

Mayor and Members of the Board:

I am concerned that our Village may be slipping away from its ideals of financial transparency and open and informed dialogue.

Just look at the present timing for reviewing draft budgets and lack of supporting data to allow for meaningful review and dialogue by the Mayor's appointed Finance Committee members and Village residents. The first draft of the budget was published in February, one business day prior to your first meeting, with effectively only a couple of meetings more to make substantive changes.

In addition to allowing more a reasonable time for all parties in interest to review and prepare, for there to be meaningful review, there needs to be access to the data supporting the Budget line items. This is a basic requirement in any budget consideration. This is not the first-time supportive data has been made available in piecemeal fashion. Last year, I requested that data supporting the Water, Parking, and each of the other funds be disseminated at the same time as the General Fund. Unfortunately, this year's production of supporting data is more lean than last year's production.

Without supporting data and adequate time to analyze the information, the Board and taxpayers have no ability to verify or comment on the budget line items that need further and deeper examination.

For example, in the presented budget, the explanation for Account A1-9000-9010, containing retirement costs other than for police and fire, states that the pension budget will increase by \$190,535 and that current year costs of \$431,551 are above budget. To buttress a proposed 65.8% increase in funding, the Board and the Finance Committee should be given a bottoms up analysis based upon headcount, salaries, and the rate. This is particularly important since the Budget Memo does not square the referenced line item with the police and fire retirement contribution projections, which are declining 6.6% and 3.86% respectively in the first pass budget.

Similarly, the Health Insurance increase of 17%, aggregating to \$380,000, calls for analysis, as well as a change in the way that costs are recorded in the General Fund budget. In that regard, note that the general ledger line items for health insurance and other benefits were set up in the Police, Fire and other General Fund departments to permit the allocation of these benefit costs directly to the respective departments. Unfortunately, these other benefit costs are not accounted for in the same way Pension costs are distributed. As a result of the lumping of those benefits costs, the actual cost of police, fire and other services provided are not discernible to the taxpayer.

Salaries and benefits are tracked together in the Water Fund, the Library Fund, the Sewer Fund, and the Parking Fund. These subsidiary funds comprise a lower percentage of the budget than the police, fire and DPW. I urge the Board to require the same for all General Fund departments.

While I would have more comments had there been sufficient time, I again ask you to consider the implementation of a sanitation fee of \$60-\$65 per month per household and a comparable market rate for the commercial districts who use the sanitation service. Let the public speak on this topic at some point in this process.

The fact that this Board will endeavor again this year to come within the State mandated 2% budget cap is small joy to the Village taxpayer when you consider that at the conclusion of the Town Budgeting process, a few weeks ago, the Town Treasurer projected that the tax burden for the average Larchmont

household is increasing roughly 10% in 2023. And that fact was driven home by the recent property re-assessment rate sent to Village residents.

Thank you for your volunteer efforts on behalf of all Village taxpayers. I ask you to read this statement into the record at tomorrow's Board work session and to attach this statement to the meeting minutes.

Respectfully submitted,

Michael Gottfried  
16 Ocean Avenue  
Larchmont NY 10538