

TOWN BOARD
GARNERVILLE, NY
NOVEMBER 6, 2008

The Town Board of the Town of Haverstraw held a Special Meeting on Thursday, November 6, 2008 at 7:00 p.m. in the Meeting Room of the Town Hall, One Rosman Road, Garnerville, New York.

On Roll Call the following members answered to their names:

Supervisor	Howard T. Phillips, Jr.
Councilman	Isidro Cancel
Councilman	Vincent Gamboli
Councilman	John J. Gould
Councilman	Hector L. Soto

PUBLIC HEARING
PRELIMINARY BUDGET, TOWN OF HAVERSTRAW 2009

Supervisor Phillips announced that this Public Hearing is being held to discuss and solicit comments from the public regarding the Preliminary Town Budget for the Town of Haverstraw for the fiscal year beginning January 1, 2009.

The Town Clerk read proof of the publication and presented the Affidavit of Publication to the Board.

PRESENTATION BY SUPERVISOR HOWARD T. PHILLIPS

Supervisor Phillips stated that this is the first tax increase in three years for all of our residents. For half of our residents, it is the first tax increase in four years. There will be a 3% increase for all non-union employees. Everyone here tonight will have an opportunity to speak. It is the first increase in garbage collection in seven years. It will be \$38.00 for a single household per year. The 2009 Budget has been available to the public since September in the Town Clerk's Office. The 2008 Budget represented a 0% tax increase in the Town tax levy. In the 2009 budget we must budget \$1.1 million which represents the bond to pay off the Mirant tax certiorari case. In the 2009 budget we have appropriated \$2.4 million for the tax stabilization fund to try and keep the tax increase as low as possible. The 2009 budget projects a 3% increase for all non-union employees. Every other town has been giving 4% for the last two years or even 5% increases. For the last two years, we have not exceeded 3%. We've kept the taxes low and have not added any fat to the town budget. The Haverstraw Town taxes are the lowest Town taxes in Rockland County. We are less than half of what some other towns pay in town taxes. We always have been. During these past three years most of our residents have actually seen a decrease in Town taxes. We have still been able to build things and we have secured \$3-4 million dollars in federal, state, local and private grants. We run the tightest budget of any Town in Rockland County. As you will see as we go through out presentation, we have not increased our Town employees with the exception of our Police Department. All of the other Departments have basically remained the same. In the Supervisor's Department we have not seen an increase in employees since 1978. I have gone 30 years without an increase in employees in my office. The furniture in the Supervisor's Office is the same furniture that the Supervisor had back in 1980. We are probably the most fiscally conservative Town in Rockland County. I think you will see that as we continue along. I will ask the Director of Finance to continue with the presentation that will describe the increase in the tax levy.

Michael Gamboli, Director of Finance made a presentation.

Supervisor Phillips: As you can see by the presentation we have kept the budget lean. We are only going up approximately \$170.00 per household when other Towns have gone up between \$500 and \$800. We have always been the most fiscally conservative Town in Rockland County. We have demonstrated that. Where we have grown is the police. Unfortunately, we still have to grow with police. It is a fact. Our employees compared with the rest of the County are on the lowest level, even our Town Police with binding arbitration are on the lower tier of the level. We continue to watch the taxpayers' dollars and we are going to fight for that. I would

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now like to go out to the public for any comments, suggestions or questions that you may have. You just have to raise your hand and state your name and address for the record.

Helene Gottlieb, 23 South Park Drive, Garnerville: I want to know what you are going to cut. You have to cut something. I understand the Police. I lived, I walked it, I ate it, I slept it. I understand it. Why don't you go through the RICO Act to clean up the Village. We did it in the Bronx. The Feds came in and worked with police under the RICO Act. There is a lot of criminal activity going on down there. You have your police, the sheriff, etc. They should call in the Feds to get the job done. It works, I was involved in it.

Supervisor Phillips: Two years ago, we did cut \$800,000 out of the budget. Let me have the Chief address this. Understand if we take out Mirant and the Police Department we would only have a 2% increase in this Town Budget. Where our increase is coming from is the Mirant and Police.

Now on the RICO, Chief you can jump in any time, we've gone to the Feds, the FBI and the State Police as well. Where ever they can help us, they have been helping us. The DA has a new program that he is going to be commencing, hopefully by the end of this year that I think you are going to see a lot of satisfaction with. The Villages, businesses, residents and the Chamber have been hounding this Board for more police. They want Police Officers out there walking the streets. We have been able to do it in the summer when we didn't have Officers in the DARE or our SRO Officers. We have a 2 two man street crime unit. We have been doing it. I can tell you right now that the crime has been leaving Haverstraw and spreading into West Haverstraw. This 2 two man street crime unit, we could use one just in the Village of West Haverstraw. We have been going after them aggressively. We have been sitting down with both Boards and the Building Departments. You can see by the Building Departments issuance of violations. They are going out and hitting these people who have illegal homes. Just this one past arrest that we made, there were eight individuals down on First Street in the Village of Haverstraw where we confiscated four weapons.

Chief Miller: Yes.

Supervisor Phillips: They are going to be back out on the street in how much time.

Chief Miller: They are back out there now.

Helene Gottlieb: You have to do something.

Supervisor Phillips: That's just it, we have been doing something. I have the same staff that the Supervisor had back in 1980 and in almost all departments it's the same.

Councilman Gamboli: Regarding the police, that is something that this Board is going to struggle with, whether the demand and the need outweighs the budget. Therefore, what we are going to increase, we are going to have to weigh that.

Supervisor Phillips: We can't ignore the problem. If we stick our head in the sand, the problem doesn't go away. We are fighting this problem globally. We are getting the FBI in and are working with them. We have had the State Police involved. We continue to use the Task Force and the Intel Unit. That's the way you have to fight this. It can't all be borne on the backs of the Town of Haverstraw taxpayers.

Pat Durkin, 292 Quaker Road, Pomona: Basically listening to you folks, I understand we have the crime. We must fight the crime. That's not the question. The police are not the question. I worked many years as a store manager for a supermarket chain and I then worked as a buyer. You don't start looking at the big expense, you start looking at the minute expenses. In every budget I ever worked on, there was a way to shave it. Not \$100,000, not a million dollars, I am talking pennies. I can guarantee you, if I went into the Town of Haverstraw's Supervisor's office I can find clericals wasting paper, I will find clericals wasting pencils, staples.

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Supervisor Phillips: Mirant is 51% of the increase. If we remove Mirant and the Police, we have a 2% or less increase in the Town Budget.

Councilman Cancel: I just want to say that this million dollars that we have to pay back Mirant, if it wasn't for WCI going under, we wouldn't have this problem. The Town is very aggressive in trying to find another developer. When that happens, it will decrease our taxes.

Supervisor Phillips: We are very optimistic. We have at least six developers that are interested in the property right now. I don't know if any of you have been reading the New York Times, but they have been running articles about the real estate in Manhattan. One developer said that you don't wait until the good times come back to buy property. You do it now. We have had some very strong interest. We are not going to rush into anything. There is no fire sale. We are going to make sure that you, our residents and taxpayers, get the maximum amount of benefit from that property and let's face it. That property has a lot of value. It's not going away. We are going to get that and when we do we are going to retire this bond. We made it a recallable bond and we will be able to retire it.

Robert Kroll, Call Hollow Road, Pomona: First of all, I want to thank you guys. When I came here tonight I expected to find a boondoggle. You guys are doing a great job. One thing that I didn't realize is that the Village of Haverstraw was having that big of a problem. I know that as the economy declines, we can expect that it is going to get worse, it is not going to get better. What are you doing as we go forward. What are you doing regarding the police situation? It's nice that we have kept the taxes down, and you look at now tax increase in four years, but now we are getting hit with a 12% increase. Basically that is a 3 to 4% increase each year. This might not be a popular question, but I would like to ask it anyway. You say that the golf course is making money. I believe in private enterprise. I think you should sell the golf course while it is making money.

Supervisor Phillips: I appreciate your comments. We wouldn't be here if that 1.1 million dollars didn't have to be injected into the budget. The fact of the matter is that golf course adds value to your property. Having different recreational activities adds value to your property. We have talked to different real estate agents and one of the first things that they do when they try to entice someone to buy real estate in the Town of Haverstraw is that they go through the different amenities such as the golf course, bowline, being on the waterfront. It really adds value to your property. There is a big push on not to overdevelop. In the unincorporated area where we have control we have kept the growth to a minimum. We have really been able to develop and try to add in some ratables where we could. There has been an explosion of growth throughout Rockland County. There is very little land left. The Town of Clarkstown desperately wants a golf course. If we would turn around and say do you want to buy our golf course, I am sure that they would consider it. I think that it is a great amenity for our residents. We have youth there, we have seniors there, we have all types of not-for-profits organizations that utilize our golf course and it's not costing you anything right now. You can leave it green, and it's not costing you a single penny. I think there are advantages to having that. I appreciate your comments. I just don't think that this Board is prepared to go out and auction off the golf course at this time. Robert, we have been holding the dollars down to peanuts and again we wouldn't be here if that bond from Mirant didn't happen and I'm going to tell you deregulation has been a total failure and it caused all of this and we are right back here again.

Howard Marks, 16 Mountain View Lane, Garnerville: I know you're saying that \$170.00 is not a lot, but when everything is going up, utilities, gas, groceries, etc. and you are on a fixed income, it is hard to make ends meet.

Supervisor Phillips: Howard, I think we have addressed it. We have kept the taxes low. There is no good time to raise taxes. Let's face it, if we would have raised taxes three years ago when the school taxes were going through the roof, or even the year after, people would have been screaming and yelling. We prepared. We built up a \$6 million dollar tax stabilization fund. Going through what we went through, taking on the Village policing and taking on 50% more

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officers, losing \$600 million in assessment, seeing the amount of crime increase, and for three years not really having to raise anyone's taxes at all. It was pretty remarkable. We have seen our gas bills, electric bills go up, just road salt alone has gone up on us. The people still expect us to go out there and provide the excellent services that they have become acquainted with, the sewer service, the drainage service, the sidewalks, curbs and roads. Everything that we have been doing, we are going to continue to do. It's tough not to go up. The rest of the County in four years time has gone up \$800 or more in their Town taxes.

Howard Marks: Didn't I see that Rockland County was the sixth highest in property taxes in the State?

Supervisor Phillips: We are the lowest Town tax in Rockland County.

Howard Marks: It's the Town, the County, the School, everything adds up. Rockland County is number 6 in taxes. The prior gentleman mentioned saving \$10.00, it's still saving \$10.00. Now we've picked up the Village of Haverstraw and they have a problem. The young lady that was up here before offered a suggestion that might alleviate some of the cost. Why all of a sudden does that Village cost us money? Now we have to bring on a larger task force.

Supervisor Phillips: I agree with you, but they are our residents as well and by State law, if a Village dissolves its Police Department, we have to go in and take it over.

Howard Marks: You were saying that they were doing such a poor job before and that we are doing such a better job now.

Supervisor Phillips: I think we are. The numbers don't lie. Our arrests are more than double in the Village of Haverstraw. I think we are doing that job that should have been done.

Howard Marks: was the Village was inefficient?

Supervisor Phillips: I think they were. We have a new Mayor and I think that he has been fighting it aggressively. The numbers don't lie. I don't think that the job was getting done down there.

Rose Senatore, 117 Country Club Lane, Pomona: Councilmen I have some petitions for you guys that were handed out for the taxpayers to sign requesting that you cut the Town budget and I would like to remind the Councilmen that years ago the Town of Haverstraw had a Daddy Warbucks mentality. The lawsuits for Mirant for \$375 million dollars that had to come back and be paid for by the taxpayers and the assessment that Mirant had paid was not done at the taxpayers' hands. It was done by our Elected Officials. Howard, I am not pointing to you. Now the taxpayers are stuck paying this bill back. A 12% increase at this time, the taxpayers cannot handle it.

Supervisor Phillips: Ms. Senatore, let me ask you. How much do you pay in Town tax?

Rose Senatore: I have a condo. The Town taxes around \$1,400.00.

Supervisor Phillips: I have it here. For the last three years, just Town tax, Rose, you paid \$561.00. Your total Town tax is just \$561.00. It hasn't changed in three years.

Rose Senatore: It must be more than \$500.00

Supervisor Phillips: No, no. It is right here. I have the tax bill. You can look at it all you want.

Rose Senatore: Oh, just the Town part.

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Supervisor Phillips: Yes, just the Town part. The Town tax totals \$561.00. I understand what you are saying Rose. The Councilmen understand what you are saying. But in order to run a Town Government, now for three years, you have to go back four years, so this is the first time you have seen an increase in four years. The first time. You pay a total of \$561.00. We don't want to increase anyone's taxes. Do you understand that? We don't want to increase your taxes at all. We've kept them dirt cheap. But there has got to be time that we have to increase them. For most of our residents this is going to be the first time in three years or four years. For all of our residents it is definitely the first time in three years. We have kept it down low. We purposely have worked for you. We get grants for the Town vehicles for the Police. Since I've been in office we've probably secured over \$5 million dollars in grants. This Board is one of the most active Boards out there working for you. The Town tax is one seventh of what your school tax is and in some case 1/10. If that doesn't demonstrate the work that we have been doing in the Town of Haverstraw, nothing does. The fact of what we went through, which our sister Town did not go through as much as we did. They have raised taxes during the same period of time over 25%. We are going to continue to work for you. We are going to continue to do every possible means to keep the taxes down. But if you eliminate the 1.1 and the police, you are talking about 2% or less.

Rose Senatore: When you keep saying that taxes didn't go up in the last three years, you took money from the tax stabilization fund that you put away for your taxpayers sake. So when you say we weren't getting an increase, we just weren't seeing it until now.

Supervisor Phillips: No. Because we have cut expenses, watched what we buy plus brought in new revenue, our tax stabilization is very much what it was two years ago.

Rose Senatore: Let me finish Howard. You keep saying that we're not getting hit hard. The people cannot take a 12% increase. You go to Shop-Rite and stand outside. People are coming out with hardly no bags for the amount of money they are spending. Now they got a little bit of a break on gas. Look at the O & R bills. And when you say that my taxes are only \$500.00, you are right. I have a one bedroom condo. I think its 950 square feet. It costs me in O & R \$275.00 a month on budget. It used to be only \$130.00. A 12% increase is high. If you keep standing here and saying that the cops are a big part of the budget, you are forgetting one thing, they haven't seen a raise in two years. They are Town employees. If you are not giving the cops there raises, why are you giving the rest of the Town employees their raises? You need to make cuts.

Supervisor Phillips: Let me ask you something Rose. How much do you think in your mind that a Police Officer should make after five years?

Rose Senatore: I would have to go home and look at the salary schedule.

Supervisor Phillips: No. Come on. How much do you think a 1st class officer makes?

Rose Senatore: Maybe \$60 to \$70,000.00.

Supervisor Phillips: After 5 years, a police officer in the Town of Haverstraw makes \$93,000.00 right now. Let me finish. You said \$60 to \$70,000. We want to settle the contract with our police. We would love to. We have a disagreement over how much and I have to represent the people. I have to represent what the people believe is a fair and reasonable salary. Our guys are doing an incredible job. Sometimes an extraordinary job. But there has to be a give and take. We are one of the lowest in Rockland County, yet I'll tell you right now that our officers probably have one of the most difficult tasks. But the fact of the matter is, I can't afford what other municipalities can afford. I can't afford what Clarkstown does. So we sit down and we try to negotiate. They will get paid and they will get paid retroactively, because that is how it works with police union contracts. So it is not like they will go without. In your own words, \$60 to \$70,000. They are already receiving considerably more than that, but it has to be in negotiations. We are continuing to work with the PBA of Haverstraw on this. But Rose, you put

words in my mouth. I never said that it wasn't hard. I know more than everybody else how hard it is.

Rose Senatore: You don't know how hard it is Howard.

Supervisor Phillips: Please don't interrupt me, I listened to you. I know. I have men and women who come into my office every single day looking for jobs. Because they are out of jobs. That is why we have kept the Town tax lower than anybody else and we are going to continue to do so. We know this. I have dealt with Seniors who can't find a place to live. We know this. I live it every single day. We are going to continue to work for the people. Out of this budget 1.1 million is obligatory. The police and Mirant represent at least 10% of the 12% increase. We have to include the police because the fact of the matter is, I have to make sure that this community is safe. If you remove those two, we are looking at 2% or less. If you want to squabble over that, fine. Let's talk about that.

Rose Senatore: I have one other comment. You are saying that you know how hard everyone has it. If you know how hard everyone has it, how could you take a \$5,000 raise on that Sewer Board that is being paid by every taxpayer here and \$14,000 in 5 years and then want an almost \$2,700 this year. Shame on you Howard.

Supervisor Phillips: Thank you Mrs. Senatore. Now Mrs. Senatore, if you want to get personal, that's up to you. But let us talk about the waste water plant.

Supervisor Phillips: We have invested over \$5 million in Capital Projects to upgrade the waste water plant. By contract, I am responsible for the operation of this plant and sewer lines. Our tax is 25% less than R.C. sewer tax. In addition, we do not have the odors that they do. We operate the most efficient waste water plant in the Hudson River and the most cost efficient. Lastly, I am not nearly the highest paid Supervisor in Rockland County or the highest paid Town of Haverstraw employee. This is how all government agencies should work.

Melinda Eshback, 4 Strack Court, W. Haverstraw: I come here as a volunteer for this community. I appreciate the fact that you guys have kept the taxes down for three years. Many of us are still dealing with the school tax increase. I have a very difficult time making my mortgage, yet I still continue to volunteer on the Ambulance Corps. Now I feel that I am getting smacked in the face with another 12% increase. It is very difficult to get these ambulances out to protect the community. People are leaving the corps and moving to other areas or they are taking on second jobs.

Supervisor Phillips: Let me ask you something, since I was one of the ones to pass legislation as a County Legislator and on the Town Board to give a tax exemption to those volunteers on the volunteer ambulance corps and volunteer firefighters. Have we not funded the Ambulance Corps and the Paramedics sufficiently?

Melinda Eshback: People can't afford to volunteer their time any more.

Supervisor Phillips: Are you telling me right now that we're not funding the ambulance corps sufficiently?

Melinda Eshback: I'm saying that we can't even live here.

Supervisor Phillips: What would you like me to cut in the budget? Do you want us to cut the police?

Melinda Eshback: You have to cut something. No, I don't want you to cut the police.

Supervisor Phillips: We can't cut the 1.1 million. It's obligatory.

Melinda Eshback: Cut the salaries. I don't get a pay raise.

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Supervisor Phillips: We have been looking at this budget. We are going to do everything we can. No other municipality in Rockland County has kept the taxes low like we did.

Melinda Eshback: I know that and I appreciate that.

Supervisor Phillips: Even in West Haverstraw, your Town tax is lower than your Village tax.

Melinda Eshback: I ask members to volunteer their time but they can't because they are taking on a second and third job.

Donna Wargo, 4 Herdman Street, West Haverstraw: All of our taxes have gone up and it's harder for people to volunteer. I want to know why on the Sewer Budget you get an increase and on the Ambulance Corps Budget you get a decrease.

Supervisor Phillips: That isn't what we are doing.

Michael Gamboli: Supervisor can I answer that. The ambulance, that is the tax levy. Basically some of that has been offset by the revenues that are collected by the Ambulance Corps the ALS and the BLS. The ambulance budget has actually increased over the last several years, but because of the revenue that come in, we are able to stabilize the tax, so the taxpayers are not paying additional money on the increased budget. The budget has increased, but the tax levy hasn't. There have been addition revenues.

Supervisor Phillips: Donna, one of the things that we did a few years ago because all of the other ambulance corps were doing it is recouperation of insurance money. We sat down with the Ambulance Corps and we said to them, look everybody pays insurance, it goes into a big pool. New City and Spring Valley right now are taking money from this pool back to their community. So we said to the Ambulance Corps, guys we should be doing the same thing. It will help you and it will help us. We can increase the budget without increasing taxes and that is what we did. We are doing exactly what those other municipalities were doing for a number of years. The budget has gone up.

Donna Wargo: What is the 1,928,000?

Supervisor Phillips: We just did a large improvement to the sewer plant. We are under federal and EPA laws to do further improvements. What we did do at the Joint Regional is instead of hitting the local taxpayer, we increased the sewer hook-up fee. Because the Joint Regional is a waste water treatment plant, it's worth over 50 million dollars. You have been paying for that all along. If someone new comes into the community, they have that benefit immediately. So we increased the sewer hook up fee so that new residents coming in pays about \$3,000. A lot of that helped to offset the \$5 million dollar improvement, but it couldn't help offset all of it. Because we have been doing a very good job down there, were only at about 57% of capacity of our wastewater treatment plant. We bring in over a quarter of Stony Point's wastewater. We make over \$200,000 from the Town of Stony Point which we use to offset the tax increase. Now also any new home built in Stony Point has to come into us so we get \$3,000 from their new homes as well.

Donna Wargo: Is that because their operating costs have gone up?

Supervisor Phillips: Operating costs have gone up tremendously. The NYS DEC and EPA have passed on brand new regulations in the last 5 to 10 years. We have to bring in new equipment, etc. to bring the discharge levels down in order to meet their regulations. Our sewer tax is 25% lower then the Rockland County sewer tax. We have the lowest sewer tax, not just in Rockland County, but probably in the Lower Hudson Valley. We've got the lowest Town tax. Guys, we do this day in, day out. If we don't have to pass on an increase, we won't.

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Helen Gottlieb: On the last bill that I paid for the Town, the school tax, there was a \$60.00 Town tax on my bill and when I inquired as to what it was, they said it was to send out the tax bills. Can you tell me why it costs \$60.00 to send out the tax bill?

Supervisor Phillips: Your talking about the 1% fee. Under New York State Law when you are a 1st Class Town, the Town collects the taxes. The State law allows us to pick up a percentage. We use that money, first of all, to help pay for the Receiver of Taxes Office and also it helps with some of the certiorari cases.

Pat Durkin: I first want to thank Mr. Gamboli for verifying that my issues are being addressed. I do constantly bring up the Police Department. I know that it's a sore subject, but I honestly think that the police are overpaid. Crime in this Town and in the Village compared to New York City is miniscule. A New York City cop takes the job because he loves the job and he protects the people in New York City and they make \$40,000 up to \$60,000. We are in a squeaky clean Town outside of the Village of Haverstraw and West Haverstraw and \$93,000 plus overtime is totally unacceptable for an officer after three years on the force regarding the overtime situation. The cops can work with us. If they have to go to court, they could go to court on regular time. When I was in business I controlled overtime to two reasons. Productivity during overtime was less than half and I was paying people time and a half for overtime for being less productive. If you have court, you go during your regularly scheduled time. Have the Police Chief schedule it that way so that when they have to go to court they don't get overtime.

Helene Gottlieb: I used to get call out for overtime to testify. You don't want to go, but you have to go. When the DA says you have to show up officer, you are in contempt if you don't.

Councilman Gould: With respect to that Mr. Durkin, there are certain instances where the Chief and the administration does have control. When the police have trials in the local justice the Chief does make every effort to have the Justice Court schedule those trials when the officers are working. That is being done for the things that they can control. Unfortunately, a lot of it is Grand Jury Proceedings where you are being subpoenaed to a County Court or a County Grant Jury which the police administration doesn't have any control over. I can assure you that where they do have control it is being done.

Supervisor Phillips: It is very difficult. There is binding arbitration and Rockland County is one of the highest Counties in the Country. Our officers do an outstanding job. However, we live in a community that cannot afford to pay them what other towns pay their officers. We will come to an agreement whether it's through negotiations or binding arbitration. It's difficult knowing that our officers have more onerous tasks to fighting crime than with the other officers in the County who receive a greater pay. But I have a responsibility to protect the taxpayers and at the same time, ensure that our Police Department is operating efficiently, affordably and professionally. We can't reduce the police budget. We need more police. I am sure that the Chief will attest to the fact of how many things he asks me for and we say no. We are leasing vehicles as a means to try and save money. Having an officer in the intel unit has been invaluable. You can't put a price on it. The information that comes back is invaluable. If you leave with one thought tonight please know that we have held the tax line every single year and if we don't have to raise it, we're not going to raise it.

Rich Gallagher, 44 Larkin Lane, Garnerville: I have a plea. I came into the session tonight expecting to argue about the tax increase. I think you have justified, at least in my mind, why you could ask for a 12% increase. You have demonstrated that you have been fiscally conservative over the years. My plea is that while the 12% increase has been justified, many of the taxpayers can't afford and my plea is to ask you to demonstrate your leadership in times like this. Can we do some outside of the box thing? As I said, I don't have any ideas, but you say that you do this day in and day out. Isn't there any way you can help us?

Supervisor Phillips: Rich, that is why we have been going out with an RFP for the Letchworth Property. Unfortunately, we are probably going to have to pass the budget before that occurs. We are hopeful that we will get a buyer and then we can retire that bond. We have to. We will be able to retire the bond that we purchased Letchworth for for \$3.3 million and then we will retire the bond that we used for Mirant. It depends on how much money we receive. We are hoping to come back next year with another real lean budget. You and I wouldn't be sitting here talking about this if the 1.1 million wasn't in the budget. It's a nightmare for everybody. What's in the closet is Mirant. I don't know if everybody understands this, but they are demolishing Lovett. Lovett right now pays \$11 million dollars in school tax. They are going to knock on Stony Point's door and say that they want their assessment reduced. We don't want to pay \$11 million any more we want to pay \$1 million. Mirant is already playing the chess game now. They have told us. They don't believe that the school district is going to cut \$10 million dollars out of their budget and it's going to spread out to everybody else so the next step is who is the next largest taxpayer, Bowline. So it's not about the assessment, it is about the tax dollars. It has to be everybody holding the line and cutting back. I'm going to say it again. We never got fat in the good times. There should be a sign: "It's not your money." It's the taxpayer's money. We are the lowest tax that you pay. If you look at the County tax and the sales tax, we are the lowest. We are going to try and maintain that.

Councilman Gamboli: Us as a Board are looking for commercial companies to develop out in Mt. Ivy to bring in some commercial ratables that will add to our tax base. We are also looking down on the river front to bring in other ratables and the other thing is there is an outcry for power plants. We have two brown boxes sitting down there on the Hudson and they are draining us dry. Somehow, somewhere, this Board is going to look into trying to replace those two boxes down there with something that will give us something back. That is what we need, some ratables. The Board is working on these items to try and bring in the ratables to work on our tax base so we can help everyone out, not only the Town people but the school tax as well.

Supervisor Phillips: We have been working constantly with Rockland Economic Development Corporation to bring new business in there. As Mr. Gamboli alluded to, we have an opportunity to bring a shopping center into Mt. Ivy. We went after the State to get Empire Zones. For instance, Hornick's left the area and as Mayor Kohut who is here tonight can verify, we were able to extend the empire zones onto that property and he now has a bottling business coming in there. They bottle caffeine drinks. It will add jobs and it will put another business back in there, but they will not have to pay property taxes for 10 years. The State will actually pay it. We have these empire zones, we put them down on the riverfront. We are hoping that the power plant will come in with another power plant. We are constantly out there meeting with the Chamber Groups, the Economic Groups and with the State Empire Development Agency. We are constantly trying to get new businesses to come to New York. It is not the Town tax that is scaring them away. To get another business here, you need the Empire Zone. By having the ability to come in here and for ten years not have to pay any property taxes, that is a big incentive. We've been going out and trying to progressively pursue this. It's very, very hard to get business to come into New York right now.

Pat Durkin: I still think that the police can be controlled to some degree. I do thank you. You have justified the 12% increase. We know that it is the school tax. We are all old enough to know that we don't have much control over the school taxes, because if you turn down the budget, they will go on an austerity budget which is only 2% lower. We need the School Board to do something.

Supervisor Phillips: Because we have kept the Town tax so low, our 10 to 12% compared to other municipalities in the dollar amount is only 4.2 percent. In many instances, we are three times less in Town tax than these other municipalities. I know that it doesn't help, but at least it shows that we have been holding the line on taxes and we are going to continue to. That is our reputation. We live here too. I have two kids in college. I don't want to increase anyone's tax. I have my mother who is on a fixed income lives right in front of me. We are going to do everything we can do reduce Town tax and like we said, when this property sells, we are going to

pay off the bond and hopefully reduce that. It's awfully hard when your really only looking at a 2% increase that you can do anything with it and as I said before, guys, we need more police, not less police.

Howard Marks: How many police are involved in non police activities:

Supervisor Phillips: I don't know if any are.

Chief Miller: We have a contract with the School District and the County to get reimbursement for those officers, so no tax dollars are going for the police that are not out on the street.

Jose Rosa, 43 Prospect Street, Garnerville: I just want to echo that you guys have done an excellent job. My concern is now that if this year the Mirant hit is for 6%, is that what we are looking at for next year?

Supervisor Phillips: We don't know and that is an excellent question. We don't know if they are going to knock on our door next year.

Councilman Cancel: They make money whether they are operating or not.

Supervisor Phillips: They get paid by ISO even if they don't run the plant, just to have the energy available. So they are going to get paid for not even running the plant. It's like the farmers, they get paid not to cultivate the land.

Councilman Soto: This is just the preliminary budget. We are looking for more ways to be more fiscally responsible without jeopardizing the safety of our residents. We continue to look at this project and look at ways to cut expenses. We understand the residents' concerns. We understand the recession that our Country is facing. This is global recession. Eight out of ten citizens are saying that the economy is the number one issue in this Country. It is the number one issue in the Town of Haverstraw. We will continue to look at this budget and we will continue to be fiscally responsible to all of our residents in the Town of Haverstraw.

Supervisor Phillips: One last thing. We built up the tax stabilization fund so that we could try to ease into this. We can't apply it all at once, because if we do, we will have nothing left the following year. We are going to try and spread it out. We have been doing a very good job of keeping most of it in tact because of the fact that we have been watching our expenses, but we have to continue that. We know that our revenues are going to be down. Nobody is building. The building revenue is completely down. Mortgage tax which the Town receives in revenue, that's down. The interest on our investments, all of that is down. All municipalities. Historically what the government has done in a crisis is that they pass it on. The federal government passes costs on to the state government and they pass it on to the County and Towns and the Villages. They have always done this. We are sitting back waiting to see if they are going to pass on increases to us. Are there any other questions or comments? We will close the public hearing and wait on a motion until the next meeting.

CLOSE HEARING

342-08 On motion by Councilman Gould, seconded by Councilman Gamboli, unanimously adopted, the Public Hearing was closed.

TOWN BOARD
GARNERVILLE, NY
NOVEMBER 6, 2008

ADJOURNMENT

343-08 On motion by Councilman Soto, seconded by
Councilman Cancel, unanimously adopted, the meeting was adjourned.

JOSEPHINE E. CARELLA
Town Clerk