

**TOWN OF BRIGHTON TOWN BOARD
FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE
MEETING AGENDA**

**Meeting Date: Tuesday, September 17, 2013 (3:30 pm)
Location: Stage Conference Room, Brighton Town Hall**

1. Change Order for Fire Alarm System (Public Works) – Request from Mike Guyon for Town Board authorize to allow the Supervisor to execute a change order with Kaplan-Schmidt Electric, Inc. in the amount of \$15,936 to install a fire alarm system within the truck bays at the DPW Operations Center (see letter from M. Guyon).
2. Change Order for Veterans Memorial Site Improvements – Request from Mike Guyon for Town Board authorization to execute change order #2 with Birchcrest Tree and Landscape Inc. in the amount of \$32,960 for curbing at the Veterans Memorial site to be fully supported by donations and a grant (see letter from M. Guyon).
3. Budget Transfer (Public Works/Parks) – Request from Amy Banker for Town Board authorization to make a budget transfer in the Parks Department of \$6,247.50 from Corbett's Glen Park landscaping services with \$3,123.75 going to Buckland Park maintenance equipment and \$3,123.75 going to Meridian Centre maintenance equipment to purchase two new field markers (see letter from A. Banker).
4. Bid Award and Budget Appropriation for Tractor (Highway) - Request from Tim Keef for Town Board action to award a bid in the amount of \$31,255 to Saxby Implement Corporation to purchase a tractor with snowplow and attachments. Town Board action is also requested to appropriate \$31,855 in the highway landfill tractor account to purchase the tractor along with a two-way radio to be fully supported by an increase in mortgage tax revenues of the same (see letter from T. Keef).
5. Contact Extension for Brookside Lease (Finance/Recreation) – Request from Suzanne Zaso for Town Board action to allow the Supervisor to execute an amendment to the lease agreement with Brighton Central School District for the leasing of a portion of the Brookside Elementary School Building to house the Brighton Recreation Department and Parks Department for a period extension of 1/1/13 through 6/30/14 with an automatic renewal for 7/1/14 through 6/30/15 (see letter from S. Zaso).
6. Contract Renewal for WBFPD Service Award Program (Finance/WBFPD) - Request from Suzanne Zaso for Town Board action to authorize the Supervisor to execute a renewal agreement with Penflex, Inc. for third-party administrative services for the West Brighton Fire Protection District's Service Awards Program. The total contract is estimated at \$4,200, a \$100 increase from last year (see memo from S. Zaso).

7. Appropriate of Forfeited Property Funds (Police Dept.) – Request from Chief Mark Henderson for Town Board action to authorize the appropriation of \$7,108.59 to expense account A.POLCE.3125 2.17 (law enforcement equipment) to be fully supported by a transfer from forfeited property funds (A 889.JSTCE) to purchase a new employee identification system (see letter from M. Henderson).
8. Discussion Only – Discussion on Town fund balance ratios along with a recommendation from the Budget Review Task Force on new target ratio ranges (see letter from Budget Review Task Force).

The next regularly scheduled meeting of the FASC will be held **Tuesday, October 1, 2013, at 3:30 pm**, in the Stage Conference Room of the Brighton Town Hall. All members of the public are invited to attend FASC meetings.



Town of Brighton

MONROE COUNTY, NEW YORK

DEPARTMENT OF PUBLIC WORKS

2300 ELMWOOD AVENUE ★ ROCHESTER, NEW YORK 14618 ★ PHONE (585)784-5250 ★ FAX (585)784-5368

1a.

September 13, 2013

The Honorable Finance and Administrative Services Committee
Town of Brighton
2300 Elmwood Avenue
Rochester, New York 14618

Re: Replace Town Hall Facility & Operations Center Fire Alarm and Security System
Request for Change Order

Dear Councilperson Werner and Committee Members:

In November 2010 the Town contracted with M/E Engineering to prepare construction documents to replace the existing Town Hall and Operations Center fire alarm system. This project was publicly bid in November 2012 and the Town Board awarded the construction of the alarm system to Kaplan Schmitt at their 12/27/12 meeting. The bid amount \$140,700 was well below the Capital Improvement Plan budget of \$296,945.

The Town Hall facility construction phase of the fire alarm system is complete excepting the intrusion system improvements. The installation of the fire alarm system at the Operations Center is underway. During the Operations Center installation it was discovered that the contract documents did not address the needs of the truck bays. Upon notification from the Town, M/E Engineering reviewed the situation and discovered that the fire alarm system within the truck bays does not meet current codes. Therefore, a new fire alarm/smoke detection system must be installed in the truck bays. M/E Engineering designed a fire alarm system for the truck bay area and obtained a price quote of \$15,936 from the contractor Kaplan Schmitt to complete the work. A copy of the price quote is attached. This work is in addition to the original contract amount of \$140,700 and if authorized by the Town Board the new contract amount will be \$156,636.00.

I am requesting that FASC recommend that the Town Board approve a change order in the amount \$15,936 to install a fire alarm system within the truck bays at the Operation Center and recommend that the Supervisor be authorized to execute this change order.

As always, thank you for your consideration. A representative from M/E Engineering and I will be in attendance at the September 17, 2013 regularly scheduled meeting in the event that you have any questions regarding this matter.

Respectfully,

Michael E. Guyon
Town of Brighton Department of Public Works

cc: S. Zaso
T. Keef
K. Hall

1b.

KAPLAN-SCHMIDT ELECTRIC, INC.

Electrical Contractors
P. O. Box 23625
Rochester, NY 14692
(585) 328-0130

Change Order

Number: E-03

Additional Work Order

Page 1 of 1 pages

TO: Town of Brighton
2300 Elmwood Avenue
Brighton, NY 14618

JOB NUMBER:
13017
ATTENTION:
Chad Roscoe
RE:
Additional Heat Detectors
& Beam Detectors

DATE:
9/10/13

We hereby agree to the change(s) or additional work specified below:

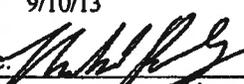
PROVIDE 2 Beam Detectors Transmitters and Recievers for the Operations Garage, provide 8 heat detectors in maintenance bay area of the operations and add one additional duct detector.

LABOR:		
115 HOURS @ \$66.10/HOUR	-	\$ 7,601.50
MATERIAL: (see attached)	-	\$ 1,255.00
lift rental	-	\$ 550.00
15% OVERHEAD & PROFIT	-	\$ 1,410.98
Sub Total	-	\$ 10,817.48
SUBCONTRACT	-	\$ 4,875.00
5% OVERHEAD & PROFIT	-	\$ 243.75
Sub Total	-	\$ 5,118.75
TOTAL	-	\$ 15,936.00

NOTE: This Change Order becomes part of and in conformance with the existing contract We agree hereby to make the change(s) specified above at this price > \$15,936.00

Date of agreement: 9/10/13

Previous Contract Amount >

Authorized Signature: 

Revised Contract Amount >

Payment to be made as per contract. This proposed change shall be valid for a period of 30 days from date of issue.

Accepted - The above prices and specifications on this Change Order are satisfactory and hereby accepted. All work to be performed under same terms and conditions as specified in original contract unless otherwise stipulated.

Authorized Signature

Date of Acceptance:

JOB #097: ID MG 12/1115
 JOB NAME Brighton Town Hall Fire Alarm
 EST. #01: ID MG 12/1115
 ESTIMATE Brighton Town Hall Fire Alarm
 PRINTED 9/10/2013 2:45:28 PM
 DATA SET #6: S15 A700 600 TSC-EST 07/...

RFP-003 ADD HEATS AND BEAM DET
 Kaplan-Schmidt Electric, Inc.
 50 Saginaw Drive
 Rochester, NY 14623
 585-328-0130
 FAX: 585-328-8552
 mgrasley@kaplanschmidt.com

(1c)

NOTES

Size	Item Desc	Qty	UOM	Mat Unit	Mat Adj	Mat Ext	Lbr Unit	Lbr Adj	Lbr Ext
	BEAM TRANSMITTER	2.00		Quote	1.00	0.00	4.0000	1.0000	8.0000
	BEAM RECIEVER	2.00		Quote	1.00	0.00	2.0000	1.0000	4.0000
3/4"	EMT	260.00	FEET	1.16	1.00	301.60	0.0600	1.0000	15.6000
3/4"	EMT STEEL SS CONN	28.00	EACH	0.68	1.00	19.04	0.0800	1.0000	2.2400
3/4"	EMT STEEL SS COUP	28.00	EACH	0.84	1.00	21.84	0.0500	1.0000	1.3000
3/4"	EMT 1 HOLE STRAP	33.00	EACH	0.92	1.00	30.36	0.0500	1.0000	1.6500
1/4X1-1/2	FENDER WASHER	16.00	EACH	0.10	1.00	1.60	0.0020	1.0000	0.0320
1/4X4	TOGGLE BOLT	8.00	EACH	0.82	1.00	6.56	0.0800	1.0000	0.6400
1/4-20	TAMPIN	28.00	EACH	0.86	1.00	24.08	0.0600	1.0000	1.6800
1/4-20	1 MACHINE SCREW	28.00	EACH	0.05	1.00	1.40	0.0100	1.0000	0.2800
1/4.	PLASTIC ANCHOR	13.00	EACH	0.08	1.00	1.04	0.0500	1.0000	0.6500
#8X1	SHEET METAL SCREW	13.00	EACH	0.06	1.00	0.78	0.0500	1.0000	0.6500
24	T-BAR BOX HANGER	2.00	EACH	6.81	1.00	13.62	0.0600	1.0000	0.1200
4 SQ BOX	2-1/8D 1/2 & 3/4 KO	6.00	EACH	6.74	1.00	40.44	0.2400	1.0000	1.4400
4 SQ	FLAT 1G PLASTER RING	2.00	EACH	6.98	1.00	13.92	0.0800	1.0000	0.1600
4 SQ	4 SQ BLANK COVER	7.00	EACH	1.65	1.00	11.55	0.0600	1.0000	0.4200
4 OCT B...	2-1/8D COMB KO	4.00	EACH	14.66	1.00	58.64	0.1000	1.0000	0.4000
18	2C PWR LIMIT SHIELD	1,700.00	FEET	0.17	1.00	289.00	0.0060	1.0000	10.2000
18	4C PWR LIMIT SHIELD	1,200.00	FEET	0.35	1.00	420.00	0.0080	1.0000	9.6000
	SMOKE DETECTOR BA...	8.00	EACH	Quote	1.00	0.00	0.4000	1.0000	3.2000
	HEAT DET 190 FIXED	8.00	EACH	Quote	1.00	0.00	0.6000	1.0000	4.8000
	DUCT DET. HOUSING	1.00	EACH	Quote	1.00	0.00	1.6000	1.0000	1.6000
	REMOTE INDICATOR	1.00	EACH	Quote	1.00	0.00	1.0000	1.0000	1.0000
	AHU SHUTDOWN RELAY	1.00	EACH	Quote	1.00	0.00	1.0000	1.0000	1.0000
	REMOVE EX FA DEVICE	28.00	EACH	Skip	1.00	0.00	0.3500	1.0000	9.8000
12	WIRE TO PULL OUT	4,320.00	FEET	Skip	1.00	0.00	0.0080	1.0000	34.5600
Grand Totals						1,255.47		115.0220	

1d.

QUOTATION



West Fire Systems, Inc.
West Fire & Security
53 Pixley Industrial Parkway
Rochester, NY 14624
Tel: 585-663-8530 Fax: 585-663-8633

PAGE: 2 of 2

DATE: 9/10/2013

TO:	Kaplan Schmidt Electric	SHIP TO:	same
ATTN:	Mike	PROJECT:	Town of Brighton
PHONE:	585-328-0130		Operations Center Fire Additions
FAX:			

QTY	MODEL	DESCRIPTION	PRICE	EXTENDED
1	3000-103	Fire Ray 3000 Beam Detector (Transmitter, Receiver and Control Unit)	\$1,385.00	\$1,385.00
1	3000-016	Fire Ray 3000 Additional detector pack (1-Transmitter, 1-Receiver)	\$1,100.00	\$1,100.00
4	3000-201	Adjustable bracket for head	\$145.00	\$580.00
2	AMM-2F	Addressable monitor module, Class "B"	\$70.00	\$140.00
1	DNR	InnovairFlex intelligent duct detector, non-relay, does not include head	\$120.00	\$120.00
1	ASD-PL2FR	Analog photoelectronic sensor, remote test capable	\$95.00	\$95.00
1	DST5	InnovairFlex sampling tube, steel, 5' with holes	\$20.00	\$20.00
1	RTS151	Remote test station; with switch, alarm and power LED.	\$50.00	\$50.00
1	AOM-2RF	Addressable output relay control module	\$95.00	\$95.00
1	MR101/C	Single SPDT with LED in Metal Enclosure	\$30.00	\$30.00
8	ATD-L2F	Thermal sensor 135°	\$75.00	\$600.00
8	B210LP	6" base, flanged, low profile, use with analog sensor or Velociti sensors	\$15.00	\$120.00
4	RATELABOR	Labor/Travel, Rate	\$135.00	\$540.00

Prices: Firm 30 Days

QUOTED BY: Chuck Schramm

TOTAL **\$4,875.00**

Delivery: 2-3 Weeks

Pricing Includes:

Terms: Net 30 Days

- Final system checkout/certification
- Head end connections
- Submittals and 1 year warrantee
- Programming and end user training

Taxes: Not included



TOWN OF BRIGHTON
MONROE COUNTY, NEW YORK
DEPARTMENT OF PUBLIC WORKS

2a

September 11, 2013

The Honorable Finance and Administrative Services Committee
Town of Brighton
2300 Elmwood Ave.
Rochester, New York 14618

Re: The Veterans Memorial
Birchcrest Tree and Landscape
Additional Services, Install remaining curbing at the Memorial

Dear Councilperson Werner and Committee Members:

At the August 8, 2012 meeting the Town of Brighton Town Board awarded the contract for the Veterans Memorial Site Improvements to Birchcrest Tree and Landscape, Inc. for a total cost not to exceed \$64,968.52. In November of the same year the Town Board authorized a change order in the amount of \$16,404.95. This change provided additional funding for landscaping, flagpole, lighting, a bench and the installation of a Bronze plaque. These improvements were funded by donations and grant moneys.

Since November of 2013 the Town has received an additional \$25,000 grant from Joseph Morelle, a \$2,000 pledge from the Battle at Buckland baseball game and donations continue to supplement the funds available within the Veterans Memorial account, TE 92.Vets. Currently, the Veterans Memorial Account has excess funding in the amount of \$32,813.88 These additional funds are available to expand the scope of the project.

I am requesting that FASC authorize the Town Board to increase the Birchcrest Tree and Landscape, Inc. contract and authorize the Supervisor to execute Change Order Number 2 in the amount of \$32,960.00 to complete the work listed in Table-I. A copy of the change order is attached for your reference.

Table-I – Additional Work

Description	Estimated Quantity	Unit	Unit Cost	Total Cost
Stone Curb Edging typical curb height straight	160	LF	\$ 66.00	\$10,560.00
Stone curb edging typical height curved	320	LF	\$ 70.00	\$22,400.00
		TOTAL =		\$32,960.00



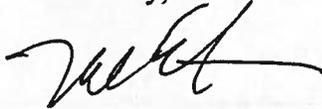
26

Veterans Memorial
September 11, 2013

It is anticipated that difference between the cost of the work and the available funding in the Veterans Memorial account, \$150 will be obtained prior to the start of the additional work.

I will be in attendance at your regularly scheduled September 17, 2013 meeting in the event that you have any questions regarding this correspondence. As always, your consideration of matters such as this is greatly appreciated.

Sincerely,



Michael E. Guyon, P.E.
Department of Public Works

Cc: Suzanne Zaso
Tim Keef
Mary Ann Hussar





Town of Brighton

MONROE COUNTY, NEW YORK

DEPARTMENT OF PUBLIC WORKS

2300 ELMWOOD AVENUE * ROCHESTER, NEW YORK 14618 * PHONE (585)784-5250 * FAX (585)784-5368

2c.

VETERANS MEMORIAL SITE WORK CONTRACT CHANGE ORDER NUMBER 2

CONTRACTOR: Birchcrest Tree and Landscape Inc.

DATE: September 11, 2013

CHANGE IN CONTRACT TIME: Contract must be completed by June 30, 2014

DESCRIPTION OF CHANGE ORDER:

This change order includes the following additional work performed by the contractor:

Description of Work	Amount
1. Stone Curb Edging typical curb height straight	\$10,560.00
2. Stone curb edging typical height curved	\$22,400.00
<hr/>	
which is cause for the following adjustment to the contract:	\$32,960.00

Positive net change to contract resulting in an increase of: \$32,960.00

Total cost increase this change order: \$32,960.00

Original Contract Price: \$64,968.52

Previous Change Orders:
Change Order #1 \$16,404.95

Adjusted Contract Price through previous change orders \$81,373.47

Adjusted Contract Price through Change Order #2: \$114,333.47

The work covered by this change order shall be performed under the same terms and conditions as that included in the original contract. All other terms and conditions of said contract as modified shall remain the same.

APPROVALS

CONTRACTOR

DEPARTMENT OF PUBLIC WORKS

SUPERVISOR

3



Town of Brighton
Department of Public Works Operations Center

1941 Elmwood Ave.
Rochester, NY 14620
Phone: (585) 784-5280
Fax: (585) 784-5385

September 10, 2013

Honorable Finance Committee
Town of Brighton
2300 Elmwood Avenue
Rochester, NY 14618

Re: Transfer of Funds
Purchase (2) Field Markers

Honorable Members:

I recommend that a transfer be approved from:

Public Works – Corbett’s Glen Park – Landscaping Service (A.DPW.7122 4.43) in the amount of \$6,247.50

to:

Public Works – Buckland Park – Maintenance Equip. (A.DPW.7115 2.40, **account needs to be added in FIS**) in the amount of \$3,123.75 and

Public Works – Meridian Centre - Maintenance Equip. (A.DPW.7125 2.40, **account needs to be added in FIS**) – in the amount of \$3,123.75

The funds are needed to purchase (2) new Field Markers, current Marker is 10 years old and is beyond repair. We have projected to generate \$13,722 in additional outside field rentals by November. In order to meet the demand of the different field layouts reliable equipment is necessary. Funding is available because we are receiving wood chips from the Reserve project free of charge to use on Corbett’s Glen Trails, freeing up approximately \$7K.

Sincerely,

Amy Banker
Accountant

cc: S. Zaso
T. Keef
M. Beeman
M. Hussar



Town of Brighton

MONROE COUNTY, NEW YORK

DEPARTMENT OF PUBLIC WORKS

2300 ELMWOOD AVENUE ROCHESTER, NEW YORK 14618

PHONE: (585) 784-5250 FAX: (585) 784-5368

4a.

September 16, 2013

The Honorable Finance and Administrative Services Committee
Town of Brighton
2300 Elmwood Avenue
Rochester, New York 14618

re: Award of Contract
Furnish and Deliver One Tractor with Snowplow and Attachments

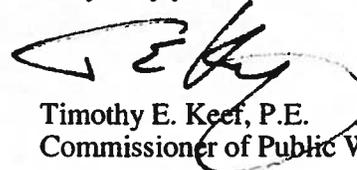
Dear Chairman Werner and Committee Members:

Pursuant to the above bid which was publicly advertized and publicly opened, all as required by law, it is recommend:

- 1) that a bid be awarded for the above equipment to the low, responsive bidder, Saxby Implement Corporation, in the base bid amount of \$31,255.00;
- 2) that \$600.00 be allocated to the Highway Department for the procurement of a new two way communication radio for this tractor;
- 3) that the above tractor purchase and radio were not anticipated for in the 2013 budget, therefore, monies in the amount of \$31,855.00 will have to be appropriated into account A.HWY.8160 2.23 (tractors/backhoes) to be fully supported by an increase in mortgage tax revenues account A.UNDST 3005.

As always, thank you for your consideration. A copy of the advertisement and of the bid tabulation are all attached. I will be in attendance at your regularly scheduled September 17, 2013 meeting in the event that you have any questions regarding this matter.

Very truly yours,



Timothy E. Keef, P.E.
Commissioner of Public Works

TEK/wp

cc: T. Anderson
S. Zaso
A. Banker
M. Hussar
k. Gordon

5a.



SUZANNE ZASO, DIRECTOR OF FINANCE
2300 ELMWOOD AVENUE
ROCHESTER, NEW YORK 14618
Phone (585) 784-5210 Fax (585) 784-5396

MEMORANDUM

To: The Honorable Town Board
Attn.: Finance and Administrative Services Committee
From: Suzanne Zaso, Director of Finance *yz*
Date: September 16, 2013
Subject: Brookside Lease Extension

I am recommending that Your Honorable Body authorize the Supervisor to execute an amendment to the existing lease agreement between the Town and the Brighton Central School District to lease building space at the Brookside Elementary School for the Town's Recreation Department and Parks Department uses for the period of January 1, 2013 through June 30, 2014. This lease will automatically renew for an additional one year term unless either party provides written notice no later than January 1, 2014 of their intention to not renew.

There will be no change in the lease payment which is calculated based on 33% of actual operating costs to the school district for the building and 50% of capital improvements, amortized.

I would be happy to respond to any questions that members of the Committee or other members of the Town Board may have regarding this matter.

Copy to: R. Cotter
M. Beeman
T. Keef

Amendment to the Lease Agreement Between

Brighton Central School District, Landlord

and

Town of Brighton, Tenant

This amendment (the "Amendment") shall serve as an amendment to the Lease Agreement dated September 1, 1987, (the "Lease" or the "Lease Agreement") by the and between the Brighton Central School District (the "Landlord") and the Town of Brighton (the "Tenant"), as previously amended by amendments executed and delivered by and between the Landlord and the Tenant, dated September 1, 1997, February 1990, and June 2002 (the Lease, as amended by the Amendments is sometimes referred to herein as the "Amended Lease Agreement").

WHEREAS, the Landlord and the Tenant initially entered into the Lease, and subsequently amended the Lease, through which the Tenant leases from the Landlord a portion of the Brookside Elementary School Building, as more fully set forth in Schedule A hereto (the "Premises"), together with the playing field owned by the Landlord adjacent to the School for the Tenant's non-exclusive use in providing its recreational programs, when such playing fields are not being utilized by the Landlord or by another group or organization authorized by the Landlord, and

WHEREAS, it is the desire of the parties to further amend the Lease Agreement to provide for an additional extension;

NOW, Therefore, the Amended Lease Agreement is further amended as follows:

- I. Paragraph 2 of the Lease Agreement entitled "Term of Lease" is amended in its entirety to read as follows:

The term of this Amended Lease Agreement shall be for **an eighteen (18) month** period commencing on **January 1, 2013 and terminating on June 30, 2014**, unless sooner terminated or extended based on the current provisions in the original lease agreement, as amended.

- II. Paragraph 26 of the Lease Agreement entitled "Option to Renew" is amended in its entirety to read as follow:

The Amended Lease Agreement shall be automatically renewed for an additional one year term commencing on July 1, 2014 and ending on June 30, 2015 upon the same terms and conditions, unless either party provides written notice to the other party, no later than January 1, 2014, of their intention to not renew this Agreement. The Landlord shall only have such right to terminate this Agreement as otherwise provided in the Lease Agreement, as previously amended.

5c.

IN WITNESS WHEREOF, we have signed the Amendment to the Amended Lease Agreement.

Brighton Central School District by:

Mr. Mark Kokanovich, President, Board of Education

Town of Brighton by:

Mr. William W. Moehle, Supervisor

DRAFT



Town of Brighton

POLICE DEPARTMENT
2300 Elmwood Avenue
Rochester, New York 14618-2196



Mark T. Henderson
Chief of Police

Emergency 911
Administrative (585) 784-5150
Fax: (585) 784-5151

September 17, 2013

Honorable Town Board
Finance and Administrative Services Committee
Town of Brighton
2300 Elmwood Avenue
Rochester, NY 14618

Dear Board Members:

I hereby request that an amendment be approved to the 2013 Police Department operating budget to provide for sufficient appropriations for the purchase of a new employee identification system. The system, which is expandable, includes new hardware, software and a double-sided laminating ID printer.

I propose that the "Proceeds of Forfeited Property" be used to fund this request. I request that appropriations in account A.POLCE.3125.2.17 be increased by \$7,108.59. The total expenditure of \$7,108.59 will be fully supported with the use of Forfeited Property account A.899.JSTCE. I have consulted with the United States Attorney's Office and they concur that the use of seized forfeiture asset funds for this purpose is appropriate.

Respectfully,

A handwritten signature in black ink that reads "Mark T. Henderson".

Mark T. Henderson
Chief of Police



A handwritten signature in blue ink, possibly reading "Pa.", enclosed in a blue circle.

September 13, 2013

The Honorable Town Board
Town of Brighton
2300 Elmwood Avenue
Rochester, NY 14618

Dear Supervisor and Council Members:

The Budget Review Task Force met August 20th, 2013 at the request of Supervisor Moehle to discuss updating the appropriate ranges for the Town's fund balances. As a result of that meeting, we offer the following written recommendations for your consideration.

- **General Fund:** Target range of 15-20% of total unassigned fund balance as a percentage of operating expenditures.
- **Highway Fund:** Target range of 10-15% of total assigned fund balance less prior year encumbrances and amounts appropriated for the ensuing years budget as a percentage of operating expenditures.
- **Library Fund:** Target range of 2-5% of total restricted fund balance less the General Library reserve, prior year encumbrances, and amounts appropriated for the ensuing years budget as a percentage of operating expenditures
- **Consolidated Sewer District Fund:** Target range of 15-20% of total restricted fund balance less the Sewer Equipment reserve, prior year encumbrances, and amounts appropriated for the ensuing years budget as a percentage of operating expenditures.

We recommend that the Town Board utilize the above stated fund balance target ranges in conjunction with other pertinent financial information to establish a formal policy on the level of unrestricted fund balance that should be maintained. Once a formal policy is adopted, the Town Board should look closely at long term trends in fund balance levels and identify both a temporal framework and specific plans for increasing or decreasing the level of unrestricted fund balance, if it is inconsistent with that policy¹.

For example, a number of years ago the Budget Review task force recommended a General Fund target unreserved fund balance of 10-15%. However, over the past six years the actual fund balance ratio for the general fund has been as follows at year end: 2012, 23.5%, 2011 17.4%, 2010 16.3%, 2009 18.3%, 2008 22.9%, 2007 22.5%. It appears that during this period the General Fund was consistently above the target fund balance range recommended.

The BRTF discussed the idea of a specific target or smaller range for fund balances, and it was decided that the ranges put forth were most appropriate given the unpredictability of both the revenue and expenditures for each fund and to provide some level of flexibility to the Town and Board Members.

¹ Government Finance Officers Association "Appropriate Levels of Unrestricted Fund Balance in the General Fund
http://www.gfoa.org/index.php?option=com_content&task=view&id=1450



8b.

Basis for Recommendations:

Section 107-1 of Town Law permits towns to retain a “reasonable amount” of “any remaining estimated unappropriated, unreserved fund balance for each fund, consistent with prudent budgeting practices, necessary to ensure the orderly operation of town government, taking into account factors including, but not limited to, the size of the fund, cash flows, the certainty with which the amounts of revenues and expenditures can be estimated, and the town’s experience in prior fiscal years.”

The determination what is a “reasonable amount” of unreserved fund balance has traditionally been loosely defined by the State. However, the New York State Comptroller’s audit report for Wayne County dated April 12, 2013 references² the Government Finance Officers Association (GFOA) recommendation that a **minimum of two months** (approximately 17 percent) of regular revenues or expenditures be retained in the general fund.

A closer look at the GFOA recommendation titled “Appropriate Level of Unrestricted Fund Balance in the General Fund”³ lists five areas for consideration for establishing an unreserved fund balance policy:

- *“The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);”*

The Task force reviewed revenue data from 1999-2012 prepared by the Budget Officer to determine volatility within the various funds. Property taxes account for the largest revenue source, are determined by the Town Board, and are considered essentially stable and predictable. The Town funds (General, Highway, and Library) have also had relatively stable expenditure volatility over the period with an average annual increase in budgeted expenditures of 4.3%

- The General Fund has the largest percentage of its budget (roughly 50%) funded through non-property tax revenues, and therefore the most risk for unforeseen fluctuations. The general fund also has two largest and most volatile non-property tax revenue sources; Sales and Mortgage Tax. Sales tax had a one year decrease of over (\$516,000) from 2008 to 2009 and Mortgage tax had a one year decrease of over (\$410,000) from 2003 to 2004.
- The Highway Fund has roughly 20% of its budget funded through non-property tax revenues and therefore has less potential for large unforeseen revenue changes. The largest non-property tax revenue sources are New York State Consolidated Highway Improvement Program Aid (CHIPS) and Snow & Ice control reimbursement from Monroe County and New York State. CHIPS revenue has been very stable; however Snow & Ice removal and other potential weather variations (e.g. 1991 Ice Storm) give the Highway fund a moderate level of revenue volatility. Snow & Ice removal reimbursement is also typically received on a one-year delay.
- The Library Fund has roughly 10% of its budget funded through non-property tax revenues. These non-property tax revenues (almost entirely library fines & copy charges) have been historically very stable.
- The Sewer Fund has roughly 7% of its budget funded through non-property tax revenues.

² <http://www.osc.state.ny.us/localgov/audits/counties/2013/wayne.pdf> (page 5 footnote 6)

³ http://www.gfoa.org/index.php?option=com_content&task=view&id=1450



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- *Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);*
 - After discussion, the Task Force determined that the General Fund and the Sewer Fund have the greatest perceived exposure to significant one-time outlays. While Western New York has a relatively low danger of significant natural disasters, there have been several earthquakes and tornadoes in New York over the past several decades. Several areas within Brighton lie within historical flood plains (Erie Canal, Buckland Creek, Allens Creek, and much of West Brighton). Ice Storms are our most likely disaster and have significantly affected the Town in the past. The Sewer Fund in particular stands out as having increased exposure given the age of the sewer system, critical nature of infrastructure/machinery, and the often emergency nature of repairs.
- *The potential drain upon general fund resources from other funds as well as the availability of resources in other funds (i.e., deficits in other funds may require that a higher level of unrestricted fund balance be maintained in the general fund, just as, the availability of resources in other funds may reduce the amount of unrestricted fund balance needed in the general fund);*
 - The General Fund has the ability to transfer financial resources to the Highway and Library funds. The Highway fund has run a deficit for the past two completed fiscal years (unreserved fund balance decreased by over \$160,000 in 2012 and over \$93,000 in 2011). The fact that the General Fund is the fund of last resort in terms of budget deficits would suggest the potential for an increased level of fund balance.
- *Liquidity (i.e., a disparity between when financial resources actually become available to make payments and the average maturity of related liabilities may require that a higher level of resources be maintained);*
 - Through sound and conservative budget practices the Town of Brighton has not had cash flow or liquidity issues in recent history. As of 12/31/2012, total governmental funds cash and cash equivalents equaled over \$13,620,000. However, property taxes which account for roughly 62% of all town funds revenue are typically not fully received until late February. The town has not had cash flow issues during these first two months of the year through maintaining adequate fund balances.
- *Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose)."*
 - Per the recommended fund balance target ranges on page one of this letter, the Task Force feels it is appropriate to exclude "assigned" fund balance as defined by GASB 54. This would include amounts appropriated for the ensuing years tax levy, prior year encumbrances, and amounts restricted in capital reserves for the library fund and special districts.

We appreciate the opportunity to advise the Town and would be glad to discuss these issues in greater detail with the Supervisor or Town Board Members.

Sincerely,
Budget Review Task Force
Eric Cook
Mark Goldberg
Jeffery Ingraham
Susan MacDougall
Michael Phillips
Andrew Robinson (staff to the Task Force)