

## Village of Ilion Budget Public hearing

April 4, 2014

Public Hearing called to order by Mayor Beth Neale at 6:00 PM at the Village's Municipal Building Auditorium.

**Present:** Mayor Beth Neale, Deputy Mayor Larry Gookins, Trustee Charles Lester, Trustee Ted Gage  
**Absent:** Trustee Joanne Moore.

**Also Present:** Village Clerk Linda Coffin, Village Treasurer Connie Gagliardi, Village Attorney JK Hage, Police Chief Tim Parisi, Fire Chief James Trevett, DPW Supervisor Jack Sterling, Librarian Thomasina Jennings, Electric Foreman Greg Day, Water Administration- Gary VanEvera, Water Distribution/Maintenance- Ken Scott , Water Treatment- Bruce Morgan, Marina Dockmaster Donald Sterling, Deputy Clerk-Treasurer Marjo Thompson,

**Public:** 30

Pledge was said by all.

Mayor Neale thanked all for coming. She started the hearing with providing answers to questions that had been raised at a Town Hall meeting held the end of January. Those questions dealing with issues related to financial matters were addressed.

The questions with answers from mayor Neale are as follows:

1. Does the Village have a Finance Committee: *At the current time the Village does not have a finance committee. There has been some discussion and a desire to see some sort of industry and economic committee formed which would have community people with the appropriate background*
2. Does the Village of Ilion file a fiscal monitoring report annually with the comptroller's office? *Mayor Neale indicated that the village files an annual fiscal report each year. Where do we stand? Mayor Neale told those present that the Village has received numerous good reports regarding the fiscal condition of the Village.*
3. Does the Village plan to over-ride the tax cap to balance the 2014-2015 budget? *The Village does not plan to over- ride the tax cap within the budget being proposed for 2014-15 and under consideration at this hearing.*
4. Concerns with spending vs. income- fire dept & police dept urge the VB to consider consolidation of some services. *The Village has met with and worked with numerous neighboring communities in discussions about consolidation and especially shared services. She stated however, that the Village of Ilion cannot force these other communities to take part in any of these plans.*
5. Looking at union contracts- restructuring and changing as new employees join the union. *The Village Board realizes that the union contracts must be review and need some changes that will have some positive effects on expenditures. There are plans to do just that as the contracts come due. The Village board cannot just open these contracts and cut and slash without the employees.*

*She indicated that this is something that has been discussed for many years. In terms of new hires, it was mentioned that there has been restructuring for new hires*

6. *Spending of the money for the Village attorney; as the tentative budget indicates there has been a reduction in the charges for the Village Attorney with \$30,000 per Village, water and electric. There are items that can be accomplished in-house instead of contacting the attorney and that will happen where it can. She added that this past year more than \$40,000 of the cost of the attorney was spent in dealing with issues raised from in-house conflicts. Attorney Hage added that it is not the attorney's office that determines the legal services needed but rather is by the Village. He added the firm covers a wide variety of disciplines for the Village and when comparing those services comparisons should be comparing apples to apples and not to oranges*
7. *The pilot payments made from Housing and Remington Arms who should be paying more. The Mayor indicated that this is some ways is a very upsetting question, one that as past minutes show for budget public hearings has been a question for many years. The tax assessment is not the business of the Village and rests with the German Flatts tax assessor. Why should the Village pester the largest manufacture in the county that provides such great benefits to the Village and surrounding areas. Financially the village benefits with the power that they purchase.*
8. *Time Warner contract. The Village is aware that the Comcast will be taking over some of the stocks and business areas of Time Warner as such there will need to be consideration made with determining how this transfer will affect the reorganization of payment to the Village.*
9. *Concerns for the Library- each year it gets its budget cut. Mayor Neale indicated that the Village Board is very much aware of the wonderful service provided by the Public Library. IT has been cut in the past but this year the tentative budget includes an increase of \$14,000. There have been great programs and activities, educational presentations and other events sponsored at the library. As a result it was felt that additional funds are needed to keep these activities happening. She also mentioned that the library continues to receive grants to assists with the building and to augment the funds received from the Village.*
10. *What is going to be done about the conditions of the roads/streets in Ilion? The conditions of the roads, she indicated affect everyone. Later in the evening following the budget meeting at a special meeting the Village Board will be considering the bonding for funds to complete much needed work on some additional streets. She went on to add that the conditions of the streets as with the condition of many infrastructures in the Village including the Municipal Building, DPW Garage, Fire Station and others have been the target of budget cuts in the past that would have repaired issues including mold. These conditions have been escalating and thus this budget contains potential appropriations for funds to repair the portion of roof of the Municipal Building in need of desperate repair.*
11. *Question regarding the need for a swimming pool. Mayor Neale indicated that while it is a great idea for there to be a community pool that would be open to all, but it is not something the Village can afford to do given upkeep cost, building, new health requirements, increased liability issues etc. Instead maybe this is something that can be accomplished through a private entity.*
12. *Definition of Fund Balance and what will remain in the line after using the \$200K as proposed in the Tentative Budget? Mayor Neale indicated that it is the difference between the revenue and expenditure. It is used for various reasons and/ or left for use when necessary to take care of*

*business. As provided through the NYS Comptroller's Office it can be used to offset the amounts needed to be levied through taxes. It is realized that the Village Board must be ready to look throughout this coming year for means to not only streamline some operations but to also begin to look at the need for more revenue to be collected. What is being proposed is not illegal. There are funds to still come into the Village from flooding efforts to reimburse expenses from projects completed after the flooding one in the amount of a little more than \$202,000 from Herkimer County from a specific program. With the figures provided by the Treasurer today, the current amount minus the \$200,000 for budget would be a little more \$600,000. It is understood that there will be expenditures out of this before the end of the year, but there will also be funds coming back in as well. The Village is fiscally sound as many reports from the Comptroller's office has distributed.*

13. Questions were asked in regards to changes in the tentative budget line items from last year's budget to this year. ( These were questions previously submitted to the Mayor for this evening)

**Income Questions:**

- a. Payments in lieu of taxes \$161K YTD down to \$72k for FY 14-15 - SNL ( Prindle) no longer pays PILOT and was added to the amount to be raised by taxes.
- b. Time Warner Cable Franchise fees, \$17K. *The amount is based on Time Warner Cable service sales.*
- c. What makes up the Revenue Recovery (\$320)? *This is the certified ambulance billings*
- d. Insurance Recoveries went from \$61K to 0? *This is an unknown and there is no way to estimate what might be reimbursed to the village from a claim payable to the village for an issue.*
- e. What makes up the misc. revenues? \$16K budgeted. *This is for such items as reimbursement for Ilion Police Department from Central Valley Central School, reimbursement for traffic signals from the State and reimbursement for salt from the Ilion Housing Authority and the Central Valley Central School system.*
- f. Explain the Inter-fund revenue which is \$99K ? *Electric & Water monies transferred to Village General for goods and services rendered.*
- g. State Aid Court Facilities down from \$5K to \$0? *These types of entrees are for grants recorded or received in the fiscal year.*
- h. Asked what Fund transfers \$374K? *Receipt of transfer from Electric Surplus \$268K and Water \$105,986.*

**Expense Questions**

- i. Traffic Violations how an expense? *This represents charges for parking ticket supplies and agreement with SEI for a program which the Village has with them.*
- j. Audit expenses \$5K in FY 12/13 up to \$15K in new budget? *Payments are distributed among the various departments. Audits must be completed under the regulations if federal dollars are received that are over a total certain dollar amount for all grants.*
- k. What are fiscal agent fees and why the bid drop? *Fiscal agent is from an agency who guides and oversees financial obligations ( fiscal advisors) relating to large debt being placed out to market for the lowest rate such as the workers' compensation bonding and other similar bonding needs.*
- l. Attorney Expenses: YTD \$30? Retainer was \$11K/month July-December 2013. *The village general portion of the fee is currently \$37k for the retainer portion & \$6k for the misc expenditures for the Village general. \$11K represents water and lights portion.*

*There have been discussions with Hage & Hage to keep the retainer for all three at \$30,000 each.*

- m. Records Management: \$10K down to \$0 over two years? There has been no record grant received therefore no expenditures.*
- n. Municipal Building: \$40K YTD up to \$83K in the new budget? Roof? The estimate for the portion of the roof that needs to be immediately repaired is about \$27K, there also needs to be some replacement of the sidewalks out front of the building and heating expenses have been on the increase.*
- o. What is Central Data Processing: \$1,200 per year, seems very low? The County charges to print Village Tax bills- the Village's financial department is hoping to be able to print their own in the new future and save this \$1,200 possibly.*
- p. Other Government: \$160K is a large amount of money in a misc. category? This is street lighting charges, GFIM Landfill monitoring fees and the remaining previous retirement incentives pay outs.*
- q. Contingency fund from \$0 up to \$100K? The auditors have encouraged and suggested to the Village that the previous contingency amount of \$50K is low and the Village should consider raising it to \$100K. With the disasters and other events over the last few years, felt that the suggestion should be taken and thus the increase.*
- r. Pedestrian Mall: from \$700 up to \$5,300? This represents an increase in salt, repairs, possible equipment purchases, lights for the mall area.*
- s. Street Cleaning: From \$16K YTD to \$33K? Sweeper brooms & major repairs needed for the sweeper.*
- t. Shade tree/Mowing: from \$10 YTD to \$3K? DPW has had at least \$3K in that line item in the event that trees need to be removed.*
- u. Bond/Principal/Interest: from \$1.3 million in 12/13 down to \$200K? Refunding of the Workers' Comp Bond, with assistance & guidance from Fiscal Advisors, the allocation was increased in 2013 FYE*
- v. Inter-fund transfers: \$165K ? In FYE 2013, Library received \$164,126. Timber funds were \$1,491.00. The library amount was reduced in FYE2014.*

**Budget Questions from Floor:**

Q: Where does the Ambulance funds show on the budget? *Revenue Recovery*

Q: The charges shown in the water budget for administration- does it include the mayor and VB? *Yes*

Q: Who is a fiscal advisor? *One that the Village has used following and RFP is Nixon Peabody.*

Mayor Neale extended an invitation to all present suggestions and comments that would help to bring this community forward. The accusations and grandstanding do nothing to bring about the positive changes for this Village. Those wishing to become involved in this manner or to volunteer to serve on commissions etc are asked to call the Village office to make an appointment.

She thanked all the department heads for being present and also added that they had all agreed to attend the budget hearing on their own time. Public Hearing was declared closed at 7:10 PM

Respectfully submitted  
Linda Coffin, Village Clerk