

Official Minutes of the Public Hearing of December 4, 2023 for the purpose of receiving comments on the proposed 2024 budget for the City of Poughkeepsie.



THE CITY OF POUGHKEEPSIE NEW YORK

PUBLIC HEARING

Monday, December 4, 2023 5:30 pm

Common Council Chambers

Welcome to the scheduled meeting of the Public Hearing in the City of Poughkeepsie. The date is December 4, 2023, and the time is 5:30 pm.

THIS HEARING IS FOR THE PURPOSE OF RECEIVING COMMENTS ON THE proposed 2024 City of Poughkeepsie Budget

[2024 City of Poughkeepsie Preliminary Budget](#)

Chairwoman Brown called the meeting to order at 5:30 pm.

I. WELCOME

II. ROLL CALL: 7 present, 2 absent (Absent: Councilmembers Johnson and Thompson)

III. PUBLIC PARTICIPATION: Five (5) minutes per person public comment.

1. James Watson & Jill Rose Gomez – Poughkeepsie Children’s Cabinet
2. Jeff Aman – 5 Barnard Ave
3. Naomi Brooks – S. Grand Ave *
4. Brian Robinson – Montgomery St
5. Laurie Sandow – S. Grand Ave. *
6. Daniel Atonna – 116 College Ave / For The Many

***Submitted written comments**

IV. ADJOURNMENT:

Chairwoman Brown closed the Public Hearing at 6:23pm

Dated: December 14, 2023

I hereby certify that this true and correct copy of the Minutes of the Common Council Public Hearing held on December 4, 2023.

Respectfully submitted,
Donna M. DeLuca
Deputy City Chamberlain

Common Council Public Hearing 2024 Budget
December 4, 2023

Naomi Brooks
S. Grand Avenue

Good evening. It would have been helpful to have Dr. Martinez' analysis, and comments from the budget committee, available before tonight's meeting. As it is, we only had a 300-page document with incredibly complex detail about next year's proposed budget to sift through and make sense of.

The mayor and the finance commissioner are asking that you approve a 2024 budget increase of 6.3%, more than 3 times the legal tax cap limit of 2%. That extra increase in property taxes will generate 1.2 million dollars.

When describing why that 1.2 million dollars is *needed* for the city budget, increased costs of pensions and insurance, equipment and supplies are always the reply. When describing what will be *eliminated* if the additional tax is not approved, the reply is often essential services such as police, fire, sanitation, and other public works.

I urge you to look at this budget of revenues and expenses in a different way than that standard set of replies.

Where is the money coming from? Our proposed total budget of 104 million gets 28 million from property tax, 15 million from water and sewer charges, and 5 million from sanitation charges. That is almost half the budget from property owners' taxes and fees. Within the revenue worksheet pages, other income anticipated in the 2023 budget was not actually collected – things like Waryas concessions, parking and traffic fines, film fees, blight fees. Just the ones I mention add up to over 1.5 million dollars of uncollected revenue. This could happen again in 2024.

Where is the money going? About 34 million dollars pays our administrative staff and department workers, and another 18 million pays benefits for those positions. If over half our budget is spent on personnel, we need to take a close look at efficiency and duplication. I continue to ask why the mayor collected a full salary for a city administrator position plus most of the mayor's salary? That was an extra expense of about 100K. Why is the mayor's salary impossible to find within these 300 pages, and why has the mayor's office budget almost doubled for 2024? The mayor is the most public of the positions so it is the easiest to question, but surely there are other positions worth reviewing. For example, how much time and money has been spent on legal staff and settlement payouts for the numerous lawsuits filed against poor city practices and poor city decisions?

How can we raise money apart from taxing property owners to their breaking point? Can we more aggressively and cohesively apply for funding of special projects from even more sources than we've already tapped? Can we have a better campaign for collecting the largest unpaid property taxes from absentee landlords of large properties? Is it really necessary to have the IDA give such large tax breaks to only 19 projects, that it removes almost 5% of our property taxes from being collected?

Wasteful spending coupled with uncollected taxes, fines, and fees ... the small individual property owners are being asked to make up the difference. An increase over the tax cap described as a few hundred dollars extra for the average homeowner may result in residents whose budgets are stretched beyond their limit, and that may mean even more uncollected taxes. As an aside, there are other states whose *total* property tax bills on 300K homes are under 2K. We may lose residents to those states.

Please take a closer and more creative look at how to balance our budget *within* the tax cap. Inflation is real, I understand, but it is also real for your city residents, and we shouldn't be asked to bear more of a burden than our tax cap law requires.

Laurie Sandow comments, City of Poughkeepsie
Common Council Budget Public Hearing, December 4, 2023

As a consequence of Dr. Martinez's unscheduled presentation and comments, I've got to start with my last paragraph first: Tonight's public hearing is a grand sham, staged by a Council that refuses transparency, accountability and responsibility for their own votes and opinions. The Council's secrecy is not abated by an 11th-hour presentation by Dr. Martinez. In fact, his presentation pours salt on the wounds of a public kept in the dark.

A five-minute public hearing means a maximum of 300 seconds per speaker. For a 300-page budget, that would give a speaker exactly one second of commentary per page, or ten seconds if addressing just one item on each of only 30 pages. Reasonable? Only in the minds of Councilmembers who complain about receiving chump change and benefits, hold practically zero constituent meetings and make zero other efforts to inform their constituents, and who put zero comments on the public record before voting on items that will have radical effect on the public.

How is it that time and again, this Council violates the Charter, hides behind its consent agendas, yet wants the public to comment at hearings about documents which they, themselves have refused to discuss, whether specifically and critically, or even just in the most general uneducated way possible.

What if this Council actually invited people to learn alongside them, or current Councilmembers each made the effort to inform and involve people themselves? But instead this Council holds the public at arm's distance—or even further away whenever possible—so that they do not expose themselves as people who lie, cheat, fritter away and trade ARPA funds between themselves, and exclude and manipulate the public in order to maintain and hide their ignorance.

The Council's own rules read (and I quote): "There shall be a standing sub-committee of the Common Council known as the Finance Committee. The members of the Finance Committee shall be appointed pursuant to the City Charter. The Chairperson may create additional such subcommittees or special committees as they deem necessary and appropriate. The first sentence of City Charter Section 2.06 reads (and I quote): "The council chair shall have the authority and the duty to appoint members to a standing committee on finance, and to other committees as he or she decides necessary to efficiently conduct the business of the council."

Yet neither one member of the Administration, nor one single City of Poughkeepsie Common Council member, has publicly provided education, opinion or analysis of the budget. According to the NYS Committee on Open Government, the Common Council's standing Finance subcommittee should be meeting in public—and yet, they don't. In fact, Corporation Counsel Rebecca Valk has not only declared that the city's Finance Committee is immune from Open Meetings Law, she's also asserted that all eight Committee members have equal say and that their recommendations have gone to the full nine-member Common Council for consideration. Yeah, right—please provide the dates and times when that happened.

Valk claims that the Finance Committee consists of four members of the Common Council and four members of the Administration—those being Yvonne Flowers, Chair; Chris Grant; Nathan Shook; Nedra Thompson; Marc Nelson; Brian Martinez; Joe Bryant; James Nytko...as if two consultants are Administration members. Incoming Mayor Yvonne Flowers, the Finance chair, even claimed that the committee's membership was specifically structured and limited to guarantee that they wouldn't have to hold public meetings. Is this what we can expect from the Flowers administration? Committees and committee members that are conjured for the specific purpose of providing less transparency, less communication, and more closed door meetings?

Since I'm running out of time, I'll call out just one line item in the posted budget—that is the nearly \$73,000 salary plus benefits paid to Chamberlain Jasmin Davis. Davis who is repeatedly absent; who plays favorites with Freedom of Information (FOIL) requests, delaying some, while providing instant service to others; and never providing me with FOIL responses in the requested machine-readable (i.e. searchable text) format.

Yet this overpaid, underperforming public servant is featured in a current Hudson Valley Magazine cover article titled “Power Women”, where she makes the false claim that she (quote) “provides quality services to meet the needs of city residents and business owners in an effective, efficient, and timely manner” and goes on to use the article to shill for a role on “The Real Housewives of New York”.

From the article (quote): *“If you weren't in your current career, you'd be...*

“An international public relations magnate, travel influencer, and socialite! I visualize myself on Bravo's “The Real Housewives of New York” in the future. (Here's looking at you Andy Cohen!)”

CITY OF POUGHKEEPSIE

2024 BUDGET PRESENTATION

Brian Martinez, PhD
Commissioner of Finance

12/4/2023



What's Driving Expenses In 2024?



Item	Before	After	Increase
<u>Must Pays (City Does Not Control)</u>			
Police & Fire Overtime	2019: \$1,664,000	2023: \$2,362,000	42% \$698,000
Police & Fire Pension	2020: \$3,500,000	2023: \$4,600,000	31% \$1,100,000
Other Pensions	2020: \$1,500,000	2023: \$1,680,000	12% \$180,000
Health Insurance	2020: \$7,450,000	2023: \$9,320,000	25% \$1,870,000
Subsidy To PCSD	2020: \$489,000	2023: \$870,000	78% \$381,000
NY Liability Insurance	2020: \$653,000	2023: \$759,000	16% \$106,000
Outsourcing EMS	-New-	2024: \$630,000	\$630,000
<u>Commodities (Market Based)</u>			
Joint Water Chemicals	2020: \$580,000	2023: \$1,300,000	124% \$720,000
Fuel	2020: \$194,000	2023: \$331,000	71% \$137,000
Electricity	2021: \$900,000	2023: \$1,400,000	56% \$500,000
TOTAL:	\$16,930,000	\$23,252,000	37% \$6,322,000

• Above General Fund Costs Increased By = **\$6,322,000**

• General Fund Year-Over-Year Increase = **6.99%**

• NYS Comptroller: Inflation Factors In **2022 = 6.22%** & **2023 = 7.45%**

How We Compare To Our Peers



2023 To 2024 Comparative Growth Of The General Fund Budget

Municipality	% Increase*	2023 Budget	2024 Budget**	2024 Fund Balance Appropriation
City of Newburgh	11.69%*	\$62,672,542	\$66,596,188**	\$3,399,807
Town of Poughkeepsie	7.96%*	\$5,709,147	\$5,863,535**	\$300,000
City of Middletown	7.61%	\$44,192,298	\$47,554,394	-
City of Poughkeepsie	6.99%	\$61,233,579	\$65,516,163	-
City of Beacon	4.31%*	\$24,606,871	\$25,418,651**	\$250,000
* Percent Increase Adjusted For General Fund Balance Contributions				Fund Balance Cash Was Used To Pay For Budgetary Increases In 2024
** Municipality's 2024 Budget Is Adopted				

The City's Proposed 2024 Budget Is Conservative Compared To Some Peers

What Are We Doing To Mitigate Increasing Costs?



Tax Cap Override Only Covers 24% Of Higher Costs

Total Increase In General Fund Expenditures:	-\$6,322,000
Revenue Raised By Breaking The Tax Levy Limit:	+\$1,534,600
Remaining Differential To Be Offset By Other Initiatives:	-\$4,787,400

Primary Initiatives To Offset Rising Expenses

Initiative Description	Amount
Sales Tax Agreement (2022 – Yr. 2)	+\$2,982,700
Decrease In Debt Payments	+\$730,700
Interest Earnings	+\$674,000
ARPA: Revenue Replacement	+\$400,000
Total Inflow Into The General Fund:	\$4,787,400

**Overall, The City’s Financial Outlook Continues To Improve Post-Pandemic
And Amidst A Prolonged Inflationary Cycle**

**The 2024 Budget Balances Program Support & Infrastructure
Renewal With Continued Fiscal Responsibility**

BACKUP

Rate Setting: Water/Sewer & Sanitation

Type	2023 Rate	2024 Proposal	YOY % Change	Net % Change
Water	\$5.10/unit	\$5.50/unit	7.84%	6.22%
Sewer	\$4.55/unit	\$4.75/unit	4.40%	
Sanitation	\$120/quarter	-No Change-	-No Change-	-No Change-

Benchmarking: Water/Sewer Median Annual Payment For Services

Type	City of Pok. 2024	Kingston 2023	Newburgh 2023
Water	\$174.00	\$218.96	\$200.40
Sewer	\$133.00	\$109.12	\$216.43

Impact On Median Homeowner: \$4.20/Quarter = \$16.80/Year

Property Tax Rate

Property Type	2018	2023	2024 (Proposed)	YOY % Change	% Change (5 Years)
Homestead	\$13.29	\$10.27	\$10.26	-0.10%	-22.80%
Non-Homestead	\$17.72	\$15.11	\$13.98	-7.49%	-21.13%

% Increase In Proposed Budget:	6.3%
Avg. Annual Cost Of Increase Over Tax Cap:	\$258
Avg. Total Annual Increase For Homeowner: (Including 2% Tax Cap)	\$378

Property Value ↑	
Rates ↓	Taxes ↑

No Tax Rate Increase Since 2018