

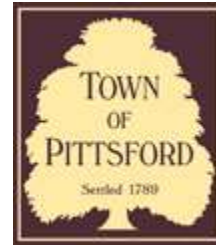
MEMORANDUM

From: William A. Smith, Jr.

To: Town Board

Date: October 19, 2021

Re: Proposed Budget for 2022



Submitted herewith is my proposed Town Budget for 2022.

The proposed budget cuts the Town tax rate by an additional two cents (\$0.02), reducing it to \$3.13 per thousand dollars, compared to \$3.15 for the current year.

This marks the third tax rate cut in the last four successive budgets, the one exception being my final proposed budget for 2021 that held the tax rate flat, with no increase. Altogether, these comprise a cumulative cut of more than 9% in the Town tax rate since 2018.

Town tax remains proportionally low. For a number of years we were able to hold the line, with Town taxes comprising just nine cents (\$0.09) of every dollar in property tax paid by Pittsford residents. Now, under this proposed budget and with our series of tax cuts over the past 4 years, for every dollar each taxpayer pays in property tax, just eight cents (\$0.08) is Town of Pittsford tax.

The budget maintains the quality of municipal services that support the quality of life for all residents. We maintain our stepped up staffing for repaving of residential neighborhood streets and of main roads under the Town's jurisdiction. The proposed budget recognizes the increased demand in the community for support from Pittsford Youth Services; consequently, the budget provides for double PYS's budget request for next year. Cumulatively, the Town has increased its funding of Pittsford Youth Services by nearly 79% since 2017.

The budget provides for an additional full-time person in our IT Department, which has been needed for some time. It supports our Town employees with cost of living increases for all non-elected employees in light of the significant increase in inflation over the past year. Elected employees receive no increase. The budget continues funding for grant-writing services. It supports as well the substantial increases in benefit costs that are being imposed by benefit providers for the year ahead.

In this regard, Pittsford taxpayers continue to benefit from the forward-thinking of the Town administration and its predecessors. The Finger-Lakes Municipal Healthcare Trust – a statewide model for shared services, initiated by the Town of Pittsford – continues to save the Town substantial additional expense every year. As a result, the increase in medical costs is

confined to 5% for next year, rather than a multiple of that. Costs for employee dental benefits, which are 100% funded by the Town, are up by 2%.

For five years we have had to accommodate the annual increases in the State's minimum wage and the cascading effects these have had throughout our wage scales every year. These were planned for five years, with the last increase affecting our Town budget for this year. However, in 2021 the State increased the minimum wage again, which we have accommodated once more in this budget.

Well before funds became available to the Town from any other level of government, for relief from costs and lost revenue due to COVID, Pittsford's longstanding record of fiscal responsibility withstood the test. It, and our careful budgeting practices, enabled the Town to meet the fiscal challenge of COVID, while protecting taxpayers.

The proposed budget maintains full funding for senior citizens' programs and services, including lunch and nutrition programs. It funds more youth programs planned and organized by our Recreation staff.

As the relaxation of pandemic restrictions have made it possible once more for the Town to offer its full slate of community events and programs, the budget funds them all, in addition to an expanded schedule of summer canalside concerts.

Taxpayers continue to save money because the Town maintains its credit rating. The Town of Pittsford has the highest credit rating possible -- Triple-A. This is much more than a report card on municipal fiscal management. It protects taxpayers by keeping down the rate of interest we pay on Town bonds, for such things as the Greenprint, the new Community Center, the Library and our improvements to Athletic Fields and parks.

Pittsford remains the only Town of its size in the United States to hold a perfect credit rating. And the only town in New York north of Westchester and Putnam counties to have it. So Pittsford residents continue to pay less for bond financing of municipal improvements than residents of any other place in upstate New York – and any other place of our size in the country.

The comparative snapshot with other local municipalities remains stable. Of the 18 towns in Monroe County, Pittsford has the 7th lowest town tax rate. If you exclude from the comparison those towns that receive revenues from landfills, and those with commercial areas much more extensive and intensive than Pittsford's, we're the 5th lowest. And Pittsford provides municipal services that not all of the other lower-taxed towns do, such as leaf pick up, yard debris pick up, a recreation program and a Town-financed library.

Pittsford has emerged from the fiscal uncertainties of the COVID pandemic in a strong position, quite independently of any federal or other external funding from other levels of government. This budget supports my Town administration's commitment to responsiveness to residents, building stronger neighborhoods, continual improvement and to services of importance to youth and seniors. We continue to build on Pittsford's solid legacy of decades of enlightened and responsible budgetary practices that protect taxpayers.

Thanks to Finance Director Brian Luke and our Town Department Heads for their work and recommendations in preparing this budget. In doing so our orientation is straightforward:

- What have residents suggested throughout the year?
- What will it cost to maintain Town services for our residents in the year ahead?
- What will it cost to make the improvements we seek?
- Through the lens of brutal realism and on a principled basis for analysis, what are our projections for Town revenues for the year?
- How do we reconcile this data to maintain and improve services and amenities while best protecting taxpayers?

That's it.

That's what produced the budget before you. That's how we continue Pittsford's long tradition of improving services and infrastructure and protecting taxpayers. In other words, of doing the job our residents expect us to do in the best possible way.