of March 31, 2016

Moved by Jerge seconded by Lewis to receive and file departmental reports one thru four

Yeas: Lewis, Noman, Iafallo, Jerge, DePasquale Carried 5-0

Communications from the Mayor:

Budget – Mayor’s Proposed

5. To: City Council

I am submitting to you the proposed budget for the City of Lackawanna. The most notable differences in this year’s budget is the large increase in salary and correlating payroll taxes. I would like to point out that of the \$1,230,000 increase, almost \$830,000 of that is due to having to budget for probable retirements in the police and fire departments. Additionally, there were increases in health insurance; retirement and workers compensation costs. Included in the salary increase is the addition of an assistance comptroller. It should be noted that this is the final year of the police and fire department’s contracts.

The police contracts, prior to 1997, had allowed for an unlimited accrual of various benefits which are paid at the time of retirement. Every year we are obligated to ask the department chiefs to canvass their work force and see who is contemplating retirement. This year, the combined cost of police and fire retirement payments is estimated to be \$830,000.00. That's the bad news. The good news is, if these anticipated retirements do not occur, the money budgeted for those retirements will be placed into a reserve. This will be used to offset the amount that will have to be budgeted for retirements in future budget years. Also, \$4,365,000 is now budgeted for health care for both, the operating and the special revenue-refuse budgets.

I am requesting that the position of Assistant Comptroller be funded. It is my belief that, that office is understaffed as it is, and when any person is absent for even a short period of time, my administration has to scramble to staff the absent person. I even had to request the council to, twice, fund for long term assistance just this fiscal year alone.

As the city council has requested to have meetings with departments to address their requests for the budget, I have reviewed their requests and have made additional changes. I have reduced the department head's requested budget by over \$450,000.00.

As with so many other communities throughout New York State this year, the city's property Tax Cap will have to be voted on to be overridden. This year, there was no increase in the tax base and only a .24% increase in the allowable levy (inflation) growth factor. Additionally, unlike the constitutional tax limit, there is no exclusion for debt service under the property tax cap.

New York school districts have received increased state aid every year; New York State AIM (Aid and Incentive for Municipalities) hasn't increased for local governments since 2008.

The garbage user fee has been subsidized by the general operating budget since its inception and it is my belief that, that fund must now be fully self sufficient. If the city continues to subsidize that special revenue fund, the city will not be financially viable in future years.

As you are aware, I am only allowed to submit a 0% tax shift. Since the budget to the city council does not have a unified rate, like most surrounding communities, the formula has left a heavy burden on businesses. At the end of each budget, I submit viable options of rate shifts. Due to the continued severe difference between the homestead and non-homestead tax rates, I would support a vote in order to help offset the costs on businesses.

MAYOR GEOFFREY M. SZYMANSKI

Moved by Lewis seconded by DePasquale to **TABLE** for study

Yeas: Lewis, Noman, Iafallo, Jerge, DePasquale

Carried 5-0

Executive Session:

Moved by Lewis seconded by Iafallo to enter into executive session at 7:12 PM

Yeas: Lewis, Noman, Iafallo, Jerge, DePasquale

Carried 5-0

Meeting reconvened at 7:20 PM

Roll Call: Council: Present: Lewis, Noman, Iafallo, Jerge, DePasquale

Adjournment:

Moved by Jerge seconded by Noman, meeting is adjourned

Yeas: Lewis, Noman, Iafallo, Jerge, DePasquale

Carried 5-0

Keith E. Lewis, Council President

Jacqueline A Caferro, City Clerk