

MAYOR MARVIN'S COLUMN

As the year marches to a close, it is an opportune moment to review what the New York Legislature has accomplished this year and how their action or inaction has affected our Village.

The 2009-2010 State Budget maintains our "AIM" or State aid to local government stipend of \$70,282. Though a very small number relative to other communities, the loss of this unrestricted aid would represent a 1% increase on the Village tax bill. Unfortunately, due to the drastic State financial shortfalls, we believe this amount is in jeopardy in the 2010-2011 State Budget.

The Consolidated Highway Improvement Program or "CHIPS" money was funded this year at 2008-2009 levels for a total of \$99,108.53 to our Village. This money supplements our road resurfacing budget. However, like our "AIM" funding, we believe we face the very realistic possibility of having this decreased substantially in the next State budget.

The State established an employer payroll tax – referred to as the Mobility Tax – which applies to all public, non-profit and private employers in the 12 county Metropolitan Transit Authority (MTA) region whose payroll expense exceeds \$2,500 in any calendar quarter. The rate of the tax is 34 cents for every \$100 in salaries and wages. We had budgeted accordingly in anticipation of this – what is a classic unfunded mandate – from the date of its enactment until the end of the budget year. However, we did not foresee that the State Legislature would further decide that for local governments the tax would be retroactive to March 2009. Our first payment was due on November 2, 2009 and totaled \$13,920.30.

A particularly troublesome bill was enacted under the aegis of the Attorney General's Office which comprehensively changes the procedure on consolidating and dissolving village governments. The bill makes it substantially easier for the public to initiate dissolution and consolidation proceedings.

The most significant changes in this bill are the lowering of the number of signatures required to initiate the dissolution and consolidation proceedings from 33% to 10% of the number of a village's registered voters, which for Bronxville would be only 425 residents. Also, the law mandates a vote to dissolve prior to a study of the potential impacts of dissolution or the development of a plan for implementation. The whole process may also be

initiated by any resident of the State of New York without a requirement that it be a resident of the affected municipality.

The New York Conference of Mayors and Municipal Officials (NYCOM) has identified at least fifteen legal defects with this bill as approved. Most municipal organizations throughout the State including the Westchester Municipal Officials Association, of which we are a member, recognize the danger of this bill and have united to offer an amended bill to the new legislature. I urge you in the interim to contact Attorney General Andrew Cuomo's office to register your concern about what is truly one of the most ill conceived, poorly thought out pieces of State legislation I have seen in my tenure as Mayor.

The State also extended the statute which allows a union representing police officers and firefighters to seek compulsory arbitration of any impasse in collective negotiations.

As is evident, none of the above initiatives helped the Village financially in any way. Looking to the next budget, our losses in State aid could equate to a 3% increase in Village taxes alone.

Add to this the fact that our County government has outspent the cost of living index in recent years by over two and a half times, the next budget cycle will be challenging at best at all levels of government.

The Village has long had a history of paying our obligations without much fuss or fanfare. However, based on the back breaking taxes and unfunded mandates that have materialized over the past few years, it is time for us to mandate reform.

We can no longer sit back quietly and accept a \$57 million tax bill shared by only 2,312 households that only extends to the County level. It does not include the additional tax burdens added by State government as outlined above.

Our Village is rapidly and silently losing Villagers every year who cannot continue to bear this tax burden. Their departure is a loss to us all. I urge you once again to review the budgets that affect your bottom line and learn how your dollars are being spent. Ask the questions, do we need a County government that costs Villagers \$8,867,037 a year, a town government that costs \$831,051 a year, a fire district that provides coverage to Villagers at a

cost of \$4,224,645 per year, a School that costs \$36,047,424 and a Village government that operates on \$7,683,816 a year?

It is time not to look at budgets and ask if a budget line should be raised, lowered or remain flat. Rather, it is time to ask the questions, do we need this at all? And if so, can we accomplish the same goal in a more cost efficient way?

These difficult economic times have a positive side in that they offer us a moment to look at all of our institutions and their costs with a fresh set of eyes. This is an opportunity to be creative, innovative and quite frankly make hard decisions that are long overdue.