

## FINANCE

Monday, March 27, 2017 – 6:30 p.m.

Police Training Room – Olean Municipal Building

Present: Members: Chairman Dougherty, Vice Chairman Crawford, Alderman Witte, Alderman Andreano, Alderman Gonzalez, Alderman Smith, and Alderman George. Others: Mayor William Aiello; Al Utecht, City Clerk; Fred Saradin, City Auditor; Mary George, Community Development Program Coordinator; Tom Windus, Director of Public Works; John Anastasia, Youth & Recreation Director; Bob Bell, Fire Chief; Jeff Rowley, Police Chief; Jason Wells, IT Department; Ed Jennings, Code Enforcement Supervisor, and Tiffany Taylor, Managerial Confidential Administrative Secretary.

### 1. Roll Call

Alderman Dougherty called the meeting to order at 6:30 p.m. and asked that the record show that all committee members were present.

### 2. Approval of Minutes of the Previous Committee Meetings (Wednesday, March 22, 2017)

A motion to approve the minutes of the Wednesday, March 22, 2017 meeting was made by Alderman George, seconded by Alderman Witte. Voice vote, ayes all. Motion carried.

### 3. Unfinished Business

#### a. PL #15-17: (Aiello) Budget 2017-2018.

##### i. Proposed Fee Increases

Mayor Aiello presented the Council with the following proposed fee increases:

Clerk:	Current Fee	Proposed New Fee	Possible Increase	Total Possible Increase
Off Street Parking	.25/hour	.50/hour	\$6,000	

Parking Permits	\$30	\$35	\$1,800	
Dog Licenses	\$10/altered dogs; \$20/non altered dogs	\$15/altered dogs; \$25 for non altered dogs	\$2,680	
<b>TOTAL CLERK</b>				<b>\$10,480</b>

**Buildings, Fire & EMS Department**

Building Permit Fee Structure Change	\$35	\$50 plus sliding scale	\$2,235	
Demolition Permit Fee Structure Change	\$35	\$50 plus sliding scale	\$270	
Increase Roofing Permits from \$0 to \$50 Variance and Sign Fee Structure Change:	0	\$50	\$7,375	
Area Variance	\$20	\$150		
Sign Variance	\$25	\$150		
<b>Possible Variance and Sign Revenue w/ Fee Increase</b>			\$2,000	
Proposed new Fees to Consider :				
Residential Safety Inspections	0	\$30	\$1,500	
Commercial Safety Inspections	0	\$20	\$4,000	
Fence	0	\$25	unable to estimate	
<b>TOTAL BUILDINGS, FIRE AND EMS</b>				<b>\$17,380</b>

**ASSESSOR**

Filing Fee: \$10			\$4,000	
<b>TOTAL ASSESSOR</b>				<b>\$4,000</b>

**RECREATION CENTER**

**Hourly Ice Rental Fee:**

**Assumption One: An Increase of \$10/hour:**

Current Rates \$115 tournament/\$130 non prime/\$140 prime/\$150 games

Current Rates \$115 tournament--\$130 non prime--\$140 prime--\$150 games

Current Rates \$125 tournament--\$140 non prime--\$150 prime--\$160 games

\$9,448

**Assumption Two: An Increase of \$15/hour:**

Current Rates \$115 tournament/\$130 non prime/\$140 prime/\$150 games

Current Rates \$115 tournament--\$130 non prime--\$140 prime--\$150 games

Current Rates \$130 tournament--\$145 non prime--\$155 prime--\$165 games

\$12,715

**AIRPORT**

Old T- Hangar Rents

\$100/mo

\$150/mo

New T-Hangar Rents

\$175/mo

\$225/mo

Main T-Hangar Rents --increase 6 renters \$50/month each

\$200-\$700/mo

\$250-\$750/mo

**TOTAL AIPORT**

**\$15,600**

**DPW**

Permit Fees -- Subway

\$30

\$50

\$2,900

Permit Fees--Street

\$50

\$75

\$625

Curb Cutting

\$10/ft

\$15/ft

\$250

Outlet sewer-tap-residential

\$150

\$200

\$150

Outlet sewer-tap-commercial

\$425

\$500

\$150

Water tap ¾-1 inch

\$300

\$400

\$200

Water tap 1¼-2 inch

\$400

\$500

\$100

Water tap 4"	\$600	\$700	\$100	
Water tap 6"	\$800	\$900	\$100	
Water tap 8"	\$1,050	\$1,150	\$100	
Water tap 12"	\$1,500	\$1,600	\$100	
White good pickup	\$15 + \$10 add'l	\$25+\$15 add'l	\$125	
Oversize load - blanket	no charge	\$100	\$700	
Oversize load - individual	no charge	\$150	\$2,400	
<b>TOTAL DPW</b>				<b>\$8,000</b>

**POLICE DEPARTMENT**

Fines for metered parking	\$10	\$15		
Fine for other parking violations	\$20	\$25		
<b>Estimated Increase for Parking Violations</b>				<b>\$17,000</b>

The Police Chief recommends hiring a second Parking Enforcement Officer to increase enforcement and hence revenue. Cost would be approximately \$15,000

**Total Possible from Fee Increases (assuming \$10 for ice rental)** **\$81,908**

**Total Possible from Fee Increases (assuming \$15 for ice rental)** **\$85,175**

Alderman Gonzalez questioned if the possible increases were based on historical figures, and Mayor Aiello stated that they are. Mr. Utecht stated that he didn't necessarily increase for every amount taken in, as he took into consideration that not everyone will continue using the off street parking or getting permits. Also, it is possible that some people will stop registering their dogs. Alderman George questioned when the last time these fees were changed, and Mr. Utecht stated that the dog fee was last changed in January 2011. The rest of the fees have been in place at least 10 years.

Alderman Smith questioned where this would affect, and Mayor Aiello stated that the off street meters are in the OBI lot, lot 6 and lot 9.

In terms of fees for Buildings, Fire, and EMS, Alderman George questioned if the \$50 roofing permit fee is right in line with other municipalities. Mr. Jennings stated that they vary, but for example, Allegany is \$60. \$50 seems like a happy medium. Alderman Crawford questioned if any other municipalities don't charge, and Mr. Jennings replied that we are the only one. Alderman Dougherty stated that, as a contractor, a \$50 permit fee for an \$8,000 roof is not a big deal.

Alderman Crawford questioned what an Area Variance permit fee is, and Mr. Jennings explained that if you want to build a garage or deck and it will be too close to the property line according to Code, you go through the variance process to attempt to gain permission from the ZBA to erect the structure.

In discussion recreation fees, Mayor Aiello stated that he does not feel that it is appropriate to change ice skating or swimming fees. He is looking into increasing ice rental fees by \$10-\$15 an hour. Alderman Crawford questioned when the last time these fees were changed, and Mr. Anastasia stated that it has been a solid ten years. He does not feel that the \$10-\$15 will decrease ice time usage.

Alderman Gonzalez questioned how many rinks are in the immediate area, and mentioned that we are spending \$3 million there. Mr. Anastasia stated that we can really charge what we want. He feels that this fee increase is appropriate for this market area. Alderman Witte recommended into looking into raising the fees for the Community Center and Bartlett House \$5 more per hour. Mayor Aiello mentioned this was an oversight and he will certainly look into this.

As Mr. Windus described the DPW fee increases, there was some question regarding oversized loads. Mr. Windus explained that we can justify charging for oversized loads because they have a tendency to tear up the roads. He stated that we currently give permits for oversized loads, but we do not charge. Also, although everyone should get a permit, not everyone does. Alderman Witte stated that it seems silly that we don't charge. Everyone else charges fees. It is our own shortsightedness that we don't charge, and we should.

Chief Rowley explained that the \$17,000 increase in ticket revenue by increasing ticket fees by \$5 does not take into consideration possible increases in late payments. He stated that if we hire a second part time enforcement officer to work alternate hours of the one we currently employ, he feels that we could double our fees taken in for parking tickets, therefore covering the cost of the

second parking enforcement officer and then some. Alderman Witte expressed concern regarding hiring another parking enforcement officer.

Mayor Aiello stated that bottom line, we could increase fees, based on this proposal, \$81,908 to \$85,175 per year. Alderman Crawford thanked everyone for putting this together. Alderman Gonzalez stated that this does not need to be decided prior to passing the budget, but we definitely need to look at and consider these increases. Alderman Dougherty stated that it seems to be a good idea moving forward, and Alderman Crawford stated it seems to make a lot of sense.

## ii. SPCA Presentation

Dan Evans introduced himself from the SPCA, and stated that he had heard that the Council is interested in cutting their funding and he is here to answer any questions. He provided a brief report to the Council detailing what they do for the City, as well as estimated costs to the City. He stated that they appreciate the opportunity the City provides for them to take care of our animal control. He continued in stating that he feels that when the City is making a decision, they need to keep in mind that the SPCA does a good job. They try to keep their own expenses down, and cannot cut anywhere. He is looking to make changes to our current contract, and he wants to discuss this with the City and Council.

Ginger Schroder, an SPCA volunteer, stated that the SPCA cannot continue to do work at the proposed cost of \$30,000, and questioned who will. Another group will end up euthanizing animals or treating them poorly. Alderman Andreano questioned if this meant that they will no longer honor the current contract at \$60,000 per year, and Mr. Evan stated that in all actuality, Olean pays for 20% of the SPCA's necessary costs, and uses 70% of their total cost. We need to look at a cost for service plan. He is not able to give an amount at this time that it would cost overall.

Alderman Andreano questioned how we are supposed to budget when we don't have numbers. Ms. Schroder stated that their agency has been burying the risk, and it is time that we share it. \$60,000 will no longer cut it. If we continue with a flat fee, we are looking at \$120,000 to \$140,000 plus per year.

Mayor Aiello stated that right now, the SPCA is refusing feral cats, when they had always taken care of them. They now say that they aren't in the contract.

The Aldermen thanked Mr. Evans and Ms. Schroder for their time and concerns.

Mayor Aiello stated that he and Chief Rowley dispute the numbers that the SPCA is providing. They are supposed to provide monthly reports to the City, but they do not. Alderman George questioned if we want more transparency moving forward. Mayor Aiello stated that he did not know that they were coming, so he was not prepared and he is not sure of their numbers. Chief Rowley stated that, based on the calls that the police department gets, the numbers they provided seem really high.

Alderman Gonzalez questioned if we need to provide animal control services, and Mr. Utecht stated that he doesn't believe so. Chief Rowley stated that we have worked with the SPCA for a long time, and after a recent event, the police department called them and they stated that they no longer provide a certain service. There were internal changes, and they did not notify us. Alderman Dougherty suggested that we eliminate animal control in its entirety from the budget.

### iii. Budget

Alderman Gonzalez stated that after looking at the list of proposed cuts, he wants to remove crossing guards, summer help, and the legal assistant / council clerk from the list of cuts. If we remove these cuts, and don't find other cuts, we are still taking \$500,000 out of the proposed budget.

Alderman Crawford stated that he would like to piggyback with what Alderman Gonzalez stated. He agreed with everything that Paul stated, and he would also like to discuss the tree program. He questioned if it is the City's responsibility legally, and if there would be liability issues if we removed the funding. Alderman Gonzalez stated that we are only cutting half of the budget. Ms. Taylor stated that, in reference to the minutes of the last meeting, the Code dictates that the trees are the responsibility of the property owner. The trees are currently the City's responsibility because we budget for it and do the service, but if we discontinue this and continue with what the Code dictates, it will not only reduce our liability, it will also cause our insurance rates to decrease.

Alderman Crawford then questioned what the need for a Forester would be. Mr. Windus stated that the City has thousands of their own trees. Also, the non-City trees would be handled like sidewalks, where we would receive a complaint and send the Forester out to inspect the tree. If the tree is deemed hazardous, then a letter would be sent out with notice to remedy. The Forester's knowledge is much more than anyone he has on staff, and he can't see not having that experience and intelligence there.

Alderman Smith stated that he feels that there will be a drastic decline in tree calls, as those who call with complaints about trees in their subways will no longer call because they don't want to trim the tree or take it down. Alderman Dougherty mentioned that the Forester also aids in tree placement.

Alderman George questioned why this was budgeted for so many years, and Alderman Smith stated that it seems like a courtesy, but not a requirement. Mr. Windus stated that the Code is very specific that trees are not our issue, and the Council left it in the budget for its own reasons. The trees in the subway have been the property owner's issue since the 70's, and he is not sure how long the City and Council have been taking care of them. Hundreds of trees have been planted, and although the City has had no say over the plantings, we use City money to take care of them. It is not an essential City service and that is why the Code was changed. If we do feel that this is an essential City service, then we need to amend the Code again.

Alderman Witte stated that she feels that we are shooting ourselves in the foot if we do not keep the Assessor's Aide position. She feels that \$22,000 in a small price to pay to keep someone in the office moving forward. Also, she feels that we should look into treating the crossing guards like we do the School Resource Officer, where we share the cost with the school. She suggested that Mayor Aiello and Chief Rowley look into this.

She continued in stating that she still feels that more cuts can be taken from travel and training budgets, as well as celebrations. In response to a question, Mayor Aiello stated that the celebrations budget is for "all necessary expenses of the Mayor's office" according to the Charter. It covers flags for the cemetery on Memorial Day, as well as flowers. The plaque to dedicate the stage at Bradners' came out of this budget, as well as soil, mulch, and flowers around the City building and for planters. It covers costs for the Mayor's forum, bags and gloves for City cleanup, and invitations for various events such as ribbon cuttings.

Alderman Dougherty stated that he is not opposed to how the celebrations budget is spent; however, he feels that the name of the account isn't appropriate and could be changed. Alderman Witte stated that she feels that some of these items could come from different areas of the budget, and we could possibly looking at cutting from celebrations.

Alderman Andreano recommended a compromise of two parks and two streets summer help, rather than cutting all four in each department. It isn't a huge help to have just two in each department, but it's better than nothing. She questioned if we could use some of the summer recreation staff to do some of the work that summer help does. Mayor Aiello replied that he feels that it may

be a problem with Civil Service, as there are two different job descriptions. Also, we cannot allow 16 and 17 year olds to use some of the equipment, and it may also cause a problem with the union.

Alderman Andreano stated that she feels that we need to put the City Attorney back to part time from quarter time. Mayor Aiello piggybacked on that, stating that the Department Heads reach out to the City Attorney, some almost on a daily basis, so we really need him.

Alderman Crawford stated that we haven't used the insect control line item for the past two years, and questioned if we could cut it and take the funds from contingency if we do need them this year. Mayor Aiello noted that the insect control contract will be coming up soon with the County, and he will need the Council's permission to sign. Alderman Crawford asked if we only pay if the County sprays, and Mr. Windus stated that is correct.

Alderman Gonzalez asked if there is a difference in the St. John's after school program and youth basketball. Mr. Anastasia stated that they both come from the same program funding, including \$11,500 of State Youth Bureau funding. He provided a handout to the Aldermen with program attendance figures. He stated that the program has been in place for 21 years, and hundreds and hundreds of kids have come through their doors. The program costs \$32,000, runs for ten months and employs three after school staff, two weekend recreation staff, and two staff for basketball. He doesn't feel that there is any better investment that we can make than in our kids. Alderman Witte questioned if the kids pay anything for this program, and Mr. Anastasia stated that they don't. It is a drop in program.

Alderman George stated that Mr. Anastasia puts his heart and soul into this program. He works all day, and is at St. John's at 8 p.m. watching the kids play basketball. His kids have used this program. The structure is good, and it is a place where kids can just be kids. He knows that the City budget is tight, but this is a great program and he cannot support getting rid of it. Alderman Andreano added that when you don't have a safe place in your neighborhood for kids to play, this is where you can take them. You don't want to see the alternative, where kids are running the streets. One of the best things that our City does is its youth program. She doesn't feel that the City of Olean is for young professionals, but rather for families.

Alderman Gonzalez stated that the list of proposed cuts received last week included crossing guards, less money for potholes and no summer help for streets or park maintenance. He has no doubts the virtues of the St. John's program, but he feels that it is worth having a discussion about.

Mr. Anastasia stated that the program is well supervised, but that it really does give kids a chance to be kids, and get away from all of the stress that they experience at home and in school. He feels that Olean has a lot of kids that could fall through the cracks if we get rid of this program. Some families have more choices for recreation, but for some families, this is it.

Alderman Smith stated that the proposed budget had a 1.15% tax increase, and believes that this is still in the budget after the \$600,000 in cuts. He stated that it is a hard sell to increase taxes while getting rid of services. He does feel that there should be some cuts, but doesn't feel that we should do \$600,000 in cutting. He stated that if we exit this year with \$250,000 going to surplus, perhaps we can cut \$300,000 from the budget, and still keep \$2.5 million in surplus. He feels that \$300,000 is much more realistic.

Alderman Gonzalez stated that, that solution does not fix the problem. We are spending more than we are taking in. Needing to take \$600,000 from surplus to cover a budget gap is alarming. Alderman Smith replied that spending more than we are taking in is a problem, but he feels that we are getting rid of crucial City services. Alderman Gonzalez stated that he feels that, after we put items back into the budget from the cut list, that we aren't cutting anything that significantly changes the quality of life in the City.

Alderman Witte stated that we need to get our act together. We don't have a capital plan or a long term plan. If we can't afford something at home, we do without. Alderman George pointed out that even Alderman Witte wasn't in favor of all of the cuts, and she replied that there were a lot of cuts that she did agree with. Alderman Gonzalez stated that we do need to look at a capital plan to move forward, but we need to do something now for this budget.

Alderman Crawford stated that he would rather save fund balance for capital projects in the future. He is all for giving back to taxpayers and using excess fund balance to go back to taxpayers in the form of capital projects, but the fund balance surplus should not be used for reoccurring expenses. Alderman George stated that there are obvious, clear things in all of their emails to the Mayor that they want to see kept in the budget, and it seems everyone agrees with the five year capital plan.

Alderman Crawford stated that our debt service will not be decreasing. We need to start paying for all of the projects that we have taken on.

Alderman Gonzalez stated that he doesn't want the Department Heads to think that the Council thought they had an easy job. He knows that budgeting and finding these cuts was difficult, and he thanks them for it. He feels like a lot of these cuts are justifiable and will not affect the quality of life.

He continued in stating that he would vote "yes" on a budget that put back the summer help, council clerk / legal assistant, and crossing guard. Alderman Crawford and George agreed. He then stated that he would like to see a five year capital plan moving forward, but we need to get through this budget first.

Mayor Aiello stated that he feels we need to look at the Assessor's Aide position and the City Attorney's position. Alderman Gonzalez stated that to add them back would be around \$44,000. Alderman Andreano stated that the City Attorney is crucial to the Council and Department Heads. Alderman Gonzalez stated that would put us around \$450,000 in cuts, and that's what he wants to see, is the bottom line amount cut from the original proposed budget. He can vote "yes" on the budget with the \$450,000 in cuts.

Mayor Aiello stated that he would put together a plan and come back to the Finance committee tomorrow night to discuss it further, with the Aldermen's suggestions in mind.

Alderman Andreano stated that it is a good thing that each Alderman has passion, and that everyone involved is willing to listen to pros and cons. She appreciates that.

Alderman Crawford questioned if the Council is in agreement that the fee increase makes sense. Mayor Aiello stated that the fee increases will be a critical part of the next year's budget, and Alderman Gonzalez stated that he agrees that it will make their job easier next year. He stated that the list includes a lot of easy, justifiable increases. He is in favor of the user directed fee increases rather than unnecessarily high tax increases.

Alderman Witte stated that she feels that we can do better than a \$450,000 cut. Mayor Aiello stated that he feels that the state of the City will get better, and he is trying to be positive. Alderman Witte stated that she is being realistic, and that we shouldn't take from the cookie jar to bail ourselves out.

In regards to the SPCA, Mayor Aiello stated that we need to see what our actual needs are. Alderman Dougherty recommended leaving the line item at \$30,000 and going from there. Alderman Smith questioned if permits would be needed to trim and cut trees if the program is cut, and Mr. Windus stated that permits would be needed for the City right-of-way only.

Mr. Windus questioned if the Council had made a decision on the water and sewer increases, and Mayor Aiello stated that the increases are factored into the tentative budget. It was decided to discuss this at the next meeting.

A motion to postpone PL #15-17 to the next Finance Committee meeting was made by Alderman Dougherty, seconded by Alderman George. Voice vote, ayes all. Motion carried.

4. New Referrals for Consideration

None

5. Approval of Committee Reports

None

6. Adjournment

A motion to adjourn was made by Alderman Witte, seconded by Alderman George. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 8:30 p.m.