2018-19 Financial State of the Village

The fiscal condition of the Village of Rhinebeck is positive. This past year has been active and productive with the completion of numerous pending Capital Projects.

Before I report the Fund balance amounts, let’s re-cap this past year.

With the fund balance on the high side of the fund balance policy threshold, there were available funds to complete the following essential Capital improvements: Wastewater collection and storage tank at the Village Highway Garage $9,452: Watchguard Police Car cameras $30,613: Solar Radar speed signs $8,878: Village Hall underground oil tank removal and aboveground replacement $10,000: 2019 Freightliner Leaf-Vac Truck, making the 1st of 5 payments of $41,391 and our current project of the Village Hall ADA Handicapped accessible lift $67,000. These projects were funded with unreserved Fund Balance.

At the fiscal year-end May 31, 2019 fund balances were as follows: General Fund: $954,295 of which $345,536 is above the Fund Balance policy recommendation of 25%: Water Fund: $973,025 and Sewer Fund: $976,250. It is important to convey that Fund Balance is a net-position and takes into account: cash, receivables, payables, due to/due from, pending grants and transfers for capital projects. Maintaining a healthy Fund Balance is an on-going challenge with the 2% tax cap, union negotiations, and increasing cost of supplies, equipment and services.

So, how did we do?
This chart breaks down revenues. I draw your attention to the mortgage tax, state aid, CHIPS and grants, weighing in at 9% of the total. The village board works diligently to keep property taxes as low as possible by exploring other sources of revenue such as grants, cell tower rental, franchise fees and making to most of funds through prudent cash management.
This chart shows expenses by department. Please note that each department includes their share of employee benefits and long-term debt for that department. For instance, the Police Department includes the debt relating to building the police Station.
In addition to tracking revenue and expenses, we watch Fund Balance trends. The above chart shows a decrease in the General Fund balance as the completion of the earlier mentioned Capital Projects reduced the fund balance, bringing it closer to the recommended range of 25% of the subsequent budget. The decrease in fund balance in the water fund was due to the transfer out of $250,000 allocated to the Water Main Upgrade project. The Sewer Fund balance increased as a result of a change in personnel and reduced spending this past year.
Finally, the village maintains Capital Reserve accounts for the Fire, Highway, Police, Village Office, parking, Parks and Sidewalks. The Police Department's balance decreased as this past year they purchased a Police vehicle from their Capital Reserve account. The Fire department maintains a greater balance as their equipment purchases are much larger.

After the Annual report is filed, a 5-year history report is available from the NYS Comptroller’s Office. I use this as a tool to communicate with the Board the past
trends and anticipate future forecasts. As a member of NYS Conference of Mayors and Municipal Officials and the NYS Society of Municipal Finance Officers, I am constantly updated on changes in state and local legislation. Also, as vice-chair of the downstate council of the New York Government Finance Officers I am kept up-to-date on banking and private sector changes that affect public entities.

(Our village)

This Village is your (residents, businesses and tax payers) company, you are the investors and it is our fiduciary responsibility to manage, maintain and report to you the financial condition of the Village of Rhinebeck, a task I do not take lightly. My strategy has been to always maintain open communication with the department heads, board and residents, be open to suggestions, be willing to change what is not working and make what is working, better.

Thank-You