



South Orange Village

Fiscal Year 2021 Budget

Introduced to the Board of Trustees

Monday, March 22, 2021



**SOUTH
ORANGE**
VILLAGE

VISION

South Orange is a growing Village that embraces diversity and creates a safe and beautiful community for our residents and visitors.

- **CREATING** a safe, pedestrian friendly transit community enabling access to the many opportunities that surround the Village.
- **PROVIDING** a high level of customer service to address the needs of our community throughout all our departments.
- **ENGAGING** with our Village through a multitude of communication platforms that incorporates technology and in person interactions, maximizing resident engagement.

BUDGET PLANNING OBJECTIVES:

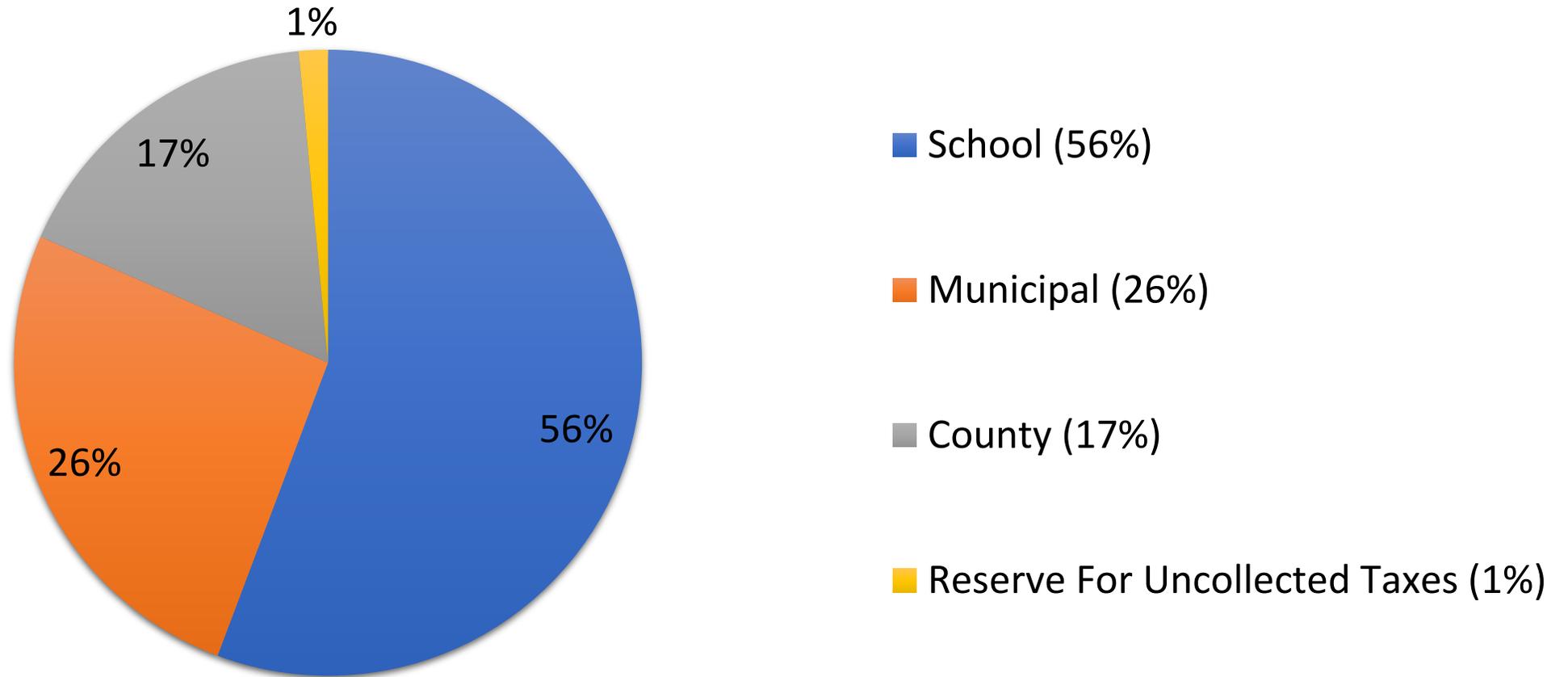
- Achieve fiscal sustainability
- Engage all Stakeholders throughout the budgeting process
- Deliver Village services effectively, efficiently and equitably
- Ensure high quality constituent engagement and response
- Increase economic growth and neighborhood stability

CORONAVIRUS (COVID-19) - BUDGET

- The 2020 Budget anticipated revenue shortfalls and made tough decisions on cuts in services
- \$1.1 million of a one-time revenue payment was used to lower the municipal tax increase for 2020
- The Village has worked to limit the spread of COVID-19 using CARES funding to provide a safe environment for our employees to continuing working throughout the pandemic and our residents using Village facilities and services

THANK YOU FOR PERSEVERING IN THE FACE OF EXTRAORDINARY CHALLENGE

WHERE DOES YOUR TAX DOLLAR GO? (2020)



FY '21 BUDGET REALITIES

- Uncontrollable Spending Increases: **\$823,449.00**
 - Recycling Contract \$260,799
 - Pension \$189,100
 - Insurance & Joint Sewer \$92,550
 - Debt Service \$281,000
- 2020 One-time Sale & Development Extension Revenue: **\$1,100,00**
- 2021 Starting with loss in ratables – **\$6,367,633 = -\$208,858** (2020 tax rate) in taxes - Loss due to demolition of buildings for multiple projects (Vose and Taylor, 4th & Valley, West So Orange Ave) as well as adjustments due to Tax Appeals

*Projected lost 2022 /2023 with anticipated increases in ratables and PILOT 2024 on

FY '21 BUDGET HIGHLIGHTS

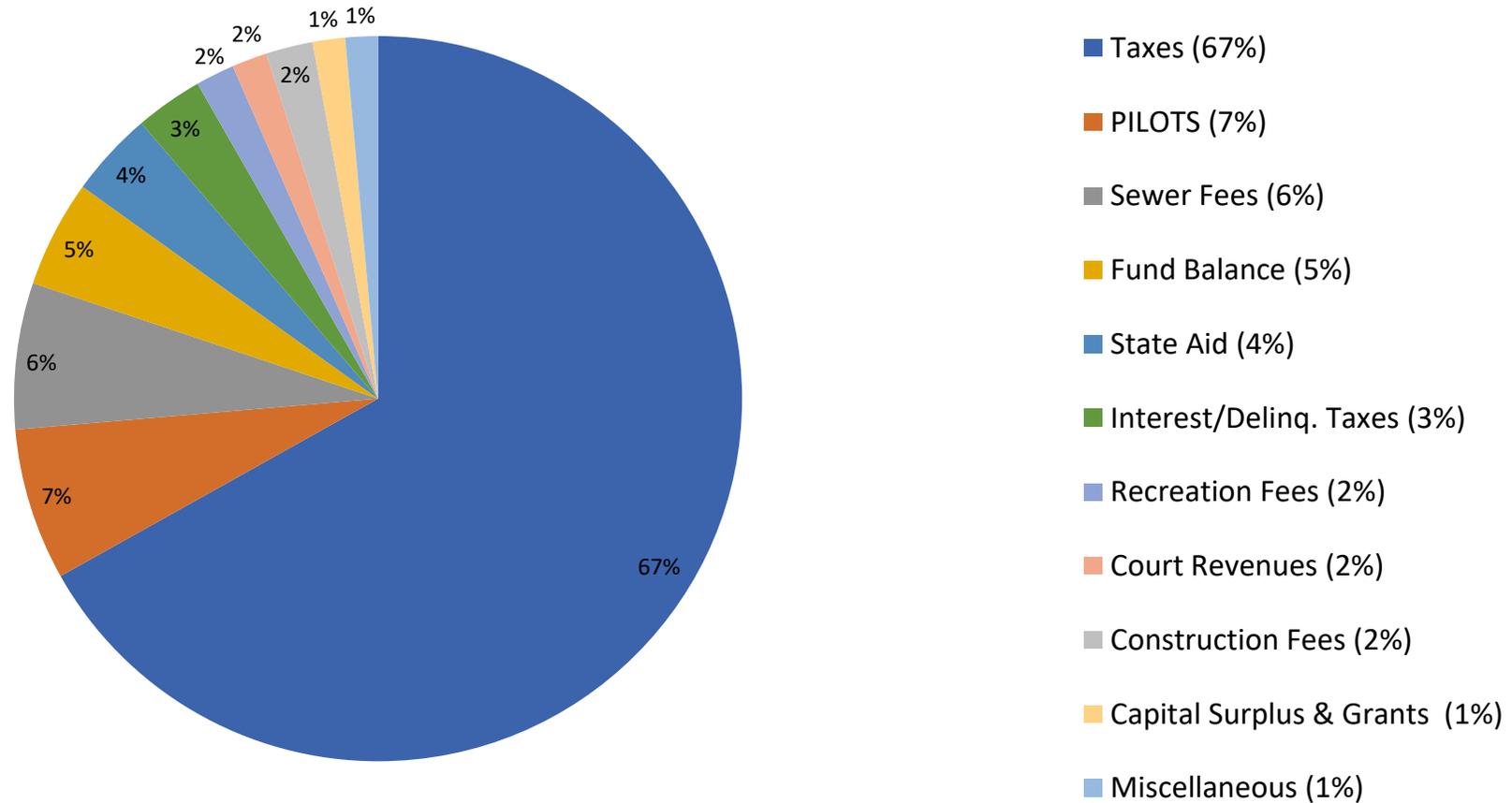
- Village Offices and services are returning to normal (New Normal)
Revenue and Appropriations are moving toward 2019 numbers
(Cautiously Optimistic)
- Staffing levels are growing to fill vacancies within our table of organization.
Help in reducing overtime
- Reducing the two-year salary freeze for employees to one year
- Continuation of Budgeting on Departmental Actuals: improved reporting, better department management and responsibility and overall savings

FY '21 BUDGET HIGHLIGHTS

- Total budget: \$ 38,476,326.09
- Municipal property tax increase: 3.6975%

	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 BUDGET</u>
TOTAL AMOUNT TO BE RAISED BY TAXATION	\$ 24,061,225.84	\$ 24,724,201.03	\$ 25,638,377.39
TOTAL ASSESSED VALUE	\$ 2,839,507,221.00	\$ 2,839,414,916.00	\$ 2,833,144,483.00
AVERAGE RESIDENTIAL ASSESSMENT	\$ 583,502.02	\$ 583,868.90	\$ 583,851.78
MUNICIPAL TAX RATE	\$ 0.847	\$ 0.871	\$ 0.905
MUNICIPAL TAXES FOR AVERAGE RESIDENT	\$ 4,942.26	\$ 5,085.50	\$ 5,283.86
INCREASE (\$) FOR AVERAGE RESIDENT (ANNUAL)	\$ 105.63	\$ 143.24	\$ 198.36
INCREASE (%) FOR AVERAGE RESIDENT (ANNUAL)	2.1840%	2.8983%	3.9005%
	\$8.80 PER MONTH	\$11.94 PER MONTH	\$16.53 PER MONTH
	\$26.41 PER QTR	\$35.81 PER QTR	\$49.59 PER QTR
TOTAL LEVY INCREASE (\$)	\$ 471,387.94	\$ 662,975.19	\$ 914,176.36
TOTAL LEVY INCREASE (%)	1.9983%	2.7554%	3.6975%

WHERE DO LOCAL REVENUES COME FROM (FY21)?



ANTICIPATED REVENUE

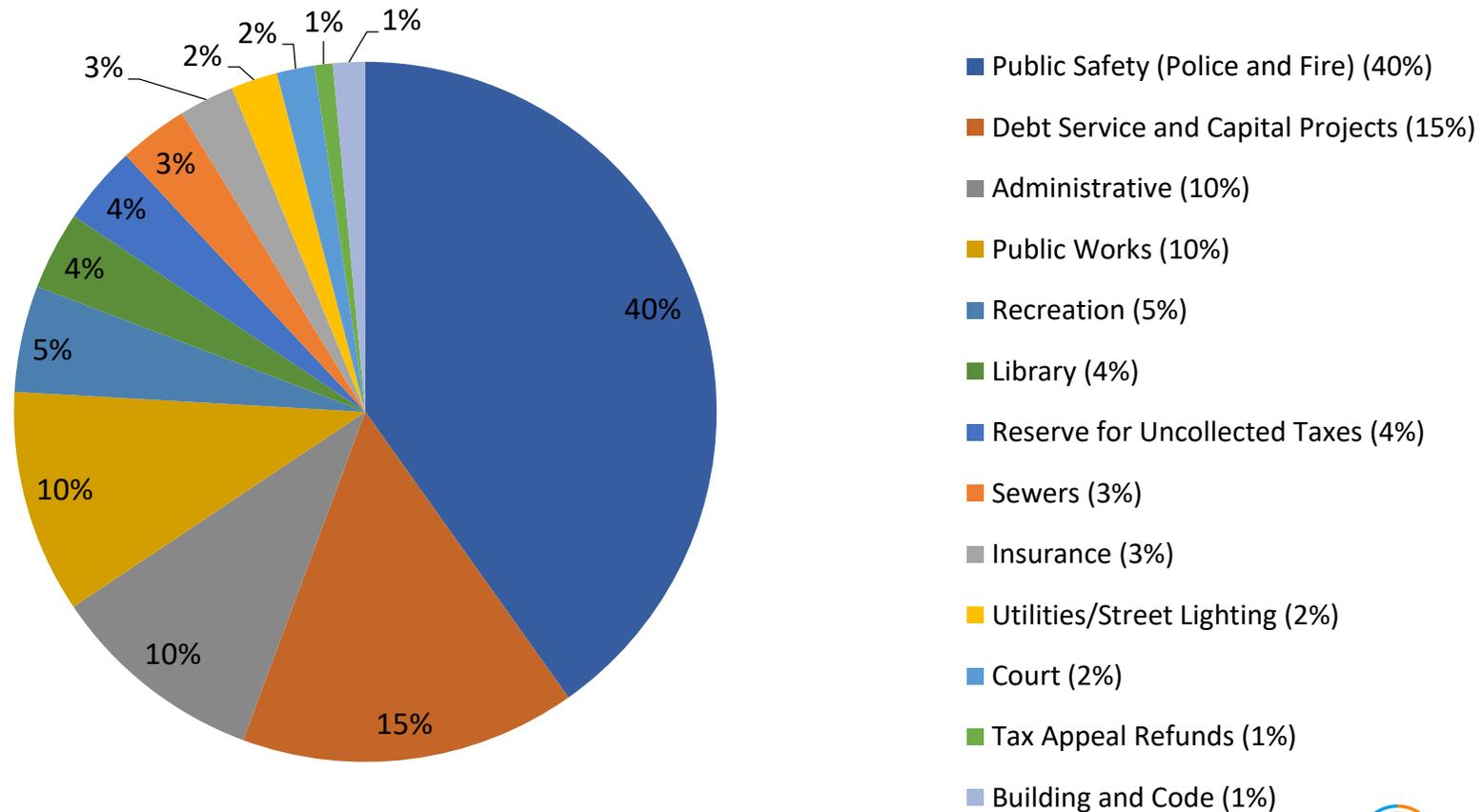
<u>ACCOUNT</u>	<u>2019 ACTUAL</u>	<u>2020 BUDGET</u>	<u>2020 ACTUAL</u>	<u>2021 BUDGET</u>	<u>DIFFERENCE</u>	<u>DIFFERENCE (%)</u>
<u>SURPLUS ANTICIPATED</u>	\$ 2,114,000.00	\$ 1,577,000.00	\$ 1,577,000.00	\$ 1,830,000.00	\$ 253,000.00	16.04%
FEES AND PERMITS	\$ 55,673.50	\$ 27,836.75	\$ 79,439.84	\$ 79,000.00	\$ 51,163.25	183.80%
FINES AND COSTS - COURT	\$ 788,145.29	\$ 362,500.00	\$ 460,251.27	\$ 600,000.00	\$ 237,500.00	65.52%
RECREATION FEES	\$ 838,527.61	\$ 106,618.00	\$ 200,035.26	\$ 660,000.00	\$ 553,382.00	519.03%
PILOT	\$ 2,289,299.34	\$ 2,280,000.00	\$ 2,605,881.67	\$ 2,600,000.00	\$ 320,000.00	14.04%
<u>UNIFORM CONSTRUCTION FEES</u>	\$ 1,006,256.40	\$ 480,000.00	\$ 783,733.00	\$ 800,000.00	\$ 320,000.00	66.67%
STATE & FEDERAL GRANTS	\$ 167,849.12	\$ 48,039.80	\$ 48,039.80	\$ 100,671.89	\$ 52,632.09	109.56%
STATE & FEDERAL GRANTS - CH. 159	\$ 67,500.00	\$ 477,467.22	\$ 477,467.22		\$ (477,467.22)	-100.00%
POLICE OFF DUTY ADMIN FEES	\$ 48,325.00	\$ 48,000.00	\$ 77,621.25	\$ 70,000.00	\$ 22,000.00	45.83%
JOINT MEETING REFUND OF SURPLUS	\$ 108,283.07	\$ 177,000.00	\$ 177,354.68	\$ 100,000.00	\$ (77,000.00)	-43.50%
SALE OF ASSETS		\$ 1,000,000.00	\$ 1,200,000.00		\$ (1,000,000.00)	-100.00%
DEVELOPMENT EXTENSION FEE		\$ 100,000.00	\$ 100,000.00		\$ (100,000.00)	-100.00%
<u>RECEIPTS FROM DELINQUENT TAXES</u>	\$ 873,058.86	\$ 860,000.00	\$ 844,441.70	\$ 900,000.00	\$ 40,000.00	4.65%

GREEN = CHANGE >= \$30,000 OR 2 %

RED = CHANGE <= -\$30,000 OR -2%



HOW DO WE SPEND YOUR MONEY (FY21)?



APPROPRIATIONS

<u>ACCOUNT</u>	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 BUDGET</u>	<u>DIFFERENCE (\$)</u>	<u>DIFFERENCE (%)</u>
ADMINISTRATION & EXECUTIVE S&W	\$ 209,000.00	\$ 236,000.00	\$ 280,200.00	\$ 44,200.00	18.73%
MUNICIPAL CLERK S&W	\$ 205,000.00	\$ 219,000.00	\$ 177,000.00	\$ (42,000.00)	-19.18%
IT S&W	\$ 172,000.00	\$ 186,000.00	\$ 195,100.00	\$ 9,100.00	4.89%
IT O/E	\$ 153,000.00	\$ 169,500.00	\$ 175,500.00	\$ 6,000.00	3.54%
MAYOR & COUNCIL O/E	\$ 4,080.00	\$ 10,500.00	\$ 11,500.00	\$ 1,000.00	9.52%
TAX COLLECTION S&W	\$ 243,000.00	\$ 269,000.00	\$ 189,200.00	\$ (79,800.00)	-29.67%
TAX COLLECTION O/E	\$ 16,320.00	\$ 16,300.00	\$ 20,350.00	\$ 4,050.00	24.85%
BOARDS AND COMMITTEES	\$ 220,000.00	\$ 205,840.00	\$ 217,745.20	\$ 11,905.20	5.78%
CODE ENFORCEMENT S&W	\$ 386,100.00	\$ 377,140.00	\$ 454,100.00	\$ 76,960.00	20.41%
BUILDING AND CONSTRUCTION O/E	\$ 8,160.00	\$ 5,000.00	\$ 7,500.00	\$ 2,500.00	50.00%
GENERAL LIABILITY INSURANCE	\$ 877,540.00	\$ 900,000.00	\$ 970,000.00	\$ 70,000.00	7.78%
FIRE S&W	\$ 3,919,776.14	\$ 3,833,900.00	\$ 3,979,400.00	\$ 145,500.00	3.80%
FIRE O/E	\$ 102,000.00	\$ 168,125.00	\$ 235,650.00	\$ 67,525.00	40.16%
POLICE S&W	\$ 6,143,900.00	\$ 6,486,610.00	\$ 6,173,600.00	\$ (313,010.00)	-4.83%
POLICE O/E	\$ 295,800.00	\$ 466,050.00	\$ 698,050.00	\$ 232,000.00	49.78%
EMERGENCY MANAGE O/E	\$ 5,100.00	\$ 7,200.00	\$ 15,200.00	\$ 8,000.00	111.11%

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APPROPRIATIONS

<u>ACCOUNT</u>	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 BUDGET</u>	<u>DIFFERENCE (\$)</u>	<u>DIFFERENCE (%)</u>
PUBLIC WORKS S&W	\$ 1,999,477.25	\$ 2,048,985.00	\$ 1,831,175.00	\$ (217,810.00)	-10.63%
PUBLIC WORKS O/E	\$ 808,032.78	\$ 919,800.00	\$ 1,187,400.00	\$ 267,600.00	29.09%
HEALTH S&W	\$ 103,000.00	\$ 105,000.00	\$ 120,000.00	\$ 15,000.00	14.29%
RECREATION S&W	\$ 875,100.00	\$ 460,791.25	\$ 838,000.00	\$ 377,208.75	81.86%
RECREATION O/E	\$ 456,711.36	\$ 368,300.00	\$ 530,350.00	\$ 162,050.00	44.00%
RECREATION O/E (SOPAC)	\$ 295,290.00	\$ 266,400.00	\$ 295,290.00	\$ 28,890.00	10.84%
PERS (PENSION)	\$ 703,439.00	\$ 675,639.00	\$ 771,365.00	\$ 95,726.00	14.17%
PFRS (PENSION)	\$ 2,793,507.27	\$ 2,599,692.00	\$ 2,693,066.00	\$ 93,374.00	3.59%
MUNICIPAL LIBRARY (S&W)	\$ 887,400.00	\$ 913,400.00	\$ 945,600.00	\$ 32,200.00	3.53%
ACCUMULATED ABSENCES	\$ 50,522.75	\$ -	\$ 50,000.00	\$ 50,000.00	0.00%
STATE & FEDERAL GRANTS	\$ 174,474.12	\$ 54,664.80	\$ 100,671.89	\$ 46,007.09	84.16%
STATE & FEDERAL GRANTS - CH. 159	\$ 67,500.00	\$ 477,467.22	\$ -	\$ (477,467.22)	-100.00%
CAPITAL IMPROVEMENT FUND	\$ 750,000.00	\$ 135,000.00	\$ 150,000.00	\$ 15,000.00	11.11%
BOND PRINCIPAL	\$ 3,335,000.00	\$ 3,430,000.00	\$ 3,560,000.00	\$ 130,000.00	3.79%
NOTE PRINCIPAL	\$ 315,000.00	\$ 581,000.00	\$ 125,000.00	\$ (456,000.00)	-78.49%
BOND INTEREST	\$ 1,152,500.00	\$ 1,040,000.00	\$ 1,933,000.00	\$ 893,000.00	85.87%
NOTE INTEREST	\$ 306,000.00	\$ 397,000.00	\$ 136,000.00	\$ (261,000.00)	-65.74%
RESERVE FOR UNCOLLECTED TAXES	\$ 1,350,000.00	\$ 1,350,000.00	\$ 1,400,000.00	\$ 50,000.00	3.70%

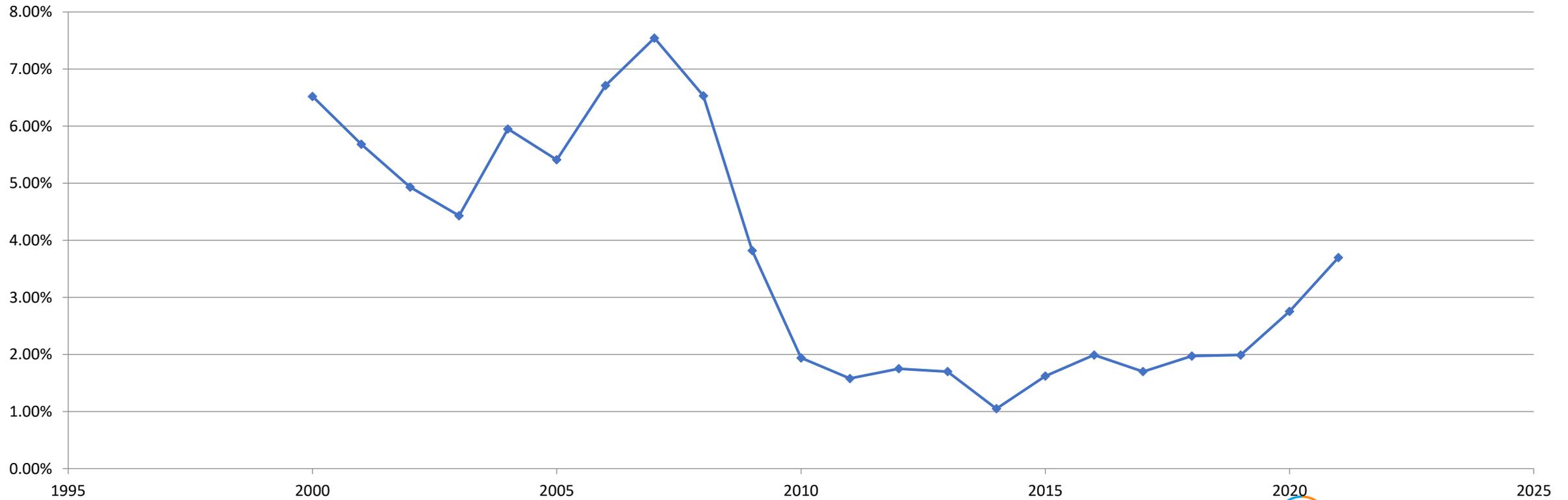
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ANNUAL MUNICIPAL TAX LEVY INCREASES

2000 - 2010 (Avg. 5.41%) vs. 2011 - 2021 (Avg. 1.98%)



2021 CAPITAL BUDGET HIGHLIGHTS

Total 2021 Capital Request: \$ 2,995,184

- Roads, Curb and Sidewalks: Grove Rd, Randolph Pl, Stone Hill Rd. Connett Pl, Kingman Rd, W. Montrose Ave and West Fairview Ave.
- Feasibility Study for Cameron Park (Along Boz Way – Tennis Courts, Pool Bathhouse and Pool Area)
- Emergency Generator for the Public Works Yard
- Downtown Sidewalk Improvements
- Waste Management Plan

FUTURE BUDGETS

- Reducing dependency on Surplus Balance as revenue / Increase Surplus Balance
- Union Contracts Negotiations
- 5Y Outlook on Development Projects/ PILOTS: 4th & Valley, Vose and Taylor, 270 Irvington Avenue, Sloan Street & 3rd and Valley Street & Lackawanna
- Shared Services – Fire Department