

Mayor
Thomas J. Tweedy

Board of Trustees
James E. Rhatigan
Mary-Grace Tomecki
Dominick A. Longobardi
Kevin M. Fitzgerald

Floral Park Village Items



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ANNUAL BUDGET HEARING APRIL 10, 2013 8:00 PM VILLAGE HALL

Message from the Mayor

Dear Resident,

Over the last several years, the Village of Floral Park, like every village and municipality on Long Island, has faced many challenges which have threatened our fiscal health. Nonetheless, Floral Park, because of its ongoing prudent fiscal management, has achieved many successes and we remain fiscally sound despite these obstacles. While the Village continues to face challenges, we are confident, based on our past successes, that we can meet these challenges.

The most obvious fiscal challenge we have faced, and continue to face, is the continuing poor state of the national and local economy. While the poor economy has had a terrible impact on many of our residents, of which the Village Board is extremely cognizant, the poor economy has also had a direct impact on the Village's revenues. For instance, the revenue the Village receives from mortgage taxes has steadily and dramatically declined from 2006 to 2012. For fiscal year ending May 31, 2006, the Village received \$660,000 in mortgage tax revenues. This amount has declined over the subsequent years because of the downturn in the real estate market. For fiscal year ending May 31, 2012, the Village received only \$148,414 in mortgage tax revenue. This represents a staggering 77% decline over this period.

Even while its revenues have been declining during this period, the pension and health care costs the Village must pay on behalf of its employees have increased dramatically. From 2006 to 2012 the amount the Village has had to pay for employee health insurance rose from \$1,787,751 in 2006 to \$2,588,683 for fiscal year ending May 31, 2012. This represents a 44% increase. Similarly, pension costs have risen 43% during this same period.

Despite the extreme fiscal challenges the Village has faced over the past several years, the Village's financial outlook has remained strong due to the Village's prudent management of its finances. Over the past few years the Village has reduced its workforce through attrition. We have also combined positions, e.g., our Building Superintendent and Public Works Superintendent positions, formerly two positions, is now filled by a single

individual. Further we have turned to an outside service to reduce our personnel in the Assessment Department. Also we have aggressively pursued state and federal grants (when available) for road construction, equipment replacement and capital improvements.

Further, we have pursued all outstanding obligations owed to the Village. We recently offered an amnesty program for past due traffic tickets whereby the traffic ticket indebtedness could be fully paid with all past due penalties forgiven. That amnesty period ended this past December with many taking advantage of this offer. We have now begun to pursue the full past due amounts from those who did not respond to the amnesty offer. To date these efforts have resulted in an additional \$100,000 collected by the Village.

The Village's prudent fiscal management was very recently recognized by Moody's Investor Services, which re-affirmed the Village's excellent credit rating of Aa3 in connection with the Village's recent refinancing of the Village's debt. In reaching this determination, Moody's stated that "Floral Park's financial operations are expected to remain strong given conservative budgeting" practices and the Village's low and manageable debt burden.

Floral Park's ability to retain its excellent credit rating, despite these challenging economic times, results in real benefits to our residents. Because of our excellent credit rating we were able to refinance our existing debt at an extremely favorable interest rate of 2%. This will result in a savings in excess of \$288,000 over the next ten years. Further, because of our excellent credit rating, any future borrowing we may need to do for capital improvements can be financed at the lowest interest rates available - - again, resulting in long term savings for Village taxpayers.

Although we have successfully faced these fiscal challenges over the past several years, economic challenges continue to confront us. The costs imposed on our Village due to mandates and market forces continue to rise at astronomical rates. Examples of mandated and market forces expenditures beyond our control to adjust in the 2013-14 Budget are:

- Retirement: +\$357,651, a 15.5 % increase; and
- Health Insurance: + 180,609, a 6.4% increase.

Moreover, changes now coming into effect under Obamacare with respect to prescription drug coverage will result in the Village losing nearly \$50,000 of credits which the Federal Government is now keeping.

Further, the expenses related to Hurricane Sandy also impacts our budget process. The Village responded quickly and appropriately to the devastation caused by Hurricane Sandy. This response, however, came with a significant price tag. While we are hopeful we will recover a large percentage of the costs of Sandy from FEMA, we cannot be certain how much will ultimately be received, or when we will receive such reimbursement. Certain property damage costs and equipment replacement cost will be reflected in this year's budget.

Be assured that the Village is aggressively seeking to minimize budget increases. Despite the fact that the State Taylor Law stacks the deck against us in PBA contract negotiations, we recently have concluded the arbitration process for our new police contract and believe we should be able to announce new contract terms that contain much more modest increases in base pay than have been awarded in past contracts.

The most disappointing aspect of the fiscal challenges local municipalities have faced over the past several years is the complete lack of an effective response from our State leaders. This fiscal crisis has been ongoing for several years and yet the only response from Albany has been the "2% tax cap" that the State has imposed on local tax levy increases. Don't get me wrong, the 2% tax cap is not a bad idea — but it is only one-half

of a good idea. The other half that was promised was to be mandate relief.

When the State enacted the 2% tax cap, it was promised that mandate relief would shortly follow. The State has had a few years to enact mandate relief, but State leaders have simply lacked the political will to stand up to the interest groups that benefit from these mandates. For example, it was recently proposed to enact a cap on labor arbitration awards, limiting them to 2%. However, in the State Budget recently enacted, this provision did not make it in to the final version. Simply put, there can't be significant tax relief until there is mandate relief.

Finally, please know that the Village Board and I remain committed to providing the services expected while accepting and understanding our obligation to present a realistic and responsible budget. Compliance with the Governor's 2% Tax Cap Levy will be accomplished by any and all means possible through continuing the most efficient use of resources, cutting any unnecessary expenses, examining ideas for efficiencies within our departments and possible reductions in the workforce.

Our Budget Hearing is April 10th at 8:00 p.m. and copies of the Budget are available for review on April 5th. If you have any questions, please do not hesitate to contact our Village Administrator Gerard Bambrick at 326-6300.

Thomas J. Tweedy, Mayor

Allocation of Village Tax for Home Assessed at \$35,500

TRANSPORTATION

\$296.55

Street Maintenance
Street Lighting
Parking
Snow Removal
DPW Administration

PUBLIC SAFETY

\$1,233.68

Police
Fire
Safety Inspection
Civil Defense

CULTURE & RECREATION

\$170.03

Parks & Playgrounds
Youth Programs
Programs for the Aging

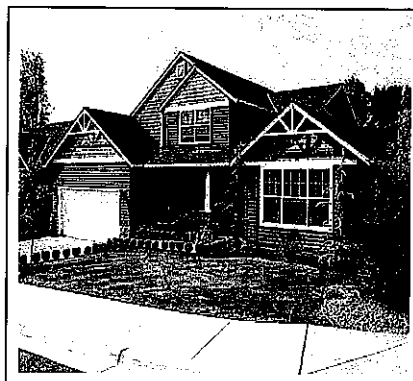
PER MONTH

\$354.22

GENERAL

\$680.10

General Government
Staff
Central Garage
Engineering
Insurance
Contingencies
Finances
Vital Statistics



LIBRARY

\$212.53

EMPLOYEE BENEFITS

\$1,105.16

State and Police Retirement
Social Security
Worker's Compensation
Hospital/Medical Insurance

COMMUNITY SERVICES

\$425.06

Refuse Disposal
Sewer Service
Shade Trees
Street Cleaning
Zoning

DEBT SERVICE

\$127.52

Debt Reduction
Bond Interest

TOTAL TAX

\$4,250.63

BUDGET SUMMARY 2013-2014

DEPARTMENT	2012 / 2013	PERCENT	2013 / 2014	PERCENT	CHANGE
Board of Trustees	\$ 21,500.00	0.09%	\$ 21,500.00	0.08%	-
Village Justice	\$ 231,374.00	0.94%	\$ 242,589.00	0.95%	11,215
Mayor	\$ 11,500.00	0.05%	\$ 11,500.00	0.05%	-
Clerk/Treasurer	\$ 681,606.00	2.77%	\$ 751,756.00	2.96%	70,150
Purchasing	\$ 62,600.00	0.25%	\$ 63,600.00	0.25%	1,000
Assessment	\$ 135,125.00	0.55%	\$ 83,773.00	0.33%	(51,352)
STAFF					
Law	\$ 216,600.00	0.88%	\$ 204,600.00	0.80%	(12,000)
Personnel	\$ 38,500.00	0.16%	\$ 41,500.00	0.16%	3,000
Engineer	\$ 1,500.00	0.01%	\$ 1,500.00	0.01%	-
Elections	\$ 10,695.00	0.04%	\$ 2,835.00	0.01%	(7,860)
SHARED SERVICES					
Buildings	\$ 439,154.00	1.79%	\$ 782,403.00	3.08%	343,249
Central Garage	\$ 334,610.00	1.36%	\$ 345,922.00	1.36%	11,312
Central Mailing	\$ 18,000.00	0.07%	\$ 20,000.00	0.08%	2,000
PUBLIC SAFETY					
Police	\$ 6,020,221.00	24.50%	\$ 6,568,970.00	25.82%	548,749
Fire	\$ 625,301.00	2.54%	\$ 317,300.00	1.25%	(308,001)
Animal Control	\$ 3,000.00	0.01%	\$ 3,000.00	0.01%	-
Safety Inspection	\$ 337,657.00	1.37%	\$ 333,393.00	1.31%	(4,264)
Civil Defense	\$ 7,050.00	0.03%	\$ 7,050.00	0.03%	-
Health	\$ 4,900.00	0.02%	\$ 4,900.00	0.02%	-
TRANSPORTATION					
DPW Administration	\$ 203,791.00	0.83%	\$ 217,189.00	0.85%	13,398
Street Maintenance	\$ 1,201,339.00	4.89%	\$ 1,272,968.00	5.00%	71,629
Snow Removal	\$ 42,700.00	0.17%	\$ 48,700.00	0.19%	6,000
Street Lighting	\$ 164,063.00	0.67%	\$ 165,114.00	0.65%	1,051
Off-Street Parking	\$ 162,406.00	0.66%	\$ 162,708.00	0.64%	302
PUBLICITY	\$ 27,000.00	0.11%	\$ 27,000.00	0.11%	-
CULTURE AND RECREATION					
Programs for the Aging	\$ 9,640.00	0.04%	\$ 9,640.00	0.04%	-
Parks	\$ 270,073.00	1.10%	\$ 266,597.00	1.05%	(3,476)
Playgrounds, Recreation Centers	\$ 573,994.00	2.34%	\$ 578,925.00	2.28%	4,931
Youth Programs and Projects	\$ 141,656.00	0.58%	\$ 142,206.00	0.56%	550
Historian	\$ 250.00	0.00%	\$ 250.00	0.00%	-
Celebrations	\$ 52,500.00	0.21%	\$ 52,500.00	0.21%	-
HOME AND COMMUNITY SERVICES					
Zoning & Planning	\$ 35,750.00	0.15%	\$ 36,250.00	0.14%	500
Refuse and Garbage	\$ 1,755,122.00	7.14%	\$ 1,819,853.00	7.15%	64,731
Street Cleaning	\$ 115,734.00	0.47%	\$ 125,354.00	0.49%	9,620
Noise Abatement	\$ 2,000.00	0.01%	\$ 2,000.00	0.01%	-
Storm Sewers	\$ 48,750.00	0.20%	\$ 50,500.00	0.20%	1,750
Shade Trees	\$ 192,880.00	0.78%	\$ 224,361.00	0.88%	31,481
Emergency Tenant Protection	\$ 2,140.00	0.01%	\$ 2,140.00	0.01%	-
Co-op Agreements	\$ 273,650.00	1.11%	\$ 300,100.00	1.18%	26,450
VILLAGE GENERAL					
Self-Insurance	\$ 472,000.00	1.92%	\$ 457,000.00	1.80%	(15,000)
Special Items	\$ 1,303,904.00	5.31%	\$ 916,532.00	3.60%	(387,372)
Employee Benefits	\$ 6,099,809.00	24.82%	\$ 6,613,940.00	26.00%	514,131
Library Fund	\$ 1,324,855.00	5.39%	\$ 1,395,927.00	5.49%	71,072
Debt Service	\$ 896,731.00	3.65%	\$ 741,188.00	2.91%	(155,543)
TOTAL	\$ 24,573,630.00	100%	\$ 25,437,033.00	100%	863,403

COMPARATIVE REPORT

	2012-2013	2013-2014
Appropriations, General Fund	\$ 24,573,630	\$ 25,437,033
Revenues, General Fund	3,156,467	3,288,537
Appropriated Fund Balance, General Fund	0	0
Amount to be Raised by Taxes	21,417,163	22,148,496
Assessed Valuation (after exemptions)	185,101,183	184,978,378
Tax Rate Per \$100 of Assessed Value	\$ 11.57	\$11.97

**Important Village of Floral Park
Phone Numbers**

Police & Fire Emergency.....911
Police & Fire Non-Emergency.....326-6400
Administration.....326-6300
Assessment.....326-6306
Building Department.....326-6319
Court Office.....326-6325
Fire Department Chief's Office.....326-6327
Library.....326-6330
Mayor's Voice Mail (after 4:30 p.m.)....326-6300
Public Works Department.....326-6320
Recreation/Shelter House.....326-6334
Recreation/Pool Bldg.....326-6336

www.fpvillage.org

4VS - Cablevision Channel 18 / Verizon Channel 28

Mayor

Thomas J. Tweedy

**

Trustees

James E. Rhatigan Mary-Grace Tomecki
Dominick A. Longobardi Kevin M. Fitzgerald

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Village Justice

Douglas J. Hayden

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Village Administrator

Gerard M. Bambrick

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Village Clerk

Susan E. Walsh



We are currently preparing for the 2013 tax collection process. Residents are reminded to contact us at 326-6306 with any of the following changes:

- When there is a change in the billing or mailing address of the property owner.
- The property has been recently purchased or sold. As a property owner you cannot rely solely on the mortgagor or your attorney to notify the village.
- The mortgage has been satisfied or refinanced with a different bank or financial institution.



*Don't be alarmed if you receive a notice from **FUNDAMENTAL BUSINESS SERVICES**. This is an outside agency we have contracted with to help us with parking fine collection.*