

TO: Enfield Town Board
FROM: Robert Lynch, Councilperson
DATE: September 23, 2020
RE: Study of Potential Budget Revisions and their Impact

Board Members:

At our August 12th meeting, I startled some of you with these words:

“We’re going to have a tough year coming up... a real tough year; and the taxpayers had better get used to it, because it wasn’t our fault. We didn’t bring this pandemic to Tompkins County or New York State. And we’re just going to have to suffer.”

A “tough year,” can be resolved in one of two ways: Either with draconian cuts that compromise services to our residents; or with responsible increases in local spending and taxes, coupled with meaningful, common-sense belt-tightening. Some of us may choose the former course. I choose the latter.

I do not relish raising taxes. But when examining too many of the budget lines in Supervisor McGee’s Tentative 2021 Budget—now made this Town’s Preliminary Budget through hasty action September 9th—I recognize that too many expenditure lines stand beyond our control. As just one example, Unemployment Insurance costs have risen by more than \$10,000, up some 18-fold. Employee health insurance premiums will rise, materials’ costs go up, and state aid has become effectively non-existent—Thank-you, Governor Cuomo; you’ve been so much help!

But let’s pick up the financial pieces responsibly and move forward as best we can. I do not profess to know all of the answers, and we cannot revise any of the Preliminary Budget’s line items tonight, not until after next week’s Public hearing. Nonetheless, I’ve taken time to examine several of this budget’s more radical departures from the current year’s spending plan, and have prepared the accompanying five budget options for this Board—and the public—to consider.

Please note: Since the Town Budget and the Fire Protection District Budgets base their tax rates and levies upon different assessed value totals, and since General/Highway and Fire taxes are billed as separate items, I’ve chosen to confine my analysis here to the joint Town/Highway levy alone. Little controversy appears likely regarding Supervisor McGee’s Fire District appropriation line, based on current discussions. I expect little disagreement by our Board as to the 2021 Fire Budget.

As the tables show, I suggest for our consideration three principal items of increased spending over and above the current Preliminary Budget. These items are:

September 23, 2020

- Restoration of the “Fifth Worker” in the Enfield Highway Department, a position the Preliminary Budget proposes to eliminate;
- Granting all five Highway Department employees an across-the-board two per cent (2%) pay raise;
- Adding an additional \$4,000 in annual compensation to the Town Clerk, thereby raising her effective 2021 pay from its current \$20,000 to \$28,000; the expenditure shared between her budget lines as Town Clerk (\$26,000) and Tax Collector (\$2,000).

At the same time, I’ve identified items in the Preliminary Budget that I believe deserve consideration for reduction. I do not raise these items as *recommended* cuts, but rather as *suggested* economies which we should study prior to the 2021 Budget’s final adoption.

Worst case: The expenditure increases I suggest (Option IV) would add \$85,235 to the 2021 Preliminary Budget’s Tax Levy, or stated differently, a 5.24 Per Cent increase over the 2020 Levy. The Town Tax Rate would increase 28 cents per Thousand, a \$28 increase from the 2020 Town Tax on a \$100,000 parcel.

If all the suggested economies (Option V) were implemented, the Tax Rate would rise by 22 cents, or \$22 on a similarly-valued \$100,000 parcel.

Are the suggested benefits worth the added expense? That’s a matter for our Board, collectively, to decide, with the public’s help at next Wednesday’s Public Hearing.

Highway Department:

My accompanying “Sister Towns” Study, examining the Highway Department staffing of similarly-situated Tompkins County rural towns—Newfield, Danby and Caroline—suggests cutting Highway Department workstaff to four, as the Preliminary Budget proposes, is cutting staff too deeply. Caroline has five Highway Department employees, plus the Superintendent; and the Caroline Superintendent believes his department stands “a man short.” Newfield has eight highway employees in total; Danby seven. “I wouldn’t be cuttin’,” Danby’s Superintendent, Carl Seamon, told me.

Furthermore, as this Board’s Highway Liaison, I conferred last week with our Highway Superintendent, Buddy Rollins. In our conversation, Rollins warned that should our budget reduce his workforce by at least 20 per cent, snowplowing would likely be delayed in some areas of the Town; more overtime would be incurred; more equipment maintenance would be farmed-out to expensive repair shops; and annual clean-up days would be eliminated.

By my calculation of wages and benefits, making interpolations when necessary, I project restoration of full staffing (Option I) would add \$74,525 to the Preliminary Budget.

September 23, 2020

Option II adds to the Option I analysis a two per cent (2%) across-the Board pay increase for all Highway Department employees apart from the Superintendent. I, for one, believe it's unfair to grant substantial pay increases now (or in the recent past) to administrative staff paid under the General Fund, yet to keep hard-working, dedicated Highway Dept. staff laboring with no raise. I find Supervisor McGee's justification of this pay freeze, as stated in her 2021 budget narrative, unconvincing.

Town Clerk:

My suggested revisions (Option III) propose a further \$4,000 compensation increase for the Town Clerk. This would place the Clerk's combined Town Clerk/Tax Collector compensation at \$28,000, a sizeable \$8,000 raise over the current year. This suggested increase warrants an explanation.

I believe Town Clerk Ellen Woods has made a convincing argument that the Enfield Clerk's position stands underfunded. I believe the \$20,000 salary was earlier assigned in expectation that the Clerk would serve half-time, no more than 20 hours per week. This assumption may no longer be valid. Clerk Woods believes her office deserves full-time (40 hours/week) compensation. For now, I'll split the difference at three-quarter time, with the Deputy Clerk providing the balance of full-time service. Clerk's compensation at \$28,000, moreover, puts her compensation more in line with that of the Code Enforcement Officer (\$29,950), another administrative position. (By contrast, the Highway Superintendent's compensation is \$61,500.)

In a more favorable economic climate, I'd favor setting the Clerk's salary (Clerk plus Tax Collector) at \$30,000. But we as a Town face fiscal uncertainties for 2021. I can support no more than a \$28,000 salary at this point, with an additional \$10,000 assigned to the Deputy Clerk. I urge we reexamine the Clerk's salary and job duties for the 2022 Budget.

In exchange for this pay raise, however, I believe our Town Board should urge the Town Clerk to expand her office's in-person presence so as to better-serve our residents. The present schedule provides only 17 hours of in-person availability. I would also hope increased compensation will lead to more timely completion of meeting minutes, a legal requirement.

Potential General Fund Economies:

If we ask others to sacrifice, we should turn the mirror onto ourselves as well. Some of the suggestions I make here may prove controversial, yet I will make them nonetheless.

I suggest we consider trimming the Supervisor's proposed \$4,000 (20%) pay increase, cutting that increase in half to \$2,000 (10%). Unlike the Town Clerk, the Supervisor is a political position, which makes a difference. And the Town Clerk has convinced me that, based on her research, many if not most Town Clerks are compensated more than are their respective towns' Supervisors. With the position of Town Supervisor in transition, a 10 per cent pay raise for Supervisor, raising annual pay to \$22,000, proves more than adequate.

September 23, 2020

Earlier this year, our Town Board controversially raised the Deputy Supervisor's pay by more than 1000 per cent, increasing it from \$800 to \$10,000. I suggest that for 2021 we consider cutting the Deputy Supervisor's compensation to \$5,000.

Supervisor McGee has made it clear she intends to resign before year's end. Several succession scenarios exist, one of which would have the Deputy Supervisor succeed her. If that were to occur, the current Deputy Supervisor could draw only one salary, not two. It's also possible a newly-appointed Supervisor (who'd serve throughout 2021), appointed either from inside or outside the Town Board, might not employ a deputy. Much uncertainty remains. If cut we must, the Deputy Supervisor's line may be the place to start.

The Preliminary Budget proposes first-time funding to the Enfield Valley Grange of \$5,000. We as a Town should do what we can to assist the Grange through its financial challenges. However, we must also recognize that 2020 was an atypical year, with the Grange prevented by law from holding many of its traditional fundraising events. We can hope for brighter days in 2021 (eventually). I suggest we consider a \$3,000 grant to the Enfield Valley Grange, an amount identical to that we provide Enfield Seniors. Perhaps the Grange can raise the balance through a community fundraising appeal.

State Aid:

Our Preliminary Budget zeroes-out State Aid Revenue Sharing—Aid and Incentives for Municipalities, "AIM" funding—budgeted for 2020 at \$16,031. Our Supervisor has justified her decision, concluding that this money "has become a less dependable resource." I agree.

Governor Cuomo has already placed AIM funding on the chopping block once, the money later rescued, but then funneled through a complicated reassignment of county sales tax. But Tompkins County Administrator Jason Molino, in a reply to my inquiry yesterday, warned, "I think there is a high probability that Governor may propose the discontinuation of AIM funding from the County's share of sales tax.... Considering we have no idea what the Governor is going to do, I think Supervisor McGee's proposal to remove it from the budget is a smart move."

When Albany walks away from its municipalities, what we find is that governments like ours must tread water while also increasing taxes. Such is the dilemma we face tonight, this month, and this year.

As I predicted last month, "We're going to have a tough year coming up... a real tough year."

May we work together toward a meaningful solution this community can accept.

Respectfully submitted,

Robert A. Lynch