



The Town of East Greenbush

TOWN HALL—EAST GREENBUSH, N.Y.

225 Columbia Turnpike
Rensselaer, N.Y. 12144

INTRA-MUNICIPAL MEMORANDUM

TO: SUPERVISOR McCABE
COUNCILWOMAN O'BRIEN

FROM: COUNCILMAN MATTERS

DATE: OCTOBER 12, 2010

SUBJECT: **TOWN FINANCE COMMITTEE REPORT**
SUBCOMMITTEE ON EXPENSE REDUCTION
RE: OVERTIME AND TRANSFER STATION

Overtime

The Expense-Reduction Subcommittee reported that over the last two years, overtime has constituted 8-10% of the town's overall payroll budget. Generally, such an expense has been the norm rather than the exception. As in most business settings, there exist situations in which overtime is justified and, to a limited degree, expected, such as in cases of snow removal, public-works infrastructural failures, public-safety and other emergencies, and unforeseen circumstances; however, there are measures that should be seriously considered and further examined in order to reduce the need for overtime. Such measures are proposed as follows:

1. Require department heads provide detailed justification for all overtime expenditures;
2. Create staggered shifts and more efficient scheduling to provide staffing flexibility within departments and better control in the use of overtime;
3. Modify shift staffing where appropriate (i.e., so long as public safety and/or essential services are maintained);
4. Hire part-time and seasonal employees for additional coverage during peak times;
5. Tighten internal controls and institute a town policy regarding overtime that is comparable to, and generally accepted by, other municipalities.

Transfer Station

Although the expense-reduction issue, as it relates to the transfer station, was more directly addressed from the standpoint of increased control over the use of overtime, as noted hereinabove, the Expense-Reduction Subcommittee also tackled a revenue-related issue. It reported that the transfer station should be able to generate additional revenue by properly collecting payment for the sale of scrap material. Such scrap material includes, but is not necessarily limited to, metal (of various type and grade), cardboard, and mulch.

For fiscal year 2009, there was an outstanding receivable in the amount of \$3,200. This was discovered by the town comptroller following research that found that the town had not been paid for scrap hauled by Freeman Scrap Yard since October of 2008. In addition, such amount owed to the town was deemed to be low relative to the amount of scrap material turned over by the town to Freeman. Lastly, the town had no written contract in place to ensure scrap-material disposal was being conducted in a businesslike manner. The town was relying upon Freeman to correctly report the amount owed to the town based upon an "honor system."

The town public-works commissioner met with officials from Freeman to verify details regarding the matter, and the town comptroller requested that Freeman officials research their records and report back to the town. Since then, the town has received payment in the amount of \$4,638.28 for scrap hauled by Freeman from January through May of 2010.

The town is in the process of competitively bidding the disposal of its scrap material, inasmuch as the annual revenue therefor exceeds \$10,000, and memorialize such disposal via written contract. With there having been no prior system in place to track the disposal of scrap material, the town is also in the process of implementing internal controls to ensure proper credit to the town vis-à-vis the amount of scrap material hauled. It may be appropriate to eventually incorporate such controls into a larger policy addressing the disposal of surplus personal property.

Respectfully submitted,



CHAIRMAN, TOWN FINANCE COMMITTEE

cc: Ms. L. Kennedy, Town Clerk