

2020 MUNICIPAL BUDGET



Finance Committee

- Granville Brady, Chairperson
- Jane Kobuta, Vice Chair

- Staff
- Paige Elster, CFO & Tax Collector
- Kevin Sluka, Administrator

- Hodulik & Morrison, P.A. a Division of PFK O'Connor Davies, LLC
- Andrew Hodulik, RMA
- Gregg Katzer, Senior Accountant

Budgets

- Current Fund Budget (Municipal Budget)
- Parking Utility Budget
- Sewer Utility Budget
- Capital Budget

Understanding the Budget

- Appropriation – Revenues = Taxation
- Grants are on both sides of the equations
- Let's examine.....
- Revenues
- Appropriations
- Grants
- Taxation

Larger Revenues

Anticipated for 2020

Sheets 4- 10a

- Court \$410,000
- Fees & Permits \$134,000
- Interest on taxes \$170,000
- Construction Code \$410,000
- Energy Rec. Tax \$1,370,962
- Recreation Programs \$80,000
- Garbage Decals \$20,000
- Interest on Invest. \$95,000
- COMPTRA \$33,328



2020 Anticipated vs. 2019 Actual (Realized)

2020 ANTICIPATED

- Court \$410,000
- Fees & Permits \$134,000
- Interest on Taxes \$170,000
- Construction Code \$410,000
- Energy Rec. Tax & Compra \$1,404,290
- Recreation Programs \$80,000
- Garbage Decals \$20,000
- Interest on Invest \$95,000

2019 ACTUAL

- Court \$503,635
- Fees & Permits \$146,755
- Interest on Taxes \$180,603
- Construction Code \$561,375
- Energy Rec. Tax & Compra \$1,404,290
- Recreation Programs \$94,312
- Garbage Decals \$27,337
- Interest on Invest. \$127,116

Payment in Lieu of Taxes “PILOT”

PILOTs that are being anticipated in 2020 Budget

(Sheet 10)

- Edge - \$430,000
- Cobolt- \$155,000
- 6 N. Doughty - \$16,000
- SOMA-\$64,000
- Commons-\$100,000

Not being anticipated in 2020 Budget but under construction

- The Davenport
- Somerset Development
- Parcview
- Station House

Waiting to break ground

- JSM Phase 3(not built)
- TFE Properties (not built)

Development Pilots nearing completion not anticipated in 2020 Budget



The Davenport 60
Apartments



Station House 117
Apartments

Other “PILOTs”

RWJ- \$311,000



Somerset County - \$125,000



Fund balance used to support the budget....

- Revenues realized above the amount anticipated is surplus. The Borough can use surplus funds in the following year to support the current fund budget.
- In 2020, the surplus is being primarily to support the capital budget
- \$4,376,000 is being used for 2020 (Sheet 4)

A Look at Appropriations for 2019 (Employee costs)

- Statutory Expenses (Sheet 19)

- Social Security \$230,000

- Unemployment \$5,000

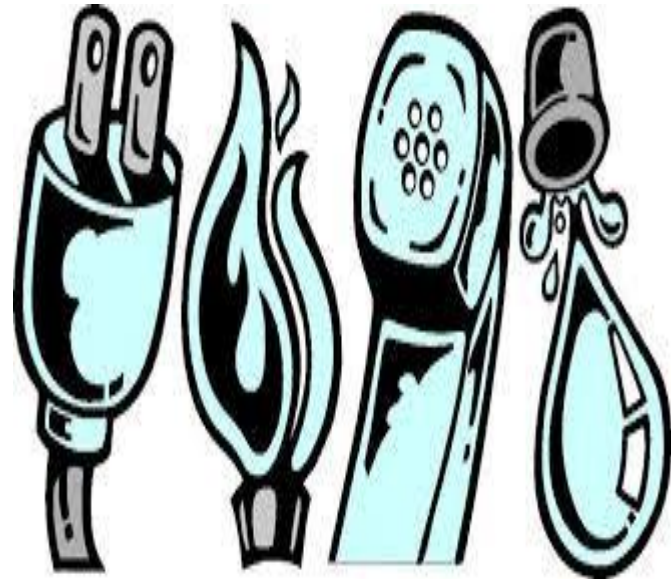
- PERS \$279,544

- PFRS \$1,0754,134

TOTAL \$1,589,678

Inside Look into the Current Fund Budget –Utilities (Sheet 17)

- Street Lighting \$260,000
- Fire Hydrant Fees \$160,000
- Telephone \$97,000
- Water \$30,000
- Electricity \$200,000
- Gasoline \$105,000



Insurance (sheet 14)

- Employee Group
\$1,138,000
- Other Insurance
Premium \$866,000
- Prescription/Dental
\$70,000



Look inside the Debt Service

Bond Principal \$1,620,000

Bond Interest \$326,350

Note Interest \$66,000

EIT \$220,195

EIT Interest \$34,150

SCIA Principal \$203,420

SCIA Interest \$29,500



Operational Expenses

- Salary and Wages \$6,292,800
- Expenses \$7,036,725

Sheet 17a

What is new....

- Cobalt PILOT be realized
- Commons PILOT being realized
- Capturing capital purchases within current fund

Understanding the Budget

- Appropriation – Revenues = Taxation
- \$22,593,508- \$9,676,012 = \$12,917,496

How does that translate to property taxes?

What does it mean to you?

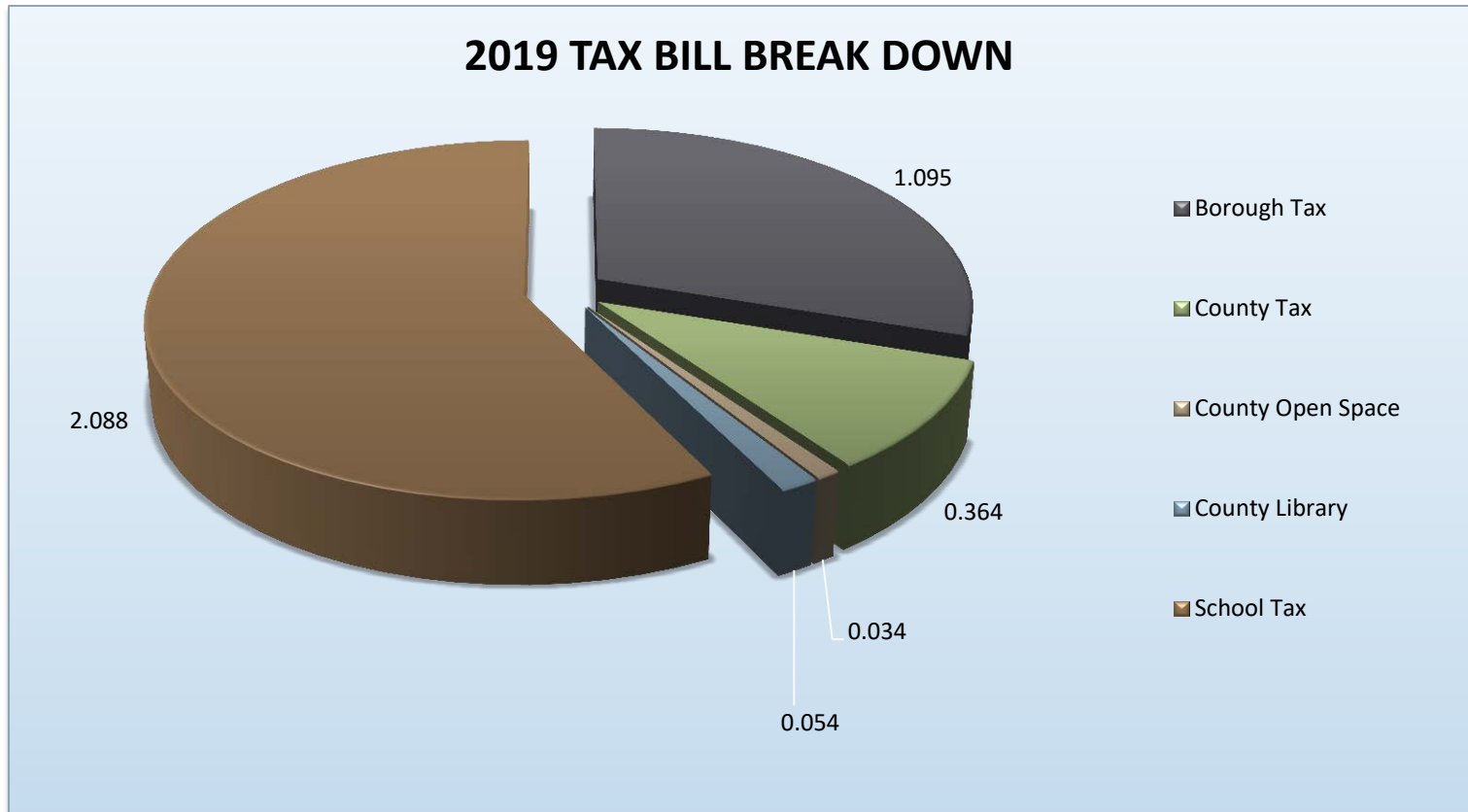
- Average Home
\$272,000
- 2020 Average Municipal
Portion of Tax Bill
\$2,995.65



Last Seven Years

- 2013 = \$5.91
- 2014 = \$36.59
- 2015 = \$84.00
- 2016 = \$6.02
- 2017 = \$142.57
- 2018 = \$45.88
- 2019 = \$27.80
- 2020 = \$9.39

2019 Tax Bill Breakdown 2019 TBD



Tax Collection

- The Borough collects the taxes for all public entities.
- The tax collection rate for 2019 was 98.44%



Parking Utility

- 4th Year of utility
- Governing Body controls the utility
- Deck enforcement
- DSA producing a parking video



Taking a quick look back at 2019 Parking Utility

2020 Anticipated

- Meters \$610,000
- Permits \$26,500

2019 Realized

- Meters \$699,503
- Permits \$28,248

Parking Utility – Appropriations

2020 Appropriations

- Salary & Wages \$173,500
- Operating \$524,000
- Pension \$15,000
- Social Security \$10,000
- CIF \$175,000
- Total \$897,500

Sewer Utility

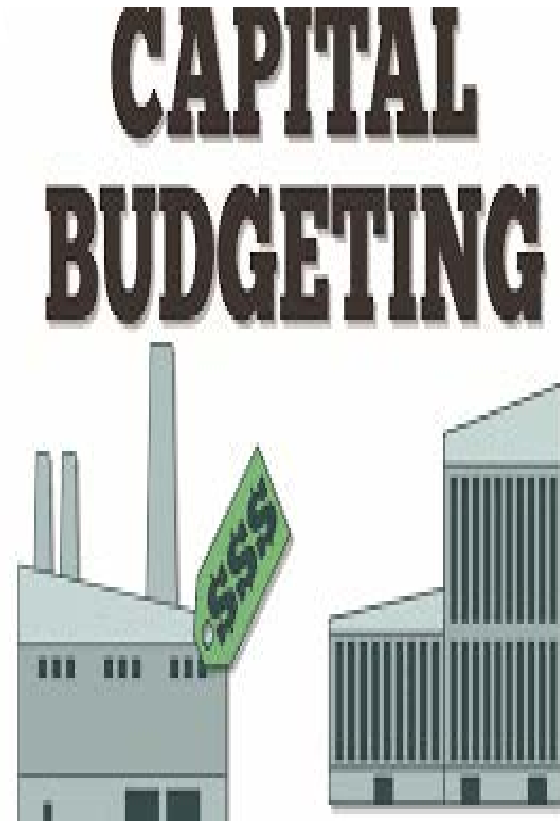
- Borough meeting all the requirements of the Administrative Consent Order
- \$360,000 South Street relining project
- Applying for Grant for 37 Manholes
- Budget \$3,125,000
- Interlocal with Manville Borough for C2 Services
- T & M Associates serves as Sanitary Engineer

Sheets 31-33



Capital Budget

- Leaf Vac & Chipper \$175,000
- Library Ramp Improvements \$25,000
- Roads \$555,000
 - Mercer, Davenport Sts.
- Police Technology \$58,000
- Recreation/Parks \$200,000
 - Pickleball/ Tennis Courts
- Borough Hall \$140,000
- Redevelopment \$100,000



QUESTIONS?

