

VILLAGE OF HASTINGS-ON-HUDSON, NEW YORK
BOARD OF TRUSTEES
PUBLIC HEARING
APRIL 6, 2016

A Public Hearing was held by the Board of Trustees on Tuesday, April 6, 2016 at 7:07 p.m. in the James Harmon Community Center. 44 Main Street.

PRESENT: Mayor Swiderski (7:15 p.m.), Trustee Meg Walker, Trustee Nicola Armacost, Trustee Daniel Lemons, Trustee Walter Stugis, Village Manager Francis A. Frobel, and Deputy Village Clerk Linda Loeb.

CITIZENS: One (1).

Acting Mayor Lemons declared the Board in session for the purpose of conducting a Public Hearing in accordance with the legal notice that appeared in the March 18, 2016 issue of *The Rivertowns Enterprise* to consider the Proposed Budget for the Village of Hastings-on-Hudson, New York for the fiscal year beginning June 1, 2016 and ending on May 31, 2017.

Acting Mayor Lemons: The first item will be the presentation by the Village Manager.

Village Manager Frobel: Thank you. Welcome, and thank all of you for joining us this evening. This is our public hearing on the budget and to set the stage as to what the budget contains and how we went about putting it together. I have got a series of transparencies I would like to show.

The public hearing is your opportunity to offer your comments and observations on the proposed budget that I put together for the year beginning June 1, 2016. The Trustees have been provided a budget by me in early March, and so far we have had two work sessions, to go over the budget. After the hearing this evening we will have another work session, and all these meetings lead up to adoption of the budget. This first slide shows that the budget as presented totals \$14,679,291. Based upon a final assessed property value in excess of \$42 million, this would require a tax rate of \$246.96, or a tax rate increase of 0.55 percent. For a property owner with an average annual assessed value of \$16,907 this would mean a tax increase of approximately \$15 per year or four cents a day.

As you can see from the bar graph, the last several years have resulted in very modest increases in our expenditures. Our goal has been to keep the tax rate low and our expenditures reasonable. Even though we are governed in part by the state law that requires a maximum levy, we have done more than that; we have been able to keep our tax rate well below that which is allowed and still be able to maintain a level of services that all of us require.

The budget can be divided into a pie chart. The ratios have remained fairly constant. What has changed over the past several years is that our reliance on the property tax has declined. The budget, as being presented, requires approximately 72 cents of every dollar we raise coming from your property tax. That is a decrease from what we have had a few years ago, where it was up to 74 percent. So there is a serious effort to reduce that shift from a very regressive means of raising revenue, that being the property tax with someone's ability to pay based on the value of their home and land, to other sources of revenue. That is where our management style comes in, where we seek out non-property tax revenues to keep our budget in balance.

Our expenditure function pie chart also historically has remained fairly unchanged. Community spending priorities are usually dictated over years of evolution, and we can see how our priorities have been in public safety and public works, and our parks, libraries and recreation. What has changed over time is our debt service, which has decreased as a portion of our expenditure chart. That is through prudent management, where we have consciously structured our debt payments so they are incrementally increased or decreased over time with no sudden shift: when debt comes off, the Manager makes recommendations to the Trustees for investment and we substitute debt that comes off the chart into new debt. The idea is to effectively manage it through timing.

The other element that is not shown on our picture chart here is the dependence upon a fund balance. It was not too many years ago where Hastings, as do other communities, relied on our fund balance, our rainy day fund. That has not been the case here for the past several years, which has allowed our fund balance to grow to nearly \$1.47 million. So we have met our targets; we have looked to strengthen our fund balance. Our property tax chart, as you can see, has really leveled off over the past four years. Again, a conscious effort to be sensitive to the demands placed on property owners from other government entities and taxing, and by that I mean the county and the town and the state and federal government. So we have made a conscious effort to keep our property taxes very low

During the difficult years, when there was a recession, taxes did increase. But even then, Hastings was able to downsize its workforce, aggressively seek out other revenue sources, and find ways we could make and keep the integrity of our programs without increasing our property taxes beyond an acceptable limit. Certainly one of the most dramatic charts. As you can see, we are near back to where we were when the economy was much healthier. What has happened over the intervening years, between loss of values of property on the waterfront, and the aggressive program of the commercial sector in filing tax certioraris and homeowner grievances, what we have seen is a loss of our assessment values.

Over the past several years, as you can see, we are beginning to climb out of that. That is occurring because there is growth. We are seeing homeowners making investments and improvements in their homes and we are seeing our values begin to restore to where they were back in 2004 and 2005. We hope that will continue. As the housing industry stays strong in the real estate market the likelihood of tax certioraris and the likelihood of grievances being successful should diminish and we will continue to see our values climb.

On this slide we have plotted the two charts we just showed you. The red line is the tax rate increase. It plateaus and begins to gradually level off the last four cycles. Again, the conscious effort I have talked about in managing our resources. The blue line shows how our assessments are beginning to climb. Our goal is to close that gap. You can see why that was during the recess and now how we are beginning to pull that together.

We have been over this as a team a number of times. We think it sets the stage to better understand the environment in which we put a budget together. At this time, we look forward to citizen comments on the budget.

[Mayor Swiderski arrives]

Mayor we knew you were giving blood and you were going to be late. But because I know you have been through this presentation, we thought we would start. Given the audience, we thought it was for the benefit of people that are home and not here for the presentation tonight. That is why I went ahead.

Acting Mayor Lemons: Is there any public comment?

John Gonder, 153 James Street: A couple questions, one in regard to road repair and sidewalks. I know you are putting a sidewalk in in Hillside. It has been discussed for some time, and as far as I am concerned it is over with. It is approved, the monies. But since we such a light winter, are you going to do more sidewalks rather than roadways?

Village Manager Frobel: The Board is aware of the need for sidewalks throughout the community. Our focus has been just road resurfacing and curbs. But I would think in the near term we are going to be looking at other areas in the community that lend themselves to sidewalk installation. I cannot answer that with certainty.

Mr. Gonder: The other question was, there is a transportation committee that wants to slow everything down. If we have a lot of potholes and stuff that will work much better, and nothing against our police, but we do not have enough for all the roads at the times that people speed. That is why I think you should do the sidewalks and more people would walk.

BOARD OF TRUSTEES
PUBLIC HEARING
APRIL 6, 2016
Page - 4 -

Hearing no further comments, Acting Mayor Lemons asked for a motion to close the Public Hearing.

CLOSE OF PUBLIC HEARING

On MOTION of Trustee Walker, SECONDED by Trustee Armacost with a voice vote of all in favor, Acting Mayor Lemons closed the Public Hearing at 7:19 p.m.