

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

February 23, 2010

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 February 23, 2010.

The Meeting was called to order by Mayor D'Onofrio at 7:05 P.M.

Members present were:

Mayor Joseph E. D'Onofrio
Trustee Harold Brown
Trustee James DiSalvo
Trustee June L. Gunza
Trustee Joseph McCormick

Also present were:

Village Clerk, Regina M. Taylor
Treasurer, Ralph J. Walters
News of the Highlands Editor, Mary Jane Pitt
Street Superintendent, Gary Boyce
Chief WWTP Operator, John Jones (7:45pm)
Village Residents, Mervin Livsey-107 Mountain Ave., William Estelle – 17 Hillside Ave.,
Bonnie Snow- 41 Ft. Putnam (7:40pm), Laurie Tautel

The Mayor read a statement to open the meeting. He told the Village residents that the tax dollars belong to the taxpayers, not to the Village Board, unions, department heads, employees or vendors and that the budget is a blueprint for spending, not an entitlement that must be used up each fiscal year. He continued, that he has spent many hours going line by line through the budget to see where it could be cut without depleting services or eliminating staff. The Mayor reported that the Village does not have any fat in any department. He encouraged the public to make suggestions.

The Mayor reported these facts: 1. The department heads all turned in budget requests that were below last year's numbers or very close, 2. the administration line will increase only for cost increases based on the current use of postage, electric, leases or copy fees, 3. operating costs are being kept under control, however, health insurance, retirement benefits, insurance costs are uncontrollable costs, and revenue sources, ie sales tax and mortgage tax allocations have shown decreases, and finally 4. the Village has a high bond rating, which is good.

The statement further mentioned he has requested 5 year plans be submitted by each department head and that the Village takes these plans very seriously and now the Mayor and Treasurer will start to develop a Financial Forecast Plan to outline future revenue and expenditures related to carry out these plans. He further commented that this will help the Village prepare and project the financial needs of the future. The Mayor concluded by saying the government must be run like a business, trying to keep costs down and never stop searching for efficiency.

The Village Treasurer, Ralph Walters, presented to the Village Board, the Requested 2010-2011 Budget, compiled from the requested budgets submitted by each department head. He informed the Board that he has kept the revenue lines basically the same, ie sales tax, but has raised the gross receipts tax and franchise fees a little, based on current receipts. He mentioned that he has lowered revenue for parking meters based on current receipts being lower than anticipated. The Treasurer also informed the Board that he has shown an interfund transfer, from the water fund and sewer fund to the General Fund for all the administrative work done on behalf of these funds by the Village Trustees and Village Office staff, ie billing, payroll & collections.

He further mentioned that the Clerk contractual and Treasurer contractual lines show an increase based on current expenditures of leases, copy fees, postage, electric, legal advertisements. In answer to Trustee Gunza's question if funds are budgeted for future computer upgrades, Mr. Walters replied that the impending upgrade will be funded out of the 09-10 budget with savings realized by the retirement of Deputy Treasurer Stella Root and there is the same amount budgeted for equipment, as was done in 09-10, should a computer or printer need to be replaced during the 2010-2011 year

Mr. Walters asked the Board if Big Brothers/Big Sisters was still being funded and if not, that is a potential savings of \$8,000.00. He also pointed out that significant increases have been made to the NYS Employee Retirement Fund and the Police & Fire Retirement Fund based on the estimates from the NYS Retirement System.

Under the bonding lines, the Treasurer explained that the long term bond sale that was completed this past summer has resulted in an increase in the serial bonds interest due, but decreased the short-term BAN totals. Mr. Walters also told the Board that this requested budget does not include any interest or principal payment that would be due on any sewer bonding needed to pay for the sewer pumps project that is about to begin. He recommends the Board borrow the approved funding of \$150,000 based on the cost of this project, emergency repairs already completed and the couple of needed repairs brought to their attention today. He would make the necessary changes to include a principal and interest payment before the tentative request.

Finally, Mr. Walters, reported that the salary lines for all non-union personnel include a 2½ % increase, in line with the union contracts. Mr. Walters concluded by saying at this point the tax rate has remained basically the same as the 2009-2010 budget but could change based on how expenditures and revenues for the remaining fiscal year come in. His recommendation to the Board is to hold the rate the same.

Village Street Superintendent, Gary Boyce, presented the 2010-2011 Street Department requested budget to the Board for review. The Mayor thanked Mr. Boyce for submitting a budget that was actually a little lower than the current budget. He also thanked Mr. Boyce for his cooperation and the other members of the DPWSA for recent negotiations of the DPWSA contract that expires at the end of May 2010, and noted that even though it is not an approved document yet, the members have agreed to no increase for the 2010-2011 fiscal year.

Under the central garage contractual line, the Mayor pointed out a slight decrease in the fuel oil (\$600.00). Based on current expenditures, Mr. Boyce felt he could also reduce paint, replacement tools by \$700.00

Under the Street Administration, schools and training has been reduced by \$1,100.00, based on current expenditures and because our insurance company offers training that we should be able to take advantage of, at no additional charge.

Under Street Maintenance, a noticeable decrease in gasoline (\$2,600.00) and diesel fuel (\$4,150.00) was remarked on. The Mayor asked what is the actual cost per gallon of gasoline. Mr. Boyce replied somewhere between \$2.50 and \$2.57/gal. Based on current expenditures, Mr. Boyce felt comfortable budgeting less for 2010-2011. The Mayor commented that maybe this is someplace the Village and/or Town could help the school district out by setting up system for them to purchase gasoline less expensively. Mr. Boyce agreed it was something to look into. Overall, Street Maintenance contractual decreased by approximately \$8,000 and Mr. Boyce reassured the Board he was comfortable with this.

Under Snow Removal Equipment, Mr. Boyce explained to the Board he has requested a spreader. He reminded the Board that this item was removed last year and he is in need of a new spreader. The other lines under Mr. Boyce, ie sidewalks, parks, beautification, storm sewers and street cleaning did not show any major changes from 09-10.

Trustee DiSalvo asked Mr. Boyce what is the condition of the vehicle fleet. He would like to see a reserve fund started so when a new vehicle is needed, the Village could purchase outright. Mr. Boyce replied that the next vehicle he sees as needing to be replaced would be the small dump truck, in about 4 years. Trustee Gunza asked Mr. Boyce to prepare a schedule of all Village vehicles and their current condition, ie good, fair, and mileage.

Trustee McCormick commented that he would like to see street repairs be done soon. The Mayor concurred and asked Gary to work up a price for continuing the 3 year paving project started two years ago, with paving of Walnut, Maple, Hickory Kleitz, Fostoria and North End of Main Street. Trustee McCormick would like to see more milling and paving and sealing of the roads to protect these paving jobs.

The Treasurer reminded the Board we have not used all funding that has been approved already for these jobs, however, how much drainage and paving needs to be done will dictate how far the money will go.

Trustee Gunza asked if maybe the spreader could be purchase this year if possible. Mr. Boyce said he needed an A frame & plow this year if money is available.

Mr. Boyce pointed out in his five year plan he does have replacement of the sweeper body and this could cost approximately \$50,000 and the Board should plan accordingly.

The Board thanked Mr. Boyce for his work on the budget. No action was taken at this time.

Chief Wastewater Treatment Plant Operator, John Jones presented his 2010-2011 requested budget to the Board for review. Mr. Jones pointed out the significant increases to 8130.2 budget include a request to replace the boiler/burner and related equipment in the control and maintenance building for \$10,000 and a new vehicle for \$30,000. Mr. Jones told the Board that the boiler has been kept going through constant repair work, but the time has come where repairs are costing too much.

The Treasurer pointed out that the 8130.4 line shows an overall decrease of approximately \$2,000.00. He also mentioned that there is not enough surplus in the sewer fund to consider starting a vehicle fund. Trustee DiSalvo suggested that the vehicle request be left at \$10,000., but that a vehicle not be purchased this year.

Mr. Jones told the Board of a possibility of a new product that might be used to replace Chlorine and help reduce sludge costs considerably. He said he has spoken to the Village Engineer about it and they are investigating the validity of it.

The Treasurer recommended that the sewer rate be left at the current rate of 181% of water for now and look at revenues again by the end of April. By then water bills will be calculated and we can get a better idea of how sewer will come in.

Trustee Gunza asked if it was possible to get some of the needed repairs done if an interfund transfer to General is not done and the vehicle is eliminated. The Treasurer replied that there is not a lot of surplus in sewer and he would like to see it be built up. He continued, at this point, based on what is already been spent for repairs and what still needs to be done, he recommends borrowing the whole \$150,000.00 that was approved for the sewer repairs.

Trustee McCormick would like the Board to consider raising water rates to generate an increase in revenue for the sewer fund.

The Board thanked Mr. Jones for his work on the budget. No action was taken at this time.

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

The meeting closed at 8:45 P.M.

Regina M. Taylor, Village Clerk