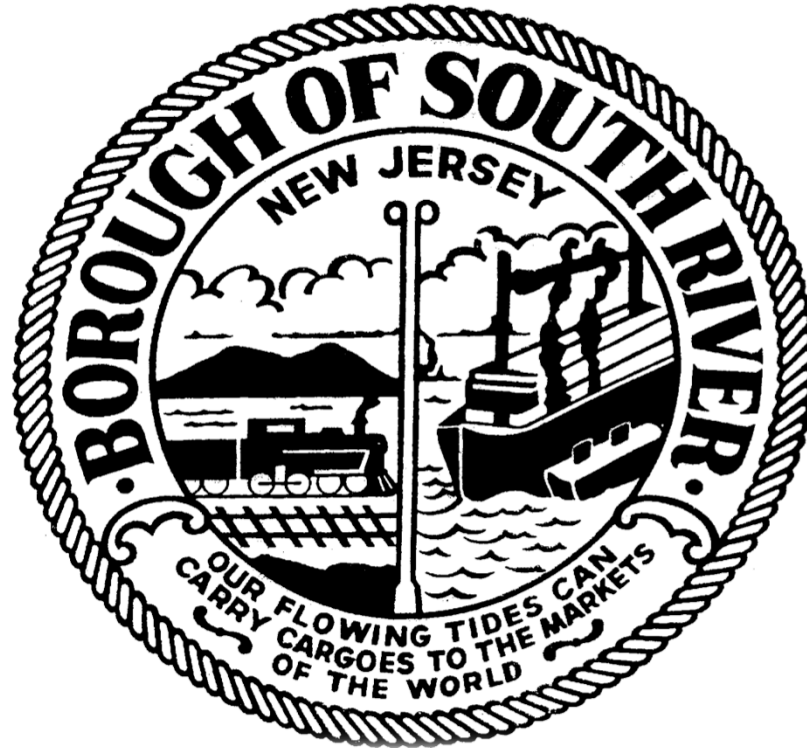


Borough of South River



2014 Municipal Budget

2014 Officials

- John M. Krenzel, Mayor
- Thomas C. Roselli, Council President
- Peter Guindi, Councilman
- Shawn Haussermann, Councilman
- James Hutchison, Councilman
- James C. Jones, Councilman
- Michael E. Trenga, Councilman

- Frederick C. Carr, 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

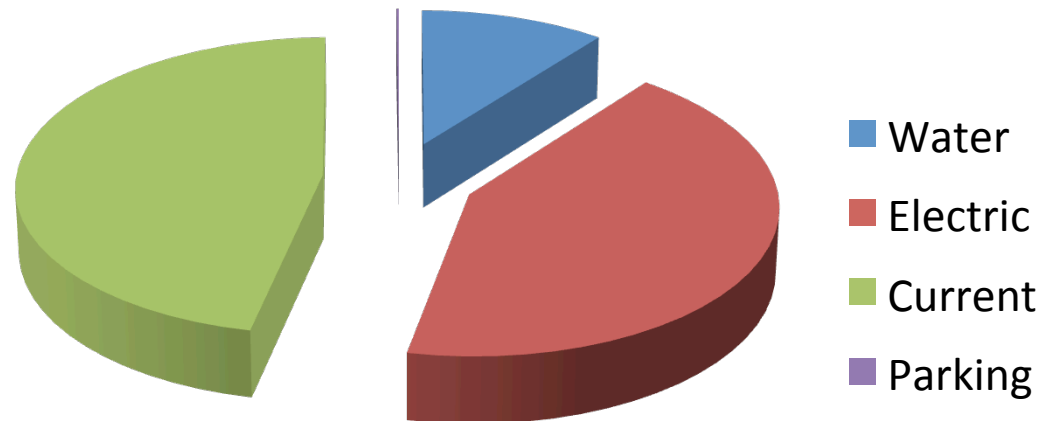
PLAN FOR THE FUTURE

- **CONTINUED IMPACTS OF SANDY**
 - **STABILIZE SPENDING**
 - **NO ELECTRIC RATE INCREASE (**Waiting**)**
 - **FOCUS ON RETURN TO NORMALCY**

Four Entities

- Water Utility
\$3,766,678
- Electric Utility
\$15,215,265
- Current Fund
\$16,612,776
- Parking Utility
\$47,500

\$35,642,219



Water Utility

Strategies for the Future

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

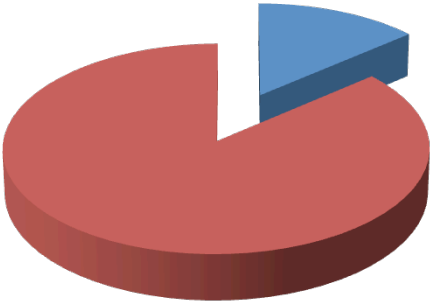
Water Utility - Revenues

	<u>2013</u>	<u>2014</u>
Surplus	\$501,006	\$576,678
Rents	\$3,150,000	\$3,190,000
<hr/>		
Grand Total	\$3,651,006	\$3,766,678

Water Utility - Revenues

2013 Revenue

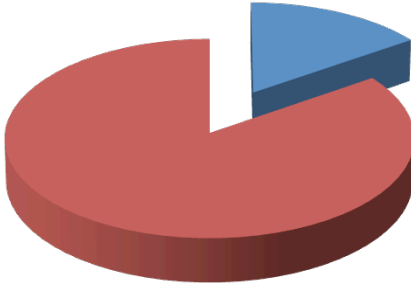
\$3,651,006



■ Surplus
■ Rents

2014 Revenue

\$3,766,678



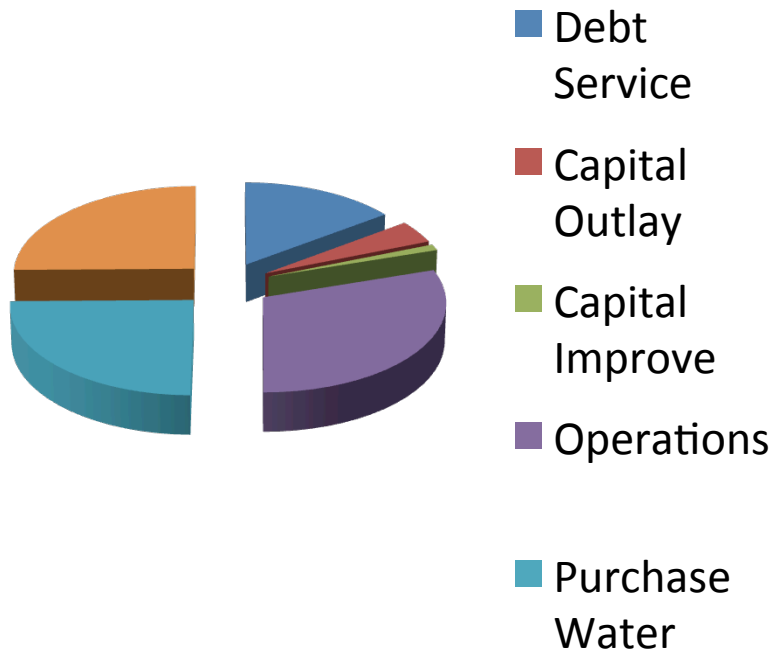
■ Surplus
■ Rents

Water Utility - Appropriations

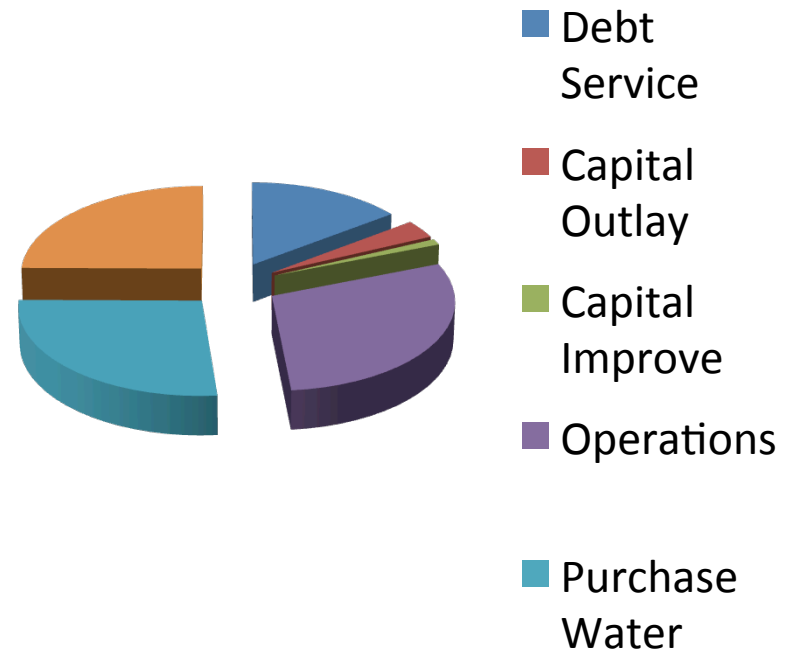
Appropriations	2013	2014
Personnel & Benefits	\$920,508	\$937,052
Purchase of Water	\$900,000	\$1,000,000
Operating Expense	\$1,100,000	\$1,110,000
Total	\$2,920,508	\$3,047,052
Capital Improvement	\$40,000	\$40,000
Capital Outlay	\$150,000	\$125,000
Total	\$190,000	\$165,000
Debt Service		
Principal	\$431,071	\$442,767
Interest	\$109,427	\$111,859
Debt Service	\$540,498	\$554,626
Grand Total	\$3,651,006	\$3,766,678

Water Utility - Appropriation

2013 Appropriations



2014 Appropriations



Electric Utility

Strategies for the Future

- Increase 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)

Electric Utility - Revenues

	<u>2013</u>	<u>2014</u>
Shared Rate	\$3,556,371	\$3,556,371
Basic Rate	\$11,710,655	\$11,650,894
Capital Balance	\$4,400	\$8,000
Grand Total	\$15,271,426	\$15,215,265

Actual Basic Rate

Revenue 2013

\$13,124,979.75

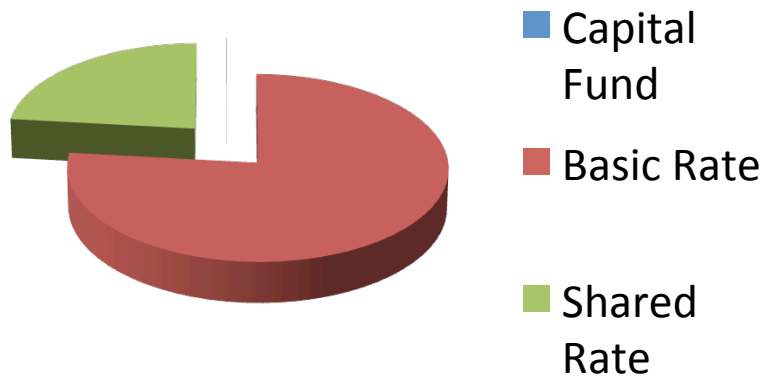
Actual Basic Rate

Revenue 2012

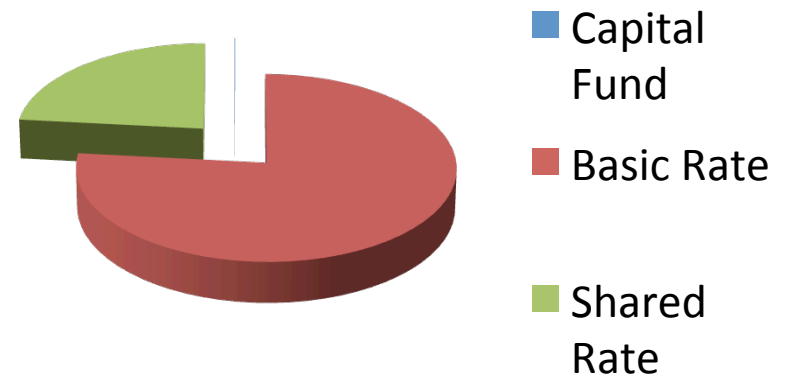
\$13,317,858.26

Electric Utility - Revenues

2013 Revenues



2014 Revenues

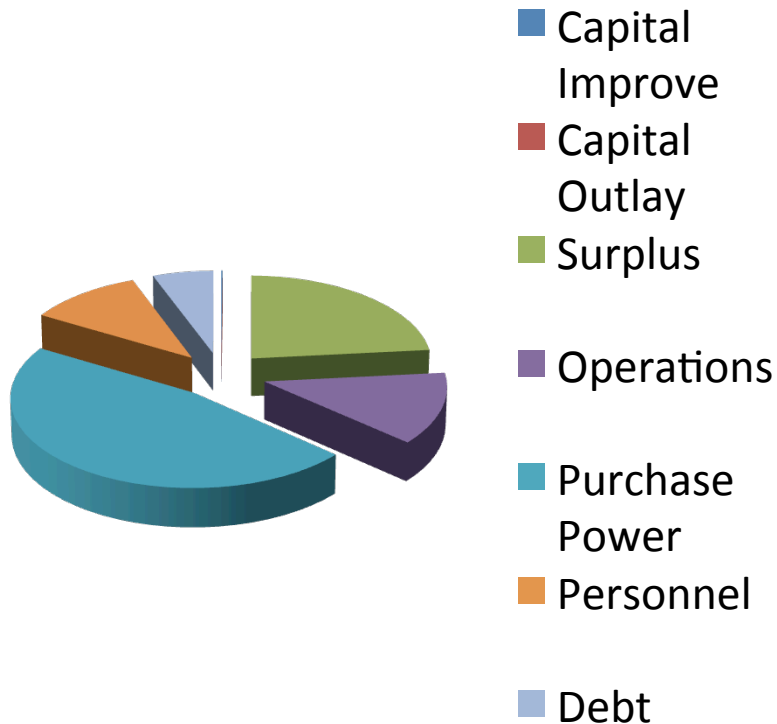


Electric Utility - Appropriations

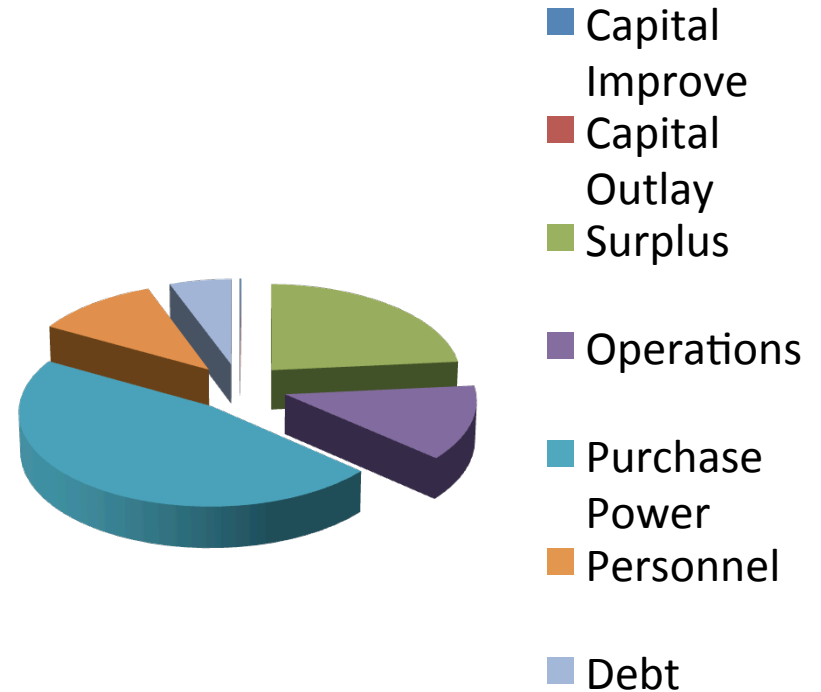
Appropriations	2013	2014
Personnel & Benefits	\$1,656,262	\$1,711,578
Purchase of Power	\$7,170,000	\$7,100,000
Operating Expense	\$1,995,000	\$1,970,000
Surplus to Current	\$3,556,371	\$3,556,371
Total	\$14,377,633	\$14,337,949
Capital Improvement	\$20,000	\$20,000
Capital Outlay	\$0.00	\$0.00
Total	\$20,000	\$20,000
Debt Service		
Principal	\$672,000	\$672,000
Interest	\$201,793	\$185,316
Debt Service	\$873,793	\$857,316
Grand Total	\$15,271,426	\$15,215,265

Electric Utility - Appropriations

2013 Appropriations



2014 Appropriations



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
- Continue our fiscally responsible and strategic infrastructure improvement plan
- Continue the five year long-term budget plan stabilizing property tax rates

Current Fund Goals & Objectives

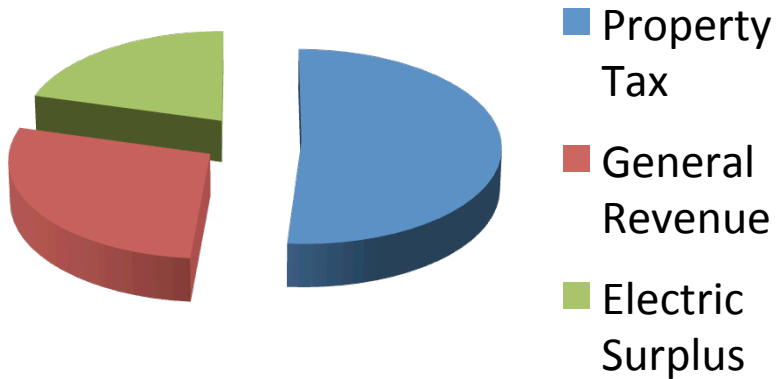
- Borough Direction/Executive Management
- Records Management/Elections
- Financial Administration
- Legal
- Engineering
- Public Safety
- Public Works
- Judicial
- Human Services

Current Fund - Revenues

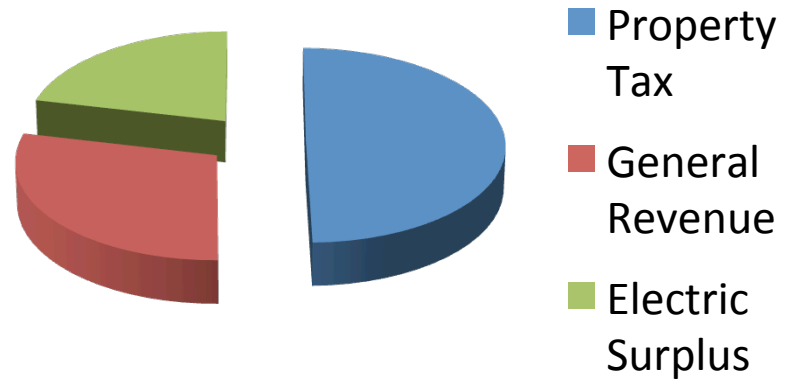
	<u>2013</u>	<u>2014</u>	<u>Diff.</u>
Surplus	\$1,482,773.56	\$1,339,848.00	\$ -142,925.56
Revenues - Section A	\$4,099,171.00	\$4,066,771.00	\$ -32,400.00
State Aid - Section B	\$825,291.00	\$825,291.00	\$0.00
Uniform Const Code Fees-Section C	\$194,000.00	\$193,200.00	\$ -800.00
Grants - Section F	\$117,925.99	\$47,509.22	\$ -70,416.77
Miscellaneous Revenues-Section G	\$1,283,521.79	\$1,254,231.00	\$ -29,290.79
Receipts from Delinquent Taxes	\$575,000.00	\$625,000.00	\$50,000.00
Total General Revenues	\$8,577,683.34	\$8,351,850.22	\$ -225,833.12
Property Taxes	\$8,119,923.22	\$8,260,926.00	\$141,002.78
Grand Total	\$16,697,606.56	\$16,612,776.22	\$ -84,830.34

Current Revenue Allocation

2013 Allocation

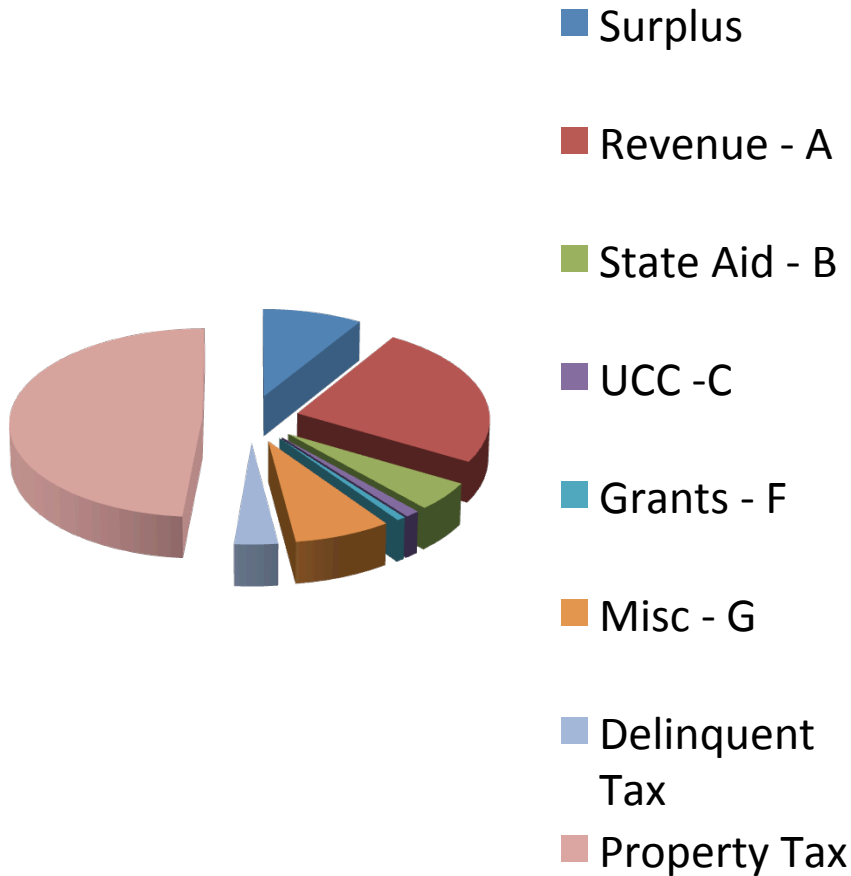


2014 Allocation

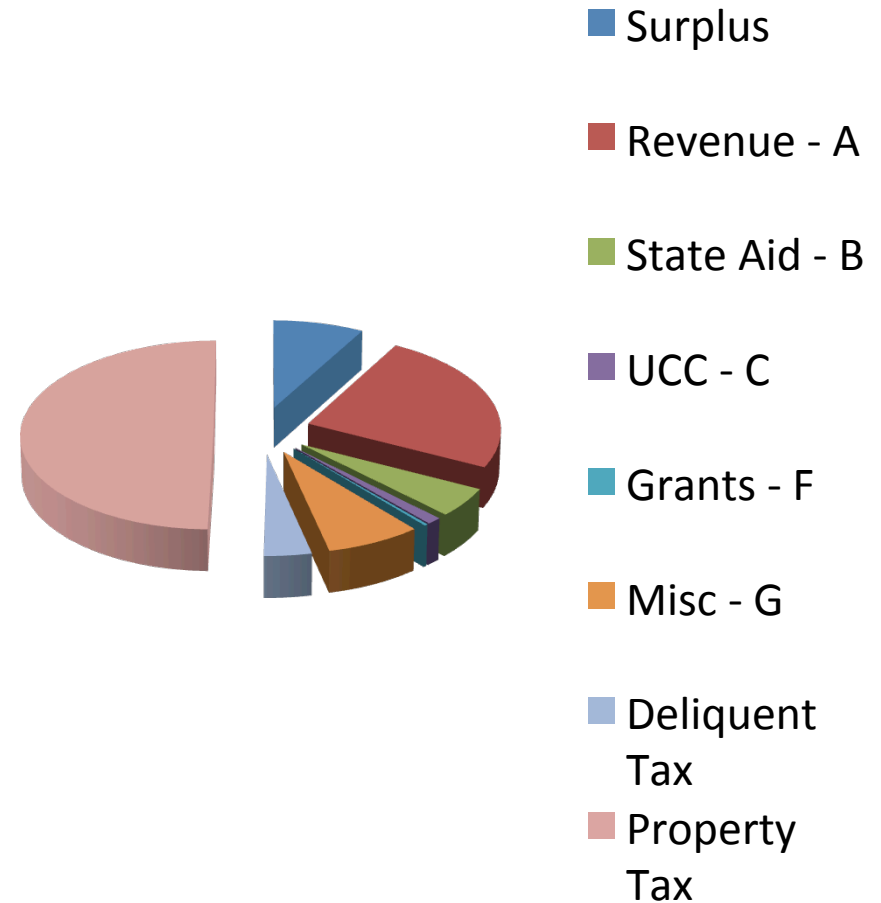


Current Fund - Revenues

2013 Revenues



2014 Revenues

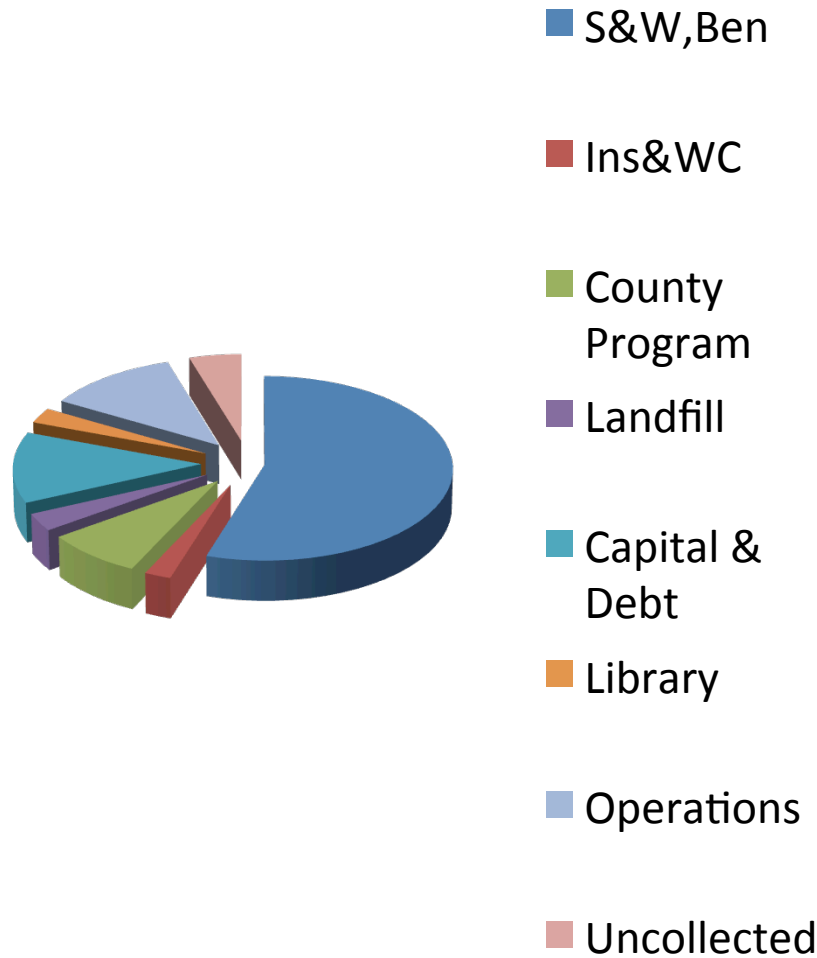


Current Fund - Appropriations

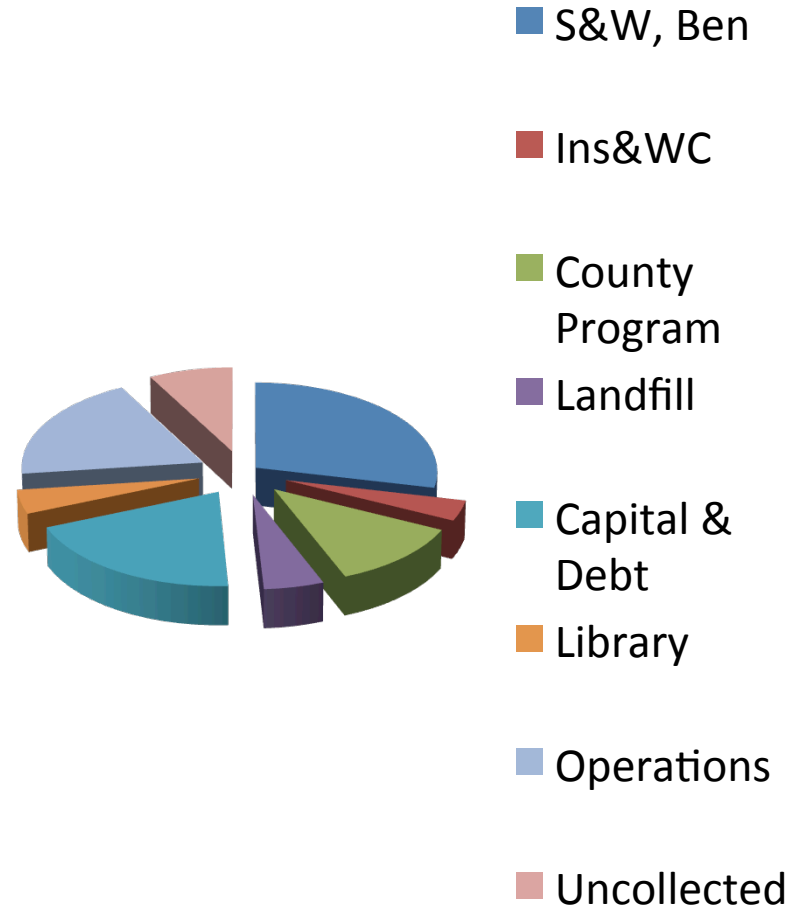
	<u>2013</u>	<u>2014</u>	<u>Diff.</u>
HB & Pensions	\$2,790,338.00	\$2,886,230.00	\$95,892.00
S & W	\$6,372,555.00	\$6,524,255.00	\$151,700.00
Personnel	\$9,162,893.00	\$9,410,485.00	\$247,592.00
Insurance & WC	\$365,052.00	\$373,000.00	\$7,948.00
County Programs	\$1,345,401.92	\$1,180,640.00	\$ -164,761.92
Trash Disposal	\$515,000.00	\$515,000.00	\$0.0
Large Contracts	\$2,225,453.92	\$2,068,640.00	\$ -156,813.92
Capital & Debt	\$2,076,126.00	\$1,971,277.00	\$ -104,849.00
Library	\$449,822.36	\$437,365.00	\$ -12,457.36
Operations	\$1,996,075.99	\$1,935,009.22	\$ -61,066.77
Uncollected	\$787,235.29	\$790,000.00	\$2,764.71
Other	\$5,309,259.64	\$5,133,651.22	\$ -175,608.42
Grand Total	\$16,697,606.56	\$16,612,776.22	\$ -84,830.34

Current Fund - Appropriations

2013 Appropriations



2014 Appropriations



Parking Utility Strategies for the Future

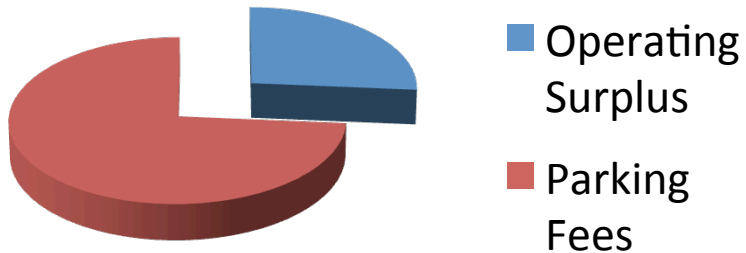
- Improve parking facilities and infrastructure
- Increase operational efficiency

Parking Utility Revenue

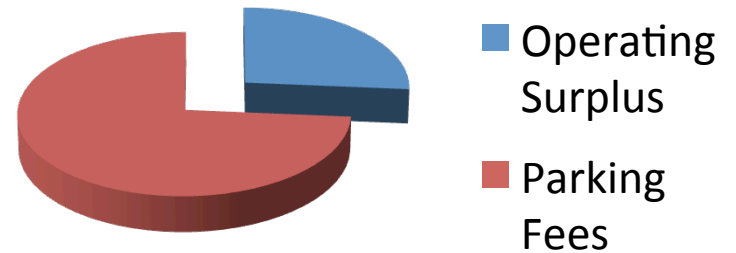
	<u>2013</u>	<u>2014</u>
• Operating Surplus	\$12,500	\$12,500
• <u>Parking Fees</u>	<u>\$35,000</u>	<u>\$35,000</u>
• Total	\$47,500	\$47,500

Parking Utility Revenue

2013 Parking Utility Revenue



2014 Parking Utility Revenue

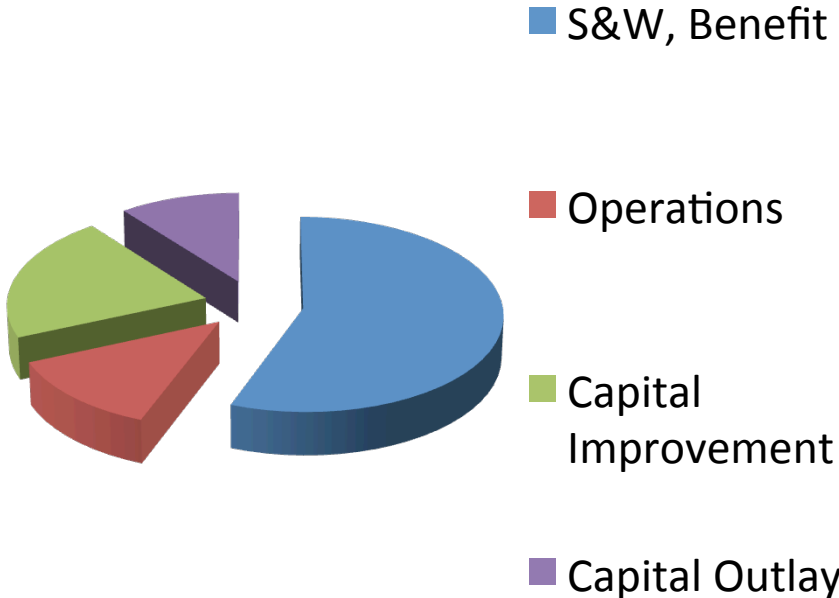


Parking Utility Appropriations

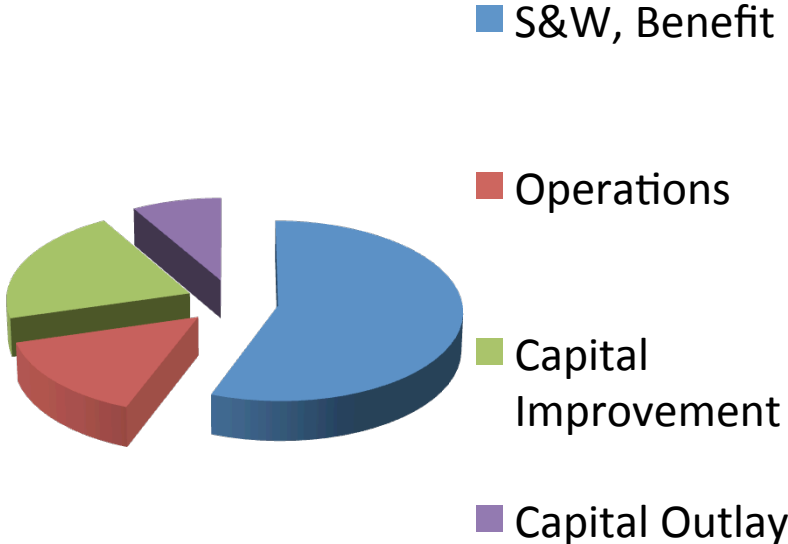
	<u>2013</u>	<u>2014</u>
• Salary and Benefits	\$26,500	\$26,500
• Operations	\$ 6,000	\$ 7,000
• Capital Improvement	\$10,000	\$10,000
• <u>Capital Outlay</u>	<u>\$ 5,000</u>	<u>\$ 4,000</u>
• Total Appropriation	\$47,500	\$47,500

Parking Utility Appropriations

2013 Parking Utility Appropriations



2014 Parking Utility Appropriations



CONTINUED IMPACTS OF SANDY

- \$153,000 Increase in budget to account for projected 10% cost share in FEMA.
- Human Services Building repair/mitigation, Jackson and William Street Pump Stations.
- \$93,173.83 Current shortfall in FEMA reimbursements. Final close out costs yet to be determined for Jackson Street pump rentals, food bank relocation and Office on Aging relocation to American Legion.
- \$838,422.36 FEMA reimbursement to date
- \$3.5 Million estimated cost in replacement of destroyed infrastructure and mitigation of flood hazards to comply with FEMA and Flood Insurance Maps (Jackson and William Street pumps, 55 Reid St)
- \$53,000 - \$75,000 Possible loss of tax revenue due to buyouts
- Final costs and reimbursements yet to be determined until projects are closed out and final accounting with insurance (JIF) and FEMA completed. (Ten projects with FEMA ongoing)