



# CITY OF TRENTON FY 2021 BUDGET INTRODUCTION

January 19, 2021

# 2021 FY BUDGET TIMELINE

October 1, 2020	Ordinance to exceed the municipal budget appropriations limits/COLA First reading-approved by council/2nd reading Oct 30th
January 19, 2021	Budget Presentation and Council to vote on Introduced budget
December 1, 2020	Transitional Aid Application submitted
<b>DURING MONTH OF FEBRUARY</b>	Departmental Budget workshops-TBD by Council President McBride
TBD	Public Hearing on the Introduced Budget
Prior to April 1, 2021	Completion of the Budget Examination Process which will result in obtaining DCA approval to adopt a budget
March 18, 2021	Council to Introduce and approve the FY2021 Budget Amendment
TBD	Council authorizes the publication of the budget amendment  Budget Amendments are prepared based on Council recommendations during the departmental workshop process and other information gathered
March 19, 2021	Publication of the FY 2021 Budget Amendment
Public Hearing on the Budget Amendments	Publication and hearing is required if a new appropriation is in excess of
If needed-notice of hearing on the amendment shall be advertised 3 days prior to the date set for adoption	1% of the total appropriations, increases or decreases by more than 10% in any item of appropriation or increases the amount by more than 5%
April 1, 2021 -TENTATIVE	Council to vote on budget Amendment and budget adoption

# FY 2021 VERSUS FY 2020 COMPARISON

REVENUE	2021 INTRODUCED	2020 ADOPTED	VARIATION
STATE AID	\$ 75,977,060	\$ 77,214,560	\$ (1,237,500)
TAXES	\$ 83,912,108	\$ 82,387,391	\$ 1,524,717
DEL. TAXES	\$ 26,326,445	\$ 3,400,000	\$ 22,926,445
GRANTS	\$ 2,360,247	\$ 6,827,820	\$ (4,467,572)
IN LIEU OF TAXES	\$ 14,568,494	\$ 13,798,082	\$ 770,412
OTHER REVENUE	\$ 27,917,666	\$ 37,783,103	\$ (9,865,437)
<b>TOTAL</b>	<b>\$ 231,062,020</b>	<b>\$ 221,410,956</b>	<b>\$ 9,651,065</b>
APPROPRIATIONS	2021 INTRODUCED	2020 ADOPTED	VARIATION
SALARY & WAGE	\$ 89,070,596	\$ 85,212,784	\$ 3,857,812
FRINGE	\$ 50,416,478	\$ 53,803,796	\$ (3,387,318)
DEPARTMENT OE	\$ 19,811,178	\$ 21,102,676	\$ (1,291,498)
UTILITY	\$ 6,694,391	\$ 6,694,391	\$ -
INSURANCE	\$ 1,516,000	\$ 1,221,000	\$ 295,000
LIBRARY	\$ 2,000,000	\$ 2,000,000	\$ -
GRANT & GRANT MATCH	\$ 3,131,813	\$ 12,343,279	\$ (9,211,466)
SICK AND VACATION BUYOUT	\$ 100,000	\$ 300,000	\$ (200,000)
UNEMPLOYMENT	\$ 325,000	\$ 325,000	\$ -
DEFERRED CHARGE & JUDGMENT	\$ 264,037	\$ 540,000	\$ (275,963)
DEBT SERVICE	\$ 27,674,652	\$ 28,158,389	\$ (483,737)
CASH DEFICIT	\$ 13,837,719	\$ -	\$ 13,837,719
SHARED SERVICES	\$ 1,615,609	\$ 1,570,609	\$ 45,000
RES. FOR UNCOLLECTED TAXES	\$ 14,604,548	\$ 8,139,032	\$ 6,465,515
<b>TOTAL</b>	<b>\$ 231,062,020</b>	<b>\$ 221,410,956</b>	<b>\$ 9,651,065</b>

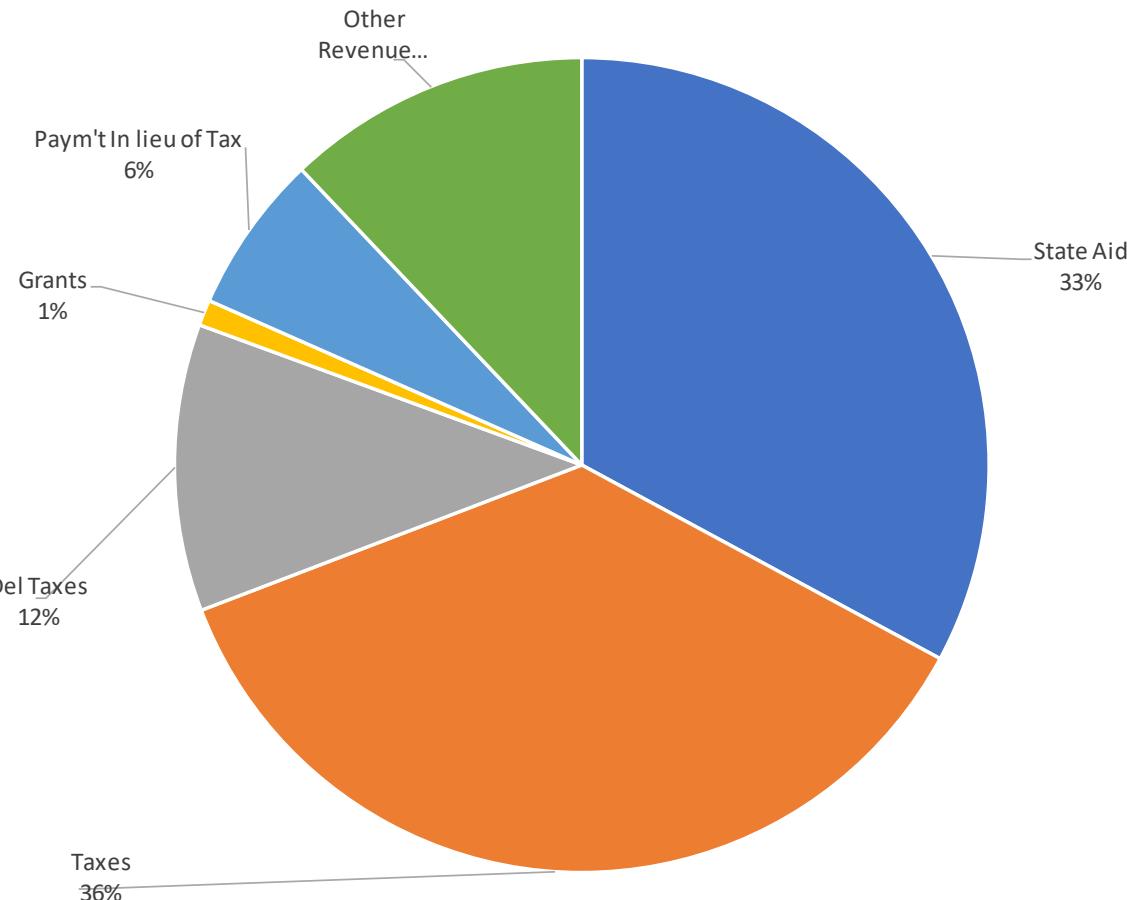
# Overview

- Proposed 2021 Budget totals \$231.1 million including grants, an increase of \$9.7 million as compared to FY 2020, primarily due to an increase in the Reserve for Uncollected Taxes
- Proposed municipal tax levy increased by \$ 1.6 million, from \$80.6 million in FY 2020 to \$82.2 million in FY 2021, or 1.99% increase

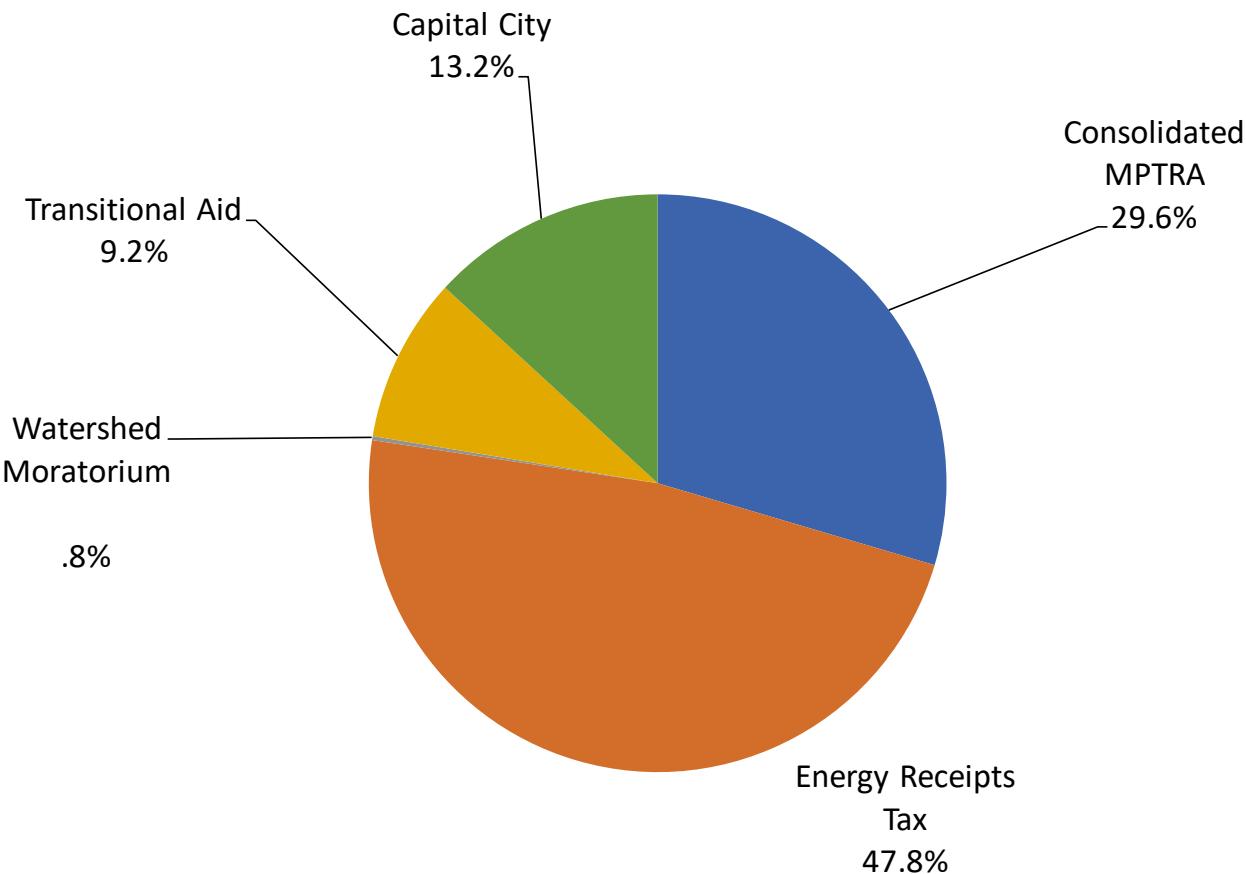
# FY 2021 Revenue Summary

- Revenue totals \$228.7 million excluding grants of \$2.4M
- The city is requesting \$8.25M in Transitional Aid but per budget guidelines, only \$7M, 85% of the \$8.25M award received in FY2020, is anticipated in the Fiscal Year 2021 budget
- CMPTRA and Energy Receipt Tax is budgeted at \$22.5M and \$36.3M respectively

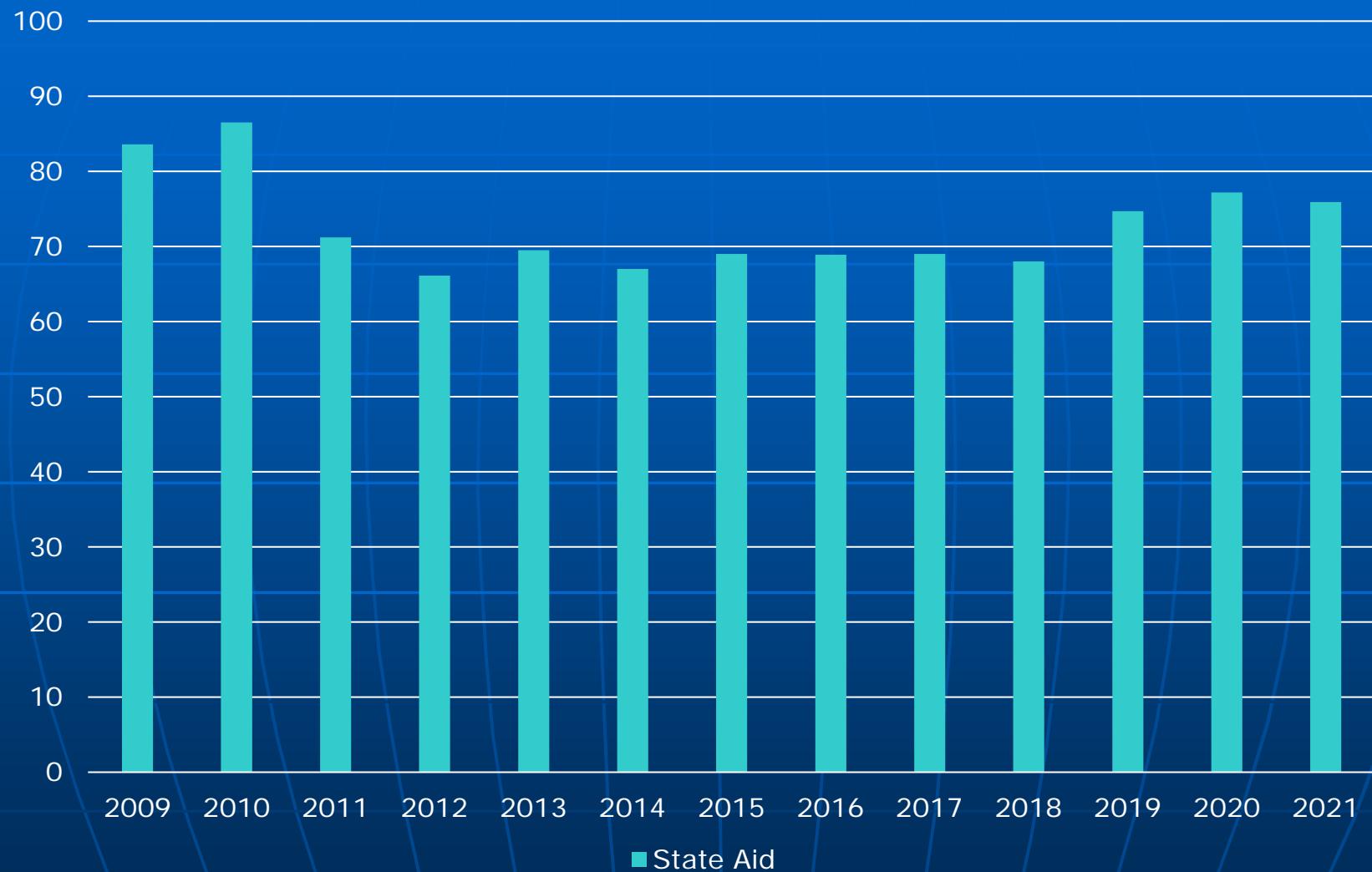
# FY 2021 REVENUE OUTLOOK



# FY 2021 STATE AID OUTLOOK



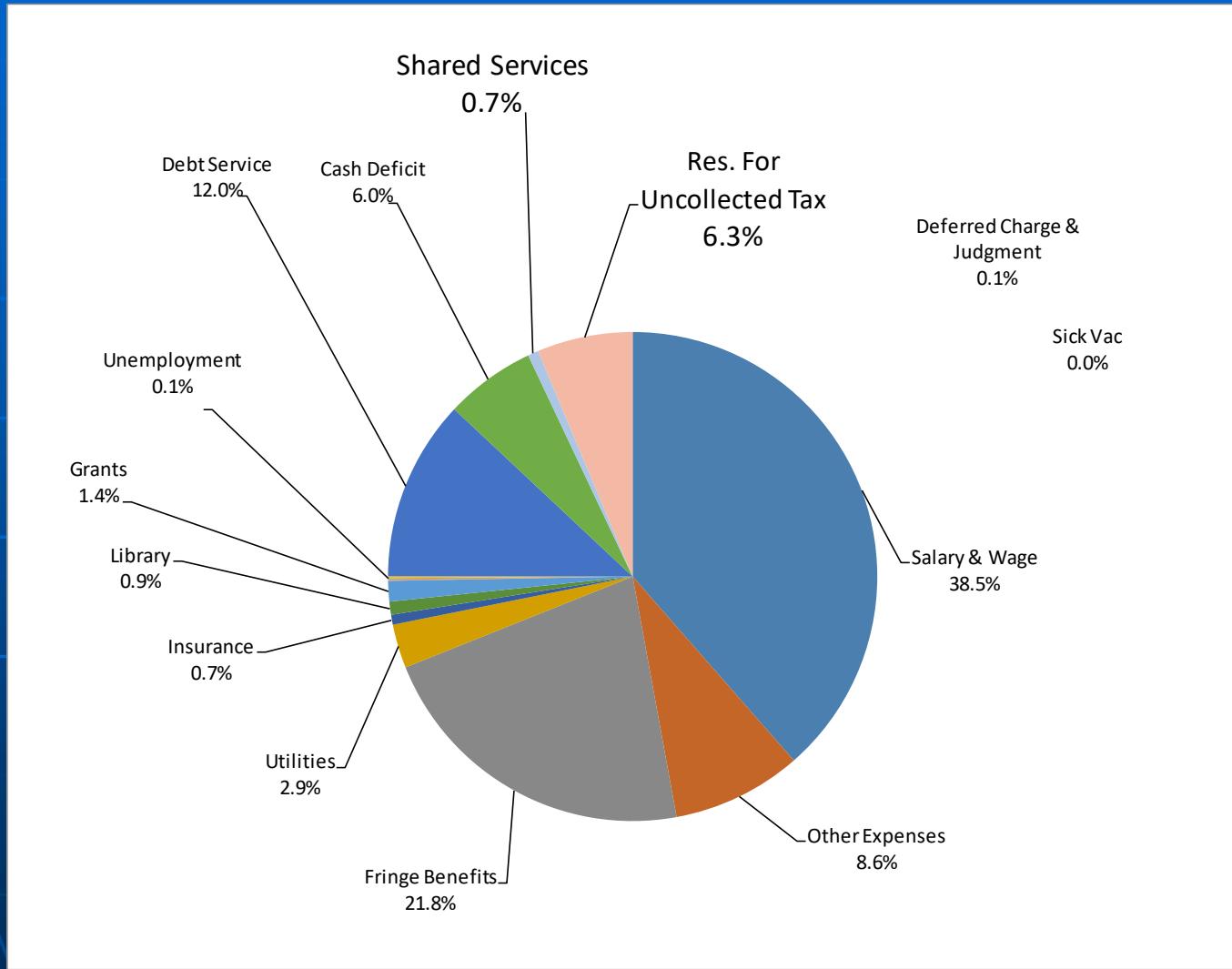
## State Aid



# FY 2021 Appropriations Summary

- Overall department costs represents 47% of the total FY 2021 appropriations budget. The increases therein are largely due to progression, promotions and a set aside for salary increases once contracts are settled.
- Statutory and Pension which represents 10% of total FY 2021 appropriations are driven by Employer portion of Police and Fire Retirement System (PFRS) of \$1.2M and Public Employee Retirement System (PERS) of \$.4M
- Debt service represents 12% of the total FY 2021 appropriations of \$27.7m versus \$28.2m from FY 2020
- Finally increases in the budget are also driven by a substantial increase in the Reserve for Uncollected Taxes, caused largely by the collection of second quarter 2020 taxes in FY 2021 instead of FY 2020

# FY 2019 APPROPRIATIONS OUTLOOK



# Tax Impact of Budget

- Total Municipal tax levy, including Type I School and Minimum Library tax, will increase to \$83.9 million in FY 2021 from \$82.4M million in FY 2020
- Total Municipal tax rate will increase from \$3.66 in FY 2020 to \$3.75 in FY 2021. This represents an increase in tax rate of 9.7 cents, or 2.6%
- Additionally, the City still suffers from the fallout of tax appeals due to the revaluation. However, that impact is slowing and this year the City lost \$15.4M in ratables