

November 4, 2010

The Town Board of the Town of Warwick held a Public Hearing for the 2011 Preliminary Budget. Said public hearing was held on Thursday, November 4, 2010 at the Town Hall, 132 Kings Highway, Town of Warwick. Supervisor Sweeton opened the public hearing at 7:15 p.m.

ATTENDANCE: Supervisor Michael Sweeton
Councilman Floyd DeAngelo
Councilman Leonard DeBuck
Councilman James Gerstner
Councilman Mickey Shuback

Stephen Brown, Auditor
Town Attorney, John Hicks

LEGAL NOTICE: The Clerk read the legal notice, which was duly published in the Warwick Valley Dispatch on October 27, 2010. (Copy of this legal notice is printed at the end of these minutes.)

Supervisor Sweeton – Last year was a struggle and we were able to budget pretty low and the employees stepped up to help and we appreciated that, but I'll say it again it's like swimming up stream with the requirements that New York State is placing on us with mandatory contributions and workmen's compensation, the retirement system and health insurance. As much as we can cut in the budget we cannot make that up; it's virtually impossible. Just to show you again general information if you're a village resident and pay a portion of the Town tax bill I just want to show you what your property tax bill pays for if you're a village resident. You see the other section about 6 cents of the tax dollar goes for town services and 3.2 cents of that goes to fire and ambulance service and the rest goes to general town service. Village residents pay for the services available up here at Town Hall. They pay for Dial-A-Bus service, they pay for the animal shelter contract that we have for animal control and the recycling portion of the recycling center down there and maybe a few other things, but again Justice Court, Tax Receiver, Clerks Office and Supervisors Office. If you are a town resident you also pay a full town bill which includes that portion but it also includes police and highway service and again that total tax bill that you pay to the county and school to the town you pay approximately 11.9 cents if you're a town resident and for that you pay that portion I just mentioned plus you pay for police service and highway service, which is predominately the remaining portion of that. Of the 3.4 cents 40% of that is our highway and the 60% is police. Here is where we are if you take a historical look; you can see that the town has done a pretty good job with departments and employees keeping the expenses for the past four or five years relatively flat. We've been able to do more with less because we understand it's difficult for people to get hit with burdens of property tax. You can see what's happening this year; revenues have fallen dramatically due to a reduction in mortgage taxes, no building going on and no sales of homes and also sales tax has leveled off and slowed down in the last two years, so each year up to this year we've been able to draw on a saving that the town has accumulated over the

past eight years. We have not so much of that this year and you can see that reflected in the saving line the new amount that been added. If we adopt the budget that we are presenting tonight taxes are going to rise; it's not good for anybody. The Preliminary budget that's going to be presented tonight is about \$15.5 million. Revenues are \$5.9 million where \$700,000 in savings which means there's \$8.8 million left to raise in taxes. Just to give you a comparison again in 09 the budget was \$16 million dollars in expenses and in 2010 we were able to get that down to \$15.52. This year as presented, we've gotten it down to \$15.54 million, so it's up \$20,000 roughly in expenditures, but considering the 36% contribution to the retirement system and the 22% contribution to the workmen's comp and the 13 to 15% contribution to health cost it shows you that we had to cut as much from the other areas as we could. These are a lot of numbers here so I'm not going to go through each one, but visually you see the departments listed separately and you see in all cases with a few exceptions they're all down by that percentage in their budgets. Budget departments got together; we worked on it and tried to get it down with a couple notable exceptions. The data processing is up; that's money budgeted for a new server if we don't need the new server then we don't buy the new server. If it craps out in the middle of the year we need to have the money available to do it. Fringe benefit costs you see is up 12% and this is the town wide line for all residents including village residents. This is the B fund which is the outside line which is combined with the previous line what town resident's pay. The building department is down 27% primarily because we had a retiree in that department and we will not fill. The highway department spending is down and we have two individuals indicate their retirement. Data processing is up and again that's for equipment that if we don't need to buy, we don't buy. The bad news is if we adopt this budget tonight, I'm not willing to adopt it because we're still driving it down further, the tax increase to a village resident will be approximately \$68.00 for the year for the average house. That doesn't sound like a lot money, but for those people who are struggling or on a fixed income it may be a lot of money, so that's our concern and that's what we continue to work on also looking forward to next year and the year after we expect it to be equally as bad. Town residents will see an \$84.00 charge for this year that's again for the average house. The average house this year I think Steve is?

Steve Brown – Auditor, Town of Warwick - \$50,000 assessment.

Supervisor Sweeton – Right that's your house having an assessed value of \$50,000. Here's the reasons I told you before, here's what they are. One that I didn't highlight before is a complicated factor anybody who is not aware in 1991 the Town of Warwick and the Village of Warwick merged the police departments and had an agreement for service. About four or five years ago there was some clarification on the States part about how that agreement should be written when it was formed when the departments were merged in 1991. It was an agreement that the Village require two police officers in the village around the clock 24 hours a day. They had an equation and the denominator of the equation was the size of the police department in total and that number worked out to about 41% and it was actually a smart agreement because the village leaders at the time said that as the Town grows and it's complemented officers grows, our numerator stays the same, so our percentage will come down. Historically from 1991 till about 2000 the Village of Warwick paid between 39% and 40% of the cost of police service and coincidentally or not 36% to 39% of our

activity calls occurred in the Village of Warwick, so actually that formula they concocted in 1991 actually made some sense. Clarified in 2004 I think it was with the State that under State law while the Town is obligated to provide minimal police service to any village within it that does not have it's own police department, so an agreement was formed that if you were a village resident you saw it on your Town tax bill at the time, a line for police service. That was simply a portion of the general service that the Town was providing to all its residents, which was defined by the Town as one patrol post. The Town currently operates five patrol posts in the Town two by contract we dedicated to the Village of Warwick and then three patrolled the rest of the Town, so the general level of service defined by the Town and not necessarily agreed to by the village, but as defined by the Town it what every resident would see on a general basis for calls, emergencies, accidents anything that the police department would provide to a town resident they need to provide equally and fairly to a village resident. We define that as one post; the same as everybody else. We then entered into a contract which we were legally entitled to do under the law with the village for one additional patrol to be in the village and they pay for that service. The cost of that service has increased as all costs have increased, so two years ago that was 1.1 million dollars and the village paid that cost to the Town in monthly payments and that is the way we operated since 1991. In May of this year the village was struggling as we all are with their budgets and looking for reductions they made a decision they notified us it wasn't like they surprised us that they had to reduce the amount that they paid for police and they asked us to reduce that service. For the past year we've been attempting through management of the department and cooperation of the PBA to reduce our expenses in the department, reduce our overtime costs and we offered to share that with the village and that's still our plan for this year, but by adopting a budget that the village adopted in May they reduced the amount they budgeted to pay for police. We approached them coming to this budget to say are we going to have an agreement. They canceled the exiting agreement and asked us to negotiate it more, which we are beginning to do and we are very confident that we will work some arrangement out with the Village of Warwick. However, since we have to adopt a budget by November 18th we only have two choices in adopting a budget that either fully funds a police department as it exists today and ask town residents to pay that cost or reduce the cost. We can always add back if we sign an agreement with the village for additional service. We can add back to the budget with revenue to offset that. So that's where we are; I'll show you some numbers in a few minutes. So what does that leave us? We've cut what we feel we can cut out of the budget, so it comes down to personnel town wide. We have potential of some early retirement people, but they still have not decided what they want to do. It's a personal decision and we hope to hear what they may do. We have two that have accepted retirement and we do appreciate that and we'll continue those discussions. We're meeting with one of those unions tomorrow and I'm sure we'll have discussions with the PBA Union going forward as well. So that's the reality and it's not a good one and I don't know how anybody looks forward to having to make the decision; I certainly don't but that's what we're faced with. That's the little presentation, but I want to show you a couple of other things. I want to show you some numbers here and I apologize that this is as small as it is, but it kind of gives you the idea. In 2005 the total expenses of the department were 4.5 million dollars and we've seen some increase, not substantially, but they have increased. Today as the budget stands it's 6 million dollars almost even and that's with reductions that I worked with the Chief on and

the expense side and the overtime, scheduling etc. In the line that says budget 2011 you see that the cost of a post is 1.18 assessed value amount to be raised if you're a village resident on your town January line would be \$938,000, which is comparable if you look back it's actually less then 09 and a little bit more than 10 and on your town wide it's 3.79 which is approximately equal to 09, but a little less then last year. That is because our assessed values in the town are losing more this past year then in the village. The village has proposed again at this point and time that we raise what we need to raise on the assessed value of the village would be 1 million which shift the cost to the town residents to 4.2 million. That's if we keep everything the same. What does that mean? I'll show you. The village share the budget drops from 35 to 36, which is the low end historically where it's been to 29%. The town share rises by 13.5%. That's pretty much it. Now you see the dilemma and we have to make some pretty tough decisions in the next couple of weeks. We'll get up front now and answer anybody's questions and hear your comments. I would open the floor to public comment and ask you to state your name so the Clerk can have it and even maybe come up a little bit if you can to make sure we get it on the tape.

Jo-Anne Dobbins – Resident, Village of Warwick, NY 10990 - Good evening, Supervisor and Board of Trustees. My name is Jo-Anne Dobbins. I am respectfully coming before you this evening to speak on the topic of combined police forces. I am a 24 year resident of Warwick and have seen many changes over the many years. Some for the good, some for the bad. The situation about the village not paying their rightful share for police services is a change that is bad. The change of reducing the police force by any number is bad. Jason, Brad, Michelle, Amy, Steve, Brendan, Tom, Kelli, Stan, Vince....if you do not recognize these first names I will advise you that these are some of the names of our local police officers and staff. The fact that I can meet these professionals on the street and address them by first name is part of the charm of the Village of Warwick. I was raised in Brooklyn and was always taught that the police officer was your friend. In the Village of Warwick, that is very true. Anyone of our police personnel are always willing to help. These officers know who is who on the streets of Warwick as well as where they belong. These officers know the information needed on some of our more noteworthy citizens and know how to effectively handle them. In viewing the statistics in last week's Warwick Advertiser, most of the situations that happen, occur in the Village of Warwick. For the mayor of Warwick and his board to even contemplate reducing the police force is absurd. This is exactly what will happen if you, the Town, are forced to accept the monies being offered by the Village to combine the force. The facts remain that there will be so much money coming to you from the Village. Doing the math, and providing services based upon what the Villages are willing to pay, will reduce the service that the Village of Warwick receives. This should be unacceptable to the Town Board. The Village of Warwick, in my estimation, has wasted a great amount of money this year. This is a year in which we are in tough economic times. The answer by the village to this is to build a practice field and parking lot for youth football in Memorial Park. I do not begrudge any services for the children — and my own two children were involved with those Football and Cheerleading organizations years ago as was myself — but in times such as these, there was a parking lot and the youth really did not need a practice field. We are not the New York Giants or the New York Jets. The village accepted a donation of sod for the practice field but the Village DPW was paid with taxpayer funds to dig the field, plant the field, and put in the

parking lot. Additionally, the Village of Warwick expended funds to spend the summer having a DPW worker or two water flowers. That is certainly not an effective use of money. Although the flowers make the village look nice, everyone has had to cut back on unnecessary expenses. Paying a village employee to water plants for days on end is wasteful as well as insulting to taxpayers. When we look at the emergency service personnel in Warwick, we are really in a pretty unique situation. Our fire department is completely made up of volunteers. Our ambulance corps is completely made up of volunteers. What a cost savings to our village. The police force is the legal law enforcement of the village. We cannot have a volunteer police force. If we lose police officers, we cannot ask for volunteers to take their place. Some of these same police officers who work in our village use their off duty time to take part in our volunteer fire and ambulance departments. If we lose these personnel, not only does our police force suffer, not only does our village suffer, but so does our fire department and ambulance corps. These same members will be forced to look outside the village for employment and will no longer be able to giveback to the community on their off—duty time. The Village of Warwick cannot afford to reduce our police force. The cost savings will not be realized. If we look at the city of New York, the only agency that is allowing any hiring at this point is the police department. The fire department is on hold and, at this point, does not know when it will begin hiring again. The city has realized the importance of the presence of law enforcement. They are not cutting members there. In fact, their current police academy class is 1200 strong. I know this because my son is one of them. Police agencies are not the place to cut services. Our police force is usually the first ones on a scene when there is a fire, an accident, or a health issue. They can assess a situation and alert other personnel as to the needs of the situation. This is because they are already on patrol. They do not have to get in their personnel vehicles and get to a fire house or an ambulance bay and wait for others to show up to roll apparatus. They are paid employees who are on duty. I do not say this to diminish the role of our firefighters or ambulance crews. It is just a fact that these other agencies are generally coming from their own homes to their respective stations to then get their gear and climb on their rigs and then proceed to the situation. The police officers receive the call and, because, we are blessed with not being depleted of these personnel, can get to a scene and begin the process of what needs to take place. This could be from using a defibrillator to begin rescuing people from a burning building. To reduce the police force by any number would be jeopardizing the safety and well-being of the village of Warwick. As a taxpayer, I would prefer to see the Village Board cut their members and therefore the stipends and benefits associated with it. I would like to see the Village not waste money watering plants. I would like to see the village not do any improvements to the parks unless there is a safety issue involved. Budgets are tight. Making practical cuts makes sense. Cutting a law enforcement agency that is currently working bare-bones is insane. We need every one of our dedicated police officers. They are what makes Warwick a safe and desirable place to live. In summing up, I respectfully request that you go back to the Village of Warwick and tell them that the only way they can continue to make the village a safe place is to pay to the Town the monies that are needed to keep services intact for the village. No reduction of police. That is not an acceptable, economic solution to their budget problems. Thank you.

Ed Mullins – Police Officer, Town of Warwick Police Department – I was grabbing a pad to write down some notes and what I grabbed a hold of was the parade schedule and if you

see the asterisk those were posts this year that weren't covered. In 2009 I was at a parade and as the people passed and moved from one place to another because it didn't get covered with overtime and as the people passed they said "oh look twins" because they saw me at one post and then they saw me at another. This year the same parade route they moved people around and they said "oh look triplets" because there were three of me. I don't think there will be quadruplets next year. I don't think that we can do that and that's a nice little public event that we do. I'm talking about when the serious things happen, when the car accidents happen and when emergencies are happening and people are calling for help. When you have people in a 103 square mile town looking for help in Pine Island and all of a sudden a car crashes in Greenwood Lake they're spreading us too thin and people are going to get hurt.

Gregg Snigur – Chief, Warwick Fire Department – I don't plan on discussing the reduction of the police force at this time because I think that's self evident and Ms. Dobbins did an excellent job in doing so. I would like to point out their viable service to the fire department. As you all know we are a completely volunteer department we're not staffed our fire houses are not staffed. We have to come from our homes, get to our apparatus and leave. The police are already in their cars. They arrive at the scenes first and provide an incredible and often overlooked service in that they can tell us are people trapped, is the fire active, will jaws of life be needed at the scene, they help us secure scenes and protect our guys on the road so none of us get hurt while we are working at the scene. Really, their service to us and the community itself with regard to service we provide really cannot be over stated. I just want to make sure that that's evident to everybody because they are a viable part and provide a vital service to us.

Supervisor Sweeton – Thank you I appreciate that. It's clear that we have a large community and we have a police force that in reality hasn't grown tremendously since 1991 when this merge occurred. You look at the situation and it does seem sort of bizarre to suggest that we have to reduce it, but again the choice facing the Town Board is if we can't work out an agreement past that increase of 1 million dollars or six or seven or eight hundred thousand dollars on to town residents alone it just seems inherently unfair. We will continue our negotiations with the village; there's no doubt, because I firmly believe they are not looking necessarily to reduce service, they're just looking to reduce the amount of money they pay for services. The answer to that is and you don't have to take my word you can go on the New York State Controllors website and look at the cost of policing in similar size community villages around Orange County you can see in fact the charge being charged to the village is less then those predominately other villages in Orange County that haven't their own police departments. I think that's part of the discussion that has to be made. Again I firmly believe that the village and the Town will come together and workout an agreement, but in the event we need to plan for not having that agreement and have to make some pretty unpalatable decisions.

David Serviss – Police Officer, Town of Warwick Police Department – I saw the numbers on your budget and on the schedule. Have they been broken down to a house hold base number? Do the tax payers know that their taxes would go up x amount of dollars?

Supervisor Sweeton – We tried to get the word out I mean we tried to get the budget numbers out.

David Serviss – Do you have those numbers?

Supervisor Sweeton – If we adopt the budget as it stands today and Steve so I don't misstate this how much of a contribution for the village do we need in this budget today?

Steve Brown – 1.9 million dollars.

Supervisor Sweeton – 1.9 million which is less then they would pay, that's a split between what's raised from residents on the town bill and what the village needs to pay us, so if we adopt that budget as it stands with an agreement with the village the budget without any further reductions is about a \$65 cost increase to village residents for the average house and about an \$85 increase to town residents for the average house some will pay a little more and some will pay a little less. That's the number, so in real dollars it doesn't sound like a large number to perhaps you and me, but there may be the folks on social security that haven't had a cost of living increase in a couple of years. It may be an issue, so it behooves us to try to drive it as low as we possibly can without tremendously affecting service and that's the balance we're trying to strike. Did that answer your question?

David Serviss – Yes, thank you.

Ken Braiser – Resident, Town of Warwick, NY 10990 - I was just looking at your bad news for the average home that you just discussed and you mentioned for people on fixed incomes that could be a problem. One thing is a lot of people on a fixed income are also the people in most need of emergency services. I think if you looked at where emergency services, particularly police and ambulance go to, you'll see that a lot of it goes to the senior community. It's a fact of life as people get older they need these services more and I don't think there's any of those seniors out there that would argue this increase, although they may think it's a lot that they would say they need it. I think to make these cuts would really be cutting off your nose to spite your face. These people need these services and they are provided at a very minimal cost. Some costs especially fire and ambulance are ridiculously low per household and I feel adopting a budget with cuts in it would be fool hearty.

Brendan Donahue – Resident, Village of Warwick, NY 10990 – Sitting here I came in a little bit late and I apologize. I almost feel insulated your looking at the village and the town as two different entities. I'm a town resident the same as a village resident.

Supervisor Sweeton – Right.

Brendan Donahue – Your cutting the police department it's not what the village pays I'm a town resident and it should come upon you to work with the village to provide these services. You recall the service is mostly in the village, well that's come upon you as the Town Board to provide those services where they are needed. They may not be needed out

in Pine Bush or other areas all your calls of service are down here and your ratables are down here. Maybe it's the wording or my take on it, but it almost seems like you're still looking at the village and the town. It's one, we're all town residents.

Supervisor Sweeton – First of all we all actually understand that. We have a tremendous relationship with the village, so this police issue has gone back and forth since I took office 8 ½ years ago. It's a fundamental difference of I think between the town and the village on who should pay what of the police service. It's just a fundamental difference and I'll read you the letter I received tonight from the Mayor and the village trustees and I'll read you my response and maybe it will sort of answer your question, but again the fundamental question is I don't disagree with you under the law we're obligated to provide you as a village resident with police service, but the level of service we need to provide you with should be an equal service that we provide any resident in the town. Do you agree with that concept?

Brendan Donahue – I agree where you call the service.

Supervisor Sweeton – So in other words if you live like me...

Brendan Donahue – Like cutting a pie you have equal parts because you call the service, so the services have to go to that one area.

Supervisor Sweeton – And they do and in reality at least you could look at the numbers yourself, but a lot of our attention does go to the village and more in fact then we charge them for because we understand that, so we go. If there's an event on Main Street or an event on Highland Avenue all the officers go.

Brendan Donahue – You shouldn't be charging on these basis.

Supervisor Sweeton – I appreciate your opinion, but what your village elected officials are asking is take a cost that we historically recognized as the cost of police service for the Village of Warwick and to transfer half of it to town residents.

Brendan Donahue – There's no longer a village police department there's a town.

Supervisor Sweeton – I'll read you the rational and then you make your decision.

Brendan Donahue – Why don't we get rid of the whole village. We could dissolve the whole village and just have the fire district.

Supervisor Sweeton – That's the conversation going on all over New York.

Brendan Donahue – We could merge the DPW.

Supervisor Sweeton – Absolutely. I received this letter today "Dear Supervisor Sweeton and Town Board I have presented your proposal to the Village Board to phase the Village

Police costs onto Village residents' Town taxes". The proposal we made lets go to the question you had and put it all on one bill so the Village doesn't have to struggle every year with how much they're putting in their budget and phase it so the transition happens over time. It goes on to say "It has become apparent through various discussions with the Town, the Chief of Police and representatives of the PBA that any diminishment of current patrols would leave the Village in a less than secure position. Pursuant to State Law, the Town is required to provide adequate police protection to the residents of the Village. It is clear from our discussions, the public's position and the position espoused by your officers, that the minimum adequate protection required in the Village is two patrols, 24 hours a day, 7 days a week. To refer to the second patrol as an additional service is no longer appropriate. The Village Board respectfully disagrees with your position that these costs should not be spread to Town residents. The Village Board feels that the most concentrated population in the Town is located within the Village, as well as most of the commercial establishments, which are frequently utilized and populated by Town residents in addition to Village Residents. The commercial assessments in the Village makes extra charges for necessary police protection inappropriate if not inequitable. The Village Board would like the Police Department's operating costs to be shared by all the residents of the Town, excluding the residents of the Villages of Florida and Greenwood Lake. The Village Board would be willing to discuss a "phasing in" of this change over the next three years." This afternoon I replied to the mayor in the following "Dear Mayor Newhard and Village Trustees; I am in receipt of your letter dated 11/4/10. I want to clearly state for the record that the Town through the Warwick Police Department will continue to keep Village and Town residents alike secure and in the absence of an inter-municipal agreement will provide Village of Warwick residents with general police services as we are obligated to do under the law. Your assertion that the general level of service required in the Village is two patrols, 24 hours a day, seven days a week is disingenuous. To provide that level of service the Village would need to enter into an inter-municipal agreement similar to what has existed for almost twenty years. In the absence of an IMA, we will provide general police protection to Village and Town residents with four (4) patrol posts and the costs will be borne by each group of residents consistent with NYS law. The Town must adopt a budget by November 18th and stands ready to negotiate the cost of any additional service you require. Once our budget is adopted, the Town will proceed to reduce the police department to the four (4) post general level of service composition beginning January 1, 2011 unless an agreement for the extra service is concluded. I would hope that we can reach a solution that meets the needs of both our municipalities and I stand ready to discuss this with you at any time". I suspect that the conversation will continue because I think we both are not all that far apart. We recognize what we need to do together because we understand we're functioning together. Do we have any other comments from the floor? Seeing no other comment I would entertain a motion to close the public hearing. Thank you for coming this evening. We are not going to adopt anything tonight. We have until the 18th and we will be working to conclude an agreement for police and deal with the other issues because it's not just police issues in this budget. Thank you.

CLOSE PUBLIC HEARING: Motion Councilman Shuback, seconded Councilman Gerstner that the public hearing be closed. Motion Carried (5 ayes, 0 nays) 7:55 p.m. 11-04-10

Marjorie Quackenbush, Town Clerk