

Minutes of the Meeting of the Budget Committee – Village of Mamaroneck

June 17, 2014

In Attendance: Dan Margoshes, Chair; Douglas Dunaway; Manny Enes; Dan Karson; Steve Koller; Stefanie Lividini; . Ex Officio: Andres Bermudez. Attending: Daniel Sarnoff – Assistant Village Manager

The meeting was called to order at 7:35 PM. The chair noted the presence of a quorum of members.

1. Minutes of the Meeting of May 20, 2014.

The minutes of the meeting of May 20 were approved upon motion, seconding and vote.

2. Government Accounting Standards Board Statement 45 (GASB 45)

From Wikipedia:

GASB 45, or GASB Statement 45, is an [accounting](#) and [financial reporting](#) provision requiring [government](#) employers to measure and report the [liabilities](#) associated with other (than pension) postemployment benefits (or [OPEB](#)). Reported OPEBs may include post-retirement medical, pharmacy, dental, vision, life, long-term disability and long-term care benefits that are not associated with a pension plan. Government employers required to comply with GASB 45 include all states, towns, education boards, water districts, mosquito districts, public schools and all other government entities that offer OPEB and report under GASB.

GASB 45 was instigated by the [Governmental Accounting Standards Board](#) (GASB) in July 2004 because of the growing concern over the potential magnitude of government employer obligations for post-employment benefits. GASB 45 will:

Recognize the cost of OPEB benefits in the period when services are received.

Provide information about the actuarial liabilities for the promised benefits.

Provide information useful in assessing potential demands on future [cash flows](#).

GASB 45 applies to the [financial statements](#) issued by government employers that offer OPEB and that are subject to GASB accounting standards. GASB 45 does not apply to private employers or trusts that are established in order to pre-fund OPEB benefits and for trusts that are used as conduits to pay OPEB benefits.

The Committee discussed the village's obligations to employees which are governed in part by GASB 45. Mr. Margoshes said that the May 23 evaluation of the village's obligations are on the village website. It shows the actuarial liabilities.

The liabilities were \$62 million last year and will be \$66 million this year. The village has been reducing head count. Liabilities are subject to labor contract provisions. Under state law the payments are funded on a pay as go basis. The village cannot establish reserves for the payments. The state Controller has recommended the enactment of a statute to allow local government to set aside money for the payments. The Controller's office determines what the local government contributions must be annually. The village's contribution must now be 18% of salaries. New York State uses a 5 year period to determine the village's contribution.

Mr. Bermudez said that the village trustees voted to ask the Assemblyman Steve Otis and Senator George Latimer who represent Mamaroneck for their views, but a motion to then write a proposal on the subject failed by a vote of 2-2. Trustee Potok is expected to resubmit the motion.

Mr. Dunaway recommended that the village approach other local governments to see if they would join Mamaroneck in this effort.

Mr. Margoshes said that if the village reserved and invested moneys, legal restrictions could require the village to keep the money in very low interest bearing accounts. He said that it might be better to give the money to the state to manage, because the state has more leeway in its investment options.

Mr. Sarnoff said that in the event the village obtained local control of the money, it would have to raise \$68 million in "catch-up" funds.

Mr. Sarnoff said that there currently are 128 ex-employees in the plan and that 35 ex-employees are Medicare eligible. Mr. Sarnoff said that the cost to the village is \$104 per month per retiree. The sum amounts to \$2 million per year in payments for retirees. Mr. Bermudez said that 57 of the former employees get Medicare reimbursement. The rest get other benefits.

Mr. Margoshes asked the committee if there was interest in a resolution on the subject. Ms. Lividini asked if there was a cost associated with the issue if it were approved. Mr. Sarnoff stated that the cost incurred to date was just staff time now, and that currently no mechanism allows the village to take any action on the issue, that there is no fund to set it up. As a government, the village cannot budget a surplus.

Mr. Margoshes recommended that the committee encourage the state legislature to address the issue, and recommend that the trustees pursue it.

Mr. Sarnoff said that he would inquire if the New York Conference of Mayors has any position papers on the subject. He added that there are several state organizations of towns, counties and clerks.

Mr. Bermudez said that he would bring the issue up again at the trustee's meeting.

Mr. Margoshes made a motion that the committee recommend that the trustees ask the state legislature to enable villages to address this issue. The motion was seconded and approved by vote of the committee. Mr. Margoshes said that he would invite Trustee Potok to the next committee meeting to discuss the issue.

Following the meeting, Mr. Sarnoff supplied by email links to the reports, information he brought to the meeting:

New York State Office of the Comptroller FAQ on GASB 45
<http://www.osc.state.ny.us/localgov/pubs/opeb45faqs.htm>

United States Government Accountability Office Report on OPEB – November 2009
<http://www.gao.gov/assets/300/299073.pdf>

Village of Mamaroneck – Financial Information (scroll to the bottom of the page for the reports)
http://www.village.mamaroneck.ny.us/pages/mamaroneckny_clerk/Financial%20Information

3. Parking Study.

The committee next discussed the parking study performed by Walker Parking Consultants. The cost of the study was \$40,000. Mr. Sarnoff said that Walker will look at 2 sites behind CVS on Mamaroneck Avenue and the Spencer lots to assess acceptable sites to expand parking.

Mr. Sarnoff said that he has met with the manufacturers of multi-space parking meters. He wants to incorporate solar or battery powered options in the meters purchased, and to enable the meters to communicate with the handheld devices carried by parking enforcement agents. He said that there are 3 to 4 quality meter vendors.

Mr. Dunaway said that the Port Chester meters enable payment by phone. Mr. Sarnoff said that the plan is to work up a draft RFP by next week. He noted that the programming ability on meters is very advanced now.

Mr. Margoshes asked the status of the village trustees' action on the Walker recommendations. Mr. Bermudez said that the board has not reached the subject yet due to other business priorities.

Mr. Sarnoff said that changing the hours of meter operation requires agreement with the union because the meter hours of operation are specified in the enforcement agents' contract.

Mr. Sarnoff said that meters are intended to encourage turnover and that after 6 PM, the current code and hours of enforcement effectively assign less importance to dinner time parking.

Mr. Enes said that store employees and residents are parking at meters near the expiration time at the end of the day, putting a quarter in the meter and in effect parking for the night. That's why it makes sense, he said, to extend hours so dinner parkers can get a place to park.

Mr. Margoshes asked Mr. Sarnoff what the plan was to move forward and implement. Mr. Sarnoff replied that the village would work on the meters and the signage first. Enforcement will be a policy issue as to hours and zoning. He added that the village parking code is "a mess", with 26 separate meter zones.

Mr. Margoshes asked what urgency is being given to the parking issue. Mr. Sarnoff replied that there were some 80 separate issues now being addressed. Mr. Margoshes asked how the village would prioritize.

Mr. Karson asked whether the village made money from permit parking. Mr. Sarnoff replied that the village earns \$200,000 from parking.

Mr. Karson made a motion for a resolution to ask the village trustees to make the parking issue a priority. The committee voted in favor of the resolution without opposition.

Mr. Bermudez suggested that the village compose a list of priorities. Mr. Margoshes asked if there was a resource that can help the village take action on important issues in order to relieve pressure on other items, perhaps by retaining a consultant. Mr. Sarnoff asked that a list first be composed. He stated that changing the parking code was a priority.

Further Items

Village Hall: Mr. Bermudez said that the trustees approved the expenditure of additional money to oversee architectural work at village hall, specifically in the police department section. He further reported that the air conditioning was working.

Taxation: Mr. Bermudez reported that regarding the matter of combining the tax rolls of Mamaroneck and Rye, there is an open question as to the manner in which property taxes will be assessed. The question concerns whether condominiums will be taxed on their full value or their homestead value. Mamaroneck taxes property at full value. Rye taxes at homestead value. The Mamaroneck River is the dividing line. Mr. Sarnoff said that both are assessed at full value, but in Rye there is a distinction relating to the percentages of a building that is both residential and commercial. In Mamaroneck there is no distinction. The question will be put to the village attorney.

Other:

Mr. Sarnoff reported that the village is replacing the windows on 169 Mt. Pleasant Avenue.

Mr. Bermudez reported that the CSEA contract was approved

Mr. Sarnoff reported that there will be a new booth at the entrance to Harbor Island. He further said that a fence at Harbor Island Beach will be installed in 3 to 6 weeks. The village is considering a public garden at a village park for locally grown produce for restaurants.

Mr. Sarnoff reported that there will be a new playground built at Florence Park. It will have a poured rubber base.

Bridges: Mr. Sarnoff reported that at the Jefferson Avenue Bridge the village had restored a new water line. Work is ongoing on the sidewalks and curbs. The hope is for completion of the project in 4 to 6 weeks.

Mr. Sarnoff reported that at the Barry Avenue Bridge, Metro North will issue an RFP for detailed design. In the Fall of 2014 the job will go to bid, and start in 2015. In the first 6 months Metro North will have to build new catenary wires. The bridge will be shut in 2015. Work will be ongoing for 18 - 24 months, and reopen in March 2017. Pedestrian access will continue. A detour plan will be in effect through West Street in Harrison. The new bridge will have capacity for 80 tons. Mr. Sarnoff said that the village has made the MTA aware of problems with the other bridges.

Flood Insurance: Mr. Sarnoff reported on the CRS rating community rating system. The system rates localities on a Class 1 – 10 basis. If a locality's rating goes up its residents qualify for lower insurance premiums. Mamaroneck received confirmation from the ISO - Insurance Service Organization - of a higher rating. Residents with flood insurance will now get a 10% reduction in rates, as will the village itself.

The meeting was adjourned at 9:00 PM

Dan Karson - Secretary