

CITY OF TRENTON FY 2015 BUDGET INTRODUCTION

November 25, 2014

FY2015 Budget Committee Meeting Dates

- August 29, 2014
- September 24, 2014
- October 6, 2014
- October 27, 2014

Overview

- Proposed FY 2015 budget totals \$188,648,374, a Increase of approximately \$7.1 million as compared to FY 2014.
- The increase in FY 2015 is mainly due to the restructuring and right-sizing of each department. (Cops Grant-\$1.1M & Safer Grant in excess of-\$2.M)
- Proposed municipal tax levy increased by \$4.16M, from \$75.0M in FY 2014 to \$79.2M in FY 2015, or 5.55% increase.
- Proposed budget includes funding for 27 new Police Officer & 8 new Fire Personnel positions.

Types of Revenue

Four Major Categories

- 1. Surplus – only cash surplus can be anticipated to balance the fiscal year budget.
- 2. State Aid – Transitional Aid, CMPTRA and Energy Receipt Tax.
- 3. Local Revenue – Fees, permits, PILOTS, court fines, pension reimbursements from grants and utilities.
- 4. Local property taxes – including current and delinquent taxes

Favorable Factors that Impact FY 2015 Budget

- \$2.0 million in cash surplus available.
- Transitional Aid anticipated at 100%.
- Health Benefits Plan reduction-\$1.2M
- Local Revenue Increase-\$1.6M
- Risk Manager(Savings)-\$1M
- Cuts in Overtime-\$1M
- Reduction in Municipal & School Debt Service-\$1.8M

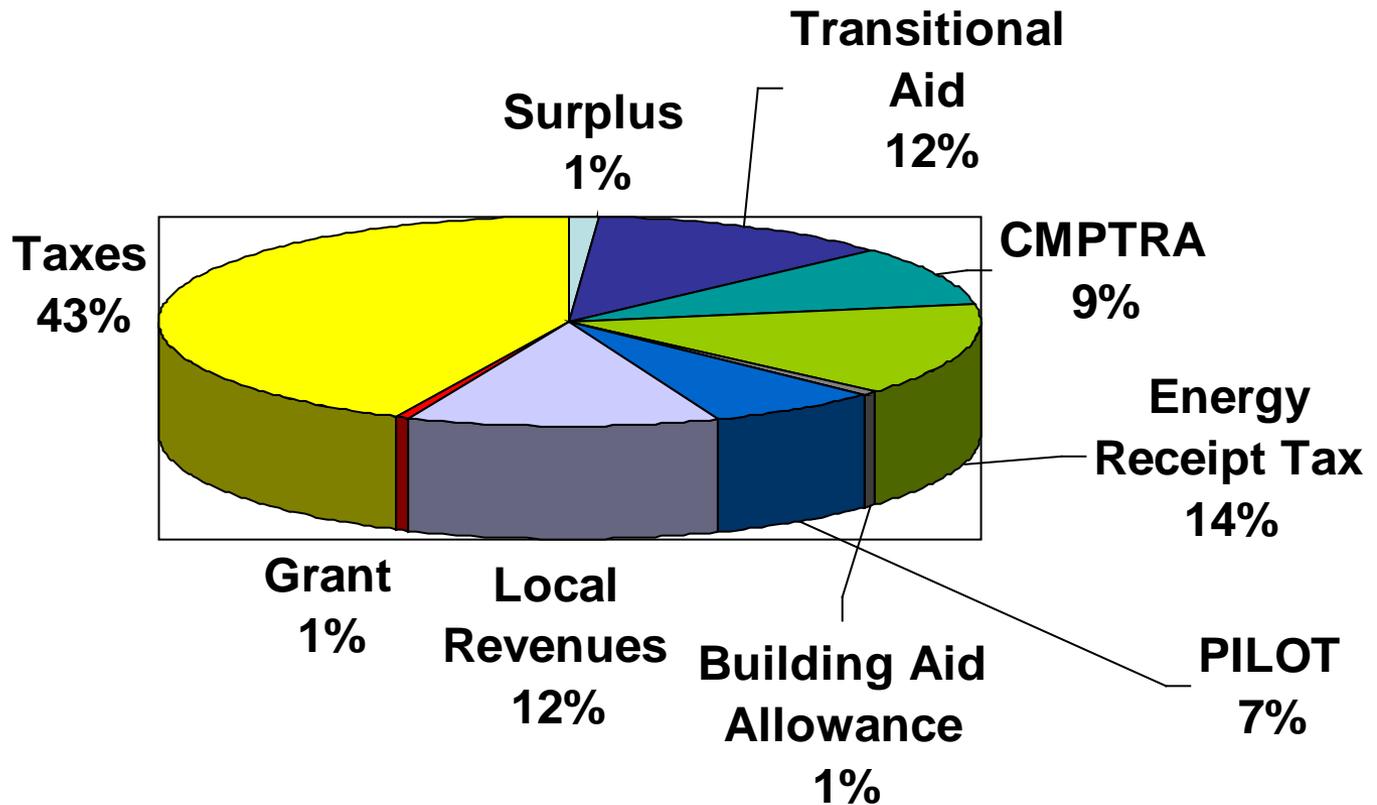
FY 2015 Potential Revenue Sources

- **Parking Study and potential Kiosk - \$1M**
- **E-Ticket (Police electronic Ticketing) - \$500k - \$1M**
- **Vacant Property Ordinance - \$650K**
- **Continued Third Party Delinquent Tax Collection-
\$800K**
- **Fire Inspections- \$750K**
- **Third Party Municipal Court Fee Collection -\$500K**

FY 2015 Proposed Revenue

CITY OF TRENTON	FY 2015 Budget Projection		11/25/2014	
	Final	Proposed		
Revenues	FY 2014 Budget	FY 2015 Budget	Variance	Total Budget %
Surplus	3,331,862.00	2,000,000.00	(1,331,862.00)	1.06%
Transitional Aid	22,860,000.00	22,860,000.00	-	12.12%
CMPTRA	17,557,845.00	17,293,269.00	(264,576.00)	9.17%
Energy Receipt Tax (& supp.)	26,546,010.00	26,810,586.00	264,576.00	14.21%
Building Aid Allowance	2,050,481.00	1,295,479.00	(755,002.00)	0.69%
Garden State Trust & Watershed	705.00	705.00	-	0.00%
PILOT - State	8,856,497.80	9,088,887.00	232,389.20	4.82%
PILOT - Commercial	3,867,344.95	4,149,029.53	281,684.58	2.20%
Local Revenues	21,031,462.59	22,668,404.58	1,636,941.99	12.02%
Grant	997,291.52	1,058,995.82	61,704.30	0.56%
Taxes - Municipal Purpose	73,024,580.01	77,487,288.40	4,462,708.39	41.07%
Taxes - Type I School Tax	1,969,678.72	1,668,596.00	(301,082.72)	0.88%
Taxes - Minimum Library Tax	835,786.43	767,133.68	(68,652.75)	0.41%
Taxes - Delinquent	1,250,000.00	1,500,000.00	250,000.00	0.80%
Total Revenues	184,179,545.02	188,648,374.01	4,468,828.99	100.00%

FY 2015 Proposed Revenue



FY 2015

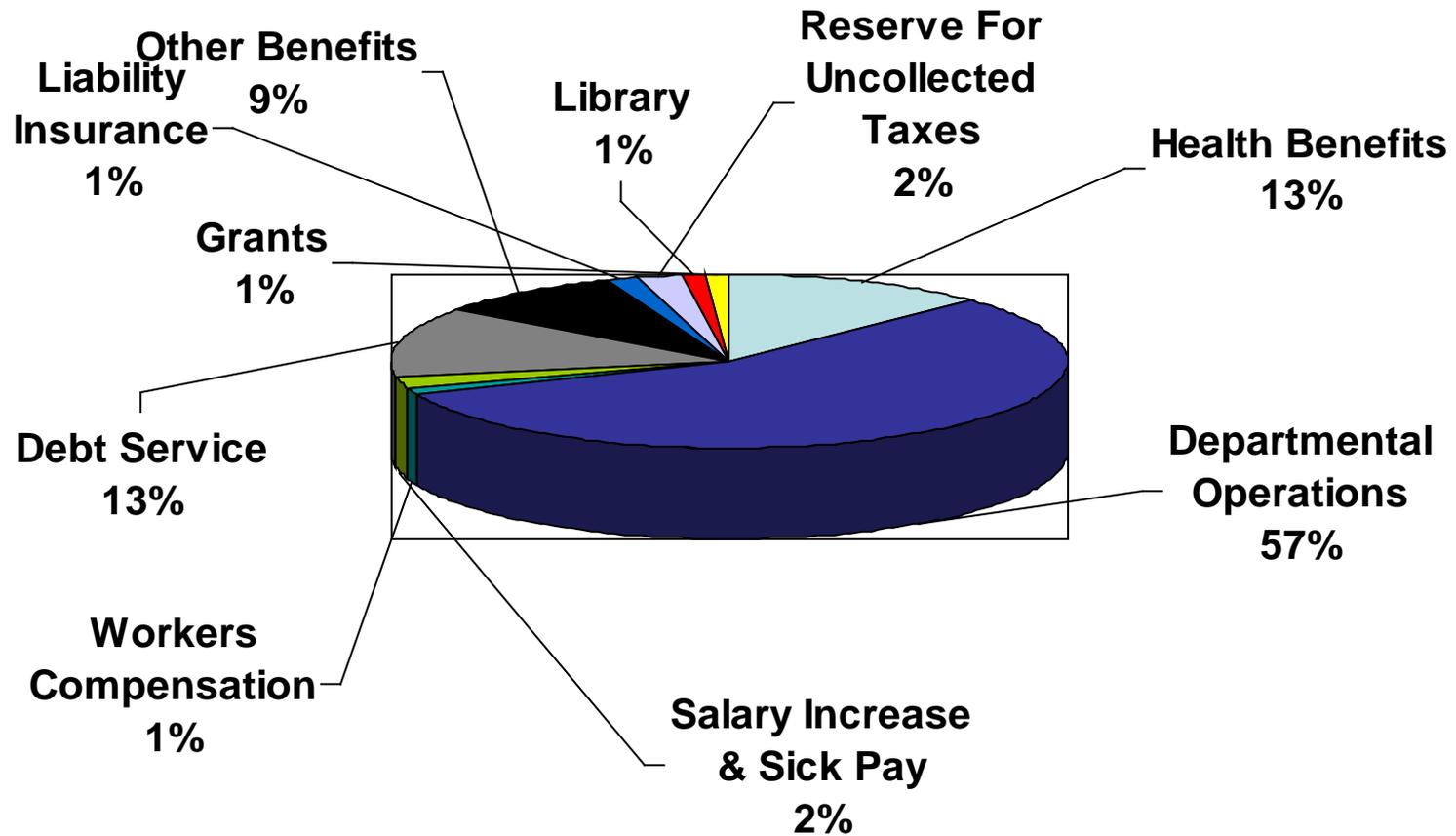
Variance in Expenditures

- **The most significant variances are in the area of Public Safety.**
- **Police - \$2.1M increase**
 - Includes 27 new hires.
- **Fire - \$2.8M increase**
 - Includes 8 new hires.
- **Other substantial increase attributed to the Rightsizing of each department.**
 - Salaries and Fringe \$2.1M

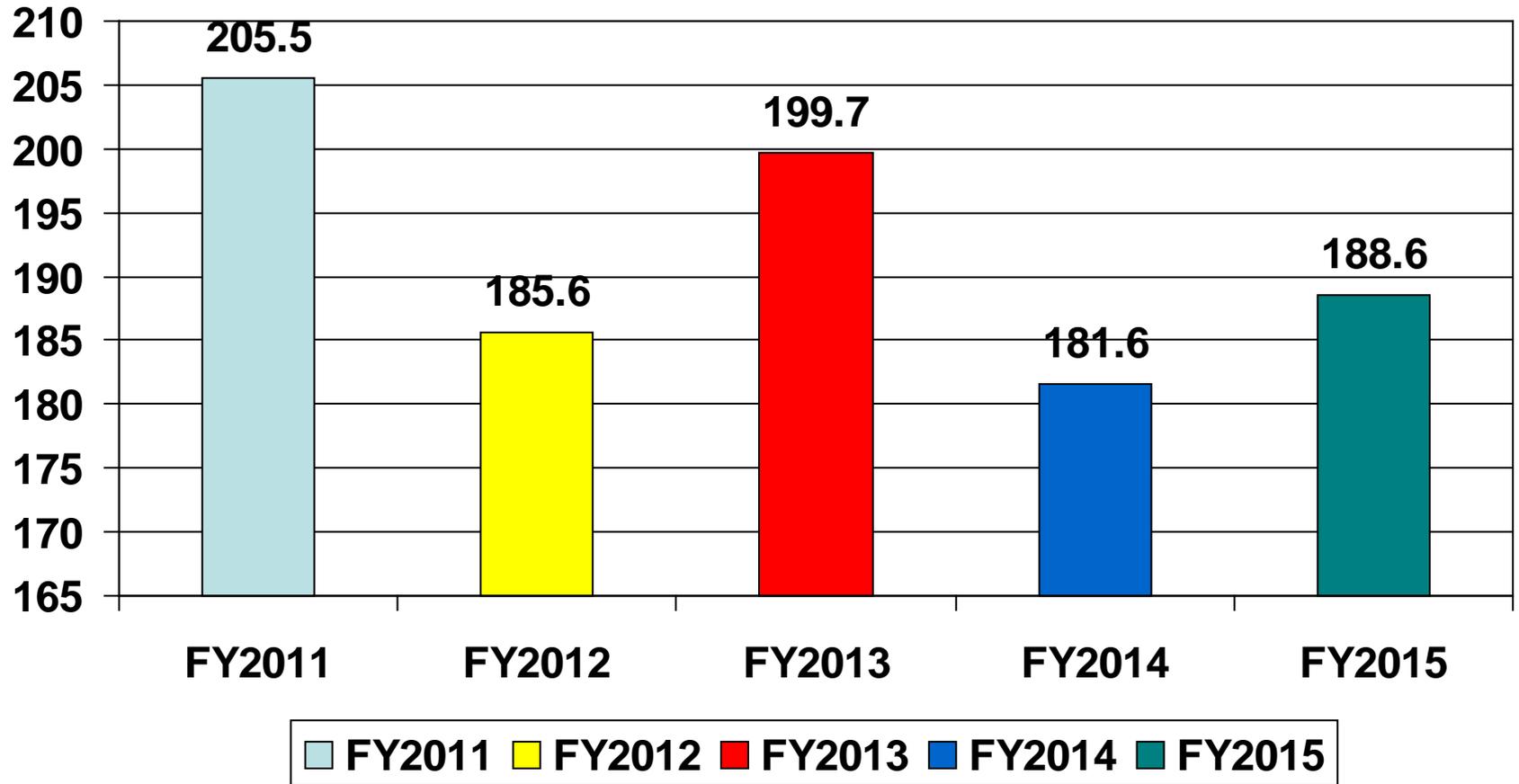
FY 2015 Proposed Appropriations

APPROPRIATIONS	Final	Proposed	Variance	Total Budget %
	FY 2014 Budget	FY 2015 Budget		
Mayor's Office	204,785.00	539,843.00	335,058.00	0.29%
City Council & City Clerk	871,788.00	616,607.00	(255,181.00)	0.33%
Administration	2,236,977.00	2,211,916.33	(25,060.67)	1.17%
Finance	1,914,208.00	1,906,396.25	(7,811.75)	1.01%
Law	1,944,861.00	1,929,917.50	(14,943.50)	1.02%
Health & Human Services	2,400,662.00	2,612,675.67	212,013.67	1.38%
Fire	22,276,330.00	23,539,861.50	1,263,531.50	12.48%
Police	32,779,380.00	35,255,955.87	2,476,575.87	18.69%
Public Works	14,599,908.00	15,219,041.60	619,133.60	8.07%
Housing & Economic Dev.	515,754.00	789,247.50	273,493.50	0.42%
Inspections	1,916,230.00	2,049,256.00	133,026.00	1.09%
Recreation, NR & Culture	1,184,469.00	1,329,377.50	144,908.50	0.70%
Municipal Court	2,466,476.00	2,401,953.50	(64,522.50)	1.27%
Workers Compensation	3,994,428.00	2,994,428.00	(1,000,000.00)	1.59%
Group Health, Prescription & Dental	27,543,073.00	26,293,073.00	(1,250,000.00)	13.94%
Other Employee Benefits	169,500.00	192,300.00	22,800.00	0.10%
Liability Insurance	2,924,996.00	2,674,996.00	(250,000.00)	1.42%
Utilities & Central Accounts	6,240,000.00	6,865,000.00	625,000.00	3.64%
Salary Increase & Sick Pay	4,010,415.00	4,741,188.90	730,773.90	2.51%
Pension & Social Security	17,500,092.00	18,871,837.00	1,371,745.00	10.00%
LYCDC Working Capital	350,000.00	-	(350,000.00)	0.00%
Library	2,000,000.00	2,000,000.00	-	1.06%
Grants	997,291.52	1,058,995.82	61,704.30	0.56%
Grant Match (COPS, Title III & Title XX)	734,567.00	585,546.00	(149,021.00)	0.31%
Deferred Charges	69,670.12	685,879.71	616,209.59	0.36%
Municipal Debt Service	22,212,862.56	21,490,022.39	(722,840.17)	11.39%
School Debt Service	5,730,829.62	4,656,779.00	(1,074,050.62)	2.47%
Reserve for Uncollected Tax	4,389,992.20	5,136,278.98	746,286.78	2.72%
Total Appropriations	184,179,545.02	188,648,374.01	4,468,829.00	100.00%

FY 2015 Proposed Appropriations



Previous Budget Comparison



Conclusion

- **The introduced budget has a projected \$4.16 million gap between revenues and appropriations, which is to be funded by proposed tax increase at this time.**
- **In order to comply with the Transitional Aid application requirement, the levy in the introduced budget must contain a tax increase of no less than the maximum permitted by the levy cap book or 6%, whichever is less.**
- **Once TA award amount is announced, we can proceed to work on budget amendments, incorporating any changes recommended by City Council upon their review of the introduced budget.**