

THE GENEVA CITY COUNCIL

JOURNAL OF PROCEEDINGS

SPECIAL COUNCIL MEETING

October 16, 2024 – 7:00 PM

City Hall – 2nd Floor Council Room

47 Castle Street

Geneva, NY 14456

Presiding – Steve Valentino, Mayor

1. ROLL CALL

Present: Clr. Brennan, Clr Lavin, Clr. Pealer (arrived at 7:49), Clr Gillotte, Clr. Petropoulos, Clr. Moracco, Clr. Whitfield

Absent: Clr. Grimaldi

2. PUBLIC HEARING – Sale of City Owned Property – 41 Lake Street

Mayor Valentino opened the public hearing at 7:00pm. With no comment offered at this time, he closed the public hearing at 7:01pm.

3. RESOLUTION – Authorizing the sale of 41 Lake Street to Downtown Winery, LLC

City Manager Hendrix presented the following resolution:

WHEREAS, the City of Geneva owns real property located at 41 Lake Street in the City, which was previously deemed to be surplus property no longer serving a public purpose that could be conveyed to a private party in furtherance of the City's Economic Development Strategic Imperatives; and

WHEREAS, in furtherance thereof, City Council entered into a lease with an option to purchase the property with Downtown Winery, LLC, dated August 1, 2012; and

WHEREAS, during its tenancy Downtown Winery redeveloped the subject property and now wishes to exercise its option to purchase the property in accordance with the terms provided in its lease with the City;

NOW, THEREFORE, BE IT RESOLVED by the Geneva City Council approves of the aforementioned option of Downtown Winery to purchase the property, and that the City Manager is hereby authorized to execute any documents reasonably necessary to complete the sale of 41 Lake Street to Downtown Winery, LLC, in accordance with the terms in the subject lease, and subject also to the approval by the City Attorney of the terms of the purchase/sale contract terms, including but not limited to, provisions relating to the limitation of the City's liability relating to past environmental contamination.

City Manager Hendrix explained that this property was a long-term lease, which is coming to an end. The arrangement was a partnership between the City and the IDA. Councilor Brennan wondered how much the sale amount would be. Mayor Valentino shared that it is around \$175,000.

ACTION TAKEN by Clr. Gillotte; seconded by Clr. Petropoulos
MOVED THAT this resolution be approved
MOTION CARRIED UNANIMOUSLY

4. 2025 BUDGET DISCUSSION

Councilor Petropoulos opened by advising Council that Councilor Pealer would be arriving late, and Councilor Grimaldi would be absent, sharing that he'd be speaking for them in their absence tonight. He further stated that all Councilmembers want to see the levy go down, and solicited Council to direct the City Manager to provide a budget with a 5-6% reduction. Mayor Valentino shared that he'd like to see the budget just below the tax cap, and asked Councilors if they're agreeable.

City Manager Hendrix explained that the ask is a \$1.3 million reduction, and looked for direction about what services and programs Council would direct her to remove. She further noted that the original direction from Council was a lower tax rate and increased services. Mayor Valentino shared that a 4-5% reduction would bring the 2025 budget in at between \$8-\$8.9 million.

Councilor Brennan wondered about using money in the fund balance. City Manager Hendrix explained that fund balance is sitting at 14.5% currently in the 2025 budget, and she doesn't recommend going much below that number. Councilor Lavin stated that he didn't recall direction to lower the tax rate, and that his direction is for the City Manager to use her professional skill to reduce, not throw the budget back to Council to make reductions. Mayor Valentino reminded Council that fund balance currently sits at \$4.425 million, and in the proposed 2025 budget will sit at \$3.246 million. Councilor Lavin then wondered how much cash is sitting at Lyons National Bank. Comptroller Blowers explained that the General Fund Balance is \$4.2 Million, Water Fund Balance is at \$1 million, and Sewer Fund Balance sits at \$1.2 million. He further explained that the remainder is capital funds assigned to budgets expenses for the remainder of the year. City Manager Hendrix further clarified that in an April Strategic Plan meeting there was no uniform direction by Council. The decided focus was smart funding, and tax rate. She advised Councilmembers that they will need to decide what the City doesn't maintain, and have critical conversations. She reminded Council that this budget maintains current services.

Councilor Gillotte recalled the levy coming up later, and that the City Manager is doing her job, she'll have to take out line items, and Council will have to make the decisions, which will affect residents. He agreed that Councilor Petropoulos' suggestion is a good place to start, and he

doesn't think Council can get to zero increase. Expenses will continue to come up. He further shared that Councilmembers have similar goals, with different numbers, and when the budget reductions come back, Council will have to decide what they think they can operate the City with. City Manager Hendrix committed to working with departments, especially public safety and public works where most cuts will come from. Councilor Brennan suggested playing with the numbers more, and is supportive of using fund balance, so long as it stays in the target range. City Manager Hendrix reminded Councilmembers of open contract negotiations, and lawsuits, and reminded Council that Fund Balance is also a rainy-day account that is now within, not over the target range. Councilor Brennan encouraged Council to agree on a number to land on. Mayor Valentino reminded Council that the Fund Balance range is set by City Council, not the State. He asked Councilmembers what happens if the City Manager comes back with reductions following their direction, and wondered what would happen if when the budget comes back if Council still doesn't agree with what will and won't be provided to the City. Councilor Petropoulos noted the caution, expressing his confidence that Council will come to an agreement. Councilor Gillotte wondered when the budget would revert back to the City Manager if Council can't make a decision. City Manager Hendrix advised that the budget would revert back on November 1. Councilor Brennan noted that can't happen without the State limit override. The City Manager explained that it would go to a default budget that the City Manager would set.

Mayor Valentino explained that the City Manager and Comptroller will come back with a reduced budget, noting that City Council isn't in agreement, noting that he expects to see some options so the majority of Council can agree. Councilor Lavin stated that staff is paid for their expertise in this area, and it's up to them to figure out how to run the City with what Council gives them. He further noted that Geneva is one of two cities in the County with a Recreation budget deficit. After some discussion Mayor Valentino offered some clarification, as he is in his seventh term on Council to include reduction in Police and Fire never comes from the City Manager, it always comes from City Council; Council is asking the City Manager to change her professional presentation on how we run the City, noting that the in depth budget addresses issues Council talk about all of the time including weeding, and infrastructure that is beginning to be addressed, in a well thought out manner, and that it's painful to decide what to take care of or cut. Councilor Lavin then stated that the mishandling of interest funds cost the City a significant amount of money, and that the City of Geneva is the highest taxed in the area. Mayor Valentino stated that with the proposed cuts that will not be the case. Mayor Valentino then pointed out that the Recreation comment was not accurate. Councilor Lavin argued that it's not clear, and it may be cheaper to hand the keys over to Hobart. Mayor Valentino wondered if Councilor Lavin had talked to Hobart, noting that he has, and it's not a simple hand off. Councilor Lavin suggested that if the City told the college they were no longer doing ice next year, they'd have no choice, and they don't want to be seen as stealing the rink from the City. Councilor Gillotte called a point of order to stay on track with the budget discussion.

Councilor Brennan reminded Council that this budget is only good for 12 months, and things will continue to get more expensive. He went on to compliment City Manager Hendrix and previous Comptroller Newcomb on their budget, noting that salaries and cost of living played a part. He reminded the group that if Council is going to cut anything, it will hurt. He also noted that residents are supporting a lot of institutions that aren't on the levy paying taxes, and that he'd like to see the budget land well below the tax cap.

City Manager Hendrix reviewed the question process and deadline to make next week's meeting. She then reviewed City Council's direction and 2024 Adopted, and 2025 Proposed

budget information. Comptroller Blowers explained that the City's 2024 financials are in the budget binders, noting that the budget is in the correct range through quarter 3. Councilor Lavin requested that anything 10% over or under plan be brought to Council. He then wondered if debt service is part of the levy. Comptroller Blowers confirmed that it is.

Question 1: Please provide Grant Revenue Breakdown from City Manager Metrics. City Manager Hendrix referred to page 28 of the Budget Binder, explaining that the City is awarded grants alone and with partners. 2023 Grants include Clean Energy Communities, MAP Grant, Recreation Trails Program, Compost and Food Waste Diversion, Police Traffic Services, Child Passenger Safety, Ontario County STOP-DWI, Food Waste Diversion, and High Visibility Enforcement Coordination. 2024 Grants include Bridge NY, LE Tech for Police, Restore NY, and Police Traffic Services. The City receives just under \$3 million in grant funding, and some include a 15% administration fee.

Question 2: Fleet service for the City's vehicles. What is the approach we are taking to this and how was this developed for the 2025 budget? Who is involved in this decision? City Manager Hendrix explained that the Comptroller is starting to look at a fleet program, and will include staff who would likely participate. She referred to page 81 which outlines the equipment replacement program, noting that the fleet management program would also maintain vehicles. She noted that there is a long-term cost savings with this type of program. Comptroller Blowers shared that he's met with some vendors, and explained that these programs are data based. He added that the fleet would be monitored for efficiency, and that fuel would be part of the program, leading the City to not require a pump. Councilor Lavin wondered about mechanics, City Manager Hendrix explained that the fleet program will include maintenance, and noted that the City will still require mechanics for heavy equipment and fire trucks.

Question 3: What staff is included in the City Manager budget vs. the Human Resources Budget? How has this changed? City Manager Hendrix explained that within the CM's budget is 10% of a staff person, that is shared with HR, the City Manager and the Safety Coordinator. In the 2024 the share was 25% with HR and Safety Coordinator, and in 2023 there was a City Manager and an Executive Assistant. Councilor Petropoulos wondered when the Safety Coordinator would be re-posted. The City Manager explained that it will be posted again after the budget.

Question 4: What is in the contractual services line? Why has it increased? City Manager Hendrix referred to page 9, and page 34 for the break down of line items. She explained that anything that isn't salary and benefits is contractual services in the budget, and commonly referred to as .4's. Comptroller Blowers explained that there is an increase due to electronic time keeping for payroll. Councilor Pealer asked for a breakdown of computer supplies increase of \$13,000. Comptroller Blowers explained that expense is the electronic timekeeping. Discussion followed around software, noting that the annual maintenance cost of the initial purchase is \$1,000. Councilor Pealer then had questions about increases approaching 10% in some areas, and 36% in Planning and Economic Development. Comptroller Blowers explained that Buildings and Grounds sees the biggest increase due to maintaining buildings, which was in department budget lines, but shifted to B & G for the 2025 Budget. City Manager Hendrix added that improvements and repairs at the Lakefront and Gazebo are part of the increase as well. Discussion followed around contracting out services and the Public Safety Building being in

need of a new roof. Councilor Petropoulos wondered if the Sheriff's Office should pay for part of that roof since they use space in that building. Discussion followed about good partners, including the Court, who take up space but don't have to pay for it.

Question 5: IT vehicle; why the need for a second vehicle? If a person is remote do they get mileage? How do the equipment lines and vehicle lines relate to one another? IT Director Premysloski explained that the ask is to replace the current IT vehicle, a 2014 Ford Focus. He explained that he doesn't get reimbursed for mileage, because of the vehicle, but the IT Network Technician does claim mileage, for travel within the City for work, but not for travel between cities, aside from two emergencies in the past five years. Canandaigua pays for the car through the Shared Services contract as well. Councilor Pealer wondered if there is a contractual obligation for the vehicle, there is not, as Director Premysloski is management. City Manager Hendrix also added that there is an expectation that Director Premysloski is available in the event of an emergency 24/7.

Question 6: What is in the IT equipment line? Why has this changed over time? Director Premysloski explained that any technology equipment not related to the network, including printers, scanners, security, audio/video needs, etc. Recent increases have included funds for downtown security cameras, added lakefront cameras, and City Hall cameras. Discussion followed about connectivity of cameras downtown.

Question 7: What is the public access line? Director Premysloski explained that public access was removed in 2020, the line now pays the stipend for televising council meetings by IT staff. This service is above the job descriptions of the staff and can not be made to fit into their normal schedule.

Question 8: Why is there an increase in network security costs? Microsoft licensing upgrade fees are a key driver, Director Premysloski explained that the City usually skips one upgrade, then purchases the next one. An upgrade will have to happen in 2025. Discussion followed around overbudgeting.

Question 9: why is there an increase in Civic Plus? Director Premysloski explained that Civic Plus hosts the City's website, and increased their cost for 2025. He further explained that each department is responsible to maintain their own pages. City Manager Hendrix also explained that if the City migrates to a different vendor, costs would likely increase. Director Premysloski explained that hosting includes domain registration, 1,000 users for text notifications, and unlimited email notifications. Councilor Pealer recalled the migration from Go Daddy to Civic Plus occurring to ongoing security issues, which were resolved with Civic Plus. Discussion followed around allocation of staff time to maintain department pages. Councilor Moracco wondered about the subscriptions line, noting a \$20,000 increase. Director Premysloski explained that the City has no control over subscription costs, he further explained that the City only gets the minimum of what is needed, and no extras to control costs.

5. MOTION – Remove \$10,000 from line 6326.410 for funding to Cornell Ag and Food Tech Park

Mayor Valentino presented a motion to remove \$10,000 in funding from line 6326.410 for funding to Cornell Ag and Food Tech Park. Councilor Lavin wondered what this funding is for. City Manager Hendrix explained that the funding has been provided over time since the Tech Farm inception to support its general operations. She noted that over time the amount has been reduced. Mayor Valentino explained that he's looking for more for the City with the funding; there have been no new jobs, and this is a business incubator. He's open to reconsidering in the future. Councilor Brennan wondered if the Tech Farm is tax exempt. The City Manager explained that it depends on the use of the Tech Farm. Councilor Pealer then wondered if the Tech Farm is in an Empire Zone, wondering how to get them to pay taxes. Comptroller Blowers advised that they have been paying taxes for quite a while.

ACTION TAKEN by Clr. Mayor Valentino; seconded by Clr. Pealer

MOVED TO remove \$10,000 from line 6326.410 for funding to Cornell Ag and Food Tech Park

ROLL CALL VOTE:

Aye -	Clr. Brennan, Clr. Pealer, Clr. Gillotte, Clr. Petropoulos, Clr. Moracco, Mayor Valentino
Nay -	Clr. Lavin, Clr. Whitfield

MOTION CARRIED

6. ADJOURNMENT

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

MOVED THAT the meeting be adjourned at 7:59pm

MOTION CARRIED UNANIMOUSLY

Nicole Tillotson

City Clerk