

**FINANCE AND BUDGET COMMITTEE
MAY 21, 2020
CITY OF PLATTSBURGH COMMON COUNCIL CHAMBERS
MINUTES
4:15 PM**

Roll Call: Chair Councilor Kelly, Councilor Moore, Mayor Read

Others Present: Councilor Gibbs, Councilor McFarlin, Councilor Barbell, Councilor Brodi

Absent: None

1. REPORTS FROM DEPARTMENT REPRESENTATIVES AND DISCUSSION WITH COUNCILORS:

Councilor Kelly gave Budget Update – 05/21/2020 presentation. Presentation made part of the minutes of this meeting.

2. AGENDA ITEMS BROUGHT FORWARD FROM DEPARTMENTS TO BE APPROVED BY COMMITTEE AND RECOMMENDED TO COUNCIL:

1. Request a COVID 19 discount for the outdoor seating fee schedule for the 2020 year only to:

Table(s) fee:	\$ 5.00/table
Parking Space Use fee:	\$ 75.00/space

2. Request from Aleka’s Restaurant LLC located at 103 Margaret Street to use **three** parking spaces in front of their establishment for outdoor dining.
3. Request from Hobie’s Sports Den located at 68 Margaret Street to use **three** parking spaces in front of their establishment for outdoor dining seating,
4. Request from Irises Café & Wine Bar located at 18-24 City Hall Place to use **four** parking spaces in front of their establishment for outdoor dining seating.
5. Request from Olive Ridley’s located at 37 Court Street to use **two** parking spaces in front of their establishment for outdoor dining seating,
6. Request from The Pepper located at 13 City Hall Place to use **two** parking spaces in front of their establishment for outdoor dining seating.
7. Request from the City Chamberlain to adopt a \$40,000 additional funding bond resolution, thereby increasing the \$930,000 bond resolution adopted by the Common Council on December 19th, 2019, for the financing of the construction of the Arnie Pavone Memorial Parking Lot as a consequence of cost

increases supported by change orders approved by the Common Council on May 7th, 2020, for additional appropriations to the total spending now provided for under capital project H5110.65.

- 8. Request from the City Chamberlain to adjust the 2020 General Fund budget by \$125,366.00 equally in estimated revenues and appropriations for the unbudgeted cost of drafting the Local Waterfront Revitalization Plan and for updating the City’s Comprehensive Plan and Zoning Ordinance under work to be performed by Saratoga Associates as authorized by Common Counsel resolution 7A adopted on February 20th, 2020, and as further authorized by the signed agreement between the City of Plattsburgh and Saratoga Associates dated March 25th, 2020.
- 9. Request that the City Chamberlain is authorized to sign a Free Wireless agreement with PrimeLink for Wireless Internet Access for public to use in the downtown area (map made part of the minutes of the meeting). This is a community donation and will be at no cost to the City of Plattsburgh.
- 10. Request from Water Resource Recovery Facility Chief Plant Operator Kristofer Gushlaw to extend Contract # 2017-8 “Sludge Hauling for WPCP” until May 31, 2021 with Drummac Septic Service for the estimated lump sum price of \$186,224.48.
- 11. Request to recognize Willard “Bill” Todd for his life of service to the City of Plattsburgh and that the Water Filtration Plant, is hereby re-named Willard “Bill” Todd Water Filtration Plant.

By Councilor Kelly; Seconded by Councilor Moore
(RC) Roll call: Chair Councilor Kelly, Councilor Moore, Mayor Read
(All voted in the affirmative)

3. OLD BUSINESS: None

4. NEW BUSINESS:

Councilor Kelly added 2 resolutions from Councilor Barbell to be moved to Agenda:

- 1. Whereas, it has been the policy of the City of Plattsburgh to minimize, and where able, eliminate overtime compensation; and

Whereas, as a result of declining revenue projections for the City of Plattsburgh 2020 and 2021 Budgets due to the Covid-19 pandemic, even, further constriction of overtime compensation is required; and

Now therefore, it is hereby resolved all unspent overtime in the budget shall be reduced to zero; and

It is further resolved that the Mayor is directed to report to the Common Council, for every instance where overtime used and approved, a weekly report on overtime approvals, containing a description of the unique circumstances that required the use of overtime to allow the Common Council to audit and authorize payment thereon.

By Councilor Kelly; Seconded by Councilor Moore
(RC) Roll call: Chair Councilor Kelly, Councilor Moore, Mayor Read

(All voted in the affirmative)

- 2. Whereas, it is the responsibility of the Common Council to deliver services to City residents in the most cost-effective manner possible; and

Whereas, as a result of declining revenue projections for the City of Plattsburgh 2020 and 2021 Budgets due to the Covid-19 pandemic, all cost saving efforts must be expanded, which includes exploring shared service agreements with municipal partners.

Now therefore it is hereby resolved that the Mayor is directed to initiate discussions with the County with regard to a shared service agreement between the City of Plattsburgh and the Clinton County Government for tax collection services.

By Councilor Kelly; Seconded by Councilor Moore
(RC) Roll call: Chair Councilor Kelly, Councilor Moore, Mayor Read
(All voted in the affirmative)

Mayor Read asked **Corporation Counsel Dean Schneller** to explain #9 potential contract "...Free Wireless agreement with PrimeLink."

Corporation Counsel Dean Schneller explained unsolicited donation by PrimeLink offering to provide free wireless access in Trinity Park. Idea to provide, at no cost, for public as Library and other access points are closed. Under Charter Council must approve any contract. Mayor is recusing himself so the City Chamberlain be authorized to sign.

Motion to Adjourn by Councilor Kelly; Seconded by Councilor Moore
(RC) Roll call: Chair Councilor Kelly, Councilor Moore, Mayor Read
(All voted in the affirmative)

MEETING ADJOURNED: 5:01 pm



City of Plattsburgh

Budget Update - 5/21/2020

Today's Agenda:

- This week's FAQ's
- Latest budget projections
- Money-saving ideas
- Five year plan

City Council's Budget Assumptions

- Cost and Value: We will deliver the best service for the lowest cost to our taxpayers
- Structural Balance: We will create balanced budgets
- Unassigned Fund Balance Growth: We will increase the unassigned fund balance steadily over the next few years
- Sustainability: We will create budgets that are sustainable for many years to come

City Council's Budget Assumptions in This Age of Pandemic

- Cost and Value: What is essential?
- Structural Balance: Keep at least a \$1.5m rainy day fund
- Unassigned Fund Balance Growth: On hold for 2020
- Sustainability: We will get back on track

City Council's Budget Assumptions and Longer Term Planning

Why is this important? Our budget assumptions are the foundation for our five year plan, which advises the mayor's annual budgets and sets the tone for city operations in the future

FAQ: Is the city facing a much larger shortfall than anticipated - maybe \$7 million?

- Today that answer is “NO”
- Our weekly budget estimates are based on today’s facts
- That is not to say that conditions won’t worsen for 2021
- We should worry about what happens to pension contributions, sales tax and state aid
- Let’s all advocate for additional federal aid
- Take comfort in this year’s property tax collections

FAQ: Why are property assessments going up now when we can least afford it?

- We have asked the county assessor's office to explain
- We have asked County Legislator Rosenquest to explain
- Go to grievance day May 26, 4-8 PM
- For 2021, we want to respond to increased assessments with another tax **decrease**
- Taxpayers have a right to know **WHY!**
- Council resolution to encourage no tax increases now

FAQ: Why aren't you opening the beach?

- "The City of Plattsburgh has carefully evaluated and balanced the lack of beach visitors because of the border closing until at least June 21, the lack of lifeguards because of closing of pools this spring and the cancellation of lifeguard training, and the inability to staff the beach affordably, given the conditions the Governor has imposed on reopenings. The Common Council will continue to evaluate how conditions evolve over the summer but recommend patrons use the adjoining State Beach until further notice."

FAQ: Why don't you use those DRI millions to fund city operations?

- Grant monies are earmarked for specific projects and not day-to-day operations
- BTW, the state has a clampdown on all awards
- Today, New York State is probably in no mood to re-negotiate any grant funds - can you blame them given the state's \$13 billion deficit?

As of today, here are the projections:

Expenses	Adjustment	Base	Change
Pension Contributions	0%	\$1,964,950	\$0
Aid and Incentives to Municipalities	50%	\$3,684,000	\$1,842,000
Allowance for higher healthcare costs	0%	\$4,484,257	\$0
Additional overtime above budget			\$0
COVID-19 expenses			\$20,000
Sales Tax Reduction	26%	\$4,275,000	\$1,111,500
Parking	90%	\$120,000	\$108,000
Recreation Fees - marina, crete, gym, beach	85%	\$952,892	\$809,958
Special Events	100%	\$71,500	\$71,500
Permits and Fees	50%	\$253,211	\$126,606
Current taxes lost	0%	\$11,533,602	\$0
Next year taxes lost	0%	\$11,533,602	\$0
<u>expected loss from pension, AIM, Sales Tax, Special Events, Permits & Fees declines</u>			\$4,089,564
works out to:			
year 2020 planned surplus in excess of \$1.5m of:	17% of total general fund e	\$23,500,000	
	draw-down cushion of:	-\$444,000	
	Remaining 2020 shortfall		\$3,645,564
	Permanent reduction in General Fu	\$700,000	
	Remaining amount to be made up b		\$2,945,564

Money-saving ideas

- Profit/loss statements for all operations
- Accumulated sick time *may* be applied to retirement
- Can the county take over our tax collections?
- Collect all monies due whenever the taxpayer can pay them: 2018, 2019, etc.
- Don't make taxpayers pay 2020 first
- 10% pay cut for all employees

Five year plan

- Inflation rate
- Changes in revenues - tax levy, AIM, sales tax, etc.
- Changes in expenses
- Unplanned expenses
- This year's five year plan will be exceptionally challenging