

TO: Cambridge Village Board
FR: Mo Hansen, Administrator/Treasurer
DT: November 24, 2014
RE: 2015 Budget Proposal: Administrator/Treasurer Budget Narrative

2015 Budget Proposal: Administrator/Treasurer Budget Narrative

The proposed 2015 Village budget before the Board for consideration contains the following items:

- **TAXES LEVIED:** The amount levied to fund Village operations and to pay debt service is \$1,011,893 -- an increase of \$9,198 or 0.92%. The increase is applied to an increase in principle and interest for debt service.

- **GENERAL FUND OPERATIONS:** Reductions in administrative General Government expenses and other reductions equates to a -3.53% change in budgeted expenses for this fund.

- **DEBT SERVICE:** The portion of the levy applied to principle and interest payments on debt increased from \$259,171 to \$273,555 a 5.55% increase. Twenty-seven percent of all levied dollars are applied to pay for debt service.

- **GENERAL EMPLOYEE COMPENSATION:** Wages for all employees with the exception of Library staff and Cable TV staff remain at 2014 levels. Health insurance benefits offered to eligible employees are changed from a \$50 per pay period employee contribution to the employee paying 12% of the total premium along with additional employee co-pays and deductibles not previously in the benefit plan.

- **LIBRARY FUND:** The amount of taxes levied and allocated to the Cambridge Community Library for operations is reduced from \$61,134 to \$55,948 a reduction of \$5,186 or -8.48%. A recurring 3% increase over multiple prior years has led to surplus funds for library operations. NOTE: The expenditures and setting of compensation rates is the responsibility of the Library Board. They meet in December to finalize a budget.

- **CAPITAL PROJECTS:** The 2015 expenditure figure for this fund is set at zero.

- **ECONOMIC AND COMMUNITY DEVELOPMENT:** \$38,000 in tax levy is allocated to this fund. The compensation for the single staff person is presented as an hourly figure at \$25 per hour, not to exceed 1,050 hours. It is desirable for additional revenue in the form of non-levy dollars to be raised for this fund to allow for compensation to go beyond 1,050 hours. Additionally, programming expenses totaling to \$15,350 are budgeted based on fund balance applied, or if not available, other non-levy dollars.

- **REFUSE AND RECYCLING:** \$75 per unit is charged to the tax rolls for those using the municipal trash service. This does not cover the full charge of the service provided. \$25,152 from the tax levy and \$3,955 from a recurring DNR recycling grant make up the remainder of the revenue for this Fund.

- **OTHER FUNDS:** The funds for Water, Sewer, Stormwater, Library and Cable TV do not rely directly on the property tax levy for revenue. They will be finalized over the course of December and January. Past practice indicates that the Village Board has not been significantly involved in budgeting for these funds. I would recommend that the Board consider final sign-offs on these budgets as well.