



a town for a lifetime **IRONDEQUOIT** *New York*

10 October 2024

Tentative 2025 Budget Executive Summary

To the Residents of the Town of Irondequoit:

It is my pleasure to present to you the Tentative 2025 Budget for the Town of Irondequoit. Before getting into the budget, let us review where we started, where we are, and the road ahead.

Where we started:

In the Adopted 2024 Budget a number of full-time and part-time positions were eliminated from the budget. Those positions included several critical positions in the Supervisor's Office, the courts, and in the Development Office. These changes took place as an amendment after the adoption of the 2024 Tentative Budget. Leaving these positions vacant would have hampered the functions of the Town and Town Courts. Some of these positions were restored in the Tentative 2025 Town Budget. In addition, the Tentative 2025 Budget reflects unfunded wage increases agreed to during union negotiations in 2023 by the prior administration which affected the 2024 budget. These increases are reflected in the Tentative 2025 budget.

No doubt, all our workers deserve as fair a wage as the Town can afford. The wage increases, however, are unsustainable. The results from the negotiations did not give a future funding mechanism to pay for the added cost to a town on a relatively fixed levy.

In the Tentative 2025 Budget, these added costs were covered by a tax stabilization fund. We shift some purchases to longer-term debt instead of using the general fund. This allowed for the reallocation of resources to meet this deficiency.

Recently, the Town was hit with a 13% health benefits increase.

Several construction projects that improved the quality of life for our residents had been stalled and/or underdeveloped. These projects have been reimaged and moved forward toward completion.

Finally, after months of working on the Tentative 2025 Budget, we discovered a few of our departments' revenues for 2024 had been over-forecast and under-expensed for their projects. This left a natural hole in some of the departments' budgeting for 2025. The current numbers



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used throughout the budget are the five-year averages of past budget line items. Thus, they are more reflective of historical budgetary norms.

Where we are:

The Tentative 2025 Budget is a balanced spending plan that continues to improve the quality of life of our community and invest in our people and our critical infrastructures.

The 2024 tax rate was \$4.66 per \$1,000 of assessed value. The 2025 tax rate will see a slight increase of \$4.68 per \$1,000 of assessed value. The Tentative 2025 budget stays well below the 2.5% property tax cap with a modest \$116,556 increase to the tax levy above last year's. The increase is directly due to unfunded contractual obligations mentioned earlier, and the corrections to the 2024 post-budget adoption, which amended staffing deficiencies that we addressed earlier.

This budget represents a healthy path forward while addressing concerns created by unfunded contractual obligations, inflationary cost pressures, and improving the quality of life for our residents. Irondequoit is still ranked the number one place in the nation to buy a first home. Despite colloquial anecdotes, the Irondequoit total tax rate ranks ninth out of the nineteen towns that compose Monroe County.

While this is affordable for some, the fact is that many residents are on fixed incomes and experience hardships. Residents are encouraged to apply for all tax exemptions due to them by law. In 2024, there was a 9.33% increase in the number of applications for Senior Exemptions applied to the levy. While not addressed in the budget, we continue to use CBDG and ARPA dollars to address the needs of our most vulnerable, thus this is a saving to the tax levy.

The Road Ahead:

This budget increases investment in our workforce without reducing services or cutting needed personnel. We must continue to build our workforce and move our workers' wages closer to the livable wage standard to recruit and maintain a competent workforce.

In 2025, we plan to analyze the structure of our Town government to learn if we are meeting the needs of Town residents. We may discover deficiencies that may be solved by technology or more efficient operations. We may also discover needed staffing changes to better meet the challenges of our future. And we may discover more effective acquisition and procurement means, resulting in building a more predictable equipment and fleet replacement model, which would allow us to stabilize associated expenses.



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In 2024, for the first time ever, we took part in the Federal Appropriations Request and will continue to do so in the future.

We achieved New York State recognition as a Pro-Housing Community. What that means to you, as tax payors, is that we are now eligible to apply for and receive critical development grants offered from New York State. These grants, if received, will help improve our infrastructure, business development, and housing.

The creation of a Grant Section within the Economic Development and Community Services Department (formerly called the Development and Neighborhood Department) will be extremely beneficial to increase Town revenue and directly impact the Town by finding additional resources.

Already in 2024, our Town received \$991,980 in federal funding, \$693,665 in New York State funding, and \$555,719 in Monroe County funding. The goal is to take part in as many grant applications as we are eligible to reduce our direct costs and expenses, and to improve the safety, security, and quality of life for our residents, staff and visitors.

It is crucial that we move forward responsibly. We must ensure that any contracted agreement is fully planned and funded. To stay competitive, we must find ways to increase our lower paid workers' wages. To continue to see growth, we must continue to support cost controls, increase revenue, and restructure the functions of government when needed to ensure we meet the needs of all residents.

As a result of inflationary pressures, the Town continues to review how to increase revenue streams and reduce service costs to residents where possible. We must use technology to enhance employee performance and productivity where applicable. We are aggressively researching how to collaborate with all the Town's taxing authorities in order to seek opportunities to lower costs. Within the Town, we are consolidating purchases between departments and implementing sustainable energy goals to lower costs.

Unlike other towns in Monroe County, the Town of Irondequoit is nearly completely developed. There is little opportunity to increase our tax base. Because we are a predominantly R1 zoned town (single family homes), the cost of managing the Town falls mainly on the residential tax base. Our tax levy is somewhat fixed and continues to face funding pressures based solely on home valuations.

While increasing home valuations are a positive, it is not so when property value begins to recede due to the normal fluctuations of the marketplace. That does not mean that the cost to run the Town will also decline. We must continue to build and use a Tax Stabilization Fund to offset this cost. It is recommended to build a healthy reserve fund by increasing the tax rate each year



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or every other year by 0.01-0.1% per \$1,000 of assessed value. This would avoid large increases in the future when property values begin to decline, and costs continue to rise. This would make the Town more financially resilient.

Tax surpluses built up in the growth years will be used as a Tax Stabilization Fund in receding years. This fund will also be used to fund and improve the security and quality of life for all residents, and to help offset future tax burdens.

In 2024, the Town Board voted to rewrite the Town code. The intent of that rewrite is to streamline the functions of the Town, improve citizen-town responsiveness, and help developers convert empty parking lots into upgraded new businesses; the latter of which will increase our tax base. We will continue to promote a business-friendly environment as it will positively and directly affect you, the tax payor.

Fiscal discipline should not come at the expense of caring for our residents or employees. Nor should fiscal discipline decrease the level and volume of services offered to you, our residents. The Tentative 2025 Budget is an extension of this administration's commitment to leave our Town in a progressively better position for a brighter future.

Finally, I commend the Town staff and department heads for the tremendous amount of work done to set our Town on a healthy and financially sound path forward.

Very Respectfully,


Andraé Evans
Town Supervisor