

VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK
BOARD OF TRUSTEES
REGULAR MEETING
MARCH 21, 2006

A Regular Meeting was held by the Board of Trustees on Tuesday, March 21, 2006 at 8:05 p.m. in the Meeting Room, Municipal Building, 7 Maple Avenue.

PRESENT: Mayor Wm. Lee Kinnally, Jr., Trustee Michael Holdstein (8:35 p.m.), Trustee Bruce Jennings, Trustee Marjorie Apel, Village Manager Francis A. Frobel, Village Attorney Brian Murphy, and Village Clerk Susan Maggiotto.

ABSENT: Trustee Peter Swiderski

CITIZENS: Five (5).

Mayor Kinnally: Trustee Holdstein is delayed this evening, but will be with us. Trustee Swiderski is in Brazil on business and will not be with us tonight.

PRESENTATION – Proposed 2006 - 2007 Budget

Village Manager Frobel: I have prepared a series of slides that will aid in a better understanding of the proposed budget.

This first slide is a bar graph which indicates that next year's proposed budget will reach \$11,247,821. When comparing the general fund year to year, that represents nearly a 6% increase. When we compare the proposed general fund budget with the budget being administered this year, with the encumbrances, it translates into about a 5.5% increase.

The next slide shows all the funds that we administer. On the expenditure side, besides the general fund, there is the pool fund, the library, and Draper fund; all four of those programs represent about a 5.3% increase for next year. The property tax, if this budget is adopted in its entirety unchanged, would require a 6.4% increase. We are counting on additional state aid next year and a slight increase in sales tax. We are expecting continued strong retail sales which would yield additional money to the Village. What is most noteworthy is that this is a change in our appropriated surplus. We are looking to build up our surplus. I would like to reduce the amount of dependence upon that fund by about \$35,000.

I have broken out the various means of financing the budget. All funds, totaling \$11,246,831, would require an increase of \$585,000. The increase in the property tax would go to \$184.34 per thousand, or \$473,000. We are counting on some additional money through the mortgage tax, the amount of money that the Village is provided based on real estate transactions. Those are the monies that we are provided through state aid. Again, we

are looking for an increase with sales tax, continuing strong trends, and under the appropriated surplus I am recommending that we reduce our dependence upon that fund.

This pie chart shows how every dollar that we spend is arranged. These compare the adopted budget and the proposed budget. The changes are very minor. Your general fund dependence, as part of the tax dollar, will be reduced from about 14.8% to 13.4%; public safety is increasing a percentage; our employee benefits are down slightly. But most noteworthy, the debt service will increase next year, from 6.6% to 8.4%.

Next slide, the revenues. What is unusual is a heavy dependence upon our property tax. When you compare it with our existing budget you see an increase in our dependence on the property tax, from 68.4% to about 69.7%. Most of the other accounts remain fairly consistent.

Assessment information. Perhaps the most dramatic of the slides, this shows something that the Trustees and, I believe, the Village is very much aware of: a continuing trend of a decline in our assessed values. Those are important because that is the basis for our property tax levy. Unless the assessments are going up, our property taxes must rise. What is perhaps most disturbing is that this is the fifth year we are witnessing a decrease in our assessed values. As our assessments go down, in order to continue the same level of services that people are accustomed to and in the absence of any other monies coming into the Village, your property tax increases. Another way to view the same information is a single line again showing that same feature. Likewise with the tax rate, showing how it continues upwards. But what is most dramatic is when you combine the two. What this clearly depicts is the gap as your assessments are going down and your property tax is going up; that gap first started to form in fiscal year '04 and continues into '07. And until, and unless, something occurs you will continue to see that gap widen in time.

This next slide breaks out and compares the cost of fringe benefits. One of the largest components of our budget are our people, and this shows the trend continues when compared to last year in the general categories of general government, public safety, public works, community services, and parks and rec; we continue to see an increase in the cost of our people and the fringe benefits that we provide to them.

Our personal wages and salaries are all contained in the budget. We have a four-year contract with our police department. Although we do not have an agreement currently with our highway department workers, we are in negotiations. Money is contained in the budget in anticipation of a settlement, as well as an increase of cost of living for those employees that are not represented by an organized labor organization. In terms of new people, I am

proposing that we consider a full-time buildings and grounds maintenance person. The Village is at a point in its development where we could easily put to use a full-time person on staff who would be responsible for basic building maintenance, someone we could turn to for basic plumbing repairs, electrical work, items around the Village for all of our facilities, and to supplement our custodial services. He, or she, would principally be responsible for this building and the new Community Center. The budget calls for it to be phased in midway through the fiscal year. I am also recommending that we eliminate the vacant part-time treasurer. For the past several months we have been working quite effectively with our Deputy Village Manager, Deputy Treasurer, and myself, along with our payroll personnel clerk. I would like to have them continue to be our financial team. For the foreseeable short-term we are working very well together, and I see that as an opportunity for some savings.

Projects for next year. We are looking to improve our central communication. Our telephone system is becoming somewhat antiquated. It was first installed in 1990. It has been upgraded on several occasions but is becoming unreliable. The technology is dated. It does not offer some of the features that are industry standard, and we see some opportunities for improvement. Fuel, like every other homeowner or business, we are experiencing that increase. Our budget reflects that, although I found out just today that we could be expecting a dramatic increase in the cost of electricity.

Capital outlay. I would like to replace a four-wheel drive vehicle for the fire chief, and I would like to purchase another four-wheel drive vehicle for our police. We have included money for the continuing improvements to the hook and ladder building. I would like to talk about that during the budget process. We have made some improvements to the building. Much more is required, but I think the day when that building can continue to serve as an effective fire station may be nearing its end.

Finally, the budget includes some additional money for our police department. The police department is aggressively working on accreditation. This designation will standardize operations; all calls for service will be raised to a level of professionalism. Short-term, this will yield benefits in terms of customer satisfaction; reduce police liability insurance; offer prestige both for the men and women of the department and for the Village. Although there are some short-term costs associated with training and filling shifts, this will give us an opportunity long-term for some real savings.

The budget does not contain any special projects. My focus over the next several years will focus our efforts and energies on projects that are already underway. These include Kinnally Cove, the Community Center construction, work at Sugar Pond, sidewalk installation and repair, Boulanger Plaza parking lot, the quarry adapted for use, storm water management,

community development block grant administration, and monitoring the cleanup of the waterfront. I think we have plenty on our plates. We should focus on what we have already begun and try to complete those during at least the next 12 months.

Debt service is up as a percentage. That reflects the fact that the Trustees have merged several of our short-term bond anticipation notes into permanent financing. That has resulted in savings in debt, but it has increased our debt nonetheless. We do still have one piece of that puzzle yet to borrow, about two million dollars for the remaining portion of the Community Center. My advice would be that we would continue to pay down our debt, let it level off, and until we see some increases in other sources of revenue, just hold the line on the amount of money that we need to borrow to make the operation grow.

Other funds. The cost to operate the community pool will go down slightly next year. This is a one-time change. We went from the bond anticipation notes to permanent financing, and that resulted in a slight savings. We have some suggestions as to how we can further reduce the deficit that the pool has rung up over the past several years. While the recreation commission is not inclined to support my recommendation that we sell outside memberships to residents who live beyond the borders of the Village, that may be one way to help reduce this deficit. The library fund is up slightly. There is no change in Draper Park.

I would like to thank all the department heads and the employees who helped me dramatically in putting together this budget. It was my first one. I asked a lot of what probably seemed like obvious questions. But they all were very patient with me, and I appreciate their professionalism and the help that they provided me in the development of the budget. I look forward to the work sessions that we will be holding over the next several weeks. I anticipate going over the budget line by line, answering all the questions that the Trustees and the community have, and I look forward to that opportunity.

Mayor Kinnally: Thank you, Fran, for that presentation. I encourage people to go on our web site to review the proposal. The Board will have work sessions to go through a number of items. Those work sessions are quite productive in going through the underlying material that went into the preparation of the budget, and asking questions about the operations and any changes that are either proposed or were proposed and were rejected.

My hat is off to you and the staff for coming up with this budget. People think we just plug in numbers and put a percentage on last year's budget, and there you have it. But it is certainly more comprehensive than that. The way that we have been going about budgeting here over the last 20 years reflects that a lot of work and a lot of questioning, a lot of justification, goes into the numbers that finally hit the page and then are scrutinized by the

Village Board and by the community. I invite the people in the community to come to the work sessions and get a better idea of how the Village operates, or does not operate, or should operate in a better fashion. It is an ongoing educational and informative process for the Village and for the Board.

APPROVAL OF WARRANTS

On MOTION of Trustee Apel, SECONDED by Trustee Jennings with a voice vote of all in favor, the following Warrant was approved:

Multi-Fund No. 59-2005-06 \$ 91,066.53

27:06 LOCAL LAW NO. 1 OF 2006 - SENIOR CITIZEN/DISABLED RENT INCREASE EXEMPTION

Mayor Kinnally: This has been the subject of a number of hearings and presentations by our senior advocate. Questions were asked by the Board and the public of the thresholds, both for senior citizens and disabled persons, and questions were raised about the potential exposure and expense that would be assumed by the Village for this program. Those questions were answered to the satisfaction of the Board.

Trustee Swiderski asked me to read a statement. He cannot vote tonight because he is not here; however, he asked me to say:

“The most vulnerable of our senior citizens face financial challenges that always seem to be increasing. The senior citizen rent increase exemption rule is a small effort on the Village’s part that seeks to ease their burden and keep them a part of our community. I am sorry that I am unable to be here tonight to vote enthusiastically for this measure.”

Village Manager Frobel: I have had conversations on the county level and with the City of Yonkers. There is not a lot of data yet on the program for the disabled. It is something brand-new. If you adopt it tonight, Hastings will be the second community in Westchester County to adopt it; Yonkers is the other one. The fellow in Yonkers indicated that the turnout has not been that dramatic. They have not had a lot of people come forward, so they do not have the data yet to compare.

On MOTION of Trustee Apel, SECONDED by Trustee Jennings the following Resolution was duly adopted upon roll call vote:

RESOLVED: that the Mayor and Board of Trustees hereby adopt Local Law No.1 of 2006 amending Chapter 260 of The Code of the Village of Hastings-on-Hudson by adding Article VII- “Tax Abatement for Rent Controlled and Rent Regulated Property Occupied by Senior Citizens or Persons with Disabilities” providing a tax abatement pursuant to Section 467-b of the Real Property Tax Law for rent controlled and rent regulated properties occupied by senior citizens or disabled persons.

BE IT ENACTED by the Board of Trustees of the Village of Hastings-on-Hudson as follows:

ARTICLE VII

Section 1. As used in this article the following terms shall have the meanings indicated:

DISABLED PERSON- A person currently receiving Social Security Disability Insurance [SSDI] benefits, or disability pension or disability Compensation benefits provided by the United States Department of Veterans Affairs, or must be a person who previously received SSI or SSDI disability benefits and is currently receiving medical assistance Benefits based on a determination of disability pursuant to Social Services Law Section 366.

Section 2. The Village of Hastings-on-Hudson hereby adopts the provisions of Section 467-b, as amended, of the Real Property Tax Law of the State of New York. Hereinafter, there shall be provided a tax abatement in rent regulated apartments where the combined income of members of the household containing Senior Citizens (sixty-two years of age or older) or disabled persons does not exceed twenty four thousand dollars [\$24,000.00], and provided that, pursuant to Section 467-b of the Real Property Tax Law of the State of New York, the benefits of such abatement are passed on to such Senior Citizens.

Section 3. This Local Law shall become effective immediately upon filing in the Office of the Secretary of State.

ROLL CALL VOTE	AYE	NAY
Trustee Michael Holdstein		Absent
Trustee Bruce Jennings	X	
Trustee Marjorie Apel	X	
Trustee Peter Swiderski		Absent
Mayor Wm. Lee Kinnally, Jr.	X	

VILLAGE MANAGER'S REPORT

Village Manager Frobel: The spring/summer newsletter should be in all the residents' hands sometime early next week. It is at the printer and we expect to mail it the end of this week. Over 4,000 copies will be going out. If for some reason we miss anyone, please contact my office and I will make sure we send one out to you directly.

EXECUTIVE SESSION

Mayor Kinnally: Let me ask the Board for a motion for an executive session in connection with proposed litigation involving the Children's Village situation that has been in the newspapers. I have been in contact with the head of Children's Village, Dr. Jeremy Kohomban, and am hoping to meet with him sometime this week. He was quite gracious in chatting with me last week. One of the concerns that we discussed last week was not having much information about either the program or the effect that the program would have on the cottage within Hastings. The Village of Dobbs Ferry, the county, and Children's Village are involved in litigation. We did authorize the Village Attorney to proceed to intervene in that litigation. That has not been done as of yet because of conversations that I had with Dr. Kohomban and also a meeting that the Village Manager had with him last week. As I said, we were in the dark as to what was being proposed, and we thought the best thing would be to go right to the source. The conversations were fruitful, and we would like to meet with our counsel to get his advice as to what, if anything, we should do in the future on this.

On MOTION of Trustee Jennings, SECONDED by Trustee Apel with a voice vote of all in favor, the Board scheduled an Executive Session immediately following the recess of the Regular Meeting for advice of counsel in connection with proposed litigation involving Children's Village.

BOARD DISCUSSION AND COMMENTS

1. Update on the Waterfront

Dave Kalet, ARCO Project Site Manager: We get a lot of positive feedback from our work here. We appreciate it, and share that with our project team. It truly makes it a lot easier to do work in the community, and we all appreciate that.

As of Monday we began mobilizing to do another series of work as part of our design effort. We will be collecting soil samples, installing some monitoring wells to measure the water table, and some other monitoring equipment to measure tide effects at the site. This will be

the last piece of field work this spring, and will allow us to submit a 50% design document for consideration to the DEC and to the public for public comment. I believe August 3 is the target date.

We are also finalizing a comprehensive supplemental feasibility study on the river work. We did quite a bit of sampling last summer and fall and we are finishing up all that work. We have been working closely with the DEC to collect sufficient data so that we can collectively make an informed decision on selecting the best remedy for OU-2. It is my expectation that that report, which will be public and will be shared, will be out the first week of April.

From both those pieces of work we are expecting to have presentations and invite comment from the public. We truly need everyone's understanding of the data and support in terms of selecting the best remedy for the land portion as well as the river portion.

The third piece of which that we are working on, I think the timeline is going to be late April, is the architectural study. We are mixing both the architectural elements of studying the buildings that are there as well as some engineering input in terms of implementing a remedy on the project. Again, we intend to put that out and again invite comments from the public.

Finally, we have gotten very good response for our web site. We really appreciate comments, observations, whatever we have received. Some of them have been a little apologetic, and I want to encourage people not to be apologetic. I encourage my project team all the time to ask questions. It is our responsibility as a project team to answer all questions and get back to folks. In the end, it just helps everybody get common ground, common understanding. I encourage folks to keep those questions and comments coming.

Mayor Kinnally: I have raised with Dave the possibility of having a work session with the Board and the community where the various people who have interests in the waterfront could be there as a resource: ARCO, its engineers, the people from the buildings, the remediation experts, possibly attorneys, our environmental counsel, maybe even George Heitzman from the DEC. It might be a good opportunity for the community and for the Planning Board, the LWRP to get a comprehensive view of where things stand on the waterfront and get a better idea of what progress has been made, what frustrations have been experienced, and what we can anticipate in the next few years. When will your buildings report be available.

Mr. Kalet: In April. We have put the priority on some questions from the DEC regarding additional sediment studies. The same resources that were helping us on the sediment studies were also on the architectural work, so that delay caused that other delay.

Mayor Kinnally: Possibly sometime toward the middle of May we may have a window that

we might be able to do that. We will see what we can do about coordinating schedules.

RECESS

On MOTION of Trustee Apel, SECONDED by Trustee Jennings with a voice vote of all in favor, the Board recessed at 8:40 p.m., pending outcome of Village elections.

[Reconvene 9:55 p.m.]

28:06 CERTIFICATION OF ELECTION RESULTS

Mayor Kinnally: The Board is back in session following taking of the election results. Bruce Jennings has a total of 487 votes on the Republican line; on the Democratic line: Jeremiah Quinlan, 1,080 votes and Diggitt McLaughlin, 889 votes. On the 21st Century line: Bruce Jennings, 351 votes. Michael Holdstein, three write-in votes, and John Kocihan, one vote.

The totals are Bruce Jennings, 838; Jeremiah Quinlan, 1,080; Diggitt McLaughlin, 889. Total votes: 2,807.

On MOTION of Trustee Jennings, SECONDED by Trustee Holdstein the following Resolution was duly adopted upon roll call vote:

RESOLVED: that the Mayor and Board of Trustees hereby accept the Election Results and that Jeremiah Quinlan and Diggitt McLaughlin are declared Trustees for a term of two (2) official years each.

ROLL CALL VOTE	AYE	NAY
Trustee Michael Holdstein	X	
Trustee Bruce Jennings	X	
Trustee Marjorie Apel	X	
Trustee Peter Swiderski		Absent
Mayor Wm. Lee Kinnally, Jr.	X	

Mayor Kinnally: My congratulations to all for a spirited election, to all the candidates, and to all the supporters of the candidates. Democracy works, as does the Board of Trustees. My congratulations to the winners; my condolences to the winners because they, too, will be working.

Trustee Swiderski is in Brazil tonight on business, but he asked if I would read a statement:

“It is with great regret that I am unable to be here for Mike and Bruce’s last Board meeting. Public service is a blessing you have carried in good faith. I always appreciated your fierce advocacy for the Village, your time well spent, and the valuable perspective you brought to the Board. It has been an honor to work with both of you.”

I have worked for ten years with Michael and six years with Bruce. Spirited is an understatement at times. The preparation, the long hours, the thought, the dedication, the hard work, and the anxiety that goes into a lot of the decisions that are made on the Board of Trustees certainly was a hallmark of both of the outgoing Trustees. Bruce, Michael, thank you for all that you have done for me, for our Village, for the Board, and for both Fran and for Neil when he was here. I welcome the new Trustees. We will have our organizational meeting on April 4. Information will be given to you concerning the budget, etc. in the interim so you can be well versed in the arcane nature of our budget.

ADJOURNMENT

On MOTION of Trustee Holdstein, SECONDED by Trustee Jennings with a voice vote of all in favor, Mayor Kinnally adjourned the Regular Meeting at 10:00 p.m.