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INCORPORATED VILLAGE OF FLORAL PARK

BOARD OF TRUSTEES

April 13, 2016

P R E S E N T

MAYOR THOMAS J. TWEEDY

TRUSTEE ARCHIE CHENG

TRUSTEE LYNN POMBONYO

TRUSTEE DOMINICK A. LONGOBARDI

TRUSTEE KEVIN M. FITZGERALD

SUSAN E. WALSH, VILLAGE CLERK

GERARD BAMBRICK, VILLAGE ADMINISTRATOR

STEPHEN SIWINSKI, BUILDING SUPERINTENDENT

PROPOSED LOCAL LAW #1

Reported By: Mary Anne Coppins, Court Reporter

1 MAYOR TWEEDY: Good evening and
2 thank you very much.

3 We will begin this evening with our
4 first Public Hearing. Then we will be
5 having a Public Hearing regarding our
6 Village Budget.

7 I would like to begin with
8 welcoming our Village Clerk, Susan
9 Walsh.

10 MS. WALSH: Thank you, Mayor
11 Tweedy.

12 Notice of Public Hearing of the
13 Village of Floral Park proposed Local
14 Law is number 1 of 2016.

15 Please take notice that pursuant to
16 Article 9 of the State of New York
17 Constitution, the provisions of the Code
18 of the Village of Floral Park and the
19 Municipal Home Rule of the State of New
20 York, a Public Hearing will be held in
21 the Incorporated Village of Floral Park
22 at the Village Hall, One Floral
23 Boulevard, Floral Park, New York on the
24 13th day of April, 2016, at 7:30 p.m. to
25 consider the enactment of a Local Law

1 entitled "A Local Law to override the
2 tax levy limit established in General
3 Municipal Law 3-C."

4 This Local Law shall take affect
5 immediately upon its filing with the
6 Secretary of State dated March 30, 2016,
7 by Order of the Board of Trustees,
8 Village of Floral Park, Susan E. Walsh
9 Village Clerk. This legal notice has
10 been published in the official paper of
11 the Incorporated Village of Floral Park,
12 New York and posted according to law.

13 MAYOR TWEEDY: Thank you very much,
14 Ms. Walsh.

15 I would like to place on the record
16 that the Board has previously adopted a
17 negative declaration, meaning that the
18 proposed Local Law will have no
19 significant impact on the environment.

20 At this time, I would like to read
21 the legislative intent of this new Local
22 Law.

23 It is the intent of this Local Law
24 to allow the Village of Floral Park to
25 adopt a Budget for the fiscal year

1 commencing 2016 that requires a real
2 property tax levy of the tax levy limit
3 as defined by General Municipal Law 3-C,
4 which this year is .12 percent.

5 The outstanding issues remain for
6 the State of New York to resolve,
7 including the true definition of levy,
8 the mechanics of placing any excess levy
9 in reserve, and the constitutionality of
10 the law as applied to get and impose the
11 penalties arising from mathematical
12 errors in calculating the levy in
13 accordance with New York State Law.

14 At this time, just to get a
15 complete clarification of that, I would
16 ask our Village Administrator, Gerry
17 Bambrick, to kindly address the matter.

18 MR. BAMBRICK: Thank you, Mayor.

19 I'll just give a generally brief
20 description of where we are with respect
21 to the tax levy and as it relates to the
22 proposed Local Law.

23 This is the fifth proposed Budget
24 under New York State Tax Cap Law the
25 Village has entered into. New York

1 State Tax Cap Law went into effect
2 starting with the 2012/2013 fiscal year.

3 By now, most people are familiar
4 with what is generally referred to as
5 the 2 percent tax cap, so I'll not go
6 into any great detail. I'll just
7 summarize it very briefly.

8 First, the tax cap is not 2
9 percent. It's either 2 percent or the
10 rate of inflation, whichever is lower.
11 Last year the tax cap was 1.68 percent.
12 This year the tax cap is 0.12 percent,
13 slightly over 1/10th of 1 percent.

14 Second point, the tax cap is on the
15 tax levy. It's not a cap on the tax
16 rate or the overall Budget. The cap on
17 the levy is the amount the Village needs
18 to raise by taxes on residents and
19 businesses in the Village after taking
20 into consideration all other sources of
21 revenue.

22 Last year the tax levy was
23 \$23,395,724. 0.12 percent of that
24 amount is \$28,000 roughly, slightly over
25 that amount, slightly over \$28,000.

1 The maximum amount the levy can
2 grow and still be within the tax cap is
3 \$28,075.00.

4 The third point I would like to
5 make is the Tax Cap Law has been
6 evolving. About two years ago the State
7 started phasing in new requirements for
8 compliance for the tax cap and new
9 consequences if the tax cap is pierced.

10 Last year there were two new
11 aspects of the tax cap phased in. Last
12 year for the first time the State
13 provided a refund to residents if
14 municipalities stayed within the tax
15 cap.

16 Basically, it worked out that the
17 amount of the refund was the amount by
18 which the taxes increased over the prior
19 year's levy, but capped or maxed out by
20 the amount of the tax cap.

21 Second, last year they also
22 required for municipalities to comply
23 with the Tax Cap Law. The municipality
24 could not pass a law authorizing
25 piercing the tax cap.

1 For the first few years, the tax
2 cap, NYSCOM, New York State Conference
3 of Mayors, suggested municipalities pass
4 a local law authorizing piercing the tax
5 cap, even if the municipality intended
6 to stay within the tax cap.

7 This was done as a precaution
8 because the calculation of the tax cap
9 was so convoluted under the law. That
10 way, if there was a miscalculation and a
11 municipality thought they were complying
12 with the tax cap and, in fact, they
13 pierced it, there would be
14 repercussions.

15 Starting last year, however, in
16 order to be in compliance with the Tax
17 Cap Law, not only did the municipality's
18 levy have to be within the tax cap, the
19 Village could not pass a law authorizing
20 the piercing, even as a precaution. And
21 if the Village authorized, passed a law
22 authorizing the piercing, the Village
23 had to rescind that law in order to be
24 in compliance with the State Tax Cap
25 Law.

1 Last year the Village introduced a
2 local law authorizing piercing the tax
3 cap, but the Village didn't pass that
4 law. Last year the Village stayed
5 within the tax cap, didn't pass that
6 law, and residents received a refund
7 from New York State of the amount
8 between the tax levy from the prior year
9 and the tax cap amount last year; as I
10 said, 1.68 percent.

11 This year there was a new addition
12 with respect to the Tax Cap Law. There
13 is an additional requirement that
14 imposes to be in the tax cap.

15 The Village, last June, had filed a
16 consolidation and efficiency plan to the
17 State demonstrating that the Village has
18 achieved, or has plans to achieve, a one
19 percent reduction in spending through
20 consolidation or efficiency.

21 Last year, last June, the Village,
22 in fact, did submit a consolidation and
23 efficiency plan to the Village and it
24 was approved by the State. So the
25 Village has taken all the steps

1 necessary to be in compliance with the
2 Tax Cap Law this year, prior to
3 preparation of the Budget.

4 We passed an efficiency plan as
5 approved by the State; however, the
6 tentative Budget, as proposed, submitted
7 to the Board tonight, does exceed the
8 tax cap. The tax cap -- then tax levy
9 increase under the proposed Budget is
10 0.61. It's the lowest increase in my
11 memory, but, nonetheless, still exceeds
12 the 0.12 percent on the State tax cap.

13 We will get to, later on, with
14 respect to the Budget Hearing, really
15 the basic issue as to whether or not the
16 Village proceeds with the Village's
17 previously adopted, or previously -- not
18 adopted, adopt a road program plan, the
19 Village committed itself to a road
20 program, where we'd commit 1 half of 1
21 percent of the Village Budget each year
22 to increase the amount spent on the
23 roads.

24 I think everyone can agree, the
25 roads in the Village need addressing.

1 So this year, but for that, we would be
2 under the tax cap, but if we add that 1
3 half of 1 percent that brings us up to
4 .61 percent.

5 Just for purposes of explaining the
6 ramifications of that, as I said before,
7 the tax refund that you get is the
8 difference between the tax levy and the
9 tax cap amount. Basically, what that
10 works out to is on an average house
11 appraised at 36,500, you're all familiar
12 with your appraisals you realize how
13 that works, basically a four to five
14 dollar increase on an average house.
15 That's how much the refund would be on
16 an average house, half the houses would
17 be higher, half would be lower.

18 Mayor, that basically sums that up.

19 MAYOR TWEEDY: Thank you very much,
20 Village Administrator.

21 Are there any comments or questions
22 from the Board?

23 Hearing none, I would ask if there
24 is anyone who would like to speak in
25 favor or in opposition, please come

1 forward with your name and address for
2 the record.

3 MR. PERRY: John Perry, 48 Kalla
4 Avenue. With all this mumbo-jumbo, you
5 mean we are going to stay below the 2
6 percent limit?

7 MR. BAMBRICK: We're staying below
8 the two percent by a lot. The tax
9 increase, the tax levy increase is 0.61.
10 We are slightly over half a percent,
11 under 1 percent; we are below 2 percent.
12 But what is referred to as the 2 percent
13 tax cap, as I said, is not a 2 percent
14 tax cap. One year was higher than 2
15 percent. Last year was 1.68 percent,
16 this year is 0.12 percent, a 10th of a
17 percent. A little more of a 10th of a
18 percent is the allowable amount on the
19 tax cap without piercing it. We are not
20 going over 2 percent. Thank you.

21 MAYOR TWEEDY: Thank you, John.
22 Any other comments for or against?

23 Hearing none, I will ask for a
24 motion to reserve decision.

25 TRUSTEE FITZGERALD: So moved.

1 TRUSTEE LONGOBARDI: Second.

2 MAYOR TWEEDY: Would you please
3 poll the Board, Ms. Walsh?

4 MS. WALSH: Trustee Fitzgerald?

5 TRUSTEE FITZGERALD: Aye.

6 MS. WALSH: Trustee Longobardi?

7 TRUSTEE LONGOBARDI: Aye.

8 MS. WALSH: Trustee Pombonyo?

9 TRUSTEE POMBONYO: Aye.

10 MS. WALSH: Trustee Cheng?

11 TRUSTEE CHENG: Aye.

12 MS. WALSH: Mayor Tweedy?

13 MAYOR TWEEDY: Votes aye.

14 Thank you very much.

15 * * * * *

16 C E R T I F I C A T I O N :

17 I, Mary Anne Coppins, Court
18 Reporter, hereby certify that the above
19 transcript is a true and accurate copy
20 of the minutes taken by myself
21 stenographically in the within matter.

22

23

24

Mary Anne Coppins

25

Court Reporter