

March 22, 2023

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SCARSDALE FORUM INC.

**Report of the Scarsdale Fiscal Affairs Committee on the
Village of Scarsdale 2023-2024 Tentative Budget**

The Scarsdale Fiscal Affairs Committee (the “Committee”) proposes the following resolution for adoption by the Scarsdale Forum (the “Forum”):

RESOLVED, that the Report of the Scarsdale Fiscal Affairs Committee on the Village of Scarsdale 2023-2024 Tentative Budget be approved.

Preliminary Statement

The Village’s Tentative Budget for the fiscal year ending May 31, 2024¹ was finalized on March 10, 2023. A hearing on the Tentative Budget is scheduled for March 28, 2023. The Village Board (the “Board”) will vote on the budget on April 25, 2023.

Summary of Comments and Recommendations

1. Maintaining the maximum 20% unassigned fund balance is excessive, and using the \$4.425 million surplus from the 2021-22 budget year only for “non-recurring” capital items is unwarranted and not supported by the Village’s fund balance policy. The tentative budget increases general fund expenditures by 11% over the current year, necessitating a tax levy increase of 4.15% that exceeds the tax cap under New York State law. The Board can comply with the cap without forgoing any of its spending plans by making a small adjustment to unassigned fund balance. The Committee calls on the Village to do so.
2. The Board’s decision to construct a \$30 million enhanced seasonal pool complex is not adequately supported by the public record. The 2022 survey does not support the Board’s claim of a near universal resident desire for the complex, since the survey respondents had less than complete information on which to base their response. Specifically, respondents were not told the expected cost or the tax levy impact of their choices. The survey does show that only 13% of

¹ Village of Scarsdale 2023-2024 Tentative Budget, March 10, 2023, ClearGov Budget Book, <https://village-scarssdale-ny-budget-book.cleargov.com/8313/introduction/2023-2024-tentative-budget-old-format> (“Tentative Budget”).

residents want an enhanced seasonal pool and only 31.5% would consider allowing non-resident members. Given the decade-long decline in membership of the existing pool and the ever-increasing numbers of pools at residents' homes, the Committee questions whether the new pool will generate enough revenue to cover expenses or whether taxpayers instead will be burdened with operating deficits. A project of this magnitude requires substantial evidence that the project is financially viable and has strong community support. The Committee recommends full public disclosure of the basis for the attendance, revenue and expense projections and other financial information; opportunities for public discussion of the costs and benefits of all pool alternatives compared to the costs and benefits of other community needs and wants; followed by a meaningful survey.

3. The Committee objects to adding another four new full-time employees (FTEs) to the Village workforce. Adding FTEs materially and unnecessarily increases the Village's long-term and uncontrollable costs. The Committee does not consider that these FTEs are so essential to critical government functions as to justify taking on additional long-term fiscal burden and risk.
4. The Committee supports the proposed three-year plan for "catch-up" paving to upgrade all Village roads to either good or excellent condition. It recommends that the Village adopt a similar program to upgrade all sidewalks and walkways to good or excellent condition. Pedestrian safety is a high priority for residents. The Committee further urges the Board to accelerate funding for the mobility improvements recommended by the Village consultant, and to seek grants and other assistance to offset the cost of these efforts.
5. The Committee commends the Village for implementing a program to more prudently manage and invest Village funds. The program materially increased non-tax revenue with minimal risk. The Committee also commends the Village for devising and implementing a program to timely collect unpaid taxes, interest and penalties. This program not only generated additional revenue but enhanced property tax fairness.

Discussion

1. Fund Balance, Tax Relief and the Tax Cap

The Tentative Budget increases the property tax levy by \$1,855,000 million, or 4.15% over the current fiscal year levy. Village taxes will increase by approximately \$251 for a homeowner with the average assessed property value of \$1.6 million.² The levy increase exceeds the

² Due to the increase in overall Village assessed value, the \$1.6 million homeowner's tax would actually have decreased by \$75 if there was no increase in the tax levy.

maximum levy increase permitted under the New York State Tax Cap for the Village's 2023-24 fiscal year of \$1,465,000,³ or 3.28% over the current year levy.⁴

The non-compliant proposed levy is the result of the following Board decisions:

- Setting unassigned fund balance at the maximum amount of the 15-20% range provided in the Village's fund balance policy;
- Deciding that the surplus (unassigned fund balance above 20%) of \$4.425 million could be used only for capital items that it characterized as "non-recurring;"
- Adding \$357,000 (the remaining surplus) to the assigned fund balance tax reserve account; and
- Increasing general fund expenditures by 11%.

Maintaining the maximum 20% unassigned fund balance is excessive and not supported by available information about the Village's financial condition. The Village's fund balance policy specifies a range for unassigned fund balance of between 15 and 20% of budgeted expenditures for the ensuing fiscal year.⁵ The policy document states that "[a]n unassigned fund balance of 15-20% of the expected expenditures is deemed to be reasonable to support normal operating costs, provide fiscal stability, react to unplanned situations, and to help maintain the Village's bond rating."⁶ Selecting of the "right" number in that range is an important issue with a big impact on Village taxpayers.⁷ Trustee Lewis explained that roughly each percent of fund balance is equivalent to \$700,000, or close to a 2% variance in the tax levy.⁸

In the Committee's view, the amount of unassigned fund balance should be based on a reasoned, fact-based inquiry into the Village's financial condition, the need to manage financial

³ Tentative Budget, PDF p. 13, 15.

⁴ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/funding-sources/real-property-taxes>.

⁵ Fund Balance Policy, revised 4/05/2022, accessed at ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/financial-policies#:~:text=Print-Financial%20Policies,-ATTACHMENTS> ("Fund Balance Policy").

⁶ Fund Balance Policy, section 4.2.

⁷ The Treasurer prepared schedules that show the large dollar impact of the unassigned fund balance decision. ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/fund-balance#:~:text=Print-,Fund%20Balance,-Trustee%20Lewis%20submitted>.

⁸ February 14, 2023, Budget Work Session, <https://scarsdaleny.swagit.com/play/02152023-501> (1:17:15-1:18:00). A 1% increase in the tax levy equals an increase of \$448,000. ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/executive-overview>.

risk, the expectations of the bond rating agencies, and the potential needs for funds for the budget year in question. In the Board's budget discussions, however, no case was made that 20%, rather than, for example, the 17.5% midpoint, or even 19.0%, was the right number to address and manage these concerns. To the Committee, what seemed to drive the decision was maximizing the amount of money available and managing taxpayer expectations. There was no explanation as to why a AAA-rated municipality with little debt would need this massive cash backstop when it could readily borrow to meet unexpected (or expected) needs. There was no claim that bond rating agencies are dictating a 20% unassigned fund balance rather than any lower amount in the 15%-20% range. In fact, a \$2.8 million surplus is projected for the current budget year.⁹ While the precise amount of this new surplus will not be known until the May 31 fiscal year-end, the projected availability of this additional amount is another factor that logically points to an unassigned fund balance below 20%. To the Committee, setting fund balance at 20% is more like "hoarding" than good stewardship of Village funds¹⁰ and is unfair to taxpayers.

The Committee also questions the Board's determination that the \$4.425 million surplus from the 2021-22 budget year can be used only for capital items that the Board characterizes as "non-recurring." This limitation is not supported by any language in the fund balance policy or any other Village or Board policy. In fact, as long as the unassigned fund balance is within the target range, the Board's fund balance policy permits the Board to "consider applying certain amounts for a current year supplemental appropriation to the General Fund operating budget, appropriating amounts for capital expenses, and applying amounts to mitigate tax rate increases."¹¹ The Village Manager and the Treasurer could not point to any written Village or Board policy or principle of municipal budgeting that supports the new "non-recurring only" rule.¹² Rather than create and rigidly apply a rule, the Committee recommends that the Board decide how to use surplus funds based on the facts and the needs of a particular budget year guided by fairness to taxpayers.

Another argument offered by staff and the Board to justify using none of the surplus for tax relief is that this enables or facilitates the "smoothing" of future tax increases. Staff confirmed there is no written Village or Board policy or principle of municipal budgeting that addresses smoothing either. They explained that the Board was "smoothing" to address "future increases in connection with projected debt for major projects."¹³ The smoothing justification might be more persuasive if there was a schedule or spreadsheet detailing future years' projected expenses and

⁹ Tentative Budget at 4, PDF p.15.

¹⁰ February 14, 2023, Budget Work Session, <https://scarsdaleny.swagit.com/play/02152023-501>, remarks of Trustee Lewis (1:48:45-1:48:58).

¹¹ Fund Balance Policy, section 4.3.

¹² Response to Forum's Budget Questions from Robert Cole and Ann Scaglione, February 28, 2022 ("February 28, 2022 Response"), no. 3(a).

¹³ February 28, 2022 Response, no. 3(c).

amounts needed to smooth. The Committee requested such documentation but none was provided.¹⁴

Finally, in the Committee's view, a levy increase for 2023-24 that exceeds the tax cap is inappropriate. Exceeding the cap would be justified if it was necessary to preserve vital services (such as police and fire) but not where expenses are increasing by 11% and there are multi-million dollar surpluses. The Board can easily pare down the 2023-24 tentative budget levy increase to comply with the cap without forgoing any of its spending plans or its tax reserve addition merely by adopting an unassigned fund balance just slightly below the maximum 20%.¹⁵ The Committee calls on the Board to do so.

2. The \$30 Million Pool Complex Project

The Tentative Budget Capital Plan includes a \$30 million project to construct an outdoor pool complex. \$1.14 million is proposed for 2023-24 to pay for "design development" (\$350,000), "construction documents" (\$700,000), and "bid" (\$90,000), and will be funded by debt issuance.¹⁶ The Capital Plan provides that in 2024-25, the Village will borrow \$30,350,000 to construct the pool.¹⁷ All taxpayers will pay for the pool during the 30-year term of the bond by an estimated 3.84% increase in the tax levy.¹⁸

A project of this magnitude for Scarsdale for a facility that is not related to health, safety or a legally mandated or essential government function requires greater evidence of public support in light of its financial implications for our community. The pool project dwarfs every other project in the five-year capital plan and accounts for more than a third of the total five year capital spending plan.¹⁹ One would expect a robust schedule of public meetings to inform the public

¹⁴ Id.

¹⁵ Committee member Mike Levine calculated that the property tax levy would comply with the tax cap if \$386,000 of the \$4.425 million surplus is used for tax relief. This would result in a 19.47% unassigned fund balance.

¹⁶ ClearGov Budget Book <https://village-scarsdale-ny-budget-book.cleargov.com/8313/capital-request/52247/view>.

¹⁷ ClearGov Budget Book <https://village-scarsdale-ny-budget-book.cleargov.com/8313/capital-request/52250/view>.

¹⁸ Pool Findings Presentation, September 28, 2022, <https://www.scarsdale.com/DocumentCenter/View/8449/2022-09-28-Pool-Study-Public-Presentation--FINAL-PDF> ("Pool Findings Presentation") p. 24. To be more precise, the Village has estimated that the annual debt service for a \$30 million bond over 30 years at 3.90% would be \$1,713,900. This is 3.84% of the 2022-2023 tax levy (\$44,655,000) and 3.69% of the Tentative Budget 2023-2024 tax levy (\$46,510,000). Obviously, any tax levy increase due to the pool debt service would be in addition to the "normal" annual increase due to increased expenses, etc.

¹⁹ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/capital-improvements/capital-improvements-multi-year>. By way of comparison, the library renovation was funded by \$7.5 million in donations and a \$9.9 million bond.

about possible pool projects and to gauge community support for different options, and extensive financial analyses to ensure that the project is fiscally sound before a decision is made to go forward. The Committee expected that the split between residents who wanted either of the indoor and outdoor options and the high construction cost and tax levy impact would mean more public meetings, not less, and full public disclosure of the costs associated with each option.

Instead, there was only one public work session in September 2022 before the Board decided to move forward with an enhanced seasonal pool complex. The pool survey results and some summary information about the survey results and a range of construction cost and tax levy impacts of a seasonal and a year-round facility were provided.²⁰ In November, the Forum requested a meeting with Board members, staff and the consultants, and submitted detailed questions to be answered about the pool project and as meeting discussion items.²¹ The Mayor publicly thanked the Forum “for sharing a very comprehensive set of questions,” but these questions were not answered and no meeting was scheduled to discuss them. Two weeks later, at the end of a publicly scheduled December 6, 2022 budget work session (and more than five hours after the meeting was called to order at 5:00 PM), the Board held an unannounced vote in which it not only unanimously rejected a year-round pool but agreed to move ahead with an outdoor complex. Public comment was permitted only after the vote.²² The consultant’s Operational Summary (revised to project losses for a year-round facility) was not made public until the following day.²³

In the Committee’s view, the public record of Village decision-making on the pool project does not support borrowing as much as \$30 million for an enhanced seasonal pool complex. The Committee questions basing such an important fiscal and policy decision on choices made by survey respondents who were not told the cost or property tax impact of the options presented. The 2022 survey does not substantiate the Board’s claim that there is near universal resident desire for the planned complex because survey respondents were not told the cost or the tax levy impact of the choices.²⁴ The surveys did show, however, that only 13% of residents want an enhanced seasonal pool.²⁵

²⁰ Pool Findings Presentation, p. 18.

²¹ Scarsdale Forum Letter dated November 14, 2022, attached to Village Board Meeting Agenda, November 22, 2022, https://www.scarsdale.com/AgendaCenter/ViewFile/Agenda/_11222022-1092, PDF p. 163-165.

²² December 6, 2022 Budget Work Session, <https://scarsdaleny.swagit.com/play/12072022-751>.

²³ Operational Summary, Ballard and King, 2022, <https://www.scarsdale.com/DocumentCenter/View/8546/2022-12-07-Ballard-Pool-Study-Operational-Summary-PDF> (“Operational Summary”).

²⁴ Pool Complex Survey Findings Report, 2022,

<https://www.scarsdale.com/DocumentCenter/View/8451/2022-09-29-Pool-Study-SV-Survey-Report---FINAL-PDF>.

²⁵ Pool Findings Presentation, PDF p. 12.

The consultant's Operational Summary anticipates that enhancements will boost revenues by over 20% in year one, and that revenues will steadily increase annually until year five.²⁶ Recent history of use of the pool does not seem to support that assumption. Family pool memberships declined every year from 2011 (1,766) to 2019 (1,109); post-COVID resident family memberships were only 1,072.²⁷ Other membership categories also steadily declined. A total of 330 private pools were approved between 2011 and 2022, 136 in the last three of those years.²⁸ Based on that history, it is reasonable to assume that more home pools have been and will be approved in 2023 and later years. The revenue/cost projections in the Operational Summary go out only five years.²⁹ What happens in the remaining twenty-five years is unknowable. The Village Manager did not commit to pool operating revenues covering expenses for the thirty-year term of the bond or however long the pool lasts. He told the Committee that "the Village has not projected pool complex revenues and expenses thirty years into the future, as such analysis would not generate reliable results."³⁰ The consultant did not identify industry data or experience of comparable communities in projecting profits for even five years. The financial model was withheld as proprietary.³¹

Given the decade-long decline in membership of the existing pool and the ever-increasing numbers of home pool building permits, the Committee questions whether the new pool will generate enough revenue to cover expenses even for the five-year period considered by the consultant, or whether taxpayers will be burdened with operating deficits in addition to debt service. The risk that the new pool will not be at least break-even for thirty years needs to be addressed. It cannot be ignored or assumed away.

The Committee further notes that the Operational Summary assumes – from year one – that not enough residents will want to join the enhanced pool and that 200 non-residents are needed to cover operating costs.³² Non-resident memberships were rejected by two-thirds of survey respondents.³³ While it was reasonable to admit non-resident members as a temporary expedient to stabilize the existing pool's operating budget, it is arguably unfair to saddle every property owner with a substantial tax increase to build a facility that a large group of non-residents will have the option to join – or not. A "Friends of the Scarsdale Pool" contingent has not emerged to pay for any of the substantial construction costs. These issues also merit further public discussion.

²⁶ Operational Summary, p. 18.

²⁷ Village Manager Response to Budget Information Request-Pool Project, January 27, 2023, no. 14.

²⁸ Id., no. 15.

²⁹ Operational Summary, p. 18.

³⁰ February 28, 2022 Response, no. 6.

³¹ Village Manager Response to Budget Information Request-Pool Project, January 27, 2023, nos. 8,10.

³² Operational Summary, p. 2-3.

³³ Pool Complex Survey Findings Report, 2022,

<https://www.scarsdale.com/DocumentCenter/View/8451/2022-09-29-Pool-Study-SV-Survey-Report---FINAL-PDF>, PDF p. 24, 45.

A plan to borrow \$30 million for 30 years – and to burden all taxpayers with the debt service by increasing the property tax levy by 3.84% to build a pool that will be used by a minority of residents for less than three months a year – should not go forward without solid evidence of broad community support. To get there, the Committee recommends at a minimum full disclosure of the basis for the attendance, revenue and expense projections and other financial information followed by multiple opportunities for public discussion of the costs and benefits of all pool alternatives including a year-round option, compared to the costs and benefits of other community needs and wants. After that, a meaningful survey that discloses costs and tax impacts should be conducted.

3. Four More New FTEs?

The Tentative Budget adds four more new full-time employees (“FTEs”) to the Village workforce.³⁴

1. General Fund – Village Manager’s Office – Public Information Coordinator
Salary and benefits -\$105,878
2. Water Fund – Customer Service Clerk
Salary and benefits- \$75,965
3. Library Fund – Teen Reference Librarian
Salary and benefits- \$95,134
4. Library Fund – Caretaker
Salary and benefits- \$70,396

The Committee objects to adding any new FTEs. As the Committee noted in its report on the current year budget,³⁵ “no new FTEs” had been an important longstanding fiscal guardrail of Village budgeting and fiscal management. For at least ten years, the number of full-time positions had remained unchanged.³⁶ Last year, four new FTEs were added. As the Committee explained, the policy is grounded in the Village’s inability to manage or even predict the costs of employees given the ever-increasing salaries under union contracts, unpredictable and uncontrollable pension

³⁴ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/first-pass-budget-gap#:~:text=Print-,First%20Pass%20Budget%20Gap,-This%20summary%20includes;> <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/personnel-changes>.

³⁵ Report of the Scarsdale Fiscal Affairs Committee on the Village of Scarsdale 2022-2023 Budget, March 28, 2022, PDF p. 5, <https://www.scarsdaleforum.com/Reports/download/1148>.

³⁶ Annual Comprehensive Financial Report 2022, Village of Scarsdale, New York for the Year Ending May 31, 2022, <https://www.scarsdale.com/ArchiveCenter/ViewFile/Item/175>, FTE chart p. 121-22, PDF p. 178-79.

contributions, and spiraling health insurance premiums.³⁷ NYSHIP health insurance premiums for the Individual and Family plans effective January 1, 2023, increased 12.45% and 14.91% respectively from 2022. This increase was greater than anticipated in the current year budget.³⁸ Tentative budget health insurance premiums increased 5.6% and pension contributions increased 13% over the current year.³⁹

The computation of fully-loaded employee costs included in the Tentative Budget shows just how expensive FTEs are.⁴⁰ Moreover, even after employees retire, the Village pays health insurance premiums and Medicare premiums for them and their survivors.⁴¹ Those payments are budgeted at \$5.3 million for 2023-24.⁴² This is 7.6% of the entire budget. The Village's obligation to pay post-retirement benefits is an additional cost of FTEs that must be considered. The impact of the worst inflation in 40 years on salaries under union contracts that are expiring on June 1, 2023⁴³ is unknown.

In the Committee's view, taking on the additional long-term fiscal burden and risk of a new FTE position is justified only if the FTE is essential to a critical government function that cannot be performed by contractors or by part-time or temporary workers. We do not think any of the new FTEs meet this standard and we also note that they are not revenue-supported.

The Committee commends the Board for using a Managed Service Provider rather than replacing the IT Director. The Committee found the Village Manager's memorandum comparing the costs and benefits of a single FTE with the flexibility and multiple skills available to the

³⁷ New York State Comptroller, Multiyear Financial Planning - Local Government Management Guide, (2017), p. 1, PDF p. 5, <https://www.osc.state.ny.us/files/local-government/publications/pdf/multiyear.pdf>, observing that "structural imbalances between revenues and expenditures" affect many local governments in New York state because local government costs "fueled by upward pressures caused by wages and salaries, healthcare costs and other employee benefits" have been growing faster than revenues.

³⁸ <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/executive-overview>.

³⁹ Tentative Budget at 87, PDF p. 98.

⁴⁰ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/personnel-changes>, schedule allocating \$13.4 million of employee benefit costs to total salaries (\$31.4 million) to compute total employee compensation costs. Benefits increase salaries by 43% on average.

⁴¹ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/executive-overview>.

⁴² Of the \$9.8 million general fund health insurance expense (Tentative Budget, PDF p. 98), \$4.5 million is attributable to budgeted employees. ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/personnel-changes>.

⁴³ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/budget-overview/executive-overview>.

Village by hiring a consulting firm convincing.⁴⁴ Replacing the Village attorney with an outside law firm similarly benefitted the Village.

4. Paving and Pedestrian Safety

The Tentative Budget includes a program to spend \$1.75 million per year for three years beginning in 2023-24 to upgrade all Village roads classified as “poor” or “fail” to either “good” or “excellent.”⁴⁵ This “catch-up” spending is in addition to the Village’s customary spending to repave each road every 15 years. The Committee supports the proposed three-year plan for “catch-up” paving.

The Committee recommends, however, that the Village adopt a similar “catch-up” program to upgrade all existing sidewalks and walkways in the Village to good or excellent in addition to the amounts appropriated in the Tentative Budget Capital Plan for sidewalk and pathway restoration.⁴⁶ The Village Engineer noted in a memorandum attached to the Capital Plan that the approximately 24 miles of pedestrian pathways “ensure the safety of residents throughout the community on a daily basis.” He observed that “with other capital projects having taken priority funding in recent years, there is an extensive amount of present work needed to be performed on pathways throughout the Village.”⁴⁷ The Village Manager confirmed that not all sidewalks and walkways are in good and excellent condition. He advised the Committee that catch-up for walks and paths would be “considered in a subsequent budget.”⁴⁸ Rather than wait until an unspecified future budget year, the Committee asks the Board to reallocate some of the road paving catch-up money to sidewalks or otherwise fund a sidewalk catch-up program in 2023-24 to ensure the health, safety and welfare of residents and the general public.

In addition, the Committee urges the Board to consider accelerating capital spending to implement the traffic safety initiatives recommended by the consultant in the Scarsdale Village Center Strategic Mobility Report.⁴⁹ The extensive public feedback in connection with the FHI

⁴⁴ March 13, 2023 Board of Trustees meeting agenda,

https://www.scarsdale.com/AgendaCenter/ViewFile/Agenda/_03142023-1131, PDF p. 38.

⁴⁵ Village Treasurer Memorandum, February 22, 2023, attached to the February 28, 2023 Budget Work Session Agenda, https://www.scarsdale.com/AgendaCenter/ViewFile/Agenda/_02282023-1123.

⁴⁶ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/capital-request/50902/view>.

⁴⁷ Pathway Improvement Narrative, accessed at ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/capital-request/50902/view>.

⁴⁸ February 28, 2022 Response, no. 4.

⁴⁹ Scarsdale Village Center Strategic Mobility Plan, October 28 2022, FHI Studio, https://static1.squarespace.com/static/624f42b7d8ac5431ffa69e68/t/63602f9d48faa81ad0149573/1667248039915/SSMP_Mobility+Report_2022-10-28+Spreads.pdf (“Mobility Plan”).

study shows that pedestrian safety is a high priority for residents.⁵⁰ Scarsdale is empirically pedestrian and cyclist unsafe.⁵¹ In addition, funding road safety initiatives should take precedence over “placemaking” concepts that are largely unrelated to safety.

Finally, the FHI Mobility Plan contains an extensive description of grant sources and opportunities that could pay for some of the recommended work.⁵² The Scarsdale Inquirer reported last year that Greenburgh obtained \$6 million for sidewalks with the help of its elected officials.⁵³ When asked to describe the Village's efforts and plans to secure funding for any of the proposed capital projects from other levels of government or any other source, the Village Manager advised the Committee that the Village had a “standing practice” of seeking external funding but did not identify any specific efforts.⁵⁴ We urge the Village to begin investigating grant opportunities suggested by the consultants and also to promptly reach out to our elected officials.

5. More Non-Tax Revenue

The Committee commends the Village for implementing a program to manage and invest Village funds in the NYLAF fund and other higher-yielding assets. The program substantially increased interest income with minimal risk. \$1.8 million is projected in the current year and \$2 million is budgeted for 2023-24 compared to actual interest income of \$28,996 for and \$57,790 in the 2021 and 2022 fiscal years, respectively.⁵⁵

The Committee further commends the Village for devising and implementing a program to timely collect unpaid taxes, interest and penalties. This program not only generated additional revenue⁵⁶ but enhanced property tax fairness.

⁵⁰ See also Forum reports and extensive public survey responses regarding traffic safety: Traffic Survey Report, Jan. 18, 2018, <https://www.scarsdaleforum.com/Reports/download/684>; Update to Traffic Safety Reports, Jan. 22, 2020, <https://www.scarsdaleforum.com/Reports/download/1167>.

⁵¹ Trustee Ken Mazer “looked at accident data from the last five years and said there is an average of one accident per day in Scarsdale. ‘We all tend to think Scarsdale is safe and tranquil and quiet, but one day is significant’ he said.” (Scarsdale Inquirer, “Village Oks pesticide ban, 25 mph speed limit” (Nov 25, 2022, p.4). As reported in the media from the SPD blotter, there were several pedestrian-involved incidents in the Village center during just a one month period last summer.

⁵² Mobility Plan p. 35-36.

⁵³ Scarsdale Inquirer, November 4, 2022, “\$6 Million Secured for Infrastructure, Sidewalk Projects” https://www.scarsdalenews.com/news/edgemont_hartsdale/6-million-secured-for-infrastructure-sidewalk-projects/article_5d0a6280-5d8c-11ed-9937-bba062206b77.html.

⁵⁴ February 28, 2022 Response, no. 5.

⁵⁵ ClearGov Budget Book, <https://village-scarsdale-ny-budget-book.cleargov.com/8313/funding-sources/use-of-money-and-property>.

⁵⁶ February 14, 2023 Budget Work Session agenda, <https://www.scarsdale.com/AgendaCenter/ViewFile/Agenda/01172023-1109>, PDF p. 14.

Conclusion

This Committee appreciates the continuing efforts of Village staff and the Board to improve the Village's budget process with a full schedule of meetings that included opportunities for public comment. Extensive documentation was for the most part made available to the public well in advance of budget meetings. The Treasurer and the Village Manager were responsive to inquiries and document requests from Committee members regarding budget matters. The Committee commends the Treasurer's efforts to move budget documentation online and eliminate the need for paper budget documents, but requests that budget materials and information posted on ClearGov during budget discussions remain accessible to the public until the budget is adopted.

The Committee hereby concludes that the recommendations set forth in this Report be adopted.

Respectfully submitted by the following members of the Scarsdale Fiscal Affairs Committee:

Anne Hintermeister, Chair

Robert Berg

Susan Douglass

Madelaine Eppenstein

Mary Beth Gose

*Robert Harrison

*Terri Harrison

Michael Levine

Barry Meiselman

James Wetmur

*Robert Harrison: concurs with the Report, except for Section 5.

*Terri Harrison: concurs with the Report, except for Section 5.