

THE GENEVA CITY COUNCIL

JOURNAL OF PROCEEDINGS

SPECIAL COUNCIL MEETING

MAY 28, 2025 – 5:30 PM
City Hall – 2nd Floor Conference Room
47 Castle Street
Geneva, NY 14456

Presiding – Steve Valentino, Mayor

1. ROLL CALL

Present: Clr. Whitfield (arrived at 5:37), Clr. Moracco, Clr. Petropoulos, Clr. Gillotte (arrived at 5:36), Clr. Grimaldi, Clr. Pealer (arrived at 5:45), Clr. Lavin, Clr. Brennan

Absent:

2. DISCUSSION – 2026 Budget Target Setting

City Manager Hendrix opened the 2026 Budget Target Setting discussion by reviewing the City of Geneva's Mission, Vision, and Values as well as Council's five priorities.

Comptroller Blowers reviewed General Fund revenues and expenditures for the 2025 budget, flowed by City Manager Hendrix who shared some overviews of facts and statistics, population and household income. She then reviewed external factors including inflation, sales tax (trend remains stable), Consumer Price Index (down nearly 30% since January 2025), as well as the political and economic climate where uncertainties at the federal level will likely have impacts. The County and City appropriations, levy and tax rate for 2025 were reviewed next. Mayor Valentino suggested including the school district's numbers as well.

City Manager Hendrix next reviewed budget cost drivers including personnel, noting that most of the City's budget goes towards staffing and direct services, health insurance which is expected to jump again, capital and debt. Revenue drivers include sales and property tax. Mayor Valentino wondered what went into the property tax figure of \$10.4M. Comptroller Blowers explained that figure includes the tax levy, PILOT payments, and penalties. City Manager Hendrix then shared that Geneva continues to be a desirable and strong real estate market. Discussion followed.

City Manager Hendrix explained that the 2026 budget will be a maintenance of effort budget. She estimates a 12-15% increase in salaries and fringe benefits. A maintenance of effort budget will rely on limited budget increases outside of staffing and obligations. City Manager Hendrix further explained that state aid revenue and sales tax projections remain flat, while federal aid grant funding is expected to decrease, and slight growth is expected in interest earnings. Expense projections include an increase in labor costs, pension and fringe benefits, and supply costs, while investment in long term infrastructure federal aid grants is expected to decrease, and some reserves may be utilized to pay debt. Department heads have been instructed to prepare budgets that include a reduction in non-staffing services of 5%.

City Council priorities based on rank from survey responses are: Public Safety, Parks and Recreation, Public Works, Housing Planning and Economic Development, and finally Administrative. Other considerations from council included multi year budget planning, a 2026 assessment update, public safety vehicles and equipment, bringing back adult recreation programs, and making City Hall more resident friendly. General fund priorities include Public Safety, Economic Development, infrastructure, and hiring a grant writer. Some items mentioned with less support include debt reduction, tax levy reduction, hiring freeze, financial analysis and investments, and

staff reductions. The top three General Fund capital priorities that came out of the survey include the DPW campus, storm water improvements and infrastructure improvements. Suggestions from Council for ways to find revenue or expense relief include no new positions, tax rate increase, reduction in services, contract outside services, and selling of parks and lakefront property to promote development. Some other suggestions include realigning staff to reduce overtime costs, expand staff duties to cover more areas, don't be conservative with the tax levy, limit budget growth, merging of fire services, and new processes for Town water and sewer billing.

Mayor Valentino reminded Council that a current lack of housing limits business opportunities in the City. He also shared that staff has his full support to come back with budget requests. Mayor Valentino explained that he expects a tax rate and levy increase for the 2026 budget, otherwise the lack of maintenance will cost the City more in the long run. Councilor Gillotte praised the good start with several housing projects, and reminded Council that the City can't afford to discourage development. He wondered if contracting for some Planning and Economic Development services would be helpful, and noted his support of a grant writer position. Councilor Petropoulos agreed with Councilor Gillotte's thoughts on Planning and Economic Development and grant writing, noting that the City needs big time economic development resources and background to attract bigger businesses to the City. Councilor Petropoulos also shared that he'd like to see at least a 2% reduction in poverty.

Mayor Valentino looked to Council for direction on the tax levy and tax rate going into 2026 budget planning. Councilor Petropoulos shared that he anticipates raising rates slightly, and wants to see more property going back on the tax roll. Councilor Lavin voiced his admiration for the 25 years that Mayor Valentino has spent on Council, applauding his experience and effort. He also acknowledged the City's extraordinary tax situation, and assumes the only way the City can move ahead is by spending more, setting that tone. Councilor Lavin suggested increasing revenue, outsourcing some work, leasing the rink for 30 years, an aggressive water and sewer rate for the Town, a change in how billing occurs in the city to charge businesses and not for profits more than private users by making the bills assessment based rather than user based, and a 5 year plan to reduce debt. Councilor Lavin further shared that he'd like to see the City's debt reduced from \$50M to \$20M in five years time. Discussion followed. Councilor Pealer shared that he'd like to hold the levy to a 5% increase and add some cut items back in. Councilor Pealer then wondered if Councilmembers working in a certain industry that could stand to benefit from the City dissolved the Recreation Department might have a conflict of interest. Attorney Hou explained that in a similar scenario, if the organization employing the Councilor stands to benefit from cutting services, that could create a conflict and warrant recusal. Councilor Brennan shared that he likes Councilor Lavin's 5 year debt reduction suggestion, seeing it as a confidence builder for the City. He wondered how to best save money and get better value from the City's money. He wondered about reducing staffing in the Police Department, Fire Department, and Code Enforcement. He further suggested hiring a grant writer who would be bringing funds into the City, merging the Fire Department with the Town, and utilizing Sheriff's Office Investigators more frequently. Councilor Brennan also noted that growing tourism is important, and keeping the City beautiful helps these efforts. The rate study and commercial water billing were discussed, as well as directly billing Town users. Councilor Grimaldi explained that he doesn't want to see taxes increase, they have to be cut to entice home buyers. He also noted that he'd like to see 25% of the budget used to pay down debt, and no new bonding. Councilor Whitfield agreed with Councilors Lavin and Grimaldi, regarding cutting taxes, as increases hurt the community, especially seniors. He also expressed the importance of the Recreation Department giving kids things to do so they aren't out committing crimes. Councilor Petropoulos reminded Council that Richards Park needs new playground equipment. He wondered if Ontario County could handle more of the City's Economic Development. He also wants to see more carefully planned development, and wants the County to send more Economic Development opportunities to Geneva. Councilor Gillotte would like to see Recreation services for seniors, and says it's ill advised to reduce Police Department staffing, as the County isn't in a position to help. He explained that the tax rate can't stay where it is now. He recalled the County and School increasing taxes while the City decreased. He further explained that he'd like to see services come back for youth sports, reiterating that it's impossible to grow programs or projects with a flat levy. Councilor Petropoulos reminded Council that there is a new parks group, discussion followed.

Mayor Valentino noted that council has given direction to reduce debt, and wondered how the City incurs debt. Comptroller Blowers explained that debt funds water, sewer, road and infrastructure projects, debt is keeping the City running and improving infrastructure. Mayor Valentino explained how the Equipment Amortization Fund has saved the City money. City Manager Hendrix explained that the City no longer bonds for or finances vehicles. Discussion followed around bonding for bigger projects, and using fund balance for smaller one time projects. City Manager Hendrix confirmed that she has some direction from Council for the 2026 budget.

3. RESOLUTION – Opposing the Proposed FY 26 Budget for Housing and Urban Development

Mayor Valentino presented the following resolution:

WHEREAS, the City of Geneva, like many small cities across New York State, relies on federal housing and community development programs to support working families, revitalize neighborhoods, and build a stronger future for all residents; and

WHEREAS, the proposed Fiscal Year 2026 budget for the U.S. Department of Housing and Urban Development (HUD) would eliminate or significantly reduce funding for key programs that are essential to the City of Geneva's ability to meet local needs; and

WHEREAS, the Community Development Block Grant (CDBG) program is one of the most effective and flexible federal tools available to municipalities, allowing the City of Geneva to invest in economic development, youth programs, infrastructure improvements, blight removal, and critically needed housing initiatives; and

WHEREAS, the elimination or reduction of CDBG funding would severely impair the City's capacity to continue revitalizing its residential neighborhoods and commercial districts, delay infrastructure upgrades, and hurt Geneva's working families and small businesses; and

WHEREAS, the HOME Investment Partnerships Program plays a vital role in addressing Geneva's affordable housing needs by enabling the City and its development partners to leverage low-income housing tax credits and state resources to expand access to quality housing; and

WHEREAS, proposed cuts to these programs would undermine decades of bipartisan efforts to empower local governments, while further exacerbating housing instability and economic inequality in cities like Geneva; and

WHEREAS, investing in cities and villages like Geneva is essential to creating opportunity, growing local economies, and improving quality of life for residents of all ages and backgrounds;

NOW, THEREFORE, BE IT RESOLVED, that the Geneva City Council strongly opposes the proposed FY26 HUD budget and urges Congress to reject the elimination or reduction of CDBG and HOME program funding; and

BE IT FURTHER RESOLVED, that the City of Geneva calls upon federal lawmakers to work in partnership with local governments to preserve and expand the federal programs that are fundamental to housing stability, infrastructure renewal, and equitable economic development in our communities; and

BE IT FURTHER RESOLVED, that a copy of this resolution be sent to the President of the United States, the U.S. Secretary of Housing and Urban Development, and the members of New York's Congressional delegation.

ACTION TAKEN by Mayor Valentino; seconded by Clr. Petropoulos

MOVED THAT this resolution be approved

ROLL CALL VOTE: Aye - Clr. Whitfield, Clr. Moracco, Clr. Petropoulos, Clr. Gillotte, Clr. Lavin,
Mayor Valentino

Nay - Clr. Grimaldi, Clr. Brennan

MOTION CARRIED (6-2, 1 absent)

4. **RESOLUTION – Supporting a Public Hearing for CDBG Business Expansion and Start-Up (BEST)**

Mayor Valentino presented the following resolution:

WHEREAS, the City of Geneva is currently implementing a Microenterprise Assistance Program (MAP), and

WHEREAS, the current and prior programs have been beneficial to the City of Geneva and its residents, and
WHEREAS, there is an opportunity to seek new funding for these services under the CDBG Business Expansion and Start-up (BEST) program, and

WHEREAS, the program requires a public hearing to discuss community needs and seek support for the City's application to this program, and

WHEREAS, the City recognizes that this project is a priority activity that is contributing to the renewal of the downtown area, strengthening the local economy, and increasing the quality of life for residents; and

WHEREAS, this project is consistent with all existing local plans, the project facilitates effective and efficient use of existing and future public resources so as to promote both economic development and preservation of community resources, and the project supports local businesses in a manner that will attract, create, and sustain employment opportunities in Geneva; and

NOW THEREFORE BE IT RESOLVED that the City Council schedules a public hearing for June 4, 2025 at 7pm in the City Hall Council Chamber for the purpose of hearing public comments on the City of Geneva's potential application to Community Development Block Grant (CDBG) BEST program, the City's economic and community development needs, and Council directs City staff to take all necessary action to provide proper notice of the public hearing.

ACTION TAKEN by Mayor Valentino; seconded by Clr. Petropoulos

MOVED THAT this resolution be approved

MOTION CARRIED UNANIMOUSLY (8-1 absent)

5. BOARD AND COMMISSION APPOINTMENTS

ACTION TAKEN by Clr. Gillotte; seconded by Clr. Petropoulos

MOVED THAT Craig Talmage be reappointed to the LDC Board

MOTION CARRIED UNANIMOUSLY (8-1 absent)

6. EXECUTIVE SESSION

ACTION TAKEN by Clr. Petropoulos; seconded by Clr. Grimaldi

MOVED THAT Council move to executive session at 7:14pm to discuss proposed, pending or current litigation, the proposed sale or lease of real property, and the employment history of a particular person

MOTION CARRIED UNANIMOUSLY (8-1 absent)

ACTION TAKEN by Clr. Petropoulos; seconded by Clr. Gillotte

MOVED THAT Council exit executive session at 8:29pm.

MOTION CARRIED UNANIMOUSLY (8-1 absent)

7. ADJOURNMENT

ACTION TAKEN by Clr. Gillotte; seconded by Clr. Whitfield

MOVED THAT the meeting be adjourned at 8:30pm

MOTION CARRIED UNANIMOUSLY (8-1 absent)

Nicole Tillotson

City Clerk