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VILLAGE MANAGER

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Village Board of Trustees Work Session Agenda

October 8, 2024  
6:00 PM

Meeting Information

A Work Session of the Scarsdale Village Board of Trustees is scheduled for 6:00 PM on Tuesday, October 8, 2024. The meeting will be held in the Third Floor Meeting Room in Village Hall. Members of the public wishing to attend the meeting remotely can do so via online link at <https://zoom.us/j/93183703358>, or call into the meeting using 1-929-436-2866 and entering the Meeting ID 931 8370 3358.\*

Agenda

Tax Assessment and Inventory

- Tax Assessment and Inventory Presentation



**Date:** Tuesday, October 8, 2024

**Re:** Tax Assessment and Inventory Presentation

**COVER PAGE**

***Village Manager's Office***

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**ATTACHMENT(S):**

- [Tax Assessment and Inventory Presentation Final](#)

# TAX ASSESSMENTS AND INVENTORY

October 8, 2024



# Fun Facts

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- **\$26 billion is the amount of \$ raised in local property taxes across the state annually.** It is the single largest revenue source for municipal and school district services.
- **4,000 taxing jurisdictions** – the number of taxing jurisdictions that NYS ORPTS is statutorily obligated to administer an equalization program to assure equitable property tax allocation of state aid and education funds, among other purposes.

# The relationship between assessments and taxes

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- Tax Cap - Quantity change factor (NET PHYSICAL AV CHANGES)
- County Levy apportionment
- School Levy apportionment
- County, Village and School Tax Rate Calculation ( $\text{Levy}/\text{TAV} = \text{Tax Rate}$ )
- Individual Property Tax Bills (property's AV \* Tax Rate = Taxes Due)

# Westchester County Levy Apportionment

COUNTY: WESTCHESTER

(1) City or Town	(2) Assessed Value Used for Apportionment	(3) Taxable Assessed Value Upon Which the Tax is Actually Levied	(4) Certified County Equalization Rate	(5) Full Valuation of Taxable Real Property Used for Apportionment	(6) County General Tax Levy	(7) Net Amounts of Credits & Adjustment (+ or -)	(8) County Share of Levy (after adjustment)
Mt. Vernon	146,290,605	146,046,963	1.71	8,555,006,140	20,130,039.08		20.13
New Rochelle	266,227,944	266,036,908	1.94	13,723,089,897	32,290,606.38		32.29
Peekskill	64,295,278	64,258,012	2.39	2,688,478,888	6,388,895.65		6.39
Rye	145,194,934						
White Plains	280,760,259						
Yonkers	466,233,777						
Bedford	600,784,618						
Cortlandt	110,738,283						
Eastchester	101,667,896						
Greenburgh	24,328,026,173	24,328,026,173	2.39	1,000,000,000,000	2,390,000,000.00		2.39
Harrison	126,153,365						
Lewisboro	294,921,731	294,898,631	6.98	4,225,239,699	9,942,043.16		9.94
Mamaroneck	11,692,430,984	11,680,331,469	100	11,692,430,984	27,512,439.94		27.51
Mount Pleasant	144,488,874	144,212,512	1.13	12,786,626,018	30,087,094.88		30.09
New Castle	1,072,230,633	1,072,229,133	14.8	7,244,801,574	17,047,110.94		17.05
North Castle	121,277,706	121,241,456	1.65	7,350,164,000	17,295,030.08		17.30
North Salem	1,694,476,095	1,694,438,617	100	1,694,476,095	3,987,123.97		3.99
Ossining	6,308,733,555	6,307,218,945	100	6,308,733,555	14,844,530.90		14.84
Pelham	4,182,501,486	4,180,977,622	100	4,182,501,486	9,841,479.59		9.84
Pound Ridge	379,286,501	379,286,501	14.3	2,652,353,154	6,241,020.96		6.24
Rye	9,342,959,314	9,334,213,104	100	9,342,959,314	21,984,102.99		21.98
Scarsdale	9,175,591,456	9,165,980,480	76.44	12,003,651,826	28,244,746.57		28.24
Somers	492,525,451	492,498,792	9.71	5,082,651,401	11,959,543.88		11.96

Scarsdale's Taxable AV = 9,175,591,456 / .07644 = Scarsdale's FMV = 12,003,651,826

**Scarsdale's Share of County Levy =**

Total County Levy 542,196,227 X Scarsdale's FMV 12,003,651,826

Total County FMV 230,426,380,858

**EQUALS = \$28,244,746**



# Village Tax Calculation

2024  
Tax Levy

\$48,800,000

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Total Taxable  
**Assessed** Value  
(prior year)  
9,160,000,000

=

2024 Village  
Tax Rate

\$5.33 PER \$1,000

- *Average Residential **Assessed** Value = 1,600,000*  
*EQ Rate = 76.94%*  
*Average Residential **Market Value** = \$2,080,000*  
*(1,600,000 / .7694)*
- *2024 Village Property Tax = 1,600,000 \* \$5.33/1000 = \$8,528*

# *Scarsdale School District Apportionment – Scarsdale & Mamaroneck*

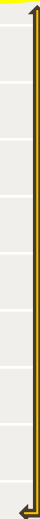
Scarsdale SD 2024/25 Allocation				
	2024/25	Total	Scarsdale	Mamaroneck Strip
A.	Assessed Valuation *	\$ 9,666,651,193	9,177,440,081	489,211,112
	County Equalization Rate		0.7644	1.0000
B.	Equalized AV	\$ 12,495,281,338	\$ 12,006,070,226	\$ 489,211,112
C.	Proportionate Share of Scarsdale Equalized AV	100.00%	96.08%	3.92%
D.	Proportionate Share of Tax Levy	<b>\$ 170,035,914</b>	\$ 163,378,724	\$ 6,657,190
E.	Tax Rate	<b>13.608010</b>	<b>17.802211</b>	<b>13.608011</b>
	Tax Rate Increase		4.11%	-9.10%
<b>Median Assessed Home</b>				
	2024/25 AV Tax Bill	2024/25 AV Tax Bill	2024/25 Tax Bill Increase	2024/25 Tax Increase %
SCAR	\$ 1,300,000	23,143	\$ 914	4.11%
MAM	\$ 1,845,000	25,107	\$ (2,514)	-9.10%

# HISTORY OF SCARSDALE TAX RATES PER \$1,000 OF ASSESSED VALUE\*

*Tax rate stated  
as a function of  
market value*

AV YEAR	TAX YEAR	VILLAGE TAX RATE	COUNTY TAX RATE	SCARSDALE SCHOOL TAX RATE	AVERAGE COMBINED TAX RATE	EQ RATE	FINAL EFFECTIVE TAX RATE
2014	2015	4.114714	3.589224	14.826801	23.407858	100%	2.34%
2015	2016	4.256993	3.402758	14.816988	23.297883	100%	2.33%
2016	2017	4.416370	3.744736	15.260639	24.336541	89.14%	2.17%
2017	2018	4.515415	3.626708	15.691277	24.698358	90.50%	2.24%
2018	2019	4.633101	3.446995	15.976954	24.863666	94.00%	2.34%
2019	2020	4.694847	3.332113	16.222717	25.031511	94.75%	2.37%
2020	2021	4.818845	3.180366	16.503089	25.257628	98.80%	2.50%
2021	2022	4.952451	2.958674	16.887210	25.597342	100.00%	2.56%
2022	2023	5.107890	3.034280	17.099362	26.189023	87.55%	2.29%
2023	2024	5.328571	3.176387	17.802211	27.370914	76.44%	2.09%

*Tax Rate x AV = Tax Bill*



If the taxable **assessed** value stays relatively the same and the Budget increases, then the tax rate **increases**

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$$\frac{\text{Levy } \$100,000}{\text{Assessment } \$1,000,000} = .10 \times 1000 = \text{\$100 per 1,000}$$

$$\frac{\text{Levy } \$120,000}{\text{Assessment } \$1,000,000} = .12 \times 1000 = \text{\$120 per 1,000}$$

**If the taxable assessed value increases and  
the budget stays relatively the same, then  
the tax rate decreases**

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Levy \$100,000  
Assessment \$1,000,000

$$= .10 \times 1000 = \$100 \text{ per } 1,000$$

Levy \$100,000  
Assessment \$4,000,000

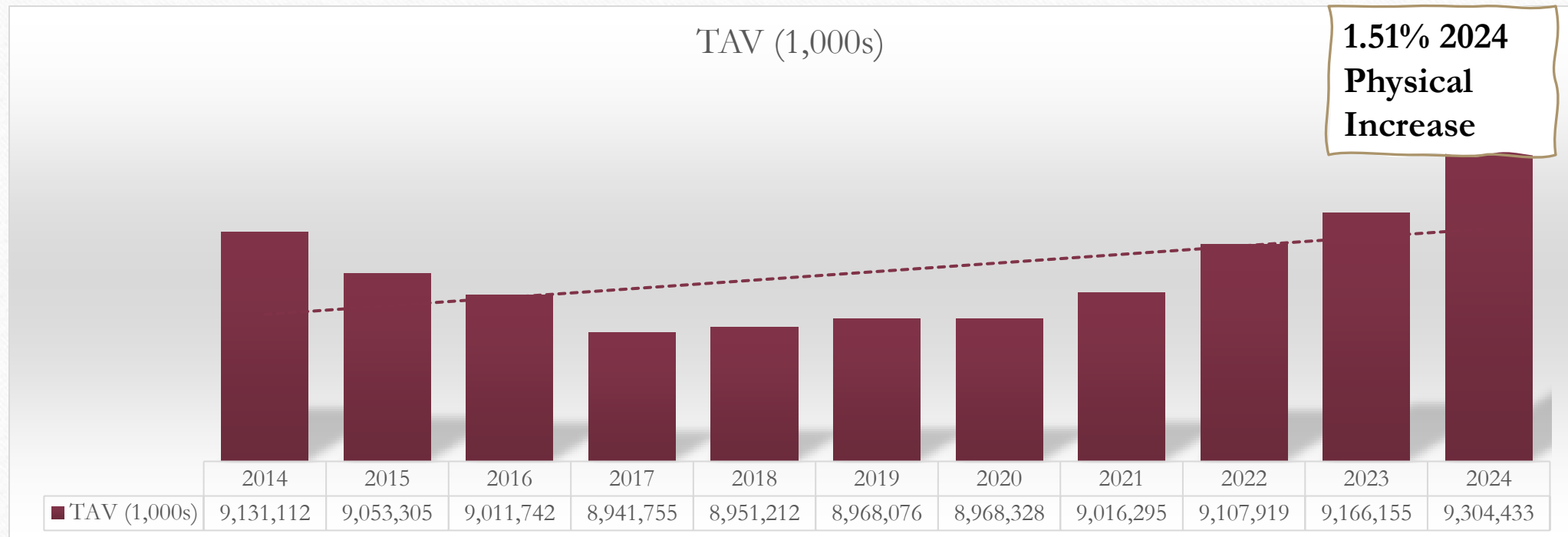
$$= .025 \times 1000 = \$25 \text{ per } 1,000$$

## Assessment Process: Sales / Permits/Inspections/Appeals

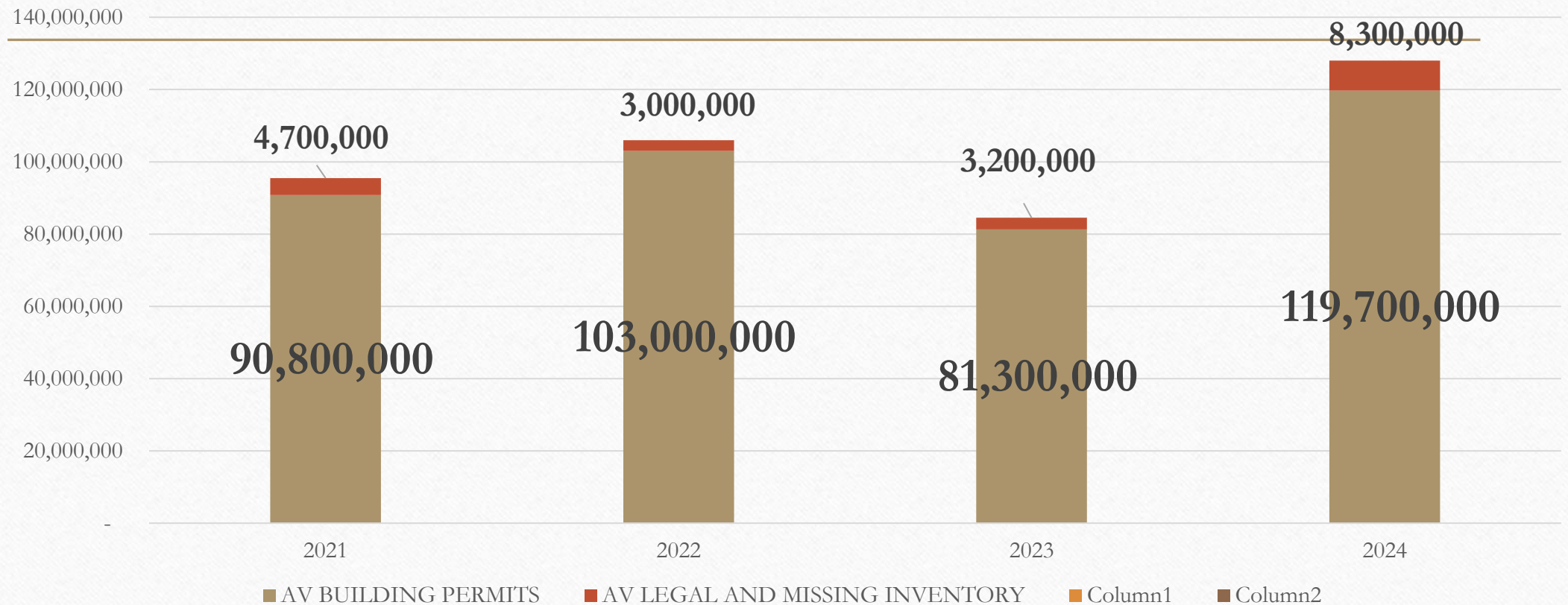
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- Sales are reviewed for inventory accuracy
- Building Permits – inspections / physical changes
- Increased assessments (Improvements, Additions, Renovations)
- Decreased assessments (Demo's/Assessment Appeals)
- **We do NOT mark to market**

# Taxable Assessed Values are increasing since 2020



# TOTAL AV FROM ADDITIONAL INVENTORY (BUILDING PERMITS & LEGALIZATIONS AND DATA CORRECTIONS)



YEAR	# PROPERTIES DOING WORK WITHOUT PERMITS (EVENTS)	AV ADDED FROM WORK DONE WITHOUT PERMITS	TOTAL AV ADDED	TOTAL MLS SALES	TOTAL RES PARCELS	% SOLD (MLS)	% EVENTS/MLS SALES	\$/EVENT	
	A	B		C	D	C/D	A/C	B/A	
2021	54	4,700,000	9,509,591	221	5,389	4.1%	24.4%	\$86,350	
2022	54	3,000,000	105,953,627	351	5,385	6.5%	15.3%	\$55,350	
2023	69	3,200,000	84,461,633	307	5,378	5.7%	22.4%	\$47,000	
2024	84	8,300,000	128,396,506	224	5,383	4.2%	37.5%	\$99,300	
2025 *	39								
	TOTALS	19,200,000	* 2025 Data for the period 06/01/2024 to 9/30/2024						

“

THIS HOUSE HAS LOW TAXES

”

....Great news!!! Or is it???

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What does it mean when a house is UNDER assessed and WHY is this problematic?

Is it due to market appreciation OR missing inventory? If missing inventory, the following concerns cross my mind...

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- ✓ Health and Safety concerns (egress, sprinkler, fire due to improper electric, etc.)
- ✓ Whose property is affected because of excess impervious area being covered?
- ✓ Building permit revenue being lost? Is the overall tax levy higher than it needs to be
- ✓ How does the missing inventory affect our Tax Cap calculation?
- ✓ Who's subsidizing whom? Municipality establishes a budget and tax levy= Zero Sum Game.

***Missing inventory is problematic on many levels!!! The whole is greater than the sum of its parts...***

# Common Inventory Discrepancies

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- Additional living area - convert attached garage, porches enclosed and heated, 3<sup>rd</sup> story expanded or newly finished
- Basements finished or expanded (was finished storage)
- Finish space over detached garage –Accessory Dwelling Unit (?)
- Porches converted into pool cabanas with toilets
- Additional bathrooms

## Common Inventory Discrepancies (continued)

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- House Grade and Condition changes (kitchen and bath renovations, gut reno of entire house)
- Patios (greater than permitted)
- Sports Courts
- New, larger pools with built in spas in place of smaller, older pools
- Outdoor kitchens

**IN THE 4 MONTH PERIOD OF JUNE 1, 2024 – SEPT 30, 2024, WE  
HAVE NOTED 39 EVENTS WHERE PUBLIC INFORMATION  
DOES NOT MATCH THE ASSESSMENT DATA...**

<b>DESCRIPTION</b>	<b># EVENTS /SQUARE FEET</b>
FINISHED BASEMENT	20,500 SF
PATIO, PORCHES, SPORTS COURTS, ETC. IMPERVIOUS SURFACE	5,600 SF
BATHS	15
CENTRAL AIR (WAS NO, NOW YES)	8
POOL AND SPA RENOVATIONS	3
OVERALL CONDITION (KITCHEN, BATHS, EXTERIOR, INTERIOR)	15

EXAMPLES

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QUESTIONS....