

APPROVED MINUTES of the Budget
Workshop of the City Council of the City of Rye held
in City Hall on November 14, 2011 at 8:00 P.M.

PRESENT:

DOUGLAS FRENCH Mayor
PAULA J. GAMACHE
PETER JOVANOVIK
SUZANNA KEITH
JOSEPH A. SACK
Councilmembers

ABSENT: RICHARD FILIPPI
CATHERINE F. PARKER
Councilmembers

1. Pledge of Allegiance

Mayor French called the meeting to order and invited the Council to join in the Pledge of Allegiance.

2. Roll Call

Mayor French asked the City Clerk to call the roll; a quorum was present to conduct official city business.

Mayor French began the workshop by saying that the City Manager had presented the Proposed Budget to the Council and it is now up to the Council to review that budget both strategically and financially. The Council must balance: shrinking revenues; a shift in the expense ratio; and the ability of citizens to pay. This year's budget submission is \$900,000 over the base levy of last year.

3. Discussion of the FY 2012 Budget.
● Emergency Medical Services (EMS)

City Manager Pickup said that the City's Emergency Medical Services program is an example of successful inter-municipal cooperation among three communities who have joined together to provide high quality EMS services to their citizens.

Scott Moore and Tony Suttan, representing the Port Chester-Rye-Rye Brook Emergency Ambulance Corps (Ambulance Corps) made a presentation on their organization. They said the Ambulance Corps works well because all three communities sit on a committee and are involved with the operation. They said they are keeping their budget level for the third year in a row by trying to save money wherever possible. The Ambulance Corps derives its income from

contributions and fund raising, insurance recovery and municipal contracts. The City of Rye's share of the municipal contract is 32.2%. Mr. Moore also provided the Council with an overview of the Ambulance Corps' projected expenses for the coming year, including employee related costs, maintenance and repairs of their facility and equipment, fuel costs and depreciation of equipment. He noted that they are trying to increase revenue by providing transportation services from nursing homes to dialysis centers and doctor's offices. Mr. Suttan said that this inter-municipal model is very efficient and by the three municipalities working jointly with the Ambulance Corps they get more resources than they could get individually. Mr. Moore noted that their use of volunteers keeps them grounded in the community they serve. City Manager Pickup said that the City's First Responder Program works closely with the Ambulance Corps, which results in a top rate response to medical emergencies and is an extra service to the community that saves lives. Mr. Pickup also pointed out that if major cuts are made to the Medicare reimbursement rates there would be an impact on EMS and, therefore, the City.

- Rye Free Reading Room Budget Review

City Manager Pickup said that each year the City enters into an Agreement with the Library to set out hours of operation and payment responsibilities. The amount of funding proposed for the Library in the 2012 budget is \$1,080,000, the same as in 2011. The City has held discussions with the Library on how this will affect the operations of the Library. Mr. Pickup added that in the initial proposed budget there are no resources to increase the funding to the 2009 amount of \$1,150,000.

Library Director, Kitty Little and Library Board Members Debra Julian, Fran Rodilosso and John Eckerson were present to represent the Library. Ms. Little made a presentation on what flat funding from the City would mean for the Library; how the Library compares with other Libraries in Westchester County; and the needs of the Library based on community expectations. She said that current City funding, which is below 2006 funding levels, supports only staffing the Library and lighting and heating the building with everything else funded by donations, contributions and fees. If the funding from the City remains flat in 2012 it will require the Library to close for an additional full day bringing the maximum number of hours open to 41.5. Materials and program budgets and building operations will be at 2004 levels. Ms. Little also compared the Library with peer group libraries in terms of population and public funding. She said that demands for library services have increased with the bad economy and the amount of productivity coming out of the library is significant compared to the number of dollars going into it. Ms. Little provided three scenarios for the Library based on different funding levels.

- \$75,000 is restored to the budget bringing the funding back to 2010 levels The new Teen Center will be fully supported; the hours will remain unchanged at 49.5 and an E-Book Collection will be added to the collection. .
- \$45,000 is restored to the budget to offset increased pension and health care costs for employees The Teen Center will be funded entirely by private contributions and matching grants and staffed most hours that teens are in the library; the hours of operation will be 45.5 in winter and 41.5 in summer; and the materials budgets will be increased by 2%.
- City Funding Remains Flat The hours of operation will be reduced to 41.5; the Teen Center will be funded entirely by private contributions and matching grants and funded

most hours teens are in the library; the collection and program budgets will fall below 2004 levels; and, there will be no cushion in the budget.

Ms. Little said that the Library provides critical services for the community and for every taxpayer dollar invested there is a return of \$2.70.

There was a discussion between the Council and Library representatives relating to Library personnel costs and the current contract negotiations. Board President Julian said that the current Library contract is actually less lucrative than the contracts that the City has with its unions and said that for the first time they are using the services of an attorney to negotiate the next contract. Ms. Little was asked to provide the Council with details of the contract.

Questions and comments:

- Could the Library work with the local school libraries? (They do not have sufficient resources to serve their own populations.)
- What is necessary for operation of the Teen Center? (More than one full-time person in order to maximize the use of the space for all hours that the Library is open.)
- What percent of populations use the library? (They would have to look at program statistics and circulation statistics.)
- Are there any opportunities for additional revenue? (For-profit organizations are charged for use of the meeting room; the amounts for fines could be increased; they continue to seek grant opportunities; and they are open to opportunities that do not impact services.)
- What is the trend for E-Books vs. hard copy books? (E-Books are another format in demand and increase the collection costs. The length of circulation time is shorter than hard copy books. There is also additional demand put on the network systems and staff.)
- How does the Endowment Fund work? (It is about \$1.5 million and composed of two funds that have restrictions on how funds can be used. The Board is allowed to transfer 4% to the operating budget each year.)
- If the hours of operation are projected to go down by 16% why are the personnel costs increasing by 2%? (There will be an additional floor of service that will need personnel to staff it.)
- Should the third floor Teen Center be opened if it can't be sustained without affecting the rest of the operation? (The grant used for the Teen Center was applied for when there was sufficient funding to support it.)

After the presentations the Council held a general discussion about budget concerns. City Manager Pickup and City Comptroller Gribbins asked the Council to get any budget related questions to them by next week so staff can have the answers by the November 30th workshop. Mr. Pickup said that any proposed changes would have to be calculated according to the tax cap requirements and asked the Council to come up with a few scenarios they would all be willing to discuss in terms of cutting services if they want to substantially reduce the proposed tax rate increase.

4. Adjournment

There being no further business to discuss Councilman Jovanovich made a motion, seconded by Councilwoman Gamache and unanimously carried, to adjourn the meeting at 10:59 p.m.

Respectfully submitted,

Dawn F. Nodarse
City Clerk