

HIGHWAY DEPTMENTS & TOWN BUDGETS

2026 Local Government Conference

PRESENTED BY:

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WHO IS IN CHARGE?

- Duties and Responsibilities of the Town Board
 - Town Law §64
 - Town Law §32
- Duties and Responsibilities of the Highway Superintendent
 - Highway Law § §140, Town Law §32[1]

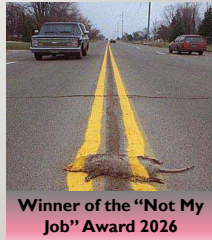
Duties	Highway Supt.	Town Board	Law
Annual Budget Development	X	X	TL §104, HL §141
Annual Budget Adoption		X	TL §108
Agreement to Spend Highway Funds	X	X	HL §284
Hiring and Firing Employees*	X		HL §140(4)
Superintendence of the repair and maintenance of town highways and bridges (including snow removal).	X		HL §140
Purchasing of highway equipment and materials	X	X	HL §142

* Within the limits of appropriations approved by the Town Board and as long as the 284 Agreement as been entered into with the Town Board.

ADDITIONAL DUTIES

• Town Board may require Supt. to perform additional duties (TL §32[1])

- Should be consistent with Law
- Should be within the general scope of his duties
- Should not interfere with his normal duties
- Board should provide sufficient funding
- See OSC Comptroller's Opinions (79-904, 80-251; 82-238; 82-294; 91-45)



SALARY AND TERM

- Salary of Elected Supt. – set by Town Board and fixed to amount published in notice of budget hearing
 - Can be increased during term by Local Law subject to permissive referendum (TL §27, Municipal Home Rule law §24 [2-h]) and decreased by Local Law subject to mandatory referendum (TL §27, Municipal Home Rule law §23 [2-e])
- Generally elected with a two-year term
 - Can be made appointed by Local Law (mandatory referendum – Municipal Home Rule §10, §23[2-e])
 - Can be changed to four-year term by resolution and mandatory referendum (TL§24-a, Municipal Home Rule Law §23 [2-e])

EMPLOYING HIGHWAY LABORERS

- County Civil Service Commission titles and classifies highway department positions
- Highway Superintendent hires, manages, disciplines, suspends and fires all laborers
 - Mechanical Equip Operator (MEO)
 - Equipment Operator
 - Motor Equipment Operator

OTHER HIGHWAY PERSONNEL

- Engineer (with approval of the Town Board – HL §140[19])
- Service of County Prisoners (With consent of Town Board - HL §155)
- Secretary/ Bookkeeping (hired and managed by Town Board)

DEPUTY HIGHWAY SUPERINTENDENT

- Created by Town Board resolution (TL §32)
 - Wages charged to General Fund (A5110.1) unless a working foreman is appointed - then charged to Highway Fund
 - Town Board resolution to create the position can allow for the Deputy to receive overtime
- Appointed by the Highway Supt.
 - Town Board may appoint if vacant for at least 5 days
 - Serves at the pleasure of the Highway Supt. even when appointed by the Town Board (Comptroller Opinion 2000-11)
- Works during absence of Supt., or if unable to act
- Vested with all the powers and duties of the Supt.
- Must file an oath of office and undertaking

284 AGREEMENT

- Limits the power of a town highway superintendent to act and expend highway fund monies.
- Establishes the plan for the repair and improvement of highways and bridges during the year.
- Must be agreed upon by the Town Superintendent of Highways and Town Board.
 - No expenditures for repair and improvement of town roads can be made without this agreement in place.
 - Can be amended by Town Board and Highway Supt.

BUDGETING

- Estimate of revenues and expenditures submitted on or before September 20
- May include expenditure and revenue estimates for work performed for other funds (General, Special Districts, etc.)
 - Highway fund must charge other funds for work performed by Highway crew
- Recommendations for use of reserve funds and appropriation of surplus fund balance
- Must include employee benefits and debt service

HIGHWAY FUNDS AND ACCOUNTS

- Prescribed by the Office of the State Comptroller (OSC)
- Highway Funds (known as special revenue funds)
 - DA - Highway Town-Wide – Used by towns that do not contain a village.
 - DB - Highway Part-Town – Generally used by towns that contain one or more villages.
- Highway Revenue and Expenditure Accounts
 - Listed in OSC's Accounting and Reporting Manual

HIGHWAY BUDGETING

- Highway Fund Appropriations (HL §141)
 1. Repair and Improvement of highways
 2. Repair and construction of bridges
 3. Purchase and repair of machinery and equipment
 4. Removal of snow and other miscellaneous purposes
- Highway Fund Revenues
 - CHIPS money State and Federal Aid
 - Sales Tax
 - Sale of Equipment
 - Services for other governments
 - Interest Earnings

NON-HIGHWAY FUNCTIONS

- General Fund Appropriations
 - Highway Superintendent
 - Highway garage
 - Sidewalks
 - Storm sewer work
 - Signs
 - Cemetery maintenance
 - Park maintenance
 - Garbage removal
- Special District Appropriations
 - Water line repair and improvements
 - Sewer line repair and improvement
 - Drainage work

TOWNS WITH VILLAGES

- Town-Wide Highway Fund (DA)
 - Includes all Town Properties (including those in Villages)
- Part-Town Highway Fund (DB)
 - Only Town properties outside incorporated Village(s)
 - Expenditures budgeted Town-Wide (DA) unless a law mandates or allows otherwise
 - Highway Law §277 generally **mandates** road repairs and improvements (5110 & 5112) to be Part-Town (DB)
 - Highway Law §277 also **allows** machinery, snow removal and misc. (5130, 5140, 5142) to be Part-Town (DB)
 - Bridges (5120) must always be Town-Wide (DA)

TOWNS WITH VILLAGES

- Revenues
 - General Rule: revenues follow expenditures
 - CHIPS revenue must be Part-Town (DB) and generally used to fund 284 Agreement expenditures
 - Sales tax revenues must be Part-Town (DB) unless tax levy in Part-Town General (B) and Part-Town Highway (DB) funds is zero

HIGHWAY FUND CAPITAL RESERVES

- Used to finance all or part of the cost of construction, reconstruction, or acquisition of a “specific” or “type” highway capital improvement or highway equipment.
- Established pursuant to General Municipal Law §6-c
- Must be created by resolution of the town board upon recommendation of the highway supt.*
 - Expenditures from a capital reserve must be on recommendation of Highway Supt.

* GML §6-c also requires consent of the County Highway Superintendent

HIGHWAY CAPITAL RESERVES

Type:

- No referendum requirements when created
- No maximum amount required
- Comply with public notice and permissive referendum requirements before expenditures are to be made.

Specific:

- Comply with public notice and permissive referendum requirements when created
- Maximum cost set forth
- Expend upon authorization of governing board

EXAMPLES OF HIGHWAY FUND CAPITAL RESERVES

	<i>Highway Equipment</i>
“Specific”	Bulldozer Roller Snow Plow
“Type”	Snow Removal Equip. Street Cleaning Equip Highway Equipment

HIGHWAY CLAIMS

- Certified/approved by the highway superintendent (TL §119)
 - Must be itemized and supported by receipts, invoices, etc.
 - Accompanied by receipt of delivery
 - Certify/verify by vendor if required
 - Paid by the supervisor after audit and approval by the Town Board or Town Comptroller.

USE OF TOWN EQUIPMENT BY OTHERS

- May allow town highway equipment to be used by other municipalities, school districts and community colleges (HL §142-d)
- Can maintain sidewalks along state and county roads at town expense (HL §151)
- Can remove snow from school district property (HL §142-c)
- Can remove snow from village property (HL §142-c)

ALL require Town Board Approval

PURCHASING

- Competitive Bidding (GML §103)
 - Lowest bid or "best value"
 - \$20,000 purchase contracts
 - \$35,000 public works contracts
- Various statutory and common law exceptions
- Town procurement policy (GML §104-b)
 - Cannot require prior board approval for purchase of materials for road repairs and improvements in accordance with 284 Agreement or materials for repair or improvement to bridges and control of ice and snow (Comptroller Opinion 93-28)
- Board approval required for purchase of highway equipment, tools and other implements (HL §142 [1-a])
 - Board can authorize Supt. to purchase without approval in an amount fixed by the Board

REPORTING REQUIREMENTS

- Budget estimate forms must be returned to Budget Officer by September 20th (TL §104)
- 284 Agreement with Town Board (HL §284)
- Inventory of machinery, tools and implements by 9/13 each year (HL §142[3])
- Monthly report to Supervisor of all receipts and disbursements (TL §27[1])
- Annual Report to Supervisor of all receipts and disbursements by Jan 20th (TL §123)
- List of unpaid obligations to Supervisor

RECORD KEEPING REQUIREMENTS

- Employee time and attendance records
- Inventory Records
 - Tools and equipment
 - Fuel
- Procurement records
 - Bids or quotes received for purchases made
 - Contracts

Common Method to Charge Payrolls

<i>Dates</i>	<i>Service</i>	<i>Account</i>
December 1 – March 15	Snow Removal	DA5142.1
March 16 – May 30	Road Maintenance	DA5110.1
June 1 – August 31	Road Improvements	DA8340.1
September 1- September 15	Bridge maintenance	DA5120.1
September 16 - October 15	Brush & Weeds, Misc.	DA5140.1
October 16 – November 30	Machinery & Equipment	DA5130.1

FUEL RECORDS

- Town Board may require the Highway Supt. to keep detailed fuel usage records (see Comptroller's Opinion 79-909).
 - Usage records should be maintained, monitored and periodically reconciled with fuel purchase and inventory records.
 - Access to fuel tanks should be controlled (locks, key cards, etc.)
 - Tanks should be located in well lighted visible locations

Reconciliation of Fuel Inventory Records

Ending Level @ 8/31/23	250 gallons
Add: Delivery 9/5/23	720 gallons
Delivery 9/17/23	565 gallons
Total Fuel Available for use	1,535 gallons
Less: Recorded fuel use	1,275 gallons
Expected Level @ 9/30/23	260 gallons
Actual Level @ 9/30/23	
Actual Level @ 9/30/23	240 gallons
Difference	(20 gallons)

COMPTROLLER'S OPINIONS

- OSC Opinion 93-28 - Use of CHIPs money in 284 agreements.
- AG Opinion 96-12 – TB member not eligible to serve as deputy highway superintendent or highway department laborer.
- OSC Opinion 79-904 – TB may require the HS to keep detailed maintenance records and fuel use records.
- OSC Opinion 81-345 - HS - can submit a voucher to the TB for reimbursement from the general fund to the highway fund of money for materials and labor expended while performing non-highway related services.
- OSC Opinion 81-168 – TB cannot force the elected HS to be a "working superintendent"