

# Sands Point Report

JUNE 2019

## MAYOR ADLER'S REPORT

### Mayor

Edward A.K. Adler

### Trustees

Katharine Ullman  
Marc Silbert  
Lynn R. Najman,  
*Deputy Mayor*  
Peter A. Forman

### Village Clerk

Liz Gaynor

### Treasurer

Kathleen Notaro

### Police Chief

Thomas Ruehle

### Village Justice

Alyson K. Adler

### Associate Village

### Justice

Daniel Scheyer

### Advisor to Board of

### Trustees

Daniel Scheyer

### of Trustees

Daniel Scheyer

## Protecting our Beaches on the LI Sound

In April the Board adopted a local law which protects Sands Point's open beaches by creating the "Long Island Sound Dock Overlay District" and the "Harbor and Bays Overlay District." The adoption of the local law followed a two-year Dock Moratorium Study conducted by VHB Consultants. In brief, the construction of new docks is prohibited in the LIS District, which has been dock-free and enjoyed by residents for beach walks for many decades.

## The Village Club at 25

The Club's 25<sup>th</sup> season began last month with very good news about membership gains. Golf membership provides about 75% of dues revenue and is the single most important factor determining whether the Club meets its annual revenue target. At 291 by the first week of June, this season's ambitious golf membership goal has been met early on, ending the decade with the largest golf membership since 2009, the year the financial crisis helped drop golf memberships below 300 for the first time. This year's gain is a particularly impressive accomplishment coming just three seasons after golf membership hit an all-time low as a result of high attrition entering the 2017 season.

Though significant golf membership gain is an essential and long-sought first step, how successfully the Club succeeds in meeting the challenges of membership retention and less reliance on promotional dues discounts will determine if the Club can return to fiscal strength in the coming years. Prior to the 2015 payoff of the bonds that funded the Club's purchase in 1994 and subsequent construction of the 18 hole golf course and related facilities, "fiscal strength" had been loosely defined by the Club's operating surplus – that is, the amount by which dues and operating revenues exceeded annual costs for operations and maintenance. Until the bond payoff, Village property taxes funded almost the entire annual cost of bond principal and interest.

With the payoff of the acquisition and construction bonds, the Board of Trustees concluded that the Club's original financial structure had to change. Keeping property taxes as low as possible without reducing the quality of municipal services, always a Village priority even before the State's imposition of the tax cap law eight years ago, would no longer be possible if property taxes continued to fund renewed capital investment in the Club facility.

This presented a daunting challenge; at the very time that golf membership was nearing its all-time low, the Club's net operating revenue would need to grow to the point that it could fund essential

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-term capital investment in a beautiful and functional but aging facility. Further, the quality of the Club experience in all respects had to improve to attract new families.

Though the Club's capital budget benefits from site plan and subdivision fees as well as revenue from the tennis area cell towers, those sources alone cannot cover all capital costs needed to replace equipment and upgrade facilities. Trustee and Finance and Treasury Commissioner Peter Forman has worked with Club management and members of the Operations Committee over the past year to develop a multi-year capital budget and financial plan to better predict annual capital costs and determine how much operating revenue must grow to cover those costs. Still a work in progress because of the need for more accuracy in estimating what equipment or facilities will need replacement or upgrading and in what year, it has already been very valuable in identifying the cash flow challenges that the Club will face over the next few years.

It's gratifying to see a strengthening membership base growing closer to the level of the prior decade, but challenges remain and will require continued attention and commitment. If you haven't joined or visited in a while, please stop by and see the progress for yourself!

Happy Summer!



edadler@sandspoint.org

## VILLAGE TAX BILLS

Village tax bills have been mailed ...as a reminder you can now view and pay your taxes online - there is a link at the top right-hand corner, 'Make Payments', on the home page of the Village's website, [www.sandspoint.org](http://www.sandspoint.org). Click on the icon and you will be brought to the bill paying site. Please be advised that there will be a charge to you. To pay by E-check, the charge will be \$1.05. To pay by credit card, the charge will be 2.95%. There is no charge to view, print or check bill payment status. These charges are from the processing company - not the Village.

TAXES ARE DUE AS OF	JUNE 1, 2019
THERE IS A GRACE PERIOD TO	JULY 8, 2019
FINAL DATE FOR PAYMENT WITHOUT PENALTY	JULY 8, 2019

There is no further Grace Period permitted. By State Law, after July 8, 2019 a penalty of 5% is added at once and 1% more is added each month through May of 2020 if not paid sooner.

The State Comptroller has ruled that no Village Officer or Employee can waive interest or penalties on real estate taxes received after the final due date, for any reason.

**VILLAGE CLUB OPERATING BUDGET SUMMARY - 2019**

	<u>Budget 2019</u>	<u>ACTUAL 2018</u>	<u>Budget 2018</u>	<u>ACTUAL 2017</u>	<u>ACTUAL 2016</u>
<b>MEMBERSHIP DUES REVENUE</b>					
Golf (includes all sports) (see bullet note 1)	3,006,710	3,126,916	2,977,040	2,960,422	3,131,426
Racquet	367,200	338,581	386,440	320,464	324,546
Racquet & Pool	106,000	88,631	140,900	122,847	119,420
Pool	489,500	466,630	385,030	456,959	402,930
Dining	54,000	63,000	76,500	88,382	73,458
<b>Total Dues Revenue</b>	<u>4,023,410</u>	<u>4,083,758</u>	<u>3,965,910</u>	<u>3,949,074</u>	<u>4,051,780</u>
<b>REVENUE</b>					
Merchandise	140,600	131,704	140,800	120,342	147,183
Greens, Guests and Cart Fees	543,500	500,505	555,000	452,194	494,292
Other Activities	99,400	98,968	74,400	69,538	36,938
F&B Member Dining, Special Events	1,841,289	1,663,705	1,553,394	1,534,040	1,532,776
Private Events	1,019,411	914,714	984,644	1,001,845	1,051,381
Mansion Hotel Room Rental	159,000	283,819	155,000	134,584	135,826
Facility Rental	68,500	56,335	78,000	120,800	184,536
<b>Total Income</b>	<u>7,895,110</u>	<u>7,733,508</u>	<u>7,507,148</u>	<u>7,382,417</u>	<u>7,634,712</u>
Less: Cost of Good Sold	<u>814,956</u>	<u>867,061</u>	<u>770,690</u>	<u>935,000</u>	<u>971,190</u>
<b>Gross Profit</b>	<u>7,080,154</u>	<u>6,866,447</u>	<u>6,736,458</u>	<u>6,447,417</u>	<u>6,663,522</u>
<b>Expenses</b>					
Total Payroll & Benefits	5,067,619	4,886,923	4,888,493	3,899,767	3,826,185
Total Grounds Expense (see bullet note 4)			227,700	1,088,911	1,131,028
Total Other Expenses	2,211,040	2,488,788	1,829,104	1,877,995	1,713,528
<b>Total Operating Expenses</b>	<u>7,278,659</u>	<u>7,375,711</u>	<u>6,945,297</u>	<u>6,866,673</u>	<u>6,670,741</u>
<b>Net Income - Operations</b>	(198,505)	(509,264)	(208,839)	(419,256)	(7,219)
<b>Add:</b> Non-Operating Funding Source:					
Cell Tower (Located at Tennis Courts)	196,000	267,913	190,044	186,178	166,892
<b>Income (Loss) Before Debt Service</b>	(2,505)	(241,351)	(18,795)	(233,078)	159,673
<b>Less:</b> Payments					
Bond (P&I) less int earned & issuance premium	448,772	438,818	426,291	179,790	142,451
Village Loan	10,000	10,000	10,000	10,000	10,000
	<u>458,772</u>	<u>448,818</u>	<u>436,291</u>	<u>189,790</u>	<u>152,451</u>
Recreation Fund Applied to Bond (P&I)	215,000	302,740	426,291	179,790	0
<b>Proj. &amp; Prior Year Act. Operating Gain/(Loss)</b>	(246,277)	(387,429)	(28,795)	(243,078)	7,222

**EXPLANATORY NOTES:**

- Actual golf dues revenue collected in 2019 will be approximately \$365,000 higher but recognized as revenue in 2020 under the 16/12 promotion.

- This operating budget summary does not include the cost of capital improvements and other expenditures not part of normal annual operations, nor does it include depreciation, a non-cash accounting expense.

- Primary sources of funding for capital improvements come from site plan and subdivision fees deposited into the Recreation Fund, per statute, and borrowing through the issuance of municipal bonds by the Village. Until 2015, the cost of the Club bond debt service was an expense of the Village's budget, funded by property taxes. Current Village policy requires the Club's annual debt service to be paid only from operating revenues and the Recreation Fund. Subdivision and Site Plan Review fees paid by applicants to the Planning Board and BZA are directly deposited in the Recreation Fund and are not incorporated into the Village budget. Such fees may be used only for Club capital expenses and capital project funding. Additionally, as of June 1, 2019, approximately \$260,000 of unused Club bond funds remain available for designated capital purposes.

- The expense category "Total Grounds Expense", formerly "BrightView Course/Grounds Maintenance", was changed last year because the grounds maintenance contract with BrightView ended in 2017; All grounds employees are now employees of KemperSports and included under Total Payroll.



## JUNE 2019 REPORT

26 Tibbits Lane  
P.O. Box 188  
Port Washington, NY 11050  
Phone: 516-883-3044

**PLEASE REMEMBER TO VOTE**

Village Election at Village Hall  
Tuesday, June 18, 2019  
Noon to 9:00 p.m.

## **ELECTION NOTICE**

**TUESDAY, JUNE 18, 2019 FROM NOON TO 9:00 P.M.**  
**VILLAGE HALL , 26 TIBBITS LANE**

Please take a few minutes out of your day on Tuesday, June 18th between noon and 9 pm to vote in our annual Village election for Village Mayor and two Trustees. Supporting candidates by casting your ballot is important and appreciated!

Due to the untimely passing of Trustee Marc Silbert on June 8, 2019, he will remain on the ballot as a candidate for election as a Trustee. Votes may still be cast for Trustee Silbert. In the event Trustee Silbert is posthumously elected for the term beginning July 1, 2019, Mayor Adler, if re-elected, or his successor has the authority to appoint an individual to serve as Trustee from the time of appointment until the next Village election, in June of 2020.