



To: Mayor Robert J. Steves
Members of the Village Board of Trustees
Cc: Former Mayor Miriam Levitt Flisser

From: The League of Women Voters of Scarsdale

Re: 2013-2014 Tentative Village Budget

Date: April 9, 2013

The League of Women Voters of Scarsdale (the "League" or "LWVS") held a membership meeting on Monday, April 1, 2013 to evaluate the 2013-2014 Tentative Village Budget. We thank Village Manager Al Gatta, Village Treasurer Mary Lou McClure and Trustee Stacey Brodsky for attending the meeting and addressing our questions related to the proposed budget, as well as potential issues going forward.

The League supports the proposed FY 2013-14 budget and commends the Village staff, former Mayor Miriam Levitt Flisser, the Board of Trustees (the "Board") and its Finance Committee for a budget that meets the stated goal of continuing to provide services to the community at a level consistent with prior years while minimizing spending. The League understands that it was necessary for the Board to vote to allow an increase in the 2013-14 budget that exceeds the state-mandated 2% tax cap. The estimated non-controllable costs of pension and health insurance in this budget account for an increase of \$877,065 while the dollar amount over the tax cap is \$538,209. The increase in the pension payment alone accounts for almost the entire amount in excess of the cap. The combination of the pension increase and the health insurance increase more than accounts for the excess over the cap.

Deferral of Capital Maintenance Projects and Maintaining Municipal Service Levels

We thank the Village for its capital planning to maintain debt service as level as possible. However, the League has concerns about the continued deferral of capital maintenance projects. We recognize that this is a result of the efforts to minimize property tax increases in this current economic environment; however, it is not always prudent to continue to forego necessary maintenance and improvement projects.

We recognize that the Village has walked a tight rope to maintain the current level of municipal services while reigning in tax increases, despite the substantial increases in uncontrollable costs, such as pension and health insurance costs. We understand the Village's decision to defer capital expenditures during these trying economic times. However, we urge the Board to look critically at the potential ramifications of continued deferral of capital improvements. While we note the Board and the Village administration have strived to maintain services at the level to which residents are accustomed, we suggest that the Board reconsider whether the desire to maintain service levels should be the overriding determinant of budgetary decisions. We believe a reexamination of priorities may be useful at this time.

The League is pleased to learn that Mayor Steves plans to engage the community in conversation to identify the services residents want and what we are willing to pay for, whether residents want to maintain Scarsdale as a "Village in the Park" and at what cost. The League has a strong interest in participating in a study, conducted with community input, regarding the continuation of a level of

services that are perceived to distinguish Scarsdale as a beautiful milieu with a small town community aura with attendant benefits, such as bi-weekly sanitation collection, leaf collection, park maintenance, summer concerts and Fourth of July fireworks.

We note with concern that several union contracts (the Teamsters Public Works, Teamsters Trades, UFFA Firefighters, CSEA Clerical & Technical, and PBA) have already expired or will expire at the end of May 2013. In these cases, existing contract terms are retained until new contract terms are reached; however, the budget does not account for any retroactive obligations that may result from new contract terms.

Sanitary Sewer Service Fee

The League endorses the establishment of a Sanitary Sewer Fee. The League agrees that a designated fee, rather than a tax, will provide much-needed funds specifically targeted to maintain this vital part of Scarsdale's infrastructure. Parts of our 85-mile sanitary sewer system date back ninety years, with a twenty-five year life expectancy. With a potential for dangerous environmental impacts as well as possible penalties from New York State for sanitary sewage waste seepage into the storm water system, it is imperative to have designated funds to repair, replace and maintain this system.

The League also supports the stated goal that setting the Sanitary Sewer Service Fee based on water usage may increase awareness of residents about their water usage and perhaps encourage residents to conserve. We believe that a fee of \$.30 per unit of water used, resulting in an estimated average annual fee of \$60 per average residential property owner (based on the average current annual usage of 200 units of water or 149,800 gallons) is reasonable. The estimate is \$360 for commercial establishments.

Tax Reassessment

The League commends the Village for expeditiously moving forward with the property revaluation project. We are encouraged that Village management reports its satisfaction that, at this time, Tyler Technologies has collected data from 60 to 65% of Scarsdale homes with interior access to approximately 50% of these homes. The assessments are expected to be finalized in 2014 and put into effect with the 2015 tax bills. The League strongly encourages the Village to continue to keep its residents apprised of the progress of and the forecast timeline for the property revaluation project.

Storm Drainage Projects

The League encourages the continuation of the storm drainage projects such as the Sheldrake River Drainage project. We commend the Village management for taking the initiative to seek grants whenever possible.

The League greatly appreciates the assistance and cooperation that was extended to us in our study of the proposed budget. We commend the professionalism and diligence with which the Village Manager, Treasurer, former Mayor Levitt Flisser and the Trustees approached the budget development process. Thank you for considering our comments as you finalize the budget.

Sincerely,

Joan Taback Frankle
LWVS Village Budget Chair

Marylou Green
LWVS President