

MINUTES of the Special Meeting of the City Council of the City of Rye held in City Hall on November 12, 1996 at 8:00 P.M.

PRESENT:

EDWARD B. DUNN, Mayor
JAMES K. BURKE
CAROLYN C. CUNNINGHAM
ROBERT H. HUTCHINGS
JOSEPH L. LATWIN
KATHLEEN E. WALSH
Councilmen

ABSENT: EDWARD J. COLLINS

1. Roll Call

Mayor Dunn called the meeting to order; a quorum was present to conduct official City business.

2. Presentation by the City Manager and City Comptroller of the proposed 1997 budget

City Manager Culross explained that the purpose of the meeting was to present recommendations for the 1997 budget and answer questions from the Council. He explained that the proposed budget is consistent with the financial goals and policies established by the City Council. Two goals of the 1997 budget are maintaining a zero (0%) percent property tax increase and continuing present programs and services.

Using Microsoft Powerpoint (a computer based slide presentation), City Manager Frank Culross and City Comptroller Michael Genito summarized the 1997 proposed budget as follows:

- The 1997 property tax rate of \$73.72 constitutes a zero (0%) tax increase, which has remained unchanged since 1994.
- Distribution per property tax dollar

Westchester County	25%
City	18%
Rye City School District	57%

At this point, City Comptroller Michael Genito presented a summary of the City's individual funds and the financial highlights of all funds combined.

General Fund	\$15,975,906.
RCTV	84,789.
Rye Nature Center	362,387.
Municipal Boat Basin	375,221.
Rye Golf Club	2,572,146.
Risk Retention Fund	462,300.
Building and Vehicle Fund	1,643,984.
Combined Total	\$20,046,893.

Approximately 57 % of the combined budget is salaries and benefits.

General Fund

The proposed 1997 General Fund budget of \$15,975,906 is up 3.5% (\$538,560) over the current budget as originally adopted. This includes an increase in capital investments of \$46,000. Without this increase, the General Fund budget is up 3.2%.

The property tax rate of \$73.72 per \$1,000 of assessed valuation is unchanged since 1994. The property tax levy of \$9,527,574 equals 59.6% of the General Fund appropriation, down from 61.3% in 1996. No new sources of revenue are proposed, but some moderate increases in user fees and charges are incorporated in this budget recommendation. Programs and services to be provided are unchanged from the current year.

Rye Community Television (RCTV) Special Revenue Fund

The 1997 budget proposes expenditures of \$84,789, down \$44,013 from the current budget. A surplus of \$48,711 is anticipated. The reduction in expenditures and increase in revenues reflects the completion of franchise negotiations.

Rye Nature Center Special Revenue Fund

The 1997 budget proposes expenditures of \$362,387, up \$97,549 from 1996. This includes an \$82,000 transfer to the Building and Vehicle Internal Service Fund for the expansion of the main building and apartment (\$60,000), the purchase of small pickup truck (\$14,500), and the purchase of an off-road utility vehicle (\$7,500). A net deficit of \$85,994 is forecast for 1997. General Fund support remains fixed at \$130,225.

Debt Service Fund

Expenditures of \$55,792 are required in 1997.

Capital Projects Fund

New Capital Project expenditures of \$1,625,000 are proposed for 1997 as compared to \$777,000 for 1996. A transfer of \$300,000 (a decrease of \$175,000) is proposed from the General Fund. No debt is proposed.

Boat Basin Enterprise Fund

Revenues are forecast to be \$383,150 while expenses are budgeted at \$375,221. A net income of \$7,929 will result from this for 1997. No changes in user fees are proposed by the Boat Basin Commission for the second consecutive year.

Rye Golf Club Enterprise Fund

Revenues are forecast to be \$2,747,445 with budgeted expenses of \$2,572,146. This reflects user fee adjustments recommended by the Rye Golf Club Commission. Membership fees are increased on average by 4%, and a new capital surcharge would be established to increase funds available for capital investment in the golf and pool facilities. In 1997, this will expedite the multi-year program to replace the golf course irrigation system. A total of \$371,000 in capital equipment and improvements would be financed by 1997 revenues. Currently under consideration are the construction of new golf locker facilities, renovations to Whitby Castle, and major site improvements totaling an estimated cost of \$5.4 million. This project would be financed by bonds following a public referendum.

Risk Retention Internal Service Fund

Total expenses are forecast to be \$462,300, an increase of \$2,300 from 1996.

Building and Vehicle Maintenance Internal Service Fund

Expenses are budgeted at \$1,643,984, up \$101,205 (6.6%), with revenues forecast at \$1,502,154, an increase of \$28,854 (2.0%). The budget includes a transfer from the General Fund of \$451,000, an increase of \$221,000 for the acquisition of equipment and building maintenance.

City Manager Culross then explained several issues:

- The only fee increase is that of a 10% increase in commuter and parking fees to be implemented over the next two years.
- Both the Rye Golf Club and the Boat Basin remain self-supporting (funded by user fees).
- 100% of the anticipated Consolidated Local Street and Highway Improvement Program (CHIPS) revenues would be used for street resurfacing.

A question and answer period focused on the following:

- Clarification of operating vs. Capital Improvement budget
- Proposed sources of funding for the Boston Post Road rock hazard project
- Source of revenues for the Building and Vehicle Fund
- Clarification of retained earnings
- The rate of parking ticket revenue over the past several years
- Increase in commuter parking fees
- Land use fees
- Rye Town Park
- RCTV
- Reduction in staffing
- Capital Projects
- Repairs to Smith Street, Purdy Avenue and the Boston Post Road

In conclusion, City Manager Culross explained the procedure for adopting the budget and recommended the following proposed calendar:

A budget work session which is open to the public will be held on Tuesday, November 26, 1996.

The public hearing for the budget will be scheduled for the December 4, 1996 City Council meeting.

The Council can adopt the budget at the December 17, 1996 meeting or at a special meeting before December 31, 1996.

Mayor Dunn and members of the City Council complimented City Manager Culross and City Comptroller Genito for their clear and graphic presentation of the proposed 1997 budget.

3. Adjournment

Councilman Burke made a motion, seconded by Councilman Hutchings and unanimously carried, to adjourn into executive session to discuss litigation at 9:20 P.M.

The Council reconvened at 10:15 P.M.

There being no further business to discuss, the meeting was adjourned at 10:20 P.M.

Respectfully submitted,

Alice K. Conrad
City Clerk