

**Special Village Board Meeting
Friday, March 18, 2016 - 9:00 a.m.**

A special Village Board meeting was held on the above date at 9:00 A.M. with the following members present:

PRESENT: Mayor Edward Markunas
Trustee Robert Morris, Trustee Moira Hertzman
Trustee Frank Hagen

ALSO PRESENT: Virginia Menschner, Village Clerk
Robert Magrino, Assistant Village Attorney

ABSENT: Trustee Joseph Russo

A) Suffern MGP Project - O&R Access Agreement:

The Mayor said Mr. Magrino will provide a summary to the Board on this agreement.

Mr. Rob Magrino said as you know he circulated to the Board that Orange and Rockland is going to be doing some remediation work at the Suffern MGP site - 3 Pat Malone Drive. In furtherance of their work they have asked for basically a license to run a line - and he believes we discussed that at the last meeting - and so he has a proposed agreement that he has circulated. They are going to reimburse us \$5,000 for the use of the property and then a monthly fee if it goes beyond he believes 8 months. But it is in the agreement. He said in addition the concern was raised by Charles that in the event there was contamination of the wells the Village would have to incur an expense in purchasing water from Suez to supply water to the Village. So Orange and Rockland has agreed to an interim water supply agreement. It has been reviewed by himself, Mike Genito and Charles. That would basically reimburse us, and the best way to put it, is on a net basis for the purchase of water. In other words there is a certain price per gallon that Suez would charge - it is \$2,581.75 per million gallons. And that is what Suffern would pay. But it would be offset by the savings that the Village would get by not having to run the plant, and pay for chemicals, etc. So O&R would reimburse us at that net rate of \$2,287.75. Again that is the circulation fee proposed in terms of water supply - contingency reimbursement agreement. One other thing with respect to that - the agreement makes clear and Orange and Rockland understands that in the event there is some type of contamination we still have an obligation pursuant to their SPDES permit and everything they are operating under regardless of this agreement. So that is still in effect. And that is about it. Mr. Magrino said representatives from Orange and Rockland are here and he doesn't know if the Board has any questions for them. Or if they want to offer anything.

A representative from Orange and Rockland said she appreciates the cooperation from Mr. Magrino, who was very, very helpful and she appreciates the Village's approval.

The Mayor said that this Resolution that we are going to vote on incorporates the bulk of the separate Resolutions? Mr. Magrino said no, it is one Resolution.

Mr. Magrino read the following Resolution:

RESOLUTION
ORANGE AND ROCKLAND LICENSE
Commuter Parking Lot
and
INTERIM WATER SUPPLY AGREEMENT

WHEREAS, the New York State Department of Environmental Conservation, Division of Remediation, issued a Record of Decision dated March, 2014 and approved a Remedial Design Report dated August 13, 2015 for remediation of the former Suffern Manufactured Gas Plant located at 3 Pat Malone Drive, Suffern, New York, both of which are incorporated herein by reference and

WHEREAS, as part of the Remediation Plan referenced above, and in accordance with a SPDES Permit Equivalent issued by the NY State DEC, (incorporated herein by reference) the current owner of the premises, Orange and Rockland Utilities, Inc. is desirous of access to the Village of Suffern property known as the commuter parking lot adjacent to Pat Malone Drive for the purpose of installing, maintaining and operating a temporary aboveground water discharge pipe on the property to discharge treated water to an existing stormwater inlet and underground drainage system on the Village owned property that discharges to the Ramapo River, and

WHEREAS, Orange and Rockland Utilities, Inc. has submitted to the Village Board a proposed non-exclusive license for the purpose of installing, maintaining and operating the temporary aboveground water discharge pipe on the Village owned property referenced above, which license provides hold harmless, defense and indemnification provisions for the Village against any claims which may arise as against the Village by any third parties as a result of Orange and Rockland Utilities, Inc. work on the site, and

WHEREAS, the Village Board hereby determines that the granting of the proposed license is desirable for the good government of the village, the protection of its property, the safety, health, comfort, and general welfare of its inhabitants, and the protection of their property, and protection of public works in that the remediation of the subject property located at 3 Pat Malone Drive will remediate existing contamination at the site and thus is desirable for the Village, its property adjacent thereto, and to the health, safety and welfare of its residents, and the Village shall be adequately compensated for

the granting of such license across Village property in the amount of \$5,000.00 for a period of eight months and then \$625.00 per month for each month thereafter, not to exceed 12 months, and

WHEREAS, the proposed license agreement has been reviewed and approved by the Village of Suffern Department of Public Works and the Village Attorney's Office, and

WHEREAS, Orange and Rockland has agreed that, in the event their remediation work as set forth herein results in contamination of the Village of Suffern Well Water Supply, it will comply with its obligations pursuant to Section 7, Item 6, page 15 of the March 2014 Record of Decision for the Suffern MGP Site regarding the Public Water Supply Protection and Mitigation Plan as and to the extent required by NYSDEC, and

WHEREAS, in consideration of the granting of the aforementioned license agreement, Orange and Rockland has agreed that in the event of contamination of the Suffern Village Well Water Supply, to reimburse the Village of Suffern pursuant to an Interim Water Supply Agreement for water that the Village may need to purchase from the public water utility (Suez) on terms and conditions as set forth therein,

NOW THEREFORE, BE IT RESOLVED, that the Mayor or his designee is hereby authorized to grant a temporary license, in a form approved by the Village Department of Public Works and Village Attorney's Office with the conditions referenced above, to Orange and Rockland Utilities, Inc. to permit Orange and Rockland Utilities, Inc. access to the Village owned commuter rail parking lot adjacent to Pat Malone Drive, Suffern, NY, for the purposes of permitting Orange and Rockland Utilities, Inc. to install, maintain and operate a temporary aboveground water discharge pipe on the property for Orange and Rockland Utilities, Inc. in order to implement its remedial activities as outlined in the NYS DEC March 2014 Record of Decision and the DEC approved Remedial Design Report dated August 13, 2015 and in accordance with the requirements of a SPDES Permit Equivalent issued by the NYS DEC related thereto.

BE IT FURTHER RESOLVED, that Orange and Rockland shall pay to the Village of Suffern the sum of \$5,000.00 (Five Thousand Dollars) for the granting of such license for a period of eight months, and the sum of \$625.00 per month thereafter, such agreement not to exceed 12 months in total and

BE IT FURTHER RESOLVED, that the Mayor or his designee is authorized to execute said license on behalf of the Village, and

BE IT FURTHER RESOLVED, that the Mayor or his designee is authorized to execute the Water Supply Reimbursement Agreement

with Orange and Rockland as more fully set forth herein.

The foregoing motion was made by Trustee Morris, seconded by Trustee Hertzman.

AYES: Mayor Edward Markunas
Trustee Frank Hagen, Trustee Moira Hertzman
Trustee Robert Morris

NOES: None

ABSENT: Trustee Joseph Russo

Mr. Magrino said thank you and he will give it to the Mayor for his signature and then he will forward it to Orange and Rockland. The Mayor asked when do we get the payment. Mr. Magrino said it's in the agreement - within ten days. A representative from Orange and Rockland said once the Mayor signs it then someone from Orange and Rockland will sign it. The Mayor asked about the light on Suffern Place. She said it is on the list to be repaired. The representative said she would ask the Mayor a question. She said they would like to schedule a meeting with their president in maybe the first or second week of April. The Mayor said sure. We will set something up.

B) VILLAGE CLERK TO PRESENT TENTATIVE BUDGET TO BOARD OF TRUSTEES:

Village Clerk Virginia Menschner presented the tentative budget to the Board of Trustees.

The Mayor asked Mr. Genito if he had any comments. Treasurer Michael Genito said the 2016-2017 budget is very similar to last year's budget. He said we included a budget message in the front which the previous budget didn't have. It kind of gives you an outline of the highlights of the budget. And as we go forward we are going to be continually improving these budget documents to be more improved with information that is useful to try to understand what is in each budget. He said he will very quickly tell you what the process has been. Back in early January, the first of January pretty much, they let the department's know that they were expected to put in their requisitions for budget equipment. And during the month of January they worked on that. And he worked with the departments answering questions of theirs and so forth and then they submitted those pretty much in the month of February. And from February through today or about a week ago, they were inputting that information and getting highlights - he said that he knows that the Mayor and he met with a couple of the departments a few times to go over some things. And then finally the last couple of weeks they were putting all of it together. And the way that that process works, just so you understand, is we take all of their requests and they were then

put into our financial management system, the KVS system it is called, and we make sure that whatever is in that system matches what is on the request and matches what is in this document. Now the only thing that he modified from the original request from the department were things like utilities or if he saw a number that was too low by any means then it was brought up to where the number should be and if it was too high he would call the department first and ask them. He said the bottom line is in looking at the way the budget works - one of the things that we were looking to do is wean ourselves away from leasing police cars. It is something that we have been doing for a number of years - instead of buying a police car for \$30,000 or \$40,000 or whatever the number is - they have been leasing them through the manufacturer. But it is a capital lease meaning they own it after three or five years - whatever period the lease was. But we are paying interest on it in the meantime and it is not really a good practice because whether it is going to be every year or every other year you are going to buy another police car. So if you think about it this way - if you lease it today and the lease is for three or five years you are still paying off on that lease when you are buying the next car and you are paying interest on top of it. So we are hoping to try to work away from that and actually this year we were. Interestingly enough if you wanted this whole thing in a nutshell - we put in for a police car - one of the pieces of equipment that they had requested along with their other requests - this also includes fire department equipment that they otherwise used to put in as being borrowed with debt. These are things that they buy every year like Scott paks and they have a replacement plan - they replace ten Scott paks a year and traditionally they have been borrowing money to do that. You are paying interest on it and you are buying another ten a year. And it is an operating expense for the year. This year for the first time they have been able to incorporate all of those items into this budget. So the first thing he will say is that the departments did work quite diligently to keep their costs down as much as possible.

Mr. Genito said the really good news is this. Given our situation last year and getting the tax increase that we needed to get to where we are and even assuming roughly a 3 1/2% rate on the deficit funds going forward, and that is in this budget as well, the actual increase is - the actual increase is 5.7% in the tax rate. And why does he say that is good. Because we lost Novartis - 4 million or 5 million dollars. Actually our total assessed valuation went down about 7 1/2 million dollars. 5 million dollars of that was related to Novartis. And if we had the same level of tax assessments we would have had a .2% tax increase. But unfortunately given the situation with Novartis that is really what forced us to have a tax increase. But other than that as we go forward the departments would like to meet and talk about the budget. And one of the good things that we can tell them is that what they requested is in this tentative budget so if anything it

may need some tweaking around the edges but it is a good budget in terms of being very responsible and having everything in there that needs to and we are using the conservative number. There is some announcement here - there is a note that is coming due - a regular bond anticipation note that comes due in April so the budget will be in the process when we get that renewed rate but our rates have been coming in fairly good in terms of the money that we have to borrow. We don't expect that to change the numbers.

Mr. Genito said the other two main funds that we have are of course the water fund and the sewer fund. And the water fund is a budget that calls for an approximate 5% increase. Most of that increase is due to the addition of debt bonds that we have and just the normal course that are going up with the water plant. The solid waste fees he was going to have - do we know where our contract is on that because the solid waste we know - we have two districts. One we call curbside which is the Village's own operation of picking up on the curbside and the budget for that is based on what the department submitted in terms of how it has to operate. And that has an increase of a rate of 1 ½%. And that is just normal increases due to what they have to do. Now, the container district is based on the current contract which is \$313,600 a year. That is a fixed amount and that is going to expire in May. And he knows that Dan Kraushaar has already started the bidding process. The Mayor said yes. Mr. Genito asked when they are coming in. The Village Clerk said in the next couple of weeks. The Mayor said he thinks the 26th. He said we have time to adjust the budget. Mr. Genito said it doesn't matter what it ends up being. The container district is Bon Aire and Stonegate and we will do what we have to do. If the contract stays at \$313,600 or less that is not a problem. But if it is going to be more he would say that if the budget has already been adopted we would just go back to the Board and say we have to amend the budget and the rate.

Mr. Genito said and then we have the sewer fund. Now the sewer fund is the one that is the biggest issue. And that one for a couple of reasons - part of it is for the debt service that goes up because of the deficit bond. And actually it is kind of interesting because in 2015 we paid off bonds that were issued back in 2002 and in that budget we had an amount for debt services. That was not in the budget last year because we didn't have any debt service. And now we are picking up the deficit bond for the sewer fund. So that rate is looking at about a 14% increase. So once again if you go through the budget and see. He said in the sewer administration itself, and by the way we are not putting any contingency in that budget because it is going up so significantly just to cover that debt service. The Mayor said no contingency. Mr. Genito said no contingency. It is probably something that we probably should have but given that it is going to start at 14% we have to see what we might be able to do. Then

to give you - the administrative costs are going up approximately - he said if you look at the very bottom line of the budget you see there is like 3 million dollars versus 1.9 million this year. That mainly is because we were paying off the note, the large note. So anyhow in the administrative cost - if you look at the administrative costs which are total sewer administration - that is going up about \$40,000 and if you look up above, part of it is in the salaries and part of it is in the contractual expenses. The contractual expenses, if you compare 2017 to 2015 you will see that they bumped up some chemicals that they buy pretty much in a two year type increment and the ones for 2016 we will actually buy less because what they did was they bought more at the end of 2015 then in the early part of 2016. So that's it. And social security, for whatever reason, was never allocated to the sewer and it should have been. So that is the other reason why that is going up. The Mayor said that would be a good question to ask the DPW - if they are able to - the contractual expenses push off one of those payments to reduce that. Mr. Genito said we can certainly go through the line items in the budget and if you want he can produce line items in the exact detail and if the Board would like to look at those and evaluate them. The Mayor said that would be - Mr. Genito said he can run a report what they spent in 2014, 2015 and the actual cost. The Mayor said it looks like they are patterned - is it due to their purchasing pattern? Mr. Genito said that is what it was on that particular item - that is what he is saying. When he looked back at this - 2016 looked like it was being lower than 2015 but what had happened was in 2015 he believes they bought the chemicals in the beginning of the year and at the end of the year. And it is just a matter of need - when they need the chemicals. The Mayor said okay, it would be good to look at.

Mr. Genito said the Wastewater Treatment plant - you can see that amount actually went down a little bit and as you can see the majority of that money going down was in the State retirement. One of the things that we had as you notice that in the general fund - that is why we were able to hold down this budget. In 2015, in year 2015, we didn't have enough money to pay the retirement bill. So rather than paying that retirement bill late - in February 2015 - we told the State that we didn't have the money to pay that and they basically charge you interest for that and what happened is we paid it in July 2016 with our tax money. So we paid it in July 2016. So the 2016 budget had to have enough money in it to pay this extra retirement payment. We did calculate that in so we did pay it so 2017 goes back to what will be a more traditional payment and back in 2016 we not only paid off the 2015 amount but we paid the 2016 amount in December - he said you have two payment dates - December or February and if you pay in December you get a break on the rate - a reduced rate - so we did that to take advantage of that. The bottom line is that is why you will see retirement down in all of these funds for that reason. That is the main one that is down. Otherwise it is pretty

much based on the salaries and payroll or in hospital and medical.

So that is it. And then the short term debt service went down, of course, dramatically because what we did in 2016 was paid off a note for 1.1 million, another note for 162,000 and we also had some interest to pay on both that and a revenue anticipation note. So we don't have any of those coming up in the coming year. No notes that are going to be outstanding other than the bond anticipation notes that you can see.

And serial bonds - principal and interest - that includes in attention to other bonds that we have outstanding that we have had for years that also includes the estimate for the deficit financing. The Mayor said that includes the estimate for the deficit financing for that - for the sewer. Mr. Genito said yes. Assuming a 3 ½% rate. We don't know what that rate is going to be. Just to let you know where that is. They are right now - we have been speaking with our bond counsel or financial advisor and we are now talking to two bond insurance companies. He said our current credit rating is a BAA3 which is just at the lowest level you can get for that grade. The nice news is that Moody's Investment Service which rates our bond - it is a credit rating agency - rated our credit and moved us from stable to a positive. Which is a big - the rating they don't change too often but the outlook where we started out a year ago on negative, meaning we were at the cusp of being dropped even further - we went from negative to stable to positive. That tells the community who lends us money and invests in our bonds that we are on the right path. And we are doing the right thing to get back to fiscal stability.

So that is the good news. And Moody's gave us that rating. And the two bond insurance companies, one of them is called Build America Mutual - and they already told us that they went to their committee and their committee was enthusiastic about issuing bond insurance if we want to buy it. There is another company out there that we are waiting to hear from - and it is just a matter - we haven't heard. They may have already made a decision but we just haven't heard yet. As of yesterday he spoke with our financial advisor because we were waiting on a quote for the bond issuance and the bond insurance company said they are actually looking at offering two things. One is these are 10 year notes for the deficit - on the bonds - for the ten year bonds - but we are looking to have a provision that says after five years, if we have the money, can we pay off some or all of those bonds. And we would prefer to do that because we don't know what is going to happen. If you have the ability to pay down these bonds. So what Build America Mutual said, the insurance company, we are thinking of offering you two things - either buy ten year insurance or buy five year insurance with a guarantee that you get insurance for the next five years. So if you do pay off the bond you don't have

to buy the insurance. So once we get the quotes on them then we have another process which the financial advisor will help us with and that is is it better to go with the rating that you have - the BAA3 with a positive outlook and get a rate on that bond or if you told PD Security, look we are willing to buy bond insurance - PD Security will automatically give you a AAA rating and that would naturally bring your rate down so now you have a decision that says do I go with this rating the way it is and with whatever the rate is that they tell us or is it beneficial to us and will it save us money if we buy the insurance and get the AAA rating and bring down the rate. So that is one of the decisions we can't make until we get the actual quote on insurance and then PD Security puts how they would structure the payments. So everything is built into the structure of the payment. It is rather complicated. They actually look through the twenty year, or ten year in this case, as to how they are going to structure the payments out. It is kind of complicated but it is actually good news.

The Mayor asked what would be the drawback. Just the difference in the cost? Mr. Genito said just the difference in the cost. Let's assume that we don't have a bond issue - the rate that we were told will probably be about 3 1/2%. If you had a AAA rate your insurance on the rate might go down to a 2 1/2% rate. Now if you have 2 1/2% you are saving a lot of money on your debt that you have to pay. But then you have to see what am I paying for the insurance. So sometimes the insurance is too expensive to get that. But we are hopefully optimistic on that. The good news is that we have had a lot of activity by the State Comptroller's office in this process. They came in and they did their work. It took them about a week and a half of field week. The Mayor asked if they are going to review the budget - the final budget or - Mr. Genito said he provided them information on a lot of the estimates that we did. They have already told him - the field worker that was here - as they were finishing up the review of the financial statements he said when are you going to have your budget. And he said to him the budget goes to the Board by the 20th so it is either going to be Monday or Friday. Mr. Genito said he said to him that he could send him a lot of the worksheets that we are using and how we got our estimates and other information like our activities, etc. So they have all of that. Once this is accepted what we will do is put it on the website and he will send them a copy. And then they will probably decide very quickly. It might even be this Monday.

The Mayor said with the long term deficit financing in the budget review process by the Comptroller - going forward next year - they will review the budgets again as long as we have the note in place. But do they review also the financial - the audited financial statement? Mr. Genito said what they will be doing is a number of things. We will be doing quarterly reports to them. We will be sending them information on a quarterly basis. And they

look at those and they have comments and come back to us and talk about it. But on a quarterly basis we have to send them reports and once we do our audited financial reports they get that to review it and every year as we go and do our budget they will get a tentative copy as well as the adopted copy. They will work through this budget document. They will ask questions and they will look at what we used for the supporting documentation. They will let us know if they think there is something in here that needs a correction. Generally what that means is they don't believe there is a number that is conservative enough in here. If for instance you are underestimating expenditures or you are overestimating revenues or doing something else in here that isn't appropriate and therefore shouldn't be done - the State Comptrollers office will give a recommendation and say look, you are underestimating this and you should bring it up or bring that number down and then we are expected to comply with the recommendations of the State Comptroller. So he currently believes that the budgets that we prepared are very conservative and are on a sound basis, just like the last one. And certainly they are not going to be worried about you moving \$5,000 or \$10,000 around here and there. They are looking at mainly the big numbers especially. Our biggest number is the taxes. That is on the revenue side. On the expenditure side they are going to be looking at our expenses - health care - the appropriate budget for health care. Did we budget for retirement properly? And that sort of thing. So that is what they are going to be doing. And then we adopt the budget at some point. And the other thing too - here is an interesting thing that he will bring to the Board's attention. He said he will have to double check his calculation on it but on the property tax cap he did the calculation using the numbers we have in here and even though we have a 5.7% tax increase we are actually below the cap. Because the cap is about the levy - it is not about the tax rate. Our rate has gone up because our expenses have dropped. So since the assessments dropped our tax rate has to go up but if our assessments had been the same our tax levy probably would have been about 0.2%. Mr. Genito said here is his recommendation. His recommendation is that we will adopt a resolution or a local law to override the tax cap. We do that. Let's assume that you don't adopt a resolution to override the tax cap and then you go through your budget process. You adopt the budget and you believe that it is within the tax cap. It actually happened to Suffern in 2013 or 2014. And any time after the fact that you were not within the tax cap - now you have a problem. Now you have to take that money and put it aside and the following year reduce your taxes even further. You have to save that in reserve because it creates a problem. It is something you don't really want to have. Now let's assume you adopt to override the tax cap. You go and adopt your budget. You find it is within the tax cap. Now you are submitting everything to the State Comptroller's office, which you do anyway, and they come back and they say yeah, we have verified your tax cap. It was calculated correctly. You can rescind that

resolution at that point or that local law. He said he doesn't know if there is a benefit of being within that tax cap because sometimes there is. It depends on what the State ends up doing. If they say we are going to mail a check to everybody for the difference. But we don't know if they are going to do that in 2016/2017. So what he is going to say again is that we vote to override it - have that local law in place - but if we go and adopt our budget which has to be done by April 30 and then the State Comptroller's office within a month of that tells us that we verified your taxes that were done correctly then we can rescind the local law. The Mayor asked if Mr. Genito knew what the tax cap is this year. Mr. Genito said 0.12% - 1/8 of 1%. And that is tough to achieve next year. Mr. Genito said actually he knows for a fact it would have been worse for us - it would have been less than .12 because one of the things in the tax cap formula - if you add in any new PILOTS in your role - and we have new PILOTS - so we would have to take that out of our tax cap. In our calculation in the amount we are allowed to raise - if you raise \$40,000 in a new PILOT you have to take that away from your levy. That is the way it works on the new one. You would have to take that out of your levy. So it is very low. For most communities they try to stay within the .12 and it is almost impossible. The Mayor said next year that will come out - the PILOT. Mr. Genito said the PILOT is coming out this year. We have to include it here. But it goes into effect in 2016/2017 and so does the HTBA agreement - that is coming in this year. That is part of the revenues. Our sales tax which had been down for a few years has come back in the last two to three years. So that is up a little bit too. He said he believes all these numbers are very reasonable and very conservative. The Mayor said and the loss of revenue from Novartis for the water and sewer. Mr. Genito said that is included. That is another reason. He said we looked at what the trend was for Novartis alone and they go by units - the Mayor said 750 gallons per unit. Mr. Genito said the units of water was about 20,000 units. And that has an impact. He said what he is starting on now and it might be interesting to see if Rockland Community College or Suffern High would want some students to work on this is to do a water/sewer rate analysis. They would be doing a lot of the grunt work, so to speak, in terms of putting things together. He said he would give them the information as a template to get them started. We should have a fresh sewer and water rate analysis. He said he doesn't even know when one was done. He said to him it needs an update and it probably should be done about every five years anyway. But drawing the information out of the system - the software provider is not the easiest one to work with in terms of getting that data. What does the average home use. What is the commercial use. Who are our biggest users. And then being able to not only get that data but let's find a way to get a report on a regular basis so if somebody like Novartis starts using less water. If somebody comes in and takes over the Novartis site we are going to want to know what kind of usage are they now incurring that might make a

big difference on the total. But he would assume that our biggest water and sewer usage is the hospital and Avon, which is a research facility, and he doesn't know how much they go through. And of course Novartis. But other than that he can't think of another major water user. He doesn't think there is another one that comes close to the size of the water that they use. Then after that you have apartment buildings which probably would be the next biggest users. The Mayor asked if we had software that would be able to input the data. Mr. Genito said the software we have is kind of archaic. It works to be able to create the bills and send them out and collect against them. But it is an old system and that is one of the things we talked about - a computer upgrade. And he is going to meet with the police today to see what they are doing. If we want to kind of coordinate with them. So we have to put together something for our Village Hall here to get rid of the old, old computers especially and the software - to get that upgraded.

Trustee Morris said we talked about putting out an RFP for upgrading the computers and addressing the capital budget yearly so we don't get hit with the cost of things. And that is going to be implemented with the DPW and PD. That's great. He said we talked about rolling the garbage fees into the budget in the taxes. Mr. Genito said we can certainly do that. What is going to make a difference here is that we can include it on the tax bill like we have been and the way that we were to change this budget document - instead of having - we can probably still have these changes in the back that shows the fee on it but we would put it up front and a question of taxes. In other words we would say it wouldn't be a solid waste fee it would be a tax on the solid waste - it would be like a special assessment. It will be on the tax bill and it would be listed as a solid waste tax. Trustee Morris said that would eliminate the billing and mailing etc. twice a year. Mr. Genito said we could bill it once a year. Trustee Morris said it would also decrease the amount that we would have to relevy because most people have mortgages on their houses where they are not paying the fee. The company holding the mortgage will pay. Mr. Genito said right. We could have this as a separate line. Everything can pretty much stay the same except that we would have it as a separate line.

A motion to accept the tentative budget for the fiscal year ending May 31, 2017 as presented by the Village Clerk was made by Trustee Morris, seconded by Trustee Hertzman.

AYES: Mayor Edward Markunas
Trustee Frank Hagen, Trustee Moira Hertzman
Trustee Robert Morris

NOES: None

ABSENT: Trustee Joseph Russo

Mr. Genito said if you go to page 17 of the tentative budget - we can still have the pages breaking out the two districts so people can see where we came up with the numbers. He would have to figure out exactly how we would want to do it. But essentially on page 17 we would have a line in there that would say special assessment - curbside - special assessment container. And then we would probably under - go to page 15 - you will see services - if you go through these - 8160 is our curbside and 8161 is container. So we would probably change the document so they would appear there. But potentially any revenue would be balanced against these expenditures here. It would be within the general fund. He said that the one thing, just to let you know, what it would do at that point we would now be saying that that is our tax levy and that would be added to our tax levy so the tax cap would be increased. But he wouldn't worry about that because he doesn't think we are worried about exceeding the tax cap. It is not going to change the tax rate because of those numbers. In other words everything that is in there is paid for by the user fee. So we will have that in there. The Mayor said if they pay. If we don't receive their taxes and it is relieved - oh, we still get the relevy from the county - Mr. Genito said that is actually a very big plus. Anybody that hasn't paid the solid waste fee by the end of the year the County is going to make it full by April. The Mayor said so we won't be in arrears for that ten month period for the reimbursement.

Trustee Morris said it should reduce the amount that we are going to relevy because most places have a mortgage. It is going to be rolled over in the mortgage where they would take the solid waste and throw it in the drawer they have no choice now because it is coming out of their mortgage payment. Mr. Genito said on page 18 - there is a thing called community services - so we would have curbside. That is the actual amount that would normally be there so it would be a "special assessment." The Mayor asked if Mr. Genito saw any drawbacks. Mr. Genito said he doesn't know. He said many years ago - he was the Village Treasurer in 1984 and at that time we didn't have a curbside and container district. And he believes it was Bon Aire that was threatening to sue the Village over the fact that residential garbage in the Village was being picked up and paid for in the taxes and yet there was no pick up in that district like Bon Aire. They had their own private carter. And that the Village separated out the garbage pick-up for the residential home in Suffern and would charge them a solid waste fee. He said he thinks that worked for the first year and then by the second year the same group - Bon Aire - said hey, can you get us a good price. We didn't have the staffing or the equipment but they said we can do a bid. He said he can't remember if they bid out their own or if we did. He said they started doing that and that required the Village to break out these two units.

The Mayor said it is already broken out. It is going to be collected differently. Mr. Genito said it is already broken out as separate departments, if you will, within that community service and then up front where you have the special assessment that is where we are going to charge them as a special assessment tax. We just have to get it worked out with the Attorney's office as to how we go about passing that local law to get that done instead of having it as a separate - it is still going to be on the tax bill anyway - the only difference it is going to be for a year instead of six months. The Mayor said right. We are eliminating the second billing. Mr. Genito said we will have to talk to a couple of people. We will have to talk to Bob Davies who is our assessment clerk and make sure they can put it on the roll as opposed to putting it on a separate bill as a special assessment. And we would just have to tell him what properties are involved - he already knows.

A motion to adjourn the meeting at 9:55 a.m. was made by Trustee Morris, seconded by Trustee Hagen. Upon vote, the motion was carried.

A motion to reopen the meeting at 10:15 a.m. was made by Trustee Morris, seconded by Trustee Hertzman. Upon vote, the motion was carried.

A motion to go into executive session at 10:15 a.m. was made by Trustee Morris, seconded by Trustee Hertzman. Upon vote, the motion was carried.