



## City of Newburgh City Comptroller's Office

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**TO:** Michael Ciaravino, City Manager  
Mayor - Judy Kennedy  
Councilman – Cedric Brown  
Councilwoman – Regina Angelo  
Councilwoman – Gay Lee  
Councilwoman – Genie Abrams  
Councilwoman – Cindy Holmes  
Councilwoman – Karen Mejia

**FROM:** John J. Aber, City Comptroller

**DATE:** September 19, 2014

**SUBJECT:** City of Newburgh Financials – August 2014

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Below are the highlights of the City of Newburgh Revenue and Expenses through August 31, 2014.

### **General Fund Revenue**

Through August, the City of Newburgh collected \$27.9 million compared to the annual revenue budget of \$44.2 million (63.2%).

- \$18.8 million - Real Property Taxes/PILOT Payments.
- \$736k - Fund Balance transfer
- \$1.2 million – Enterprise Fund transfer for General Fund Services
- \$5.7 million – Sales & Use tax, Utilities Tax and Franchise Fees
- \$859k -Departmental Income
- \$155k - Licenses and Permits
- \$195k – Mortgage Tax and Use of Money and Property
- \$224k - Miscellaneous Income (Sale of Property, Local Government Grants, Employee Health Contributions)

I am still projecting a \$1 million shortfall in Property Taxes, Code and Parking Enforcement. To cover the shortfall, a spending freeze has been put in place. 10% of

each Department's available budget for supplies, equipment, and contracts were placed into a Financial Plan Savings Code. The freeze does not apply to vacant positions.

### **General Fund Expense**

The City of Newburgh has expended \$26.5 million plus an additional \$70k in FY2013 encumbrances. On a cash basis, the City has expended 59.9% of the 2014 budget. On a modified accrual basis, they have committed 61.2%.

Overall Departmental expenses are in-line with the approved budgets with the exception of Police and Fire overtime. As previously stated, Fire overtime has decreased compared to last year's overtime activity (with the hiring of the new grant funded recruits), however we are projecting they will exceed their 2014 budget by \$100k. Police overtime is expected to exceed their overtime budget by \$330k. Both Departments have identified surplus funds within their budgets to cover the overtime deficits.

### **Enterprise Fund Revenue**

Through August 2014, the Enterprise Funds (Water, Sewer and Sanitation) generated \$8.7 million in revenue.

Water Department generated/collected \$3.2 million through August which represents 53.2% of their total revenue budget for FY2014.

Sewer Department generated/collected \$3.2 million through August which represents 54% of their total revenue budget for FY2014. As of June, the Town of Newburgh owes the City \$435k for the first 6 months of sewer service. I have been in contact with the new Town Accountant and Town Engineer we will be receiving payment shortly.

The Sanitation Fund generated/collected \$2.3 million through August which represents 71.5% percent of the total revenue budget for FY2014.

### **Enterprise Fund Expense**

Through August 2014, Enterprise Funds expended \$7.3 million with an additional \$1.1 million in encumbered funds. On a cash basis, the Enterprise Funds have expended 48.5% of their budget. On a modified accrual basis, they have committed 55.6%.

The Water Department is projected to have a surplus of \$100k. The surplus is primarily due to a vacant Chief Operator position that has remained unfilled.

There is no projected deficit or surplus in the Sewer Fund for FY2014.

The Sanitation Fund is projecting a \$120k surplus. This is due to several workers out on workers comp for an extended period of time.

All Enterprise surplus funds revert back to the Enterprise Fund Balance at the end of the Fiscal Year.

## **Capital**

Detailed below are the updates since last month's Capital report:

### **Engineering**

New Dock - \$260k – Estimated cost to replace \$1.5 million. I am awaiting written confirmation from CHUBB as to whether the dock is covered under our insurance policy.

### **Community Development**

Tyrone Crab Park - \$240k – Construction of the Park has begun. All temporary workers (4) have been hired. The project is being managed by DPW.

### **Parking Tribunal**

Muni-Meters - \$120k – Five vendors bid on the project. The Lowest most responsive bidder is Digital Payment Technologies. The vendor has been notified and accepted the agreement. The contract will be presented to the City Council for approval at the next work session.

## **Trust and Agency Accounts**

- **Misc Donations**
  - Shade Tree - \$346
  - National Night Out - \$125 – Fully spent in August
  - Gun Buyback - \$535
  - Misc Fire Dept - \$1,547
  
- **Police**
  - Police Evidence - \$80,649
  - Federal Seizure - \$17,074
  - State Seizure - \$12,586
  - Police Bicycle - \$552
  - Police Donations - \$187
  
- **Celebrations**
  - Puerto Rican Day - \$80
  - International Festival -\$18,339
  - Quadricentennial - \$2,000
  - Fireworks - \$2,634
  - Memorial Day - \$91

### **Bond Re-Sale**

On September 4, 2014, the City in conjunction with Harris Beach and Capital Markets sold two of our older bonds (1999A and 2003A). The interest rate for the sale to the lowest financial institution was 1.98%. Over the next ten years the City will save \$219k in interest.

### **2015 Budget Prep**

The City Manager will present his proposed 2015 budget to the Council on October 14, 2014. On November 10, 2014 we will hold the Public hearing and on November 24, 2014 the final budget will be submitted to the Council for Adoption.