



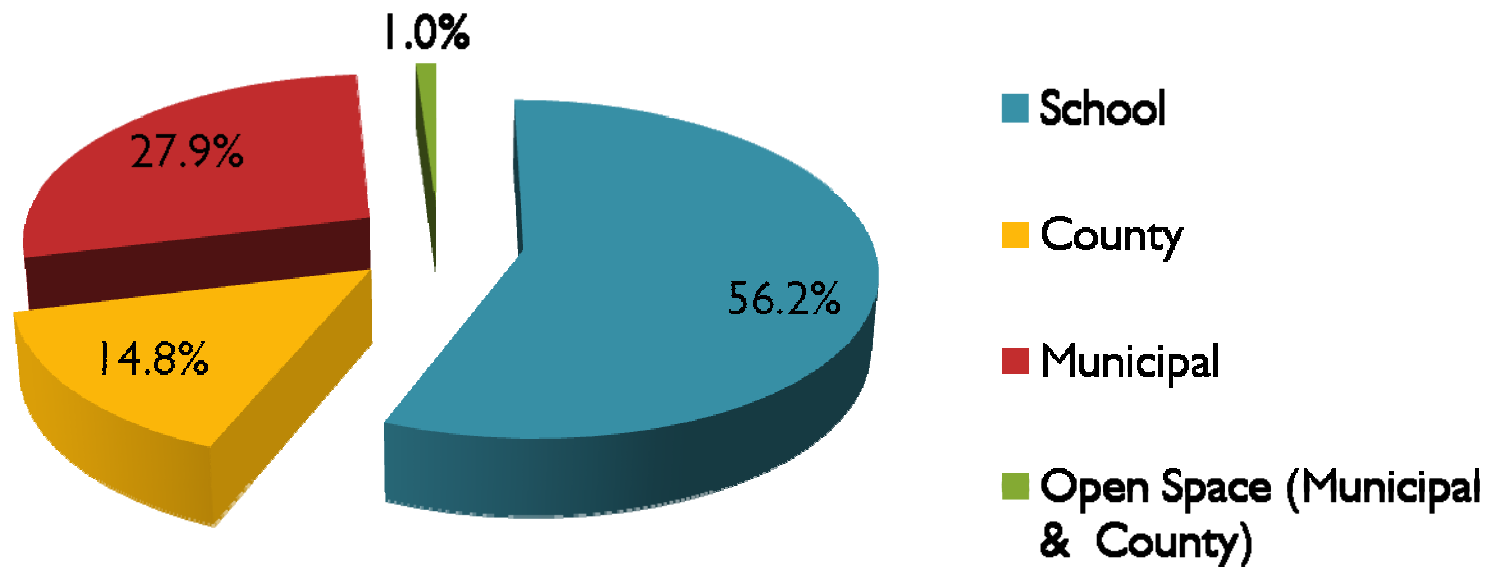
Adopted Municipal Budget Overview

September 21, 2009

Tax bill breakdown

- Property taxes are made up of several elements:

Property Tax Breakdown





2009 Preliminary Budget

- Original projections for 2009 budget showed an increase of 28.5% if no changes were made.
- Largest Drivers of the increase were:
 - \$2.1 million decrease in revenues, attributable to dramatically reduced surpluses and absence of extraordinary aid
 - \$1.1 million in capital improvements and debt service
 - \$850K increase in salary and employment taxes
 - \$400K increase in pension contributions and healthcare benefit costs
 - \$225K increase in utility and energy costs
 - \$150K increase in reserves for uncollected taxes
 - \$300K in other increases



2009 Introduced Budget Actions

- We identified and implemented \$1.75 million in reductions to our tax levy by realizing:
 - \$1.15M from Pension Deferral
 - \$600K in Debt Service & Capital Reductions



2009 Adopted Budget Actions

- We then identified and implemented \$2.65 million in reductions to our tax levy by realizing:
 - \$1.17M from Union Negotiations & Attrition
 - \$750K in Extraordinary Aid
 - \$60K in Debt Service & Capital Reductions
 - \$300K in Additional Surplus
 - \$210K in Other Expenditure Reductions
 - \$160K in Additional Revenues

2009 Operating Budget

- The total Operating Municipal budget in 2009 is \$29,745,498 which is a 1.83% decrease from 2008.

2005	\$ 24,528,733	
2006	\$ 27,002,888	+10.1%
2007	\$ 28,897,242	+7.0%
2008	\$ 30,298,549	+4.8%
2009	\$ 29,745,498	- 1.83%

2009 Total Municipal Budget

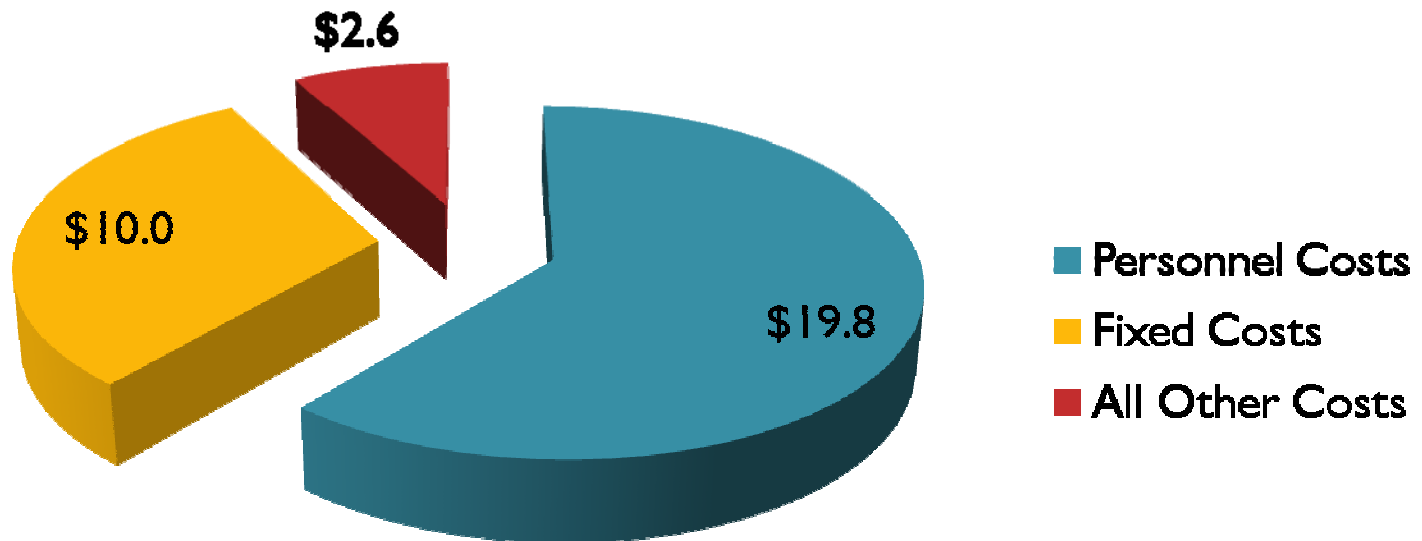
- The total 2009 Municipal Budget is \$32,521,476, and includes the following:

2009 Operations	\$ 29,745,498
Grants, Capital Improvement Fund, Contributions and Reserve for Uncollected Taxes	\$ 2,775,978
Total 2009 Municipal Budget	\$ 32,521,476

2009 Adopted Municipal Budget

- Municipal expenses consist of many components:

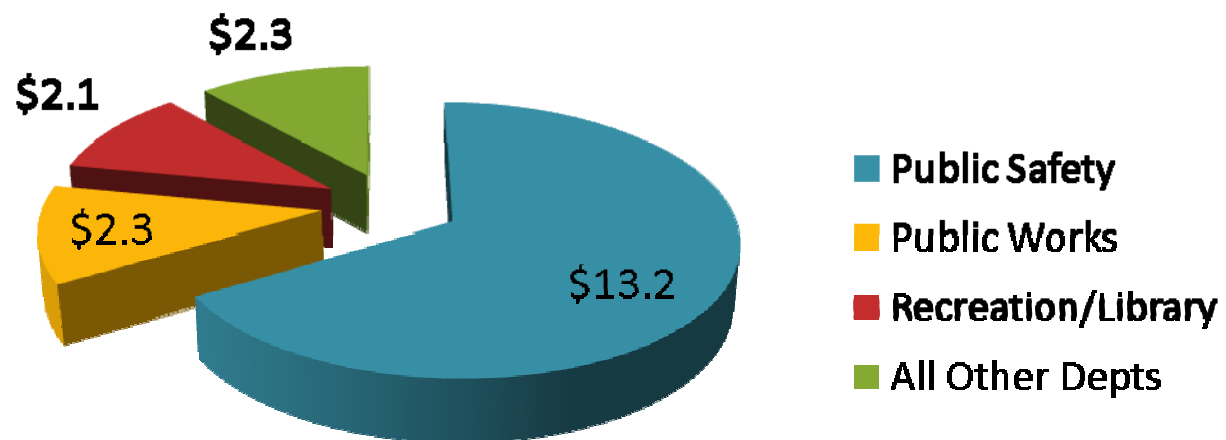
Municipal Expenses (in \$Millions)



Personnel Costs

- Like most organizations, Personnel costs (including salary, wages, taxes, health benefits and pension benefits) for our FTEs are the largest portion of the expenses.
- The largest portion of our personnel costs come from Public Safety (Police & Fire)

Personnel Cost by Dept. (in \$millions)



2009 Tax Impact

- When adopted, this budget will result in a 3.90% municipal tax increase
- The Average Home, assessed at \$587,354, will face a **municipal** tax increase of \$156, plus the increase from the School District and County levy.

2010 Budget Challenges

- Revenue Reductions

Extraordinary Aid - \$750k

Non-Recurring Income - \$133k

- Appropriation Increases

Salary & Wages - \$390k

Employment Insurances - \$660k

Pension Costs – \$1.55M

Debt Service & CIF – \$1.45M

Other Expenses - \$300k



Actions for 2010 Budget

- Aggressively Lobby for Extraordinary Aid
- Develop New Recurring Income
- Negotiate Salary & Wages Concessions
- Competitively Acquire Emp. Insurances
- Aggressively Lobby for Pension Reform
- Creatively Address Future Capital Needs
- Review Operations for
Efficiencies/Savings/Shared Services



Adopted Municipal Budget

Overview

September 21, 2009

Questions?