



# Town of Macedon

Public Hearing  
2021 Budget

# Overview

- ▶ Two principal *town-wide* areas of budget
  - ▶ General (A)
  - ▶ Highway (DA)
- ▶ Other budget areas are *special districts*
  - ▶ these affect only taxpayers *within* those districts
  - ▶ your tax bill calls these out separately, if applicable

# DEFINITIONS OF TERMS

The tax rate is determined with the formula:

$$\text{Tax Rate} = \frac{\text{Tax Levy}}{\text{Tax Base}}$$

- ▶ The **tax levy** is the amount we must raise, through taxes, to achieve a balanced budget, as required by law.
  - ▶ = *Expenses – Revenues – Appropriated Fund Balance*
- ▶ **Appropriated Fund Balance (AFB):**  
how much money from our “savings” we wish to apply to keeping taxes lower.
  - ▶ We must take care not to spend too much of our “savings” at one time.

Example:

- \$1,000,000 expenses
- - \$ 800,000 revenues
- - \$ 75,000 AFB
- = \$ 125,000 tax levy

# DEFINITIONS OF TERMS

Recall: the tax rate is determined with the formula:

$$\text{Tax Rate} = \frac{\text{Tax Levy}}{\text{Tax Base}}$$

- ▶ **Tax Base** (aka Taxable Assessed Value, or TAV):  
The sum of all assessments of taxable property within the town or district.
  - ▶ (Property assessments are used to fairly spread the tax burden among all taxpayers.)
  - ▶ We divide the tax **base** by 1000, so the tax **rate** is expressed as **\$ per thousand**.
  - ▶ The 2021 Town tax base is \$ 619 M, therefore the denominator is \$ 619 K.
  - ▶ As an example:  
\$575,000 tax levy ÷ \$619,000 →  
93¢ per thousand

# CONVERTING TAX RATE TO TAX:

- ▶ The town-wide tax rate is the sum of the tax rates for the two town-wide districts (A and DA).
  - ▶ Tax Rate A (fictional): \$1.08
  - ▶ Tax Rate DA (fictional): \$2.79
  - ▶ Sum: \$3.87 per thousand.

\*Actual tax rates will be evident on the BudgetSummary page of the *adopted* 2021 budget.

## Example 1:

- \$150,000 assessment
- Tax Rate: \$ 3.87
- Tax Bill: \$ 580.50

## Example 2:

- \$210,000 assessment
- Tax Rate: \$ 3.87
- Tax Bill: \$ 812.70

## 2021 NOTABLES [1]

- ▶ **Staff Salaries held flat at 0% increase**
  - ▶ 2020 was a very difficult year for many constituents
  - ▶ Employment and full benefits were maintained throughout COVID
- ▶ Benefit burden is \$1.113 M (up 7% overall)
  - ▶ Health Insurance up 8.3%
  - ▶ Workers' Comp premium down 34%
- ▶ Salaries & benefits total \$3.553 M (43% of all expenses)
- ▶ State-pledged revenue due to dissolving village reduced by 20% (COVID) and we expect the same next year.
- ▶ Reduced spending for Senior Citizen trips (COVID)
- ▶ Recreation revenues -17%, spending -13%
  - ▶ Purchasing new goals & accessories for Bullis Park

## 2021 NOTABLES [2]

- ▶ **Library spending as requested.**
- ▶ Deferring parking lot expenses for another year
- ▶ Cemetery Implementation (year 1) - not as aggressive
- ▶ Court revenue down 40% as a result of no-bail law
- ▶ Gravino grant not expected (has been turned down 3 times)
- ▶ Highway Truck request (\$90K) cut.
- ▶ Drainage (SD) Manpower diverted to Highway General (DA).
- ▶ SS2 district becomes active due to Walworth joining Regional Sewer Treatment Plant
- ▶ Not including bonding costs for 79-81 Main St. improvements

## B6 → B8 changes

- ▶ Version B6 was published with the Clerk's office.
- ▶ B7 was a working copy; Version **B8** is available tonight.

Account	Change	Notes
A 1010.401	eliminated	No longer employing the grant writer
A 1620.400	reduced	Hold flat with 2020
A 1660.401	added	Postage for Town re-valuation
A 1989.400	eliminated	End of Village Dissolution LGE grant
A 7989.400	slight decr.	Hold flat with 2020
A 8810.400	reduced	Rebalance with .402
A 8810.402	reduced	Rebalance with .400; scale back year 1 implementation
A 8810.100	reduced	Keep in line with .402 reduction
A 3089-2	reduced	State Aid 20% cut; no LGE grant



Questions?

