

Preliminary Budget Public Hearing (for 2024)
November 9, 2023

How a Town Budget is made

- Look at requests/estimates of Expenses & Revenues provided by department heads
 - Assess reasonableness of the requests
 - Decide how much “fund balance” we can apply.
 - Look at resultant tax levy and rate; make adjustments until we feel we have a good budget.
- Fund Balance = the amount of money the town has “left over” since its inception (1823)
 - All the money ever received, minus all the money ever spent.
 - Each budget code (A, DA, SD, etc.) has its own fund balance, although it could be zero for a given code.
 - A responsible budget uses enough FB to moderate the tax levy, but not so much as to cripple the future.

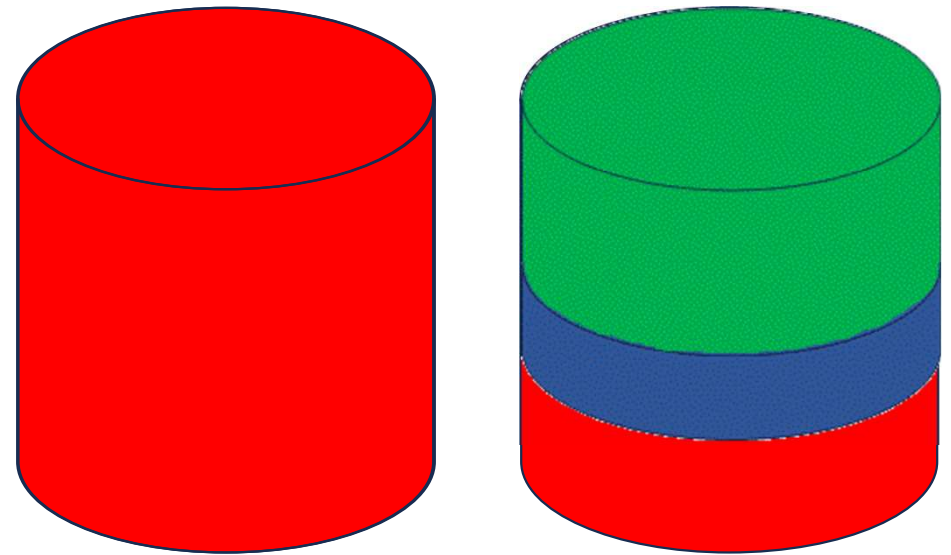
Picture It

Consider an empty cup.

Fill the cup with **Expenses**

Pour out the amount of expenses you can pay by using expected **Revenues**

Pour out the expenses you can pay by using **Fund Balance**



The red that's left is the **tax levy** -- the amount of money the Town needs to balance its budget. The smaller amount of leftover **RED**, the better!

Tax Levy

not the same as

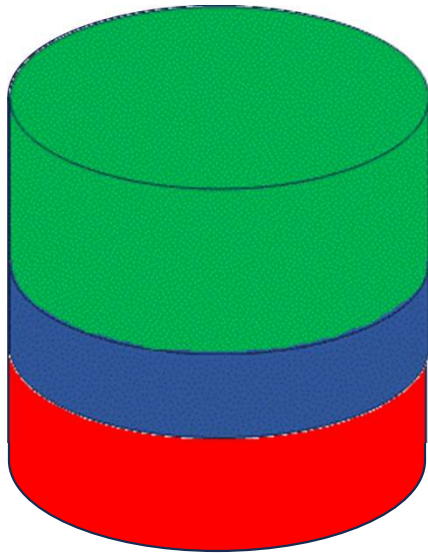
Tax Rate

Explained on next slide

- The **tax levy** (the red left in the cup) is the amount of money the Town needs to balance its budget.
- A balanced budget is a legal requirement – unlike state and federal government, we cannot *plan* to spend money we don't have.
- NYS limits the % growth on the levy, from one year to the next. This is what's known as the "tax cap".
- Macedon has passed a local law to opt out of that requirement, because it is overly constrains the Town Board from putting together a responsible budget.
- Despite opting out, we try to stay beneath the "tax cap". However, *if we didn't opt out*, and then failed to stay beneath the cap, we'd incur fines from the state.

How to reduce the Tax **Levy**

- Remember the tax levy is the amount of red left in the cup. So, to reduce the levy, we can:
 - Lower the expenses
 - Find more revenues
 - Allocate more fund balance



Once you have a final levy amount:

The standard way to spread that levy around *fairly*, is to:

- derive a uniform **tax rate** (divide the levy by the TOTAL taxable assessed value of the town (or district))
- and then multiply the “taxable assessed value” of each property by the tax rate, to determine the tax bill for that property.

Highlights of 2024 Budget (A & DA)

- Salaries Overall up \$328 K
 - Approximately 90 employees
 - FT salaries up between 3 and 5 %
 - Public Safety remains an important focus of this board:
 - Police up \$198 K (new officers, vehicles)
 - Ambulance up \$140 K (bring more people onto Town payroll, raise pay)
 - Building & Zoning: New PT Bldg Inspector
 - Highway down \$33 K (includes headcount reduction)
 - Highway salary increases are held aside in the budget, until negotiations complete with the new union that they are asking to form.
- Major Expenses declined for now
 - \$294K (10-wheel plow truck)
 - \$20K (Renovation of former court space -- no plans in place yet)

Highlights of 2024 Budget (A & DA)

- Revenues combined A/DA up \$250k
- Biggest contributors:
 - Interest & Earnings +148
 - Police Fees +55 K overall, including Gananda SLO reimbursement
 - Ambulance Revenue +50
 - Sales Tax Revenue +50
 - Mortgage Tax +50
 - State Highway Aid +26
 - Planning & Zoning +12
 - Rec Fees +11
 - Landfill Revenue -353 K (one-year dip)
 - original forecast was -\$600 K.
 - Negotiated with WM to alter plans for 2024.
 - State/County Snow Aid -9

(A: General Fund)

- Expenses: up \$444,000
- Revenues up \$205,000
- Allocated Fund Balance up \$140,000
- Tax **Levy** up \$99,000 (13 %)
- Tax **Base** + \$7M

(DA: Highway Fund)

- Expenses: down \$24,000
- Revenues: up \$46,000
- Allocated Fund Balance down \$85,000
- Tax **Levy** up \$16,000 (0.9 %)
- Tax **Base** + \$7M

Resultant Change in Tax Rate: + 3.78 %

2024 Town Of Macedon		EXPENSES		minus REVENUES		minus APPLIED FB		yields TAX LEVY		divided by TAX BASE		yields TAX RATE		\$ or %
Budget Summary P3		Prior Year	2024	Prior Year	2024	Prior Year	2024	Prior Year	2024	Prior Year	2024	Prior Year	2024	CHANGE PER THOU
A	GENERAL TOWN-WIDE	5,291,841	5,735,332	4,309,860	4,514,644	210,000	350000	771,982	870,688	809,375,297	816,218,741	0.953800	1.066733	3.78%
DA	HIGHWAY TOWN-WIDE	2,607,999	2,584,266	672,817	718,738	260,000	175000	1,675,181	1,690,527	809,375,297	816,218,741	2.069721	2.071170	
F	WATER PROJECT - HAMLET	148,678	151,150	148,678	151,150			0	0	102,214,938	104,610,949	0.000000	0.000000	
SD	DRAINAGE: (TOWN)	165,546	143,953	8,277	7,197	8,500		148,769	136,755	724,880,782	736,282,560	0.205233	0.185738	-\$0.019
SD2	DRAINAGE: (HAMLET)	52,804	40,577	0	0			52,804	40,577	102,214,938	104,610,949	0.516600	0.387889	-\$0.129
SF1	FIRE PROT: MAC. CENTER	259,722	286,193	0	0			259,722	286,193	375,770,692	379,455,822	0.691172	0.754220	\$0.063
SF2	FIRE PROT: MACEDON SO.	311,961	342,064	0	0			311,961	342,064	357,013,786	364,442,778	0.873807	0.938595	\$0.065
SF3	FIRE DIST: WALWORTH	12,311	11,793	0	0			12,311	11,793	8,300,899	8,388,575	1.483092	1.405841	-\$0.077
SF4	FIRE PROT: HAMLET	115,396	116,143	0	0	37,400	37400	77,996	78,743	102,214,938	104,610,949	0.763059	0.752722	-\$0.010
SG	SIDEWALK - GANANDA	2,500	1,750	0	0	1,000	750	1,500	1,000	114,014,048	113,279,878	0.013156	0.008828	-\$0.004
SV	SIDEWALK - HAMLET	12,127	12,461	0	0	2,500		9,627	12,461	38,208,315	40,391,285	0.251973	0.308503	\$0.057
SL1	LIGHTING: MAC. CENTER	1,980	2,320	0	0			1,980	2,320	9,692,726	9,794,693	0.204277	0.236863	\$0.033
SL2	LIGHTING: GANANDA	19,800	19,800	0	0	5,000	5000	14,800	14,800	118,461,948	117,727,778	0.124935	0.125714	\$0.001
SL3	LIGHTING: MAC. COMMONS	935	1,050	0	0			935	1,050	4,100,000	4,100,000	0.228049	0.256098	\$0.028
SL4	LIGHTING: PARKWOOD	2,750	3,900	0	0			2,750	3,900	29,425,200	30,237,400	0.093457	0.128979	\$0.036
SL5	LIGHTING: HAMLET	30,250	30,310	0	0	0		30,250	30,310	103,141,595	105,536,473	0.293286	0.287199	-\$0.006
SS1	SEWER: MACEDON	215,150	292,806	0	0	0		215,150	292,806	662	719	325.00	407.24	25.30%
SS2	SEWER: GANANDA	338,325	406,426	0	0	0		338,325	406,426	1,041	998	325.00	407.24	25.30%
SS3	SEWER: HAMLET	255,125	324,570	0	0	0		255,125	324,570	785	797	325.00	407.24	25.30%
SV1	BRUSH AND LEAF - HAMLET	32,066	26,515	0	0			32,066	26,515	103,154,289	105,544,400	0.310850	0.251223	-\$0.060
TOTAL BUDGET		9,877,266	10,533,378	5,139,632	5,391,729	524,400	568,150	4,213,234	4,573,499					

Special Districts

- Budget Summary page shows increase or decrease (in cents per thousand) for each special district.
- Sewer districts are not ad-valorem. Instead, each property pays a flat EDU rate.
 - Most residential properties are 1 EDU.
 - Businesses or multi-unit housing are multiple EDUs.
 - Each of the three sewer districts raises from \$325/edu to \$407/edu.
 - *Note: No Fund Balance applied yet.*

Tax Cap Situation

Tax Levy Limit Calculation			
Prior Year Levy	4,213,235	Proposed Tax Levy	4,573,499
Less Prior Year SF3 Walworth FD	-12,311	Less SF3 Walworth FD	-11,793
times NYS growth factor	1.0060	Qualified Levy	4,561,706
yields	4,226,130	Limit from left	4,310,652
Add PILOTS receivable prior year		Over (Under) Tax Cap	251,054
Less Exclusions from prior year			
times allowable growth factor	1.020		
Less PILOTS recvble in budget year			
Add allowable carover			
Tax Levy Limit for Tax Cap	4,310,652		

← To meet state guideline, this number needs to be zero or negative.