

VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK
BOARD OF TRUSTEES
SPECIAL MEETING
APRIL 26, 2005

A Special Meeting was held by the Board of Trustees on Tuesday, April 26, 2005 at 8:05 p.m. in the Meeting Room, Municipal Building, 7 Maple Avenue.

PRESENT: Mayor Wm. Lee Kinnally, Jr., Trustee Michael Holdstein, Trustee Bruce Jennings, Trustee Marjorie Apel, and Acting Village Manager/Clerk Susan Maggiotto.

ABSENT: Trustee Swiderski

CITIZENS: None

Mayor Kinnally: Trustee Swiderski is out of town on vacation this week.

49:05 ADOPTION OF BUDGET AND TAX RATE - FISCAL YEAR 2005 - 2006

Acting Village Manager Maggiotto: We started this budget process on March 1 and have spent the last two months reviewing the budget department by department. I want to thank the Trustees for all the time, effort and thought they put into it.

At the last meeting Trustee Holdstein mentioned a few areas that he had questions about, where perhaps we might be able to find some places to cut. It was a very lean budget and I did not give you much to work with, but I will discuss a couple of things you raised. You talked about the library, which had a \$34 or 35 thousand increase at about 5%. That budget pretty much follows the increases in our general fund budget. The library has to provide for the same kinds of increases that the general fund budget does—health benefits, retirement, Social Security are all built into the budget. Building overhead is in their budget. We share the fuel costs with the library because we are on the same heating system. We apportion \$20,000 in the general fund budget to Village Hall and \$15,000 to the library, so they pay a substantial portion for heat.

The difference between their budget and our general fund budget is, their personnel line includes salary increases. They added a few, but not many, hours for additional part-time help in the personnel line. The remaining increases were minimal increases in materials and services for patrons. So that is the budget as the Library Board of Trustees saw necessary to operate at the same, or possibly slightly better or increased, level of services for next year.

You mentioned technology. I think you were looking at the additional \$10,000 for personnel. As I mentioned to you when we were going through the budget initially and talking about the different departments, technology is a very broad umbrella. Under technology there is complete computer support for the whole Village from purchasing to maintenance to training, keeping us all up on the latest software, all the videotaping that we do here at all the meetings, the

maintenance of our web site, the network that Raf has built to connect all departments and buildings, communications, the phone system, the TV station, the radio station, and the e-mail list. We have also given that department the main responsibilities for production of the newsletter, since we have the newly-combined recreation and general news letter. The person who heads that department, and actually is the only employee in that department, also has the position of Deputy Village Treasurer and has a number of financial responsibilities, including the maintenance of all the software for the financial use of the Village.

All of those things are done by Raf with the assistance of part-time help. In this current budget we had \$10,000 for part-time assistants. What we were looking for was another \$10,000 so he could have a little more part-time help than he has. He also has some student volunteers, but students have a lot of other responsibilities. We are very grateful to have them, but we do not have nearly enough help. I considered that that was a tremendous load for one person to carry.

The third category that you had mentioned was contingency. I would be very uncomfortable if you took more out of contingency. We are negotiating two contracts, and the increases are going to come out of contingency. And, it *is* contingency. You cannot cut too close to the bone or you are just biting your fingernails all year hoping you get by. We need a little cushion.

Trustee Holdstein: What was the value you gave for reducing the budget by one point?

Acting Village Manager Maggiotto: It was \$60,000.

Trustee Holdstein: I had set my own goal even before reviewing the budget to see if there was \$60 to \$130 thousand to reduce the increase by a point or two. When I raised these issues last week they were the only three that I could find within the outstanding job you did of working a very lean budget. My response to your notation about the library is I certainly do not want to limit a resource that continues to grow in the Village, but in an attempt to control our budget, whether the extra hours or staffing could have been reduced. The issues of technology staffing are certainly with a recognition that Raf does a tremendous job and a tremendous amount of work but, again, could have sufficed for another year.

The net/net is that even with all of that it was well short of even \$60,000. To find \$2,000 in technology and \$5,000 in library and zero in contingency does not serve the Village's interest, as much as I want to try to save every penny that we can. My goal was tough to meet because there was not a lot that I felt merited trimming. Based on your explanation, I cannot see where we are going to have a major impact in trying to get this budget any lower with the three areas that I had isolated.

Trustee Apel: I want to thank you for doing a good job and working with the staff to come up with this budget. Unfortunately, we are always at the mercy of outside costs that we have no control over, and they continue to rise and we still have to fund them. The staff has to be commended for cutting back, and I understand how they may feel. But I think that it is a good budget and that we should work within it. We should pass it.

Trustee Jennings: Let me add my word of thanks to Susan and the staff, and to Neil and everyone who worked on preparing this budget. It is always a complicated document, and as we go through it virtually line by line some things become clearer. What became clearer again this year is that the tax increase we need to get the revenue that we need for the Village is not a product of increased programming, increased services, wasteful spending, any of those things. It is a product of prudence. It is a product of adding to our contingency so that we do not get caught in a bad situation. It is product of necessary things we have no control over, employee benefits and retirement contributions and insurance premiums, fuel costs, utility costs. Anybody who goes to the gas station tomorrow will know what I am talking about.

It is also, unhappily, a product of the fact that in order to generate the necessary income, we had to come up with a certain tax rate because our tax base is what it is and has been shrinking. In order to have a lower tax rate and still get the revenue we need to maintain the quality of services and the quality of life in the Village, we need to increase our tax base. It is a responsible, prudent budget. There are some things we cannot control. There are other things, like the tax base, that we need to work on next year in order to stay ahead of this.

Mayor Kinnally: When we were preparing for the budget, Neil had said he would like Susan to work on the budget. This was to be Neil's last budget because of his retirement, but it turned out to be Susan's first budget. Neil worked closely with her in reviewing it prior to his taking leave. I spoke with him today. He is quite pleased with the budget and believes that the Village is fiscally sound because of the proposed budget. Although the Manager agrees with the Board that he would like to have as low a tax rate as possible, as Michael said, there comes a point that you can look good, and be fiscally imprudent. He said that it is the right thing to do to pass this budget. He joins with the other members of the board in congratulating Susan on a job well done under difficult and trying circumstances.

We would like to see numbers go down, but there is a certain expectation of quality of lifestyle and delivery of services in this village. We strive to do three things here: keep the tax rate as low as possible, keep the type of services we are used to, and improve those services. With this budget and with the approach we have taken to both appropriations and revenues we can do so comfortably without having to, as Susan said, cut things too closely or be hanging by our fingernails every day during the year. I would recommend it, and I will ask if there is any public comment on this.

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

RESOLVED: that the Mayor and Board of Trustees adopt the 2005 - 2006 Village Budget as follows:

APPROPRIATIONS

General Fund	\$10,605,334
Pool Fund	291,823
Library Fund	694,708
Draper Fund	<u>31,000</u>
	\$11,622,865

REVENUES

Property Tax	\$7,363,414
State Aid	496,400
Sales Tax	940,000
Re-Appropriated Surplus	347,798
Other	<u>2,475,253</u>
	\$11,622,865

And be it further

RESOLVED: that the property tax rate be established at \$172.62 per thousand of assessed valuation.

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	

DISCUSSION - Boulanger Plaza Phase II

Mayor Kinnally: The next item on the agenda was a discussion of Boulanger Phase II. We are not going to have that discussion this evening because Christina Griffin is considering some changes and modifications to the plan and some funding variations. I am sorry if anyone came out tonight in anticipation of that discussion, but we are not going to have it this evening.

ADJOURNMENT

On MOTION of Trustee Apel, SECONDED by Trustee Jennings with a voice vote of all in favor, Mayor Kinnally adjourned the Special Meeting at 8:20 p.m.