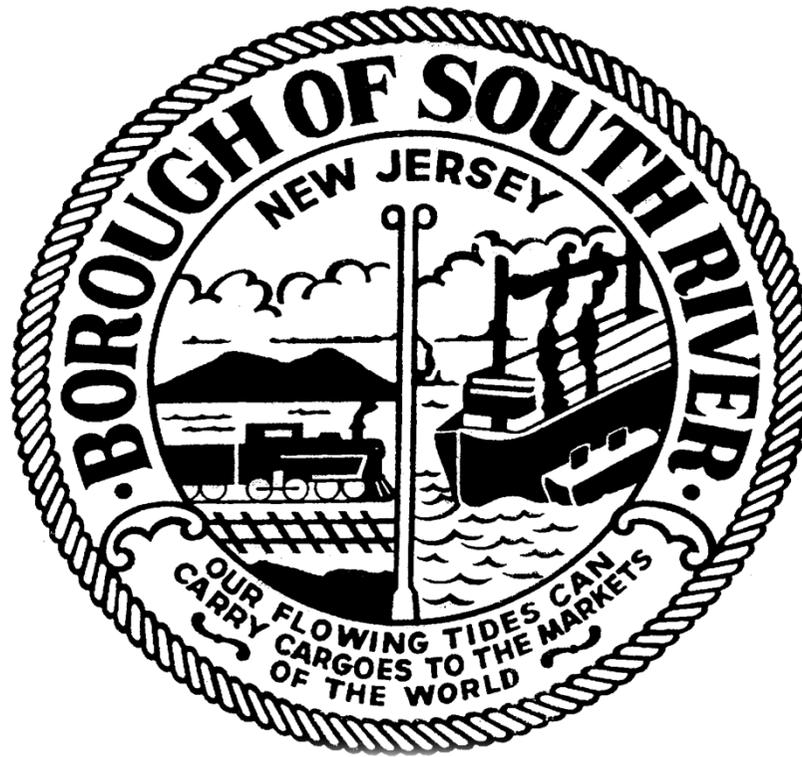


# Borough of South River



## 2016 Municipal Budget

# 2016 Officials

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

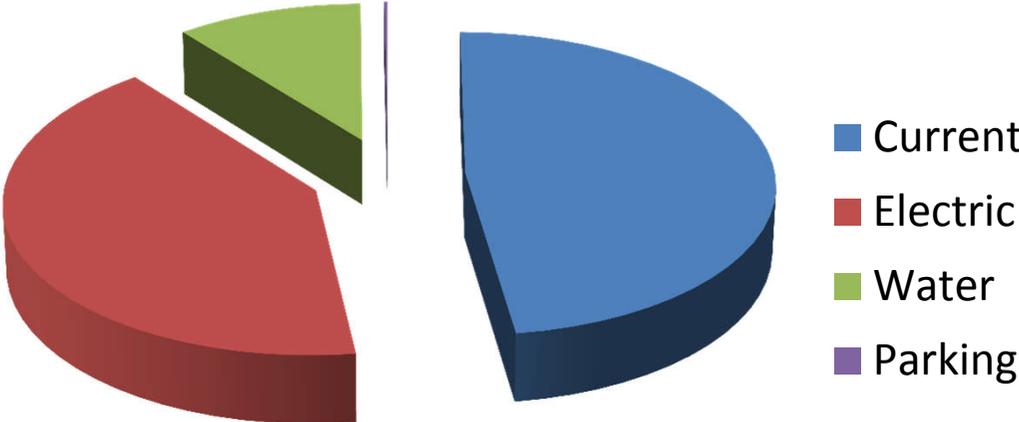
PLAN FOR THE FUTURE

- **DECREASE RELIANCE ON ELECTRIC FUND TRANSFERS (\$256,371 previous/current budget)**
- **RETURN TO NORMALCY**
  - **STABILIZE SPENDING**
- **CONTINUED IMPACTS OF SANDY/BUYOUTS**

# Four Entities

**\$36,058,786**

- Current Fund  
\$17,250,957
- Electric Utility  
\$14,935,084
- Water Utility  
\$3,806,745
- Parking Utility  
\$66,000



# BUDGET PRESSURES

- **\$ 208,659** Immediate Budget impact - MCUA increase in wastewater treatment costs. (2.59% tax increase, **\$416,377 or 6% in 2015**)
- **\$ 50,000** Reduction in use of Electric Surplus in Current Fund (Approx. .62% tax Increase)
- **\$ 320,581** Increase in Debt. Service Appropriation (Approx. 3.92% tax increase)
- **\$ 579,240** Budgetary shortfall before budget meetings
- Continue capital planning for comprehensive roads program, water system repairs and vehicle replacements.
- Firehouse expenses
- Decrease in ratable' s due to Buyouts
- **\$ 1,447,193** FEMA reimbursement to date
- **\$142,080** Generator FEMA IOU

# Current Fund Goals & Objectives

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

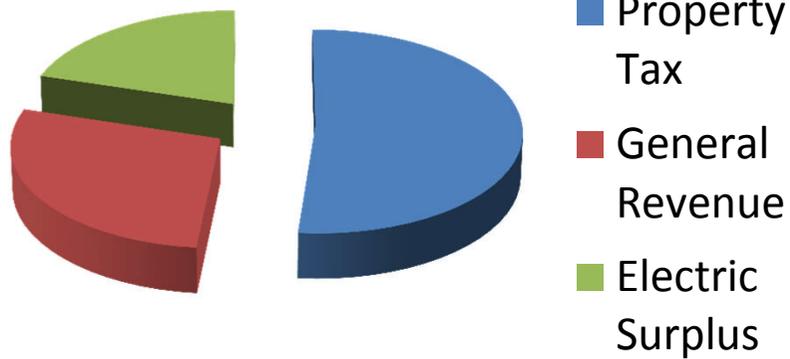
# Current Fund

## *Strategies for the Future*

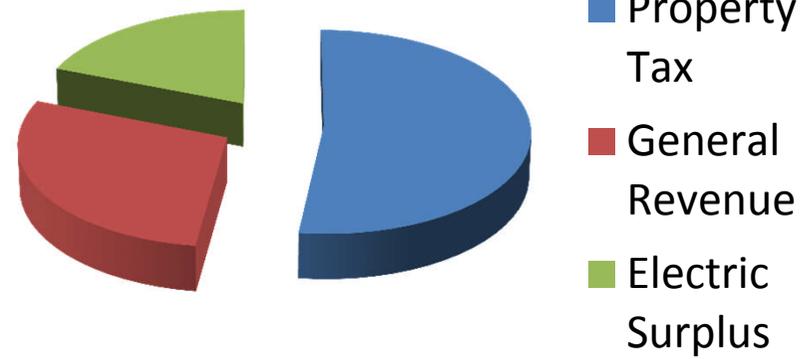
- Analyze future potential inter-local municipal agreements and public/private partnerships
- Continue to improve service delivery and operational efficiencies
- Continue our fiscally responsible and strategic infrastructure improvement plan
- Continue the five year long-term budget plan stabilizing property tax rates

# Current Revenue Allocation

## 2015 Allocation

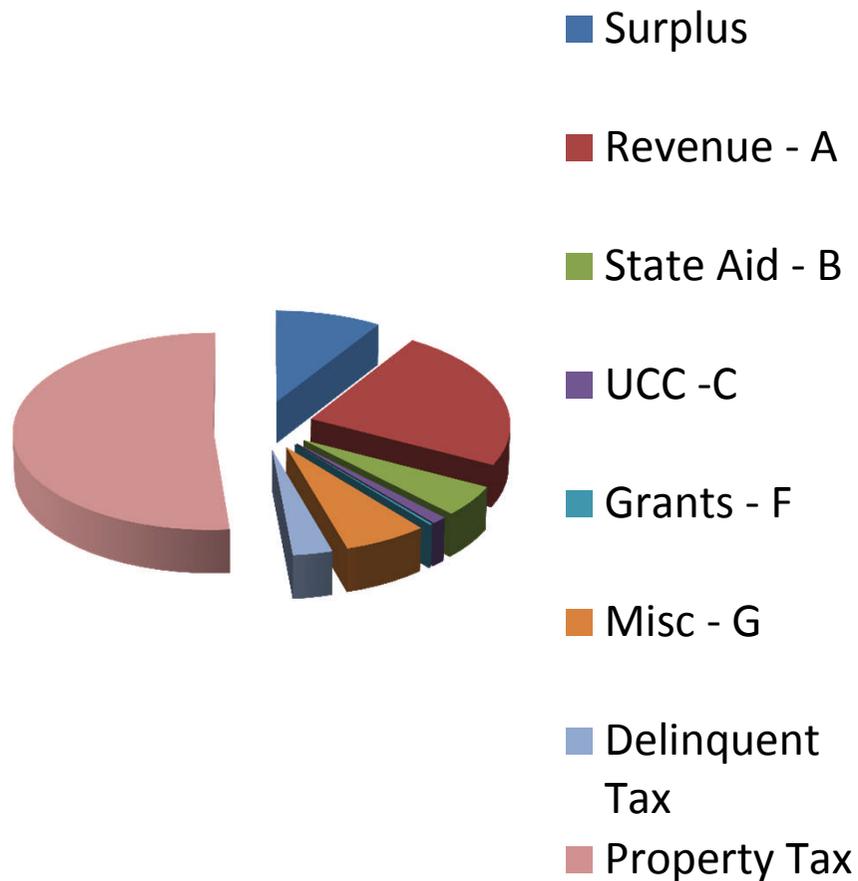


## 2016 Allocation

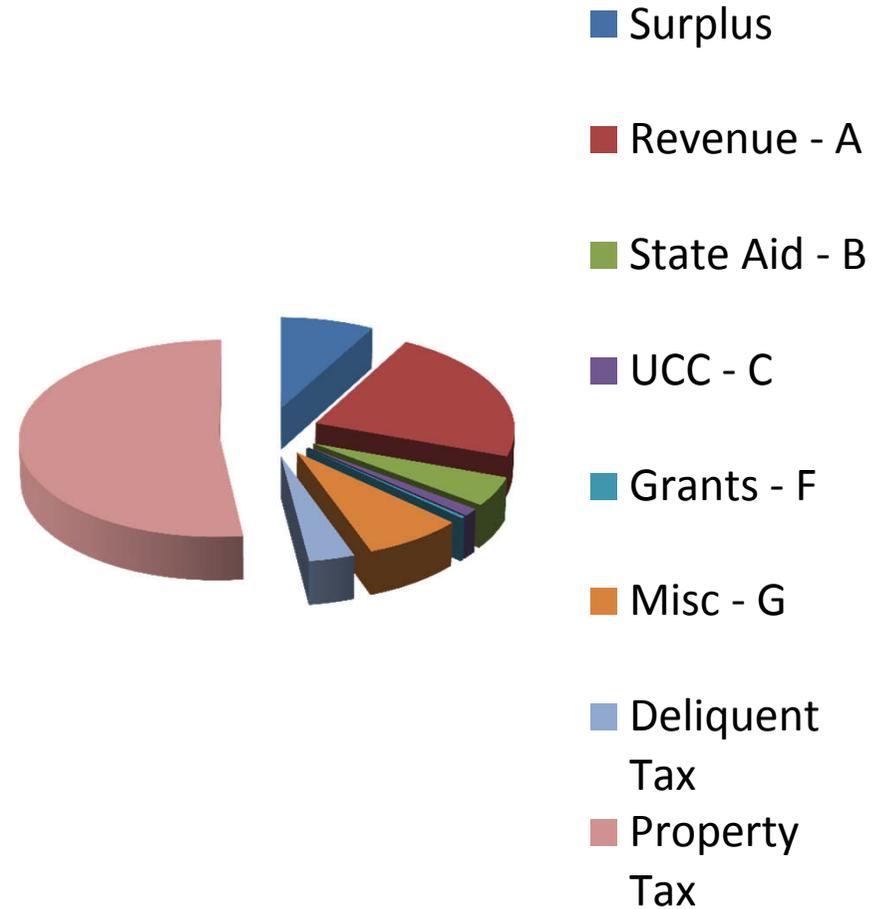


# Current Fund - Revenues

## 2015 Revenues



## 2016 Revenues

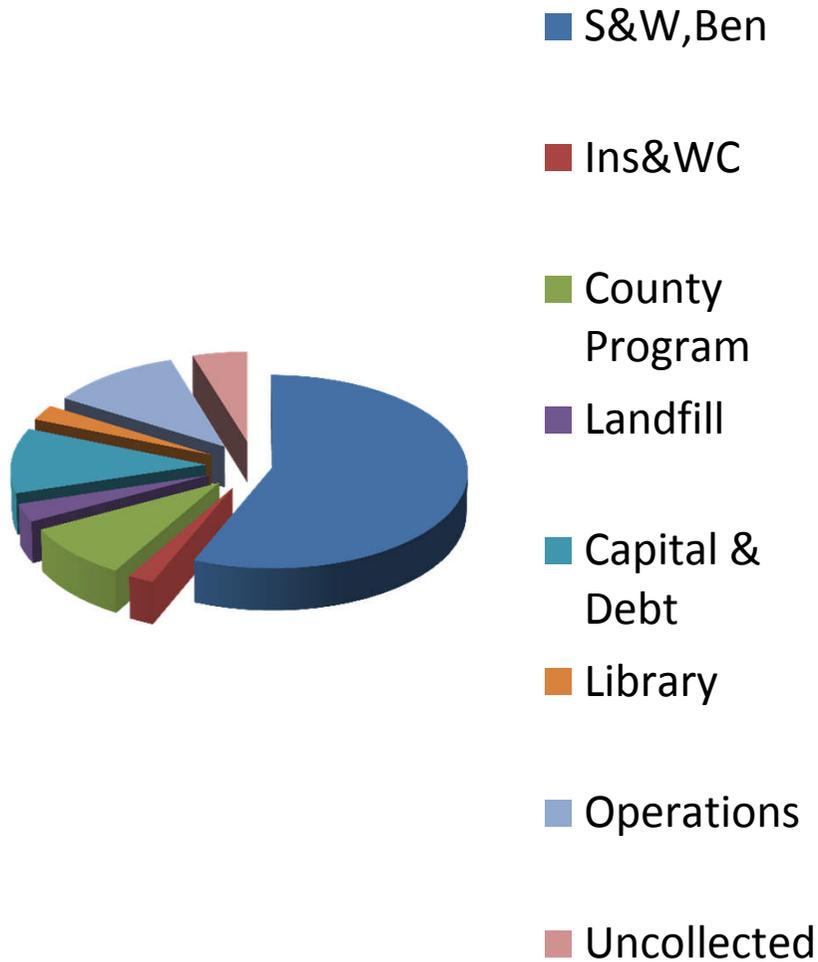


# Current Fund - Revenues

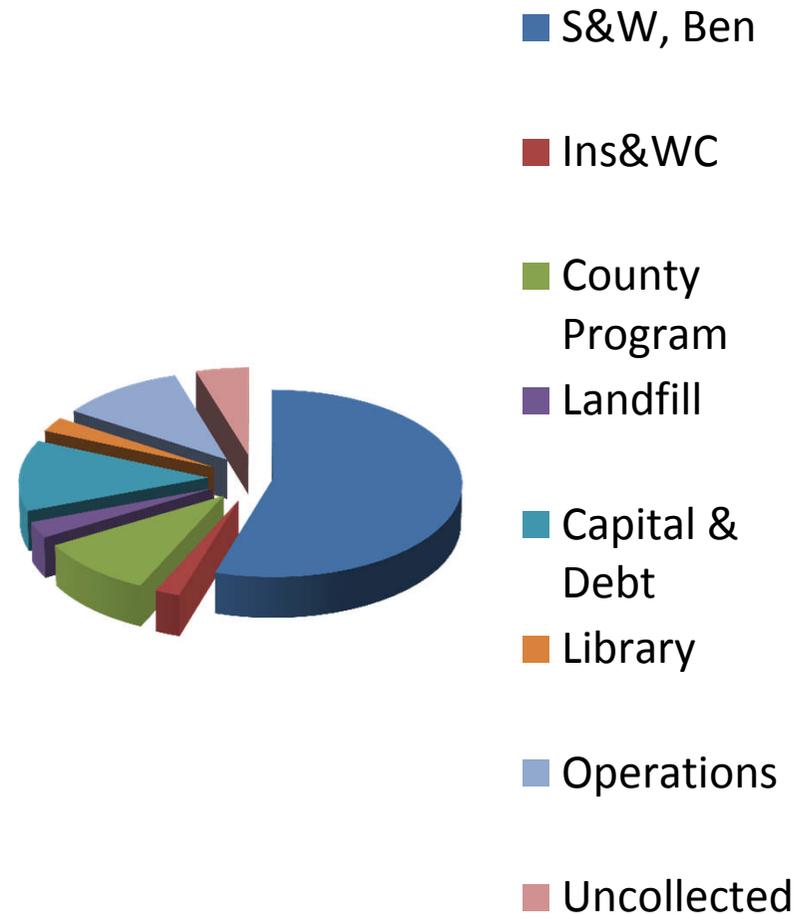
	<u>2015</u>	<u>2016</u>	<u>Diff.</u>
Surplus	\$1,501,790.00	\$1,392,790.18	\$ 108,999.82
Revenues - Section A	\$3,879,500.00	\$3,863,000.00	\$ 16,500.00
State Aid - Section B	\$825,291.00	\$825,291.00	\$ 0.00
Uniform Const Code Fees-Section C	\$193,200.00	\$213,200.00	\$ 20,000.00
Grants - Section F	\$37,875.88	\$53,663.21	\$ 15,787.33
Miscellaneous Revenues-Section G	\$1,056,313.00	\$1,317,127.00	\$ 260,814.00
Receipts from Delinquent Taxes	\$500,000.00	\$605,000.00	\$ 105,000.00
<b>Total General Revenues</b>	<b>\$7,993,969.88</b>	<b>\$8,270,071.39</b>	<b>\$ 276,101.51</b>
Property Taxes	\$8,489,248.00	\$8,980,886.00	\$ 491,638.00
<b>Grand Total</b>	<b>\$16,483,217.88</b>	<b>\$17,250,957.39</b>	<b>\$ 767,739.51</b>

# Current Fund - Appropriations

## 2015 Appropriations



## 2016 Appropriations



# Current Fund - Appropriations

	<u>2015</u>	<u>2016</u>	<u>Diff.</u>
HB & Pensions	\$2,931,808.00	\$ 2,950,250.00	\$ 18,442.00
S & W	\$6,351,450.00	\$ 6,494,150.00	\$ 142,700.00
Personnel	\$9,283,258.00	\$ 9,444,400.00	\$ 161,142.00
Insurance & WC	\$334,000.00	\$ 351,500.00	\$ 17,500.00
County Programs	\$1,463,214.00	\$ 1,673,095.00	\$ 209,881.00
Trash Disposal	\$500,000.00	\$ 480,000.00	\$-20,000.00
Large Contracts	\$2,297,214.00	\$ 2,504,595.00	\$ 207,381.00
Capital & Debt	\$1,799,816.00	\$ 2,120,397.00	\$ 320,581.00
Library	\$430,987.00	\$ 446,130.00	\$ 15,143.00
Other	\$ 1,881,942.88	\$ 1,915,435.39	\$ 33,492.51
Uncollected	\$790,000.00	\$ 820,000.00	\$30,000.00
Total	\$4,902,745.88	\$ 5,301,962.39	\$ 399,216.51
<b>Grand Total</b>	<b>\$16,483,217.88</b>	<b>\$ 17,250,957.39</b>	<b>\$ 767,739.51</b>

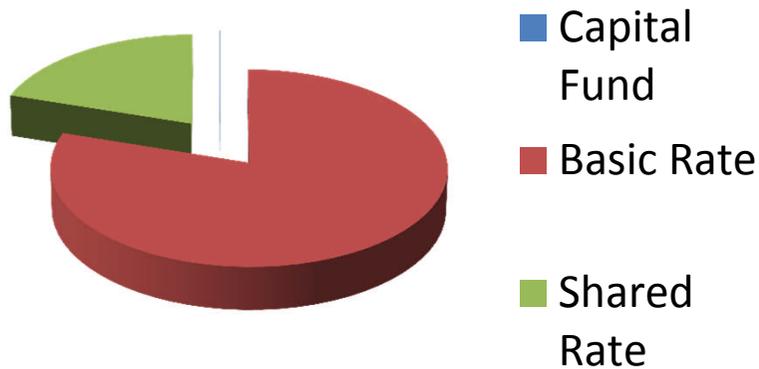
# Electric Utility

## *Strategies for the Future*

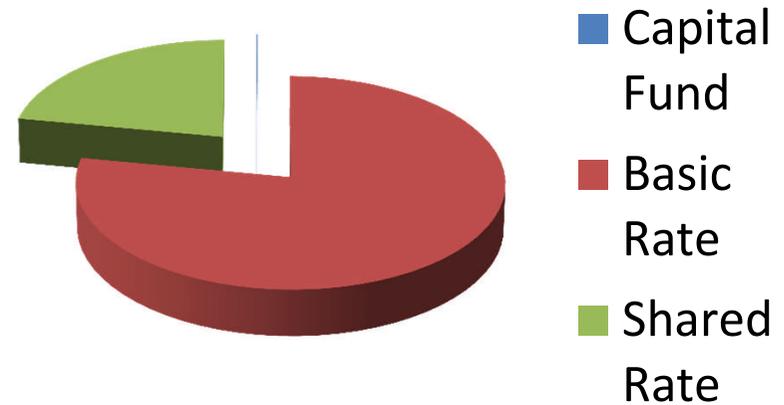
- Implementation of Municipal Shared Services Energy Authority
- Increase maintenance schedules
- Address primary redundancy
- Rate stabilization through improved system efficiency
- Reduce contribution to the current fund
- Maintain vigilance for laws/bills that have unintended negative consequences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

# Electric Utility - Revenues

## 2015 Revenues



## 2016 Revenues

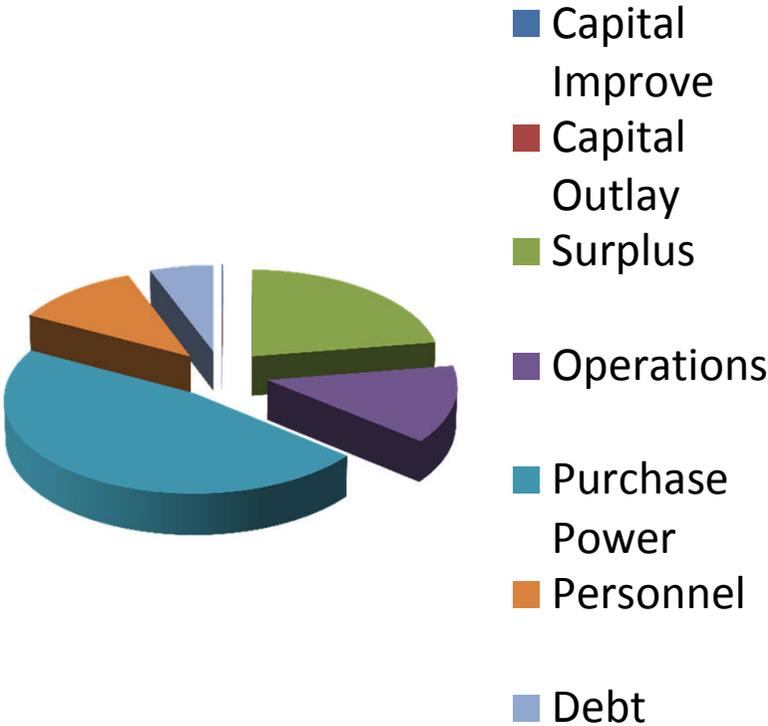


# Electric Utility - Revenues

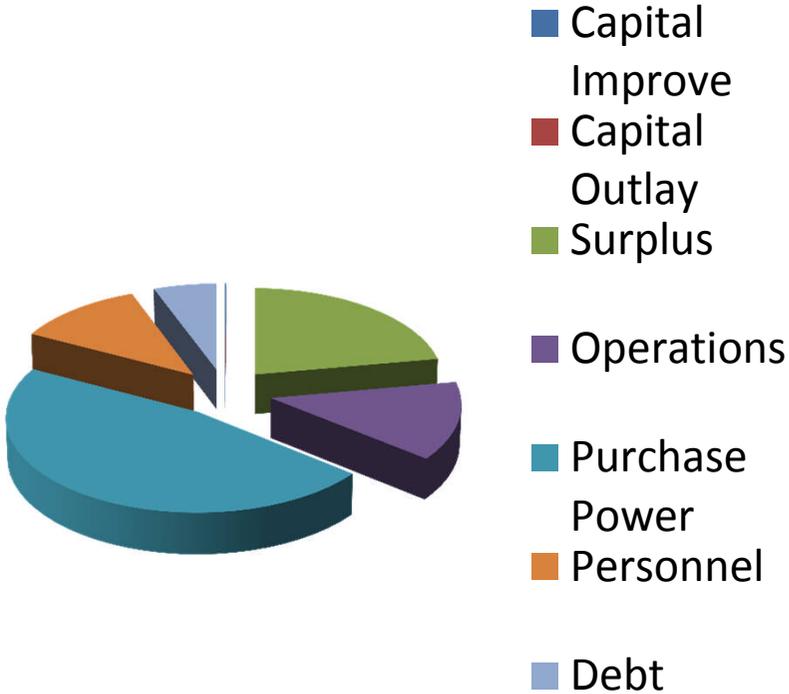
	<u>2015</u>	<u>2016</u>
Shared Rate	\$ 3,000,000	\$ 3,300,000
Basic Rate	\$ 11,955,877	\$ 11,623,704
Capital Balance	\$ 7,248	\$ 11,380
Grand Total	\$ 14,963,125	\$ 14,935,084
Actual Basic Rate Revenue 2015	\$ 15,665,088.00	
Actual Basic Rate Revenue 2014	\$13,667,420.00	

# Electric Utility - Appropriations

## 2015 Appropriations



## 2016 Appropriations



# Electric Utility - Appropriations

Appropriations	2015	2016
Personnel & Benefits	\$ 1,721,404	\$ 1,740,584
Purchase of Power	\$ 7,000,000	\$ 7,000,000
Operating Expense	\$ 2,005,000	\$ 2,020,000
Surplus to Current	\$ 3,350,000	\$ 3,300,000
<b>Total</b>	<b>\$14,076,404</b>	<b>\$14,060,584</b>
Capital Improvement	\$20,000	\$20,000
Capital Outlay	\$0.00	\$0.00
<b>Total</b>	<b>\$20,000</b>	<b>\$20,000</b>
Debt Service		
Principal	\$697,000	\$722,000
Interest	\$169,721	\$132,500
<b>Debt Service</b>	<b>\$866,721</b>	<b>\$854,500</b>
<b>Grand Total</b>	<b>\$14,963,125</b>	<b>\$14,935,084</b>

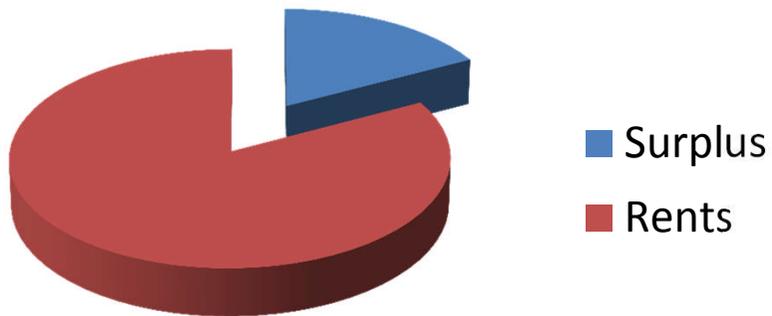
# Water Utility

## *Strategies for the Future*

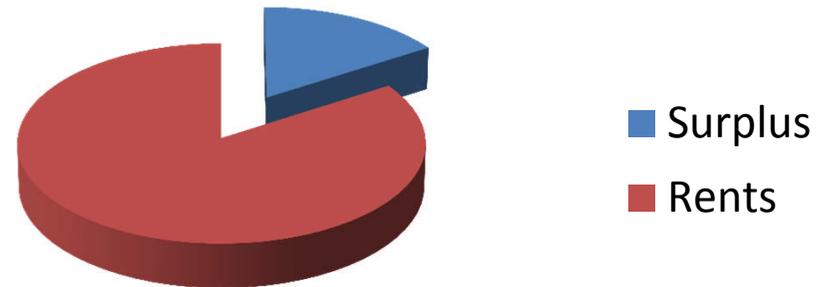
- Strive to maintain level water rates for consumers (**East Brunswick Contract Renewed 2016 with reduced usage**)
- Take steps to repair water leaks in-house
- Improve infrastructure
- **Possible Increase in Future?**

# Water Utility - Revenues

## 2015 Revenue



## 2016 Revenue

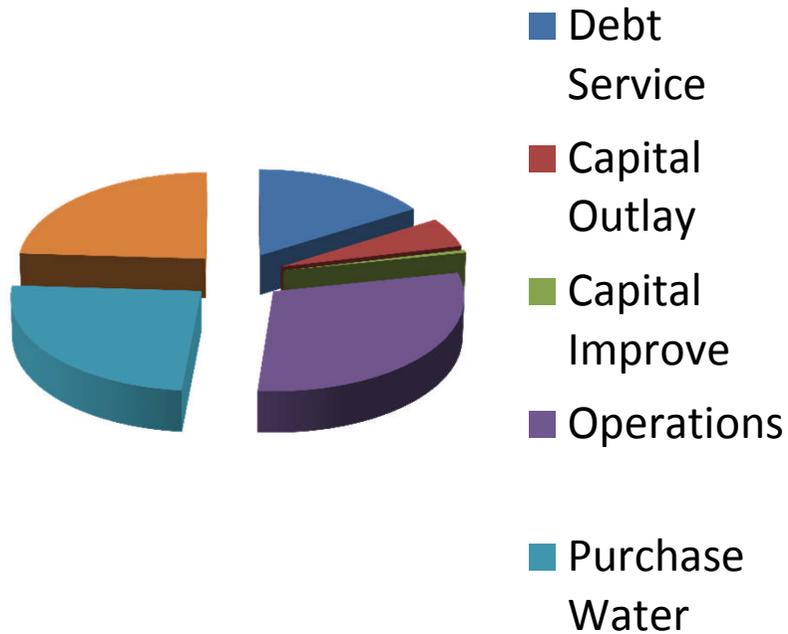


# Water Utility - Revenues

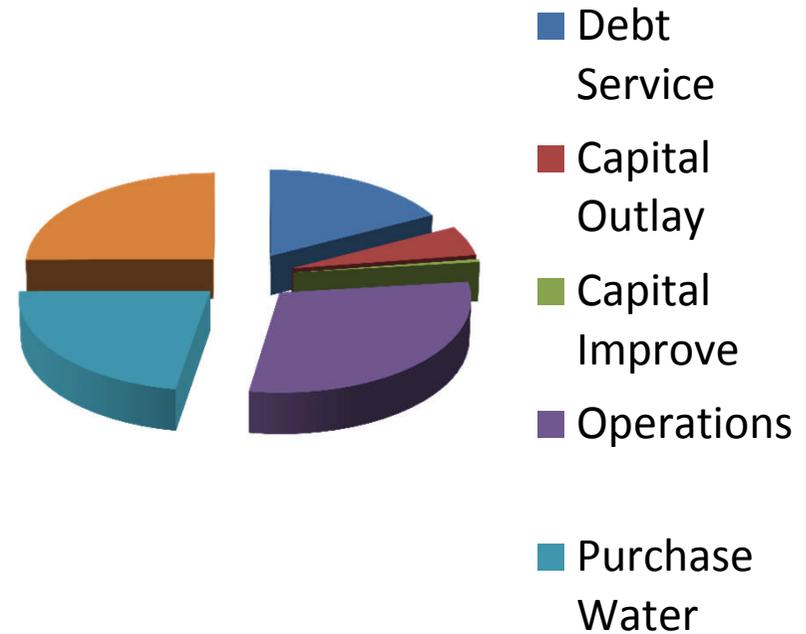
	<u>2015</u>	<u>2016</u>
Surplus	\$671,261	\$606,745
Rents	\$3,200,000	\$3,200,000
Grand Total	\$3,871,261	\$3,806,745

# Water Utility - Appropriation

## 2015 Appropriations



## 2016 Appropriations



# Water Utility - Appropriations

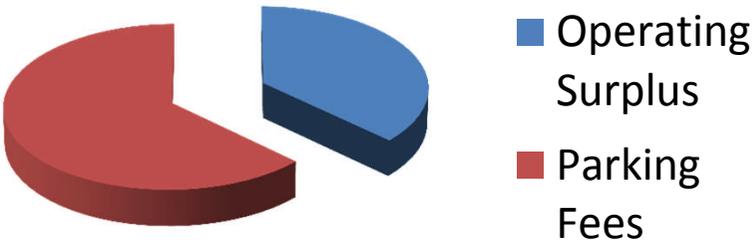
Appropriations	2015	2016
Personnel & Benefits	\$931,269	\$955,056
Purchase of Water	\$950,000	\$850,000
Operating Expense	\$1,145,000	\$1,120,000
<b>Total</b>	<b>\$3,026,269</b>	<b>\$2,925,056</b>
Capital Improvement	\$20,000	\$20,000
Capital Outlay	\$200,000	\$200,000
<b>Total</b>	<b>\$220,000</b>	<b>\$220,000</b>
Debt Service		
Principal	\$531,071	\$546,181
Interest	\$93,921	\$115,508
<b>Debt Service</b>	<b>\$624,992</b>	<b>\$661,689</b>
<b>Grand Total</b>	<b>\$3,871,261</b>	<b>\$3,806,745</b>

# Parking Utility Strategies for the Future

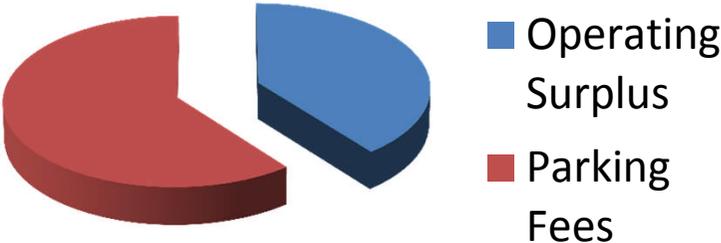
- Look at ways to increase parking spaces and availability in downtown area
- Insure consistent parking enforcement
- Improve parking facilities and infrastructure
- Increase operational efficiency

# Parking Utility Revenue

**2015 Parking Utility Revenue**



**2016 Parking Utility Revenue**

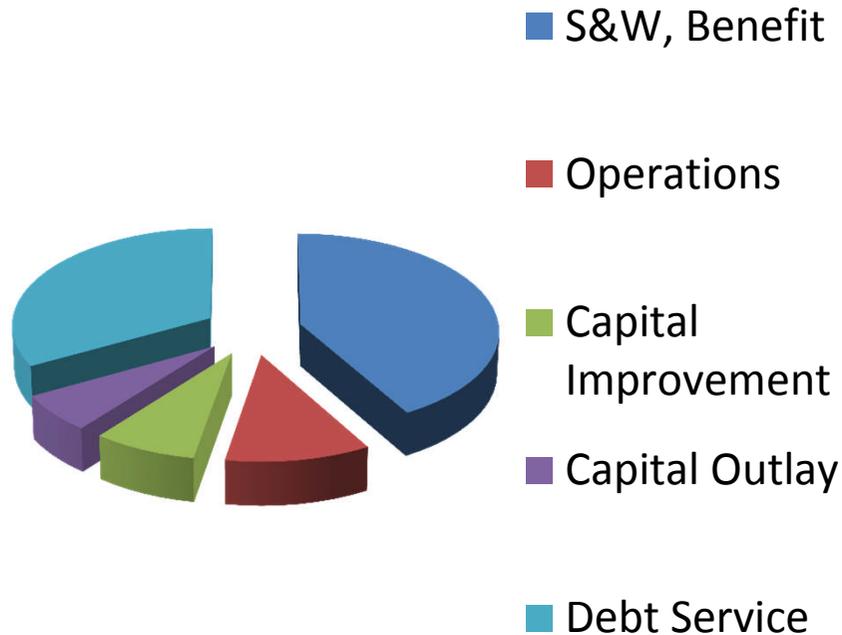


# Parking Utility Revenue

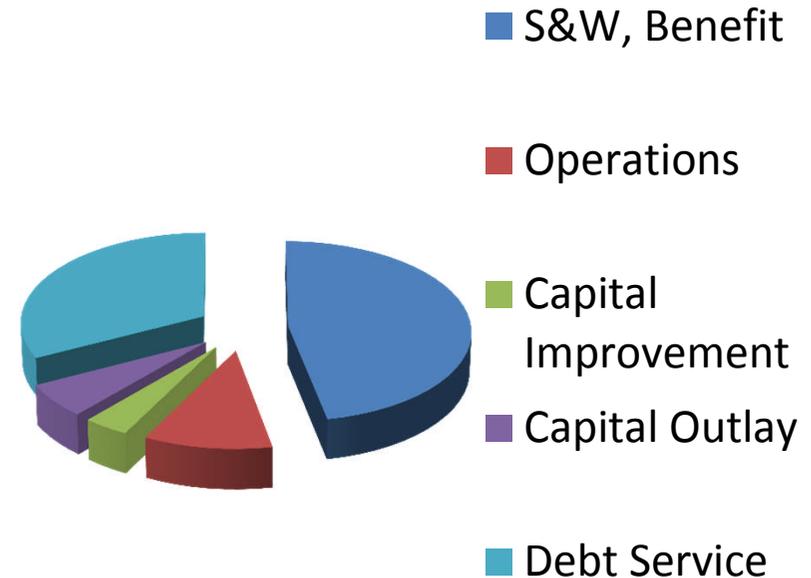
	<u>2015</u>	<u>2016</u>
• Operating Surplus	\$23,500	\$26,000
• <u>Parking Fees</u>	<u>\$40,000</u>	<u>\$40,000</u>
• Total	\$ 63,500	\$66,000

# Parking Utility Appropriations

## 2015 Parking Utility Appropriations



## 2016 Parking Utility Appropriations



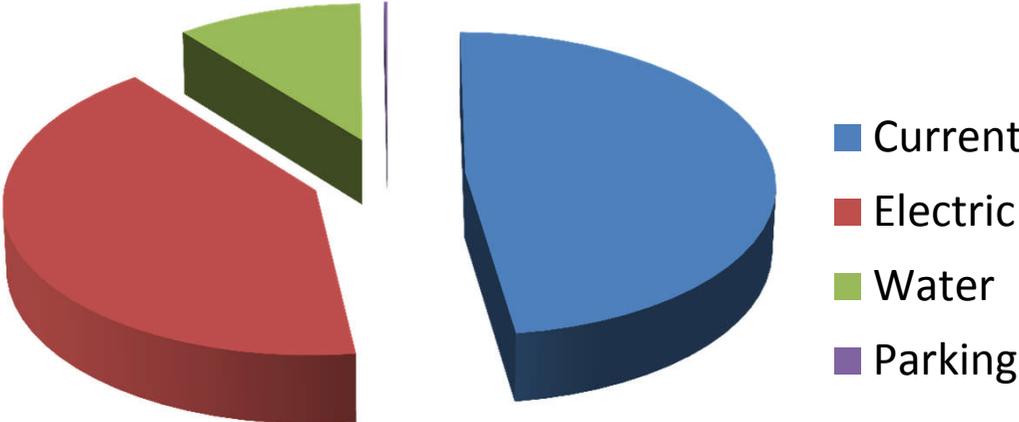
# Parking Utility Appropriations

	<u>2015</u>	<u>2016</u>
• Salary and Benefits	\$26,500	\$31,000
• Operations	\$ 7,000	\$ 7,000
• Capital Improvement	\$ 5,000	\$ 2,500
• Capital Outlay	\$ 4,000	\$ 4,000
• <u>Debt Service</u>	<u>\$21,000</u>	<u>\$21,500</u>
• Total Appropriation	\$63,500	\$66,000

# Four Entities

**\$36,058,786**

- Current Fund  
\$17,250,957
- Electric Utility  
\$14,935,084
- Water Utility  
\$3,806,745
- Parking Utility  
\$66,000



# Questions?

