

COUNTY

OF

SUSSEX

2011

Budget

TAX LEVY = 2%

Average % Increase over 3 Years								
1.95%								
			\$ Change	% Change			\$ Change	% Change
Tax Levy	2011	2010	2011 to 2010	2011 to 2010	2009	2008	2008 to 2011	2008 to 2011
General Levy	\$ 77,419,778	\$ 75,209,586	\$ 2,210,192	3%	\$ 71,507,294	\$ 68,490,715	\$ 8,929,063	13.0%
Health Levy*	\$ 2,072,574	\$ 2,031,935	\$ 40,639	2%	\$ 2,031,935	\$ 1,537,729	\$ 534,845	34.8%
Library Levy	\$ 4,632,226	\$ 4,541,398	\$ 90,828	2%	\$ 4,761,398	\$ 4,765,620	\$ (133,394)	-2.8%
Open Space Levy	\$ 677,383	\$ 1,354,766	\$ (677,383)	-50%	\$ 2,811,076	\$ 5,321,306	\$ (4,643,923)	-87.3%
TOTAL	\$ 84,801,961	\$ 83,137,685	\$ 1,664,276	2%	\$ 81,111,703	\$ 80,115,370	\$ 4,686,591	5.8%
*Health Levy includes addition of Sparta in 2008, Vernon in 2009 and Hopatcong in 2010								

2011 BUDGET

THE CHALLENGE - JULY 2010

- **2% State Cap**
 - *Projected deficit = \$5M+*
- **Freeholder Budget Committee target:**
Total tax increase not to exceed 2%
 - *Projected deficit = \$7M+*

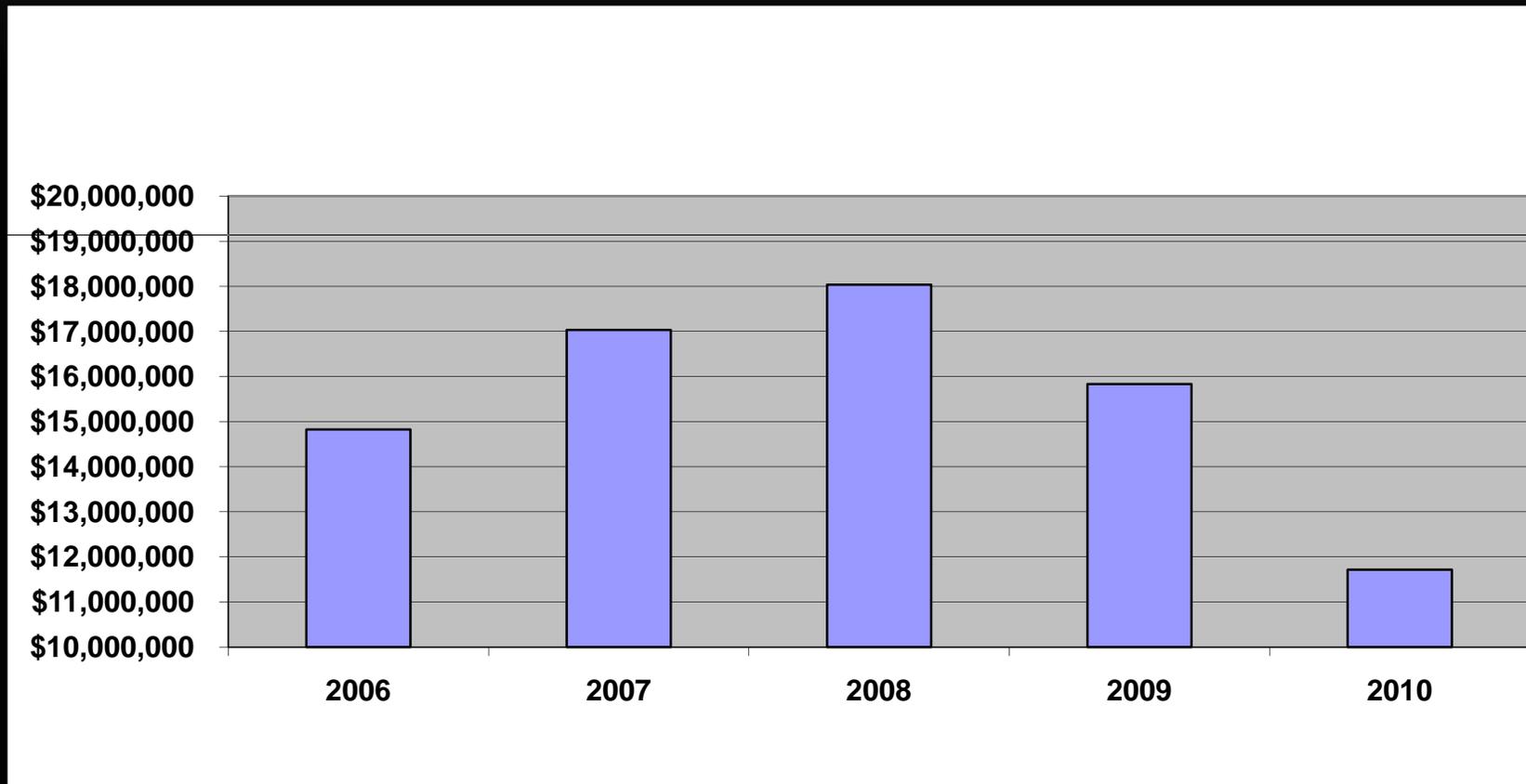
BUDGET CRISIS

ORIGINS OF THE CRISIS

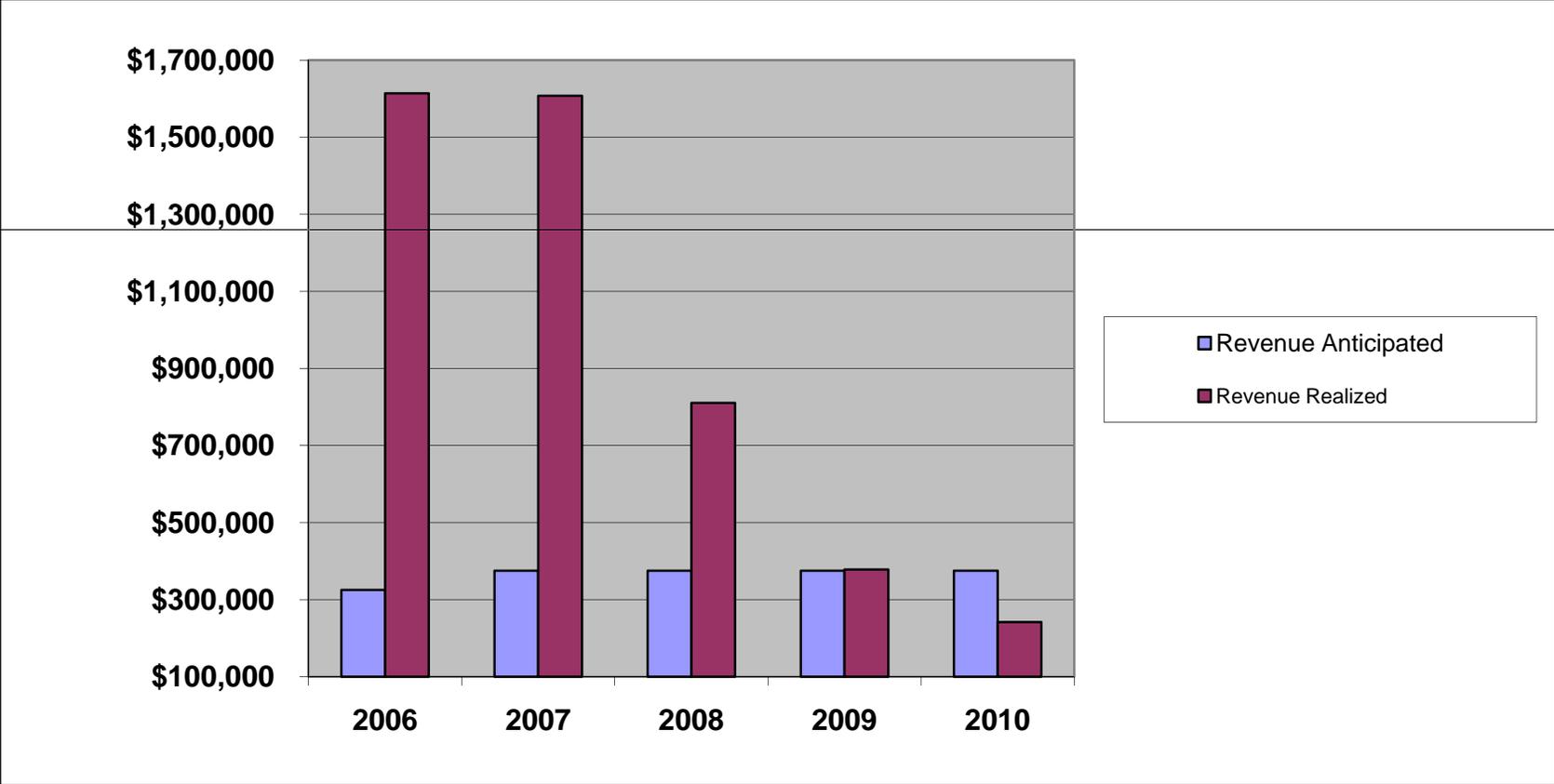
REVENUE

- **Surplus** projected (7/10) to decline to \$10M at year's end from peak of \$18M in 2009
 - Actual 12/31/10 Surplus = \$11.7M
 - Precipitous decline in **non-tax revenues**
 - Clerk's Fees
 - Sheriff's Fees
 - Investment Income
 - New construction revenue
 - 10% loss in **equalized taxable value** from 2009 to 2011 (\$2B+)
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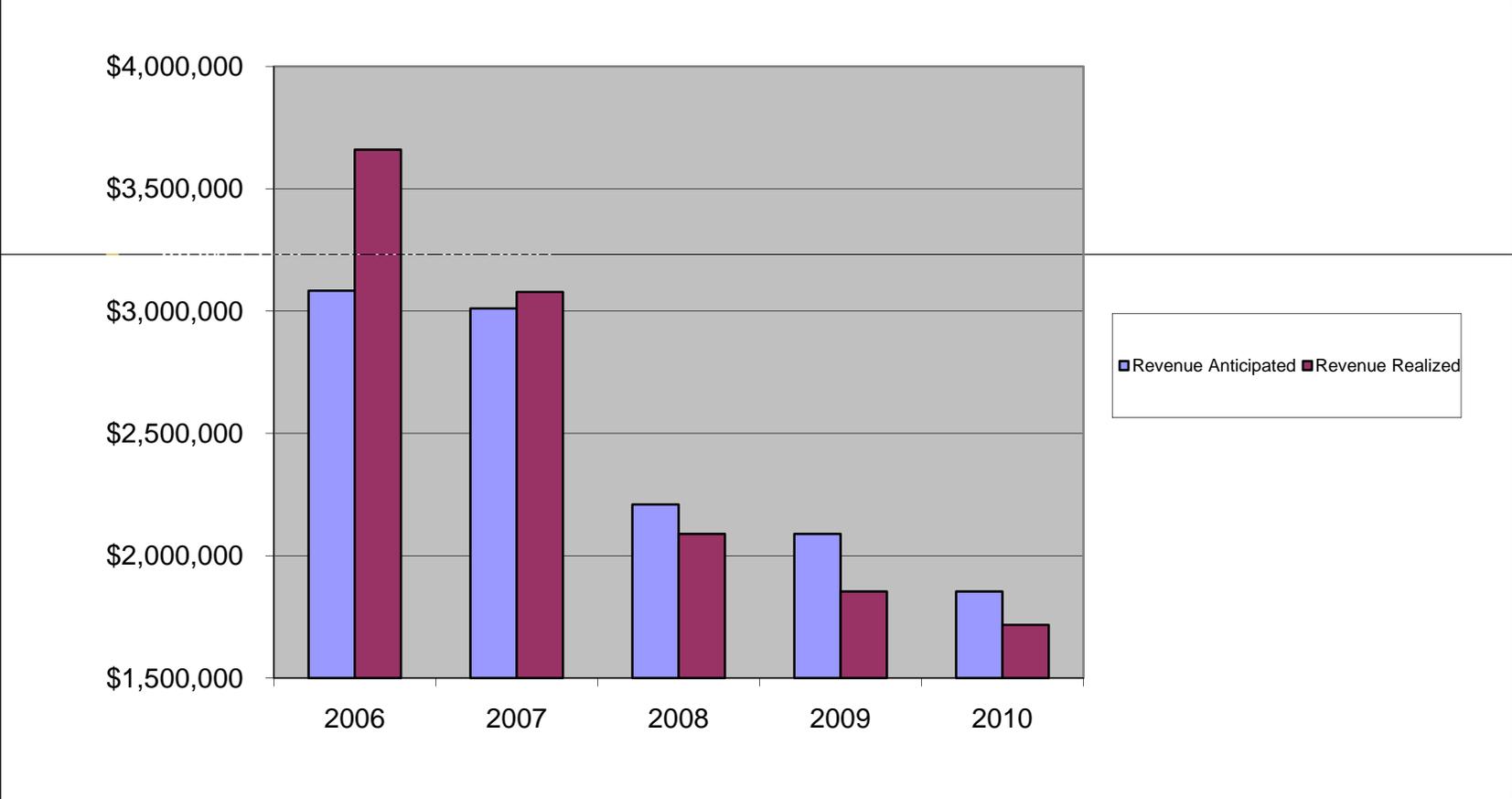
FUND BALANCE



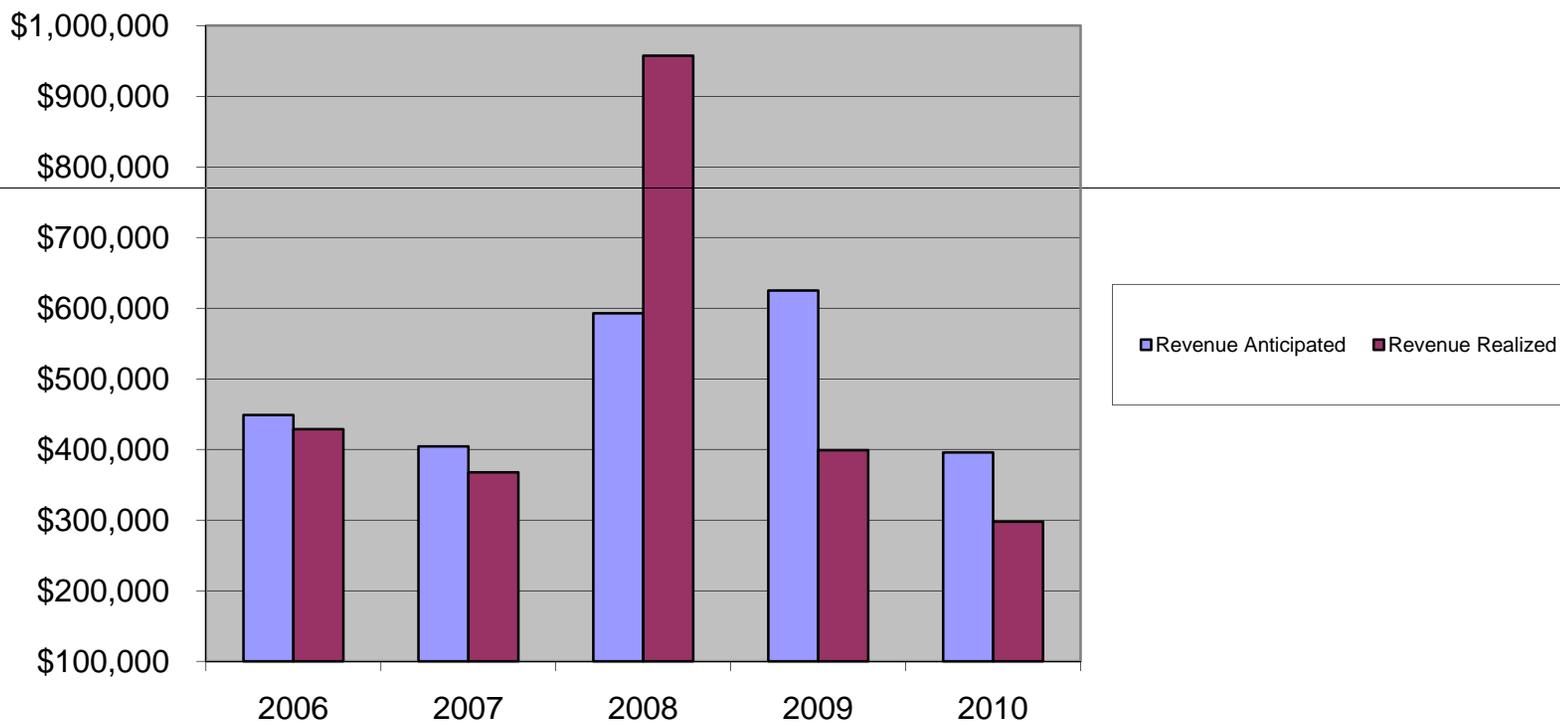
INTEREST ON INVESTMENTS



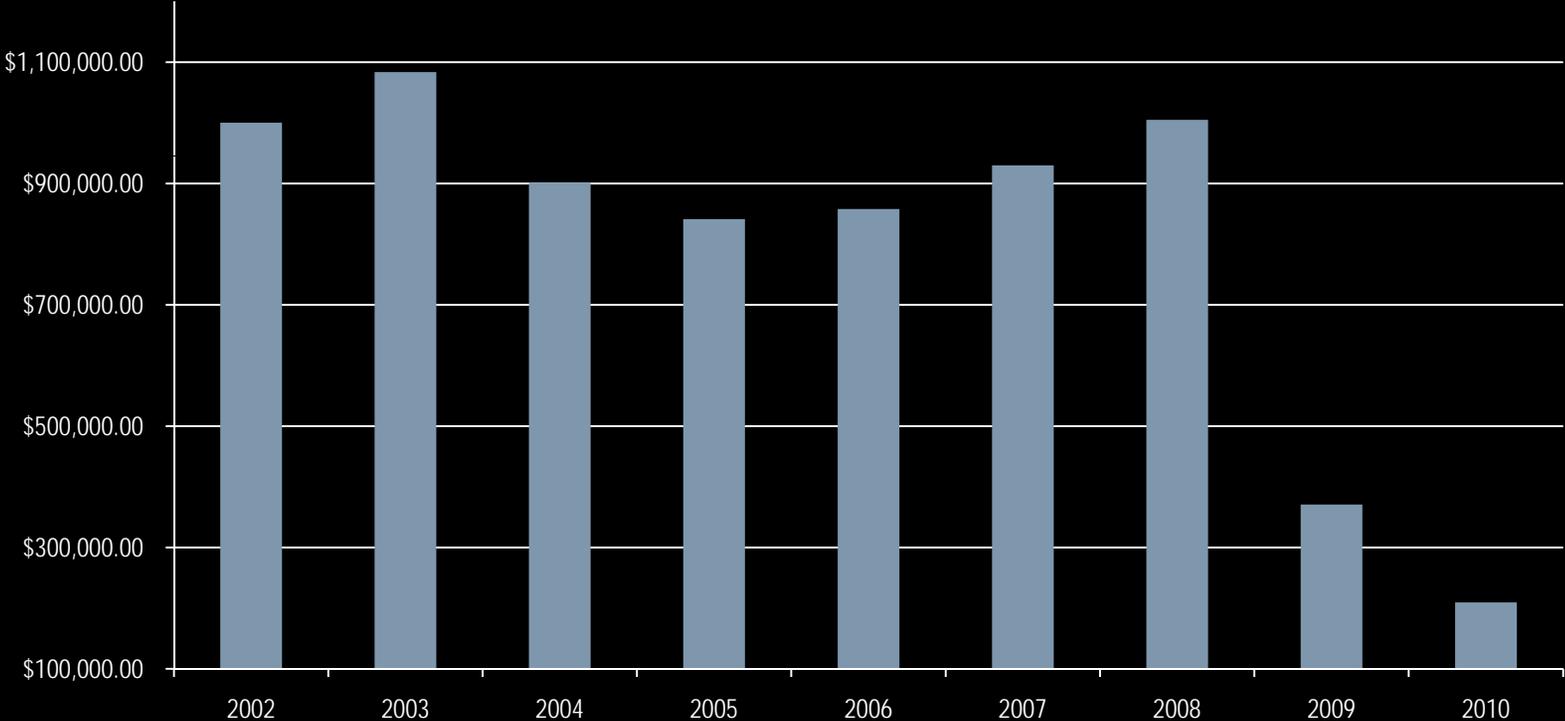
COUNTY CLERK'S FEES



SHERIFF'S FEES



NEW CONSTRUCTION REVENUE

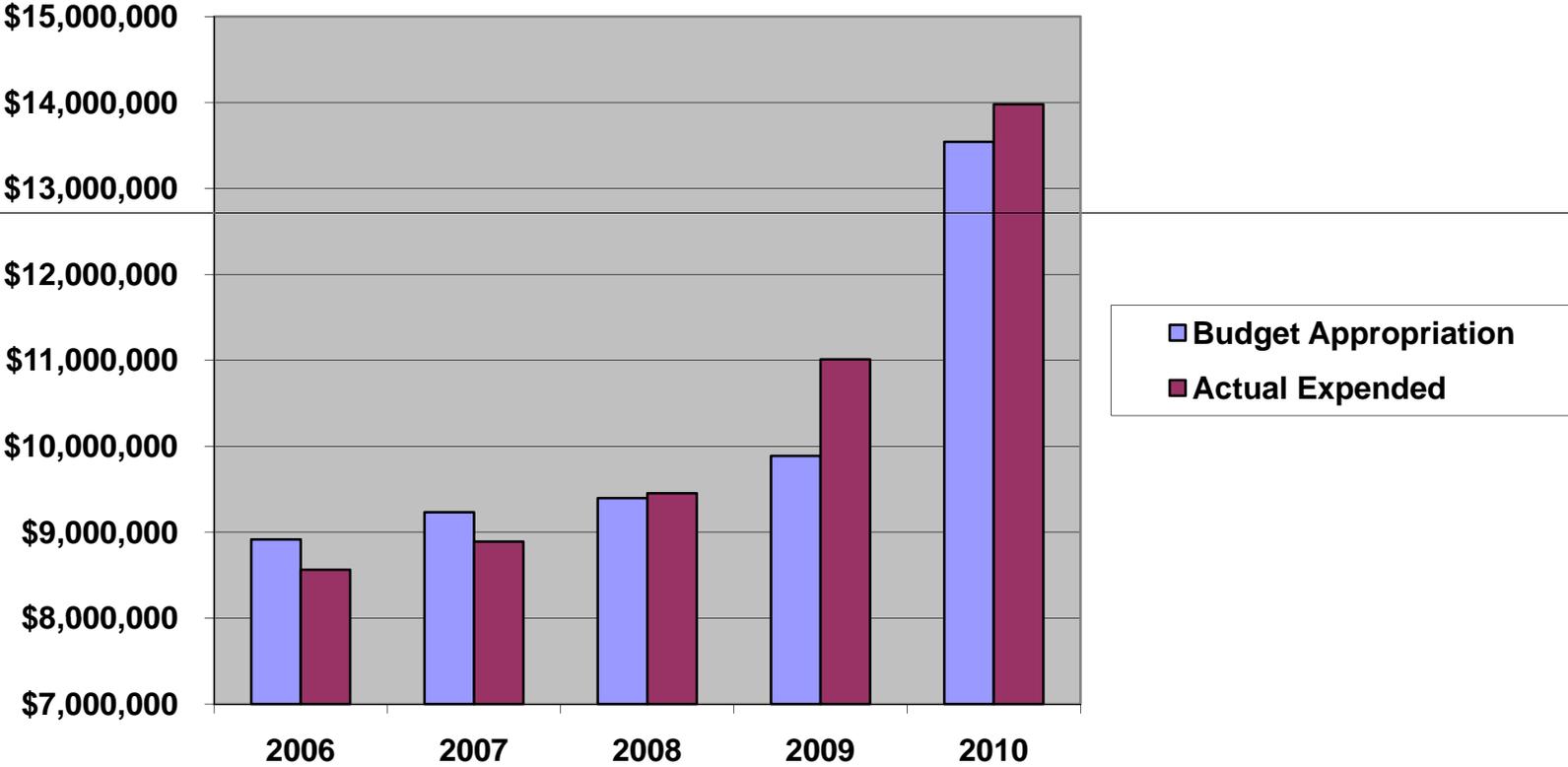


ORIGINS OF THE CRISIS EXPENDITURES

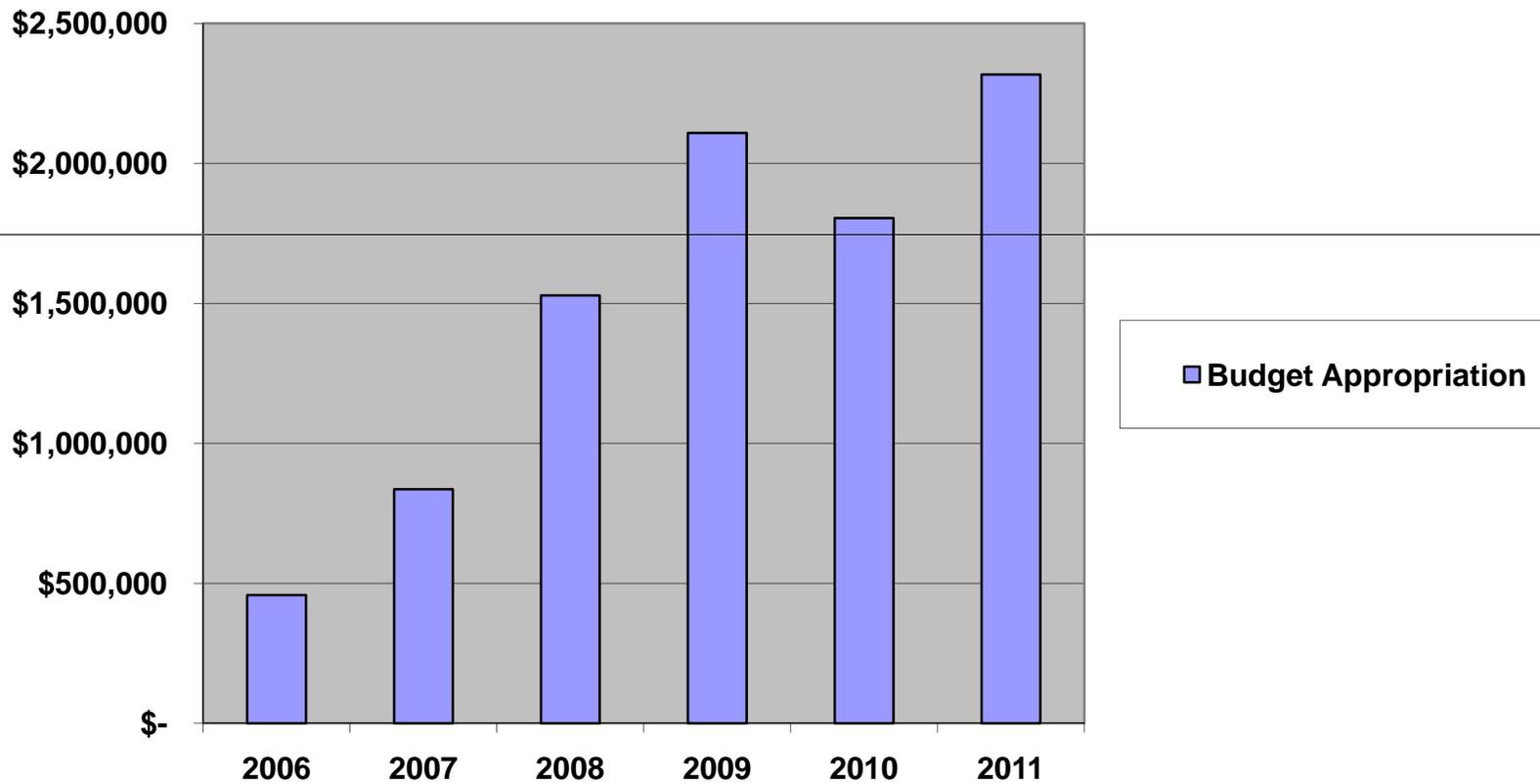
- **Health benefits** projected (7/1/10) to increase by more than 14%
 - **Pension** increase 27%+ (800K+)
 - Contract **salary increases** of 3.5% (PBA increases greater due to step movement and longevity calculated as a % of base pay)
 - Cost of **psychiatric patients** (\$500K+)
 - The cost of **public safety & education**
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GROUP HEALTH INSURANCE

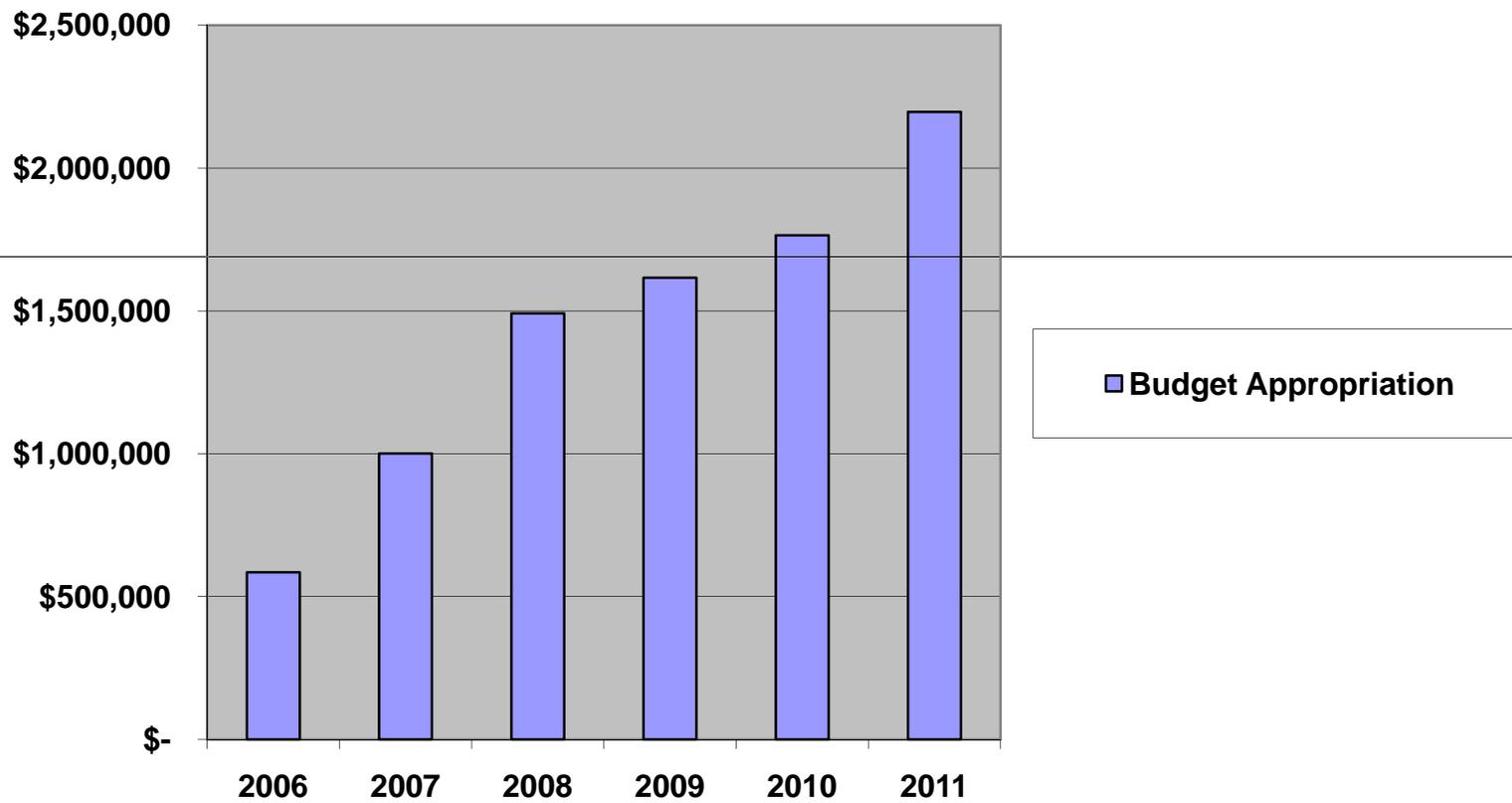
(MEDICAL, PRESCRIPTION, DENTAL)



PERS

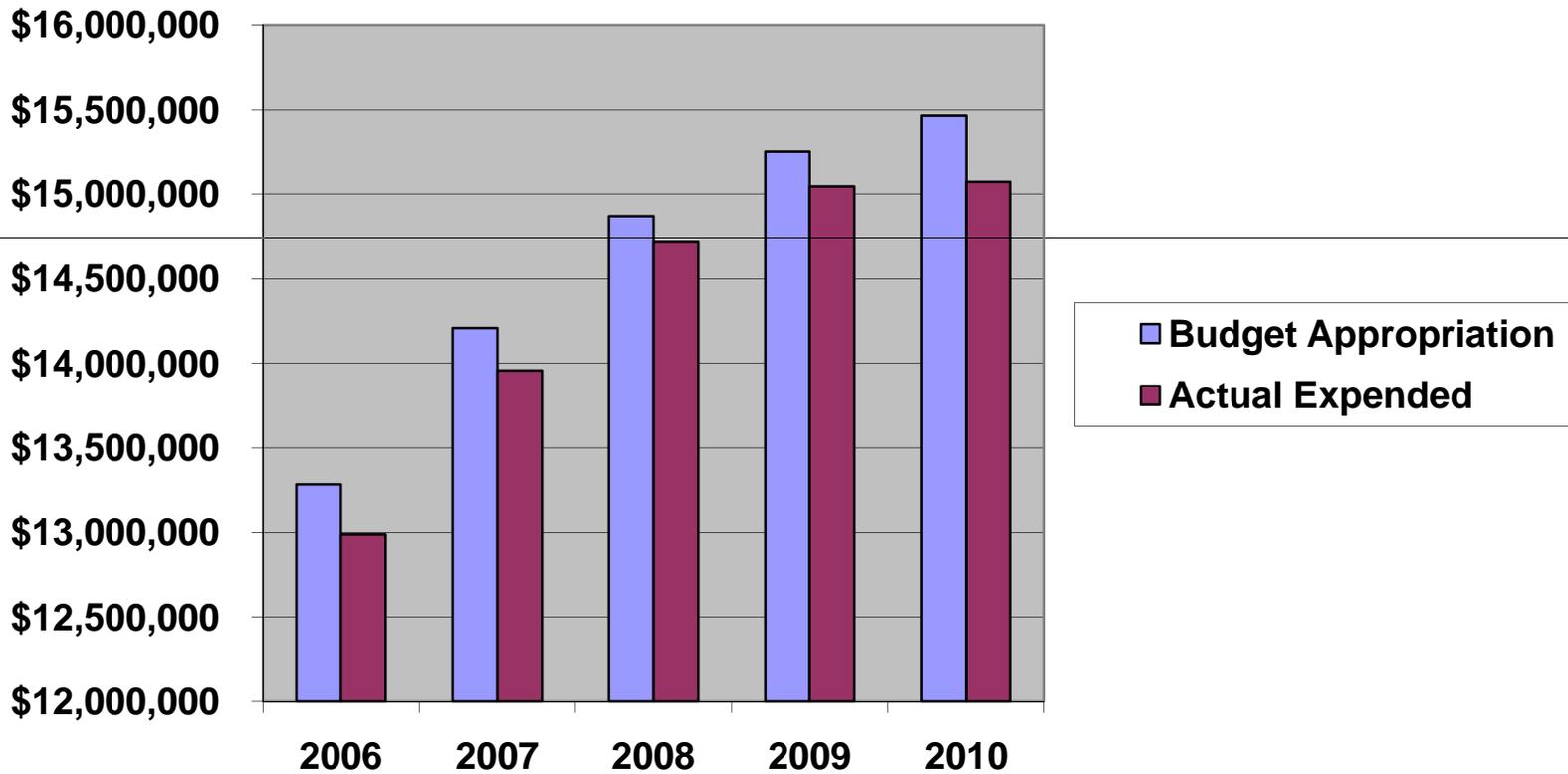


PFRS



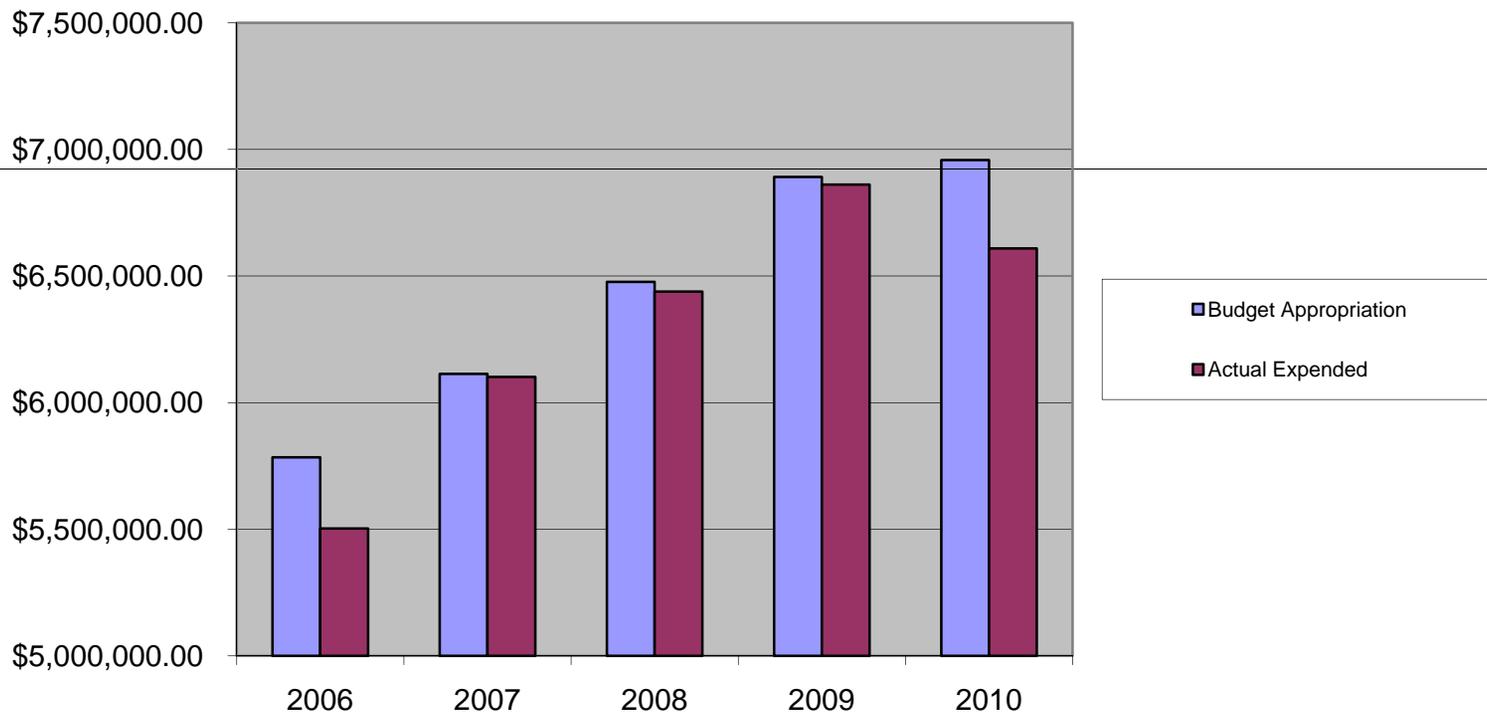
EDUCATION

(SCCC, SUSSEX TECH, COUNTY SUPT., RUTGERS EXT.)



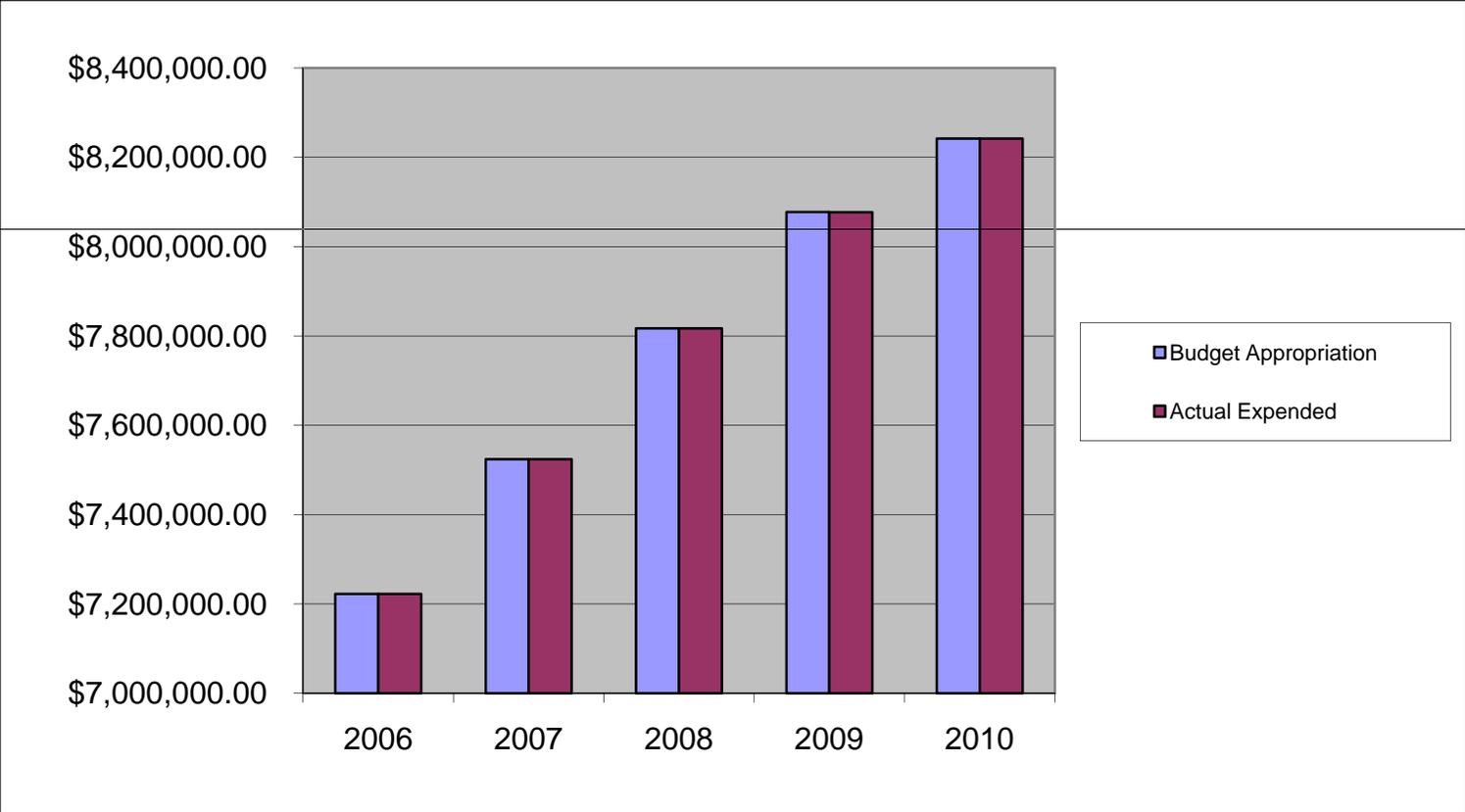
SCCC TOTAL COST

(INCLUDES OPERATING, DEBT SERVICE, PSTF AND CHARGEBACKS)

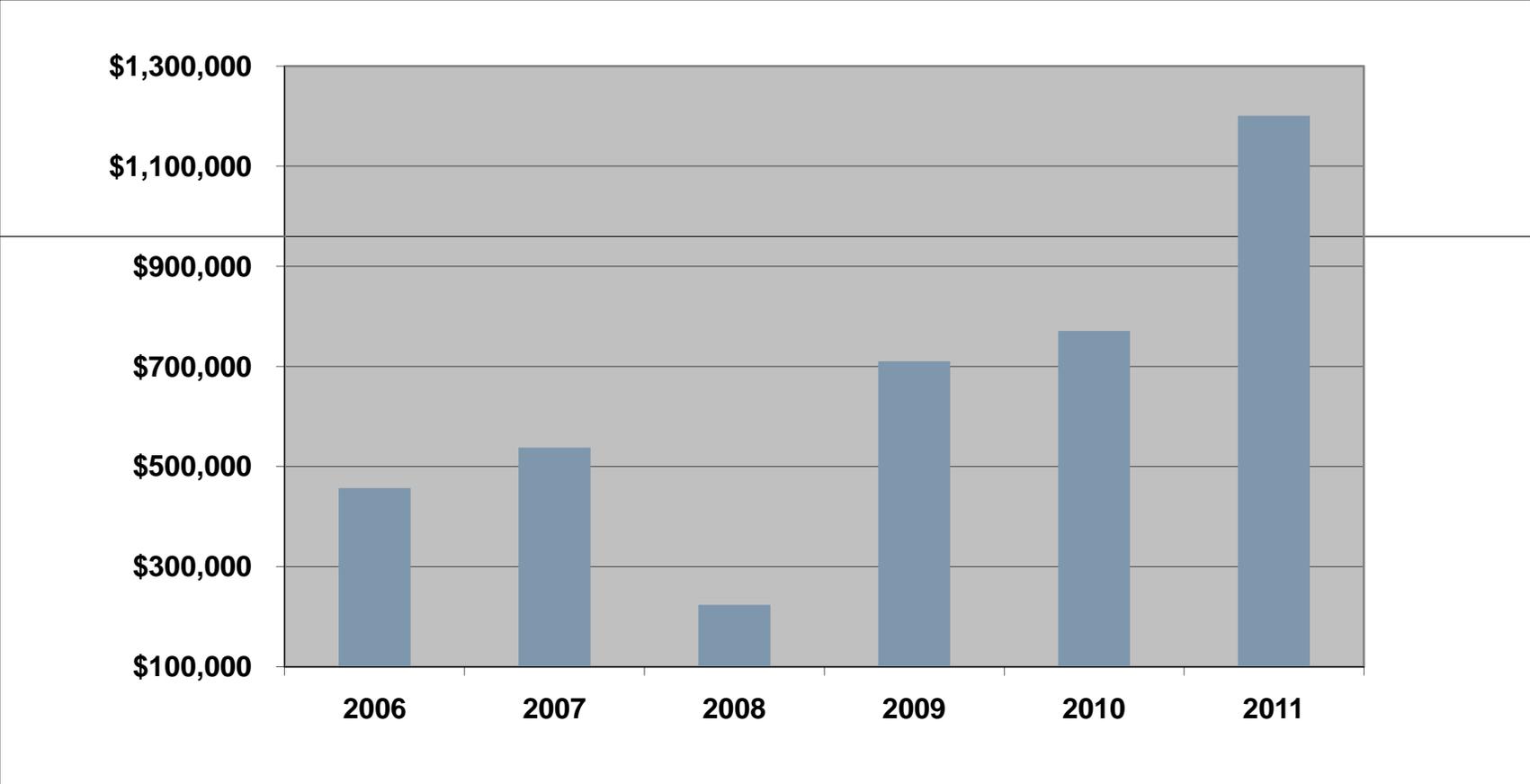


SUSSEX TECH TOTAL COST

(INCLUDES OPERATING AND DEBT SERVICE)



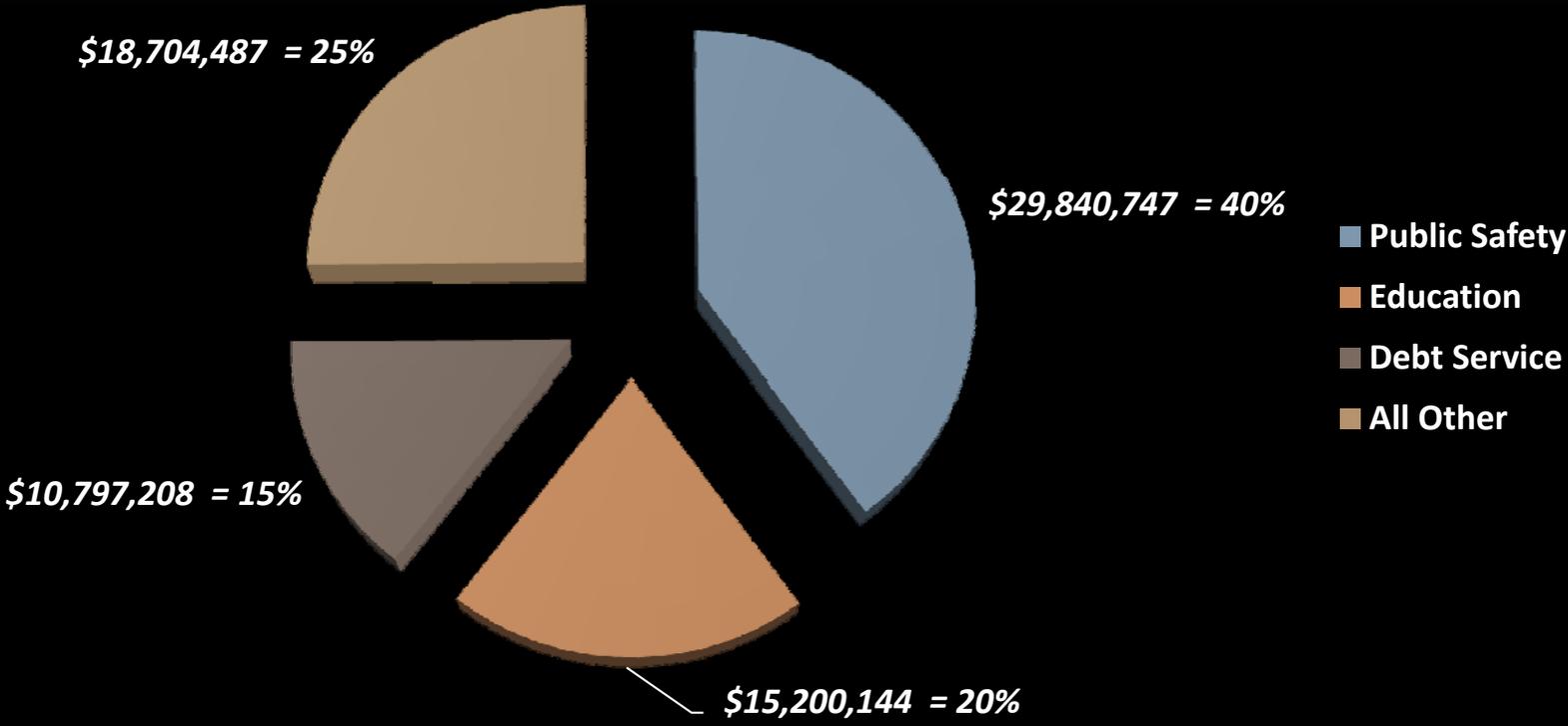
PSYCHIATRIC PATIENT COSTS



ADDRESSING THE CRISIS A COMPLEX TASK

- In 2010 public safety, public education and debt service made up 75% of the County's total tax levy
 - All staffing reductions (74 total – 44 attrition; 31 layoffs) over past 2+ years in non-public safety/public health operations
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2010 CURRENT FUND TAX LEVY



2011

COST REDUCTION STRATEGIES

- Staff reductions
 - Salary freezes
 - Change in Health Insurance Carrier
 - Private carrier
 - Self insurance alternatives
 - SHBP
 - Search for new/enhanced non-tax revenue sources
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2011 BUDGET SOLUTIONS

- **Layoff** of additional 5 civilian employees (prior to CWA salary freeze agreement)
 - **Salary freeze**
 - Non-represented employees (approx. 100)
 - 2 CWA units (approx. 550 employees)
 - Constitutional Officer's salaries reset to State minimum
 - Move to **State Health Benefits Plan**
 - **20% reduction to not-for-profits**
-

2011 BUDGET SOLUTIONS

- **Shared Services –**
 - Moved SC **Medical Examiner** to Morris Co
 - New five year agreements with Morris County for **Youth Shelter** and **Juvenile Detention Center**
 - **Reduced SCCC contribution** in County 2011 budget by \$500K (net effect \$1M reduction in SCCC FY 2012 budget)
 - **Reduced Sussex Tech contribution** in County 2011 budget by \$500K (net effect \$1M reduction in Sussex Tech FY 2012 budget)
 - **Reductions in law enforcement budgets**(Prosecutor, Sheriff, Corrections)
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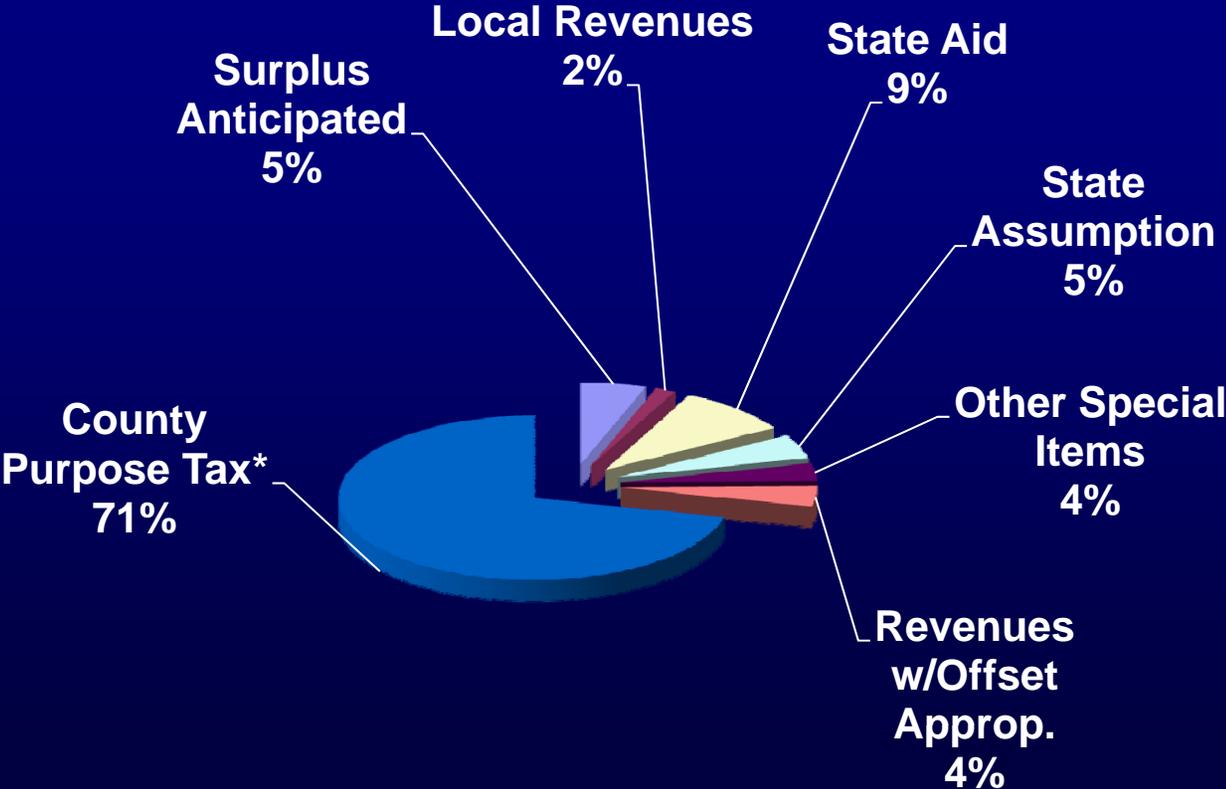
20% REDUCTION NOT-FOR-PROFITS

County Direct Grants*	2010 Budget	20% Reduction	Proposed 2011 Budget	Notes
Grant-in-aid funds	\$ 301,955.00	\$ 60,391.00	\$ 241,564.00	
Peer Grouping funds	\$ 164,422.00	\$ 32,884.40	\$ 131,537.60	Revenue savings retained by County
Aid to Fire Companies	\$ 8,100.00	\$ 1,620.00	\$ 6,480.00	27 companies @ \$300 per
Aid to First Aid Squads	\$ 82,125.00	\$ 16,425.00	\$ 65,700.00	19 squads @ \$4,375 per
Main Street Newton	\$ 20,000.00	\$ 4,000.00	\$ -	4 year commitment expired 12/31/10.
Lake Musconetcong Reg. PB	\$ 5,900.00	\$ 1,180.00	\$ 3750.00	Lesser amount requested
In Home Health Services	\$ 60,000.00	\$ 12,000.00	\$ 48,000.00	Indigent home nursing and health care based on State issued certificate of need dating back to mid-1980s
SC Arts & Heritage	\$ 5,000.00	\$ 1,000.00	\$ 4,000.00	Has been reduced from \$15K 3 years ago
Total	\$ 647,502.00	\$ 129,500.40	\$ 502,001.60	
* Other than Grant-in-Aid and PEER grouping grants				

2011 REVENUE SUMMARY

Revenue Source	2011	% of Budget	2010	% of Budget	\$ Change 10 to 11	% Change 10 to 11
Surplus Anticipated	\$ 5,857,000	5.4%	\$ 7,867,523	7.2%	\$ (2,010,523)	-25.55%
Local Revenues	\$ 1,796,161	1.7%	\$ 2,078,841	1.9%	\$ (282,680)	-13.60%
State Aid	\$ 10,284,077	9.5%	\$ 9,910,217	9.1%	\$ 373,860	3.77%
State Assumption	\$ 5,106,129	4.7%	\$ 4,452,360	4.1%	\$ 653,769	14.68%
Other Special Items	\$ 3,785,716	3.5%	\$ 4,658,394	4.3%	\$ (872,678)	-18.73%
Revenues w/Offset Approp.	\$ 4,366,466	4.0%	\$ 4,723,969	4.3%	\$ (357,503)	-7.57%
County Purpose Tax*	\$ 77,419,778	71.3%	\$ 75,209,586	69.1%	\$ 2,210,192	2.94%
Total Revenue	\$108,615,327	100%	\$108,900,890	100%	\$ (285,563)	-0.26%

2011 REVENUE SUMMARY



2011 "STATE AID"

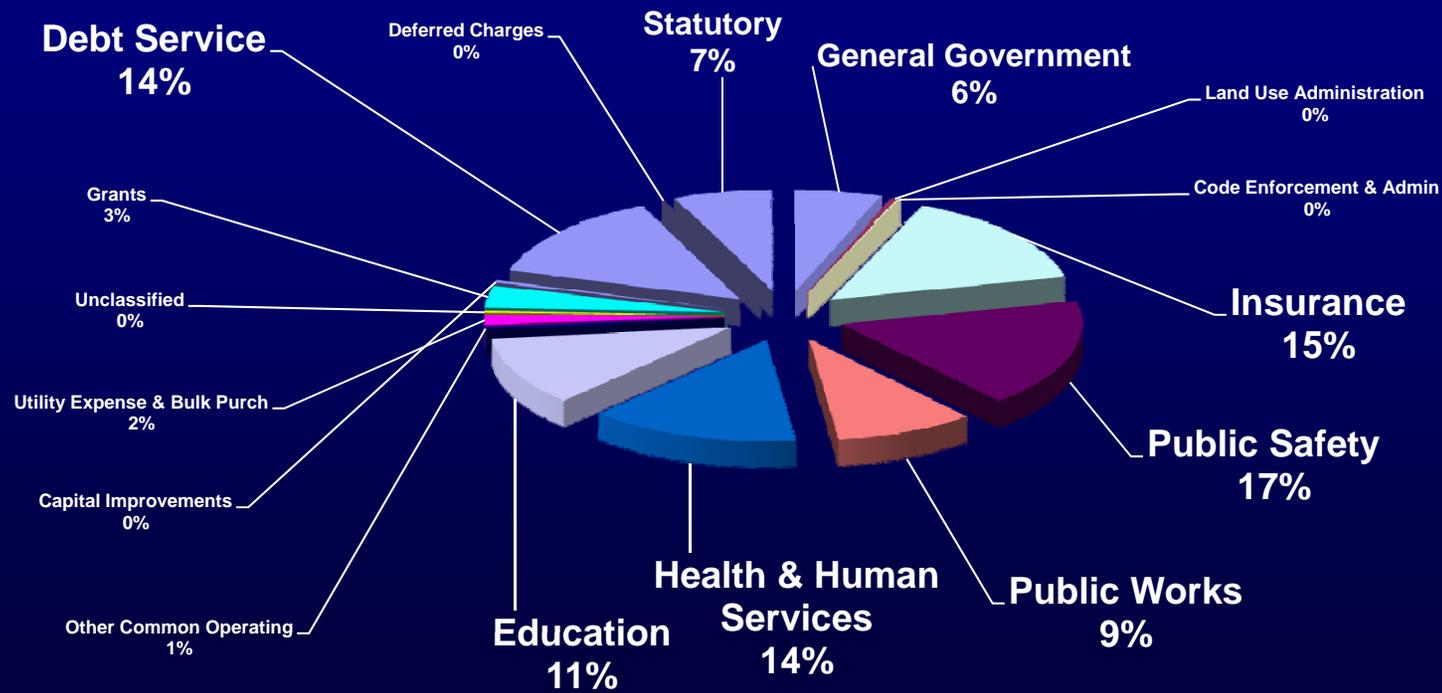
		% of		% of	\$ Change	% Change
State Aid	2011	Budget	2010	Budget	10 to 11	10 to 11
Franchise Tax Sock Ins.	\$ 225,000	2.2%	\$ 175,000	1.8%	\$ 50,000	28.6%
State Aid College Bonds	\$ 1,169,077	11.4%	\$ 1,054,217	10.6%	\$ 114,860	10.9%
Patients in County Inst.	\$ 8,890,000	86.4%	\$ 8,681,000	87.6%	\$ 209,000	2.4%
State Aid SCMUA Bonds	\$ -	0.0%	\$ -	0.0%	\$ -	#DIV/0!
Total Revenue	\$ 10,284,077	100%	\$ 9,910,217	100%	\$ 373,860	3.8%

2011

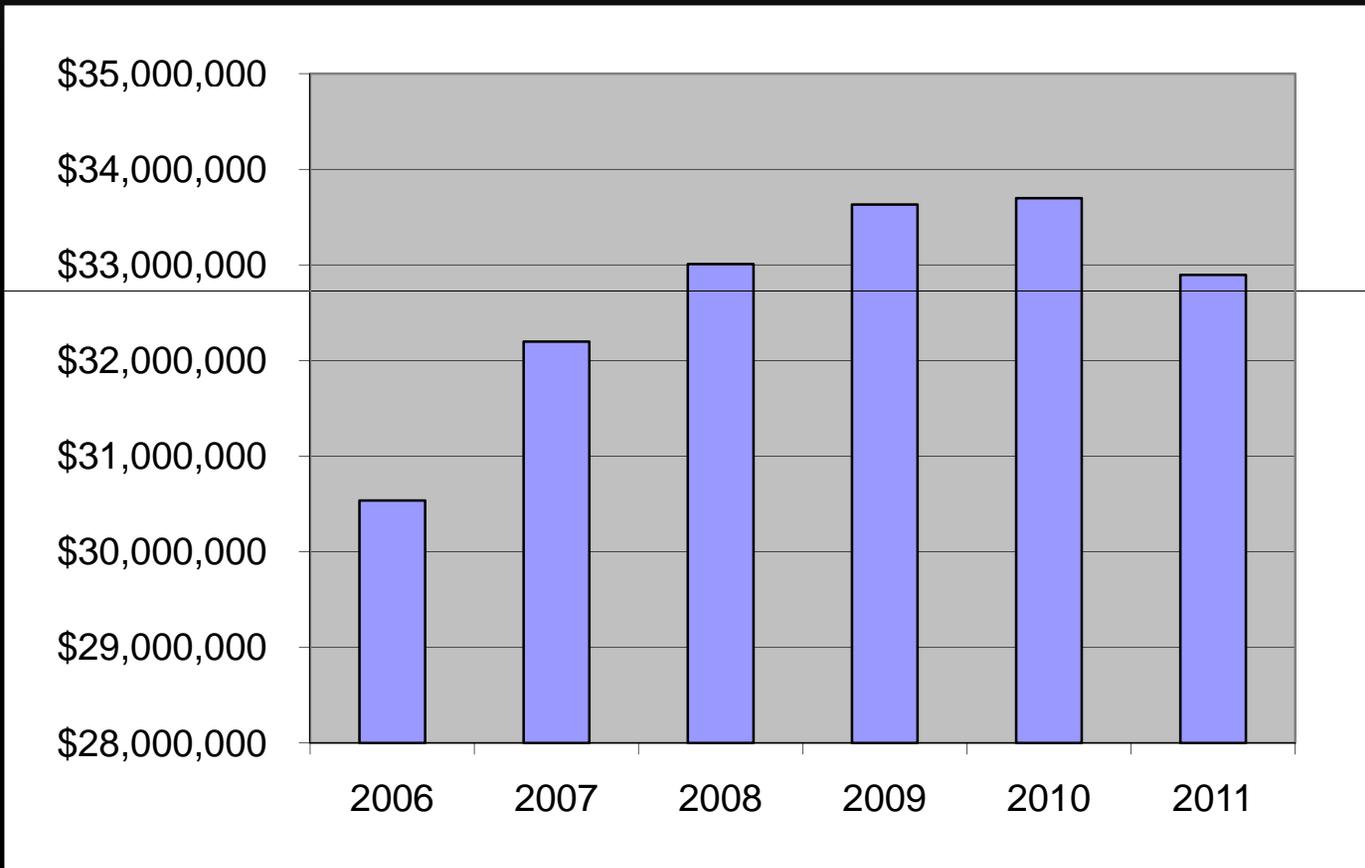
APPROPRIATIONS SUMMARY

Appropriation Category	2011	% of Budget	2010	% of Budget	\$ Change 10 to 11	% Change 10 to 11
General Government	\$ 6,330,978	5.8%	\$ 6,444,298	5.8%	\$ (113,320)	-1.8%
Land Use Administration	\$ 381,470	0.4%	\$ 437,271	0.4%	\$ (55,801)	-12.8%
Code Enforcement & Admin	\$ 156,698	0.1%	\$ 180,898	0.2%	\$ (24,200)	-13.4%
Insurance	\$ 16,353,623	15.1%	\$ 15,997,727	14.4%	\$ 355,896	2.2%
Public Safety	\$ 18,762,794	17.3%	\$ 19,407,369	17.4%	\$ (644,575)	-3.3%
Public Works	\$ 10,154,853	9.3%	\$ 10,594,746	9.5%	\$ (439,893)	-4.2%
Health & Human Services	\$ 15,425,177	14.2%	\$ 14,304,825	12.8%	\$ 1,120,352	7.8%
Education	\$ 11,977,318	11.0%	\$ 13,008,212	11.7%	\$ (1,030,894)	-7.9%
Other Common Operating	\$ 582,263	0.5%	\$ 529,996	0.5%	\$ 52,267	9.9%
Utility Expense & Bulk Purch	\$ 1,753,731	1.6%	\$ 1,685,525	1.5%	\$ 68,206	4.0%
Unclassified	\$ 372,796	0.3%	\$ 385,005	0.3%	\$ (12,209)	-3.2%
Grants	\$ 3,785,716	3.5%	\$ 7,156,377	6.4%	\$ (3,370,661)	-47.1%
Capital Improvements	\$ 435,000	0.4%	\$ 503,566	0.5%	\$ (68,566)	-13.6%
Debt Service	\$ 14,953,076	13.8%	\$ 14,510,623	13.0%	\$ 442,453	3.0%
Deferred Charges	\$ 2,094	0.0%	\$ 16,902	0.0%	\$ (14,808)	-87.6%
Statutory	\$ 7,187,740	6.6%	\$ 6,235,533	5.6%	\$ 952,207	15.3%
Total Appropriations	\$ 108,615,327	100%	\$ 111,398,873	100%	\$ (2,783,546)	-2.5%

2011 APPROPRIATIONS SUMMARY



SALARY APPROPRIATION



2011 CAPITAL BUDGET INVESTMENT IN THE FUTURE

- Bridges
 - Roads
 - Facilities
 - Information Technology
 - Sussex Tech
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2011 CAPITAL BUDGET INVESTMENT IN THE FUTURE

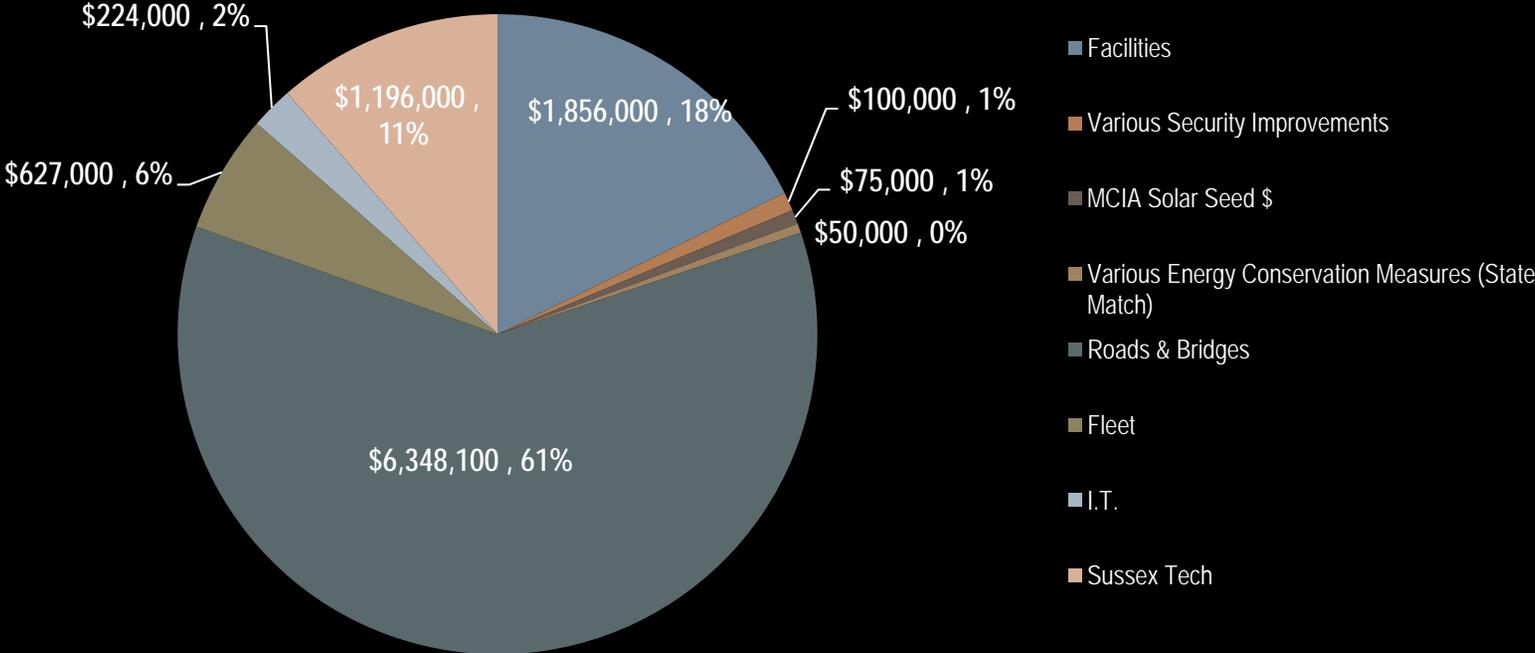
2011 CAPITAL BUDGET (by functional category)

Facilities	\$	1,856,000
Various Security Improvements	\$	100,000
MCIA Solar Seed \$	\$	75,000
Various Energy Conservation Measures (State Match)	\$	50,000
Roads & Bridges	\$	6,348,100
Fleet	\$	627,000
I.T.	\$	224,000
Sussex Tech	\$	1,196,000
TOTAL	\$	10,476,100

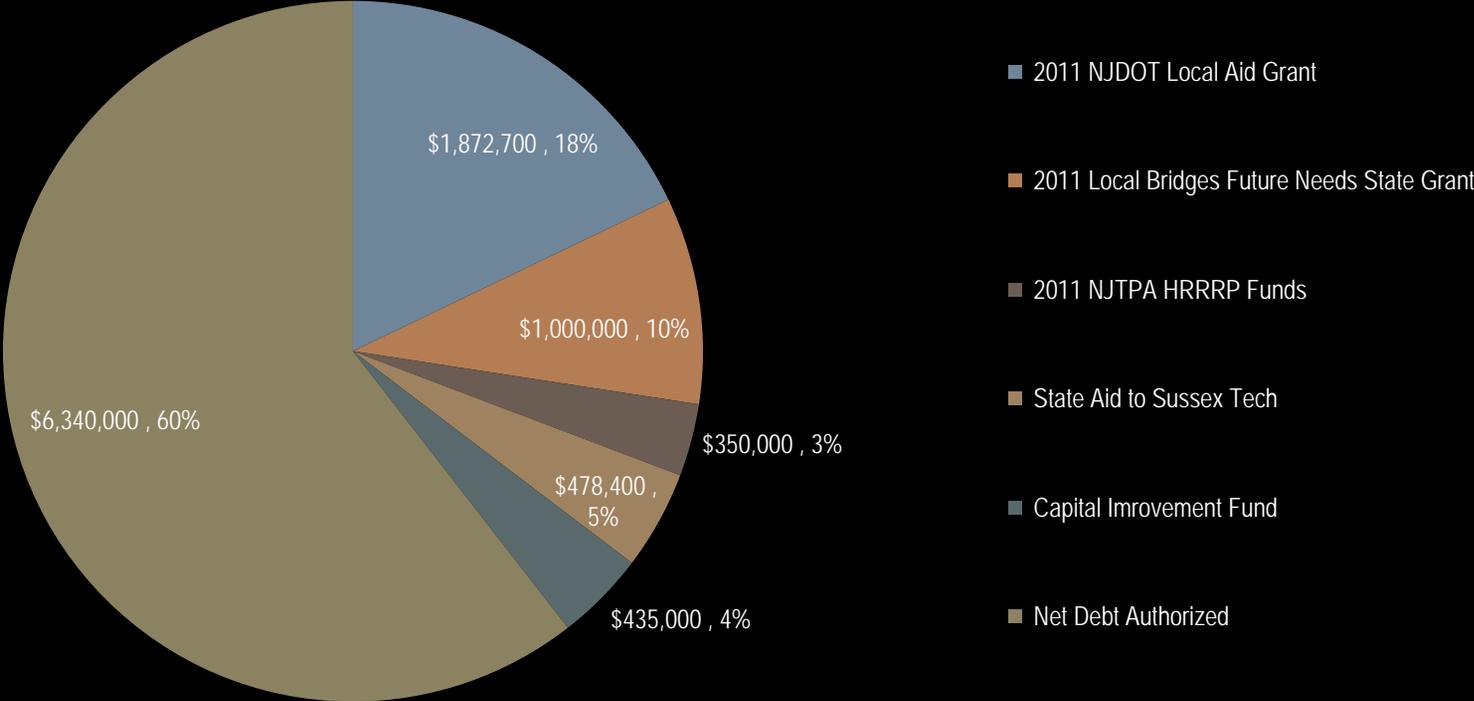
2011 CAPITAL PROJECTS FUNDING

2011 NJDOT Local Aid Grant	\$	1,872,700
2011 Local Bridges Future Needs State Grant	\$	1,000,000
2011 NJTPA HRRRP Funds	\$	350,000
State Aid to Sussex Tech	\$	478,400
Capital Improvement Fund	\$	435,000
Net Debt Authorized	\$	6,340,000
Debt Management Plan New Debt Target	\$	6,700,000
Delta Actual to Target	\$	360,000

2011 CAPITAL BUDGET INVESTMENT IN THE FUTURE



2011 CAPITAL BUDGET INVESTMENT IN THE FUTURE



2011 LONG TERM STRATEGIES

- Return to core services
 - Public private partnerships
 - Invest in critical infrastructure
 - Enterprise structure
 - I.T., Facilities, Records Mgmt., Fleet
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2011 LONG TERM STRATEGIES

- Increase Shared Services
 - County to Municipal
 - Fleet Maintenance
 - Information Technology
 - Centralized 911
 - Roads
 - County to County
 - Working toward County Corrections solutions
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