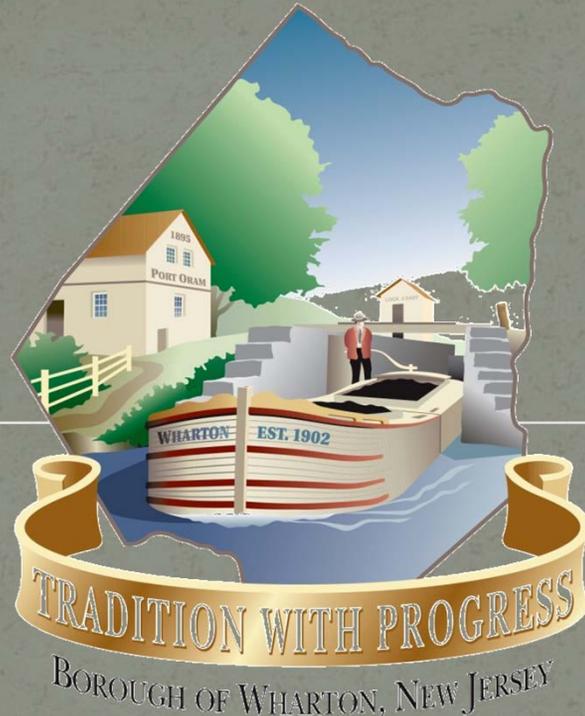


Borough of Wharton



2017 Budget

Budget Process

- The Budget process for the Borough is a year round effort. We begin work on the next year's budget immediately after the current year is adopted.
- Long range plans also impact budgeting decisions as we look to the future to ensure that our public infrastructure is maintained
- We utilize a Modified Program Based Budget Approach

Responsible Budget

This Budget is consistent with prior budgets in that it:

- Meets our contractual obligations
- Provides no new services (“Status Quo”)
- Maintains service levels
- When we receive requests for new programs we weigh the costs associated with the benefits of programs and ultimately the tax impact

Budget Information

- Website:
 - State Budget Document (2012-2017)
 - Annual Financial Statements (2012-2016)
 - Annual Debt Statement (2012-2016)
 - Annual Audit Reports (2012-2015)
 - User Friendly Budget (2016-2017)
 - Tax Per Capita Ranking (2010-2016)
- PowerPoint Presentation

Shared Services

Shared Services

- We actively seek new ways to share services with our neighboring towns
- In addition, we maintain our existing shared service relationships
- Entering into a shared service is much like a personal relationship and requires attention and cooperation
- We continue to maintain good working relationships with the communities that we share services with
- Not all shared services require a formal agreement
- Currently working on a new shared court (1/1/2018)

A Partial List of Shared Services

- School Parking Lot – Snow Removal
- School Fields mowing
- Health Officer and Inspection Services
- Police Services
- Snow Removal – County Roads in Wharton & Mine Hill
- Street Sweeping
- Sewer Jetter
- Paver
- Library Back Office Svcs
- Bucket Truck
- Joint Insurance Fund
- Health Insurance Fund
- SEM – Energy Pooling
- Construction Department – conflict inspections
- Emergency Services Dispatch
- Salt Storage
- Vehicle Wash Station
- Recreation Programs
- And More.....

Debt Plan

Debt Planning

- The Borough instituted a long range debt plan beginning in 2003
- The plan called for General Capital Debt to be extinguished by the year 2016 (We did it!)
- Focus was placed on reducing the Borough's overall debt ratio
- Utility Debt was not included in the original plan, however, it is not far behind
- The Sewer Utility will be debt free in 2017 and the Water Utility is anticipated to be debt free in 2018.

Borough's Debt Ratio



Year	Debt Ratio
2002	0.59%
2003	0.52%
2004	0.52%
2005	0.47%
2006	0.34%
2007	0.36%
2008	0.32%
2009	0.25%
2010	0.26%
2011	0.22%
2012	0.20%
2013	0.21%
2014	0.18%
2015	0.09%
2016	0.02%

State Funding

State of New Jersey

- 2008 state aid was reduced by \$150,100
- 2009 state aid was reduced by \$17,718
- 2010 state aid was reduced by \$141,314
- 2011 – 2017 state aid was left unchanged

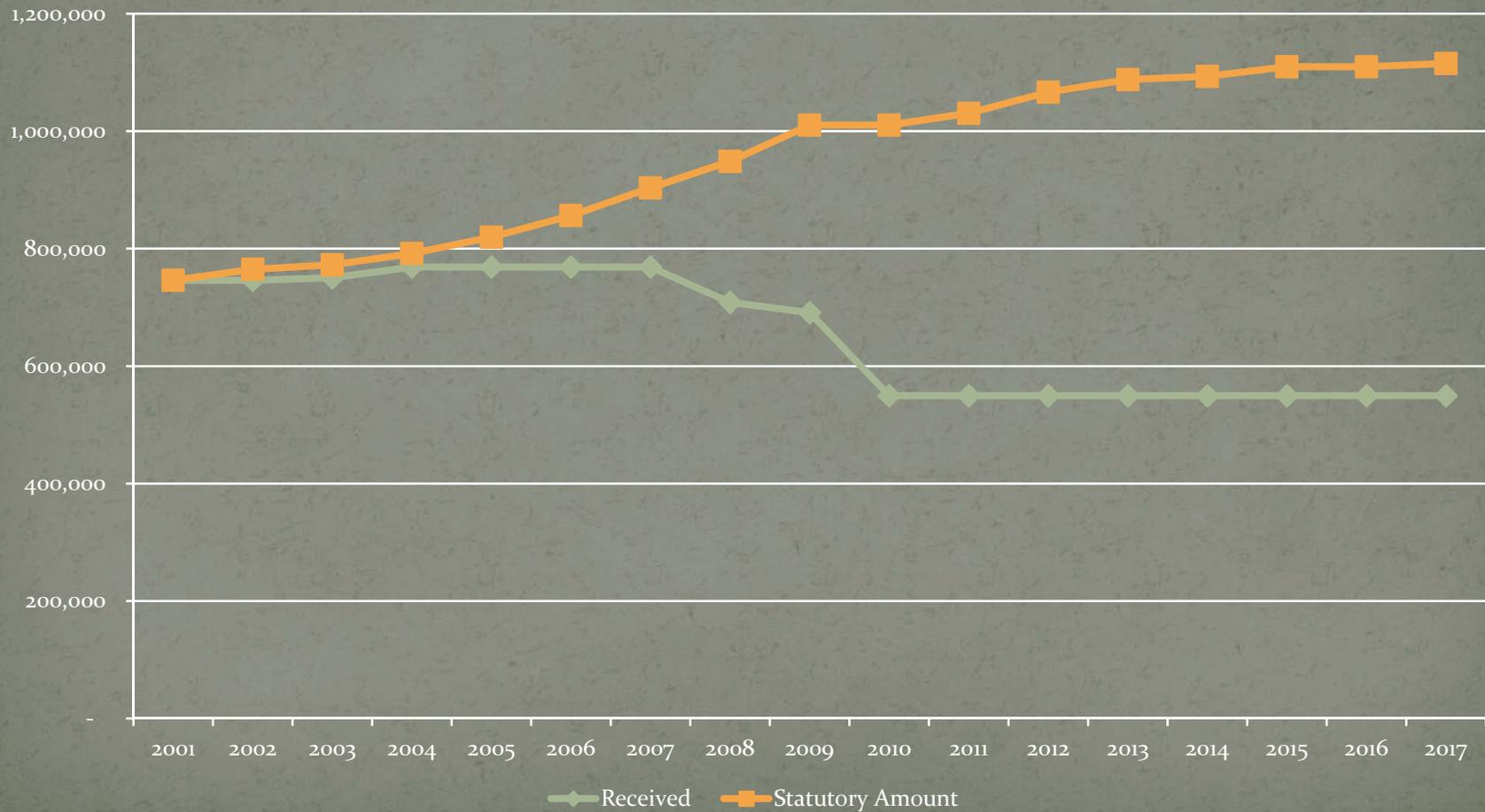
- The amount that we receive in State Aid today is less than what we were receiving in 1991, or 26 years ago!

CMPTRA & ETR Amounts Restated

Year	Received	IPD	Statutory	Shortage
2001	\$ 746,174	Base Year		
2002	746,174	2.5%	\$ 764,828	\$ 18,654
2003	750,316	1.0%	772,477	22,160
2004	768,716	2.5%	791,789	23,073
2005	768,716	3.5%	819,501	50,785
2006	768,716	4.5%	856,379	87,663
2007	768,716	5.5%	903,480	134,764
2008	708,743	5.0%	948,654	239,911
2009	691,025	6.5%	1,010,316	319,291
2010	549,711	0.0%	1,010,316	460,605
2011	549,711	2.0%	1,030,522	480,811
2012	549,711	3.5%	1,066,591	516,880
2013	549,711	2.0%	1,087,922	538,211
2014	549,711	0.5%	1,093,362	543,651
2015	549,711	1.5%	1,109,762	560,051
2016	549,711	0.0%	1,109,762	560,051
2017	549,711	0.5%	1,115,311	565,600
Totals	\$ 10,565,273		\$ 16,237,146	\$ 5,122,161

State Aid Historic Funding

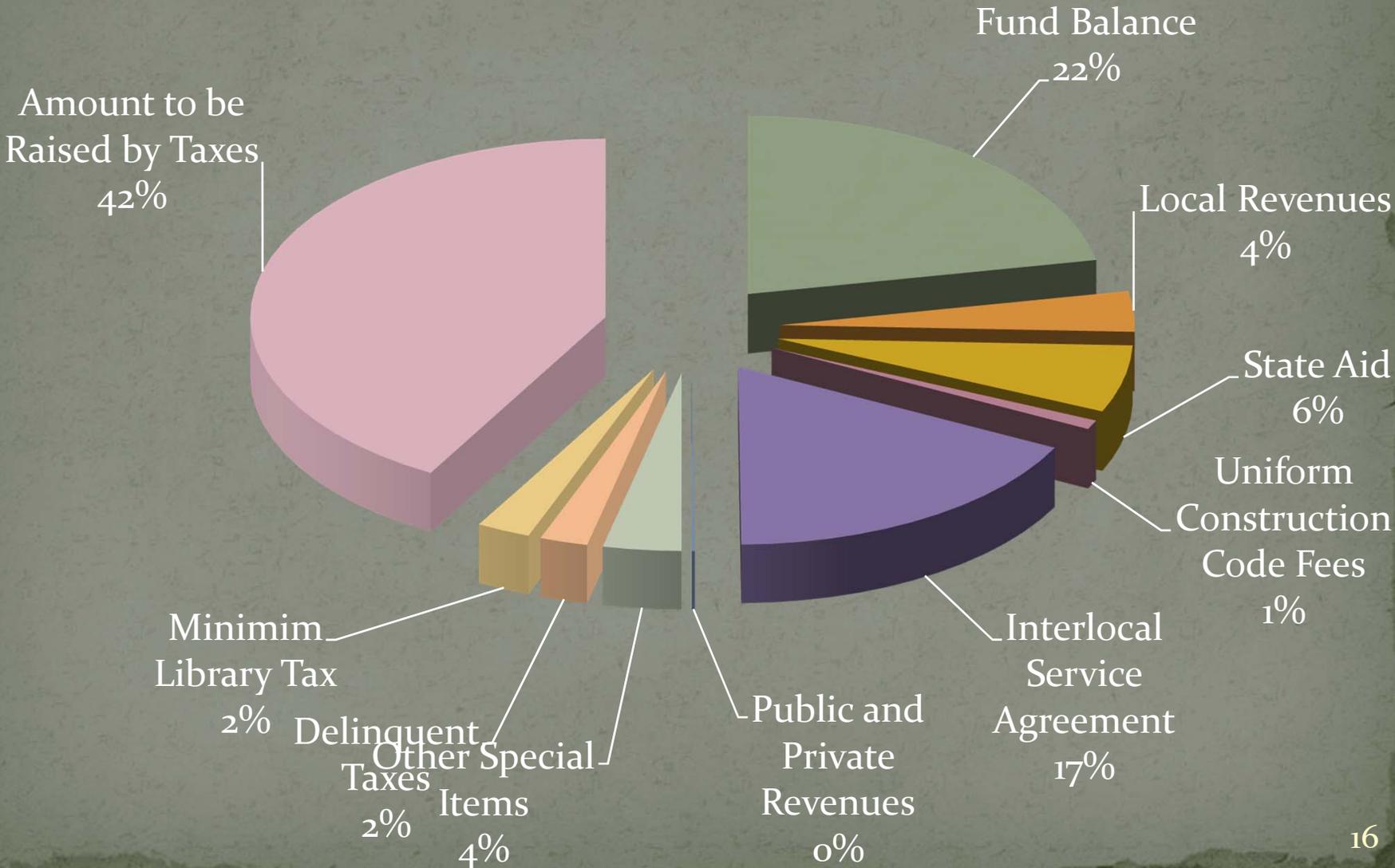
Calculation of State Energy Tax Obligation



Budget Summary - Revenues

Category	2016	2017
Fund Balance (Surplus)	2,516,294	1,986,294
Local Revenues	326,085	330,985
State Aid	549,711	549,711
Uniform Construction Code	68,300	75,500
Interlocal Agreements	1,542,790	1,571,533
Grants	2,184	12,081.97
Other Special Items	322,000	622,000
Delinquent Taxes	223,000	197,000
Amount to be Raised by Taxation	3,930,096	4,007,473
Total	9,480,460	9,352,578

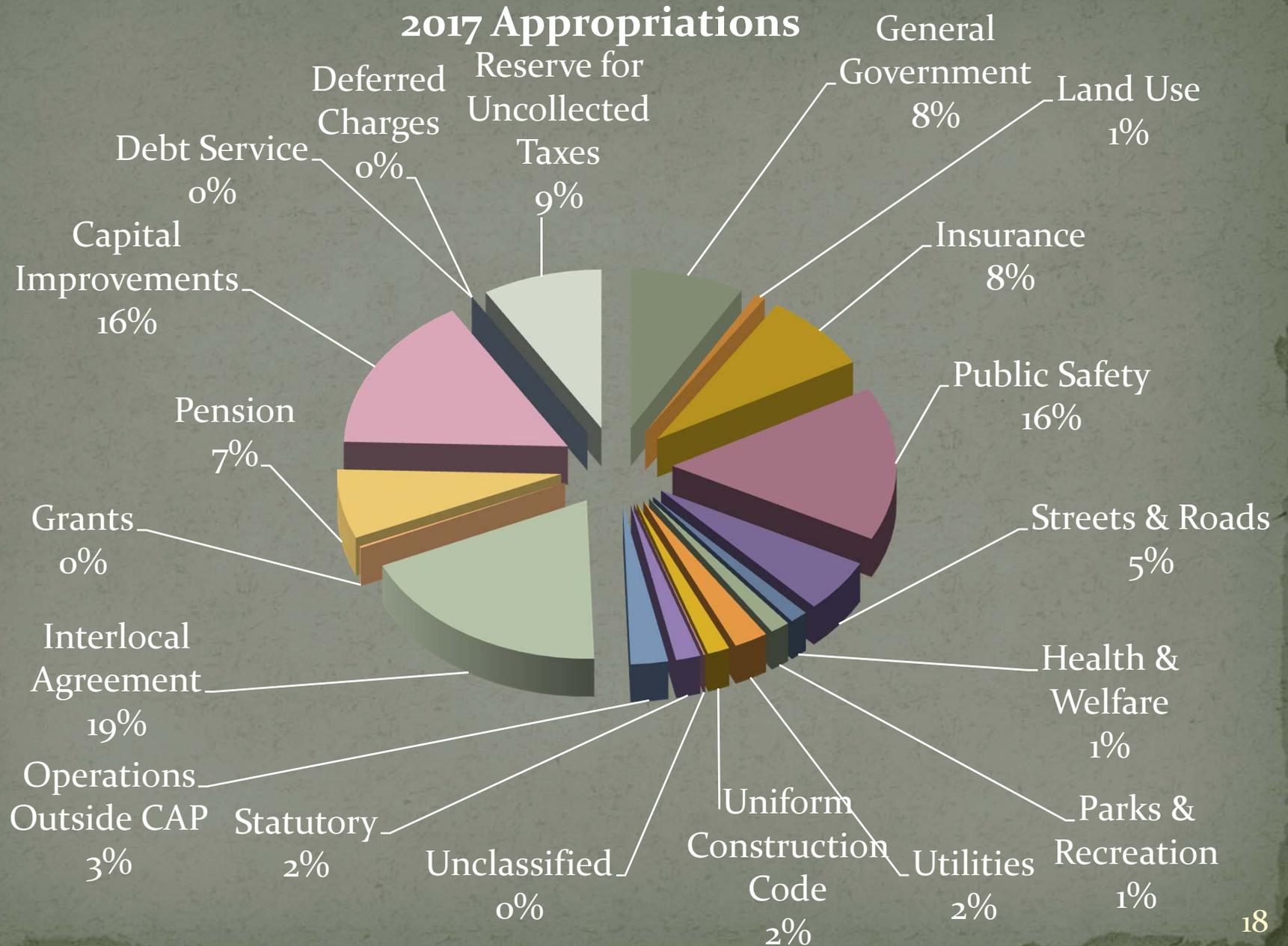
2017 Anticipated Revenues



Budget Summary - Appropriations

Category	2016	2017
Operations with CAP:		
Salaries & Wages	1,913,517	1,958,366
Other Expenses	2,081,175	2,113,018
Statutory Expenditures	748,596	798,585
Operations outside CAP:		
Salaries & Wages	1,542,790	1,571,533
Other Expenses	386,382	390,076
Capital Improvements	1,618,500	1,739,000
Debt Service	423,500	-0-
Reserve for Uncollected Taxes	766,000	782,000
Total	9,480,460	9,352,578

2017 Appropriations



Budget CAPs

- We are:
 - \$163,430 under the Tax Levy CAP
 - \$293,556.86 under the Appropriation CAP
- The Borough did not utilize the full extent of either CAP
- The Mayor and Council work continually to manage the budget and the impact on our residents

2016 Capital Projects in Review

- Water Main replacement on Church Street
 - (\$80,000 Grant)
- East Central Avenue Water Main Replacement
 - Phase 1 – Connection to Main Street
- West Central Avenue Resurfacing Project
 - Stalled because of TTF Funding Issues (\$160,000 Grant)
- Various Road Resurfacing Projects
 - Anderson, Lowry, Port Oram, Garden, Crater, Cross, Clay, Meadow, East Union, Jackson, Burns & Hurd
- Fire Department Equipment – New Pumper
- Various Public Works Equipment

2016 Capital Projects in Review

- Acquisition of Chase Bank for Parking Lot
- Main Street Line Striping and Crosswalks
- Main Street Paving (Route 46 to Dewey)
- Water Tank Construction Began

2017 Capital Projects Highlights

- East Central Avenue Water Main Replacement
 - Phase 2 – (\$80,000 Grant)
- West Central Avenue Resurfacing Project
 - Stalled in 2016 will finish in 2017 (\$160,000 Grant)
- Safe Routes to Schools Project
 - To begin in 2017 (\$100,000 Grant)
- Various Road Resurfacing Projects:
 - Sherwood, Potter Lane, Hance, Maple Terrace, Cornell, Eileen, Atlanta, West Clarence, Huff, Mt Pleasant, Terry, Princeton (\$245,000 Grant)

What does all of this mean to me?

Average Property Tax Impact

2016

- Tax Rate \$3.010/\$100
- Average Residential Property Value \$255,710
- Total Tax Bill of \$7,696.13

2017

- Tax Rate \$3.053/\$100
- Average Residential Property Value \$257,685
- Total Tax Bill of \$7,867.03

This will amount to an average estimated annual increase of \$170.89 for the TOTAL tax bill (Or) An annual increase of 2.22%

The County Tax Impact is estimated at 2.0%

Tax Per Capita Ranking

- The Borough of Wharton has ranked as either the 1st or 2nd lowest municipal tax per capita since 2002 which is when we began tracking this indicator
- We are proud to acknowledge this distinction and work to maintain it
- The fact that we focus on keeping taxes to a minimum has made it difficult to formulate a budget under the new levy cap rules

Looking Forward...

- The creation of our budget is something that evolves throughout the year in reaction to the needs of our community
- Work on the 2018 budget has already begun as we anticipate the changing environment around us
- Our efforts remain focused on maintaining existing services to residents while keeping the tax effort for these services to a minimum
- We continue to evaluate each program area of the budget looking for efficiencies or opportunities

Questions

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