

MEETING HELD APRIL 27, 2011

A meeting of the Board of Trustees of the Village of Port Chester, New York, was held on Wednesday, April 27, 2011 at 6:00 P.M., in the Village Senior/Community Center, at 220 Grace Church Street, Port Chester, New York, with Mayor Dennis Pilla presiding.

Present in addition to Mayor Pilla, were Trustees Dan Brakewood, Bart Didden and Luis Marino.

It should be noted that Trustee John Branca arrived at 7:07 p.m., Trustee Terenzi arrived at 7:10 p.m. and Trustee Joseph Kenner was absent.

Also present were Village Clerk, Joan Mancuso; Village Manager, Christopher Russo; Village Treasurer, Leonie Douglas; Village Attorney, Anthony Cerreto and Assistant to the Village Manager, Elisa Sciarabba.

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On motion of Trustee Didden, seconded by Trustee Marino, the meeting was declared open at 7:02 p.m.

ROLL CALL

AYES: Trustees Brakewood, Didden, Marino and Mayor Pilla
NOES: None
ABSENT: Trustees Terenzi, Branca and Kenner

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The Board held a budget work session with Robin Lettieri, Director of the Port Chester-Rye Brook Library and the following members of the Library Board, President Roger Herman, Vice-President Del Hernandez and member Dr. Sam Acerbo.

Mayor Pilla said that the Library's budget request remain flat from last year. He spoke about the Village's obligation regarding the Library's capital budget.

Ms. Lettieri provided the Board with a line by line budget sheet and that the Library Board is requesting a \$37,512 increase from last year. She said that this increase is due largely to retirement and health costs but also includes increases for salaries, materials and programs and a decrease in the technology line. Ms. Lettieri said that the Port Chester-Rye Brook Public Library is the 6th largest in the County and has twelve full-time and seventeen part-time employees. She spoke about the 1.6 million infrastructure improvements that took place in 2008 and that this year the Library has begun a 1 million improvement project which includes the installation of an elevator and doubling the size of the children room. Ms. Lettieri stated again the bulk of the proposed increase is due to retirement and health increases with a 2% salary increase for staff. She said that if the increase is not granted will have to reduce in other ways with programs and materials.

Trustee Brakewood asked Ms. Lettieri is she could speak about the salaries of our Library's employees compared to other libraries.

Ms. Lettieri said that other libraries are required to have union employees (CSEA) that by contract receive increases and cost of living increases but our library does not have CSEA.

Trustee Brakewood stated that the Village of Rye Brook is leaving the library budget flat with no increase. He asked if the payroll tax increase is because of the proposed raises.

Ms. Lettieri said that yes the payroll tax increase is tied to the raises.

Trustee Brakewood asked if the capital improvement project is included in the budget.

Ms. Lettieri and the Library Board President, Roger Herman spoke about the endowment funds for the Library which is now a little less than 1 million total and that they would like to keep this at 1 million. They said that the endowment fund is used for capital projects and not operating. The Board discussed the endowment funds further with Ms. Lettieri and Mr. Herman and they said that these funds are not restrictive that the Library Board decides.

Trustee Terenzi asked Ms. Lettieri about Library Districts.

Ms. Lettieri said that our Library had looked at being a district a few years ago which was considered then but in this economic climate the budgets for Library Districts are not passing.

Mayor Pilla asked if we could do an inter-municipal agreement for services such as snow plowing and telephone services. He said that the Library had checked with Cablevision for phone service and they required 50 phones which the Library does not have.

The Village Manager, Christopher Russo and Ms. Lettieri spoke on these items.

Mr. Russo noted that the Library employees are under our health insurance plan which they reimburse back and the Power Authority. He said that we may be able to charge back the Village of Rye Brook a percentage of these costs.

Mayor Pilla spoke about technology and asked if the Library could use more computers.

There was a brief discussion regarding technology and even though the Library has computers and even offers computer classes there is a good portion of patrons who would never use this technology.

Library Board Vice-President, Del Hernandez spoke about the effect that a district would have on staff. He said that library district employees have certain titles and can only do work within that title whereas our Library employees are cross trained and could be used in different capacities. Mr. Hernandez said that this provides flexibility of coverage.

Ms. Lettieri spoke further on this topic.

The Mayor asked Mr. Russo to follow up on share services and that the Village Treasurer, Leonie Douglas, provide the library contributions for the last five years.

Trustee Brakewood stated again that the Village of Rye Brook budget for the Library is flat and asked the percentages that each Village pays toward the Library budget.

Ms. Lettieri said that the percentages are 35% by Rye Brook and 65% by Port Chester.

Trustee Brakewood asked if we fill the increase does Rye Brook have to bring up their amount to make their percentage.

The Village Attorney, Anthony Cerreto said that the inter-municipal agreement with Rye Brook states that we can not bind them.

Trustee Brakewood spoke about the process done by the Library with the endowment improvements and the current improvements. He said that this is a major institution in the Village and provides wonderful services to the community.

Trustee Didden suggested that the Library review their telephone bills so that they are not paying certain fees since they are a government entity.

Mayor Pilla said that there needs to be creative solutions with these dialogues and mentioned a coffee shop idea similar to what you see at book stores.

Library member Dr. Sam Acerbo said that the Library Board has not had the opportunity to raise funds.

Ms. Lettieri spoke about the Friends of the Library and how hard they work but do not get funding in this economy. She said that we have received grant funding through the work by staff.

Trustee Brakewood spoke further about districts noting that even if the budget does not pass they have last year's budget which is what is happening now and that a district can also bond.

Mayor Pilla spoke about the proposed 2% tax cap by the State and if they carve them out they may be better off.

Ms. Lettieri thanked the Board for their comments.

The Board thanked Ms. Lettieri and the Library Board members for their time to review this budget.

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The Board then held a budget work session with Mitchell Markowitz, the Rye Town Assessor regarding property assessments and certioraris.

Mayor Pilla said that the biggest complaint that he receives from property owners is that their assessments are too high.

Mr. Markowitz spoke about recent history of the real estate market change that prior to summer 2008 the market was going up rapidly and since then it has rapidly gone down. He said that the assessment for 2008-2009 had an approximate decrease of between 2 to 3 %, that the 2009-2010 assessment decreased approximately 9+% and for 2010-2011 the assessments decrease will be between mid to low single digits. Mr. Markowitz spoke about the press reporting that a wide variety of real estate markets have experienced noting that this region has not seen the decline that other areas of the county have experienced.

The Mayor spoke about an article in the Wall Street Journal that highlighted Port Chester as a place to live stating that the medium home prices here is \$365,000.00.

Trustee Brakewood asked how many years since the Town went to revaluation and how often is there a review of the property assessments.

Mr. Markowitz said that revaluation has been since 2004 and it is reviewed annually.

Trustee Brakewood asked how difficult is it to determine assessable and what is Mr. Markowitz's feeling on the assessable.

Mr. Markowitz spoke about the IAAD standard which is plus or minus 15%. He said as the Assessor he has to determine the value one day of the year. There was a continued discussion regarding the ups and downs of the market and the assessment process.

Trustee Terenzi asked Mr. Markowitz that prior to revaluation would he see this great change in the assessable.

Mr. Markowitz said that prior there was no great swing but there are impacts of doing nothing especially with certioraris.

Trustee Terenzi said that revaluation is full market which helps with certioraris but that takes lots of years. He asked about new developments and new additions to homes/building and could Mr. Markowitz provide the Board with information on that.

Mr. Markowitz spoke about the impacts of new development and new/additional construction to properties. There was further discussion about new developments.

The Mayor spoke about the Assessment Board of Review (BAR) which he had served on and understands the process and the work that the BAR does. He asked Mr. Markowitz to briefly explain this process.

Mr. Markowitz explained that we look at the SAR litigation and the process. He said that the only towns that did not rise to 3 digits but only 2 were the Town of Rye and the Town of Pelham which are full market towns.

Trustee Branca asked what is the number of taxable properties in the Village?

Mr. Markowitz said that there are 5,500 properties.

Trustee Branca asked how many properties in Port Chester because of the assessment that their taxes would go up be even or have a zero tax rate.

Mr. Markowitz told Mr. Branca that he does not have those figures at this time. There was further discussion on this topic.

The Mayor asked Mr. Markowitz if taxpayers are growing in the Village.

Mr. Markowitz said that the number of taxpayers are not growing that it is very slow growth.

Trustee Didden asked if homestead payers benefit with new development.

Mr. Markowitz said yes they do and further explained.

Trustee Branca said that based on the numbers that we would receive the same number of tax dollars if 0% tax rate regardless of swing.

Mr. Markowitz said that the amount received is what is levied by the Village that they collect what you tell us. There was further discussion about taxable.

Trustee Brakewood said that he would like a table of the 5,500 properties with two columns showing commercial and residential with the growth or decline of each and why.

Mr. Markowitz said that he could bring in the current vendor of the Town to fully explain.

Trustee Brakewood said that before the revaluation essentially nothing done and now we do review every twelve months and believes that this frequency is too often. He said that this could cause to be by a margin of error and should be looking at a 5 year average period instead of annually.

Mr. Markowitz said what Trustee Brakewood is describing is similar to what they do in Connecticut which is every four years. He said that is not New York State Law. Mr. Markowitz spoke about the equalization law in New York State and the effect of this law.

Trustee Branca said that he wants a list of the taxable properties that went up and went down.

The Mayor noted that the BAR deals with residential property, certioraris deal with commercial property and asked about the high probable cases.

Mr. Cerreto said that all certioraris are litigation and should be discussed in executive session.

At 8:06 p.m., on motion of Trustee Didden, seconded by Trustee Marino, the Board of Trustees adjourned to an executive session for consultation with the Town Assessor, the Village Attorney, the Village Manager and the Village Treasurer regarding strategy in reference to litigation for certioraris cases.

ROLL CALL

AYES: Trustees Brakewood, Terenzi, Didden, Branca, Marino and Mayor Pilla
NOES None
ABSENT: Trustee Kenner

No action was taken in executive session.

At 8:32 p.m., on motion of Trustee Didden, seconded by Trustee Marino, the executive session was closed and the public portion of the meeting was re-opened.

ROLL CALL

AYES: Trustees Brakewood, Terenzi, Didden, Branca, Marino and Mayor Pilla
NOES None
ABSENT: Trustee Kenner

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The Board then met with Leonie Douglas, the Village Treasurer regarding the Finance Office budget.

Mayor Pilla noted that this budget is down \$50,000.00

Ms. Douglas said that there is a decrease with the change in the auditors, that there is a small drop for computer services and the budget for the retirement of one employee.

Trustee Didden asked why this department has overtime.

Ms. Douglas explained the use of overtime which is a small amount that was required because of deadlines including the sidewalk betterment program and change over of personnel. She said that the Finance Office has been going through adjustments because of personnel changes.

The Mayor said that they were required to use overtime because of having less personnel.

Trustee Brakewood asked about APS support and if that includes licensing fees and support desk.

Ms. Douglas said that KVS is the financial system that is used by the Village and that this line is also used for any type of software program that needs to be purchased for internet and computer.

Mayor Pilla asked if the Municipality Program cost is included in this line.

Ms. Douglas said that the cost for Municipality was funded in the Capital Budget the services for this program are included in the 1st year which covers this budget but the next year it will be required in the code or tech lines.

Trustee Brakewood asked how many user licenses do we have for the KVS finance system.

Ms. Douglas said eight or nine.

Trustee Terenzi asked what other departments have access.

Ms. Douglas said that all departments have limited access and that the Police Department and Department of Public Works have full access.

Trustee Didden asked if there is audit review for these departments.

Ms. Douglas said that yes there is.

Trustee Didden noted that the Treasurer provided the Board with a comparison report and what was the timeframe of this report.

Ms. Douglas said that it is current as of today.

Trustee Terenzi asked Ms. Douglas how many purchase orders are processed.

Ms. Douglas spoke about these orders. There was further discussion between Trustee Terenzi, Ms. Douglas and Mr. Russo explaining the voucher process and that bills are paid twice a month.

Trustee Terenzi asked about the bank reconciliations.

Ms. Douglas said that since the retirement of the Deputy Treasurer everyone in the office has been pitching in with these reconciliations.

The Mayor asked if the Deputy Treasurer position is in the proposed budget.

Ms. Douglas said that yes this position is.

Mayor Pilla asked if there is anything else that Ms. Douglas needs for the Finance Office.

Ms. Douglas said no nothing else just what has been requested.

Trustee Branca asked Ms. Douglas about the bond anticipation note (BAN) cost.

Ms. Douglas explained the cost for the BAN.

Trustee Didden asked for a comparable report for the 1st meeting of each month.

Ms. Douglas spoke about the report.

Trustee Didden said that he is concerned with the expenditures and overtime. There was further discussion regarding this reporting and how payroll and overtime is reviewed.

Ms. Douglas said that payroll is managed by each department.

Trustee Didden asked if the Finance Office let departments know if they are over.

Ms. Douglas said that yes departments are notified.

Trustee Marino asked about the salary that is other pay and what does this consist of.

Ms. Douglas said that there are other items in this category including vacation buy back, longevity and school training.

Trustee Brakewood said that there is \$40,000 for the KVS system and other support and \$17,000 for computer services. He asked for more information on the computer service line.

Ms. Douglas said that the computer service line of \$17,000 is the contractual line for the company that provides computer support for all of the Village's computers not just Finance.

Trustee Brakewood inquired if the computer technology lines of \$35,000 if the consultant is not paid out of these. He said that we are spending quite a bit on IT and not getting everything we need.

Mr. Russo said that we were seeking to hire someone for in-house but have not been successful to fill this position for all our system needs.

There was a brief discussion regarding the telephone costs which are for all the Village phones including police and fire.

Trustee Brakewood spoke about the Village website which has limited access to on-line forms. He encouraged staff to be able to process access that way.

Ms. Russo told Trustee Brakewood that we are not there yet regarding on line forms.

Trustee Didden spoke about the personnel services to keep systems going and is interested in what the Village is spending and he could provide a comparison of his costs for his business.

Ms. Douglas and Ms. Russo said that they can provide that number.

Trustee Branca asked about the vacation buyout and the use of this option.

Ms. Douglas said that the police take the most advantage of this option and then management personnel.

Trustee Branca asked for the figures on the vacation buy out.

Mayor Pilla and the Board thanked Ms. Douglas and Ms. Russo for the review of the Finance Office Budget.

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The Board then reviewed the revenue budget with Ms. Douglas and Mr. Russo.

Mayor Pilla gave an overview of the increases and decreases to the revenue lines.

Ms. Douglas said that they would be recommending an increase of the sale tax revenue line for an additional \$250,000 because she has received the current receipt for these taxes. There was a further brief discussion about the increase of the sales tax revenue which was positive from staff and the Board.

Trustee Terenzi spoke about the Sidewalk Betterment revenue stating that the money has been spent and this funding was borrowed but is going in as revenue and questioned why not to debt services.

Ms. Douglas said that the prior auditor directed that all debt service be paid out of the General Fund and reserved to debt. There was further discussion on this topic.

Trustee Branca said that the anticipated revenues especially for building permits have stayed flat. He said that there are major projects in the works so why have these lines stayed flat noting that there will be needs for plumbing and electrically permits.

Mr. Russo said that the bulk of the permit payments for these new projects have been collected this year.

Trustee Branca said that he believes that these permits have to file with our Building Department.

Mr. Russo said that he will review this with the Building Department.

Trustee Brakewood asked about the large amount over budget on this year's revenue for building permits.

Mr. Russo said that was the revenue received for the Mariner project that has begun.

Mayor Pilla said that we have been conservative with revenue and should keep in that pace.

Ms. Douglas spoke about deficits and the effects of not realizing revenues and expenditures.

Trustee Branca said that when projects are in the works we need to realize these permits and their revenue.

Trustee Brakewood asked about the fines/fees and forfeiture bail and inquired if the Board did not pass increases on this revenue. The Board further discussed this topic.

The Board continued to discuss the revenue review for the tentative budget and requested an average over the last three years.

Trustee Brakewood inquired what the amount to be used from the fund balance. Ms. Douglas said that it is \$750,000.

Trustee Brakewood said that didn't we appropriate \$650,000 from fund balance last year.

Ms. Douglas said that we did but did not use the \$650,000 last year so it was rolled back.

Ms. Russo said that it is an educated guess that we will need this amount of fund balance for this year. The Board further discussed the fund balance and the proposed State tax cap with Mr. Russo and Ms. Douglas.

Ms. Douglas told the Board that whatever they set for the tax levy this year will be the bases for the 2% tax cap next year.

The Mayor asked Mr. Russo and Ms. Douglas for the one time changes.

Mr. Russo spoke about the one time expenses and said that the estimate will bring the fund balance to 3.6 million.

Mayor Pilla asked the Board if they would reconsider the Department of Justice appeal. There was no further discussion on this subject.

The Mayor and Board thanked Ms. Douglas and Mr. Russo for reviewing the budget revenues.

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The Board then met with Christopher Russo, the Village Manager on the budget for the Manager's office.

Mr. Russo said that he has cut his staff in half with the elimination of one office staff (secretary) and the human resources position.

Trustee Brakewood asked Mr. Russo what he would be doing with the human resources duties.

Mr. Russo said that he would be distributing resources for the workers compensation to each department and his office along with Finance would be responsible for the rest of the human resources duties.

Trustee Didden asked about the seasonal personnel line for the Manager's office and what that consisted of.

Mr. Russo said that there is currently a temporary employee providing secretarial services for his office which amount will not be there anymore. He said that if the Board would like to discuss this employee further would ask for an executive session.

The Mayor noted that this is the difference of being a Village versus a City much smaller staffing.

Trustee Marino asked Mr. Russo what his staff would consist of.

Mr. Russo said two, himself and Ms. Sciarabba.

Trustee Didden asked about the Labor Counsel and where is that funding.

Mr. Russo said that is under the law budget. He said that this was a three year contract with two years done. Mr. Russo said that the biggest spend regarding the labor counsel was disciplinary. He stated that the CSEA contract is up on May 31, 2011 and that they could adjust the labor counsel contract. There was a brief discussion about contract negotiations with the labor counsel and this counsel's contract.

The Mayor and Board thanked Mr. Russo for the review of these budget items.

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The Board concluded the budget work sessions with Mayor Pilla on the budget for the Mayor's office.

Mayor Pilla said that the only item for consideration on his budget depends if the Board would allow him to not take his salary.

Trustee Brakewood spoke about eliminating the salary for the Mayor and the Board of Trustees stating that surrounding communities and the school district boards received no salary. There was further discussion by the Board on this topic.

The Board was provided with a spreadsheet of proposed amendments to the budget by the Manager and that would bring the budget down to minus 1.

Trustee Brakewood said that each item on the spreadsheet will be a resolution for the agenda so if the Board should provide any additional changes to the budget. There was further discussion on this topic.

Trustee Didden said that it is not appropriate to be bind by the Rules of Procedures because the Board is already pass the cut off of submitting items for the agenda and we are now just finishing this budget work shop and the Board should have the time to review everything in order to make recommendation. The Board further discussed the budget process and the rules of procedures regarding the budget. They asked the Village Attorney to speak on this issue.

Mr. Cerreto said that the rules of procedures do not deal with the budget.

Trustee Brakewood said that if some members may be meeting separately, privately and not in public without including the entire Board before the public he is not agreeable with changing the rules or this process.

There was further discussion on this issue.

Apr. 27, '11

Trustee Didden made a motion to add on a resolution to suspend the rules of the Board of Trustee that require notice for an add-on for budgetary process for the May 2nd meeting, Trustee Terenzi seconded the motion. There was further discussion on this proposed add on resolution.

ROLL CALL

AYES: Trustees Terenzi, Didden, Branca, Marino and Mayor Pilla
NOES: Trustee Brakewood
ABSENT: Trustees Kenner


Since the add-on vote was not unanimous per the rules the proposed resolution will be on the May 2nd agenda for consideration.

There being no further business, on motion of Trustee Didden, seconded by Trustee Marino, the meeting was declared closed at 9:45 p.m.

ROLL CALL

AYES: Trustees Brakewood, Terenzi, Didden, Branca, Marino and Mayor Pilla
NOES: None
ABSENT: Trustees Kenner

Respectfully submitted,



Joan Mancuso
Village Clerk