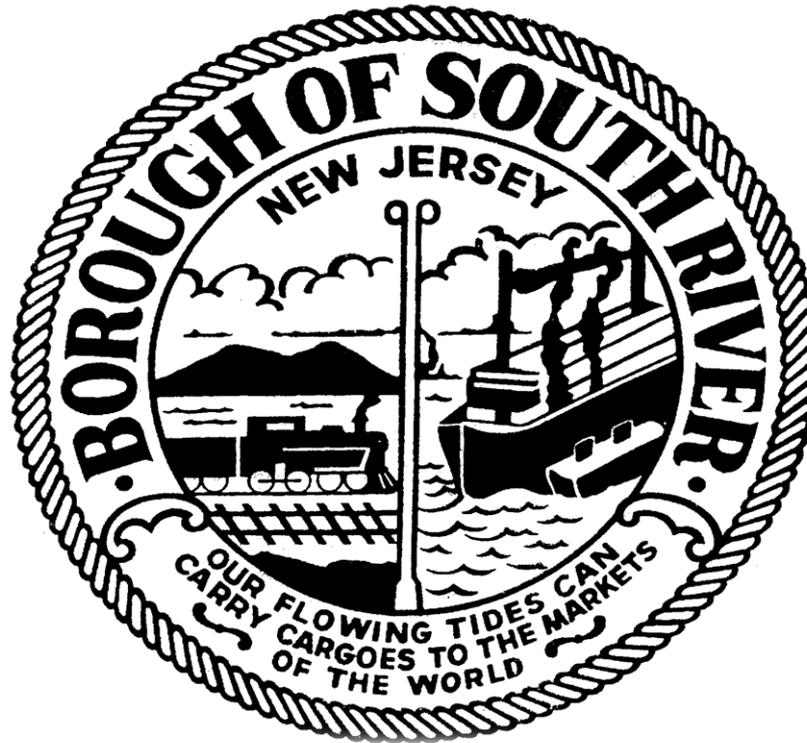


Borough of South River



2012 Municipal Budget

2012 Officials

- John M. Krenzel, Mayor
- James Hutchison, Council President
- John T. Trzeciak, Councilman
- Peter Guindi, Councilman
- Matthew M. Vaughn, Councilman
- Thomas C. Roselli, Councilman
- Donna Farren, Councilwoman

- Andrew J. Salerno, Borough Administrator
- Joseph Zanga, Chief Financial Officer
- Patricia O'Connor, Borough Clerk

Budget Philosophy

Budget = Planning Document

Budget = Financial Document

Define Objectives

Determine Revenue Base

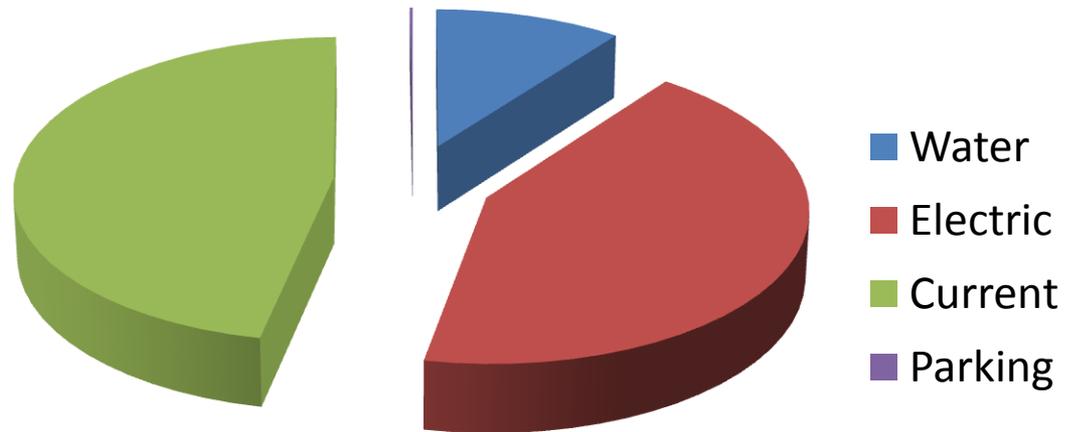
Allocate Revenues to Objectives

PLAN FOR THE FUTURE

Four Entities

\$34,775,513

- Water Utility
\$3,584,630
- Electric Utility
\$14,899,390
- Current Fund
\$16,239,493
- Parking Utility
\$52,000



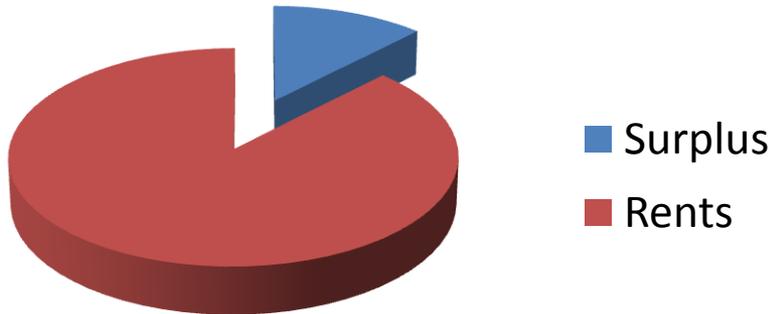
Water Utility - Revenues

	<u>2011</u>	<u>2012</u>
Surplus	\$438,630	\$438,630
Rate Increase	\$0	\$0
Rents	\$3,146,000	\$3,146,000
Grand Total	\$3,584,630	\$3,584,630

Water Utility - Revenues

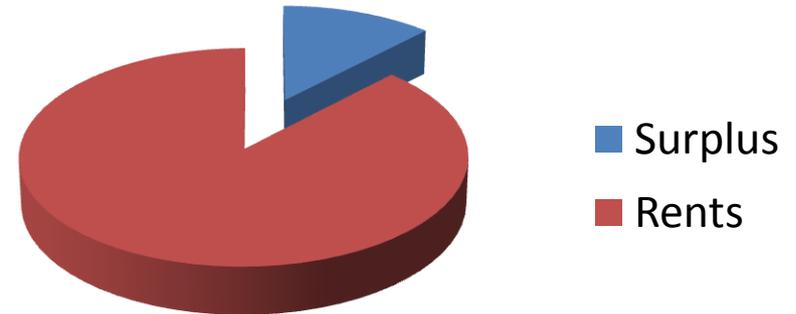
2011 Revenue

\$3,584,630



2012 Revenue

\$3,584,630

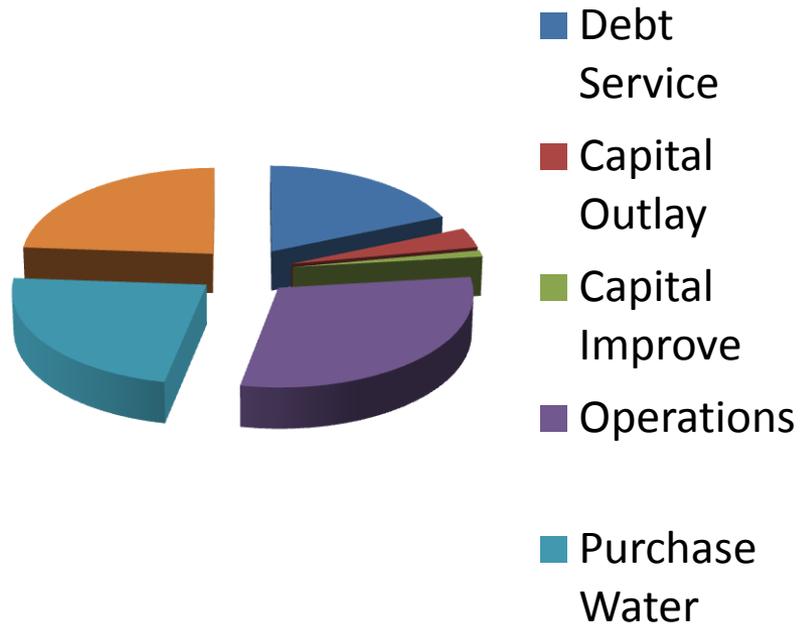


Water Utility - Appropriations

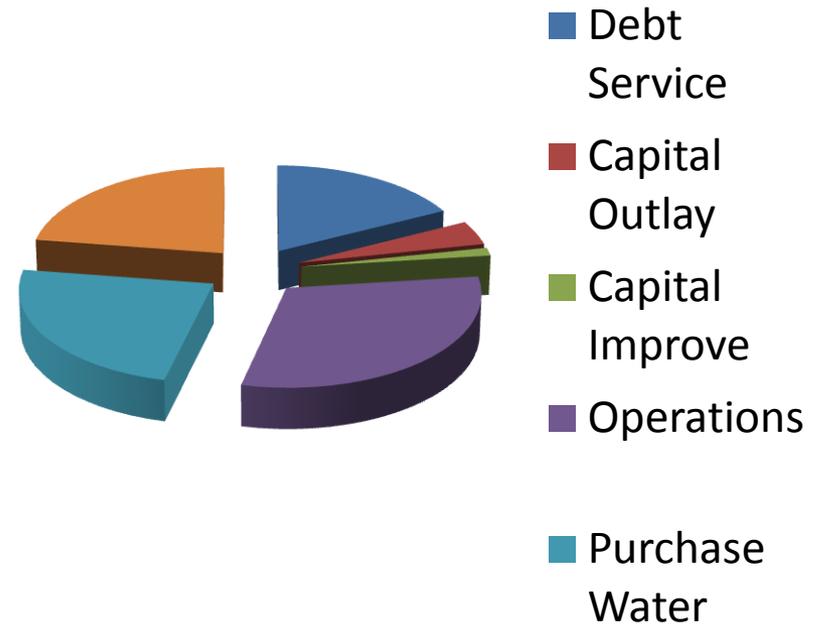
Appropriations	2011	2012
Personnel & Benefits	\$810,551	\$855,431
Purchase of Water	\$850,000	\$825,000
Operating Expense	\$1,098,000	\$1,074,000
Total	\$2,758,551	\$2,754,431
Capital Improvement	\$50,000	\$40,000
Capital Outlay	\$150,000	\$125,000
Total	\$200,000	\$165,000
Debt Service		
Principal	\$473,384	\$529,305
Interest	\$152,695	\$135,894
Debt Service	\$626,079	\$665,199
Grand Total	\$3,584,630	\$3,584,630

Water Utility - Appropriation

2011 Appropriations



2012 Appropriations

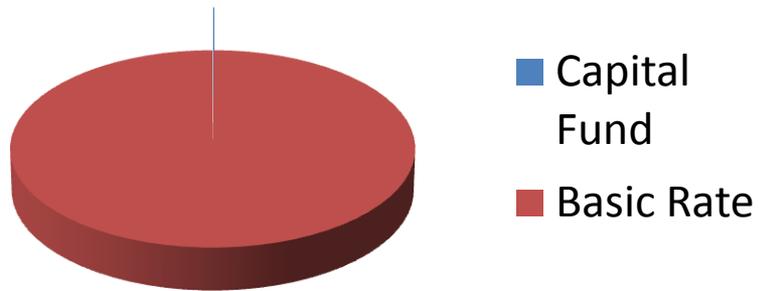


Electric Utility - Revenues

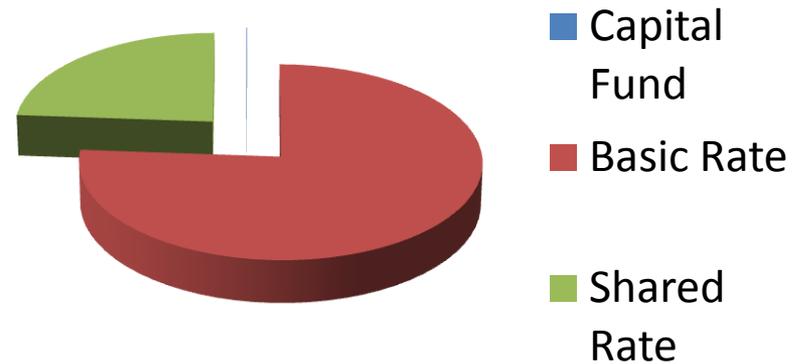
	<u>2011</u>	<u>2012</u>
Shared Rate	0	\$3,556,371
Basic Rate	\$13,552,388	\$11,334,319
Capital Balance	\$14,728	\$8,700
Grand Total	\$13,567,116	\$14,899,390

Electric Utility - Revenues

2011 Revenues



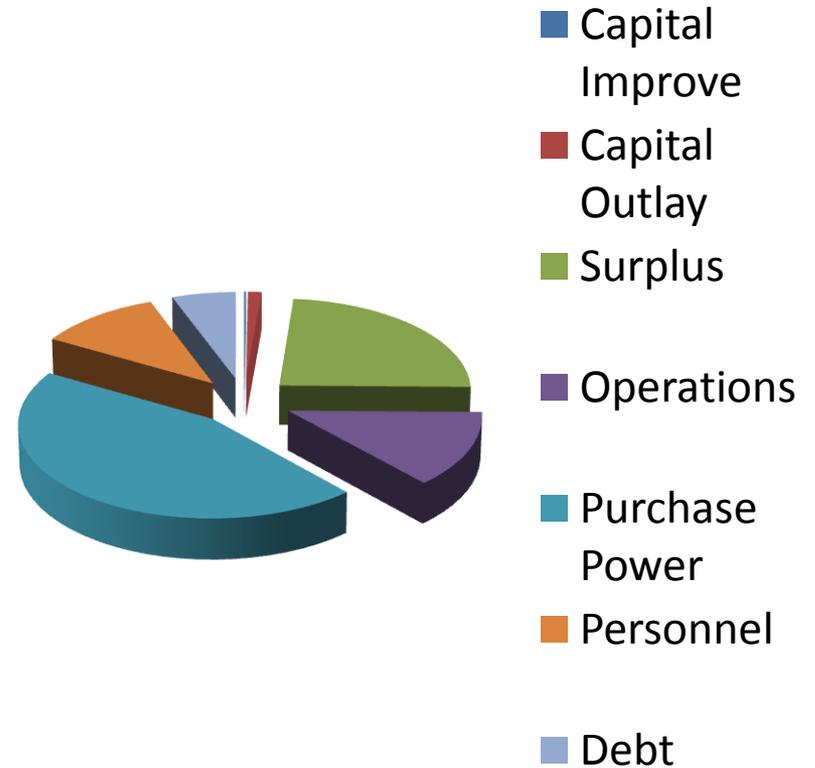
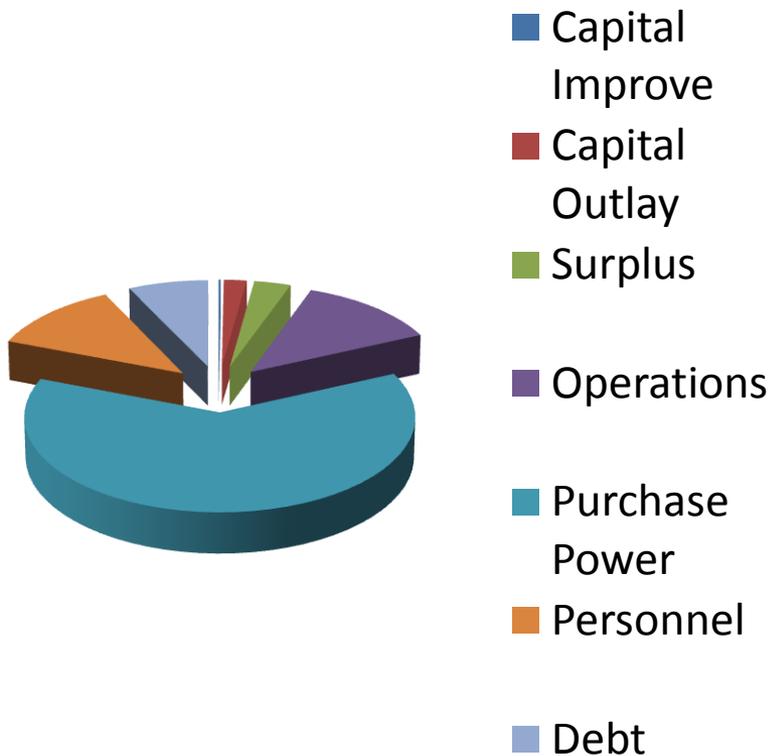
2012 Revenues



Electric Utility - Appropriations

2011 Appropriations

2012 Appropriations



Electric Utility - Appropriations

Appropriations	2011	2012
Personnel & Benefits	\$1,634,578	\$1,639,605
Purchase of Power	\$8,500,000	\$6,700,000
Operating Expense	\$1,725,000	\$1,955,000
Surplus to Current	\$443,000	\$3,556,371
Total	\$12,302,578	\$13,850,976
Capital Improvement	\$25,000	\$25,000
Capital Outlay	\$275,000	\$180,000
Total	\$300,000	\$205,000
Debt Service		
Principal	\$712,000	\$622,000
Interest	\$252,538	\$221,414
Debt Service	\$964,538	\$843,414
Grand Total	\$13,567,116	\$14,899,390

Current Fund Goals & Objectives

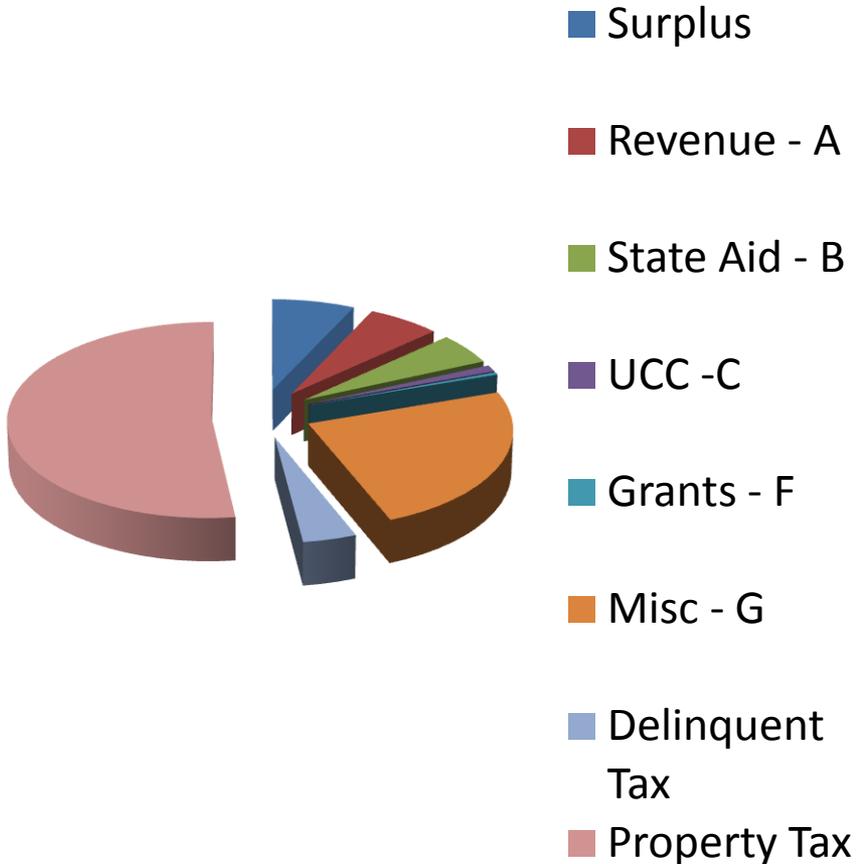
- Borough Direction/Executive Management
- Records Management/Elections
- Financial Administration
- Legal
- Engineering
- Public Safety
- Public Works
- Judicial
- Human Services

Current Fund - Revenues

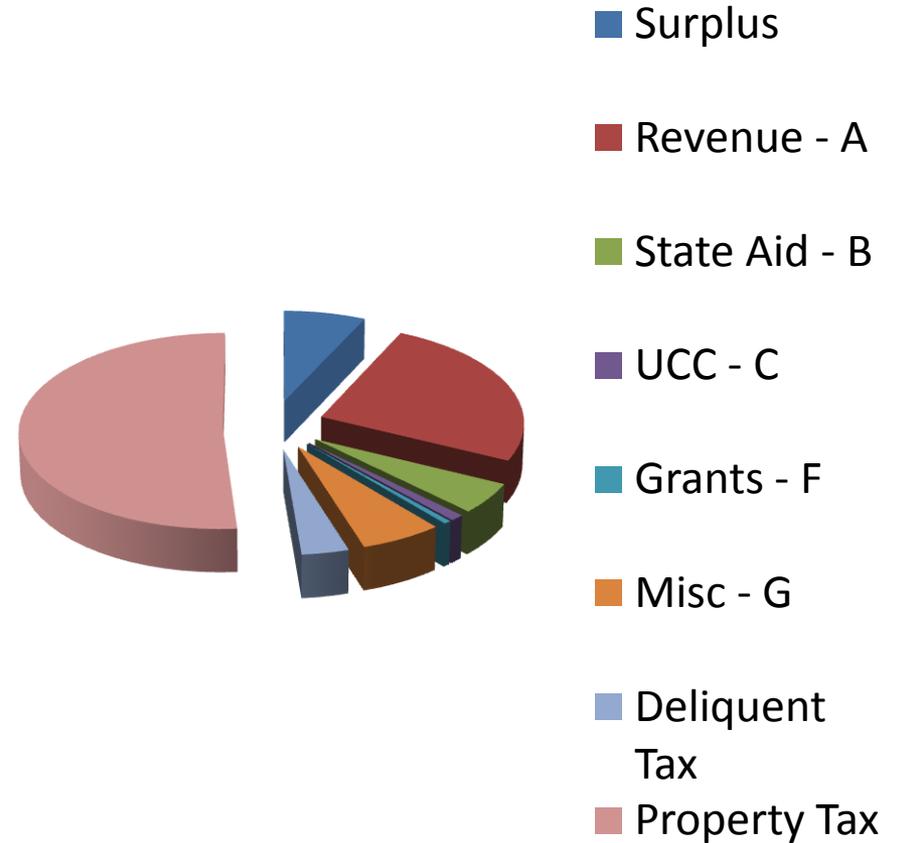
	<u>2011</u>	<u>2012</u>	<u>Diff.</u>
Surplus	\$1,126,612.23	\$1,126,612.64	\$.41
Revenues - Section A	\$1,000,000.00	\$4,120,071.00	\$3,120,071.00
State Aid - Section B	\$825,291.00	\$825,291.00	\$0.00
Uniform Const Code Fees-Section C	\$175,000.00	\$170,000.00	-\$5,000.00
Grants - Section F	\$66,401.53	\$89,772.83	\$23,371.30
Miscellaneous Revenues-Section G	\$3,901,812.43	\$1,001,357.12	-\$2,900,455.31
Receipts from Delinquent Taxes	\$650,000.00	\$575,000.00	-\$75,000.00
Total General Revenues	\$7,745,117.19	\$7,908,104.59	\$162,987.40
Property Taxes	\$8,401,133.31	\$8,331,387.56	-\$69,745.75
Grand Total	\$16,146,250.50	\$16,239,492.15	\$93,241.65

Current Fund - Revenues

2011 Revenues



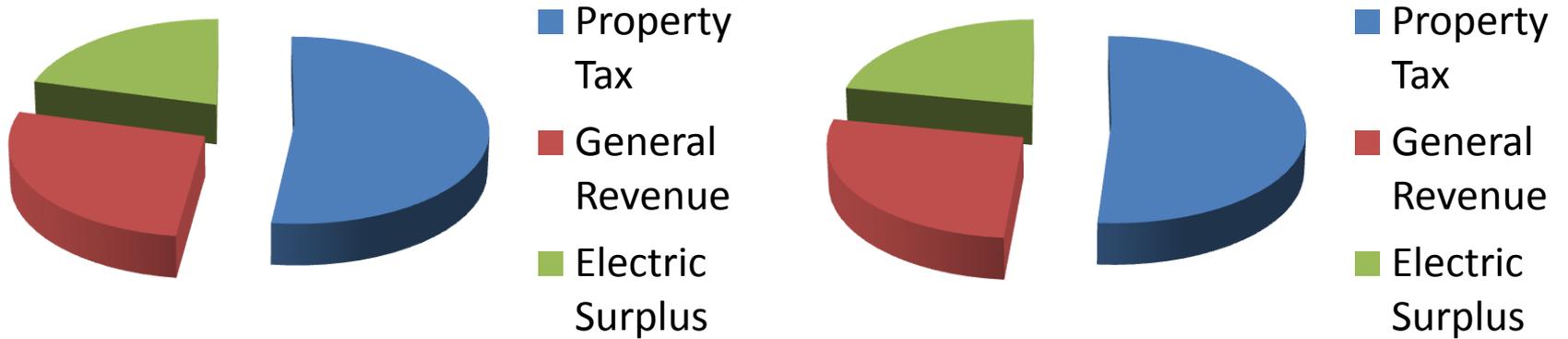
2012 Revenues



Current Revenue Allocation

2011 Allocation

2012 Allocation

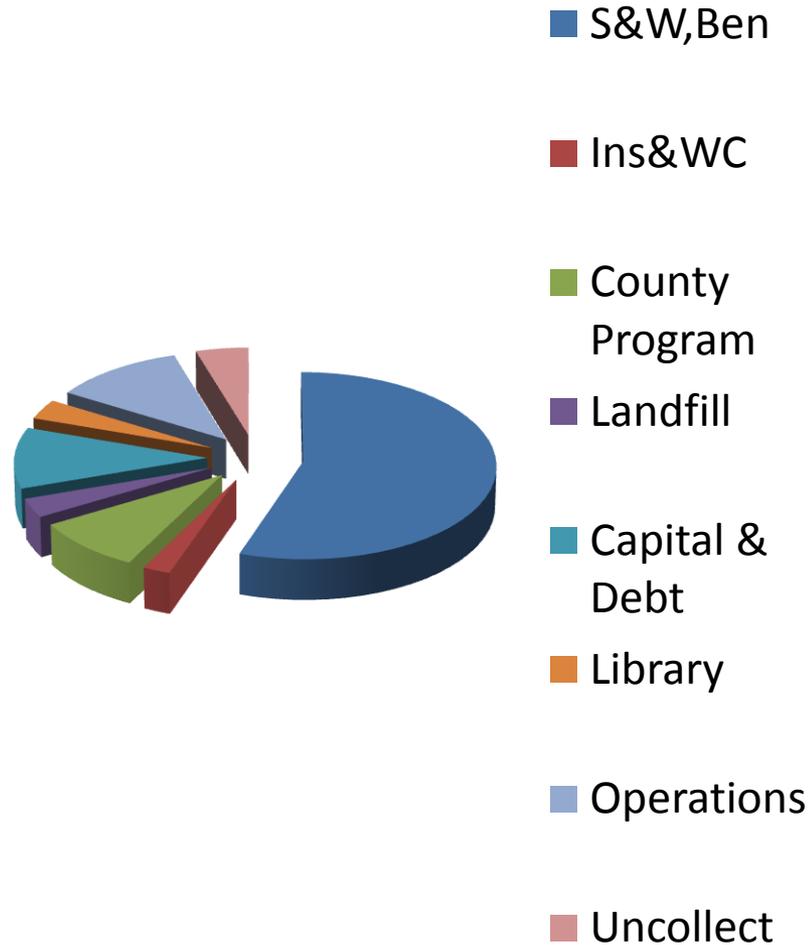


Current Fund - Appropriations

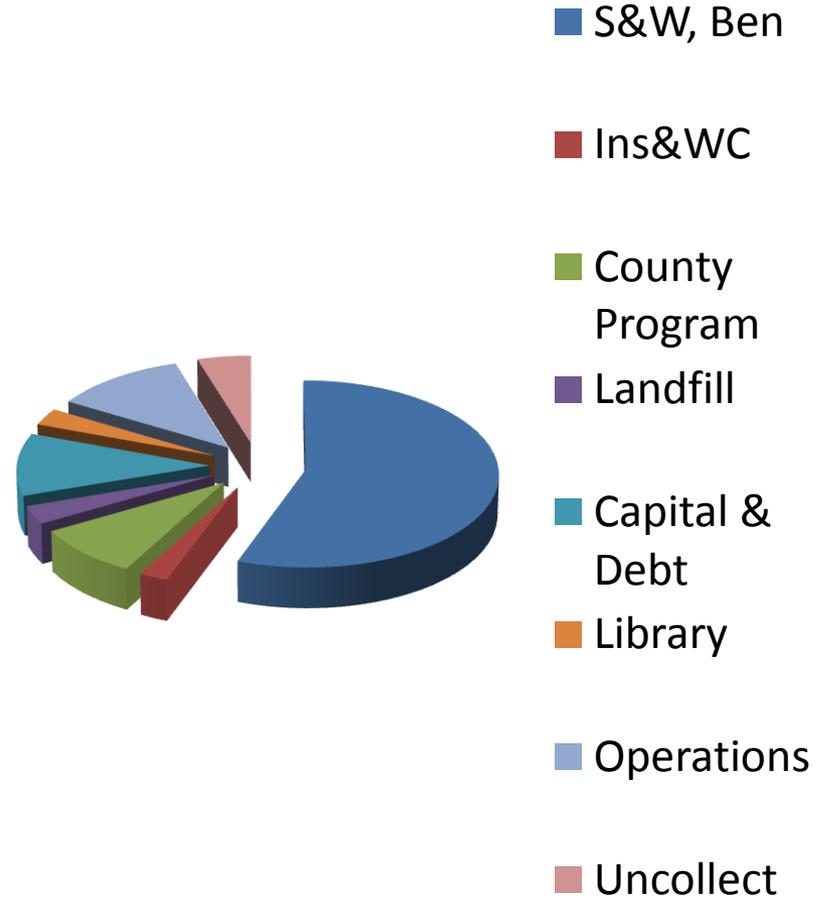
	<u>2011</u>	<u>2012</u>	<u>Diff.</u>
HB & Pensions	\$2,648,321	\$2,719,705.00	\$71,384.00
S & W	\$6,275,955	\$6,315,555.00	\$39,600.00
Personnel	\$8,924,276	\$9,035,260.00	\$110,984.00
Insurance & WC	\$357,000.00	\$370,000.00	\$13,000.00
County Programs	\$1,443,037.00	\$1,415,398.00	-\$27,639.00
Trash Disposal	\$530,000.00	\$515,000.00	-\$15,000.00
Large Contracts	\$2,330,037.00	\$2,300,398.00	-\$29,639.00
Capital & Debt	\$1,712,035.00	\$1,759,043.00	\$47,008.00
Library	\$561,000.00	\$480,577.70	-\$80,422.30
Operations	\$1,868,111.53	\$1,896,620.83	\$28,509.30
Uncollected	\$750,790.97	\$767,592.62	\$16,801.65
Other	\$4,891,937.50	\$4,903,834.15	\$11,896.65
Grand Total	\$16,146,250.50	\$16,239,492.15	\$93,241.65

Current Fund - Appropriations

2011 Appropriations



2012 Appropriations

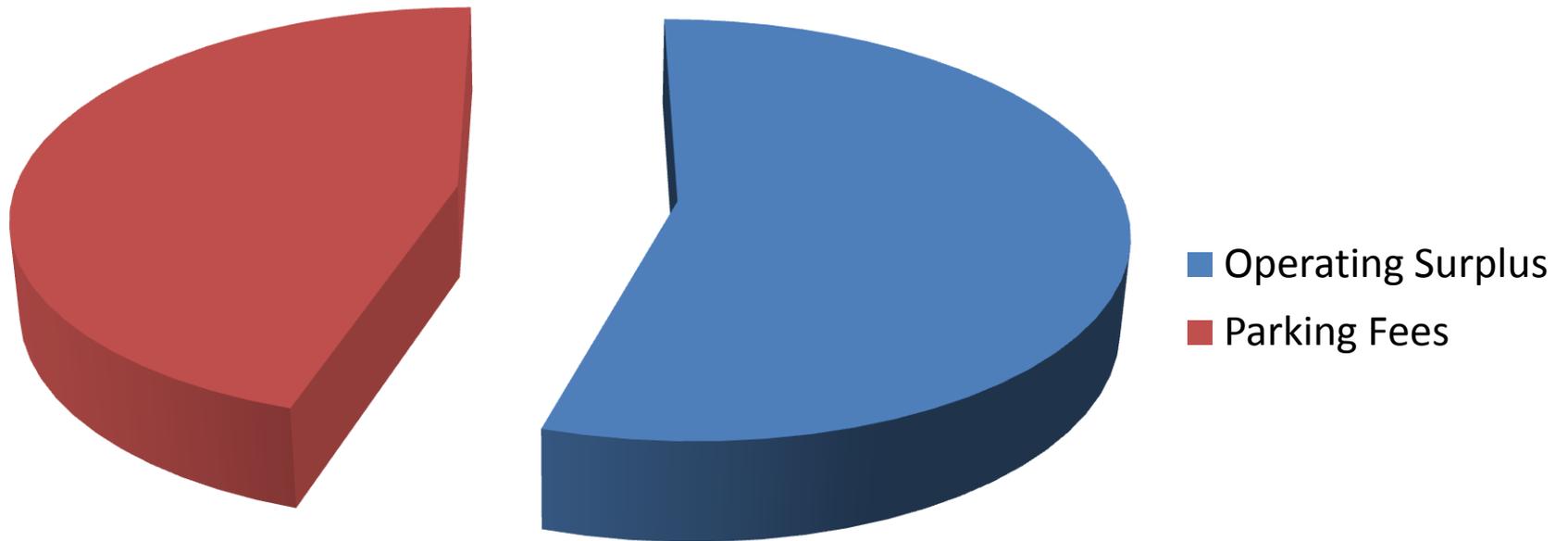


Parking Utility Revenue

- Operating Surplus \$28,500
- Parking Fees \$23,500
- Total \$52,000

Parking Utility Revenue

2012 Parking Utility Revenue



Parking Utility Appropriations

- Salary and Benefits \$26,000
- Operations \$18,000
- Capital Improvement \$4,000
- Capital Outlay \$4,000

- Total Appropriation \$52,000

Parking Utility Appropriations

2012 Parking Utility Appropriations



- **NO TAX RATE INCREASE**
- **ELECTRIC RATE DECREASE**
- **NO WATER RATE INCREASE**
- **NO PARKING 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
- Continue our fiscally responsible and strategic infrastructure improvement plan
- Continue the five year long-term budget plan stabilizing property tax rates

Parking Utility Strategies for the Future

- Improve parking facilities and infrastructure
- Increase operational efficiency