

**SECOND PUBLIC HEARING UPON THE 2010 PRELIMINARY
BUDGET OF THE TOWN OF NEW HARTFORD, NEW YORK
HELD AT THE NEW YORK MILLS UNION FREE SCHOOL,
1 MARAUDER BLVD, NEW YORK MILLS IN SAID
TOWN ON THURSDAY, NOVEMBER 12, 2009 AT 6:00 P.M.**

The Town Supervisor called the meeting to order at 6:00 P.M. and led those in attendance in the Pledge of Allegiance to the American Flag. The roll was then taken with the following Town Officials and Department Heads being present during the progress of the meeting.

TOWN BOARD MEMBERS PRESENT:

Councilman Robert A. Payne III
Councilwoman Christine G. Krupa
Councilman David M. Reynolds
Councilman Richard B. Woodland, Jr.
Supervisor Earle C. Reed

OTHER TOWN OFFICIALS PRESENT:

Director of Budget Heather Mowat
Town Clerk Gail Wolanin Young

Thereafter, a quorum was declared present for the transaction of business.

The Town Supervisor opened the Public Hearing at 6:00 P.M. The Town Clerk had available the Notice of Public Hearing, Affidavit of Posting and Proof of Publication (October 30, 2009 edition of The Observer Dispatch), in addition to the Special Assessment Rolls for various sewer and water districts and copies of the Budget for public dissemination. Also, the Budget contains rates for street lighting districts and fire protection districts. The purpose of the Hearing is to offer the citizens an opportunity to speak for or against or to comment upon the Budget as a whole, or any part thereof.

New York Mills Village Mayor Robert Maciol - concerned about the potential 54% town-wide tax hike and especially the 1600 tax hike currently being proposed on the New York Mills village residents. Problems did not happen overnight and the reserve funds not depleted in one year, but over many. Town Board can choose to enact the largest tax increase this area has ever seen (which might be a short-term solution because government costs will continue to rise and put pressure on the Town's finances), OR change the way the Town operates on the cost side of the equation and re-work this budget because people cannot afford increases of this magnitude. He encouraged the Town Board to work with Supervisor-elect Patrick Tyksinski during this process.

Director of Budget Heather Mowat said she was hired about 5 months ago. Her tasks included where the Town's been the past ten (10) years, where we are now and touch upon what the New York Mills residents are faced with in the Town of New Hartford. Over the past ten (10) years, the taxes have increased only \$29. While employee benefits

have increased, Town staff has not increased. The Town used its savings instead of raising taxes. Over the past couple years, sales tax revenue had been overestimated at half a million dollars a year, adding up to \$1.5 million in funds not received. She expects only a \$150,000 fund balance at the end of 2009. A Couple years ago, the Town's assessment had risen due to the construction of Consumer Square shopping mall, The Orchards, developments that raise money. If you don't raise taxes over years, it all comes together.

Department Heads helped peel back \$500,000 in 2009; there were no unnecessary expenditures. Highway Superintendent Sherman said the Town has 88 miles of town roads and only \$125,000 in the budget for paving. Where are we for 2010? A proposed 54% increase in the Town tax, which currently is \$2.19 per one thousand dollars of assessed valuation. The Town tax rate would increase to \$3.18 per one thousand dollars of assessed valuation. The 2010 Preliminary Budget is down from current year's. The State is taking away money because they're in debt. Internal controls have been put into place and the Town is receiving monthly reports from the Accounting Department.

New York Mills tax issue – in 2003, the Town was policing the Village of New York Mills; because New York Mills had more than 4 full-time officers, the Village of New York Mills petitioned the Town to exclude the New York Mills residents from paying the Town police expenses. For the 2004 tax year, New York Mills became a separate tax base. That administration wrote the State Comptroller how to proceed and received a legal opinion that said the Town needed to establish a separate tax base, a separate tax rate and keep the money separate; but this wasn't done by the previous Town Board. This Board did it a couple weeks ago after learning this. This isn't something that happened overnight. Now even a couple months ago, the State Comptroller says why didn't you do this .. not fair to other tax payers. So in 2004 the New York Mills property owners paid only \$56 for Town taxes, a decrease of \$150 and the Town taxpayers increased \$250; in 2005 New York Mills paid only \$9 for the year for Town taxes. In 2008 New York Mills property owners paid only \$15 for the year for Town taxes while property owners outside that Village paid \$215 for the year and property owners in that portion of New York Mills in the Town of Whitestown were paying \$268.00 a year. For the \$15 per year, the New York Mills residents could avail themselves to engineering services, animal control services, senior citizen activities, parks, library, the Sauquoit Creek Basin Intermunicipal Commission. New York Mills wants its own police department.

Director Mowat stated the Town receives a sales tax check every three (3) months and so do villages. Part-town accounts (Highway and General Fund), which exclude villages, should get the sales tax revenue first. Either do what is right for the taxpayers and wait and do nothing and face it next year. The Town Board came to hear your thoughts and comments tonight. Those who spoke were:

- Russell Cerminaro – believes the Dispatch (911) service in the 2010 Budget is a complete duplication of the County's 911 system and that the Town's is overstaffed; further, the Town's service cannot handle cell phone calls while the

County's can. Consolidation would save the Town over \$650,000 a year, which would mean no tax increase for anyone. Cut funding to the library, very extravagant; they said initially (in the early 1990's) they wouldn't get funding from Town of New Hartford. Unauthorized pay raise for Dispatch Supervisor, wasn't budgeted and Councilman Reynolds voted for it. Authorized renovation of fire house (Village). With regard to the tax assessor program, why did Mr. Reed and other people's property not have been reassessed since 2001, and earlier. Mr. Reed took the blame for the low fund balance, but the entire Town Board is responsible for the trouble we are in today. He pointed out former Highway Superintendent Roger Cleveland selling equipment...using town vehicle plates, and selling equipment to a relative of Councilman Reynolds. He claimed Attorney Gerald Green overcharged the Town for his services and said he didn't do his job. You all know about Mrs. Fairbrother (Bookkeeper) and the overtime pay and resolution that hired her for \$40,000 and no overtime; the Town gave her \$72,000 in overtime. He suggested the Town make large cuts – 911 center, police department taking on too many extra curricular activities, like the Marquee Cinema; cited also St. Elizabeth Hospital because Utica police didn't want to. Ray's (Police Chief) a great officer but (he) can't take on all these responsibilities, like monitoring shopping centers, etc.

- Stephen Wolanin – businessman in New York Mills, resides on New York Mills where he receives good service; if I undercharge a customer, I don't call and say I undercharged; then there's the next family, I don't charge them more because I made a mistake with the first family. He said he was sick and tired of being taxed to death.
- Mark Cianciolo – addressed the Town Board at the November 5, 2009 Public Hearing. Several superb ideas were suggested last week:
 - consolidation of 911 services
 - personnel pay freezes
 - early retirement buy outs
 - adjust employee benefits health insurance
 - contact collective bargaining unions and renegotiate them
 - library issue
 - zero-based budget.

Taxes should be going down, not up. His expectation tonight was not to receive the same copy of the budget distributed last week, but to see what changes the Town Board had made since the November 5th Hearing. He expects due diligence from the Town Board. He inquired if (Supervisor-elect) Mr. Tyksinski was present and thanked him for attending the Hearing. Mr. Cianciolo said he's lived in New Hartford for two (2) years and his property has been reassessed twice – what's good for the goose is good for the gander.

- John Austin (NOTE: Limberlost Road, Town of Kirkland) – during the past seven (7) years he’s been reassessed three (3) times; \$12,000 to \$156,000; how do you justify? Don’t have trash pick up now; pick up is at the end of the road but not where he is. You passed this tax base, come get my house...the for sale sign.
- Douglas J. Berry – the “rainy day” fund had been depleted down to \$250,000; later funds were found in another account. What account was it found in? Was there any authority to move the money from one account to another? Developers – the Town accumulated \$3.3 million in GEIS monies since the 1990’s; some pre-development agreement monies not used by 2013 must be returned. Has any of the money been used? Objected to paying for the Town’s 911 call center and also the County’s. Suggested a no-tax lottery and all money done per capita.
- Frank Montecalvo – four (4) or five (5) years ago, approached the New York Mills Village Board – what are we getting for our taxes from the Village, the Town of New Hartford and the Town of Whitestown. He said Town taxes did drop after that meeting. He believes New York Mills is subsidizing the Town. New York Mills has its own library, they don’t need New Hartford’s and he doesn’t think they should pay double for services. Police – New York Mills doesn’t pay for Town Police, apparently. He doesn’t understand the projected 1600% tax rate increase, doesn’t make sense; would like to see the numbers. With regard to the 2008 agreement between the Town of New Hartford and the Marquee Cinema for police patrols for which the Cinema will reimburse the Town, how does that 13.5 overtime hours affect the Town’s retirement bill? He said the agreement was never authorized by the Town Board and that he believes the Town Police are competing with private security companies.
- Mary DuRoss, President of the New Hartford Public Library – wanted to address a major misunderstanding. Reserve funds for not-for-profit organizations....the Library has dedicated funds from private individuals for library issues:
 - approximately \$90,000 for building, and repairs, etc.
 - \$150,000 in the garden fund and can only be used for that purpose
 - Turner fund \$10,000 – also used for children’s programs.

As far as fine book orders, decisions are made by the library director and assistant library director – not the Treasurer or Board of Trustees. She said the New Hartford Public library is about 9,000 items lower than 3 counties. There are four (4) full-time employees, two (2) of which receive benefits; 20 part-timers of which 6 are high school students and 3 positions are pro bono. The library receives private donations and state funding while the Town of New Hartford funds their operating budget. Ms. DuRoss said meetings have been held within the library organization and also with the Town’s Director of Budget – there’s nothing left to cut. If the Preliminary Budget is adopted as is, the library won’t have all the services as other libraries.

- Diane Veeder – feels she doesn't get anything from the Town of New Hartford; homes on Royal Brook Lane are flooding from the creek but you can buy books over people's homes being ruined. People on limited income.
- Pete Bianco – the police department renders its services to the public; the Town shouldn't be funding cheap labor for businesses such as the hospital, Sangertown Mall and the Marquee Cinema; it's a liability for the Town. If the Town Board doesn't have the guts, let department heads live within the budget. Can we put the 911 consolidation to a public vote? He questioned money budget for seized assets and capital revenue interfund transfers in the 2010 Preliminary Budget. He didn't agree with the user fee mentioned at the November 5, 2009 Hearing. Can't afford astronomical increase in tax rates. Library will have to adjust their work hours.

The Director of Budget explained the transfer to these accounts (interfund), any moneys sitting in accounts not being utilized; in the past, the Town borrowed money at a good borrowing rate and the cost came in lower. The Town Supervisor decided that the unused money should be swept into the General Fund. Concerning Police Department seized assets, the expense line is actually \$8,000 less in 2010 than in 2009. There was a \$250,000 increase in health care benefits; have union contracts until 2010 with health insurance company. The Town borrowed for stormwater projects. \$80,000 was cut from the Police Department. We've seen assessments increase but it brings social problems. Two (2) GEIS corridors had been set up – Seneca Turnpike/Commercial Drive and French-Champlin-Burrstone Road. GEIS money has been set aside, don't borrow, use for police cars, can use for highway, domestic water, etc. This is a zero-based budget. All department heads came to the table with lower budgets than for 2009. There is a reduction in nearly every department for 2010.

The Town's 911 (Dispatch) center costs the Town \$680,000 – Oneida County won't take over this center for free.....discussions are on-going. Even if the cents are consolidated, the County said they'd have to add extra equipment/employees; you'll still see 2/3 increase instituted.

- Terry Tesak – asking the Director of Budget if she was speaking for the Town Board. She said she was speaking for what 's in the budget. He said to Ms. Mowat, if you're not elected, I want the Town Board to speak.
- John Garramone – with regard to stormwater, when he built a 15-home subdivision, he included a detention basin in the subdivision. It irked him when he drove to New Hartford and there were no detention basins. The Town of New Hartford Highway Department is installing culvert pipes – maybe they're (property owners) buying the pipe, maybe not. The Town installs the pipe 2 feet deep; his were installed 13 feet deep so as not to flood people down the street.

- Mike Baiguini – what am I getting (from New Hartford), I'm from New York Mills. I chose to live in New York Mills, not New Hartford. Councilwoman Krupa said she agreed with him, not much. Mr. Baiguini said he doesn't need New Hartford cops; New York Mills has their own. Councilman Reynolds explained the administrative side of the budget and services offered. The portion of the Village of New York Mills that lies within the Town of New Hartford, pays Town taxes. Also, the Town of New Hartford pays the Village of New York Mills for fire protection to Consumer Square and other areas. Councilman Reynolds suggested meeting with Village Mayor Maciol and compile a list of services.
- Pete Bianco – what does traffic control, contractual mean? Highway Superintendent Sherman explained repair of traffic lights, cones, etc.
- Richard Sherman, Highway Superintendent – appointed to the Highway Superintendent position by the Town Board a year ago; he had over thirty (30) years experience and the 2009 Budget had already been adopted. He had zero dollars for paving. He cut, cut, cut; and cut most out of the budget. The Town has aging roads, has town and county roads to plow and sand; it takes 2.5 hrs to do a route, we have the best plowed roads in the Town of New Hartford – always clear; price of salt has more than doubled and diesel fuel costs are up – these are things that raise the budget.

Town Supervisor Reed told those in attendance that the Town Board will take everything they've said into consideration and the New York Mills issue and work closely with the Village Mayor Maciol on this. He said the State Comptroller is bugging the Town on the New York Mills (police) matter that affects the tax rate. When he took office four (4) years ago, Supervisor Reed recalled receiving a phone call about Police Officer Joseph Corr being murdered.....part of an east coast crime waive. The New Hartford police force is second to none. Please keep in mind the great police force and New York Mills has a great police force. They don't know what they're faced with when they report for work. To the man from Limberlost Road, that's in the Town of Kirkland.

There being no one further to come forth and speak, the Public Hearing was closed at 7:28 P.M.

Respectfully submitted,

Gail Wolanin Young, Town Clerk