



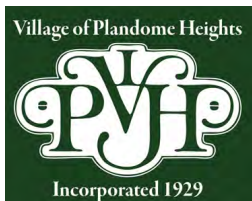
Incorporated Village of Plandome Heights

Tentative Budget

June 1, 2022 – May 31, 2023

Public Hearing date: April 4, 2023

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



INCORPORATED VILLAGE OF
Plandome Heights

37 Orchard Street, Manhasset, New York 11030
Tel: (516) 627-1136 Fax: (516) 627 1393
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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

Lisa Fanuka
Deputy Clerk

Lenore "Lee" Regan
Court Clerk

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

James Madison
Planning 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

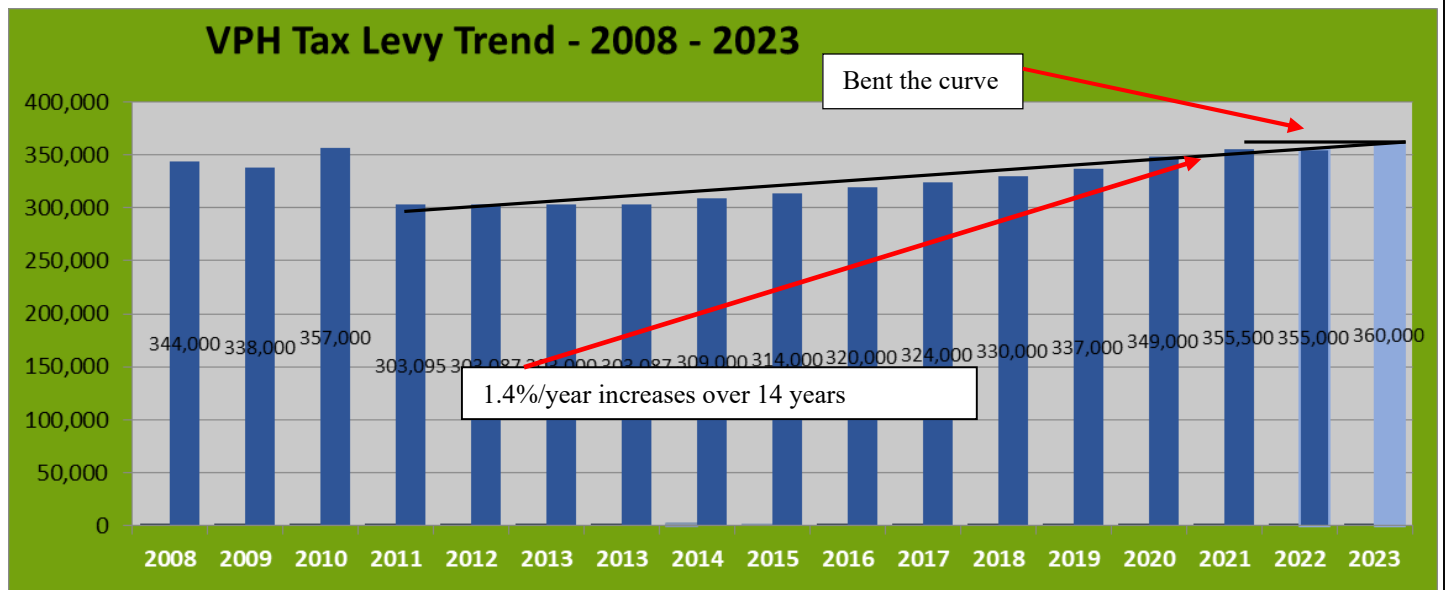
- Tax Cap 2% inflation 7.5%
- Occupancy and human costs
- Pressure on snow in sight

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; 2022 + 5 years Back and Forward



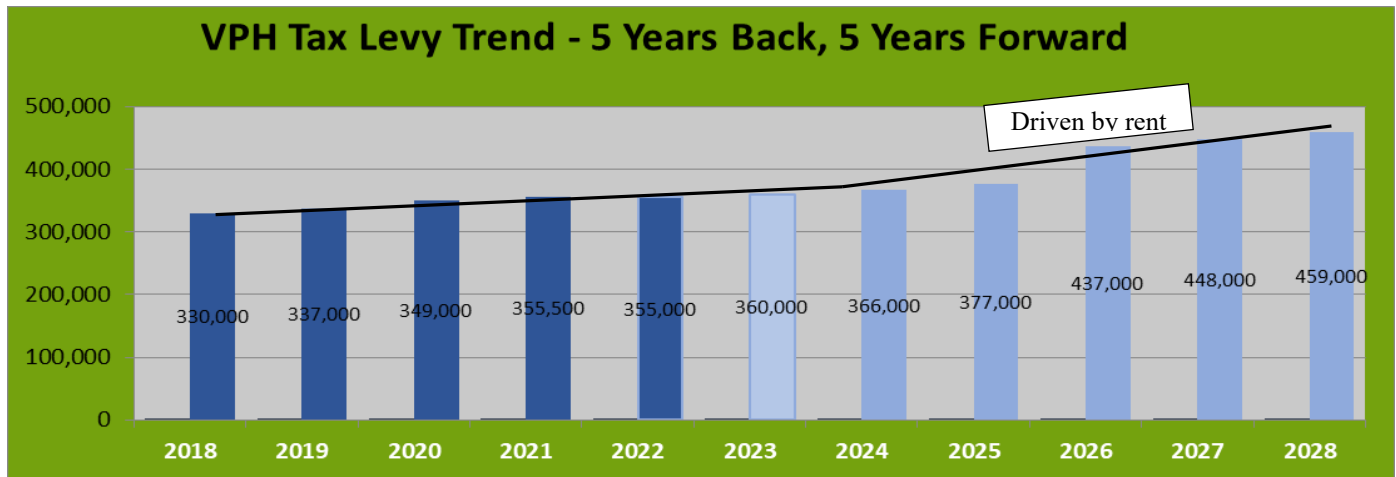
**Incorporated Village of Plandome Heights
Budget - June 1, 2022 – May 31, 2023
Planning Beyond One Year**

SNAPSHOT of Key Metrics

Five Years Forward, Five Years Back:

	Actual					Cur. Yr.	Act.	Long-Term Plan				
REVENUES:	2017	2018	2019	2020	2021	2022	2022	2023	2024	2025	2026	2027
Memo: tax change	1.25%	1.50%	1.81%	3.56%	1.86%	-0.14%		1.40%	1.80%	3.00%	16.00%	2.50%
Property Taxes	324,000	331,000	337,000	349,000	355,500	355,000	355,000	360,000	366,000	377,000	437,000	448,000
Interest	2,000	2,000	12,000	14,000	2,000	2,000	2,000	2,000	10,000	12,000	13,000	13,000
Building fees	86,000	44,000	67,000	61,000	57,000	52,000	80,000	53,000	55,000	55,000	55,000	60,000
Other revenue	70,000	99,000	87,000	65,000	74,500	68,000	74,000	71,000	68,000	68,000	68,000	68,000
REVENUE	482,000	476,000	503,000	489,000	489,000	477,000	511,000	486,000	499,000	512,000	573,000	589,000
EXPENDITURES:												
Gen'l. Gov't	198,000	178,000	180,000	199,000	225,000	218,000	217,000	227,000	232,000	237,000	292,000	298,000
Public Safety	50,000	43,000	47,000	38,000	46,000	45,000	47,000	47,000	48,000	49,000	50,000	51,000
Transportation	45,000	38,000	35,000	28,000	27,000	54,000	45,000	48,000	49,000	53,000	54,000	55,000
Parks	10,000	14,000	11,000	12,000	21,000	16,000	29,000	17,000	17,000	17,000	17,000	17,000
Home and Comm.	156,000	163,000	157,000	145,000	146,000	155,000	155,000	158,000	162,000	167,000	172,000	177,000
EXPENDITURES	459,000	436,000	430,000	422,000	465,000	488,000	493,000	497,000	508,000	523,000	585,000	598,000
Surplus/(Deficit)	23,000	40,000	73,000	67,000	24,000	(11,000)	18,000	(11,000)	(9,000)	(11,000)	(12,000)	(9,000)

THIS IS NOT OUR PLAN; IT IS A MODEL OF CONDITIONS
IF WE DO NOTHING ON OCCUPANCY, THE FUTURE LOOKS LIKE THIS



- **THIS IS NOT OUR PLAN**
- **IT IS A MODEL AND IT IS HOW WE PLAN**
- **AND IT IS A CALL TO ACTION TO DO BETTER**

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

Benchmarks – 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,

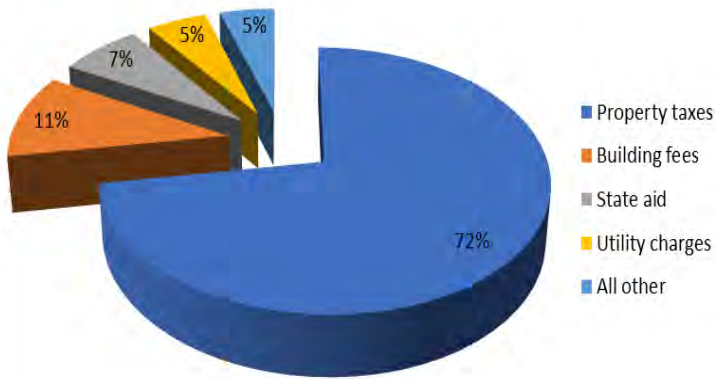
3. New York State –

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**

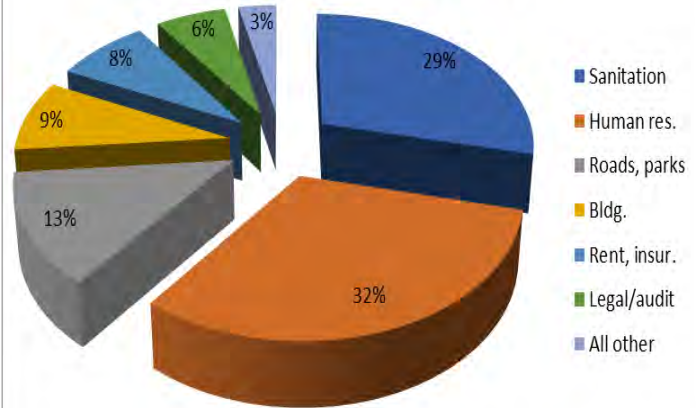
Budgeted Revenues

VPH - Revenue Sources FYE 5/31/23



Budgeted Expenditures

VPH - Expenditures FYE 5/31/23



**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:

Sanitation	143,000	29%
Human resources	\$ 137,000	28%
Benefits	19,000	4%
Snow removal	<u>26,000</u>	<u>5%</u>
Subtotal	\$ 325,000	66%
Occupancy (see separate analysis)	20,000	5%
Legal, insurance, audit	56,000	11%
All other	<u>96,000</u>	<u>17%</u>
2022 – 23 Tentative Budget	<u>\$ 497,000</u>	<u>100%</u>
	=====	=====

Summary of Cost Benchmarks

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

Awesome performance vs peers!

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

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

According to Plandome Manor: “The village currently pays **\$55,000/year** or \$4,410/month on rent, taxes, and utilities for the current 3 room office space located in Manhasset. The village has outgrown this space. *Additional storage space and office space is needed* [emphasis added].”

Plandome Manor (“VPM”) has 1,650 Square Feet of space. Plandome Heights has 717 Square Feet.

VPM Trustee Tony DeSousa – “The Village has outgrown its present office space.”

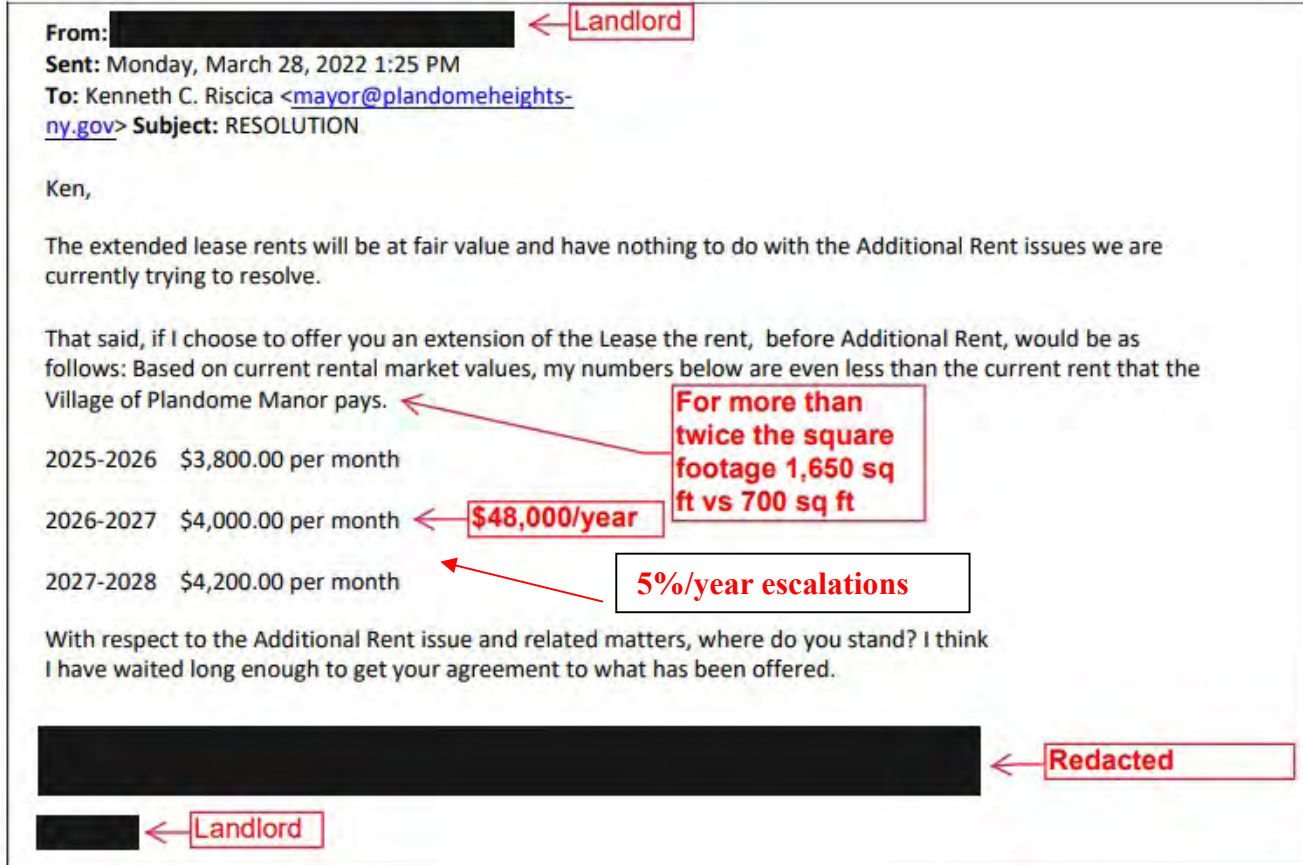
	<u>COMPARE PLANDOME</u>	
	<u>HEIGHTS</u>	<u>MANOR</u>
Population	1,018	902
Homes	326	281
Area (sq. miles)	0.2	0.5

As outlined in the letter to residents of March 22, 2022, we should have a clear additional three-year period at our option to continue our current low rent. However, the landlord made an assertion that the Village owed fees dating back 13 years totaling over \$12,000. That assertion, which the Village disputes, had never been made before, never been billed, never appeared on any statement and is largely beyond the statute of limitations. Approximately a month later, the Landlord indicated she made an error and she doubled the assertion to over \$20,000. It should be obvious that the landlord is simply trying to “raise the rent” through threatened and disputed charges. Village counsel is involved.

So it is clear that rent on our existing space is going up and we will not enjoy the favorable rate we have enjoyed. Further information on the direction of current rent, if we do nothing, is contained in the landlord email below.

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

March 28, 2022 Email from VPH Landlord about proposed rent increases and escalations follows;



So, looking ahead, Plandome Heights will no longer enjoy the favorable rent we negotiated over the last 13 years (as shown above and below) and we need more space.

Our Building Department activity alone is up 160% since we took the current space in 2008; 160%!

We have **critics** who urge that “*We are a small village that has operated for almost 100 years with little change in workload.*” But that is clearly not true.

Other activities and state mandates also add to our space needs. So, we are expecting our occupancy costs to go up significantly in the next three years. By identifying this now, ahead of time, we can begin to develop a plan to address it. That plan will involve (a) community input and (b) all options on the table (rent, own, share, condo, barge or whatever). I will be looking for residents to volunteer for a Mayor’s Advisory Committee on Occupancy, just like the new Mayor’s Advisory Committee on Digital Records, *once our road construction is done*. Several have already volunteered.

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

Historical and Hypothetical Occupancy – Plandome Heights (assumed lease at 1,500 sf at \$40/sf)

The past - rent:

Current rent - 2008 – 2025 est, 17 years	<u>376,000</u>	
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The future - Assume rent:

Projected rent in current space - 15 years	1,006,000	a
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Projected rent in new space - 15 years	1,116,000	b
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The future -Assume own & finance over 15 years

Debt service on \$600,000 over 15 years at 2.5%	720,000		<u>\$296,000</u>	Total savings to own
Assumed repairs over 15 years	<u>100,000</u>		<u>\$908</u>	Savings per resident
	<u>820,000</u>		<u>\$61</u>	Savings per year

a. Source: Current landlord proposal, March 28, 2022

b. Source: Market data for 1,500 sf at \$40/sf

Benchmarking Costs details follow

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

Human Resources:

Fiscal Year 2020/2021

	<u>VPH</u>	<u>VPM</u>	<u>Baxter Estates</u>	<u>Saddle Rock</u>	<u>Roslyn Harbor</u>
Court (Justice, Court Clerk, Prosecutor)	\$6,414	\$5,962	\$8,400	\$4,000	\$20,140
Clerk / Deputy Clerk	\$85,569	\$86,940	\$165,677		\$115,120
Treasurer		\$48,667	\$338	\$63,722	\$34,210
Building Inspector	\$46,509	\$132,782	\$55,919	\$13,380	\$50,960
Tax and Benefits	\$18,648	\$79,984	\$61,579	\$56,202	\$58,766
<u>Total</u>	\$157,140	\$354,335	\$291,913	\$137,304	\$279,196

Average comparable VPH Below Comp.	265,687.00 40.86%
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Total Expenditures	\$473,153	\$1,568,829	\$821,898	\$824,431	\$1,382,124
Percentage of HR in Budget	33.21%	22.59%	35.52%	16.65%	20.20%

Employee Benefits:

Employee Benefits - Benchmarking Comparable Villages

	<u>VPH</u>	<u>VPM</u>	<u>Baxter Estates</u>	<u>Saddle Rock</u>	<u>Roslyn Harbor</u>
Memo: Number of employees					
2021 Employee Benefits	18,648	79,984	61,579	56,202	58,766
2020 Employee Benefits	15,328	37,338	74,850	54,249	52,908
2019 Employee Benefits	16,424	27,793	47,850	56,356	55,083
2018 Employee Benefits	10,786	27,596	49,993	83,714	53,252
2017 Employee Benefits	11,080	22,622	29,137	66,861	45,482
2016 Employee Benefits	9,664	16,409	36,910	65,499	36,506
2015 Employee Benefits	8,382	9,823	40,657	79,671	38,593
2014 Employee Benefits	7,836	9,519	32,992	101,855	39,999
Total	98,148	231,084	373,968	564,407	380,589
Average/year 8 yrs	12,000	29,000	47,000	71,000	48,000
Average comparable 2021 year	19,000	80,000	62,000	56,000	59,000

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

	<u>2021 Year</u>	<u>8 yr Ave.</u>
VPH vs. averages		
Average comparable	55,000	41,000
VPH Below Comp.	78%	71%

	<u>VPH</u>	<u>VPM</u>	<u>Roslyn Harbor</u>	<u>Saddle Rock</u>	<u>Baxter Estates (a)</u>
2021 Sanitation	137,788	215,000	129,248	192,540	na
2020 Sanitation	134,970	190,000	128,899	192,540	na
2019 Sanitation	132,348	160,100	124,900	188,845	na
2018 Sanitation	129,673	153,200	123,559	162,334	na
2017 Sanitation	132,263	142,200	119,592	162,010	na
2016 Sanitation	128,907	124,440	114,637	147,203	na
2015 Sanitation	125,080	115,200	107,715	166,357	na
2014 Sanitation	120,900	104,400	105,249	147,125	na
Total	1,041,929	1,204,540	953,799	1,358,954	na
Average per year	130,250	150,625	119,250	169,875	na
2021 year	138,000	215,000	129,000	193,000	na

	<u>2021 Year</u>	<u>8 yr Ave.</u>
VPH vs. averages		
Average comparable per year	169,000	142,500
VPH Below Comp.	23%	6%

(a) Baxter Estates is in the Port Washington Garbage District

Snow Removal:

Snow Removal - Benchmarking Comparable Villages

	<u>VPH</u>	<u>VPM</u>	<u>Baxter Estates</u>	<u>Saddle Rock</u>	<u>Roslyn Harbor</u>
Memo: Sq. miles	0.20	0.50	0.20	0.20	
2021 Snow Removal	18,675	55,218	56,030	30,000	56,030
2020 Snow Removal	15,075	18,583	17,719	28,550	17,719
2019 Snow Removal	17,475	44,026	24,045	36,666	24,045
2018 Snow Removal	26,100	72,704	72,381	36,725	53,753
2017 Snow Removal	16,275	44,660	63,947	39,821	33,825
2016 Snow Removal	23,496	31,349	67,853	70,353	34,808
2015 Snow Removal	35,255	73,443	71,070	50,900	52,775
2014 Snow Removal	34,850	71,302	77,755	48,925	52,663
Total	187,201	411,285	450,800	341,940	325,618
Average/year	23,000	51,000	56,000	43,000	41,000

Average comparable/year	63,750
VPH Below Comp.	63%

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
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2021-2022 Village Tax Rate	123.036
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Hearing Date : APRIL 4, 2022

Adoption Date : TBD