

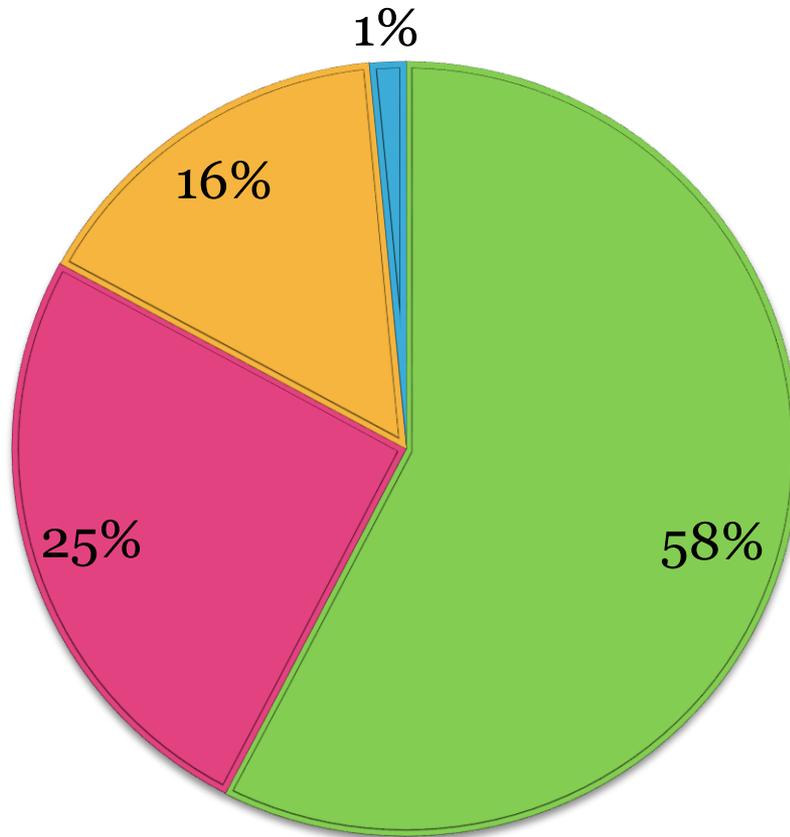
# South Orange 2016 Municipal Budget Presentation



**July 25, 2016**



# Where Does Your Tax Dollar Go?



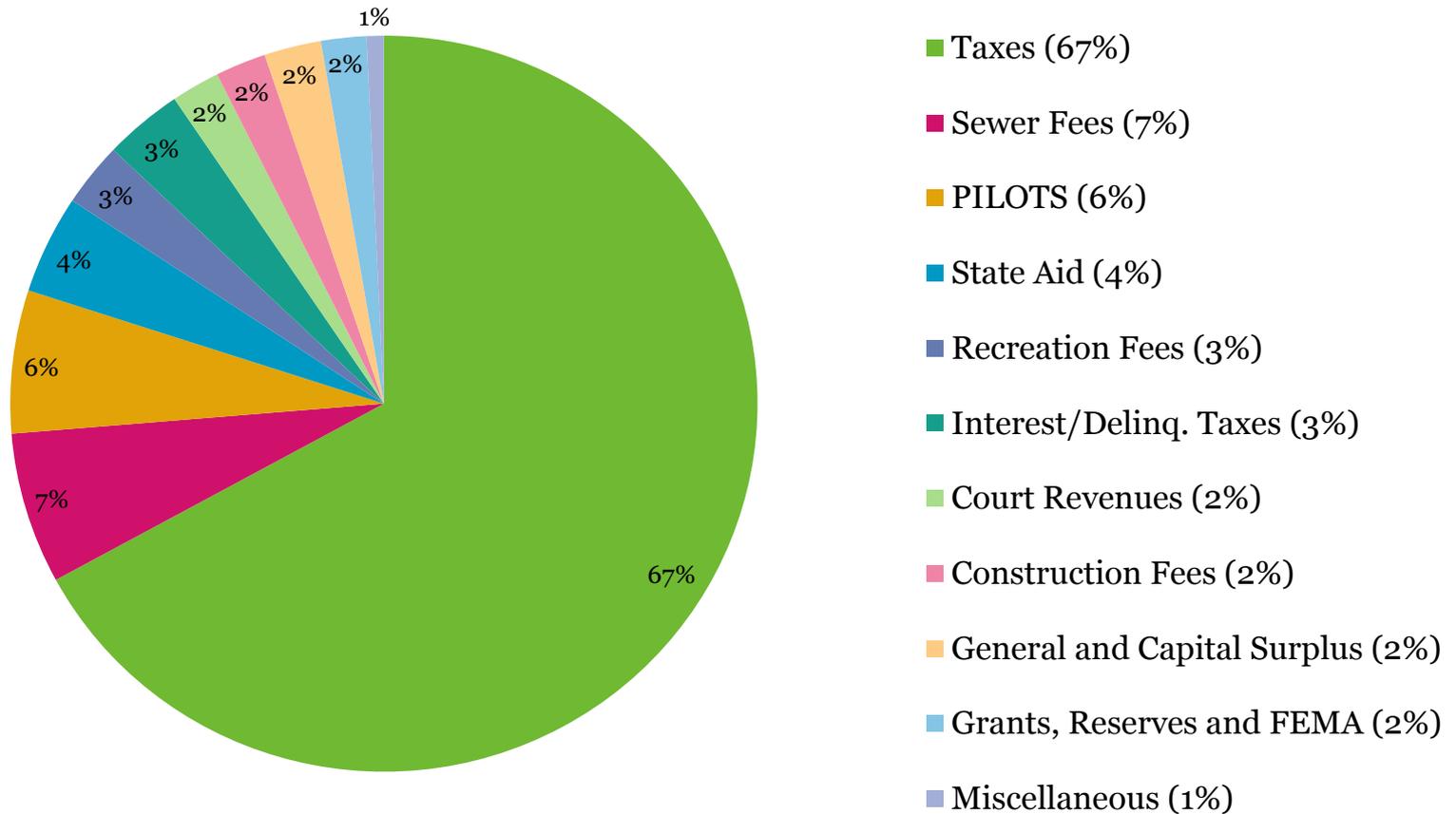
■ School (58%)

■ Municipal (25%)

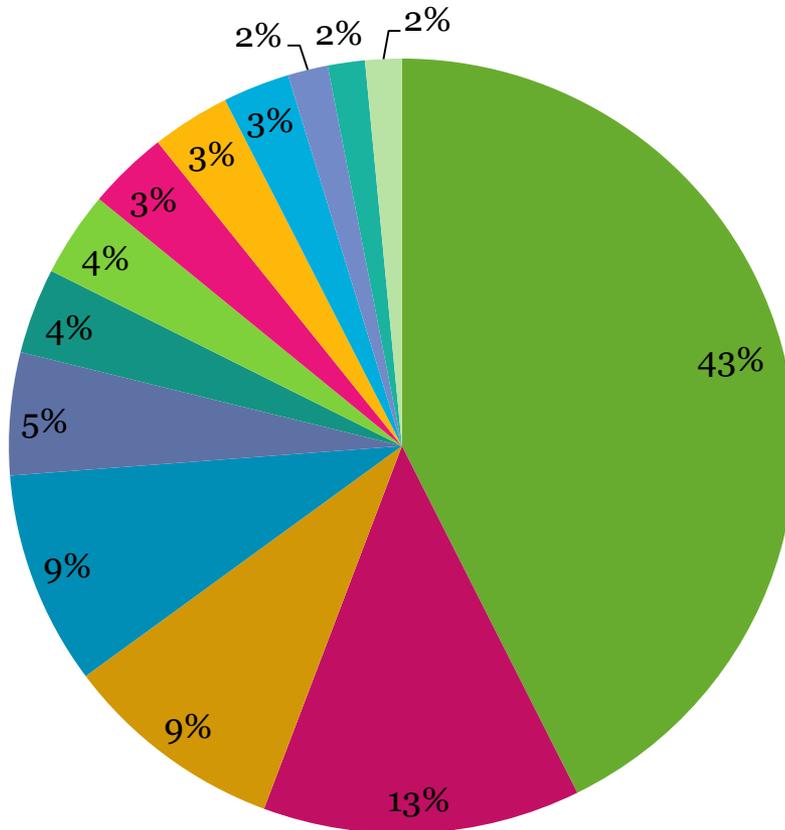
■ County (16%)

■ Reserve For Uncollected Taxes (1%)

# Where Do Local Revenues Come From?



# How Do We Spend Your Money?



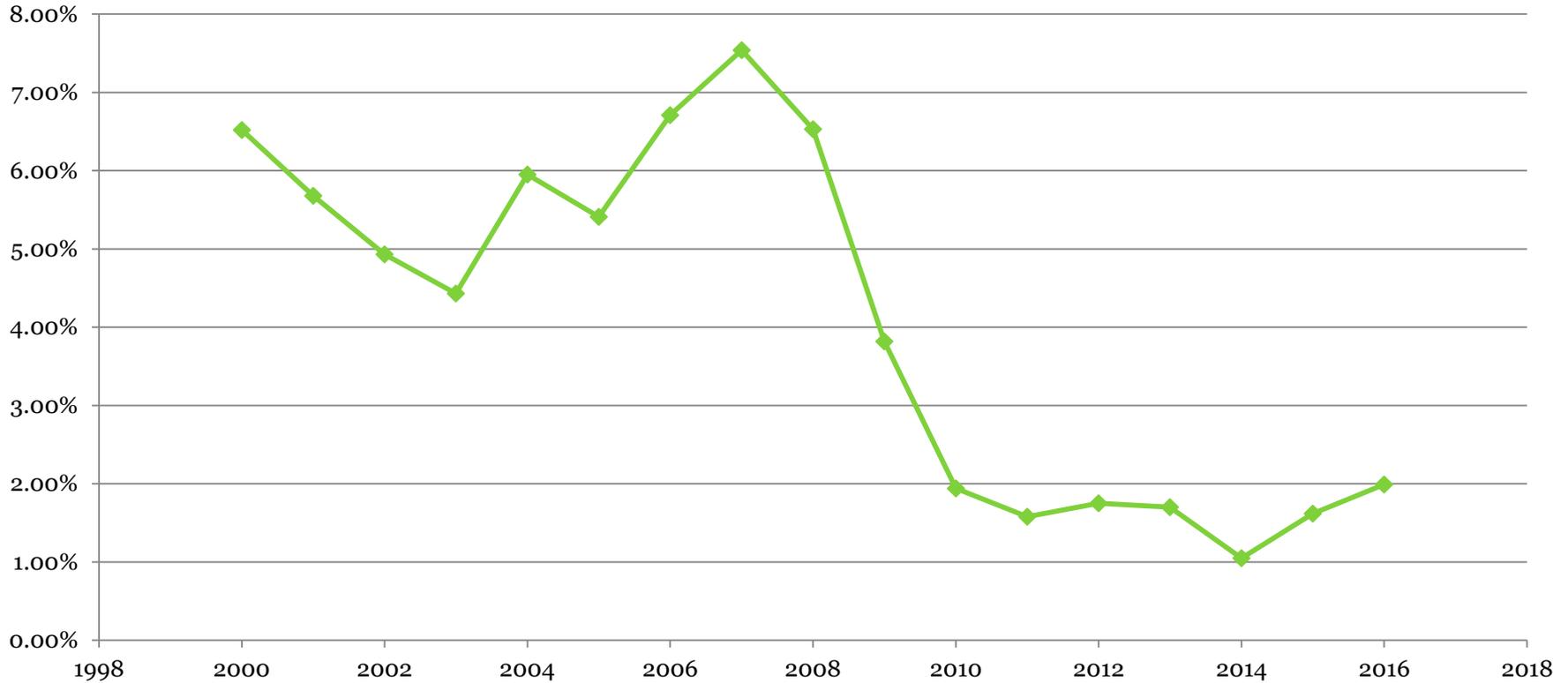
- Public Safety (Police and Fire) (43%)
- Debt Service and Capital Projects (13%)
- Administrative (9%)
- Public Works (9%)
- Recreation (5%)
- Library (4%)
- Reserve for Uncollected Taxes (4%)
- Utilities/Street Lighting (3%)
- Sewers (3%)
- Insurance (3%)
- Court (2%)
- Tax Appeal Refunds (2%)
- Building and Code (2%)

# How Are We Doing?



## Annual Tax Levy Increases

**2000 - 2010 (Avg. 5.75%) vs. 2011 - 2016 (Avg. 1.6%)**



# 2016 Budget Summary



- Maintains Current Levels of Service
- Budgets for Agreed Union Contracts
- Implements 12 Hour Police Patrol Schedule
- Accommodates Delayed 3<sup>rd</sup> & Valley Opening, with resulting delayed PILOT payments
- Reduces dependency on Surplus Balance as revenue
- 2017 Projected Budget below 2.0% Increase

# 2016 Budget Summary Continued



- Overall Tax Levy Increase = 1.9%  
(No Cap Exceptions)
- Tax Rate Increase = 2.0%  
(Due to \$2.05 million decrease in Total Assessed Values)
- 7<sup>th</sup> Consecutive Year Below 2.0% Levy Increase
- 2011-2016 Avg. Incr. - 1.6% (2000-2010 - 5.75%)
- 2016 Average Assessed Home = \$459,258.07
- Tax Increase on Avg. Assessed Home = \$93.33

# Positive Budget Items



<b>SIGNIFICANT REVENUE INCREASES</b>				
	<u>2015 Budget</u>	<u>Difference</u>	<u>%</u>	<u>2016 Budget</u>
PILOT	\$1,910,000.00	\$205,000.00	10.73%	\$2,115,000.00
General Capital Fund Surplus	\$180,000.00	\$280,000.00	155.56%	\$460,000.00
FEMA Storm Reimbursement	\$230,000.00	\$90,000.00	39.13%	\$320,000.00
Joint Meeting Surplus Refund	\$89,000.00	\$32,000.00	35.96%	\$121,000.00
Reciepts from Delinq. Taxes	\$782,000.00	\$137,769.00	17.62%	\$919,769.00
<b>TOTAL REVENUE INCREASE</b>	<b>\$3,191,000.00</b>	<b>\$744,769.00</b>	<b>23.34%</b>	<b>\$3,935,769.00</b>

# Positive Budget Items



<b>SIGNIFICANT APPROPRIATION DECREASES</b>				
	<u>2015 Budget</u>	<u>Difference</u>	<u>%</u>	<u>2016 Budget</u>
Municipal Clerk SW	\$165,000.00	-\$42,000.00	-25.45%	\$123,000.00
Engineering OE	\$50,000.00	-\$35,000.00	-70.00%	\$15,000.00
Recreation OE (SOPAC)	\$740,000.00	-\$10,000.00	-1.35%	\$730,000.00
Street Lighting	\$750,000.00	-\$25,000.00	-3.33%	\$725,000.00
Telephone	\$90,000.00	-\$25,000.00	-27.78%	\$65,000.00
Gasoline	\$200,000.00	-\$60,000.00	-30.00%	\$140,000.00
Capital Improvement Fund	\$100,000.00	-\$50,000.00	-50.00%	\$50,000.00
<b>TOTAL APPR. DECREASE</b>	<b>\$2,095,000.00</b>	<b>\$247,000.00</b>	<b>-11.79%</b>	<b>\$1,848,000.00</b>
<b>TOTAL POSITIVE ITEMS</b>		<b>\$991,769.00</b>		

# Negative Budget Items



<b>SIGNIFICANT REVENUE DECREASES</b>				
	<u>2015 Budget</u>	<u>Difference</u>	<u>%</u>	<u>2016 Budget</u>
Surplus Anticipated	\$850,000.00	-\$600,000.00	-70.59%	\$250,000.00
Uniform Construction Fees	\$825,000.00	-\$85,000.00	-10.30%	\$740,000.00
Utility Operating Surplus	\$60,000.00	-\$30,000.00	-50.00%	\$30,000.00
<b>TOTAL REVENUE DEFICIT</b>	<b>\$1,735,000.00</b>	<b>-\$715,000.00</b>	<b>-41.21%</b>	<b>\$1,020,000.00</b>

# Negative Budget Items



<b>SIGNIFICANT APPROPRIATION INCREASES</b>				
	<u>2015 Budget</u>	<u>Difference</u>	<u>%</u>	<u>2016 Budget</u>
Police SW	\$6,450,000.00	\$130,000.00	2.02%	\$6,580,000.00
Fire SW	\$3,750,000.00	\$200,000.00	5.33%	\$3,950,000.00
PERS (Non-Uniform Pension)	\$483,398.00	\$54,568.95		\$537,966.95
PFRS (Police & Fire Pension)	\$2,162,896.00	\$152,872.72		\$2,315,768.72
Tax Appeal Refunds (Emergency Authorizations)	\$221,667.00	\$300,000.00		\$521,667.00
Reserve for Uncollected Taxes	\$1,091,955.37	\$117,892.09		\$1,209,847.46
<b>TOTAL APPR. INCREASES</b>	<b>\$7,709,916.37</b>	<b>\$825,333.76</b>	<b>10.70%</b>	<b>\$8,535,250.13</b>
<b>TOTAL NEGATIVE ITEMS</b>		<b>\$1,540,333.76</b>		