

## **Annual Meeting and Budget Hearing – April 2, 2018**

The following are updates from the Annual Meeting and Budget Hearing, held on April 2, 2018. If there are any concerns or a need for more information, please call (673-3112) or email (marboard@twcny.rr.com) the Village Office.

**Annual Meeting** - the Board held its Annual Meeting on April 2, 2018, for the purpose of making appointments, designating official newspapers and official depositories, establishing regular meeting dates of the Board and other matters to come before the Board.

**Appointment of Deputy Mayor** – the first appointment was that of Trustee Sara N. Tallman to serve as Deputy Mayor of the Village of Marcellus. In the absence or inability of the Mayor to serve, the Deputy Mayor is vested with all of the powers of the Mayor.

**Set Date & Time of Regular Board Meetings** – the date and time of the regular Board Meeting was set for the 4<sup>th</sup> Monday of each month, at 7:00 p.m., in the Village Hall and for Board Workshop Meetings to be held on the Thursday prior to the Regular Meeting at 9:30 a.m., or on the Friday prior to the Regular Board Meeting at 9:30 a.m. in the Village Hall. The Workshop Meetings may be canceled or changed at any time by the Mayor, with appropriate notification to the media and other members of the Board of Trustees

**Set Date & Time of Special Board Meetings** – the Board approved a motion to allow the Mayor to call Special Board Meetings when necessary, at a time and date to be decided, and to authorize the Village Clerk to notify each of the Trustees (as soon as reasonably possible) as to the date, time and place of Special Board Meetings. The Village Clerk will also post the appropriate Public Notice and notify the media as to the time, place and reason for the Special Board Meeting

**Establish Rules of Procedure** – the Board agreed to conduct Village Board Meetings pursuant to Rules of Procedure that have been in effect in previous years, a copy of which is on file, for inspection, in the Village Office.

**Official Banks** – the Board approved a motion to adopt a resolution designating Solvay Bank Corp as the depository for regular accounts, and as the depository for capital and investments, and that all monies received by the Village Treasurer, Village Clerk, and Receiver of Taxes be deposited in said depository.

**Official Newspapers** – The Eagle Observer and The Post Standard were approved as the official newspapers for publication of official Village notices.

**Attorney Resolution** – the Board approved a resolution appointing Jeffrey D. Brown as Village Attorney, a public officer of the Village, a copy of which is on file in the Village Office.

**Appointment of Village Employees** – with Board approval, the Mayor appointed the following Village Employees, both of which are four-year appointments, from April 1, 2018 to March 31, 2022:

Dawn M. O’Hara as Village Clerk  
Antonino J. Provvidenti as Village Treasurer

**Appointment of Village Employees** with Board approval, the Mayor appointed the following Village Employees, all of which are one-year appointments, from April 1, 2018 to March 31, 2019.

|                                       |  |
|---------------------------------------|--|
| Custodian, Part Time                  | Katherine Welsh  |
| Department of Public Works, Full-Time | Greg Crysler, James LaRose, John Holmes, Mallory Reedy   |
| Department of Public Works, Part-Time | Katherine Welsh  |
| Police Chief, Part Time               | Robert A. Wicks  |
| Police Captain, Part Time             | Bernie Podsiedlik  |
| Police Sergeants, Part Time           | Keith Gates, Earl Smith  |
| Patrolman, Part Time                  | Jeffrey Fortino, Matthew Hayes, Raymond Herrick, Chris Rowe, Shannon Ray, Michael Graham, Edward Bragg, Leonard Richer, John Scanlon, Sean Clere, Peter Heise, Rich Curran |
| School Resource Officers              | Sean Clere, John Scanlon, Peter Heise  |
| Police Clerk, Part Time               | Brenda Giacchi   |
| School Crossing Guard                 | Katherine Welsh  |
| CEO/Fire Inspector                    | William Reagan   |
| Deputy CEO/Fire Inspector             | David Weber  |
| Dog Control Officer                   | James LaRose   |

**Review of and Approval of Salaries and Benefits** – the Board approved a motion to continue to provide to Village employees, the same benefits (holidays, vacation days, sick leave, bereavement leave, extenuating circumstances, health benefits, retiree health care coverage, clothing and equipment allotment) that have been in effect for the previous year, accompanied by a 3% salary increase for most employees, except for the Mayor and Trustees, whose salaries have not been raised since 1992. A copy of employee salaries and employee benefits is on file for inspection in the Village Office.

**Execute Bond for Village Employees** – a motion to notify the public that the Village, having secured property and liability insurance coverage, has executed surety bonds for all Village employees in the amount of \$50,000 and in the amount of \$100,000 for the Village Treasurer and Village Clerk and that the expense of this undertaking has been a charge to the Village was also approved by the Board.

**Appointment Village Committees** – additional one-year appointments were made, including:

- Chair of Senior Housing Committee – Robert J. Wilson
- Marcellus Betterment Association – an extension of the Marcellus Betterment Association

**Appointment of Village Engineers** – with Board approval, the Mayor made a motion to utilize the services of and solicit competitive bids, when appropriate or deemed necessary by the Village Board, from several engineering firms including MRB Group, Barton & Loguidice, and TDK Engineering.

**Appointment of Village Historian** – the Mayor also made a motion to appoint Peg Nolan as Village Historian for a period of one year, 4/1/18 to 3/31/19.

**Appointment to Planning Board** – the Board approved a motion by the Mayor to re-appoint Edward Carlson to another full 5-year term as a member of the Village Planning Board – from April 1, 2018 to March 31, 2023.

**Appointment to Zoning Board of Appeals** – the Board also approved a motion by the Mayor to re-appoint Kimberley Spitzer to another full 5-year term as a member of the Zoning Board of Appeals – from April 1, 2018 to March 31, 2023.

**Annual Contracts** – with the Marcellus Historical Society, and the Marcellus Health/Loan Closet were approved, similar to those that have been in effect for the previous year and the Board agreed to table the Marcellus School District SRO agreement, until a future Board meeting.

**Annual Resolutions** – the Board approved the following resolutions:

Authorize Mayor To Sign Checks – in the absence or inability of the Treasurer or Trustee

Advanced Approval of Claims – for public utility services, postage, freight and express charges

Set Mileage Allotment – and reimbursement at the rate of .54 cents per mile

Authorize Organizational Meetings – a motion to authorize municipal officials and employees to attend schools, conferences and seminars conducted for the benefit of the local government, a copy of which is on file in the Village Office was approved.

**Review and Approval of Procurement Policy** – having reviewed the procurement policy adopted in 1993 and that updated in 2002, and again in April 2018, the Board agreed to continue that policy governing the procurement of all goods and services which are not required to be purchased pursuant to the competitive bidding requirements of General Municipal Law Section 103, a copy of which is on file in the Village Office.

**Announcement of Earth Day Participation** – the Board approved a notification to the public that the Village of Marcellus will again participate in the Earth Day observance. This observance will take place on Thursday, April 19, 2018, in conjunction with 3<sup>rd</sup> grade students from the Marcellus Central School District. The 3<sup>rd</sup> grade students will gather at the Village Hall after policing the area and the streets north of Main Street, where the Village will provide refreshments and its thanks for all of the work that they provided. The Board of Trustees would like to thank all of the students as well as MCS staff members, as well as our own staff for their help in this matter. A rain day has been planned for Friday, April 20, 2018.

**Adjournment** – following a motion to adjourn the Annual Meeting, the Board approved a motion to open a Public Hearing on the Tentative Budget.

## **Public Hearing on Tentative Budget – April 2, 2018**

**Comments from Village Treasurer** – on the tentative budget of the Village of Marcellus for the fiscal year beginning June 1, 2018 and ending May 31, 2019. Copies of the tentative budget, which has three components: the General Fund, the Water Fund, and the Sewer Fund, are available for the public.

### **General Fund:**

The proposed General Fund budget for the Village's fiscal year ending May 31, 2019 maintains the Village tax rate at \$6.85 per \$1,000 of assessed valuation. Despite no increase in the Village tax rate from last year, this tax levy will generate approximately \$3,500 in additional revenue for the Village, due to an overall increase in the total taxable value of properties in the Village as determined by Onondaga County. This proposed Village tax levy also will not exceed the NYS Tax Cap Limit. The Village also intends to keep its trash collection rates unchanged for the upcoming fiscal year, at \$45 per unit. However, the Village has been informed that there will be no increases in financial assistance from either NYS or Onondaga County for the upcoming budget year. The Village greatly values the work performed by its employees, and will be providing employees a 3% raise in this new budget. Through the continuing efforts of the Village departments to operate as fiscally conservative as possible each budget year, departmental costs have been controlled. This has not only benefited the Village in offsetting the costs of unfunded mandates by NYS such as pension costs and health insurance, but in addition, it has resulted in the Village's proposed General Fund budget showing a \$30,000 budget surplus for the fiscal year ending May 31, 2019.

### **Water Fund:**

Pursuant to an Intermunicipal Agreement with the Town of Marcellus, the Village shares in the cost of maintaining the Limeledge Water District, in the form of a fixed annual payment to the Town. Also, the Village is required by OCWA to pay for the maintenance of the fire hydrants in the Village, also on an annual basis. In the absence of revenues from water usage charges since OCWA took over water service to Village residents, the revenues section of this proposed Water Fund budget incorporates an inter-fund transfer from the Village's General Fund in an amount equal to the amount of expenditures which will be required for the upcoming fiscal year.

### **Sewer Fund:**

The Village's Wastewater Treatment Plan is currently faced with a very costly mandate from New York State requiring the level of phosphorus in the treatment plant effluent to be permanently reduced to 1.0%mg/L. In order for the Village to be able to pay for the necessary upgrades to its Wastewater Treatment Plant, at a projected cost of over \$7 million, the Village has found it necessary to raise sewer rates to all users of the consolidated sewer system in the Village, Town and School District, which is owned and operated by the Village. The new minimum sewer rate was previously increased to \$75.00 per unit for Village sewer users and will remain at this rate for the Village's fiscal year ending May 31, 2019. All of this additional sewer usage revenue will serve to build up the Village's Unappropriated Sewer Fund Balance for the sole purpose of paying for these upgrades over the next several fiscal years. Based on this, the Village's proposed Sewer Fund budget shows a \$92,000 budget surplus for the fiscal year ending May 31, 2019.

## Comments by Mayor on Tentative Budget

- Loss of sales tax revenue – continues to affect the Village budget. The Village continues to receive infrastructure monies from the County, which have helped to offset this revenue loss, but it by no means has made up what the Village once received.
- Increase in Assessment – the County Finance Department provides the amount of total assessment for all Villages and this year that assessment went up slightly. Most of the increase in assessed valuation came about because of a decrease in tax exemptions
- We expect to keep the tax rate at \$6.85/1000 of assessed valuation – which means that the assessment on a \$100,000 home, will continue to be \$685 a year. It also stays within the state mandated property tax cap.
- Property tax revenue will increase – from \$585,800 to \$589,300, which represents approximately 55% of the total revenue received by the Village.
- A 3% increase in salaries – for all employees, full and part-time, is included in this budget. Our employees received a 2% raise last year, and the Board felt that a 3% raise was not out of line this year, since they are working with one less person in the Highway Department. This is not much, but reflects on-going financial concerns that the Village faces. As was mentioned, the benefits package remains the same – the Village employee pays 10%, while the Village provides 90% of health coverage. This, I might note, is much better when compared with similar arrangements in the private sector
- Employee Benefits – many of these, including retirement, health insurance, unemployment insurance, and workers compensation have stabilized, but continue to remain beyond Village control.
- Debt Service – continues to be a large item in the budget and it cannot be overemphasized. It is always the gorilla in the room and one that will not go away even if there was complete dissolution of the Village – residents would still pay this debt
- State Regulations and Unfunded State Mandates – continue to compound budget problems for the Village – items over which, there are no controls by the Village. The most recent example is the requirement from NYSDEC, which has ordered the removal of phosphorus down to a 1.0-mg/L level so as to stop the pollution of Onondaga Lake. This is of major concern to the Village and our plant operators because of the high cost to implement this unfunded mandate. Our WWTP is the only one, other than METRO, that comes under this directive and we must meet a 2019 State mandate, the cost of which has now been estimated at over \$7,000,000. We have been able to secure some grant money as well as a no-interest loan to cover this cost, but the Board is very concerned as to how to pay for the implementation of the mandate, which can only come from sewer rents. Sewer rents will become massive in size.

- Department Cuts – there have been excellent savings from our merger of the Highway and Sewer Departments into a single DPW, and our Superintendent and Deputy Superintendent have been very judicious in their planning for the next budget year. Monies have been set aside monies to complete highway resurfacing on Dunlap Avenue and Wilson Drive as well as chip seal on South Street and fiber micro paving on Reed Street along with some sidewalk repair.
- Police Department –
  - The budget for the Police Department has remained stable this year and Chief Wicks has hired some excellent part-time officers. In addition, a new School Resource Officer was appointed for the High School at the beginning of the school year and this too has been an excellent decision. The department’s budget remains stable this year, and will require a new police car, for which the Chief expects to afford by savings from equipment repairs and maintenance items and grant money. He too is very judicious in his budgeting.
  - The Chief reports that the successful closure rate (identify and arrest suspects) is far above the national average.
  - Some continue to argue that if there is a need to cut services, the Marcellus Police Department should be eliminated. Our Board is unanimous in its decision that our Village needs a police force, and I would like to address that issue once again. The absence of major crime in our Village has given rise to some complacency as well as questioning the need for a police force. The absence of major crime is not just a piece of good fortune. We don’t have major crime because the mere presence of a police force acts a major deterrent to crime and causes the criminal element to move on to other communities – ones that would provide less scrutiny and not hinder illegal activity as much. The criminal element prefers to be as inconspicuous as possible. Some claim that our police department could be easily absorbed into a larger police entity (e.g. the County Sheriff’s Department) without losing the level of protection that the community currently enjoys. While the Sheriff’s Department provides much assistance to our village, including use of its many resources, it is doubtful that the Department could answer 300-400 extra calls a month adequately, since it would not be able to dedicate a car to the Village on a regular basis. The Sheriff’s Department, like all policies agencies, is stretched to the limit with its own budgetary concerns. Our village would be safe, but quality of life issues (a hard-to-define concept made more conspicuous by its absence), ones that are important to village residents, would be seriously compromised. Each village is, of course, different and each should address the issue of police protection in light of its own particular circumstances. At present, our Board is committed to maintaining a police presence in the Village of Marcellus – a force that continues to be increasingly professional and a model for others in the county.

- Clerk and Treasurer – the salaries and benefits of the Village Clerk and Village Treasurer are divided between two funds – the General Fund and the Sewer Fund – since the duties and work activity of both employees is equally divided between these two funds.
- The Village Attorney – is now considered an officer of the Village, not an employee hired by the Village. Our Board has greatly benefited from his advice and counsel.
- Village employees, Bill Reagan and Dave Weber, now perform Code, Fire, and Zoning Inspections – and their efforts have been most helpful as we continue to implement the Rental Registration and Inspection Law as well as the Vacant Registration Law. In addition, we are under increasing scrutiny from the DEC to meet mandatory storm water regulations and our Code officers, along with a former Deputy Codes Officer, Kurt Field, whose services the Board continues to utilize when needed, have been most effective making sure that the Village was in full compliance, following recent DEC audits.
- Culture and Recreation – parts of the budget include some monies, in the form of contract agreements, for the Health-Loan Closet and the Marcellus Historical Society, since these organizations provide a service to the Village and its residents.
- The Water Fund – remains but has no revenue. Monies are allocated from the General Fund to supplement this Fund, primarily to pay for hydrant inspections by OCWA (\$4,000) and to pay for the annual Limeledge Contract (\$6,000) for a total of \$10,000 each year.
- The Sewer Fund – the Village Treasurer has addressed the seriousness of this part of the budget and there is a need to continue to build this fund balance and be prepared for expected and unexpected emergencies and mandates.
- The Compost Project – continues to be most successful.
- Waste Water Treatment Plant – at its January 23, 2018 Meeting, the Board authorized the Mayor to sign the following contract agreements for construction projects at the Waste Water Treatment Plant:
  - 1) The General Contract – (\$5,395,611.00) to Blue Heron Construction Company of Jordan, NY
  - 2) The Electrical Contract – (\$739,000.00) to Myriad Construction of Syracuse, New York.
  - 3) The HVAC Contract – (\$79,263) to King & King Mechanical, Inc. of Auburn, New York.

The new maximum authorized cost of the Project, and the maximum amount of obligations authorized to be issued, is \$7,700,000. The period of probable usefulness is forty years (40), computed from the date of the first bond anticipation note, and the bonds are payable from amounts to be annually levied on all the taxable real property in the Village. Because the Village can no longer delay and because the DEC expects the Village to complete the project sooner rather than later, and also because the Village wants to take advantage of the zero (0%) percent

interest rate offered by EFC, the decision of the Board was to move ahead with the construction of the project. While the Board, with the assistance of the DEC, will continue to look for more funding, so as to offset the cost of the project, the Board feels that any further delay will result in even higher costs as well as possible fines for lack of action.

- Increase in the sewer rates – in an attempt to offset excessive sewer rates, the Village has been successful in its endeavors to secure some funding, including several WQIP awards of \$80,000 and \$1,000,000, and a EPG grant of \$30,000, as well as zero (0%) percent financing from the Environmental Financing Corporation, and it is hopeful that the additional funding can be secured to help meet the DEC mandate to upgrade the treatment plant. A potential SAM grant of \$250,000 is pending, as is a WIIA grant estimated in excess of \$1,000,000. However, the plant upgrade of now over \$7 million, if no additional funding can be found, can only come from sewer rate increases and was hoped that the increases that are already in place will be sufficient to meet the expense involved. Coupled with the disappointing bids that were received in early December, it is probable that if no additional funding is received, we will have raise sewer rates once again, this time in excess of 30%. At present, Village sewer users pay, on average \$413.13 annually. A 31% increase would bring that average rate up to \$541.39 – a quarterly increase of about \$32.00, or an annual increase of about \$128.00. Keep in mind that this is an average estimate, since sewer rates are based on water usage in the Village. For Town sewer users the increase would be even more astronomical, given that outside users pay an additional 25% over that of the average Village sewer user - the average town sewer user would pay approximately \$676.74 annually, an increase of about \$160.00 per year, beginning in 2019.

**Motion to vote on the Tentative Budget for 2018-2019** – the Tentative Budget for the Village of Marcellus, for 2018-2019, as well as a motion to keep the property tax levy the same as last year – \$6.85/1000 of assessed valuation – were approved by the Village Board