

Association of Erie County Governments

Annual Budget
Preparation &
Submission

**Erie County Office of
Real Property Tax Services**

TAX PREP TEAM

Joseph Maciejewski

Director of Real Property Tax Services

Kelly Wahl

Chief Data Tax Clerk

Stephanie Halt

RPS Coordinator

Rath Building Room 100
95 Franklin Street
Buffalo, New York 14202

Real Property Annual Tax Prep Cycle

March: City of Tonawanda City Tax Bills

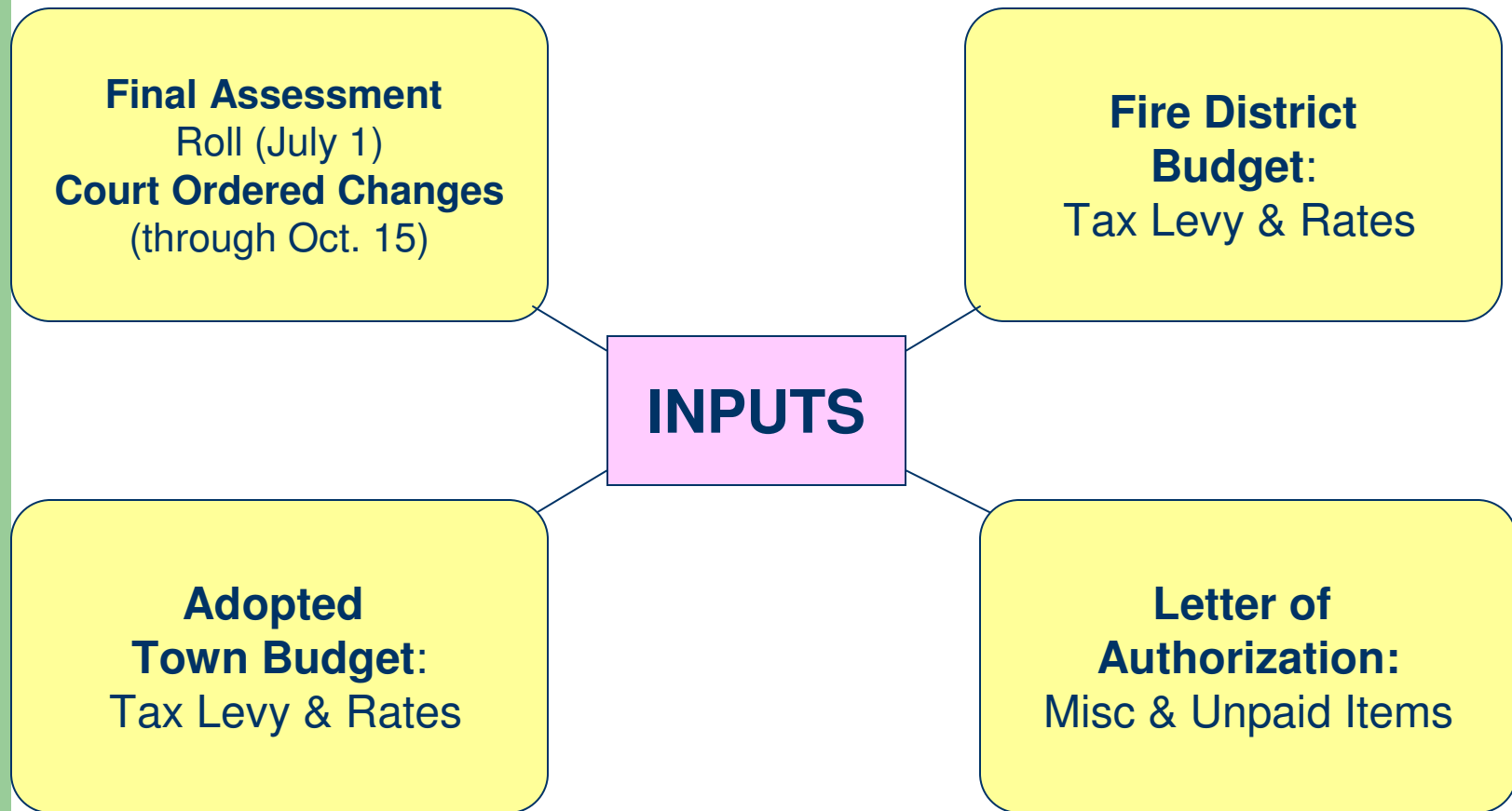
April – May: Village Tax Bills

August: School Tax Bills

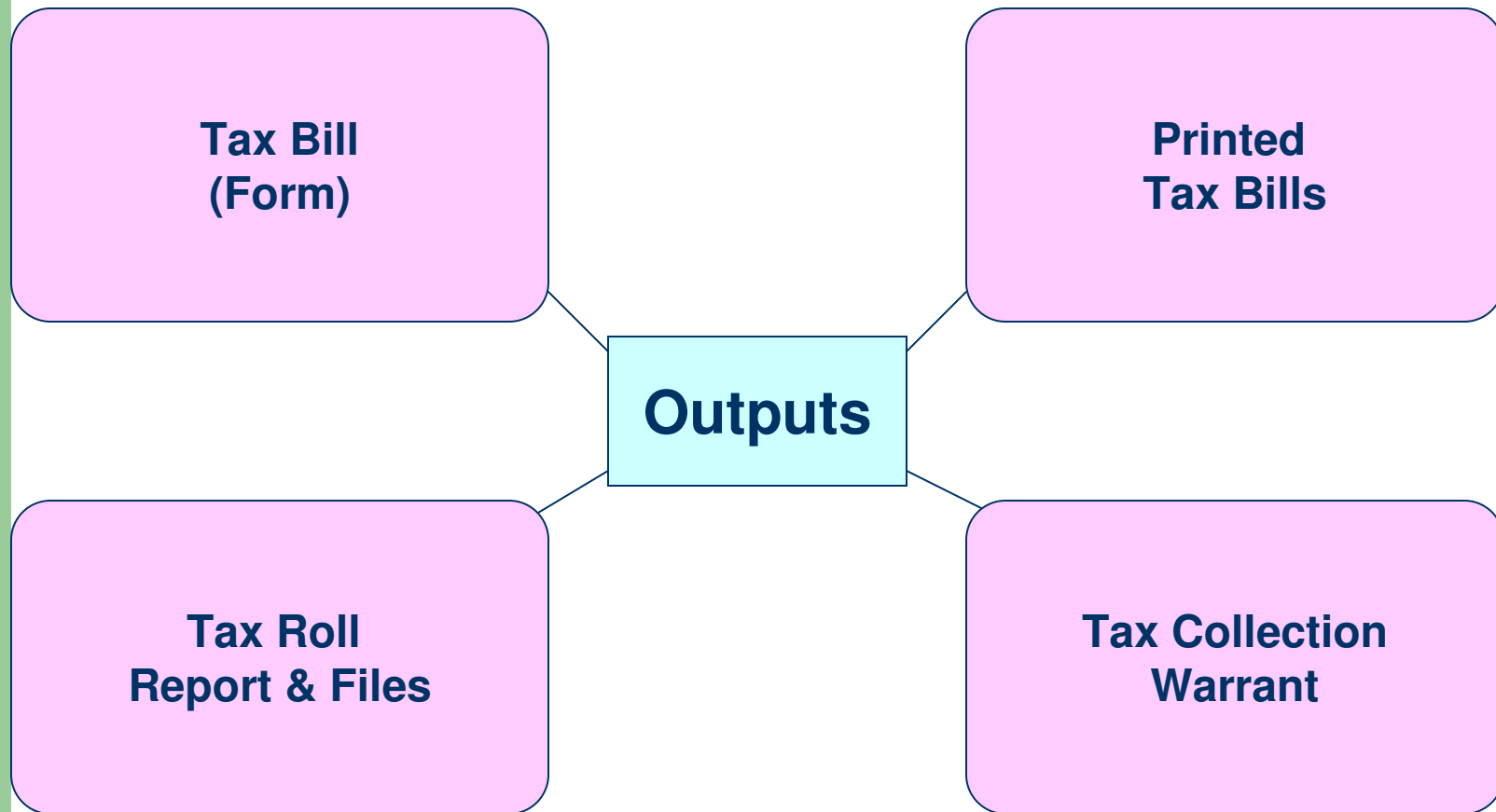
December: Town County Tax Bills (1st Class)

January: Town County Tax Bills (2nd Class)

Tax Prep Process (High Level)



Tax Prep Process Continued



Town Budget Calendar

Source: NY State Comptroller

TASK	DATES
1. Budget Officer (B.O.) furnishes department heads with prescribed budget request forms.	Before Sept 1 st
2. Department heads submit estimates to B.O.	On/before Sept 20 th
3. B.O. files tentative budget with Town Clerk.	On/before Sept 30 th
4. Town Clerk presents budget to Town Board.	On/before Oct 5 th
5. Town Board makes revisions & prepares preliminary budget to be filed with Town Clerk.	Prior to Public Hearing
6. Notice of public hearing.	Per Town Law Sec 108
7. Public hearing held.	On/before Thursday after Election Day
8. Final Revisions to Preliminary Budget.	After public hearing
9. Budget adopted.	<u>*Prior to November 20</u>

Erie County Deadline for Budget Submission

***Per EC Tax Act Section 6-1.0:**

Town & Fire District budgets must be certified to the county **at least 1 week prior to the last Tuesday in November.**

***The EC Tax Act supersedes NYS Town Law
deadline of November 20***

General Guidelines

Budget must be submitted along with:

- Resolution certifying adoption of budget from Clerk.
- Letter of Authorization (*form provided by Real Property*) to levy special charges (unpaid water/sewer/garbage etc.)
- Fire District Budgets
- Summary section containing information detailed below.

Essential Elements of a Budget Summary

Summary section must include the following (listing all funds):

- Fund or special district name and RPS assessment code
- Taxable Value for each fund or special district
- Total Expenditure for each fund or special district
- Total Revenue (b/f property tax) for each fund or special district
- Total Fund Balance to be used for each fund or special district
- Total Levy for each fund or special district
- Tax Rate and type (ad valorem, capital, maintenance or unit charge) for each

Budget Summary (Page 1 of 2)

Budget Summary & Levy by Fund					
Town of Blank, New York					
	General & Highway Funds	Total Expenditures	Fund Balance	Anticipated Revenue	Amount to Raise
	A (General Fund - Townwide)	2,797,704	410,000	991,910	1,395,794
	B (Gen Fund - Town Outside Vlg)	1,308,942	30,000	714,200	564,742
	DB (Highway - Town Outside Vlg)	1,150,500	100,000	587,000	463,500
	Total General Items	5,257,146	540,000	2,293,110	2,424,036
Dist Code	Special Districts	Total Expenditures	Fund Balance	Anticipated Revenue	Amount to Raise
24020	Fire Protection District	211,361	-	1,000	210,361
24021	Fire Commissioner District	138,994	-	-	138,994
24030	Lighting District	10,200	494	-	9,706
24040	Water District	729,700	10,000	1,500	718,200
24067	Sewer District	244,000	5,000	500	238,500
24650	Refuse District	505,000	9,000	800	495,200
	Total Special Districts	7,096,401	564,494	2,296,910	4,234,997
Other Items per Letter of Authorization					
	Delinquent Water to Levy (ECWA)	-	-	-	985.17
	Delinquent Garbage to Levy	-	-	-	170.39
	Total Other Items	-	-	-	1,155.56
	Grand Total All Items	12,353,547	1,104,494	4,590,020	6,660,188.56

Budget Summary (Page 2 of 2)

Tax Levy & Rate Summary By Assessment Code						
Town of Blank, New York						
	General & Highway Funds	Amount to Raise	Taxable Value	Tax Rate per 1,000	C M	Unit Rate
	A (General Fund - Townwide)	1,395,794.00	502,105,625	2.779881		
	B (Gen Fund - Town Outside Vlg)	564,742.00	301,564,620	1.872706		
	DB (Highway - Town Outside Vlg)	463,500.00	301,564,620	1.536984		
	Total General Items	2,424,036.00				
Dist Code	Special Districts	Amount to Raise	Taxable Value	Tax Rate per 1,000	C M	Unit Rate
24020	Fire Protection District	210,361.00	197,780,835	1.063607	M	
24021	Fire Commissioner District	138,994.00	36,241,986	3.835165	M	
24030	Lighting District	9,706.00	56,061,837	0.173130	M	
24040	Water District	718,200.00	94,379,469	7.609706	C	
24067	Sewer District	238,500.00	120,256,975	1.983253	M	
24650	Refuse District	495,200.00	2,977	n/a		166.34
	Total Special Districts	4,234,997.00				
Other Items per Letter of Authorization						
	Delinquent Water to Levy (ECWA)	985.17				
	Delinquent Garbage to Levy	170.39				
	Total Other Items	1,155.56				
		-				
	Grand Total All Items	6,660,188.56				

Most Frequent Problems With Budget Submission

- 1) Wrong taxable values used
- 2) Missing Letter of Authorization to levy misc or unpaid items
- 3) Failure to submit Fire District budgets
- 4) Failure to include a balanced summary section for all funds
- 5) Calculation errors

Problem # 1: **Wrong taxable values used**

Cause:

- The Budget Officer is not familiar with reading the Assessor's report and which figures to use. Particularly a problem for special districts with unit charges.
- Changes were made to the taxable values (resulting from court ordered changes or a correction of error after final roll July 1) but those updated figures were not included in the budget.

Problem # 1: **Solution**

Solution:

- Oct. 1st – 15th, ask the Assessor for an updated report of the Taxable Values (RPS960) and to give you a heads up on any anticipated court ordered changes.
- Nov. 1st, contact Erie County Real Property to review the taxable values you are using *prior* to finalizing your budget. We can verify that your figures agree with what we received from your assessor.

Problem #2: **Missing Letter of Authorization**

Cause:

- Lack of communication between town departments.
- One or multiple town departments prepare a list of delinquent accounts (unpaid water, sewer, clean up charges) that are intended to be levied on a parcel's next town county tax bill. However that person or department does not realize that board action is required to make it part of the tax levy and that the letter of authorization must be completed.

Problem #2: **Solution**

Solution:

- Review this procedure and budget timeline with all involved departments (tax, town clerk, building, sewers etc) and implement a standard operating procedure to account for it.
- At a minimum, the Town Assessor, Town Clerk and Supervisor must be involved in this process and are required to sign the form.
- Include these items directly in the budget when adopting.

Problem #3: **Missing or incomplete Fire District Budgets**

Cause:

- Confusion over state legislature enacted that changed how, when and to whom fire district budget are filed.
- Lack of uniform standard for submitting the adopted fire district budgets.

Problem #3: **Solution**

Solution:

- Erie County Real Property will prepare guidelines enumerating a uniform standard for preparing and submitting Fire District budgets. This requires communication and cooperation between Fire Commissioners, the Town Clerks, Town Budget Officer and EC Real Property.
- Budgets will be required to be submitted together with the Town's Budget.

Problem #4: **Missing Budget Summary**

Cause:

- Directives from EC Real Property that outline requirements for budget submission are not being followed as prescribed. Perhaps a communication roadblock.
- Turn over in local officials and staff that have not been trained in budget preparation and submission. Not a high priority until process is well underway.

Problem #4: Missing Budget Summary

Solution:

- Greater outreach by EC Real Property (through meetings like these) to better inform, and when necessary train local officials, of the process and requirements for budget submission.
- Local officials being more proactive in asking questions *before* adopting the budget and making use of the tools and guidelines we provide.

Problem #5: **Calculation Errors, Incomplete Tax Rates**

Cause:

- Budget time is hectic for everyone. Last minute changes are being made and mistakes result often because the same person who prepares the budget is also proofing their own work.
- Templates from a prior year are used and current figures don't get updated.
- Standard operating procedure manuals either do not exist, are not updated or being followed.

Problem #5: **Solution**

Solution:

- Designate someone other than the budget officer to do a final proof of the budget summary and tax rate calculations prior to submission.
- Develop a standard operating procedure manual for budget preparation as it applies directly to your town and share it across departments so everyone can take ownership of the part of the process that they are responsible for.
- Reach out to EC Real Property staff for guidance.

Review of Handouts

- Annual Memo from Joseph Maciejewski
- Sample of Budget (Town of Aurora)
 - Good example of how to prepare the summary budget section. Note elements discussed above.
- Sample of Assessment Totals Report
 - Town & Village Taxable Value Totals
 - Special District Taxable Value Totals
 - Determining which values to use in calculating rates
- Sample Letter of Authorization