

2017 Budget Message

1. General Fund

The proposed 2017 general fund reflects a continuation of current service levels similar to the 2016 budget. The 2017 budget is as lean as we could make it while keeping a high level of services to City of Canandaigua residents.

Total General Fund expenditures are expected to increase by just 1.5% from \$13,527,550 in 2016 to \$13,730,250 in 2017. Despite the fact that total expenditures are expected to rise modestly by \$202,700 the general fund continues to operate at a deficit because revenues have not kept pace with expenditures. This trend will continue into 2017. For 2017 total revenues are expected to be increase slightly from \$13,047,950 in 2016 to \$13,268,703 for 2017.

The following are highlights and important numbers in the 2017 Budget:

GF Revenues	\$ 13,268,703	+ \$ 220,753
GF Expenditures	\$ 13,730,250	+ \$ 202,700

Major Sources of Revenue

Sales Tax	\$ 4,371,354	no change
Property Tax	\$ 5,005,322	+ \$250,000
State Aid	\$ 1,119,304	no change
Hotel Tax	\$ 50,000	no change
Franchise &	\$ 276,000	no change
Utility Tax		
Mortgage Tax	\$ 180,000	- \$20,000
Department Fees	\$ 427,911	- \$21,369
Fire Protection	\$437,454	+ \$ 7,124
Fines & Forfeitures	\$ 206,700	-\$ 10,000
Interfund Transfers	\$ 634,240	+ \$1947

General Fund Major Expenditures By Department

DPW	\$ 2,317,355
Park and Rec	\$ 840,905
Police	\$ 2,565,549
Fire	\$ 1,144,750
General Admin.	\$ 1,071,021
Planning & Dev.	\$ 241,198
Economic Dev.&	\$ 116,542
BID	
Community Events	\$ 76,322
Employee Benefits	\$ 2,995,109
Debt Service	\$ 1,250,000
Capital Reserve	\$ 850,000
Budget Contingency	\$ 207,900

Major 2017 Capital Projects

Apparatus Bay Floor Station 1	\$ 134,000
Fire Truck	\$ 478,400
John Deere Loader	\$ 150,000
Police Vehicles (2)	\$ 78,000
Parks Department Chipper	\$ 50,000
Code Enforcement Vehicles (2)	\$ 35,000
Jefferson Park Building Roof	\$ 30,000
Coach Street Parking Lot	\$ 75,000
Sidewalk Improvements	\$ 50,000
Street Resurfacing (CHIPS)	\$ 162,635
Hurley Building Renovations	\$ 3,894,604

Tax Increase

The City staff recommends a 5.26 % Tax increase if approved by City Council. As the budget is proposed we have a Budget Deficit of \$ 711,547 despite every effort of Staff to cut where we could. The 5.26% increase would generate \$ 250,000 of additional revenue and cut the deficit to a more reasonable \$ 461,547.

Cost Savings

We have reduced the hours of operation at the City's Beach especially when school is still in session in June. The emphasis will be on Fridays and weekends when the Beach needs the most staff.

We have reduced the dollars for gas and electric utilities to more closely match current prices.

We have reduced the Economic Development dollars from \$ 104,000 to \$ 50,000.

Capital Fund

The Capital Fund in the 2017 Budget is \$ 6.3 million which includes the Hurley Building Renovation and the City Hall Renovation that City Council previously approved bonding to complete.

Solar Panel Project

The Solar project has the potential to produce significant cost savings for our electric utility costs. However we have not included any cost savings in the 2017 budget so we can first get a one year of data. Any reduced costs will be included in the 2018 budget.