

TOWN OF MOUNT MORRIS

TOWN BOARD BUDGET WORKSHOP MINUTES

Thursday, October 8, 2026 – 5:00 PM

PRESENT: Supervisor DiSalvo, Deputy Supervisor Huff, Councilmember Schrier, Councilmember Rawleigh, Town Accountant McKerrow, Highway Superintendent Smith, and Town Clerk Woodworth.

Councilmember Guzzardi arrived at 5:05 PM.

ALSO PRESENT: Tracy Kenney, Kathy Guarino, Gretchen Saunders, Village Trustee Beth Shea, Lyn DiSalvo, Robert Yencer, Sara Jo Yencer, Chris Young, and Jen Young.

CALL TO ORDER

The Town Board convened for a Budget Workshop on Thursday, October 8, 2026, at 5:00 PM to review and discuss the proposed 2027 Town Budget.

The Pledge of Allegiance was recited.

PUBLIC HEARING – 2027 TOWN BUDGET

Supervisor DiSalvo advised the Board that a public hearing needed to be scheduled for the proposed 2027 Town Budget. He explained that the budget would need to be finalized by November 10, 2026, and recommended holding the public hearing on November 5, 2026, to allow time for any necessary changes before adoption.

The Board discussed the proposed date and time, and no objections were raised.

Motion by Councilmember Schrier, **seconded** by Deputy Supervisor Huff, to schedule a Public Hearing on the proposed 2027 Town Budget for Thursday, November 5, 2026, at 5:00 PM.

Vote: Aye 4 (DiSalvo, Huff, Rawleigh, Schrier) | No 0 — Motion Carried

REVIEW OF PROPOSED 2027 TOWN BUDGET

Supervisor DiSalvo and Town Accountant McKerrow reviewed the proposed 2027 Town Budget with the Board, beginning with the summary of increases and decreases in appropriations and anticipated revenues.

Supervisor DiSalvo explained that the Town had experienced increases in several areas, particularly utilities and insurance, but that the Town's health insurance costs were projected to increase by approximately 5%, significantly less than the approximately 20% increase anticipated by Livingston County.

The Board reviewed individual budget lines and discussed proposed adjustments to departmental expenditures, anticipated revenues, equipment purchases, and the use of fund balance.

RECYCLING CENTER

Supervisor DiSalvo stated that the recycling center was one of the largest areas of concern in the proposed budget because the operation continued to require financial assistance from the General Fund.

Town Accountant McKerrow explained that the recycling fund had originally been budgeted to receive a \$5,000 transfer from the General Fund for 2026. An additional \$1,000 had already been advanced to the recycling fund, leaving an outstanding interfund balance.

McKerrow stated that the recycling fund had approximately \$1,300 available at the time of the meeting, but approximately \$1,000 of that amount was owed back to the General Fund, leaving an actual available balance of approximately \$300.

She further explained that the recycling center would have difficulty covering upcoming payroll expenses, particularly during October, which included three payroll periods.

Supervisor DiSalvo explained that the proposed 2027 budget anticipated increasing General Fund support for recycling operations from \$5,000 to \$10,000 unless changes were made to reduce expenses or increase revenue.

The Board discussed several options, including reducing the number of days the recycling center was open, increasing annual membership fees, increasing bulk disposal fees, and reviewing the Town's current refuse disposal arrangements.

Town Accountant McKerrow explained that the primary expense associated with keeping the recycling center open on Wednesdays was employee payroll and related payroll taxes. She estimated the cost at approximately \$98 per Wednesday, or roughly \$5,200 annually. She stated that there could also be some savings in utilities, although she could not provide an estimate for those expenses.

The Board discussed closing the recycling center on Wednesdays but expressed concern that doing so could negatively affect residents who rely on Wednesday hours, particularly elderly residents and those who use the facility primarily for recycling.

An alternative was discussed that would eliminate two Wednesdays per month while continuing to provide some Wednesday availability.

Town Clerk Woodworth indicated that a schedule could be prepared and distributed to recycling center customers so residents would know which Wednesdays the facility would be open.

The Board discussed that reducing Wednesday operations by two days per month could result in estimated annual savings of approximately \$2,500 to \$2,700.

Supervisor DiSalvo expressed concern about continuing to transfer money from the General Fund to cover recycling center expenses and stated that the Town needed to work toward making the operation more financially sustainable.

The Board also discussed increasing annual recycling passes by \$5.

Town Clerk Woodworth provided information regarding revenue collected from refuse tickets and recycling passes. She reported that, as of August 2026, approximately \$11,244 had been collected from refuse bag tickets and \$1,075 from bulk disposal tickets.

Clerk Woodworth also reported that approximately \$1,305 had been collected from regular resident passes and \$2,440 from senior passes during the year.

The Board discussed increasing bulk disposal fees by \$5, particularly for mattresses, box springs, and other large items. Woodworth explained that the current fees for mattresses and box springs were \$10 for twin sizes and \$15 for larger sizes.

The Board also discussed the costs associated with tire disposal, noting that tires were generally removed from the facility approximately every two years. The current tire disposal fees were discussed, including higher charges for larger tires.

Highway Superintendent Smith discussed the frequency of dumpster pickups and explained that the Town generally arranged for the larger container to be emptied approximately every six to eight weeks, depending on the amount of material collected.

The Board discussed additional disposal costs, including fuel surcharges and other fees charged by refuse haulers. Members also discussed whether certain bulk materials should continue to be accepted at the recycling center because of the expense associated with disposal.

The possibility of issuing a Request for Proposals (RFP) for refuse and recycling services was also discussed. It was indicated that a draft RFP had been prepared by Clerk Woodworth and could be considered by the Board at the upcoming meeting.

Following discussion, the Board directed Town Accountant McKerrow to prepare budget projections based on reducing Wednesday operations by two days per month, increasing annual recycling passes by \$5, and increasing bulk disposal fees by \$5.

The Board discussed making the fee changes effective January 1, 2027, and reviewing the recycling center's financial condition around June 2027 to determine whether additional operational changes would be necessary.

No formal motion was made regarding the proposed recycling center changes.

GENERAL FUND BUDGET REVIEW

Supervisor DiSalvo and Town Accountant McKerrow continued reviewing the proposed budget by department and account.

Attorney and Engineering Services

The Board reviewed proposed attorney and engineering expenditures. Attorney-related appropriations were increased to account for anticipated legal expenses, while engineering services were reduced in certain budget lines.

Buildings and Utilities

The Board discussed increasing building contractual appropriations by approximately \$9,000 due to rising utility costs.

Street lighting expenditures were also reviewed, with some adjustments made based on anticipated expenses. Supervisor DiSalvo indicated that no increase had been included for certain street lighting appropriations.

Cemetery Maintenance

Supervisor DiSalvo explained that an additional \$10,000 had been included in cemetery contractual expenses for tree removal and cleanup during 2027.

He indicated that the Town could potentially arrange to have several trees removed at one time to reduce overall costs.

Retirement Contributions

Town Accountant McKerrow explained that retirement appropriations had decreased in certain budget lines. Although one fund reflected a decrease of approximately \$9,000, the overall reduction across the budget was estimated at approximately \$1,000.

Solar Revenue

The Board discussed revenue received from solar projects, including payments recorded under miscellaneous revenues and payments in lieu of taxes (PILOTs).

A request was made for a breakdown of anticipated solar revenues, including projections for approximately the next 20 years, showing the sources of the revenue and how the funds were reflected in the Town's budget.

Sale of Equipment

The proposed budget included approximately \$30,000 in anticipated revenue from the sale of the Town's former ambulance.

Supervisor DiSalvo explained that the ambulance was expected to be removed from service once the remaining equipment and radios had been transferred to the replacement ambulance.

Mortgage Tax Revenue

The Board discussed reducing projected mortgage tax revenue from \$65,000 to \$35,000 based on current collections and anticipated market conditions.

Planning and Zoning

The Board reviewed legal and contractual expenses associated with Planning and Zoning.

Supervisor DiSalvo explained that additional attorney funding had been included due to the ongoing review and update of the Town's zoning regulations.

The Board also reviewed anticipated zoning-related revenues and adjusted projections based on recent collections.

HIGHWAY DEPARTMENT

Highway Superintendent Smith discussed the condition of the Town's highway equipment and anticipated equipment needs.

Highway Roller

Smith explained that the Town's existing roller required significant repairs, with estimated costs ranging from approximately \$15,000 to \$20,000.

He stated that one replacement part alone could cost more than \$6,000 and that completing the repair might not fully resolve the equipment's mechanical issues.

The Board discussed whether it would be more cost-effective to repair the existing roller, rent equipment when necessary, or purchase a replacement.

Smith explained that the Highway Department currently had two rollers and suggested that purchasing one suitable replacement roller could potentially eliminate the need to maintain both existing machines.

The Board discussed the possibility of using CHIPS or other eligible highway funding toward equipment purchases. It was noted that eligibility requirements, including whether equipment must be purchased new and applicable retention requirements, would need to be confirmed.

Highway Trucks

Smith also discussed the need to begin planning for the replacement of an aging highway truck.

The Board discussed the condition of the existing fleet, repair expenses, and the potential lead time associated with ordering a replacement truck.

Smith indicated that the Town could potentially retain the existing plow equipment because the stainless-steel plows remained serviceable.

The Board discussed obtaining information regarding available trucks, pricing, trade-in values, and anticipated delivery dates.

Road Grader

The Board discussed the Town's grader and the possibility of obtaining grading services from Livingston County or neighboring municipalities rather than purchasing replacement equipment.

Smith indicated that he had discussed the possibility with county personnel and that grading services might be available with sufficient advance notice.

Highway Appropriations

The Board reviewed highway repair and equipment appropriations, including anticipated CHIPS funding.

The proposed budget included approximately \$338,000 in CHIPS revenue, based on the amount received during the current year.

No formal action was taken regarding the purchase or replacement of highway equipment.

HEALTH INSURANCE

The Board discussed employee health insurance costs and anticipated changes in the health insurance market.

Supervisor DiSalvo explained that the Town's health insurance costs were expected to increase by approximately 5% for 2027, while Livingston County was anticipating an increase of approximately 20%.

He stated that the Town's current insurance arrangement had helped control expenses and provided greater predictability in future costs.

It was also reported that dental insurance costs were expected to increase by approximately 3%.

The Board discussed the increasing cost of traditional health insurance plans and the possibility that more employers and municipalities would transition toward high-deductible health plans.

Supervisor DiSalvo explained that some employers were beginning to offset higher deductibles by contributing funds toward employees' out-of-pocket medical expenses.

He also discussed programs that provide incentives for employees who participate in preventive healthcare, including annual physical examinations and other wellness activities.

Tracy Kenney asked whether the Town had considered participating in a countywide health insurance plan with other municipalities to potentially reduce costs through a larger group.

Supervisor DiSalvo explained that a similar arrangement had been considered previously, but some municipalities had not been interested in participating.

He stated that the possibility of a shared arrangement was being discussed again but explained that Livingston County operated under a self-insured plan, which differed from the Town's insurance arrangement.

Highway Superintendent Smith also commented on the Town's union health insurance coverage.

No formal action was taken regarding health insurance changes.

TAX LEVY AND FUND BALANCE

Town Accountant McKerrow discussed the proposed tax levy and the amount of fund balance being used to offset expenditures.

She explained that the proposed budget remained below the allowable tax levy limit.

During the discussion, the allowable levy was described as approximately \$866,000, while the proposed levy was slightly above \$864,000.

The Board expressed a preference for maintaining a reasonable margin below the allowable tax cap.

McKerrow discussed the possibility of reducing the amount of fund balance appropriated and making corresponding adjustments to the proposed levy.

The Board also reviewed changes in assessed property values between 2026 and 2027.

It was explained that increases in assessed agricultural property values did not necessarily result in equivalent increases in taxable value because of agricultural assessment provisions.

SALE OF FORMER PRISON PROPERTY

Supervisor DiSalvo discussed the announced sale of the former prison property for approximately \$1.1 million.

He explained that the property was being sold as-is and that the sale was expected to close within approximately 30 days.

The proceeds were expected to be used by Livingston County to support economic development and small businesses.

Supervisor DiSalvo stated that returning the property to the tax rolls could benefit the County and other applicable taxing jurisdictions.

The potential future use of the property was discussed, although it was explained that any proposed use would remain subject to applicable regulatory approvals and licensing requirements.

ADDITIONAL BUDGET WORKSHOP

Following the budget review, Supervisor DiSalvo asked whether the Board wished to schedule another budget workshop to address any additional changes before the public hearing.

The Board discussed meeting on October 22, 2026, at 5:00 PM.

The Board agreed to schedule an additional Budget Workshop **for Thursday, October 22, 2026, at 5:00 PM.**

No separate formal motion was recorded for scheduling this workshop.

PUBLIC COMMENT

Water Billing

During public comment, questions were raised regarding the Town's current water billing process and whether the bills being issued were estimated.

Town Clerk Woodworth explained that the bills had been manually calculated using actual meter readings because the Town's billing software could not process the readings through its normal automated process.

Woodworth explained that the bills had been generated through the system's estimated billing function and that the charges were subsequently adjusted to reflect the manually calculated amounts.

She further explained that the printed bills might not accurately display the meter readings or usage information, although the charges had been calculated using the actual readings.

Water and Sewer Agreement Petitions

Questions were also raised regarding the petitions filed concerning the proposed water and sewer agreements.

Robert Yencer commented that the Board could reconsider its previous decision and discussed the potential expense associated with conducting a special election.

Supervisor DiSalvo acknowledged the comments.

No formal action was taken regarding the water and sewer agreements.

ADJOURNMENT

There being no further business to come before the Board:

Motion by Deputy Supervisor Huff, **seconded** by Councilmember Guzzardi, to adjourn the Budget Workshop.

Vote: Aye 5 (DiSalvo, Huff, Guzzardi, Rawleigh, Schrier) | No 0 — Motion Carried

The meeting was adjourned at 5:44 PM.

Respectfully submitted,

Chelsey Woodworth
Town Clerk