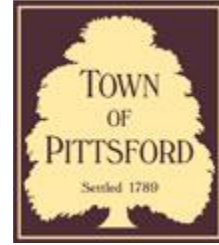


MEMORANDUM



From: William A. Smith, Jr.

To: Town Board

Date: October 28, 2022

Re: Proposed Budget for 2023

Submitted herewith is my proposed Town Budget for 2023.

The proposed budget holds the town tax rate flat, with no increase. The rate therefore remains, following last year's tax cut, at \$3.13 per thousand dollars of assessed value. This budget holds Pittsford's tax levy below the State tax cap.

Since 2018 we have cut the Town tax rate by more than 9%.

Town tax remains proportionally low. For a number of years Town taxes comprised just nine cents (\$0.09) of every dollar in property tax paid by Pittsford residents. For 2022 that dropped to eight cents. Once again, under this proposed budget for 2023, for every dollar each taxpayer pays in property tax, just eight cents (\$0.08) is Town of Pittsford tax.

We have entered a new era of high inflation. The CPI relevant to Pittsford was 8.2% over the past 12 months. For the Town, our cost of gasoline diesel fuel has increased by 40%. Notwithstanding these conditions, the proposed budget for 2023 maintains all municipal services without cuts.

It maintains our stepped up program of repaving residential neighborhood streets. It fully funds Pittsford Youth Services' budget request for next year. Cumulatively, the Town has increased its funding of Pittsford Youth Services by 83% since 2017 – and that does not count the \$39,400 in ARPA funds we provided PYS earlier this year. The proposed budget holds flat the Town's funding for Pittsford Volunteer Ambulance, following a cumulative increase for PVA of 114% since 2018, as of the budget for 2022.

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 7.5% 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%.

Again the State has raised the minimum wage. Again it has a cascading effect throughout our wage scales. Hourly employees subject to the wage scale receive an increase equal to the higher of their next step in the wage scale or 4%. All other non-elected employees receive an increase of the higher of merit raise awards or a 4% cost-of-living adjustment. Elected officials receive no increase in compensation.

The proposed budget maintains full funding for senior citizens' programs and services, including lunch and nutrition programs. It funds our full schedule of recreation programs, including youth programs; also our schedule of Town events, which we've expanded from pre-pandemic days.

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 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 renovations to our Spiegel 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 this perfect credit rating. We're the only Town in New York north of Westchester and Putnam counties to have it. Consequently, 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.

Pittsford has the 7th lowest town tax rate among the 18 towns in Monroe County, as it had last year. If you exclude from the comparison those towns that receive revenue from landfills, and those with commercial areas much more extensive and intensive than Pittsford's, we're the 5th lowest. This despite Pittsford's full schedule of municipal services that none of the lower-taxed towns offer, such as weekly leaf pick up, yard debris pick up, a recreation program and a Town-financed library.

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. Our methodology remains 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?

This is how we continue Pittsford's long tradition of improving services, amenities, infrastructure and protecting taxpayers. The result is the budget for 2023, now proposed for your approval.