

Borough of South River



2011 Municipal Budget

2011 Officials

- Raymond T. Eppinger, Mayor
- John M. Krenzel, Council President
- Rui Almeida, Councilman
- Peter Guindi, Councilman
- James Hutchison, Councilman
- John T. Trzeciak, Councilman
- Matthew M. Vaughn, Councilman

- Andrew J. Salerno, Borough Administrator
- Joseph Zanga, Chief Financial Officer

Budget Philosophy

Budget = Planning Document

Budget = Financial Document

Define Objectives

Determine Revenue Base

Allocate Revenues to Objectives

PLAN FOR THE FUTURE

Three Entities

\$33,297,996.50

- Water Utility

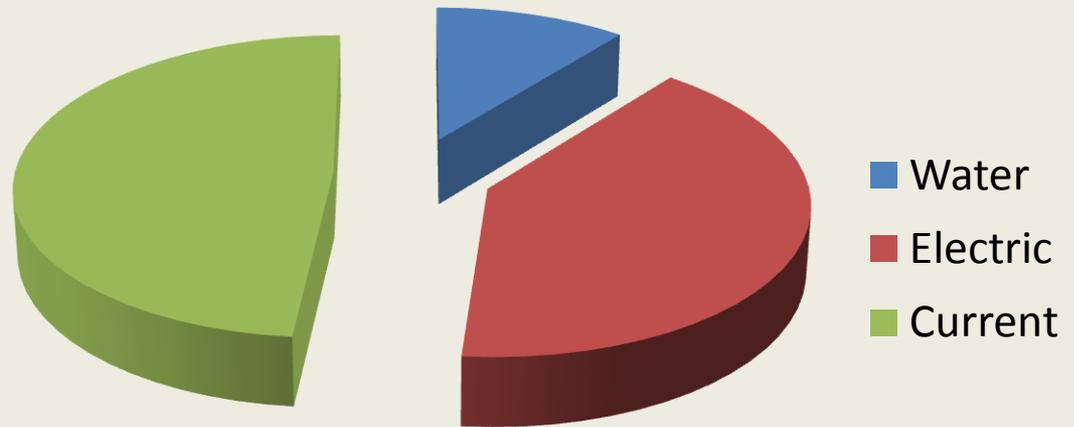
- \$3,584,630.00

- Electric Utility

- \$13,567,116.00

- Current Fund

- \$16,146,250.50



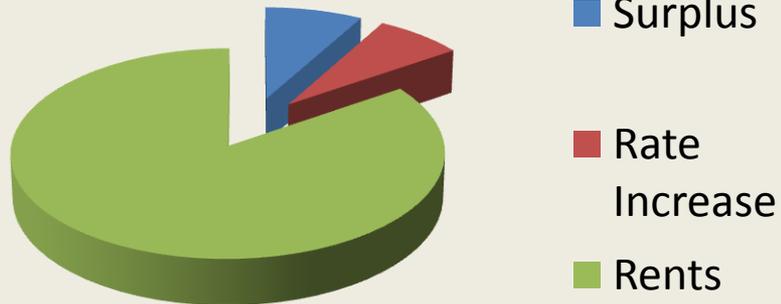
Water Utility - Revenues

| | <u>2010</u> | <u>2011</u> |
|--------------------|--------------------|--------------------|
| Surplus | \$275,362 | \$438,630 |
| Rate Increase | \$250,000 | \$0 |
| Rents | \$2,896,000 | \$3,146,000 |
| Grand Total | \$3,421,362 | \$3,584,360 |

Water Utility – Revenues

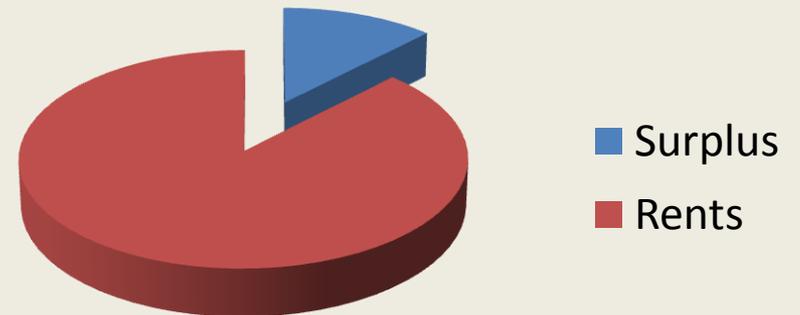
2010 Revenue

\$3,421,362



2011 Revenue

\$3,584,630

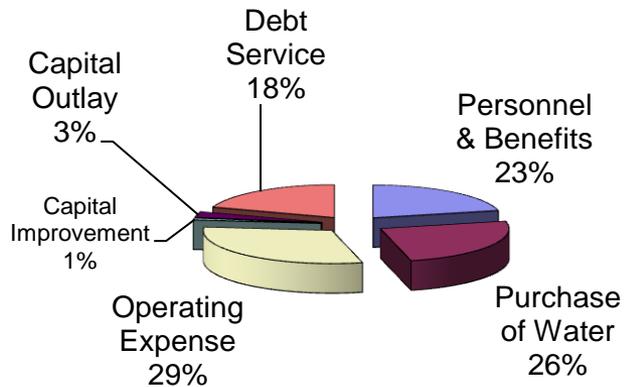


Water Utility - Appropriations

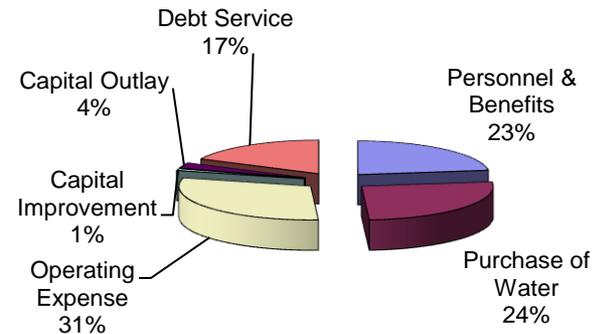
| Appropriations | 2010 | 2011 |
|-----------------------|--------------------|--------------------|
| Personnel & Benefits | \$783,761 | \$810,551 |
| Purchase of Water | \$895,000 | \$850,000 |
| Operating Expense | \$1,023,000 | \$1,098,000 |
| Total | \$2,701,761 | \$2,758,551 |
| Capital Improvement | \$25,000 | \$50,000 |
| Capital Outlay | \$90,000 | \$150,000 |
| Total | \$115,000 | \$200,000 |
| Debt Service | | |
| Principal | \$439,571 | \$473,384 |
| Interest | \$165,030 | \$152,695 |
| Debt Service | \$604,601 | \$626,079 |
| Grand Total | \$3,421,362 | \$3,584,630 |

Water Utility - Appropriation

2010 Appropriations



2011 Appropriations

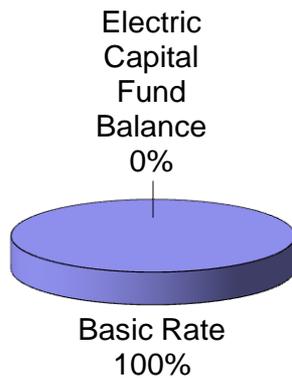


Electric Utility - Revenues

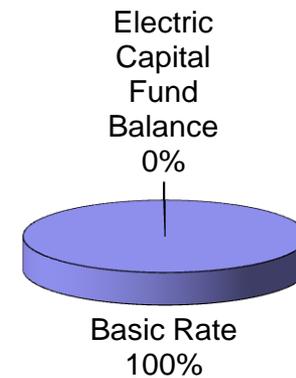
| | <u>2010</u> | <u>2011</u> |
|--------------------|---------------------|---------------------|
| Basic Rate | \$13,274,069 | \$13,552,388 |
| Capital Balance | \$18,572 | \$14,728 |
| Grand Total | \$13,292,641 | \$13,567,116 |

Electric Utility - Revenues

2010 Revenues



2011 Revenues

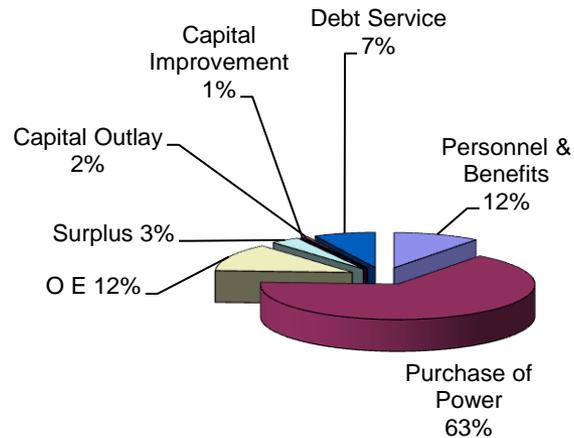


Electric Utility - Appropriations

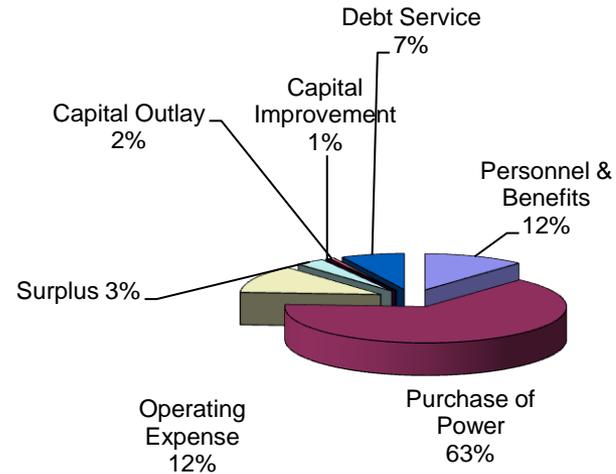
| Appropriations | 2010 | 2011 |
|-----------------------|---------------------|---------------------|
| Personnel & Benefits | \$1,547,150 | \$1,634,578 |
| Purchase of Power | \$8,550,000 | \$8,500,000 |
| Operating Expense | \$1,659,800 | \$1,725,000 |
| Surplus to Current | \$443,000 | \$443,000 |
| Total | \$12,199,950 | \$12,302,578 |
| Capital Improvement | \$50,000 | \$25,000 |
| Capital Outlay | \$75,000 | \$275,000 |
| Total | \$125,000 | \$300,000 |
| Debt Service | | |
| Principal | \$687,000 | \$712,000 |
| Interest | \$280,691 | \$252,538 |
| Debt Service | \$967,691 | \$964,538 |
| Grand Total | \$13,292,641 | \$13,567,116 |

Electric Utility - Appropriations

2010 Appropriations



2011 Appropriations



Current Fund Goals & Objectives

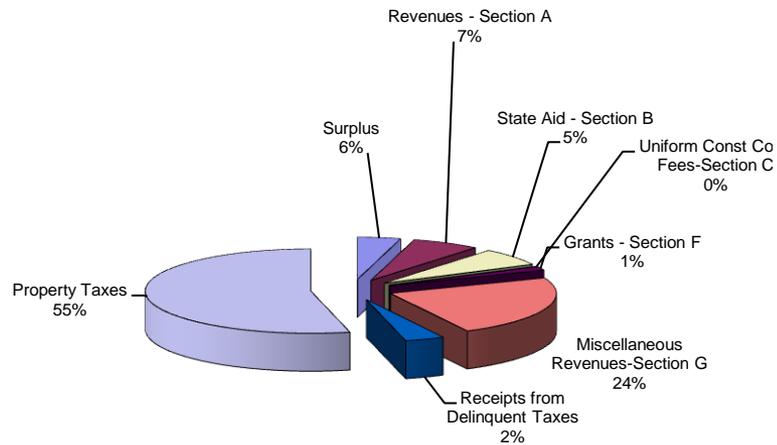
- Borough Direction/Executive Management
- Records Management/Elections
- Financial Administration
- Legal
- Engineering
- Public Safety
- Public Works
- Judicial
- Human Services

Current Fund - Revenues

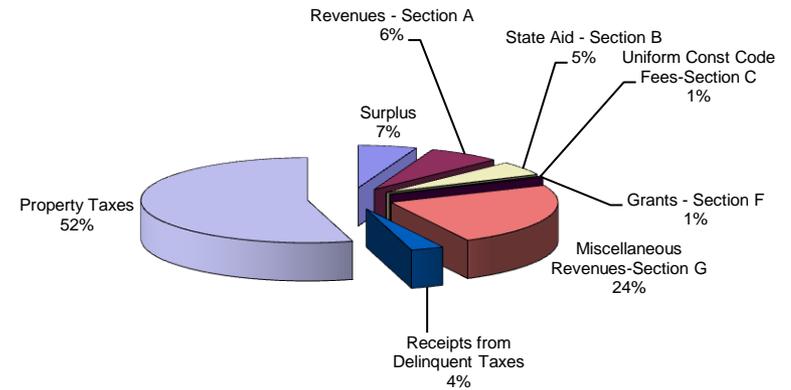
| | <u>2010</u> | <u>2011</u> | <u>Diff.</u> |
|-----------------------------------|------------------------|------------------------|---------------------|
| Surplus | \$905,858.14 | \$1,126,612.23 | \$220,754.09 |
| Revenues - Section A | \$1,103,000.00 | \$1,000,000.00 | -\$103,000.00 |
| State Aid - Section B | \$825,291.00 | \$825,291.00 | \$0.00 |
| Uniform Const Code Fees-Section C | \$6,800.00 | \$175,000.00 | \$168,200.00 |
| Grants - Section F | \$63,312.10 | 66,401.53 | \$3,069.43 |
| Miscellaneous Revenues-Section G | \$3,736,856.48 | \$3,901,812.43 | \$164,955.95 |
| Receipts from Delinquent Taxes | \$500,000.00 | \$650,000.00 | \$150,000.00 |
| Total General Revenues | \$7,141,137.72 | \$7,745,117.19 | \$603,979.47 |
| Property Taxes | \$8,456,556.34 | \$8,401,133.31 | -\$55,423.03 |
| Grand Total | \$15,597,694.06 | \$16,146,250.50 | \$548,556.44 |

Current Fund - Revenues

2010 Revenues



2011 Revenues

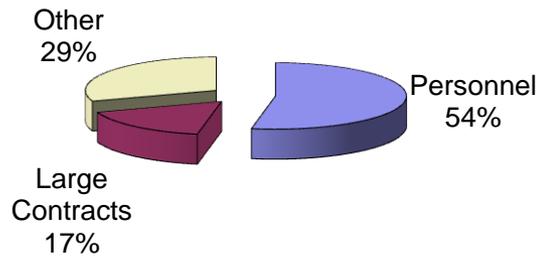


Current Fund - Appropriations

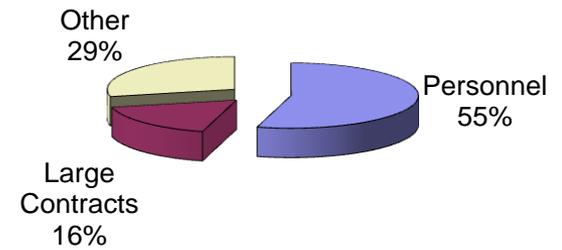
| | <u>2010</u> | <u>2011</u> | <u>Diff.</u> |
|--------------------|------------------------|------------------------|---------------------|
| HB & Pensions | \$2,469,209.00 | \$2,648,321.00 | \$179,112.00 |
| S & W | \$5,998,805.00 | \$6,275,955.00 | \$277,150.00 |
| Personnel | \$8,468,014.00 | \$8,924,276.00 | \$456,262.00 |
| Insurance & WC | \$356,000.00 | \$357,000.00 | \$1,000.00 |
| County Programs | \$1,806,464.00 | \$1,715,537.00 | -\$90,927.00 |
| Trash Disposal | \$515,000.00 | \$530,000.00 | \$15,000.00 |
| Large Contracts | \$2,677,464.00 | \$2,602,537.00 | -\$74,927.00 |
| Capital & Debt | \$1,612,781.49 | \$1,712,035.00 | \$99,253.51 |
| Library | \$561,000.00 | \$561,000.00 | \$0.00 |
| Operations | \$1,539,492.10 | \$1,595,611.53 | \$56,119.43 |
| Uncollected | \$738,942.47 | \$750,790.97 | \$11,848.50 |
| Other | \$4,452,216.06 | \$4,619,437.50 | \$167,221.44 |
| Grand Total | \$15,597,694.06 | \$16,146,250.50 | \$548,556.44 |

Current Fund - Appropriations

2010 Appropriations

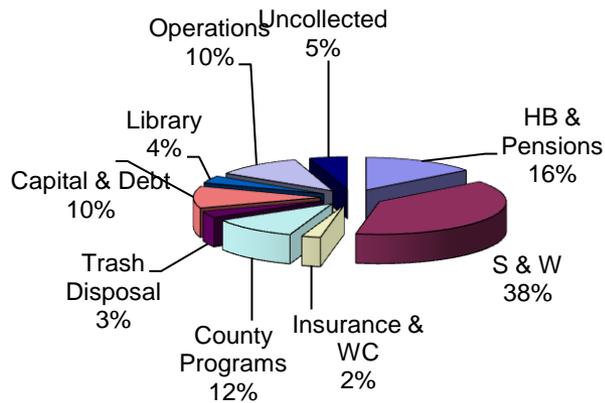


2011 Appropriations

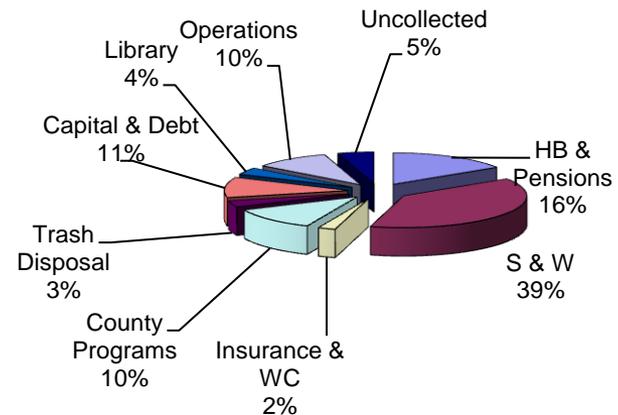


Current Fund - Appropriations

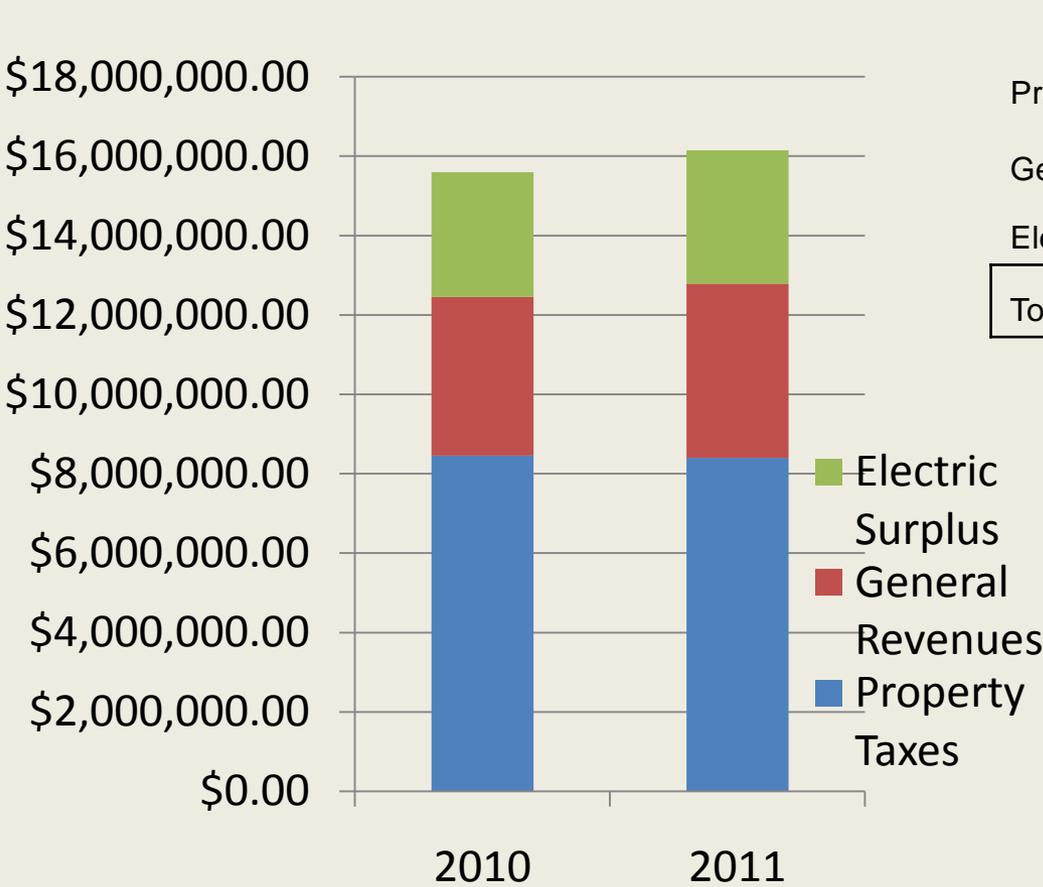
2010 Appropriations



2011 Appropriations



Revenue Allocation



| | 2010 | 2011 |
|------------------|------------------------|------------------------|
| Property Taxes | \$8,456,556.34 | \$8,401,133.31 |
| General Revenues | \$3,994,137.72 | \$4,388,746.19 |
| Electric Surplus | \$3,147,000.00 | \$3,356,371.00 |
| Total | \$15,597,694.06 | \$16,146,250.50 |

- **NO TAX RATE INCREASE**
- **NO ELECTRIC RATE INCREASE**
- **NO WATER RATE INCREASE**

Water Utility

Strategies for the Future

- Strive to maintain level water rates for consumers
- Analyze potential public/private partnerships
- Improve infrastructure

Electric Utility

Strategies for the Future

- Increase manpower levels & maintenance schedules
- Address primary redundancy
- Rate stabilization through improved system efficiency
- Maintain contribution to the current fund
- Support development of alternate energy sources
- Support development of any generation of energy project in Eastern NJ
- Encourage energy efficiency of consumers
- Encourage reduction of energy demand during peak hours (between 3:00PM and 7:00PM weekdays)

Current Fund

Strategies for the Future

- Analyze future potential inter-local municipal agreements and public/private partnerships
- Continue to improve service delivery and operational efficiencies
- Determine financial feasibility of the creation of a Sewer Utility as compared to current practice
- Development and implement transition plan of Parking Authority to Borough control
- Continue our fiscally responsible and strategic infrastructure improvement plan
- Continue the five year long-term budget plan stabilizing property tax rates