



Date: April 1, 2014

To: Village Residents

From: Jean Thatcher, Deputy Mayor
Board of Trustees

BUDGET HEARING NOTICE

The Board of Trustees will conduct a budget hearing on Monday, April 21, 2014 at 7:30 PM at Village Hall, 32 Middle Hollow Road. A final budget must be adopted by May 1, 2014. We welcome the attendance and input of all residents.

After much scrutiny, exhaustive analysis and resulting budget cuts, the Board of Trustees is extremely pleased to propose a budget with appropriations in the amount of \$7,631,425. Highlights are as follows:

Tax rate: The tax rate will increase 2.5%, from \$39.90 to \$40.90 (\$1 increase) per \$100 of assessed value. The impact on the average homeowner will be \$120, down 31.8% from last year. The Village has realized an increase in assessed value due to new construction; however, the volume of successful tax grievance filings has largely negated this.

Tax levy: This is the total amount of taxes to be collected. The Village's tax levy will be 2.55%. On March 17, 2014 the Trustees passed Local Law A-2014 overriding the NYS legislation capping the tax levy at 2%. As in past years, a portion of the Village surplus will be utilized to balance the budget.

Debt Service: Payments for principal & interest on bonds for paving projects amount to \$153,835, reflecting a pay-down.

Employee Benefits: This expense represents 27.2% of the 2014 general fund budget, a decrease of 3.4% from the prior fiscal year. The Village's payment for Hospital & Medical Insurance will decrease 3.2% due to reduction in the number of covered individuals. Pension payments for the NYS Employees' Retirement System have increased 4.9%, while the amount paid to the Police Retirement System is expected to *decrease* 6.6%, due to a retirement of one officer. Under the capable supervision of *Eileen Schulz, Village Clerk*, the Administrative Staff at Village Hall is also assisting with the transfer, to Village Hall, of all records and permits pertaining to the new Building Department. Administrative Staff will receive a 2.5% increase in salary.

Highway Department/ Road Maintenance: Funds in the amount of \$275,000 (up from \$100,000 last year) have been allocated to support a continuous schedule of road paving. This will allow for the maintenance of our roads in the excellent condition achieved pursuant to the West Neck Road Project. Seminary Hill, Snake Hill Road, and the new Walking Path are all projects scheduled for 2014. A badly needed new sanitation/recycling truck and new dump truck for sanding and daily maintenance will be purchased (financed.) Highway Department Staff salary increases are in the amount of 2% pursuant to a collective bargaining agreement. *Superintendent Bob Schwarz* and Highway Staff deserve congratulations and our many thanks

for another victory in the fight against ice and snow of the recent endless winter. Our roads were once again in superb condition.

Police Department: Lloyd Harbor continues to enjoy a well-deserved reputation as one of the safest communities in New York State. The collective bargaining agreement with the PBA, containing a 2.5 % annual increase, remains in effect. Under the direction of *Chief Charles Flynn* the duty chart has been restructured, allowing the Department to run efficiently with one less officer. During his tenure *Chief Flynn* has been exceptional in obtaining grants of both funds and equipment of approximately \$250,000. Grant sources include the Suffolk County District Attorney's Office, Suffolk County Sherriff DeMarco's Office, and surplus Military equipment from the Federal Government.

Village Park: We continue our beach renourishment program with addition of sand to replace damage from winter storms. The budget contains funds for routine repair of tennis courts, repair/replacement of picnic tables, barbeques, storage containers and other Park/playground equipment as needed.

Deer Management: The Trustees take this matter of public health, safety and environmental degradation very seriously. Funds have been allocated for a substantial ongoing, pro-active Deer Management Program. Successful negotiations with NYS Dep't of Parks, Recreation & Historic Preservation and The Diocese of Rockville Center have resulted in both financial participation and critical access to the key large tracts of land in the Village. As in past years all meat is processed and sent to LI food pantries, among them Long Island Cares/The Harry Chapin Food Bank.

Building Department: We have hired a new *Building Inspector, James Siino*, and are in the process of bringing in-house, streamlining and computerizing the building application process and supporting records and paperwork. The Village Hall Administrative Staff has been of great support as we move through this process, and funds have been allocated for the cost of this transition.

Website & Communications: Ongoing funding exists for communication purposes. The Website is well-designed and has been refined to contain a banner menu called *News & Announcements*. All *Mayor's Messages, Village Records, Hearing Notices*, etc. will appear therein, as well as in hard copy. The Police Department runs a "*Code Red*" program which advises residents via telephone/cellphone/email of emergency situations. The Village Record will again contain instructions regarding signing up for *Code Red* alerts.

Enclosed is a summary of the proposed 2014-2015 budget and an interesting exhibit from the NYS Local Government Fiscal Monitoring System website showing Lloyd Harbor's excellent ranking of 6.7%. This is a tribute to the careful and prudent fiscal management by the Mayor and Board of Trustees.

The Board of Trustees extends sincere thanks to all Village officials who volunteer hours of their time and talents to help run our Village, its seven Boards & Commissions and additional adjunct committees, at no salary or benefits. Our great appreciation, as well, goes to our Village employees who do such a fine job of protecting and maintaining our beautiful community.

2014 BUDGET SUMMARY

	Budget As Adopted <u>2013-14</u>	Proposed Budget <u>2014-15</u>
Appropriations	\$ 7,346,089	\$ 7,631,425
Less: Estimated Revenues Other Than Real Estate Taxes	1,158,565	1,180,191
Appropriated Cash Surplus	400,000	365,000
Operating Transfer	-	152,838
Tax Relevy	<u>2,701</u>	<u>1,263</u>
Balance of Appropriations to be Raised By Real Property Tax	\$ 5,784,823	\$ 5,932,133

Estimated Revenues Other Than Real Estate Taxes

Payment in Lieu of Taxes	\$ 39,500	\$ 42,100
Interest & Penalties on Taxes	15,000	17,000
Utilities Taxes	65,000	66,500
Franchises	57,000	65,000
Park Fees	269,225	204,000
Safety Inspection Fees	195,000	245,000
Planning & Zoning Fees	13,000	18,000
Licenses & Permits	88,450	88,075
Court Fines	17,000	17,500
Miscellaneous	12,250	8,350
Interest Earnings	10,000	6,000
State, Federal & County Aid	<u>377,140</u>	<u>402,666</u>
Total Estimated Revenues:	\$ 1,158,565	\$ 1,180,191

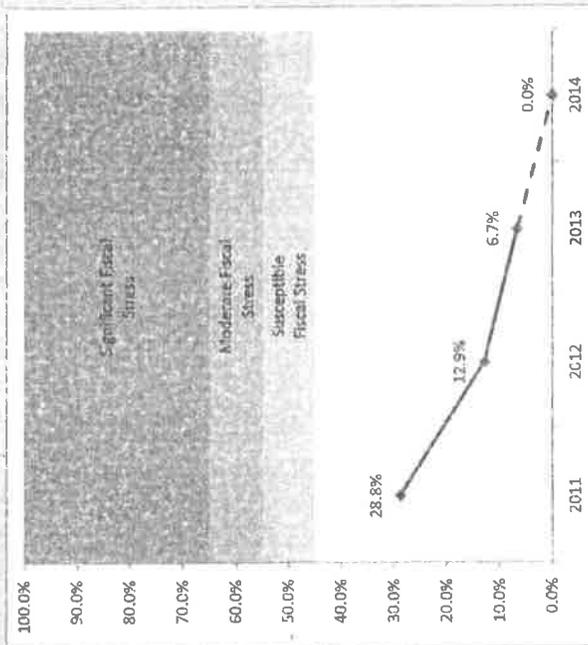
Departmental Expenses

Board of Trustees	\$ 12,440	\$ 87,540
Auditor	16,500	2,800
Assessment	6,913	1,425
Law	150,000	130,000
Engineer	90,000	75,000
Village Hall	31,105	39,585
Contingent Account	101,558	133,146
Traffic Control	11,375	10,375
Snow Removal	63,300	64,300
Safety Inspection	156,000	155,000
Village Justice	<u>30,523</u>	<u>30,527</u>
	\$ 669,714	\$ 729,698

	Budget As Adopted <u>2013-14</u>	Proposed Budget <u>2014-15</u>
Clerk-Treasurer:		
Personal Services	\$ 190,861	\$ 201,360
Equipment	-	-
Contractual	<u>68,371</u>	<u>65,681</u>
	\$ 259,232	\$ 267,041
Police Department:		
Personal Services	\$ 2,172,085	\$ 2,262,657
Equipment	27,041	23,339
Contractual	<u>202,903</u>	<u>220,405</u>
	\$ 2,402,029	\$ 2,506,401
Marine Police:		
Personal Services	\$ 22,500	\$ 22,500
Equipment	400	-
Contractual	<u>15,520</u>	<u>14,320</u>
	\$ 38,420	\$ 36,820
Street Maintenance:		
Personal Services	\$ 329,435	\$ 347,138
Equipment	11,784	14,857
Contractual	<u>341,500</u>	<u>521,100</u>
	\$ 682,719	\$ 883,095
Refuse:		
Personal Services	\$ 320,185	\$ 330,598
Equipment	-	-
Contractual	<u>287,700</u>	<u>288,900</u>
	\$ 607,885	\$ 619,498
Recreation & Park:		
Personal Services	\$ 167,660	\$ 167,708
Equipment	19,640	5,900
Contractual	<u>89,600</u>	<u>91,500</u>
	\$ 276,900	\$ 265,108
Other:		
Zoning	\$ 2,000	\$ 2,000
Miscellaneous	90,065	81,220
Debt Service	157,238	153,835
MTA Payroll Tax	<u>11,093</u>	<u>11,518</u>
	\$ 260,396	\$ 248,573
Employee Benefits:		
State Retirement	\$ 176,655	\$ 185,480
Police Retirement	634,860	592,889
Social Security	249,592	259,166
Workers Compensation	221,430	193,500
Life Insurance	2,600	2,600
Hospital & Medical	<u>863,957</u>	<u>841,556</u>
	\$ 2,149,094	\$ 2,075,191
Total Appropriations	\$ 7,346,389	\$ 7,631,425

Fiscal Stress Summary

	% Score
2011	28.8%
2012	12.9%
2013	6.7%
2014	0.0%
based on 3 year trend**	



* Financial information provided on this page is pulled from reports submitted by the municipality. OSC performs a formal review of the information on an annual basis. However, OSC is unable to verify the accuracy of all the data elements upon which an entity's prior year fiscal stress score is based.

** The summary graph projects a fiscal stress score based on a three-year trend analysis. This score is not based on data submitted by the locality. The predicted score is most reliable for municipalities which have followed a level trend but is less reliable for municipalities with scores that do not follow a steady trend.

Indicator Scoring Summary

Fiscal Indicators	2012	Value	2013	2012	2013	Scores
1 Assigned/Unassigned FB (General Fund)	6.8%	12.0%	12.0%	0	0	0
Assigned/Unassigned FB (Combined Fund)	6.8%	12.0%	12.0%	0	0	0
2 Total FB (General Fund)	22.8%	27.3%	27.3%	0	0	0
Total FB (Combined Fund)	22.8%	27.3%	27.3%	0	0	0
3 # of Operating Deficits in Three Years or last year's deficit <= -10%	1	1	1	1	1	1
4 Cash Ratio (Cash/Current Liability)	643.5%	763.0%	763.0%	0	0	0
5 Cash % of Monthly Exp	373.1%	457.9%	457.9%	0	0	0
6 Short-Term Debt Issuance (Debt/Revenues)	0.0%	0.0%	0.0%	0	0	0
7 Short-Term Debt Trend (consecutive debt or SN in last year)	0	0	0	0	0	0
8 Pers Svc and Emp Benefits % Revs (3 yr avg)	72.1%	73.1%	73.1%	2	2	2
9 Debt Service % Revenues (3 yr avg)	2.4%	2.5%	2.5%	0	0	0

Environmental Indicators	Value	Score
1 Change in Population	-0.4%	1
2 Change in Median Age	9.9%	0
3 Median Age of Population	45.4	0
4 Child Poverty Rate	4.5%	0
5 Change in Child Poverty Rate	4.1%	1
6 Change in Property Value (4 year avg)	-2.9%	2
7 Property Value Per Capita	\$469,063	0
8 Change in Unemployment Rate	0.2	1
9 Unemployment Rate	7.6%	0
10 Change in Total Jobs in County	1.3%	0
11 Reliance on State and Federal Aid	3.7%	0
12 Change in State and Federal Aid	7.0%	0
13 Constitutional Tax Limit	14.8%	0
14 Change in Sales Tax Receipts	N/A	N/A
		No Designation



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Local Government and School Accountability- Fiscal Stress Monitoring System

