

CITY OF OGDENSBURG, NEW YORK

CITY HALL • 330 FORD STREET • OGDENSBURG, NY 13669 • (315) 393-6100



Office of the City Manager

MEMORANDUM

MEMO TO: City Council
FROM: Sarah Purdy, City Manager *SP*
DATE: September 8, 2016
SUBJECT: Update 16/34

COMPTROLLER UPDATES - Attached are two reports, the Health Insurance Expense through August and a calculation, and/or allocation, for the 2016 Budget in connection with the settlement of the two CSEA Union contracts and Non-Represented group adjustments. This shows each Budget adjustment to be made and transferred from the Contingency budgets. The balances left in the Contingency budgets are also shown, as requested by Councilor Morley. The Sales Tax chart is not included because our last payment was mid-August and our next receipt from SLC won't be until next week so there are no changes since the last update. Additionally, please find attached a memo from Tim Johnson summarizing the changes in this department over the last two years and a bond summary.

DEPARTMENT OF PUBLIC WORKS UPDATES – There are no updates this week.

PARKS AND RECREATION UPDATES – There are no updates this week.

PLANNING DEPARTMENT UPDATES – There are no updates this week.

| CITY OF OGDENSBURG | | | | | | | |
|--|--|----------------|----------------|----------------|----------------|-----------------|------|
| HEALTH INSURANCE COSTS | | | | | | | |
| | | ACTUAL | ACTUAL | RUNNING | RUNNING | DIFF | % |
| MONTH | | 2015 | 2016 | TOTAL | TOTAL | | DIFF |
| | | | | 2015 | 2016 | | |
| JANUARY | | \$235,223.98 | \$342,873.16 | \$235,223.98 | \$342,873.16 | \$107,649.18 | 146% |
| FEBRUARY | | \$168,689.67 | \$241,608.01 | \$403,913.65 | \$584,481.17 | \$180,567.52 | 145% |
| MARCH | | \$147,805.33 | \$249,483.41 | \$551,718.98 | \$833,964.58 | \$282,245.60 | 151% |
| APRIL | | \$394,769.00 | \$191,111.04 | \$946,487.98 | \$1,025,075.62 | \$78,587.64 | 108% |
| MAY | | \$306,398.89 | \$169,627.57 | \$1,252,886.87 | \$1,194,703.19 | -\$58,183.68 | 95% |
| JUNE | | \$260,962.43 | \$230,237.59 | \$1,513,849.30 | \$1,424,940.78 | -\$88,908.52 | 94% |
| JULY | | \$233,498.44 | \$115,977.23 | \$1,747,347.74 | \$1,540,918.01 | -\$206,429.73 | 88% |
| AUGUST | | \$276,146.20 | \$403,932.00 | \$2,023,493.94 | \$1,944,850.01 | -\$78,643.93 | 96% |
| SEPTEMBER | | \$240,075.18 | | \$2,263,569.12 | \$1,944,850.01 | -\$318,719.11 | 86% |
| OCTOBER | | \$313,494.12 | | \$2,577,063.24 | \$1,944,850.01 | -\$632,213.23 | 75% |
| NOVEMBER | | \$172,144.43 | | \$2,749,207.67 | \$1,944,850.01 | -\$804,357.66 | 71% |
| DECEMBER | | \$270,662.53 | | \$3,019,870.20 | \$1,944,850.01 | -\$1,075,020.19 | 64% |
| TOTALS | | \$3,019,870.20 | \$1,944,850.01 | | | | |
| % OF PRIOR YEAR | | 108.32% | 64.40% | | | | |
| BUDGET | | \$2,950,000 | \$3,016,298 | | | | |
| % OF BUDGET | | 102.37% | 64.48% | | | | |
| DIFFERENCE | | -\$69,870 | \$1,071,448 | | | | |
| AVERAGE | | | | | | | |
| MONTHLY COST | | \$251,655.85 | \$243,106.25 | | | | |
| *** In 2008 the City switched Third Party Administrators from APA to POMCO. In January the only activity was the payments from retirees to the City. | | | | | | | |
| The monthly totals are net of payments from retirees and others. | | | | | | | |

| RETRO SUMMARY & BUDGET ADJUSTMENTS YR2016 | | | | | | | | | |
|--|--------------------|--------------------|-----------------|--|----------------|--------------|--------------------|--------------------|--------------------|
| | | | | | Account | | TOTAL | | |
| | CSEA Hourly | CSEA Salary | Non-Reps | | Totals | FICA | Budget | Contingency | Contingency |
| Code | .110 | .110 | .110 | | .110 | .830 | Adjustments | Budgeted | Balance |
| A1010 | | | 348 | | 348 | 27 | 375 | | |
| A1230 | | | 1,043 | | 1,043 | 80 | 1,123 | | |
| A1315 | | 1,769 | 1,819 | | 3,588 | 275 | 3,863 | | |
| A1355 | | 788 | 2,567 | | 3,355 | 257 | 3,612 | | |
| A1410 | | | 2,483 | | 2,483 | 190 | 2,673 | | |
| A1420 | | | 348 | | 348 | 27 | 375 | | |
| A1440 | | 866 | | | 866 | 67 | 933 | | |
| A1490 | | 254 | 1,013 | | 1,267 | 97 | 1,364 | | |
| A3120 | 1,491 | 901 | 1,720 | | 4,112 | 315 | 4,427 | | |
| A3410 | | | 3,107 | | 3,107 | 238 | 3,345 | | |
| A7020 | | 788 | 2,037 | | 2,825 | 217 | 3,042 | | |
| A7110 | 8,673 | 1,257 | | | 9,930 | 760 | 10,690 | | |
| A8020 | | | 2,650 | | 2,650 | 203 | 2,853 | | |
| A8025 | | 4,290 | | | 4,290 | 329 | 4,619 | | |
| GENERAL | 10,164 | 10,913 | 19,135 | | 40,212 | 3,082 | 43,294 | 50,875 | 7,581 |
| | | | | | | | | | |
| F8310 | | 824 | 1,013 | | 1,837 | 141 | 1,978 | | |
| F8320 | | 5,317 | | | 5,317 | 407 | 5,724 | | |
| F8340 | 5,632 | | | | 5,632 | 431 | 6,063 | | |
| WATER | 5,632 | 6,141 | 1,013 | | 12,786 | 979 | 13,765 | 20,260 | 6,495 |
| | | | | | | | | | |
| G8110 | | 824 | 1,013 | | 1,837 | 141 | 1,978 | | |
| G8130 | 5,944 | 2,788 | | | 8,732 | 668 | 9,400 | | |
| SEWER | 5,944 | 3,612 | 1,013 | | 10,569 | 809 | 11,378 | 20,260 | 8,882 |
| | | | | | | | | | |
| TOTAL | 21,740 | 20,666 | 21,161 | | 63,567 | 4,870 | 68,437 | 91,395 | 22,958 |

Note 1: Not adjusted yet is the Longevity increases in the CSEA Hourly Unit to be paid in December, estimated to be \$3,300 (\$150 x 22).

Note 2: The Non-Reps column includes the CSEA Salary 2% COLA for all members and STEP adjustments based on 2015 evaluations for 7 members.

CITY COMPTROLLER UPDATE

I would like to give a brief overview of the City Comptroller's Office and also provide some statistical information for the last 3 months (June-July-August) since I took over as your Comptroller.

STAFF:

A major transformation has taken place in the Comptroller's Office (**see staffing comparison below**).

- Over 100 years combined experience lost in 9 months due to retirements.
- 3 of 5 employees have 2 years or less experience; a 60% turnover in staff.
- New Comptroller assumed position in June.
- Accountant/Systems Coordinator position eliminated.
- Positions have been refilled with lower level titles.

Also note, a Full-time position was never refilled in year 2010; staffing level went from 6 to 5.

9 MONTH STAFFING COMPARISON

Staffing as of Sept 2015

| | <u>Level</u> | <u>Lost experience</u> |
|---------------------------------|---------------|-----------------------------------|
| City Comptroller | Management | retired June 2016 – 31 yrs |
| Accountant/ Systems Coordinator | Management | |
| Senior Payroll Clerk | CSEA Grade 11 | retired Sept 2015 – 32 yrs |
| Senior Account Clerk | CSEA Grade 9 | retired Dec 2015 – 38 yrs |
| Keyboard Specialist | CSEA Grade 6 | |

Staffing as of June 2016 (Current)

| | <u>Level</u> | <u>Time with City</u> |
|---------------------|--------------|-----------------------------|
| City Comptroller | Management | promoted Acct/Sys Co. 16yrs |
| Payroll Clerk | CSEA Grade 9 | 1 year |
| Account Clerk | CSEA Grade 7 | 2 years |
| Account Clerk | CSEA Grade 7 | 2 months |
| Keyboard Specialist | CSEA Grade 6 | 14 years |

SAVINGS:

Total base salaries in year **2015** = \$292,485 of which \$244,339 or 84% funded from Tax Rate.

Total Current base salaries **2016** = \$239,025 of which \$165,453 or 69% funded from Tax Rate.

This provided a budgetary savings of \$53,460 and a Tax Rate savings of \$78,886, for just salaries.

An additional Tax Rate Savings was achieved in June by shifting the funding of the positions by having 2 of 5 positions funded from the Water/Sewer Funds rather than the historically 1 position.

While a monetary savings has taken place, the tremendous amount of institutional knowledge lost in a short period of time has precarious implications as the workload of the office continues to be demanding. Training in Governmental Accounting, Customized Software and other areas of inexperience are imperative. Cross-Training of positions are also vital in maintaining the proper level of functionality of the office.

CITY COMPTROLLER UPDATE

WORKLOAD:

All financial transactions run through the Comptroller's Office. My staff is very intelligent, highly motivated and ready to accept the challenges presented. Their knowledge of computers and new technology will help with improving efficiencies of processes. We want to improve.

Below is a "3 month" statistical snapshot of some of the major job functions of the office.

Payables: Vouchers input 1,817
 A/P checks issued 602

Payroll: Payrolls processed 21
 Paper checks issued 1,184
 Direct deposits 630
 Deduction checks 155

Billings: Bills created 4,106

Receivables: Receipts issued 6,231

We also maintain:

- Over 25 bank accounts for 9 Governmental Funds
- Over 15 employee payroll deductions, submitting payments & reporting of
- Over 225 Health Insurance primary registrations for Employees & Retirees
- Over 4,100 property database updates for ownership/address changes, bank escrows
- Over 25 Bill types including Code Violations, Rental Inspections, Sidewalk Installations

Our Software Programs and Computers are our tools:

| <u>Software Name</u> | <u>Primary Purpose</u> |
|--------------------------------------|--|
| TCS Web: Total Collection Solution | Receipting of property related bills, tax searches |
| TCS Dos: Legacy TCS | Historical property records years 1998-2008 |
| RPS: NYS ORPS Assessor Program | Maintain assessment changes, data for billings |
| Utility Billing | Produces water, sewer & other property bills |
| IFM: Integrated Financial Management | Accounting, Budgets, non-property Receipting |
| Payroll Web | Processing of Payrolls, employee database |
| Payroll Dos | Historical payroll records years 1998-2014 |
| Xpress-pay | Internet based credit card/e-check payments |
| Citrix Receiver | Maintain Health Insurance enrollments |
| Adobe Editor | Correct utility bills after mass creation |
| Notepad 2 | Correct importing errors |
| MS: Excel, Word, Outlook, OneNote | Number crunching, communications, reference |
| Cute PDF Writer | Converts reports to PDF format |
| Google Chrome | Internet applications |

CITY COMPTROLLER UPDATE

MONTHLY HIGHLIGHTS:

JUNE

- May Water Flat Rates, 1,250 receipts for \$250,310
- City/County Taxes, 201 receipts for \$200,423, City's share \$126,266
- School Taxes, 55 receipts for \$56,142
- Year 2015 Tax Sale, 54 receipts for \$177,241
- Year 2016 Tax Sale held:
 - o 35 Registered bidders; 29 bidders acquired a lien for tax delinquent parcels
 - o 227 parcels read, 64 no bids, 163 bids for total \$415,373
 - Due School \$128,107
 - Due County \$86,645
 - City Share \$200,621
- 2002 Serial Bond principal paid \$210,000, interest paid \$25,212
- AG Energy Tax Settlement paid \$84,000, City's share \$26,868
- Union Negotiations with 2 CSEA Unions started

JULY

- City/County Taxes, 285 receipts for \$642,002, City's share \$404,461
- Public Auctions of properties:
 - o Sold 3 of 4 for \$11,350
 - o 19 properties have been purchased at public auction in last 2 years
- 2007 Serial Bond Refinancing Started:
 - o Moody's Bond Rating Interview, downgrade to Baa2 from Baa1
 - o Roosevelt and Cross Bonding Interview prior to refinancing of 2007 Issue
 - o Refinancing documents prepared for bidding
- Tax Anticipation Notes (TAN)'s
 - o Cash Flow and TAN documents prepared
 - o 2015 Tax Anticipation Note paid \$1,800,000 principal, \$26,925 interest
 - o 2016 Tax Anticipation Note \$1,800,000 at 1.66%
- Annual Audit of year 2015 started
- 14 Deeds prepared for non-payment of taxes, 7 privately acquired, 7 City acquired

AUGUST

- Water/Sewer Bills prepared, mailed, uploaded for collection & receipted:
 - o Metered Water/Sewer, 112 receipts for \$244,770
 - o Metered Water/Sewer Billed 266 for 263,010
 - o Sewer Flat Rate Billed 3,202 for \$702,078
- Second Installment City/County Taxes 1,574 receipts for \$1,475,993, City's share 929,875
- 2017 Budget templates prepared; Y-T-D Actual expenditure & revenues updated
- Calculated Retro Salaries for 65 employees due to contract settlements
- 2007 Serial Bond principal paid \$115,000, interest paid \$38,066
- **Refinancing of 2007 Serial Bonds closed – revised savings \$138,796 (see attachment)**

Respectfully submitted: Timothy Johnson, City Comptroller

FINAL

**CITY OF OGDENSBURG, NEW YORK
SUMMARY OF REFUNDING RESULTS
(INSURED 2019 - 2027)
("Baa2"/NEGATIVE UNDERLYING)
(BQ) ; (NON-CALLABLE)**

REFUNDING OF 08/15/2007 BONDS (08/15/2017 - 2027)

| | |
|----------------------------------|-----------|
| Refunding Par Amount | 1,685,000 |
| Bond Arbitrage Yield | 2.075773% |
| Escrow Yield | 0.363442% |
| Refunded Bonds Par Amount | 1,620,000 |
| Average Coupon of Refunded Bonds | 4.398818% |

| | |
|--------------------------|------------|
| Net PV Savings | 127,080.13 |
| Percentage of PV Savings | 7.844452% |

| | |
|-----------------------------|------------|
| Aggregate Budgetary Savings | 138,796.22 |
|-----------------------------|------------|

Annual Budgetary Savings (12/31)

| | |
|------------------|-----------|
| Fiscal Year 2017 | 9,921.18 |
| Fiscal Year 2018 | 10,956.26 |
| Fiscal Year 2019 | 12,662.50 |
| Fiscal Year 2020 | 14,875.00 |
| Fiscal Year 2021 | 11,506.26 |
| Fiscal Year 2022 | 13,381.26 |
| Fiscal Year 2023 | 15,037.50 |
| Fiscal Year 2024 | 12,225.00 |
| Fiscal Year 2025 | 13,825.00 |
| Fiscal Year 2026 | 11,406.26 |
| Fiscal Year 2027 | 13,000.00 |

ROOSEVELT & CROSS