

# SHREWSBURY



Borough Council - Finance Committee

# Welcome to the 2018 Borough Budget Workshop

Mayor, Council, and Shrewsbury Residents

March 3, 2018

**Finance Committee**  
**Shrewsbury Borough Council**

### 2018 Borough Budget Objectives

- Balance the service needs of the Community with the cost, budget constraints, and the effect of the Borough Tax Rate.
- Review all Operating Expense line items for all Departments and ensure need – work through Council Committee structure.
- Submit a 2018 Borough Budget that reflects the minimum amount of tax needed to sufficiently operate the Borough.
- Minimize any property tax increases as much as possible.
- Continue to explore Shared Services where it is beneficial to Shrewsbury.

# 2018 Borough Budget Process

- Individual Borough Committees meet with their departments in November to discuss department needs, roll recommendations and budget requests to Finance Committee by early December 2017.
- Preliminary Budget is prepared for Finance based on initial requests by CFO.
- December 14<sup>th</sup>, 2017 Finance Committee meets with all Departments to review requested expenditures and ensure need and impact to delivered services to the Taxpayers of Shrewsbury.
- Preliminary Budget is prepared for Finance Committee after department meetings based on closing out the 2017 budget and review of actual expenditures.
- Each department is asked for long term Capital Improvement forecast to develop an accurate Debt program for the Borough.
- Budget is adjusted by CFO for final recommendations based on finance meetings and Finance Committee recommendations.
- Final preliminary budget is developed for review at the budget workshop – March 3<sup>rd</sup>.

## The Overall 2018 Budget and Anticipated Taxes

Includes:

Shrewsbury Borough School  
Red Bank Regional High School  
Shrewsbury Borough

Monmouth County (also includes Library/Health)

## Anticipated 2018 Total Tax Bill and Trends

### All Taxing Authorities

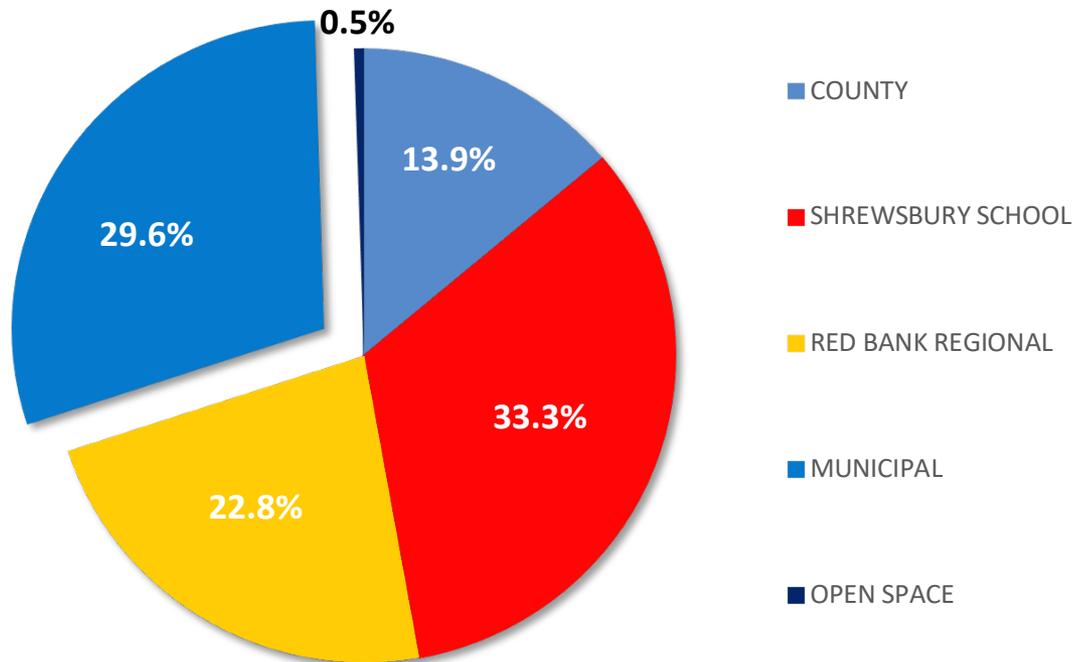
(Dollars)

<u>BUDGET AREA</u>	<u>Actual</u>	<u>Proposed</u>	<u>Increase Y/Y</u>	
	<u>2017</u>	<u>2018</u>	<u>Amount (\$)</u>	<u>(%)</u>
COUNTY*	3,400,050.98	3,468,052.00	68,001.02	2.00%
SHREWSBURY SCHOOL*	8,160,392.00	8,323,599.84	163,207.84	2.00%
RED BANK REGIONAL*	5,586,850.00	5,698,587.00	111,737.00	2.00%
<b>MUNICIPAL</b>	<b>7,280,243.65</b>	<b>7,389,696.18</b>	<b>109,452.53</b>	<b>1.50%</b>
OPEN SPACE	<u>115,817.58</u>	<u>117,950.52</u>	<u>2,132.94</u>	<u>1.84%</u>
	24,543,354.21	24,997,885.54	454,531.33	1.85%

Municipal Increase for 2018 factors pension increase ↑\$96K , increase of debt service of ↑\$100, decrease of ↓\$21K anticipated revenue (delinquent taxes are down), results in an increase of ↑\$217K overall budgets. The 2018 Budget reductions of ↓ \$108K in other line items to reduce increase from 3% to 1.5%.

\*Pure estimates at the 2% CAP – additional guidance will need to be provided by Each Board of Education when they complete their budgets. County announced they are planning to be at 1% this week – but budget won't get approved until April/May.

### Composition of Total Taxes – Est. 2018



### Overall Revaluation Impact

(Vacant Land, Residential, Farms, Commercial, Utilities)

<u>Category</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018*</u>	<u>% Chg '17 to '18</u>	<u>% Chg '15 to '18</u>
Borough Tax Rate (Cents/\$100)	\$0.62	\$0.63	\$0.64	\$0.63	-1.95%	1.05%
Overall Tax Rate (Cents/\$100)	\$2.18	\$2.11	\$2.11	\$2.12	0.44%	-2.78%
Implied Total Tax Obligation (Mil)*	\$23.22	\$23.22	\$24.54	\$25.00	1.85%	7.66%

\*Estimated for non-Borough Budgets – we are assuming 2% CAP, but we have no guidance for either School Board. County looks like they might be at 1% increase which would reduce the tax.

## Trending Revaluation Impact

(Vacant Land, Residential, Farms, Commercial, Utilities)

<u>Property Type</u>	<u>2017 Actual</u>	<u>2018 Estimated</u>	<u>2017-18 Percent +/-</u>	<u>Percent of Assessment</u>	<u>2016 Actual</u>	<u>2016-18 Percent +/-</u>
Residential	774,208,900	795,882,700	2.80%	67.48%	745,165,300	6.13%
Commercial	366,951,800	376,422,900	2.58%	31.91%	365,694,500	3.03%
Vacant Land	5,747,800	4,917,300	-14.45%	0.42%	5,628,000	-29.53%
Farm	1,139,000	1,161,500	1.98%	0.10%	1,126,800	-2.09%
Utilities	<u>1,114,395</u>	<u>1,120,813</u>	<u>0.58%</u>	<u>0.10%</u>	<u>1,113,711</u>	<u>-3.60%</u>
	1,149,161,895	1,179,505,213	2.64%	100.00%	1,067,333,117	4.82%

# SHREWSBURY



Preliminary 2018 Budget

Borough Council - Finance Committee

## The 2018 Borough Budget Only

Excludes Schools, County, Open Space

## 5 Year Revenue Outlook

- **Economy remains “good” – seems to be steady to up**
  - Appeals are down – residential and commercial across Monmouth County
  - Commercial – Ft. Monmouth has bottomed out and potential for redevelopment. Shrewsbury is working hard to redevelop commercial properties before Ft. Monmouth gets in full re-development.
  - Construction for UCC and other fees (revenue) should remain constant to up.
  - New Jersey Governor election is done – still reading potential economic impact, including local and school funding assistance.
- **New Development projects outlook – New/Increased Rateables**
  - Approved Development of Shrewsbury Manor to be an Assisted Living Place, Capital Seniors (mid 2019).
  - Approved Development of Catelli Brothers to be redeveloped to an Assisted Living Place, Sunrise (mid 2019).
  - Approved Development of Office Space on Shrewsbury Avenue into Shoprite (early 2019).
  - Approved Development of Verizon Building to be an Gas/Mini Market QuickChek (early 2020).
  - Moving to resolution on Shadowbrook Expansion/Site Development (early 2019)
  - Potential for new development on Newman Springs road (unclear).
  - Active working to redevelop vacant/under utilized commercial properties (ongoing).

## Actions from 2017 Budget Workshop

- Check Shrewsbury Borough General Tax Rate with surrounding Boroughs. Shrewsbury Tax Rate is inline with surrounding Boroughs.

DISTRICT	2015	2016	2017
	GENERAL TAX RATE	GENERAL TAX RATE	GENERAL TAX RATE
LITTLE SILVER BORO	2.009	1.984	2.008
MIDDLETOWN TWP	2.136	2.131	2.124
OCEANPORT BORO	2.074	2.143	2.157
RED BANK BORO	2.033	2.107	2.110
SHREWSBURY BORO	2.176	2.110	2.136
TINTON FALLS BORO	2.007	2.032	1.987

- Red Bank Regional Tax Rate is Higher for Shrewsbury when compared to Little Silver and Red Bank.

Real Estate  
measurements are  
healthy – additionally we  
are inline with Red Bank  
and Little Silver

### Red Bank Regional Sending Districts

	<u>Red Bank</u>	<u>Shrewsbury</u>	<u>Little Silver</u>
<b>Closed Sales **</b>	117	79	124
<b>Lowest Sale</b>	\$130,000	\$150,150	\$259,000
<b>Highest Sale</b>	\$3,150,000	\$1,560,000	\$2,600,000
<b>Median Price</b>	\$445,106	\$548,763	\$676,901
<b>Average Days on Market *</b>	52	60	64

Note: \* Monmouth County Average Days on  
Market 90 to 100 Days

\*\* Range measurement 12/15/16 to 12/15/17

RBR School Tax Rate  
Inequality – Legislative  
Fix Needed on School  
Funding Formula

Met with Sen. O'Scanlon  
Met with Sen. Beck  
Met with Asblymn Houghtaling - ongoing  
Met with Asblywmn Downey - ongoing  
Met with Sen. Gopal - ongoing

## Proposed Budget 2018 – All Items

### Major Expense Categories

<u>Operating Expense</u>	<u>Y/Y Growth</u>	<u>Proposed 2018</u>	<u>Budget 2017</u>
Salaries & Wages	-0.53%	3,760,097	3,780,098
Group Health Insurance & Disability	-0.50%	1,251,235	1,257,481
Pension	12.80%	846,664	750,611
<b>Total Salaries &amp; Benefits</b>	<b>1.21%</b>	<b>5,857,996</b>	<b>5,788,190</b>
Other Expenses	-1.27%	949,815	962,000
Utilities and Landfill	-0.42%	710,000	713,000
Debt Service	8.52%	1,278,609	1,178,260
Reserve for Uncollected Taxes	1.01%	382,507	378,680
Shared Services	0.00%	10,000	10,000
Capital Improvements	25.00% <span style="color: green;">▲</span>	50,000 <span style="color: green;">▲</span>	40,000
Private and Public Programs	-38.01%	147,442	237,849
Deferred & Statutory Expenditures	7.64%	137,865	128,075
<b>Total Non-Operating Expenses</b>	<b>0.50%</b>	<b>3,666,237</b>	<b>3,647,865</b>
<b>Total Budget</b>	<b>0.93%</b>	<b>9,524,233</b>	<b>9,436,056</b>

## Budget Increases

- Philosophy of zero based budgeting on each line item
  - Focus on line item reductions where possible - ongoing
  - Maintain level of service to our residents with fiscal prudence
  - Forecast and plan for major items that impact the budget
    - Health care
    - Capital budget
    - Salary and expenses
    - Debt service

# SHREWSBURY



Preliminary 2018 Budget

Borough Council – Finance Committee

## Major Changes to Budget

<b>Revenues</b>	<b>Revenue Increases</b>
Surplus Anticipated	60,000.00
Fines and Costs:Municipal court	25,000.00
Cable Franchise Fee	4,000.00
Mobile Tower Fee	2,000.00
Interest on Investment and Deposits	1,000.00
Uniform Constrction Code Fees	40,000.00
<b>total revenue increases</b>	<b>132,000.00</b>
<b>Revenues</b>	<b>Revenue Decreases</b>
Fees and Permits	10,000.00
Interest and Costs on Taxes	5,000.00
GRANT CHANGES	83,275.37
Admin Costs Police OT	2,500.00
Uniform Fire Safety	3,000.00
Receipts for Delinquent Taxes	49,500.00
<b>total revenue decreases</b>	<b>153,275.37</b>
<b>Net Revenue Increase/(Decrease)</b>	<b>-21,275.37</b>
<b>Appropriations</b>	<b>Increase Appropriations</b>
Various increases	2,069.20
PERS -pension	18,310.53
PFRS -pension	77,742.00
CIF	10,000.00
DEBT SERVICE	100,348.50
Deferred Charges	9,789.39
RESERVE FOR UNCOLLECTED TAXES	3,826.22
<b>increases to budget</b>	<b>222,085.84</b>
<b>Appropriations</b>	<b>Decrease Appropriations</b>
Salaries	20,001.01
Various decreases	23,500.00
Grants CHANGES	90,407.67
<b>decreases to budget</b>	<b>133,908.68</b>
<b>Net Appropriation Increase to Budget</b>	<b>88,177.16</b>
<b>TOTAL TAX INCREASE</b>	<b>109,452.53</b>

## Top Operating (OE) Items – Ex Salary and Pension

	2018 Budget	% of OE	% Increase / Decrease
Employee Group Insurance	1,095,000	37.59%	-1.17%
Police Department	167,800	5.76%	-5.89%
Solid Waste Collection Contractual	165,000	5.66%	1.85%
Landfill/Solid Waste Disposal Costs	<b>160,000</b>	5.49%	4.58%
Workers Compensation Insurance	154,235	5.29%	4.58%
Other Insurance	120,000	4.12%	3.43%
Fire Hydrant Service	<b>98,000</b>	3.36%	0.00%
Legal Services (Legal Department)	80,000	2.75%	0.00%
Electricity	<b>75,000</b>	2.57%	-3.85%
Building and Grounds	57,000	1.96%	9.62%
Recreation Services and Programs	56,500	1.94%	0.00%
Engineering Services	50,000	1.72%	0.00%
Street Lighting	<b>48,000</b>	1.65%	0.00%
Public Health Services (Board of Health)	47,000	1.61%	-1.98%
LOSAP	46,000	1.58%	2.56%
Gasoline	<b>45,000</b>	1.54%	-6.25%
Top 15 Operating Expense Items	<b>2,464,535</b>	84.60%	-0.14%
All Other Operating Expense Items	<b>448,515</b>	15.40%	-3.83%
Total Operating Expense Items	<b>2,913,051</b>	100.00%	-0.73%



## 2018 Revenue Budget

	Anticipated 2018	Anticipated 2017	Realized 2017	Growth	% Inc
<b>Surplus Anticipated</b>	<b>830,000</b>	<b>770,000</b>	<b>770,000</b>	<b>60,000</b>	<b>8%</b>
<b><u>Local Revenues</u></b>	<b><u>511,000</u></b>	<b><u>494,000</u></b>	<b><u>534,123</u></b>	<b>17,000</b>	<b>3%</b>
Fees and Permits	115,000	125,000	115,988	-10,000	-8%
Municipal Court	185,000	160,000	195,014	25,000	16%
Licenses	41,000	41,000	41,731	0	0%
Interest	60,000	64,000	67,831	-4,000	-6%
Franchise Fees	110,000	104,000	113,559	6,000	6%
<b>State Aid</b>	<b>381,641</b>	<b>381,641</b>	<b>381,641</b>	<b>0</b>	<b>0%</b>
<b>UCC Fees</b>	<b>190,000</b>	<b>150,000</b>	<b>199,313</b>	<b>40,000</b>	<b>27%</b>
<b>Shared Services</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>0%</b>
<b>Grants &amp; Special Items</b>	<b>126,896</b>	<b>215,671</b>	<b>213,309</b>	<b>-88,775</b>	<b>-41%</b>
<b>Delinquent Taxes</b>	<b>85,000</b>	<b>134,500</b>	<b>168,154</b>	<b>-49,500</b>	<b>-37%</b>
<b>FEMA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Revenue ex. Raised by</b>					
<b>Taxes</b>	<b><u>2,134,537</u></b>	<b><u>2,155,812</u></b>	<b><u>2,276,539</u></b>	<b><u>-21,275</u></b>	<b><u>-1%</u></b>
<b>Raised by Taxes</b>	<b><u>7,389,696</u></b>	<b><u>7,280,244</u></b>	<b><u>7,621,296</u></b>	<b><u>109,453</u></b>	<b><u>2%</u></b>
<b>Total</b>	<b>9,524,233</b>	<b>9,436,056</b>	<b>9,897,835</b>	<b>88,177</b>	<b>1%</b>

# SHREWSBURY



Preliminary 2018 Budget

Borough Council - Finance Committee

## Projected Borough Tax

Estimated - 2018 Avg 2.64% Assessed Value Increase

Home Valuation	Municipal Portion		Total Tax Effect	
	2018 Municipal	Dollar Increase	2018 Total Tax Effect	Dollar Increase
102,640.00	643.05	4.05	2,175.30	65.30
128,300.00	803.81	5.06	2,719.13	81.63
153,960.00	964.57	6.07	3,262.96	97.96
179,620.00	1,125.33	7.08	3,806.78	114.28
205,280.00	1,286.10	8.10	4,350.61	130.61
256,600.00	1,607.62	10.12	5,438.26	163.26
307,920.00	1,929.14	12.14	6,525.91	195.91
359,240.00	2,250.67	14.17	7,613.57	228.57
410,560.00	2,572.19	16.19	8,701.22	261.22
461,880.00	2,893.72	18.22	9,788.87	293.87
513,200.00	3,215.24	20.24	10,876.52	326.52
564,520.00	3,536.76	22.26	11,964.17	359.17
615,840.00	3,858.29	24.29	13,051.83	391.83
667,160.00	4,179.81	26.31	14,139.48	424.48
718,480.00	4,501.34	28.34	15,227.13	457.13
769,800.00	4,822.86	30.36	16,314.78	489.78
821,120.00	5,144.38	32.38	17,402.44	522.44
872,440.00	5,465.91	34.41	18,490.09	555.09
923,760.00	5,787.43	36.43	19,577.74	587.74
975,080.00	6,108.96	38.46	20,665.39	620.39
1,026,400.00	6,430.48	40.48	21,753.04	653.04

Average Assessed Home Value in Shrewsbury is \$517,600



# SHREWSBURY



Preliminary 2018 Budget

Borough Council - Finance Committee

## Borough Tax History

	TAXES TO BE RAISED	INCREASE	Value of 1 cent tax rate	Actual cent Increase	% increase	Assessed Valuation	
1999	3,357,884.26						
2000	3,578,044.00	220,159.74	42,421.00	5.19	6.56%	425,636,223	
2001	3,925,189.00	347,145.00	44,093.85	7.87	9.70%	440,938,567	
2002	4,226,481.30	301,292.30	45,187.41	6.67	7.68%	451,874,073	
2003	4,431,440.63	204,959.33	78,684.57	2.60	4.85%	786,763,315	Revaluation
2004	4,740,636.53	309,195.90	79,198.77	3.90	6.98%	791,987,690	
2005	5,064,001.72	323,365.19	79,133.25	4.09	6.82%	791,332,531	
2006	5,405,764.34	341,762.62	79,625.44	4.29	6.75%	796,254,400	
2007	5,763,338.91	357,574.57	80,742.34	4.43	6.61%	807,423,411	
2008	6,052,972.72	289,633.81	81,213.86	3.57	5.03%	812,138,583	
2009	6,062,972.72	10,000.00	81,367.93	0.12	0.17%	813,679,312	
2010	6,268,019.26	205,046.54	80,816.66	2.54	3.38%	808,166,606	
2011	6,268,019.26	0.00	79,158.75	0.00	0.00%	791,587,495	
2012	6,393,226.78	125,207.52	79,026.83	1.58	2.00%	790,268,280	
2013	6,393,226.78	0.00	100,000.00	0.00	0.00%	1,001,423,693	Revaluation
2014	6,553,387.00	160,160.22	100,000.00	1.60	2.51%	1,003,601,221	ADP
2015	6,634,309.29	80,922.29	107,445.60	0.75	1.23%	1,067,333,117	ADP
2016	7,137,179.20	502,869.91	111,872.00	4.50	7.58%	1,117,762,711	ADP
2017	7,280,243.65	143,064.45	115,817.58	1.24	2.00%	1,149,161,895	ADP
2018	7,389,696.18	109,452.53	117,950.52	0.93	1.50%	1,179,499,613	ADP
average increase 2000-2018		212,200.63		2.94		810,589,290	

	Avg Increase	Avg Cent Inc	% Average Inc
9 years 2000-2008	299,454.27	4.73	6.77%
10 years 2009-2018	133,672.35	1.33	2.04%

## Managing the Future Needs of the Borough

### Key Management Objectives

Managing Debt

Managing Health Care Expenses

Manage a long Term Capital Program

Minimizing Operating Expenses

## Future Planning Initiatives

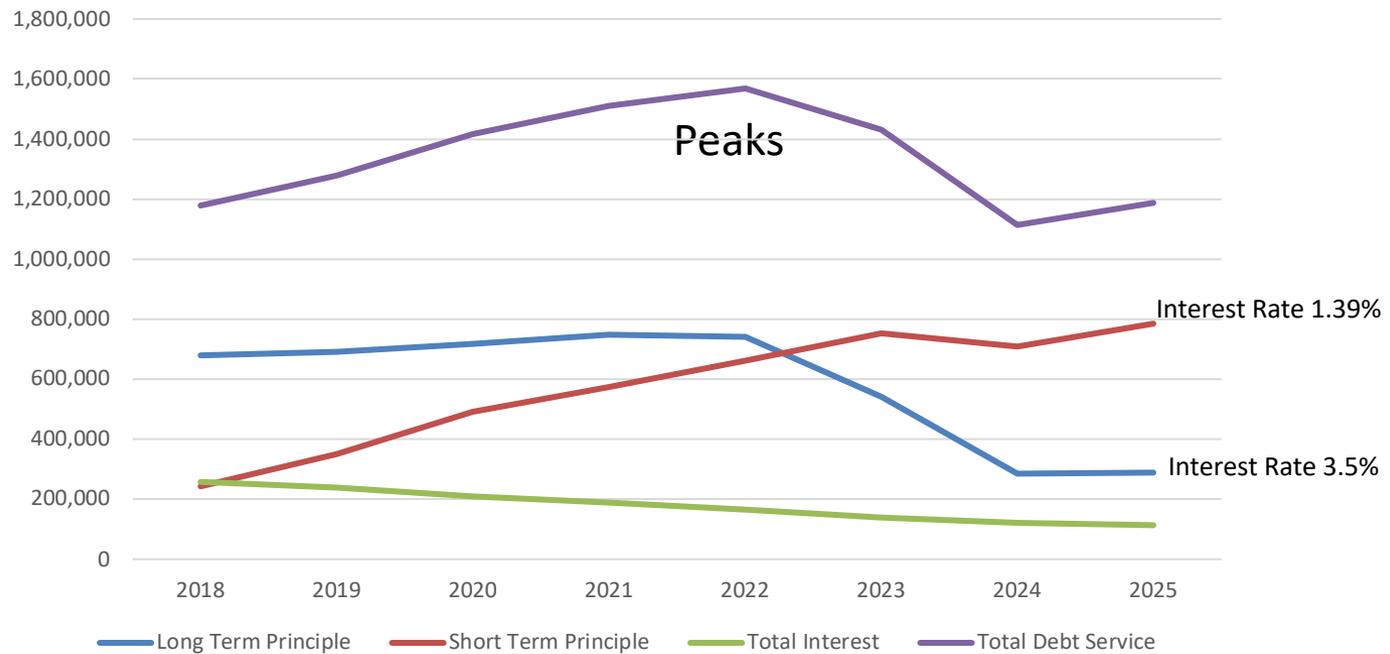
- Hold the line on Operating Expenses
- Identify, implement, and invest in productivity enhancing management practices and equipment.
- Consider Outsourcing Opportunities
- Consider and evaluate Shared Services with other Borough and the County (starting to build success – Street Sweeper, Jet Truck, Hot Box, Courts)
- Prepare the community for what lies ahead with greater transparency and communication.

## Develop Long Term Capital Program

- Manage the Capital Investment Programs of the Departments
- Spread investments over a period of time to reduce peaks in debt service
- Ensure investments are least cost option:
  - Pay off existing assets and sweat them while they are serviceable
  - Manage cost of maintenance v. replacement
  - Investigate outsourcing of tasks
- Continually investigate share assets with neighboring boroughs
- Forecast Capital Program on a rolling 5 year view (10 years for Streets) with long term 25 year plan



## Debt service forecast through 2025



\* Working on a long term debt instrument to even out BANI peak.

# SHREWSBURY



Managing Future Needs

Borough Council – Finance Committee

## Capital Program Current Year and 5 Year Projection

PROJECT TITLE	DESCRIPTION	ESTIMATED TOTAL COST	FUNDING SOURCE	2018	2019	2020	2021	2022
<b>2018</b>								
Improvements to Roads	Resurfacing, curb & sidewalk replacement; culvet replacement.	\$ 760,000	Capital/Grant	\$ 760,000				
Police Equipmenmt		\$ 30,000	Capital	\$ 30,000				
Fire Equipment		\$ 21,000	Capital	\$ 21,000				
First Aid Equipment		\$ 15,000	Capital	\$ 15,000				
Municipal Complex	Backup, court video conferencing	\$ 50,000	Capital	\$ 50,000				
Acquisition of DPW Vehicles	Pickup trusck/ Hot box	\$ 62,000	Capital	\$ 62,000				
Impts to DPW	Generator / Improvements	\$ 30,000	Capital	\$ 30,000				
<b>2019</b>								
Improvements to Roads	Resurfacing, curb & sidewalk replacement; culvet replacement.	\$ 770,000	Capital/Grant		\$ 770,000			
Police Equipmenmt			Capital		\$ 35,000			
Fire Equipment			Capital		\$ 48,000			
First Aid Equipment			Capital		\$ 15,000			
Acquisition of DPW Vehicles	dump truck				\$ 150,000			
<b>2020</b>								
Improvements to Roads	Resurfacing, curb & sidewalk replacement; culvet replacement.	\$ 600,000	Capital/Grant			\$ 600,000		
Police Equipmenmt			Capital			\$ 10,000		
Fire Equipment			Capital			\$ 18,000		
First Aid Equipment			Capital			\$ 15,000		
Acquisition of DPW Vehicles	wheel loader		Capital			\$ 150,000		
<b>2021</b>								
Improvements to Roads	Resurfacing, curb & sidewalk replacement; culvet replacement.	\$ 525,000	Capital/Grant				\$ 525,000	
Police Equipmenmt			Capital				\$ 10,000	
Fire Equipment			Capital				\$ 18,000	
First Aid Equipment			Capital				\$ 15,000	
<b>2022</b>								
Improvements to Roads	Resurfacing, curb & sidewalk replacement; culvet replacement.	\$ 660,000	Capital/Grant					\$ 660,000
Police Equipmenmt			Capital					\$ 10,000
Fire Equipment			Capital					\$ 18,000
First Aid Equipment			Capital					\$ 15,000
<b>TOTALS</b>				<b>\$ 968,000</b>	<b>\$ 1,018,000</b>	<b>\$ 793,000</b>	<b>\$ 568,000</b>	<b>\$ 703,000</b>
<b>ANTICIPATED GRANTS</b>				<b>250,000</b>	<b>350,000</b>	<b>250,000</b>	<b>150,000</b>	<b>150,000</b>
<b>NET TO BE FINANCED BY DEBT</b>				<b>718,000</b>	<b>668,000</b>	<b>543,000</b>	<b>418,000</b>	<b>553,000</b>

\* Future Years are for visibility – full cost benefit needs analysis needs to be completed before scheduled in current year budget.

# SHREWSBURY



Managing Future Needs

Borough Council - Finance Committee

## 5 Year Road Plan (Projection)

	CONDITION RATING	ESTIMATED IMPROVEMENT COST	PROJECT COST											
			2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
			0	1	2	3	4	5	6	7	8	9	10	
WAKEFIELD COURT	43	\$99,849	\$99,849											
PENBROOK COURT	49	\$58,939	\$58,939											
MONROE AVE.	52	\$302,128	\$302,128											
TRAFALGAR PLACE	52	\$245,427	\$245,427											
NORTH MONROE AVE.	59	\$48,805	\$48,805											
WHITE STREET	75.5	\$533,064	\$133,266						\$399,798					
OBRE PL.	49	\$413,520		\$413,520										
EAST END AVE.	50	\$228,802		\$228,802										
COURT DR.	51	\$127,087		\$127,087										
DORCHESTER WAY	56	\$551,786			\$369,697	\$182,089								
REGENT DRIVE	65.5	\$141,525			\$141,525									
OLD FARM ROAD	60.5	\$94,546				\$94,546								
NORTH PARK AVE	69	\$237,461				\$237,461								
PARK AVE.	62	\$448,911					\$448,911							
CREST DR.	66.5	\$210,665					\$210,665							
ALLEN ST.	62	\$71,075						\$71,075						
QUEEN ANN DR.	64.5	\$114,009						\$114,009						
PATTERSON CT.	66.5	\$78,138						\$78,138						
THOMAS AVE.	66.5	\$129,442						\$129,442						
SHADOWBROOK RD.	69	\$99,336						\$99,336						
GLORNEY ST	69.5	\$64,531						\$64,531						
GARDEN RD.	67.5	\$211,166							\$211,166					
SAMARA DR.	67	\$365,121								\$365,121				
BUTTONWOOD DR.	71	\$292,145									\$292,145			
BRADY ROAD	73	\$174,654									\$174,654			
SILVERBROOK RD.	72	\$500,599										\$500,599		
BEECHWOOD DR.	72.5	\$284,256												\$284,256
<b>TOTAL PROJECT COSTS</b>		<b>\$888,414</b>	<b>\$888,414</b>	<b>\$769,410</b>	<b>\$511,222</b>	<b>\$514,097</b>	<b>\$659,577</b>	<b>\$556,531</b>	<b>\$610,964</b>	<b>\$365,121</b>	<b>\$466,799</b>	<b>\$500,599</b>	<b>\$284,256</b>	
Funding From Grants		\$255,000	\$255,000	\$350,000				\$75,000	\$250,000			\$250,000		
<b>FUNDING FROM TAXES</b>		<b>\$633,414</b>	<b>\$633,414</b>	<b>\$419,410</b>	<b>\$511,222</b>	<b>\$514,097</b>	<b>\$659,577</b>	<b>\$481,531</b>	<b>\$360,964</b>	<b>\$365,121</b>	<b>\$466,799</b>	<b>\$250,599</b>	<b>\$284,256</b>	

NOTE: Council works to maximize use of Grants to reduce our cost of Road Projects – which often requires acceleration or delay in road project associated with availability of grants (we constantly monitor available grants). This is balanced with the safety needs of the Borough and Residents regarding timing of the projects.



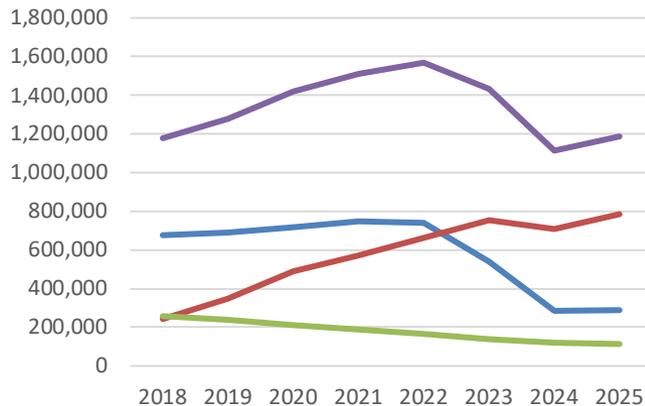
## Future Expenses – High on Radar

### Health Care Expense

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
<b>Active Health</b>	\$617,460	\$648,333	\$680,749	\$714,787	\$750,526	\$788,052	\$827,455	\$868,828	\$912,269	\$957,883
<b>Retires Health</b>	\$337,116	\$375,759	\$480,522	\$610,503	\$613,151	\$714,065	\$805,383	\$864,713	\$907,949	\$953,347
<b>Dental, Vison, Life, Medicare</b>	<u>\$145,500</u>	<u>\$149,066</u>	<u>\$154,079</u>	<u>\$160,141</u>	<u>\$162,852</u>	<u>\$166,613</u>	<u>\$170,625</u>	<u>\$174,490</u>	<u>\$177,607</u>	<u>\$180,379</u>
<b>Total</b>	\$1,100,075	\$1,173,158	\$1,315,350	\$1,485,430	\$1,526,529	\$1,668,730	\$1,803,463	\$1,908,031	\$1,997,826	\$2,091,609

Assumptions: 10 Additional Retires over the next 10 years

5% increase on average for Health Care Premiums



### Debt Budget

- Get over the “Peak” with as little impact to taxes as possible
- Manage debt burden to reasonable Levels going forward
- Maintain a 25year Debt/Capital Plan – forecast when we can afford to purchase -> Hold the line on Must/Required purchases verse Want to Have
- Tie purchases to services delivered and/or cost avoidance
- Manage Road Improvements to avoid complete rebuilds – and tie spending to Federal/State/County Grants

# SHREWSBURY



Borough Council - Finance Committee

Q & A

# SHREWSBURY



Borough Council - Finance Committee

Thank You!