

VILLAGE OF GENESEO
BOARD OF TRUSTEES

April 4, 2016

PUBLIC HEARING to consider Local Law #1, 2016 – Authorizing a property tax levy in excess of the Limit established in General Municipal Law Section 3-c.

PRESENT:

Richard B. Hatheway, Mayor	Marsha B. Merrick, Clerk/Treasurer
Sandra F. Brennan., Deputy Mayor	Eric Osganian, Police Chief
Matthew P. Cook, Trustee	Andrew Chanler, Fire Chief
Margaret E. Duff, Trustee	Jason Frazier, Streets Superintendent
Mary V. Rutigliano, Trustee	

PUBLIC PRESENT:

Laura Wrubel	Paula McClure	Nia Cook	Tina Cook	Faith Cook
George Cook	Matt Leader	Abbie Ainslie	Courtney Owens	
Michael Venturino	Samuel Larkin	Sean Perry	Rocco J. Dragani	
Eddie Lee	Sarah Simon	Matt McClure	Glenn McClure	
Anthony Rutigliano	John A. Rutigliano	John J. Rutigliano	Francesca McClure	
Raphael Rutigliano	Scott Hicks	Tom Wilson		

1. HEARING OPENED:

Mayor Hatheway opened the public hearing at 5:15PM, stating that the appropriate notification had been published. Copies of the law have been made available before the hearing.

Mayor/Budget Officer Hatheway stated that there is a major problem balancing the General Fund budget this year. Factoring in the first payment due on the Main Street project (\$94,000) and increases in health insurance benefit premiums (11%) along with minor increases in other budget lines, and attempting to stay within the “2%” tax cap that in reality is 0.12%, budgeting has not been an easy task. Keeping within the tax cap calculation would allow for only \$11,000 in additional expenses in the General Fund. We have researched the possibility of overriding the tax cap for the first time since it was implemented. In order to do that, a local law must be adopted. If this proposed local law is adopted, the budget includes a real 2% increase in the *tax rate* or fourteen cents per \$1,000 of assessed valuation. The rate would be \$7.05 as opposed to \$6.91 for the current fiscal year.

Eddie Lee asked whether the two items of expense would be recurring; the response was yes. The problem may be a recurring issue for the next few years as the payments for the Main Street project amount to about \$100,000 per year for five years. Mayor Hatheway stated that another possibility would be to refinance the Bond Anticipation Note into a longer term permanent Serial Bond that would lower the annual payment, but spread it out over more years. When the project was planned, the method selected (short-term financing) was the less expensive alternative in the long run, and temporary financing for the first year was obtained at a favorable rate of 1.2%. Because the total project expenses were lower than budgeted, we might be able to decrease the annual payment in future years. However, the \$94,000 payment this year is a solid number.

No one relishes introducing or adopting this local law. However, in order to balance the budget without reducing staff, we are between a rock and a hard place right now.

Mayor Hatheway read a statement regarding the 2016-17 State Budget from the director of NYCOM (NY Conference of Mayors) Peter Baynes: *With the exception of an important increase in infrastructure funding, this budget is a major disappointment for municipal governments and their taxpayers, and continues a disturbing trend of fiscal abandonment by the State. In a year when State*

aid to school districts will increase by \$1.5 billion, our municipal governments-upon which schools, businesses, farmers and all of our residents rely-receive not one additional dime in unrestricted State aid. If this policy of disowning municipalities is intended to force a great Darwinian restructuring of local governments, it is failing and is instead harming our communities and weakening our State.

Mayor Hatheway concluded by stating that the Village's only alternative is to raise the tax cap; the County has mentioned doing the same, and other municipalities in the region are thinking about it.

Tom Wilson stated that he could not imagine handling the budget without raising the tax rate over the legal limit. He stated that he has no problem supporting the local law that has been introduced.

Trustee Cook asked if the local law needed to be adopted with a 60% vote of the board or a 60% referendum from the residents. Mayor Hatheway explained that school districts must put a proposed tax cap increase on the ballot for the residents to act upon; that requires a 60% plurality to pass. However, local governments can adopt a local law by a 60% affirmative vote of the board.

Eddie Lee asked if there needs to be any amount stipulated in the local law wording; the answer was no, the law simply says the Village plans to exceed the cap.

2. HEARING CLOSED:

After asking those in attendance if they had any further questions or comments, Trustee Duff moved to close the public hearing with second from Trustee Rutigliano. The vote was as follows: Deputy Mayor Brennan-Aye, Trustee Cook-Aye, Trustee Duff-Aye, Trustee Rutigliano-Aye, and Mayor Hatheway-Aye. The motion passed and the hearing closed at 6:00PM.

Marsha B. Merrick, Village Clerk