

2019 Preliminary Budget Presentation



Town General (A Fund) and Highway (DA Fund) Budget

Public Officials' Salaries			
	2018	2019	% change
<i>Supervisor</i>	\$18,580	\$18,952	2%
<i>Highway Superintendent</i>	\$63,461	\$64,730	2%
<i>Town Clerk</i>	\$33,137	\$33,800	2%
<i>Justices (each)</i>	\$11,408	\$11,636	2%
<i>Councilpersons (each)</i>	\$2,296	\$2,342	2%

How Property Taxes are Determined

- **Expenditures - Revenues = Tax Levy** (amount to be made up by taxes)
- Some of the Tax Levy may be reduced by allocation of Fund Balance monies in order to maintain an approximate steady-state, buffering residents from unexpected changes in expenses and revenues, and keeping taxes in line with services.
- **Fund Balance** = Unrestricted reserves. The Town strives to maintain a fund balance of at least 20% of budgeted expenditures.
- $\text{Tax LEVY} = \text{EXPENDITURES} - \text{REVENUES} - \text{applied Fund Balance}$
- Since 2011 New York State's **Tax Cap** limits annual growth in the TAX LEVY to the lesser of 2% or the rate of inflation.
- **TOTAL ASSESSED VALUE (TAV)** is the total assessed value of properties in the town. The Town's Tax Levy is distributed in proportion to the assessed value of property that residents own, resulting in the TAX RATE.
- $\text{TAX RATE}/\$1000 \text{ ASSESSED VALUE} = (\text{LEVY}/\text{TAV}) * 1000$



An Example of How the Tax Rate Works:

- *For total town tax items in this budget (General, Highway, Fire, Streetlights) the proposed amount of taxes to be levied = \$1,720,974.*
- *The Total Assessed Value (TAV) of town properties = \$249,620,954.*
- *The Tax Rate is then the levy dollars distributed among every \$1,000 of TAV = \$6.8913.*
- *If your property is assessed at \$200,000, your taxes would then be $\$8.0757 \times 200 = \$1,615$.*

- *Note that because our total town needs are distributed as a proportion of your property value to the town total, increases in TAV do not necessarily result in increases in your taxes. If everyone's assessment doubled, so would the TAV: your Tax Rate would then be cut in half.*

	<u>General</u>	<u>Highway</u>	<u>Combined</u>
Appropriations	\$870,604	\$1,446,100	\$2,316,704
Revenues	\$227,792	\$241,445	\$469,273
Applied FB	\$160,000	\$70,000	\$230,000
2019 Tax Levy	\$482,812	\$1,134,655	\$1,617,467
2018 Levy	\$539,695	\$1,055,788	\$1,595,483
		Levy Change:	+1.38%
	2018	2019	Change
TAV	246,271,809	249,620,954	+1.36%
Tax Rate/\$1,000	6.5539	6.8943	-0.07%
Tax for 200K home	\$1,380	\$1,379	-0.07%

General (A) Budget Highlights

Category	Expenditures		% Change
	2018	2019	
Town Board	\$11,124	\$11,308	1.65
Court	\$48,036	\$48,867	1.73
Supervisor	\$43,015	\$44,405	3.23
Clerk	\$59,192	\$61,242	3.46
Town Hall	\$126,929	\$130,719	2.99
Safety Inspection	\$54,055	\$60,209	11.38
Highway Administration	\$74,961	\$84,243	12.38
Garage	\$19,000	\$19,000	0
Youth	\$24,118	\$25,246	4.68
Benefits	\$81,940	\$106,049	29.42
TOTAL GENERAL EXP.	\$739,483	\$880,620	17.73



Highway (DA) Budget Highlights

This year's highway budget increases largely because of planning for needed truck replacements

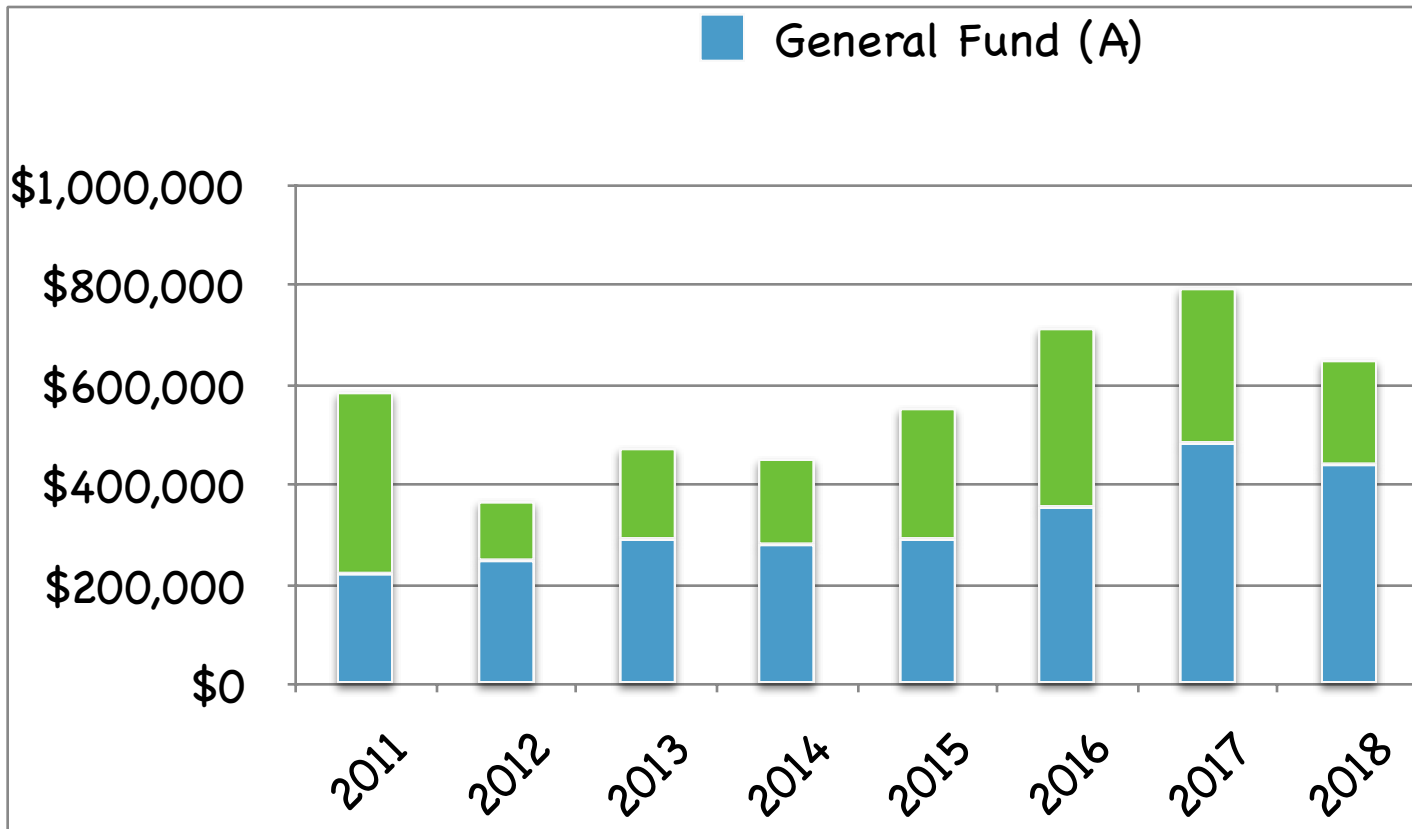
Category	Expenditures		% Change
	2018	2019	
Road Repair	\$237,222	\$240,126	1.22
Road Capital Improvements	\$181,083	\$188,678	4.19
Machinery	\$202,083	\$355,083	75.7
Miscellaneous	\$69,366	\$69,366	0
Snow Removal	\$299,957	\$302,861	0.97
Benefits	\$307,161	\$289,486	-5.75
TOTAL HIGHWAY EXP.	\$1,296,872	\$1,446,100	11.47
	Revenues		
State Aid (CHIPS)	\$160,000	\$167,595	4.75

Insurance costs increased about 5%. Caroline Health Insurance will transition to ACA high-deductible Gold Plan in 2019, combined with Health Reimbursement Arrangements for each covered employee to cover out-of-pocket costs.

Insurance	2018 Amount	2019 Amount	% Change
Health	\$230,629	\$243,485	5.57%
Property	\$28,380	\$28,301	-0.28%
Workers' Comp	\$57,200	\$60,055	4.99%

Insurance	2019 Amount	% of Insurance Expenses	% of Town (A&DA) Expenses
Health	\$243,485	73%	10.5%
Property	\$28,301	8.5%	1.22%
Workers' Comp	\$60,055	18%	2.6%

Caroline 7-yr Fund Balance history for General and Highway Funds with appropriation of \$230,000 of Fund Balance to reduce the 2019 tax levy. Resulting Fund Balance is approximately 29% of the Town's budgeted expenditures for a year.





Caroline Fire Protection District

	<u>2018</u>	<u>2019</u>	<u>% Change</u>
<i>Speedsville Fire Co.</i>	\$53,100	\$56,200	5.8%
<i>Brooktondale F.D.</i>	\$19,306	\$19,693	2.0%
<i>Speedsville W/C Ins.</i>	\$6,843	\$8,114	18.6%
<i>Appropriated 2018 FB</i>	\$0.00	\$0.00	
<i>Tax Levy</i>	<i>\$79,249</i>	<i>\$84,007</i>	<i>6.0%</i>
<i>TAV</i>	\$54,478,329	\$55,204,018	1.3%
<i>Tax Rate/\$1,000</i>	<i>\$1.45</i>	<i>\$1.52</i>	<i>4.9%</i>

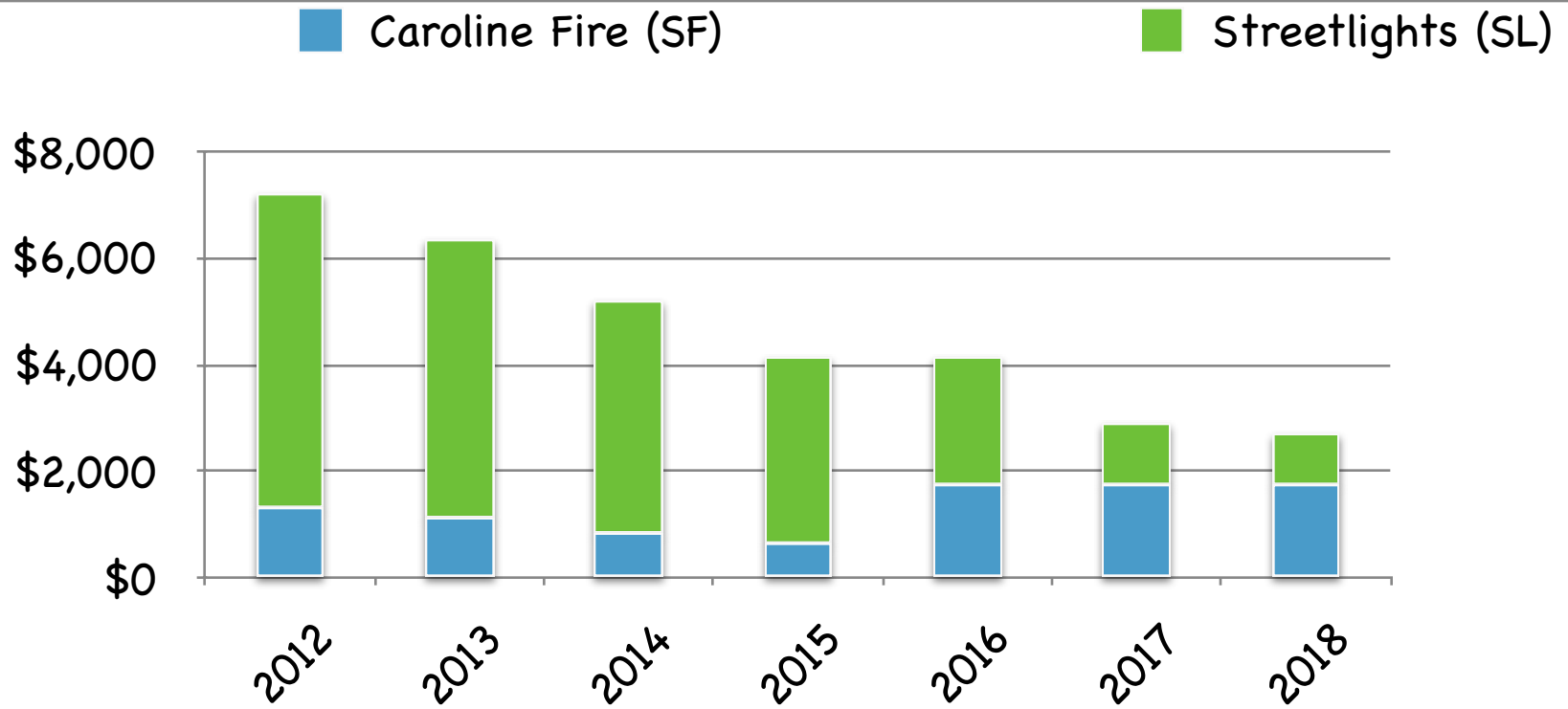
Caroline Streetlight District

The levy was increased to provide funds for the purchase of streetlights from NYSEG that will be required to convert to town-owned LED streetlights. The change to LED streetlights will reduce future operational costs by 50-60%.



	<u>2018</u>	<u>2019</u>	<u>% Change</u>
Expenditures	\$7,000	\$52,861	655%
Revenues	\$1,000	\$33,361	3,236%
Tax Levy	\$6,000	\$19,500	2.25
TAV	\$258,648,746	\$262,486,251	1.5%
Tax Rate/ \$1,000	\$0.0232	\$0.0743	220%

Caroline Fund Balance history for Caroline Fire Protection and Caroline Streetlight Funds projected through 2018.



The Preliminary Budget Levy is \$21,942 greater than the 2018 Levy (+1.29%) and \$52,620 below the 2019 Tax Cap (-2.97%).

Tax Cap:	\$1,773,594
2019 Adopted Budget Tax Levy:	\$1,720,974
2018 Town Budget Levy:	\$1,699,032
Difference:	\$21,942
% above/below Tax Cap:	-2.97%

For a \$200,000 home the change in town taxes would be \$10:

	2018	2019	Change
Town	\$1,311	\$1,296	-\$15
Fire	\$290	\$304	\$14
Streetlights	\$5	\$15	\$10
TOTAL:	\$1,605	\$16,015	\$10

