

# Budget and Assessment Discussion

A presentation to better understand the relationship between assessments, budgeting, and taxes.

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# What is a Reassessment? (Real Property Tax Law (RPTL Section 102)

- A systematic analysis of all locally assessed parcels to ensure that all assessments are at a stated uniform percentage of value as of the valuation date of the assessment roll upon which the assessment appear.
  - Reassessments should be completed every 3-4 years or as needed.
  - After a reassessment, the fair market value and assessed value should be the same.
  - Our goal was to bring all property values to 100% of market value, this goal was achieved in 2024.

# Why do we need reassessments?



Reassessments are needed to restore equity in the roll and ensure that the tax burden is distributed equally and fairly among ALL taxpayers.



The assessor monitors and analyses real estate transactions to establish market value estimates for real property within the city.



There are checks and balances through informal hearing process, Grievance process, SCAR and Article 7. NYS Office of Real Property also reviews the assessment rolls and determines the equalization rate.

# Unfair and Unequitable Assessments Due to Shifting Markets

**Property A:**

**Present Market Value**

**\$100,000**



**Assessed**

**Value**

**\$80,000**

**If Tax Rate = \$20/100**

**Estimated Taxes = \$1,600**

**Property B:**

**Present Market Value**

**\$100,000**



**Assessed**

**Value**

**\$120,000**

**Estimated Taxes = \$2,400**

# Fair and Equitable Assessment after Reassessment

**Property A:**

**Present Market Value**

**\$100,000**



**Assessed**

**Value**

**\$100,000**

**Estimated Taxes = \$2,000**

**Increase of \$400**

**If Tax Rate = \$20/100**

**Property B:**

**Present Market Value**

**\$100,000**



**Assessed**

**Value**

**\$100,000**

**Estimated Taxes = \$2,000**

**Decrease of \$400**

# The Tax Roll – 2023 vs. 2024

\*\*\*\*\*  
Parcel Info, Address,  
Owners Names are  
located here

Property information including address, property type, acres, bank, deed, and assessed value

210 1 Family Res				
Geneva City Sch	320500	9,600		
FRNT	79.45	DPTH	105.00	111,000
ACRES	0.20	BANK	FAR	
EAST-0705971 NRTH-1044811				
DEED BOOK	1100	PG	768	
FULL MARKET VALUE				142,308

This is the exemptions received on the property and the taxable value each taxing jurisdiction will use for their tax bills.

BAS STAR	41854	0	0	30,000
COUNTY	TAXABLE VALUE	111,000		
CITY	TAXABLE VALUE	111,000		
SCHOOL	TAXABLE VALUE	81,000		

Full Market Value is the Taxable Value plus  
equalization change. In 2023 our equalization  
was 78%.

\*\*\*\*\*  
Parcel Info, Address,  
Owners Names are  
located here

Property information including address, property type, acres, bank, deed, and assessed value

210 1 Family Res				
Geneva City Sch	320500	11,200		
FRNT	79.45	DPTH	105.00	135,000
ACRES	0.20	BANK	FAR	
EAST-0705971 NRTH-1044811				
DEED BOOK	1100	PG	768	
FULL MARKET VALUE				135,000

This is the exemptions received on the property and the taxable value each taxing jurisdiction will use for their tax bills.

BAS STAR	41854	0	0	30,000
COUNTY	TAXABLE VALUE	135,000		
CITY	TAXABLE VALUE	135,000		
SCHOOL	TAXABLE VALUE	105,000		

Full Market Value is the Taxable Value plus  
Equalization Rate change. In 2024 our  
equalization rate is 100%

# Comparison of change in assessments/taxable from 2023-2024

(2024-2025 city taxes)

Year	Number of Parcels	Land Value	Total Value	County Taxable	City Taxable	School Taxable	Description
2023	4168	\$ 66,822,548	\$ 497,726,241	\$ 472,724,423	\$ 472,177,281	\$ 476,201,197	Taxable
2024	4166	\$ 79,337,767	\$ 728,498,000	\$ 700,120,403	\$700,311,872	\$ 704,822,798	Taxable

Year	Number of Parcels	Land Value	Total Value	County Taxable	City Taxable	School Taxable	Description
2023	7	\$	\$ 9,324,303	\$ 9,324,303	\$ 9,324,303	\$ 9,324,303	Special Franchise
2024	8	\$	\$ 18,270,629	\$ 18,270,629	\$ 18,270,629	\$ 18,270,629	Special Franchise

# Comparison of change in assessments/taxable from 2023-2024 (2024-2025 city taxes)

Year	Number of Parcels	Land Value	Total Value	County Taxable	City Taxable	School Taxable	Description
2023	26	\$ 156,500	\$ 5,957,313	\$ 5,957,313	\$ 5,957,313	\$ 5,957,313	Utility
2024	26	\$ 158,200	\$ 7,478,201	\$ 7,478,201	\$ 7,478,201	\$ 7,478,201	Utility

Year	Number of Parcels	Land Value	Total Value	County Taxable	City Taxable	School Taxable	Description
2023	1	\$ 686,500	\$ 1,164,987	\$ 1,164,987	\$ 1,164,987	\$ 1,164,987	Ceiling/RR
2024	1	\$ 686,500	\$ 1,452,466	\$ 1,452,466	\$ 1,452,466	\$ 1,452,466	Ceiling/RR

# Comparison of change in assessments/taxable from 2023-2024

(2024-2025 city taxes)

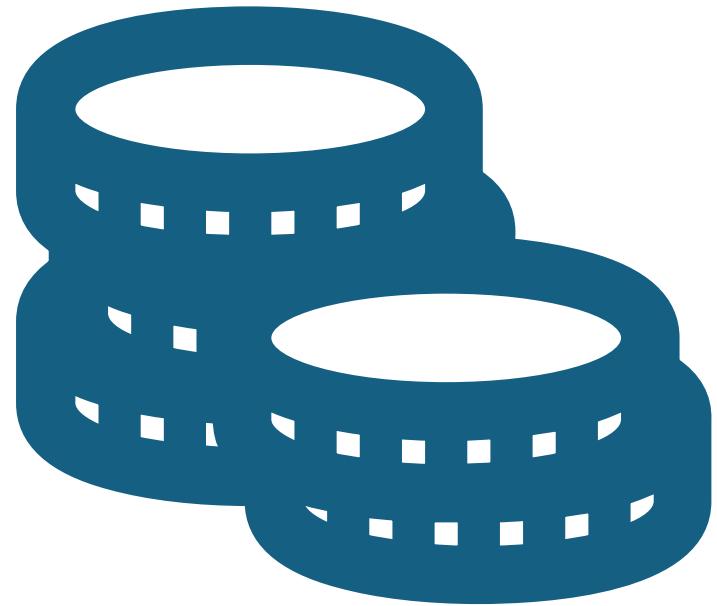
Year	Number of Parcels	Land Value	Total Value	County Taxable	City Taxable	School Taxable	Description
2023	361	\$ 57,594,200	\$ 593,409,800	\$0	\$0	\$0	Wholly Exempt
2024	353	\$ 56,389,200	\$ 646,661,019	\$0	\$0	\$0	Wholly Exempt

## **Facts about the 2024 Assessment Roll**

The highest assessed home  
\$1,300,000

The median assessed home  
\$143,900

The lowest assessed home  
\$33,500



# A Budget Discussion

# General Fund Budget Components

## Revenue Budget

The Revenue Budget contains an estimate of how much money the city government will take in during the fiscal year.

This includes collections of taxes such as the general property tax and sales tax; revenues generated by departments for services such as licenses, permits, fees, and property sales income; and categorical grants for specific programs or services received from the state and federal governments.



# General Fund Budget Components

## Expense Budget

The Expense Budget funds current city government services, including the salaries of government employees, pensions, debt service, and routine operating expenses such as copier paper, pens and pencils, printing services, rent and utilities, and contracts.

It is a legally binding commitment to a level of appropriations for a particular fiscal year. It is the Expense Budget that people generally think of as “the city budget.”



# Sewer and Water Fund



Sewer Fund



Water Fund



# City Debt

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The city generates short-term and long-term debt by issuing bonds to fund the building, maintenance, and improvement of the city's infrastructure and other capital assets.

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Every year, a portion of the city's Expense Budget must be used to fund debt service — the payment of interest and principal on debt outstanding.

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The more the city spends on debt service, the less funds there are available for other city programs. Thus there is an important relationship between the Capital and Expense Budgets.

# Fund Balance



Fund balance is the total accumulation of operating surpluses and deficits since the beginning of our existence as the City of Geneva



Fund balance funds are not recurring



As a City we must maintain fund balance reserve that is 12% to 15% of total budget



2024 Fund Balance: 23% or \$4.5M

# Working Capital or Liquid Assets



Working capital in a city includes assets that can be used to manage financial risk, and can include both unrestricted and restricted resources



2024 Working Capital is ~\$17-19M

# Surplus vs. Liquid Funds

## Surplus

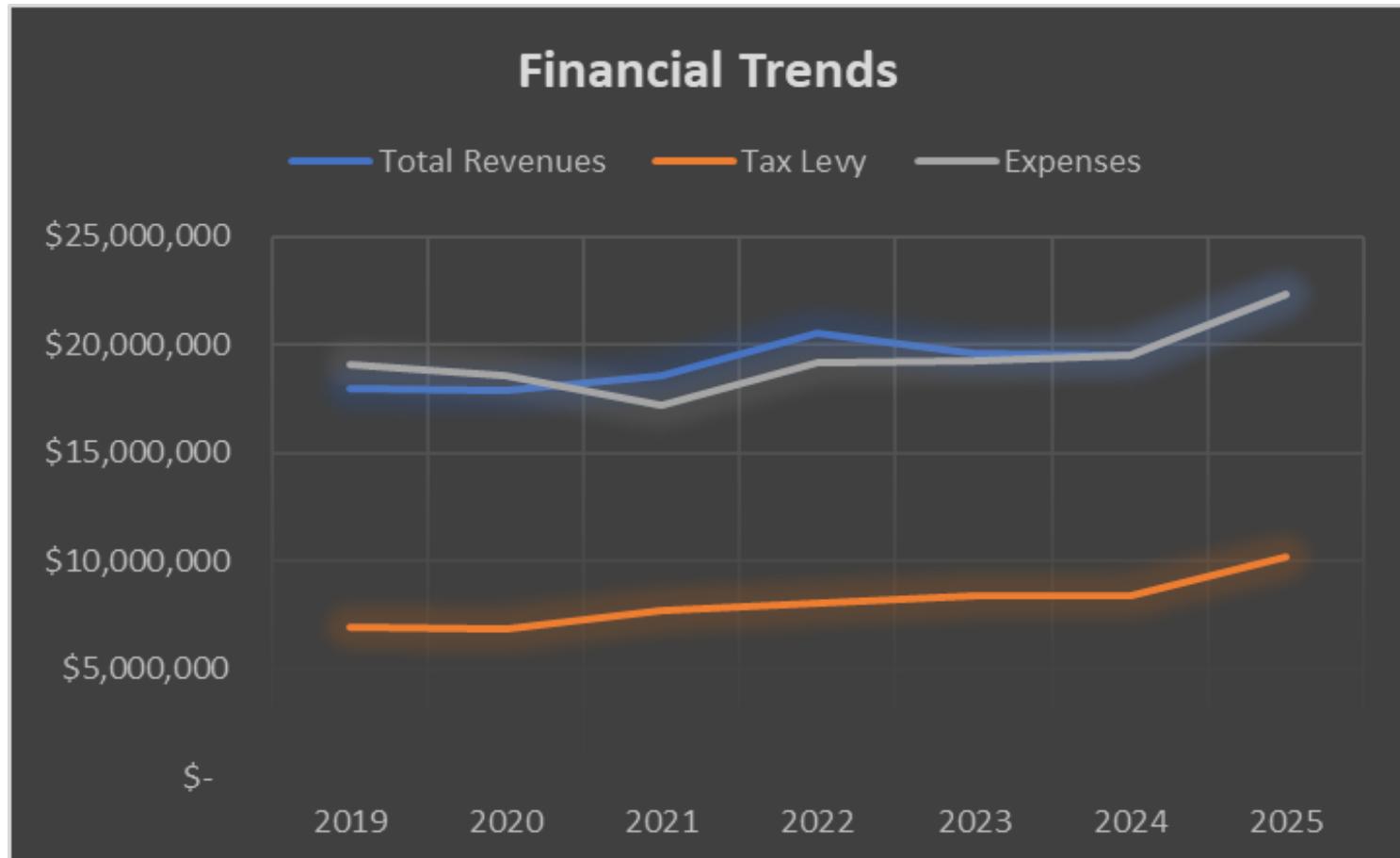
- *Definition:* Surplus funds are the excess revenue that remains after all budgeted expenses have been accounted for within a specific fiscal period. This can occur when a government collects more taxes or revenue than it spends.
- *Purpose:* Surplus funds can be used for various purposes, such as reducing debt, saving for future expenses, or funding new initiatives. They reflect a government's fiscal health and ability to manage its budget effectively.

## Liquid

- *Definition:* Liquid assets are assets that can be quickly converted into cash without significant loss of value. This includes cash itself and other assets like money market accounts or short-term investments.
- *Importance:* Liquid assets are crucial for ensuring that a government can meet its short-term financial obligations, such as paying salaries, bills, and other expenses. They provide flexibility and stability in financial management.

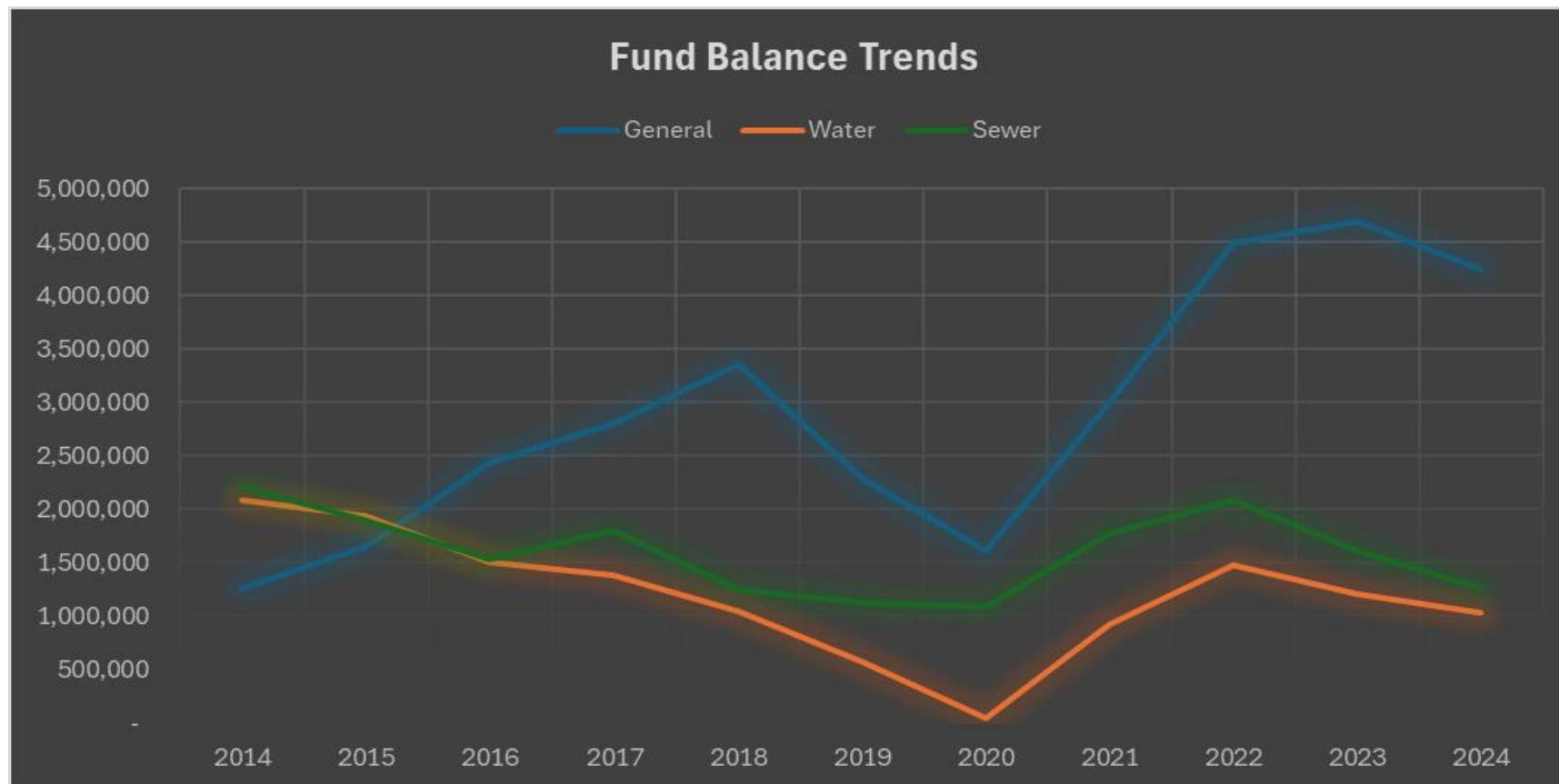
# Financial Trends

	2019	2020	2021	2022	2023	2024	2025
<b>Total Revenues</b>	\$ 17,988,542	\$ 17,913,196	\$ 18,564,718	\$ 20,550,606	\$ 19,627,678	\$ 19,503,229	\$ 22,300,361
<b>Tax Levy</b>	\$ 6,931,210	\$ 6,882,965	\$ 7,706,406	\$ 8,032,497	\$ 8,435,098	\$ 8,428,873	\$ 10,160,898
<b>Expenses</b>	\$ 19,060,772	\$ 18,588,378	\$ 17,205,202	\$ 19,212,196	\$ 19,261,047	\$ 19,503,229	\$ 22,300,361



# Fund Balance Trends

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General	1,260,558	1,651,398	2,434,966	2,801,917	3,357,026	2,284,796	1,609,614	2,995,890	4,485,380	4,683,825	4,245,582
Water	2,076,359	1,928,076	1,494,019	1,371,886	1,036,240	566,798	33,537	913,993	1,472,523	1,201,565	1,020,471
Sewer	2,202,801	1,892,575	1,523,734	1,801,864	1,239,577	1,124,862	1,087,461	1,764,927	2,079,635	1,603,000	1,262,400



# Tax Levy

A property tax levy is the total amount of money to be raised by property tax to cover the cost of providing public services. This levy, whether higher or lower than the preceding year, is determined by the budget-making authority of the jurisdiction.

Total Tax Levy 2024: \$8.4 M

Total Budget 2024: \$19.5 M

Total Tax Levy 2025: \$10.2 M

Total Budget 2024: \$22.3 M

**City Expense – Other City Revenues  
= Tax Levy**

# Tax Rate

Local governments determine tax rates by dividing the total amount of money that must be raised from the property tax (the tax levy) by the taxable assessed value of real property in the municipality

**Tax Rate 2024: \$17.25**

**Tax Rate 2025: \$13.97**

Taxable Assessed Value = Tax Rate  
Tax Levy



## 2025 RECOMMENDED OPERATING BUDGET

Total Appropriations: \$22,300,361  
Estimated Revenues: \$12,139,463  
Levy Total: \$10,160,898  
Tax Rate: \$13.97 per \$1,000  
Property Tax Cap: \$9,852,787  
Price of Median Home: \$143,900



## RECOMMENDED WATER AND SEWER BUDGETS

Water Total: \$3,316,999  
Spending level: 6.7% decrease  
Impact on Consumers: 1.5% increase

Sewer Total: \$5,534,798  
Spending level: 5.1% spending increase  
Impact on Consumers: 2.5% increase

**TOTAL REQUESTS NOT  
RECOMMENDED FOR FUNDING:**

**\$3.5M**

# Real Life Impact on Homes Under Proposed Budget

	Median Home	Taxes	Home #1	City Taxes	Home #2	City Taxes	Home #3	City Taxes
2024	\$ 117,500	\$ 2,027	\$ 57,500	\$ 993	\$ 104,000	\$ 1,796	\$ 96,000	\$ 1,657
2025	\$ 143,900	\$ 2,010	\$ 111,400	\$ 1,556	\$ 112,000	\$ 1,564	\$ 114,600	\$ 1,600
Change	\$ 26,400	\$ (17)	\$ 53,900	\$ 563	\$ 8,000	\$ (232)	\$ 18,600	\$ (57)

	Median Home	Taxes	Home #4	City Taxes	Home #5	City Taxes	Home 6	City Taxes
2024	\$ 117,500	\$ 2,027	\$ 177,000	\$ 3,055	\$ 398,200	\$ 6,873	\$ 1,120,000	\$ 19,331
2025	\$ 143,900	\$ 2,010	\$ 343,000	\$ 4,790	\$ 618,000	\$ 8,631	\$ 1,300,000	\$ 18,155
Change	\$ 26,400	\$ (17)	\$ 166,000	\$ 1,735	\$ 219,800	\$ 1,758	\$ 180,000	\$ (1,176)

Home 7	City Taxes
\$ 111,000	\$ 1,916
\$ 135,000	\$ 1,885
\$ 24,000	\$ (31)

Home 7 is the home from the previous tax roll discussion

( ) indicate a decreased amount from previous tax bill payment

# Senior Exemption Impacts on Proposed Budget

Our estimation is that the exemptions would impact the taxable assessed value of the City by approximately \$2,463,590, which is an exemption of \$1,433,645 more than the amount currently on the tax roll. The total assessed value for the City with the adoption of this resolution will be \$726,134,623. With adoption of the resolution the proposed budgets' tax rate will be \$13.99 per \$1,000.

# Real Life Impact on Homes Under Proposed Budget w/Sr. Exempt.

	Median Home	Taxes	Home #1	City Taxes	Home #2	City Taxes	Home #3	City Taxes
<b>2024</b>	\$ 117,500	\$ 2,027	\$ 57,500	\$ 993	\$ 104,000	\$ 1,796	\$ 96,000	\$ 1,657
<b>2025</b>	\$ 143,900	\$ 2,013	\$ 111,400	\$ 1,558	\$ 112,000	\$ 1,567	\$ 114,600	\$ 1,603
<b>Change</b>	\$ 26,400	\$ (14)	\$ 53,900	\$ 565	\$ 8,000	\$ (229)	\$ 18,600	\$ (54)

	Median Home	Taxes	Home #4	City Taxes	Home #5	City Taxes	Home 6	City Taxes
<b>2024</b>	\$ 117,500	\$ 2,027	\$ 177,000	\$ 3,055	\$ 398,200	\$ 6,873	\$ 1,120,000	\$ 19,331
<b>2025</b>	\$ 143,900	\$ 2,013	\$ 343,000	\$ 4,799	\$ 618,000	\$ 8,646	\$ 1,300,000	\$ 18,187
<b>Change</b>	\$ 26,400	\$ (14)	\$ 166,000	\$ 1,744	\$ 219,800	\$ 1,773	\$ 180,000	\$ (1,144)

( ) indicates a decreased amount from previous tax bill payment

# Impact for Seniors 2024 Full Value to 2025 Exemption in Proposed Budget

Income Limit	Ext. Amt.	Median Home	Change in '25	Home 1	Change in '25	Home 2	Change in '25	Home 3	Change in '25
\$18,000.00	50%	\$ 1,004.82	\$ 1,022.18	\$ 777.88	\$ 215.12	\$ 782.07	\$ 1,013.93	\$ 800.23	\$ 856.77
\$18,999.99	45%	\$ 1,105.30	\$ 921.70	\$ 855.67	\$ 137.33	\$ 860.28	\$ 935.72	\$ 880.25	\$ 776.75
\$19,999.99	40%	\$ 1,205.79	\$ 821.21	\$ 933.46	\$ 59.54	\$ 938.49	\$ 857.51	\$ 960.27	\$ 696.73
\$20,999.99	35%	\$ 1,306.27	\$ 720.73	\$ 1,011.25	\$ (18.25)	\$ 1,016.69	\$ 779.31	\$ 1,040.29	\$ 616.71
\$21,899.99	30%	\$ 1,406.75	\$ 620.25	\$ 1,089.03	\$ (96.03)	\$ 1,094.90	\$ 701.10	\$ 1,120.32	\$ 536.68
\$22,799.99	25%	\$ 1,507.23	\$ 519.77	\$ 1,166.82	\$ (173.82)	\$ 1,173.11	\$ 622.89	\$ 1,200.34	\$ 456.66
\$23,699.99	20%	\$ 1,607.72	\$ 419.28	\$ 1,244.61	\$ (251.61)	\$ 1,251.31	\$ 544.69	\$ 1,280.36	\$ 376.64
\$24,599.99	15%	\$ 1,708.20	\$ 318.80	\$ 1,322.40	\$ (329.40)	\$ 1,329.52	\$ 466.48	\$ 1,360.39	\$ 296.61
\$25,499.99	10%	\$ 1,808.68	\$ 218.32	\$ 1,400.19	\$ (407.19)	\$ 1,407.73	\$ 388.27	\$ 1,440.41	\$ 216.59
\$26,399.99	5%	\$ 1,909.16	\$ 117.84	\$ 1,477.98	\$ (484.98)	\$ 1,485.94	\$ 310.06	\$ 1,520.43	\$ 136.57

( ) indicates an increased amount from previous tax bill payment