

TOWN OF GREENBURGH
OFFICE OF THE SUPERVISOR
TOWN HALL
GREENBURGH, NEW YORK

October 30, 2003

To the Town Board and Residents
of the Town of Greenburgh, New York:

In accordance with New York State Law §106, I herewith submit the Tentative Budget for the Town of Greenburgh for the fiscal year 2004. The Tentative Budget will be presented to the Town Board prior to November 10, 2003 as required by law. The Town-Wide budget totals \$12,913,339 and the Town Outside Villages budget totals \$49,016,031. I have made every attempt to keep the tax rate increase needed to fund this budget at a minimum.

**GREENBURGH COMPARES FAVORABLY TO
WESTCHESTER COUNTY WHICH IS FACING A POSSIBLE 20% TAX HIKE,
MANY SCHOOL DISTRICTS AND OTHER LOCAL GOVERNMENTS ARE
EXPERIENCING DOUBLE-DIGIT INCREASES.
GREENBURGH TAX INCREASE 6.85%**

These are difficult economic times for the entire region. The State is facing severe economic difficulties. County Executive Andrew Spano may propose a tax hike of over 20%. The tax rate increases within the Town's villages for fiscal 2003-2004 were as high as 18.9%, with the average increase at 12.5%. The average tax rate increase for the school districts located within the Town was 8.8% for fiscal 2003-2004. Many other local school districts and local governments are facing double-digit tax hikes. Although no tax increase is a good tax increase, I am pleased to report that Greenburgh is weathering the economic storm and we are comparing favorably to surrounding communities.

The Town Outside Villages' (Unincorporated Greenburgh) budget reflects an appropriation increase of 9.485% and a tax rate increase of 6.85%. Residents within Unincorporated Greenburgh will have an average tax increase (using an assessment of \$15,000) of \$101.92. Residents of the

villages within the Town will have an average tax increase (using an assessment of \$15,000) of \$27.45. Homeowners within the villages of the Town will pay approximately \$ 86.50 in Town tax. The homeowners in areas outside of the villages will pay a total Town tax of approximately \$1,589.03, which pays for all services including police protection, refuse collection, library services, recreation, snow removal and leaf collection. The Town's portion of an average unincorporated resident's total local property tax bill is 19% of the total for County, Town, School and Fire tax.

Some Reasons for the Tax Increase:

- The New York State Pension Fund:
 - 2003 budget - \$1,267,786
 - 2004 budget - \$3,906,389 , an increase of \$2,638,603, or 208%
- Insurance premiums for general liability, property and automobile coverage:
 - 2003 budget - \$791,204
 - 2004 budget - \$1,104,426, an increase of \$313,222, or 40%
- Health Insurance costs:
 - 2003 budget - \$6,335,231
 - 2004 budget - \$7,037,215, an increase of \$701,984, or 11%

EQUALIZATION RATE ISSUE

Assessments—PROBLEM: state decision to change calculation of equalization rates

In the current assessment roll the Town of Greenburgh alone has experienced a loss of four million (\$ 4,000, 0000.00) in tax assessments in the town wide assessment roll. Approximately one and one half million (\$ 1,500,000.00) was lost in the unincorporated portion of the assessment roll. The reductions are mainly due to the changes in the calculation of the Equalization Rates. We have begun a lobbying effort with our Assembly and Senate leaders. In addition, we have taken legal recourse to prevent these changes from being implemented. We continue to write our state representatives asking for assistance and an opportunity to meet with them and other Westchester cities, town and villages. Unfortunately and although our state representatives are aware of the dire consequences of this new policy, they have thus far refused to meet with the aforementioned elected officials. Notwithstanding the reduction in the

assessment roll the Town of Greenburgh is able to put forth a budget with a very moderate interest in taxes.

Revenue Highlights

- Mortgage Tax- State Aid
 - 2003 budget - \$2,100,000
 - 2004 budget - \$2,600,000, an increase of \$500,000, or 23.81%
- Sales Tax Distribution
 - 2003 budget - \$3,450,000
 - 2004 budget - \$3,750,000, an increase of \$300,000, or 8.70%

Expenditure Highlights

Although there aren't many changes in the 2004 budget, there are a few programs which I would like to highlight:

Children's Room

I will be recommending that the Town Board authorize part time staffing of the new children's room at Town Hall in 2004. The children's room will be staffed two days a week between the hours of 3 and 5 PM. The exact days and the official opening date have not been determined yet. We are currently working with the police and other individuals who have expertise with childcare issues, so that our new room can serve the community and meet the needs of the children safely. The room will make a visit to the Town Hall more customer friendly.

Justice Court Staff Increase- Request for 3rd Judge

In September, the Town Board authorized the addition of two additional employees to the Town Court, to assist them in reducing the Court backlog. In the 2004 tentative budget, I have included funding for an additional judge; however, before the judge can be placed, the State Legislature must first approve the position. The additional judge will assist in clearing the Court's backlog and in keeping the Court's

calendar current in the future. The additional Judge was recommended by the NY State Office of Court Administration. I have also included funding for an Assistant Court Administrator, who will supervise the day-to-day operations of the Court, and I have also proposed two additional court employees, again to assist in ensuring smooth operations within the Court. The proposed personnel changes will add over \$100,000 to the court budget, but the revenue generated from the additional court days and processing of fines will far exceed the cost.

Central Data Processing- One additional network administrator

The 2004 budget includes funding for an additional network administrator for the Central Data Processing Department. The Town Data Processing Department has seen a tremendous increase in demand for services in the recent year. The additional staff member will be able to assist in all aspects of data processing. The cost: \$56,974.

Historian

The 2004 budget includes \$3,760 for the services of a curator. This individual will be responsible for the history exhibits located at the Town Hall. It is expected that Frank Jazzo, Town Historian, will serve as curator for this exhibit.

Management Salary Increases

I have proposed a 3% salary increase for most management employees and elected officials for 2004. Certain management salaries have been adjusted to reflect their appropriate position on the Town's management salary schedule. In particular, the Town Comptroller and the Town Assessor have been given added responsibilities and therefore have been given stipends to compensate them for the time and effort. The 2004 budget contains a stipend for the Town Comptroller of \$10,000 for her to oversee and improve the Town's MIS department. This is on top of her \$115,000 salary. The Town Assessor, who has been serving, as a special assistant to the Supervisor, will receive a stipend of \$6,000. His total salary (including the stipend) will be \$115,000. Some of the most noteworthy initiatives to be worked on in the coming year by Gerry Iagallo will be the sale of the old Town Hall, video conferencing and the future of the Library. The salary of Al Regula, Commissioner of Public Works is being increased to \$115,000. There are many difficult projects that he has been overseeing and will continue to oversee that are above and beyond the duties of what would be expected of the Commissioner. The projects range from working on The Town hall move, renovating the Police Headquarters, helping plan and implement the sale of the old Town and expansion of the library. Some of the requirements have included the transition from the old Town Hall to

the New Town Hall, and renovation of the Police Headquarters, the water plant, and upcoming plans to sell the old Town Hall.

Management Team

A new management team will be created in 2004. Members of the team will include Ann Marie Berg, Town Comptroller, Al Regula, Commissioner of Public Works and Gerry Iagallo, acting as special assistant. Weekly meetings will be held with the Town Supervisor to oversee and better manage the day to day operation needs of the Town.

I will ask the Town Board to continue to review the performance and salary levels of all management employees through a formalized evaluation process. When the results of the evaluation process are finalized, I will ask the Town Board to approve adjustments, if necessary, to management salaries, to properly compensate these employees for their levels of responsibility. We want to remain competitive with other municipalities so we can keep quality employees working for us. We strive to attract the best candidates whenever a vacancy occurs.

Supervisors Salary

In 2004 the Supervisor's salary will be the third highest paid position in the Town. The Town Comptroller salary will be \$125,000; Police Chief Salary will be \$121,547, however after the police union contract is settled the Chief's salary will be increased; The Supervisor's salary will be \$116,788 for 2004. \$5000 of the Supervisor's salary is held in escrow and is based on performance. Each year the Supervisor returns part of his salary to the taxpayers when goals are not met.

Department of Parks and Recreation Staff Increase

I have proposed the addition of one parks maintenance employee in the 2004 tentative budget. Since I became Town Supervisor, the Town's parks system has grown from 256 acres to 419 acres, which includes the acquisition of the Hart's Brook Park Preserve and Arboretum of 123 acres and Glenville Woods of 40 acres. This increase in the parks system has placed an increase in demand on the parks maintenance division. An additional full-time employee is necessary to ensure proper parks maintenance.

Parks and Recreation - Beautification and Tree Maintenance

I have included a budget provision in the Parks Maintenance portion of the budget for beautification in the amount of \$20,000. This amount will fund plantings and other items for beautification of Unincorporated Greenburgh. I have also included a significant increase in the budget for the maintenance, pruning and takedown of trees and for a formal hazardous tree recognition program. I have also included a provision in the Parks Maintenance budget of \$30,000 for renovations to the Massaro Park Community Room. This was the result of community input at one of the Town Board meetings held this fall at the park.

Town Hall

Utilities On October 14, 2003, the New Town Hall offices were officially open for business at 177 Hillside Avenue. I have included increases to several budget lines in 2004 for the New Town Hall, such as electricity, water and heating costs. Although the new building is more energy efficient than the old Town Hall, the square footage of the building is much larger; therefore, additional funding had to be provided in the budget.

Maintenance We will be using WARC to assist in the maintenance of the Town Hall offices. We have used the services of WARC in the past and believe it is a wonderful opportunity for the developmental disabled to work in society.

Rent Opportunity We are exploring the possibility of renting office space at the New Town Hall. There is a 1,800 sq. ft. room available on the second floor. The rent from this room will help defray some of the added costs associated with the New Town Hall.

Video Conferencing Provides Town With Other Income Opportunities

We're exploring the possibility of having video conferencing capabilities at our New Town Hall. US Senators, members of Congress, State Lawmakers, and high level federal, state, and county officials will be able to communicate directly with officials and even participate at Town Board meetings. We may wish to rent the facilities to the public – generating some additional revenue for the town.

Town Board Meetings on the Internet

The Town Board meetings will be able to be accessed live on the internet:

www.greenburghny.com. Citizens will not only have access to Town Board meetings live on public access cable TV but will also be able to view meetings live on the internet outside of the town of Greenburgh viewing area. In addition-----the meetings will be archived. This can be accomplished via the encoding of the event live. The meeting will then be available for on demand viewing at the users' request. The server will be housed or maintained within the Town Hall. Special thanks to George Malone for suggesting this idea.....He will also oversee its implementation.

Sale of the Old Town Hall We are anticipating selling the old Town Hall for several million dollars and having the property put back on the tax rolls. This was not budgeted because we have just started the process of reviewing requests to purchase the old Town Hall. We hope to finalize the sale during 2004.

Police and Teamster Contracts for 2004 are Not Yet in Place

In the contingency accounts, I have placed a certain level of funding to provide for potential union contract increases. The Police and Teamster union contracts expire at the end of 2003. The Town will be working on these contract negotiations shortly. The Civil Service Employee Association's contract is in place for the entire 2004 fiscal year.

Police/Federal COPS Program

The Police Department budget increased by 3.282% over the 2003 adopted budget. I have removed the Police Department's request for eight police vehicles. This amount, \$242,238, will be placed in the 2004 capital budget. I have also included an increase to police overtime, as requested by the Town's Chief of Police. The overtime has increased from \$443,000 in 2003 to \$490,000 in 2004.

One police officer will be partially funded under the Federal COPS program and an additional police officer will be partially funded as a result of the COPS in Schools Program. The Town's police force totals 113 officers.

Unpaid Taxes

The Town is responsible for the billing and collection of over \$292 million in property taxes annually, about 88% of the taxes collected are for other governments and districts (the County, 10 school districts, 3 fire districts). The Town must pay these entities the full warrant amount, covering shortfalls in current tax collection with its own funds. In April 2003, the Town paid \$4.2 million in uncollected current tax monies to the schools. As a result of the downturn in the economy, there may be a decrease in payment of current taxes. We will monitor this trend carefully as we prepare for a new round of foreclosures.

The Process

The tentative 2004 budget was arrived at after a thorough examination of all items within the context of the Town's long-range financial planning. Department requests were scrutinized and in many cases reduced in order to have a workable budget that did not place an undue burden on the taxpayers. The public hearing on the budget will be held on Monday November 24, 2003 at Town Hall at 7:30 PM. It will be preceded by a question and answer period at 7:00 PM on the same day. The Town Board will consider adoption of the budget at that meeting, or at our December 10th Board meeting.

Members of my staff and I would be pleased to meet with any community member or civic group to discuss the budget on an informal basis. I can be reached at my office (telephone: 993-1540) or at my home (telephone: 478-1219). I look forward to hearing from you and discussing your comments or ideas.

Budget on the Internet...NEW: financial statements also on internet

We again placed the budget on the Internet in an effort to make it more accessible to our citizens. We believe that we were the first government in New York to publish its budget in this manner and in its entirety. We will publish the entire 2004 budget on the Internet. We will also publish on the Internet the 2002 and 2003 financial statement when it is completed. Please visit our web site at www.GreenburghNY.com. As I have been saying each year, this is open government at its best and we look forward to your participation.

Financial Outlook

Financial

The financial stability evidenced by this tentative budget would not have been possible without prudent long-range financial planning. Vigorous collection of tax arrears and other measures have made it possible to maintain fund balance and to pay certiorari refunds without borrowing. The Town's excellent fiscal management was recognized by Moody's Investors Service, which awarded an Aa rating to the Town in 1996, the highest ever in the Town's history. In 1998, Moody's rated the Town's bonds Aa2, and in 2002, Moody's again rewarded the Town for its sound fiscal management with an increased rating to Aa1. There is only one more possible increase to Aaa. This rating reduces interest rates the Town pays on its bonds and notes. In making this upgrade, Moody's recognized the strong financial reserves of the Town and sound financial management. The Town believes this budget continues that tradition. In addition, the Town continues to move toward even higher levels of financial excellence with improved banking services and cash management, and enhancements to its health, workers' compensation, general liability and vehicle insurance programs.

SPECIAL THANKS

I wish to commend our Deputy Comptroller, Doreen Muentener, and New Town Comptroller, Ann Marie Berg, for pursuing these efforts and in bringing these initiatives forward. I would especially like to thank Norah McAvoy, the former Town Comptroller for all her efforts in expediting the budget process prior to her resignation on September 15, 2003.

Respectfully submitted,

Paul J. Feiner, Town Supervisor