

OFFICE OF THE CITY MANAGER

Memorial City Hall

Auburn, New York 13021

MEMO

TO: Mayor and Councilors
FROM: Douglas Selby, City Manager
DATE: 31 May 2013
RE: Tentative Budget for the City of Auburn

In accordance with the Auburn City Charter I am submitting the attached Tentative Budget for the City of Auburn for fiscal year 2013/2014. Attached are detailed revenue and expenditure spreadsheets for your review. The budget includes projected revenues and expenditures for the General Fund, Sewer Fund, Water Fund, Solid Waste Fund and Power Utility Fund.

- General Fund revenues are forecast to be \$34,246,000 representing a 5.0% increase of \$1,481,798 from the previous year.
- General Fund expenditures are budgeted at \$34,780,760 representing at 0.7% increase of \$232,491 from the previous year. Increased expenditures in the budget are driven primarily by contractual obligations including existing labor agreements.
- Water Fund revenues are forecast to be \$4,039,000 representing an increase of \$477,000 over the previous year largely due to the increase in water rates necessitated to pay for debt on capital projects.
- Water Fund expenditures are budgeted to be \$4,039,000, an increase of \$482,902.
- Sewer Fund revenues are forecast to be \$7,398,000 which includes increased fees associated with the new sewer contracts with Sennett, Owasco and Fleming. Sewer fund expenditures are \$7,398,000.
- Power Utility fund revenues are forecast to be \$1,470,766 including a transfer from the General Fund of \$800,000 to cover losses being incurred under the contract with Auburn Energy and money owed to the landfill for methane gas used at the power plant. Although we believe that the sale of RECs and energy into the New England market will offset losses by about \$200,000 per year there are several regulatory hurdles to overcome that may take several months. Pending negotiations with Auburn Energy may also yield financial relief. Neither of these potential reductions are included in the budget. Additionally, the new phase of the NYSEG contract for power from North Division Dam will generate only about 1/3 of the previous year's revenues.
- Landfill Fund revenues are estimated to be \$2,852,000, down from \$3,724,897 the previous year due to the loss of a major outside hauler. With expenditures budgeted at \$3,886,650 this will

result in a loss to the landfill fund of \$1,034,650 in the coming budget year if not mitigated by operational changes and increased revenues.

This General Fund budget is based on the outline presented to the City Council on April 18, 2013 and includes the following major elements:

- Pension leveling - Reduction in projected pension payments of \$1.7 million reflected in lines A9010-801 and A9015-803.
- Gasoline sales tax increase – Estimated at \$300,000 reflected in line item A99-1110
- Zero wage increase for police per new labor contract
- Contractual wage increases per current labor contracts
- 2% property tax levy
- Use of \$384,760 from Fund Balance
- Increased parking revenue of \$75,000 from street meter rate going to \$0.75/hr and extended enforcement hours reflected in line item A99-1740
- Increased revenues in Codes/Buildings of \$200,000 from increased fees to recover costs reflected in line A99. Includes new vacant building registry fees.
- Cost recovery from AIDA for city staff time of \$22,500 in revenue line item A99.
- Reduced energy costs of \$50,000 (partial year savings) as a result of the Wendel energy performance contract reflected in Street Lighting line item A5182-425.
- Reduced salary costs of \$40,000 in Planning from reorganization – Downgrade Senior Program Manager to Community Development Planner and restore PT CD Planner to full time line A8020-110.
- Planning service line increased to cover possible contracting out options line A8020-440
- Planning special projects budget to cover matching requirement for Owasco Trail grant program and Zoning Code update line A8020-459
- Inclusion of \$28,500 for PT salaries in the Comptroller office – Support for administration of high volume of capital projects and interim Comptroller line A1305-130
- Inclusion of \$16,000 in overtime for the Assessor's reappraisal process line A1355-150
- Inclusion of \$11,000 in services for the Assessor's reappraisal process line A1355-440.
- Inclusion of \$52,000 in Clerk's Services line item for new NOVUS electronic agenda software line A1410-440.
- Reduction of \$26,000 in Corporation Counsel wages by reducing hours from 35/week to 25 per week line A1420-110
- Reduction in City Hall wages of \$48,000 as a result of moving FTE custodian to Police budget
- Reduction of \$12,000 in PT labor for City Hall by not filling vacant custodial position line A1620-130
- Increase in Public Works Garage services for decommissioning of fuel storage tanks line A1640-440
- Replacement of three police patrol cars line item A3120-230
- Reduction in Fire Other Equipment as a result of this year's FEMA grant covering new turnout and bail out gear line A3410-250
- Increase in Codes Services budget to cover contractor(s) for clean up and new software licensing fees line item A3620-440

- Reduced wages for current PT vacancy at the Boyle Center line item A7611-130
- Reduction in Adult Recreation due to capital project funding replacing need for operational funding for ball field dirt line A7620-412

cc: Debbie McCormick, City Clerk