

SPECIAL MEETING
OF THE BOARD OF TRUSTEES
OF THE VILLAGE OF HIGHLAND FALLS

March 16, 2009

A special meeting of the Board of Trustees of the Village of Highland Falls was held in Village Hall, 303 Main Street, Highland Falls, New York on March 16, 2009.

The Meeting was called to order by Mayor D'Onofrio at 8:30 A.M.

Members present were:

Mayor Joseph E. D'Onofrio
Trustee Harold Brown
Trustee Michael Bosch
Trustee June L. Gunza

Member Absent was:

Trustee Robert Mellon

Also present were:

Village Clerk, Regina M. Taylor
Village Treasurer, Ralph J. Walters
Village Street Superintendent, Gary Boyce
Police Chief, Peter Miller
Village Historian, Stella Bailey
News of the Highlands Editor Emeritus, Fred Brennan

The Mayor opened the meeting by asking the Treasurer, Ralph Walters to send a letter to the Town referencing the Building Department and their contact with the Village Attorney. They should stop making contact until it is known whether the Town or Village should be paying for these bills.

The Mayor also reported that he spoke with Mr. Murphy, Chief Wastewater Treatment Plant Operator, after the last budget meeting to get clarification on the status of maintenance and repairs at the sewer plant. He reported that Mr. Murphy said they are not behind in these areas.

The Mayor reported that Mr. Hurst, Chief Water Plant Operator, said the replacement of the door cannot wait, but the windows can. He also said the electric value opener for \$5,500.00 could be removed. Mr. Hurst said he would look for a better number for the shed.

Stella Bailey, Village Historian, came before the Board again to discuss support from the Board for the Historical Society to move into space available at 316 Main Street where Buttermilk Falls General Store is vacating. Mrs. Bailey reported she went to the Town Board and was granted \$7200.00 from the Town budget. The Mayor had asked Mrs. Bailey to go back to the Town and ask if the funds are going to taken out Part A, Town wide funds, in which case the Village resident is already contributing. Mrs. Bailey reported that Supervisor Quaintance would get back to her.

Mr. Walters, Village Treasurer, passed out a working copy of the Tentative Budget after the Department Heads had returned their budget requests with a 10% cut. There were two scenarios presented. One, if communication revenue from the Town for \$136, 667.00 is left in the budget and one if the revenue is taken out. If revenue is kept in, the tax rate would increase from \$12.96 to \$14.42, or an increase of 11.27%. If the revenue is removed, the tax rate would increase from \$12.96 to \$15.18, or an increase of 17.13%.

Mr. Walters reported that this work copy includes the cuts received by the Department Heads, no vehicles in the General, Water or Sewer Fund and no funds for grass cutting or pesticide application.

Chief Miller asked why the rate is still so high if Department Heads have cut to numbers that may be below last years budget. Mr. Walters reminded him and the Board that estimates for budget revenues are down based on the current economic situation and our assessment role has decreased. Health insurance, workers compensation, contractual salaries are all uncontrollable costs.

Discussion was held on bonding. The Mayor told the Treasurer that he feels the Village has bonded far too much and today's budget talks are the result of delaying the inevitable, having to pay back, with interest, these borrowings. Mr. Walters reminded the Mayor that in previous budget talks, vehicles were taken out budgets to keep the tax rate lower. The vehicles were needed, but the Board did not want to

have a large tax rate increase. The only way to keep the rate down was to remove these high ticket items from the budget and borrow for them.

Gary Boyce, Street Superintendent, suggested the Village start to reverse this trend by putting \$30,000.00 into a capital fund this year and adding \$40,000.00 the next couple of years so vehicle replacements can be done without having to borrow money. He believes this is the only way to break the cycle of borrowing.

The Treasurer reminded the Board that in past budgets he was able to use surplus funds to help keep the tax rate down. There are no surplus funds available. He cannot put money aside to start a vehicle fund and keep the tax rate down. He also reminded them that many big items over time were removed in order to keep the tax rate down, ie Garage roof, vapor recovery system, Fire Chief's vehicle.

The Treasurer also reminded the Board that this is the third year in the paving project. Although some funds are still available, this year was suppose to be the most expensive. Mr. Boyce recommended that only streets in desperate need be done with overlay.

The Mayor told the Treasurer he received a projection of \$1,083,000.00 for sales tax revenue from Orange County. Mr. Walters has budgeted \$1,000,000.00 for sales tax. He would like to wait until the Village receives revenue from the County in April before he makes any changes to his figures.

Discussions were held on laying people off. The Chief said he cannot endorse laying anyone off. He said the overtime necessary to cover shifts would not make it cost effective. Mr. Walters remarked that cutting one fulltime position would probably only benefit about half the cost of salary and benefits because of the amount of overtime, paid at time and a half, that would be needed. The Chief indicated he cut about 6.6% with the latest cuts and he has no where else to go.

The Mayor reminded the Board that Roe Park Pool is also in need of repairs that will be necessary to comply with the Department of Health. No money has been budgeted for this yet.

The Street Superintendent commented that if his department suffers layoffs then the laborer position B will not be available for weekend work and if the wastewater treatment plant position for a maintenance worker gets filled, that person should have a CDL license.

Before the meeting ended, the Mayor responded that the Tentative budget that is to be turned in on March 20th should not include communications revenue because the Town did send a letter to the Village Board indicating they would be opting out of Village coverage, effective June 1st, the windows and door will be left in the Water Fund Budget and the electric valve will be removed. The Treasurer will decrease A1325.4 by \$500.00. More talks will need to be held about possible layoffs after the Clerk talks to Orange County and the Village Attorney.

The public hearing for the Tentative Budget was set for April 6th at 6:45pm. The Village Reorganization will take place prior to it at 6:30pm and the Regular Village Board meeting will follow at 7:00pm.

A motion was made by Trustee Gunza to adjourn. The motion was seconded by Trustee Brown and unanimously carried.

The meeting closed at 10:25 A.M.

Regina M. Taylor, Village Clerk