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 2005. The Town Wide budget totals $13,539,571 and the Town Outside Villages budget totals $51,538,086. The Town Wide budget will have an average tax increase of $15.02, based upon an assessment of $15,000, for a total $103.66. The Town Outside Villages’ (Unincorporated Greenburgh) budget will have an average tax increase of $108.45, and for a total of $1,698.84 which is an increase of 6.82%. This is slightly less than the percentage increase in the tentative budget for 2004. The Town’s portion of an average resident’s total local property tax bill is 19% of the County, School, Fire, and Town taxes.

The Town must be fiscally prudent to safeguard the future through fiscal restraint and long range planning. The budgets submitted by Town departments were reviewed and revised, as required, to obtain a total Town budget that is fiscally responsible to both the competing needs for services and the recognition that we must limit the tax increase for our property owners. Service requirements have been prioritized and joint planning and uses of resources have been used by departments to reduce operating costs.

The Town has three collective bargaining units: the Civil Service Employees Association (CSEA), the Police Association of the Town of Greenburgh, and the International Brotherhood of Teamsters (Teamsters). These units negotiate agreements with the Town on behalf of their memberships for wages, benefits and working conditions. We have negotiated a three-year contract with the police union, which represents the third consecutive contract that did not require binding arbitration. The police will be receiving a 3.85% salary increase in 2005. The Teamsters contract expired on December 31, 2003 and the C.S.E.A. contract will expire on December 31, 2004.
Negotiations with the Teamsters and CSEA hopefully will be completed in 2005 – with salary increases made retroactive. Salaries of elected, management, and non-union personnel will increase by 3.0% in 2005.

**MODEST INCREASES FOR DEPARTMENTS SO QUALITY SERVICES CAN BE MAINTAINED**

This was a difficult budget to prepare. Department heads eager to provide residents with the highest quality services, came up with ambitious proposals that could have easily increased our taxes by more than double digits. In these difficult times, a double digit increase is unacceptable. This budget attempts to find a balance. Residents expect high quality services, but many of our residents, especially those on fixed incomes, can’t afford to pay double digit tax hikes. Every department in the Town received at least a modest increase in their budget so they can continue to provide residents with high quality services.

**SOME REASONS FOR THE TAX HIKE (EXPENDITURES OUT OF OUR CONTROL)**

- Insurance premiums for general liability, property, and automobile coverage:
  
  2004 budget - $1,104,426
  2005 budget - $1,210,669, an increase of $106,243 or 9.6%

- Health Insurance costs:
  
  2004 budget - $7,037,215
  2005 budget - $7,471,987, an increase of $434,772 or 6.2%

- Fuel costs:
  
  2004 budget - $372,128
  2005 budget - $549,950, an increase of $177,822 or 47.8%

No elected officials have the use of Town cars. I have not accepted a Town car since taking office as Town Supervisor and do not seek reimbursement for gas or mileage from the Town for my transportation. Only a handful of Town employees have been authorized to take a Town car home in the evening. These few employees are in the Police, Public Works, Water, and Parks and Recreation maintenance departments. These vehicles are used for safety and health purposes.
• Disposal Costs (Refuse):

2004 budget - $525,000
2005 budget - $635,000, an increase $110,000 or 20.9%

The increase is based upon higher charges at the transfer station and greater volumes of waste being generated. Also, the Department of Environmental Conservation (DEC) has found that because of the magnitude of the Town’s yard waste collection program, there is more stored material than is allowed by their standards. The stored volume has increased as a result of other programs in our area, reducing the demand for our material, and the cost to remove excess material is $50,000 of the above increase.

Some GOOD NEWS: Revenue Increases

• Mortgage Tax – State Aid:

2004 budget - $2,600,000
2005 budget - $3,000,000, an increase of $400,000 or 15.4%

• Sales Tax Distribution:

2004 budget - $3,750,000
2005 budget - $4,800,000, an increase of $1,050,000 or 28.0%

• Emergency Medical Service:

2004 budget - $380,000
2005 budget - $455,000, an increase of $75,000 or 19.7%

• Building Permits:

2004 budget - $550,000
2005 budget - $660,000, an increase of $110,000 or 20%

A resolution will be presented to the Board to raise building fees before adoption of the budget. I will also be seeking an increase in the biennial alarm license fee of five dollars for residential and ten dollars for businesses which will generate $10,000 of additional revenue. These fees have not been raised in many years. Although the revenues indicated above have increased, there has been a steady decline in the taxable assessed values as indicated later in this letter.
Fund Balance

The 2004 Budget appropriated a total of $3,763,688 of fund balance in the Town Wide Fund and $4,440,000 of fund balance in the Town Outside Villages Fund. Some of the appropriation was used to offset the costs of pension payments. The Town Wide and Town Outside Villages fund balances are estimated to decline by $574,176 and $3,081,735, respectively, at the close of 2004. The 2005 Tentative Budget has an appropriated $2,665,000 of fund balance in the Town Wide Fund and $3,293,875 of fund balance in the Town Outside Villages Fund. These amounts, while less than 2004, are more in line with the amounts appropriated in prior years. Adequate fund balances are important for maintaining the Town’s strong bond rating. The Town’s healthy fund balance is one of the key reasons that the bond rating agencies, Moody’s and Standard & Poor’s, have indicated for increasing our bond ratings to the high level we now enjoy.

BAD NEWS: Dramatic Erosion in Commercial/Industrial Tax Base: New York State Equalization Rate and Taxable Assessed Values

The Town of Greenburgh, as well as many other jurisdictions in Westchester County, has experienced dramatic erosion in its commercial/industrial tax base over the last few years. The erosion stems in large part from a precipitous decline in the New York State Equalization Rate. The equalization rate is used by the courts to settle tax certiorari challenges and is also used by New York State to establish Special Franchise assessments. The equalization rate in 2000 was 6.20%. In 2004 it dropped to 3.64%. A 41% decline. Over the same period, Special Franchise assessments have gone from $20,531,916 to $15,779,441. Therefore, in just the utility sector, the tax base has gone down by $4,752,475 (23%). The decline in the equalization rate has had similar impacts on the commercial tax base.

Although the Town has experienced growth from new construction in this same time period, the decline associated with the equalization rate on certiorari and Special Franchise properties has had a cumulative effect in driving up tax rates in the Town of Greenburgh.

The Town of Greenburgh has been in the forefront of many communities seeking relief to change the methods used by New York State to establish equalization rates. Unfortunately, we have
had little success, but we will continue working to convince our state representatives to address this issue.

**Third Town Justice**

A third Town Justice will begin sitting for the Greenburgh Town Court in 2005 at a salary of $53,376. An additional Assistant Court Clerk at annual salary of $35,828 and funding from a federal grant of $145,491 for drug court offenses are included in the Town Court budget. The addition of the third Justice will increase court revenues.

**Increase for Election Inspectors**

Election inspectors provide a very important and valuable service by maintaining the credibility of the voting process. These individuals work a very long day. The budget provides that the payment to an election inspector would increase from $175 to $180 per day and is budgeted at $175,625.

**Funding for Local Schools to Produce and Televise Cable Programs**

Funding to assist local school districts to obtain equipment for producing and televising programs to be aired on cable television has been budgeted at $75,000. This will assist the schools in adding another educational opportunity for students to learn and develop skills in producing, editing, and television programming. In 2004 $8,500 has been spent, and an additional $20,000 will be expended by year-end. I believe that every school district in the Town, that has some residents of unincorporated Greenburgh attending its schools, should be eligible for such funding – the allocation should be based on the number of students from Greenburgh.

**Library Expansion---I Need the Tools to Oversee and Monitor This Project!**

**GOAL: REFERENDUM ON LIBRARY IN 2005**

One of my goals as Town Supervisor is to oversee the construction of an expanded “state of the art” Greenburgh Library. The expanded library should be another jewel added to our collection of extraordinary Town facilities. The Town of Greenburgh is a class A town at the very top of the list as a result of our infrastructure and exceptional services. These ‘jewels”, such as our Town recreation parks, open spaces and new Town Hall makes the Town of Greenburgh one of the most desirable
I have included in the tentative budget funding of $7,000 for a Special Assistant. The Special Assistant, a part-time post, will have a primary focus: ensuring that the library expansion is completed at the lowest possible cost to the taxpayers. If the Town Board approves this line item request, I will appoint Gerry Iagallo to this position. He has unique real estate experience, has expert negotiating skills and has a proven track record. These were the exact skills that were necessary in the acquisition and redevelopment of the new Town Hall. Thanks, in large part, to his efforts we were able to locate a first-class building. We purchased the building at a price significantly below the actual value of the building. Much of the furniture and the telephone system at our Town Hall was included in the $6.9 million purchase price. We received rent before we moved into our new building—reducing our costs. The move to our new Town Hall was accomplished over a weekend and the construction that took place went almost without any problems. I want to reach our goal of a new library with the same success, speed and low cost as was achieved with the new Town Hall.

The Town Board has made it clear that the library expansion is a very high priority. I am committed to the goal of presenting to the community a proposed library expansion that could be voted on by the public in 2005. I need the tools necessary so that the expansion, once proposed, will make good fiscal sense. I’m convinced that the $7,000 I am recommending can save the Town millions of dollars. If I am provided with the tools to oversee the library expansion, we will also present the Town Board with monthly progress reports.

**Courthouse/Police Locker Room Expansion**

**GOAL: FINALIZE CONSTRUCTION PLAN IN 2005, WORK TO BE COMPLETED IN 2006**

The creation of third part-time Justice position highlights the need to expand our courthouse to provide staff at the court and the Justices with the tools to do their job. The locker rooms at the police headquarters are inadequate. We also need additional parking at the courthouse/police headquarters. It is my hope that the Town Board can finalize a plan of action in 2005 – with construction to be completed in 2006. Funding for this project will be included in the 2005 Capital Budget.
ENERGY CONSERVATION INITIATIVES

Green Commercial Buildings

I'm recommending that the Town enter into a $15,000 contract with the Pace Law School Energy Project. The Pace Energy Project, with its policy and legal expertise regarding energy related issues, will: supervise the work of our energy conservation coordinator (a position that has been and will continue to be funded in the budget), draft a local law that mandates or provides effective incentives for more energy efficient commercial development, develop a fee structure that recovers the costs of developing and implementing such a local law, and provide the Town with advice on other energy efficiency and renewable energy matters. The costs of the wind energy, solar power initiative, energy conservation coordinator and Pace University Law School Energy Project contract will be paid for from Building Department fee increases, which I am recommending.

Solar Energy

Greenburgh is one of only twelve towns in the State whose proposal to the New York State Energy Research and Development Authority (NYSERDA) was accepted for a grant to fund a photovoltaic (PV) system at Town Hall. While the PV system will generate only a small amount of electricity for powering electrical devices at Town Hall, the use of this energy source will demonstrate the Town’s leadership and support of a clean renewable energy supply that will reduce the dependence on foreign oil and benefit the environment. After the grant funding, the cost will be $18,704. The New York Power Authority has indicated that this program would be eligible for special financing consideration as an energy conservation initiative; however, all the details have not yet been provided.

Electric Power through Wind Turbine Generation

I have asked the Town Board to approve the Town’s purchase of 3% of the town Total electricity use of an alternate source of electrical power through the use of wind turbine generation; there are approximately nine other local Westchester municipalities that are purchasing a portion of their electric requirements from this source of power for a period of five years. The cost for this power is approximately $4,858 in the first year and is budgeted in three funds: Town Wide, Town Outside
Villages, and Water funds. The amounts budgeted are based upon the percentage of electricity purchased from the New York Power Authority: 14% Town Wide, 52% Town Outside Villages, and 34% Water Fund ($684, $2,508, $1,666). The benefits are reductions in air pollutants and greenhouse gases that occur with traditional fossil fuels. I support the purchase of wind power and have asked our energy coordinator, Nicola Coddington, to determine if more than one company provides such a service. We should solicit bids from competing companies, if they are available.

**Employee of the Year**

Greenburgh has many hard working and dedicated employees. I want to continue to encourage our employees to be productive and recognize our most outstanding employee at the end of the year. A total of $2,000 has been budgeted for this purpose. Let’s reward our best!

**Children’s Room**

The Children’s Room at Town Hall will be staffed two days a week from 3:00 p.m. to 5:00 p.m. I am requesting funding of $3,500. This will allow those that need to conduct business at Town Hall to have their children watched so that their time will be productive. A special thank you goes to the Junior League of Central Westchester for working with the Town in setting up the Children’s Room. Members of the Junior League voted this summer to also fund our start-up costs. We hope the room will be operational in 2005.

**Part-time Network Administrator in the Police Department**

The Police Department has a number of data processing hardware and software systems and interfaces upon which they rely for criminal and administrative operations. Among these systems is a network that supports nineteen other local police agencies in addition to the Greenburgh Police Department. It is imperative to the efficient operation of the Police Department and for the safety of the police officers in the field, that these systems are well maintained, minimizing the possibility of a failure that would impede obtaining prompt and reliable criminal information. An amount of $27,000 has been included in the budget.
Additional Parks Groundskeeper

An additional groundskeeper position is being recommended in the Parks and Recreation Department at $34,189. The overtime and part-time budgets have been reduced by total of $11,600 to off-set part of the increase of this position.

Replacement of Trees and Beautification

There is funding in the Parks and Recreation budget for tree inspections, tree removal, and replacement of trees and other plantings. The tree inspection program is budgeted at $26,000, tree removal is budgeted at $80,000, and $20,000 is budgeted for tree replacement and beautification. There is also $36,500 for removal of trees and $10,000 for tree replacement in the Highway Fund budget. Obviously, this replacement program won’t replace every diseased tree that is being cut down. However, it is a start to help keep Greenburgh green.

Part-time Forestry Officer

Incidents during the year relating to the removal of trees on various properties within the Town have demonstrated the need to transfer the position to the Planning Department and to require the Forestry Officer, whose duties only require part-time hours, to have an environmental background. I have funded the position, in the amount of $27,000, to address submissions by individuals, contractors, etc. that would involve removal of trees.

Wireless Internet Connection at Town Parks

I recommend that Anthony F. Veteran Park and Yosemite Park become “WIFI” or wireless internet friendly when these facilities open next season. This will provide the opportunity for patrons at the parks to work, stay in touch, and browse the internet while enjoying our recreational facilities. An amount of $3,000 is included in the budget for this purpose. I hope that all our parks can be connected to the internet by 2006.
Internet Streaming – TOWN BOARD MEETINGS ON THE INTERNET

There is $6,000 of funding for streaming of the Cable TV broadcast of Town Board meetings and other meetings over the internet to residents and the public on a real time basis and for up to six months after the original broadcast of the meeting. Meetings of the Planning Board and the Zoning Board will also be accessible via the internet. Another suggestion: air at least one school game on the internet each month. This will encourage more residents to visit our website and will also highlight our pride in our student athletes. Open government requires the Town Board to consider innovative, new approaches that will make government more accessible to those who don’t have cable TV. Streaming our meetings on the internet will enable anyone to view our meetings from anywhere!

COPS Technology Grant

The Town has been notified by the U.S. Department of Justice, the Office of Justice Programs, of a grant award for $107,755. These funds will be used to replace twelve of the Department’s thirty-five mobile computing workstations. The workstations store or provide the ability to access local, state and federal databases and download various data including photographs of fugitives and missing persons, floor plans, and other information valuable to patrol officers and investigators.

The Process

The tentative 2005 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 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 22, 2004 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 a subsequent meeting, but prior to December 20, 2004, as required by State Law.

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

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 2005 budget on the Internet. Please visit our web site at www.greenburghny.com. As I say each year, this is open government at its best and we look forward to your participation.

Financial Outlook – Proud of Our Three Bond Rating Increases

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, awarding the Town its second increased rating in three years. In 2002, the rating was revised to Aa1 in recognition of the Town’s sound financial position. 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 debt and capital project management, banking services and cash management, and enhancements to its health, workers’ compensation and general liability insurance programs. I wish to commend our Comptroller, James L. Heslop, and Deputy Comptroller, Doreen Muentener, for pursuing these efforts and in bringing these initiatives forward.

Respectfully submitted,

Paul J. Feiner, Town Supervisor