Media Advisory

December 15, 2016

For Immediate Release:
City of Poughkeepsie Mayor Robert Rolison
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Attached, please see City of Poughkeepsie Mayor Rob Rolison's Veto Message Concerning Resolution (R-16-100) for the 2017 Annual Budget.

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CITY OF POUGHKEEPSIE
CITY CHAMBERLAIN
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VETO MESSAGE

December 15, 2016

TO: Deanne L. Flynn, City Chamberlain

FROM: Mayor Robert G. Rolison

SUBJECT: Veto Concerning Resolution (R-16-100) - 2017 Annual Budget

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Pursuant to the authority vested in me by Article III, Section 3.02 of the Charter and 3.04 of the Administrative Code of the City of Poughkeepsie, I hereby line-item veto the following sections appearing as "Schedule A" attached to Resolution R-16-100 which was approved by the Common Council on December 8th, 2016. This Resolution was submitted to me by the Chamberlain on December 9, 2016 and my line-item VETOs are therefore cast within the ten (10) day time frame provided for by Section 3.02 (f) of the City Charter.

The 2017 proposed budget which I submitted to the Common Council is a product of input from our Fiscal Advisory Committee, Department Heads, the City's financial advisors and the public. It was carefully crafted around recommendations of the Office of State Comptroller, and best practices in municipal finance. My budget reduced departmental income by 12.4%, in order to put estimated revenues in-line with our actual experience. As we all know, and as has been widely reported, the City over-estimated revenues significantly in prior years – that practice has contributed to our current general fund deficit.

On January 26, 2015 the Office of State Comptroller criticized the Common Council for including speculative revenue in its amended budget. Today, unfortunately, the Common Council's budget amendments insert $570,045 *more in speculative revenue*. In addition, the Council has not adopted all of the legislation necessary to legally collect this projected revenue in advance of adopting these budget amendments. It is not a fiscally sound practice to build revenue into our budget for which there has not yet been any enabling legislation adopted.

It is for this same reason that I must veto the following budget amendments:

01.22.9901.7906- Increase bus fare ($47,750)

The Common Council proposed to reduce the tax levy by less than $50,000 by increasing bus fares across the board by $0.50. The result is that the bus riders, mostly seniors and students, will be subsidizing an already inefficient bus system. The Common Council has taken no action to ensure that the City bus system will become self-sufficient, or at least more efficient. Economic development of the downtown core, which is the commercial City center, is dependent upon a strong efficient public transportation system. In order to accomplish this goal, the City must move toward a unified bus system with our partner, the County. The City is not in a position to accomplish this necessary economic goal, and continuing the status quo is no longer an option. Our federal, state and local partners agree, and have significantly invested in the City's goal of developing a unified bus system with the County. The taxpayers of this City should not be forced to subsidize an

ineffective City transit system, at the same time, while subsidizing a county system. We are currently the only municipality in Dutchess County supporting two systems and continuing this is not an option.

01.11.2555- Increase building fees ($250,000)

At a time when we are actively engaged in a campaign to encourage development and investment in our City, the Common Council budget amendments included $250,000 in revenue from increased building department fees. The increase in fees will deter those looking to invest their time and money into our neighborhoods and commercial corridors. This investment is vital to achieving safer neighborhoods, a revitalized downtown and will benefit the entire City.

01.06.2502- Increase taxi cab rates ($20,045)

Revenue is also scheduled to be raised by nearly tripling the registration fee for a taxi cab. This is at a time where the City is undergoing a complete revamp of our taxi code with our partners, the Town of Poughkeepsie and the County. It would be prudent to wait and roll out all updated licensing regulations at the same time. While an increase to the taxi registration may be warranted, there is no data or analysis to support tripling the fee. This fee increase will be nearly $300 more than Westchester County charges to register a taxi. Cab companies will no doubt look to pass these increased fees onto the customer. Once again, the Common Council budget amendments would be felt most in the pockets of our citizenry.

01.09.2609- Increase parking fines

While we can speculate as to the revenue this increase in fines might yield, it is obviously prudent to have least one year of actual and proven revenue before building this into our budget. The Council significantly increased the fines well above what staff recommended. Again, we simply cannot afford to guess when it comes to our budget process and the revenue that is built into it

Decrease upper management salary by 1.5%

The amended budget reduces salary increases for upper management employees from 3% to 1.5%. This salary increase is provided for in the management benefit agreement, and is tied to the settlement of union contracts so as to not make management raises political. It also ensures that management employees who are not represented by a union maintain comparable salaries which do not create a salary disparity. The City must continue to make these positions non-political and tying salary increases to an independent measure achieves this goal.

01.01.1010.7166- Increase Common Council health care reimbursement ($16,148)

I must also exercise my right to line item veto the Common Councils increase in their health care reimbursement.

My proposed budget decreased the health insurance buy-out to $2,500 for management and all elected officials. This was in-line with the new collective bargaining agreement with the police department; an agreement which the council approved. The Common Council has increased their own buy-out to $4,500. This decision is fiscally irresponsible and sends a message that part time council members feel they are entitled to special benefits above and beyond that which our full time City employees receive.

I would like to take this opportunity to thank the members of the Common Council who worked alongside the administration during a very difficult budget process. We have been working together since the first of the year on improving this City. I realize we face a great challenge. I realize that while we have had differences of opinion, we share the same vision for this City. Now is the time we must come together to support the tough choices that are necessary to put this City on a path to fiscal stability.

Respectfully submitted,

Rob Rolison

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CITY OF POUGHKEEPSIE
CITY CHAMBER CLERK
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RESOLUTION
(R-16-100)

INTRODUCED BY COUNCILMEMBER

WHEREAS, pursuant to the Administrative Code of the City of Poughkeepsie, estimates of budget requirements for the year 2017 have been certified to the Mayor, City Administrator and the Commissioner of Finance by the various departments, officers, agencies and boards of the City of Poughkeepsie, and

WHEREAS, the Mayor with the help of the City Administrator and the Commissioner of Finance did review the aforementioned estimates with the various departments, officers, agencies and boards, and

WHEREAS, the Mayor did prepare a proposed budget for the year 2017 based on these aforementioned reviews, which proposed budget with the Mayor's budget message was submitted to the Common Council on October 17, 2016; and

WHEREAS, subsequent to a notice of public hearing being published in the official newspaper in compliance with provisions of the City Administrative Code, a public hearing was duly held on December 5, 2016; and

WHEREAS, pursuant to General Municipal Law § 3-c, on November 21, 2016 the Common Council approved Local Law LL-16-2 allowing for a budget that exceeds the tax cap; and

NOW, THEREFORE, BE IT

RESOLVED, that the 2017 preliminary budget amended by the changes set forth on the annexed Exhibit A be and hereby is adopted and declared to be the budget of the City of Poughkeepsie for the year 2017, and be it further

RESOLVED, that the amounts of said budget appropriations, estimated revenues, and contributions from fund balances, be and are hereby appropriated as therein specified in accordance with the provision of the Charter and Administrative Code of the City of Poughkeepsie and General and Special laws of the State of New York applicable to said City, and be it further

RESOLVED, that the aforementioned general ad valorem taxes required to be raised for such budget purposes would need a homestead tax rate of $12.7222 per one thousand dollars and a non-homestead tax rate of $16.1475 of assessed valuation upon all taxable property of the City of Poughkeepsie according to the valuation of the assessment roll for the current year, and be it further

RESOLVED, that the required water rate for taxable and nontaxable properties is established at $4.30 per 100 cubic feet, and be it further

RESOLVED, that the required sewer rate for taxable and nontaxable properties is established at $4.00 per 100 cubic feet, and be it further

RESOLVED, that pursuant to Local Law 3 of 2012 the required sanitation rate for eligible taxable and nontaxable parcels is established as follows:

Single family residence: $28.00 a month
Two family residence: $55.00 a month
Three family residence: $80.00 a month

4 yard dumpster $170 a month
6 yard dumpster $240 a month
8 yard dumpster $320 a month

Mixed-use property: 50.00 a month

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RESOLVED, in accordance with the Charter and Administrative Code of the City of Poughkeepsie and on or before the date therein specified, a warrant shall be issued to the Commissioner of Finance as City Treasurer, to collect such taxes in accordance with the provisions of the Charter and Administrative Code of the City of Poughkeepsie applicable thereto, with penalties and interest therein provided.

SECONDED BY COUNCILMEMBER MCNAMARA

Submitted to Council: December 8, 2016 Council Action: Approved Roll call vote taken: Yes X No____ Ayes 7 Nays 0 Abstain 0 Absent 1 Approved by Mayor on_____ Mayor's Signature_____ VETO In part as attached	I hereby certify the foregoing to be a true and correct copy of a Resolution duly adopted at a regular meeting of the Common Council held December 8, 2016 City Chamberlain

SCHEDULE A

CITY OF POUGHKEEPSIE
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2017 Common Council Budget Amendments
12/6/2016
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	2017 Mayor's Preliminary	2017 Common Council	2017 Impact	
Increase all bus fares .50 cent				
01.22.9901.7906*	$391,295	$343,545	Decrease 47,750	VETO
*see attached itemized spreadsheet				
Total			$47,750	
Increase common council health insurance reimbursement				
01.01.1010.7166	$15,300	$30,000	Increase 15,000	VETO
01.01.1010.7803	$5,332	$6,262	Increase 930	
01.01.1010.7803.M	$1,247	$1,465	Increase 218	
Total			$16,148	
Restore SABP				
01.08.7140.7106	$46,100	$49,100	Increase 3,000	
Total			$3,000	
Decrease upper mngmt salary by 1.5%				
01.03.1230.7102	$144,199	$142,100	Decrease 2,099	VETO
01.03.1230.7803	$15,266	$15,135	Decrease 131	
01.03.1230.7803.M	$3,571	$3,540	Decrease 31	
Total			$2,261	
01.04.1310.7102	$140,450	$138,729	Decrease 1721	VETO
01.04.1310.7803	$8,708	$8,601	Decrease 107	
01.03.1310.7803.M	$2,037	$2,012	Decrease 25	
Total			$1,853	
01.05.1535.7102	$63,810	$64,756	Increase 946	
01.05.1535.7803	$7,559	$7,618	Increase 59	
01.05.1535.7803.M	$1,768	$1,782	Increase 14	
Total			$1,019	
01.06.1410.7102	$48,758	$48,048	Decrease 710	VETO
01.06.1410.7803	$6,046	$6,002	Decrease 44	
01.06.1410.7803.M	$1,414	$1,403	Decrease 11	
Total			$765	
01.07.1420.7102	$361,836	$360,416	Decrease 1,420	VETO
01.07.1420.7803	$23,066	$22,978	Decrease 88	
01.07.1420.7803.M	$5,395	$5,374	Decrease 21	
Total			$1,529	
Decrease upper mngmt 1.5%				
01.08.1490.7102	$108,721	$107,369	Decrease 1,352	VETO

01.08.1490.7803	$17,391	$17,307	Decrease 84
01.08.1490.7803.M	$4,068	$4,048	Decrease 20
Total			$1,456

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01.09.3124.7102	$357,408	$354,431	Decrease 1,977
01.09.3124.7803	$36,781	$36,658	Decrease 123
01.09.3124.7803.M	$8,602	$8,573	Decrease 29
Total			$2,129

VETO

01.10.3410.7102	$203,655	$202,116	Decrease 1,539
01.10.3410.7803	$324,899	$324,803	Decrease 96
01.10.3410.7803.M	$75,985	$75,962	Decrease 23
Total			$1,658

VETO

Remove dccoc fee duplicated

01.03.1920.7407	$8,081	$7,656	Decrease 425
Total			$425

REVENUES

Increase parking fines			
01.09.2609	$1,000,000	$1,300,000	Increase 300,000
Increase building fees			
01.11.2555	$522,000	$772,000	Increase 250,000
Increase to taxi cab rates			
01.06.2502	$12,000	$32,045	Increase 20,045
Total Revenue Increase			$570,045

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2017 Common Council Budget Amendments
Summary of Detailed Amendments

Increase to Expenditures	20,167
Decrease to Expenditures	59,826
Net Decrease to Expenditures	39,659
Increase to Revenue	570,045

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12/5/2016

	GL Code	GL description	current budget	change amount	new budget	sub-total
06.00						
	1750	Main St	45,000	13,900	58,900	
	1752	Northside	40,000	12,400	52,400	
	1753	Southside	25,000	7,640	32,640	
	1755	Special	2,000	450	2,450	
	1756	Shopper's	9,000	2,860	11,860	
	1757	Galleria	34,000	10,500	44,500	47,750
06.00						
	5001	IFT General Fund	391,295	(47,750)	343,545	(47,750)
						- diff rev to exp 06
01.22.9901-7906		IFT to Transit	391,295	(47,750)	343,545	
01.00.1001		Real Property taxes	22,382,352	(47,750)	22,334,602	- diff rev to exp 01

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