



2019 SEASIDE PARK MUNICIPAL BUDGET INTRODUCTION

11-April-2019

2019 BUDGET HIGHLIGHTS

- Municipal Tax Rate will DECREASE by 0.5 cents per \$100 of assessed value
- Budget includes Appropriations for:
 - Boardwalk Project - Bond Ordinance (approx. \$5M) and its Down payment (\$200K)
 - New Beach Maintenance Equipment
 - Tri-Boro Ambulance (Seaside Park's 33% town share)
 - Fire Dept. - SCOTT Air Pak Upgrade for 6 Units
 - Police Vehicle (replacement)

Tractor -- for Beach Raking

(John Deer 6120M)



Representative image

Compact Track Loader -- for maintaining Beach Crossovers, Boardwalk Dig Outs (Bobcat T770)



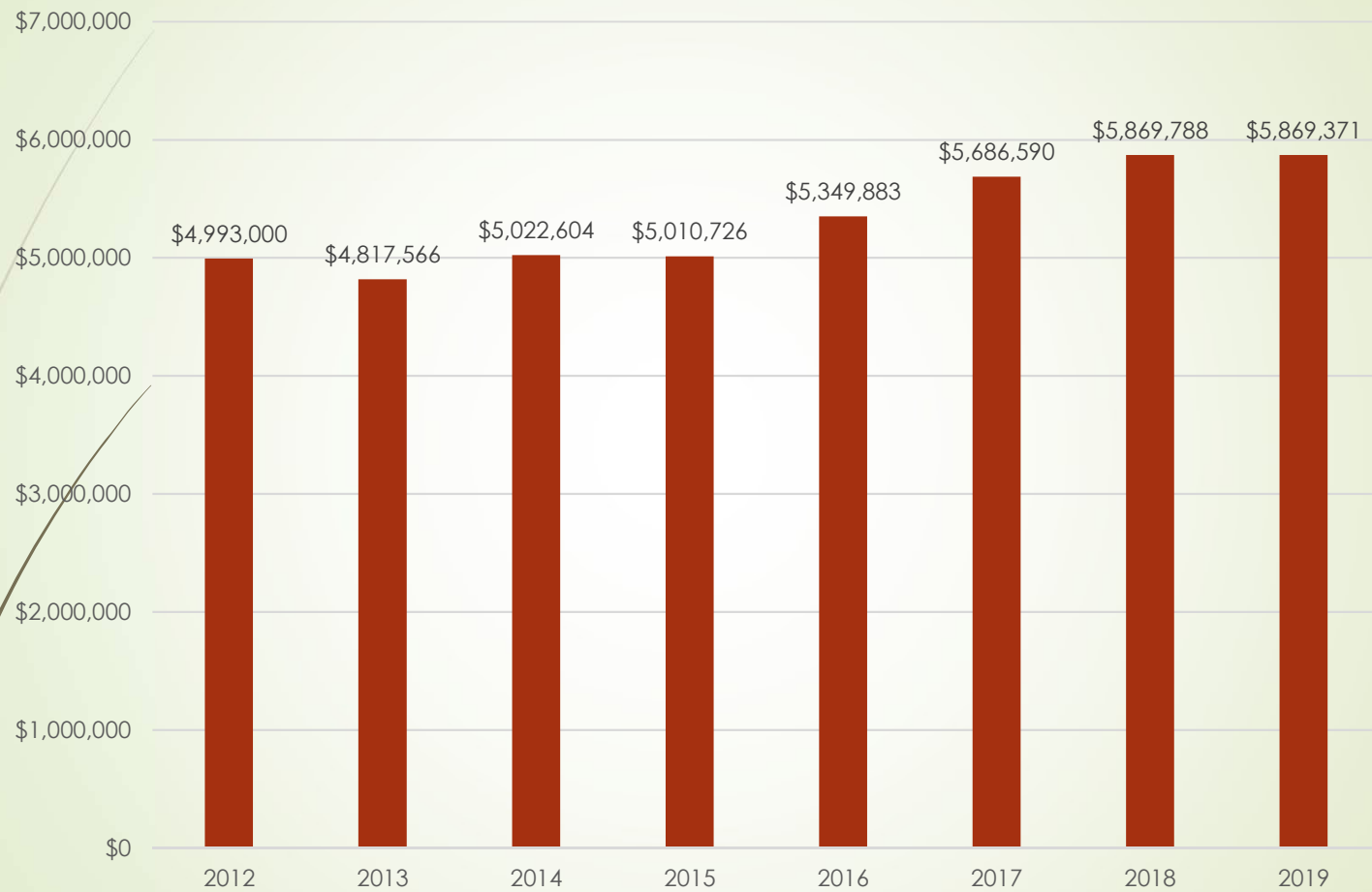
Mini Compact Track Loader to be used for maintaining Beach Cross-overs (Bobcat MT85)



RECENT MUNICIPAL TAX INCREASES

- 2013 => -0.4 Cents
- 2014 => 2.4 Cents
- 2015 => 0 Cents
- 2016 => 3.1 Cents
- 2017 => 2.8 Cents
- 2018 => 1.5 Cents
- 2019 => -0.5 Cents

RECENT MUNICIPAL TAXES



2018 SSP Property Value & Ranking among Other Shore Towns

| Prop. Value Rank (1=H, 566=L) | TOWN | Avg. Prop. TAX | % Prop. Tax Change and Rank (w.r.t. 2017) |
|-------------------------------------|----------------------|-------------------|---|
| 18 | Mantoloking | \$17,762 | 1.95% (271) |
| 66 | Bay Head | \$13,115 | 4.38% (44) |
| 99 | Brielle | \$11,513 | 2.84% (141) |
| 208 | Manasquan | \$9,277 | 4.36% (46) |
| 317 | Pt. Pleasant | \$7,685 | 2.79% (149) |
| 320 | Seaside Park | \$7,640 | -1.43% (542) |
| 379 | Lavallette | \$6,815 | 0.24% (487) |
| 498 | Seaside Heights | \$5,143 | 1.87% (285) |
| | NJ STATE AVG. | \$8,767 | 0.89% |

2019 BUDGET HIGHLIGHTS

➤ REVENUES

| | <u>2019</u> | <u>%CHG</u> | <u>2018</u> | <u>%CHG.</u> | <u>2017</u> |
|------------------------------------|-------------------|---------------|----------------------|--------------|---------------------|
| ➤ <u>Surplus</u> | 1,800,000 | +26% | 1,340,000 | -28% | 1,870,163 |
| ➤ Misc. Revenues | 3,169,899 | | 2,985,353 | | 3,294,583 |
| ➤ Receipts from Delqn't Taxes | 115,000 | | 186,000 | | 178,000 |
| ➤ Amt. to be Raised by Taxes | 5,869,371 | | 5,869,787 | | 5,686,590 |
| ➤ Post-Sandy Assist. Grant | | | 0 | | 117,000 |
| <hr/> | | | | | |
| Total Revenue (Anticipated) | 10,954,270 | +5.2 % | \$10,381,140 | -3.7% | \$10,782,305 |
| Total Revenue (Actuals) | ----- | | \$ 11,224,407 | -1.0% | \$11,235,890 |

➤ APPROPRIATIONS

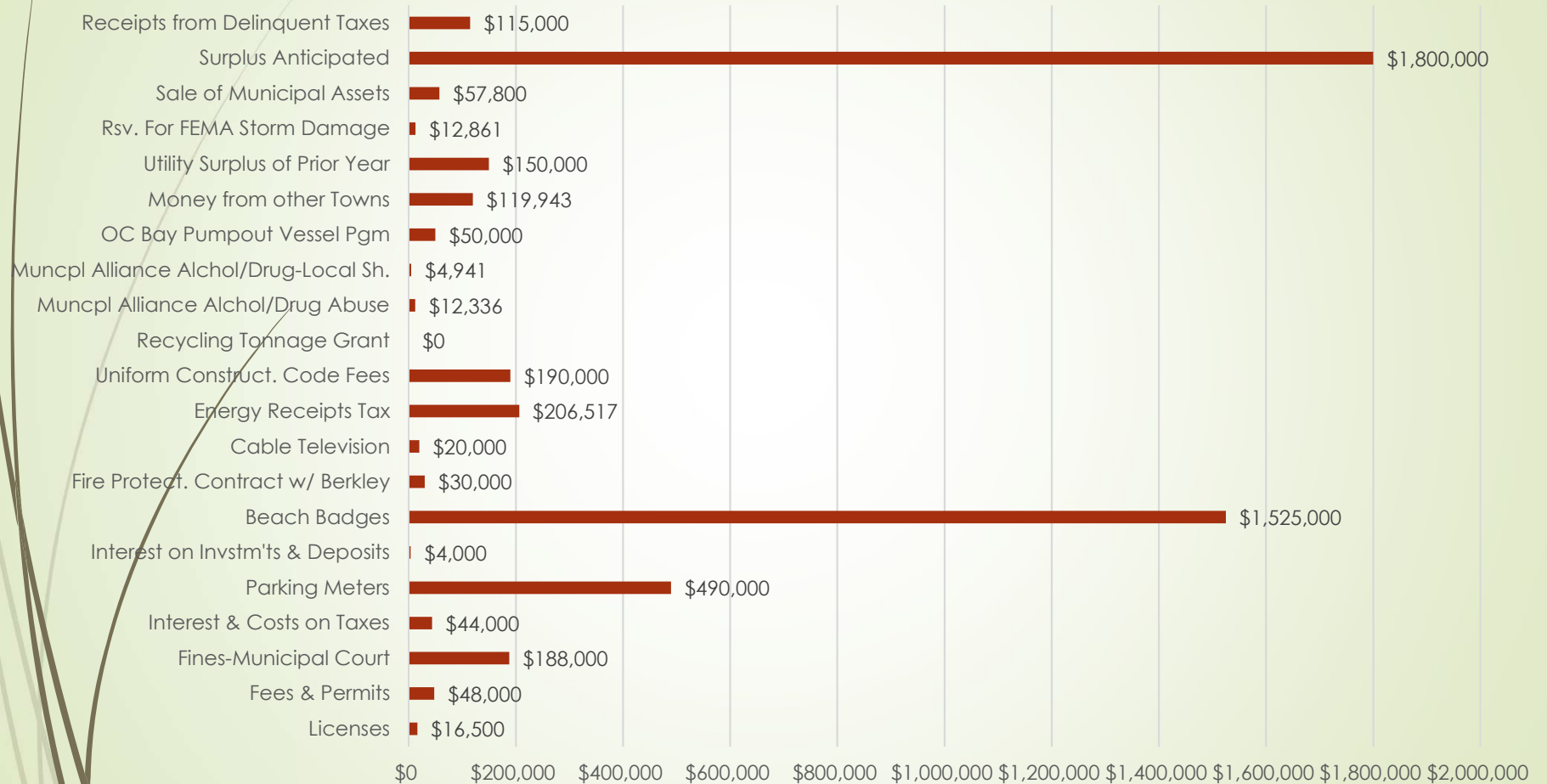
| | | | | | |
|------------------------------------|-------------------|--------------|---------------------|---------------|---------------------|
| ➤ Approp. Within CAPS | 8,637,856 | | 8,365,928 | | 8,425,631 |
| ➤ Total Approp. Outside CAPS | 290,577 | | 322,577 | | 642,183 |
| ➤ Capital Improvm'ts | 609,915 | | 575,000 | | 341,000 |
| ➤ Debt Service | 774,002 | | 776,921 | | 1,314,790 |
| ➤ Deferred Charges | 0 | | 21,000 | | 0 |
| ➤ Judgements | 300,000 | | 0 | | 0 |
| ➤ Reserve for Uncollct'd Taxes | 341,920 | | 319,714 | | 305,732 |
| <hr/> | | | | | |
| Total Approp. (Anticipated) | 10,954,270 | +5.2% | \$10,381,140 | -3.7 % | \$10,782,305 |
| Total Approp. (Actuals) | ----- | | \$ 9,875,542 | -0.4 % | \$ 9,919,570 |



2019 REVENUE

2019 SOURCES of REVENUE

AMOUNT



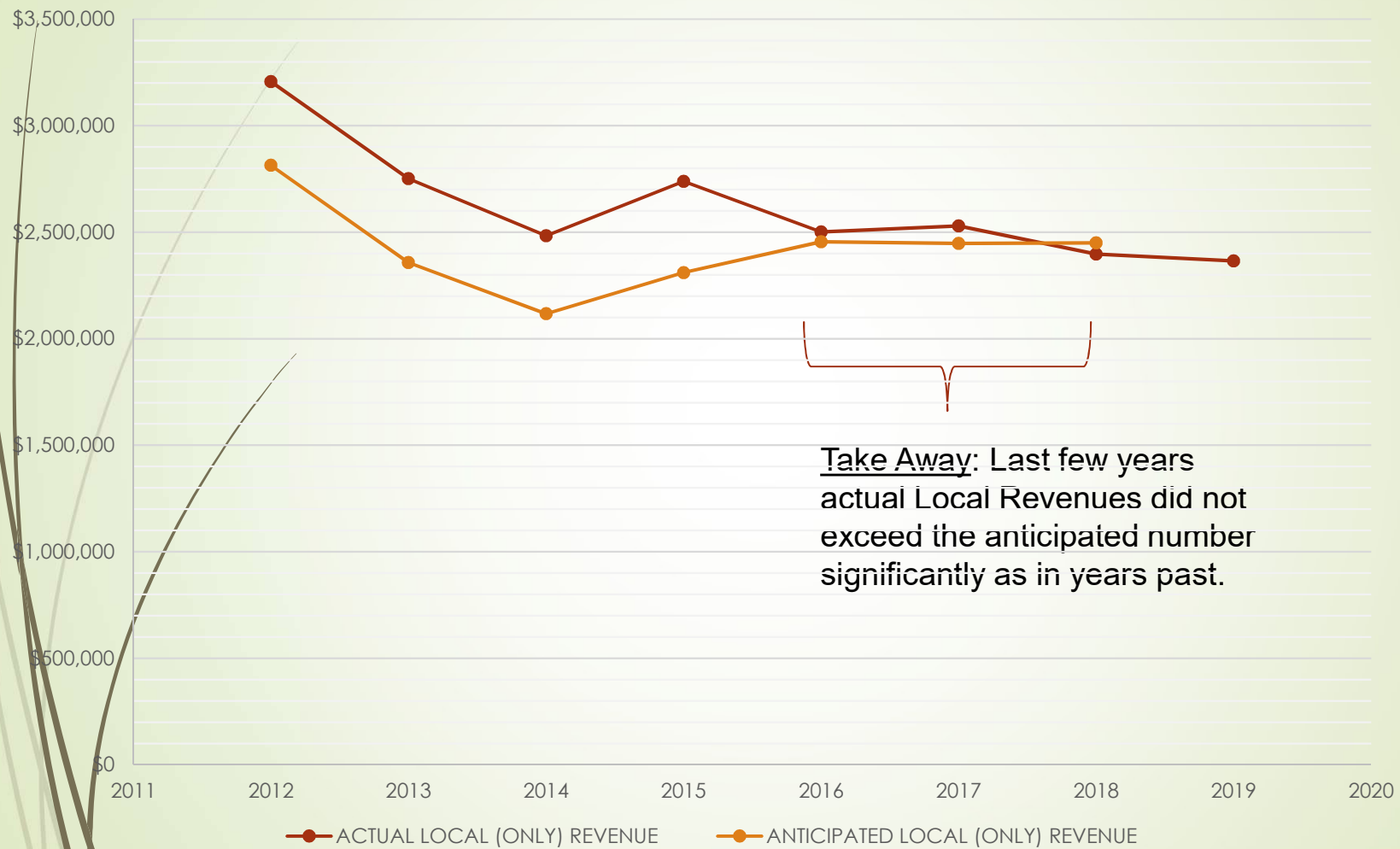
ACTUAL LOCAL REVENUES ONLY - LAST 6 YEARS

(from sht.11, "Summary of Budget Revenues, Total Section A: Local Revenues")

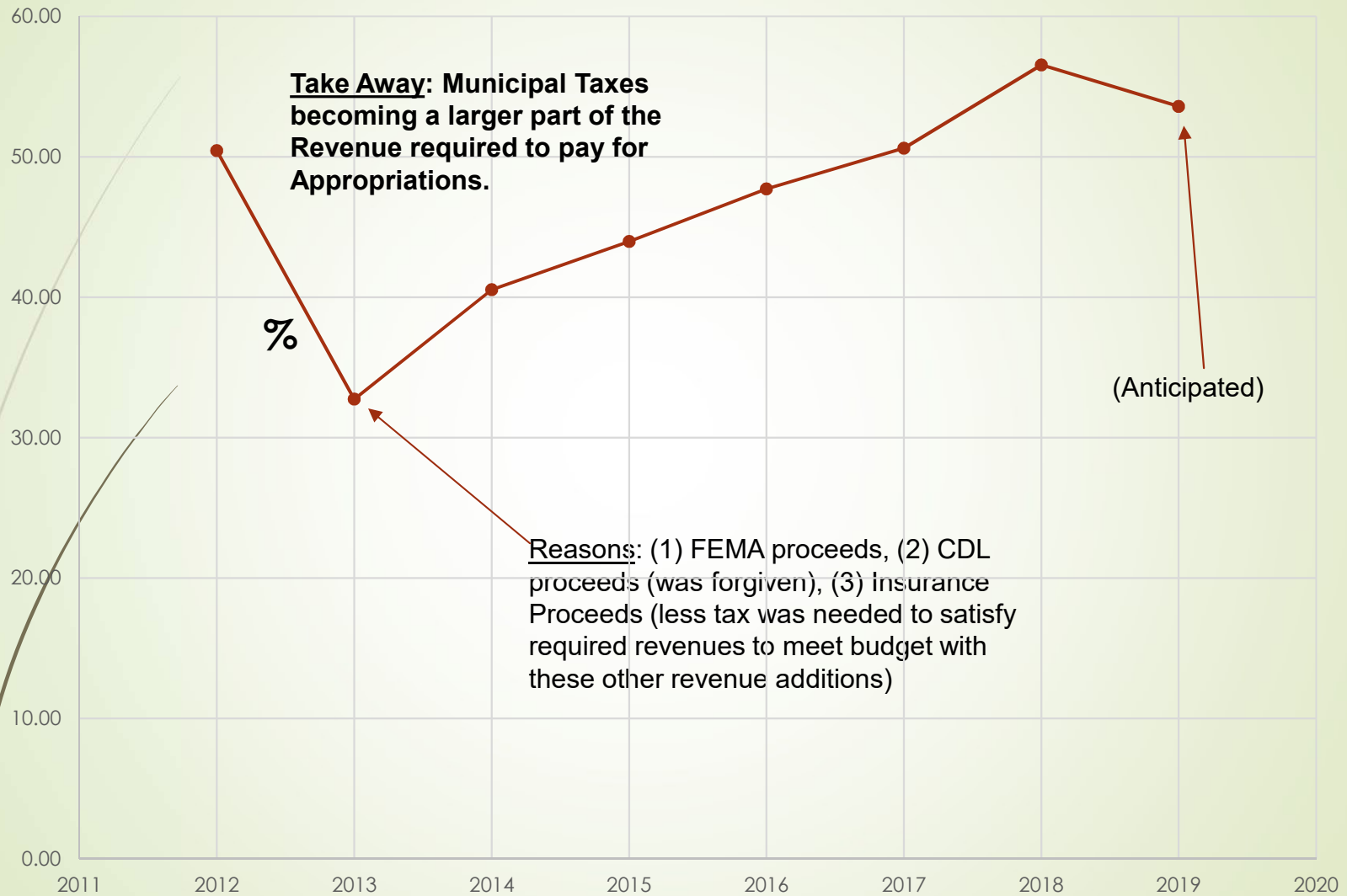
- 2012 – \$3,207,118
- 2013 – \$2,751,479
- 2014 – \$2,483,328
- 2015 – \$2,738,844
- 2016 – \$2,500,791
- 2017 – \$2,529,773
- 2018 – \$2,397,124
- **2019 – \$2,365,500 (Anticipated)**

TAKE AWAY – Local Revenue (Beach Badges, Parking Meters, Municipal Court, etc.) are flat or declining

Local Revenue – Anticipated vs. Actual



Municipal Tax as % of Revenue (Actual)

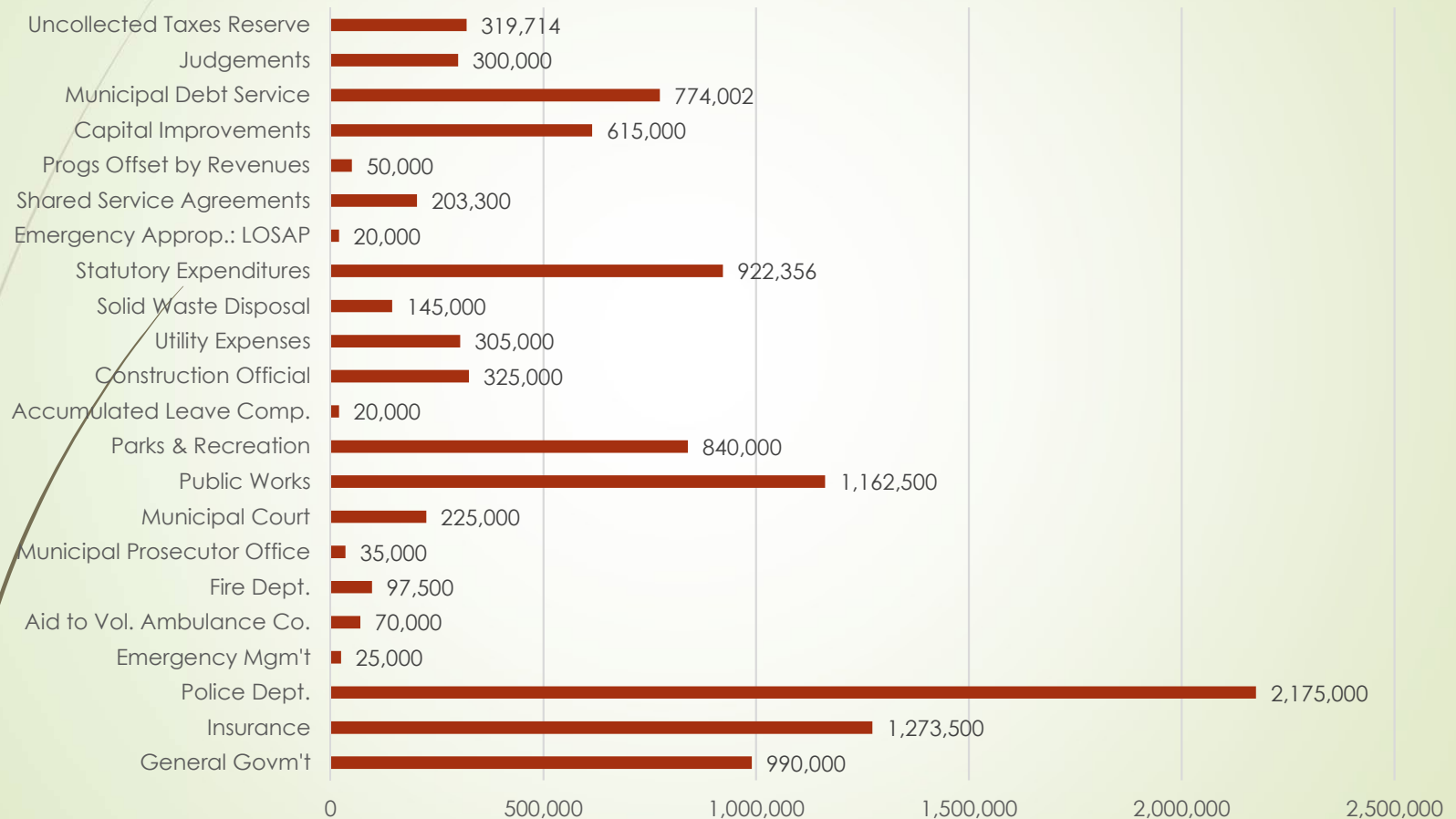




2019 EXPENDITURES

HOW 2019 MUNICIPAL TAX DOLLAR IS SPENT

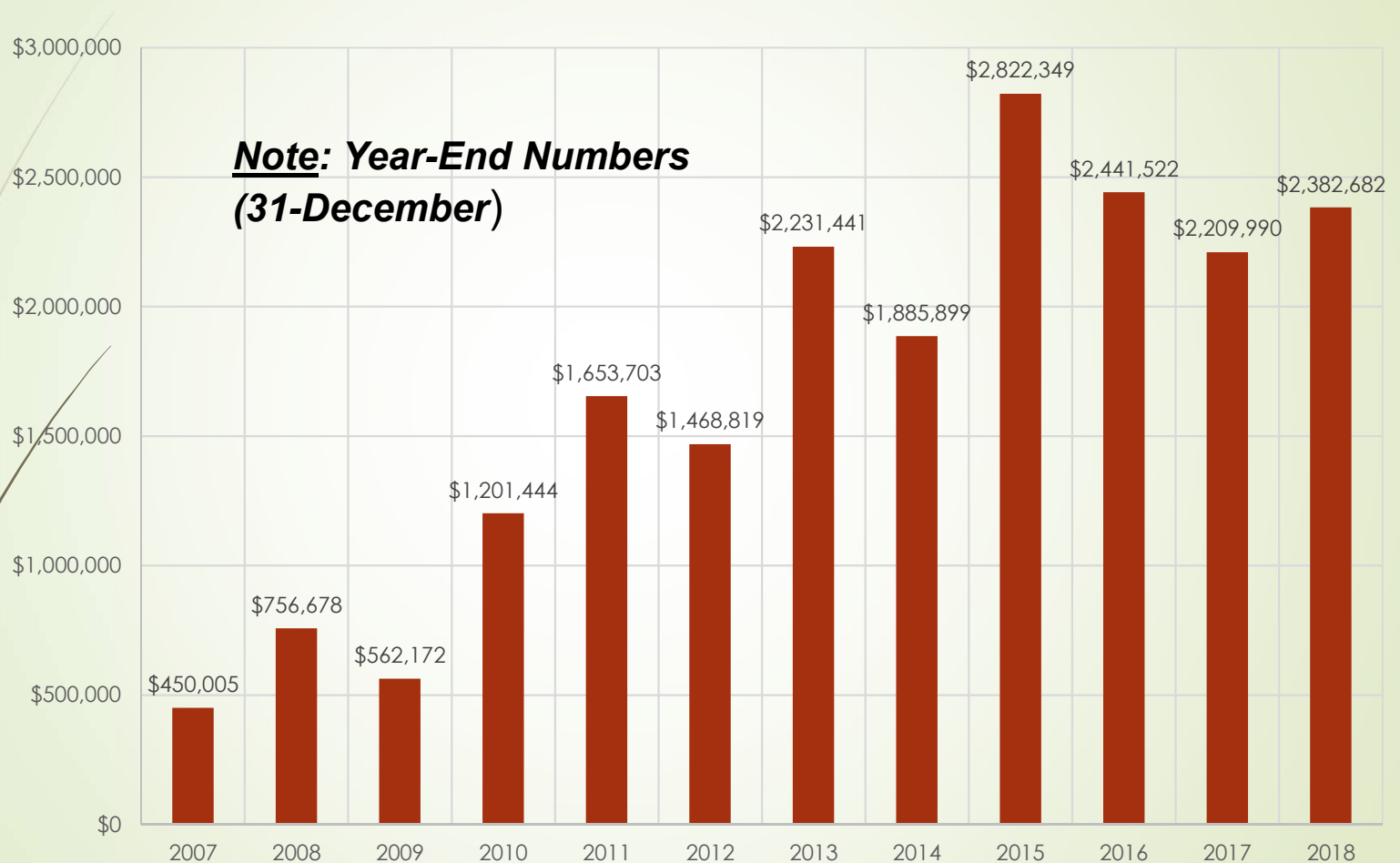
High Level Expenditures (> \$10K)



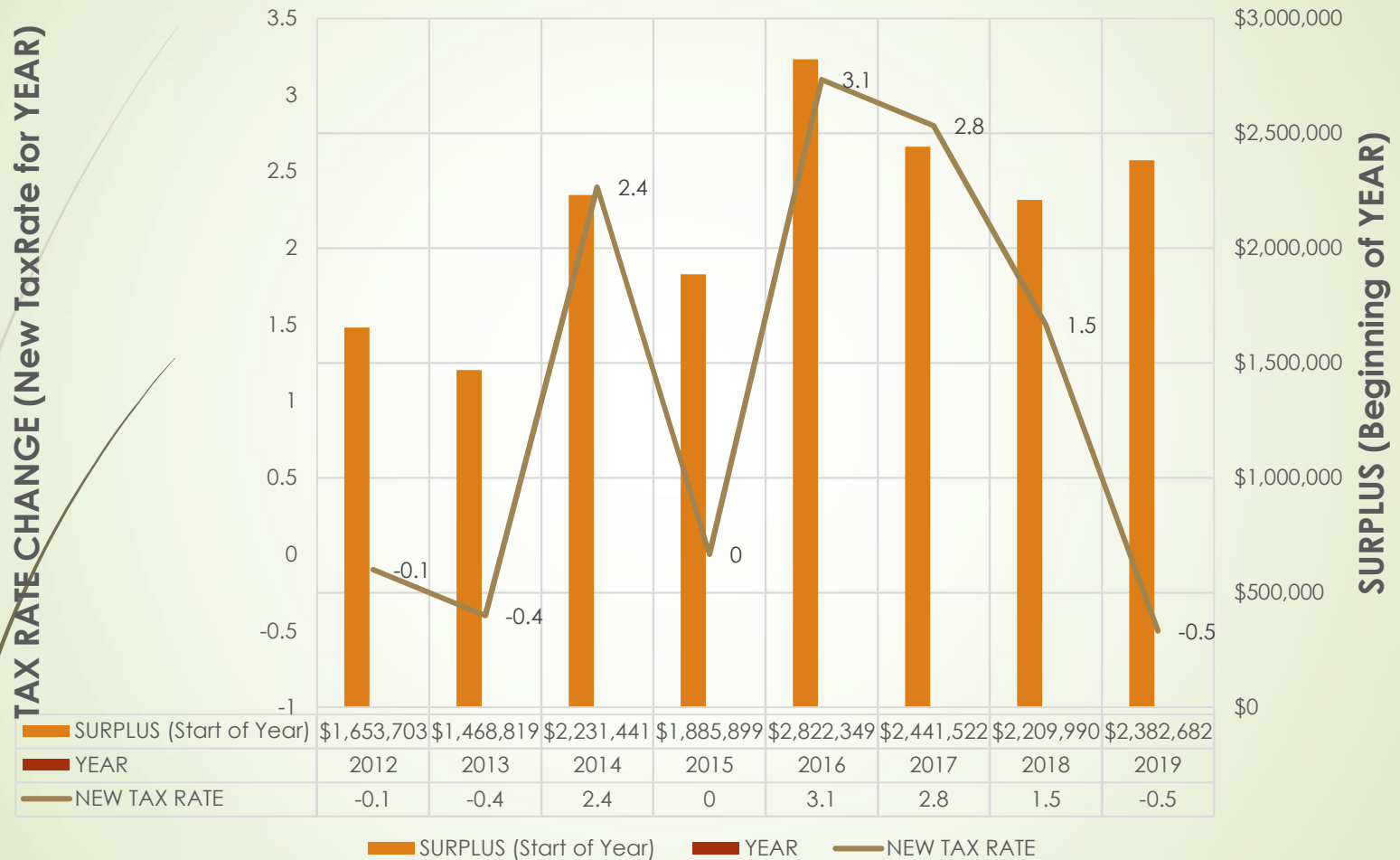
DEBT SERVICE EXPENSE (as a Percentage of Total Revenues)



COMMON FUND SURPLUS



SURPLUS vs. MUNICIPAL TAX RATE CHANGE



WHERE 2019 SURPLUS IS GENERATED

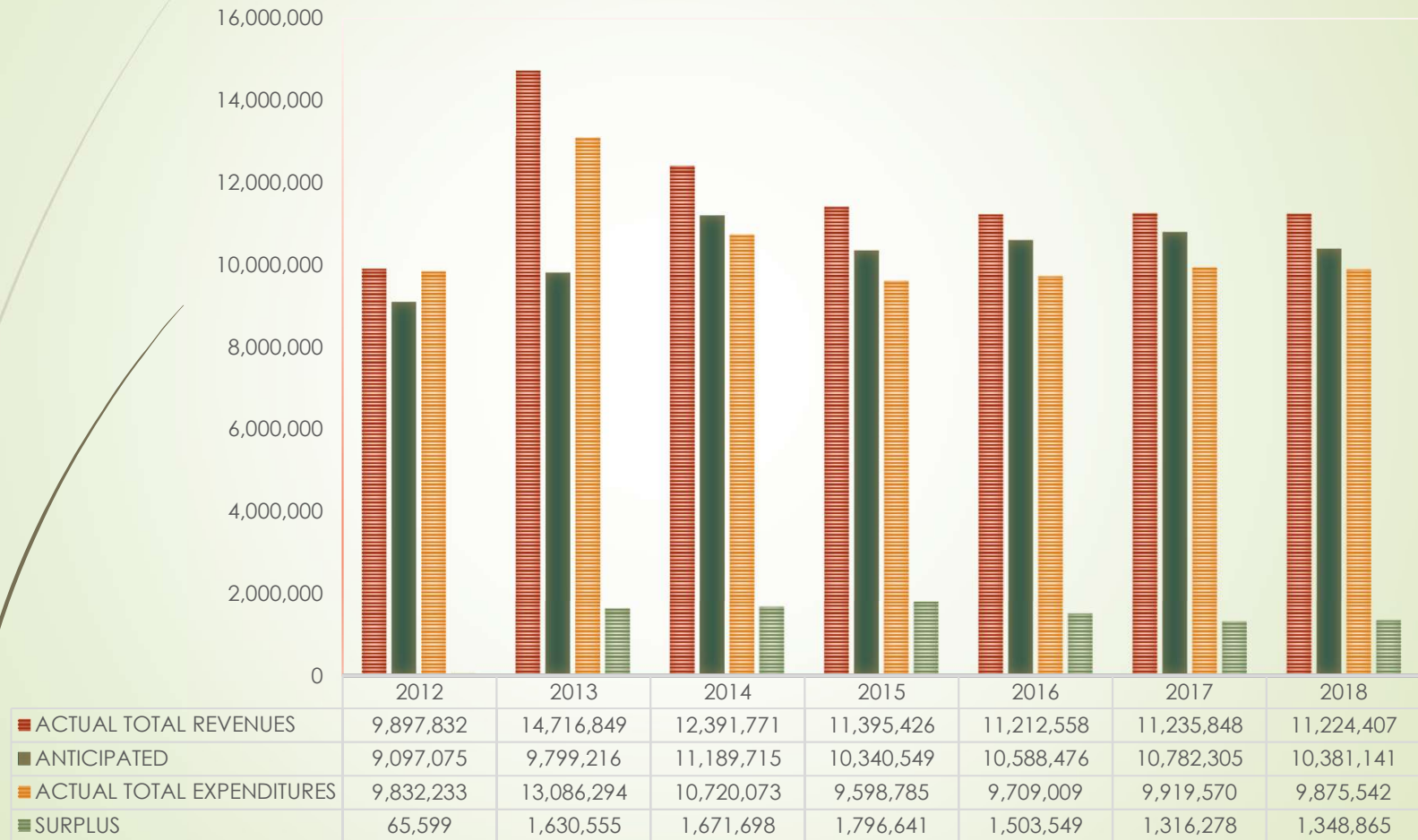
- Unexpended 2018 Appropriations (go to Reserve to Year + 1; e.g., 2018 becomes available in 2020)
- Unexpended 2017 Reserves
- Misc. Revenues Not Anticipated (MRNA)
- Current Tax Collection Excess
- Delinquent Tax Collections

SURPLUS IMPACT ON BOND RATING

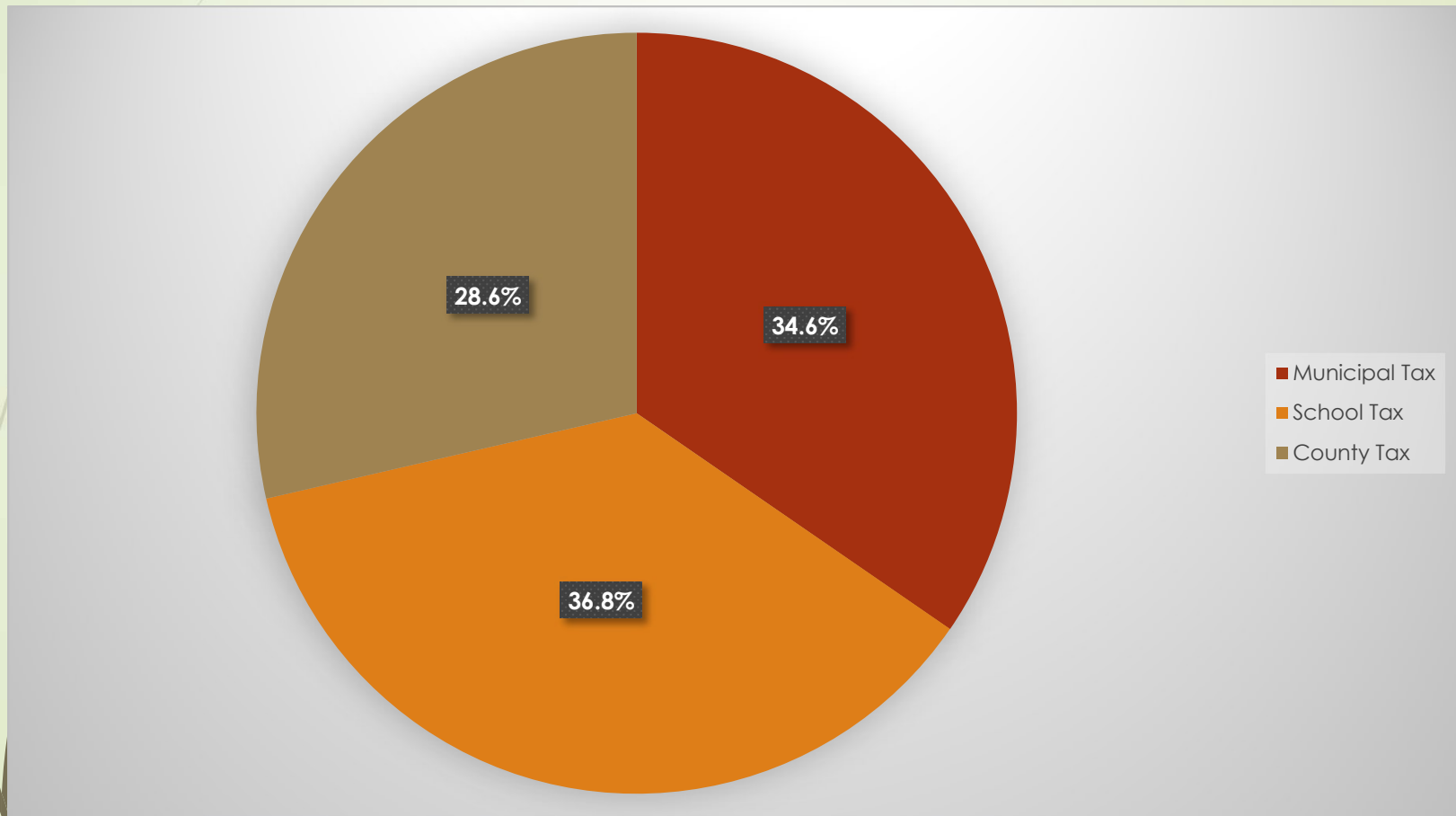
- Moody's Ratings based on Fund Balance (Surplus) as % of Revenues (shown for 2016 NJ Medians):
 - Aaa Rating when 32%
 - Aa Rating when 28.9%
 - A Rating when 24.2%
- Seaside Park 2018 Rating is (using Actuals):
 - $\$2,382,682 / \$11,224,407 = \mathbf{21.2\%}$

Actual Revenue and Appropriations Last 7 Years

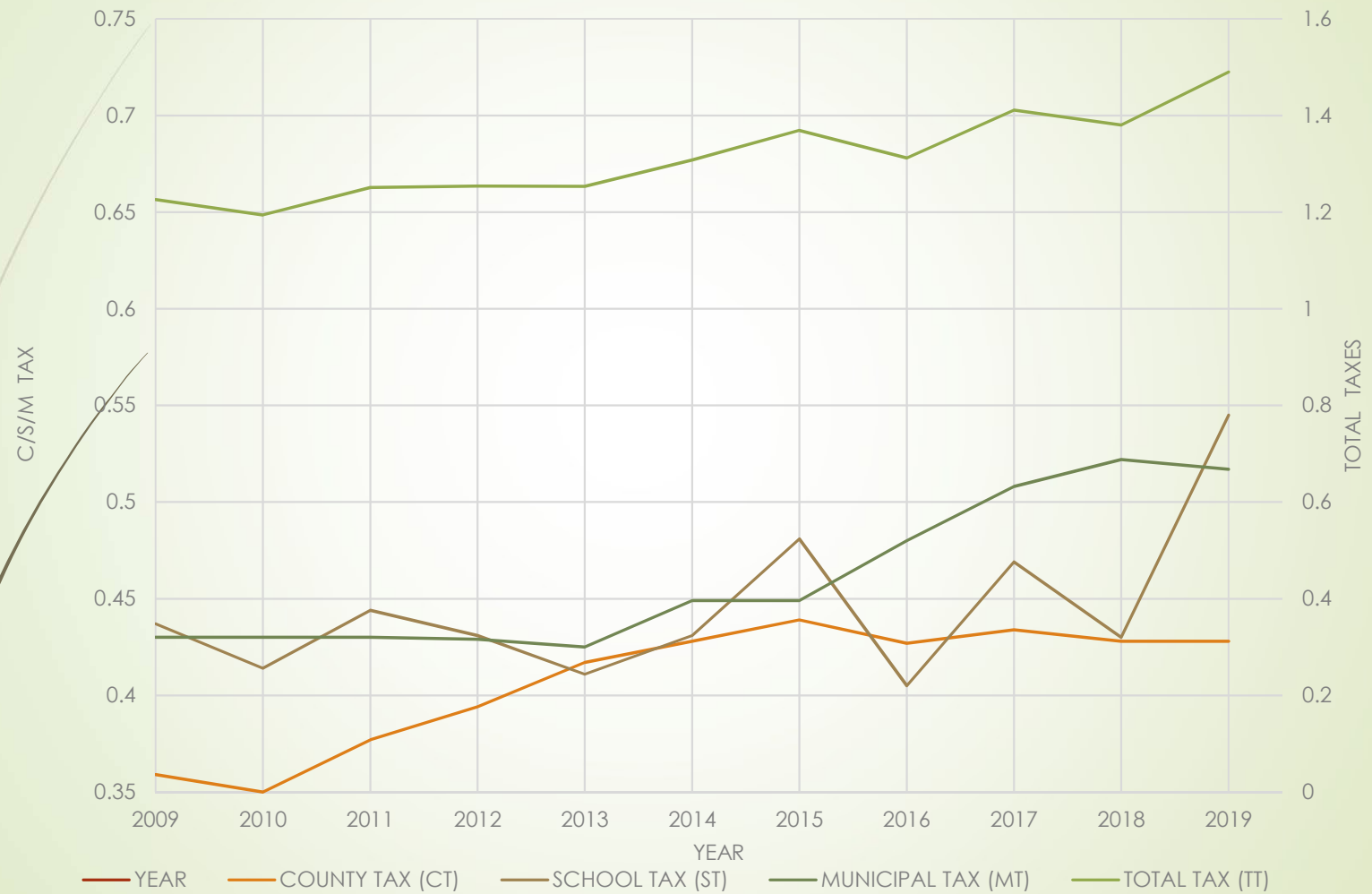
(Revenue & Appropriations Difference from "Anticipated" adds to (or subtracts from) the Next Year's Surplus



HOW YOUR 2019 PROPERTY TAX DOLLAR IS DIVIDED



ALL TAXES INCLUDING TOTAL TAX



Water/Sewer Utility Budget

“Self-Liquidating” Utility – Pays all expenses with revenue it receives; i.e., does not require funding from Municipal Property Taxes

- **Project in Progress:** Well #10 Filtration System
- **Project in Planning Phase:** W/S Phase 3-A Project - Bond Ordinance (approx.\$8M)
- Key \$ numbers:
 - **Revenue:**
 - \$2,425,000 – Rents (i.e., from Water/Sewer Bills)
 - **\$685,281** – Anticipated **Surplus** (to be used)
 - \$175,000 – Elevated Tank Lease (Cellular antennae)
 - \$38,000 – Miscellaneous
 - \$7,500 – Fire Hydrant Service

\$3,330,781

Water/Sewer Utility Budget

■ Expenditures / Expenses:

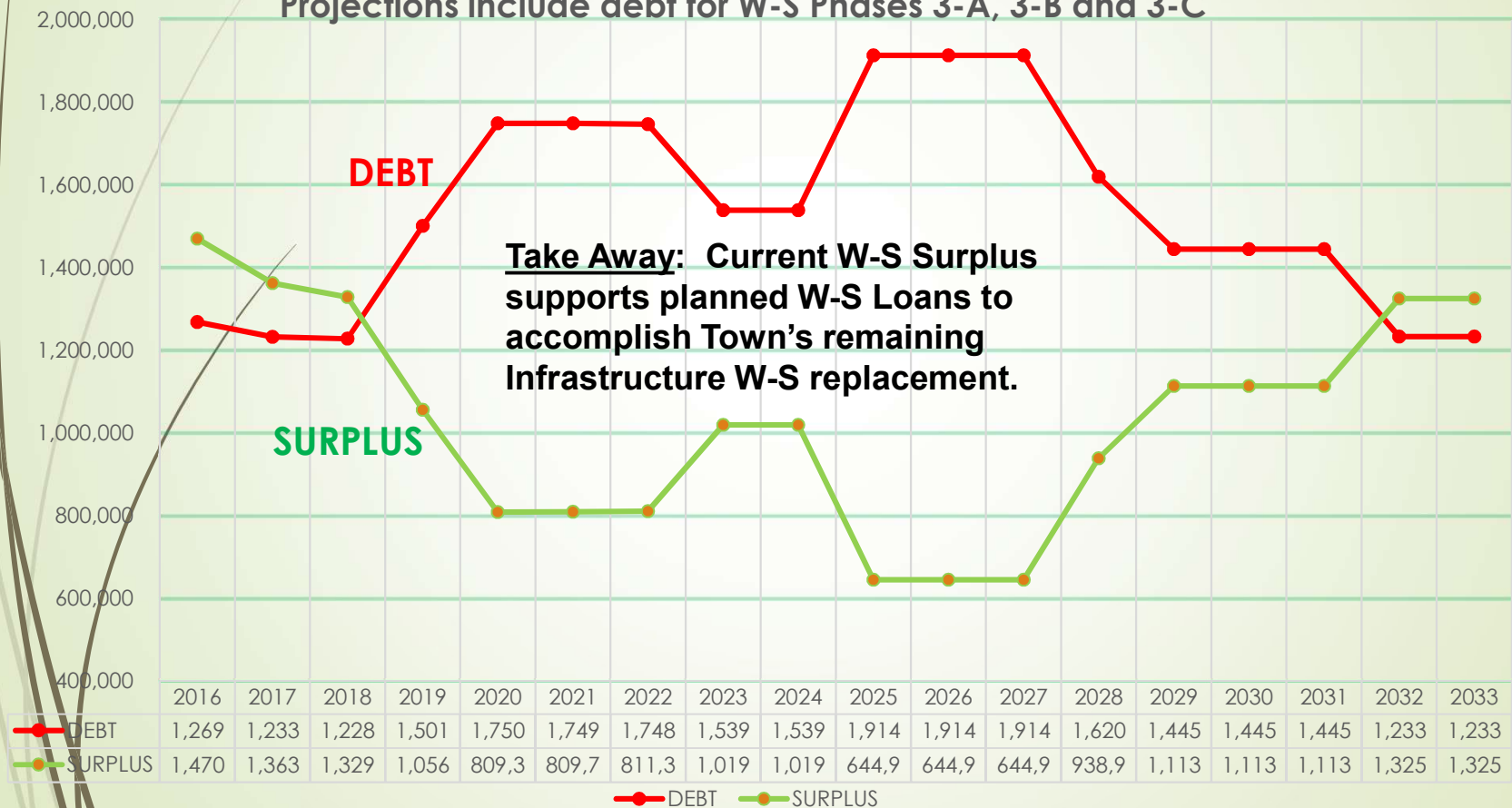
- \$375,000 – Salaries, Wages
- \$75,000 – Employee Statutory Expenditures
- \$650,000 – Overhead / Running Expenses (e.g., W/S Material, Maintenance, Professional Services, Licenses & Fees, Electricity, Natural Gas, Insurance, etc.)
- \$450,000 – O.C. Utilities Auth. (Solid Waste Chg.)
- \$300,000 – Capital Outlay, includes:
 - Emergency Sewer & Distribution Repairs
 - Video Scoping & Cleaning of Collection System
 - Adding Telemetry monitoring to all Wells
- \$150,000 – Well #9 Rehab (transfer from 2018)
- \$411,000 – Bond Debt Service (Interest, Principal)
- \$711,000 – NJEIT Trust Loan (Interest, Principal)
- \$108,778 – USDA Loan Payment
- \$3 – Placeholder for Phase-3A Loan
- \$100,000 – W-S Surplus Transfer to Common/General Budget)

\$3,330,781

Water-Sewer Utility (Cont'd)

SURPLUS to DEBT Projections

Projections include debt for W-S Phases 3-A, 3-B and 3-C



Water-Sewer Utility (Cont'd)

DEBT Change Projections

- *(Existing) On Sept-2018 Bond Payment Ends*
- *(Existing) On Nov-2018 New Bond Payment Begins*
- *(Existing) On Sept-2019 New Bond Payment Begins (2018-2019 Δ change approx. \$0)*
- *(2019 Budget Plan) April-2019 \$100K Transfer to Common Fund*
- *(Proposed) Year-2019 Loan Payment Begins for Well #10 Filtration System (\$175K/yr.)*
- *(Proposed) Year-2020 30 Year Bond Payment Begins for Water-Sewer Replacement Project, Phase 3-A (\$350K/yr.)*
- *(Existing) On Sept-2023 Bond Payment Ends (Δ change approx. -\$180K/yr.)*
- *(Proposed) Year-2025 30 Year Bond Payment Begins for Water-Sewer Replacement Project, Phase 3-B (Δ change approx. \$375K/yr.)*
- *(Existing) On Nov-2027 Loan Payment Ends (Δ change approx. -\$219K/yr.)*
- *(Proposed) Year-2028 30 Year Bond Payment Begins for Water-Sewer Replacement Project, Phase 3-C (Δ change approx. \$400K/yr.)*
- *(Proposed) Year-2028 Loan Payment Ends for Well #10 Filtration System (Δ change approx. -\$175K/yr.)*
- *(Existing) On May-2031 Loan Payment Ends (Δ change approx. -\$211K/yr.)*

Marina Utility Budget

➤ *“Self-Liquidating” Utility – Does not require funding from Municipal Property Taxes*

➤ **Key \$ numbers:**

➤ **Revenue:**

- **\$322,000 – Boat Slip Rentals**
- **\$25,000 – Miscellaneous (Trailer Storage, etc.)**
- **\$132,080 – Anticipated Surplus**

\$479,080

Marina Utility Budget (cont'd)

- **Expenditures / Expenses:**
 - **\$46,000 – Salaries, Wages**
 - **\$5,580 – Employee Statutory Expenditures**
 - **\$120,000 – Overhead / Running Expenses (e.g., Insurance, Electric, Equip. Maintenance, Professional Services, etc.)**
 - **\$100,000 – Capital Outlay, includes:**
 - **South Side Lighting & Security Cameras**
 - **Aged Electrical wiring Replacement**
 - **Piling Replacement, Piling Resets**
 - **\$55,000 – Bond Debt Service (Interest, Principal)**
 - **\$102,500 – Green Trust Loan Program (until 2022)**
 - **\$50,000 – Marina Surplus Transfer to Common/General Budget**
-
- \$479,080**



END OF PRESENTATION