



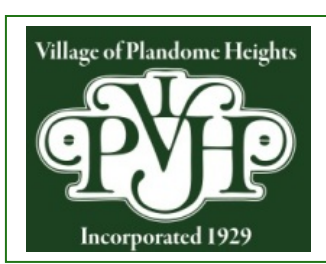
Incorporated Village of Plandome Heights

Tentative Budget Package

June 1, 2025 – May 31, 2026

Public Hearing date: April 7, 2024

Plandome Heights Village Hall – 7:00 p.m.



INCORPORATED VILLAGE OF
Plandome Heights

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March 6, 2025

RE: Tentative Budget – 2025/26

Dear Friends and Neighbors:

I write to continue the dialog on the issues affecting our finances and our approach to addressing them within our *Planning Beyond One Year* approach to *Low and Stable Taxes*. My [Mayor's 2024 Year-end-review](#), and prior reports have put forth these issues.

There is no disputing that inflation has had a significant effect on our costs over the last four years. The NY State Comptroller published data that shows municipal costs growing nearly 20% in 2022 – 2025. Our costs are better than the averages with 17% increase in cost. If you add 2026 budget, those numbers are 18.5% (cost increase) and 9.5% (tax increase). That 9% in cost that we did not pass along to you is about \$60/year per average home in 2025 and will be \$92/year for 2026.

We have been “covering” that 9% shortfall primarily with non-recurring interest income. In addition, unusually high building fees and federal COVID-19 money that expired in 2024, generated surplus beyond this 9% shortfall; surplus is good. But that is all coming to an end.

Comptroller DiNapoli, indicates that the 20% inflation numbers combined with the 2% tax cap, suggests that, “*Local officials should consider these issues as they budget for the coming year,*” implying that municipalities consider this effect on their tax cap. You will hear from your neighbors that many local villages are considering just that this year.

The question for our community is, *now that the effects of inflation leave a lasting shortfall and the temporary “coverage” of that shortfall is over or ending, what do we do to address this?* Because our surplus’ leave us with a rock-solid balance sheet, and we have a “steady hand,” we can deal with this thoughtfully and over time.

My initial thought is that we can “cover” the shortfall one more year and that may be the best course. So, on March 3, 2025, I presented the Trustees with a Tentative Budget for the fiscal year June 1, 2025 – May 31, 2026 that increases property taxes by about 2.5%; about \$29/home, and within our tax cap. As we further consider this, residents will be able to provide input at our Public Hearing on the Tentative Budget on Monday, April 7, 2022 at the Village Annual Meeting which starts at 7:00 p.m. You can see more at [Tentative Budget Package](#) and [Tentative Budget](#). Transparency and community engagement on this issue is important and will include any developments on occupancy.

Our property taxes will continue to be the lowest Village taxes in Nassau* and are 33% less than the same services in the Town; further our tax increases have averaged 1.75%/year for 14 years,

Your comments, questions and complaints are cheerfully accepted. I hope to hear from you.

Sincerely,

INCORPORATED VILLAGE OF PLANDOME HEIGHTS

Kenneth C. Riscica, Mayor@PlandomeHeights-NY.Gov

* Excludes two villages with half our population and one that operates on endowment, not taxes.

Kenneth C. Riscica
Mayor

Eric Carlson
Daniel Cataldo
Mary Hauck
Kristina Lobosco
Jerry Love
Norman Taylor
Trustees

Marie Brodsky
Clerk -Treasurer

Susan Martinez
Deputy Clerk

Katherine Hannon
Court Clerk

Cye E. Ross, Esq.
Village Justice

Mary Breen Corrigan
Prosecutor

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

David Lisner
Emergency Mgmt.
Coordinator

Maryann Grieco
Architectural Review
Board, Chair

Eugene O'Connor
Zoning and Appeals
Board, Chair

Trey Harragan
Technology Advisory
Board, Chair

Mary Gabriel
Historian



Property Tax Cap

Inflation and Allowable Levy Growth Factors

2022 - 2025 4 year inflation rate = 19.7%

Inflation Factors and Allowable Levy Growth Factors by Fiscal Year

Fiscal Year	Fiscal Years Beginning									
	2021		2022		2023		2024		2025	
	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor	Inflation Factor	Allowable Levy Growth Factor
Jan 1 - Dec 31	1.56%	1.0156	2.30%	1.0200	7.17%	1.0200	6.26%	1.0200	3.30%	1.0200
Mar 1 - Feb 28	1.46%	1.0146	3.00%	1.0200	7.69%	1.0200	5.43%	1.0200	3.18%	1.0200
Apr 1 - Mar 31	1.43%	1.0143	3.33%	1.0200	7.92%	1.0200	5.06%	1.0200	3.07%	1.0200
Jun 1 - May 31	1.31%	1.0131	4.23%	1.0200	8.06%	1.0200	4.37%	1.0200	2.99%	1.0200
Jul 1 - Jun 30	1.23%	1.0123	4.70%	1.0200	8.00%	1.0200	4.12%	1.0200	2.95%	1.0200
Aug 1 - Jul 31	1.14%	1.0114	5.21%	1.0200	7.91%	1.0200	3.85%	1.0200	2.94%	1.0200
Sep 1 - Aug 31	1.09%	1.0109	5.72%	1.0200	7.75%	1.0200	3.61%	1.0200	Coming March 2025	
Oct 1 - Sep 30	1.18%	1.0118	6.22%	1.0200	7.45%	1.0200	3.49%	1.0200		

As defined in law, the allowable levy growth factor is the lesser of one plus the inflation factor or one and two-one-hundredths. For periods where the inflation factor is less than 2 percent, the allowable levy growth factor is equal to one plus the inflation factor.



Plandome Heights – Benchmarking to NYS Comptroller

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	
Total budgeted expenditures	488,100	497,300	530,250	561,000	570,000	
Inflation from prior year	2.52%	1.88%	6.63%	5.80%	1.60%	Chart #1 Below
Cumulative from 2022	2.52%	4.41%	11.03%	16.83%	18.43%	Chart #2 Below

CONCLUSION: VPH results are slightly better than the NYS Comptroller Benchmark

CHART #1
Budgeted Costs with Yearly Inflation – 2022 – 2026

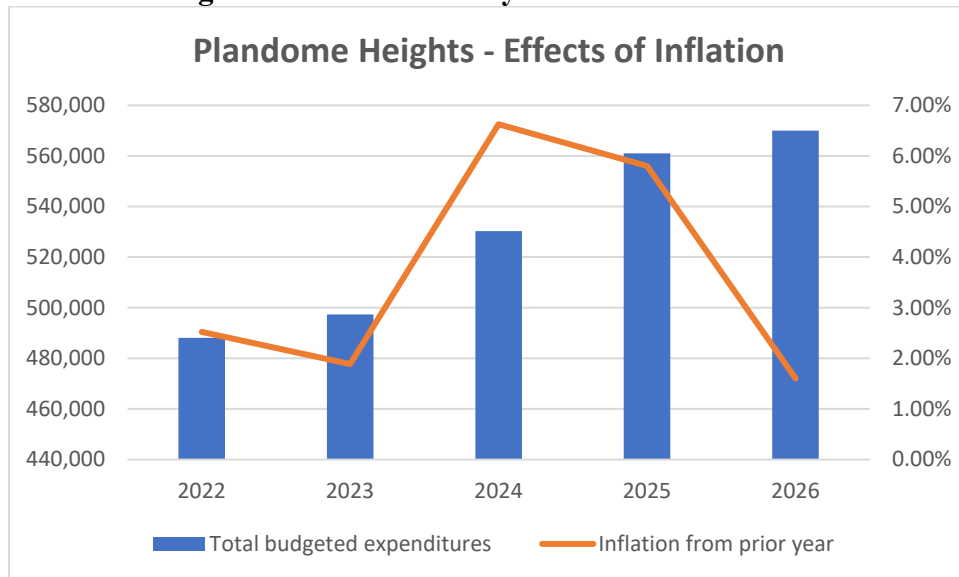
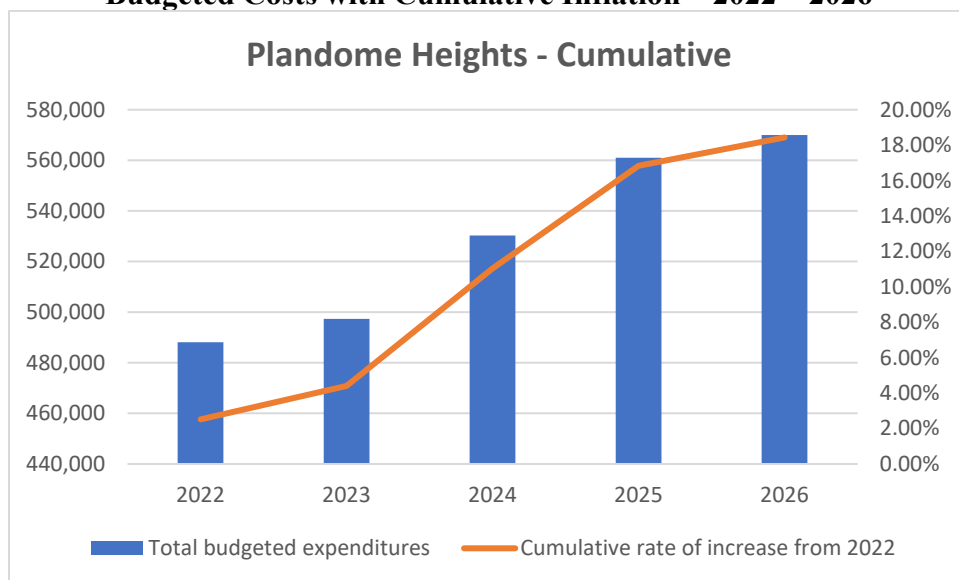


CHART #2
Budgeted Costs with Cumulative Inflation – 2022 – 2026



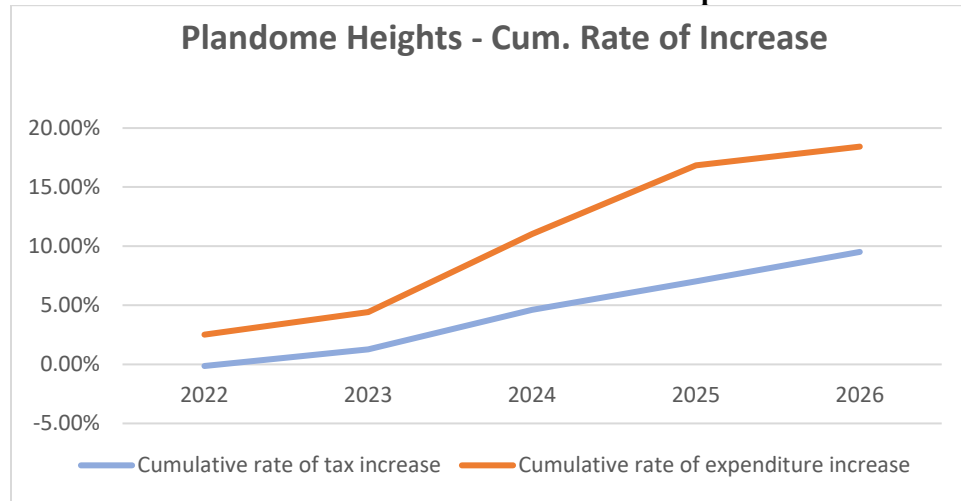
Plandome Heights – Review of Budgeted Expenditures, Revenues and Surplus

Comparison of Rate of Increase in Taxes and Expenditures

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Cumulative rate of tax increase	-0.14%	1.27%	4.60%	7.02%	9.51%
Cumulative rate of expenditure increase	2.52%	4.41%	11.03%	16.83%	18.43%

CONCLUSION: VPH tax levy is 9% below expenditure level (see below for \$\$)

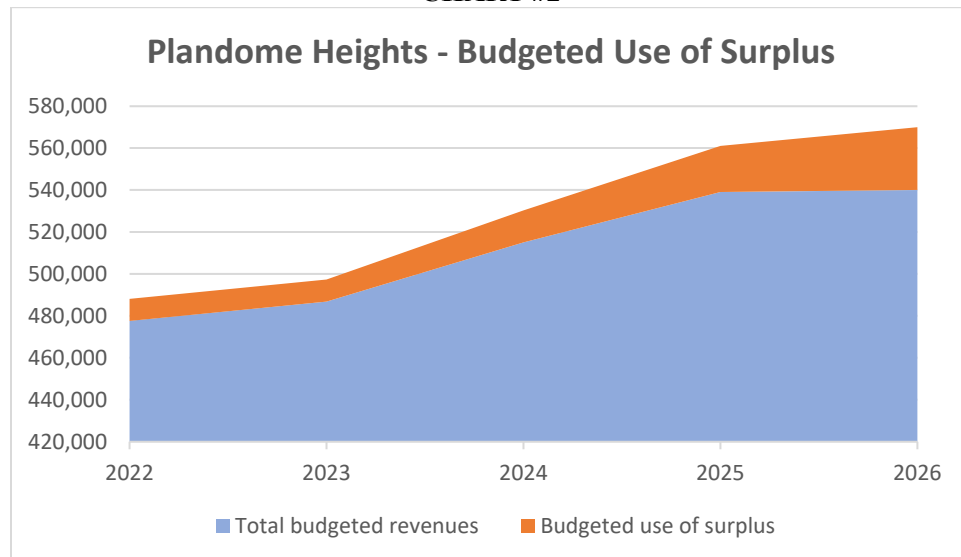
**CHART #1 –
Cumulative Rate of Increase – Taxes and Expenditures**



Budgeted Revenues (total), Expenditures and Surplus

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Total budgeted revenues	477,600	486,800	515,000	539,000	540,000
Total budgeted expenses	488,100	497,300	530,250	561,000	570,000
Budgeted use of surplus	10,500	10,500	15,250	22,000	30,000

CHART #2



**Plandome Heights
Key Cost Drivers Budgeted
2022 – 2026**

	<u>2021 Bud.</u>	<u>2026 Bud.</u>	<u>Increase</u>		Comments
			<u>\$</u>	<u>%</u>	
Sanitation	138,000	150,000	12,000	9%	Locked-in low rate of increase
Personnel:					
Salaries	130,000	165,000	35,000	27%	Necessary to meet market
Benefits	18,000	34,000	16,000	89%	Added benefits to meet market
total	148,000	199,000	51,000	34%	
Snow removal	24,000	28,000	4,000	17%	Higher snow activity, rates locked
Legal, audit, insurance	52,000	57,000	5,000	10%	Inflation
Occupancy	23,000	35,000	12,000	52%	Landlord increase in 2025
Roads and street lights	22,000	25,000	3,000	14%	Higher activity projected for 2026
Village maintenance	11,000	15,000	4,000	36%	Inflation
Envoronnmental	4,000	9,000	5,000	125%	New stormwater mandates
subtotal	422,000	518,000	96,000	23%	
All other not analyzed	53,000	52,000	-1,000	-2%	Careful management
Total expenditures	475,000	570,000	95,000	20%	Consistent with MYS OSC projections

(a)

(a) To capture the inflation rate in 2022, we need to start from 2021