



**Financial Report for the
Fiscal Year Ended May 31, 2022**

**To the Board of Trustees,
Monday, July 11, 2022⁽¹⁾**

Presented by:

Mayor Kenneth C. Riscica

(1) The report is “preliminary and tentative” as it is subject to the completion of our annual independent audit which is expected to be complete by the end of July 2022.

**Incorporated Village of Plandome Heights
Financial Report
Fiscal Year End – May 31, 2022**

1. Preliminary Results of Operations – Year ended May 31, 2022
2. Fund Balance Analysis
3. Fund Balance Context – The Long view – 2008 – 2022; 14 years
4. Resolution on Fund Balance Transfer

**Incorporated Village of Plandome Heights
Financial Report - Fiscal Year End – May 31, 2022**

**Preliminary Summary Results of Operations –
Fiscal Year End May 31, 2022**

	<u>Actual (a)</u>	<u>Budget</u>	<u>Btr/Wrse</u>	<u>Comments</u>
Revenues:				
Real Property Taxes	354,400	355,000	-600	
Building	92,000	52,000	40,000	NGrid street open
Zoning & ARB	18,300	4,500	13,800	Hi project activity
Interest	1,200	2,000	-800	Lo rates
Grants and aid	35,300	34,100	1,200	
ARPA earned	24,700	0	24,700	COVID funding
FEMA	7,000		7,000	'21 Isias funding
All other	30,300	30,000	(7,800)	
	554,100	477,600	77,500	
Expenses:				
Gen't Govt	232,200	198,300	-33,901	Legal and lease
Public Safety	53,600	45,000	-8,600	Building activity
Transportation	24,500	54,700	30,200	Less snow/repairs
Parks	12,800	15,900	3,100	Isaias clean-up
Home and community	185,600	155,500	(30,100)	ARPA + BZA
Benefits	19,000	19,400	400	
	527,700	488,800	(38,900)	
	27,400	-11,200	38,600	

(a) Preliminary and tentative at July 11, 2022

Preliminary and Tentative information – Subject to Change

**Incorporated Village of Plandome Heights
Financial Report - Fiscal Year End – May 31, 2022
Fund Balance Analysis**

Growth in Reserve funds 2008 – 2022:

Reserve Fund 10 Year Goal: \$500,000 to fund Village Portion of \$1.1 million Capital Plan
Reserve Fund Status: Goal met with \$490,000 + \$50,000 used = \$540,000

	Total	Total GenFund	GenFund Approp.	GenFund Unapprop.	Cap.Fund
Balances, May 31, 2008	293,000	196,000	0	196,000	97,000
Balances, May 31, 2022*	753,000	717,000	520,000	197,000	36,000
Growth in reserve funds, net	460,000	521,000	520,000	1,000	-61,000
	157%				
===== See below					
* Preliminary and tentative at July 11, 2022; Subject to audit.					

In fiscal 2022, the 2012 10-Year Capital Plan was completed. Our original project estimate was reduced by “piggy-backing” onto the Town of North Hempstead “On Call Milling and Paving Contract” which resulted in an \$85,000 savings over our competitive bids. The performance of the work entailed the following:

<u>Item</u>	<u>Plan</u>	<u>Actual</u>	<u>Better/(Worse)</u>
Asphalt paving (a)	366,000	276,000	-90,000
Curbs and gutter	95,000	101,000	6,000
Cove new storm drain	15,000	10,000	-5,000
Plandome Court	15,000	15,000	0
Concrete road patches	8,000	5,000	-3,000
Concrete drain repair	0	4,000	4,000
Asphalt crack sealing	10,000	0	-10,000
Bay Driveway repairs	8,000	5,000	-3,000
Change order on Cove	0	15,000	15,000
Engineering	27,000	27,000	0
Legal	0	8,000	8,000
Contingency and other	16,000	8,000	-8,000
	560,000	474,000	-86,000

a) Reflects the “piggy back” price.

Our costs, therefore were nearly \$180,000 less than our original plan.

The project included NY State funding from the Department of Transportation (“DOT”) for \$125,000 and the Dormitory Authority of NY (“DASNY”) \$50,000. Further, National Grid, who did extensive gas main replacement work, hired the Village to complete road restoration since we had a contractor in place. With the combination of lower costs, plus the NYS grants and road restoration funds from National Grid, left the project with approximately \$100,000 to come from Treasury. By using federal American Recovery Act funds and our accumulated NY consolidated highway funds (CHIPs) we were able to largely mitigate the use of treasury funds.

As a result of the above, the reserve fund was not significantly impacted by the fiscal 2022 road project. However, the Village has new needs to improve its occupancy circumstance both to accommodate growth

Preliminary and Tentative information – Subject to Change

in the needs of the Village but also to mitigate rent adjustment from our favorable rent to a market rent. as such the Trustees have appropriated the existing reserve funds to be available for capital projects as well as the possible purchase of a Village Hall to house Village operations. Initial feasibility analysis is being done and suggests that significant future savings in taxes may be available via a buy vs lease approach to our occupancy.

The history of our reserve fund is as follows.

Reserve fund history 2009 – 2022:

<u>Year</u>	<u>Surplus</u>	<u>Transfer To Reserve</u>
Year-end May 31, 2009	(4,000)	0
Year-end May 31, 2010	63,000	
Year-end May 31, 2011	42,000	0
Year-end May 31, 2012 ⁽²⁾	33,000	125,000
Year-end May 31, 2013	24,000	0
Year-end May 31, 2014	25,000	45,000
Year-end May 31, 2015	60,000	60,000
Year-end May 31, 2016 ⁽³⁾	99,000	100,000
Year-end May 31, 2017	23,000	25,000
Year-end May 31, 2017 ⁽⁴⁾		(50,000)
Year-end May 31, 2018	40,000	35,000
Year-end May 31, 2019	73,000	70,000
Year-end May 31, 2020	67,000	60,000
Year-end May 31, 2021	20,000	20,000
Year-end May 31, 2022 ⁽¹⁾	29,000	30,000
Thirteen years 2010 – 2022	<u>\$601,000</u>	<u>\$520,000⁽⁵⁾</u>

(1) Preliminary and tentative at July 11, 2022.

(2) New Mayor Riscica initiates “10 Year Capital Plan” and new “Appropriated General Fund” set aside to fund it.

(3) Including an amount representing litigation settlement and negotiated proceeds.

(4) Use of funds set aside for Cove, Waterway, Neck, road projects.

(5) \$520,000 plus \$50,000 used = \$570,000 in total transfers.

Note: The overall plan since development of the 10 Year Capital Plan in 2012 was to generate roughly \$500,000 over 10 years (\$50,000/year) to support the Village share of \$1.1 million Capital Plan.

Goal achieved.

**Incorporated Village of Plandome Heights
Financial Report - Fiscal Year End – May 31, 2022
Fund Balance Context – The Long View**

- **Historical note:** Since May 31, 2008 instituted;
 - Monthly “*Budget to Actual*” performance reporting,
 - *Capital Plan*
 - *Regular appropriation* for capital needs
 - *Fund Balance Analysis*
 - *Settled litigation and related effects*

Procedures, practices and controls implemented:

New Team starts April 1, 2008 (BOT - Riscica elected to BOT, Bourguet appointed both join Ferman, Solomon, Taylor, others):

- **Action 2009:**
 - Added *Budget to Actual* performance reporting ⁽¹⁾
 - Stipulation of Settlement reached in debilitating 2006 litigation; cuts off spending.
- **Action 2011:**
 - Cut taxes 15%
 - Village Engineer to performs Road Survey and Assessment
- **Action 2012:**
 - New Mayor elected (Riscica)
 - Convert *Road Survey and Assessment* to 10 – Year Capital Plan ⁽¹⁾
 - GASB redefines governmental Fund types
 - Prepare first *Fund Balance Analysis and Policy* ⁽¹⁾ under new GASB
 - Make first transfer to “*Appropriated Surplus*” under the new GASB fund balance policy
 - Begin *Multi-Year Operations Planning* ⁽¹⁾
 - Deferred maintenance caught up
- **Action 2013 – present:**
 - Cataldo, Panopolous and Sheehan added to BOT
 - Negotiated settlement of old litigation finally yields proceeds in 2016

Results:

- **Capital –**
 - Fund Balance increased nearly 150% to \$753,000; strong balance sheet
 - \$1,150,000 of capital projects in 10 Year Capital Plan completed
 - New, energy efficient LED lights installed in fiscal 2022.
- **Operations –**
 - Property taxes cut in 2011
 - Property taxes raised an average of 1.3% over 12 years
 - Taxes today approximate taxes in 2007

OUTSTANDING RECORD OF ACHIEVMENT FOR ANY GOVERNMENT.

⁽¹⁾ Now considered “best practices” in municipal finance.