



City of Saratoga Springs
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PRESS RELEASE

For Immediate Release

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Re: Saratoga Springs 2021 Comprehensive Budget Message

Saratoga Springs Commissioner of Finance Michele Madigan will submit the city's 2021 Comprehensive Budget to the City Council on October 6, 2020 at 6:00 PM via a live stream available from the city website. This budget reflects the realities of the COVID-19 pandemic economy. The General Operating budget anticipates total 2021 revenue of \$41.9M, which is \$6.8M lower than the \$48.7M of revenue contained in the 2020 adopted budget. The 2021 budgeted revenue includes the impact of a 6% increase in property tax rates, which would increase the monthly property tax payment on a home assessed at \$200K by \$6 per month; a home assessed at \$400K by \$12 per month; and a home assessed at \$650K by \$20 per month.

Significant reductions in expenses are required to balance a budget with such a sharp decrease in revenue. Budgeted expense reductions include a 10% cut in all wage appropriations for full-time employees, serving to mitigate the number of required layoffs, and lessen the impact to police, fire, and DPW labor and employment lines. Madigan states, **"I believe and hope that we all share a mutual goal of keeping as many jobs intact as possible; this reduction is a good investment towards that goal."**

Numerous other reductions have been required. Most notably:

Recreation Department: The Recreation Department successfully developed a summer program that was COVID-safe and budget neutral. Our objective is to reach this same end for 2021 and amend the budget accordingly. In the meantime, the Recreation Department budget has been reduced to exclude all formerly planned programming.

Public Works Department: In addition to the 10% across the board wage allocation reduction, DPW labor lines are further reduced an additional 25%.

Public Safety Department, Police Department – In addition to the 10% across the board wage allocation reduction, Police Officer, Lieutenant, Investigator and Sergeant wage and social security lines are further reduced an additional 15%.

Public Safety Department, Fire Department – In addition to the 10% across the board wage allocation reduction, Firefighter, Lieutenant, and Captain wage and social security lines are further reduced an additional 15%. The Fire Department Assistant Chief position, one of three Fire Department leaders is currently unfilled. Budgeted wages for this position are reduced to \$0.

Non-profit Organizations: Although all non-profit organizations included annually in the City budget are well deserving, to accommodate limited budget resources, most have been reduced by 50%-60% at this time.

Madigan states: **"The 2021 budget is a plan designed to be amended if further revenue becomes available – such as much needed assistance to local municipalities from the Federal Government. It is neither a permanent nor absolute vision of the future for the City. While there are few layoffs that require a January**

1st target, additional layoffs are not off the table. The Departments of Public Works and Public Safety, the departments with the largest personnel lines, will each require a plan to work through year end 2021. The other smaller departments will also be required to share in this reality of reduced revenues available to the City. Planned spending must be aligned with planned and budgeted revenues.”

The Capital budget includes the top three priorities recommended by the Capital committee; the East Side Fire & EMS Facility, the Mobark “Wood Hog” Tub Grinder used for leaf and debris pick-up, and the Loughberry Lake Dam safety repairs. **Madigan also states: “Finance will NOT present a bond resolution or allow further bonding unless it is clear that the City is ready to expend funds and we are able to cover them. The budget will carry these priority items, but there will be no expenditures unless and until these are expressly authorized. Additionally, these projects, if bonded, will impact the 2022 budget as they have not been incorporated into the current Debt Service Fund which impacts property taxes.”**

In conclusion, Commissioner Madigan stated **“The 2021 Comprehensive Budget is a unique challenge. It is purposely designed to be flexible as the new post-pandemic economy develops, and to prepare us for our challenges. This budget aligns expenses with those revenues on which we can comfortably rely, while being amendable, if much needed Federal assistance becomes available.”**

Budget workshops will be scheduled at various times to accommodate city department and taxpayer participation. These workshops will all include Public Comment periods. Two public hearings are required, with the first to be held at 6:45 p.m. on Tuesday, Oct. 20th, before the regular council meeting at City Hall, and another to be scheduled once the City Council has made adjustments to the plan.

The 2021 Comprehensive Budget and video presentation can be viewed in its entirety on the city’s website www.saratoga-springs.org beginning at 6:00 pm on October 6, 2020.