

## Donna Conkling

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**From:** Mayor  
**Sent:** Thursday, March 09, 2017 10:46 PM  
**To:** Lika L. Levi  
**Cc:** Debby Pekarek Pekarek (dpekarek@verizon.net); Bill Stern; Matthew Callaghan; Jane Veron; Carl Finger; Marc Samwick (marc.samwick@verizon.net); Clerk's Department; Treasurer's Department; Manager's Department  
**Subject:** Re: Budget Comments

Dear Ms. Levi -- Please look more closely at the School Board's proposed budget. According to the latest School Budget presentation on line, the School District is budgeting \$9,977,124 for debt service in a proposed budget of \$154,300,856, or approximately 6% of the proposed 2017-2018 budget. See page 46, Proposed Budget 2017-2018 column in the link below:

<https://www.scarsdaleschools.k12.ny.us/cms/lib/NY01001205/Centricity/Domain/5/ScarsdaleUFSDMarch6Session3.pdf>

The Village proposed 2017-2018 budget includes \$2,333,683 for debt service on a proposed budget of \$56,497,806, or approximately 4% of the proposed budget.

Very truly yours, Jon Mark

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**From:** Lika L. Levi <lika@save-scarsdale.org>  
**Sent:** Thursday, March 9, 2017 8:43 PM  
**To:** Mayor  
**Cc:** Debby Pekarek Pekarek (dpekarek@verizon.net); Bill Stern; Matthew Callaghan; Jane Veron; Carl Finger; Marc Samwick (marc.samwick@verizon.net); Clerk's Department; Treasurer's Department; Manager's Department  
**Subject:** Budget Comments

Mayor Mark and the Village Board,

You brought up the School Budget in your e-mail below, which prompted me to take a closer look at their Budget:

School Budget Debt \$ 32 Mil., School Budget \$ 155 Mil. About 22 % of their Budget is debt.

Village Debt per your e-mail below: about \$ 23 Mil., Village Budget per workpapers as of March 2, 2017: \$ 56 Mil. **About 41 % of** Village Budget is debt !

If we were to apply the same Budget Debt to Budget ratio as the School Budget, the Village Debt has to be about 22 % of the Budget, or \$ 12.3 Mil. and **yet it is a staggering at \$ 23 Mil., almost twice as much.**

This debt is further projected to grow next year, thanks to your Library commitment and not your road commitment.

Yet:

1. Our Village is served by numerous volunteers doing the job professionals do in other municipalities, which should mean our taxes should be lower. But no, our taxes are much higher than other municipalities.

2. You cannot provide favorable work conditions to our Manager. It is not acceptable that he does not have adequate heat, nor that our chairs in our meeting room are in such poor condition. An employer I thought is obligated by law to provide at least adequate work conditions to its employees. Let alone a local municipality. This has to be addressed. This very nice man cannot freeze while trying to serve us. How come you do not even address this in your Budget ?

3. You get the Village in more debt to renovate the Library and commit the Village to issue more debt...to the tune of \$ 10 Mil...Why ? Why can't you say "No" ? When you should have ? You cannot say, you did not hear from the residents advising you to say "No".

4. When our roads are in such poor condition, when people have been complaining about this for so long...When you cannot allocate any money to repair our roads.

5. You pay no attention to the Big House/Old House problem as I have defined and elaborated on it on my website below these past few days. 5 Lockwood could have been avoided. No, you do not even care. So many houses did not deserve the bulldozer nor do they deserve it now. But, you do not care, unless there is some other reason you have failed to communicate.

You are a born and bred Scarsdalian I am told. If this is the way you protect your home-town, I certainly do not understand it. But then again after almost 40 years in this country, I am still learning.

6. Had you been salaried, you would have lost your job long ago. Had you been royalty, you know what your fate would have been by now. But you are volunteers and this is a "democracy" with a system all onto itself.

Give us good roads, preserve our neighborhoods and make sure our Village Staff is working under adequate ambient conditions. The least we can do to this very special crew.

With best wishes,

*Lika*

Lika L. Levi

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[www.save-scarsdale.org](http://www.save-scarsdale.org)

[Lika@Save-Scarsdale.org](mailto:Lika@Save-Scarsdale.org)

On Mar 6, 2017, at 5:31 PM, Mayor <[mayor@scarsdale.com](mailto:mayor@scarsdale.com)> wrote:

Dear Ms. Levi -- According to the Official Statement that related to the refunding bonds mentioned in my email below, Village debt as of fiscal year end May 31, 2016 was \$22,980,000. Note this is debt issued by the Village of Scarsdale and does not take into account debt issued by the School District since that is a separate taxing entity that is overseen by the School Board.

You might take a look at the Official Statement at pages A-12 and following. There is some detail about the Village debt disclosed on those pages that you may find useful.

Just one comment about the roads. Not all 79 miles need to be repaved at the moment. In fact Crane Road, long stretches of Mamaroneck Road, Authereith Road, all of Colonial Acres' roads and many other stretches of roads that I listed in my Mayor's comments last week have been repaved in the last two years. Statements that imply all 79 miles of roads must be repaved do not, in my opinion, help advance the the discussion of this subject in which we all share an interest. The chronic problem posed by our roads is difficult enough to resolve satisfactorily from both a budgetary and logistical point of view without overstating it.

In the meantime, thank you for your continued interest in the Village and its operations.

Very truly yours, Jon Mark

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From: Lika L. Levi <[lika@save-scarsdale.org](mailto:lika@save-scarsdale.org)>

Sent: Monday, March 6, 2017 5:09 PM

To: Mayor

Cc: Debby Pekarek Pekarek ([dpekarek@verizon.net](mailto:dpekarek@verizon.net)); Clerk's Department; Treasurer's Department; Manager's Department; Bill Stern; Marc Samwick ([marc.samwick@verizon.net](mailto:marc.samwick@verizon.net)); Carl Finger; Matthew Callaghan; Jane Veron  
Subject: Re: Budget Comments

Dear Mayor,

Thank you very much for your e-mail and all corrections thereof.

As you can see I am certainly not an expert on financial or municipal matters.

I appreciate your input and have incorporated some of your remarks in my post and will continue to do so as my time allows. My questions refer to your numbers below:

2. What is the total debt the Village has now ?

3. I am glad we have parking revenue.

4. You can still increase water rates a bit, so you have a reserve fund for pipes breaking. Just last week, my neighbor at 9 Lockwood had to have the main to his house repaired because of old pipes. It was the Village's responsibility. The technician there said, all pipes need to be changed they are all old, galvanized pipes. Maybe you should prepare for this and get an estimate to repair all pipes.

5. I was just trying to get some revenue to repair our roads. All 79 miles of Village roads need to be repaired this Spring and Summer. There is no other town in Westchester with roads like this. You have heard it from me, you have heard it from many others. Now, you have to deliver.

You should also set funds for green space and stop this building out of proportion craze.

Lika.

On Mar 6, 2017, at 1:01 PM, Mayor  
<[mayor@scarsdale.com](mailto:mayor@scarsdale.com)<<mailto:mayor@scarsdale.com>>> wrote:

Dear Ms. Levi -- At your suggestion, I reviewed your comments on the proposed Village budget posted on your web site. A number of the points you make are broad policy points regarding spending by the Village for a number of social services and roads. These matters have been discussed at length at public meetings

of the Board and the Finance Committee (and are subject to further discussion until the budget is finalized) and so will not be addressed in this email. However, a number of comments made are factually incorrect or inaccurate so are worth correction and clarification as follows:

1. The meeting on Thursday March 2, 2017 was a presentation by the Budget Officer, Mr. Pappalardo, of the proposed budget as it now stands. It was not a meeting of the Finance Committee of the Board as is stated in your post. The Finance Committee has met on budget matters on January 19, January 31, February 2 and February 16. The Finance Committee's next meeting on the budget is scheduled for Tuesday, March 14 at 6:30 pm. All Finance Committee meetings are public. The tentative budget is then required by statute to be filed with the Village Clerk on March 20th.

Below is a link to the budget meeting schedule as posted on the Village web site:

<http://www.scarsdale.com/documentcenter/view/1131>

The March 2nd meeting was recorded and is posted in two parts on Scarsdale Public TV's web site (links below):

<http://www.scarsdalepublictv.com/video/scarsdale-budget-session-march-2-2017-part-1/>

<http://www.scarsdalepublictv.com/video/scarsdale-budget-session-march-2-2017-part-2/>

2. Regarding the \$2 million debt service number that you highlighted, municipal debt is required to be amortized on a straight line basis. Therefore approximately \$1.9 million of the debt service number you refer to is for repayment of principal. The interest component of the debt service number is \$480,000 (the total budgeted debt service number for fiscal 2017-2018 is approximately \$2.4 million). More generally, the interest rates on Village debt range from 2.00% to 4.375%, depending on market conditions at the time the Village debt was issued. The 4.375% rate noted relates to only \$145,000 principal amount of debt issued in 2002 and that portion matures in July 2017. You can see more detail about Village debt

on pages 41 - 42 of the Village financial statements (linked below).

<http://www.scarsdale.com/ArchiveCenter/ViewFile/Item/106>

Note that in the summer of 2016 the Village refunded \$6,295,000 principal amount of its debt. The interest coupons on various portions of that refunding range from 2.00% to 4.00%, but because the bonds were sold at a premium, the average yield (and thus net interest cost to the Village) of the refunding bonds was less than 1%. A link to the Official Statement for the refunding issue is below (see second unnumbered page and “Sources and Uses” table on page 2).

<http://emma.msrb.org/ER981834-ER768490-ER1169888.pdf>

3. The \$348,000 number you cite as a cost of parking, is the cost to the Village of running its parking operations (staff and facilities). Parking revenue for fiscal 2017-2018 is budgeted at \$2,331,418.

4. As far as doubling water rates and using some water rate revenues for environment and green space expenditures, that would not be permitted. Water rate revenues are required to be used to fund the operations, maintenance and improvements to the water system. The sewer rent fee which is shown on the water bill, is required by law to be used only for the maintenance of sanitary sewers. Your suggestion for other non-water system uses of water rate revenues does not comport with permitted uses of such revenues.

It is hoped this clears up at least some of the points in your post.

Very truly yours, Jon Mark

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From: Lika L. Levi <[lika@save-scarsdale.org](mailto:lika@save-scarsdale.org)<<mailto:lika@save-scarsdale.org>>>  
Sent: Sunday, March 5, 2017 9:03 PM  
To: Mayor; [dpekarek@verizon.net](mailto:dpekarek@verizon.net)<<mailto:dpekarek@verizon.net>>  
Cc: Clerk's Department; Treasurer's Department; Manager's Department  
Subject: Budget Comments

To the Village Board,

I have posted my comments on the Budget on my website below.

I think the Budget should be more cognizant of the sorry state of our roads and our streetscape with so many big buildings replacing old beauties.

You have let all this go unchecked for too long and now you can at least make up not selling the one property foreclosed but giving it back to the community as a park, as an outdoor space.

You have to take some concrete steps to restore this Village, to restore confidence in the residents that you can govern.

You do not want to rock the boat, but the boat is beyond rocking at this stage.

It is sinking like the Titanic. Time to take some bold decisions and do the job you were elected to do. Don't spend the money we do not have.

Get rid of the useless items on the budget, increase rates where it is due ( water and parking at least ) and repair the roads.

No excuses, no delays.

Hopefully yours,

Lika

Lika L. Levi

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