

**PUBLIC HEARING HELD BY THE VILLAGE BOARD
OF TRUSTEES APRIL 4, 2022 AT THE VILLAGE HALL
TO CONSIDER THE TENTATIVE BUDGET OF
THE VILLAGE OF MARCELLUS FOR THE COMING
FISCAL YEAR 2022-2023**

PRESENT: John P. Curtin, Mayor See List
Timothy P. Manahan, Trustee
John J. Murphy, Trustee
Charnley A. Abbott, Village Clerk

ABSENT: Jeffrey D. Brown, Village Attorney

Trustee Manahan made a motion to open the public hearing, seconded by Trustee Murphy. Mayor Curtin called for a vote. All board members voted aye, and the public hearing was opened. The meeting was called to order at 7:17 p.m.

The Village Clerk read the legal notice to those in attendance.

Mayor Curtin began the public hearing by explaining that the purpose of the meeting was to consider the tentative budget for the fiscal year, June 1, 2022 – May 31, 2023. Mayor Curtin then made the following comments on the tentative budget on behalf of the Village Treasurer.

COMMENTS FROM THE VILLAGE TREASURER

Mayor Curtin began by announcing that copies of the tentative budget, which has three components: The General Fund, the Water Fund, and the Sewer Fund, were available for the public and explained that the proposed tentative budget of Village of Marcellus was for the fiscal year beginning June 1, 2022 and ending May 31, 2023.

GENERAL FUND:

During the past year, the Town of Marcellus performed a reassessment of all properties in the Town, including all Village of Marcellus properties. The end result to the Village was an overall 20% increase in the Taxable Value of all Village tax parcels, effective for the Village's 2022-23 property tax levy year. This will enable the Village to in turn lower its tax rate from the current rate of \$6.85 per \$1,000, down to a proposed tax rate of \$5.82 per \$1,000, and still generate at least the same amount of Property Tax Revenue as before. Once again, this proposed Village tax levy will also not exceed the NYS Tax Cap Limit. The single largest percentage of expenditures in the proposed General Fund Budget continues to be Transportation, for it is essential that the Village continues to invest in improving and maintaining its network of Village streets on an ongoing basis. As such the Village is grateful to Onondaga County for extending the Village Infrastructure Improvement Program (VIIP) agreement between Onondaga County and the Village through at least the year 2030. The Village greatly values the work performed by its employees and will be giving 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 continued to benefit the Village in offsetting the cuts in State funding, as well as the increasing costs of unfunded mandates by NYS such as pension costs and health insurance. As such, the proposed General Fund budget for the Village's fiscal year ending May 31, 2023, shows a budget surplus of \$68,880.

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 interfund 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:

This proposed Sewer Fund budget will be the fourth full budget year which includes the increase in the minimum sewer rate per unit per 1,000 gallons from \$75 to \$100 for Village sewer users. That being said, total sewer usage revenue from Village users, as well as from School and Town users, is projected to be the same as the previous budget year. Upon the recent completion of the Village's Wastewater Treatment Plant Facility Upgrade Capital Project, monies remaining in this Capital Project Fund were transferred back to the Sewer Fund in anticipation of paying for much delayed repairs and other maintenance items for which there were previously insufficient funds available. These items include rebuilds to digester and aeration blowers, stockpiling of parts necessary for anticipated repairs to pumps and other equipment, and the purchase a replacement JCB Skid Steer, which was long overdue. This new budget year will also be the third year of

repayment on the 30-year interest free loan from the NYS EFC, which financed a substantial portion of the Capital Project. The annual debt service payment on this loan is \$173,420. Another full fiscal year of increased revenue from all sewer users, coupled with the anticipated decrease in total debt service, has resulted in the Village's proposed Sewer Fund budget showing a \$81,185 budget surplus for the fiscal year ending May 31, 2023.

COMMENTS BY THE MAYOR

Mayor Curtin then made the following points during the hearing:

- a. Loss of sales tax revenue – continues to affect the Village budget. The Village continues to receive infrastructure monies from the County, under an agreement between Onondaga County and the Village called the Village Infrastructure Improvement Program (VIP). It has now been extended for another ten years, until 2030, and includes multiple increases in the amount of financial assistance to the Village over the next ten years. This helps to offset the sales tax revenue loss.
- b. Increase in Assessment – the County Finance Department provides the amount of total assessment for all Villages and this year the assessment went up by 20%, as noted by the Treasurer, because the Town of Marcellus performed a reassessment of all properties in the Town, including all Village of Marcellus properties. The new total taxable value of all Village tax parcels is now \$104,914,493, up from \$87,095,140 for the 2021-22 property tax levy year.
- c. Because of the reassessment, we expect to lower the tax rate to \$5.82/1000 of assessed valuation – which means that the assessment on a \$100,000 home, will be \$582 a year. It also stays within the state mandated property tax cap which would be \$618,906.
- d. Property tax revenue will increase, however – from \$596,601 to \$610,599 (approximately \$14,000), which represents approximately 55% of the total revenue received by the Village from property taxes.
- e. A 3% increase in salaries – for all employees, full and part-time, is included in this budget. Our employees received a 3% raise last year, and the Board felt that another 3% raise was not out of line this year, especially in this year of COVID challenges. This is not overly generous, and 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
- f. Employee Benefits – many of these, including retirement, health insurance, unemployment insurance, and workers continue to remain beyond Village control.
- g. 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. The debt for the WWTP upgrades will continue to be very significant for many, many years to come – until 2050.
- h. 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 did meet a 2019-20 State mandate, the cost for which was almost \$8,000,000. We were able to secure some grant money as well as a no-interest loan to cover this cost, which can only come from sewer rents. As a result, sewer rents have increased significantly in recent years, but not this year, nor last year.
- i. Department of Public Works – the Village DPW and our Superintendent and Deputy Superintendent are always very sensible in planning for each budget year. Monies have already been set aside from the previous budget to complete some capital improvements, namely the repaving or reconstruction of certain Village streets, yet to be exactly determined at this time, other highway resurfacing perhaps, to purchase a new Ford F-550 at an estimated cost of \$50,000, and to share in the cost of brush and tree removal and street sweeping with the Town of Marcellus. The new DPW budget also calls for reconstruction of Slocombe Ave, along with storm sewers on this street, as well as sidewalk repair in several locations in the Village, a continuation of street sweeping and repainting of crosswalks, and assisting MCS students in the development of the Green Gateway Project. There are also plans to re-side the Village Hall, using funds obtained from a successful American Rescue grant application.

- j. Village Trash Hauler Contract – on 12/1/21, the Village renewed its trash hauler contract with Superior Waste Removal, which expires on 11/30/24. This 3-year hauler contract costs \$122,124 and calls for an annual increase in the monthly fee, beginning in December of each year.
- k. Police Department –
- a. The budget for the Police Department has remained stable this year and Chief Podseidlík continues to hire excellent part-time officers, including School Resource Officers. The Village’s Police Budget for the fiscal year from June 1, 2022, to May 31, 2023, will be the first full year in which the Village has SRO contracts with four school districts (Marcellus CSD, Lyncourt UFSD, Onondaga CSD and Tully CSD), including supervision by MPD Chief Podseidlík. There is no cost to the Village for this service and provides a way for school districts that do not have a local municipality to obtain the services of a school resource officer. The department’s budget remains stable this year, while monies are being set aside for the purchase of a new police car in the 2023-24 Police budget, there is also a need to replace police radios, an upgrade in the 911 upgrade in the County and the cost of gasoline will and has increased considerably.
 - b. The Chief reports that the successful closure rate (identify and arrest suspects) is far above the national average.
 - c. The dollar amount of Police Department expenditures (exclusive of SRO salaries & related expenses) as requested for the 2022-23 fiscal year budget are very comparable to those of the 2021-22 fiscal year budget.
 - d. 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 significant 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 patrol 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.
- l. 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.
- m. The Village Attorney – is now considered an officer of the Village, not an employee hired by the Village. Our Board continues to greatly benefit from his advice and counsel.
- n. Village employees, Bill Reagan, and Dave Weber, now perform Code, Fire, and Zoning Inspections – and their efforts have been very helpful as we continue to enforce the Rental Registration and Inspection Law as well as the Vacant Registration Law and Building Code Regulations. In addition, we are under increasing scrutiny from the DEC to meet mandatory storm water regulations and our Code officers have been most effective making sure that the Village was in full compliance, following recent DEC audits.
- o. 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.
- p. 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.

- q. The Sewer Fund – the Village Treasurer has addressed this part of the budget and the need to continue to maintain a fund balance that will keep the plant prepared for expected and unexpected emergencies and mandates. In addition, a major expense this year will be the replacement of the Park Pump Station, the possible purchase of a new skid steer, and the increased cost of service contracts for the new equipment at the plant – there is significant decrease in one area of supplies – chlorine is no longer used as a disinfectant at the plant, supplanted by ultraviolet disinfection – this is much safer but will cause an increase in the cost of electricity – maintaining sewer lines – rehabilitation of manholes – new fencing at treatment plant
- r. The Compost Project – continues to be most successful – trying to secure grant monies for a new blower units and skid steer
- s. Wastewater Treatment Plant Upgrades – the \$8 million treatment plant upgrades mandated by NYSDEC to remove phosphorus from the plant’s effluent is complete, including site restoration as well as paving and sidewalk construction. The financing package which the Village has been able to secure includes a \$5,202,600 short term (30 year), interest-free hardship loan and a \$1,379,900 WIIA Grant (formerly called a NYS Water Grant) along with an \$80,000 WQIP #11 grant, a \$1,000,000 WQIP #14 Grant as well as a \$250,000 SAM (DANSY) Grant.
- t. A question often asked is: “isn’t the Village sewer system overtaxed, as we are reminded all the time in every Village newsletter?” First, the sewer system is not overtaxed ever since it was upgraded in 2013 with a major reconstruction and relining of the sanitary sewer line, a \$700,000 project for which the Village was able to obtain a NYS grant. In addition, in 2013-2014 the Village began a sump pump inspection program, which was most effective in reducing non-sewage inflow into the Village’s treatment plant. Because of these two projects, the treatment plant’s capacity has been increased significantly and will easily absorb not only the sewage generated from this project but from future development that might occur in the Village. The issue of an overtaxed sewer system has not been mentioned in any Village newsletter since 2013. What has been a subject of concern in every newsletter in recent years and which has caused sewer rates to increase considerably, was the mandate by the NYS DEC to reduce the level of phosphorus from the treatment’s effluent. This was an order by the State of New York and although we fought it for a number of years, the Village was forced to upgrade the plant to the tune of \$8 million. By law, it is only from the sewer rates that treatment plant upgrades can be funded. The Village sewer rate (which is not a tax) is still lower than almost every other treatment plant in the County, including Metro.
- u. No Increase in the sewer rates – there is a minimum quarterly sewer rate, for Village sewer users, of \$100.00 and a minimum annual cost of \$400 and a projected average annual cost of \$558.97, based on using the current number of Village sewer users of 945. Keep in mind that this is an average estimate since sewer rates are based on water usage in the Village and that fluctuates. The annual cost for outside users (Town and School Districts) is projected to be \$698.71, given that outside users pay an additional 25% over that of the average Village sewer user – an increase of about \$140.00 per year, based on using the current number of Town and School Districts users of 364. In order to prepare our Treatment Plant for operation well into the 21st century, these increases, while hefty, are unavoidable.

COMMENTS FROM TRUSTEES

Mayor Curtin asked if there were any comments from the other members of the Board. There were none.

COMMENTS/QUESTIONS FROM THE PUBLIC

Mayor Curtin opened up the floor and asked for comments from the public. Mr. Dwight Widger, 11 Flower Lane, was in attendance to follow up with the Board regarding the drainage and water retention concerns on Flower Lane related to Coon’s Pond that he discussed at the regular meeting on March 28, 2022. Mayor Curtin stated that the Board and the Village DPW have been in communication with the property owner and are determining the best course of action. Mr. Widger thanked the Board for their prompt attention to the matter.

There were no other items from the floor.

VOTE ON 2022-2023 TENTATIVE BUDGET

Trustee Manahan made a motion to approve the Tentative Budget for the Village of Marcellus, for 2022-2023, and to set the property tax levy at \$5.82/1000 of assessed valuation. The motion was seconded by Trustee Murphy. Mayor Curtin asked if there

was any discussion on the tentative budget. Hearing none, Mayor Curtin called for a vote. All board members voted aye and the motion carried.

ADJOURNMENT

Trustee Manahan made a motion to adjourn the tentative budget hearing. The motion was seconded by Trustee Murphy. Mayor Curtin called for a vote. All board members voted aye and the meeting was adjourned at 7:39 p.m.

Charnley A. Abbott
Village Clerk