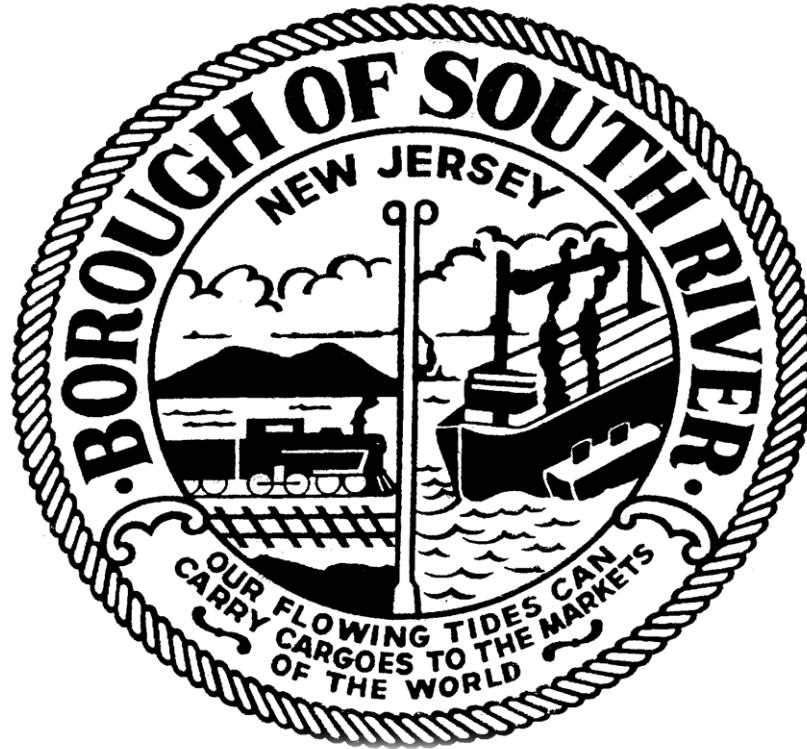


Borough of South River



2015 Municipal Budget

2015 Officials

- John M. Krenzel, Mayor
- James Hutchison, Council President
- Tony Ciulla, Councilman
- James Gurchensky, Councilman
- Shawn Haussermann, 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

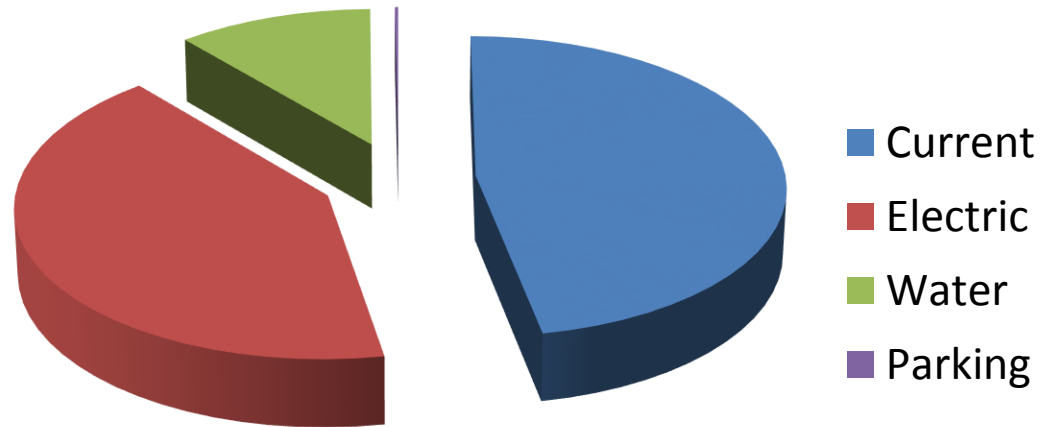
PLAN FOR THE FUTURE

- **DECREASE RELIANCE ON ELECTRIC FUND TRANSFERS**
- **FOCUS ON RETURN TO NORMALCY**
- **STABILIZE SPENDING**
- **CONTINUED IMPACTS OF SANDY**

Four Entities

\$35,031,104

- Current Fund
\$16,483,218
- Electric Utility
\$14,613,125
- Water Utility
\$3,871,261
- Parking Utility
\$63,500



BUDGET PRESSURES

- **\$416,377** Immediate Budget impact - MCUA increase in wastewater treatment costs. (6% tax increase)
- **\$206,371** Reduction in use of Electric Surplus in Current Fund (Approx 3% tax Increase)
- **\$622,748** Initial Budgetary shortfall before budget meetings
- Long term capital planning for comprehensive roads program, water system repairs and vehicle replacements.
- Firehouse
- Possible uses of old George Street firehouse location. (Parking, Police, EMS or surplus property sale)
- **\$1,301,013** FEMA reimbursement to date
- **\$350,000** Electric Surplus shortfall in current budget covered with expected revenue projections

Current Fund Goals & Objectives

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

Current Fund

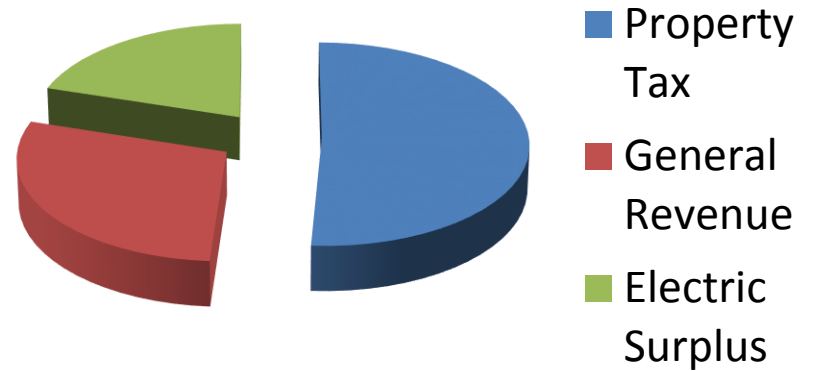
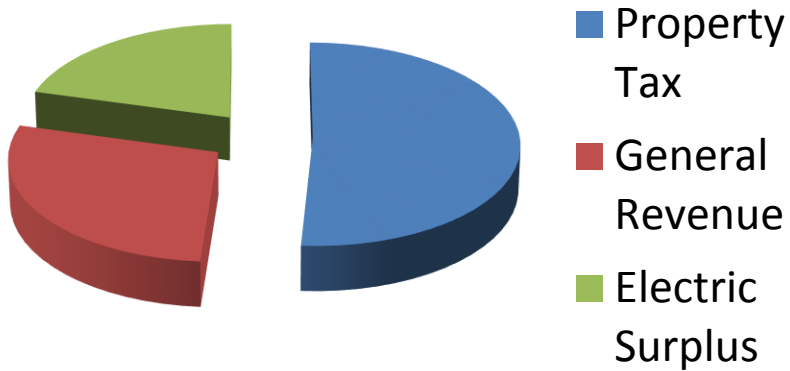
Strategies for the Future

- 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 Revenue Allocation

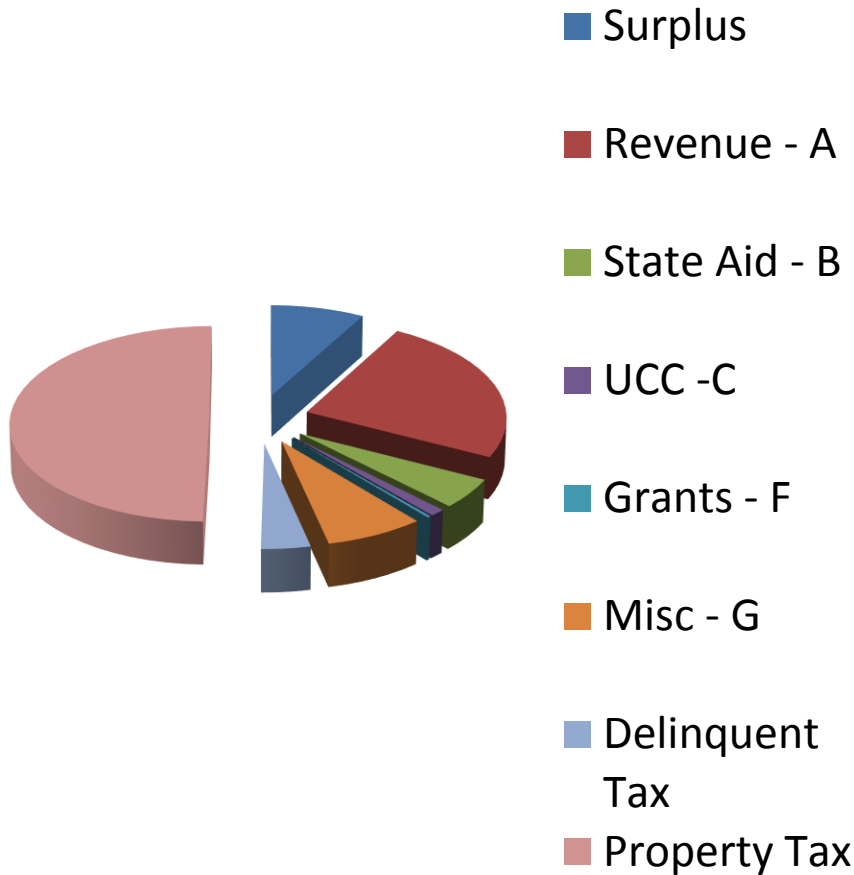
2014 Allocation

2015 Allocation

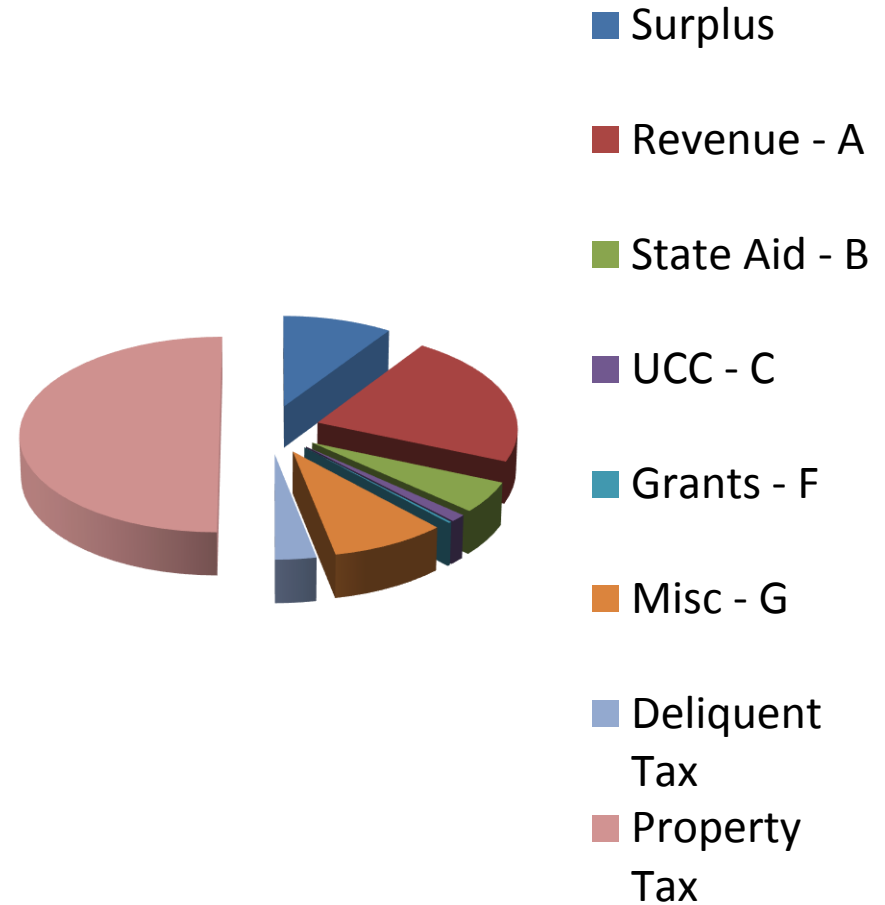


Current Fund - Revenues

2014 Revenues



2015 Revenues

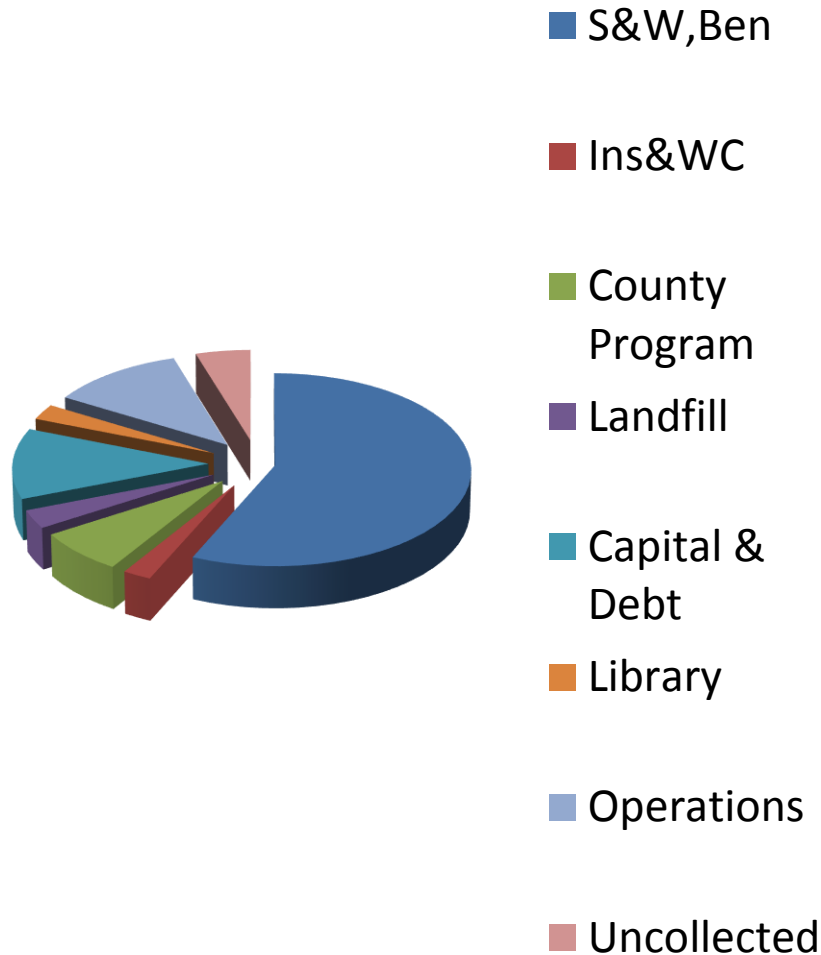


Current Fund - Revenues

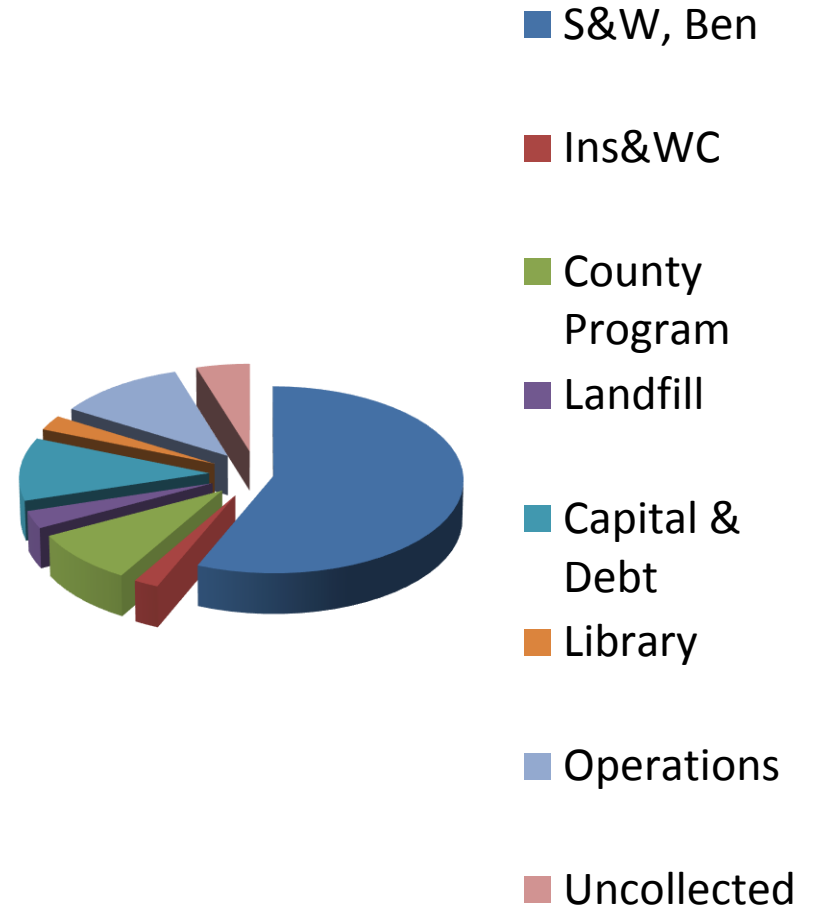
	<u>2014</u>	<u>2015</u>	<u>Diff.</u>
Surplus	\$1,339,848.00	\$1,501,790.00	\$ 161,942.00
Revenues - Section A	\$4,066,771.00	\$3,529,500.00	\$ -537,271.00
State Aid - Section B	\$825,291.00	\$825,291.00	\$0.00
Uniform Const Code Fees-Section C	\$193,200.00	\$193,200.00	\$0.00
Grants - Section F	\$47,509.22	\$37,875.88	\$ -9,633.34
Miscellaneous Revenues-Section G	\$1,254,231.00	\$1,406,313.00	\$ 152,082.00
Receipts from Delinquent Taxes	\$625,000.00	\$500,000.00	\$-125,000.00
Total General Revenues	\$8,351,850.22	\$7,993,969.88	\$ -357,880.34
Property Taxes	\$8,260,926.00	\$8,489,248.00	\$228,322.00
Grand Total	\$16,612,776.22	\$16,483,217.88	\$-129,558.34

Current Fund - Appropriations

2014 Appropriations



2015 Appropriations



Current Fund - Appropriations

	<u>2014</u>	<u>2015</u>	<u>Diff.</u>
HB & Pensions	\$2,886,230.00	\$2,931,808.00	\$45,578.00
S & W	\$6,524,255.00	\$6,351,450.00	\$-172,805.00
Personnel	\$9,410,485.00	\$9,283,258.00	\$-127,227.00
Insurance & WC	\$373,000.00	\$334,000.00	\$-39,000.00
County Programs	\$1,180,640.00	\$1,463,214.00	\$282,574.00
Trash Disposal	\$515,000.00	\$500,000.00	\$-15,000.00
Large Contracts	\$2,068,640.00	\$2,297,214	\$ 228,574.00
Capital & Debt	\$1,971,277.00	\$1,799,816.00	\$ -171,461.00
Library	\$437,365.00	\$430,987.00	\$ -6,378.00
Uncollected	\$790,000.00	\$790,000.00	\$0.00
Other	\$5,133,651.22	\$4,902,745.88	\$ -230,905.34
Grand Total	\$16,612,776.22	\$16,483,217.88	\$ -129,558.34

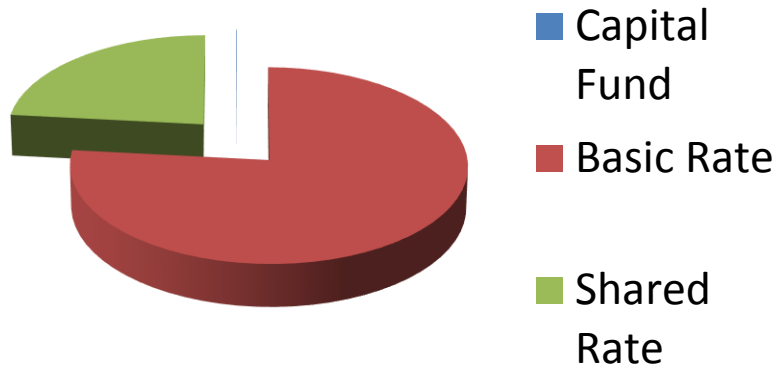
Electric Utility

Strategies for the Future

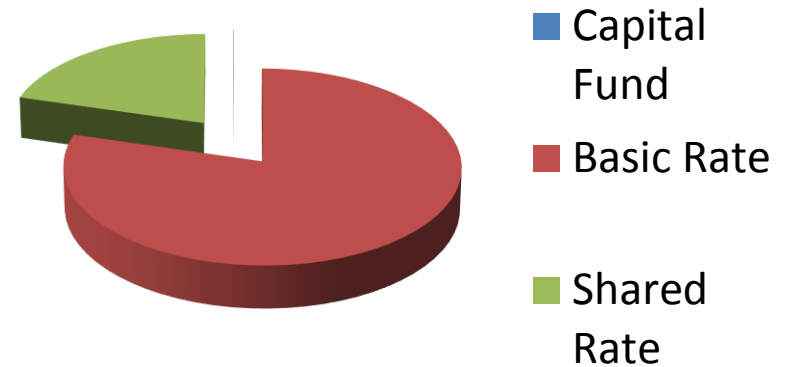
- Continue support of Municipal Shared Services Energy Projects Authority Law
- Increase maintenance schedules
- Address primary redundancy
- Rate stabilization through improved system efficiency
- Reduce contribution to the current fund
- Maintain vigilance for laws/bills that have unintended negative consequences
- Analyze possible reductions in energy purchases due to energy efficiencies

Electric Utility - Revenues

2014 Revenues



2015 Revenues



Electric Utility - Revenues

	<u>2014</u>	<u>2015</u>
Shared Rate	\$3,556,371	\$3,000,000
Basic Rate	\$11,650,894	\$11,605,877
Capital Balance	\$8,000	\$7,248
Grand Total	\$15,215,265	\$14,613,125

Actual Basic Rate

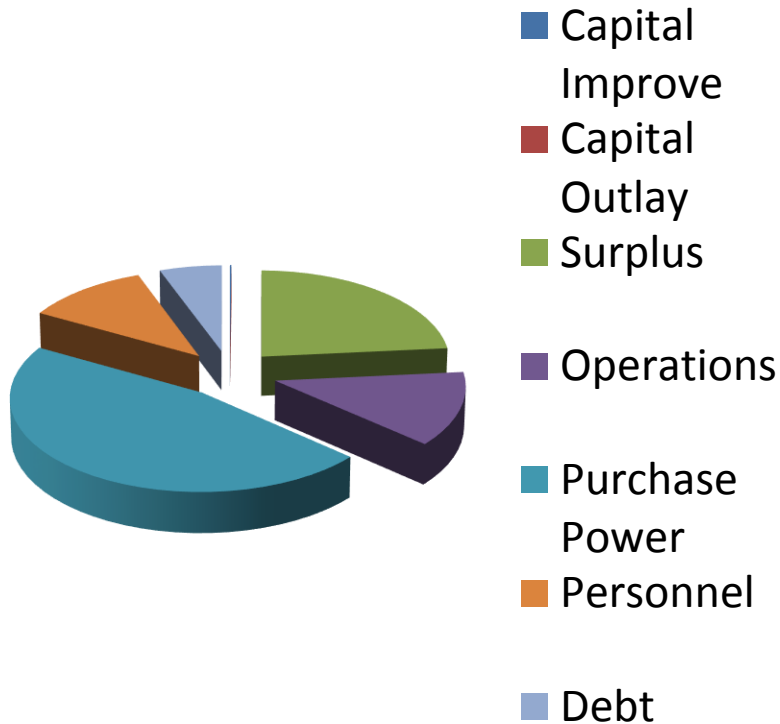
Revenue 2014 \$13,667,420.00

Actual Basic Rate

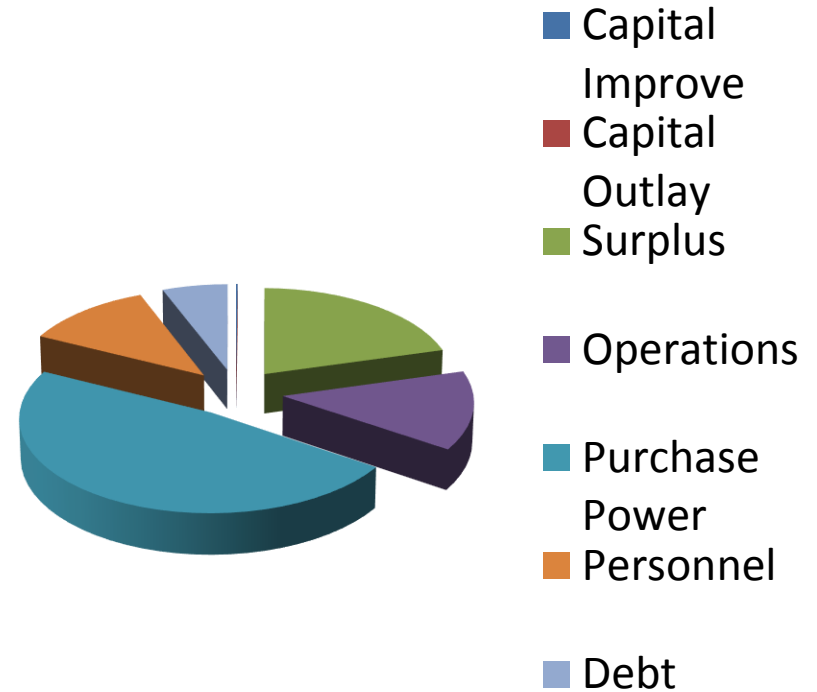
Revenue 2013 \$13,124,979.75

Electric Utility - Appropriations

2014 Appropriations



2015 Appropriations



Electric Utility - Appropriations

Appropriations	2014	2015
Personnel & Benefits	\$1,711,578	\$1,721,404
Purchase of Power	\$7,100,000	\$7,000,000
Operating Expense	\$1,970,000	\$2,005,000
Surplus to Current	\$3,556,371	\$3,000,000
Total	\$14,337,949	\$13,726,404
Capital Improvement	\$20,000	\$20,000
Capital Outlay	\$0.00	\$0.00
Total	\$20,000	\$20,000
Debt Service		
Principal	\$672,000	\$697,000
Interest	\$185,316	\$169,721
Debt Service	\$857,316	\$866,721
Grand Total	\$15,215,265	\$14,613,125

Water Utility

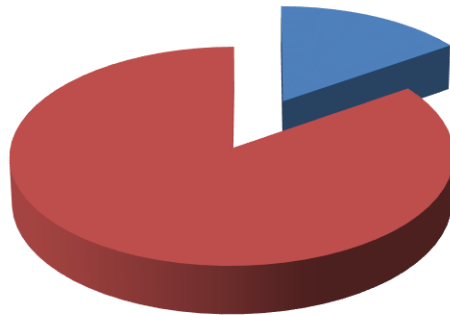
Strategies for the Future

- Strive to maintain level water rates for consumers (**East Brunswick Contract Ends 2015**)
- Take steps to repair water leaks in-house
- Improve infrastructure

Water Utility - Revenues

2014 Revenue

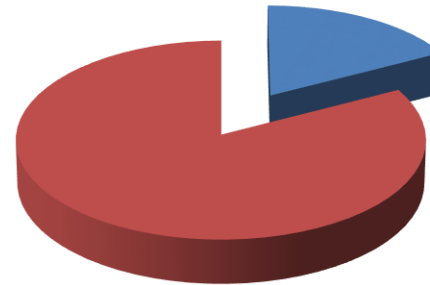
\$3,766,678



■ Surplus
■ Rents

2015 Revenue

\$3,871,261



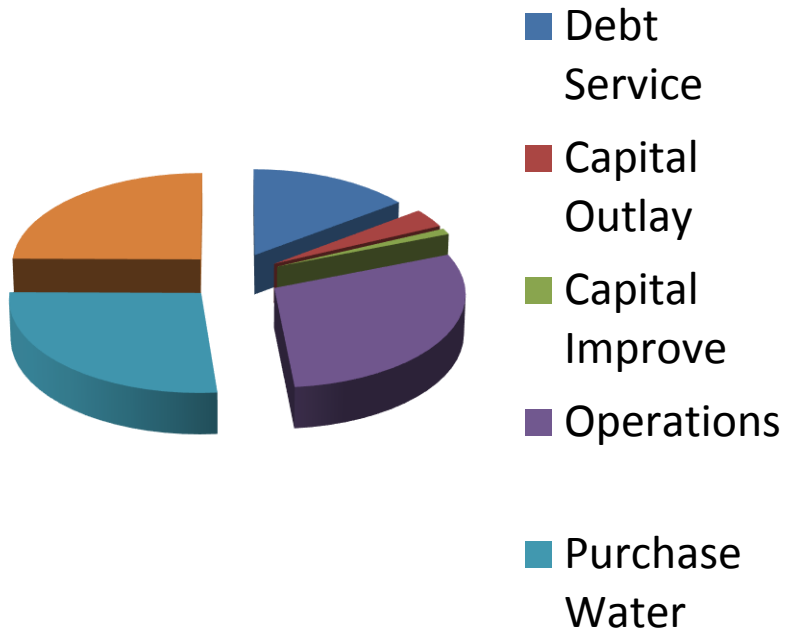
■ Surplus
■ Rents

Water Utility - Revenues

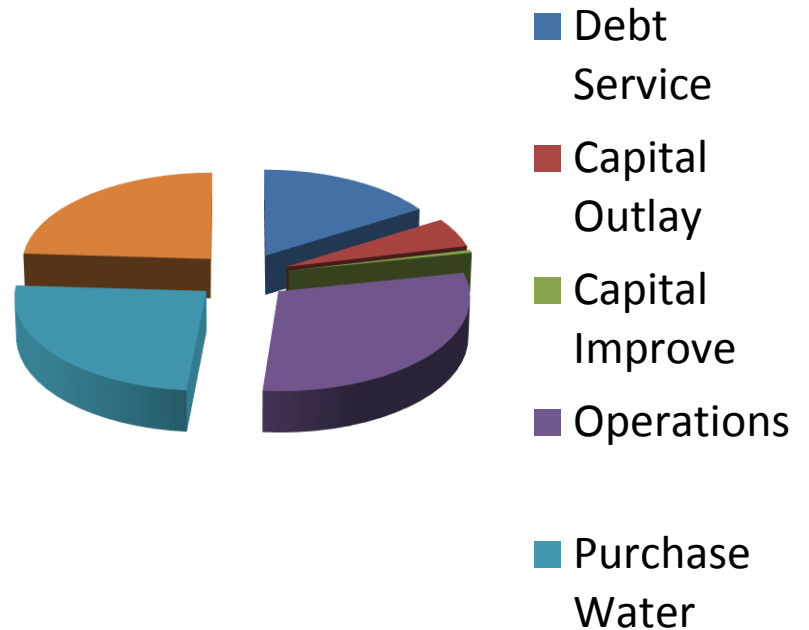
	<u>2014</u>	<u>2015</u>
Surplus	\$576,678	\$671,261
Rents	\$3,190,000	\$3,200,000
<hr/>		
Grand Total	\$3,766,678	\$3,871,261

Water Utility - Appropriation

2014 Appropriations



2015 Appropriations



Water Utility - Appropriations

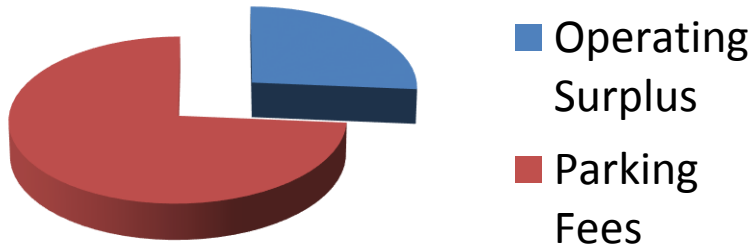
Appropriations⁹³²	2014	2015
Personnel & Benefits	\$937,052	\$931,269
Purchase of Water	\$1,000,000	\$950,000
Operating Expense	\$1,110,000	\$1,145,000
Total	\$3,047,052	\$3,026,269
Capital Improvement	\$40,000	\$20,000
Capital Outlay	\$125,000	\$200,000
Total	\$165,000	\$220,000
Debt Service		
Principal	\$442,767	\$531,071
Interest	\$109,427	\$93,921
Debt Service	\$554,626	\$624,992
Grand Total	\$3,766,678	\$3,871,261

Parking Utility Strategies for the Future

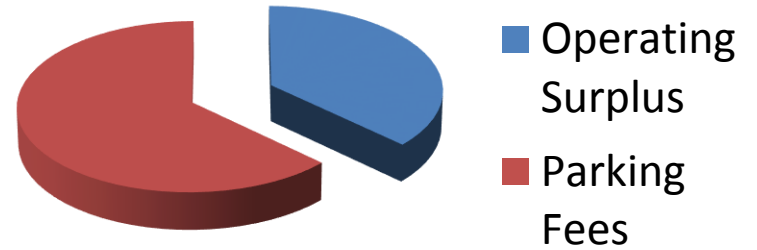
- Look at ways to increase parking spaces and availability in downtown area
- Insure consistent parking enforcement
- Improve parking facilities and infrastructure
- Increase operational efficiency

Parking Utility Revenue

2014 Parking Utility Revenue



2015 Parking Utility Revenue

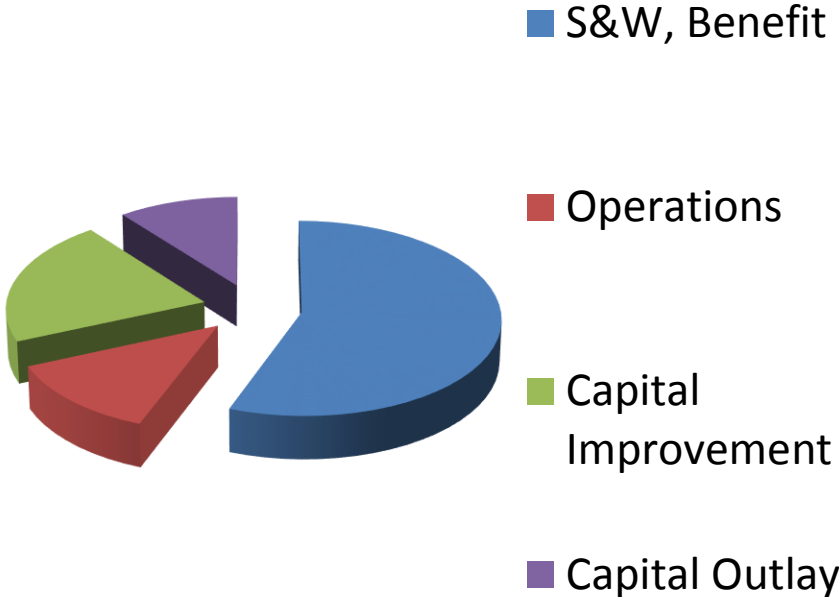


Parking Utility Revenue

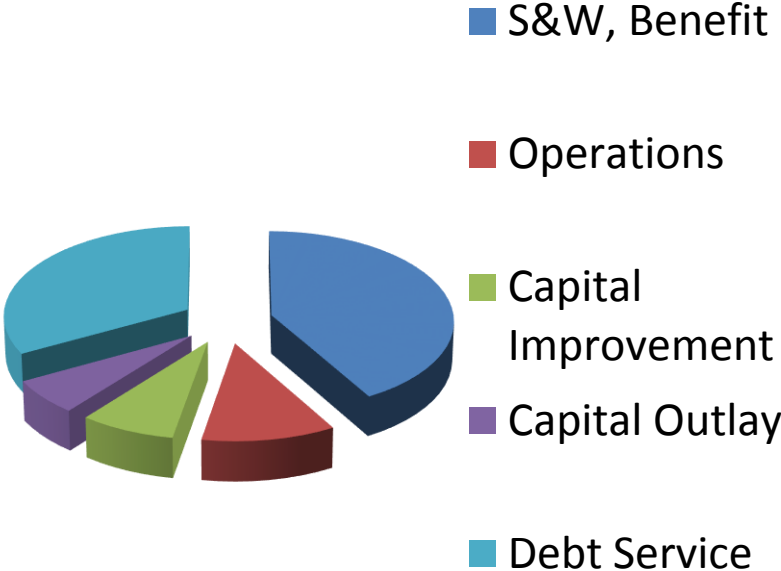
	<u>2014</u>	<u>2015</u>
• Operating Surplus	\$12,500	\$23,500
• <u>Parking Fees</u>	<u>\$35,000</u>	<u>\$40,000</u>
• Total	\$47,500	\$63,500

Parking Utility Appropriations

2014 Parking Utility Appropriations



2015 Parking Utility Appropriations



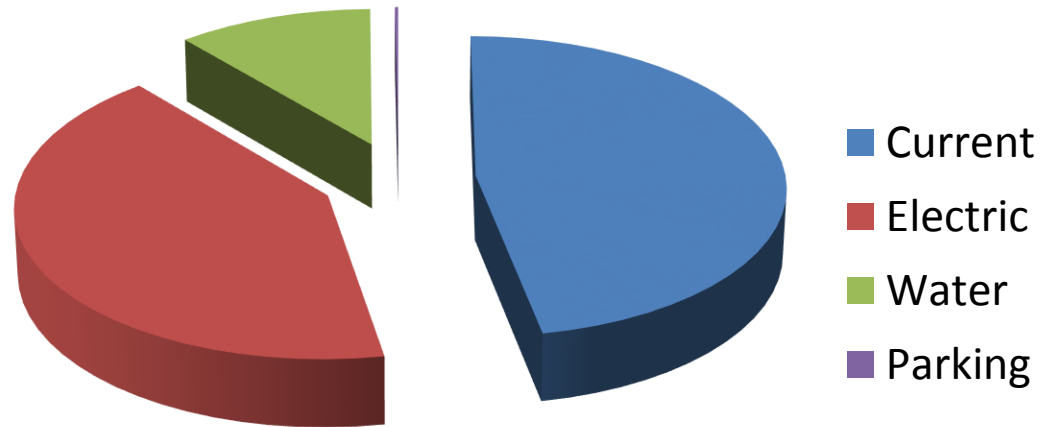
Parking Utility Appropriations

	<u>2014</u>	<u>2015</u>
• Salary and Benefits	\$26,500	\$26,500
• Operations	\$ 6,000	\$ 7,000
• Capital Improvement	\$10,000	\$ 5,000
• Capital Outlay	\$ 5,000	\$ 4,000
• <u>Debt Service</u>		<u>\$21,000</u>
• Total Appropriation	\$47,500	\$63,500

Four Entities

\$35,031,104

- Current Fund
\$16,483,218
- Electric Utility
\$14,613,125
- Water Utility
\$3,871,261
- Parking Utility
\$63,500



Questions?

