

TAX INFO FOR ELECTOR MEETING, 2019

In 2006, the electors agreed to a tax increase of \$30,000 which was to allow blacktopping of 1 mile of road every 2-3 years. Tax collection in 2006 was \$70,000; in 2007, it was \$100,000 and has remained near that level over the last 12 years. Steffek Road was blacktopped in 2007 and Cary Rock in 2008. Increases in the price of oil led to discontinuing the program, but the tax increase remained. Major spending for hall, shop and roads included:

Years	Expenditure	Hall/Shop	Road Work
2009-2014	Sparks Road		64,700
2010	town hall remodeled	60,000	
2010	indoor plumbing in hall	6,650	
2010-2011	Progress Road		18,000
2013	new furnace in hall	1,900	
2013-2016	new plow truck (paid over 3 years)		131,184
2015-2016	East Lane (½ of cost)		61,350
2015-2016	Wussow Lane		13,780
2018	new furnace for shop	2,495	
2018	steps & ramp for hall	4,535	
2019	used Case 580 Super Loader/Backhoe		41,000
2010-2019	Johnson Road		118,750

Other roads received lesser amount of update/repair work including gravel, culverts, ditch mowing. Snow plowing and salting can be a major expense, especially last winter.

In 2008, total cost for fire and ambulance service and recycling was \$61,334—this year it is \$77,345. Fire and ambulance charges are based on a formula using the state estimated value of the town, not the assessed value. State value for Cary is \$51 million. Our assessed value is \$41 million. Highest value was \$42 million in 2008. We have lost farms and farm buildings, and new construction has barely kept pace with the buildings lost.

Cary has 33.67 miles of roads. The state sets a per mile amount of aid towns receive each year. The state also sets the amount per mile a town has to spend on roads to receive the full amount. Road aid from the state in 2007 was \$1,899 per mile. To receive the full state aid of \$63,639, the town had to spend \$74,552. Road aid has gradually increased:

2008	\$1,956	2010	\$2,055	2016-2017	\$2,022	2020	\$2,628
2009	\$2,015	2011-2015	\$2,117	2018-2019	\$2,389		

Wonderful—the state recognized the need for improved funding for roads. Not so wonderful—to receive the full share of state aid this year requires us to spend \$104,006 to get \$88,406. In 2007, we spent about \$11,000 more than the amount of state aid. This is not spending money just for the sake of spending money; our roads and ditches need work. There is only one town in Wood County that does not spend enough on their roads to get full funding. We are that town.

Current cost per mile to apply gravel and crushed red granite exceeds \$16,000 for a 4-inch lift. If we replace gravel on 4 miles of road per year, it will take 7.5 years to upgrade all the gravel roads in the town.

The blacktopped roads are 5-8 years overdue for a chip seal at estimated costs from \$22,000 to \$25,000 per mile. Chip seal should be applied every 3-5 years to maintain the surface, in addition to applying crack sealing as needed every 2-3 years.

There are no town records of ditch cleaning since 2006. Some residents have said we have not cleaned some of the ditches in the last 30-35 years.

The town receives about 12 cents of every tax dollar collected. Approving the tax increase would raise that to about 16 cents. Wood County, Pittsville Public Schools, MSTC get the rest.

We do have a savings account that had \$150,000 to begin 2019. It is divided into 3 segments with \$50,000 in each: Roads, Machinery, Contingency.

We spent \$42,000 of the machinery fund to replace the Cruz Aire.

We spent about \$30,000 of the road fund graveling roads.

The contingency fund allows paying town operating expenses for January and February until the tax money comes in without borrowing and paying interest. It also allows the Board to respond to emergency spending for the unexpected. (A general recommendation is to have on hand 6 months of cash for emergency operating expenses.)

Some residents have suggested we should mow our own ditches. To accomplish that, we would have to spend an estimated \$40-60,000 to purchase good used equipment. The town grader was purchased in 1998. Parts will be a problem in the near future and getting a vendor to repair on site will be a problem. Current hourly rates for a vendor to work on the grader are about \$130 per hour.

Discussion: