

**Danby Town Board  
Minutes of Special Meeting  
May 4, 2015  
Draft**

**Present:**

Supervisor: Ric Dietrich  
Councilpersons: Rebecca Brenner, Leslie Connors, Jack Miller

**Others Present:**

Town Clerk Pamela Goddard  
Bookkeeper Laura Shawley

**The Danby Town Board Special Meeting was opened at 7:30pm**

**Discussion - Budget and Tax Cap**

The Board discussed the merits of various approaches to the NYS Tax Freeze and Government Efficiency programs. Bookkeeper Shawley presented three options to the Board.

Option 1: Override the tax cap.

Option 2: Stay within the parameters of the tax cap (status quo).

Option 3: Stay within the parameters of the tax cap and provide a local Government Efficiency Plan showing that there have been cuts in programs equivalent to 1% of the 2014 tax levy (approximately \$16,500.00). These cuts must be sustained over the next three years.

Shawley advised the Board that its choice between these options should reflect what it sees as the priorities for the Town over the next three years.

Shawley discussed the ramifications of each option with the Town Board. So far, Danby has been able to stay under the tax cap (Option 2). The benefit of Option 3 is that qualified taxpayers would receive a reimbursement check equivalent to the amount of increase in property taxes. The average tax increase of the past three years has been \$9.00 per \$100,000 of assessment. At an average assessed value of \$200,000, residents would receive an average check for \$18. To receive this benefit, meeting a 1% cut “efficiency plan,” the Town would have to cut such programs as: the Jennings Pond Program, cuts to the Danby Library, cuts to Youth Employment or the Seniors Programming, the Danby Area News, cuts to certain Health Insurance benefits, eliminate a position, or implement a salary increase freeze for non-union employees. These cuts would need to be sustained for the next three years.

Brenner asked for clarification that the cumulative return to residents would not equal the amount of cuts required to qualify for the tax increase reimbursement. Shawley agreed with this assessment. Yes, the cumulative reimbursement to Danby tax residents would be a fraction of the required \$16,500 in cuts for each of three years.

In addition, there is a County initiative to develop a joint Government Efficiency Plan through the Tompkins County Council of Governments to use accrued shared services to meet the required 1% decrease in tax levy. This plan has some risks, as it is not certain that the State will accept or approve this plan.

Miller asked what the objective from Albany is for this incentive. Dietrich characterized the objective as a matter of politics and perspective. This is one of the measures being used to show that local governments are being as efficient as possible. Choices made regarding the tax cap contribute to citizen perspectives of how responsible elected officials are as stewards with taxpayer money.

Shawley and Dietrich explained how the County Government Efficiency Plan proposal would work with “Options 2 and 3.” Option 3 would be in place of the County GEP—the two could not be in place together. If the Board was comfortable with simply staying under the tax cap and signed on to

the County GEP, and if that plan is accepted by the State, then the residents would still qualify for rebate checks. Shawley asked the Board to decide what it is comfortable with in the case of the risk that the County plan is not accepted, and what its priorities are for community programming.

Shawley explained that there is an issue that accrued shared services, particularly those achieved prior to 2012, or do not “qualify” for the Albany tax reimbursement plan. This is of concern as Danby and other Tompkins County municipalities were founding members (prior or 2012) of programs such as the Health Insurance Consortium, which have greatly reduced costs for the Town. Via a change in coverage for County employees, and other rate reductions to the HIC, there is enough of a savings for municipalities to meet the 1% GEP cut.

The Board further discussed Options 2 and 3 in relation to the Tompkins County plan. The decision of whether to sign on to the County GEP has a deadline of June 1. Some other Towns have already signed on. A preliminary resolution in support has been passed by the Tompkins County Council of Government.

Conors and Brenner advocated for “Option 2” maintaining the current practices of the Town in combination with the County proposal. Brenner expressed the opinion that the benefits of Option 3 are not worth the costs. Miller agreed with these views.

#### **MOTION - TAX CAP PARAMETERS FOR TOWN OF DANBY**

**Moved**, that the Town Board of Town of Danby agrees to maintain its current financial path of staying within the parameters of the NYS Tax Cap. By staying under the tax cap that will be calculated for the 2016 tax year, the Board is showing that they want to provide limits for the raising of taxes. When preparing the budget the Board will be looking at what can be done with the allowed increase in taxes after the required increases in each line item have been met.

**Moved by Connors, Second by Brenner. The motion passed.**

**In Favor: Brenner, Connors, Miller, Dietrich**

#### **RESOLUTION NO. 53 OF 2015 - ENDORSING THE DEVELOPMENT AND SUBMISSION OF A SINGLE, COUNTYWIDE GOVERNMENT EFFICIENCY PLAN, ESTABLISHING TOMPKINS COUNTY AS LEAD ENTITY IN THE DEVELOPMENT OF THE PLAN**

**Whereas**, the State of New York enacted legislation creating a Property Tax Freeze Credit as a part of the 2015 State Budget; and

**Whereas**, the new law encouraged local governments to generate long-term property tax relief by sharing services, consolidating or merging, and implementing operational efficiencies; and

**Whereas**, the law provides a “freeze credit” to qualified homeowners that is equal to the increase in property taxes levied by a taxing jurisdiction that limits any increase in its tax levy to a property tax cap set by State law and develops and implements a Government Efficiency Plan (“Plan”) determined to be compliant by the New York State Division of Budget; and

**Whereas**, to be determined compliant by the State, a Government Efficiency Plan must document actions that have been, or will be, taken that will result in a sustained three-year savings, beginning in 2017, that are equivalent to at least 1% of the combined 2014 property tax levies of all signatories to the Plan; and

**Whereas**, in year one of the program, homeowners received a Freeze Credit if their local government stayed within the property tax cap; and

**Whereas**, in year two of the program, homeowners will receive the Freeze Credit for taxes from any taxing jurisdiction that stays within the property tax cap and that also puts forward a compliant Government Efficiency Plan; and

**Whereas**, while allowing local governments to submit individual Plans, the State has encouraged local governments to submit a single, countywide plan that achieves a savings of at least 1% of the combined property tax levies of all of the participants; and

**Whereas**, the State will recognize only savings associated with actions implemented after January 1, 2012; and

**Whereas**, prior to 2012, local governments in Tompkins County pioneered shared services, mergers, and consolidations including the centralization of the property tax assessment function, a fully consolidated public

safety dispatch and interoperable communication system, a consolidated public transit system, a two-county community college and, most recently, an inter-municipal health benefits consortium that continue to generate multiple millions of dollars in annual savings for taxpayers within Tompkins County; and

**Whereas**, in response to the State's directive, the Tompkins County Council of Governments (TCCOG) formed a shared services committee that continues to explore a variety of prospective shared services, but recognizes that time and careful thought is required to ensure that any shared service initiative will result in lower costs and higher quality; and

**Whereas**, it is now estimated that savings well in excess of 1% of the \$88.4 million levied by all local governments within Tompkins County in 2014, including the County itself, will be achieved and sustained during the period 2017-2019 by a combination of savings associated with a dependent eligibility certification process undertaken by every municipal member of the Health Benefits Consortium and changes made by Tompkins County to the cost structure of its health benefit plan and; and

**Whereas**, additional efficiencies may be identified by participating municipalities that may also be included in a countywide plan; and

**Whereas**, in a resolution enacted April 23, 2015, the Tompkins County Council of Governments found that a consolidated countywide Plan that documents savings in excess of 1% of the combined 2014 property tax levies of all local governments within the County is the most efficient and effective way to respond to the State's directive and has therefore endorsed the development and presentation of a single countywide Government Efficiency Plan that includes all local governments within Tompkins County;

**Now therefore be it**

**Resolved**, that the Town of Danby endorses the designation of Tompkins County as lead entity in the development and submission of the Government Efficiency Plan and agrees to be a signatory to that Plan.

**Moved by Connors, Second by Miller. The motion passed.**

**In Favor: Brenner, Connors, Miller, Dietrich**

### **Discussion - Unity House Public Information Meeting, Follow up**

Dietrich distributed a letter, thanking participants of the April 8 Unity House Public Information meeting for attending. Town Board signatures were collected and the Town Clerk was instructed to send a copy of the letter to all of the participants.

There was a discussion regarding setting a date for a "debriefing" meeting with CDRC mediator Jeff Shepardson. The Board agreed that this would be useful and to meet Monday, May 11, 6:30pm prior to the regular meeting.

### **Discussion - May Meeting Agendas**

The Board discussed what's coming up for the May 11 and 18 agendas. Brenner reminded the Board that she will not be able to attend the May 18 meeting.

There was an extensive discussion of whether there will be any status reports regarding the Gunderman Road PDZ proposal or the Unity House concerns. Dietrich stated that he was uncertain whether any progress was forthcoming on these issues. The Gunderman Road proposal has been complicated by Hall's second proposal for repurposing the facility at the Oasis Bar/Dance Club.

There was a lengthy discussion regarding a potential citizen advisory board to review the Hall/Gunderman Road PDZ proposal. Dietrich reintroduced the idea, while stating that it was not clear whether Hall and his legal advisors would agree to this. Brenner raised several concerns, which were addressed by Dietrich and Connors. No action was taken on this matter.

### **Adjournment - 8:30 pm**

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Pamela Goddard, Town Clerk