

Bedford Hills, New York
December 1, 2009

A public hearing was held by the Town Board of the Town of Bedford on December 1, 2009 at the Town Offices, 321 Bedford Road, Bedford Hills, New York to consider the 2010 Budget. The hearing was called to order at 7:00 P.M. by Supervisor Roberts.

Present:	Lee V. A. Roberts	: Supervisor
	Peter Chryssos	: Councilman
	Francis Corcoran	: Councilman
	David Gabrielson	: Councilman
	Chris Burdick	: Councilman
	Lisbeth Fumagalli	: Town Clerk
	Nancy Tagliafierro	: Town Attorney
	Edward J. Ritter	: Comptroller
	Amy Pectol	: Receiver of Taxes
	Thomas Polzella	: Assessor
	Jeffrey Osterman	: Town Planner
	Joan Gallagher	: Director of Personnel
	Kevin Winn	: Commissioner of Public Works
	William Heidepriem	: Supt. of Recreation & Parks
	Edward Collins	: Chief of Police
	Marcy Marchiano	: Asst. to Supervisor

And twenty (20) residents/observers.

Mrs. Roberts read the following statement:

2010 TOWN OF BEDFORD BUDGET

Good evening ladies and gentlemen and welcome to the public hearing on the 2010 Town of Bedford budget. Mrs. Fumagalli do we have proof of publication?

Mrs. Fumagalli responded that proof of publication had been received and that the public notice was published in the Bedford Pound Ridge Record Review on November 20, 2009.

Mrs. Roberts continued:

Before I open the hearing for public comment from the floor, I would like to thank our Comptroller Ed Ritter for all the time and effort he has put into crafting this particularly difficult budget. We have tried to be sensitive to those in our community who have lost their jobs and are suffering economic difficulties.

We have all observed the cost cutting machinations that are occurring in the State legislature and the outcry that accompanied the County's proposed increase in taxes. The Town Board has tried to craft a conservative and responsible budget. Over the past two years we have anticipated the economic downturn and have cut our budget by 25%. This has not been an easy task because we are determined to preserve our fund balance at an adequate level. We have also endeavored to deliver services in a more cost effective way.

Taxes

The 2010 budget has a combined General and DPW budget total of \$25,019,729 which is a reduction of \$25,891 from last year's combined total expenditures of \$25,045,620. The General Fund Budget is \$18,024,213 and the DPW Fund is \$6,995,516. Although the Town Board has asked each of our department heads to reduce their budgets by 10% this year, additional unfunded mandates have pushed our total expenditures higher than they would have been after reductions had been made.

The Town Board has agreed to use \$1,000,000 of Fund Balance to keep our tax rate low and to provide relief during an extremely challenging financial period. While we do not like to deplete our contingency fund unnecessarily, this is the proverbial “rainy day”. The AAA bond rating that the Town enjoys is to some extent dependent on maintaining a fund balance that is 10% of the total general fund budget. Our proposed tax rate stands at 0.66% increase or \$28.66 per \$1000 of assessed value.

Revenue

Unfortunately, this has been a year of declining revenues and increased State mandates. Our major sources of revenue; mortgage transfer tax, sales tax, interest earnings and fines and fees have all declined substantially. As part of the fallout from the declining market value of our housing stock, the Town’s overall assessed valuation has decreased almost six million dollars. Thus the tax burden automatically rises as it is redistributed to a diminished pool.

Our mortgage transfer tax has gone from over \$2 million in 2007 to \$1.4million in 2008, to \$718,000 in 2009. While recent payments have begun to show an upswing, we do not anticipate reaching the 2007 levels anytime soon.

The Board wisely anticipated a reduction of 20% in sales tax revenue and while our receipts are down, the income from this line was not as low as anticipated. In 2008 we received almost \$ 2.5 million and 2009 we expect to receive \$2 million. We have increased this revenue line slightly based on 2009 receipts and 2010 projections.

Interest income on deposits is another area where we have suffered a precipitous decline. Our interest income is projected to be \$100,000 in 2010 from a high of \$557,661 in 2007, \$191,137 in 2008 and \$100,000 in 2009. While interest rates may start to climb in the middle part of 2010, we cannot count on this line to be a large revenue generator.

Likewise our receipts from parking are down as we moved to accommodate our local commuters and away from selling to non-residents. The Board had agreed to sell 50 additional permits in Lot 3 to non-residents as we see additional spaces become available. We have installed 60 daily meters as well. It appears that job loss and opportunities to work from home may have impacted the use of our lots. We continue to monitor our parking lots to make sure we maximize usage while at the same time being able to accommodate our permit holders at peak times. In addition we are planning to increase our sale of parking permits by 10% for the coming year.

Expenses

At the same time as our revenues have been shrinking, our expenses have been rising. In early Fall of this year the State imposed a tax of .34 cents per hundred dollars of payroll, retroactive to April of 2009 to help fund the MTA. In 2010 this new mandate will cost our taxpayers \$42,000.

In addition, the Comptroller’s office has increased the contribution to the Employee Retirement System by 63% over 2009 and by 23% for the Police and Fire Retirement System. This translates into a \$307,000 increase in additional contributions. We are hopeful that the enormous loss of investment income in the State Retirement System will precipitate changes to the vesting and contribution by participants in the system and result in the creation of a new Tier. Thus far, our representatives in Albany have been unable to come to an agreement on these changes.

Our employee health insurance coverage will rise by a modest 3.5% for 2010. We are negotiating with our unions for possible savings to be realized by new dental coverage without any loss in benefit levels. In January, 2010, all elected officials will begin contributing 10% of the cost of their health insurance coverage. Any non-union employee hired after January 1, 2010 will be required to pay 20% of the cost of their coverage.

Right before Thanksgiving we learned that our Worker’s Compensation Insurance premium would rise by an additional \$250,000. This was a terrible blow coming late in our budget process. Although we have worked diligently with our Safety Committee to analyze losses and put in place prevention training and procedures, we have experienced several large claims that adversely affecting our experience rating. We are working to find other carriers who might take our coverage and have seen some encouraging results so far. We will continue to work to bring down the cost of this coverage.

The Town Board, for the second year in a row, has determined not to give salary increases to any elected official or supervisory personnel. We will be negotiating with our unions to determine the provisions of future contracts.

During 2009 there was a hiring freeze in every department. In reviewing our staffing needs for 2010 we examined the police department closely. The police staffing has fallen from 45 members in 2007 to 39 today. In addition, there are currently four officers out on work related injuries. It was felt that to maintain the required patrols and have the optimum flexibility in scheduling, that we should hire two officers in 2010.

In addition, a long-time clerical worker in the police department retired and had not been replaced. The Board agreed that by hiring a multipurpose Community Service worker we could cover the office work and also do part time parking enforcement thus generating revenue. Except when an essential worker leaves and our operation would be severely impacted without a replacement, we will not refill positions. By the same token, we are anxious to avoid layoffs in any department during 2010 and hope the economy improves sufficiently to avoid this eventuality.

Our Department Heads have joined the Town Board in looking for saving in every possible area. They have all been asked to reduce their budgets without cutting service. This has taken a great deal of creativity and thought on their part and the Board appreciates their willingness to aid us in our quest for savings. While all departments have been helpful in monitoring and working to contain their overtime expense, it is sometimes driven by factors outside of their control.

The DPW Department is a particular success story. Through careful planning and maximizing the use of in-house staff, it has built its fund balance and contained expenses. The State aid for highway projects called CHIPS money is expected to fall as the State makes cuts in their funding; however reductions in the cost of fuel, privatization of the Recycling Center, working with Westwood Organics to mulch previously containerized yard waste and doing more projects in-house, have provided substantial savings.

This year we saw the completion of the long awaited Fox Lane Turning Lane at Route 172. The new jug handle design helps relieve traffic congestion on this east west corridor and facilitates access to the High School. Another major project, the sidewalk and paving on Cherry Street in Katonah also came to fruition. Additionally, the Town has recently bonded for a water tank to be built on the former Pennington property that will provide fire protection for Bedford Village, a national historic site.

The Town is currently out to bid for arguably the largest and most significant project in our history; the water filtration plant for the Consolidated Water District in Katonah and Bedford Hills. We have tried to expedite the process in order to be poised to receive federal stimulus money passed down through the NYS Environmental Facilities Corporation.

Unfortunately, we did not qualify for the initial round, but we continue to be hopeful that additional federal money for clean water will be allocated early next year. We have also applied to Congressman John Hall for a special grant. While this is a year where very few new capital projects can be contemplated, we are moving forward with our filtration plant in order to provide long term viable drinking water to our residents.

Another issue that will require the attention and resources of the Town in the coming year is storm water. Every municipality is required to meet the dictates of their MS4 permit. In the watershed this means heightened restrictions on the amount of phosphorus entering our water courses. Bedford has joined with the other municipalities in the Northern Westchester Watershed Committee in forming an inter-municipal coalition that will address our storm water issues on a regional basis. However, meeting the strict requirements of the permit will be expensive and it remains to be seen how we will finance the projects that need to be done. We hope to qualify for enhanced funding by applying as a consortium rather than as individual towns. Hopefully the DEP will be willing to absorb some of the cost of these projects that will help protect the watershed.

Many have seen the signage on Bedford Center Road indicating the beginning of work on our long awaited bicycle paths and paving of this roadway. The County will begin the initial sidewalk work this fall with the paving and demarcation of the bike lane to be completed in the spring of next year. We think this is a wonderful way to connect the hamlets especially since the County will be paying for the cost of these improvements.

As in years past, we met with our three hamlet libraries to discuss their respective budgets and outline the Town's funding for 2010. We are very grateful for the service that each of our libraries provides and realize how vital they are to the life of our community. Unfortunately, given our financial constraints this year, we were unable to raise the allocation from what we had given them in 2009. The libraries need and deserve our support, but we strive to balance their funding requests with those of the various departments of the Town. It is never an easy decision. In years like this we count on the largess of the patrons of each library to help sustain their operations. We thank each of the libraries for their exceptional service to our community.

The budget carries no rate or tax increases in any of our park or water districts for the coming year.

The 2010 budget reflects the financial realities of our time. It is as lean as we can make it given our reductions in revenue and the increases in mandated expenses. The Town Board has endeavored to provide essential services with a very minimal tax increase. We understand that many residents have experienced reductions in income and are apprehensive about the future. While the Board has tried to be cognizant of the financial challenges that many people face, we also view this as an opportunity for creative thinking on ways to save money and do our jobs more efficiently. Bedford is a town with extraordinary people and abundant resources. Working together, I know we can meet the challenges that lie ahead.

Mrs. Roberts thanked Comptroller Ed Ritter for his work on the budget.

Van Kozelka, Director of the Katonah Village Library thanked the Town Board for their support.

Several Town of Bedford residents asked questions about various pieces of the budget including the fire districts, copier expenses, the contingency funds and the debt service.

On a motion by Mr. Corcoran, seconded by Mr. Gabrielson, the following resolution was ADOPTED

Ayes: Roberts, Chryssos, Corcoran, Gabrielson, Burdick
Nays: None
Absent: None

RESOLVED that the Town Board does hereby close the public hearing on the Town of Bedford 2010 Budget.

On a motion by Mr. Burdick, seconded by Mr. Chryssos, the following resolution was ADOPTED

Ayes: Roberts, Chryssos, Corcoran, Gabrielson, Burdick
Nays: None
Absent: None

RESOLVED that the Town Board does hereby adopt the Town of Bedford 2010 budget with changes.

There being no further discussion, the meeting was adjourned by Supervisor Roberts until 8PM at which time the regular Board meeting would take place.

Lisbeth Fumagalli
Town Clerk

NOTE FOR THE RECORD:

The following was issued to the Town Board and Clerk at the beginning of the meeting as the changes made to the tentative budget but not discussed during the meeting.

GENERAL FUND

160,000 160,000

APPROPRIATION OF FB INCREASE FROM \$0.00 - \$275,000

WATER DEPARTMENT RECLASSIFY

20.8310.100		
Safety Pay	3,125	
20.8310.101		
Sat. Rounds	11,486	
Sun. Rounds	15,314	
Holiday rounds	4,123	
Callouts (est 30)	6,626	
Main Breaks (est 30	3,313	
flushing	2,209	
Comp time	5,000	
General OT	1,124	
20.8310.123		
Summer Help	7,680	
20.8320.423		60,000
(wells)		60,000
	<u>60,000</u>	<u>60,000</u>