

**WEST SENECA COMMUNITY CENTER**  
**1300 Union Road**  
**West Seneca, NY 14224**

**BUDGET COMMITTEE**  
**Minutes #2019-02**  
**July 8, 2019**

Councilman Eugene Hart called the meeting to order at 7:00 P.M. with 30 seconds of silent prayer followed by the Pledge of Allegiance led by Jacob Kobler.

**ROLL CALL:**

Present	- Eugene P. Hart	Town Councilman
	Tina Hawthorne	Town Attorney
	Joseph Celeste	
	William Cleary	
	Scott Dobe	
	William Josefiak	
	David Kims	
	Maria Klaskala	
	Mark Koller	
	Edward Lalley	
	Joan Lillis	
	Barbara Lipiew	
	Suellen McAneney	
	David Rogers	
	Christopher Skalski	
	Michael Yost	
Absent	- Stephen Stachowski	
	Raymond Nalewajek	
	Kimberly Walkow	

Councilman Hart read the Fire Prevention Code instructing the public where to exit in case of a fire or an emergency.

---

## **2-A MINUTES TO BE APPROVED**

- Motion by Christopher Skalski, seconded by Scott Dobe, to approve Minutes #2019-01 of June 10, 2019.

Ayes: All

Noes: None

Motion Carried

Councilman Hart requested to move the presentation by John Berger of LMHF to the beginning of the meeting.

## **2-C PRESENTATIONS**

### **LABOR MANAGEMENT HEALTHCARE FUND**

John Berger from the Labor Management Healthcare Fund (LMHF) gave the attached presentation.

Councilman Hart questioned what would cause the town to go above budget on healthcare costs. Mr. Berger replied it is based on the utilization rate (serious illnesses, hospitalizations, etc.)

Suellen McAneney asked if LMHF acts a healthcare trust for the town and how Mr. Berger's company (Lawley Insurance) gets paid. Mr. Berger replied Lawley Insurance receives 1% fee of the maximum-rate for administration and it is a trust.

Mrs. McAneney questioned if Blue Cross and Blue Shield insurance is used because it is specified in union contracts or if insurance companies are researched before entering a policy. Councilman Hart answered that union contracts specify what plan they are in via contract negotiations. The Town Board had previously asked unions for permission to research a change in policy provider, and settled on increased employee contributions for health insurance.

Mrs. McAneney asked how much money town saves by using LMHF instead of self-negotiating. Mr. Berger replied the town saves approximately \$6.5 million.

Joan Lillis asked for the expiration dates of the current union contracts. Town Attorney Tina Hawthorne replied that the Police Agreement and Blue Collar Contract will be negotiated next year; White Collar the year after.

David Kims questioned if plans include cosmetic surgery coverage. Councilman Hart replied there is one legacy plan for three retirees that include cosmetic coverage.

Michael Yost asked if unions are given choices for different options of insurance coverage. Councilman Hart replied its one basic plan for all employees; however, the amount of employee contributions varies via contract and hire year. Mr. Yost expressed that in his personal business, employees could be over-insured at some points in their careers.

Barbara Lipiew asked if town is 'locked-in' to LMHF via contract. Mr. Berger stated that through the bargaining process, agreements specify insurance must be administered through LMHF. The Town can leave LMHF; however, it must be negotiated via the town and all unions.

Mrs. Lipiew questioned if there are any alternatives to LMHF. Councilman Hart replied that this would be a good research topic for the budget committee.

Edward Lalley questioned the differences between employee contributions in the Blue Collar contract. Councilman Hart explained that depending on hire date, employees could have a different personal contribution rate.

William Cleary asked if part-time employees receive health insurance. Councilman Hart verified that they do not.

## **2-B COMMUNICATIONS**

### **MISSION OF COMMITTEE**

Councilman Hart presented the attached mission statement for the committee and asked if the committee would consider voting on this.

Mr. Skalski stated that the mission statement appears to cover all aspects of the budget committee.

Committee unanimously decided to postpone until next meeting.

### **STRUCTURE OF COMMITTEE**

Councilman Hart stated that he would prefer if a councilman does not chair the committee, and asked if the committee is ready to select a Chairperson. Joseph Celeste questioned how the committee should go about choosing a Chairperson. Councilman Hart replied that the committee can go about it however they see fit; he believes as the mission statement was tabled, the selecting a Chair should be tabled as well.

Committee unanimously decided to postpone selection until the next meeting.

Councilman Hart stated that a secret ballot may be conducted to select a Chairperson. Mr. Celeste expressed his concern over picking a Chair without having information regarding other members of the committee.

All committee-members spoke about their personal background and what they believe they bring to the committee.

### **SWEARING IN OF NEW MEMBERS**

Town Attorney Tina Hawthorne swore in Mark Koller, Joan Lillis, and Suellen McAneney as members of the committee.

**COMMENTS OF MEMBERS OF THE COMMITTEE**

- Mr. Kims requested that future budgets be more detailed with respect to line items. Councilman Hart replied that all information is available to the public via FOIL request, and is not currently included in the budget packet to shorten the length of the budget.
- Mr. Josefiak requested an informal, open session gathering before the next meeting to learn more about other committee-members to assist with selecting a future Chair.

**COMMENTS OF THE PUBLIC**

- A member of the public suggested that budgets could be more detailed.

**NEXT MEETING & ADJOURNMENT**

There will be an informal pre-meeting gathering (open to the public) to allow committee-members to learn about others on the committee. The Citizens Budget Advisory Committee will reconvene on Monday August 5, 2019 at 7:30pm.

Motion by Joan Lillis, seconded by Maria Klaskala, to adjourn the meeting at 8:48 P.M.

Ayes: All

Noes: None

Motion Carried

	2012	2013	2014	2015	2016	2017	2018	2019	2019 thru MMX
Maximum Liability	\$4,163,837	\$4,392,659	\$4,583,089	\$4,741,508	\$4,708,212	\$4,972,291	\$5,062,286	\$5,235,588	\$2,181,495
Projected Rebalance/Cash Credits	-337,000	-337,000	-337,000	-337,000	-337,000	-337,000	-337,000	-337,000	-553,924
Medicare Advantage	\$704,762	\$740,000	\$853,752	\$1,059,110	\$1,186,203	\$1,596,228	\$1,656,752	\$1,497,120	\$623,800
Less: Contribution	\$105,380	\$105,380	\$115,591	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$51,500
Maximum/Worst Case Scenario	\$4,936,979	\$4,384,488	\$5,283,851	\$6,493,628	\$5,887,998	\$6,391,908	\$6,499,038	\$6,479,690	\$2,699,871
		0.98%	6.01%	6.81%	3.44%	8.47%	2.64%	-0.30%	4.00%
Actual Costs of MP Plan with LHMH	\$3,921,120	\$3,646,079	\$4,040,620	\$4,213,218	\$4,837,288	\$4,452,626	\$4,622,996	\$5,235,588	\$1,736,153
Medicare Advantage	\$704,762	\$740,000	\$853,752	\$1,059,110	\$1,186,203	\$1,596,228	\$1,656,752	\$1,497,120	\$623,800
Contribution	-\$105,380	-\$111,171	-\$115,991	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$120,000	-\$51,500
Projected Ultimate Cost	\$4,520,501	\$4,274,908	\$4,778,381	\$5,152,328	\$5,903,491	\$5,405,776	\$6,139,748	\$6,605,290	\$2,308,453
			11.78%	7.83%	14.58%	-7.08%	11.92%	7.55%	
Budget	\$4,477,555	\$4,502,896	\$4,655,640	\$4,849,640	\$5,439,065	\$5,945,694	\$6,499,514	\$6,629,504	\$2,762,293
		0.57%	3.39%	4.17%	12.15%	9.31%	9.31%	2.00%	
Surplus/Deficit to Budget	\$42,946	-\$227,988	\$122,741	\$302,888	\$464,426	-\$459,918	-\$359,766	-\$26,214	-\$13,103

