

**Special Village Board Meeting
Tuesday, April 7, 2009**

A special Village Board meeting was held on the above date at 6:00 p.m. with the following members present:

PRESENT: Mayor John B. Keegan
Trustee Dagan LaCorte, Trustee Andrew Haggerty
Trustee John Meehan, Trustee Patricia Abato

ALSO PRESENT: Virginia Menschner, Village Clerk
Terry Rice, Village Attorney

ABSENT: None

PUBLIC HEARING - 2009-2010 VILLAGE BUDGET:

The Mayor said that this is a public hearing on the 2009-2010 Village budget. He said that copies are available around the room. The Mayor said that at this time, if anybody would like to come and speak on the budget, the floor is open. The Mayor said that the percentage is, just for information, is 3.27%.

Jim Giannettino of 2 Memorial Drive said that he realized that some of these numbers have changed but he is not so much interested in the numbers. He is more interested in the methodology that went into some of this. And the first thing he is going to ask is that he sees that the Director of DPW, which, as far as he knows is currently still vacant, that the salary is going from \$85,000 to \$92,000 to a person that you may know but none of us know. And we don't know how good he is and you probably don't know how good he is either until he gets here. What is the methodology for raising a starting engineer \$7,000 in these hard times. The Mayor said we took the last two DPW heads and we did a range between them - Mr. Rossi was \$92,000 and Mr. Rocks was \$97,000. The Mayor said we are interviewing somebody right now and we have a number that that person is interested in and that is what we went by. Mr. Giannettino said then the budget was incorrect last year stating the salary was \$85,000 for the DPW director? He said he is taking the Mayor's numbers. The Mayor said his top pay would have been \$92,000. He was making \$85,000 but he would have topped out at \$92,000. Mr. Giannettino said so this fellow is going to get a longevity raise and he is not even in the position. The Mayor said it is confidential. Mr. Giannettino said you don't have to tell him his number. He is just saying the way the budget is laid out, someone that is walking in the door is getting a \$7,000 raise when we don't know how good he is or anything else about him. He hasn't been proven to you or anyone else. Why in this day of high unemployment are we increasing a starting salary by \$7,000. He doesn't understand that. The Mayor asked Mr. Zordan to explain why

we put that number in.

Tom Zordan, the Treasurer, said the previous head of the DPW - the reason it says \$85,000 is because at the time when we did the budget, we thought maybe we could get someone for a starting salary around that number. And through some discussions and talking to people, they realized that even though it might be tough economic times, the type of engineer to be the Superintendent of Public Works has special licenses and there are not as many of them walking around unemployed as we had thought there might be. So they came up with a number just in case. Now, if we negotiate with someone that we like and they say it is \$88,000, that is what they get. But we just put in \$92,000 because we need a number that we feel is in the relative range of what the salary would be. And that is basically what we did and that is how we came up with the number. If we put in \$80,000 and we don't get any offers, then what do we do? We have to amend the budget until we get it to the right number so we can get some guy in here. It is easier to go down than it is to go up. Mr. Giannettino said that he thinks in these times if you are willing to wait a month or two that you will get somebody at the price of the last DPW person and possibly lower. It is something to think about. That is \$7,000 out of the taxes.

Mr. Giannettino said he is looking at the raises of all the department heads and he is not going to mention names and he is not going to mention salaries but these are from the previous budget of yesterday and the raises raised from 1.1 for some - and he is going to disregard the 8.2 that the director of DPW is getting because we don't even know who that is - and the next highest one is 4.1 and there is one in yesterday's budget that actually was taking a dive - -7.2. He said he sees some correction was made on that. He said he doesn't understand how you treat your department heads so differently. Are they done on merit. Have you sat down and evaluated them every six months. Told them what they were doing, what they weren't doing, to justify the discrepancy in the raise percentage. The Mayor said he thinks that as being a previous Mayor, he would think that Mr. Giannettino would understand that after 1997 it was in the work rules it said that some people got 5% a year for five years. So if a person looks like they have 8%, and we decide to give a 3% raise, according to the work rules you have to give them the 5% and you give them the 3%. Now the reason why some of them were different is because there is longevity's in there. So if a person shows 5, they got a longevity and then whatever we put in for a raise. And again he is not mentioning any names either. Mr. Giannettino said you shouldn't mention any names. He said he will take into consideration what the Mayor said. Most of the people, except maybe one, has been here longer than five years of your department heads. So when he sees 1.1, you are not talking longevity. The Mayor said the 1.1 was actually changed. Mr. Giannettino said yes, he realizes that. But he is talking about how you arrived at these numbers - not what you did today and yesterday. Mr. Zordan said there was a misinterpretation on his part as to how we were supposed to handle something related to an employee. So he misinterpreted something and he put it in. Then

they had a discussion and it was corrected. And that is what happened.

Mr. Giannettino said there is another item in the budget and he doesn't know whether it is being used. It was used, he believes, one year when he was in office and he doesn't think it was ever used after that. And that is the financial consultant for \$6,000. Is that still being used? Mr. Zordan said yes, every time we use bonding and banning, we have a fee that comes with it. Every time we have to roll over a ban, we get a fee. Mr. Giannettino asked if that was included in the ban or the bond that you are floating. Mr. Zordan said he doesn't borrow that \$500. Mr. Giannettino said okay. He said this is another thing. It might be totally right. He doesn't know. Street lighting is going from \$126,000 to \$152,500 last year to this year. That is a 21% increase. The Mayor said we put in the additional eight lights that we are planning on putting in. Mr. Giannettino said the library. He said he sees that we are the only village in Ramapo that donates money to the library and it is totally your choice to do it or not do it, of course, but he feels that we have been donating money to the library, and he likes the library, but we are also taxed on our tax bill for the library. And no other village puts up even \$500. Why does Suffern have to pay an extra \$5,000 to someone that is being funded with our taxpayer money. The Mayor said we don't have to put it up technically. We do have a good rapport with the library. In fact, they just donated that bench between the library and Gitlow for the senior citizens which was over \$1,000 and again it has been done every year, so we continued it as a donation. It is something that we didn't have to do but we did. Mr. Giannettino said he understands that, but the hard times that the people in this village are in, he thinks we have to worry about us, not someone who is already getting taxpayer money. We are paying a lot of money for the library and it is worth it. He is not saying that it is not. But to give donations and be the only one for all these years that has given a donation, it starts to wear on people. This is probably a good question for Tom. Police retirement - it's like a 7.2% increase - almost a \$31,000 increase this year. And state retirement went down 9.5%. Mr. Zordan said the police retirement system is based on, obviously, how much they get paid. So one factor is that every time they get a raise, the cost goes up. They have a very nice pension plan, which he would like to be in himself, but he is grateful for what he has. But what happened was that the rates themselves that we get charged also went up. So that in effect caused a major problem and the reason the non-police doesn't correspond to that is because we have to pay into the retirement plan for the first ten years of our employment. We have to pay in. The police don't pay in. So whenever a new person comes on, he is paying in and he is paying in at an extremely lower salary whereas in general, say you have a person who works in the DPW and they come in and they start out as a laborer and they are making \$26,000. After five years, they are making maybe \$35,000 or \$40,000 maximum. But a police officer when he comes in, he starts out at \$45,000 and after four years, he is making approximately \$100,000. So there is a tremendous growth of pension costs whenever

you hire a new police officer on top of the fact that they have a much higher rate. Like the police, basically 15% of their salary gets paid in pension - to the pension plan, whereas non-police are in the 8%. So it is just a tremendous difference. And we have no control over it. He gets a bill and they tell him what we are paying and that is it. He can't really do nothing. Because we report in all their salaries and they take and say okay, now you have this salary, this is the percentage and this is what you owe us and you have no choice. And that is it. There is nothing we can do about it.

Mr. Giannettino said that on the same issue. We retired a lieutenant who was at top pay, we retired a police officer, who was at top pay, and this may or not be true, he understands a position is going to be left vacant. That should have offset some of the increases in the pension increase. Right or wrong? Mr. Zordan said a lieutenant did retire. That is correct. We hired a police officer to replace him. That is correct. But what happens is the bill for the pension, the actual payment of the pension, comes out in February. He said he gets an estimated bill in February and that is based on what they project to be the pension costs plus the reportable wages that they have had up to that time, which would be, when he gets the February bill, is based on what they have through September 30. Our lieutenant who retired, his retirement, he believes, was effective around September 1. So for this pension year, that lieutenant's salary was included in the pension. The officer who just retired in December, he was the top pay officer. His salary in the estimated bill was at 100% because he retired after they did the estimated calculation. Mr. Zordan said he doesn't know, and they give him this estimated bill and they might turn around and say, you know we estimated your salary at let's say 3 million dollars and the estimated cost was 15%. They might come back and say your salary was 2.9 million dollars but we are going to charge you 16%. So things could change and he doesn't want to take a chance with that number because it is a huge number. So he is leaving what they gave him in the estimate. If the bill comes in less, then we save some money and it goes into the general fund and we have that for the following year. And that is how he comes up with the money and he is an accountant and accountants are generally conservative so he doesn't want to take a risk and say, yeah, we are going to save \$20,000 and who knows, maybe we will save 50 or maybe we will be short 50. So that is how he did it.

Mr. Giannettino said his last question and he is sure that Mr. Zordan has the answer to this also. How much of a surplus do we have in our general fund at this point. Mr. Zordan said that actually, he doesn't have the exact number on the top of his head. But as of 5/31/08, he believes it was about \$754,000. Mr. Giannettino said he thinks that \$100,000 or \$200,000 of that could put us at a 0 tax increase when the people need it most, which is today. Mr. Zordan said that generally, again, being a conservative guy and our outside accountants agree and generally the state agrees also is that you should try and maintain a fund balance which represents about 5% of your next year's projected cost.

Therefore, our projected budget of 10,600,000 would mean that he would need roughly \$510,000 in our fund balance at the end of the year. Well by taking \$157,000, he is right around that number. So again, if something comes up, and we are at \$580,000 or \$600,000 in our fund balance, if something unexpected happens, he can at least draw down on that fund balance and protect us. We don't want to be in a negative fund balance. And any catastrophe could happen. So this is another reason why we don't want to pillage the fund balance today to save you a couple of dollars that maybe next year you are going to have to make up, or two years from now. So that is why we only took a certain portion. The Mayor thanked Mr. Zordan.

Jo Corrigan of 46 Park Avenue asked why is anybody getting a raise. And she doesn't mean this disrespectfully, but if you watch the news and you see what is going on, why is anybody getting a raise. Besides the police because they are contractual and she understands that. So we don't have this confusion, why is it not marked - well, police officer one is on a contract or the general municipal - who has contracts and who doesn't. Mr. Zordan said that all of our police officers, except for three part-timers, have a contract. All of our dispatchers have a contract. Our CSEA employees, which are basically everybody else, have a contract. He said he thinks there are five people who are full-time workers, himself included, who do not have a contract and part-timers do not have a contract. And everything that he tells them, he has discussed with the Board. And it's not like he decides this is what I am going to do. He said it seems like he is saying this is what I did but he has made suggestions and it is his budget too, his tax dollars. But what the Board has done is said look, 90% of the people are getting a raise, so basically how could we tell those five people and the part-time people that are working side by side, too bad, you don't have a contract. We are not going to give you a raise. And he thinks that is what he thinks. The Mayor said that we are basically in the middle of negotiations - a PBA negotiation and a CSEA negotiation. So we had to put something in the budget. We really don't know what the outcome is going to be. But we had to put a number in the budget that we think is going to be close to what we settle on. We don't know. And again, we are in negotiations. We are in our ninth month now with the PBA and this morning, actually, he had his second meeting with the CSEA, whose contract is up the end of May. So that is where we are at. And again they are asking for raises. So that is why we negotiate. We go back and forth. Some unions if you tell them we are not giving you anything, they will take you to court, arbitration, hearings and things like that, and that is where it goes. The people are not happy with what you want to give them. So we are trying to work with all the employees and, again, the next step would be to lay people off or cut services, and we don't want to do that.

Ms. Corrigan said that if people are going to get laid off, wouldn't it behoove everyone to say stop the raises and not get the laid offs. Isn't that more or less the way things are going in today's market. The Mayor said that is the reasonable thinking. That would be the thinking. Unfortunately, the people come to the

bargaining table with lawyers and what not and demand things, and again we throw counter-offers back and we don't have a lot of control in that respect unless we finally end up going to a hearing and a hearing would probably be CSEA - would be the ending in that. And with the police department, arbitration is the final move. Ms. Corrigan asked how close we are on that. The Mayor said that he doesn't want to talk about it. We are in negotiations. At this point, we are not looking at arbitration. We are still going back and forth with counter-offers. Ms. Corrigan said so in actuality, just to make numbers round - say the police overall are getting a 5% raise, during the negotiations, they can come back and say, no, we want 10%. So this budget could actually jump to a 10% increase instead of 5% because these are projected numbers. The Mayor said he can assure her that this wouldn't happen. Attorney Rice said they are not realistic numbers that you are talking about. Ms. Corrigan said but the point being these are soft numbers. These are projected numbers. The Mayor said we believe it could be 1% either way up or down. So they are that close. Ms. Corrigan said what about the other contract. You are only talking about one. The Mayor said CSEA actually we plugged a number in for that which is again what we thought was something to work with and again, actually. He asked Attorney Rice what the deal is. It would go to a hearing. Attorney Rice said unlike the police, and fortunately we don't have a paid fire department, but under the state statutes, police and paid firemen have a different system than non-police and non-firemen. The police, if we can't come to an agreement and reach an impasse, it goes to mediation where PERB sends in someone to try and facilitate a contract agreement and if that doesn't work out, it goes to compulsory arbitration where each side appoints one arbitrator and between the two of them they select a third person and the contract is imposed on the municipality and it is primarily based on comparables. So the police are in a different ballpark. The non-police unions do not have compulsory arbitration. Again it starts out obviously trying to negotiate a contract. If that doesn't work, PERB also would send in a mediator to try to facilitate a contract, and if that doesn't work ultimately what happens is not compulsory arbitration, but the Board of Trustees would hold a hearing and everybody who wanted to say what they had to say, including the union trying to make their case, would have their say and then the Board would impose their contract for one year. Ms. Corrigan said for one year. Attorney Rice said and then we would do it all over again.

Trustee LaCorte said there is one other thing. Non-union employees. There are also work rules that govern - other rules with respect to non-union employees. And some of the stuff that we do, although they don't have individual contracts, fall in our work rules. So there are certain raises and certain things that are mandated - longevity, for starting out employees. Things that are in the work rules. So again, even though they may not be non-union and don't have a contract individually, they are governed by the work rules. Ms. Corrigan said that is only five people. Trustee LaCorte said everyone that is not in the union. That limited people governs the work rules. But that kind of answers the question earlier why there

were different raises for different people because some people fall under those provisions in the work rules.

Trustee Meehan said that he thinks probably what has guided us over the years is the cost of living increases. Our experience over the last decade or so is the cost of living has gone up about 3% a year. Ms. Corrigan said we are in a recession. The cost of living is a lot different than it was two years. So she doesn't know that basing something on cost of living in today's market is the best way to go about trying to figure out how to get raises. It is a little concerning.

Dave Gutierrez of 23 Meadow Avenue said he was wondering if he could request the ability for the public to speak at the end of this as another general forum because today's meeting wasn't on the website, there was no agenda, and they got basically copies of the budget when they walked in today. And he has a feeling that we might develop a few additional questions once we go through the process of discussing the rest of the budget. So he was wondering if we could possibly have another public session at the end just in case there are a few questions that might be out there.

The Mayor said that if a person wants to comment at the next meeting at audience participation, they can comment. Attorney Rice said that the budget either has to be adopted tonight or the Board of Trustees, if they adjourn it, has to go from night to night until it's adopted so they can't just say that they will come back next week and talk about it some more. It has to go from night to night or it has to be adopted tonight. Mr. Gutierrez asked if he was saying that it might be adopted tonight. Attorney Rice said he can't tell him what the Board is going to do. He is just telling him what would happen. Mr. Gutierrez asked if it was the intention of the Board to adopt this budget tonight. The Mayor said excuse me. Mr. Gutierrez asked if it was the intention of the Board to adopt this budget tonight. The Mayor said yes, it is his intention. He can't speak for the Board. Mr. Gutierrez asked if he thought that was prudent since no one has had access to this information until this evening to input on this. The Mayor said that he is sorry but he can't hear him. He asked him to speak up. Mr. Gutierrez said he said does he think that is a good decision being that the citizens haven't had an opportunity to review this up until tonight. The Mayor said he knows he foiled a copy of the budget two weeks ago and as of today, you haven't picked it up yet. So how can you say you don't know about the budget. Mr. Gutierrez asked Virginia if he picked up the budget several weeks ago. Virginia said Tom is the one who was taking care of that. Mr. Gutierrez said he picked up the old budget. He didn't request the new budget because it wasn't available as of a week ago. The Mayor said we have done this every year. This is the way the budget is done. Mr. Gutierrez said that he is going to have to agree with Jo. Things are very different now. The Mayor said we agree that you don't agree with the way the government in this Village is being run. You have said that on many occasions. Mr. Gutierrez said those aren't the words. He said on specific issues. He said that all he

is asking for is another public opportunity to speak if you are definitely going to pass this tonight. Attorney Rice said that why don't you go through the public hearing and then after you have heard all the testimony and comments, then decide what you want to do. The Mayor said okay, we will do that, we will decide after.

Mr. Gutierrez said then he has a couple of issues then. The DPW - what is this new supervisor position. DPW supervisor? The Mayor said Superintendent of Public Works - that is overall in charge of the whole DPW. Mr. Gutierrez asked if that was an upward mobility move potentially for a guy like Dan Haglund. The Mayor said it would be if he had an engineering degree but he doesn't qualify for the job. Mr. Gutierrez said he understands. He asked if we put that out to bid or is it somebody that we have a previous relationship with. The Mayor said we advertised it. We first went to the County personnel's list and then we advertised it. Mr. Gutierrez said great.

He said that there are a couple of things he thinks the budget needs to reflect. He said our current special legal counsel for Orange Avenue. If in fact that entity is going to be removed, have we compensated for the additional cost for the new counsel based on the feedback and advice that we got from our own Mayor about continuing on with that kind of solution for the Orange Avenue project. He just wanted to make sure that we were considering that in the budget. Also, he wanted to reflect back to about a year ago. He said we talked about antiquated water system that really put our whole budget into a tiz. We talked about selling water and all this stuff. Have we, from an infrastructure standpoint, he knows that we have offset that with raising taxes and so forth, but have we done anything to actually resolve that such that the money that we did raise to offset that could actually have gone back to this budget somehow? The Mayor said he didn't understand his question. The Mayor said he knows that we have a deficit, yes. And as we said we have a five year plan to raise water rates 3% a year, he believes, to a total of - he then asked the Treasurer to answer this.

Treasurer Tom Zordan said that before we had this deficit reduction plan. Before we could even think of using any money from the water fund we have to make the fund whole. So until we make the fund whole, the question can't be answered. And legally, we can't just take money from the water fund and give it to the general fund. So that can't be done. So what we are going to do is as we generate fund balance, get ourselves whole, we will be upgrading the water fund. Upgrading the wells. Making the water better for everyone. He said that we have great water. But the water fund is its own entity so it has to provide for itself. And when it does make money, we are going to use that to make the water department better.

Mr. Gutierrez thanked him for the answer. He said so the thing that caused the deficit is the thing we are collecting money on to become whole so that we can upgrade the thing that is still messed up? The Mayor said that right now, we are having an upgrade on the water plant - on the building. He asked Mr. Gutierrez if that is

what he was talking about. Mr. Gutierrez said that he knows the wall is falling down. The Mayor said that the wall is being now under repair. And that was bonded.

Mr. Gutierrez asked if our current code enforcers get full benefits. The Mayor said our full-timer does. Mr. Gutierrez said that would be John Loniewski. The Mayor said yes and our part-timers, if they pay 50% into the Village's contribution, then they can get health benefits. He asked Mr. Zordan if that was correct. Mr. Zordan said yes.

Mr. Gutierrez said that lastly. He kind of wanted to understand the Recreation Department budget. It has nothing to do with the Recreation Department itself and it has been a miraculous experience in all the things that they provide. But what he is trying to understand is that he thought he understood from a public meeting recently that we moved a considerable amount of chunk out of the Recreation Department for the Fire Department or something like that. Or \$15,000 for kitchen cabinets or something like that. The Mayor said not out of that. Mr. Gutierrez said this is what he is asking for clarity. Mr. Zordan said no, the only thing we did to the Recreation budget is that we removed the Suffern Day fireworks from the budget. That is one of the things that we cut out and the Mayor and the Board had made that determination. But if we get a grant, they said that they would try and look into restoring that. The Fire Department \$15,000 is, he believes it is the Hook and Ladder Company who had flood damage in their kitchen area. And they had to replace the cabinets and the dishwasher. So that is the \$15,000. And we are borrowing that money. It was in the budget as a capital project two years ago. They were delayed in getting this work done but it is being done right now. So we are borrowing that \$15,000. So he thinks that is the confusion. Mr. Gutierrez said then that raises a questions. Do we have insurance? And then the other question is that he heard that the historical railroad building was vandalized and that actually is waiting for monies to be repaired because it is not insured. So why are we paying for water damage when we have insurance. He doesn't understand. The Mayor asked if it was vandalized. He said if the railroad museum in the Village was vandalized, he doesn't know about it. Mr. Gutierrez said that the farmer's market has been wanting to do something with them and they found out from Craig Long that it had been broken into. Fortunately, the stuff inside wasn't damaged but broken glass cases and stuff and hopefully we will get the money to fix it. Do we have insurance on any of these? Our Fire Department buildings. How does that work. Why are we paying for water damage.

The Mayor said if flood damage is caused by an outside entity - in other words, on one side of the Hook and Ladder there was some work done by a contractor and we got water into that side of the building due to the contractor's error. The contractor made good on it. In a case where the cabinets - the cabinets are \$15,000 - we are insured through Traveler's, but unfortunately our deductible is \$25,000. So anything under that we are liable for. Mr. Gutierrez said recession times - recession decisions, he thinks.

The Village Clerk said that she has to find out about the museum. The Mayor said he didn't hear anything about the museum. Trustee Abato said she didn't hear that. The Mayor said he would have to ask Clarke tomorrow.

Bob Morris of 24 Terrace Avenue said that he had a couple of things. There is an item in the budget for transportation. The Mayor asked Mr. Zordan to explain that. Mr. Zordan said that is our DPW. The state labels it transportation. Mr. Morris said in other words, that is the whole operating budget. He said that number two - the 3% raises that everybody has. Is that from a contract prior to this year or are these new contracts. The Mayor said that this whole budget is new. Mr. Morris said that in other words, the contracts granting 3% raises are new. That is what he is asking. The Mayor said yes. The Mayor said we had to put a number in. Mr. Morris asked why we had to give a 3% raise, period. The Mayor said that we have to go by a ballpark of what the unions are asking for. If we put zero in and they end up with 5%, which they won't, then we have to come up with the money. Mr. Morris said but it appears that we are already conceding that we are going to give 3% raises. The Mayor said no, no. It is just something that we always do and we always have done.

Mr. Morris said garbage fees. Is there any reason why they are not in our taxes. Attorney Rice said a number of years ago, a decade ago or more, the Village only picked up one and two family dwellings. They didn't pick up condominiums, three families, four families. There certainly were some legal issues with respect to that. So what the Village did was they set up two essential districts. They set up one district that consisted of the condominiums and multi-families for which the contracts are led out and they set up a separate district for the one and two-family homes which are included as a separate charge. So it is an apportionment so that we have two separate systems. Mr. Morris asked why the fees can't be rolled into the taxes for the one and two-family houses. Attorney Rice said because they are not taxes at this point. They are user fees. Mr. Morris said that user fees are really a fee as your water fees are. That is a user fee. We pay our water bill based on what we use. That is a user fee. Garbage is not a user fee. Everybody gets the same amount of service regardless of whether you put one can or 100 cans out. Attorney Rice said he will sit here and he will tell him that as his viewpoint as a municipal attorney, it is a user fee. When you go to your accountant, if the accountant wants to classify it as something differently for IRS purposes, that is between you and your accountant. But it is not from our perspective a tax. Mr. Morris said that it necessarily doesn't mean that your perspective is right. A user fee is exactly that. A user fee. Attorney Rice said that what he just said is exactly right. We look at it from a municipal law viewpoint as a user tax, which we must. If your accountant wants to look at it from an entirely different set of regulations - the IRS regulations that he doesn't know about and he doesn't want to know about. If they look at it as something that is deductible, more power to you. It is a different set of laws. Mr. Morris said then you are saying

that by law you are mandated to charge that way and it can't be rolled into the taxes. Attorney Rice said that because of the system that we have set up with separate districts for multi-family and single family, it has to be done that way. Right. Mr. Morris said because of the system we set up. Attorney Rice said correct. Mr. Morris said one more time then. Are you saying that by law you are mandated to do it this way. Attorney Rice said no, we have a lot of discretion on how we are going to do it. We can charge per bag. Mr. Morris said then it could be rolled into the taxes if the town wanted. Attorney Rice said yes, but he thinks then that the single family homes would probably be subsidizing the multi-family homes.

Mr. Morris asked if we are still paying Mr. Karben. The Mayor said not at this time. Mr. Morris asked if he was off the books now. The Mayor said he is not being paid until, from what the Mayor understands, for a couple of months until the bids come in for the RFI's. Mr. Morris asked if there was any reason why we keep employing him when he seems to be of an extremely questionable character. He resigned a state elected position with no explanation, he has been convicted - well, he copped a plea to a lesser charge under the DWI, and now he is involved in another scandal. He said he finds it hard to believe that he is the only attorney that we can find to handle this kind of issue. He doesn't possess any expertise. That is mind-boggling. Trustee LaCorte said he has been on the project for two years. Has done a good job. And right now we are not paying him. So he essentially is doing the work and we are not paying him. And he thinks that we all acknowledged last night, or there is an acknowledgment that we need special counsel. So if we hire special counsel, we are going to need to pay somebody. So right now we have an agreement where he has agreed not to get paid. So if we never find a developer, he doesn't get another penny. So essentially he is doing the work and not getting paid. Mr. Morris said that if there is no developer then he is not doing any work. Trustee LaCorte said he is doing work. There is still a process right now. We just advertised so we had to put out the information and the document to advertise where we are soliciting responses from developers. Developers have been sending in questions regarding the property. So we are in a process right now where essentially we are in a bid process. But it is called a request for information. So there has been work. Trustee LaCorte said that he has personally showed around a couple of developers in the last two weeks. Mr. Morris said that he guesses he goes back to the same point. Why there is no special law expertise that he possesses that we have to have somebody like him to represent us. Trustee LaCorte said there is a special area of expertise in this area of law. There is. Where it is all pursuant to statute. One thing is that you could clearly make your point about who is doing the work is a valid point. But he thinks that there an understanding here that this is an area of law where there is an expertise that villages or municipalities that have done this have undertaken special counsel. So it's not like - people say lawyers are lawyers. But that is not the case. There is an area of expertise. Mr. Karben has been working at it. He has that area of

expertise. Has done specific training. Has done the work. And the issue in terms of is he getting paid right now, as of the last - we are in the third month now of an arrangement where he has agreed to hold all fees until we get a developer. But we are in a process that he has been a lawyer on for two years now.

Mr. Morris said you understand the way this looks, with a guy like Karben. Whether or not we want to argue the point of whether he has some great expertise in this area, which he highly doubts. Why do we need him. There are 100 other lawyers in Rockland County that can do the same thing. Trustee LaCorte said that first there necessarily aren't hundreds of lawyers. He said he is sure that if we looked, there are other lawyers. We would need to pay someone. It would cost us money. You are not going to be able to find a lawyer off the bat who is going to agree to come into a village, do the work, and not get paid. Yes, Mr. Karben has had problems. Believe him. He is well aware of the situation. But in terms of the work that he is doing, he is doing a good job. Trustee LaCorte said that he has talked to a number of developers and outside of this room and outside of the paper, it has never come up. He has talked to fifteen developers and not one of them has brought up an issue. They are operating and doing what they think is best for their situation. They are coming in. If this is a project that makes sense for developer ABC, XYZ, then they are going to do it. It hasn't been an issue. Someone brought up last night - who is going to want to do a project. Trustee LaCorte said that no one has had a problem. The work is getting done. We are moving forward. National home builders are interested in this project. His personal belief is that right now it has nothing to do with anything other than the project. People say get rid of him. But no one has come up to say that here is another lawyer. Mr. Morris said time out - time out. That is your job. It is not my job to find a lawyer. Trustee LaCorte said he is not saying it is his job. Mr. Morris said that nobody has come up to find a lawyer. In the same token, have you put an ad in the paper yet asking for a lawyer. Trustee LaCorte said that he hasn't been the one that has voted. Mr. Morris said how do you trust the man's integrity. Trustee LaCorte said he has done a good job. Trustee LaCorte said there is a private lawsuit going on right now between two parties. Mr. Morris said that is one thing. Trustee LaCorte said he doesn't know if those allegations are true. Mr. Morris said the DWI is a second thing. Resigning from the State Assembly without an explanation is a third thing. How many things does it take to question a guy's character.

Trustee Meehan said that he would like to make a couple of comments and one is that there has been a motion and second to dismiss him. And from his point of view, he hasn't done that great a job. One of the things that he objected to was when we had that public hearing that he participated in the discussion as to whether or not the Planning Board at that time should hold over the public hearing until September, which they did based on a request that Trustee Meehan personally had made, and he was involved in scheduling a public hearing in the middle of July, which he thought was absolutely wrong. He said our Village attorney, Terry Rice, has

told us that he would be capable of doing this job. We are talking about a Village attorney - a municipal attorney with a national reputation. So this is - Trustee Abato said that this is not the Ryan Karben hour. This is our budget hearing. Trustee Meehan said the majority of the Board wants Ryan Karben. Trustee Abato said come to the public meeting and talk about it.

Trustee Haggerty said that one thing in response to Mr. Meehan. Mr. Meehan and the Mayor had two opportunities - he said he made motions twice to get rid of him. Trustee Abato said that again, she is going to state that this is a budget hearing. Trustee Haggerty said not because of any criminal record. But because it was costing us taxpayer money. He said he couldn't get a second to that. So it is something we have to handle but also he guesses we can't convict him if that is what you are saying. And we don't have to accept him either. But just for the record he would like to tell you that about Mr. Meehan and the Mayor. The Mayor said right, at that time, we didn't. So because nobody seconded your motion, now we can keep him to get even with us. Is that what you are saying. Trustee Haggerty said two motions. No, no, he is going to get even with something that is worthwhile getting even for. The Mayor said let's move on with the budget.

Trustee Meehan said that on a point of personal privilege. Mr. Haggerty made a motion as a total surprise to everybody to remove him. Trustee Meehan said he didn't second him because there was no contingency at that time to replace him. And that is exactly - and that is what he told Mr. Haggerty in the past. End of story.

Somebody from the audience asked if they would be allowed to speak after the Board voted. The Mayor said no, this is the time to speak.

A motion to close the public hearing was made by Trustee Abato, seconded by Trustee Meehan. Upon vote, the motion was carried.

A motion to adopt the budget was made by Trustee Meehan, seconded by Trustee Haggerty.

AYES: Mayor John B. Keegan, Trustee Andrew Haggerty
Trustee John Meehan

NOES: Trustee Dagan LaCorte, Trustee Patricia Abato

ABSENT: None

The Mayor said it is passed, three to two. The budget is 3.27%. He thanked everybody for coming out.

A motion to adjourn the meeting at 7:15 was made by Trustee Abato, seconded by Trustee Meehan. Upon vote, the motion was carried.

