



INCORPORATED VILLAGE OF
Plandome Heights

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April 7, 2025

RE: Tonight's Public Hearing on the Tentative Budget – 2025 - 26

Dear Friends and Neighbors:

After thoughtful consideration over several weeks, at tonight's Public Hearing on the Tentative Budget, I recommended that the Village exceed our tax cap in our 2025 -26 tax levy.

I don't come to this lightly; so, let me to explain: (a) Why and (b) What it means to you.

Why - In my [2025 - 26 Tentative Budget Message](#), I described that, including the 2026 budget (as now adjusted) over 5 years our costs have increased 19.5% and our taxes under the tax cap increase 9.5%. That 10% in cost that we did not pass along to residents would be an additional \$110/year for 2026 beyond our budgeted tax levy. We have been "covering" that 10% shortfall with non-recurring interest income. Initially, I thought the best 2026 course might be to "cover" the shortfall one more year.

What has changed is the following: (1) our costs, specifically cost of our current facility, will be higher than I estimated, (2) the Federal Reserve has confirmed last week plans to lower interest rates (which are already 25% lower (1.25 points) than last year) by another 10% (0.5 points) reducing the interest available to "cover" higher costs, (3) sound financial planning, not compliance to an outdated tax cap, should dictate our finances and (4) peer Villages are coming to the same conclusion and are following the concerns of the Comptroller in exceeding the cap.

What it means to you - Because of our strong balance sheet and "Planning Beyond One Year" discipline, we do not need to absorb the 10% additional costs all at once. So, my recommendation is to increase taxes for this shortfall over a period of time beginning this year. I'm suggesting a tax increase of about 4% over our tax cap. This is an additional increase of approximately \$48/average household per year; \$4.00/month. The total tax increase, including the 2.5% tax cap, is 6.5% (4% + 2.5%), or \$77/average household per year; (\$6.40/month). This is the right thing to do.

Exceeding the property tax cap requires passing a local law and holding a Public Hearing which will be held on Monday, April 21, 2025, at 7:00 pm in Village Hall for complete transparency so residents can be heard on this important matter.

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.

