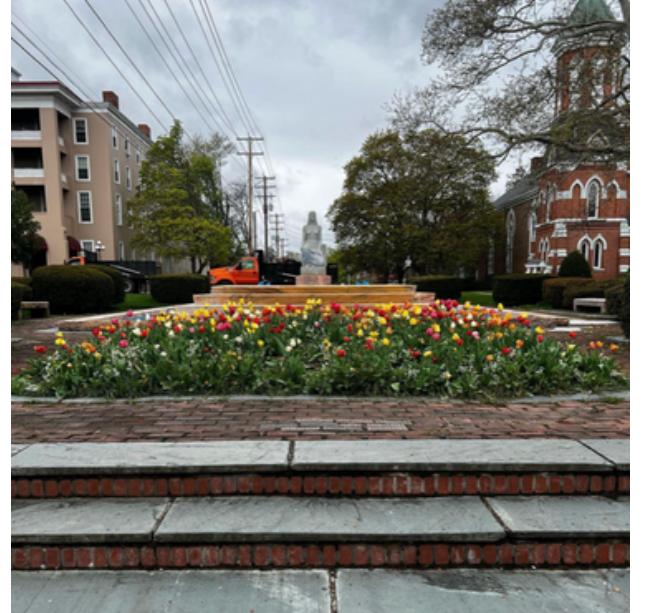




May 28, 2025 Presentation to City Council



www.cityofgenevany.gov

2026 Budget Kickoff

What to Expect Today:

45 min
+ Q&A

What drives our budget?

What is in our control, what is not?

**What does it take to
maintain effort from
2025/2026**

**Planning for 2026 &
Beyond**

Tax Rate & Tax Levy



2026 Budget Kickoff

Our Foundation

External Budget Drivers

Internal Budget Drivers

Trends & Planning

Budget Priority Setting

Goalsetting and Considerations



Our Foundation

Section 1 of 6

Our Foundation: Mission

The City of Geneva provides efficient and responsible local government services allowing everyone to enjoy the benefits of living and working in our uniquely urban city.



Our Foundation: Vision

The City of Geneva is a place that is...



Beautiful:

By leveraging our historic assets and natural resources to create a vibrant, welcoming, and attractive city center

Prosperous:

By supporting businesses, educational resources, and workforce development initiatives in a manner that fosters opportunity for all.

Connected:

By ensuring our downtown, waterfront, and neighborhoods are seamlessly integrated, support multimodal users and provides a safe, walkable, and pedestrian friendly core.



Our Foundation: Vision

The City of Geneva is a place that is...



Equitable:

By providing a range of services and amenities available to all community members and visitors, regardless of age, race, and income.

Sustainable:

By serving as stewards of our natural and historic resources in a manner that balances preservation, long-term growth, and community development.



Our Foundation: Values

As residents, city staff, and elected officials of the City of Geneva, our decisions and actions will be guided by these core values:

Safety
Innovation
Caring & Respect
Integrity & Honor
Service & Stewardship



Our Foundation: Council Strategic Priorities

Goal 1: Ensure Fiscal and Organizational Stewardship of City Resources

Goal 2: Promote Economic Development within the City

Goal 3: Increase and Sustain Intergovernmental Relations with City Partners

Goal 4: Develop and Implement Strategies to Create and Continue Dynamic Communications Regarding City Actions

Goal 5: Enhance the Quality of Life for City Residents



The Budget as a Blueprint

A Balance.

The city is required by law to balance its budget. The city runs surpluses when revenues are greater than spending. Conversely, gaps are projected when spending is expected to exceed revenues. The city adjusts either revenues or spending plans, or both, in order to balance its budget.

The Adopted Budget covers one fiscal year, which in Geneva begins on January 1st and ends on December 31st. Planning encompasses multiple fiscal years.



The Budget Season

Each budget season is an opportunity to rethink how the city allocates its financial resources to achieve the goals and objectives of the City. In the budget process for any given year, there will be more requests to fund programs or provide tax reductions than there is money to go around.

As a result, policymakers and departments face a wide variety of choices about allocating resources in the context of competing budget priorities to ensure our residents receive services that meet their local government needs.



Our Foundation: Community & Economic Outlook

Section 1.5 of 6

General Fund Revenues 2025

■ Property Tax

■ Interfund Transfers

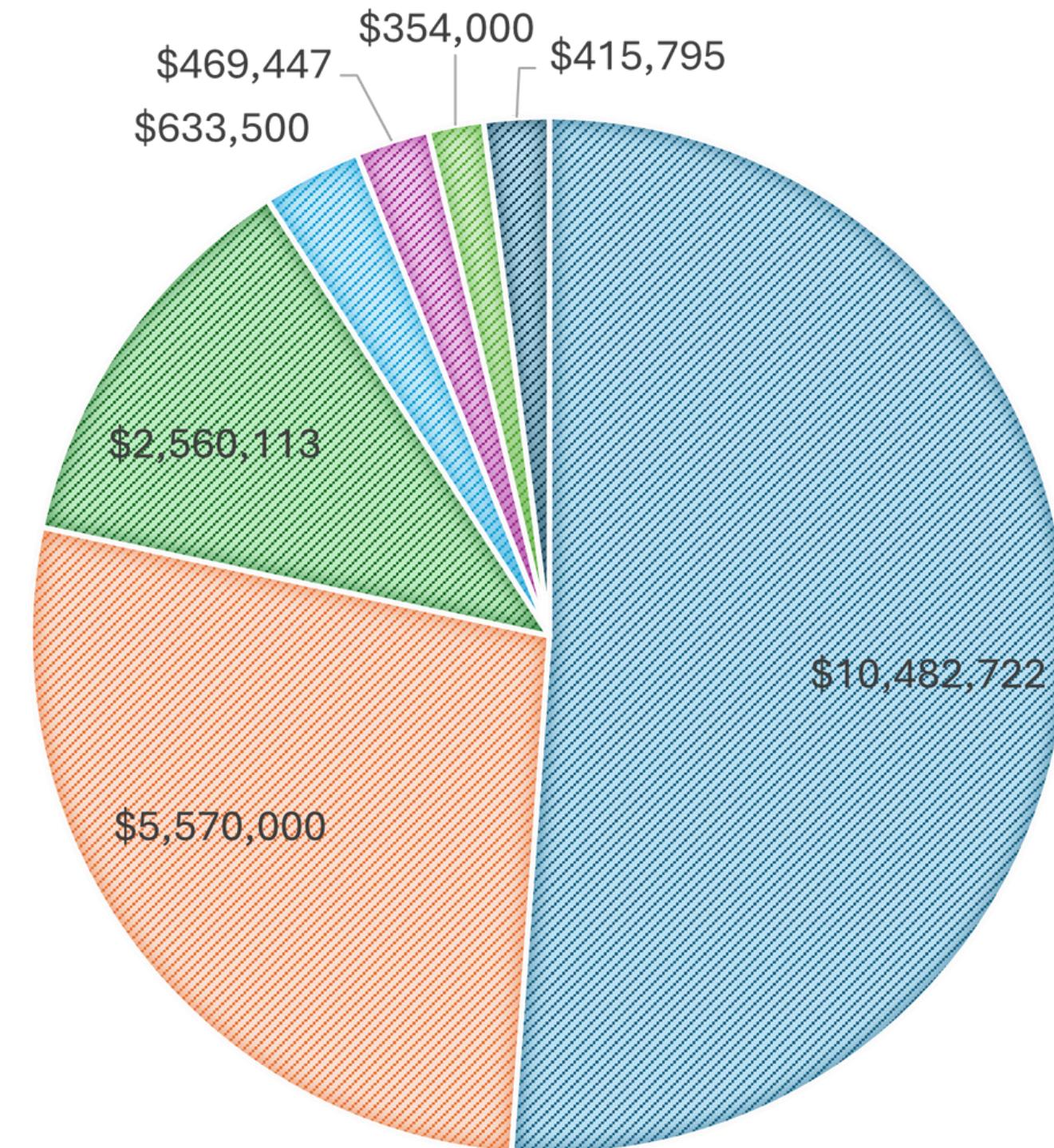
■ Interest Earnings and Property Sales

■ Non-Property Tax

■ Public Safety

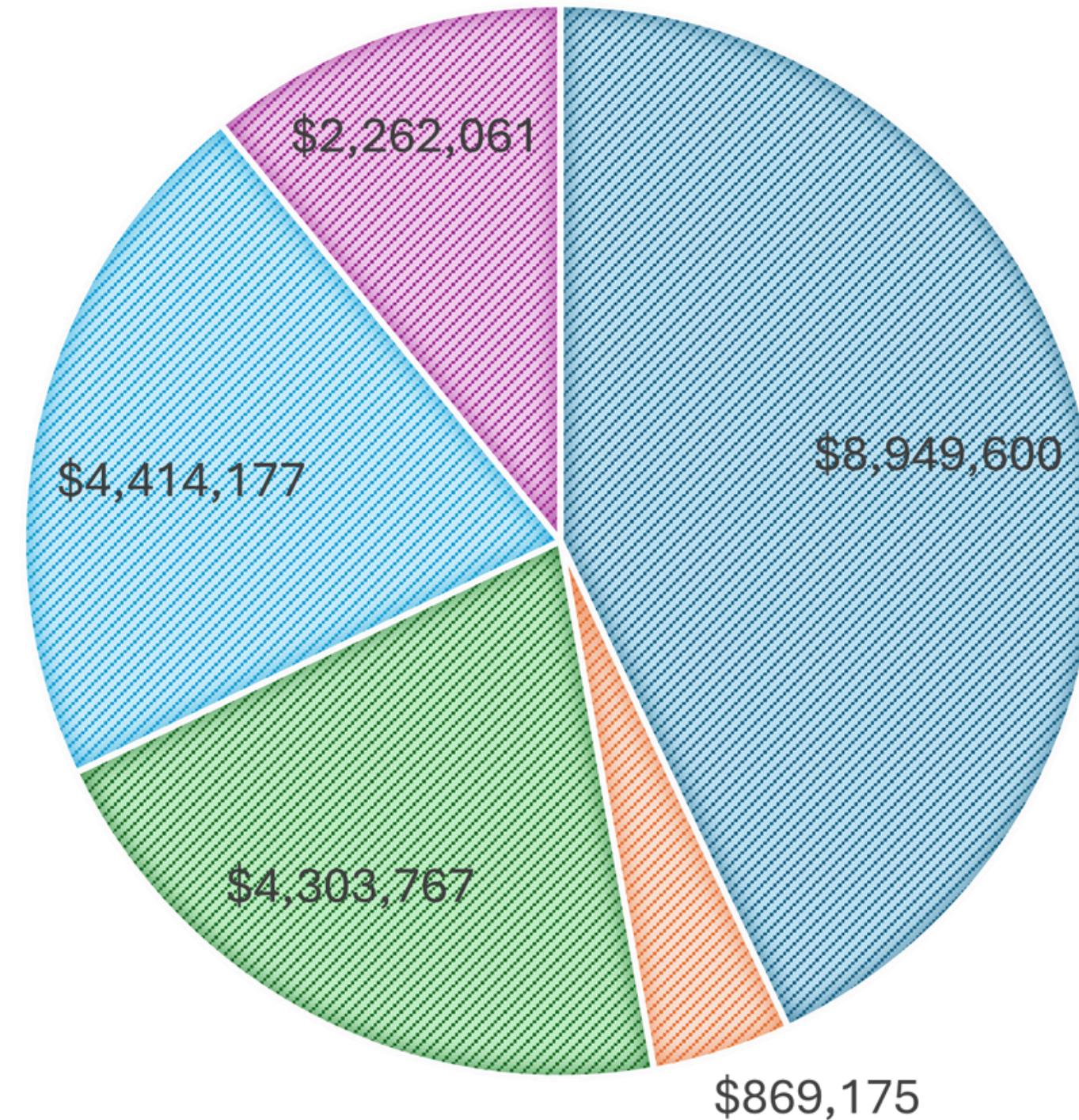
■ State Aid

■ Culture and Recreation



General Fund Expenditures 2025

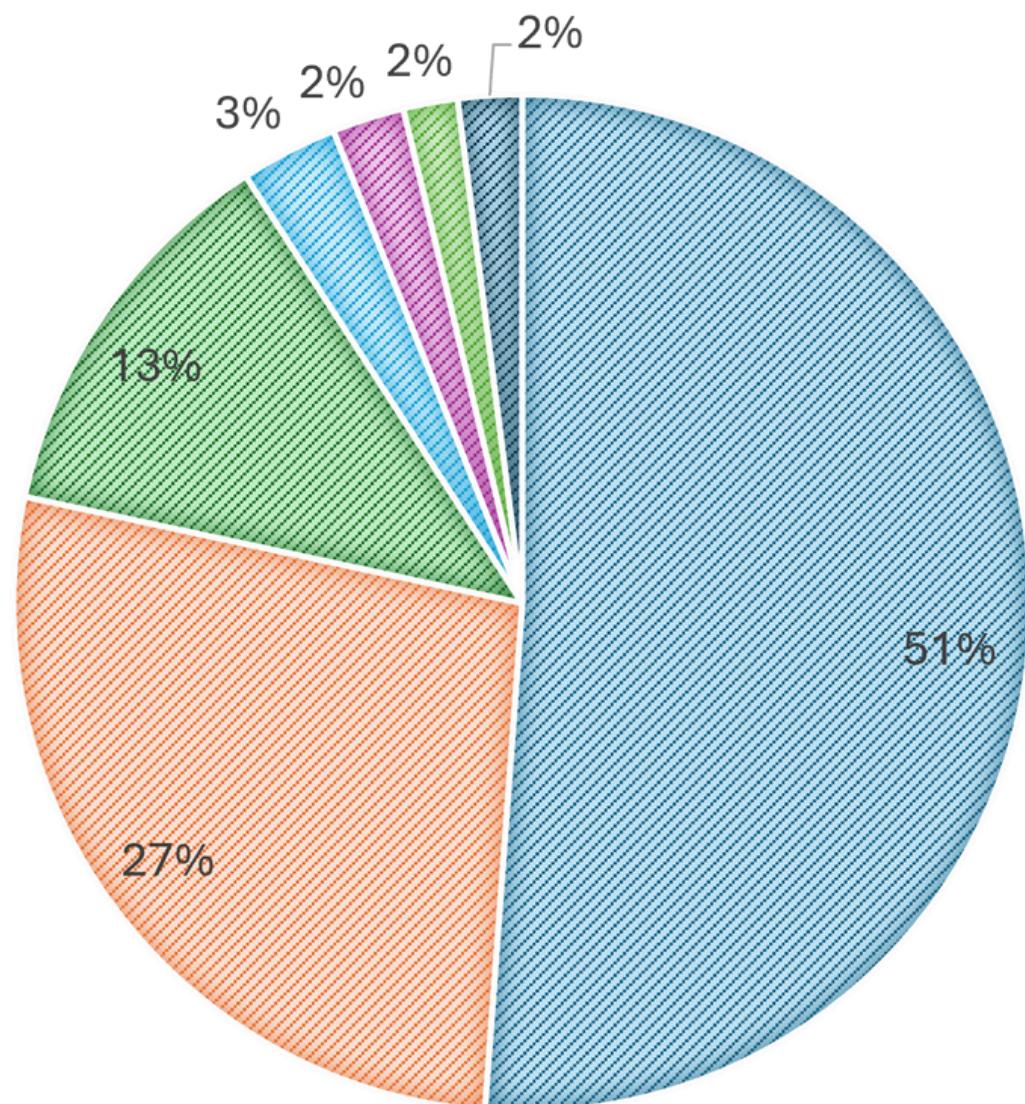
- Salaries & Wages
- Equipment
- Contractual Services
- Employee Benefits
- Debt Service



General Fund 2025 By Percentage

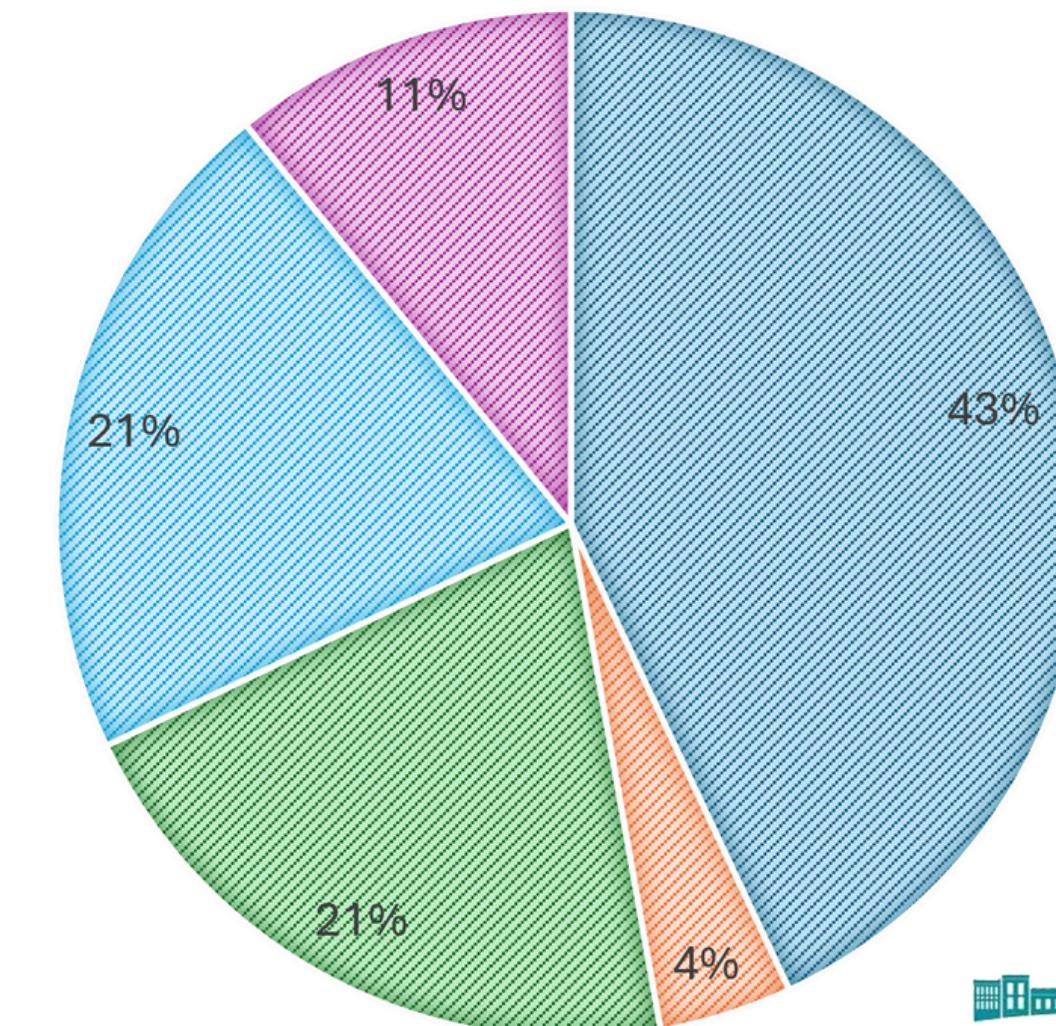
2025 GENERAL FUND REVENUES

- Property Tax
- State Aid
- Public Safety
- Interest Earnings and Property Sales
- Non-Property Tax
- Interfund Transfers
- Culture and Recreation



2025 GENERAL FUND EXPENDITURES

- Salaries & Wages
- Employee Benefits
- Equipment
- Debt Service
- Contractual Services



City by the 2024 Numbers

11

**New Businesses
Opened in downtown**

17

**15 Public Parks & 2 Cemeteries
Across 189 Acres**

89 miles

City Roads Maintained

150

Technology Users in the City

301

**Days the Rec Complex
was in Use in 2024**

39,842

**Number of Times Public Safety
Members were dispatched**

\$2.5 M

**in Grant Funding to the
City in 2024**

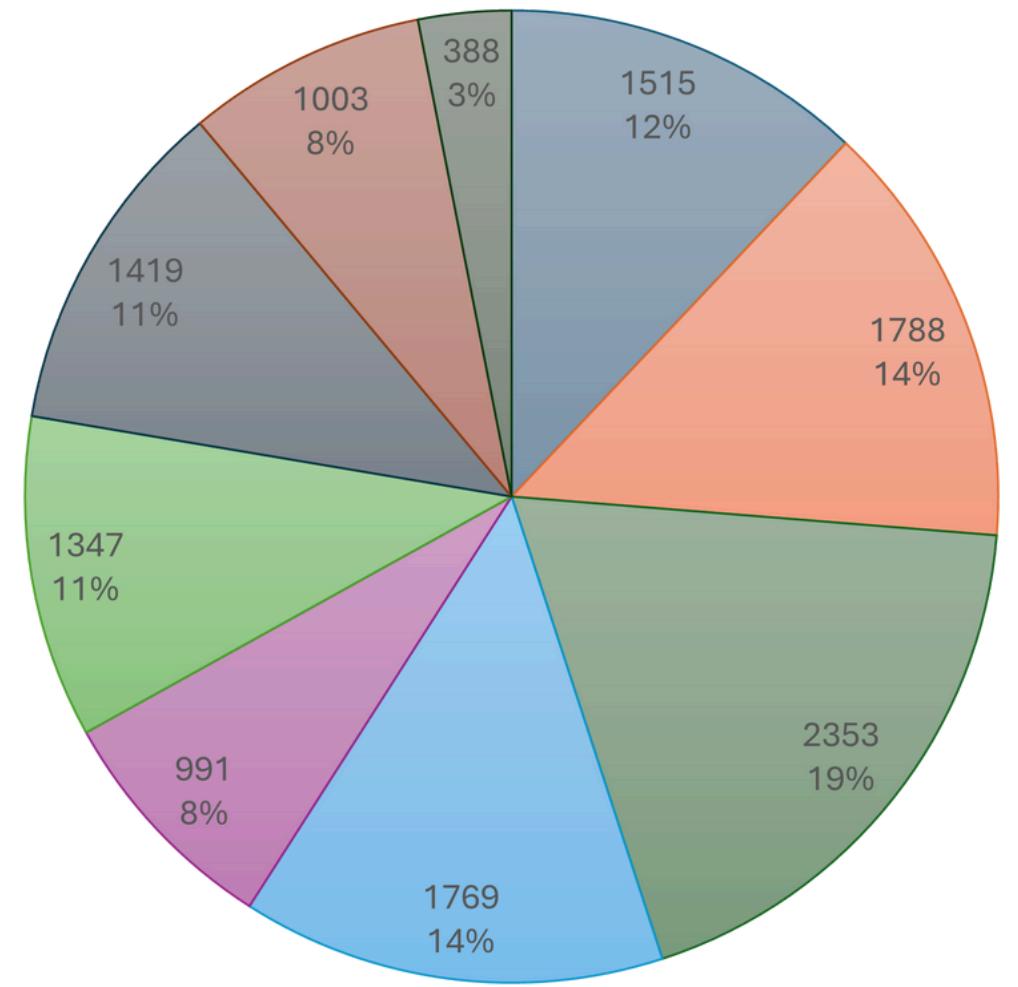
City Treats

1.2 B gallons
of Sanitary Sewage
ANNUALLY

*Thank you to the City
Staff who keep our city
running every day.*



Population Overview



- 9 years and under
- 10 to 19 years
- 20 to 29 years
- 30 to 39 years
- 40 to 49 years
- 50 to 59 years
- 60 to 69 years
- 70 to 79 years
- 80 years and over

Source: U.S. Census Bureau, American Community Survey, 2023

12,573

City Residents

Median Age

33

40 is NYS average age
↓

65+ Living Alone

17%

↓ NYS Rate is 28%

Households Living in Poverty

18%

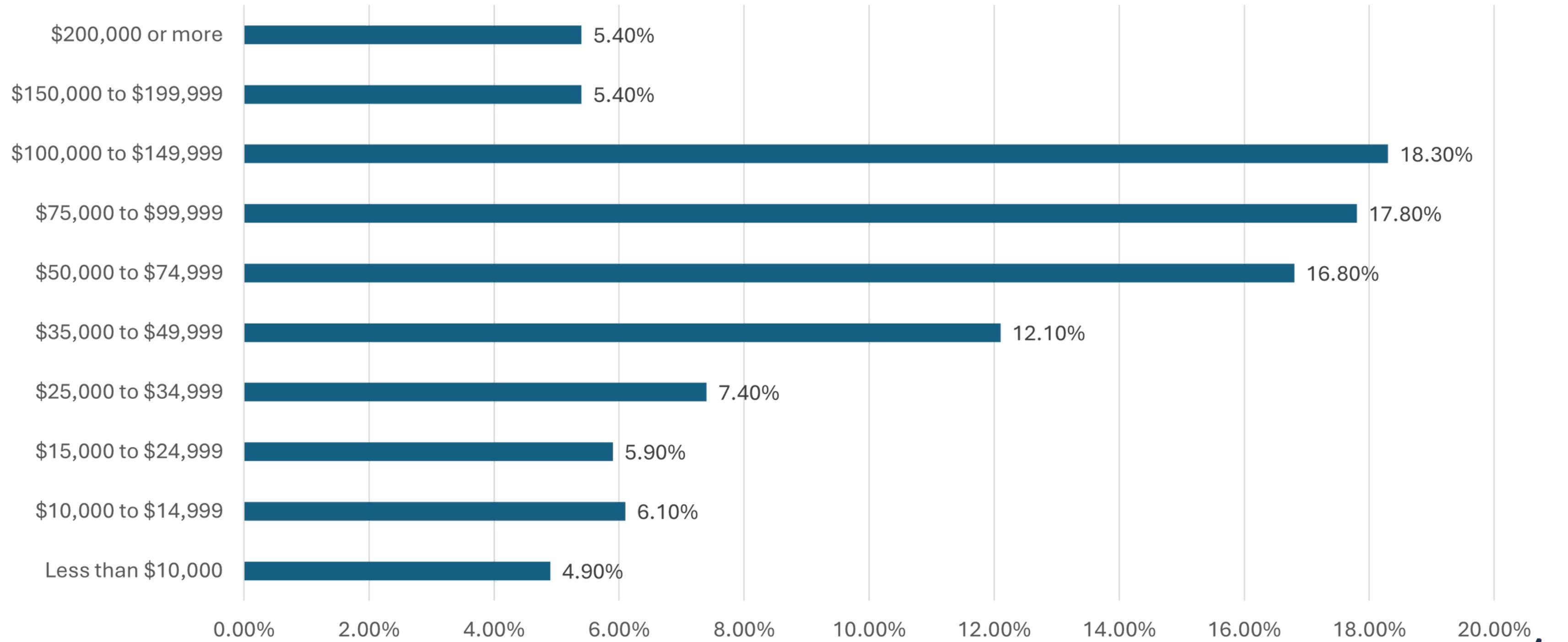
↑ NYS Poverty rate is 14%

Renting Households

51%

↑ NYS Renting household 41%

Household Income



- City median household income = \$68,242

Source: U.S. Census Bureau, American Community Survey

The Workers of Geneva



Total Workers who are City residents

6,156

Drive Alone
65.2%

▲ NYS Rate is 49%

Graduation Rate
87%

▲ NYS Rate is 86%

Travel Time to Work
16 mins.

▼ 35 mins. is NYS average



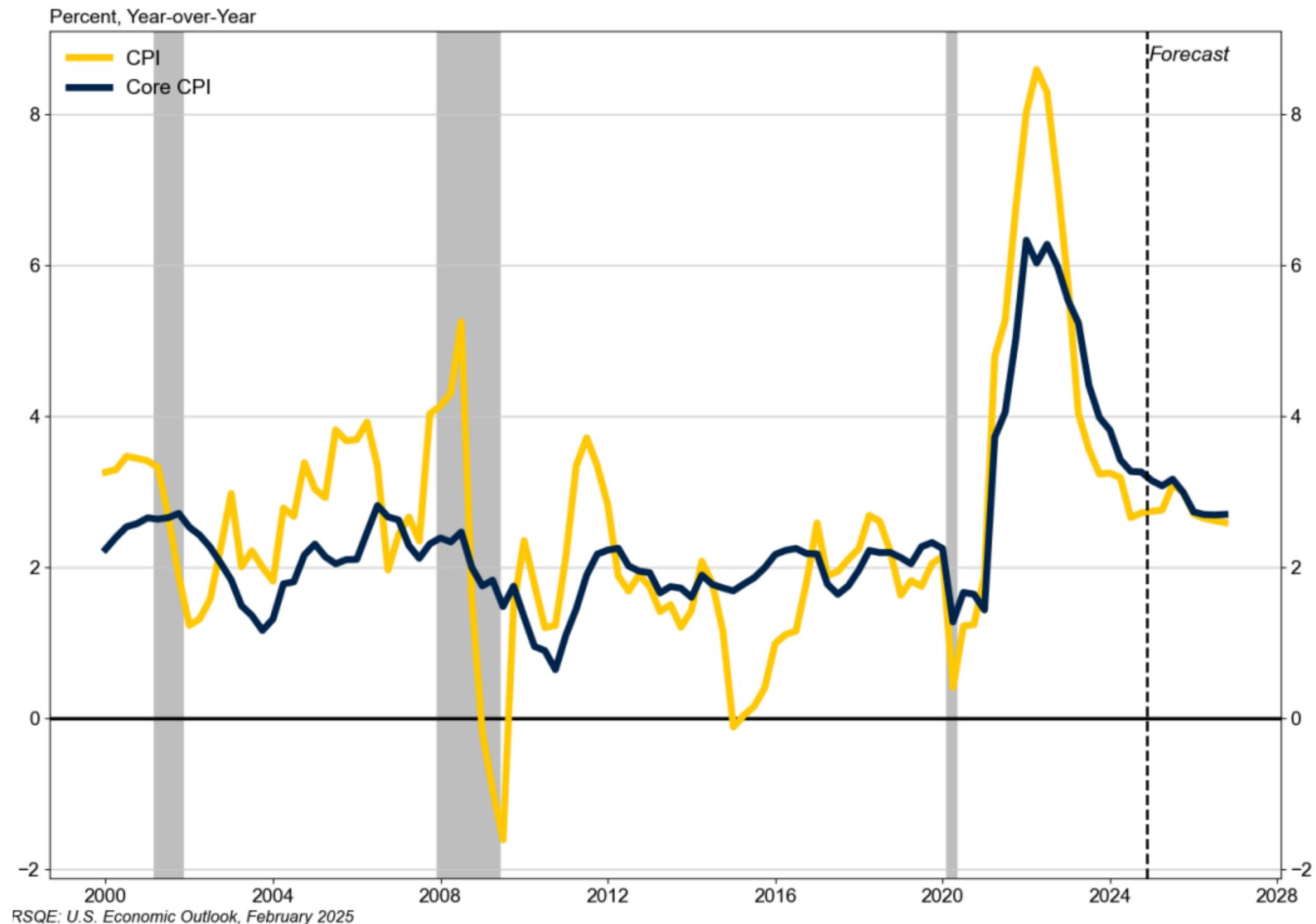
Budget Drivers - External Factors

Section 2 of 6

Inflation

- Inflation has spiked and is persistently high post-pandemic.
 - CPI rose 3% since 2024
 - 23.3% since 2020
- Inflation increases the cost of living and reduces purchasing power.
 - City costs have gone up and purchasing power has decreased.

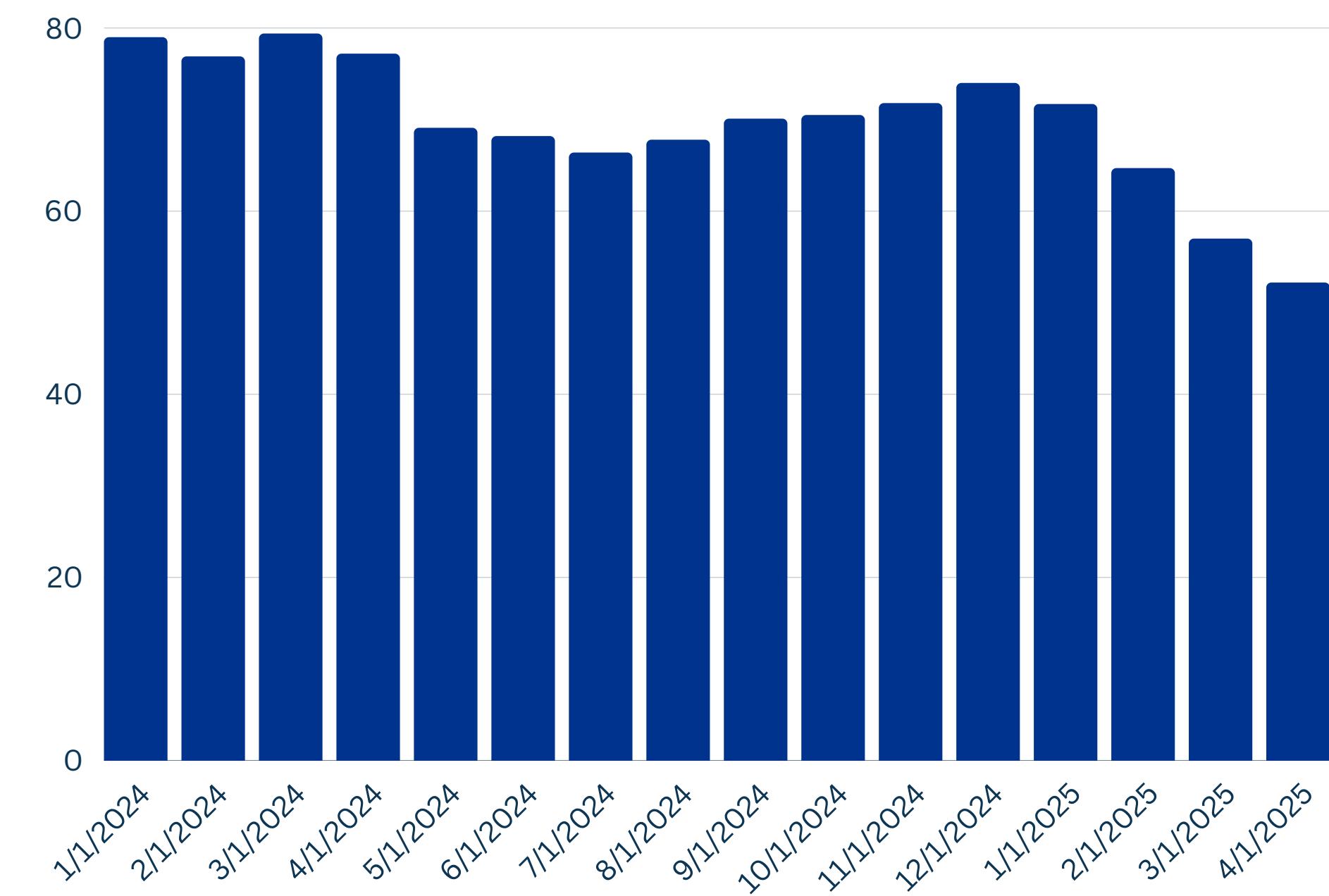
Chart 19: Consumer Price Inflation (CPI-U)



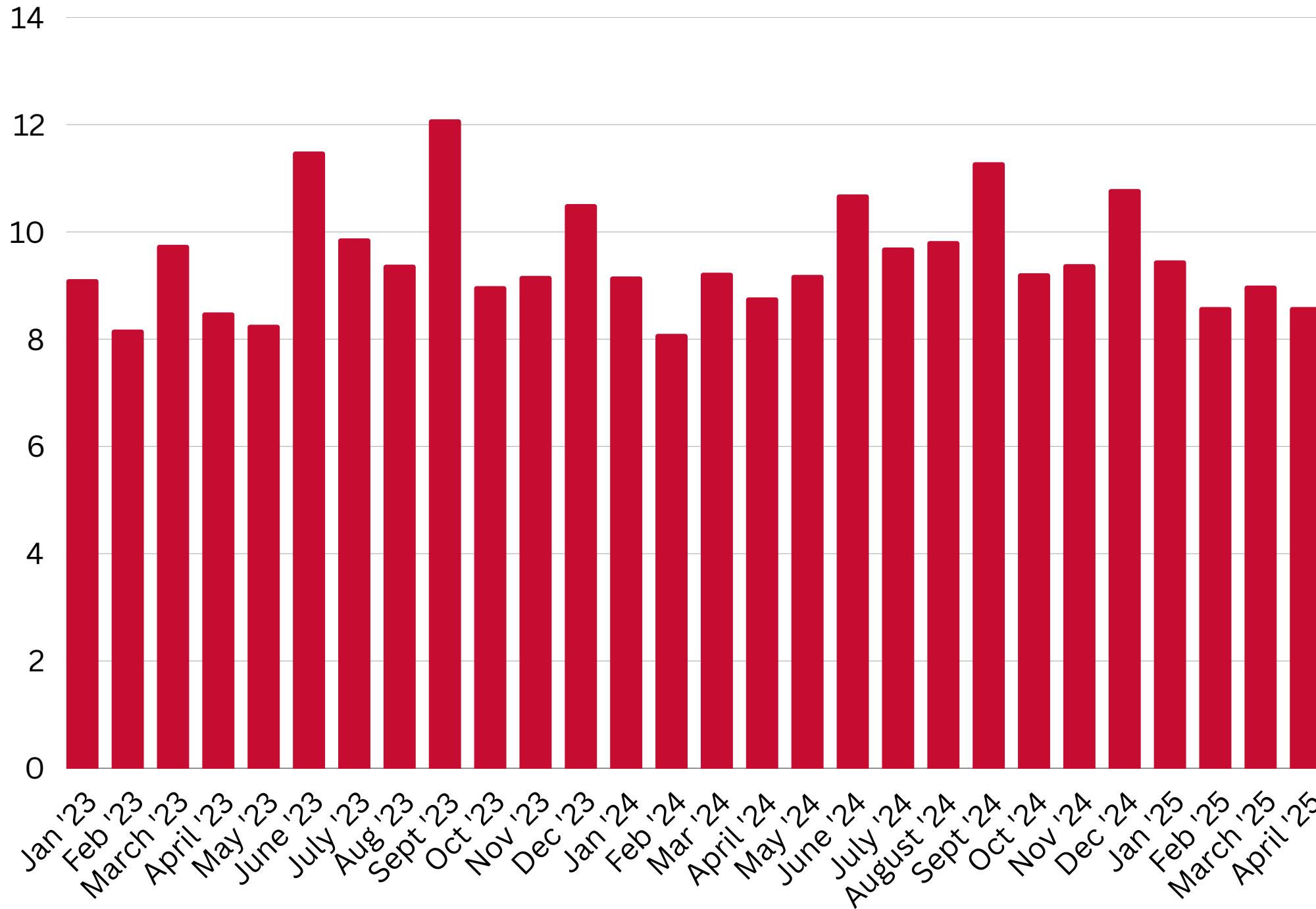
Consumer Sentiment

The index has been on a downward trend, with sentiment down almost 30% since January 2025.

When consumer sentiment is down, it suggests consumers are feeling less optimistic about the economy and their personal finances, which can lead to reduced spending and potentially a slowing economy. It's a signal that consumers are less likely to make big purchases and may be more cautious with their spending habits.



Sales Tax



- Sales tax revenues trend is stable
- Sales tax is **both a revenue stream and an economic indicator**
 - Can benefit from strategic planning and commercial growth

Source: New York State Department of Taxation and Finance with calculations by the Office of the New York State Comptroller.



Political and Economic Climate

Uncertainties from the federal level likely will have impacts

- Tariffs
- State and local budgets
- Interest rates

NYS budget deliberations show maintenance of City support

Still, robust local employment

Ontario County's unemployment rate (3.9%, March 2025) consistently lower than NYS (4.3%)



New York State Budget

Preliminary Highlights (NYCOM)

- Small Temp. Municipal Assistance funding
- Maintained AIM funding
- CHIPS program funding maintained, slight increase
- Water & Sewer infrastructure grant/loan program increase
- Pro-Housing supply fund (infrastructure)

County and City Outlook

**2025 Total County
Appropriations:**
\$337,607,775

2025 County Levy:
\$83,588,940

2025 County Tax Rate:
\$5.57/per \$1,000 of value

**2025 Total City
Appropriations:**
\$20,898,780

2025 City Levy:
\$8,850,317

2025 City Tax Rate:
\$12.16/per \$1,000 of value





Budget Drivers - *Internal Factors*

Section 3 of 6

Cost Drivers

Personnel

- Most of the City's budget goes toward staffing direct services
- Labor costs have increased, will be more predictable over the life of current contracts (only two contracts are not known for 2026)

City share of employee health insurance costs estimated to jump again (+15% for 2025)

- Largest fringe cost - but it also keeps us an attractive employer
- Is a negotiated benefit
- Fortunate to be part of the municipal consortium

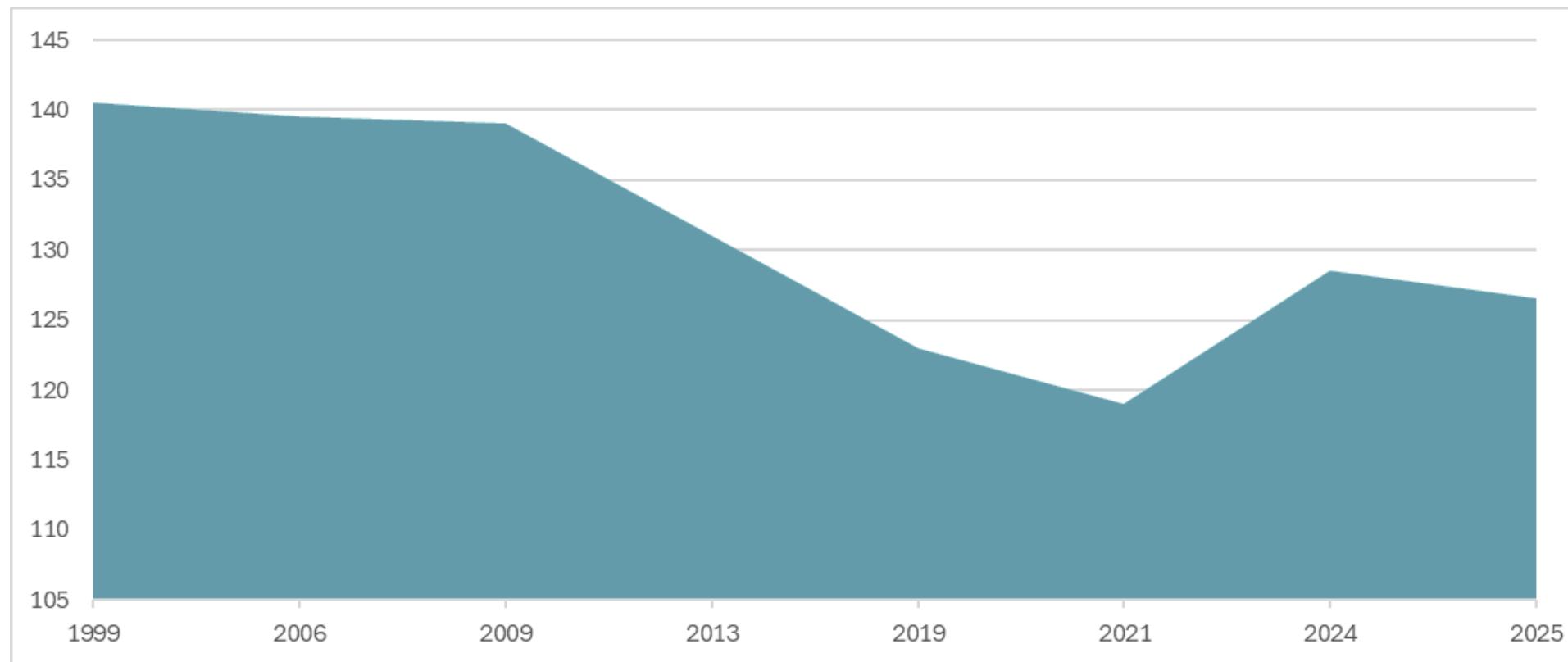
Capital & Debt

Covering our debt obligations continues to be a cost driver

- Focus on long-term planning to stabilize and address deferred maintenance
- Expect to pay \$2M in 2026 (\$2.1M in 2025) from general fund budget
- *Considerations of future debt*

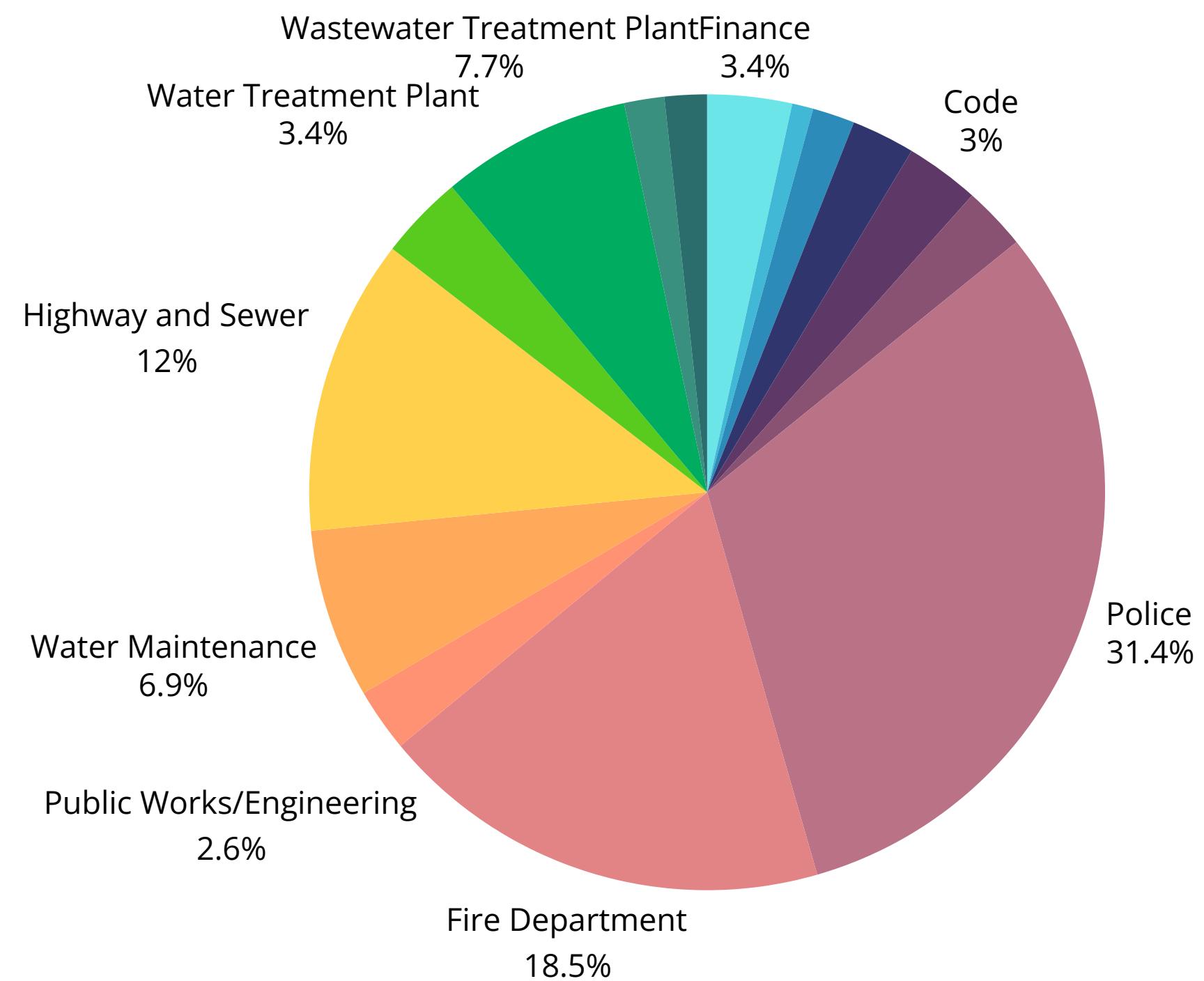


City of Geneva Staffing (Full Time, Funded)



Total FTEs
126.5

14 FTEs from 1999



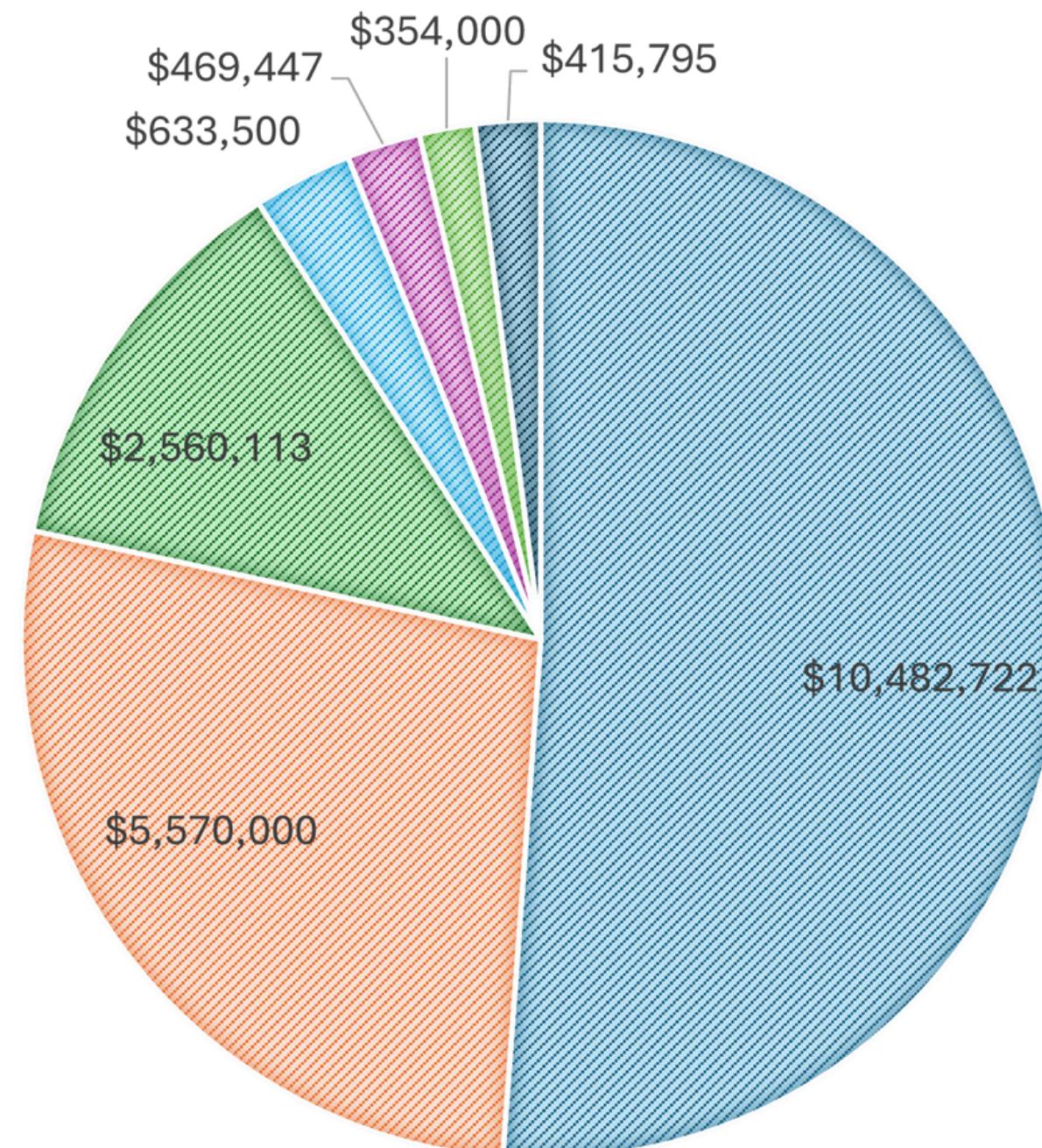
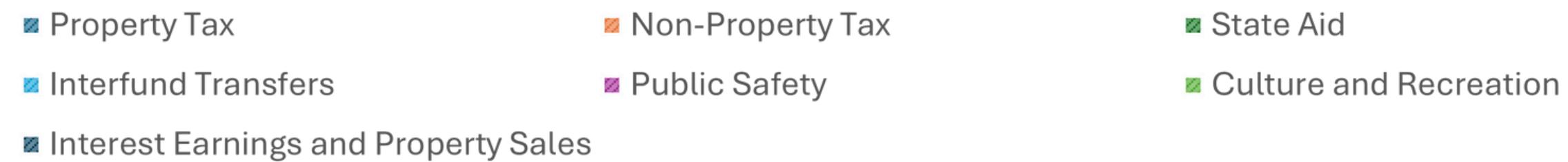
Revenue Drivers

Goal - stabilize property taxes over time, increase and diversify property tax base

Challenge - State aid has been stagnant

Sales tax forecasting

- Consumer demand
- Cost of goods
- Purchasing power
- Build on positive growth over past years





Property Tax Trends & Planning

Section 4 of 6



Property Assessment Need-to-Knows

Classic Story of Supply and Demand

- Geneva is a desirable place; people want to live here and are willing to pay for it
- Supply of houses has fallen behind demand, driving value and share of tax base

Assessments Stay Level in 2025

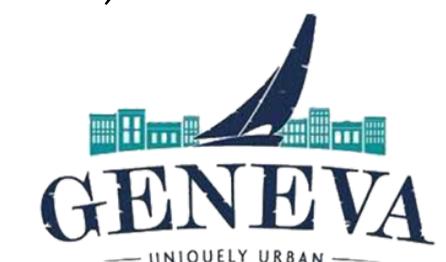
- Unless new construction/improvements, or property sales (transient population)
- Slight change in median expected, incl. from senior exemption increase which is part of 2026 budget

Strong Real Estate Market

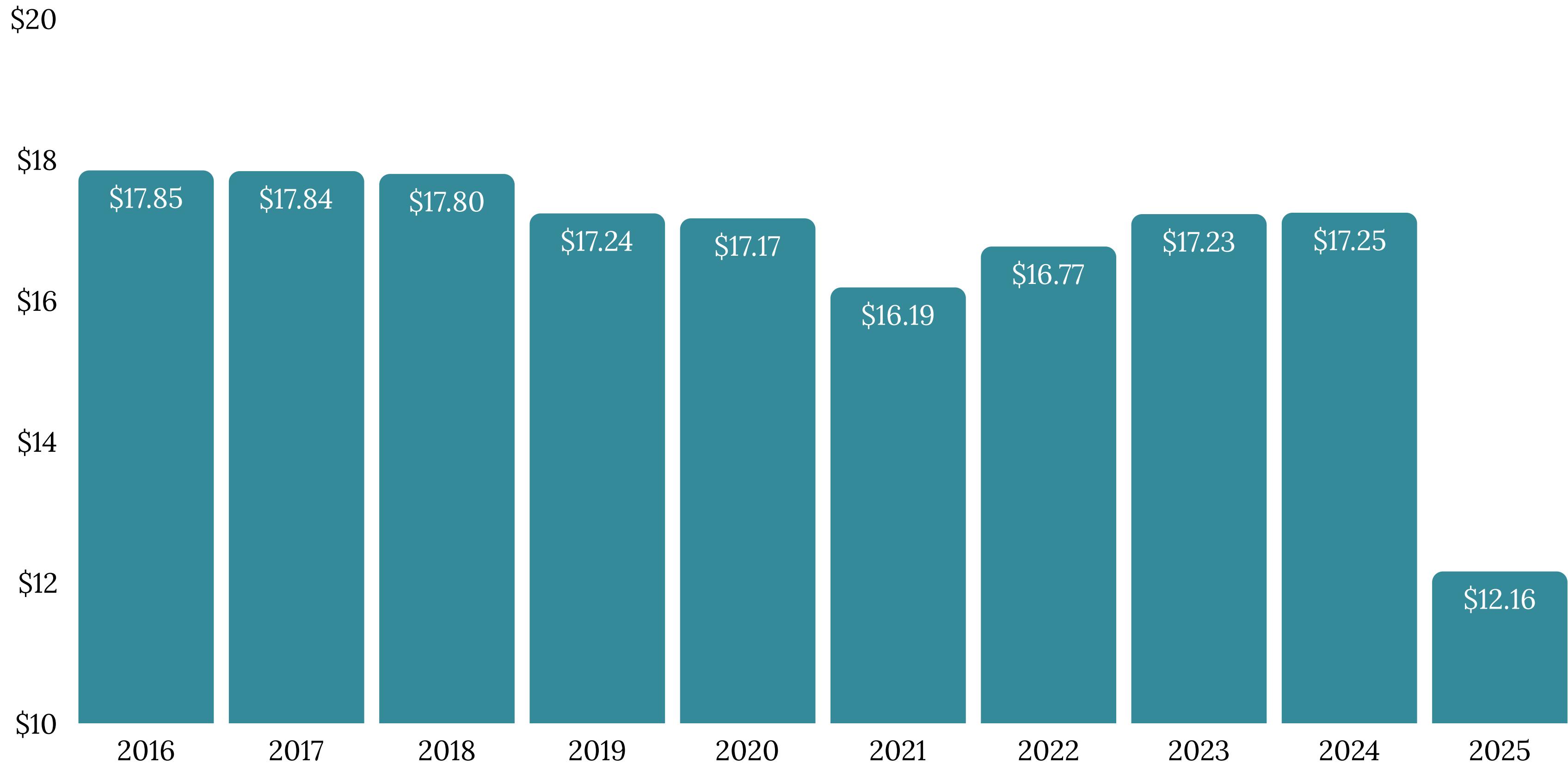
- Driving property values (what you can sell your home for)
- Increasing wealth, though people don't realize those gains in their pocket unless they sell, etc.
- Shifting of value across neighborhoods, lower priced alternatives appreciating in value. Value is realized in sale.

Commercial properties depreciate

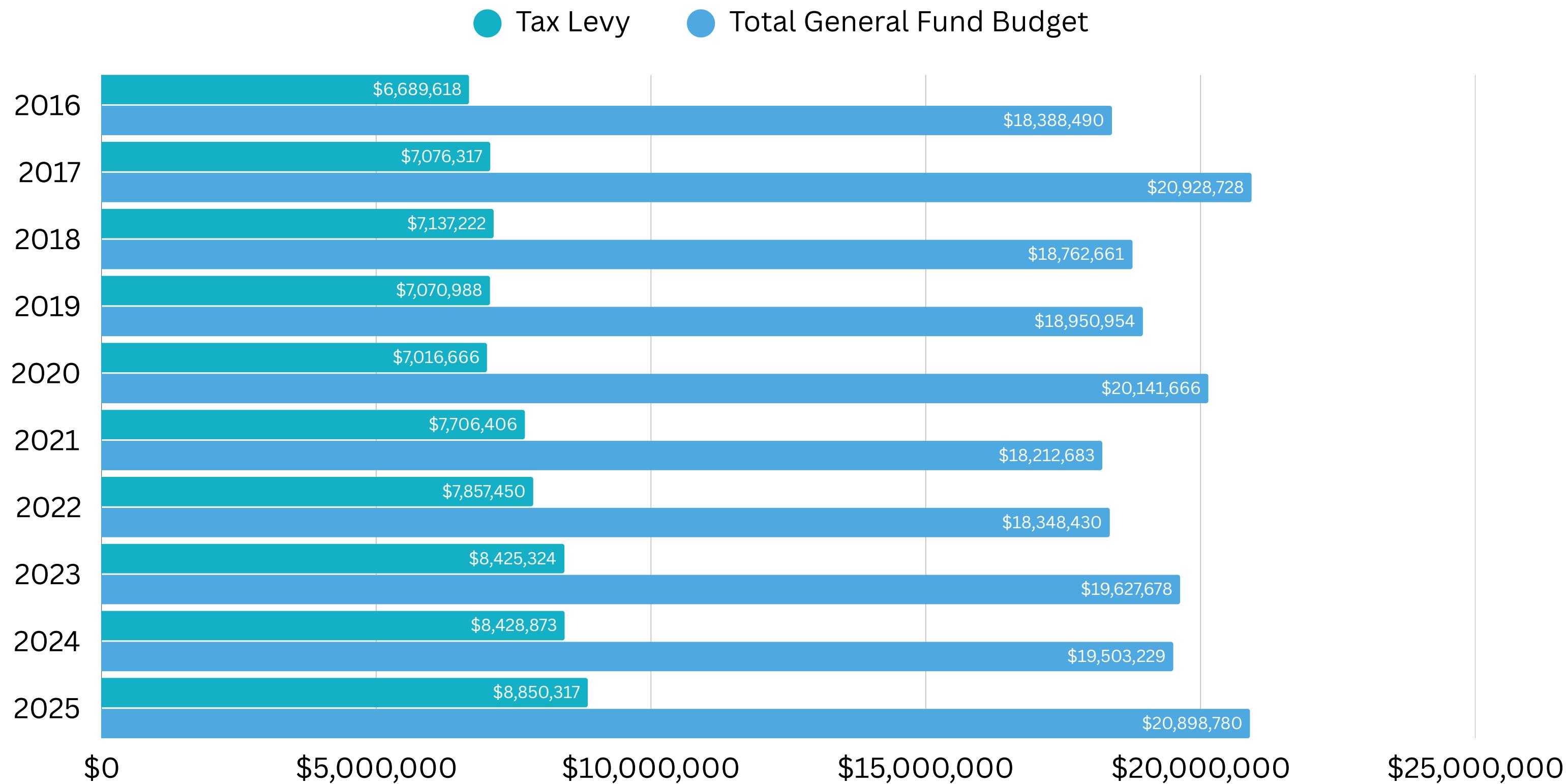
- Assessments based on rent tenant would pay, not business activity (captured by income and sales tax)
- Building permits are important to track improvements for assessments
- Business leases are long, so valuation/market changes happen more slowly



Historic Tax Rates



Historic Tax Levy & General Fund Budget





Maintenance of Effort Budget

Section 5 of 6



Maintenance of Effort Budget 2026

To maintain City staffing at 2025 levels:

- Estimating 12% - 15% increase in salaries and fringe benefits

Relies on limited budget increases outside of staffing and obligations

- Continues to be difficult to calculate cost of goods amid continued uncertainty
- Departments will have to provide same level of services with flat and/or decreased

Above Required Maintenance funding will be required - as any new initiatives will increase estimated levy increase



Maintenance of Effort Budget 2026

Assumptions for maintaining operations:

Revenue Projections:

- State Aid remains flat
- Federal Aid (grants) decrease
- Slight growth in interest and earnings
- Sales tax remains flat

Expense Projections:

- Labor costs increase
- Pension & Fringe benefits increase
- Supply costs increase
- Utilize some reserve funds to pay debt
- Investment in long-term infrastructure

Federal Aid (grants) decrease



Maintenance of Effort Budget 2026

The **2025 general fund budget** is \$20,898,780

To **maintain** current staffing and services for 2026, department heads have been instructed to begin preparing budgets that include a reduction in non-staffing services of 5%.

Requests above the MoE budget will be considered **Above Requested Maintenance Budget requests (ARMs)**.





Goalsetting & Considerations

Conclusion & Next Steps



Council Priorities

Public Safety:

#1 Ranking: 4 Councilmembers
#2 Ranking: 2 Councilmembers
#5 Ranking: 1 Councilmember

Parks and Recreation:

#2 Ranking: 1 Councilmember
#3 Ranking: 1 Councilmember
#4 Ranking: 1 Councilmember
#5 Ranking: 4 Councilmembers

Public Works:

#1 Ranking: 2 Councilmembers
#2 Ranking: 2 Councilmember
#3 Ranking: 3 Councilmembers

Housing, Planning, E.D.

#2 Ranking: 1 Councilmember
#3 Ranking: 2 Councilmember
#4 Ranking: 2 Councilmembers
#5 Ranking: 2 Councilmembers

Administrative:

#4 Ranking: 4 Councilmembers
#5 Ranking: 3 Councilmembers



Other considerations from council...

More robust, multi-year financial planning for ongoing services like IT upgrades, equipment repairs, etc.

Discuss budget beyond 2026

2026 Assessment update is needed for 2027

Police vehicles and fire equipment is necessary (jaws of life, police cars)

Bring back adult classes through recreation

Make City Hall more resident friendly

Top 3 General Fund Priorities

Create immediate plan for shared services and debt reduction/revenue enhancement

Freeze hiring

Financial analysis and investments

Public Safety

Reduce tax levy by 10%
Reduction of \$885,000

Focus on public safety, infrastructure, and economic development

Reduce Staff

Parks and Recreation Programming

Reduce Debt

Promote Good Economic Development & Staff

Infrastructure

Hire a Grant Writer



Top 3 General Fund Capital Priorities

Replace the DPW campus

Seawall Repairs

Street Improvements

City Hall Physical
Improvements

Storm Water Improvements

Increase sewer capacity

Police Vehicle & Fire
Apparatus

Street Repairs with only
CHIPS funding

Reduce Debt

Infrastructure

Street repair with
Water/Sewer lines
repairs/replacement

GPD Computer Software

Recreation Complex
Ref. Replacement

Equipment/Vehicle
Replacement Program

Ways to Find Revenue or Expense Relief

Use Fund Balance Funds

Decrease Social Services

Removal of Staff

Delayed maintenance of City facilities

No new positions

Increase sewer capacity

Delayed maintenance of roadways

Increase tax rate

Remove City Services

Contract outside services

Selling of city parks/lakefront to promote development

Develop long term lease program for city property

Reduce Code Enforcement

Combine Services

Other Considerations

Hire Economic Developer and Grant Writer

Realign staff to reduce overtime costs

Expand staff duties so staff can cover more areas

Don't be conservative with tax levy

Remove use of outside contractors and paid studies

Present options for tax levy and tax rate. Identify how changes impact services.

Discuss what direction that the City Staff feel the city needs to go and how to get there.

Limit budget growth to 5%

Merging of fire services; not increasing shared services

New water and sewer rates and processes for the town to increase revenue

Pressure town for consolidation of services

Keep the City moving forward

2026 Budget Development

What staff recommends:

Budgeting **based on the cost of doing business**, independent of the rise/fall of real estate values.

Recognizing **costs** of living, property values, and **economic indicators** are **increasing**.

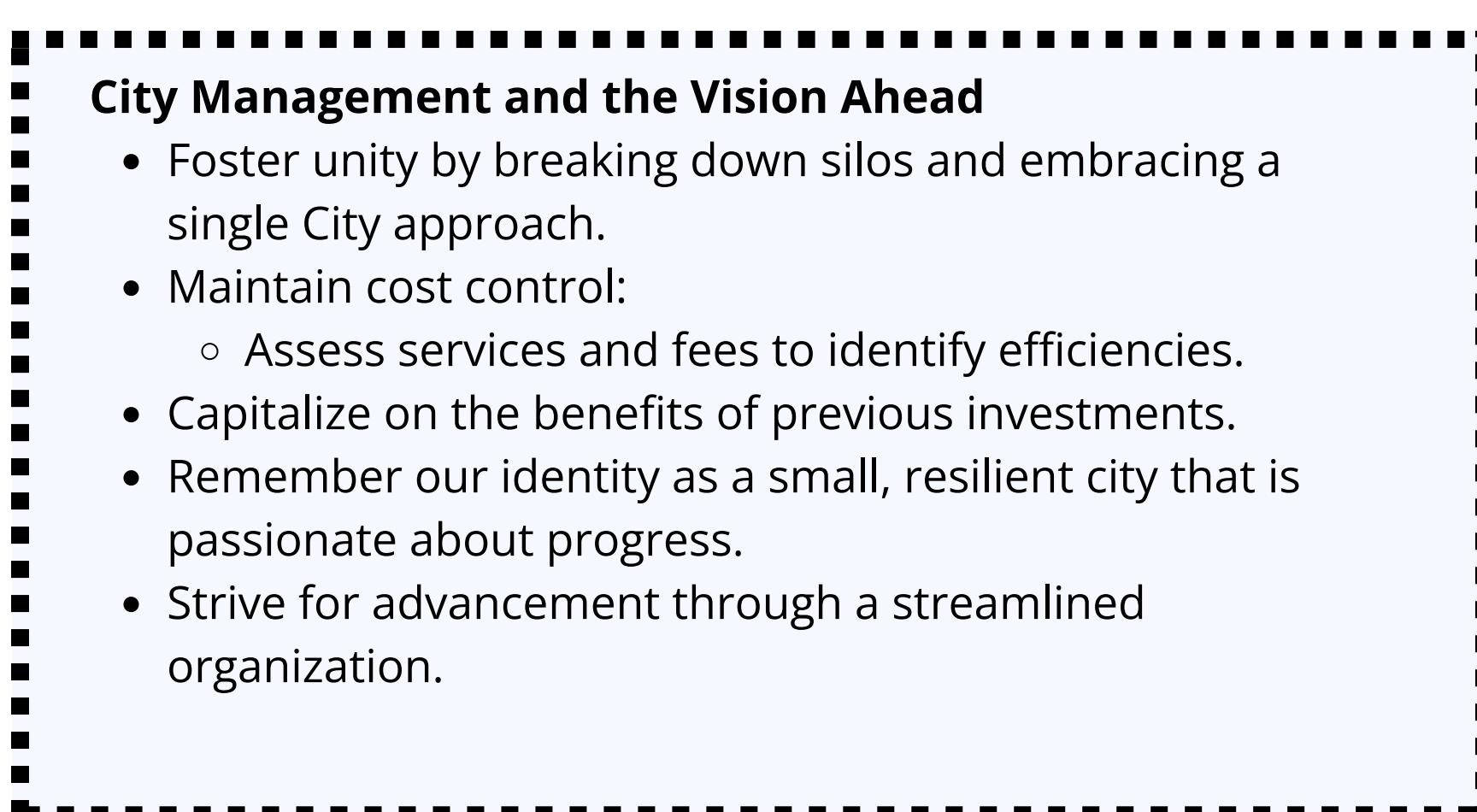
Setting priorities to continue to **stabilize property taxes** for homeowners which will require a **diverse and expanded tax base**.



Priority Setting

Budgeting based on the cost of doing business, independent of the rise/fall of real estate values.

- Costs for the City and for residents have trended upwards, as have the value of residents' investments.
- Recent tax levy increases have been spurred by catching up for past lack of investment.



City Management and the Vision Ahead

- Foster unity by breaking down silos and embracing a single City approach.
- Maintain cost control:
 - Assess services and fees to identify efficiencies.
- Capitalize on the benefits of previous investments.
- Remember our identity as a small, resilient city that is passionate about progress.
- Strive for advancement through a streamlined organization.

Identify cost savings & reductions

- Use the resources we have to move results
- Request cost savings from each department
- Staff vacancy review process
- Review contracts and impacts
- "Actuals" tell the story of spending and need

Review and adjust revenues such as fees

- Consider affordability impacts
- Make case to recover costs

Make strategic investments

- To improve the organization
- To meet community needs
- Paying down debt
- Use of fund balance



2026 Budget Calendar

August 6, 2025: Budget Prep Update at City Council

September 9, 2025 at 6pm: City Manager Provides the 2026 Budget

September 23, 2025 at 6pm: Public Hearing on the City Manager's Budget

Work Session - Public Safety & Economic Development

September 30, 2025 at 6pm: Work Session on Budget – Public Works & Recreation

October 7, 2025 at 6pm: Work Session on Budget – Administration

October 14, 2025 at 6pm: General Work Session on Budget

October 21, 2025 at 6pm: General Work Session on Budget

October 28, 2025 at 6pm: General Work Session on Budget

October 31, 2025: Budget Must Be Adopted