Brookhaven Town Board Adopts Supervisor Lesko's 2011 Budget and Approves Extension of the Blue Collar and White Collar Collective Bargaining Agreements in Bi-Partisan Vote

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Budget freezes property taxes and reduces spending to lowest level since 2002

Extension of Collective Bargaining Agreement will save the Town $8 million in 2011 and 2012 alone; employees will contribute to health care costs for the first time in the Town's history

Farmingville, NY - On November 18, the Brookhaven Town Board voted 4-3 in favor of Supervisor Lesko's 2011 proposed budget, which has a zero percent property tax increase. The 2011 budget has reduced spending to the lowest level since 2002 and cut spending over 17% or by $26.5 million in the General Fund from the 2010 adopted budget in the face of dwindling revenues and rising mandated costs such as health insurance and pension costs.

"A majority of the Town Board made difficult decisions in adopting this budget during tough times. We held the line on property taxes, cut spending, and, working cooperatively with the Unions, averted many proposed layoffs and more austere measures," said Supervisor Lesko, "The Town's over-taxed residents cannot withstand increased property taxes. During these difficult times, we simply cannot ask the taxpayers to shoulder the burden of paying more for Town government."

Lesko added, "Unfortunately, the Highway Department will see six layoffs in 2011, and we will do everything we can to help those Town employees transition. We made painful decisions, but they were necessary to ensure a healthy financial future for the Town."

Deputy Supervisor and Councilwoman Kathleen Walsh said, "I commend all the hard work that went into drafting this budget during these very difficult times. Our employees and management came together as problem solvers and made some very difficult decisions in the interest of continuing to provide services to our residents while being fiscally responsible. Although the process was somewhat painful, in the end we all should be very proud of the budget we have for 2011."

Councilman Steve Fiore-Rosenfeld said, "Despite these challenging economic times, we held the line on property taxes because Brookhaven families cannot afford any property tax increases. The 2011 budget is the result of a collaborative process between the Town and the Unions. Even though it includes hard decisions, Brookhaven families are making hard decisions every day and we did what was necessary to be responsible to the taxpayers of Brookhaven."

"Thanks to the cooperation of the Blue and White Collar Bargaining Units we were able to reduce spending without layoffs. Working with the Highway Department we were also able to save the valuable programs at both the Longwood Estate and the Ecology Center. I look forward to continued, productive discussions with our Highway Unit," said Councilwoman Connie Kepert.

As part of the 2011 budget process, the Town projected that it would be in violation of its 20% fund balance policy by $16 million in 2012 and could go broke in 2013. In the past, the Town relied on using surplus to plug budget gaps.

In his budget issued on September 30, Supervisor Lesko proposed painful reductions in the Town's workforce and non-essential services, including 68 layoffs and closure of the Holtsville Pool, the Centereach Pool, and the ecology center at Holtsville. Supervisor Lesko negotiated an extension of the collective bargaining agreement with the Town's Unions, which was ratified by the White Collar and the Blue Collar units and adopted by the Town Board in a separate resolution. This agreement will save the Town $8 million in 2011 and 2012 alone, and, as a result, the closures and other reductions in non-essential services were averted and the adopted budget included no layoffs in the General Whole Town A and Part Town B funds.

The Highway Union did not approve the extension of the collective bargaining agreement. The Highway Funds, which includes the DA and DB funds, are stressed and the DA fund would have had zero fund balance and would be facing a deficit if no action were taken. As a result, the Town Board unanimously approved a resolution which includes six
layoffs, including four in the DA fund and two in the DB fund.

Highlights of the extension of the White and Blue Collar Collective Bargaining Agreements include:

- Health insurance contributions for the first time in the Town’s history - 10 percent contributions by current employees for three years and 20 percent by new employees for 12 years.
- One week lag payroll in 2011.
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- Health Insurance buyback of 40 percent of a family or individual plan. The Town is projected to spend about $18,000 on a family health plan and $8000 on an individual plan in 2011 and this incentive will result in substantial savings.
- Extension of the Collective Bargaining Agreement until December 31, 2019, which was originally set to expire at the end of 2011.
- No layoffs in 2011 and 2012.
- Creation of a Labor Management Committee to examine employee issues.

The management policy for management employees was also amended by the Board to reflect the same changes in policies as the collective bargaining agreement extensions.

The 2010 adopted budget also meets the goals of the property tax cap and spending cap referendums passed overwhelmingly by voters in November and begins the process of the Town complying with the debt management plan, which the voters also approved by a wide margin. The budget will take effect on January 1, 2011.