

Village of Owego Board of Trustees Meeting

A meeting of the Village of Owego Mayor and Board of Trustees was held on Tuesday, January 20, 2015 at 7:00 pm at 20 Elm Street, Owego, New York, 13827. The following people were in attendance:

Mayor:	Kevin Millar
Trustees:	Earl Hartman
	Karl Jantz
	Ann Lockwood
	Mike Phelps
	Eric Yetter
Clerk-Treasurer:	Rod Marchewka
Attorney:	Robert McKertich
DPW Supt.:	Jeff Soules
Police Chief:	Karen Vinti
WWTP Supt.:	Ron Horton
Absent:	Trustee May
	Fire Chief Gavin

Pledge and Invocation.

Insert "A" – Sign in sheet

Public Comment:

None.

7:00 pm – Public Hearing on Local Law No. 1 of 2015 Alternate Side of the Street Parking on certain village streets from November 1st thru April 1st.

Public Comment:

Tom Clark stated the following and submitted in written format (available at the clerk's office):

I ask the board to vote against Local Law No. 1 because it is (1) unnecessary, (2) unreasonably burdens the citizenry, and (3) the Village does not have the staff to properly enforce it.

To my first point – the law is unnecessary. I tried to find documentation as to when the Village first started plowing the roads and came up empty. However the charter re-write of 1947 makes it clear that the Village has been plowing the roads for 68 years with OUT the need for odd-even parking. The National Weather Service's historical data shows that the average annual snowfall for the past 60 years is 83". As a point of reference, last year we had 85" and this year we are on pace for 84". So the snow levels we are seeing now are about average and yet the streets are getting plowed with OUT the need for odd-even parking. More importantly, during that same 60 year period we had 8 years with snow fall over 100", or 2 feet above average including the blizzard of 1993 that set records in every month of the season and one February day in 1972 that saw 21" of snow fall in one day. And yet the streets got plowed without the need for odd-even parking. For these reasons, I believe the law to be unnecessary and should be voted down.

Secondly, the law places an unreasonable burden on the citizenry. As written, only a small portion of the Village is exempt from odd-even parking. Areas that are NOT exempt include downtown, Main Street along churches row, and sixteen streets and avenues that are already restricted to one side parking. We constantly hear complaints about the parking situation in downtown. How much worse is that going to be if Front Street, Court Street, and Main Street lose half of their parking spaces throughout the winter? Have you ever driven down Main Street on Sunday morning? Where do you think all of those cars are going to park when half of the on street parking spaces become illegal to use? Academy St, Central Ave, Chestnut St, Court St, East Ave, Forsythe St, Fox St, John St, Liberty St, most of Main St, McMaster Ave, North Ave, Park St, Prospect St, Spencer Ave, and Temple Street are already restricted to one side parking. If this law is passed, those streets will have NO parking every other day during a winter, or put another way, they will have no parking for 20% of the year. That's one day in 5 with no parking at all. For these reasons, I believe the law to be an unreasonable burden to the citizenry and should be voted down.

Finally, the Village does not have the staff to enforce such a regulation. Since I've been living in the Village and paying attention to the Board's actions, we have had 3 Police Chiefs, including Chief Vinti. I have heard each of those Chiefs categorically state that they do not have the staffing necessary to properly enforce metered parking, or hourly parking, or any of the other legislative approaches that have been proposed to improve downtown parking. If we don't have the staff to enforce parking laws for the roughly 2 miles of down town streets, how do we expect to enforce parking on about 25 miles of road affected by this new law? For this reason, I believe the Village does not have the staff to enforce the law and the law should be voted down.

In conclusion, I ask the board to vote against local law 1 because it is unnecessary, places unreasonable burden on the citizenry and the Village does not have the staff to enforce it.

Phoebe Morris – What is the cost of alternate side of the street parking?

Jim Legursky – Depot Street – enforce what we have. Don't be a burden to the taxpayers. Who does it benefit?

Public Hearing closed at 7:10 pm.

Motion by Trustee Lockwood, seconded by Trustee Hartman, to table Local Law No. 1 of 2015 until Tuesday, February 17, 2015.

Trustee Phelps – the police don't have the man power to enforce, the court doesn't have the computer program to enforce and follow-up on the ticket

Roll Call Vote: Trustee Hartman, Trustee Jantz, Trustee Lockwood, Trustee Phelps, Trustee Yetter, and Mayor Millar voted aye.

Motion Carried 6-0

Bernier Carr & Associates – Jarred Thisse and Kris Dimmick addressed the board on the sewer plant upgrade - Insert "B"

Note – septage is the sewage received from sludge haulers to the village sewer plant. The village currently receives approximately \$150,000 a year in revenue – after the sewer plant upgrades, the village will not be able to allow dumping of the sludge and will lose that revenue.

Trustee Phelps – asked why the bids on the sewer plant upgrades were so high?

Jared Thisse –

- 1) Ambitious Project
- 2) Tunnel to get to plant
- 3) Bid of \$500 per sq. foot on some of the buildings

New schedule for completion of 12 to 18 months.

Trustee Phelps – Do you feel confident in new bids? Jared – Yes, because of the reduced scope of project. Will be going out for rebid by the end of February 2015.

Motion by Mayor Millar, seconded by Trustee Yetter, to hold a Public Hearing on the 2% Tax Cap Override at 7:00 pm on Tuesday, February 17, 2015. Roll Call Vote: Trustee Hartman, Trustee Jantz, Trustee Lockwood, Trustee Phelps, Trustee Yetter and Mayor Millar voted aye. Trustee Phelps voted no.

Motion Carried 5-1-0

Transfer of health consortium reimbursement – put on hold – more research needed on where money should go.

Website update – looking into new village website – no action taken at this time.

Motion by Trustee Hartman, seconded by Trustee Lockwood, to pass the following resolution:

A RESOLUTION TERMINATING THE EMPLOYMENT OF CASUAL EMPLOYEES

At a meeting of the Village Board of the Village of Owego held at the Village Board Room, 20 Elm Street, Owego, New York on the 20th day of January 2015, the following resolution was offered:

WHEREAS, on November 10, 2014, the Village Board of the Village of Owego voted to hire Rudy Parker, Mike Buemi and Daryl Dibble as casual employees at 40 hours per week to supplement the Village of Owego Police Department; and

WHEREAS, pursuant to Article II of the Collective bargaining Agreement between the Village of Owego and the Owego Police Benevolent Association, said casual employees are excluded from the bargaining unit; and

WHEREAS, the 90-day period of employment of said casual employees expires on February 8, 2015; and

NOW THEREFORE, BE IT RESOLVED that the Village Board of the Village of Owego hereby terminates the employment of Rudy Parker, Mike Buemi and Daryl Dibble as casual employees, effective February 7, 2015; and

THEREFORE, BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

CERTIFICATION

I, Rodney Marchewka, do hereby certify that I am the Village Clerk of the Village of Owego and that the foregoing constitutes a true, correct and complete copy of a resolution

duly adopted by the Village Board of the Village of Owego at a meeting thereof held at the Village Board Room, 20 Elm Street, Owego New York on the 20th day of January 2015 at 7:00 p.m. Said resolution was adopted by the following roll call vote:

Mayor Kevin Millar Yes

Trustee Earl Hartman Yes

Trustee Karl Jantz Yes

Trustee Ann Lockwood Yes

Trustee Mike Phelps Yes

Trustee Eric Yetter No

Dated: January 20, 2015

(seal)

Motion Carried 5-1-0

Insert "C" –

- 1) Email from Barbara Van Epps Subject: Property Tax Freeze
- 2) Clarification and Property Tax Freeze Summary and Talking Points

Village Public Safety Committee Report – Trustee Phelps – gave the county a list of questions – no response yet.

Motion by Trustee Lockwood, seconded by Trustee Hartman, to pass the following resolution:

RESOLUTION TO HIRE A PART-TIME POLICE OFFICER

At a meeting of the Village Board of the Village of Owego held at the Village Board Room, 20 Elm Street, Owego, New York on the 20th day of January 2015, the following resolution was offered:

WHEREAS, the Village of Owego seeks to hire a part-time police officer; and

WHEREAS, Jason Lang has applied for the position and has received a favorable recommendation from the Personnel Committee upon an interview; and

NOW THEREFORE, BE IT RESOLVED that the Village Board of the Village of Owego hereby hires Jason Lang to the position of part-time police officer; and

BE IT FURTHER RESOLVED that this resolution shall take effect immediately.

CERTIFICATION

I, Rodney Marchewka, do hereby certify that I am the Village Clerk of the Village of Owego and that the foregoing constitutes a true, correct and complete copy of a resolution duly adopted by the Village Board of the Village of Owego at a meeting thereof held at the Village Board Room, 20 Elm Street, Owego New York on the 20th day of January 2015 at 7:00 p.m. Said resolution was adopted by the following roll call vote:

Mayor Kevin Millar Yes

Trustee Earl Hartman Yes

Trustee Karl Jantz Yes

Trustee Ann Lockwood Yes
Trustee Mike Phelps Yes
Trustee Eric Yetter Yes

Dated: January 20, 2015

(seal)

Motion Carried 6-0

- Liquor License Renewal for O'Hara's Restaurant

Motion by Trustee Hartman, seconded by Trustee Lockwood, to amend the budget by \$477.00 from Revenue Account A-2770.00.000 (other unclassified Revenue) to A.1325.40.480 (postage). Roll Call Vote: Trustee Hartman, Trustee Jantz, Trustee Lockwood, Trustee Phelps, Trustee Yetter, and Mayor Millar voted aye.

Motion Carried 6-0

Motion by Trustee Lockwood, seconded by Trustee Hartman, to approve the Village of Owego Board of Trustees Minutes of January 5, 2015 as submitted by the clerk-treasurer. Roll Call Vote: Trustee Hartman, Trustee Lockwood, Trustee Phelps, Trustee Yetter, and Mayor Millar voted aye. Trustee Jantz abstained.

Motion Carried 5-0-1

Motion by Trustee Hartman, seconded by Trustee Lockwood, to pass the following resolution:

A RESOLUTION AUTHORIZING PURCHASES THROUGH NPP AND NJPA

At a meeting of the Village Board of the Village of Owego held at the Village Board Room, 20 Elm Street, Owego, New York on the 20th day of January 2015, the following resolution was offered:

WHEREAS, the National Purchasing Partners ("NPP") and National Joint Powers Alliance ("NJPA") are no-cost cooperative purchasing organizations that can offer the Village the ability to purchase products that are publicly bid across the nation, provided that such purchases are consistent with State and local procurement laws; and

WHEREAS, the Village seeks the ability to purchase apparatus, materials, equipment and products through contracts let by NPP and NJPA; and

NOW THEREFORE, BE IT RESOLVED that the Village Board of the Village of Owego hereby authorizes the Village to join NPP and NJPA, and to make purchases through NPP and NJPA, provided that the contracts let by those organizations meet the standards set forth in New York State Procurement Laws and the Village of Owego Procurement Law; and

THEREFORE, BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

CERTIFICATION

I, Rodney Marchewka, do hereby certify that I am the Village Clerk of the Village of Owego and that the foregoing constitutes a true, correct and complete copy of a resolution duly adopted by the Village Board of the Village of Owego at a meeting thereof held at the Village Board Room, 20 Elm Street, Owego New York on the 20th day of January 2015 at 7:00 p.m. Said resolution was adopted by the following roll call vote:

Mayor Kevin Millar Yes
Trustee Earl Hartman Yes
Trustee Karl Jantz Yes
Trustee Ann Lockwood Yes
Trustee Mike Phelps Yes
Trustee Eric Yetter Yes

Dated: January 20, 2015

Village of Owego

(seal)

Rodney Marchewka, Village Clerk-Treasurer

Motion Carried 6-0

Motion by Trustee Phelps, seconded by Trustee Jantz, to approve the Treasurer's Report for Period 5 as submitted by the clerk-treasurer.

Motion Carried 6-0

Department Head Reports:

DPW Supt. Soules -

M E M O

To: Village of Owego Mayor Kevin Millar and Village Board of Trustees
From: Superintendent of Public Works - Jeff Soules
Date: January 16, 2015
RE: DPW Activity Report

- Letters out to elevation homeowners – deadline January 30th reply
- Begin taking down Christmas decorations
- Basement renovations at OPD
- Cost to repair OFD door approximately \$2300
- New flags at Court House
- Salt streets, clear sidewalks and River Walk
- Pick Christmas trees
- Trees cut up on Talcott Street

- Code violations for residential refuse - ongoing
- Forever green property maintenance - ongoing
- Measure DSNY cut outs on going
- Repair DPW equipment
- Parks winter equipment maintenance ongoing
- Cemetery winter equipment maintenance ongoing
- Pot hole patching ongoing
- Brush and leaf pick up ongoing
- Planning, Zoning and Historic Preservation meetings scheduled

Any questions or concerns please call me.

Police Chief Vinti –

- Night shift doing door checks – working on a data base to contact store owners if doors are found unlocked
- I do not have the manpower to fill the 120 hours because of the board’s action on cutting the three part-time/full-time officers. After February 7, 2015 I will have two full-time officer and myself working.

WWTP Ron Horton –

The central business area is being cleaned and televised by the firm that got the bid to do the slip lining (slip lining will start in April).

Trustee Reports:

Trustee Hartman –

January 20, 2015 VOB Mtg.

Commissioner Report Summaries

Village of Owego, New York
Earl Hartman Trustee Ward 2/ Commissioner of: OFD, Planning & Zoning

Note to File:

Electronic copies of full report has been filed with the Clerk-Treasurer

- A. **OFD:**
- New member(s): Palmer Perkins _ Wave Hose Company #2
 - Annual OSHA In-service certifications have begun.
 - Spring EMT-B classes are starting. We (5) to enroll.
 - Firefighter Gerald “Alvin” Smith as resigned from Awhaga Ladder Company #5 & OFD and should be removed from Village OFD members’ registry.
- B. **PLANNING / ZONING:**
- No report
 - **Resource Water Protection:** Committee met on 7pm Jan. 12th to kick-off the program: The First step of gathering background and base information has begun. Committee members are: Rural Water Association, Tioga County Health Department, Tioga County Soil & Water Conservation Department, United Water and

Village Planning & Zoning representation. Meeting minutes will be distributed to all members and the Clerk's office.

- Meeting will be quarterly or as required.

C. EDU Challenge:

- Have been in discussion with the Mayor and Manager of Village of Porter Chester regarding their experience with United Water doing their sewer billing. Both say the agreement worked out with United Water was fair and the process is working very well. Port Chester went the route I prefer, which is United Water bill as at the consumption rates the Village established but the sewer payments comes directly to the Village.
- I met and discussed with Jeff VanWagenen again on the getting us an agreement for providing sewer billing services to the Village. Jeff says he is waiting for the New Jersey office to provide it to him but hopes for it to be by the end of January.

D. DPW:

- Ice Machine at OFD is installed and working fine. Thanks
- Temple St. entrance door was being worked on today. Is it completed?
- Need the salt bins at OFD replenished.

Submitted by Earl Hartman, Trustee Ward 2/Commissioner for Fire, Planning, Zoning

Motion by Trustee Hartman, seconded by Mayor Millar, to approve the following motion for a new fire department member:

The following motion for approval is made to the Board of Trustees on this date of January 20, 2015

Be it so moved that the Village of Owego Board of Trustees herein approves the following person(s) as member(s) of the Village of Owego Fire Department in compliance with Village Charter Section § C-53, Duties of Trustees wherein it is stipulated that the Trustees shall appoint said members, and

Whereas, the person(s) has been investigated by Wave Hose Company #2, Fire Chief and approved by the Village of Owego Fire Department's Fire Board, none of which found reasons to withhold said membership(s),

Be it therefore resolved that the Village of Owego Board of Trustees hereby approve as a member(s) of the Village of Owego Fire Department as Junior Firefighter:

Palmer Perkins
576 Hollister Rd.
Owego, New York 13827
Wave Hose Company #2

Roll Call Vote: Trustee Hartman, Trustee Jantz, Trustee Lockwood, Trustee Phelps, Trustee Yetter, and Mayor Millar voted aye.

Motion Carried 6-0

Motion by Trustee Hartman, seconded by Trustee Lockwood, to accept the resignation of Gerald Alvin Smith from Company #5. Roll Call Vote: Trustee Hartman, Trustee Jantz, Trustee Lockwood, Trustee Phelps, Trustee Yetter, and Mayor Millar voted aye.

Motion Carried 6-0

Trustee Jantz –

If anyone has questions or input, please submit them to me and I will pass them onto the committee.

Trustee Lockwood –

Motion by Trustee Lockwood, seconded by Trustee Jantz, to approving the Village apply for a grant for a leaf pickup machine. Roll Call Vote: Trustee Hartman, Trustee Jantz, Trustee Lockwood, Trustee Phelps, Trustee Yetter, and Mayor Millar voted aye.

0Public Comment:

Motion Carried 6-

Theresa Godard, 59 Paige Street, I want my OPD – I would like the Safety Committee to make public any findings or recommendation as soon as possible.

Jim Legursky – 96 S. Depot Street – the village spends money like there is no tomorrow. Can't have T-bone when you can only afford hamburger.

Mike DuVarney – Paige Street – on snow removal – just need the dump truck and backhoes. On Public Safety Committee – it is a waste of time – village residents always vote to keep OPD.

Trustee Hartman – it has never been the intent to get rid of OPD.

Trustee Hartman - asked Attorney McKertich to comment on some of the current problems of OPD.

Attorney McKertich – said it is not my place to say yes or no on these types of policies.

Trustee Yetter – Disagreed with Trustee Hartman.

Mayor Millar – Concurred.

Motion by Trustee Hartman, seconded by Trustee Lockwood, to go into attorney/client session. Roll Call Vote: Trustee Hartman, Trustee Jantz, Trustee Lockwood, Trustee Phelps, Trustee Yetter, and Mayor Millar voted aye.

Motion Carried 6-0

Into attorney/client session at 8:33 pm
Back in regular session at 9:57 pm – no action taken

9:58 meeting adjourned.

Project Goals

- Core Project - Chesapeake Bay Limits
 - Nitrogen (N), Phosphorous (P) Removal
 - Fine Bubble Aeration
 - Grit Removal
- Maintain Septage Revenue
 - Digester
 - Septage Receiving
- Flood Mitigation
 - Biosolids (Sludge) Storage

B

Project Timeline

2009 – Preliminary Engineering Report (PER)
Authorized

2010 – USDA and GIGP Grants awarded

2011 – Preliminary Engineering Report completed

2012 - Sludge increase from 110 to 260 dry metric tons

2013 - Draft Plans and Specs Submitted to EFC/NYSDEC

2014 – Land was not acquired for compost facility.

Core Project Permit Compliance

- Meeting the Chesapeake Bay Limits
 - Nitrogen (N), Phosphorous (P) Removal
- Minimum Project
 - Fine Bubble Aeration
 - Grit Removal

"B"

Solids/Septage

- New Process produces 2 to 4 times the amount of sludge than current process does
- The digesters are not big enough to accommodate this increase at the current loading
- Septage currently accounts for 50% of solids loading and 37% of BOD

"B"

Without Septage the existing digesters are adequate to handle domestic waste

Rebid – Core Project

ITEM	DESCRIPTION	Price
1	Mobilization (not to exceed 4% of Total Base Bid)	\$ 180,000
2	Sitework	\$ 311,000
3	Hazardous Material Removal & Disposal	\$ 33,000
4	Headworks Equipment and Building Addition	\$ 1,236,000
5	Biological Treatment System	\$ 2,303,000
6	New Blower Building	\$ 261,000
Total		\$4,324,000

Electrical \$500,000

Mechanical \$280,000

Grand Total \$5,184,000

Based on the average of the three lowest bids

B

Rebid - Alternates

ITEM	DESCRIPTION	Price
1	RAS Pumps	\$ 150,000
2	SCADA	\$ 125,000
Total		\$275,000

"B"

Rebid Budget

Contract	Base Bid
1. General	\$4,324,000
2. Electrical	\$500,000
3. Mechanical	\$280,000
Alternates	\$275,000
Total	\$5,379,000
Construction Budget	\$5,576,000
Contingency	\$197,000

"B"

Septage/Solids Handling Project

\$2.5 million upgrade required to accommodate septage

- thickening required
- full mixing required
- Gas safety equipment
- Site piping
- 16 year payback at current rates and costs

- This will allow the Village to continue to accept Septage at current levels
- Add an additional \$500,000 for Septage Receiving Station

"B"

Next Steps

- **Core Project**
 - Repackage Plans and Specifications
 - Advertise for Bid
 - Start Construction in 2015

"B"

- **Digester/Septage Project**
 - Evaluate Costs/Benefits
 - Funding Options

ii C y

Kevin Millar

From: Barbara VanEpps [barbara@nycom.org]
Sent: Wednesday, April 16, 2014 12:59 PM
To: mayor-vofowego@stny.rr.com
Subject: Property Tax Freeze – Clarification

To: Mayors, Managers, Administrators, Fiscal Officers and Attorneys

From: Barbara VanEpps

Subject: Property Tax Freeze – Clarification

I wanted to take this opportunity to make sure everyone understands that for local governments (other than those with dependent school districts), the tax freeze does not take effect until your fiscal year beginning in 2015. That means if you passed a local law to override the tax cap in your current fiscal year – or you are planning to do so for your fiscal year that begins later in this calendar year – that will have no impact on your residents’ ability to receive a rebate check next fall (2015). Keep in mind that your residents may be eligible for a check in the fall of 2014 if their school district is in compliance with the tax cap for the 2014-15 school year.

Buffalo, Rochester, Syracuse and Yonkers have dependent school districts so compliance for these cities is required in their 2014-15 and 2015-16 fiscal years. The school portion of the credit (67%) will be paid to city residents in the fall of 2014 and 2015, and the city portion (33%) will be paid in the fall of 2015 and 2016. In addition, these cities will develop their government efficiency plans jointly with their school districts while all other local governments will develop their plans separately from their school districts.

Finally, I want to remind you that the 2% tax cap is actually “2% or the rate of inflation, whichever is less.” Therefore, the allowable levy growth factor (or the tax cap) is based on a calculation that uses the consumer price index “all urban consumers – unadjusted (CPI-U),” published each month by the Bureau of Labor Statistics. The tax cap amount for a given fiscal year is calculated by the Office of the State Comptroller approximately six months before the start of such fiscal year and is made available on the State Comptroller’s website. (For example, the tax cap for local governments with a fiscal year beginning June 1, 2014 is 1.46%)

As always, if you have any questions, please free to contact me at Barbara@nycom.org or by calling the NYCOM office at 518-463-1185.

PROPERTY TAX FREEZE SUMMARY & TALKING POINTS

SUMMARY

- The Governor's 2014-15 Executive Budget contains a proposed property tax freeze. This two-year tax freeze is for individuals (outside NYC) with an adjusted gross income of \$500,000 or less for primary residences only. It is not applicable to businesses.
- The tax credit would be equal to the taxpayers year-to-year increase in property taxes – resulting in a two-year freeze.
- Since all residents live in multiple jurisdictions (e.g., you are a resident of the village, town and county), the credit will only be based on those jurisdictions that meet the eligibility requirements below.

ELIGIBILITY

- Beginning in the local government fiscal year that starts in 2015, in order for your taxpayers to get the property tax credit, your local government has to remain within the tax cap. The Chief Executive Officer (CEO) or budget officer for each municipality will have to certify that this is the case and that your governing body has not passed a local law to override the tax cap. (If you have passed such a local law, you must repeal it.)
- In the second year, the local government would again have to remain within the tax cap, as well as participate in developing and agreeing to a countywide Efficiency Plan that generates savings equal to:
 - 1% of the combined tax levy of all municipalities participating in the plan in 2017,
 - 2% of the combined tax levy of all municipalities participating in 2018, and
 - 3% of the combined tax levy of all municipalities participating in 2019.
- The CEO or budget officer would also have to certify that the local government agrees to undertake the actions outlined in the Efficiency Plan and that such actions, in their professional opinion, would result in the savings set forth in the Efficiency Plan.

"C"

EFFICIENCY PLANS

- The Efficiency Plans must be coordinated by the lead local government, which the proposal designates as the county. If the county does not participate, the next most populous participating local government within the county would be the lead local government.
- The Efficiency Plan must be submitted to the Secretary of State by June 1, 2015.
- School districts will have a separate plan coordinated by BOCES districts.
- Savings do not have to be proportionately borne. In other words if a county takes over a function, its costs will increase, but the other local government's costs may decrease. As long as the net savings meets the required savings target, the participating municipalities are in compliance.
- State aid could be withheld from local governments or school districts that do not implement the plan.

BIG FOUR

- Buffalo, Rochester, Syracuse and Yonkers have dependent school districts so the city and school district must jointly participate in the countywide plan for their taxpayers to be eligible.
- Compliance for the cities of Buffalo, Rochester, Syracuse and Yonkers is required in 2014-15 and 2015-16. The school portion of the credit (67%) will be paid in 2014 and 2015, and the city portion (33%) will be paid in 2015 and 2016.

CIRCUIT BREAKER

- The Governor has also proposed a refundable personal income tax credit (also know as a "circuit breaker") for homeowners when their property taxes exceed a certain percentage of their household's income.
- The credit would begin in tax year 2014 and would apply to those homeowners with incomes of \$200,000 or less.
- This PIT credit would only be available to residents in municipalities that comply with the tax cap.

TALKING POINTS

NYCOM has several concerns with respect to this proposal.

- Although there was a promise that the implementation of the property tax cap would be followed by meaningful mandate relief to help local governments live within the cap, that promise has not been kept, nor has there been any additional state aid. Now the State is putting additional pressure on local officials to stay within the cap with no sign of any assistance in sight.
- NYCOM has repeatedly made the point that local governments have and continue to consolidate and share services – in most cases because they have to in order to balance their budgets and continue to keep year-to-year spending growth at the extremely low rates that both cities and villages have experienced in recent years. Under this proposal, municipalities will not receive a “credit” for what they have already accomplished, but will have to look for additional opportunities to consolidate and share – opportunities which may no longer exist or perhaps cannot be accomplished due to the many state-imposed legal barriers that stand in the way.
- In certain instances the property tax cap has actually proven to be a disincentive to consolidating and sharing services. This is due to the fact that when a municipality consolidates services with another municipality, its tax levy cap is reduced – the theory apparently being that since the locality is no longer providing the service, it no longer needs the property tax revenue to fund the service. However, this ignores the fact that the municipality still needs to pay another local government to provide the service.
- Furthermore, oftentimes a municipality must incur additional expenditures to undertake a successful consolidation. This additional upfront expense will be counted toward a restrictive property tax cap that must be complied with in order for their residents to qualify for the tax freeze. It makes no sense for the state to compel local governments to find additional ways to consolidate and share services, when doing so will, by definition, lead to piercing the tax cap.
- The state needs to recognize that there are different types of local governments with very different structures that don't always lend themselves to sharing and consolidating. These types of arrangements do not always make sense and may not always be in the best interest of the community.
- It is unclear whether municipalities will be able to include in their Efficiency Plans shared service agreements that cross county lines or that are between a municipality and a school district.