

A Public Hearing on the Fiscal Year 2014-15 Budget of the Village of Croton-on-Hudson, NY was held on Monday, April 7, 2014 at the Municipal Building, Van Wyck Street, Croton-on-Hudson, NY 10520.

The following officials were present:

Mayor Wiegman	Trustee Gallelli
Village Manager Zambrano	Trustee Davis
Village Treasurer Bullock	Trustee Levitt
Village Attorney Whitehead	Trustee Slippen

1. CALL TO ORDER:

Mayor Wiegman called the meeting to order at 7:00pm. Everyone joined in the Pledge of Allegiance.

2. PRESENTATION ON THE FISCAL YEAR 2014/15 VILLAGE BUDGET

Village Manager Zambrano advised that in accordance with the provisions of Article 5 of New York State Village Law he is presenting the tentative budget to the Board for their consideration and review; as per Village Law the proposed budget was filed on March 22, 2014 in the Village Clerk's.

Village Manager Zambrano explained that the total General Fund budget is \$18,345,651 which requires \$11,268,618 to be raised by taxes at a tax rate of \$255.957 per \$1000 of assessed valuation; this proposed rate is \$9.417 higher than the rate for 2013-2014, which represents a 3.82% tax rate increase; the appropriations increase is \$187,580 or 1.03% higher than for FY 2013-2014.

Village Manager Zambrano stated that this year is the third year that the Property Tax Levy Cap legislation is in effect; for the first two years, the legislation limited the growth of the tax levy to 2%, but in 2013, that percentage was lowered to 1.42% for Villages' fiscal year beginning June 1, 2014. Mr. Zambrano explained that since our tax levy in fiscal year 2013-2014 was slightly below the allowed limit of \$10,881,215 set by the Office of the State Comptroller, the tax levy limit calculation provided by the Comptroller for fiscal year 2014-2015 is \$11,036,497, which takes into consideration adjustments for assessment tax base growth as determined by the NYS Department of Taxation and Finance Division of Real Property Services, tax levy necessary for expenditures resulting from court orders or judgments resulting from tort actions, and unusually large increases in pension contributions.

Village Manager Zambrano advised that due to increases in costs that are beyond our control, contractual labor obligations, and the fact that no appropriation from the Retirement Reserve is being recommended this year, the proposed tax levy of \$11,268,618 for fiscal year 2014-2015 will exceed the tax levy cap set by the State Comptroller's Office by \$232,121. Mr. Zambrano advised that the Board's proactive measure to enact a local law to override the State's Property Tax Cap law is giving the Village the ability to continue to provide services to its residents and taxpayers.

Village Manager Zambrano stated that our auditors, O'Connor, Davis, Munns & Dobbins, LLP have expressed to the Board that our financial condition is excellent; we have obtained an Aa2 bond rating from Moody's Investors Services, which is outstanding for a community of our size. With this budget and the overall financial health of the Village and we are in a position to keep the Village moving forward in the years ahead. With the Board's support we anticipate having another great year and continuous financial health.

Mayor Wiegman stated that our Tax Levy has grown only slightly by approximately \$600,000 in the past six years in total; non Tax Revenue has grown much more by about \$1.3 million during that same period with most of that growth reflected in our parking lot. Mayor Wiegman advised that our Budget has grown slightly over the past six years by approximately 5% from \$13 million to \$13.7 million; the Unfunded Mandates past down from the New York State have grown since 2009-10 by 155% from \$2.8 million to \$4.8 million; in 2009 the Unfunded Mandates made up 30% of the Tax Levy and in 2013/14 the Unfunded Mandates made up 41% of the Tax Levy.

Treasurer Sandra Bullock presented a summary of the proposed 2014-15 Fiscal Year Budget as follows: **Total Appropriations** \$18,345,651, Non-Tax Revenue of \$6,577,033, Appropriated Fund Balance of \$500,000, giving a subtotal for revenues of \$7,077,033, reflecting in a Tax Levy of \$11,268,618. Ms. Bullock advised that the proposed General Fund Budget is as follows: Government Support \$3,426,018, Public Safety \$3,767,340, Public Health \$421,144, Transportation \$2,281,505, Economic Development \$55,170, Culture and Recreation \$1,143,745, Home & Community Service \$441,612, Employee Benefits \$4,388,418, Debt Service \$2,420,706 for a total Appropriations of \$18,345,651 giving an Appropriation increase of \$187,580 from last year. The proposed Tax percent increase is calculated to be 3.82%. **Water Fund** total Appropriations of \$2,342,028, Non-Water Revenue \$39,900 and Metered Water Sales \$2,302,128 with the Budget breakdown for this category as follows: Fund Support \$297,532, Water Administration \$587,842, Source of Supply \$154,389, Transmission & Distribution \$475,354, Employee Benefits \$239,432, Debt Service \$587,481 for a total

Appropriation of \$2,342,028. Ms. Bullock advised that the proposed Fiscal Year 2013-14 Water Rate per 100 cubic feet of water consumption will be \$6.69; **Sewer Fund** total Appropriations of \$248,175, Non-Sewer Revenues of \$4,000 and Sewer Rents of \$244,175, Sewer Fund by Budget categories are as follows: Fund Support \$29,378, Sanitary Sewers \$112,767, Employee Benefits \$6,218, Debt Service \$99,812 for a total Appropriate of \$248,175. Ms. Bullock advised that the proposed 2014-15 Sewer Rate per 100 cubic feet is \$.6405. **Capital Fund** is broken down as follows: Comprehensive Infrastructure Maintenance \$750,000, Equipment \$320,000, Fire Department Equipment \$990,300 Emergency Medical Service \$65,000, Police Department \$98,000, Municipal Garage and Parking Lot \$85,000, and Recreation, Parks \$80,000, and Water System Improvements \$2,120,000 and Sewer System Improvements of \$150,000. Ms. Bullock advised that the General Fund is proposing Capital Projects Funding of \$2,388,300 and the Water Fund of \$2,120,000 and the Sewer Fund of \$150,000.

A motion to open the Public Hearing on the Fiscal Year 2014-2015 Village Budget was made by Trustee Davis and seconded by Trustee Gallelli and approved unanimously, with a 5-0 vote.

Bob Wintermeier, 43 Radnor Avenue, Croton-on-Hudson, questioned some of the take home pay of some of the Village employees and the increase in medical expenses by \$22,000 for the Mayor.

Pat Moran, 49 Penfield Avenue, Croton on Hudson, asked what the percent increase for water and sewer rates are and if the Mayor is receiving health benefits.

Village Treasurer Bullock advised that the water rate increase is 13.58% and the sewer rate increase is 13.56%.

Mayor Wiegman advised that the reason why the water and sewer rates went up is because the Village borrowed \$2,000,000 for water main repairs. Mayor Wiegman explained that the Village Manager requested that he track his hours because under the new Federal Health Care Act; the law changed and organizations that employ a specific number of employees must offer the same benefits they offer to their full time employees for those employees who are working over thirty or more hours on average. Mayor Wiegman advised that as of January 1, 2013 he kept track of his hours to August of 2013 and delivered those notes to the Manager and was told that, given the fact that he was averaging between thirty and thirty-two hours a week in that nine month period, he could choose taking the health benefits. Mayor Wiegman advised that when the enrollment came up he opted into the Village plan. Mayor Wiegman said that he did not include "Storm Sandy" hours which would have brought the number of hours even higher. Mayor Wiegman

stated that this included meetings, work that he does with Municipal Officials from around the County which is typically two to three meetings a week as well as preparation work for those meetings as well as for Village Board meetings that include correspondence with residents and answering e-mails and phone calls.

Village Manager Zambrano stated that in August 12, 2009 the State adopted some regulations related to the Retirement System itself in which all elected officials that opt to join the Retirement System must keep track of their time and then it is reported to the Retirement System. Mr. Zambrano explained that at our Organizational Meeting the Board was obligated to adopt a resolution indicating elected official's work day and work month for purposes of calculating their Retirement Benefits.

Mayor Wiegman advised that he joined the New York State Retirement System when he became a Trustee twelve years ago and at this point in time he is eligible to collect \$39.00 a month in Retirement Benefits.

Mark Franzoso, 33 Croton Point Avenue, Croton on Hudson asked if the Village is aware that most major corporations do not offer their employees health benefits.

Village Manager Zambrano stated corporations must follow the Federal Health Care Act; they will be audited by the Federal Government and will be subject to paying fines if they are found to be in violation.

Virginia Calcutti, 19 Hunter Street, Croton-On-Hudson, asked why are we paying into the Retirement System for part-time employees; she knows that you have to offer it to them but why are we paying for it. Ms. Calcutti stated that anywhere you read it states that the Mayor's position is not a full-time position and does not understand why it is a full-time position now. Ms. Calcutti said that she has concerns that the health insurance could be carried into the Mayor's retirement and what happens if Mayor Wiegman is not elected. Ms. Calcutti said that if we have a full time Mayor why do we need a full time Manager and a full time Assistant Manager. Ms. Calcutti questioned the following budget items: \$400 clothing allowance to the mechanics and asked why we are also paying them an additional \$800; asked which buildings we are cleaning for \$35,000; why we are paying \$13,000 for chaperones and shouldn't we be using parent volunteers and questioned why Mr. Zambrano's \$500.00 a month car allowance is not shown on the income line.

Mayor Wiegman stated that if he is not elected again then he is no longer an employee of the Village. Mayor Wiegman stated that the next time he calculates

his time, his time may not meet the requirements and then he would have to leave the Village's plan.

Trustee Gallelli stated that she believes there is a gap between part time, full-time and what the law describes as being the number of hours to be eligible to be offered this.

Trustee Levitt advised that the \$35,000 fee for cleaning is for the Municipal Building and the Garage.

Joel Gingold, 55 Nordica Drive, Croton on Hudson, asked if the acquisition of the Gouveia property is included in this Budget since it will come off the Tax Roll once the Village acquires it. Mr. Gingold said that in the Mayor's "State of the Village" letter it stated that many of our major buildings are in need of serious repairs and asked if there is money in our Budget to take care of some of those repairs. Mr. Gingold stated that he thinks it is wrong for the Mayor to be taking the Village's health insurance and urged the Mayor to decline it to avoid any more controversy.

Mayor Wiegman stated that it depends on the time of the acquisition of the Gouveia property but it will remain on the Tax Roll for this Fiscal Year. Mayor Wiegman advised that there is some allocation for repairs in the Capital Budget. Mayor Wiegman explained that he will not be declining the health insurance, employee benefits last year were \$4.5 million; this year we are spending \$4.3 million and the spending of benefits for our entire staff has actually gone down.

Dick Nagle, 88 Radnor Avenue, Croton on Hudson, and chairman of the Croton Ambulance Advisory Committee, urged the Board to look carefully at the Ambulance Revenue side of this Budget with respect and the how the new Affordable Health Care Act may affect these revenues; he has received information that Medicare and Medicaid may be severally impacted as far as their payments to local agencies for ambulance services.

Mayor Wiegman stated that we will be sure to discuss this when the Board meets with Mr. Nagle in work session next week.

Virginia Calcutti, 19 Hunter Place, Croton-On-Hudson, asked if Mayor Wiegman will be receiving sick days, holidays and vacations days as well.

Mayor Wiegman said that he will not be receiving any accruals for sick, holiday and vacation pay. Mayor explained that the Village is required to extend the same health care benefits to any employee who works an average of thirty

hours a week or more for any period of six months within a twelve month period excluding vacation weeks.

Don Daubney, 45 Bungalow Road, Croton on Hudson, said that he always regarded what the Mayor and Trustees do as a volunteer position and the stipend is to defray costs for travelling and attending functions on behalf of the Village and as a volunteer and someone who is working hard to do the right thing for the Village in this situation taking the health insurance in his opinion is not doing the right thing for the Village. Mr. Daubney stated that we pay people to do the work for the Village and the Mayor's position is an oversight/policy making position and a figurehead,

Bob Wintermeier, 43 Radnor Avenue, Croton-on-Hudson, stated that the term employer is any person acting directly or indirectly as an employer and it is his opinion that the Mayor and the Board is the employer.

Village Attorney Whitehead responded by saying that the Village is the employer and Croton is a Village Manager form of government; it is her understanding that the Mayor's health benefits were granted under the Affordable Health Care Act.

Pat Moran, 49 Penfield Avenue, Croton on Hudson, stated that in the Village Code there is a compensation cap of \$5,000 for the Mayor and \$3,000 for each Trustee and recalls seeing an opinion some years ago that you couldn't get health benefits back then if there was such a cap and is wondering how you reconcile the Code. Ms. Moran stated that there doesn't seem to be any control; who controls how many hours the Mayor works; we expect employees of the Village to put in a full day's work but we don't expect the Mayor to do so and what is stopping everyone else from doing the same thing. Ms. Moran stated that the House passed a bill that will determine full-time employees at forty hours a week for people under the Affordable Health Care Act and maybe this makes more sense and hopes that it will pass in the Senate.

Bill Vlad, Croton on Hudson Fire Chief asked if under the Affordable Health Care Act is this something that can be afforded to members of the Volunteer Fire Department.

Village Manager Zambrano advised that the Statue excludes volunteers.

There being no further questions to come before the Board a motion to close the Public Hearing was by Trustee Levitt and seconded by Trustee Slippen and approved unanimously with a 5-0 vote. 8:20pm

Respectfully submitted
Judy Weintraub, Board Secretary

Village Clerk