

VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK
BOARD OF TRUSTEES
PUBLIC HEARING
MARCH 22, 2012

A Public Hearing was held by the Board of Trustees on Thursday, March 22, 2012 at 7:30 p.m. in the Meeting Room, Municipal Building, 7 Maple Avenue.

PRESENT: Mayor Peter Swiderski, Trustee Jeremiah Quinlan, Trustee Meg Walker, Trustee Nicola Armacost, and Village Manager Francis A. Frobel.

ABSENT: Trustee Bruce Jennings

CITIZENS: Seven (7).

Mayor Swiderski declared the Board in session for the purpose of conducting a Public Hearing in accordance with the legal notice that appeared in the March 16, 2012 issue of *The Rivertowns Enterprise* to consider the Proposed Budget for the Village of Hastings-on-Hudson, New York for the fiscal year beginning June 1, 2012 and ending on May 31, 2013.

Village Manager Frobel: Let me begin by welcoming everyone here this evening. I appreciate your interest in the budget. It is a process that does not just begin the last few nights. It begins every working day, when we put our budgets together. With us tonight are a number of the department heads. They are here to hear your comments because it is so important that we hear from our resident taxpayers their opinion of this plan.

The first slide shows that the general fund budget for next year will reach \$13,338,418. It will require a tax rate of \$239.73, or an increase of 1.8 percent. This represents to the average property owner in taxes about \$74.01 per year, or 20 cents per day. It does represent an increase of \$355,488 in expenditures, or viewed another way, an increase of 2.7 percent over last year's budget. It requires a tax rate of 1.8 percent, but a tax levy of 1.4 percent.

This is the pie chart of the general fund. It depicts the priorities. It shows how the expenditure pie is divided among the various sections of our operation. Not much of a change from previous years. A slight decrease in our Department of Public Works. Last year, it represented 16.3 percent; now it is at about 15.1 percent. General government was 12.3 percent; now it is 10.8 percent. Employee benefits were at 24 percent; last year, about 24.8 percent. So a slight shift in the appropriations, but very slight because it represents historically how the community has supported different sections of the budget.

General fund pie chart. Again, not a great shift. What has occurred, however, is our dependence upon the property tax has decreased. Last year, it represented 75.4 percent of the

budget; this year it is 74.4 percent. So a one percent decline in our reliance upon property tax to make this budget work. What is new this year is the debt service surplus of 1.4 percent. That is \$186,213. That is money that we have been able to secure over the past several budget cycles. It represents those capital projects that were once funded through either serial bonds or BANs which are deemed complete. The funds remaining from it can be used appropriately to pay our debt for next year.

This is our assessment information, perhaps one of the most discouraging slides you will see this evening. What it shows you is that our assessments continue their decline. As recently as 2008, we were at \$42,538,630 in our total assessments. We have seen a decline over the past several years. In fact, in the last five years we have lost almost 2.7 percent of our values. For the budget we are presenting to you this evening, we have lost \$146,000 in value, or about 0.3 percent. We are seeing this continuing trend, and it will probably continue, at least for the foreseeable future, although I have got some comments about that. Over that five-year period that I cited, we lost almost \$1.2 million of our value.

Property tax information. This slide shows you that over the past several years our tax rate continues to incline, the result of loss of revenue, loss of assessed values, and the fact that we have been continuing to support the programs that have been supported historically in the Village. These trends will continue until such time as real estate values stabilize, other sources of revenue are found, or we continue to cut back on our expenditures. A third way that we may see this change somewhat is if we turn to the Town of Greenburgh's assessments. The staff looked at that number a few years ago. It would represent an increase. You would see some relief in the property tax. Greenburgh's assessments are that much higher. We would also see some savings in what we pay for a local appraiser and some of our legal expenses. So there are some things that can happen. Certainly, the state law that governs how much a levy can increase will stabilize that, and you will not see the increases you have witnessed in the past. But for next year's budget, as I indicated, the levy would have to go up 1.4 percent, or a tax increase of 1.8 percent.

This is the slide that combines the two. It shows the degree of change between the property tax rate and the assessments. As I indicated, if we could turn to either Greenburgh or embark on a Village-wide reassessment of properties we would see some stabilization there, we would see our values go up, and we would probably see less tax certioraris or less challenges by homeowners over their assessments. But until that time, in all likelihood our assessments will continue to decline, while our tax rate will stabilize due in large part to the changes the Board has made in our programs, expenditures, and the fact that state law has placed a governor on the rate of increase in our levy.

These are the three principal revenues that we rely on, apart from the property tax. Over the past several years we have seen the monies that we have relied on to balance our budget become less. We are seeing our utility tax down to about \$110,000 for next year. We have seen our mortgage tax go from \$226,535 in 2008 to about \$100,000 for next year. These are some principal revenue items that we have counted on essentially over the past five years. We have lost over \$200,000 in other-than property tax revenues. This represents almost a 16 percent loss in revenues just over those five years in just those three categories.

Key budget costs. I have tried to isolate here just six of the expenditure items contained in the budget. You can see what has happened to them over the past five years. These are six items which, as Trustee Jennings has pointed out, we do not have much control over. We cannot control what is happening industry-wide in insurance. We cannot, although we fought the battle for the hydrant rental, the fire service awards are an obligation that we have. Police pensions, civilian pensions are dictated by the State of New York. And health insurance, we know what has happened to that industry-wide.

We have made changes in the number of personnel, so you are going to see some of those costs go down in time. But short-term, it is important to note that of those six items we have seen basically a 22.6 percent increase from the current year budget to what is proposed. Those six items are responsible for almost 91 percent of our total budget increase. As I mentioned at the onset, our budget next year is up almost \$355,000, while this increase is basically 81 percent of the cause of that reason for the budget going up.

Our purpose tonight is to hear from you, as citizens, whether you support this budget. I would like to thank the department heads for the fine job putting this budget together. This has not been one of the more easy budgets to put together. We are facing the state law which will dictate the amount of taxes we can raise. We have had to do without a number of critical positions over the last budget cycles. I am also pleased that we have been able to secure our debt payment which was money we had acquired over the past several cycles. That one-time revenue will help this budget dramatically stay within the cap. I am hopeful that in the next year we will see some increases in other than property tax revenues, which will make up for some of that.

I am pleased that we have not had to rely on our fund balance. Many communities this year will turn to that. The Boards of Trustees the last few years have really guarded against that. We have been allowed to increase it to almost half a million dollars. We are very close to the road of recovery. I am hopeful that we will not turn to that. We are up to almost \$500,000, and that will go a long way towards our returning to our double-A2 bond rating. That was one of the major reasons why our bond rating dipped the half-tick. It is very important that we have not had to turn to that fund balance. We will allow it to continue. The program, I

think, is reasonable. The tax increase is perhaps more than some would like, but I would think that a levy that is within the cap will be, hopefully, supported by the community at large. We look forward to hearing from the public.

John Gonder, 153 James Street: I perused the budget yesterday and it looked very good. But it is not every item in that budget that you performed. So I had a few questions. The Lipchitz monument, I have been trying to push for a plaque. Do you have money in the budget this year for that, since you saved a lot of money in no snow removal?

Village Manager Frobel: That is very achievable. It is not part of the general fund, but we have a beautification fund. And that is money that is dedicated for just that type of purpose. In fact, that is something that the Board of Trustees has asked be taken care of. Not only a plaque, but looking at the structure itself to see if it needs any minor repairs.

Mr. Gonder: I did not see any money for deer reduction. Does that mean no deer reduction in this budget, or is there some money, or are we going to wait another year to try to reduce the number of deer?

Village Manager Frobel: That has been a priority of the Board to regulate the deer population. I would imagine that if the decision is made to embark on some type of program the money will be available in the contingency account. The contingency account is for those items that I did not think of when I put this budget together; that unexpected expenditure, or an expenditure that I could not identify in terms of hard, concrete numbers. So if the Board decides to do something, yes, we will have the money to take care of it.

Mr. Gonder: I did not see in the recreation budget a scholarship fund for people that cannot afford pool money or other recreation programs. A few years ago you told me it is like \$10,000. Mr. Gomes told me maybe last year it was closer to \$15,000. If I was a young parent and I had three children and I told them cannot afford to let you go to the pool, the kids would want to be a member of the pool, their friends go there, do you have some protocol to go to the parents and fill our information? Or does the child just come down and say my parents cannot afford to go to the pool, is there any chance I can get a pass or something? Is there a protocol?

Village Manager Frobel: There is, and it is somewhat sophisticated. There is an application that the family completes. It is reviewed by the appropriate staff member. It is all held in strictest confidence. We will turn to other agencies if they can help verify the financial situation of the family. But it is well-administered, I think fairly administered. And I am not aware of any complaints that anyone has made that they were treated unfairly or were denied.

Mr. Gonder: Do you know how much money is in there for that?

Village Manager Frobel: It is not an item in the budget. It is money that we will collect.

Mr. Gonder: Number four, how much money is in the budget for tourism?

Mayor Swiderski: The request to the Village is for a total of \$500 for the year so far.

Mr. Gonder: Maybe you could save that if the Chamber of Commerce could get that up. Last, we need more police. I think three more. I have seen the traffic, Ravensdale and James Street. Over a million cars per year. That is not counting Farragut Parkway, Farragut Avenue, Warburton Avenue, or Broadway. You need police just for the amount of traffic that has come into this Village because Stew Leonard's and Home Depot and Ridge Hill and the buildings in the northern part of Yonkers. Plus all the other calls that they get. You need money in the budget for more police, for crimes and everything else.

Village Manager Frobel: The Chief has looked into it and the Lieutenant. There is a grant that the federal government offers. It is no longer as lucrative as it used to be. There was a program a number of years ago where the federal government would pay 100 percent of a policeman for up to three years. That program has been reduced now. They will only fund up to 75 percent of the cost of a policeman, and there are some additional strings attached. But it is something the department is aware of. When and if the day comes where we would look to hire more policemen they would turn to a grant like that to help offset that cost. But thank you for your support of the department.

Tim Downey, 520 Farragut Parkway: These numbers of 1.4 percent, I think it was, very welcome numbers. It shows a lot of good work went into this. The question is what could we possibly anticipate? Communities in the area are going to be clobbered with high single digits, some even higher than that. What might be our outlook in the next one to three or four year time period, being that we are going to have such a low increase this year and knowing that we have that 2 percent issue from the governor. Are we looking at something later on getting into 8 or 9 percent? Or have you got a good handle on things, in that we can expect 3 percent or less?

Village Manager Frobel: That is always our goal, to have a stable tax rate. Certainly no additional staff in the foreseen future. We have been able this year, with some pending retirements to reduce our personnel costs. Over the past several budget cycles we have reduced our DPW by three full-time positions. We no longer have a full-time planner, no longer an administrative assistant. My secretary is shared with another office. So we have

taken some great strides in reducing our staff, and for the foreseeable future I do not see us increasing our personnel.

We have become more efficient, I think, with certain tools that we have. The heavy equipment that we are going to be looking for will help us be more productive. Certainly strides made in computerization have helped us reduce our staff. But we are very sensitive to the fact that hiring a person, just one factor is the salary. It is the benefits that are so high. So we have got to be very sensitive to that.

Looking for other revenue sources besides property taxes, looking to expand our residential base, perhaps bringing in some more commercial development will all help to keep our tax rate stable. And that is our goal.

Susan Cooper, 378 Warburton Avenue: A follow-up to that. The school board has put together a five-year projection in terms of the increasing cost of pension and health care. They did a high/medium/low outlook, and they are going to post it online. That might be a real benefit to the community to see the possibilities of that.

The reassessments, the number of them, going up in Westchester and in Hastings is increasing. I was told by somebody who obtained a reassessment that it was the polite way to say that taxes are too high. I suppose the person also meant that it was impolite to say it out loud. So with that, I would like to suggest that we invite our assemblyman, Mr. Abinanti, to come in and clarify which mandates he might like to see changed or eliminated in the future to help out with these very daunting increases that are very possible unless something changes. I spoke with the rep in his office in Albany this past week, and I know that he voted no on the pension, the Tier 6 change. The rep could not identify any mandates currently that Mr. Abinanti would be interested in changing.

I am perplexed with that, and I think some clarification would be in order, because in the 2010 *River Journal* online, he stated the most single concern of our residents is high property taxes. He said that the taxpayers today are schizophrenic. They want the services, but they do not want to pay for them, which I do find perplexing because he is saying at the same time that we are paying high taxes here, but that we do not want to pay for them. I do not know anybody that does not want to pay taxes. It is important for everyone to contribute, but I the public pension and health care are the budget items that are going up so astronomically and they are not going to stop. This is not personal, it is just common sense, that many people are paying nothing or very little, and that people in the private sector, businesspeople in town, are paying \$2,000 a month to cover their families. It does not seem like a democratic situation. I am a Democrat, I voted for Mr. Abinanti. But there is something very confusing to me about this situation. So that is my suggestion. I appreciate the work that has been

done on this budget, but I do have a fear for the future for retired people, people living on Social Security, people that are freelance workers who do not have these benefits. To maintain a diverse community, where various levels of socioeconomic diversity can exist, it does not seem sustainable going on in this way.

Elisa Zazzera, 68 Southside Avenue: I am going to talk about verbiage, not numbers. On page C-38, with regard to municipal solid waste, it states, "The Village continues to be the leading recycling community in Westchester since 1994." According to 2010 Westchester County numbers, because 2011 are not out, we rank 25 of 42 communities with their numbers on recycling. Further stated, on the same page, "The Village currently recycles a high percentage of its waste." Our curbside recycling rate is lower than 20 percent. I do not consider 20 percent a high percentage. Year after year, we have discussed there is money to be saved with municipal solid waste, increasing our recycling, and reducing our output of waste. Yet I still see this delusionary text put in our budget year after year. So either we think we can improve, or we do not think we can improve. If we do not think we can improve, then let us remove it from our sustainability plan and continue deluding ourselves that we are high in recycling. Otherwise, I highly suggest we change this text in the budget before we pass it.

Village Manager Frobel: Thank you for your comments. I can tell you what Westchester County Solid Waste tells us, and that is that we do a good job and they are pleased with our numbers. Part of that low ratio, as you may have noticed, is that our vegetative yard waste number has actually cut in half. What that reflects is the fact that our commercial landscaping firms are no longer bringing the debris to the center. So that number has gotten taken out of the equation, and we have seen a dip in our numbers because of that.

Mike Gunther sits on that panel. Mike is the one who keeps his ear to the ground as to what is happening in the industry. I am confident over the next 12 months we are going to see some improvements in our numbers. I will be the first to admit there is always room for improvement. Your group, the Conservation Commission, has done a good job in trying to get word out to the community to recycle. If we need to strengthen it further, then that will have to be our focus over the next 12 months. But I do not have the staff to go around and talk to each homeowner. We have to rely on e-mails and pamphlets and brochures and the good work of committees like yours to try to get the community behind it.

Ms. Zazzera: I appreciate it. But still to the point that we are saying that according, again, to the county's numbers, we are 25 out of 42 communities.

Mayor Swiderski: That needs to be stricken.

Ms. Zazzera: So we are not.

Mayor Swiderski: Unfortunately, it is not as true as it used to be.

Ms. Zazzera: And a high percentage, again curbside recycling, using the county's numbers, we are less than 20 percent on curbside recycling. So we are using the same numbers, but the verbiage comes out quite differently. So I would change it.

Hearing no further comments, Mayor Swiderski asked for a motion to close the Public Hearing.

On MOTION of Trustee Quinlan, SECONDED by Trustee Armacost with a voice vote of all in favor, Mayor Swiderski closed the Public Hearing at 8 p.m.