

MINUTES OF THE COMMON COUNCIL
BUDGET MEETING
NOVEMBER 13, 2025

A special meeting of the Common Council of the City of Oneida, NY was held on the thirteenth day of November 2025 at 6:00pm at the City of Oneida Common Council Chambers, 109 N. Main Street, Oneida NY 13421.

The meeting was called to order by Mayor Rick Rossi

<u>Attendees</u>	<u>Present</u>	<u>Absent</u>	<u>Arrived Late</u>
Mayor Rossi	☒	☐	☐ _____
Kyle Lovell, CM	☒	☐	☐ _____
Councilor Szczerba	☒	☐	☐ _____
Councilor Laureti	☒	☐	☐ _____
Councilor Hitchings	☒	☐	☐ _____
Councilor Winchell	☒	☐	☐ _____
Councilor Pagano	☐	☐	☒ 6:02pm
Councilor Simchik	☐	☐	☒ 6:01pm

Also Present

City Clerk Sandy LaPera	Parks & Rec Director Luke Griff
Comptroller Lee Ann Wells	Councilor-Elect Lynne McHugh
Deputy Comptroller Jessica Kaiser	Councilor-Elect Janet Jones

Call to Order/Pledge of Allegiance/Roll Call

2026 BUDGET WORK SESSION
PARKS & RECREATION/COMPTROLLER

PARKS AND RECREATION:

The Parks and Recreation discussion opened with a review of Revenue. Participants were asked whether they had any questions or concerns about how the revenue lines were budgeted. A question arose regarding the pool salary line and why the year-to-date figure appeared low. It was clarified that the \$37,802 shown reflected totals as of July, which aligned with the fact that the documents were prepared mid-season.

COMPTROLLER:

The group transitioned to Civil Service Revenue, where it was highlighted that this adjustment represents a meaningful gain for the City. A thorough review of the HR Manager's duties, particularly her civil service workload—showed that the City had been under-recovering the costs associated with her time. Using the New York State formula that governs chargebacks to the school district for civil service testing, staff determined that her role had not been fully incorporated into the calculation.

The City Manager advised that Jessica (Kaiser) has handled these responsibilities diligently for years. After reviewing the budget, it was determined that the City should more accurately reflect her workload by updating her title from Deputy Comptroller to HR Manager. This adjustment ensures that all aspects of her work can be included in the state formula.

The result is an increase in the eight-year average reimbursement from \$9,154 to \$55,000, based solely on the state-mandated calculation. While the improvement was a team effort, recognition was given to Jessica for carrying out the work that supports this revenue increase.

Inter-fund transfers were briefly reviewed next—specifically the Water and Sewer transfers to the General Fund for services provided.

The review then continued to 001.1315 Comptroller, which remains unchanged from the prior fiscal year. There were no questions or comments.

City Manager (001.1220)

City Manager Lovell advised that he included \$2,000 under contracts for ICMA Management-Council Ethics Training scheduled for 2026.

IT Services (001.1680)

It was confirmed that Total Solutions continues to serve as the City's IT provider. All municipal software requirements used in daily operations are captured within the IT expense lines. This prompted a broader discussion about cybersecurity and the condition of the City's technology infrastructure.

City Manager Lovell referenced the tabletop exercise conducted in August, which proved extremely beneficial in identifying strengths and weaknesses in current IT practices. Total Solutions provided a comprehensive written summary, which highlighted areas of noncompliance—represented in red in the report. Roughly 60% of the City's equipment is out of compliance, including outdated Windows 7 machines (no longer supported) and computers more than ten years old.

Although a full technology refresh was not included in this year's budget due to financial constraints, staff emphasized the need to address these issues in the near future. Notable progress has already been made: the City successfully executed a cybersecurity grant this year, allowing for the installation of new servers at no cost to taxpayers; multi-factor authentication has been implemented; and the City's Wi-Fi has been strengthened and secured. These measures were listed as top priorities in the Total Solutions report and were completed ahead of other recommendations.

The report also underscored the importance of continuing upgrades, particularly replacing unsupported

Windows 7 machines. Hardware failures have already begun to affect day-to-day operations. While the report did not provide a cost estimate for replacing all equipment, it is expected to exceed \$100,000.

Staff noted that cybersecurity-related grants will be pursued aggressively, and incremental replacements such as updating ten computers at a time—may be the most manageable budget approach rather than a single \$100,000 overhaul. Total Solutions recommends starting with the oldest and least secure devices. With the new server coming fully online in the week of December 10, the City will be in a sufficiently secure position to continue phased upgrades.

No additional questions were raised, and staff concluded by emphasizing that ongoing cybersecurity improvements remain one of the City's highest IT priorities.

Budget Expense Lines

The City Manager closed out the IT discussion and proceeded to 1910, Insurance. He explained that the City initially received a 24.45% increase from USI. After pressing for justification and reviewing the underlying data, the City negotiated the increase down to 17%, which is reflected in the budget.

USI provided a detailed claims breakdown showing significant increases in several major cases, which are driving costs upward. The City Manager emphasized that healthcare remains a substantial financial burden and that upcoming meetings with union groups will focus on reviewing the data and exploring options to help control future costs.

He clarified that these increases relate to general liability and health insurance expenditures—not workers' compensation or workplace injuries.

The City Manager asked if there were any remaining questions before moving on to 1920, NYCOM Dues. He noted that NYCOM continues to be an excellent and valuable resource for the City. With no questions on that line, the review proceeded to 1989, Printing. He explained that printing costs are being kept at a sustainable level and invited questions; none were raised.

The next item was 7522, City Historian. The City Manager noted that this line was kept the same as the prior year, and no questions were asked.

The group then reviewed 9010 and 9011, ERS and P&F Retirement. The City Manager described these as small, straightforward lines, consistent with trends seen statewide. No inquiries were raised.

At 9040, Workers' Compensation, he noted that this reflects the general increase occurring across many municipalities. The discussion then moved to 9710, Debt Service, which he described as standard.

For 9785, Leases, he invited questions regarding any leased equipment or vehicles. A question was raised about whether this line reflected items discussed the previous day with **Community Leasing** regarding apparatus. The City Manager clarified that it does not; those discussions were preliminary and intended to gauge interest and direction. The budgeted lease line reflects only the current vehicles under contract.

He concluded with a brief return to health insurance, acknowledging that earlier discussion had drifted into broader insurance issues. He asked if there were any additional questions regarding health insurance or if any further information was needed.

RECAP DISCUSSION:

The City Manager encouraged the group to review the ideas presented and offer any thoughts, questions, comments, or critiques—anything that might be adjusted, added, or reconsidered.

He noted that the budget, as currently presented, reflects a 7% increase. To comply with the tax cap, the Council will need to determine whether it intends to override the cap or identify reductions to bring the levy down. He acknowledged that it is not immediately clear what could be removed to get under the cap.

The City Manager explained that the City is currently at 1.4% below the fund balance goal. He highlighted the historical comparison: prior to last year, the general fund percentage was 31.76%, but it has since dropped to 19.67%. He emphasized the seriousness of the decline and the resulting need to raise taxes. He noted that the proposed 7% budget uses **no** fund balance, which he stressed is a key point. The goal is to preserve and protect the remaining balance. The current proposal stabilizes City finances, maintains operational continuity, and sustains service levels for residents.

Councilor Simchik reviewed recent tax rate history:

- 2022: 0%
 - 2023: 2%
 - 2024: 2.4%
 - Last year: 7.5% (not fully utilized due to a misinterpretation, resulting in the need to use reserve funds)
- The City's fund balance peaked at 35–36% in 2021 due to COVID relief funding. Since then, the City has paid off approximately 15% of its reserve.

Councilor Laureti raised a question regarding what happens to the money collected in error last year. The Comptroller explained that it went into a separate bank account and is shown on the tax rate sheet. Per OSC instruction, it reduces the current levy, noting that those funds have already been applied.

There was also a question about the percentage impact of adding two police officers. The City Manager estimated the increase at roughly 4%, which would bring the total increase to approximately 11%.

The discussion turned to staffing and overtime costs. It was noted that while overtime could technically be reduced in the budget, doing so would simply force those expenses to be absorbed by the General Fund next year. The Comptroller cautioned that once the City reaches the 20% fund balance threshold, the current resolution requires maintaining that level at all times. As of now, the City is at 20.02%. She emphasized that beginning in January—when the existing resolution expires—no use of fund balance and no budget amendments would be permitted if the City is sitting at the 20% minimum. The City Manager added that the situation is serious.

Councilors reflected on repeated challenges in recent years. Councilor Pagano noted that during his two years on the Council, each budget cycle brought the same assurances: *next year we won't borrow from the General Fund; next year we'll restore what we used; next year we'll add more officers*. Yet every year, the City finds itself in the same position, postponing action and expecting improvement that never materializes.

Councilor Simchik echoed that sentiment, observing that over multiple budget cycles the City has repeatedly delayed necessary decisions. Those delays have now reached a point where the consequences are greater because corrective steps weren't taken earlier.

Councilor Simchik reiterated that while the desire to “wait until next year” has been a recurring theme, the reality is that the City no longer has the ability to postpone difficult choices. There is no available General Fund capacity left for relief.

The discussion continued regarding the implications of not overriding the tax cap. Councilor Hitchings noted that if the City does not exceed the cap, the 7% increase—reduced by approximately 1.1%—cannot be supported without additional action. To maintain the proposed budget under those conditions, the City would need to pass another resolution allowing the General Fund to fall below the required 20% threshold, since the current policy mandates that the fund balance remain at 20% at all times.

The City Comptroller confirmed that such a resolution would be required again at year-end. She also cautioned that, as the City prepares for long-term borrowing associated with the \$55 million wastewater treatment plant project, reductions in fund balance and repeated resolutions permitting its use can affect the City’s creditworthiness.

The Council discussed possible reductions, including holding vacancies open, removing positions, and adjusting salaries. Several members indicated they would like to add one or two of the four requested police officer positions.

It was agreed that another budget meeting would be held on Monday, November 17 at 6:00 p.m. City Manager Lovell will review further options to help lower the tax rate while maintaining essential needs.

Motion to adjourn by Councilor Hitchings
Seconded by Councilor Simchik

Ayes: 7
Nays: 0

MOTION CARRIED

The Special Budget meeting concluded at 7:44pm.

SANDRA LAPERA
City Clerk
