CITY OF SYRACUSE

FISCAL YEAR

2020 BUDGET

MAYOR WALSH
PRESENTED TO SYRACUSE COMMON COUNCIL

APRIL 8, 2019
Syracuse will be a growing city that embraces diversity and creates opportunity for all.
Objectives Drive Actions

Achieve **fiscal sustainability**

Increase **economic growth and neighborhood stability**

Deliver **city services** effectively, efficiently and equitably

Provide high quality **constituent engagement and response**
FY 20 Budget Realities

Revenue
• State AIM stays flat
• Sales tax growth projected at 3%
• Assessed valuation growing
• One-time $1.9 million state payment for Medicare shared services savings
• Last tax increase in 2011

Expenses
• Year one saving from street lights of nearly $3 million
• First full year of nine resolved labor contracts
• Total employee, pension, health up $8.7 million
Budget Overview
City Services: Additional pothole/street repair crew
City Services: More funding for road reconstruction and resurfacing
City Services: Additional funding for Harmful Algae Bloom threat to city water supply
City Services: New fleet management function for snowplows, trash trucks, water, parks, police and fire vehicles
Neighborhoods and Economy: Installation of LED street lights and Smart City technologies
Neighborhoods: Increase support for teen programs at Boys & Girls Club and Southwest Community Center
Neighborhoods: Restore staffing to Westmoreland Park
Neighborhoods: Tick and deer management program
Revitalizing Neighborhoods, Restoring Properties.

Neighborhoods: Maintain Syracuse Land Bank funding at FY19 level
Neighborhoods: Expanded sidewalk snow removal program
Public Safety: New classes of police officers and firefighters
Public Safety: Full funding for police body camera program
FY 20 Fiscal Highlights

• More tough decisions needed on expenses/revenue:
  – Expenses: requested 2.5% reduction in budgeted expenses across departments
  – Revenue: tax and water rate increase
• Moving closer to balanced budget
  – Projected reserve draw of $8.1 million
  – Lowest since 2010

• Total budget: $252.5 million
• Department operating expenses: flat for second straight year
• Fiscal health steadily improving
Reliance on Reserves
Projections v. Actual

<table>
<thead>
<tr>
<th>Year</th>
<th>Projected</th>
<th>Actual</th>
</tr>
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<tbody>
<tr>
<td>FY17</td>
<td>$2,390,000</td>
<td>$12,101,000</td>
</tr>
<tr>
<td>FY18</td>
<td>$16,000,000</td>
<td>$16,000,000</td>
</tr>
<tr>
<td>FY19</td>
<td>$11,000,000</td>
<td>$11,000,000</td>
</tr>
<tr>
<td>FY20</td>
<td>$8,100,000</td>
<td>$2,390,000 + $832,000</td>
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</tbody>
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Graph showing Reliance on Reserves Projections v. Actual from FY17 to FY20.
Reserve/Fund Balance Status

FY 20 | July 1, 2019 – June 30, 2020

- 2016 Actual: $55,202,000
- Past 2019 Projection: $16,102,000
- Current 2019 Projection: $47,464,000
Tax and Water Rate Proposal

1. Avoid layoffs or program and service cuts
2. Enable continued investments in City and water service and infrastructure
3. Align water rates and fees closer to actual costs
4. Move closer to balanced budget
5. Preserve responsible fund balance
## Tax and Water Rate Proposal: Revenue

<table>
<thead>
<tr>
<th>Tax: 3.5%</th>
<th>Revenue</th>
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<tbody>
<tr>
<td>City:</td>
<td>$2.68 million</td>
</tr>
<tr>
<td>School District:</td>
<td>$1.56 million</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Water: 4%</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Fund:</td>
<td>$1.29 million</td>
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</tbody>
</table>
## Tax and Water Rate Proposal: Residents

**New rate: $27.56 per thousand**

<table>
<thead>
<tr>
<th></th>
<th>$65k Home</th>
<th>Avg. Home: $85k</th>
<th>$120k Home</th>
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</thead>
<tbody>
<tr>
<td><strong>Tax</strong></td>
<td>$61.33</td>
<td>$80.20</td>
<td>$113.22</td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td>$12.00</td>
<td>$12.00</td>
<td>$12.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$73.33</td>
<td>$92.20</td>
<td>$125.22</td>
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</table>

**Bottom line for an average homeowner and water user:**
- $1.77 per week
- $92.20 per year
Syracuse compared to Upstate and other NYS Cities

• Lowest effective tax rate of all major Upstate cities
• Tenth lowest tax rate among all cities in the state
Recap

- Department operating expenses flat for second straight year
- Lowest projected reliance on reserves in nearly decade
- Increase in taxes and water rates
- No cuts in staff, services or people
- More money for water, roads, sidewalks, public safety, neighborhoods and growth
Vision

Syracuse will be a growing city that embraces diversity and creates opportunity for all.