Village Budget Update

The proposed General Fund Village Budget is $59,448,049, which includes a tax levy increase of 1.986%, $128 increase per home for the average Scarsdale homeowner.[1] As per Village Treasurer McClure, in the regular budget process, the primary drivers of the budget were moderation in health insurance premiums, the flattening of building permit and mortgage tax revenue, sales tax revenue, the settlement of some bargaining unit contracts and pension payments.[2] As priorities have changed based on the current COVID-19 health crisis, the Administration and Board are intensively focused on issues related to Village operation, the safety of residents and monitoring the various ongoing and changing aspects of the crisis.

According to Village Manager, Steve Pappalardo, the Village is focused on "maintaining essential services as we continue to navigate through this emergency."[3] The Village has moved to austerity spending, which will remain into the 2020-21 fiscal year. In addition, department heads have been directed to restrict spending to essential items required for the operation of the Village and for their response to the current pandemic.

As of the March 24 and March 31 meetings, the Village has created a COVID-19 contingency account and has reallocated $340,000 from the 2020-21 budget into this account. From the current year's budget, $1.255 million from the general fund has been reassigned to the COVID-19 contingency account. Ten of the thirteen general fund departments have been impacted by the fund reassignment. Altogether, as discussed by the Village Manager at the March 31 meeting, there will be $3,485,000 total funds available to the Village. As per Trustee Arest, the "Village is reducing unused funds and potential discretionary projects in the current fiscal year and putting that money into a COVID-19 contingency account to keep us prepared. Staff has also identified capital projects that will need to be eliminated or reduced in the upcoming fiscal year."[4] At the March 31 budget work session, Treasurer McClure discussed revenues most likely impacted by COVID-19. The Village Treasurer went through two potential 2020-21 budget scenarios. As per the Mayor, the Village Administration and Board will continue to evaluate and look at the budget as the year progresses.[5] The Village Board has the ability to modify the current fiscal year budget as necessary throughout a given fiscal year.

Regarding capital projects, the Board has paused the Freightway Redevelopment Project; the Village Hall repair/replacement will need to be addressed in planning stages over the next four to five years; and needed renovations to the Scarsdale Pool will be addressed following a Recreation Department survey of the community's interest and needs.

To read Village Administration and Board responses to League questions, please click here.

As discussed at the March 24 Village meeting, the deadline to file the draft budget was Friday, March 20, and as per New York State law, a public hearing needs to be held on or before April 15, with a vote no

[1] Proposed Village Budget 2020-21. The average Scarsdale homeowner at $1,510,000 of assessed value.
[2] As per Treasurer McClure in League Information Session Questions, received on March 31.
[3] As per the March 31 Village meeting.
[4] As per the March 24 Village meeting.
[5] As per the March 31 Village meeting.

later than May 1, 2020. The League continues to monitor the Village Budget process and will update information as it becomes available.