

VILLAGE OF CORNWALL-ON-HUDSON BOARD OF TRUSTEES

January 21, 2009

The Special Meeting of the Board of Trustees was called to order at 7:00 P.M., at 325 Hudson St., Cornwall-on-Hudson, N.Y.

The following Board Members were in attendance:

Mayor Joseph J. Gross
Trustee Mark J. Edsall
Trustee William T. Fogarty
Trustee Barbara J. Gosda
Trustee Richard Gioia

Also present were: DPW Superintendent David Halvorsen, Police Chief Charles Williams, Water Superintendent Robert June, SKEC #2 Fire Chief Jeff Armitage and President Doug Vatter, Interim Deputy Village Attorney Jeffrey Sculley, and Village Clerk Jeanne Mahoney.

PUBLIC HEARING 2009-2010 PROPOSED BUDGET

Proof of Notice and Publication having been furnished, and copies of the budget having been distributed, the Public Hearing on the 2009-10 Budget was called to order at 7:00 PM by Mayor Gross. It was noted that the proposed budget carries no increase in the general fund with a tax rate of \$8.37, and a 4% increase in the garbage rate. In addition, there is no proposed increase in water rates, hydrant or fire line fees, and the sewer percentage will remain at 85% of water consumption.

Mayor Gross stated that he and Trustee Fogarty prepared this budget anticipating a decrease in revenues and an increase in expenditures. They worked toward preserving as many full time jobs as possible, and this budget reflects that.

Trustee Gosda stated that the Board must deal with its current debt while keeping taxes "in check". In addition, the Village has contractual obligations which must be met. Department heads must reduce spending and "live within our means".

Trustee Edsall agrees that the Board must "hold the line; however, projected revenues must be realistic. He outlined several budgeted line items that are of concern to him. In addition, contractual obligations with the unions call for annual increases that must be covered. A zero percent tax increase will make that difficult to accomplish and may put the Village "deeper into the hole".

Trustee Fogarty stated that in 2005 he introduced a five (5) year plan to reduce debt and cut expenses. His objective when preparing this budget was to hold the line on spending. The goal during his terms of office has been to eliminate the Revenue Anticipation Notes. The sewer note is paid in full, the general note has two (2) years left to go, but the water notes will take additional time. He looks forward to the day when all are paid off.

Trustee Gioia stated that the Village has been on an “unsustainable economic path” of spending and growth. Construction of the water plant was a huge expense for a small Village. The current state of the economy is troublesome and it’s time for us to make necessary financial sacrifices to be more in control.

PUBLIC COMMENT

Peter Neuman of 9 Braden Place stated that the proposed budget is a “fairy tale”. Revenue numbers are overstated and the expenditures are understated. In order to avoid raising taxes, expenditures must be cut. In this budget, the custodial lines were cut without a new plan in place. Under revenues, the county sales tax, building permit fees and state mortgage tax are overstated. Under expenditures, legal fees could be reduced by not having an attorney present at work sessions and tonight’s budget hearing. In addition, using the Village mechanic to repair fire department vehicles is a mistake.

Interim Deputy Village Attorney Sculley replied that his firm discounts monthly billings as a courtesy to the Village. The large percentage of legal fees billed to date is due to two (2) Article 78 lawsuits brought against the Village.

Mayor Gross defended the billing statements which are consistent with the budgeted amount. He is grateful for their generosity.

Police Chief Williams stated that over the past year, members of this board have “micromanaged” not only him, but the entire police department. The proposed budget is proof of that. Despite numerous requests for a meeting to discuss the budget numbers, it never occurred. The proposed budget will hamper normal police operations and severely affect police coverage for special civic events. In addition, the mayor has proposed the removal of one crossing guard and posting the officer on duty to cross school children. He cannot guarantee that an officer will be available for that post, because he/she may be responding to a call for service. Discussion followed.

SKEC #2 President Doug Vatter stated that the proposed budget cuts to the fire department lines are ill advised. He estimates a proposed 18% reduction in funds to run the fire department, a much higher decrease than other Village departments received. The fire mechanic earns \$14.00 per hour while the Village mechanic earns \$24.00 per hour, how is that a cost savings? The weekly work and safety checks of fire apparatus performed by the fire house mechanic is time consuming and the Village mechanic could not possibly have enough time to perform all these extra duties. In addition, the department is run by volunteers, and these proposed cuts are hurting morale.

SKEC#2 Fire Chief Jeff Armitage stated that the department has provided 141 dedicated years of volunteer service to the Village. This department has no labor costs in the budget other than the fire house mechanic and custodian. The \$27,500 proposed budget cut to this department is drastic and will make it difficult to function. Mr. Quillin, the mechanic, is a dedicated part time employee who has saved the Village untold amounts of money by performing his duties on an aging fleet. Members of the village boards are all part timers, and no pay cuts were proposed for them. In addition, over the years the department has applied for and received many grants to purchase necessary safety equipment.

Lee Murphy 269 Hudson Street asked the Board if they would consider taking a cut in their salary.

Mayor Gross replied that the question is presumptuous in regards to his salary. Although, he is paid a part time salary, he is working a full time job.

Dennis Wood 11 Pine Street asked the Board why budget line items that deal with public safety are taking a “bigger hit” than DPW or Water.

Trustee Edsall replied that when tonight’s discussion started, he raised his concern with disproportionate adjustments from one department to another. In regards to public safety, there are basic essential requirements needed to provide a safe environment in the Village. Those departments appear to be taking the largest budget cuts. He is confused where the budget numbers came from.

Mayor Gross stated that the trustees were provided copies and have been working on this proposed budget for over a month now. He will gladly meet with Trustee Edsall to go over the budget numbers. The intent in preparing this budget was to be conservative on income and cut “fat”.

Bruce Bryan stated that he is a long time volunteer for the fire department and a Village Board member back in the 1980’s. Back then the board discussed the establishment of capital expense lines for equipment replacement but it never happened. Without capital funds, the Village will always have to borrow money to replace necessary major equipment. Discussion followed.

Doug Vatter asked for the exact percentage cut proposed for the fire department because, in his opinion, rational decisions regarding the budget preparation process cannot be made without that level of information.

Mayor Gross replied that he looks at the Village as a whole not as a group of departments when preparing a budget.

Trustee Fogarty stated that prior to commencement of the budget process, he asked all department heads to “hold the line” regarding their budget requests. Discussion followed regarding the fire department’s budget request.

Andrew Argenio of 18 Church Street stated open and productive dialog is necessary to find common ground. The revenues are no longer there and yet everyone wants the same level of service.

Mayor Gross stated that he has known Mr. Quillin “all my life” and he is a good man. It will not be easy to ask him to retire in 6 months, but it is a necessary “internal consolidation” of services. If the department heads have ideas on how to save money please share them now. Until that happens the Village Board is forced to make the decisions “for you”. Discussion followed.

Chris Donato the DPW Foreman stated that if the Village Board asks DPW employees to assist the Village Mechanic in his duties, we will return to a situation similar to a couple of years ago (when the DPW facility was under construction) where employees will not be doing highway work.

Mayor Gross then polled the Board for additional comments.

Trustee Fogarty suggested that another Special Meeting be scheduled in order to come to a consensus.

Mayor Gross stated that Trustee Gosda has recommended an increase to the contingency line to cover unanticipated mechanical breakdowns which will result in a 1% property tax increase.

Trustee Gioia stated there are a lot of residents who are finding it difficult to afford to live in the Village.

Trustee Edsall again stated that this is a disproportionate adjustments being made in this budget. All departments must hold the line, but it should be for the same percentage. He was only asked to sit in during discussions of the fire department budget. Those numbers discussed are not in this budget. He does not feel he could vote affirmatively on a budget at this point. He will make himself available, and asks department heads and the entire board to sit down together and work out a budget.

Trustee Edsall made a motion to schedule a special work session on Friday, January 23rd at 6:00 PM to discuss Water and Police budgets, and another special work session on Tuesday, January 27th at 6:00 PM to discuss Fire and DPW budgets which was seconded by Trustee Fogarty and carried by a vote of 5 ayes and 0 nays.

Trustee Edsall then made a motion to continue the Public Hearing on the 2009-2010 budget on Thursday, January 29, 2009 at 7:00 PM which was seconded by Trustee Fogarty and carried by a vote of 5 ayes and 0 nays.

Having concluded the business set before them, Trustee Edsall moved to adjourn the meeting which was seconded by Trustee Gosda and upon a vote of 5 Ayes and 0 Nays, the meeting was adjourned at 9:10 PM.