

MINUTES of the Special Meeting of the City  
Council of the City of Rye held in City Hall on  
November 8, 1999 at 8:00 P.M.

PRESENT:

STEVEN OTIS, Mayor  
ROBERTA DOWNING  
ROBERT H. HUTCHINGS  
ROSAMOND LARR  
ARTHUR STAMPLEMAN  
KATHLEEN E. WALSH  
Councilmen

ABSENT: CAROLYN C. CUNNINGHAM

1. Roll Call

Mayor Otis called the meeting to order; a quorum was present to conduct official City business. He informed the council that Councilwoman Cunningham had a business conflict and was unable to attend this special meeting.

2. Presentation by the City Manager and City Comptroller of the proposed 2000 budget

Using Microsoft Powerpoint (a computer based slide presentation), City Manager Culross presented a summary of the City's nine individual funds and the financial highlights of all funds combined.

The proposed 2000 combined operating budget is \$26,442,340. It requires a 4.2% increase in the real property tax rate which would be the first increase since 1994. Consumer prices (CPI-U) have increased by 15.7% since the city's property tax rate last changed.

During 2000, the City's financial operations will continue to be divided among nine funds as follows:

- General Fund

The proposed 2000 General Fund Budget of \$17,449,464 is up 4.4% (\$728,064) over the current budget as originally adopted.

The proposed property tax rate of \$76.78 per \$1,000 of taxable assessed valuation is up \$3.06 (4.2%). The property tax levy of \$10,088,543 equals 57.8% of General Fund appropriations.

Personnel costs of \$10,966,938 would increase by \$416,834 (4.0%) over the current budget. The number of full-time authorized employees would increase by two with the addition of one Administrative Assistant to the Police Department and an Office Assistant shared between the Fire Department and the City Clerk's office.

For the first time in several years, all labor agreements are current with each of the employee unions.

The budget includes a reserve for contingency of \$180,000 which represents approximately 1% of total appropriation.

- Rye Community Television (RCTV) Special Revenue Fund

This fund is responsible for all city costs associated with the operation of community access cable television and administration of the cable television franchise. It is funded by franchise fees received from Cablevision of Westchester, other fees and donations it generates.

The 2000 Budget proposes expenditures of \$156,874, up \$5,892 from the current budget.

- Rye Nature Center Special Revenue Fund

This fund is responsible for the operation and maintenance of the Rye Nature Center. 2000 expenditures are estimated to be \$302,066, down \$16,696. A net operating deficit of \$22,581 is forecast for 2000. General Fund support remains fixed at \$130,225 for the eighth consecutive year.

- Debt Service Fund

This fund is used to account for the payment of interest and principal on city debt (except for the Enterprise and Internal Service Funds). Expenditures of \$74,959, up \$22,423, are required in 2000. The General Fund supports 100% of revenues.

- Capital Projects Fund

Additional Capital Project expenditures of \$1,090,000 are proposed for 2000 as compared to \$1,540,225 for the current year. A transfer of \$240,000 from the General Fund and issuance of \$600,000 in bonds is proposed. In 1999, \$100,000 of bond anticipation notes were issued for capital projects and no funds were transferred from the General Fund.

- Boat Basin Enterprise Fund

This fund is responsible for the operation and maintenance of the DePauw Municipal Boat Basin. Revenues are forecast to be \$405,024 while expenses are budgeted at \$415,797. This includes a 2% increase in most user fees recommended by the Boat Basin Commission

- Rye Golf Club Enterprise Fund

This fund is responsible for the operation and maintenance of the Rye Golf Club. Revenues are forecast to be \$3,137,145, while expenses are budgeted at \$3,389,611. This reflects adjustments in user fees recommended by the Rye Golf Club Commission. Membership fees are increased, on the average, by 6%. A total of \$425,000 in capital improvements would be financed by 2000 revenues.

- Risk Retention Internal Service Fund

This fund is used for insurance reserve funds to pay claims, judgments and losses in addition to purchasing coverage from insurance companies. Total expenses are forecast at \$450,000, down \$14,500.

- Building and Vehicle Maintenance Internal Service Fund

This fund is responsible for the costs of maintaining and operating the city's buildings and its fleet of motor vehicles. These costs are distributed to various cost centers. Expenses are budgeted at \$1,783,569, up \$77,606 (4.5%), with revenues forecast at \$1,792,000, up \$72,287 (4.2%). Building and vehicle capital projects of \$795,000, a decrease of \$411,500, are proposed. The budget includes a transfer of \$70,000, down \$246,500, from the General Fund and proposes the issuance of \$450,000 in bonds, down \$80,000. Bonds would be utilized to finance the purchase of a fire ladder truck

Financial Policies

- Current operating expenditures will be paid for from current operating revenues.
- General Fund's unreserved undesignated fund balance will be maintained at a level at least equal to 5% of the total General Fund.
- A diversified and stable revenue base will be maintained while striving to reduce the reliance on the property tax and intergovernmental revenues for operating purposes.
- Adequate maintenance of capital assets and equipment will be provided for in the annual budget.

The 2000 Budget includes new funding for:

Equipment Replacement	\$ 720,000
Traffic Safety Improvements	715,000
Golf Club Improvements	425,000
Drainage and Flood Control	310,000
Boat Basin Improvements	110,000
City Hall	75,000
Technology Initiatives	65,000

- Assumptions

The 2000 Budget proposals are, of necessity, the best available forecasts of events which will occur up to 14 months from now and based upon uncertainties of the economy, weather, and a variety of potential emergency circumstances which defy precise projections. The budget assumes no new revenue sources or material increase in user fees. It is believed that both the expenditure and revenue projections are prudent and consistent with past practice.

- Budget Requests

All city departments, offices, and agencies were challenged to carefully examine their operations and to seek alternatives to the status quo that balance the demand for services with the willingness and ability of the community to pay for those services. In order to present comprehensive budget recommendations for 2000 that are in compliance with the City Council's policy direction, changes have been made to many requests for funding by the City Manager, the City Comptroller, and by department managers.

A number of recommendable budget initiatives have not been included in the 2000 Budget due to funding availability. If additional funding becomes available or if it is determined that additional tax increases are appropriate, the following items are presented for consideration. They are prioritized by category.

Most Desirable

1. Microsoft Office 2000 Upgrade (\$47,000).
2. Administrative Sedan (\$25,000).
3. Seasonal Recreation Leader (\$25,900).
4. Seasonal Recreational Laborer (\$18,250).

The addition of these four items would increase the General Fund budget by \$116,150. If authorized, these items would increase the property tax rate by an additional 1.1%.

Highly Desirable

1. Council Chambers - Furniture and Sound Improvements (\$22,000).
2. City Hall Multi-Media Meeting Room (\$75,000).
3. Police Headquarters Renovation (\$97,000).
4. Office Assistant - Building/Engineering/Planning Group, effective July 1, 2000 (\$17,100).
5. Motor Equipment Replacements (\$126,000).

The addition of these five items would increase the General Fund budget by an additional \$337,100. If authorized, this would increase the property tax rate by an additional 3.3%.

Desirable

1. Senior Citizen Van Bus Driver (\$12,500)
2. Accountant for Finance Department, effective July 1, 2000 (\$32,600)
3. Information System Projects (\$75,500)
4. Damiano Center/Recreation Park Improvements (\$201,500)

The cost of these four items would increase the General Fund budget by a further \$322,100. If authorized, this would increase the property tax rate by an additional 3.2%.

There are three fundamental questions associated with budget preparation and review:

1. What services are we going to provide because our citizens want them, because public health, welfare or safety require them, or because a higher level of government mandates them?
2. How are we going to do it most efficiently, most effectively, most equitably, with high quality and at minimum cost?
3. How are we going to pay for these services?

The City Charter directs that a public hearing be held on a preliminary budget by the first Wednesday in December, upon at least 10 days notice, with the adoption of the final budget due not later than December 31, 1999.

City Manager Culross thanked all those involved in preparing the budget document and proposals. He expressed special appreciation to Mr. Christopher Bradbury, City Comptroller Michael Genito, Mrs. Carol Johnson, Mrs. Carolyn Ottly, Ms. Angela Runco, and Mr. Jeffrey Stonehill.

Councilman Stampleman submitted a list of questions on the proposed budget and requested that the City Manager and the City Comptroller review and comment on them for the council budget workshop.

In a question and answer period the following was covered:

- how can the proposed tax rate be decreased?
- a zero tax increase would require changes totaling a half million dollars,
- revising estimates,
- bonding for the renovation and reconstruction of the firehouses has no impact on the 2000 budget,
- non property tax items,
- status of the Rye Nature Center's donations,
- Rye Cable Television,
- the increase for the Rye Free Reading Room,
- traffic safety improvements being reviewed by the Traffic and Transportation Committee,
- seeking comments from the Finance Committee on the 2000 budget,
- Boat Basin Capital Improvements for dredging and float replacement, and
- Project Impact.

Councilman Stampleman made a motion, seconded by Councilwoman Larr and unanimously carried, to adopt the following resolution:

**CITY OF RYE  
PUBLIC NOTICE**

**PLEASE TAKE NOTICE** that a public hearing will be held by the Council of the City of Rye on the 1st day of December, 1999, at 8:00 p.m. at City Hall, 1051 Boston Post Road, in said City, on the Tentative Budgets of the General Fund, Cable TV Special Revenue Fund, Nature Center Special Revenue Fund, Debt Service Fund, Capital Projects Fund, Boat Basin Enterprise Fund, Golf Club Enterprise Fund, Risk Retention Internal Service Fund, and Building and Vehicle Maintenance Internal Service Fund of the City of Rye for the ensuing fiscal year, January 1, 2000 to December 31, 2000, and at such time and place any person interested in said Tentative Budgets will be given an opportunity to provide written and oral comments on any and all of the aforementioned budgets.

**CITY OF RYE SUMMARY OF TENTATIVE BUDGETS**

<u>Fund/Program</u>	<u>Tentative Budgets</u>
General Fund	
General Government Support	\$2,338,332
Public Safety	7,106,179
Community Environment	5,231,988
Culture and Recreation	2,152,740
Other Financing Uses	<u>620,225</u>
Total - General Fund	<u>17,449,464</u>
Rye Cable TV Special Revenue Fund	<u>156,874</u>
Rye Nature Center Special Revenue Fund	<u>302,066</u>
Debt Service Fund	<u>74,959</u>
Capital Projects Fund	<u>1,090,000</u>
Boat Basin Enterprise Fund:	
Operating	415,797
Capital	<u>110,000</u>
Total - Boat Basin Fund	<u>525,797</u>
Rye Golf Club Enterprise Fund:	
Operating	3,389,611
Capital	<u>425,000</u>
Total - Golf Club Fund	<u>3,814,611</u>

Risk Retention Internal Service Fund		<u>450,000</u>
Building and Vehicle Maintenance		
Internal Service Fund	Operating	1,783,569
	Capital	<u>795,000</u>
	Total - Building and Vehicle	
	Maintenance Fund	<u>2,578,569</u>
	TOTAL - All Funds	<u>\$26,442,340</u>

Copies of the proposed budgets will be available for inspection by the public at the City Clerk's office during the regular business hours of said office and at the Rye Free Reading Room.

City Clerk

Dated:

ROLL CALL:

AYES: Mayor Otis, Councilmen Downing,  
Hutchings, Larr, Stampleman, and Walsh

NAYS:None

ABSENT: Councilwoman Cunningham

The resolution passed.

The council tentatively scheduled budget workshops for either November 15, 1999 or November 16, 1999 and November 22, 1999 at 8:00 P.M. in the Mayor's Conference Room.

Mayor Otis and the City Council complimented City Manager Culross and City Comptroller Genito for their clear and graphic presentation of the 2000 budget.

4. Adjournment

There being no further business to discuss, the meeting was adjourned at 9:25 P.M.

Respectfully submitted,

Alice K. Conrad  
City Clerk

