

Incorporated Village of Lloyd Harbor Suffolk County, New York



Date: April 4, 2017

To: Village Residents

From: Mayor Jean Thatcher
& Board Of Trustees

MAYOR'S MESSAGE – BUDGET HEARING NOTICE

The Board of Trustees will conduct a budget hearing on Monday, April 17, 2017, at 7:30 p.m. at Village Hall, 32 Middle Hollow Road. A final budget must be adopted by May 1, 2017. We welcome the attendance and input of all residents.

Our Budget is always the subject of extensive review by Trustees, Department Heads and the Village Accountants. After much scrutiny, detailed analysis and resulting budget cuts, the Board of Trustees is very pleased to propose a budget with appropriations in the amount of \$8,093,945. We have been able to affect an operating budget that is slightly less than last year. Highlights are as follows:

Tax Levy: The increase in the Village tax levy reflecting the operating budget will be 2.44%. Due to the unprecedented retirement of six (6) very senior personnel, prudent fiscal management involves the replenishment of the Employee Benefit Accrued Liability Reserve specifically for the 2017-18 budget year. At a cost of approximately \$37 per household, the tax levy related to this replenishment will be 0.65% (.0065), bringing the total tax levy to 3.09%. The impact per household will increase by a total of about \$140 for the 2017-18 budget year. The Village has realized a decrease in assessed value of 0.35% (.0035) due to reduced building activity and successful grievances. As in past years, a portion of the Village's surplus will be utilized to balance the budget.

Tax Rate: The tax rate for the 2017-18 fiscal year will increase 3.45% from \$42.63 to \$44.15 (\$1.52 increase) per 100 of assessed value.

Debt Service: In 2015 and 2016 the Village took advantage of historically low interest rates, and issued bonds with effective rates of 1.89% and 2.2% respectively for equipment, and infrastructure repair/replacement. Payments for principal & interest on bonds for paving and construction projects amount to \$396,525.

Employee Benefits: This expense represents 29% of the 2017-18 general fund budget, an increase of 7.98% from the prior fiscal year, retirees are included in this number. The Village's payment for Hospital & Medical Insurance will increase 17.6% due to an increase in insurance premiums. The Village budget for the NYS Employees' Retirement System payment has decreased 9.6%, while the Police Retirement System payment is expected to increase .5%.

Highway Department - Road Maintenance: The bonds issued have allowed the Village to upgrade our aging fleet, reduce equipment maintenance, and continue our program of road paving, which keep our roads in excellent condition. Scheduled for re-paving this year are Jennings and White Hill Roads. The garage, maintenance and storage areas at Village Hall will also be repaired and re-roofed.

Police Department: Lloyd Harbor continues to enjoy a well-deserved reputation as one of the safest communities in New York State. We have had the retirements of four (4) senior officers. The new hires are subject to the recently negotiated PBA contract. This contract includes participation in medical insurance at 15%, four (4) additional yearly steps to get to full officer pay, and termination payments spread over three (3) years. This contract is highly favorable to the Village, and will result in significant cost control. 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 will now be in the amount of \$217,285.

Village Park: We continue our beach re-nourishment program with addition of sand to replace damage from winter storms. We are also looking at dredging of dock area or actual extension of the dock. 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, barbecues, and maintenance of Park/playground equipment as needed. Our camp sign-up in early March was very robust thanks to the efforts of the Recreation Commission, in the amount of \$212,085 to date. Additional revenue is expected.

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. In total, this year, over 200 deer have been removed, resulting in over 6,000 lbs. of processed meat being distributed to LI food pantries.

Building Department. 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 all files to close out open permits, outstanding Certificates of Occupancy, etc. Residents with open permits will be contacted in the near future regarding closure of these permits.

Enclosed is a summary of the proposed 2017-2018 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.

**Village of Lloyd Harbor
2017 - 2018 Budget Summary**

	Budget As Adopted 2016 - 2017	Proposed Budget 2017 - 2018
Clerk-Treasurer:		
Personal Services	269,523	243,830
Equipment	10,477	-
Contractual	69,965	81,700
	<u>349,965</u>	<u>325,530</u>
Police Department:		
Personal Services	2,422,431	2,333,282
Equipment	18,037	31,850
Contractual	223,515	215,830
	<u>2,663,983</u>	<u>2,580,962</u>
Marine Police:		
Personal Services	22,500	22,500
Contractual	14,895	14,895
	<u>37,395</u>	<u>37,395</u>
Street Maintenance:		
Personal Services	359,155	368,340
Equipment	14,136	14,140
Contractual	215,100	216,600
	<u>588,391</u>	<u>599,080</u>
Refuse:		
Personal Services	348,305	356,890
Equipment	31,981	31,980
Contractual	272,500	272,500
	<u>652,786</u>	<u>661,370</u>
Recreation and Park:		
Personal Services	171,884	178,560
Equipment	5,100	6,600
Contractual	96,500	98,720
	<u>273,484</u>	<u>283,880</u>
Other:		
Zoning	2,000	2,000
Miscellaneous	72,700	80,580
Debt Service	314,736	396,525
MTA Payroll Tax	12,422	12,116
	<u>401,858</u>	<u>491,221</u>
Employee Benefits:		
State Retirement	171,550	155,000
Police Retirement	619,874	623,000
Social Security	279,486	272,612
Workers' Compensation	185,000	218,000
Life Insurance	2,600	2,600
Unemployment	2,520	2,520
Disability	592	600
Hospital and Medical	913,260	1,074,050
Other	-	50,000
	<u>2,174,882</u>	<u>2,398,382</u>
Total Appropriations	<u><u>\$ 7,832,184</u></u>	<u><u>\$ 8,093,945</u></u>

**Village of Lloyd Harbor
2017 - 2018 Budget Summary**

	<u>Budget As Adopted 2016 - 2017</u>	<u>Proposed Budget 2017 - 2018</u>
Appropriations	\$ 7,832,184	\$ 8,093,945
Less: Estimated Revenues Other Than Real Estate Taxes		
Appropriated Cash Surplus	1,200,319	1,301,170
Operating Transfer	375,000	375,000
Tax Relevy	79,787	50,000
	<u>974</u>	
Balance of Appropriations to be Raised by Real Property Tax	<u>\$ 6,176,104</u>	<u>\$ 6,367,775</u>

Estimated Revenues Other Than Real Estate Taxes

Payment In Lieu of Taxes	\$ 42,000	\$ 42,760
Interest and Penalties on Taxes	23,000	24,000
Utilities Taxes	67,500	60,000
Franchises	75,000	75,000
Park Fees	243,000	265,000
Safety Inspection Fees	190,000	225,000
Planning and Zoning Fees	10,000	11,000
Licenses and Permits	86,195	105,850
Court Fines	18,200	18,200
Miscellaneous	7,675	7,675
Interest Earnings	3,000	3,000
State, Federal and County Aid	434,749	463,685
	<u>\$ 1,200,319</u>	<u>\$ 1,301,170</u>

Departmental Expenses

Board of Trustees	\$ 114,300	\$ 114,300
Auditor	3,000	3,000
Assessment	1,625	1,675
Law	115,000	115,000
Engineer	75,000	75,000
Village Hall	41,295	57,695
Contingent Account	100,225	109,500
Traffic Control	10,375	10,375
Snow Removal	68,300	68,300
Safety Inspection	125,000	125,000
Village Justice	35,320	36,280
	<u>689,440</u>	<u>716,125</u>

Fiscal Stress Score (Weighted)



