



City of Newburgh City Comptroller's Office

City Hall – 83 Broadway
Newburgh, New York 12550

Tel. (845) 569-7322
Fax (845) 569-7490

John J. Aber
City Comptroller
jaber@cityofnewburgh-ny.gov

TO: James Slaughter, Interim 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: February 24, 2014

SUBJECT: City of Newburgh Financials – January 2014

Ladies and Gentlemen,

Below are the highlights of the City of Newburgh Revenue and Expenses for the period of January 1, 2014 (FY2014).

General Fund Revenue

During the month of January 2014, the City of Newburgh collected \$3.3 million compared to the annual revenue budget of \$44.2 million. Of \$3.3 million collected, \$2.5 million (75%) was for Real Property Taxes and PILOT Payments. The remaining \$800k is mostly fund balance transfer and Departmental Income.

General Fund Expense

For the month of January the City of Newburgh expended \$4.7 million including \$200k in FY2013 encumbrances rolled into FY2014. As we continue to close out FY2013, these encumbrances will be cancelled, accrued back to FY2013 or charged against the FY2014 Departmental Budgets. The official close for FY2013 will occur in April.

Overall Departmental expenses are in-line with the approved budgets with the exception of Police and Fire overtime. Based upon current spend rates, the Fire Department is

anticipated to exceed their overtime budget by \$400k and the Police Department by \$275k. I have requested the City Manager set up meetings with both Department's to discuss the overtime and develop an overtime control plan.

Enterprise Fund Revenue

For the month of January 2014, the Enterprise Funds (Water, Sewer and Sanitation) generated \$770k in revenue.

Water and Sewer bills for FY2014 1st quarter are not scheduled to go out until April 2014, thus with the exception of employee health contributions, there have been no revenue generated at this point in time.

The Sanitation Fund collected \$765k for the month of January. This represents 23% percent of the total budgeted for FY2014. It should be noted that due to the snow storms sewer bills for the first quarter are still being processed by the Tax Collectors Office.

Enterprise Fund Expense

For the month of January 2014, Enterprise Funds expended \$988k. All three Enterprise funds are projected to spend within their FY2014 Adopted Budget.

Closing

During the last budget presentation, I mentioned the City received notification that Moody's Investment Services was reviewing our Government Obligation Bond rating for possible upgrade. I am happy to report I met with Moody's on February 21, 2014 to review our financials and discuss major projects/development plans scheduled for Newburgh. I will receive their findings and recommendation on March 6, 2014. An increase to investment grade will allow the City to fund future capital projects at a lower interest rate. In addition, I can work with our investment firm to resell some of our older bonds (with higher interest rates) at lower rates thus reducing the City's current debt service payments.