

PUBLIC HEARING on the proposed 2006-07 City of Hornell Budget and Water Budget was held on March 25, 2006, at 10 a.m. in Council Chambers, 82 Main St., Hornell, N.Y.

PRESENT: Honorable Shawn D. Hogan, Mayor; Aldermen Flaitz, Koehler, Norton, Foreman, Testani, Shepard and Hann; Police Chief Paul Crowe; Fire Chief Vince Kelly; residents Todd Smith, Bill Hogan and Joe Duffy; City Clerk Robert J. Roberts; and Rob Montana of The Evening Tribune.

Mayor Hogan reviewed the 2006-076 City General Fund and Water Fund Budget for those in attendance. He noted up to 80 percent of the new spending plan is for personnel services because the City is a service industry that requires people "That is the nature of our business," he said, adding that the only way to reduce that expense is to eliminate personnel and/or benefits. There is a 3-percent across-the-board increase for personnel services, the Mayor said.

Other increases: \$80,000 more in Hornell Area Transit due to increased runs, which Mayor Hogan said was "pretty much a wash" due to transportation aid; up \$90,280 in Public Safety; contractual items; and Special Objects of Expense.

The new budget projects a modest 3-percent increase in the sales tax, and \$106,000 in new revenue, the Mayor said. The ambulance fees have been increased by \$50 per call, but remains the least expensive in the region and possibly the state, Mayor Hogan said.

Resident Duffy asked about the ambulance cost, and the Mayor explained the qualifications of the firefighters/EMTs who respond to calls.

The Mayor said it appears the City will receive a 24.11-percent increase, or \$262,000, in state aid after a joint conference of the state Assembly and Senate. Without that increase, the Mayor said, there would be a tax hike in this year's budget instead of no tax increase.

There are some reductions, the Mayor said, including about \$60,000 on liability insurance, and reducing by \$110,000 the amount of Fund Balance used to reduce the tax liability.

Alderman Koehler asked if the \$168 million total assessed valuation in the City was up, and Mayor Hogan said it was by about \$509,000. The City's tax rate has been tremendously stable for about seven years, the Mayor said.

Alderwoman Shepard asked if the estimated utility tax receipts should increase. Mayor Hogan said he was not confident about the increase because the actual payment comes in so late.

In the Water Budget, Mayor Hogan said, \$85,000 of the Fund Balance was applied to the new spending plan. More could have been used, the Mayor said, but a number of water projects looming that may require some of the Fund Balance. Water rates will increase 3-percent across-the-board, meaning a \$7 yearly increase for City residents, or a total of \$240 for the year.

Alderman Koehler asked about forming a Water Authority to lessen the taxes on the City reservoir. Mayor Hogan said that might be politically difficult to do. He

reviewed the history of the City water system and agreements with neighboring municipalities.

Mr. Duffy asked about fuel costs, and the Mayor explained the City purchased diesel fuel and gasoline through state bid, and contracts with an energy provider. Mr. Duffy also asked about garbage collection, and the Mayor reviewed the City's recent history in finding the most affordable tipping-fee rate.

The public hearing was closed at 10:38 p.m.

Shawn D. Hogan
Mayor

Robert J. Roberts
City Clerk