

**REGULAR MEETING OF THE COMMON COUNCIL
OF THE CITY OF PLATTSBURGH, NEW YORK**

April 2, 2020

5:30 P.M.

MINUTES

Pledge of Allegiance

(RC)

Present: Mayor Colin Read, Councilors Ira Barbell (W1), Mike Kelly (W2), Elizabeth Gibbs (W3), Paul DeDominicas (W4), Patrick McFarlin (W5), Jeff Moore (W6)

Absent: None

MAYOR'S COMMENTS: mentioned the City hasn't had to go through something like this since maybe World War II, the Great Depression or the Spanish Flu back in 1918 or 1919. We are resilient and we will get through this. You are discussing tonight some very weighty issues that are going to impinge on the finances of the city itself. What keeps me up at night is the loss of life inevitably this community is going to have to face. And what we are not going to know is how many lives we save by willing to act so early in our social isolation social distancing measures. I believe Clinton County Health Department experts believe we probably ended up saving hundreds or thousands of lives but it certainly doesn't feel like that now when we know just how at risk our community is. Even one life makes what we are discussing with regard to the city's finances seem unimportant, I realize that. But nonetheless we will do our best to keep our focus to do what we need to do on behalf of our residents and taxpayers as we rely on other people in the city to keep our residents safe and our ambulances running and our essential services provided. Just want to put everything in perspective that everything we do beyond keeping the issue of keeping people alive is probably relatively insignificant at this point but nonetheless we will do it. Good luck in your deliberations.

1. MINUTES OF THE PREVIOUS MEETING:

RESOLVED: That the Minutes of the Regular Meeting of the Common Council held on March 26, 2020 are approved and placed on file among the public records of the City Clerk's Office

By Councilor Barbell; Seconded by Councilor Kelly
(All in Favor/opposed)

Roll call: Councilors Barbell, Kelly, Gibbs, DeDominicas, McFarlin, Moore
(All voted in the affirmative)

2. PAYROLLS OF VARIOUS DEPARTMENTS:

RESOLVED: That the payrolls of the various Departments of the City of Plattsburgh for the week ending April 1, 2020 in the amount of **\$ 58,054.30** are authorized and allowed and the Mayor and the City Clerk are hereby empowered and directed to sign warrants drawn on the City Chamberlain for the payment thereof.

By Councilor DeDominicas; Seconded by Councilor Kelly
(All in Favor/opposed)

Roll call: Councilors Barbell, Kelly, Gibbs, DeDominicas, McFarlin, Moore
(All voted in the affirmative)

3. REPORTS OF CITY OFFICES & COMMITTEE REPORTS:

- Report from the Building Inspector’s office for the week of March 25-31, 2020
- Minutes from the Public Safety Committee meeting held on March 26, 2020
- Reports from the Police Department dated March 30, 2020
- Report from the City Clerk’s Office of all monies received during the month of March 2020 in the total amount of \$6,889.50

COUNCILOR/DEPARTMENT CHAIR COMMITTEE REPORTS:

Governance, Strategy, and City Operations- Chair Councilor Barbell met tonight gave updates on committee meeting, spoke about marina and projects in the city.

City Infrastructure – Chair Councilor Moore mentioned Public Works continuing spring work business as usual.

Finance and Budget – Chair Councilor Kelly indicated no new updates.

Public Safety – Chair Councilor Gibbs had regular meeting last week, met this week with Chief Ritter on Zoom spoke about Incident Command Structure and he shared other items with them and she appreciated that.

Plattsburgh Public Library – Chair Councilor DeDominicas indicated no new updates requested a meeting with Director de la Chapelle to get updates from Library.

MLD - MLD Board President Councilor McFarlin indicated no new updates.

RESOLVED: That the reports as listed are hereby ordered received and any written reports are placed on file among the public records of the City Clerk’s Office.

By Councilor DeDominicas; Seconded by Councilor Barbell
(All in Favor/opposed)

Roll call: Councilors Barbell, Kelly, Gibbs, DeDominicas, McFarlin, Moore
(All voted in the affirmative)

4. CORRESPONDENCE OR RECOMMENDATIONS FROM BOARDS: None

5. AUDIT OF CLAIMS:

RESOLVED: That the bills Audited by the Common Council for the week ending April 3, 2020 in the amount of **\$ 258,272.44** are authorized and allowed and the Mayor and City Clerk are hereby authorized and directed to sign warrants drawn on the City Chamberlain for the payment thereof.

By Councilor Moore; Seconded by Councilor Barbell

(All in Favor/opposed)

Roll call: Councilors Barbell, Kelly, Gibbs, DeDominicas, McFarlin, Moore

(All voted in the affirmative)

6. PERSONS ADDRESSING COUNCIL ON AGENDA ITEMS ONLY:

No one addressed the Council in person, in writing or by utilizing the “Youtube” chat feature on the City of Plattsburgh meeting livestream Link: <https://www.youtube.com/channel/UC7H36PiuYNJJkZpczbLvCbw/>

7. OTHER ITEMS:

A. RESOLVED: In accordance with the request therefore the Common Council approves that the City Chamberlain is authorized to revise capital project H5110.72, 2019 Green Street Demolition, by increasing the project total by \$40,271.00 for a new total of \$440,271.00. The additional funding will be transferred from the General Fund for 2020 capital project spending.

By Councilor Barbell; Seconded by Councilor DeDominicas

Discussion: Yes

Roll call: Councilors Barbell, Kelly, Gibbs, DeDominicas, McFarlin, Moore

(All voted in the affirmative)

ACTION TAKEN: Adopted

Follow up Action: None

Councilor Kelly added Item 7B during the Governance, Strategy & City Operations Committee meeting and gave presentation which will made part of the minutes of this meeting.

B. Whereas, the City of Plattsburgh and its surrounding region have been afflicted with the worst global pandemic since the Spanish Flu of 1918 and 1919, and

Whereas, the City of Plattsburgh and its civic government have taken steps to help ensure the safety and health of City employees and citizens,

Whereas, the human costs locally and regionally will be tragic, so too will be the economic costs, and

Whereas, the State has ordered all non-essential workers to stay home, and

Whereas, the City must also ensure it has the resources to compensate its essential workers for the water and sewer, transportation and lighting, clerk and public safety functions, and the infrastructure necessary to maintain them, and

Whereas, the Common Council expects revenue to fall in the areas of sales tax, Aid and Incentives to Municipalities, utility and property taxes, reimbursements, recreation and parking fees, and revenue from various permits, and expenses to rise in the areas of COVID-19 preparation, first responder overtime, pension and health care contributions, bond interest, and employee assistance programs, and

Whereas, the City remains concerned about the financial well-being of all of its residents and must ensure that they are not burdened further, through fees or additional taxation, at this time of financial vulnerability; and

Whereas, initial analysis demonstrates that the City will need to reduce spending in the General Fund by at least \$3,500,000 and in other funds by unspecified amounts; and

Whereas, the Council’s 2020 budget will require significant amendments in order to address these mounting financial challenges and the Council requests that the Mayor explore a combination of general fund utilization, re-allocation of available unappropriated revenues, and most pointedly, a reduction of appropriations; and

Whereas, Charter Section C-6-6C describes the process to amend the budget after adoption:

Reduction of appropriations. If it appears to the Mayor that there is likely to be insufficient revenue or unappropriated funds to pay an appropriation, he or she shall promptly inform the Common Council of the amount of the estimated deficit and recommend a course of action. The Common Council may, by ordinance or resolution, reduce one or more unencumbered appropriations to eliminate such deficit.

Now, therefore, be it resolved that the Common Council of the City of Plattsburgh requests that the Mayor inform the Council of the amount of the estimated deficit then analyze and estimate general fund utilization options, re-allocation of available unappropriated revenues, and most pointedly, provide options to substantially reduce temporary and permanent appropriations and then recommend a course of action for the Council to implement by further resolution.

By Councilor Barbell; Seconded by Councilor Kelly

Discussion: Yes

Roll call: Councilors Barbell, Kelly, Gibbs, DeDominicas, McFarlin, Moore

(All voted in the affirmative) Councilor McFarlin voted yes, however, he would like to hear from Chamberlain Marks)

ACTION TAKEN: Adopted

Follow up Action: None

8. TRAVEL REQUEST: None

9. RESOLUTIONS FOR INITIAL CONSIDERATION: None

10. NEW BUSINESS AND COUNCILOR REPORTS:

Councilor Gibbs indicated she has been getting emails during this meeting from constituents regarding the Zoning and Planning Boards holding meetings next week. For clarification these Boards operate independently from Mayor and Common Council

Director of Community Development Matthew Miller yes they are independent Boards and further explained.

Corporation Counsel Dean Schneller indicated the only decision the Mayor and Council make with regards to the Boards is appointing Members.

Councilor Gibbs asked if there will be a mechanism for public comment as the Council has implemented.

Director of Community Development Matthew Miller indicated there will be and further explained the mechanism the Boards have set up for receiving public comments.

Councilor McFarlin asked if the public can make comments.

Director of Community Development Matthew Miller indicated yes and further explained.

Councilor McFarlin asked Corporation Counsel Schneller if other Planning and Zoning Boards around the state were still holding meetings.

Corporation Counsel Dean Schneller yes he participated in a conference call today and it was indicated that other Boards are holding meetings and how they are doing that.

Councilor McFarlin so this Mayor and Council have no power to dictate anything with the City Planning and Zoning Boards.

Corporation Counsel Dean Schneller indicated no.

Director of Community Development Matthew Miller indicated no.

Councilor Kelly indicated however the Council has on numerous occasions expressed support for the Prime project, at least most of us, and I assume we will continue to do so for as long as the Prime project is an option for the city.

11. CLOSING PUBLIC COMMENTS ON ANY TOPIC:

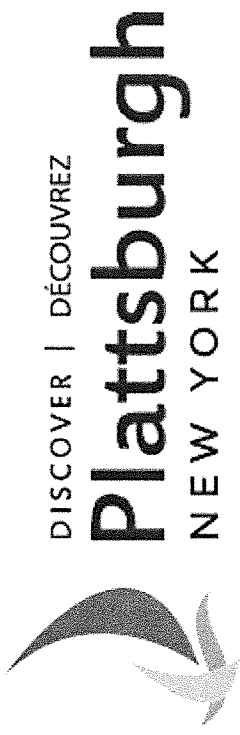
No one addressed the Council in person, in writing or by utilizing the “Youtube” chat feature on the City of Plattsburgh meeting livestream Link: <https://www.youtube.com/channel/UC7H36PiuYNJJkZpczbLvCbw/>

Motion to Adjourn by Councilor Moore; Seconded by Councilor DeDominicas

Roll Call: Councilors Barbell, Kelly, Gibbs, DeDominicas, McFarlin, Moore

(All voted in the affirmative)

MEETING ADJOURNED: 6:05 pm



City of Plattsburgh

COVID-19

Economic Response

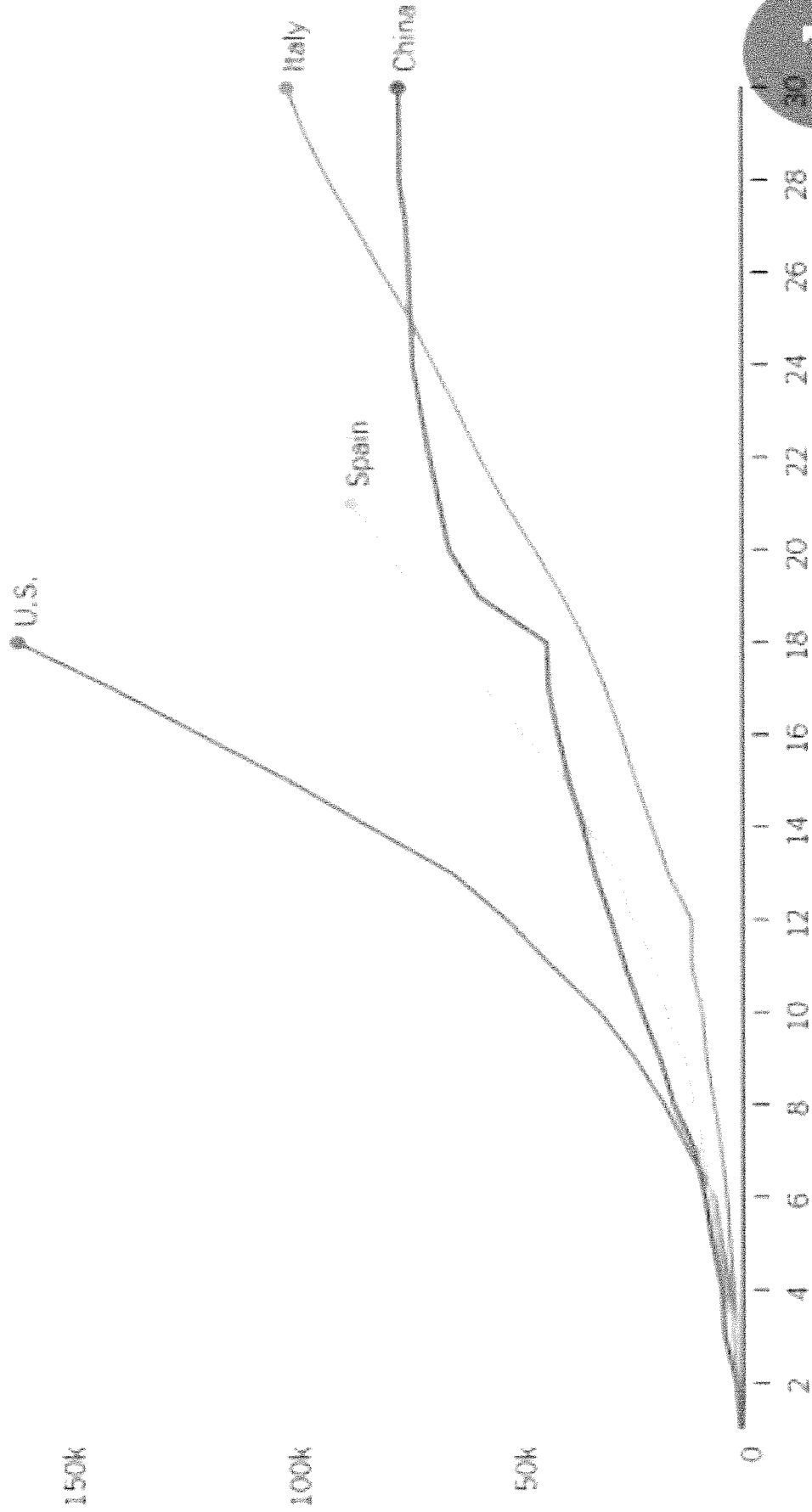
April 2, 2020

Assumptions from 5 Year Plan

- 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

Not Flattening

Total cases in the first 30 days after a country surpassed 500 confirmed cases



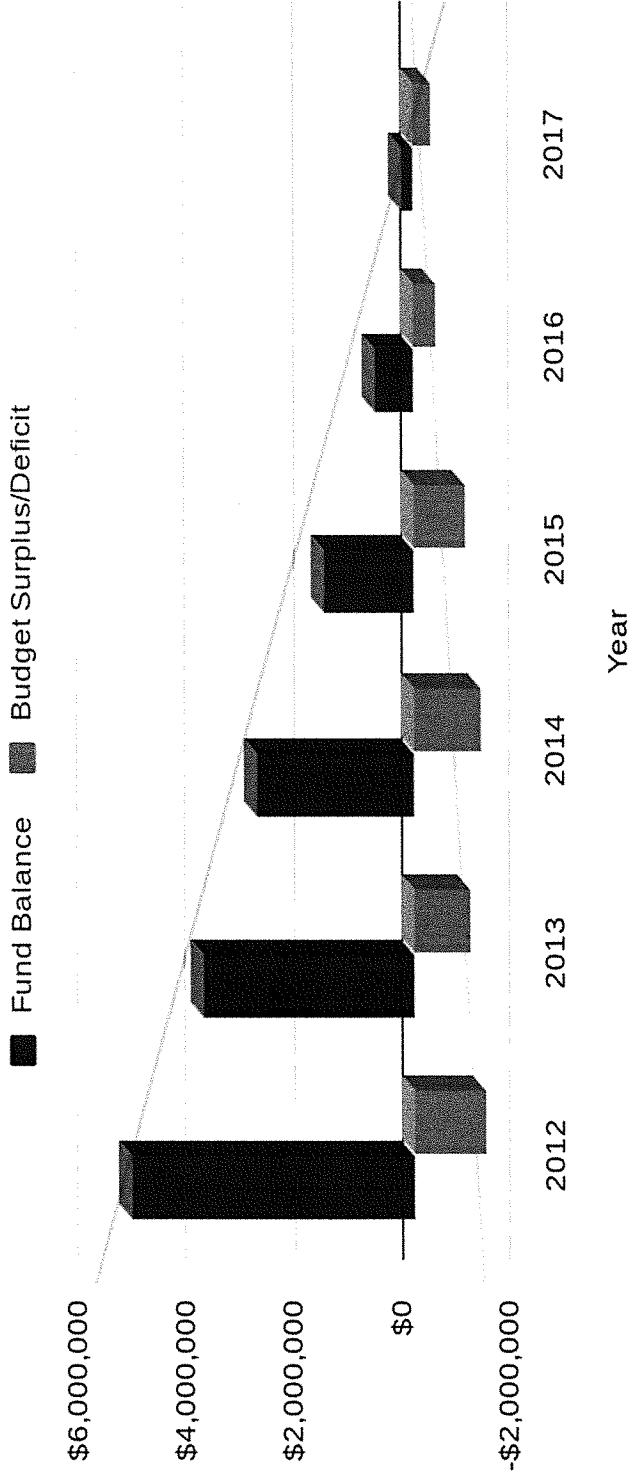
Source: [https://www.cdc.gov/media/releases/2020/s0514-covid-cases.html](#)

During the Great Recession taxes were raised to offset losses in revenue. Tax increases like those shown below would be unacceptable to taxpayers today, many of whom have been affected by COVID-19 measures.

Year	Property Tax Increase
2007	8.20%
2008	5.61%
2009	2.49%
2010	4.11%

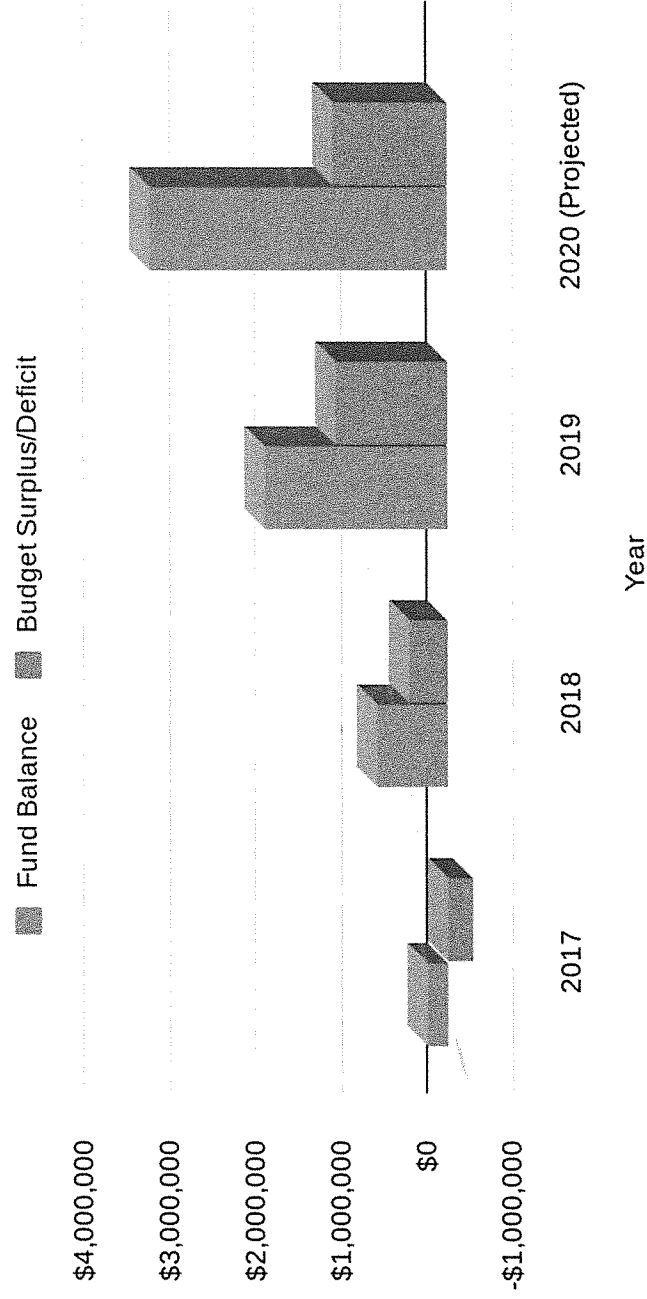
During the Great Recession the tax increases you just saw did not help the City's financial picture. A structural imbalance of approximately \$1.2 million/year continued unabated.

Budget Surplus/Deficit and Fund Balance 2012-2017
City of Plattsburgh



By 2017 the fund balance was exhausted, so City government was restructured. Every City Council since 2017 has planned for balanced budgets and annual surpluses.

Budget Surplus/Deficit and Fund Balance 2017-2020
City of Plattsburgh



In 2020 our City faces an unprecedented challenge - the COVID-19 pandemic. Health and safety measures implemented at the federal, state and local levels are affecting the economy.

As a result, we can expect:

- Lower sales tax revenue (-25%)
- Lower state aid (-8%)
- Lower parking enforcement revenue (90%)
- Property taxes 2020 and 2021 (7%)
- Miscellaneous reductions in revenue (5-80%)

On the expense side, we can expect:

- Increase in healthcare costs (10%)
- Increased pension contributions (61%)
- Increased PPE
- Increased IT expense to facilitate remote work

These additional expenses and reductions in revenue amount to exposure of:

\$5.6 million or 24% of projected 2020 expenses.

But what if we're wrong about this? Let's cut this projection in half to be conservative. The new requirement to balance the budget is:

\$2.8 million or 12% of projected 2020 expenses.

- Unfortunately, the City does not have a full year to deliver the requested savings to the taxpayers.
- We are already in the second quarter.
- Therefore, it is necessary to request an annualized savings of \$3.7 million (\$2.8 million x 133% = \$3.7 million)

- Some might ask: Cutting \$3.7 million out of a \$23 million budget sounds harsh. Do we have to do this?
- We could raise property taxes in response to this crisis. Raising \$3.7 million using a property tax increase would result in a 33% tax increase!
- This is not feasible in a time when families are struggling to keep their homes and keep food on the table.

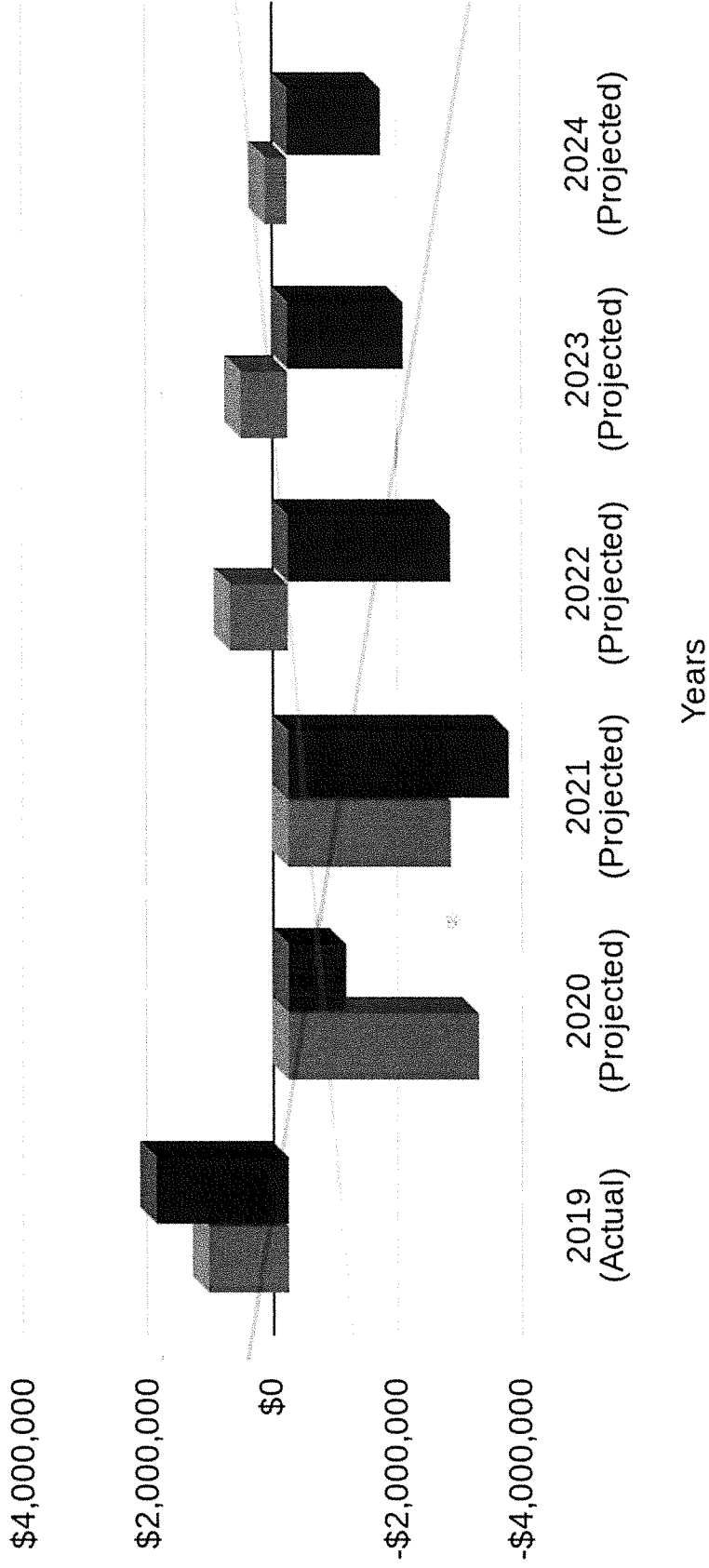
- Others may ask: What if all this coronavirus stuff is overblown and it's all over in a month or two? Are we overreacting?
- The science suggests that we should be thinking about COVID-19 in terms of quarters and even years, not just weeks and months. The economic effects will last for years.
- The Council must insist on frequent reviews of the Mayor's plan. Are we doing too much, or too little?

- Another question might be:
- Why do anything? Can't we just wait and see how this plays out?
- The chart on the next page shows you what happens if we do nothing.

Budget Surplus/Deficit and Fund Balance (Projected)

Assumes 16% Reduction in Revenue 2020-2021

■ Budget Surplus/Deficit ■ Fund Balance



Conclusions

- Most likely COVID-19 will be with us for several more months
- The economic impact of COVID-19 may last for years
- Massive tax increases will not be feasible
- Expense reductions are required
- The City's plan to remain solvent must be reviewed frequently
- Hopefully COVID-19 will subside this year and lives and livelihoods will be saved

	Adjustment	base	change
Pension Contributions	61%	\$1,964,950	\$1,198,620
Aid and Incentives to Municipalities	8%	\$2,976,680	\$238,134
Twice historical national 5.1% Healthcare Inflation	10%	\$4,484,257	\$457,394
Sales Tax Reduction from portion of top sectors	25%	\$4,275,000	\$1,068,750
Parking	90%	\$120,000	\$108,000
Special Events	90%	\$71,500	\$64,350
Permits and Fees	50%	\$253,211	\$126,606
current taxes	2%	\$11,533,602	\$230,672
next year taxes	5%	\$11,533,602	\$576,680
MLD payments residential, commercial, not industr	5%	\$14,460,000	\$723,000
Recreation Fees	80%	\$952,892	\$762,314
	24%		\$5,554,519
	12% cut in half		\$2,777,260
	2020 Expenses		\$23,106,643
Fiscal Year Savings spread over Three Quarters	133%	16%	\$3,703,013 equivalent annual salary and expense decrease

New York State - Total Taxable Sales by Category, 2018-19

March 2018 to February 2019

Rank	Description	Taxable Sales	% of Total Taxables Sales	Cumulative % of TTS
1	Restaurants and Other Eating Places	\$39,847,378,152	11.4%	11.4%
2	Automobile Dealers	\$30,573,518,238	8.7%	20.1%
3	Building Material and Supplies Dealers	\$14,308,759,370	4.1%	24.2%
4	Gen. Merch. Stores, incl. Warehouse Clubs and Supercenters	\$12,968,850,660	3.7%	27.9%
5	Traveler Accommodation	\$12,660,810,765	3.6%	31.5%
6	Gasoline Stations	\$12,098,815,853	3.5%	34.9%