

Date: April 2, 2015

To: Village Residents

From: Mayor Jean Thatcher
& Trustees

MAYOR'S MESSAGE – BUDGET HEARING NOTICE

The Board of Trustees will conduct a budget hearing on Monday, April 20, 2015, at 7:30 p.m. at Village Hall, 32 Middle Hollow Road. A final budget must be adopted by May 1, 2015. We welcome the attendance and input of all residents.

After much scrutiny, detailed analysis and resulting budget cuts, the Board of Trustees is extremely pleased to propose a budget with appropriations in the amount of \$7,778,532. Highlights are as follows:

Tax Rate: The tax rate will increase 1.7% from \$40.90 to \$41.60 (\$.70 increase) per \$100 of assessed value. The impact on the average homeowner will be approximately \$80, down 33.33% from last year. The Village has realized an increase in assessed value of .17% due to new construction.

Tax Levy: The increase in the total Village tax levy from last year is 1.9%, below the NYS mandated tax levy cap of 2%. As in past years, a portion of the Village's surplus will be utilized to balance the budget.

Debt Service: Payments for principal & interest on bonds for paving projects amount to \$181,263.

Employee Benefits: This expense represents 26.2% of the 2015 general fund budget, a decrease of 1.2% from the prior fiscal year. The Village's payment for Hospital & Medical Insurance will increase 1.2% due to an increase in insurance premiums. The amount appropriated for the NYS Employees' Retirement System payment has decreased 9.5%, while the amount to be paid to the Police Retirement System is expected to decrease 4.98%. Administrative Staff will receive a 2.5% increase in salary.

Highway Department - Road Maintenance: The Village will be issuing bonds in the amount of \$950,000 for paving and for the purchase of several items of heavy equipment, i.e. road sweeper, pickup truck, refuse truck, and chipper. This will allow the Village to upgrade our aging fleet, reduce equipment maintenance, and continue our program of road paving, which keep our roads in excellent condition. The collective bargaining agreement for our Highway Department is in the process of negotiation. **After a record-breaking winter of ice and snow, we extend our many thanks to Superintendent Bob Schwarz and the Highway Staff for keeping our roads 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 contains a 2.5% annual increase. **Chief Charles Flynn has promoted Officer Laurence Migliore to the position of Sergeant.** pursuant to one of our senior officers indicating that he will retire in the next year. The Village shares in Suffolk County's Public Safety Revenue, which is a percentage of the County sales tax, and an extremely beneficial source of revenue. These funds are designated solely for police and public safety use. Suffolk County Executive Steve Bellone and County Legislator Dr. William Spencer have informed the Village that these funds for the next year will increase \$25,300 (15%) to \$191,985.

Village Park: We continue our beach re-nourishment program with addition of sand to replace damage from winter storms. Funds have been appropriated for the routine maintenance of the road and parking areas within the Park, repair of tennis courts, repair/replacement of picnic tables, barbeques, and maintenance of Park/playground equipment as needed. Pilings at the dock sustained serious damage as a result of heaving ice and winter storms, and will be replaced as well.

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 Dept. of Parks, Recreation & Historic Preservation and The Diocese of Rockville Centre have resulted in both financial participation and critical access to the key large tracts of land in the Village. As in the past years, all meat is processed and sent by the processor to LI food pantries, among them Long Island Cares/The Harry Chapin Food Bank.

At the close of this year's deer management program, a summary with results will be sent to all residents. A survey pertaining to deer damage and related issues will be included. We ask for your prompt cooperation in providing the Board with information which will strengthen our negotiating position with the NYS Dept. of Environmental Conservation (DEC) next season.

Building Department. The Village Hall now houses the Building Department, under the capable supervision of our Building Inspector, James Siino. Building files have been successfully transferred to the Village Hall from our late Building Inspector Carl Salminen's office. The Village is in the process of reviewing files to close out open permits, outstanding Certificates of Occupancy, etc.

Enclosed is a summary of the proposed 2015-2016 budget and this year's NYS Local Government Fiscal Monitoring System report on Lloyd Harbor's fiscal stress level. The Village has again achieved the 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 (7) 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.

2015-16 BUDGET SUMMARY

	Budget As Adopted 2014-15	Proposed Budget 2015-16
Appropriations	\$ 7,631,425	\$ 7,778,532
Less: Estimated Revenues Other Than Real Estate Taxes	1,180,191	1,207,169
Appropriated Cash Surplus	365,000	375,000
Operating Transfer	152,838	150,388
Tax Relevy	<u>1,263</u>	<u>839</u>
Balance of Appropriations to be Raised By Real Property Tax	\$ 5,932,133	\$6,045,136

Estimated Revenues Other Than Real Estate Taxes

Payment in Lieu of Taxes	\$ 42,100	41,800
Interest & Penalties on Taxes	17,000	20,000
Utilities Taxes	66,500	67,500
Franchises	65,000	70,000
Park Fees	204,000	213,000
Safety Inspection Fees	245,000	245,000
Planning & Zoning Fees	18,000	12,000
Licenses & Permits	88,075	80,220
Court Fines	17,500	18,200
Miscellaneous	8,350	11,700
Interest Earnings	6,000	3,000
State, Federal & County Aid	<u>402,666</u>	<u>424,749</u>
Total Estimated Revenues:	\$ 1,180,191	\$1,207,169

Departmental Expenses

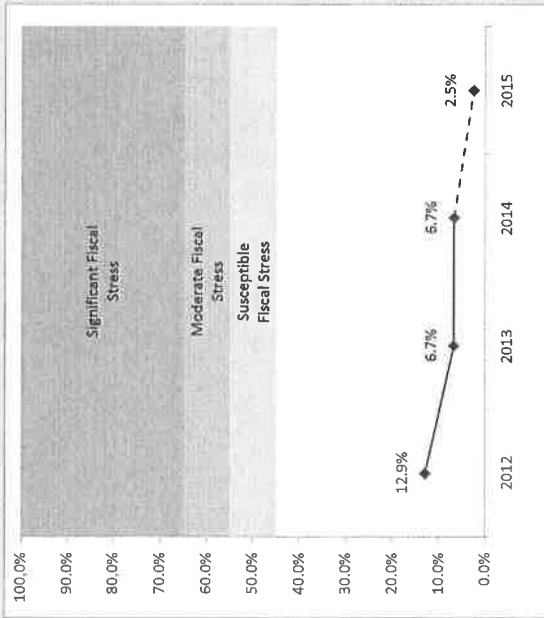
Board of Trustees	\$ 87,540	87,540
Auditor	2,800	16,300
Assessment	1,425	1,550
Law	130,000	115,000
Engineer	75,000	75,000
Village Hall	39,585	41,810
Contingent Account	133,146	171,729
Traffic Control	10,375	10,375
Snow Removal	64,300	68,300
Safety Inspection	155,000	170,000
Village Justice	<u>30,527</u>	<u>34,650</u>
	\$ 729,698	792,254

2015-16 BUDGET SUMMARY

	Budget As Adopted 2014-15	Proposed Budget 2015-16
Clerk-Treasurer:		
Personal Services	\$ 201,360	206,395
Equipment	-	-
Contractual	<u>65,681</u>	<u>70,148</u>
	\$ 267,041	276,543
Police Department:		
Personal Services	\$ 2,262,657	\$ 2,354,785
Equipment	23,339	34,231
Contractual	<u>220,405</u>	<u>218,900</u>
	\$ 2,506,401	\$ 2,607,916
Marine Police:		
Personal Services	\$ 22,500	22,500
Equipment	-	-
Contractual	<u>14,320</u>	<u>14,320</u>
	\$ 36,820	36,820
Street Maintenance:		
Personal Services	\$ 347,138	339,493
Equipment	14,857	59,136
Contractual	<u>521,100</u>	<u>440,000</u>
	\$ 883,095	838,629
Refuse:		
Personal Services	\$ 330,598	328,243
Equipment	-	31,981
Contractual	<u>288,900</u>	<u>280,200</u>
	\$ 619,498	640,424
Recreation & Park:		
Personal Services	\$ 167,708	\$171,384
Equipment	5,900	5,100
Contractual	<u>91,500</u>	<u>99,500</u>
	\$ 265,108	\$275,984
Other:		
Zoning	\$ 2,000	2,000
Miscellaneous	81,220	77,970
Debt Service	153,835	181,263
MTA Payroll Tax	<u>11,518</u>	<u>11,838</u>
	\$ 248,573	273,071
Employee Benefits:		
State Retirement	\$ 185,480	167,856
Police Retirement	592,889	563,333
Social Security	259,166	266,365
Workers Compensation	193,500	185,000
Life Insurance	2,600	2,600
Hospital & Medical	<u>841,556</u>	<u>851,737</u>
	\$ 2,075,191	2,036,891
Total Appropriations	\$ 7,631,425	\$ 7,778,532

Fiscal Stress Summary

	% Score
2012	12.9%
2013	6.7%
2014	6.7%
2015	2.5% based on 3 year trend



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.

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.

Note: Fiscal data may change after fiscal stress scores are released for a given year. As a result, the data presented in this workbook may vary from previously released scores.

As of 31-DEC-2014

Indicator Scoring Summary

Fiscal Indicators

	2013	2014	2013	2014	Scores
1 Assigned & Unassigned FB/Gross Exp (General Fund)	12.0%	11.8%	0	0	0
Assigned & Unassigned FB/Gross Exp (Combined Funds)	12.0%	11.8%			
2 Total FB / Gross Exp (General Fund)	27.3%	25.3%	0	0	0
Total FB / Gross Exp (Combined Funds)	27.3%	25.3%			
3 # of Operating Deficits in Three Years or last year's deficit <= 10%	1	1	1	1	1
4 Cash Ratio (Cash/Current Liability)	783.0%	1115.2%	0	0	0
5 Cash as a % of Monthly Exp	457.9%	498.4%	0	0	0
6 Short Term Debt Issuance (Debt/Revenues)	0.0%	0.0%	0	0	0
7 Short Term Debt Trend (consecutive debt or BN in last year)	0	0	0	0	0
8 Pers Svc and Emp Benefits as a % of Revenues (3 yr avg)	73.1%	73.9%	2	2	2
9 Debt Service as a % of Revenues (3 yr avg)	2.5%	2.6%	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)	-3.5%	2
7 Property Value Per Capita	\$450,146	0
8 Change in Unemployment Rate	-1.2	0
9 Unemployment Rate	6.4%	0
10 Change in Total Jobs in County	1.7%	0
11 Reliance on State and Federal Aid	3.9%	0
12 Change in State and Federal Aid	16.6%	0
13 Constitutional Tax Limit	15.5%	0
14 Change in Sales Tax Receipts	N/A	N/A

No Designation