



CITY OF TRENTON  
FY 2017 BUDGET AMENDMENT DISCUSSION  
AND COUNCIL  
VOTE ON BUDGET AMENDMENT AND BUDGET

March 24, 2017



# 2017 FY BUDGET TIMELINE

<b>November 3, 2016</b>	<b>Budget Presentation and Council vote on Introduced budget</b>
<b>November 4, 2016</b>	<b>Transitional Aid Application submitted</b>
<b>October-November 2016</b>	<b>City Council Review of Introduced Budget</b>
<b>December 1, 2016</b>	<b>Public Hearing on the Introduced Budget</b>
<b>HEARING SCHEDULE</b>	<b>Current Fund and Capital</b>
<b>December 19, 2016</b>	<b>Custom reporting for Recreation, Natural Resources and Culture Mayor, Council, Clerk, and Inspections</b>
<b>January 9, 2017</b>	<b>Custom reporting for Administration, Finance, Law, Court Housing &amp; Economic Development</b>
<b>January 10, 2017</b>	<b>Custom reporting for Health &amp; Human Services, Police, Fire &amp; OEM</b>
<b>January 23, 2017</b>	<b>Custom reporting for Public Works, Water, Sewer and Parking</b>



# 2017 FY BUDGET TIMELINE

<b>Decemeber 2016 - March 2017</b>	<b>BUDGET EXAMINATION PROCESS</b>
<b>March 13, 2017</b>	<b>DEPARTMENT OF COMMUNITY AFFAIRS</b>
	<b>APPROVAL TO ADOPT BUDGET</b>
<b>March 16, 2017</b>	<b>Council to Introduce and approve FY 2017 Budget Amendment</b>
	<b>Council authorizes the publication of the budget amendment</b>
<b>March 21, 2017</b>	<b>Publication of FY 2017 Budget Amendment</b>
<b>March 24, 2017</b>	<b>Council to vote on Budget Amendment and Budget Adoption</b>



# Overview

- Proposed 2017 Budget totals \$203.1 million including grants, a decrease of \$4.6 million as compared to FY 2016, primarily due to the prior year impact of the Safer Grant award of \$14.1 million and revenue reduction of \$1M in Fox Lance PILOT
- This is offset by recognition of \$5M non-cash surplus for budgeted sick and vacation payout and additional budgeted reductions totaling \$5.4M in general liability and workers compensation expenses. This year reserves were utilized to cover 2017 expenses so as to reduce the municipal tax rate. Our 2018 budget will require that we plan accordingly
- Proposed municipal tax levy increased by \$ 2.2 million, from \$76.3 million in FY 2016 to \$78.5 million in FY 2017, or 2.9% increase



## Favorable Factors that Impact FY 2017 Budget

- Transitional Aid awarded in the amount of \$10M
- Consolidated Municipal Property Tax relief (CMPTRA) increased by \$10M to \$31.3M from \$21.3M

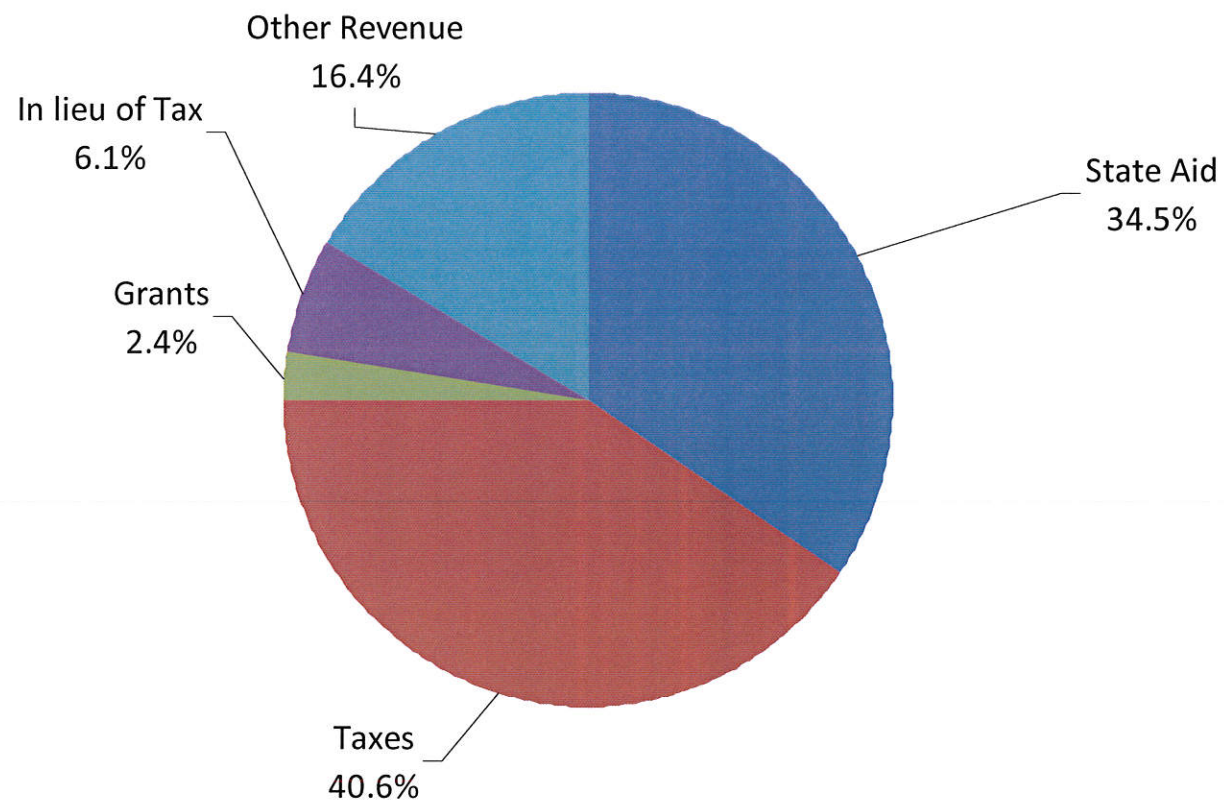


# FY 2017 Revenue Summary

- Revenue totals \$198.3 million excluding grants
- The city was awarded \$10M in transitional Aid award amount
- Other state aid including CMPTRA and Energy Receipt tax has increased by \$10M to \$31.3M from \$21.3M

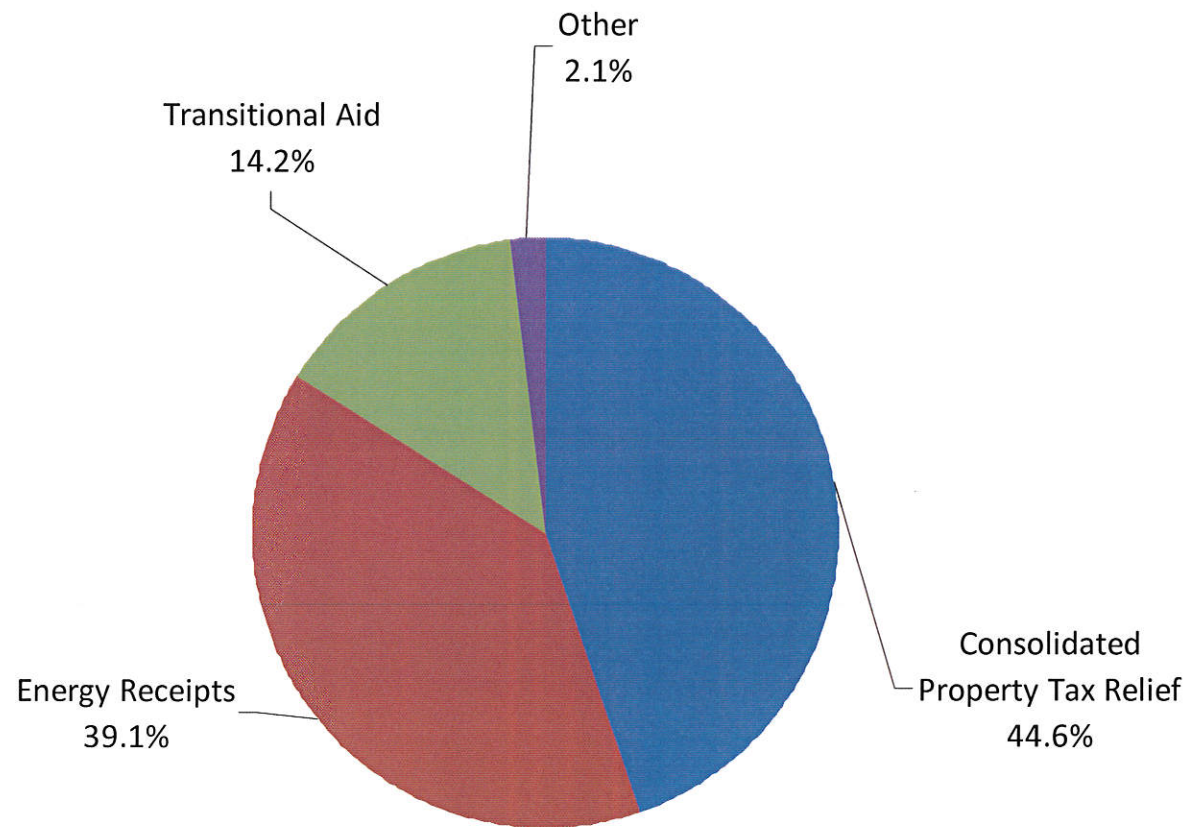


# FY 2017 REVENUE OUTLOOK





# FY 2017 STATE AID OUTLOOK





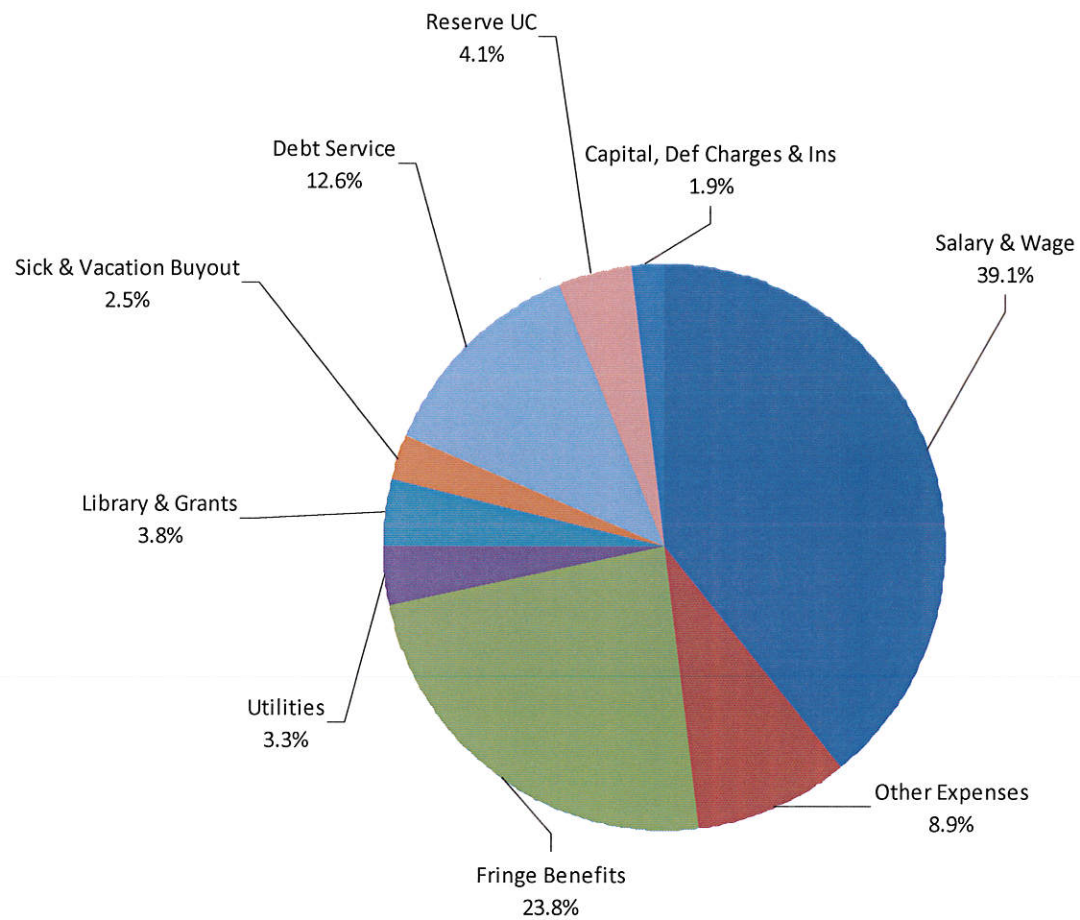
# FY 2017 APPROPRIATIONS

## Summary

- Over-all department costs which represent 48% of the total FY 2017 appropriations budget is primarily driven by increases in Police and Public works. This is primarily the result of a request for additional Police Officers and an reduction due to promotions of Police Superior Officer vacancies.
- Public works is primarily the result of solid waste and public property increase in salaries, budgeted overtime and elimination of current year utility reimbursement.
- Health benefits which represents 15% of the total FY 2017 appropriations budget reflects a 10% estimated increase
- Pension and Social Security increase which represents 12% of the total FY appropriations is the result of a \$5M sick and vacation retiree buyout and \$1.5M prior year PERS budget adjustment.



## FY 2016 APPROPRIATIONS OUTLOOK





# Tax Impact of Budget

- Total Municipal tax levy, including Type I School and Minimum Library tax, will increase to \$80.9 million in FY 2017 from \$78.8 million in FY 2016
- Total Municipal tax rate will increase from \$3.95 in FY 2016 to 4.01 in FY 2017. This represents an increase in tax rate of 6 cents, or 2.89%
- Represents an annual tax increase of \$40 for a home assessed at \$64,123-Trenton's average residential assessment



# Significant Budget Objectives met so far in 2016 and 2017

- Establishment of a Capital Budget presentation to council and hearing schedule that will engage all departments in a formal evaluation of those requests
- Completion of a city wide data base for all personnel which support all components of salary and wage administration that is linked to payroll operations.
- Creation of a City wide Hiring Plan for all vacancies to advance the coordination and understanding of unfilled positions, transfers, and new hiring needs versus total budgeted dollars
- Documentation of the Financial impact to Current Fund from Water, Sewer, and Parking Utilities to assist in projecting future budget impacts



# Business Administrator

## CITY HIGHLIGHTS

- Renovation of Police Headquarters
- Three new Fire Trucks
- Police Body Cams
- Demolition of vacant properties
- More clean up crews for streets and parks