

Incorporated Village of Plandome Heights

Tentative Budget

June 1, 2022 – May 31, 2023

Public Hearing date: April 4, 2022

Plandome Heights Village Hall – 6:00 p.m.



INCORPORATED VILLAGE OF
Plandome Heights

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Kenneth C. Riscica
Mayor

Daniel Cataldo
Silva Ferman
Gus Panopoulos
Dianne Sheehan
Alvin Solomon
Norman Taylor
Trustees

Arlene Drucker
Clerk - Treasurer

Kathryn Gross
Deputy Clerk

Katherine A. Hannon
Deputy Clerk, Court &
Building

Cye E. Ross, Esq.
Village Justice

Mary Breen Corrigan
Village Prosecutor

Edward P. Butt, AIA
Village Building
Inspector Stormwater
Mgmt. Officer

Bart Giusto
Emergency Mgmt.
Coordinator

Maryann Grieco
Architectural Review
Board, Chair

Eugene O'Connor
Zoning and Appeals
Board, Chair

Trey Harragan
Technology Advisory
Board, Chair

March 7, 2022

2022 – 2023 TENTATIVE BUDGET - MESSAGE

Fellow Taxpayers:

On March 7, 2022 the Trustees approved our Tentative Budget for the fiscal year June 1, 2022 – May 31, 2023. The tax increase is \$15.00/year per average home, 1.4%. A Public Hearing for residents on the Tentative Budget will be held on Monday, April 4, 2022 at the Village Annual Meeting which starts at 6:00 p.m.

We “Plan Beyond One Year” in order to maintain low and stable taxes and a strong balance sheet. In our planning exercise this year, we note the following, among others:

- The current 7.5% inflation is a risk to our finances,
- Our long-term contracts mitigate some of that inflation risk in the short term,
- Favorable contracts for snow removal and occupancy expire during our 5-year planning window,
- The completion of our 10-year Capital Plan later this year creates a new planning dynamic which will cause us to consider our future capital and operating needs,
- Our strong balance sheet represents an opportunity for the Village; the extent of that opportunity will be known after all the bills are paid and all the grants are collected on our capital project,
- We have needs and opportunities to use technology, including digitizing records, and these involve costs (as well as opportunities for grants) which are not yet known.

Thoughtfully considering these factors, we decided that now is the time to “do no harm.” As such, we are proposing a very modest tax increase, below our cost increases. Our full tax cap is 3.6% and our increase is 1.4% (0.75% over the two years where we bend the curve).

Our trendline rate of increase per year over 12 years is 1.4%. Taxes in our Village, (i) remain approximately \$500 below the taxes for the same services outside the Village and (ii) are the 3rd lowest operating taxes in Nassau County (the other two have less than half the residents we do). This is due to the extensive use of volunteers and also the use of competitive long-term bids for many of our services. So, thank you to over 30 volunteers who serve on our various Boards!

The Tentative Budget and related analyses will be on our website by the end of the week. As always, your comments, questions and complaints are cheerfully accepted.

Sincerely,
INCORPORATED VILLAGE OF PLANDOME HEIGHTS

Kenneth C. Riscica

Mayor

Incorporated Village of Plandome Heights
Budget - June 1, 2022 – May 31, 2023
“Top Down” Budget Planning Beyond One Year- DRAFT

S W O T Analysis

Strengths

- Solid Balance Sheet
- Bend the curve in 2022/23
- Short-term protection on inflation
 - 5 yrs. left on Sanit. up in 2027
- Taxes 50% below TNH, 3rd lowest in Nassau, compare to NYS
- Certainty on one major contract
- Strong controls –
 - Actual vs. Budget
 - Multi-year + Capital planning

Weaknesses

- Occupancy cost under pressure
- Human resources under pressure
- 2 yrs. left on Snow (up in 23/24)
- Low/no financial return

Threats

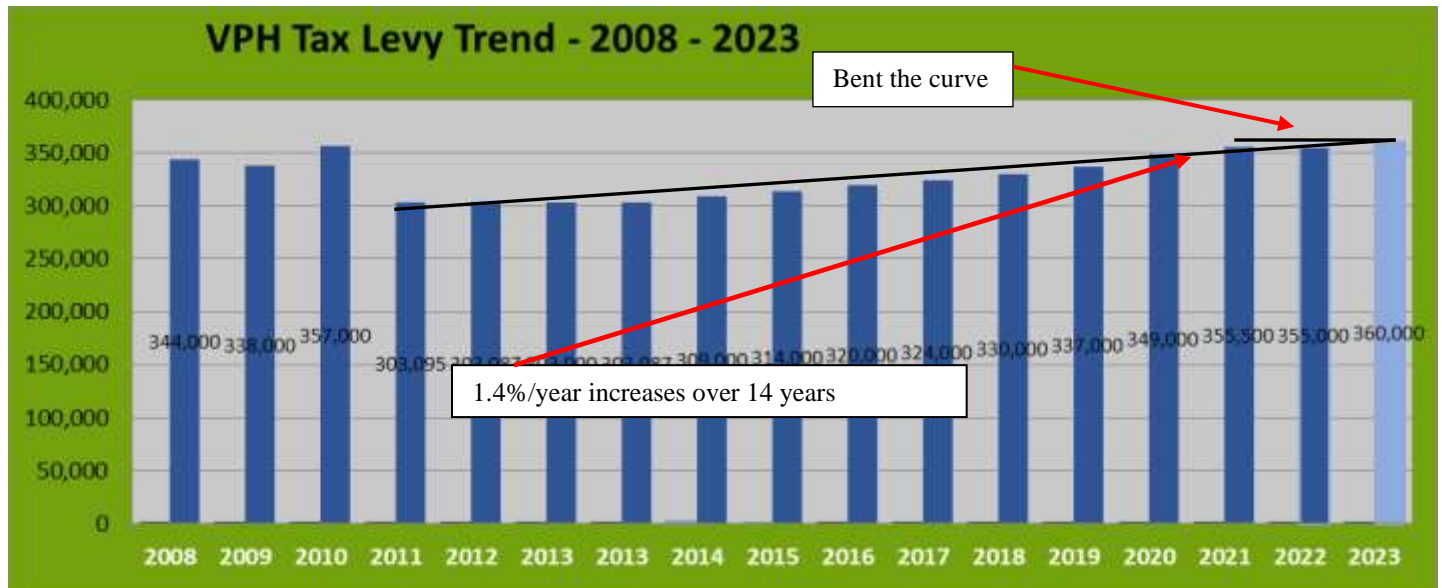
- Tax Cap 2% inflation 7.5%
- Occupancy and human costs
- Pressure on snow in sight

Opportunities

- Capital and parkland
- Building fees rebound, Continues?
- Digital records
- Interest income to rise
- Capital needs

SNAPSHOT of Key Metrics

VPH Financials – 2008 – 2023 Trend



Incorporated Village of Plandome Heights
Budget - June 1, 2022 – May 31, 2023
Planning Beyond One Year

Tax Cap History:

Tax Cap Summary	%	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Prior year tax levy	100.00%	355,000	355,500	349,000	337,000	330,000	325,000	320,000	314,000	309,000	303,087	303,087
Allowed increase	2.05%	7,281	8,007	9,729	12,377	6,903	5,184	736	6,041	4,858	6,618	6,309
Allowed carryover	1.55%	5,513	4,043	814	437	534	350	4,614	4,573	4,715	4,641	0
Tax Cap as calculate	103.60%	367,794	367,550	359,543	349,814	337,437	330,534	325,350	324,614	318,573	314,346	309,396
Tax Levy	101.86%	360,000	355,000	355,500	349,000	337,000	330,000	325,000	320,000	314,000	309,000	303,087
Unused Tax Cap	1.16%	7,794	12,550	4,043	814	437	534	350	4,614	4,573	5,346	6,309
% of Tax Cap		2.12%	3.41%	1.12%	Nil	Nil	Nil	Nil	1.40%	1.40%	1.70%	2.00%
Carryover limited to 1.5%		2,277	7,036	0	0	0	0	0	0	0	-631	-1,668
Carryover to next year		5,517	5,513	4,043	814	437	534	350	4,614	4,573	4,715	4,641

Incorporated Village of Plandome Heights
Budget - June 1, 2022 – May 31, 2023
Benchmarking Taxes

1. Town of North Hempstead (“TNH”), nearest best comparable.

If you live in TNH, outside a Village, you pay the following additional taxes not paid by Village residents:

- Town outside village tax,
- Manhasset garbage district tax,
- Town lighting,
- Other town including highway

This is a direct comparable to the Village. Below shows the taxes paid by a comparable home, based on assessed value, over time, inside and outside the Village;

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	10Yr Total
Town tax	1,655	1,612	1,552	1,509	1,395	1,378	1,360	1,318	1,298	1,203	15,686
Village tax	1,068	1,041	1,015	1,000	985	967	955	938	935	963	10,954
Savings \$	587	572	537	509	410	411	405	380	362	240	4,492
Savings %	55%	55%	53%	51%	42%	42%	42%	41%	39%	25%	41%

2. Nassau County Villages, third lowest in the County –

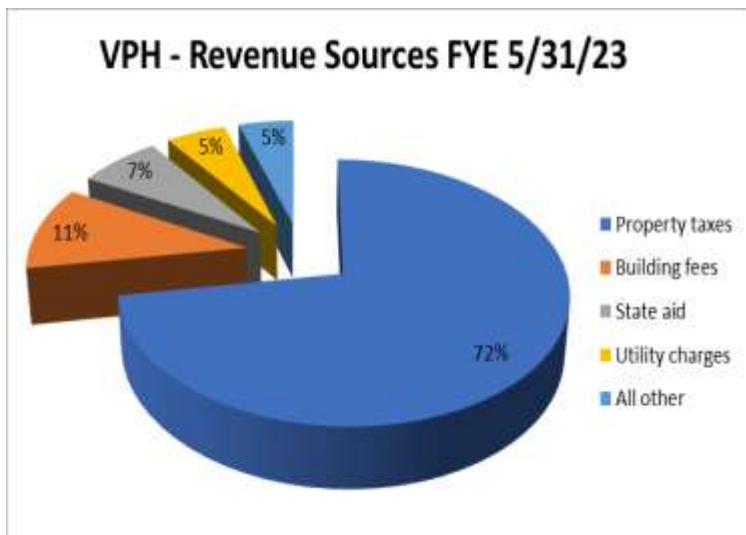
Of the 50 reporting Villages in Nassau County, there are *only two* Villages operating with lower operating taxes than VPH, and they each have *less than half our population* to serve,

3. New York State –

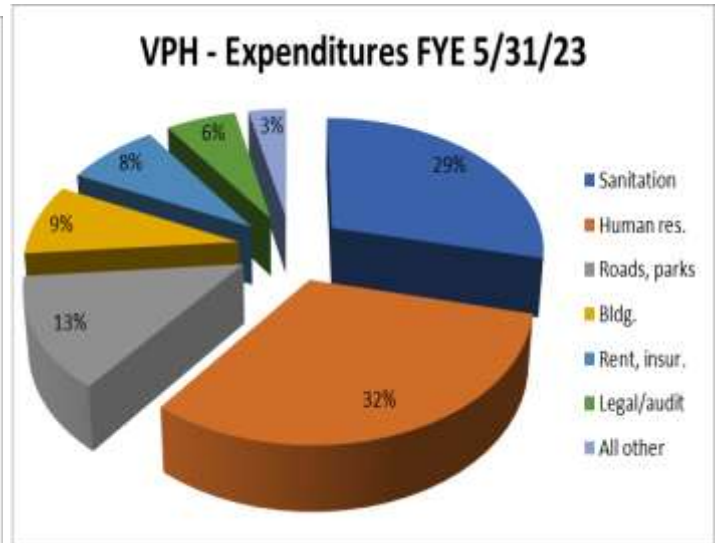
Of the 413 reporting Villages in NY State the 5 lower than VPH have a median household income \$42,879, 66% less than VPH at \$123,200. Those villages operate in Appalachia and the Adirondacks.

**Incorporated Village of Plandome Heights
Budget - June 1, 2022 – May 31, 2023**

Budgeted Revenues



Budgeted Expenditures



**Incorporated Village of Plandome Heights
Budget - June 1, 2022 – May 31, 2023
Benchmarking Costs Paid**

Benchmarking Costs

Following are benchmarking for our largest costs consisting of:

Human resources	\$ 137,000	28%
Benefits	19,000	4%
Sanitation	143,000	29%
Snow removal	<u>26,000</u>	<u>5%</u>
Subtotal	\$ 325,000	66%
Occupancy (not benchmarked ^a)	30,000	5%
Legal, insurance, audit	56,000	11%
All other	<u>86,000</u>	<u>17%</u>
2022 – 23 Tentative Budget	\$ 497,000	100%
	=====	=====

a Not benchmarked because most villages own. VPM pays \$60,000+

Summary of Cost Benchmarks

	<u>VPH Below</u>
HR	41%
Benefits	78%
Sanitation	23%
Snow removal	63% !

Awesome performance vs peers!

Peer group = Plandome Manor,
Baxter Estates, Saddle Rock,
Roslyn Harbor

Incorporated Village of Plandome Heights
TENATIVE BUDGET - SUMMARY
FISCAL YEAR JUNE 1, 2022 TO MAY 31, 2023

	<u>ADOPTED</u> <u>BUDGET 2021-22</u>	<u>TENATIVE</u> <u>BUDGET 2022-23</u>
<u>APPROPRIATIONS</u>		
General Government	198,250	207,500
Public Safety	45,000	47,000
Transportation	54,000	48,500
Home & Community Services	171,400	174,500
Employee Benefits	19,450	19,800
TOTAL APPROPRIATIONS	\$488,100	\$497,300
<u>ESTIMATED REVENUES</u>		
(other than property taxes)		
Other Tax Items	27,200	27,600
Departmental Income	5,500	5,500
Use of Money & Property	2,000	3,500
Licenses & Permits	52,000	53,000
Fines & Forfeitures	1,500	1,500
Miscellaneous	300	300
Government Aid	34,100	35,400
ESTIMATED REVENUES	\$122,600	\$126,800
Less: APPROPRIATED SURPLUS	\$10,500	\$10,500
TOTAL TO BE RAISED THROUGH REAL PROPERTY TAXES - (TAX LEVY)	\$355,000	\$360,000

TAX LEVY = **\$360,000**
divided by
VILLAGE 2021-2022 TAXABLE ASSESSED VALUATION (TAV)

2022-2023 VILLAGE TAX RATE (PER \$100 TAV)*	114.341
2021-2022 Village Tax Rate	123.036

Hearing Date : APRIL 4, 2022

Adoption Date : TBD