

2021 TOWN TAX INCREASE

Hello Neighbor,

The pandemic has had a financial impact on almost everyone, town government being no exception. The recently passed 2021 Town of Elmira budget includes a tax increase. Here are some FAQ's that should help you understand this better.

Q. *Why do we need a tax increase?*

A. The Town has 3 major sources of revenue - sales tax from Chemung County, New York State aid, and property taxes. That outside revenue from the County and State has decreased due to the pandemic and other factors. It has also become unpredictable. Property tax is the only revenue source that can compensate for losses from the other two. The town does not have a spending problem, it has a revenue problem.

Q. *What does the increase mean for me in real dollars?*

A. Using the example of a home with an assessed value of \$125,000, taxes will increase \$117.

Q. *Is assessed value what my home would sell for?*

A. No. "Market" value is what your home would sell for. "Assessed" value is used for tax purposes and it is usually lower than market value.

Q. *Did the Board look to reduce expenses before this tax increase?*

A. Yes. This budget reflects a total of over \$300,000 in expense reductions in the 2021 budget over 2020. Without these cuts the tax increase would have been much higher.

Q. *Have we lost or gained any services in this budget?*

A. No services to residents have been eliminated. Some much needed services have been added, including a 5th Full-time Police Officer, software to allow residents to pay Town bills online, body cameras for the Police and an increase in sand/salt allotment so our road crew can keep the winter streets safer. These additions represent just 1.6% of our expenses.

This has been an odd and very difficult year for everyone. I so greatly appreciate the patience and perseverance of our residents. Hopefully we can look forward to a better 2021!

Neil Milliken, Supervisor
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