CITY OF JAMESTOWN
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City of Jamestown General Fund
Multi-Year Financial Plan
2011 -- 2013

Submitted to:

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And

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New York State Office of the State Comptroller

City of Jamestown General Fund
Multi-Year Financial Plan
2011 -- 2013

Major Revenue Assumptions

Property Taxes

- Property taxes will continue to increase in this projection as state aid AIM payments are expected to remain flat due to financial problems at the state level. Increases in NYS retirement expenditures, health insurance, workers compensation and contractual increases to employees in collective bargaining unions outpace modest projected increases in sales tax and other miscellaneous revenues.

Sales Tax Revenue

- Sales tax revenue for 2010 was budgeted conservatively based on recent history. Sales tax for the years 2006 to 2009 increased at an average annual rate of less than 1.00%. For this plan, sales tax for 2010 is projected to decrease 1.00% and sales tax for the years 2011 through 2013 is projected to increase by 1.00% annually.

New York State Aid

- The 2010 General Fund budget was adopted with a 10% cut, or $496,495 in general-purpose aid from New York State due to the financial disaster in Albany. Based on the most current information, the City is expecting a cut of only 5% for 2010. General-purpose state aid for 2011 through 2013 has been estimated using the amount expected to be received for 2010.
- CHIPS aid for 2010 was budgeted at the 2009 level. CHIPS aid for 2011 through 2013 has been held at the 2010 level.

Appropriated Fund Balance

- The 2010 General Fund budget was adopted appropriating $350,000 of the fund balance and is reflected in the 2010 projection. Fund balance of $350,000 each year is appropriated in the projections for the years 2011, 2012 and 2013 respectively.

Other Local Revenue

- Interfund Transfers (Payments In Lieu of Taxes) from the Board of Public Utilities are projected to increase (decrease) on the following schedule:
- 2010 $ (13,000)
- 2011 $ 60,000
- 2012 $ 190,000
- 2013 $ 75,000

This is based on approved user rates for the various enterprise funds.

Other Revenues

- Real Property Tax Items, Other Non-Property Taxes and Departmental Income are projected to increase by 0.00% to 2.00% annually for 2011 through 2013. Examples of line items in these categories include Franchise Fees, Utilities Gross Receipts Tax and Parking Violations and Fees.

City of Jamestown
Multi-Year Financial Plan
2011 -- 2013

Major Expenditure Assumptions

Service Levels

- All services included in the 2010 General Fund budget are projected to remain at the same program levels in 2011 through 2013.

Personnel Levels

- The number of city employees is expected to remain constant from 2010 through 2013. This is due in large part to:
  - Minimum manning agreement (58 employees) in the AFSCME contract through 2011. (Department of Public Works and Parks Department Employees).
  - Binding Arbitration Impact Award in the Jamestown Professional Firefighters Association contract. An award results when fewer than 12 firefighters plus an officer-in-charge are staffed on a shift.
  - Negotiated Impact Award in the Kendall Club Police Benevolent Association contract. An award results when the staffing level falls below 65 police officers at any time during a calendar quarter and must be renegotiated when the staffing level falls under 60. There are currently 60 police officers employed by the city.
  - Staffing levels in all administrative areas are currently at historically low number of employees.

Collective Bargaining Agreements

- Annual salary increases ranging from 2.75% to 3.50% through negotiated collective bargaining agreements are factored into the budgets from 2005 through 2009. For 2010 through 2013 and all labor contracts expiring in 2009 through 2011, 2.75% to 3.25% annual salary increases are projected. Please refer to the Employment Worksheet for additional information on the city's five labor contracts.

Employee Benefits

The following annual increases were incorporated into the 2011 through 2013 budgets:

	2011	2012	2013
Health Insurance	8%	8%	8%
Dental Insurance	5%	5%	5%
Workers Compensation	5%	5%	5%

As a percentage of payroll, the following was used to determine payments to the New York State Retirement Systems:

	2011	2012	2013
Employees Retirement System	12.0%	12.0%	12.0%
Police & Fire Retirement System	18.0%	19.0%	19.5%

Contractual Expenses (400 Accounts), Equipment (200 Accounts) & Capital Expenditures

- For the years 2010 through 2013, these categories were estimated to increase 2% to 3% annually. Fixed expenditures like gasoline and diesel fuel, and utilities were increased 3% to 5%. Most discretionary expenses were increased 2%.

Debt Service

- Debt service in place as of April 2010 is incorporated into the budget estimates. In 2008, the city council approved a $4,850,000 bond anticipation note to replace aging public works and parks department equipment and to perform various building and infrastructure improvements. Estimated debt service schedules are incorporated into the budget estimates.

City of Jamestown
Multi-Year Financial Plan
2011 -- 2013

Conclusion

This multi-year forecast is based on a number of reasonable assumptions detailed above and incorporated in the attached financial data and spreadsheets. It has been prepared to provide the Mayor, City Council and administration a tool to assist them in the preparation of future budgets. The forecast highlights areas under local control as well as state-mandated costs and programs with little local control. It provides the city the ability to change or modify the various assumptions in an effort to stabilize future property tax levies.

Comments

In order for the City of Jamestown to stabilize future property taxes, New York State must provide immediate relief in the following areas:

1. Police and fire binding arbitration: With public safety comprising well over half of the annual budget, current law must be changed to place more emphasis on the City's ability to pay and the resulting effect on the property tax rate. In addition, the arbitrator should be required to present his report in person at a public meeting of the City Council.
2. Retirement system payments: Since 1999, retirement system payments by the City have increased by 3,840%. The State needs to restructure the entire system. A first step would be to create a Tier III for police officers and fire fighters.
3. General Purpose State Aid: This projection includes a 10% cut in aid for 2010 and a 5% cut for years 2011-2013. With continuously increasing costs of collective bargaining agreements and related benefits, the City cannot absorb reductions in state aid.
4. Constitutional Tax Limit: This projection predicts that the City will exceed its Constitutional Tax Limit in 2012. Unless New York State creates relief as described above, this will become a troublesome issue for Jamestown and other cities in the state.

Disclaimer

The various assumptions, estimates and analysis included in this multi-year forecast are those of the City of Jamestown Comptroller. It is only a forecast and should not be relied upon to predict future financial results and condition of the City of Jamestown.

Joseph Bellitto, City Comptroller

CITY OF JAMESTOWN
Four Year Financial Plan, Fiscal Years 2010-2013
Major Fund Summary

	Actual				Estimated	Projected			
	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund									
Revenues	$27,688,051	$29,100,225	$30,011,142	$30,559,855	$30,656,683	$31,067,821	$31,971,007	$33,252,373	$34,434,703
Expenditures by Object	$27,538,374	$28,641,833	$29,433,287	$30,516,662	$30,300,630	$31,417,821	$32,321,007	$33,602,373	$34,784,703
Surplus (Deficit)	$149,677	$458,392	$577,855	$43,193	$356,053	($350,000)	($350,000)	($350,000)	($350,000)
Unreserved Fund Balance	$1,065,216	$1,523,608	$2,101,463	$2,144,656	$2,500,709	$2,150,709	$1,800,709	$1,450,709	$1,100,709
					Appropriated Fund Balance $300,000	Appropriated Fund Balance $350,000	Appropriated Fund Balance $350,000	Appropriated Fund Balance $350,000	Appropriated Fund Balance $350,000

CITY OF JAMESTOWN
Four Year Financial Plan, Fiscal Years 2010-2013
Property Tax Worksheet

	Actual				Estimated				
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Levy and Assessed Value / Rate									
Levy*	11,594,160	12,268,125	12,712,519	12,610,625	12,924,290	13,939,808	14,422,045	15,426,977	16,446,912
Assessed Value of Taxable Property*	192,017,701	192,471,323	672,916,122	676,661,390	676,936,065	676,200,436	682,862,440	689,792,065	696,689,985
Tax Rate per $1,000 of Assessed Value*	60.36	63.73	18.88	18.63	19.13	20.62	21.12	22.37	23.61
Full Value and FV Rate									
Equalization Rate (available from ORPS)	31.00	30.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Full Market Value of Taxable Property*	619,411,939	641,571,077	672,916,122	676,661,390	676,936,065	676,200,436	682,862,440	689,792,065	696,689,985
Tax Rate per $1000 of Full Value*	18.71	19.12	18.88	18.63	19.13	20.62	21.12	22.37	23.61
Tax Limit									
Property Tax Limit	12,122,181	12,263,029	12,527,483	12,819,057	13,143,080	13,149,803	13,542,306	13,609,810	13,689,924
Exclusions to Tax Limit	3,442,181	3,266,442	2,633,591	1,775,266	1,944,545	1,981,775	1,639,822	1,572,435	1,556,092
Tax Levy Subject to Limit	8,151,979	9,001,683	10,078,928	10,835,359	10,979,745	11,958,033	12,782,223	13,854,542	14,890,820
Impact of Local Actions on Fund Balances - All Major Funds									
Changes not already assumed in projections	---	---	---	---	0	0	0	0	0
Surplus (Deficit)	149,677	458,392	577,855	43,193	356,053	(350,000)	(350,000)	(350,000)	(350,000)
Surplus / (Deficit) After Local Actions	---	---	---	---	356,053	(350,000)	(350,000)	(350,000)	(350,000)
Unreserved Fund Balance	1,065,216	1,523,608	2,101,463	2,144,656	2,500,709	2,150,709	1,800,709	1,450,709	1,100,709
Unreserved Fund Balance After Local Actions	---	---	---	---	2,500,709	2,150,709	1,800,709	1,450,709	1,100,709
Target Unreserved Fund Balance	---	---	---	---					
Percent Levy Increase Necessary to Maintain Bala	---	---	---	---	-0.3%	10.6%	6.0%	9.4%	8.9%
Percent Levy Increase Necessary to Maintain Balance After Local .		---	---	---	-0.3%	10.6%	6.0%	9.4%	8.9%

CITY OF JAMESTOWN
Four Year Financial Plan, Fiscal Years 2010-2013
General Fund Revenues

	Actual				Estimated	Projected			
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
Revenues									
Real Property Taxes*	$11,600,259	$12,270,605	$12,711,616	$12,607,448	12,921,361	13,939,808	14,422,045	15,426,977	16,446,912
Real Property Tax Items	252,859	211,387	209,371	203,578	209,594	204,500	206,525	208,570	210,636
Sales and Use Tax*	5,124,484	5,685,766	5,076,875	5,190,191	5,252,766	5,150,000	5,201,500	5,253,515	5,306,050
Other Non-Prop Taxes*	548,033	566,369	576,868	587,174	562,584	684,000	738,090	748,722	759,524
Departmental Income	799,527	938,808	1,027,212	752,139	807,066	871,000	888,210	897,092	906,063
Other Local Revenue	4,305,706	3,712,136	4,412,201	4,489,929	4,269,828	4,271,700	4,339,165	4,536,737	4,619,416
State Aid - AIM	3,367,616	4,179,592	4,555,755	4,965,773	5,029,795	4,468,455	4,691,878	4,691,878	4,691,878
State Aid - Mortgage Tax	276,379	293,931	292,087	186,366	149,755	150,000	151,500	153,015	154,545
State Aid - Other	1,243,188	991,631	931,176	1,425,379	1,378,934	1,303,358	1,307,094	1,310,867	1,314,679
Federal Aid	0	0	0	0	0	0	0	0	0
Interfund Transfers	170,000	250,000	217,981	151,878	75,000	25,000	25,000	25,000	25,000
Total Revenues*	**$27,688,051**	**$29,100,225**	**$30,011,142**	**$30,559,855**	**$30,656,683**	**$31,067,821**	**$31,971,007**	**$33,252,373**	**$34,434,703**
Nonrecurring Revenues Included in Revenue, Above (List NOTE: If none, please enter "NONE" below.									
NYS Retirement System Debt		$0	$0	$0	$0	$0	$0	$0	$0
Nonrecurring Revenues*	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Recurring Revenues	**$27,688,051**	**$29,100,225**	**$30,011,142**	**$30,559,855**	**$30,656,683**	**$31,067,821**	**$31,971,007**	**$33,252,373**	**$34,434,703**

** Required by AIM legislation.*

CITY OF JAMESTOWN
Four Year Financial Plan, Fiscal Years 2010-2013
General Fund Expenditures

	Actual				Estimated	Projected			
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenditures by Object									
Personal Services*	$13,902,053	$13,718,686	$14,386,726	$15,415,382	$14,974,379	$14,611,179	$15,324,769	$15,806,956	$16,304,382
Equipment and Capital Outlay*	839,287	942,662	916,967	1,011,483	1,100,829	925,850	966,375	975,858	985,744
Contractual*	3,673,793	3,998,751	4,637,695	4,668,131	4,623,737	4,645,440	4,877,128	5,120,354	5,376,642
Debt Service (Principal and Interest)*	1,727,433	2,228,315	2,083,213	2,395,441	2,392,682	2,345,042	2,027,207	1,956,070	1,763,246
Education	0	0	0	0	0	0	0	0	0
Employee Benefits*	7,395,808	7,753,419	7,408,686	7,026,225	7,209,003	8,890,310	9,125,528	9,743,135	10,354,689
Interfund Transfers to debt service fund*	0	0	0		0	0	0	0	0
Interfund Transfers to other funds	0	0	0		0	0	0	0	0
Total Expenditures (by Object)*	**$27,538,374**	**$28,641,833**	**$29,433,287**	**30,516,662**	**$30,300,630**	**$31,417,821**	**$32,321,007**	**$33,602,373**	**$34,784,703**
Expenditures by Function									
General Governmental Support	$3,312,064	$3,247,385	$3,362,077	$3,524,142	$3,403,181	$3,528,938	$3,683,397	$3,828,655	$3,976,706
Public Safety	9,427,296	9,734,666	10,193,112	10,769,943	10,277,139	9,948,188	10,544,298	10,880,452	11,227,414
Education	0	0	0	0	0	0	0	0	0
Transportation	2,495,272	2,388,583	3,092,436	3,198,942	3,374,071	3,213,883	3,385,742	3,569,976	3,767,449
Economic Opp & Developmt	0	0	0	0	0	0	0	0	0
Culture and Recreation	1,859,908	1,864,028	1,861,691	2,018,672	1,905,356	1,884,960	1,932,773	1,978,951	2,026,377
Home and Community Services	681,593	691,000	715,000	748,566	762,464	751,500	770,330	789,652	809,477
Employee Benefits / Fringes	7,395,808	7,753,419	7,408,686	7,026,225	7,209,003	8,890,310	9,125,528	9,743,135	10,354,689
Debt Service (Principal and Interest)	1,727,433	2,228,315	2,083,213	2,395,441	2,392,682	2,345,042	2,027,207	1,956,070	1,763,246
Interfund Transfers to debt service fund	0	0	0	0	0	0	0	0	0
Interfund Transfers to other funds	0	0	0	0	0	0	0	0	0
Capital	639,000	734,437	717,072	834,731	976,734	855,000	851,732	855,482	859,345
Total Expenditures (by Function)	27,538,374	28,641,833	29,433,287	30,516,662	**$30,300,630**	**$31,417,821**	**$32,321,007**	**$33,602,373**	**$34,784,703**

** Required by AIM legislation.*

CITY OF JAMESTOWN
Four Year Financial Plan, Fiscal Years 2010-2013
General Fund Surplus (Deficit), Reserves, and Impact of Local Actions

	Actual				Estimated	Projected			
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Surplus (Deficit)	**$149,677**	**$458,392**	**$577,855**	**$43,193**	**$356,053**	**($350,000)**	**($350,000)**	**($350,000)**	**($350,000)**
Budgetary Reserves*									
Fund Equity, Beg. of Year	$1,519,424	$1,669,101	$2,127,493	$2,705,348	$2,748,541	$3,104,594	$2,754,594	$2,404,594	$2,054,594
Fund Equity, End of Year	1,669,101	2,127,493	2,705,348	2,748,541	3,104,594	2,754,594	2,404,594	2,054,594	1,704,594
Reserved Fund Balance - Capital	603,885	603,885	603,885	603,885	603,885	603,885	603,885	603,885	603,885
Reserved Fund Balance - Other (please specify)	0	0	0	0	0	0	0	0	0
Unreserved Fund Balance - Appropriated*	198,424	300,000	300,000	300,000	300,000	350,000	350,000	350,000	350,000
Unreserved Fund Balance - Unappropriated*	**$866,792**	**$1,223,608**	**$1,801,463**	**1,844,656**	**$2,200,709**	**$1,800,709**	**$1,450,709**	**$1,100,709**	**$750,709**

** Required by AIM legislation.*

Fiscal Improvement Plan

(Required for municipalities submitting fiscal performance plans)

Instructions: Please list below all the local actions for each goal included in the **narrative section of your FIP**, and quantify all your performance measures. A template for this narrative is available on the Comptroller's website (www.osc.state.ny.us/localgov).

	Net Fiscal Impact / Financial Performance Measures				Non-Financial Performance Measures				Action Falls Into the Following Category:				Included in Multi-year Plan Assumptions	
	2010	2011	2012	2013	2010	2011	2012	2013	Management	Operating	Shared Services	Other	Yes	No
Total Net Fiscal Effect of Changes	**$435,000**	**$485,000**	**$491,500**	**$498,130**										
Changes not already assumed in projections	**0**	**0**	**0**	**0**										
Increase franchise fee for cable television from 3% to 5%	80,000	130,000	136,500	143,130						x			x	
Increased street opening permit fee	25,000	25,000	25,000	25,000						x			x	
Increase various license and permit fees	10,000	10,000	10,000	10,000						x			x	
Energy performance contract resulting in significant savings of electricty, water and heat	180,000	180,000	180,000	180,000						x			x	
Implemented Medicare Advantage insurance plan for select group of retirees	140,000	140,000	140,000	140,000						x			x	
Secured a $400,000 Local Government Efficiency Grant to determine the feasibility and develop a strategy to merge the City's police department with the County's sheriff department											x			x
Applied for Local Government Efficiency Grant to develop a centralized, shared, road salt storage facility with the Jamestown Public School District											x			x

Fiscal Accountability Report

(Required for municipalities submitting fiscal performance plans)

Instructions: Beginning in FY 2009, this spreadsheet may be used to supplement the FAR narrative (template available on the Comptroller's website, www.osc.state.ny.us/localgov). Please list local actions that contributed to the city's fiscal stability in the prior year as well as any investments made in that year with increased AIM funding. (AIM increases may be used to minimize service reductions, invest in technology or economic development, or to minimize property taxes.)

	2009				AIM $$ Used to Fund Action*	Action Falls into Following Category:	
	Performance Measure		(Cost)/Benefit			Management Improvement	Operational Efficiency
	Anticipated	Realized	Anticipated	Realized			
Total AIM increase (starting with FY 2008)					**$0**		
Elimination of Assistant Parks Director position	25000	25000			0		x
Merged Police department payroll clerk with part-time Finance department position	20000	20000			0		x
Revised asphalt procurement procedure	100000	50000			0	x	
Restructured parking enforcement positions	10000	10500			0		x
Reduce Property Tax Increases (remainder)					**$0**		

CITY OF JAMESTOWN
Four Year Financial Plan, Fiscal Years 2010-2013
Employment / Salary Negotiations

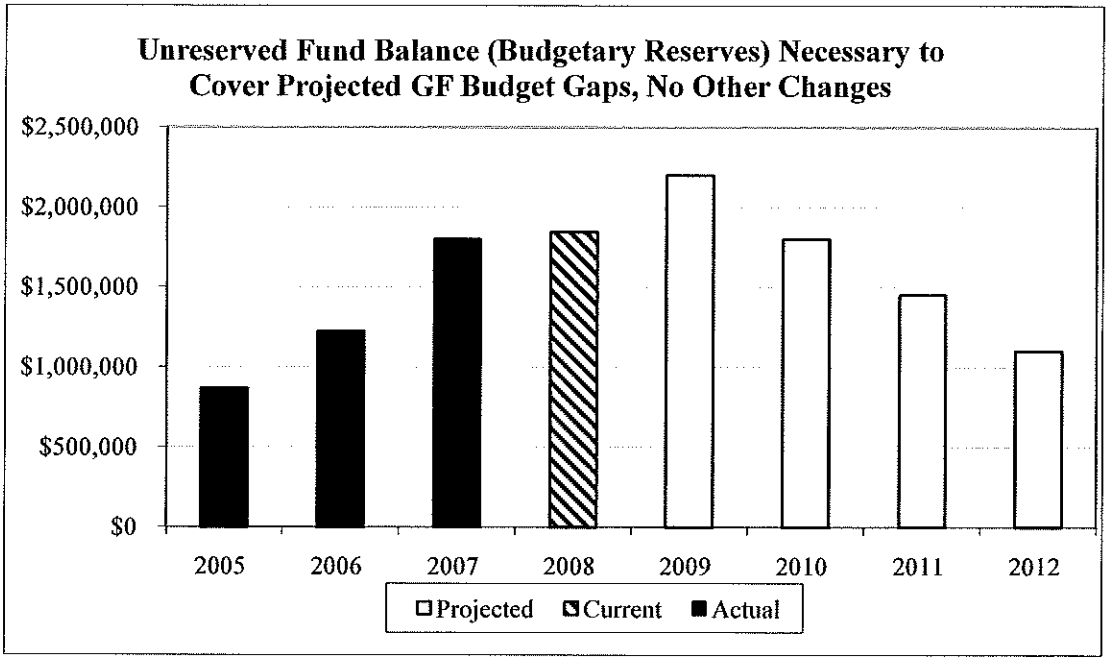
	Date of Contract	Length of Contract	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Projected 2010	Projected 2011	Projected 2012	Projected 2013
Percentage Increases by Bargaining Unit											
Police	1/1/2008	12/31/2009	3.25%	3.25%	3.25%	3.00%	3.00%	3.25%	3.25%	3.25%	3.25%
Fire	1/1/2004	12/31/2008	3.00%	3.00%	3.00%	3.50%	3.00%	3.25%	3.25%	3.25%	3.25%
CSEA	1/1/2008	12/31/2011	3.25%	3.25%	3.25%	2.50%	3.00%	2.75%	3.00%	3.00%	3.00%
JCAA	1/1/2009	12/31/2010	3.25%	3.25%	2.50%	2.75%	1.75%	1.75%	3.00%	3.00%	3.00%
AFSCME	1/1/2008	12/31/2011	3.00%	3.10%	3.25%	2.75%	3.00%	2.75%	3.00%	3.00%	3.00%
Number of Employees											
Total*			262	260	258	258	256	255	255	255	255
Full-time			232	230	228	228	226	225	225	225	225
Part-time			30	30	30	30	30	30	30	30	30
Seasonal (DPW, Parks, Playgrounds, Interns)			50	50	50	50	43	43	43	43	43

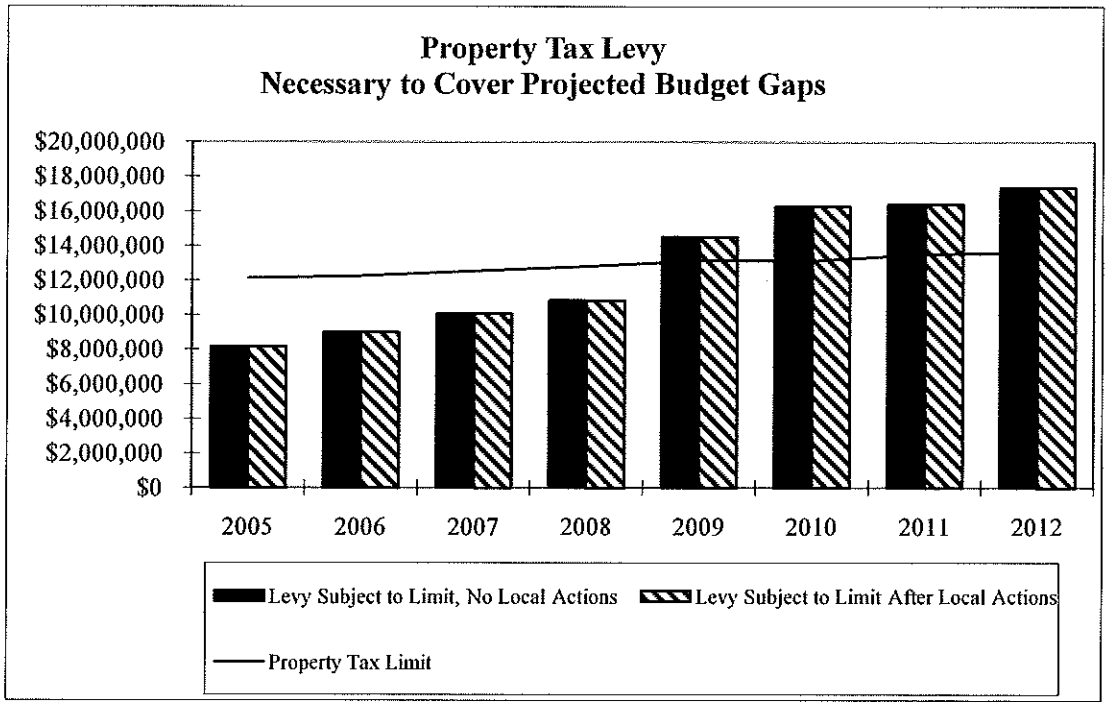
** Required by AIM legislation.*

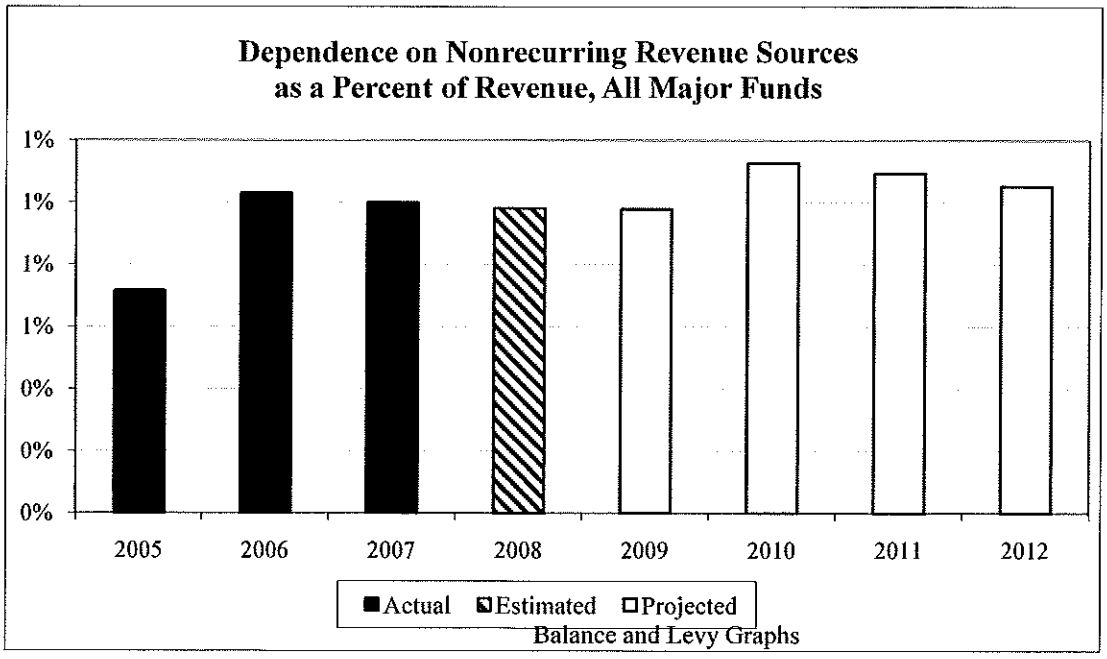
CITY OF JAMESTOWN
Four Year Financial Plan, Fiscal Years 2010-2013
Major New Capital Projects***

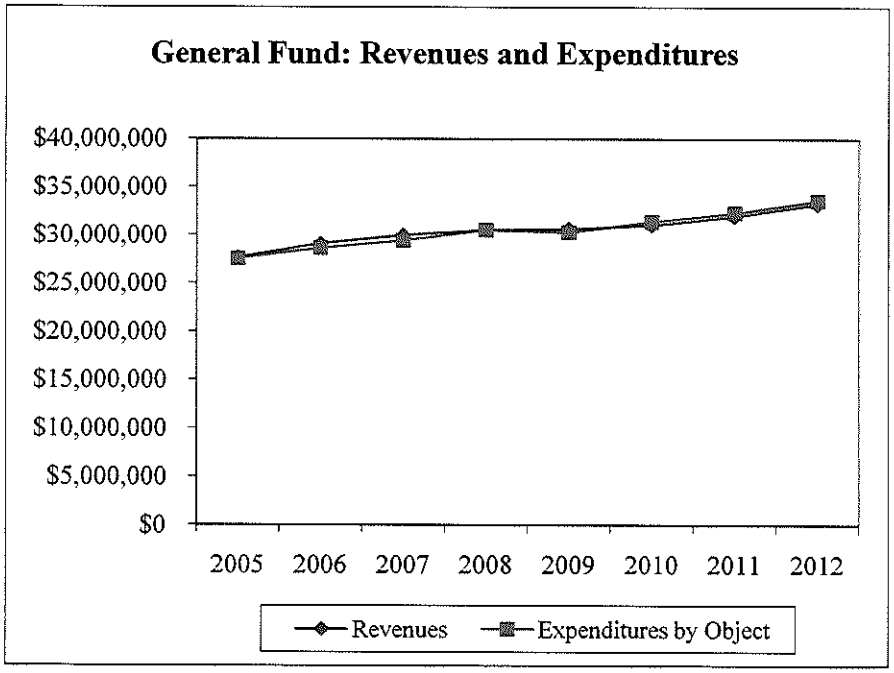
	Projected Cost of Project							
	2010	2011	2012	2013	Project Life (years)	Interest Rate	Fund	Source of Financing
Bonding Projects (add additional years of projects on separate lines):								
None anticipated								
Pay-As-You-Go Projects:								
Tree Planting	$10,000	$10,000	$10,000	$10,000			General	Budget
Street Resurfacing, Reconstruction, Curb & Gutter	726,732	726,732	726,732	726,732			General	CHIPS
Capital Equipment	118,268	115,000	118,750	122,613			General	Budget
Code Enforcement Software								
Subtotal: Value of Projects Financed Through Bonding	$0	$0	$0	$0				
Subtotal: Pay-As-You-Go	$855,000	$851,732	$855,482	$859,345				
Total	$855,000	$851,732	$855,482	$859,345				
Debt Service Payments:	**$0**	**$0**	**$0**	**$0**				
Additional Pay-as-You-go Payments	**$855,000**	**$851,732**	**$855,482**	**$859,345**				
Total Additional Capital Payments	**$855,000**	**$851,732**	**$855,482**	**$859,345**				

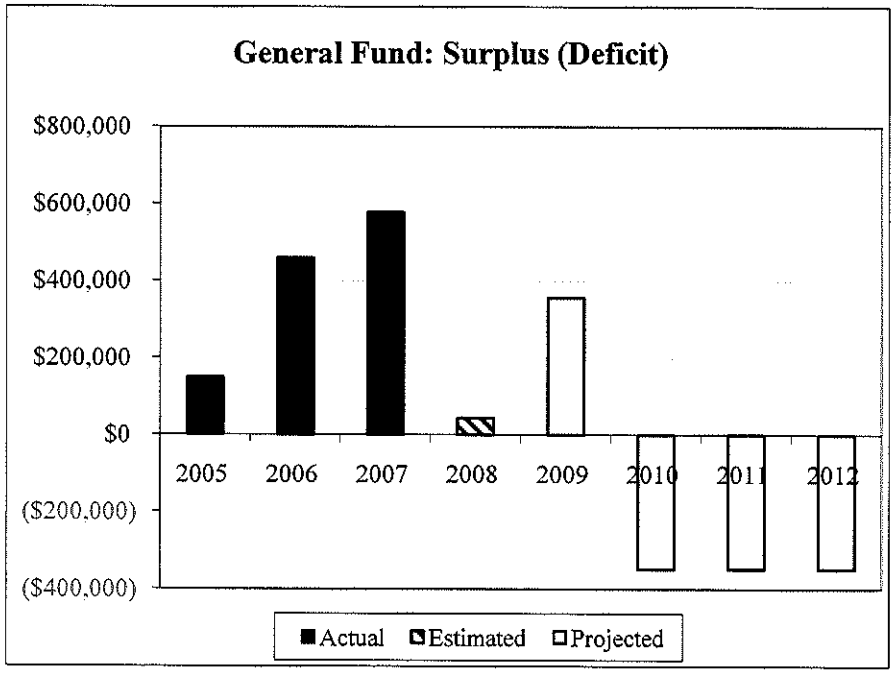
**** This sheet is intended to generate rough, ballpark figures ONLY. Assumptions: All projects are tax exempt and NOT subject to a debt service reserve. OSC strongly recommends that you create a multiyear capital plan that is tailored to your own governments' specific needs. For more information on constructing a capital plan, see OSC's Local Government Management Guide, "Multi-Year Capital Plans."*

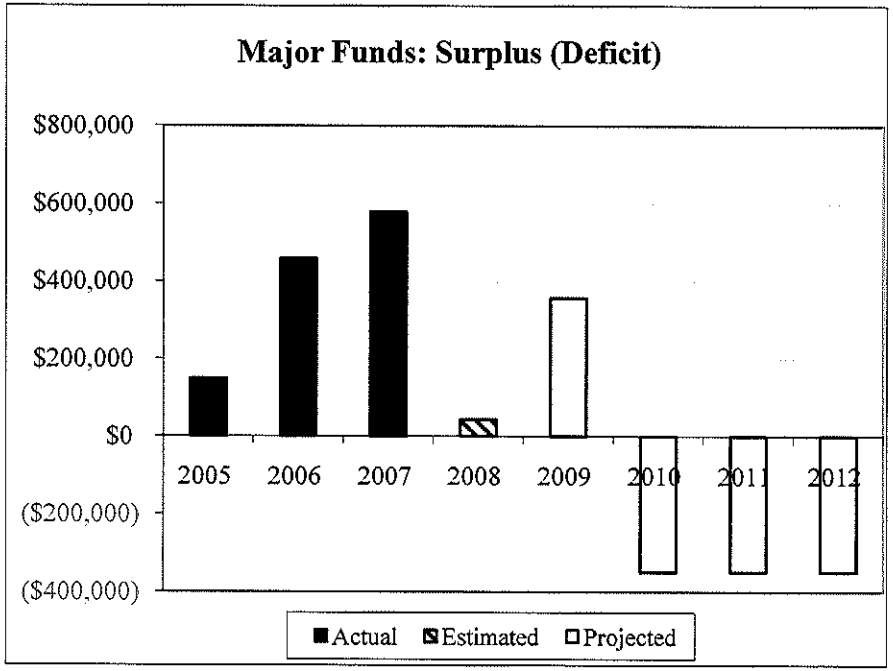

Unreserved Fund Balance (Budgetary Reserves) Necessary to Cover Projected GF Budget Gaps, No Other Changes
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
2005
2006
2007
2008
2009
2010
2011
2012
Projected
Current
Actual


Property Tax Levy Necessary to Cover Projected Budget Gaps
$20,000,000
$18,000,000
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$0
2005
2006
2007
2008
2009
2010
2011
2012
Levy Subject to Limit, No Local Actions
Levy Subject to Limit After Local Actions
Property Tax Limit


Dependence on Nonrecurring Revenue Sources as a Percent of Revenue, All Major Funds
1%
1%
1%
1%
0%
0%
0%
2005
2006
2007
2008
2009
2010
2011
2012
Actual
Estimated
Projected


General Fund: Revenues and Expenditures
$40,000,000
$35,000,000
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
2005
2006
2007
2008
2009
2010
2011
2012
Revenues
Expenditures by Object


General Fund: Surplus (Deficit)
$800,000
$600,000
$400,000
$200,000
$0
($200,000)
($400,000)
2005
2006
2007
2008
2009
2010
2011
2012
Actual
Estimated
Projected


Major Funds: Surplus (Deficit)
$800,000
$600,000
$400,000
$200,000
$0
($200,000)
($400,000)
2005
2006
2007
2008
2009
2010
2011
2012
Actual
Estimated
Projected