

# **Village of Morristown**

## **Dissolution Study**

Existing Conditions: Municipal Financials & Services  
3-28-17



Visit the website: [www.danc.org/operations/engineering/morristown-dissolution-study](http://www.danc.org/operations/engineering/morristown-dissolution-study)

# Introduction and Notes

This presentation summarizes the Revenues, Expenses, Tax Levies and other financial information for the Village of Morristown and the Town of Morristown. The information in this presentation is sourced from Fiscal Year 2016 Annual Update Documents (AUDs), Open Book NY, and the St. Lawrence County Real Property office, unless otherwise noted. Copies of the AUDs are available for review on the Morristown Dissolution Study website under the “Reference Documents” section. The Village fiscal year is June-May, so the Village Fiscal Year 2016 figures are current to 5/31/16. The Town fiscal year is January-December, so the Town Fiscal Year 2016 figures are current to 12/31/16.

This study only includes figures and discussion for the following Property Tax Items: Village Tax, Town Taxes, and Highway Taxes. These tax items are charged at the same rate to all property owners either in the Village or the Town. County taxes and School taxes are not affected by efficiencies or consolidation, and therefore are not included in this study. This study also does not include figures or discussion pertaining to water or sewer services (unless noted otherwise), because these services are provided through special districts that only include the taxpayers within the respective special district. Village dissolution does not affect special districts.

# Explanation of Real Property Taxes

Since the Village and Town's largest revenue source is from Real Property Taxes, the following is a review of how the real property tax rate is calculated by a Municipality:

1. Municipality develops and adopts a budget
2. Municipality determines revenue from all sources OTHER THAN the property tax (state aid, sales tax revenue, fees, etc.)
3. These OTHER revenues are subtracted from the budget and the remainder becomes the Tax Levy. The Tax Levy is the amount of money that must be raised through the property tax.

$$\text{Tax Levy} = \text{budget} - \text{revenues}$$

4. To determine the tax rate, the Municipality divides the tax levy by the total taxable assessed value of all the property in the jurisdiction
5. The product is multiplied by 1,000, since tax rates are expressed as "per \$1,000 of taxable assessed value"

$$\text{Tax Rate} = (\text{tax levy} / \text{total taxable assessed value}) \times 1,000$$

**Tax Rates are subject to change each year due to changes in:**  
**- Budgets   - Revenue   - Total taxable assessed value**

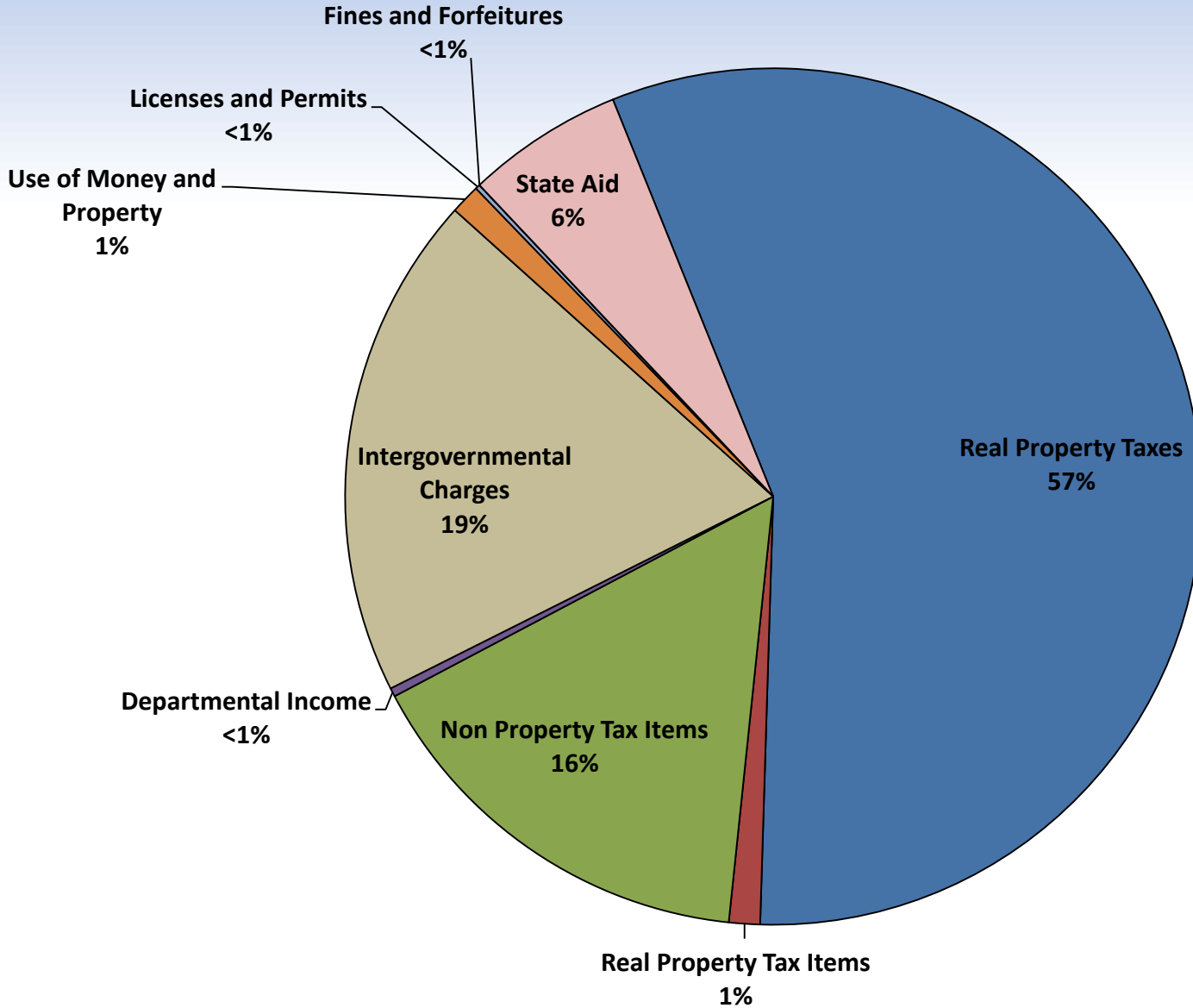
# Village Financials

# Village Morristown General Fund Revenues FYE 5/31/16

The majority of the Village's revenue comes from real property taxes. The second largest revenue source is Intergovernmental Charges, which includes revenue from the Towns of Morristown, Oswegatchie, and Macomb for fire protection services.

Revenue Source	Total
Real Property Taxes	\$304,705
Real Property Tax Items Interest and penalties on real property tax items	\$6,304
Non Property Tax Items Sales Tax	\$84,089
Departmental Income Vital statistics fees; Bayside park rental, dock rentals, pump-out tokens	\$1,761
Intergovernmental Charges Fire Protection Services Other Governments: T. Morristown Fire: \$31,750; T. Morristown Ambulance: \$36,500; T. Oswegatchie Fire & Ambulance: \$19,750; T. Macomb Fire & Ambulance: \$14,565	\$102,565
Use of Money and Property Interest and earnings; SLC Meal Site for Office of the Aging at the Fire Hall	\$6,076
Licenses and Permits	\$957
Fines and Forfeitures	\$10
State Aid Revenue sharing; mortgage tax, Consolidated Highway Aid (CHIPS)	\$31,905
<b>Total</b>	<b>\$538,372</b>

# Village Morristown General Fund Revenues FYE 5/31/16: \$538,372



# How does the Village spend this General Fund Revenue?

For FYE 5/31/16, the Village reported expenditures to the State in the Annual Update Documents as:

“Personal Services” - salaries and employee wages

- Legislative Board
- Mayor
- Treasurer
- Elections
- Street Admin (DPW Superintendent)
- Maintenance of Streets
- Snow Removal

“Equipment and Capital Outlay” - equipment and supply purchases

- Treasurer
- Central Garage
- Fire
- Maintenance of Streets
- Playground and Rec Center
- Special Recreation Facility

“Contractual Expenditures” - contracted services, wages paid to contractors

- |                              |                               |
|------------------------------|-------------------------------|
| ➤ Legislative Board          | ➤ Maintenance of Streets      |
| ➤ Mayor                      | ➤ Snow Removal                |
| ➤ Treasurer                  | ➤ Street Lighting             |
| ➤ Budget                     | ➤ Sidewalks                   |
| ➤ Assessment                 | ➤ Playground and Rec Centers  |
| ➤ Law                        | ➤ Joint Rec Program           |
| ➤ Elections                  | ➤ Special Recreation Facility |
| ➤ Buildings                  | ➤ Library                     |
| ➤ Central Garage             | ➤ Historian                   |
| ➤ Unallocated Insurance      | ➤ Celebrations                |
| ➤ Municipal Association Dues | ➤ Zoning                      |
| ➤ Fire                       | ➤ Planning                    |
| ➤ Public Health              | ➤ Shade Tree Maintenance      |
| ➤ Street Admin               |                               |

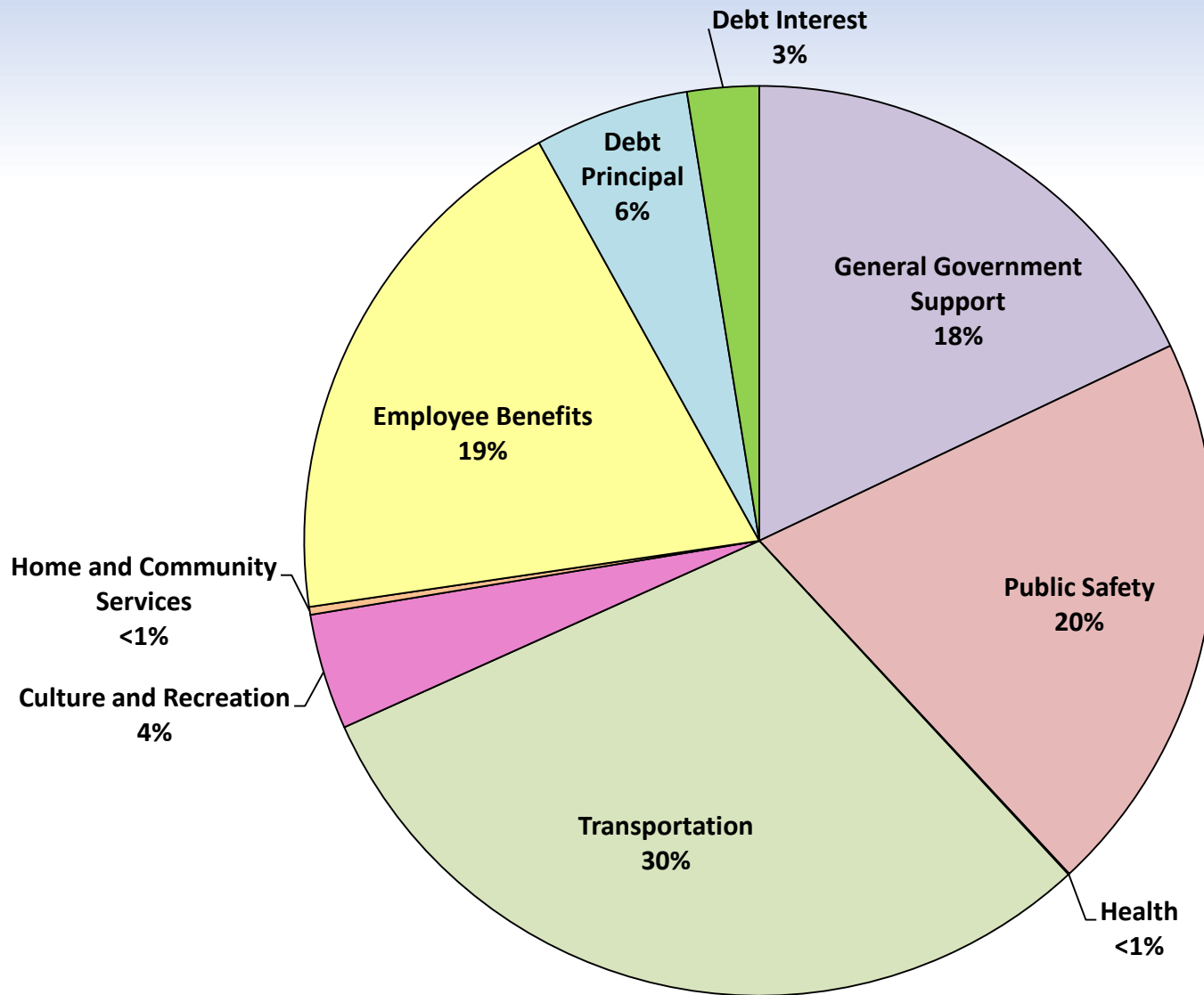
# Village Morristown General Fund Expenditures FYE 5/31/16

Expenditure	Amount
<b>General Government Support</b> Legislative Board, Mayor, Treasurer, Budget, Assessment, Law, Engineer, Elections, Buildings, Central Garage, Unallocated Insurance, Municipal Association Dues	\$97,247
<b>Public Safety</b> Fire: \$35,300 equipment and capital outlay; \$73,757 contractual expenditures	\$109,057
<b>Health</b> Public health Officer	\$200
<b>Transportation</b> Street Admin (DPW Staff), Maintenance of Streets, Snow Removal, Street Lighting, Sidewalks	\$163,430
<b>Culture and Recreation</b> Playground & Rec Centers; Joint Rec Project; Special Rec Facility; Library; Historian; Celebrations: Gateway Museum donation, Memorial Day flags and flower boxes, 4 <sup>th</sup> of July fireworks, Christmas decorations on utility poles	\$22,328
<b>Home and Community Services</b> Zoning, Planning, Shade Tree Maintenance and Removal	\$1,516
<b>Employee Benefits</b>	\$104,484
<b>Debt Principal</b>	\$29,775
<b>Debt Interest</b>	\$13,793
<b>Total</b>	<b>\$541,830</b>

**Note: When municipal expenditures exceed revenue, fund balances are used to cover costs.**



# Village Morristown General Fund Expenditures FYE 5/31/16: \$541,830



# Village Morristown Employees

## Personal Services Expenditures: Salary & Benefits

General Fund Personal Services Expenditures FYE 5/31/16	
Position	Salary
Legislative Board	\$4,000
Mayor	\$3,500
Treasurer	\$28,500
Elections	\$160
Street Admin (DPW Superintendent)	\$48,925
Snow Removal (Seasonal staff member)	\$5,446
DPW Operator and Laborer (2 staff funded by sewer fund)	\$62,624
<b>Total Employee Salaries</b>	<b>\$153,155</b>
<b>Total Benefits Paid</b>	<b>\$109,173</b>
<b>Benefits as % of Salary</b>	<b>71%</b>
<b>Total Compensation</b>	<b>\$262,328</b>

General Fund

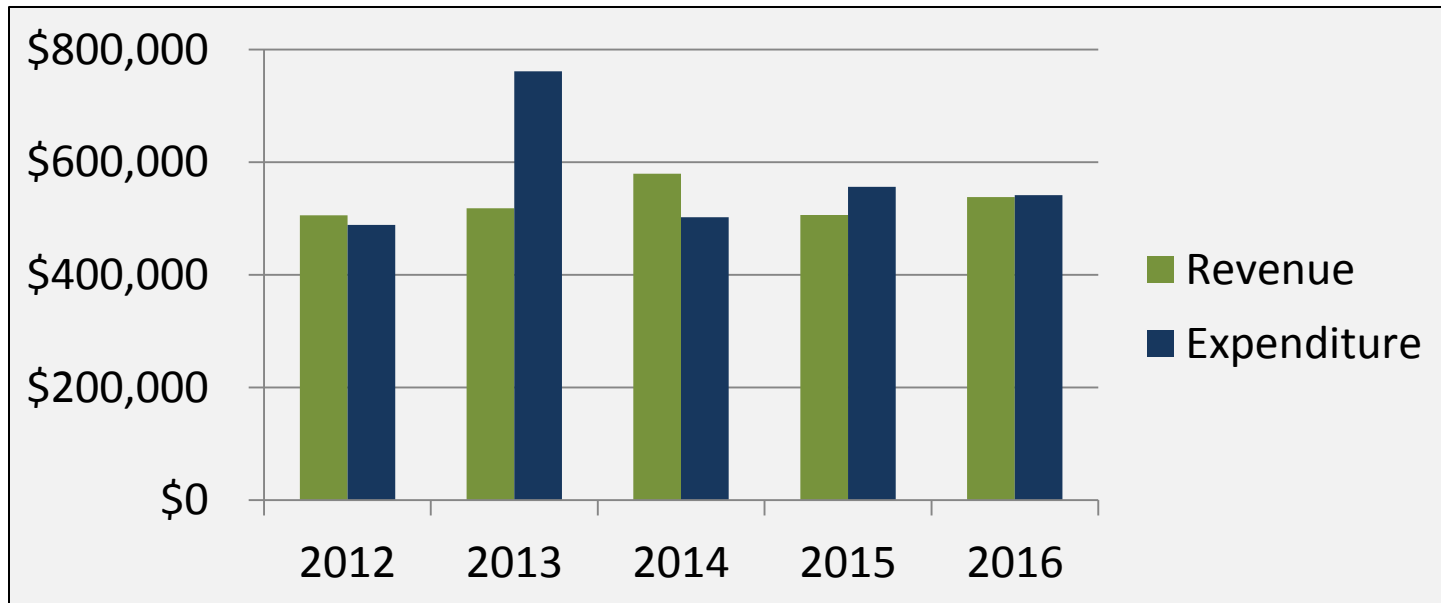
Sewer Fund

Staff that receive benefits: 4 full-time and 3 part-time

- All employees receive Social Security Benefits, Workers Compensations Insurance, and Disability Insurance
- 4 full-time employees are eligible/receive retirement benefits: Clerk, DPW Superintendent, DPW Operator, DPW Laborer
- 3 full-time employees presently receive medical benefits: Clerk, DPW Operator, DPW Laborer; the DPW Superintendent position is eligible to receive benefits but negotiated additional base-salary in lieu of medical benefits from the Village.
- No formal Village policy exists for stipend in lieu of medical insurance benefits.

# Village Morristown General Fund Revenues and Expenditures Trend 2012 - 2016

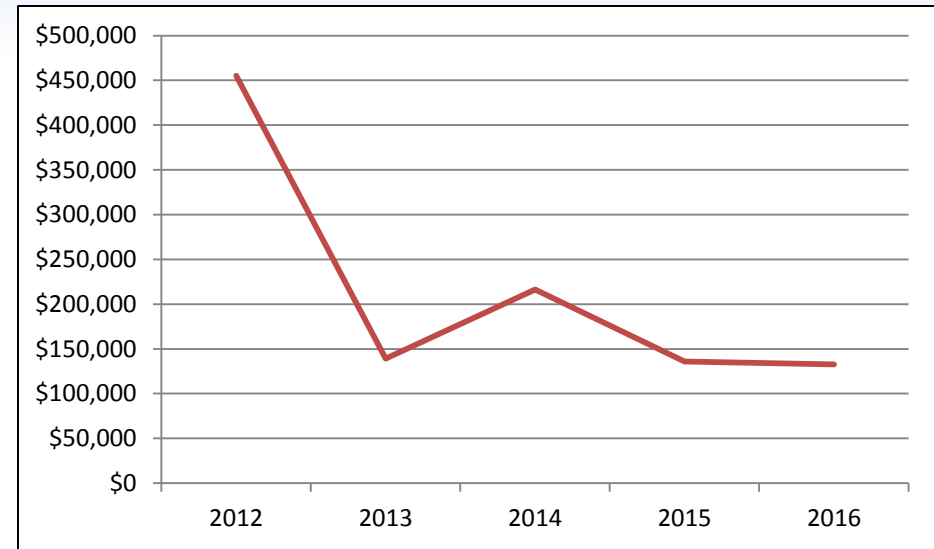
Fiscal Year End	Village Revenue	Village Expenditure	Notes on expenditures
5/31/12	\$505,856	\$488,668	
5/31/13	\$518,332	\$761,319	Land purchase for Bay St. Ext. and boat launch repair
5/31/14	\$579,545	\$502,299	
5/31/15	\$506,203	\$556,502	Purchased new HME pumper fire truck
5/31/16	\$538,372	\$541,830	



# Village Morristown General Fund Balance Trend

2012 - 2016

Fiscal Year End	Fund Balance
5/31/12*	\$455,321
5/31/13	\$139,097
5/31/14	\$216,343
5/31/15	\$136,044
5/31/16	\$132,586



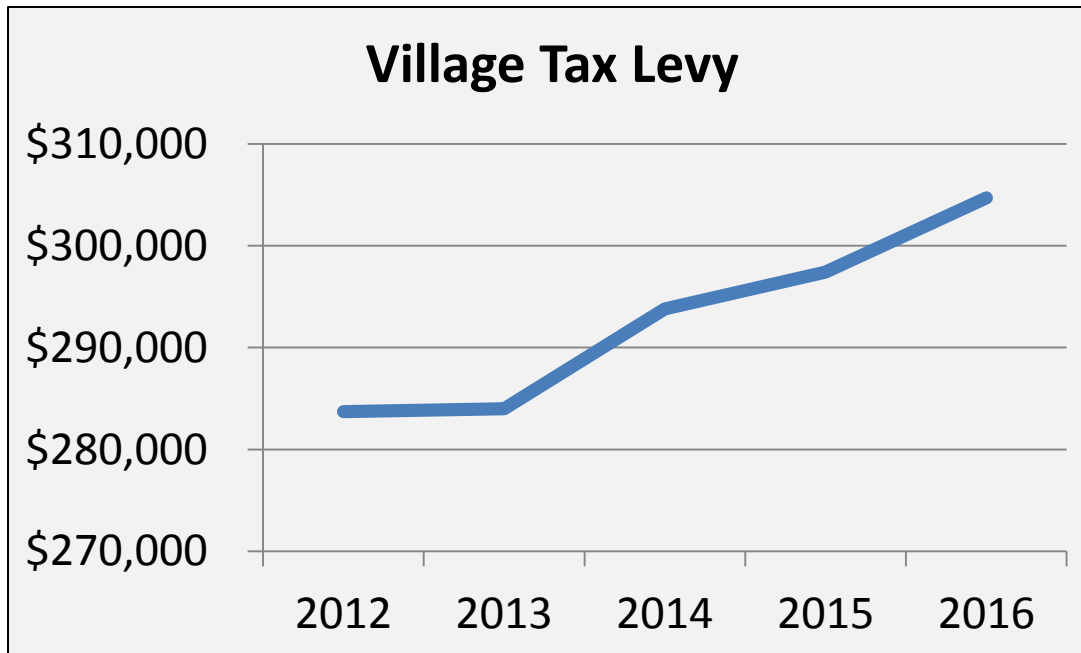
In 2012-2013, the Village paid for repairs to the boat launch and also purchased land to build the Bay St. Ext., using their fund balance to help cover costs.

Unexpended Fund Balances can be credited back to respective Village taxpayers in the year before dissolution takes effect or used to pay down existing debt.

# Village Morristown Tax Levy Trend

2012 - 2016

Fiscal Year End	Tax Levy
5/31/12	\$283,700
5/31/13	\$284,000
5/31/14	\$293,800
5/31/15	\$297,414
5/31/16	\$304,705



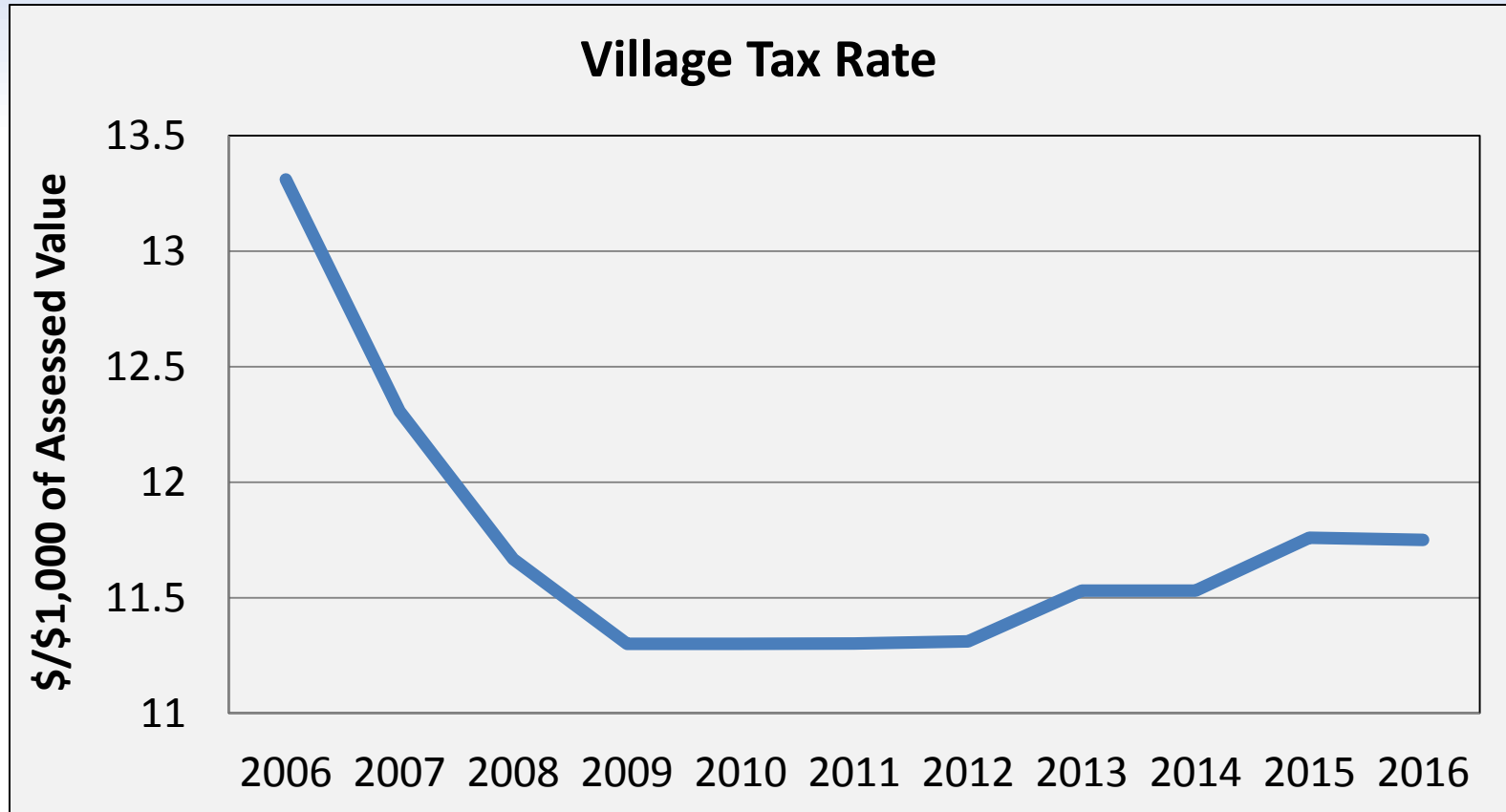
# Village Morristown Village Tax Rate Trend

2006 - 2016

<b>Fiscal Year End</b>	<b>Village Tax Rate (per \$1,000 assessed value)</b>	<b>% change from prior year</b>
<b>5/31/06</b>	<b>13.310000</b>	<b>0%</b>
<b>5/31/07</b>	<b>12.307552</b>	<b>7.5% decrease</b>
<b>5/31/08</b>	<b>11.667130</b>	<b>5.2% decrease</b>
<b>5/31/09</b>	<b>11.300612</b>	<b>3.1% decrease</b>
<b>5/31/10</b>	<b>11.300000</b>	<b>0.01% decrease</b>
<b>5/31/11</b>	<b>11.302138</b>	<b>0.02% increase</b>
<b>5/31/12</b>	<b>11.311401</b>	<b>0.08% increase</b>
<b>5/31/13</b>	<b>11.530083</b>	<b>1.9% increase</b>
<b>5/31/14</b>	<b>11.530000</b>	<b>0% decrease</b>
<b>5/31/15</b>	<b>11.759981</b>	<b>1.9% increase</b>
<b>5/31/16</b>	<b>11.750006</b>	<b>0.8% decrease</b>

# Village Morristown Village Tax Rate Trend

2012 - 2016



# Town Financials

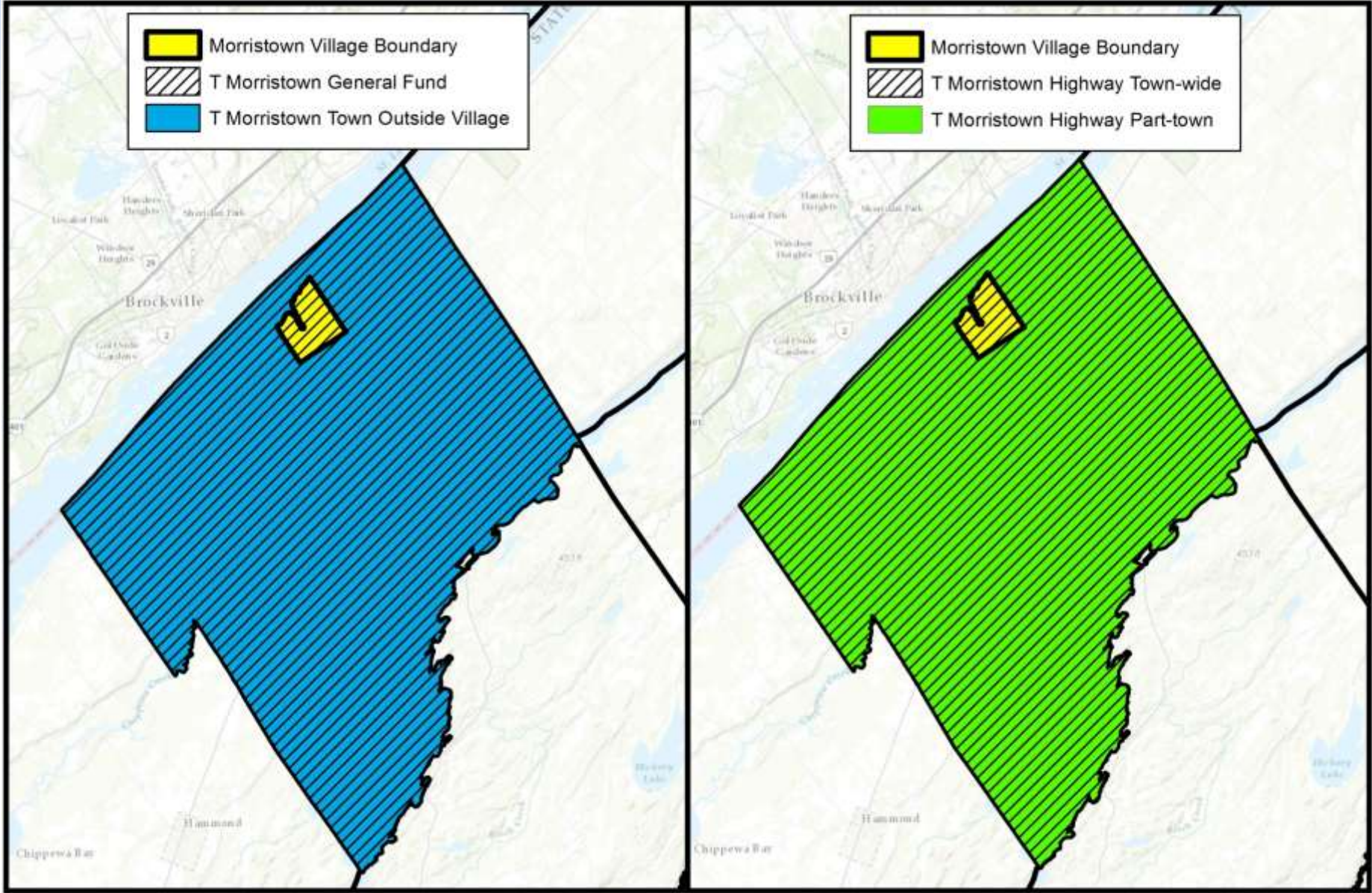


# Town Morristown Funds Summary FYE 12/31/16

Fund	Revenue	Expenditures
General Fund <sup>1</sup>	\$544,312	\$508,012
General Town - Outside Village <sup>2</sup>	\$67,886	\$61,200
Highway - Town-wide (including Village) <sup>3</sup>	\$329,334	\$301,625
Highway - Part-town (not including Village) <sup>4</sup>	\$402,195	\$387,898
Capital Projects	\$148	\$500
Fire Protection	\$32,000	\$32,000
Sewer	\$141,576	\$123,821
<b>Total</b>	<b>\$1,517,451</b>	<b>\$1,415,056</b>

1. Includes items that apply to all Town residents, including those inside the Village
2. Includes items that only apply to Town Outside Village residents
3. Includes items that apply to the entire town, including the Village
4. Includes items that apply only to the Town Outside Village

# Town Morrystown Map of AUD Fund Coverages

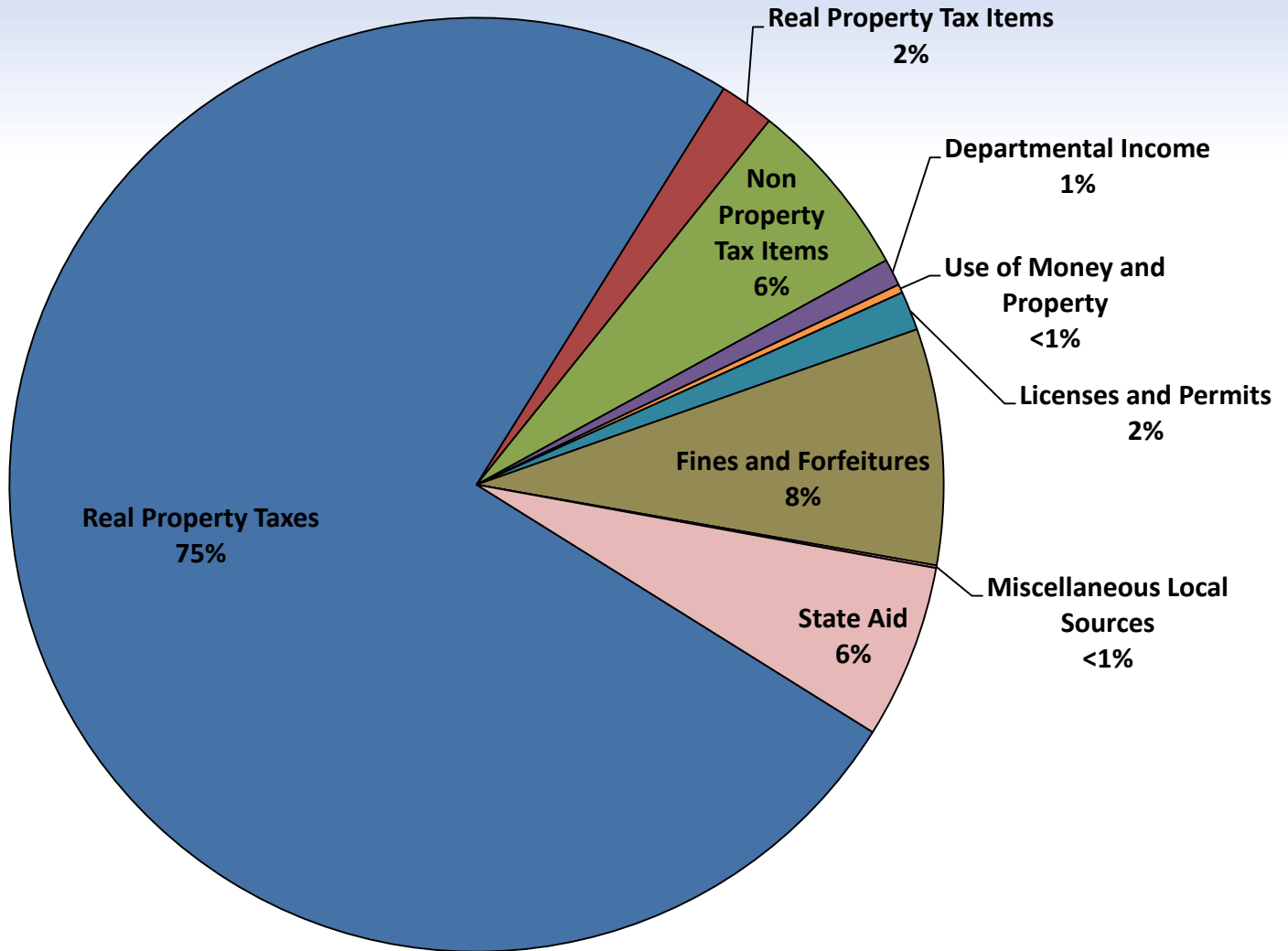


# Town Morristown General Fund Revenues FYE 12/31/16

Applies to entire Town, including Village

General Fund Revenue Source	Amount
Real Property Taxes	\$408,177
Real Property Tax Items Interest and penalties on real property tax items	\$10,322
Non Property Tax Items Sales tax	\$34,000
Departmental Income Clerk fees; Fire safety inspection fees; Sale of cemetery lots; Charges for cemetery services	\$5,065
Use of Money and Property	\$1,609
Licenses and Permits Dog licenses; Building permits	\$7,362
Fines and Forfeitures Fines and forfeited bail	\$44,460
Miscellaneous Local Sources	\$498
State Aid Revenue sharing; Mortgage tax	\$32,819
<b>Total</b>	<b>\$544,312</b>

# Town Morristown General Fund Revenues FYE 12/31/16: \$544,312

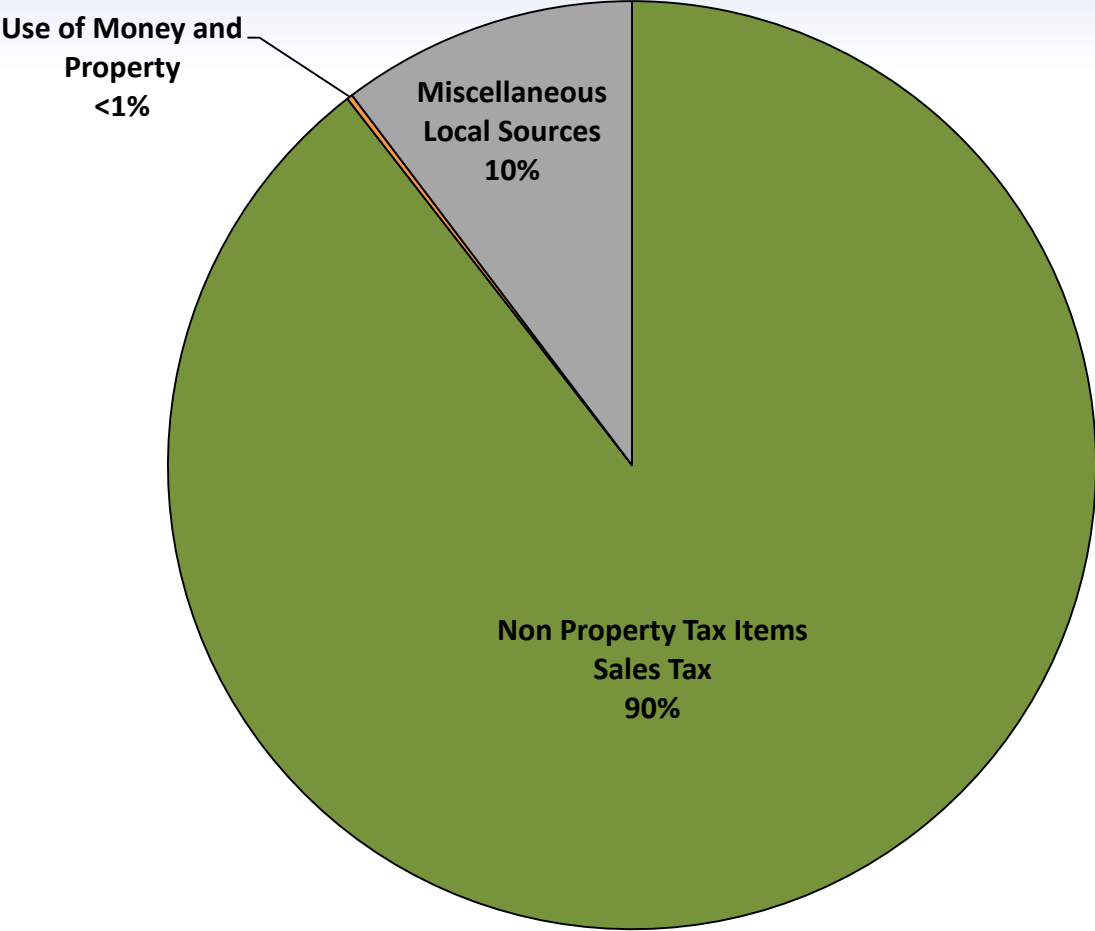


# Town Morristown General Town Outside Village Revenues FYE 12/31/16

Applies only to Town, excluding Village of Morristown

<b>General Fund Revenue Source</b>	<b>Amount</b>
Non Property Tax Items Sales Tax (from County)	\$60,750
Use of Money and Property Interest and Earnings	\$136
Miscellaneous Local Sources \$3,500 from Village and \$3,500 from School for Joint Recreation Program	\$7,000
<b>Total</b>	<b>\$67,886</b>

# Town Morristown General Town Outside Village Revenues FYE 12/31/16: \$67,886

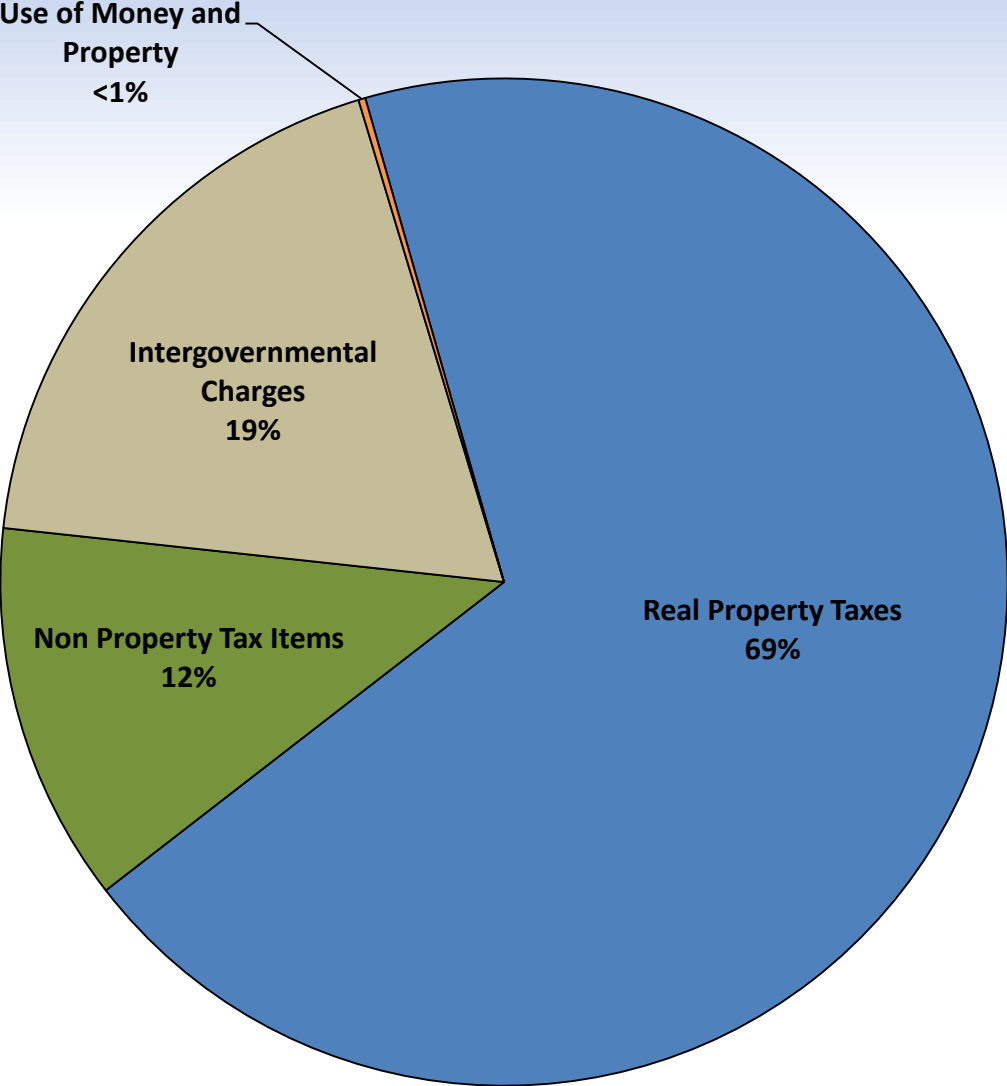


# Town Morristown Highway Town-wide Revenues FYE 12/31/16

Applies to entire Town, including Village of Morristown

General Fund Revenue Source	Amount
Real Property Taxes	\$227,104
Non Property Tax Items Sales Tax (from County)	\$40,176
Intergovernmental Charges Transportation services ,other governments (winter maintenance on County roads)	\$61,326
Use of Money and Property Interest and Earnings	\$728
<b>Total</b>	<b>\$329,334</b>

# Town Morristown Highway Town-wide Revenues FYE 12/31/16: \$329,334



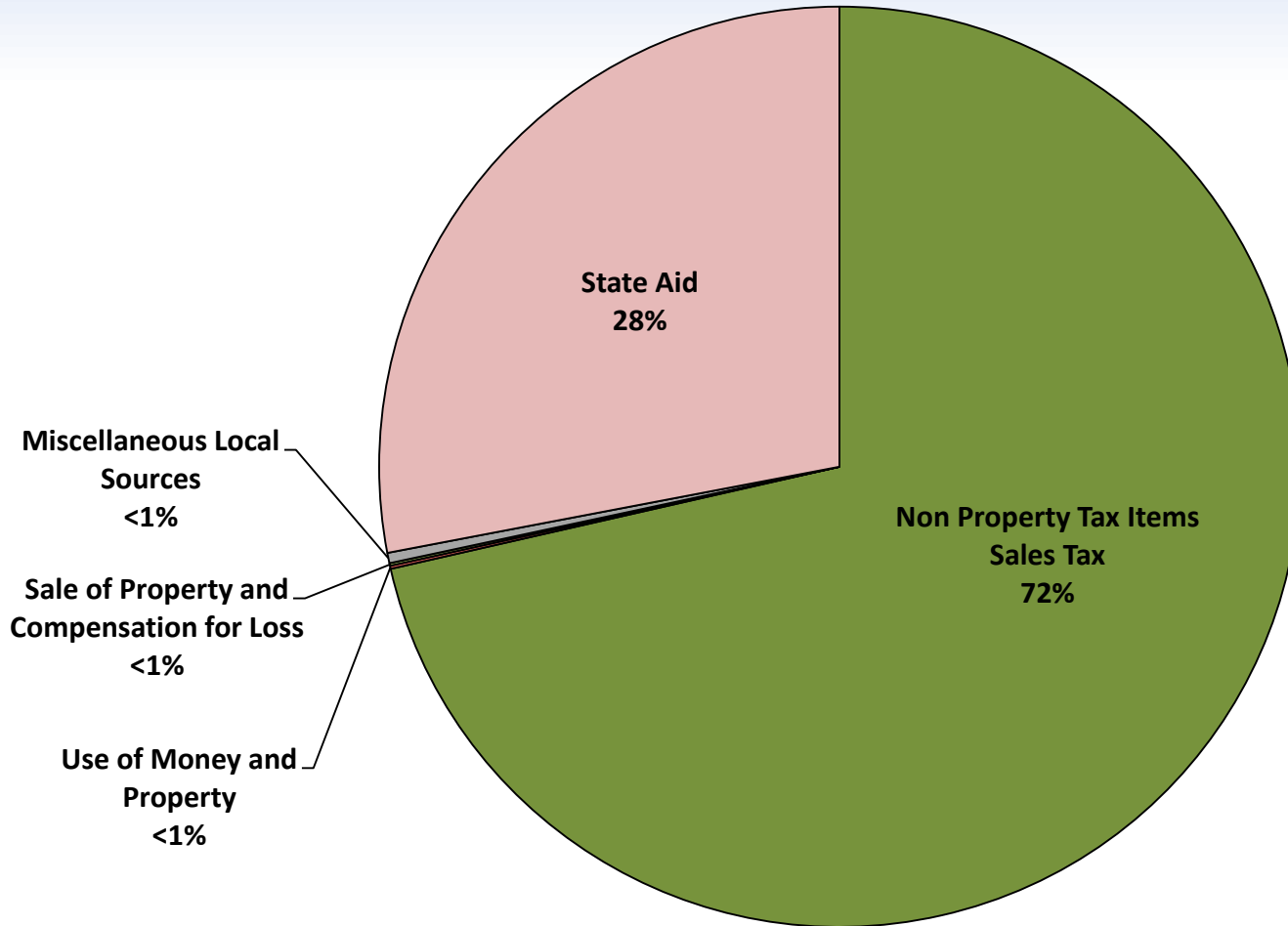


# Town Morristown Highway Part-own Revenues FYE 12/31/16

Applies only to Town, excluding Village of Morristown

General Fund Revenue Source	Amount
Non Property Tax Items Sales Tax (from County)	\$287,313
Use of Money and Property Interest and Earnings	\$445
Sale of Property and Compensation for Loss Sales of scrap and excess materials	\$364
Miscellaneous Local Sources Unclassified (vehicle sales, other misc.)	\$1,460
State Aid Consolidated Highway Aid (CHIPS)	\$112,613
<b>Total</b>	<b>\$402,195</b>

# Town Morristown Highway Part-town Revenues FYE 12/31/16: \$402,195



# How does the Town spend this Revenue? Town Services

For FYE 12/31/16, the Town reported expenditures to the State in the Annual Update Documents as:

## Town-Wide Services:

“Personal Services” - salaries and employee wages

- Legislative Board
- Municipal Court
- Supervisor
- Assessment
- Town Clerk
- Personnel: includes wages for Deputy Town Clerk, Court Clerk, Deputy Court Clerk, Bookkeeper, Deputy Bookkeeper
- Control of Animals
- Safety Inspection
- Street Admin (Hwy Superintendent)
- Snow Removal
- Services Other Governments: plowing County and Village roads

“Equipment and Capital Outlay” - equipment and supply purchases

- Tax Collection
- Town Clerk
- Buildings
- Safety Inspection
- General Hospital: donation to Brier Hill FD for EMT supplies
- Garage
- Historian
- Machinery

“Contractual Expenditures” - contracted services, wages paid to contractors

- Legislative Board
- Municipal Court
- Supervisor
- Tax Collection
- Assessment
- Town Clerk
- Law
- Personnel
- Records Management
- Unallocated Insurance
- Municipal Association Dues
- Fire
- Control of Animals
- Examining Boards (Board of Assessment Review)
- Safety Inspection
- Street Admin (Hwy Superintendent)
- Garage
- Street Lighting
- Historian
- Cemetery
- Machinery
- Snow Removal
- Services Other Governments: plowing County and Village roads

# How does the Town spend this Revenue? Town Services

For FYE 12/31/16, the Town reported expenditures to the State in the Annual Update Documents as:

## **Town-Outside Village Services:**

“Personal Services” - salaries and employee wages

- Maintenance of Streets
- Permanent Highway Improvements

“Equipment and Capital Outlay” - equipment and supply purchases

- Machinery

“Contractual Expenditures” - contracted services, wages paid to contractors

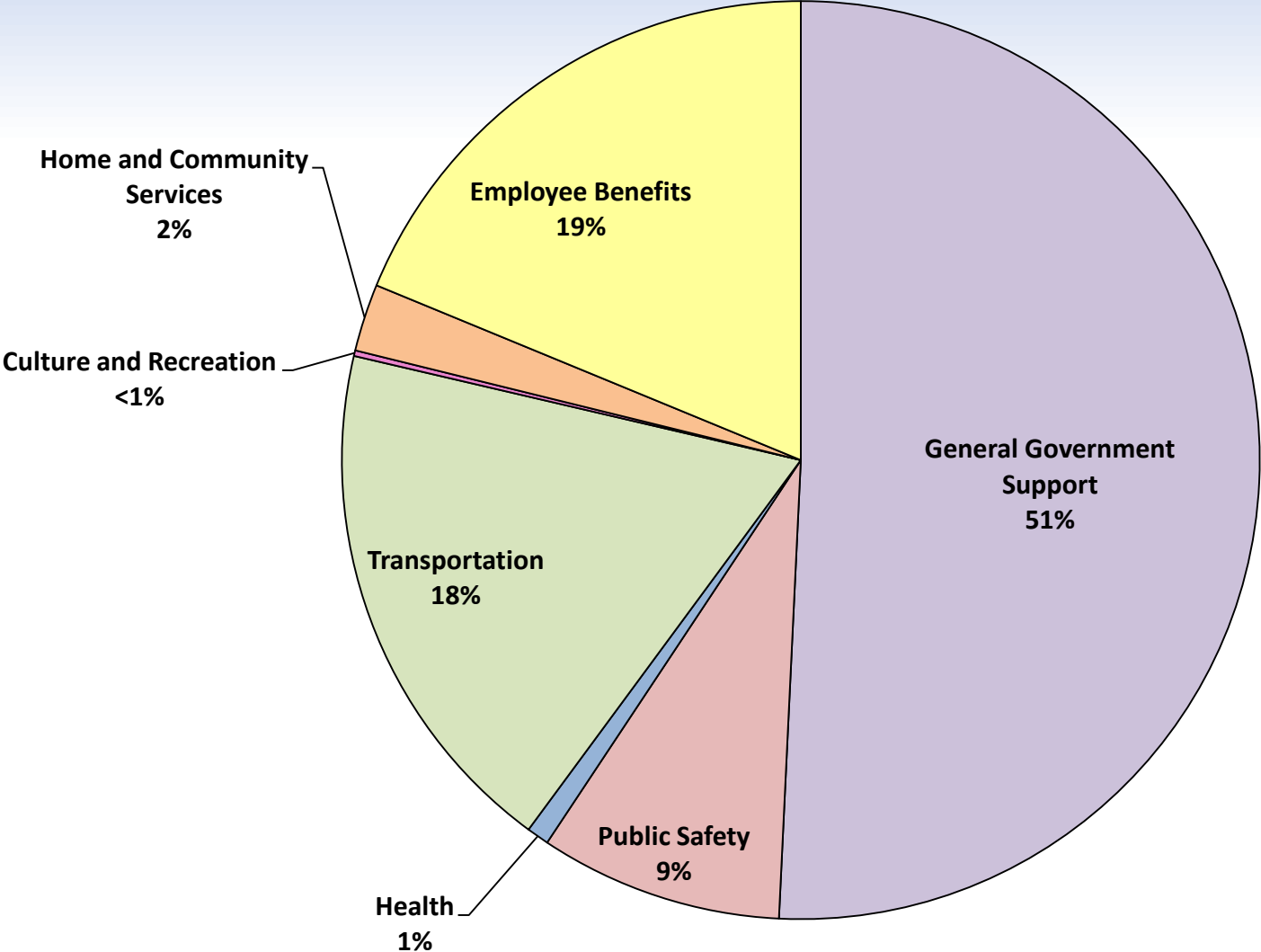
- Public Health
- Registrar of Vital Statistics
- Ambulance
- Other Health: donation to Life Flight
- Joint Youth Program
- Library
- Celebrations
- Planning
- Maintenance of Streets
- Permanent Highway Improvements
- Machinery

# Town Morristown General Fund Expenditures FYE 12/31/16

Applies to entire Town, including Village of Morristown

Expenditure	Amount
<b>General Government Support</b> Legislative Board; Municipal Court; Supervisor; Tax Collection; Assessment; Clerk; Law; Personnel; Engineer; Records Management; Buildings; Unallocated Insurance; Municipal Association Dues	\$257,865
<b>Public Safety</b> Fire; Control of Animals; Examining Boards; Safety Inspection	\$43,504
<b>Health</b> General Hospital: donation to Brier Hill Fire Department for EMT supplies	\$4,000
<b>Transportation</b> Street Admin; Garage; Street Lighting	\$94,164
<b>Culture and Recreation</b> Historian	\$1,002
<b>Home and Community Services</b> Cemetery	\$12,065
<b>Employee Benefits</b>	\$95,412
<b>Total</b>	<b>\$508,012</b>

# Town Morristown General Fund Expenditures FYE 12/31/16: \$508,012

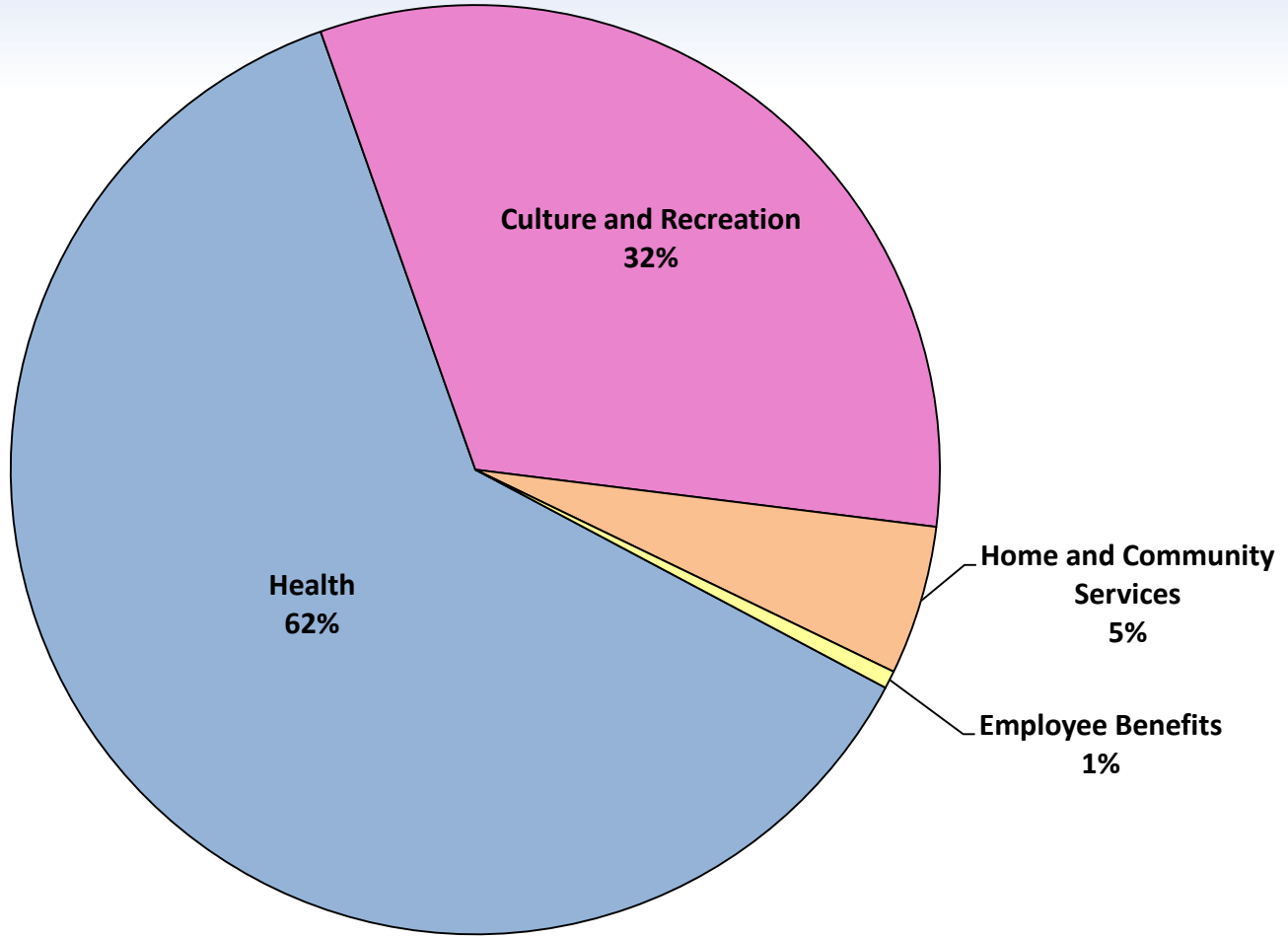


# Town Morristown General Town Outside Village Expenditures FYE 12/31/16

Applies only to Town, excluding Village of Morristown

<b>Expenditure</b>	<b>Amount</b>
<b>Health</b> Public Health; Registrar of Vital Statistics; Ambulance; Other Health: life flight donation	\$37,832
<b>Culture and Recreation</b> Joint Youth Program; Library; Celebrations: jazz festival, fireworks	\$19,812
<b>Home and Community Services</b> Planning: \$2,000 to Black Lake Association for environmental studies and admin costs	\$3,178
<b>Employee Benefits</b>	\$378
<b>Total</b>	<b>\$61,200</b>

# Town Morristown General Town Outside Village Expenditures FYE 12/31/16 \$61,200





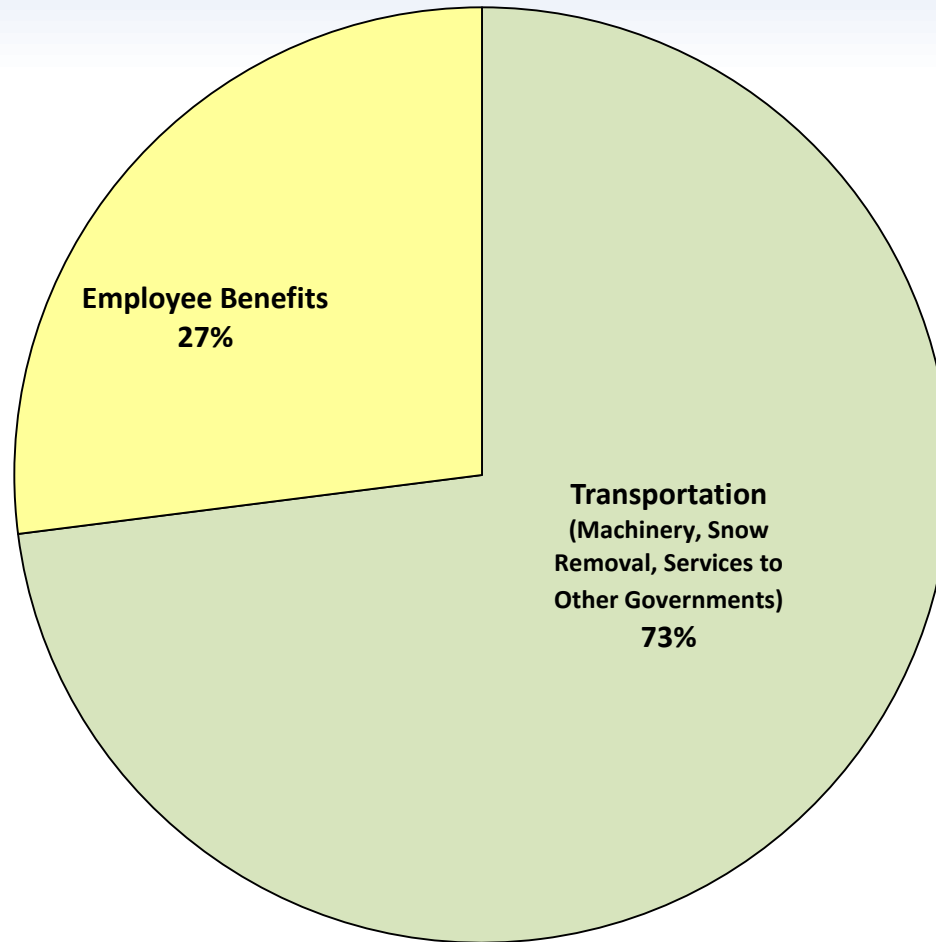
# Town Morristown Highway Town-wide Expenditures FYE 12/31/16

Applies to entire Town, including Village of Morristown

Expenditure	Amount
Transportation Machinery; Snow Removal; Services Other Governments: plowing on County and Village roads	\$220,151
Employee Benefits	\$81,474
<b>Total</b>	<b>\$301,625</b>

# Town Morristown Highway Town-wide Expenditures FYE 12/31/16

## \$301,625

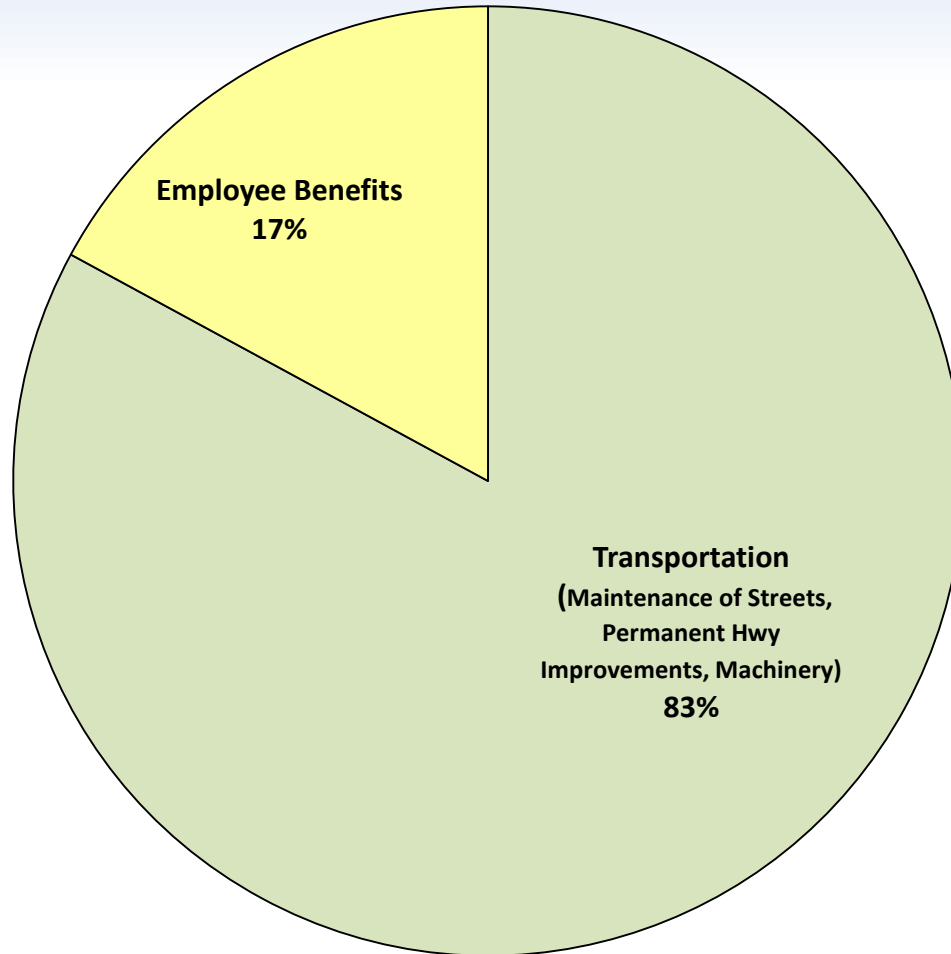


# Town Morristown Highway Part-town Expenditures FYE 12/31/16

Applies only to Town, excluding Village of Morristown

<b>Expenditure</b>	<b>Amount</b>
Transportation <small>Maintenance of streets; Permanent Improvements Highway; Machinery</small>	\$321,627
Employee Benefits	\$66,271
<b>Total</b>	<b>\$387,898</b>

# Town Morristown Highway Part-town Expenditures FYE 12/31/16: \$387,898



# Morristown All Funds Employee Personal Services Salary & Benefits

All Funds Employee Cost FYE 12/31/2016	
Position	Personal Services Salary
Legislative Board	\$15,220
Municipal Court	\$28,876
Supervisor	\$12,062
Assessor	\$24,400
Clerk	\$34,480
Personnel (includes salaries for Bookkeeper/Court Clerk; Deputy Court Clerk/ Deputy Bookkeeper; and Deputy Town Clerk)	\$73,066
Animal Control	\$5,175
Safety Inspection	\$30,000
Street Admin (Hwy Superintendent)	\$58,400
Hwy Operators - Snow Removal	\$59,697
Hwy Operators - Services Other Government	\$29,128
Hwy Operators - Maintenance of Streets	\$38,108
Hwy Operators - Permanent Improvements Highway	\$49,499
Sewer Administration	\$1,326
Youth Program	\$5,000
<b>Total Salary</b>	<b>\$464,437</b>
<b>Total Benefits Paid</b>	<b>\$243,990</b>
<b>Benefits as Percent of Salary</b>	<b>53%</b>
<b>Total Compensation</b>	<b>\$708,427</b>

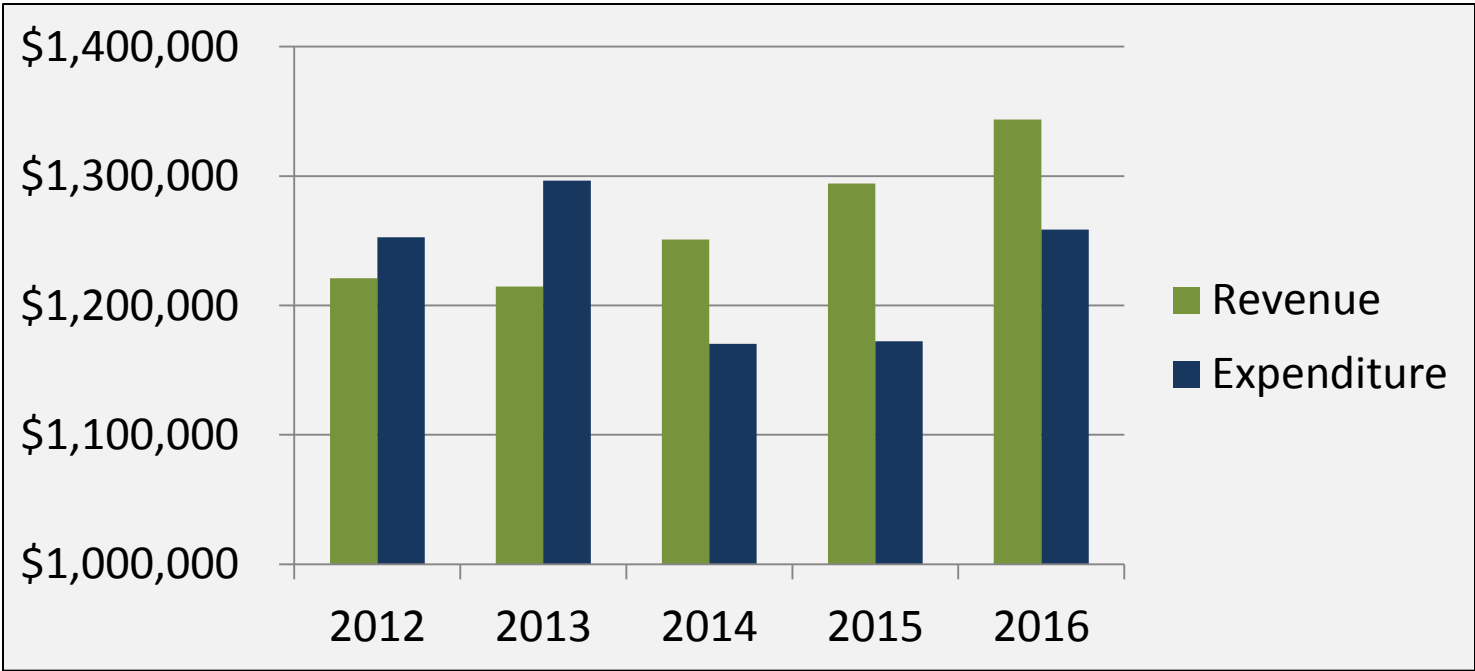
General Fund

Hwy Town-wide Fund

Hwy Part-town Fund

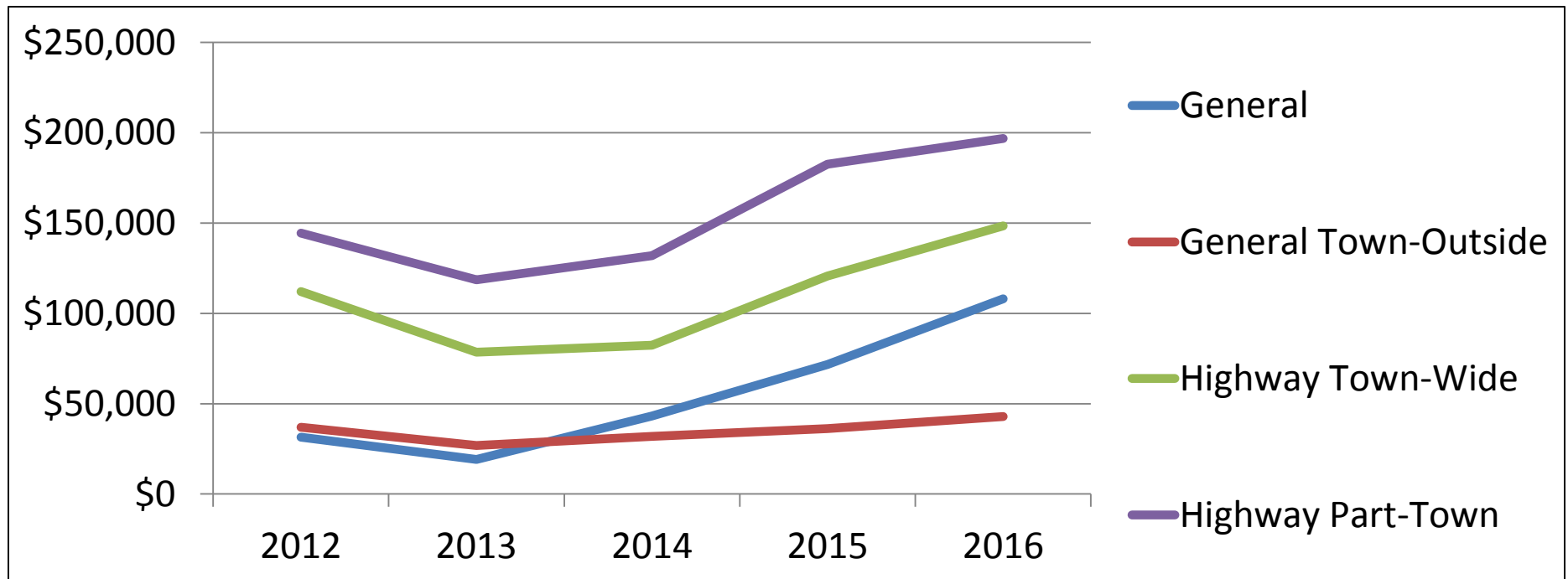
# Morristown Town Revenues and Expenditures Trend: General, General Town-Outside, Highway Town-Wide, Highway Part-Town 2012 - 2016

Fiscal Year End	Town Revenue	Town Expenditure
12/31/12	\$1,220,998	\$1,252,752
12/31/13	\$1,214,610	\$1,296,362
12/31/14	\$1,250,990	\$1,170,248
12/31/15	\$1,294,142	\$1,172,348
12/31/16	\$1,343,727	\$1,258,735



# Morristown Fund Balance Trends

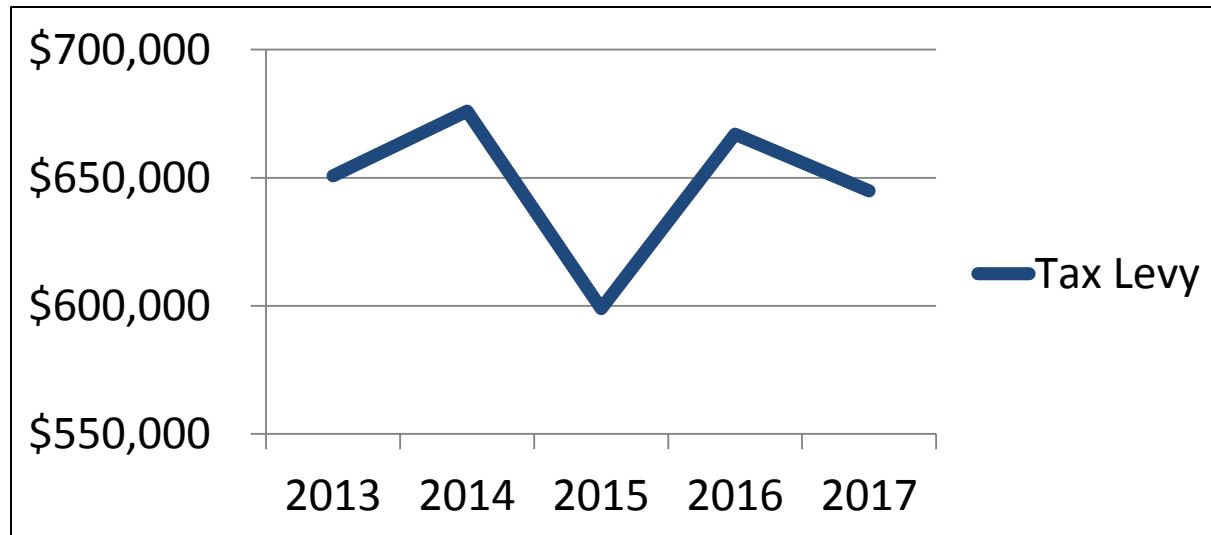
Fund	FYE 12/31/12	FYE 12/31/13	FYE 12/31/14	FYE 12/31/15	FYE 12/31/16
General Fund	\$31,486	\$19,187	\$43,181	\$71,757	\$108,007
General Town-Outside Village	\$36,982	\$26,815	\$31,897	\$36,265	\$42,951
Highway Town-Wide	\$112,057	\$78,574	\$82,416	\$120,657	\$148,366
Highway Part-Town	\$144,400	\$118,597	\$131,921	\$182,530	\$196,827



# Morristown Tax Levy Trend

2013 - 2017

Fiscal Year End	Tax Levy
12/31/13	\$650,750
12/31/14	\$675,959
12/31/15	\$598,897
12/31/16	\$667,031
12/31/17	\$644,911





# Town Morristown Tax Rate Trend

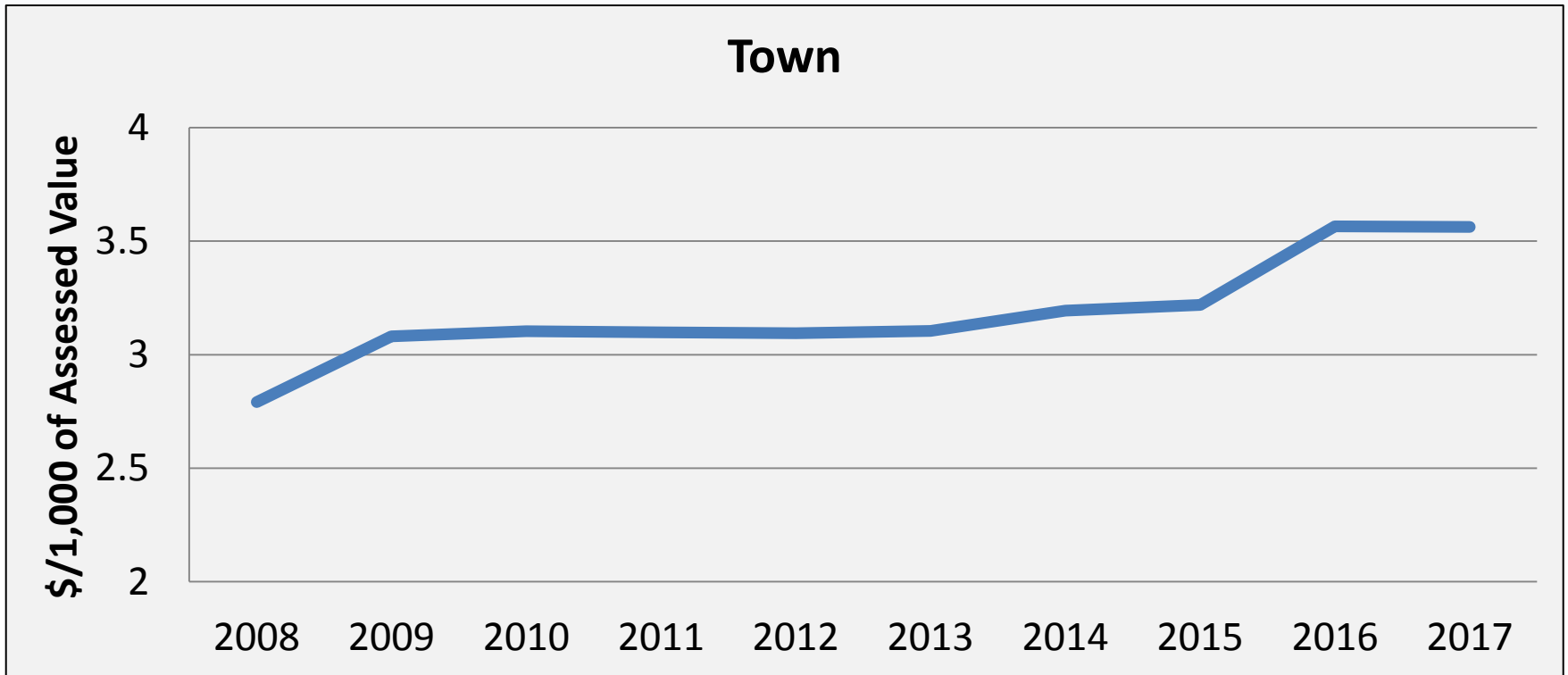
2008 - 2017

Fiscal Year End	Town Tax Rate (per \$1,000 of assessed value)	% change from prior year
12/31/08	2.791577	13.3% decrease
12/31/09	3.080719	10.4% increase
12/31/10	3.103160	0.7% increase
12/31/11	3.098281	0.2% decrease
12/31/12	3.094822	0.1% decrease
12/31/13	3.104735	0.3% increase
12/31/14	3.193691	2.9% increase
12/31/15	3.219742	0.8% increase
12/31/16	3.565592	10.7% increase
12/31/17	3.562201	0.1% decrease

- The Town tax rate applies to all properties within the Town, including the Village.
- The Town tax rate includes General and Highway Town-wide funds, which are funded through property tax revenue.
- The Town elects to apply County Sales tax revenue to offset the General Town-Outside and Highway Part-town fund expenses. Historically, the County sales tax revenue has exceeded the tax levy and therefore.

# Town Morristown Tax Rate Trend

2008 - 2017



# Village and Town of Morristown Indebtedness

	Village Debt Balance End of Year (5/31/16)	Town Debt Balance End of Year (12/31/16)
General Fund (Fire equipment)	\$325,725	-
Highway	-	-
Water	\$589,176	-
Sewer	\$101,957	District 1: \$23,450
		District 2: \$869,502
<b>Total</b>	<b>\$1,016,858</b>	<b>\$892,952</b>

**Note: In the case of municipal dissolution, water and sewer debts stay within the water and sewer districts.**

# Village and Town Taxes

## County, Village, and Town Taxes

<b>2016 Tax Rates</b> <b>\$/ \$1,000 of Assessed Value</b>		
	<b>Village</b>	<b>Town Outside Village</b>
<b>County</b>	8.391184	8.391020
<b>Town</b>	3.562201	3.562201
<b>Village</b>	11.750006	-
<b>Town Chargebacks Town-wide</b>	0.369250	0.369250
<b>Town Chargebacks Town-only</b>	-	0.279363
<b>Total</b>	<b>24.07264</b>	<b>12.60183</b>

The County tax rate for the Village and Town differs because of “omitted tax” in a prior fiscal year. . According to the St. Lawrence County Office of Real Property this occurred in FY16 due to an issue of omitted tax. Omitted tax occurs when a property is classified as tax exempt erroneously. When this is discovered and properly classified as taxable the tax that was not previously collected is levied; thereby creating a one-time effect on the tax rate.

# Questions or Comments?



Carrie Tuttle, Director of Engineering

315-661-3259

[ctuttle@danc.org](mailto:ctuttle@danc.org)

Star Carter, GIS Supervisor

315-661-3261

[scarter@danc.org](mailto:scarter@danc.org)