

TOWN OF MACEDON

Public Hearing

Fiscal Year 2023 Budget

Overview

- ▣ We focus on the two principal *town-wide* areas of budget
 - General (A)
 - Highway (DA)
- ▣ Other budget areas are *special districts*
 - these affect only taxpayers *within* those districts
 - Taxpayers are in one or more special districts.

Special Districts

- ▣ Tax bills call these out separately, if applicable.
 - Drainage (SD) two districts cover the town.
 - Hamlet Water (F) No taxes. User fees pay the debt undertaken to repair/replace old Village infrastructure.
 - Fire Protection (SF) everyone is in one of these.
 - Sidewalks (SG,SV) Gananda; Hamlet
 - Lighting (SL) Plazas, high-density areas
 - Sewer (SS) flat fee, now part of tax bill.
 - Brush&Leaf (SV1) pays for service in Hamlet.

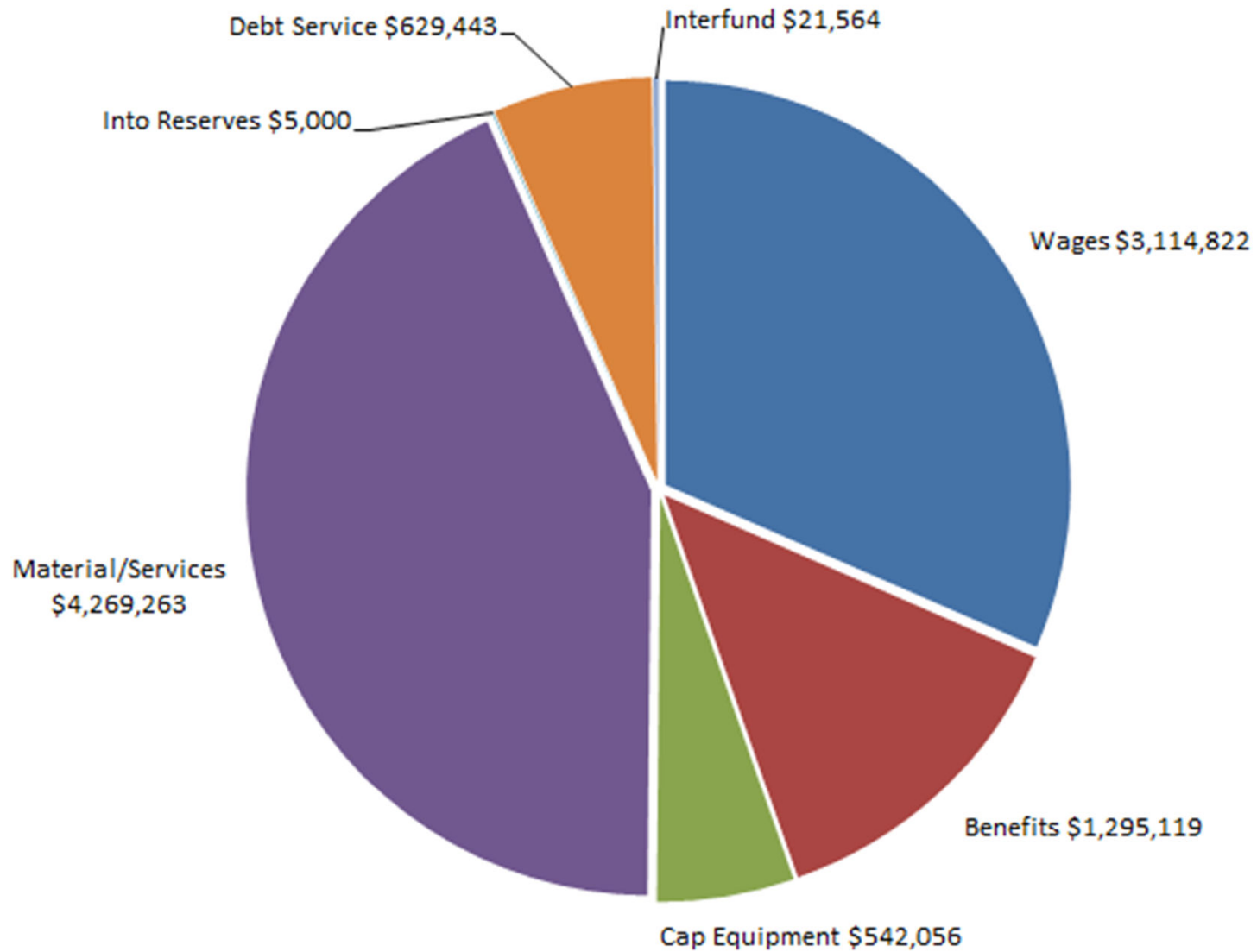
The Goal of the Board

- ▣ In 2022, a townwide re-valuation resulted in the property assessments of many residents and businesses to rise, to reflect the true market value.
- ▣ As a result: (all else being equal) the tax rates must decrease, as we explained at the time.
- ▣ In 2022, the tax rate was \$3.90/thousand.
- ▣ The board set a goal of 20-25% reduction in town-wide tax rates.
- ▣ Our goal then, was to get to between \$2.93 - \$3.12/thousand.

HIGHLIGHTS OF BUDGET REQUESTS AND DECISIONS

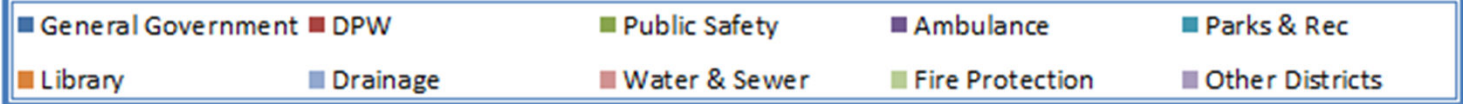
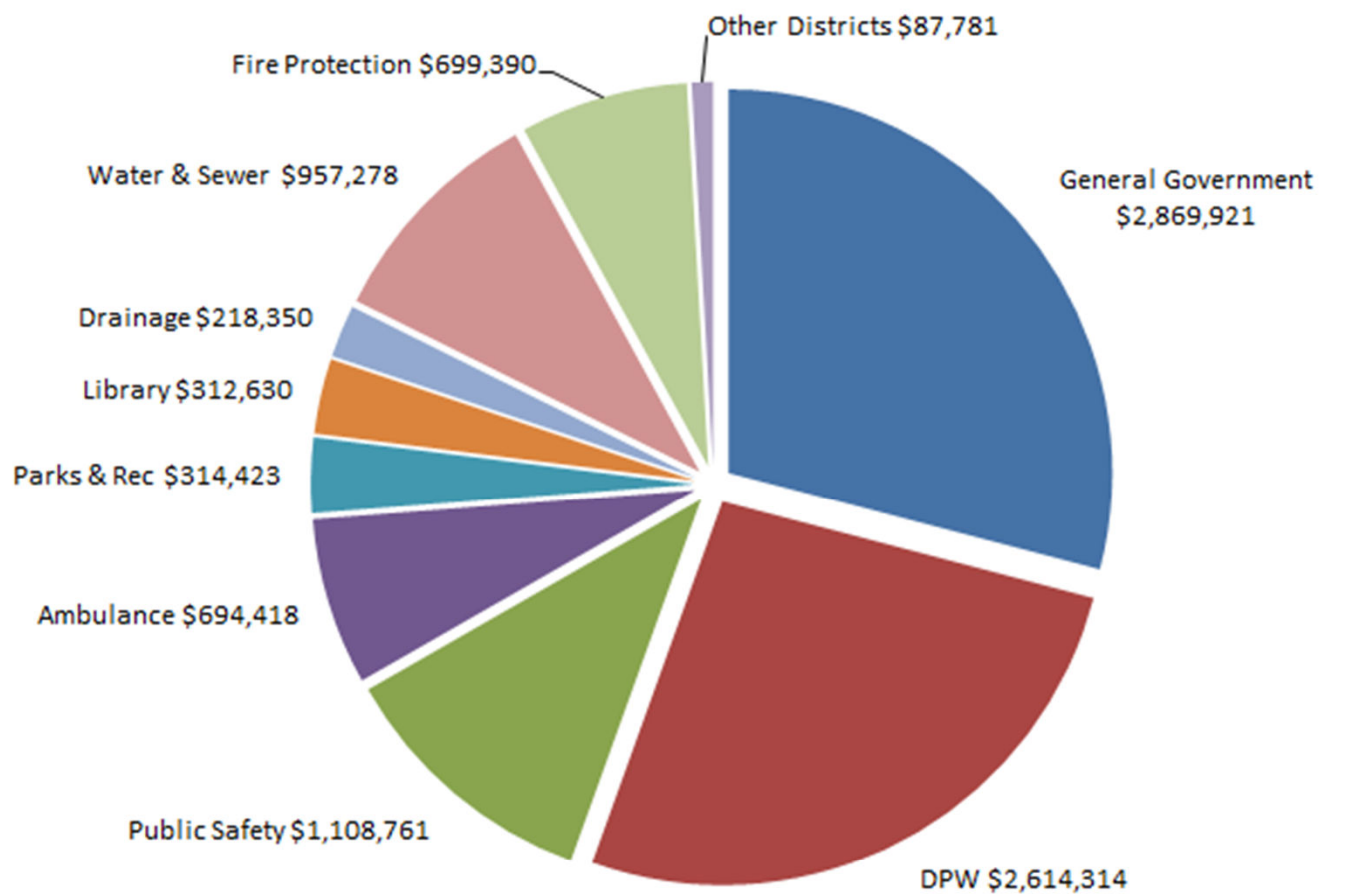
Item	Requested	Board Action
Staffing Costs	--	3% increase for most
Police Staffing	--	One-time 15% increase in 2023 to aid in recruitment; increased staffing planned
Town Hall Parking Lot	\$47k	Deferred for one more year
Ambulance Staffing	--	<ul style="list-style-type: none"> ▪ Increased BLS and ALS hourly wages to aid recruitment. ▪ Limited Staffing Agency Costs to +13%
Highway Garage Paving	\$25k	Deferred
Bullis Park Walking Path	\$6k	Deferred
Library	18% increase	Reduced increase by half (9%)
Highway	2 trucks (\$227k)	Cut one truck (\$93k); paying for other one out of Fund Balance.

Spending By Type



■ Wages ■ Benefits ■ Cap Equipment ■ Material/Services ■ Into Reserves ■ Debt Service ■ Interfund

Spending By Function



Back to our goal...

Per thousand:

- 2022 Townwide: **\$3.90**
- 2023 Goal: **\$2.93 - \$3.12**
- This budget: **\$3.02**

-22.5%

Full Disclosure:

- This does not mean your tax bill will go down by 22.5%.
- This reduction is a consequence of the assessment revaluation (increase in the tax base), and this Board's conviction that spending should not increase merely because the tax base has.
- This does not include any special district charges.

District results

All district rates are also down from last year (or even), except:

- **Lighting (Hamlet):** it was discovered during an audit that this district's bills were mistakenly paid out of the general fund during the prior administration. This error led to this district being undertaxed repeatedly. The district's rates rise by 19 cents per thousand to correct this mistake.
- **Sewer (all districts):** This fee is charged per EDU (equivalent dwelling unit), rather than on the value of your property. It rises in 2023 from \$240/EDU to \$325/EDU. This reflects the massive gap between the *expected* cost of the Regional Plant, versus the *current bids* we are faced with. This much higher cost is a result of the overall economy.
- **Brush & Leaf:** Up 16 cents/thousand.

2023								
P5	Preliminary	EXPENSES	minus REVENUES	minus APPLIED FB	= TAX LEVY	÷ TAX BASE	= TAX RATE	\$ or %
		2023 plan	2023 plan	2023 plan	2023 plan	2023	2023	CHANGE PER THOU
A	GENERAL TOWN-WIDE	5,291,842	4,309,860	210,000	771,982	809,375,297	0.953800	\$0.00
DA	HIGHWAY TOWN-WIDE	2,607,998	672,817	260,000	1,675,181	809,375,297	2.069721	-\$0.88
F	WATER PROJECT - HAM	148,678	148,678		0	102,214,938	0.000000	\$0.00
SD	DRAINAGE 1	165,546	8,277	8,500	148,769	724,880,782	0.205233	-\$0.05
SD2	DRAINAGE 2 (HAMLET)	52,804	0		52,804	102,214,938	0.516600	\$0.05
SF1	FIRE PROT: MAC. CENTER	259,722	0		259,722	375,770,692	0.691172	-\$0.18
SF2	FIRE PROT: MACEDON SO.	311,961	0		311,961	357,013,786	0.873807	-\$0.20
SF3	FIRE DIST: WALWORTH	12,311	0		12,311	8,300,899	1.483092	-\$0.20
SF4	FIRE PROT: HAMLET	115,396	0	37,400	77,996	102,214,938	0.763059	-\$0.24
SG	SIDEWALK - GANANDA	2,500	0	1,000	1,500	114,014,048	0.013156	\$0.00
SV	SIDEWALK - HAMLET	12,127	0	2,500	9,627	38,208,315	0.251973	-\$0.13
SL1	LIGHTING: MAC. CENTER	1,980	0		1,980	9,692,726	0.204277	-\$0.04
SL2	LIGHTING: GANANDA	19,800	0	5,000	14,800	118,461,948	0.124935	-\$0.02
SL3	LIGHTING: MAC. COMMONS	935	0		935	4,100,000	0.228049	-\$0.01
SL4	LIGHTING: PARKWOOD	2,750	0		2,750	29,425,200	0.093457	-\$0.02
SL5	LIGHTING: HAMLET	30,250	0	0	30,250	103,141,595	0.293286	\$0.19
SS1	MACEDON SEWER	215,150	0	0	215,150	662	325.00	FIXED per EDU
SS2	GANANDA SEWER	338,325	0	0	338,325	1,041	325.00	
SS3	HAMLET SEWER	255,125	0	0	255,125	785	325.00	
SV1	BRUSH AND LEAF - HAM	32,066	0		32,066	103,154,289	0.310850	\$0.16
TOTAL BUDGET		9,877,267	5,139,632	524,400	4,213,235			

Questions?

Appendix

- ▣ These topics have been covered many times in prior years, and will only be covered if needed.

DEFINITIONS OF TERMS

- ▣ **Tax Levy** is the amount we must raise, through taxes, to achieve a balanced budget, as required by law.
 - ▶ $Tax\ Levy = Planned\ Expenses - Planned\ Revenues - App'd\ Fund\ Balance$
 - ▶ “Fund Balance” is the sum total of surpluses and deficits in all previous years, for that budget code.
 - ▶ “Appropriated Fund Balance” (AFB) is how much of that we decide to allocate to reduce the levy.
 - ▶ We can modify any of those three terms to change the resulting levy.

- ▶ **Tax Base** is the total taxable assessed value of the town (or district)

• In our example, the **tax base** is \$620 million. Our formula will refer to 1/1000th of that amount.

- ▶ **Tax Rate:** Equal to $Tax\ Levy \div Tax\ Base$
 - ▶ Fairly spreads the tax burden among all taxable property in the town (or district)

Example:

- \$ 5,000,000 expenses
- - \$ 4,200,000 revenues
- = \$ 800,000 gap
- - \$ 115,000 AFB
- = \$ 685,000 tax levy

• $\div \$ 620,000$ tax base

• = \$ 1.104838 tax rate
(per thousand)

COMPUTING TAX BILL

- The budget summary uses the formula on the prior slide to compute the tax rates for A, DA, and all of the special districts.

The rates listed here are fictional.

See the Budget Summary page for actual tax rates in each area.

- ▶ Consider an example property, belonging only to the drainage and fire protection districts:

▶ A:	\$1.08	townwide general
▶ DA:	\$2.81	townwide highway
▶ SD:	\$0.26	drainage
▶ SF2:	\$1.07	fire protection

- ▶ Consider this example property is assessed at \$210,700. (\$210.7 thousand)

Example:

• Town Tax Rate:	\$ 3.89
• Districts:	<u>\$ 1.33</u>
• Total Rate:	\$ 5.22
• times Assessment	<u>x 210.7</u>
• Tax Bill:	\$ 1099.85