

November 2, 2022

Schultzville, NY

A public hearing on the 2023 preliminary budget was held on this day in the Town Hall. Present were Supervisor Whitton, Councilmen Dean Michael arrived at 6:35 PM, Chris Juliano, Eliot Werner, Councilwoman Katherine Mustello and Town Clerk Carol-Jean Mackin. There were six people in the audience.

### **PLEDGE OF ALLEGIANCE**

At 6:30 PM, Supervisor Whitton called the public hearing to order and led the Pledge of Allegiance.

### **LEGAL NOTICE**

The Town Clerk read the Public Hearing Notice aloud.

### **PUBLIC HEARING**

Supervisor Whitton said this is a public hearing concerning the adoption of the 2023 budget. Supervisor Whitton commented: The 2023 Budget will lower the town property tax rate by nearly 10%, helping to offset the increase in assessments for residential properties. If adopted, this will be the lowest tax rate since 2014. This is also the first time in twenty years that the tax rate will be reduced for two years in a row.

Many Towns across New York State are facing significant challenges to meet rising costs in the face of stagnant or falling revenue. Some challenges most towns face include the arbitrary state-imposed tax cap that allows the town's property levy to increase by 2% or the rate of inflation, whichever is less. This year, that cap will max out at 2%, which is far below the 40-year high of a 9% rate of inflation. In some cases, this inflation has doubled fuel expenses, while drastically increasing electricity rates and the cost of health insurance premiums, to say nothing of increases in everyday goods and services. At the same time, inflation has potentially undermined some of the towns' revenue streams such as mortgage and sales taxes. Inflation has put upward pressure on interest rates, which has in turn slowed the housing market. Higher mortgage rates and fewer home sales translate to fewer mortgages which can reduce town revenue. Arguably, higher prices of goods can boost sales tax, but typically the reduction on economic activity and the suspension of some big-ticket sales taxes such as the gas tax, will take a bite out of the town budget. The fiscal environment is indeed challenging, but when isn't it for local governments? The inflation crisis provides us the much-needed opportunity to figure out how we can continue to meet the day-to-day obligations of delivering critical frontline services to our residents, without overburdening them with large property tax increases.

This budget would increase the tax levy by 9.17%, while lowering the tax rate by 9.96%. The tax rate is one of two factors that affect the amount of property taxes you pay. The second factor is the assessed value of your property.

As an example of how this could affect a resident, I present three scenarios:

- In 2022, a property with an assessed value of \$400,000 paid \$844 in Town property taxes. If that property did not see any change in their assessed value, they would pay \$760 in 2023, a decrease of \$84.
- If that property was reassessed with a 10% increase to \$440,000, their tax bill in 2023 will be \$836, a decrease of \$8.
- If that property experienced a 20% increase in its assessed value to \$480,00, the tax bill in 2023 would be \$912. An increase of \$68.

He opened the floor for comments:

Russ Tompkins – where are the big jumps in the budget? Mike Whitton said they are found in electric, fuel, heating oil, propane; none in hiring or new positions, generally speaking there is a 3 percent increase for all salaries, general fund and union.

Dan Harkenrider – Rec Director - this year the Recreation Committee was formed; all volunteers built the foundation with no budget and no staff. Dan named the volunteers who grew the program. We can now build off these programs. He described all of the time he spends in the parks, the reports he is responsible for, the numerous required County inspections he is present for at the Parks, and the work he puts in for the pavilion rentals, among other tasks. He pointed out we had a grant for Friends Park this year to develop that park. He explained to the Board that he asked for an assistant Rec Director, which was not included in next year's budget. He was disappointed, but was told by Supervisor Whitton to raise the revenue to get an assistant.

To raise revenue, Dan presented two options:

- 1. all revenue, signs for ball park, out of town sticker sales, basketball pass, basketball clinic, pavilion rental, summer camp, basketball league, donations, field use rental, snack shack: totaling \$31,000.
- 2. Redistribute money already in the budget. Go back to gate guard 3 days a week, not 7. Maintenance is 6 months, not 7, cut one camp counselor, split signage income with Little League, cut back on the Rec Custodian: totaling \$21,000.

Katherine, likes the idea of selling stickers to out of town residents.

Mike wants to know how to monitor the passes coming into the park. Chris, said to put a lock on the gate and the members have access to the code. And with cameras, we can monitor who is coming in.

Dean the BB court is being used at night and wanted to know how to monitor those people. Dan said we would have to address it deeper if we decide to sell BB passes. If we have members, they may take more ownership of the park.

Katherine – when was the pavilion rental raised? Dan said two years ago.

Dean – asked about renting the pavilion in Friends Park There seems to be a need. Dan said if we improve the playground that would make it more appealing. And add grills and a wet sink. Suggests renting it for a lower price than Fran Mark pavilion. Dean agrees on cutting back on the gate guards to 3 days a week.

Mike – signs are a great idea, but the town is not allowed to rent space for advertising. We can have an outside group sell the space for the signs and donate the money to us. Legally, the Town cannot solicit donations, it must be done privately or by a Friends Group and then that money is donated to the Town.

Dan said he would like to see a Rec Assistant work 12 hours per week for 52 weeks, Katherine said to look at it in terms of hours, and Dan agreed.

Mike Whitton said option 2 we can do right away, by moving existing money makes \$16,000 and we can still pursue other ways to raise money.

The Board agrees. Chris Juliano added: what do we get for our taxes? Roads and Recreation, and there has been a big change in rec and he was proud to see and support.

Mike Whitton thanked Dan, he put a lot of work into this.

Russ Tompkins – the Parks are for Clinton residents, does not approve of opening it for outsiders.

Lynn Miceli – asked what the tax rates are? Asked if we will get state reimbursement if we go over the tax cap. Mike Whitton said the town budget has no effect on the reimbursement, that is related to the school taxes. Mike reviewed the examples of how taxes might change. In the expenses, she notices two areas went up big, Supervisor personal services and Town Clerk personal services. Mike said the Board increased wages for all employees but there were some that were below market value and those were increased more. With the economy Lynn feels it seems unfair to give some employees more than others. Mike said the Board tried to find an equitable balance. We are trying to fix salary inequities that have existed for some time.

Chris Juliano said the Board has been going through budgets over three years they were trying to get salaries in line, a it's been a three-step process. That is why there are a few people this year got more.

Lynn Miceli – spoke about the senior citizen exemption.

Todd Martin Highway Superintendent – the highway department has the smallest increase in budget. Mike Whitton said it is because of the erroneous CHIPS income and expense. Todd asked about the 3 percent increase in wages, his secretary is 32 hours and does a lot more, going above and beyond and makes less than the deputy town clerk and he does not think that is fair. Katherine Mustello said deputy town clerk got a 3 percent raise like almost everyone else. Mike Whitton explained the other employee who

received more than a 3% raise is the Assessor's Clerk who did not receive the same raise as others last year and hers was brought to the standard combined with her longevity increase.

Kat Maxianova – town is potentially facing a lawsuit and asks if is there in the budget to defend a Cornerstone lawsuit. Mike said he increased the attorney line. Kat said it seems small. Dean said we will not have the same uses of the attorney's budget next year that we are budgeting for this year. Mike said we are financially prepared for an article 78. We just completed an article 78 this year.

Arlene Campbell - how are school taxes going to be impacted? Mike said this budget affects the town's tax rate only.

At 7:16 PM, there being no further comments, MM Supervisor Whitton, 2nd Councilman Michael to close the public hearing. All aye. Motion carried.

### **ADJOURNMENT**

MM 7:16 PM, MM Supervisor Whitton, 2<sup>nd</sup> Councilman Juliano to adjourn the meeting. All aye. Motion carried.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Carol-Jean Mackin".

Carol-Jean Mackin,  
Town Clerk