



maintenance of the entire sewer system in the Village, Town, and School District. As with the case of the General Fund, the Sewer Fund will also continue to be faced with the costs of unfunded mandates by NYS, in particular the demand that the level of phosphorus in the treatment plant effluent be reduced to 1.0mg/L. In order to prepare for this very costly mandate (estimated by Village Engineers to be over \$5 million), it became necessary to raise sewer rates at the effective April 2016, with the new minimum sewer rate charge increasing to \$75.00 per unit for village residents. In a continued effort to restore the Unappropriated Sewer Fund Balance to a level that will be acceptable to NYS, the Village anticipates a \$26,000 budget surplus for the proposed Sewer Fund budget for the fiscal year ending May 31, 2017.

Trustee Cox then turned the meeting back over to Mayor Curtin.

**Comments by Mayor on Tentative Budget:**

Mayor Curtin then made the following points during the hearing:

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 the revenue loss, but 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 the assessment went up slightly. Most of the increase in assessed valuation came about because of a decrease in tax exemptions

A slight increase in the tax rate, of about 1.9%, is proposed – from \$6.72/1000 of assessed valuation to \$6.85/1000 of assessed valuation – or about 13 cents. Instead of a \$672 tax bill on a \$100,000 home, the assessment will now be \$685, which represents no increase when County and Town taxes are considered in the total mix. It also stays within the state mandated property tax cap, but not the property tax freeze.

Property tax revenue will increase – from \$568,500 to \$581,000, which represents approximately 55% of the total revenue received by the Village.

A 2% increase in salaries – for all employees, full and part-time, is included in the budget. Village employees received a 2% raise last year, and the Board felt that a 2% raise was not out of line again this year. It is not much, but reflects on-going financial concerns that the Village faces. As was mentioned, the benefits package remains the same – full time Village employees pay 10%, while the Village provides 90% of health coverage. Mayor Curtin noted that the health benefit is much better when compared to similar arrangements in the private sector

Employee Benefits – many of the benefits, 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 cannot be overemphasized. Mayor Curtin explained that the debt service 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 need to pay the debt.

State Regulations and Unfunded State Mandates – continue to compound budget problems for the Village – items which are beyond the control of the Village. Four years ago, Coon’s Pond was an example, and an even more recent example is the requirement from NYSDEC, which has ordered the removal of phosphorus down to a 1.0-mg/L level to stop the pollution of Onondaga Lake. The mandate is of major concern to the Village and the plant operators due to the high cost to implement the unfunded mandate. The WWTP is the only one, other than METRO, that comes under the directive and the Board must meet a 2018 State mandate, the cost of which has been estimated at over \$5,500,000. The Board was able to secure a grant of \$80,000 to plan for the eventuality, but is very concerned as to how to pay for the implementation of the mandate.

Department Cuts – there have been savings in each department, but the Board is hopeful that the cuts will not affect service too severely. The board also hopes to set aside monies to make road repairs to Orchard Street and Austindale Avenue, as well as some sidewalk repair that was put off from last year.

Police Department –

A newer police car was purchased this year – a 2014 Ford Taurus, replaced the 2008 Durango, which would have required a lot of repair work. Five years ago, the Board thought of selling the vehicle and was offered \$7,000. Thanks to the efforts of one of the Village police officers, the Durango, driven for another five years, sold for \$14,300 and helped offset the cost of the newer Ford. The department also saved to purchase the Taurus vehicle, from equipment repairs and maintenance items and grant money. The Village has no lease on the vehicle.

Some continue to argue that if there is a need to cut services, the Marcellus Police Department should be eliminated. The Board is unanimous in its decision that the Village needs a police force. Mayor Curtin addressed the issue again. The absence of major crime in the Village has given rise to some complacency, as well as questioning the need for a police force. Mayor Curtin explained that it is not just by chance that there is an absence of major crime in the village. The Village does not have major crime because the mere presence of a police force acts as 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 the police department could easily be 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 the 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 police agencies, is stretched to the limit with its own budgetary concerns. The 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. Some point to the 2009 merger of the Clay Police Department into the County Sheriff's Department as an example of police consolidation – a merger that promised to save millions of dollars. However, the taxpayers in the Town of Clay are still waiting for the savings to begin. In addition, the Town of Clay is not an urban center like a village. It is a community made up of neighborhoods that are bisected by a number of major highways. Therefore, merging a highway patrol, such as the Clay PD, into the Sheriff's Department was not as difficult as it would have been, had the community been an urban, settled community where people live much closer together, where businesses are more concentrated and issues are more challenging than highway street patrol. Each village is different and each should address the issue of police protection in light of its own particular circumstances. Presently, the Board is committed to maintaining a police presence in the Village of Marcellus – a force that continues to be increasingly professional in recent years 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 often equally divided between the two funds.

The Village Attorney – is considered an employee of the Village since 2015, not a contractor hired by the Village, and somewhat reflects a cost reduction in the budget.

Village employees, Bill Reagan and Kurt Field, now perform Code, Fire, and Zoning Inspections – their efforts were very helpful as the Board implemented a new Rental Registration and Inspection Law. In addition, the Village is under increasing scrutiny from the DEC to meet mandatory storm water regulations and the Code officers have been very effective in 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 the organizations provide a service to the Village and its residents.

The Water Fund – remains but has no revenue, and monies are allocated from the General Fund to supplement the Fund, primarily to pay for hydrant inspections by OCWA and to pay for the annual Limeledge Contract of approximately \$10,000 each year.

The Sewer Fund – the Village Treasurer addressed the seriousness of the Sewer Fund and there is a need to continue to build up the fund balance and be prepared for unexpected emergencies and mandates.

The Compost Project – has been very successful, and NY State has reimbursed the Village with most of the grant monies promised. About \$38,000, or 9% of the monies promised are still being withheld by the State.

Sewer Consolidation Grant – In 2015, the Village, Town and School District combined their sewer districts into a consolidated sewer system, under the control and responsibility of the Village. Monies from the grant were used to make repairs to those portions of the collection system that are jointly used by the Village, the Town and the School District, effectively addressing the inflow and infiltration of storm water into the treatment plant, as well as address the new DEC requirement for phosphorus removal at the plant and to bring about targeted improvements to several parts of the sewer system including the Orange Street Pump Station. Now that the project is completed, the operation, maintenance, repair and billing of the entire sewage system have led to a consolidated arrangement, under the sole ownership and responsibility of the Village. The WPCP is now responsible for about 70,000 feet (14 miles) of sanitary sewer in the consolidated sewer system. Mayor Curtin explained that while sewer rents were stabilized for a short period of time, it is now necessary to raise sewer rents in order to pay for a DEC mandate of reducing phosphorus in the plant's effluent – a total upgrade to the plant. The cost of the upgrade is in excess of \$5 million, and the Board is in the process of having Village Engineers prepare a design for the upgrade. The design phase alone will be in excess of \$300,000.

**Comments from Trustees**

Mayor Curtin asked if there were any comments from the other members of the Board. Trustee Cox pointed out that the Board once again achieved a balance budget and stressed the significance of a balanced budget.

**Comments/Questions from the Public**

Mayor Curtin opened up the floor and asked for comments from the public. There were no comments from the public.

**Vote on the Tentative Budget for 2016 – 2017**

Trustee Tallman made a motion to approve the Tentative Budget for the Village of Marcellus, for 2016-2017, as well as a motion to approve an increase in the property tax levy from \$6.72/1000 of assessed valuation to \$6.85/1000 of assessed valuation. The motion was seconded by Trustee Cox. Mayor Curtin called for a vote. All board members voted aye and the motion carried.

**Motion to Adjourn**

Trustee Cox made a motion to adjourn the tentative budget hearing. The motion was seconded by Trustee Tallman. Mayor Curtin called for a vote. All board members voted aye and the meeting was adjourned at 7:43 p.m.

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Dawn O'Hara  
Village Clerk