



VILLAGE *of* NORTHPORT

INCORPORATED IN 1894

224 Main Street, Northport, New York 11768, 631-261-7502, fax: 631-261-7521

February 11, 2014

Village of Northport
New York State Office of the Comptroller
Fiscal Stress Monitoring Report

PRESS PACKET

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2. Letter from the New York State Comptroller, RE: Fiscal Stress.
3. New York State Comptrollers Municipality detailed report graph.
4. Village of Northport detailed scoring sheet.
5. Village of Northport Table of Scored Indicators.
6. "Fiscal Stress Monitoring system" excerpts.

CONTACT:
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Northport Village Clerk
631-261-7502
nptclerk@optonline.net

FOR IMMEDIATE RELEASE

**NORTHPORT VILLAGE RECEIVES TOP RATING FROM
NEW YORK STATE COMPTROLLER**

SCORE OF 0.0% INDICATES NO FISCAL STRESS

**Northport Mayor George Doll Schedules
Press Conference to Discuss Rating**

**Tuesday, February 11th 4:30 pm
Northport Village Hall, 224 Main Street**

Northport, NY, February 10, 2014 - Northport Village received very good news on February 7th as a report from New York State Comptroller Thomas DiNapoli's office notified the Village that as of December 31, 2013, his department's review of their Annual Update Document (AUD) indicated that the Village's financial condition is sound and it has no financial stress. The Village received the Comptroller's top score of 0.0% and a classification "No Designation." Stated simply, this means that the Village was deemed as having no fiscal stress under the Comptroller's "Fiscal Stress Monitoring System." Northport Village Mayor George Doll, along with members of the Village Board, will discuss these findings during a press conference on Tuesday, February 11th at 4:30 pm at Northport Village Hall, 224 Main Street.

The AUD (Annual Update Document) is prepared each year by the chief fiscal officers of County, City, Town and Village municipalities. This is the first year that the Comptroller's office has conducted a fiscal stress monitoring system and the financial data from the AUD's is utilized, along with other indices such as debt and surplus levels, to arrive at an overall score of "fiscal stress" for each municipality. Northport is one of only 11 out of 87 rated Villages on Long Island, and one of only 45 out of 482 Villages in New York State, to achieve a score of "0."

There were seven Villages on Long Island that were not as fortunate as Northport and were found to be in financial stress. "Many of the Village officials mentioned the high costs they incurred from the clean up of Super Storm Sandy," said Northport Village Mayor George Doll. "Our Village Board was quick to file the paperwork for reimbursement from the Federal Government and we were able to keep our financial house in order because of it." Acknowledging Northport's 0.0% score, Henry Tobin, Village Deputy Mayor and Commissioner of Finance added, "The Village's fund balance has increased year over year and our debt load has decreased as a result of prudent spending and cost restraints – we're proud that Northport is in such strong shape to meet challenges ahead," he added. Mayor Doll gave credit to the entire Village Board stating that, "by working together we were given, in essence, an A+ rating by the New York State Comptroller."

According to the NY State Comptroller's website, municipalities continue to face significant financial challenges due to chronic budget gaps, increasing needs, population losses and crumbling infrastructure. The Fiscal Monitoring System* is designed to identify early warning signs of financial distress, with the ultimate goal being to provide both municipal leaders and taxpayers with information about the budgetary challenges facing their communities. This in turn will hopefully provide a "wake up call" so that appropriate actions can be taken to avoid fiscal crisis.

From the Comptroller's website:

<http://www.osc.state.ny.us/localgov/fiscalmonitoring/pdf/InterpretingLists.pdf>

*OSC's Fiscal Stress Monitoring System represents a systematic and objective methodology for identifying the presence of stress conditions in a local government. The System employs two types of indicators: financial indicators, which evaluate budgetary solvency (the ability of a local government to generate enough revenues to meet expenditures) and environmental indicators, which capture those circumstances and trends that are largely outside the locality's control but which have a bearing on its revenue raising capabilities as well as its demand for and/or mix of services. Only the scores calculated by using the financial indicators will determine a municipality's placement on the fiscal stress list.

For a full outline of the Jan. 2014 Comptroller's Fiscal Stress Monitoring System Report:

<http://www.osc.state.ny.us/localgov/pubs/fiscalmonitoring/pdf/fiscalstressmonitoring.pdf>

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- From the State Comptroller's Report:

Graph Indicating Northport Village's 0.0% Fiscal Stress in Comparison with other Villages in New York State

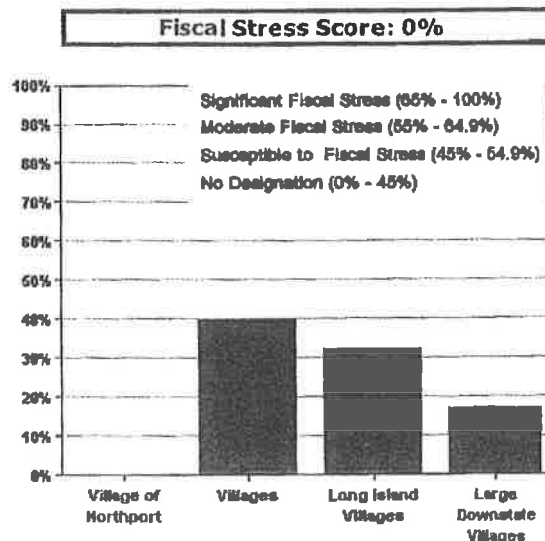
OSC Home > Local Government > Fiscal Stress Monitoring System

Fiscal Stress Information for the Village of Northport (County of Suffolk):

▸ Municipality Detail Report [.pdf]

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This page contains information that is specific to your local government. The graph to the right shows the overall fiscal stress score for the selected locality along with three peer-group comparisons. The peer groups are generated using the number of localities for which a score has been calculated. These groups will increase in size over time as additional scores are released. For more detail see the Chart of Peer Groups Used in Comparison [.pdf].





THOMAS P. DINAPOLI
COMPTROLLER

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02/05/2014

User name: xxxxxxxxxxxx
PASSWORD: xxxxxxxxxxxx

Elissa Iannicello
224 Main St
Northport NY 11768

Dear Village Treasurer Iannicello:

In January 2013, Comptroller DiNapoli finalized plans to implement a statewide fiscal monitoring system that would identify local governments experiencing fiscal stress. The goal of the system is to inform both municipal leaders and taxpayers of the economic and budgetary challenges facing their locality so that actions can be taken when appropriate to avoid a fiscal crisis. The fiscal monitoring system uses data that is already submitted by local governments to this Office to calculate the fiscal stress score.

This letter is to notify you that as of December 31, 2013 our review of the Annual Update Document (AUD) for the Village of Northport indicates that the Village is currently classified as No Designation with a score of 0.0%.

Detailed information about your local government's fiscal stress condition is available by using the above user name and password on our website at: <http://www1.osc.state.ny.us/localgov/fmnotification/fmlogin.cfm>

Please contact the Division of Local Government and School Accountability with any questions you may have (866-321-8503).

An important component to the Comptroller's fiscal monitoring system that may be helpful to you is a new local government support program – Avoid Crisis Tomorrow with Fiscal Awareness Strategies Today or ACT FAST. This program can be initiated by a joint request from a local government's chief executive officer and governing board for an accelerated risk assessment to me. Upon receipt of a request, a team of OSC staff will complete an assessment to determine the level of services (training, technical assistance, best practice guidance) that could be beneficial.

Additionally, we have a variety of information and guidance about the fiscal stress monitoring system on our website at: <https://www.osc.state.ny.us/localgov/fiscalmonitoring/index.htm>

Please feel free to contact me with any questions you may have at either (518) 474-4037 or gdeyo@osc.state.ny.us.

Sincerely,
Gabriel F. Deyo

Local Government and School Accountability

This e-mail was sent to viltreas@ortonline.net.

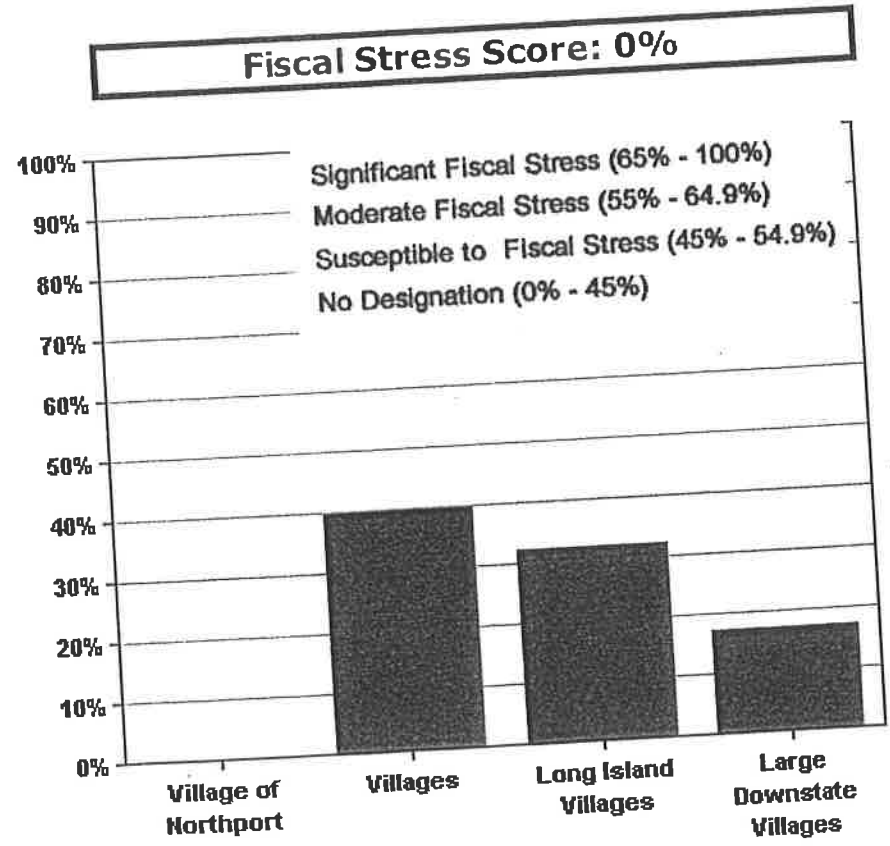
Office of the State Comptroller - 110 State Street - Albany, NY 12236
<http://www.osc.state.ny.us/localgov/index.htm> | localgov@osc.state.ny.us

Fiscal Stress Information for the Village of Northport (County of Suffolk):

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VILLAGE OF NORTHPORT -- DETAIL TABLE

FY 2013

Stress Level: No Designation
Stress Score: 0%

Indicator	Year	Points	Weight	Score
Assigned and Unassigned Fund Balance	2013	0	50%	0%
	2013	0		
Total Fund Balance	2011	0	10%	0%
	2012	0		
Operating Deficit, Combined Funds	2012	0	20%	0%
	2013	0		
Cash Ratio, Combined Funds	2013	0	10%	0%
	2013	0		
Cash % of Monthly Expenditures, Combined Funds	2013	0	10%	0%
	2013	0		
Short Term Debt Issuance, All Funds	2011	0	10%	0%
	2012	0		
Short Term Debt Issuance Trend, All Funds	2012	0	10%	0%
	2013	0		

TOTAL STRESS SCORE **0%**

VILLAGE OF NORTHPORT -- DETAIL TABLE

FY 2013

Stress Level: No Designation
Stress Score: 0%

Indicator	Year	Points	Weight	Score
Assigned and Unassigned Fund Balance	2013	0	50%	0%
	2013	0		
Total Fund Balance				
Operating Deficit, Combined Funds	2011	0		
	2012	0	10%	0%
	2013	0		
Cash Ratio, Combined Funds	2013	0	20%	0%
	2013	0		
Short Term Debt Issuance, All Funds	2013	0		
	2011			
Short Term Debt Issuance Trend, All Funds	2012	0	10%	0%
	2013			
	2013			
TOTAL STRESS SCORE				0%

This table, prepared by The Village of Northport, is a summary the NYS Office Of The Comptroller's Village of Northport Table of Scored Indicators, next page.

Village of Northport

County: Suffolk
MuniCode: 470441103510

Fiscal Year: 2013
Stress Level: No Designation

Indicator	Description	Year	Data	Points	Weight	Score
1	Assigned and Unassigned Fund Balance	2013	Assigned Unassigned FB (Codes 915 & 917 General Fund)	3,377,770	0	0.0%
			Assigned Unassigned FB (Codes 915 & 917 Combined Funds)	3,756,896		
2	General Fund Only	2013	Account code: 8029 (General Fund)	3,447,795	0	50%
			Account code: 8029 (Combined Funds)	3,855,465		
3	Operating Deficit	2012	Gross Revenues (Combined Funds)	12,162,963	0 pts	10%
			Gross Expenditures (Combined Funds)	11,666,738		
4	Cash Ratio	2013	Deficit (Combined Funds)	496,225	0	20%
			Gross Revenues (Combined Funds)	13,521,024		
5	Cash % of Monthly Expenditures	2013	Gross Expenditures (Combined Funds)	13,201,892	0 pts	0.0%
			Deficit (Combined Funds)	319,132		
6	Short Term Debt Issuance	2013	Gross Revenues (Combined Funds)	14,650,604	0 pts	0.0%
			Gross Expenditures (Combined Funds)	13,737,358		
7	Short Term Debt Issuance Trend	2011	Deficit (Combined Funds)	913,247	0 pts	0.0%
			Cash and Investment Account Codes 200-223, 450, 451	2,384,110		
8	Combined Funds	2013	Net Current Liability Account Codes 600-626 & 631-668 Less	208,679	0	0.0%
			Cash Investment / Current Liability	1142.5%		
9	Combined Funds	2013	Account codes: 200, 201, 450, 451	2,383,990	0	0.0%
			Average Monthly Gross Expenditures (Total Gross/12)	1,144,780		
10	Short Term Debt Issuance	2013	Cash / Avg Monthly Exp	208.2%	0 pts	0.0%
			Total Revenues	13,856,892		
11	All Funds	2013	Debt / Total Revenues (General Fund)	0.0%	0	10%
			Debt Issued	-		
12	All Funds	2012	Debt Issued	-	0 pts	0.0%
			Debt Issued	-		
13	All Funds	2013	Budget Note Issued	No	0 pts	0.0%
			Budget Note Issued	No		

County: Suffolk
MuniCode: 470441103510

Village of Northport

Fiscal Year: 2013
Stress Level: No Designation

8 Personal Services and Employee Benefits	All Funds	2011			7,852,133	0	10%	0.0%
		3 Points = Last Three Fiscal Year Average ≥ 75%	2 Points = Last Three Fiscal Year Average ≥ 70% But < 75%	1 Point = Last Three Fiscal Year Average ≥ 65% But < 70%				
Personal Services and Employee Benefits	All Funds	Total Revenues - Debt Service Advance Refund Bonds			12,162,963			
		Pers Svc & Benefits / Net Revenues			64.5%			
Employee Benefits	All Funds	Total Revenues - Debt Service Advance Refund Bonds			8,566,653			
		Pers Svc & Benefits / Net Revenues			64.8%			
Personal Services and Employee Benefits	All Funds	Total Revenues - Debt Service Advance Refund Bonds			9,135,211			
		Pers Svc & Benefits / Net Revenues			64.2%			
Debt Service % Revenue	All Funds	Average Pers Svc & Benefits / Net Revenues			64.5%	0 pts		
		Debt Services			965,694			
Debt Service % Revenue	All Funds	Total Revenues - Debt Service Advance Refund Bonds			12,162,963			
		Debt Services / Net Revenues			7.9%			
Debt Service % Revenue	All Funds	Total Revenues - Debt Service Advance Refund Bonds			924,744			
		Debt Services / Net Revenues			7.0%			
Debt Service % Revenue	All Funds	Total Revenues - Debt Service Advance Refund Bonds			882,702			
		Debt Services / Net Revenues			5.2%			
Debt Service % Revenue	All Funds	Average Debt Services / Net Revenues			7.0%	0 pts		
		TOTAL			0			0.0%

Gross Revenues = Revenues and Other Sources
Total Revenues = Revenues
Gross Expenditures = Expenditures and Other Uses
Total Expenditures = Expenditures

General Fund A Combined Funds A, FX, G, ES, EW

Percent Range (out of 29 max pts)
65 - 100% Significant Fiscal Stress
55 - 64.9% Moderate Fiscal Stress
45 - 54.9% Susceptible Fiscal Stress
0 - 44.9% No Designation

New York State Office of the State Comptroller

Thomas P. DiNapoli • State Comptroller



Fiscal Stress Monitoring System

Regions Defined

The counties included in each region are shown in the map below. All local governments or school districts located within a county are considered to be part of the region in which that county is located.



New York State Office of the State Comptroller

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Fiscal Stress Monitoring System

Interpreting The Lists Fiscal Years Ending 2012

The System

OSC's Fiscal Stress Monitoring System represents a systematic and objective methodology for identifying the presence of stress conditions in a local government or school district. The System employs two types of indicators: financial indicators, which evaluate budgetary solvency (the ability of a local government to generate enough revenues to meet expenditures) and environmental indicators, which capture those circumstances and trends that are largely outside the locality's control but which have a bearing on its revenue raising capabilities as well as its demand for and/or mix of services. Only the scores calculated by using the financial indicators will determine a municipality's placement on the fiscal stress list.

The scores that are now available reflect those counties, cities, towns and villages with a fiscal year ending December 31, 2012. The data upon which the System relies is based on Annual Financial Reports that individual units already submit to OSC. There is no new reporting requirement.

This System measures the level of fiscal stress a municipality is facing, not its level of fiscal health. A municipality's absence from the top three categories should not be viewed as substantiation of good financial condition by OSC.

The System's financial indicators are based on nine different calculations in the following five categories: Year End Fund Balance, Operating Deficits, Cash Position, Use of Short-term Debt and Fixed Costs.

Each calculation is linked to a point-based scoring system and drives an overall financial indicator score with the potential for a total of 29 points. The score is then assigned a level of fiscal stress as follows:

Significant Fiscal Stress (Entity received more than or equal to 65% of the total possible points)

Moderate Fiscal Stress (Entity received more than or equal to 55% of total possible points)

Susceptible to Fiscal Stress (Entity received more than or equal to 45% of total possible points)

The System's environmental indicators are based on 14 different calculations in the following eight categories: Population, Age, Poverty, Property Values, Employment Base, Intergovernmental Revenues, Constitutional Tax Limit and Sales Tax Revenue.

Each environmental calculation is linked to a point-based scoring system and drives an overall environmental indicator score, with the potential for a total of 27 points (counties, cities and villages) and 24 points for towns. The score is then assigned a level of environmental stress as follows:

(Entity received greater than or equal to 50% of total possible points)

(Entity received greater than or equal to 40% of total possible points)

(Entity received greater than or equal to 30% of total possible points)

ACT FAST Avoid Crisis Tomorrow with Fiscal Awareness Strategies for Today

Division of Local Government and School Accountability

Peer Group Definitions

The peer groups used for comparison are generated using the number of localities for which a score has been calculated. These groups will increase in size over time as additional scores are released. Greater caution should be taken when the number of units in the comparison group is small (for example, fewer than five). The definition of each peer group is shown below.

Local Government Peer Groups Based on Population (2010 Census) and Upstate/Downstate Location

	Upstate		
	Small	Medium	Large
County	< 60,000	60,000 to < 110,000	110,000 or greater
City	< 12,000	12,000 to < 75,000	75,000 or greater
Town	< 2,500	2,500 to < 10,000	10,000 or greater
Village	< 1,000	1,000 to < 3,000	3,000 or greater

	Downstate		
	Small	Medium	Large
County	< 100,000	100,000 to < 500,000	500,000 or greater
City	< 20,000	20,000 to < 75,000	75,000 or greater
Town	< 10,000	10,000 to < 60,000	60,000 or greater
Village	< 2,000	2,000 to < 7,000	7,000 or greater

School District Peer Groups Based on Enrollment and Upstate/Downstate Location

	Small	Medium	Large
Upstate	< 1,000	1,000 to < 6,000	6,000 or greater
Downstate	< 2,500	2,500 to < 7,500	7,500 or greater

Fiscal Stress Monitoring System

Interpreting The Lists Fiscal Years Ending 2012

Other Classifications

Entities receiving less than 45% of the total financial indicator points and those with less than 30% of the total environmental indicator points will receive a classification of **"No Designation."** This classification should not be interpreted to mean that the entity is not experiencing *any* stress conditions. One should consider the proximity of the score to the established fiscal stress thresholds.

An entity that has filed its Annual Update Document (AUD) and is currently under review by OSC is designated as **"Under Review."** Entities that have not yet filed with OSC for the 2012 calendar year are designated as **"Have Not Filed."** Entities classified as **"No Designation"** may have subsequent changes to their AUD data resulting in a revised score.

The Data

OSC is providing full access to all of the data upon which the System and the classifications are based. The following is available on the [OSC fiscal stress website](#).

Municipalities in Stress – contains the list of municipalities in one of the three levels of fiscal stress, sorted in order of fiscal stress score. Also available are lists of entities that have "No Designation" or "Have Not Filed." These lists also contain a link that will allow users to check the status of an individual locality. **While an entity receives both a financial indicator score and an environmental score, only the financial score determines if the entity appears on this list.**

Summary Sheet – This Excel file contains a listing of all counties, cities, towns and villages, their financial indicator stress level and score, as well as environmental stress level and score.

Detail for each Municipality – This file provides users with a look up feature that identifies the entity level data behind the calculation of both the financial indicator score and environmental indicator score.

All Data – This Excel file contains all of the data points for all counties, cities, towns and villages used to determine scores.

Updates

All information provided is based on a snapshot date of November 29, 2013. Any subsequent changes will be published once the data has been properly vetted.

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