



Budget Introduction  
2020

## Overview of Goals and Accomplishments of Various Municipal Departments

As has been the practice over the last few years, the Administration provides an overview presentation to Council and the public in order that both may have a fuller sense of the relationship of the budget to the services provided by the various departments.

While the current public health crisis prevents departments from sharing their presentations personally, the administration appreciates Council's time and consideration and will endeavor to answer any questions in a timely manner.

## Overarching Goals of the Administration

- The goal of the administration in introducing this budget is to provide for the core programs & services residents and businesses need while also factoring-in the financial constraints facing households and businesses in these challenging times.
- The proposed budget at 0.08 tax rate increase equates to an increase of \$59.81 per year on the average house which is assessed at \$71,203
- The budget increase includes use of \$1,812,000 of the surplus from the current fund
- Going forward, it will be necessary to aggressively address/collect Tax Title Liens, and pursue development revenues
- Part of the current increase comes as a result of lawsuit settlements and satisfying insurance deductibles
- It is unknown at this time what impact the Covid-19 pandemic will have on tax revenues and collection rates
- In light of the pandemic and unknown impacts, spending has been curtailed & hiring is on a case-by-case basis
- Furloughs with a resultant reduction in services to residents may be necessary

# COMPTROLLER OFFICE 2020 BUDGET OVERVIEW

Mary Jane Lake, Chief Finance Officer

April 21, 2020

# THE BUDGET PROCESS

Department Head Line Level Review – Fall 2019



Submitted to CFO and Business Administrator for Analysis and Input



Discussion with Administration



Budget Introduction - April 21, 2020



Public Hearing – May 19, 2020



Budget Adoption – At least 28 days after Budget Introduction

## 2020 Current Fund Budget Overview

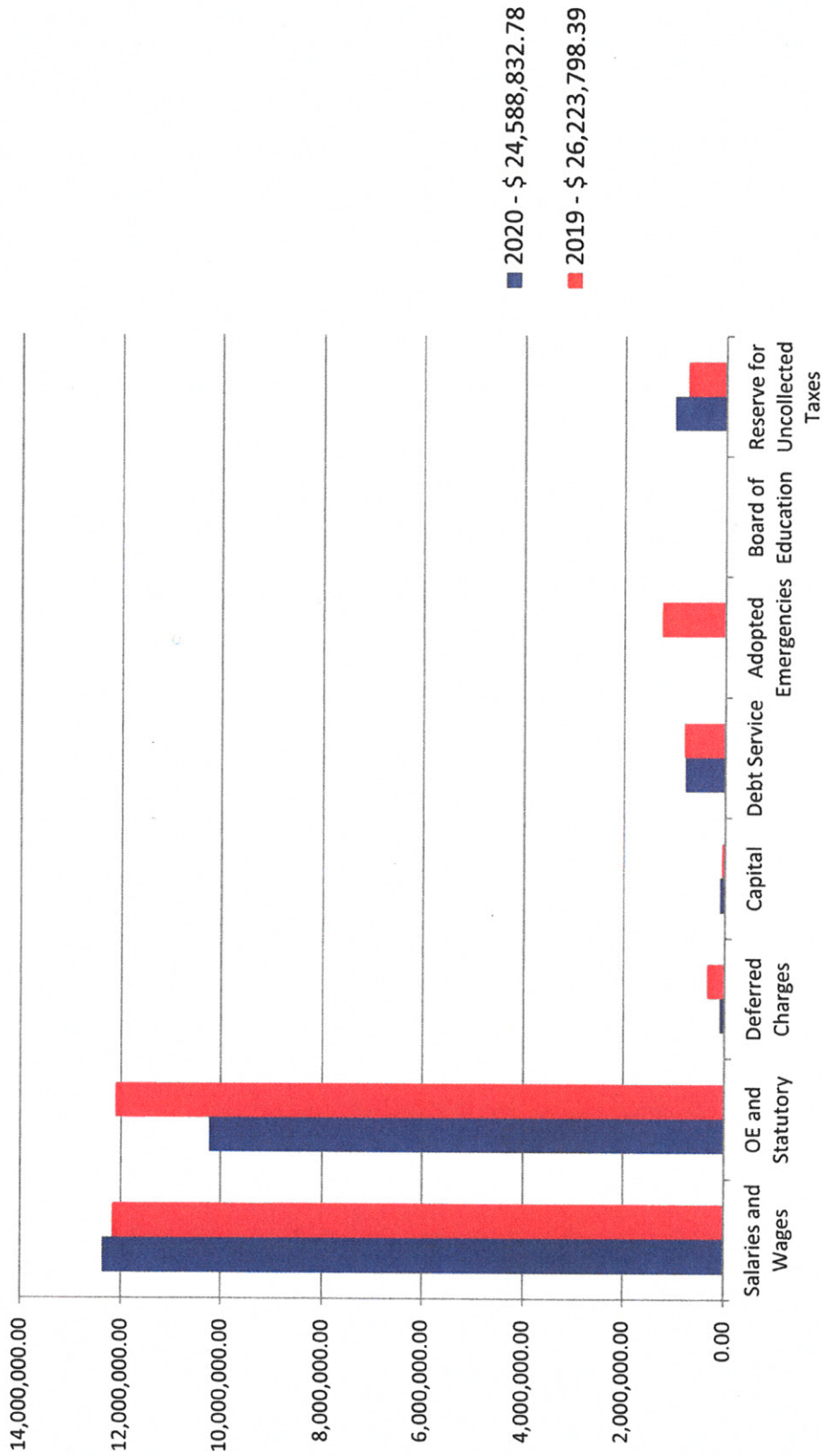
### What does this budget include?

- Minimal increase of funding for salaries and wages (1.64%)
- Reduced overall operating costs as compared to 2019.
- Reduction in the Employer share of the Pension contribution to the State.
- Increased funding requirement for Insurance, Animal Control Services
- Capital Plan for continued replacement of Emergency vehicles, Public Works vehicles and Computer needs
- Funding for the Library that exceeds the minimum required
- Minimum required debt payments as required by law
- Reduction in Deferred charges as a result of less Emergency appropriations that have to be raised in 2020

# Current Fund Budget Appropriations

	2019 Budget	2020 Budget	\$\$ Change
Salary and Wages	12,169,531.90	12,368,753.73	199,221.83
Operating Expenses/ Statutory	12,110,195.92	10,232,925.40	(1,877,270.52)
Adopted Emergencies	1,242,065.00	0	(1,242,065)
Deferred Charges	331,503.96	92,185.32	(239,318.64)
Capital	57,000	91,300	34,300
Debt Service	793,875.43	777,817.20	(16,058.23)
Board of Education	15,859	15,256	(603.00)
Reserve for Uncollected Taxes	745,832.18	1,010,595.13	264,762.95
<b>Total</b>	<b>27,465,863.39</b>	<b>24,588,832.78</b>	<b>(2,877,030.61)</b>

# Current Fund Budget Appropriations





City of Bridgeton

Comparison of Insurance and Pension Costs CY 2017 to CY 2020

	CY 2017	CY 2018	CY 2019	CY 2020	Cost increase	% Increase
	Actual	Actual	Actual	Budget	CY19-CY20	CY19-CY20
<b>INSURANCE</b>						
General Liability	900,170	918,173	944,130	963,013	18,883	
Workers Compensation	664,255	677,540	693,497	727,367	33,870	
Insurance Deductibles	105,595	216,838	526,600	150,000	(376,600)	
Total	1,670,020	1,812,551	2,164,227	1,840,380	(323,847)	-17.60%
<b>HEALTH INSURANCE</b>						
State Health Insurance	3,274,807	3,203,107	3,187,053	3,186,000		
Less Employee Contrib	(517,787)	(519,024)	(538,864)	(554,000)		
Net Employer Cost	2,757,020	2,684,083	2,648,189	2,632,000	(16,189)	-0.62%
<b>HEALTH INS WAIVER</b>						
	123,386	125,858	123,424	122,000	(1,424)	-1.17%
<b>PENSION</b>						
PERS	671,015	717,612	733,369	722,811	(10,558)	-1.46%
PFRS	1,696,981	1,817,591	1,930,782	1,868,106	(62,676)	-3.36%

Note:

CY 2020 Health Insurance numbers are an estimate

Insurance and Pension costs are spread over the Current Fund, Water/Sewer and Solid Waste budgets

## 2020 Current Fund Budget Overview

### How is the Budget funded?

- Surplus – using \$ 1,812,000 in funds. Decrease of \$ 295,900 from PY
- Using one-time revenues to support the budget which include \$8,856 copier lease payoff, \$ 7,829.43 reserve for payment of debt, and \$ 615,933.99 in Water/Sewer Interfunds
- Anticipating \$ 300,000 in Rental registrations < 2019 by \$ 150,000
- Anticipating \$ 900,000 in EMS Services = 2019 amount
- Level state aid of \$ 4,420,168
- Maintaining shared services for Municipal Court, EMS and Tax Assessor
- Municipal Tax Levy of \$ 13,440,420.18

Current Fund Surplus Analysis	FY 2014	FY 2015	TY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	% Utilized
Fund Balance as of July 1/Jan 1	2962674.21	2436558.07	2499209.05	3250232.50	2961797.28	2684830.31	2980798.73	2302714.41	
Add Excess Revenue	1751930.04	1715629.83	766247.06	1974663.69	1602124.20	2196038.47	1429815.68		
Deduct Surplus used	-2273007.50	-1800000.00	-121784.00	-2255000.00	-1900000.00	-1900000.00	-2107900.00	-1812000.00	
Ending Balance	2441596.75	2352187.90	3143672.11	2969896.19	2663921.48	2980868.78	2302714.41	490714.41	
Deduct Surplus pledged per AF	-46313.32	-456233.87	0.00	-580000.00	-105000.00	-326630.00	-1263984.00		
Available Surplus per AFS	2395283.43	1895954.03	3143672.11	2389896.19	2558921.48	2654238.78	1038730.41	-0.79	

Note: Beginning balances can change once the Audit is completed

Current Fund Revenue	2019 Adopted	2019 Realized	2020 Anticipated	\$ Change 2019 Adopt/2020 Ant
Fund Balance	2,107,900	2,107,900	1,812,000	(295,000)
Local Aid	1,288,602.64	1,592,252.91	1,143,937.30	(144,665.34)
State Aid	4,420,168	4,420,168	4,420,168	0
Construction	250,000	240,870	240,000	(10,000)
Shared Service	165,020	164,790.11	136,263	(28,757)
Vacant and Abandoned	50,000	44,754.40	0	(50,000)
Grants	1,769,884.53	1,768,284.53	124,215.88	(1,645,668.65)
Special Items	2,777,745.64	2,998,171.94	2,895,275.76	117,530.12
Delinquent Tax	200,000	373,968.41	200,000	0
Local Tax	13,015,706.28	13,159,915.29	13,440,420.18	424,713.90
Min Library Tax	178,771.30	178,771.30	176,552.66	(2,218.64)
Total Revenue	26,223,798.39	27,049,846.89	24,588,832.78	(1,634,965.61)

# Current Fund Budget Revenue

