



CITY OF ELMIRA NEW YORK

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November 15, 2023

Honorable Mayor Mandell, Deputy Mayor Joe Duffy, and Members of Elmira City Council:

Today, the City Manager's 2024 Proposed Budget is respectfully submitted to the Elmira City Council and residents of the City of Elmira. This budget has been prepared in accordance with Section 51 of the City of Elmira's Charter.

The proposed 2024 Operating Budget is a comprehensive document that addresses the anticipated revenues and expenditures for all departments within the City of Elmira, including Animal Control, Assessor, Buildings and Grounds, City Chamberlain, City Clerk, City Manager, Code Enforcement, Corporation Counsel, Fire, Mayor and Council, Police, Public Works and Sanitation.

Five years ago, a budget committee was formed by City Council. The 2024 budget committee consisted of Mayor Mandell, Deputy Mayor Joe Duffy, City Chamberlain Charmain Cattan, and myself. After gathering input from department heads, the City Chamberlain and I met regularly during the summer months and then as needed with the full committee. As ideas, suggestions and recommendations were made by all committee member, the proposed budget is the result of extensive collaboration of the Budget Committee. I would like to thank the entire Committee, especially City Chamberlain Charmain Cattan, for the many hours needed to prepare the City budget.

As a recap of a few of the highlights of the last 12 months, we ended 2022 with a general fund balance of \$7.15 million. In May of this year, S&P Global Ratings revised its outlook and upgraded the City's debt rating from 'BBB+' with a 'Positive' outlook to an 'A-' rating with a 'Stable' outlook on the City. Over the past eight years we have gone from a deficit to a positive fund balance. This is due to the hard work by all Department Heads and our City Chamberlain.

At a high level, the 2024 Operating Budget incorporates revenues of \$37,798,050 and expenses of \$37,798,050. In 2024, I am proposing a 2.0% property tax increase, along with appropriating \$1,900,000 of the General Fund balance to offset the 2024 proposed budget spending.

With a 2.0% tax increase, a property assessed at \$50,000 will pay \$1,424.37 in City of Elmira property taxes in 2024, an increase of \$27.93 for the year or \$2.33 per month. A property assessed at \$100,000 will pay \$2,848.73, which reflects an increase of \$55.86 for the year or \$4.65 per month. This table shows the annual property tax due at various property assessments. By balancing the proposed tax increase with an appropriation from the General Fund, we are being mindful of the taxpayer's pockets in the current fiscal environment.

Proposed 2024 Property Tax Assessment
Rate of \$28.49 per thousand

Assessment	Annual Tax Pmt	Monthly	Annual Increase	Monthly Increase
\$50,000.00	\$1,424.37	\$118.70	\$27.93	\$2.33
\$60,000.00	\$1,709.24	\$142.44	\$33.51	\$2.79
\$70,000.00	\$1,994.11	\$166.18	\$39.10	\$3.26
\$80,000.00	\$2,278.99	\$189.92	\$44.69	\$3.72
\$90,000.00	\$2,563.86	\$213.66	\$50.27	\$4.19
\$100,000.00	\$2,848.73	\$237.39	\$55.86	\$4.65
\$110,000.00	\$3,133.61	\$261.13	\$61.44	\$5.12
\$120,000.00	\$3,418.48	\$284.87	\$67.03	\$5.59
\$130,000.00	\$3,703.35	\$308.61	\$72.61	\$6.05
\$140,000.00	\$3,988.23	\$332.35	\$78.20	\$6.52
\$150,000.00	\$4,273.10	\$356.09	\$83.79	\$6.98
\$200,000.00	\$5,697.47	\$474.79	\$111.72	\$9.31
\$250,000.00	\$7,121.83	\$593.49	\$139.64	\$11.64
\$395,000.00	\$11,252.50	\$937.71	\$220.64	\$18.39

2024 GOALS

The City of Elmira has several goals as we look to the upcoming year. These are:

- To continue to provide City services to our residents in a reliable and professional manner
- To fill all vacant positions in City Departments in support of providing excellent service to City residents
- To accomplish several additional Capital Projects with the aid of grant funding, and
- To continue to maintain and/or improve our bond ratings.

BUDGET SUMMARY

Operating Revenues

The majority of revenue for the City comes from property taxes, PILOTS, sales tax and NY State Aid. Property taxes are slated to increase modestly next year and we anticipate \$16,004,104 in revenues from this area. Our PILOTs will generate approximately \$242,060. We will budget sales tax at \$6,081,647. Our AIM money from the state is budgeted at \$4,578,801.

Operating Expenditures

The Elmira City Council, Department Heads and City Staff are dedicated servants to the taxpayers. This proposed budget will maintain essential services to all residents, and in support of this objective, the City plans to fill all vacant positions in 2024. Another major personnel-related expense to the City is the cost of health insurance.

Union Negotiations

At this time, all union contracts are current. Negotiations continue with the Elmira Police Benevolent Association as their current contract expires 12/31/2023.

ECONOMIC DEVELOPMENT & COMMUNITY DEVELOPMENT

In August of 2022, the City announced the plans for the second round of spending of the American Rescue Plan funds (ARP) totaling \$14,135,193. The ARP Committee dedicated over 2.5 million dollars towards tourism and 1 million for property rehab for commercial projects. Additional projects included the repair of the City Hall Clock Tower, repair of the First Arena Roof, and monies toward the Mark Twain Golf Course which included tree removal, cart paths and updating the irrigation system.

Additional ARP funds were designated for capital projects including the Centertowne Parking Garage, demolition of Brand Park Pool, updates at the Fire Stations, a fire engine, Police vehicles, Police camera system, Dunn Field, equipment for Woodlawn Cemetery, two 6-wheel plow trucks, and a front-end loader truck with plow and wing.

Beyond the American Rescue Plan, the City continued its focus on securing grant funding for local development. Community Development was awarded \$1 Million Dollars in Round 6 of the Restore New York Communities Program for funding in support of converting the former Booth School property located at 414 Davis Street to 58 units of market rate housing. In addition, under Round 7 of the Restore New York Communities Program the City was awarded \$750,000 to support the Reynolds Way Project managed by Arbor Housing and Development to

create 62 units of affordable housing. Both properties are vacant at present, and the development process is underway.

In addition to economic development, the work of strengthening our communities continues. To this end, the City's 2024 budget will continue to include funding from the NYS Attorney General's Office for neighborhood revitalization projects focusing on policies and practices for Code Enforcement and neighborhood housing policy.

Finally, the work of community development continues with a new application for another round of Downtown Revitalization Initiative funds. An application was submitted to New York State Department of State for \$10 Million under DRI Round 7 in September 2023 and a group of local stakeholders successfully presented the proposal to the Regional Economic Development Council on November 7th. If awarded, these funds will be used to support projects located in the Southside of Elmira. The awards will be announced in March 2024.

2024 CAPITAL BUDGET

Turning to the 2024 Capital budget, this encompasses projects funded by ARP, other federal and state grants, as well as bonds. The following is an outline of the Capital budget:

Parks & Recreation	\$ 75,000
Mark Twain Golf Course	\$ 705,000
Transportation	\$ 7,674,449
Buildings	\$ 20,000
Emergency Services	\$ 190,500
Fleet	\$ 800,000
Management Services	\$ 70,000
ARP	\$ 603,557
RestoreNY / Other	\$ <u>1,885,000</u>
Capital Spending Total	\$ 12,023,506

FUNDING FOR CAPITAL PROJECTS

State	\$ 5,199,449
Federal (including American Rescue Plan & Comm Dev)	\$ <u>3,527,557</u>
Grants Total	\$ <u>8,727,006</u>
New Borrowing, Net	\$ <u>3,296,500</u>

CONCLUSION

I am excited and looking forward to 2024. Encouraging and positive development continues to happen in our City. I am pleased to submit this budget to City Council and I look forward to the supporting votes to pass this budget in early 2024. Again, I thank our Budget Committee and City Chamberlain for making this process possible.

Sincerely,



P. Michael Collins
City Manager