

Mayor's Column

The Trustees and I are in the midst of formulating the 2009-2010 budget. Not surprisingly, it has been the most difficult budget process in my 10 years of being involved in Village government.

We carefully monitored our spending throughout the year. Those expenditures that we control remained flat or decreased and we will end the fiscal year with a surplus. However, the 2009-2010 budget is proving to be a much greater challenge. For example, we recently learned our electric costs will increase by 17% even though we participate in a state program offering the lowest rates possible. Health care benefit costs will again increase ~ this time by some 10%.

The decreases to the Village's revenue side of the ledger is the most distressing news. The combined

shortfalls in mortgage tax and sales tax revenue, interest income, state library funding and building permit income totaled \$450,000, equating to an almost 6 percent tax increase for these items alone. (The decrease in revenue or increase in expenses of approximately \$76,000, results in a 1% tax increase on the Village budget.) To put in context, the Village's approximately \$13m budget is funded by \$7.5m in property taxes and \$5m in non property tax revenues. Unlike the school, we were not fortunate to receive any stimulus monies as yet from the state, though we have submitted many projects and items for possible funding consideration at the County, State and Federal levels. The good news is that our two state revenue lines totaling approximately \$150,000 remained in the recently approved state budget but at no increase. So net net we had our work cut out for us in a year like no other in recent memory.

Given the circumstances, I think it important to provide a window into our collective mind set as we formulated the 2009-2010 budget. First and foremost, the Trustees and I are very cognizant on a personal and community level of the damaging effects of the recession on our Village and the tax burdens our Villagers are forced to bear. With that in mind, we approached the Village budget the same way most residents are handling their home budgets – by prioritizing needs. We had a two pronged approach. We looked first to what services are required to keep our community safe and running smoothly. Then we made sure that our expenditures of tax dollars gave the maximum benefit to our taxpayers. As a result, the needs of the police and public works departments clearly came first. Though we are leaving one unfilled position in each of these departments, there will be no diminution of services. In fact, in the case of the police department, you will see an increased

presence in the business district and officers on foot and traffic patrol.

We then had to look to the less essential services to fill the wide budget gap. We began by computing the real cost of running some of our programs. For example, we added in maintenance, administrative costs and debt service fees this year to our library, paddle and tennis operations. Traditionally, the Trustees tied user fees and made funding decisions based solely on operating costs. However, it was much like itemizing household expenses without factoring in the mortgage payment. As a consequence, we had to ask for either large cuts in budget requests or increases in user fees to begin closing the funding gaps.

Since its renovation, we have funded our library at a very high level. As an illustration, last year library funding amounted to 9.45% of our total Village budget.

We compared the funding of our library with other Westchester communities. In Rye, the funding level is at 3.9%, Tarrytown at 4.3% and Scarsdale at 7% of their total budgets.

This year we have asked our library staff and Trustees to accept a substantial budget cut. The allocation of the financial decreases among staffing, materials and hours of operation, will be the ultimate decision of the Library Board of Trustees.

Our level of funding of the Bronxville/Tuckahoe Senior Citizens Council will also decrease in the coming budget. Historically, the Village has been the major source of funding even though a large majority of the seniors participating in the program live in the surrounding municipalities. We will continue to provide free office space and a public parking space to help generate revenue. However, we are asking the Senior

Council to look for additional funding sources, be it from the communities whose residents also benefit from the program or through available grant monies.

To increase revenues, we are looking at our parking department revenue and anticipate raising some fees to be more in line with our neighbors and the times. For example, Eastchester charges \$25 and Yonkers charges \$35 for a parking violation and Scarsdale's fee will increase to \$20 in their current budget.

It is important to understand that none of these budget cuts or user fee increases reflect the Trustees' view or value assessment of the programs. Rather, collectively it represents a belt tightening in a time when it is clearly warranted. We are making difficult decisions in a very difficult time. We hope this will not be the first of many "bad years" and we genuinely appreciate the

cooperation of our staff and related organizations in
acknowledging the economic realities at the Village level.