




WILLINGBORO 2017 BUDGET PRE INTRODUCTION OVERVIEW Feb 16 2017



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Budget Discussion

- ▶ Introduction of Municipal budget is required by March 18 2017
 - ▶ The official budget will be **introduced** at the first meeting in March
- ▶ Additional Budget Workshops with governing body
- ▶ Tonight's Goals
 - ▶ Begin and Open discussions with Council regarding the overall budget and specific items
 - ▶ Present departmental requests
 - ▶ Set more meeting dates if required by the governing body
 - ▶ Prepare Budget for Introduction after dialogue with Council

Budget DISCUSSION

- 2015 Budget \$42,288,045
- 2016 Budget \$44,561,138
- 2017 Budget Discussion
 - Revenues are down by \$1.3 million dollars

REVENUES EQUALS APPROPRIATIONS

REVENUE does not EQUAL APPROPRIATIONS



Equals



- Less Revenue **means**
 1. Cut the Operating Budget
 2. Cut the Operating Budget/Incr. Taxes
 3. Cut the Budget / No Increase

Township of Willingboro
REVENUES
 Prior Year Actual and Current Year Proposed

	<u>2016</u> <u>Budget</u>	<u>2016</u> <u>Realized</u>	<u>2017</u> <u>Proposed</u>	<u>2016</u> <u>Shortfalls</u>	<u>2016</u> <u>Excess</u>
<u>Miscellaneous Revenues:</u>					
Licenses:					
Other	13,111.00	13,424.00	13,424.00	-	313.00
Fees and Permits:					
Other	270,864.00	272,051.96	272,051.00	-	1,187.96
Fines and Costs:					
Municipal Court	195,838.00	194,763.11	194,763.00	(1,074.89)	-
Interest and Costs on Taxes	403,538.00	421,170.66	421,170.00	-	17,632.66
Interest on Investments and Deposits	12,740.00	13,430.99	13,430.00	-	690.99
Recreation Fees	4,489.00	-	-	(4,489.00)	-
CATV Franchise Fees	75,950.00	83,974.75	83,974.00	-	8,024.75
State Aid Without Offsets:					
Energy Receipts Tax	3,124,270.00	3,124,270.00	3,124,270.00	-	-
Consolidated Municipal Property Tax Relief Act	560,005.00	560,005.00	560,005.00	-	-

Township of Willingboro
REVENUES
 Prior Year Actual and Current Year Proposed : Cont'd

Dedicated Uniform Construction Code Fees:

Uniform Construction Code Fees	1,061,035.00	844,326.00	844,326.00	(216,709.00)	-
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Special Items of General Revenue Anticipated with Prior

Written Consent of Director of Local Government Services:

Interlocal:

Interlocal Service Agreements:			-	-	-
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Snow Removal	71,162.00		-	(71,162.00)	-
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Construction Code Enforcement	3,600.00		-	(3,600.00)	-
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WMUA Purchasing Agent	5,000.00	5,000.00	5,000.00	-	-
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Animal Control Service Agreement	141,250.00	112,500.00	112,500.00	(28,750.00)	-
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Special Items of General Revenue Anticipated with Prior

Written Consent of Director of Local Government Services:

State and Federal Revenues Off-Set with Appropriations:

GRANTS			88,594.30		
Reserve for Clean Communities Grant	63,397.92	63,397.92		-	-
Reserve for Recycling Tonnage Grant	38,417.19	38,417.19		-	-
Reserve for Body Armor Replacement Grant	6,225.20	6,225.20		-	-
Municipal Drug Alliance		15,475.00		-	15,475.00
Summer Food Program		127,055.14		-	127,055.14

Township of Willingboro

REVENUES

Prior Year Actual and Current Year Proposed: Cont'd

Special Items of General Revenue Anticipated with Prior

Written Consent of Director of Local Government Services:

Other Special Items:

EMS Fees	619,914.00	674,295.12	674,295.00	-	54,381.12
Debt Service Agreement - Renewal Realty	159,882.20	159,882.20	159,457.30	-	-
Lease of Municipal Facilities	107,072.00	113,143.46	113,143.00	-	6,071.46
Payments in Lieu of Taxes:					
Delco	16,240.00	10,332.26	10,332.00	(5,907.74)	-
Merck-Medco: Pilot	436,422.00	-	-	(436,422.00)	-
Capital Fund Balance			41,600.00	-	-
Authority Contribution Per N.J.S.A. 40A:5A-12.1	300,000.00	300,000.00	200,000.00	-	-
	7,690,422.51	7,153,139.96	6,932,334.60	(768,114.63)	230,832.08
Receipts from Delinquent Taxes	2,616,273.47	2,490,912.18	2,400,124.84	(125,361.29)	-
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Minimum Tax for Library	584,444.04	584,444.04	584,285.96	-	-
Local Tax for Municipal Purposes	31,324,997.20	31,870,034.75	\$32,558,966.97	-	545,037.55
Total Local Tax for Municipal Purposes	31,909,441.24	32,454,478.79	33,143,252.93	-	545,037.55
Fund Balance Anticipated	2,345,000.00	2,345,000.00	2,000,000.00	-	-
	44,561,137.22	44,443,530.93	44,475,712.37	(893,475.92)	775,869.63

Budget Discussion: Scenario #1

➤ 2017 Budget

➤ Personnel Requests (Salary and Wages) S/W

➤ Manager Office \$225,000

- Increase Salary and Wages by \$105,000 to refund the Manager Salary
 - Was removed in 2016 budget as a cut
- Add one Full Time Clerical employee at \$45,000 plus 34% benefits
 - Support HR Functions for the Township
- Add Economic Development Employee at \$75,000 plus 34% benefits

➤ Support Services \$214,000

- Code Enforcement Inspection Trainees (Succession Planning)
 - 2 Positions at \$37,142 each plus 34% benefits
 - Building Maintenance Employees
 - 2 Positions at \$35,790 each plus 34% benefits
 - Support Building Maintenance Activities
 - Full Time Clerk at \$35,500 plus 34% benefits
 - Part Time Clerk \$ 16,750 /year no benefits
- #### ➤ Fire Department \$45,000 plus 34% benefits
- Add Full time Fire Fighter

2017 Municipal Budget Discussion SCENARIO #1

Description	2016 Adopted	2017 Requested	\$ Increase/ Decrease			Explanations / Discussion
SALARY AND WAGES						
General Government	1,443,436	1,670,482	227,046			<p>Added Full Time Manager salary. Cut \$105,000 in 2016 Add 1 Full Time Clerk HR \$45,000 Add 1 Economic Development Employee at \$75,000</p>
Support Services	1,564,804	1,645,256	82,330			<p>Increased staffing requests: Two (2) Code Enforcement Trainees Two (2) Building Maintenance Employee 1 Data Control Clerk IT 1 Full Time Clerk 1 Part Time Clerk</p> <p>Moved Security Part Time Payroll to Recreation S/W (\$186,000)</p>
Police	8,261,775	8,286,886	25,111			
Emergency Medical	441,600	456,600	15000			
Fire Department	1,966,291	1,944,112	121381			1 Full Time Fire Fighter
Public Works	1,886,075	1,853,562	47487			
Animal Control	123780	127,258	3478			
Office on Aging & Comm. Affairs	487,066	514,698	27632			
Parks, Recreation Public Events	1,252,549	1491436	238888			Added Security PT payroll to Recreation Budget (\$186,000)
Municipal Court & Public Defender	221,392	237,317	15924			
Total SALARY & WAGES	\$17,648,768	\$18,453,046	\$804278			Note: 3% average Contractual increases are included in figures

2017 Budget Discussion : Scenario #1

OPERATING EXPENSES	2016 Adopted	2017 Requested	\$ Increase/ Decrease	Explanations / Discussion
General Government	947240	961425	14185	
Land Use Administration	13,900	7600	-6300	
Support Services	789550	1,007,100	217,550	1. Increased Cost of Custodial Contract 2. Part Time Contract employees for UCC Permits : Increased Line by \$75,000
Police	584882	614,400	29,518	
Emergency Management	11000	11000	0	
Emergency Medical	103,500	103,500	0	
Fire Department	282,800	282,800	0	
Prosecutor	41,500	45,000	3500	
Public Works	458,600	481,100	67500	
Animal Control	19,950	15,300	-4650	
Office on Aging & Comm. Affairs	190347	236020	45673	
Parks, Recreation Public Events	209350	209,350	0	
Municipal Court & Public Defender	37,475	38,975	1500	
Library Maintenance	1,355,000	1,355,000	0	
Total Operating Expense	\$5,045,094	\$5,413,570	\$368,476	

2017 Budget Discussion: Scenario # 1

OPERATING EXPENSES Other	2016 Amended	2017 Requested	\$ Increase/ Decrease	Explanations / Discussion
Insurance	4,825,200	5147526	322,326	Includes increased benefit costs for added personnel
Utilities	1,641,500	1643,600	2100	
Solid Waste Disposal	1,088,000	1088000	0	
Garbage and Trash Contractual	642,000	706596	64597	Increased Collection costs (BID)
Statutory Expense	1,353,551.76	1394411	40860	
Pension-PERS & PFRS	3,414,257	2810981	-607,277	Reduction due to Pension Penalty Payoff in 2016
State & Federal Grants	111,910.31	88594	-23,316	
Other Operating Functions	289,072	300,740	11,667	
Capital Improvement Fund	428,911	796.22	-428,115	Utilized Reserve General Capital Fund to fund anticipated \$1.5 to \$1.9 million capital authorization in 2017
Debt Services	5181041.81	5180901	-140	
Deferred Charges-Emergency	149,700	149700	0	
Reserve For Tax Appeals	0		0	
Reserve For Uncollected Taxes	2742130.10	2,389,689	-312,170	Reduction in Tax Delinquencies and Increased collection rate
Prior Year Audit Adjustments-Chapter 159				
Total Other	21,867,276	20,897,537	-929468	
TOTAL BUDGET	\$44,561,138	\$44,804,424	243,286.66	

Remaining Fund Balance

TOWNSHIP OF WILLINGBORO Schedule of Fund Balances

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Balance as of January 1,	\$5,436,588.43	\$5,677,950	\$1,302,440	\$2,345,922	\$1,938,719	\$1,840,611	\$1,063,611	\$85,870
Utilized as a Revenue in								
Succeeding Year's Budget	\$2,000,000	\$2,345,000	\$300,000	\$1,000,000	\$1,047,886	\$1,000,000	\$600,000	\$85,870
Balance	\$3,436,588.43	\$3,332,950	\$1,002,440	\$1,345,922	\$890,833	\$840,611	\$463,611	0.00
% Utilized	36%	41.3%	23.03%	42.63%	56.41%	54.32%	93.28%	87.45%


TOWNSHIP OF WILLINGBORO

BUDGET ESTIMATES

SCENARIO # 1				
		<u>2016</u>	<u>2017</u>	
			<u>Difference</u>	
REVENUES				
Fund Balance		2,345,000.00	2,000,000.00	(345,000.00)
Local Revenue		976,530.00	998,812.00	22,282.00
State Aid w/o Offsets		3,684,275.00	3,684,275.00	-
Other Local Revenue		1,061,035.00	844,326.00	(216,709.00)
Interlocal Service Revenue		221,012.00	117,500.00	(103,512.00)
State Aid with Offsets (Grants)		108,040.31	88,594.30	(19,446.01)
Special Items		1,639,530.20	1,198,827.30	(440,702.90)
Delinquent Taxes		2,616,273.47	2,400,124.84	(216,148.63)
Amt. to be Raised - Minimum Library		584,444.04	584,285.96	(158.08)
Amt. to be Raised		31,324,997.20	32,887,679.20	1,562,682.00
		44,561,137.22	44,804,424.60	243,287.38
BUDGET				
Operations Inside "CAPS"		33,249,801.85	34,534,333.34	1,284,531.49
Operations Outside "CAPS"		2,683,287.54	2,390,138.61	(263,148.93)
Public & Private Programs Outside "CAPS"		22,012.00	88,594.30	66,582.30
Capital Improvements Outside "CAPS"		428,911.05	796.22	(428,114.83)
Debt Service Outside "CAPS"		5,181,041.81	5,180,901.60	(140.21)
Deferred Charges		253,952.87	149,700.00	(104,252.87)
Reserve for Uncollected Taxes		2,742,130.10	2,429,960.53	(312,169.57)
		44,561,137.22	44,507,932.10	243,287.38
		-		
Tax Increase (Cents) MUNICIPAL			8.224	
Percentage Increase			4.60%	
Dollar Increase			\$129.81	for \$157,838 Home




SCENARIO #1 REQUESTED BUDGET

- **If the presented Scenario 1 budget stands:**
 - No cuts were made to the operating expense requests
 - Increases in salary and wages (based on requests)
 - **The tax increase would be:**
 - 8.224 cents or \$129.81 per household based on an average assessed home of \$157,838
 - **Utilize \$2,000,000 in fund balance**
- 



Scenario 2 Discussion

- ▶ Cut all requested additional positions
 - ▶ All “authorized open” positions would remain in budget
 - ▶ Cut Operating Expenses
 - ▶ Utilize \$2,000,000 in fund balance
- 

2017 Municipal Budget Discussion: Scenario 2

Description	2016 Adopted	2017 Requested	\$ Increase/ Decrease			Explanations / Discussion
SALARY AND WAGES						
General Government	1,443,436	1,550,482	107,046			Added Full Time Manager salary. Cut \$105,000 in 2016
Support Services	1,564,804	1,451,019	-113,785			Moved Security Part Time Payroll to Recreation S/W (\$186,000)
Police	8,261,775	8,286,886	25,111			
Emergency Medical	441,600	456,600	15000			
Fire Department	1,966,291	2,042,672	76381			
Public Works	1,886,075	1,853,562	47487			
Animal Control	123780	127,258	3478			
Office on Aging & Comm. Affairs	487,066	514,698	27632			
Parks, Recreation Public Events	1,252,549	1491436	238888			Added Security PT payroll to Recreation Budget (\$186,000)
Municipal Court & Public Defender	221,392	237,317	15924			
Total SALARY & WAGES	\$17,648,768	\$18,091,931	\$443,163			

2017 Budget Discussion: Scenario 2

OPERATING EXPENSES	2016 Adopted	2017 Requested	\$ Increase/ Decrease	Explanations / Discussion
General Government	947240	945,525	-1715	
Land Use Administration	13,900	7600	-6300	
Support Services	789550	977,100	187,550	1. Increased Cost of Custodial Contract 2. Part Time Contract employees for UCC Permits : Increased Line by \$75,000
Police	584882	614,400	29,518	
Emergency Management	11000	11000	0	
Emergency Medical	103,500	103,500	0	
Fire Department	282,800	282,800	0	
Prosecutor	41,500	45,000	3500	
Public Works	458,600	491,100	32,500	
Animal Control	19,950	15,300	-4650	
Office on Aging & Comm. Affairs	190347	205,220	14,873	
Parks, Recreation Public Events	209350	209,350	0	
Municipal Court & Public Defender	37,475	38,975	1500	
Library Maintenance	1,355,000	1,355,000	0	
Total Operating Expense	\$5,045,094	\$5,301,870	\$256,776	

2017 Budget Discussion: Scenario 2

OPERATING EXPENSES Other	2016 Amended	2017 Requested	\$ Increase/ Decrease	Explanations / Discussion
Insurance	4,825,200	4,997,526.14	172,326	
Utilities	1,641,500	1643,600	2100	
Solid Waste Disposal	1,088,000	1088000	0	
Garbage and Trash Contractual	642,000	706596	64597	Increased Collection costs (BID)
Statutory Expense	1,353,551.76	1385,392.48	31,841	
Pension-PERS & PFRS	3,414,257	2810981	-607,277	Reduction due to Pension Penalty Payoff in 2016
State & Federal Grants	111,910.31	88594	-23,316	
Other Operating Functions	289,072	300,740	11,667	
Capital Improvement Fund	428,911	796.22	-428,115	Utilized Reserve General Capital Fund to fund anticipated \$1.5 to \$1.9 million capital authorization in 2017
Debt Services	5181041.81	5180901	-140	
Deferred Charges- Emergency	149,700	149700	0	
Reserve For Tax Appeals	0		0	
Reserve For Uncollected Taxes	2742130.10	2,409,620.17	-334,070	Reduction in Tax Delinquencies and Increased collection rate
Prior Year Audit Adjustments-Chapter 159				
Total Other	21,867,276	20,756,889	-1,110,387	
TOTAL BUDGET	\$44,561,138	\$44,150,690	-410,447.76	

TOWNSHIP OF WILLINGBORO
BUDGET ESTIMATES

SCENARIO # 2	<u>2016</u>	<u>2017</u>	<u>Difference</u>
REVENUES			
Fund Balance	2,345,000.00	2,000,000.00	(345,000.00)
Local Revenue	976,530.00	998,812.00	22,282.00
State Aid w/o Offsets	3,684,275.00	3,684,275.00	-
Other Local Revenue	1,061,035.00	844,326.00	(216,709.00)
Interlocal Service Revenue	221,012.00	117,500.00	(103,512.00)
State Aid with Offsets (Grants)	108,040.31	88,594.30	(19,446.01)
Special Items	1,639,530.20	1,198,827.30	(440,702.90)
Delinquent Taxes	2,616,273.47	2,400,124.84	(216,148.63)
Amt. to be Raised - Minimum Library	584,444.04	584,285.96	(158.08)
Amt. to be Raised	31,324,997.20	32,233,944.59	908,947.39
	44,561,137.22	44,150,689.99	(410,447.23)
BUDGET			
Operations Inside "CAPS"	33,249,801.85	33,902,498.84	652,696.99
Operations Outside "CAPS"	2,683,287.54	2,420,138.61	(263,148.93)
Public & Private Programs Outside "CAPS"	22,012.00	88,594.30	66,582.30
Capital Improvements Outside "CAPS"	428,911.05	796.22	(428,114.83)
Debt Service Outside "CAPS"	5,181,041.81	5,180,901.60	(140.21)
Deferred Charges	253,952.87	149,700.00	(104,252.87)
Reserve for Uncollected Taxes	2,742,130.10	2,408,060.42	(334,069.68)
	44,561,137.22	44,150,689.99	(410,447.23)
	-		
Tax Increase (Cents) MUNICIPAL		4.7	
Percentage Increase		2.68%	
Dollar Increase		\$74.18	for \$157,838 Home



Scenario 3 Discussion

- ▶ Cut all requested new positions (Scenario 2)
- ▶ Cut Operating Expenses (Scenario 2)
- ▶ Utilize \$2,400,000 in fund balance
 - ▶ \$400,000 more than Scenario 1 and 2
- ▶ Will need to implement strict spending restrictions to needed appropriations only.
- ▶ Restrict travel and expenses to greatest extent possible

TOWNSHIP OF WILLINGBORO
BUDGET ESTIMATES

SCENARIO # 3	<u>2016</u>	<u>2017</u>	<u>Difference</u>
REVENUES			
Fund Balance	2,345,000.00	2,400,000.00	55,000
Local Revenue	976,530.00	998,812.00	22,282.00
State Aid w/o Offsets	3,684,275.00	3,684,275.00	-
Other Local Revenue	1,061,035.00	844,326.00	(216,709.00)
Interlocal Service Revenue	221,012.00	117,500.00	(103,512.00)
State Aid with Offsets (Grants)	108,040.31	88,594.30	(19,446.01)
Special Items	1,639,530.20	1,198,827.30	(440,702.90)
Delinquent Taxes	2,616,273.47	2,400,124.84	(216,148.63)
Amt. to be Raised - Minimum Library	584,444.04	584,285.96	(158.08)
Amt. to be Raised	31,324,997.20	31,820,080.13	495,082.93
	44,561,137.22	44,136,825.53	(424,311.69)
BUDGET			
Operations Inside "CAPS"	33,249,801.85	33,902,498.84	652,696.99
Operations Outside "CAPS"	2,683,287.54	2,420,138.61	(263,148.93)
Public & Private Programs Outside "CAPS"	22,012.00	88,594.30	66,582.30
Capital Improvements Outside "CAPS"	428,911.05	796.22	(428,114.83)
Debt Service Outside "CAPS"	5,181,041.81	5,180,901.60	(140.21)
Deferred Charges	253,952.87	149,700.00	(104,252.87)
Reserve for Uncollected Taxes	2,742,130.10	2,394,195.96	(347,934.14)
	44,561,137.22	44,136,825.53	(424,311.69)
	-		
Tax Increase (Cents) MUNICIPAL		2.5	
Percentage Increase		1.45%	
Dollar Increase		\$39.46	for \$157,838 Home

Final Notes

- ▶ The presentation of this budget incorporates discussion of the Capital needs related to anticipated authorization of \$1.5 to \$2.0 million for capital in 2017.
 - ▶ Roads and Infrastructure
 - ▶ Misc. Technology (Removed from O/E)
 - ▶ Vehicle Replacements
- ▶ Incorporates fluctuating Operating Expense variables such as
 - ▶ Fuel costs
 - ▶ Utility costs
 - ▶ Trash Disposal Costs



Final Notes cont'd

- Recommendation:
 - It is the recommendation that the council consider a municipal tax levy increase between 2-3 cents
 - It is recommended that we utilize a smaller portion of surplus but can use a maximum of \$2,400,000
 - Develop a strategy to look at ways in 2017 and beyond to improve revenue stream forecasts or avoid using maximum revenue figures to justify an increase in Salary and Wages and Operating Expenses.
 - Where do we go from here?
 - Questions?
- 