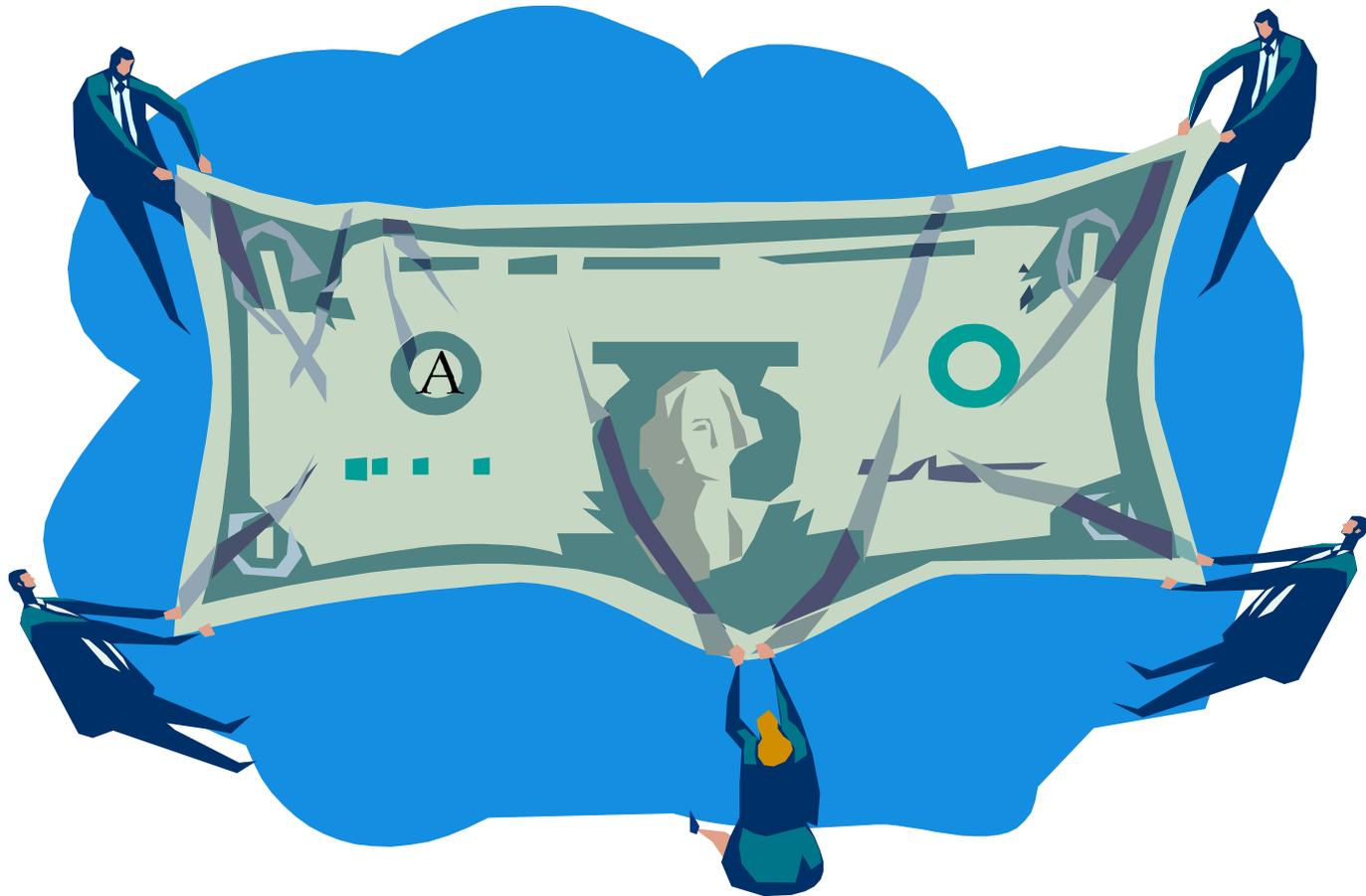


2015 Somerville Borough Municipal Budget



Finance Committee

- Dennis Sullivan, Councilman
- Thompson Mitchell, Councilman

STAFF

- Andy Hodulik, Auditor
- Dena Flynn, CFO
- Kevin Sluka, Clerk-Admin

Increases for 2015

- \$7,750 Technology 9.28% in Operations
 - New contracts due to loss of technical staffers
- \$317,647 Police Department 9.03% in wages
 - Additional Police Officers to be sworn in on 3/16/15
- \$7,400 Police Department 3.60% in operating
 - Outfitting and operations spending
- \$88,000 Insurance 13.02%
 - Flood Insurance, Professional liability, general liability
- 17,5000 Emergency Management 350% Wages
 - Emergency Management was formerly within a job description, now performed by a part time employee

Increases for 2015

- \$17,000 PERS – 6.34%
 - Civilian Pension Contribution
- \$45,000 PFRS - 5.86%
 - Police Pension Contribution
- \$10,000 Unemployment – 100%
 - Claims in 2014 well exceeded the budget

Debt Service Increases

- \$100,000 Bond Principal 5.99%
- \$58,000 Interest on Notes 181.25%
- \$30,000 Note Principal 30%

Other increases

- Municipal Court Contract
 - Court merger needs to be funded for full year + \$21,875.00
- Fire Department
 - 22.22% increase in wages \$13,000 (Fire Drivers)
- Telephone
 - 12.81% increase \$10,220.00
- Group Insurance
 - \$31,800 increase
- Storm Water \$2,000 (15.38%)
 - Catch basin repairs
- Recycling, Sanitation \$28,000 – additional households

Decreases for 2015

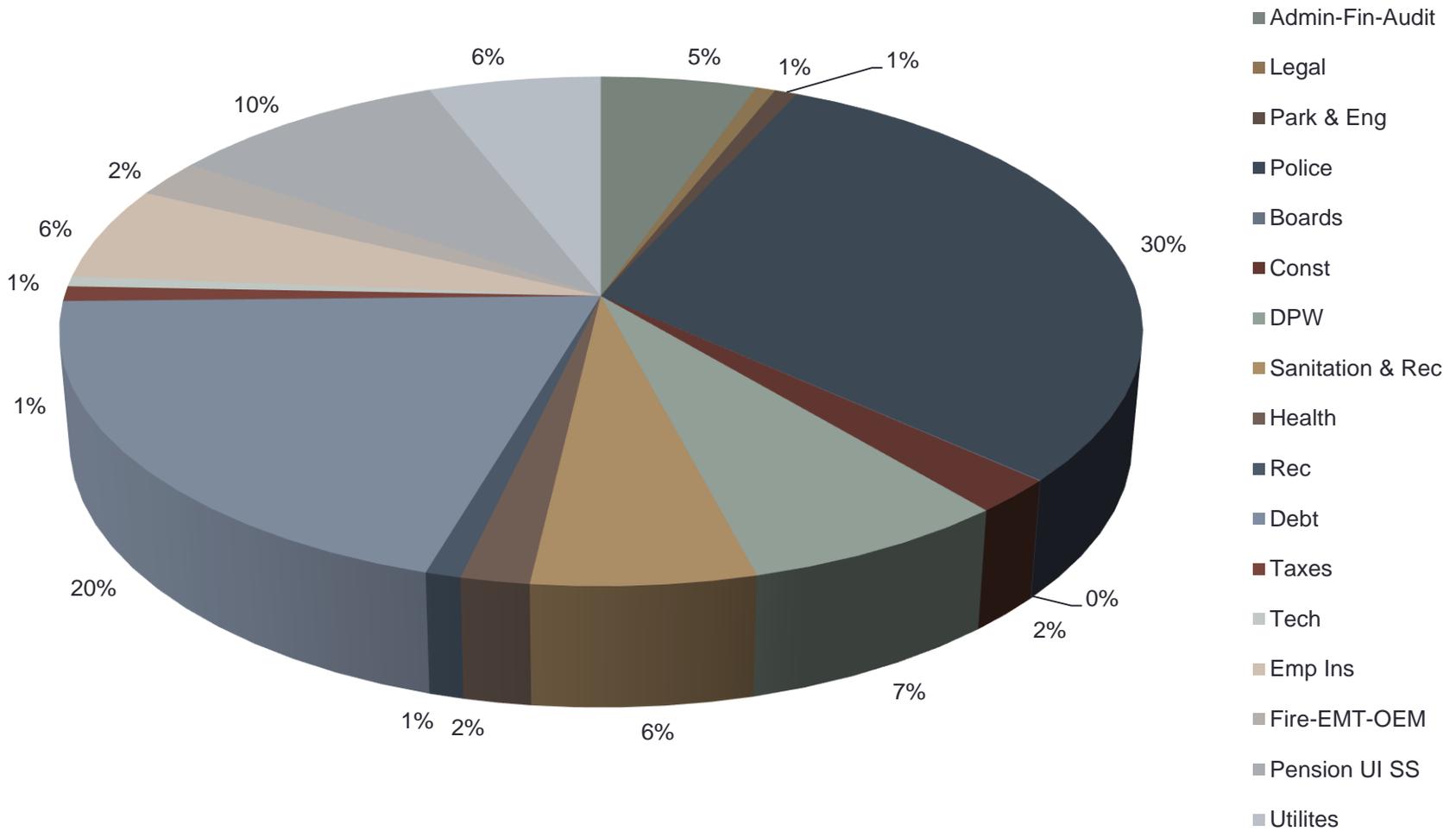
- Construction office consolidation leads to a smaller savings with the ability to improve enforcement
- \$5,000 Fuel Reduction in costs nationally translate to 1st quarter savings
- Savings in Animal Shelter change for full year (49.23%)
- Reduction in debt service due to paydowns on leases and interest on bonds – moving to permanent financing in September 2015

2015 Personnel

- The Budget calls for:
 - Additional Police Officers
 - The hiring of a full time DPW Director
 - Shifting of admin contractual arrangements to personnel
 - AFSCME contract unresolved. All other collective bargaining agreements settled

2015 Budget - Breakdown

Admin-Fin-Audit	\$ 747,920	5%
Legal	\$ 93,000	1%
Park & Eng	\$ 109,600	1%
Police	\$ 4,198,465	30%
Boards	\$ 5,300	0%
Const	\$ 308,600	2%
DPW	\$ 988,042	7%
Sanitation & Rec	\$ 825,000	6%
Health	\$ 254,010	2%
Rec	\$ 131,000	1%
Debt	\$ 2,823,000	20%
Taxes	\$ 132,450	1%
Tech	\$ 91,000	1%
Emp Ins	\$ 831,500	6%
Fire EMT OEM	\$ 336,300	2%
Pension UI SS	\$ 1,338,000	10%
Utilites	\$ 827,000	6%



Budget Introduced

- 2015 Budget = \$22,884,180.70
- Amount to be raised by taxation is \$11,888,242.72
- Which is an increase of \$391,442.30
- Translating to 3.40% increase

Current Fund Budget Concerns

- Using a large amount of Fund Balance to support budget
- Ordinary Revenue – slow growth
- Development PILOT—slower than expected occupancy
- Debt Ratio – Audit concern

Current Fund Outlook

- Several development projects are ready to build with PILOTS
- Additional Police Officer increase in enforcement and revenues
- Increased parking revenues are expected with potentially new parking rates
- PILOT on Main St. estimated at \$400,000 for 2016

Ideas for 2016

- Reverse Energy Auction – Competitive bids to provide energy services to borough buildings
- Sale of Municipal Property within Redevelopment Area
- Sale of Municipal Property

Municipal Tax Increase on Average Assessed Home

\$98.68

Capital Improvement Fund

- Capital Improvement Fund has three purposes:
 - 1) Serve as down payment for traditional financing
 - 2) Payment of professional services for capital projects
 - 3) Funding the project

The Borough has placed \$50,000 in the CIF to allow for \$1,000,000 in traditional capital financing

Capital Requests

- The number of capital requests were significant.
- Road Project Grant matches, Bell Avenue, Veterans Memorial, Road Overlays, Crack Sealing Project, Borough Hall Furnace, Computerization, Museum Painting, Surveillance Cameras, Grass Cutter, Dump truck, Fire Truck, Borough Hall Windows, Air Quality controls at DPW, Defibrillators, IT sever, Technology Equipment, Fire Truck

Traditional Financing Decisions

APPROVED

- Bell Ave \$ 160,000
- Vets 2 \$100,000
- DPW Air \$30,000
- Crack sealing \$75,000
- Dump Truck \$180,000
- IT/Smart Board \$5,000
- Defibrillator \$18,000
- Windows \$25,000
- File Server \$6,000
- Furnace \$15,000

NOT APPROVED

- Surveillance Equip \$22,000
- Fork Lift \$120,000
- Skid Steer \$80,000
- Grass Cutter \$43,000
- Computerization of Data \$20,000
- Road Overlay \$200,000

- Museum painting to be completed with other capital.
- S. Cadillac awaiting Grant response.

IMPROVEMENT AUTHORITY

- Fire Truck \$800,000

QUESTIONS

