



CITY OF AUBURN

"History's Hometown"

Office of the City Manager
Jeffrey J. Dygert, City Manager

TO: Honorable Mayor and Members of City Council
FROM: Jeff Dygert, City Manager
DATE: March 31, 2017
RE: City Manager's Fiscal Year 2017-2018 Preliminary Balanced Budget

Background:

City staff has been diligently working on preparing this budget in accordance with the budget timeline adopted by the City Council. Please see the attachments for the details of the proposal, below are highlights of this year's budget. As always, please keep in mind that we will be modifying estimates as better numbers become available as budgeting is based on educated estimates and not specifically know figures.

General Fund:

The total General fund budget is projected at approximately \$34,068,869 which is a 2.5% increase from the prior year. There is no use of fund balance included in the proposed budget and the proposed tax levy increase is set at 1.26%. This is the growth factor published by NYS for the City's fiscal year and is below the City's tax cap. Below is a highlight of significant changes in total department budgets that lead to the overall increase of 2.5%. Department heads will provide a more detailed look at their departments' budget.

Expenditure Changes:

- City Clerk - The zoning code currently being updated will require a larger than normal expense with the required General Code update once it is adopted by Council and an upgrade of the City website is proposed. An estimated cost of around \$20,000 has been budgeted for both additional projects.
- Corporation Counsel – There will be personnel changes associated with the execution of the LISC grant. The current personnel will remain as 1.5 full time equivalents and a new Assistant Corporation Counsel will be hired. This is expected to reduce the consulting fees line.
- Engineering – The turnover in the department created significant savings.
- Public Works Garage – The garage currently uses a truck from the 1990s, it is no longer reliable and must be replaced.
- Unallocated Salaries – This line holds a contingency for contract negotiations.
- Code Enforcement - There is an additional code enforcement officer budgeted which is partially offset by the LISC grant. There are also two demolitions budgeted instead of one.



- Municipal Parking – The City is proposing to install an automated arm in the parking garage so as to allow for a multitude of payments types and 24 hour coverage. This change removes the part time employees and adds a full time laborer who will float between City buildings. Part time employees will be offered employment elsewhere in the City.
- Senior Programs – Part-time employee hours have been decreased to allow for more efficient operations.
- Planning – A full time planning assistant is budgeted to replace the part time secretary.
- Contractual Salary Increases – The CSEA Professional and Administrative unit has a 1.75% contractual increase and the CSEA Local 1000 unit has a 2.0% contractual increase.
- Health Insurance – The move to the Cayuga County Health Insurance Consortium allows the City to be able to budget known costs and therefore can reduce the contingency previously budgeted in this account.
- Debt – There is an increase due to new issuances and the movement of the financing calendar from May to December.
- Transfers to Other Funds - There are \$300,000 in transfers to the Capital fund for LAFAP Projects and a transfer to the Power Utility fund. The transfer to the Power Utility fund which is approximately half of what it was in the prior year due to the planned revenue generation from the N. Division St. Hydro.

Revenue Changes:

- State revenues for AIM funding, CHIPS funding, PAVE NY funding and arterial highway maintenance funding have been budgeted at amounts proposed in the Governor's FY2017-18 budget. These revenue line items may be adjusted once a final State budget is approved.
- Sales tax has been increased modestly based on year to date information and a small .5% inflationary factor.
- The vacant building registry fees are escalating this year; this is a set escalation depending on when the building became vacant.
- The Fire department is requesting an increase in their fire inspection fee from \$35 to \$50 as the fee hasn't been increased in 20 years and is below what other communities charge.



- The appearance ticket fee approved last month by the City Council is proposed to be set at \$100 per ticket in the fee schedule.
- The new LISC grant which offsets Corporation Counsel and Code Enforcement personnel changes is expected to be new revenue of approximately \$73,000.
- The SAFER grant will end in August 2018 and will be a revenue loss of approximately \$217,000. The Fire department has a plan in place to reduce personnel through attrition with the loss of this funding.

Landfill Fund

The fund is balanced on a cash flow basis with no fee changes to citizens. The fund budget has decreased by 4.5% due to a debt issuance being fully paid in the current fiscal year. The proposed fee schedule includes a tiered rate schedule for all private haulers so as to not discriminate.

Refuse Collection Fund

The fund has a 3.7% increase due to contractual salary increases and debt issuance increases. The fund is balanced without the need for fee increases or use of fund balance.

Power Utility Fund

There is a large decrease in this fund's budget due to the closure of the landfill gas to electricity project. The fund is balanced after a transfer from the general fund. The North Division Street Hydro is expected to come online and begin generating electricity in September 2017.

Water Fund

The fund has an overall fund increase of 16.3% for a variety of factors including increased in-house projects which will be detailed by the Director of Municipal Utilities in his budget presentation. Also contributing to the increase is an increase in debt as the fund continues to improve our drinking water system, an increase in the support for the watershed inspection program and a new road program supplement. There are no proposed fee increases.

Sewer Fund

The fund has a slight 1.5% increase due to contractual salary increases and new debt issuances. The fund is balanced without the need for City user or wholesale customer fee increases or use of fund balance. There is a proposed fee increase for septage treatment, this is being proposed and after a review of what surrounding communities charge.