

Board of Estimate and Apportionment



City of Lockport, NY

August 23, 2023

What is this meeting?

- As per City Charter Article V C-102, the Board of Estimate and Apportionment must meet prior to September 15th each year.
- This meeting is to discuss components that go into the upcoming budget.
- Many pieces of the budget are not yet finalized, and as a result, this is only a preliminary look into what components are being included in the Mayor's Recommended Budget.
- Full budget will be fully prepared for the first meeting in October.

Property Tax Cap

The legal levy limit for FY 2024 is \$13,761,144, which includes the 2% levy growth factor as well as an available carryover balance from FY 2023. This would equate to a -3.91% tax rate change due to the estimated City assessed value increase.

	Year	City Assessed Value	City Assessed Value Growth	City Levy	City Levy Growth	City Tax Rate per Thousands	City Tax Rate Growth
	2020	\$ 698,764,513	-0.20%	\$13,044,256	2.94%	\$18.6676	3.14%
	2021	\$ 694,776,851	-0.57%	\$12,974,816	-0.53%	\$18.6748	0.04%
	2022	\$ 695,217,910	0.06%	\$13,112,349	1.06%	\$18.8608	1.00%
	2023	\$ 1,167,997,805	68.00%	\$13,283,557	1.31%	\$11.3729	-39.70%
1.5% Levy Growth	2024	\$ 1,259,233,740	7.81%	\$13,482,810	1.50%	\$10.7072	-5.85%
3.6% Levy Growth	2024	\$ 1,259,233,740	7.81%	\$13,761,144	3.60%	\$10.9282	-3.91%

Sales Tax Revenues

Sales tax revenues are budgeted at the level of attainment of the last 12 months.

From August 2022 through July 2023, total revenue amounted to \$8,049,855, an increase from this year's original budget of \$7.7 million.

Combined Sales Taxes				
Month	2020	2021	2022	2023
January	\$0	\$0	\$0	\$0
February	\$537,581	\$469,438	\$593,049	\$690,536
March	\$440,772	\$429,461	\$508,689	\$599,857
April	\$581,503	\$677,151	\$778,809	\$773,396
May	\$311,836	\$517,738	\$602,603	\$593,445
June	\$497,539	\$542,171	\$813,378	\$721,526
July	\$544,038	\$828,544	\$553,112	\$686,639
August	\$433,779	\$552,974	\$606,779	
September	\$448,402	\$548,900	\$602,555	
October	\$858,609	\$815,211	\$818,429	
November	\$440,361	\$497,773	\$591,993	
December	\$1,166,752	\$1,353,428	\$1,364,699	
Annual Total	\$6,261,172	\$7,232,790	\$7,834,095	\$4,065,399
YTD Total	\$2,913,269	\$3,464,504	\$3,849,640	\$4,065,399

Other Notable Revenues

- Significantly higher than normal realized interest earnings in all funds. This is due to much greater average monthly yield rates in NYCLASS investments.
- The new addition of ambulance revenue.
- Much lower than anticipated sale of leachate in the sewer fund.
- Halted interfund transfers from the debt service fund, as no capital projects with excess bond funds have been completed this/last year.
- Increases sales taxes, which are based on the last 12 months of actual revenue experience.
- An anticipated 3% increase with the Town of Lockport sewer agreement, which is to be negotiated and approved by Council later this fall.
- Continued decrease in interfund transfers for administrative (overhead) costs to the General fund.

Medical and Health Insurance Costs

- As mentioned in monthly finance memos, there is an increase anticipated in premiums, which is currently estimated at a 6.5% increase. This will finalize when full renewal costs are received next month.
- Lawley formally RFP's this service and has recommended to stay with Highmark BCBS, as savings weren't impactful and service interruptions and coverage would impacted negatively with changing vendors.

Worker's Compensation Costs

- Due to lower than budgeted costs in the worker's compensation fund, it is likely that we can anticipate lower than current premiums for our compensation program.
- Our third party administrator will be submitting a formal spending plan next month.

Retirement Costs

- While the estimated 2024 invoice is available, this will create only 25% of the budgeted expenses for our FY 2024 budget (as the NYS budget calendar differs from ours). As a result, we have to wait until we receive the estimated 2025 invoices to fully determine retirement contribution costs and rates.

Fund Balance Context

- Budgeted use of fund balance should be made not only with the context of existing balances (shown below) but also coordinated with the capital budget's recommended use of fund balance (on the finance department website).

	FY 2022 Ending Fund Balances (Unreserved)	FY 2023 Budgeted Use	Resulting Fund Balance
General	\$ 10,182,395	\$ (1,057,470)	\$ 9,124,925
Water	\$ 2,938,876	\$ (142,500)	\$ 2,796,376
Sewer	\$ 1,967,930	\$ (158,405)	\$ 1,809,525