



## State of the Village Address

June 1, 2020- May 31, 2021 Budget Overview

March 24, 2020  
David Smith, Mayor

## Accomplishments

- Increasing Fund Balance in each Department
- Continue to make efforts to pay-down short/long term debt
- Property Value Increases Catt/Erie County
- Flood Mitigation- Thatcher Brook Project Approval
- Waterfront Development Project
  - Creekside Complete by Sept 2020
  - Gateway Park by July 2021
- Hollywood Theater Opening by May 2020
- Fire Rescue Truck Build almost complete- May 2020
- BOA Phase II Site Assessments and Identification
- NYS Office of State Comptroller Audit- Sewer
- No Fiscal Stress Designation – 3<sup>rd</sup> Consecutive Year

## Operational Improvements

- ▶ Empowering department heads to lead departments with Support of Board Liaisons
- ▶ Supervisors Accountable for Department Budgets
- ▶ Maintaining Department Staff
  - Highway 4 FTE
  - Sewer 3 FTE
  - Water 3 FTE
- ▶ Succession Planning - Increased Operational Licensing
  - Water (2) Fully Licensed w/ (1) Additional working on Dual Licensing
  - Sewer (2) Fully Licensed w/ (1) Additional working on License
- ▶ Code Enforcement and Property Improvements

## Fiscal Stress Designation

<u>Fiscal Stress</u>			<u>Environmental Stress</u>	
▶ 2015	60.8	Moderate		
▶ 2016	55.8	Moderate	30.0	Susceptible Stress
▶ 2017	19.2	No Designation	30.0	Susceptible Stress
▶ 2018	3.3	No Designation	33.3	Susceptible Stress
▶ 2019	5.0	No Designation	23.3	No Designation

Fiscal Stress Indicators	Environmental Stress Indicators
Year End Fund Balance	Change in population
Operating Deficits	Households with Public Assistance
Cash Position	Percent Change in Home Value
Use of Short Term Cash Flow Debt	Median Household Income
	Unemployment Rate
	Reliance on State and Fed Aid

## Continued Efforts

- ▶ Continue to build Fund Balance to allow for increased reserves and debt elimination
- ▶ Continue to seek support for parking lot improvements in the business district
- ▶ Continue to develop our waterfront to impact economic growth
- ▶ Continue to support the opening of the Hollywood Theater to impact economic growth
- ▶ Continue to develop relationships and secure Inter-Municipal Agreements
- ▶ Continue to license appropriate staff
- ▶ Continue to hold department heads accountable for their People, their Public, and their Budgets

## Continued Challenges

- ▶ Timeliness of Project Completion
- ▶ Mother Nature/Public Health Mandates
- ▶ Waste Water Treatment Plant Aging Infrastructure
- ▶ “Zombie” Properties/Code Updates
- ▶ Business Parking Lot Improvements
- ▶ Balancing Increasing Operating Expense and Tax Levy Increases
- ▶ Department Staffing
- ▶ Budget Restrictions
- ▶ Project Capacity for Admin & Staff



## Community Development Projects

- ▶ Point Peter Reservoir - FEMA
- ▶ Thatcher Brook Flood Mitigation - DEC/Army Corp.
- ▶ Waterfront Development - Empire State Development
- ▶ Brownfield Assessment/Revitalization – Dept of State
- ▶ Waste Water Treatment Plant Capital Improvement Project – Department of Corrections
- ▶ Recreation Program Support- Cattaraugus County Youth Bureau (new roof at St. Johns Park, supplies, roller skates, and programming)

•Over \$13 Million of project support will provide future economic impact in the Village of Gowanda  
 •Additional administrative requirements of Board and Staff to carry-out projects and funding responsibilities.  
 •Additional legal and consultant fees are often necessary as well.

## Fund Balance Summary

	General	Water	Sewer
Previous Fund Balance 5/31/18	\$389,412	\$95,243	\$56,887
Fund Balance Fiscal Yr.5/31/19	\$+224,012	+\$126,175	+\$90,511
	\$613,426	\$221,418	\$147,398
Fund Balance Allocated 2019-2020	-\$83,000	-\$11,000	\$0.00
Fund Balance Available 2020-2021	\$530,526	\$210,418	\$147,398
Fund Balance Allocated 2020-2021	-\$130,000	-\$32,000	-\$30,000
2019-2020 Anticipated Fund Balance*	\$60,000	\$75,000	\$65,000
Projected FB for 2021-2022 (next F/Y)	\$460,526	\$253,418	\$182,398
Percentage of Increase from 5/31/18	+18.2%	+166%	+220%

\*This is the budget fund balance we anticipate to have remaining at the end of the 2019-2020 fiscal year ending 5/31/2020.



## Impact to Tax Payer

### ► Erie County

- .43% tax decrease
- -\$0.09/\$1000 assessed value decrease
- Tax Rate @ \$21.01/\$1000
- Average Tax Decrease of \$6.30

### ► Catt County

- 1.86% tax increase
- \$.30/\$1000 assessed value increase
- Tax Rate @ \$16.48/\$1000
- Average Tax Increase of \$21



*Average is based on \$70,000 assessed value*

## Budget Comparison General

	General Fund 2019-2020	General Fund 2020-2021	Difference
Tax Revenue	\$1,062,298	\$1,077,232	+\$14,934
Estimated Sales Tax	\$280,000	\$286,000	+\$6,000
Other Estimated Revenue	\$360,019	\$361,429	+\$1,410
Fire Rescue Truck Revenue	\$310,000 (Grant, Fire Reserve, Old Sale,)	\$0	-\$310,000
Appropriated Fund Balance	\$83,000 (Fire Truck)	\$130,000 (Contingency & Debt)	+\$47,000
Total Anticipated Revenue	\$2,095,317	\$1,854,661	-\$240,656
Budgeted Expenses	\$2,095,317*	\$1,854,661*	-\$240,656*

*2019-2020 Operating Budget \$1,702,317 (-200,000 Fire Grant - 80,000 Reserve -30,000 Sale of Truck -83,000 FB)  
2020-2021 Operating Budget \$1,754,661 (Deduct \$900,000 of contingency)  
\*Difference: \$ 52,344 Operating Budget Increase (3.07%)*

## Budget Comparison Water

	Water Fund 2019-2020	Water Fund 2020-2021	Difference
Metered Sales Revenue	\$450,000	\$450,000	\$0
Services to Other Governments	\$164,170	\$166,632	\$2,462
Other Anticipated Revenue	\$81,250	\$81,800	\$550
Plus Allocated Fund Balance	\$11,000	\$32,000	\$21,000
Total Anticipated Revenue	\$706,420	\$730,432	\$24,012
Total Budgeted Allocations	\$706,420	\$730,432	\$24,012*

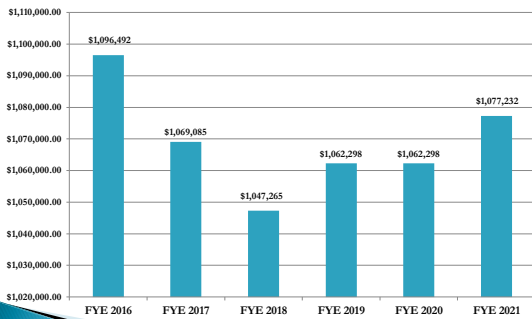
*\*Most of the increase in revenue is a reflection of allocated fund balance for Equipment Reserve and additional debt pay-down. The remaining increased revenue is annual service contract increases.*

## Budget Comparison Sewer

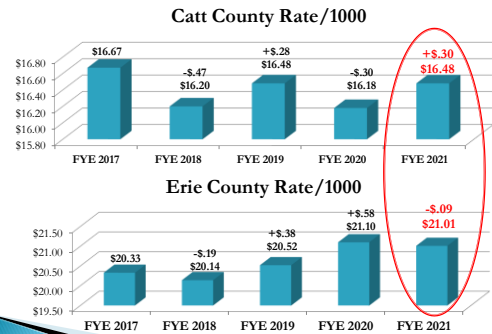
	Sewer Fund 2019-2020	Sewer Fund 2020-2021	Difference
Metered Sales Revenue	\$250,000	\$250,000	\$0
Services to Other Governments	\$525,750	\$525,750	\$0
Other Anticipated Revenue	\$45,355	\$45,355	\$0
Plus Allocated Fund Balance	\$0	\$30,000	\$30,000
Total Anticipated Revenue	\$821,105	\$851,105	\$30,000
Total Budgeted Allocations	\$821,105	\$851,105	\$30,000*

*\*Represents Allocated Fund Balance to create a new Equipment reserve for VAC Truck/Meter Replacement and additional Deb pay-down.*

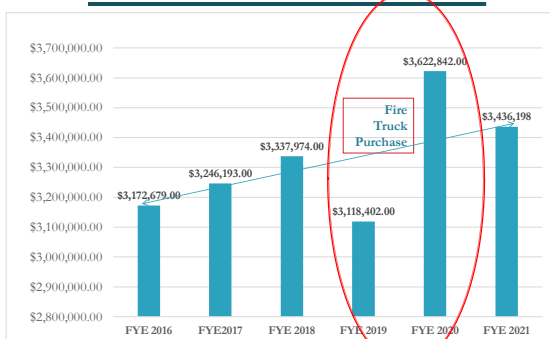
## Tax Levy Revenue Trend



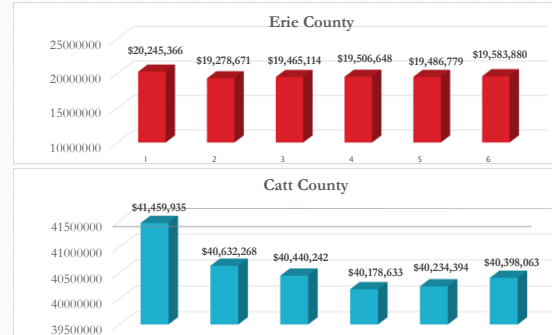
## Rate Impact to Residents



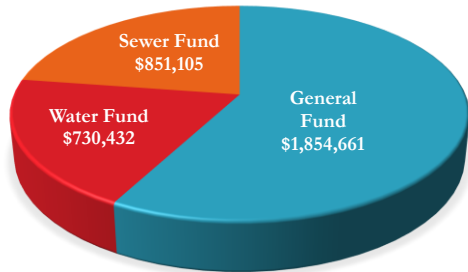
## Village Total Budget Trends



## Property Value Trends

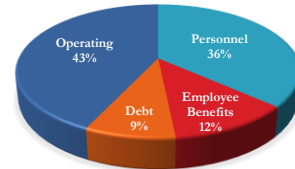


## 2020-2021 Budget Categories

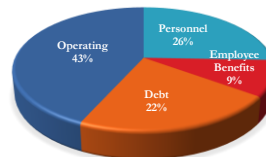


General Includes: Highway, Police, Fire, Recreation, Parks, Clerk/Admin, Trees, Library, Historian

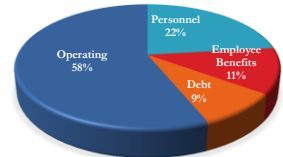
GENERAL FUND



WATER FUND



SEWER FUND



## General Fund Expenses

Line Item	Budget 2020-2021	Budget % 2019-20	Budget % 2020-21	Eric Average Tax Cont.*	Catt Average Tax Cont.*
Board & Admin	\$151,596	8.5%	8.2%	\$ 120.21	\$ 94.29
Professional Serv.	\$43,500	2.5%	2.3%	\$ 34.49	\$ 27.06
Municipal Support	\$8,750	0.5%	0.5%	\$ 6.94	\$ 5.44
Police	\$272,930	16.0%	14.7%	\$ 216.43	\$ 169.76
Code Enforcement	\$22,500	1.5%	1.2%	\$ 17.84	\$ 14.00
Disaster Coordinator	\$2,500		0.1%	\$ 1.98	\$ 1.56
Fire	\$69,115	7.4%	3.7%	\$ 54.81	\$ 42.99
Highway	\$525,515	27.8%	28.3%	\$ 416.72	\$ 326.87
Parks & Recreation	\$49,600	2.5%	2.7%	\$ 39.33	\$ 30.85
Street Lighting	\$52,500	3.1%	2.8%	\$ 41.63	\$ 32.66
Operating Expenses	\$125,856	8.4%	6.8%	\$ 99.80	\$ 78.28
Fringe & Benefits	\$219,151	11.7%	11.8%	\$ 173.78	\$ 136.31
Debt Financing	\$161,019	7.6%	8.7%	\$ 127.68	\$ 100.15
Contingency* (\$150,129 Budgeted)	\$150,129	2.4%	8.1%	\$ 119.05	\$ 93.38
<b>TOTAL</b>	<b>\$1,854,661</b>	<b>100%</b>	<b>100%</b>	<b>\$1,477</b>	<b>\$1,131</b>

\*Average tax contribution is based upon a \$70,000 average home assessment. Contingency can only be allocated to line item expenditures with board approval. Contingency is used for emergencies or un-anticipated operational expenditures. Any balance contributes to end of year Fund Balance.

## Water & Sewer Expenses

Water Fund Expense Categories	Budget Expenses	% of Budget
Personnel	\$186,900	26%
Fringe & Benefits	\$68,650	9%
Operating	\$257,820	35%
Debt Financing	\$159,062	22%
Contingency	\$58,000	8%
<b>TOTAL</b>	<b>\$730,432</b>	<b>100%</b>

Sewer Fund Expense Categories	Budget Expenses	% of Budget
Personnel	\$190,000	22%
Fringe & Benefits	\$97,250	11%
Operating	\$418,919	49%
Debt Financing	\$71,936	9%
Contingency	\$73,000	9%
<b>TOTAL</b>	<b>\$851,105</b>	<b>100%</b>

## Budget Summary

- ▶ We have increased our opportunity to be more efficient when developing budget allocations.
- ▶ Current budgets are very “lean” and not a lot of wiggle room.
- ▶ We have been able to maximize the allowable contingency within each fund.
- ▶ We were able to apply accumulated fund balance in each fund to pay down some additional debt.
- ▶ Our ultimate goals:
  - 1) Increase operational efficiencies
  - 2) Create justified budgets
  - 3) Continue to Increase Fund Balance & Reserves
  - 4) Continue with a No Fiscal Stress Designation



- ▶ *David Smith, Mayor*
- ▶ *Carol Sheibley, Deputy Mayor*
- ▶ *Aaron Markham, Trustee*
- ▶ *Paul Zimmerman, Trustee*
- ▶ *Wanda Koch, Trustee*



- ▶ *Danielle Wagner, Clerk*
- ▶ *Traci Hopkins, Treasurer*