

**VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK**  
**BOARD OF TRUSTEES**  
**SPECIAL MEETING**  
**FEBRUARY 29, 2000**

A Special Meeting was held by the Board of Trustees on Tuesday, February 29, 2000 at 8:00 p.m. in the Meeting Room, Municipal Building, 7 Maple Avenue.

**PRESENT:** Mayor Wm. Lee Kinnally, Jr., Trustee James B. Keaney, Trustee Elsa C. DeVita, Trustee David Walrath, Village Manager Neil P. Hess, and Village Attorney Brian Murphy.

**PRESENTATION OF THE BUDGET**

**Mayor Kinnally:** The purpose of the meeting is to have the Manager's presentation of the 2000-2001 budget.

**Village Manager Hess:** The proposed property tax rate of \$121.22 is a decrease of \$1.22, or 1%, from the 1999-2000 adopted budget. One reason for the decrease is that our overall assessments increased by \$300,000 as of January 1. With the decrease, the average assessment will see a decrease of about \$20.62 per year on taxes. We try to approximate the consumer price index in our budget increases. The average CPI over the past 10 years has been 4.14%, and the average tax increase over the past 10 years has been 3.72%. This is the fourth tax decrease in the past 19 years.

We still remain one of the lowest-taxing villages among the 22 villages in Westchester County. The other main reason for a decrease is that in 1992 we established a tax reserve fund in the budget called "provision for uncollected taxes" because of the Anaconda property and the non-payment of taxes by the owners. The reserve fund has been in effect for eight years. With the tax settlement made last year, we were able to release those tax reserve funds into our overall surplus. We were able to propose a surplus in this budget of \$415,654. Last year's proposed surplus was \$125,000.

Service highlights include:

- Outside cleaning service for the Municipal Building three days a week.
- Computers: leased software packages and upgrading of computer systems.
- Restoration of birth and death records: records date back to the 1870's and are in poor condition.
- Upgrading of equipment in police, fire, and public works: an ongoing program started in 1981 where equipment vehicles are replaced on a scheduled basis.
- Street lighting program: the eighth year of upgrading streetlights. We are saving approximately \$5,000 per year on streetlighting costs with new streetlights.

- Recycling program: we are number one in recycling for the sixth year in a row; the recycling program is saving taxpayers \$86,000 a year in dumping fees.
- Continuation of the tree-planting program reinstated this past year. In the capital portion, we have applied for a grant for additional tree planting.
- Summer concert series: continued support.
- Farmer's Market: continued support.
- VIP and Chamber of Commerce efforts in the downtown: continued support. The new wastebaskets are ordered. I understand there will be additional proposals for planting of downtown flower baskets.
- Engineering: \$25,000 for engineering assistance not specifically earmarked for any one study.
- Additional camp and pool staff: growing numbers of school children have resulted in need to increase the staff.
- Street resurfacing, especially this past winter: increased by 50%, up to \$100,000. One-third goes towards milling of the streets to preserve curbs.
- Draper Park: additional tree pruning and removal. A new gate entrance at the park, improvements to the step access off Washington Avenue, and, in capital, trailway access from the Aqueduct up to Draper Park. I am also talking to the Historical Society about the possibility of replacing the fencing of the observatory cottage.

Capital fund:

- Replacement of two police vehicles previously approved by the Board because of build-out dates; expected delivery is June.
- Police communication equipment: an application has been made to the state to upgrade all radio systems in cars and portables.
- Street resurfacing: \$100,000.
- Municipal Building plaza: last fall the plaza in front of the library was done through a generous donation. Estimate to redo the plaza in front of the Municipal Building is about \$125,000.
- Sweeper replacement: \$100,000. This is a year early. We have had a number of problems with the sweeper this year. When the replacement schedule was set up we did not have the consistent sweeping schedule we now have in residential areas, so the sweeper is being used a lot more.
- Dump truck: scheduled replacement \$40,000.
- Fire Department equipment: \$27,000, funding provided.
- Hook and ladder building: \$23,800, funding provided.
- Streetlight improvement program, Phase 8: \$2,500.

- Renovations of playgrounds: a request from the Parks and Recreation Commission for \$150,000.
- Senior van replacement: \$51,000, a grant approved through the Community Development Block Grants for the coming fiscal year.
- Marinello Cove, acquisition and development: \$550,000; we have grant requests out and received some disturbing news from State Parks today that we have not gotten the grant for Marinello Cove. We have one other grant outstanding, the Hudson River Estuary for improvements. This is our third denial over the past two years on the grant for acquisition.
- Tree planting program: we are applying to the State DEC for additional funding for tree planting.
- Improvements to trailways: \$10,000. We have a grant application with the Hudson Valley Greenway, for improvements to the trailway system.
- Draper Park access: \$12,000; funding provided, to cover the gate and renovation of the steps coming up from Washington Avenue.
- Tree removal, pruning at Draper Park: \$15,000.
- Computer hardware/software upgrades: \$30,000, provided in the budget.
- Pavers: \$150,000 estimated. Granite pavers in place from 12 to 15 years in the downtown have popped and broken up over the winter and are a serious maintenance problem. They become trip-and-fall hazards around tree pits. We are recommending removal of all the pavers, including the granite in the sidewalk directly in front of VFW Park, and replacement with bomanite, the material we will be using on the Southside Avenue project.

General fund revenues are as follows: property tax, 65.3% of revenues; surplus, 5.3%; sales tax: with the maintenance of the clothing sales tax in Westchester, 8.8%; miscellaneous covers fees and other charges.

Expenditures by function: approximately 25% of the budget is public safety, that is, police, fire, ambulance, and building and fire inspection. Next highest is public works, 17.5%: street cleaning, snow removal, garbage collection, recycling, sanitary sewers, storm drainage.

There is a steep reduction in assessments from 1998-1999 to 1999-2000 of approximately \$1.9 million. We have recovered about \$300,000 of that this past year, in one or two new houses and, mostly, additions.

Approximate growth in the tax equates pretty much to the growth in terms of the budget and, again, approximates the growth in the CPI over the year.

**Trustee Keaney:** How does the transfer of \$415,000 compare with the transfer of surplus in the past?

**Village Manager Hess:** Because of the tax reserve fund those funds stayed in reserve and could not be released until there was a settlement of the major outstanding *certiorari*, which was Harbor at Hastings Associates. With that, those funds were released out of the tax reserve fund and were able to go into fund balance, or surplus. It brought our fund balance as of May 31, 1999 to \$1.1million. By using \$415,000 there are two benefits. We are able to maintain a fund balance of \$700,000 plus, which equates to about 9.5% of the general fund budget. The recommended amount is anywhere from 7% to 10% of the budget. And by using the surplus we are able to afford a very small tax decrease, and not a tax increase.

The tax reserve fund was set up to account for all unpaid taxes, the bulk of which was the Harbor at Hastings. We budgeted \$150,000 a year to go into that fund, called "provision for uncollected taxes." In the proposed budget, the provision for uncollected taxes is \$25,000, about the level of outstanding taxes.

**Mayor Kinnally:** This was a recommendation from our auditors and the comptroller that we set something up of this magnitude. We built the fund up in increments from a low of 2% or 3% because to build that up in one year would have been a prohibitive increase. We are comfortable now.

**Trustee Walrath:** When we say our taxes are among the lowest in the county, is that the rate itself or the rate with equalization?

**Village Manager Hess:** To compare communities you have to equalize the rates.

**Trustee Walrath:** The capital equipment replacements: do we have a maintenance management system to give us historical data as to when the continued use of a particular piece of equipment is costing us money as against getting a new one?

**Village Manager Hess:** Our maintenance system is done on computer.

**Trustee Walrath:** Can we tell what it costs to maintain each piece of equipment each year?

**Village Manager Hess:** Yes, with a qualification depending on how the program is set up. I am not sure they assign costs back to the piece of equipment when they buy parts.

**Trustee Walrath:** It is extra work to keep track of it, but it might sharpen up our judgment as to when it is time to replace a piece of equipment. We spent quite a bit last year on that sweeper, and we finally bit the bullet and are replacing it.

**Village Manager Hess:** Part of the problem is that if maintenance costs start going up June 1, do we have to wait a year before a budget presentation for the Board to consider it? That is why we set up a fairly strict schedule of replacement of equipment according to its useful life.

**Trustee Walrath:** I would like to see historical data to see if we could defer some of the capital without penalty. You are probably erring on the side of not getting too high maintenance costs before you replace. We might be able to get more use out of some pieces of equipment.

**Village Manager Hess:** We will take a look at that, but we do not want to be in the position of what happened here previously with equipment breaking down in the middle of snowstorms, and police vehicles that did not run. There were all sorts of problems because of deferred replacements.

**Trustee Walrath:** I am not proposing that at all, just to have a more sound basis for the judgments that we have to make. In the capital fund there were a number of items that had neither a single nor a double asterisk; how are they funded?

**Village Manager Hess:** They are not funded at this point.

**Mayor Kinnally:** We have to authorize the expenditures. During the year we may not choose to do that. Neil puts it in there as a target, and if we choose to go to the markets to borrow money to fund we can do it. But it is not something that raises taxes in 2000-2001.

**Trustee Walrath:** My own observation of the pavers is that a number are broken and raised, but a large majority are in fairly good shape. I am wondering if we might be able to dismantle a portion at much less than \$150,000 and reset them, so we can get a further useful life out of them. To my eye, it is not totally in ruin, but just an occasional block here or there.

**Village Manager Hess:** I would be glad to take a walk with you through the downtown; it is more than an occasional block.

**Trustee Walrath:** I just would like to see a cost study on it.

**Mayor Kinnally:** The quirky weather and the high pressure cleaning have caused the pavers to heave. The pavers are a hazard. We have had a number of people trip and fall. We cannot continue maintaining them. We tried resetting the pavers around the tree pits in the last few years, and it has been for naught. The pavers around the curb cuts are being demolished.

This is an interesting budget. I congratulate you and your staff for putting it together once again more than a month before the law requires. I hope that the people in the community take a look at the budget. Is the budget on-line?

**Village Manager Hess:** We can put it on-line and mail it to our list of e-mail people. It is available at the library and in the municipal building and we have it on CD-Rom.

**Mayor Kinnally:** The process is much improved every year, and I hope the public takes advantage of it, and sits through the review sessions, which provide great insight into how the Village runs, where our money comes from, where our money goes, and the changing nature of the budget.

### **ADJOURNMENT**

On MOTION of Trustee Walrath, SECONDED by Trustee DeVita with a voice vote of all in favor, Mayor Kinnally adjourned the Special Meeting to proceed to a Work Session.