

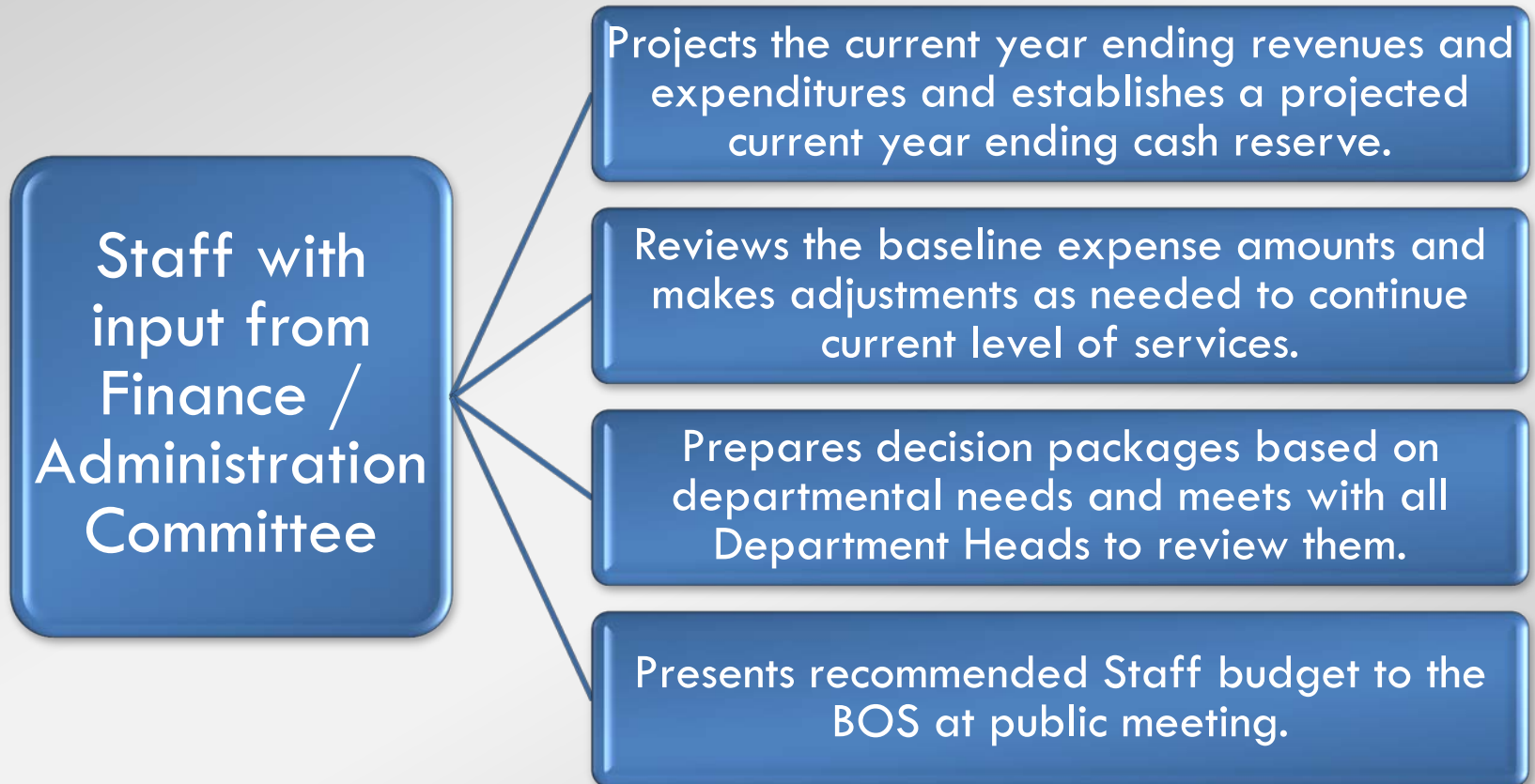
Upper Saucon Township

2016 Budget Review

November 09, 2015

As Recommended by Staff
with input from the Finance / Administration Committee

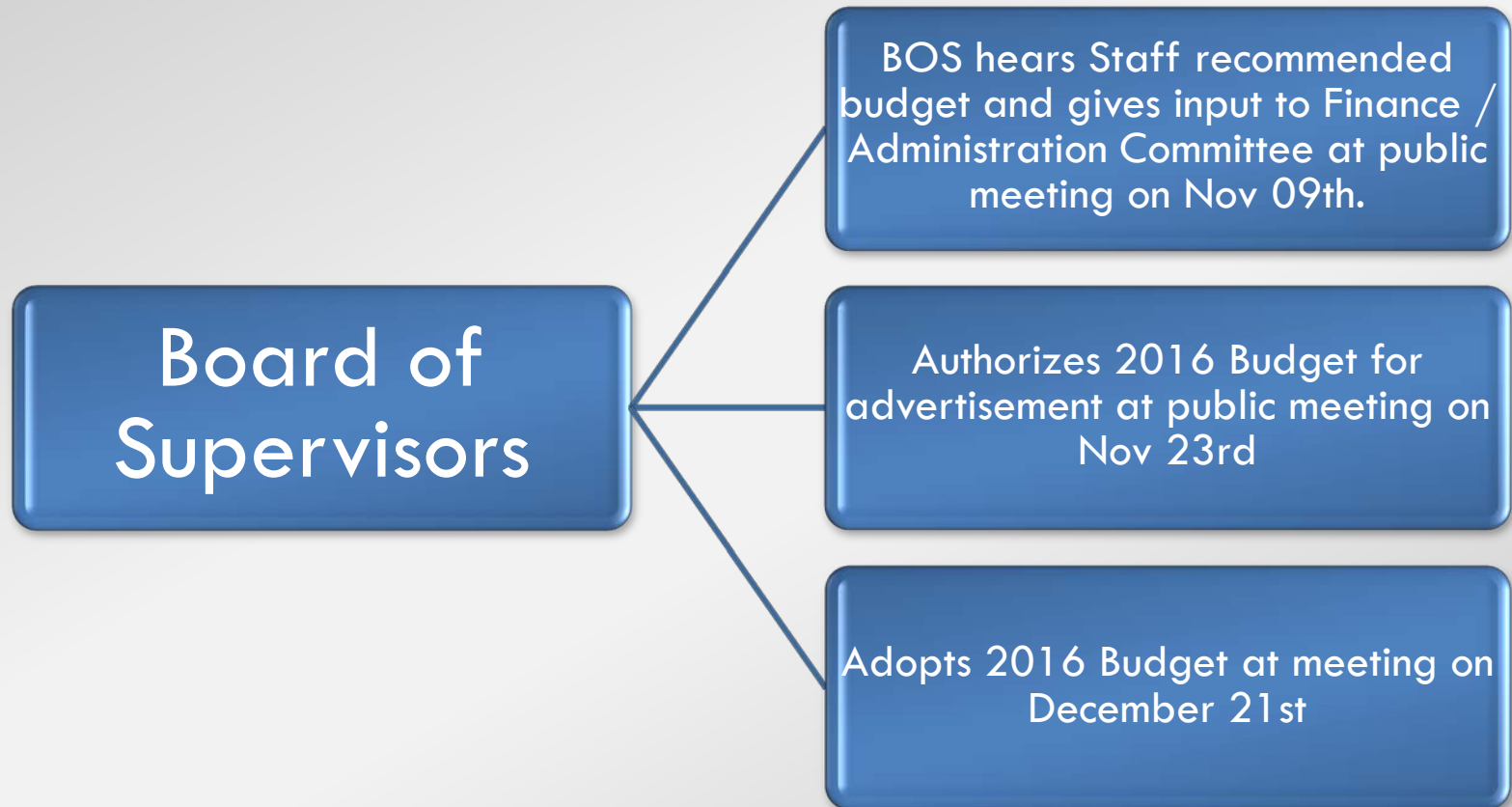
Budget Process



Budget Process



Budget Process



2016 Funds

Fund Titles

01 General	30 Capital Reserve
03 Fire Hydrant	31 Road Construction Cap Reserve
06 Water Operating	32 Library Capital Reserve
08 Sewer Operating	33 Land Acquisition
11 Maintenance Trust	35 Liquid Fuels
12 Recreation	55 LOSAP
13 Transportation	60 Police Pension
18 Water Capital Reserve	62 Non Uniform Retirement
19 Sewer Treatment Capital Reserve	65 Non Uniform Pension



2016 Operating Funds

Fund Titles

01 General

03 Fire Hydrant

06 Water Operating

08 Sewer Operating

11 Maintenance Trust

12 Recreation

13 Transportation

18 Water Capital Reserve

19 Sewer Treatment Capital Reserve

30 Capital Reserve

31 Road Construction Cap Reserve

32 Library Capital Reserve

33 Land Acquisition

35 Liquid Fuels

55 LOSAP

60 Police Pension

62 Non Uniform Retirement

65 Non Uniform Pension



2016 Capital Funds

Fund Titles

01 General
03 Fire Hydrant
06 Water Operating
08 Sewer Operating
11 Maintenance Trust
12 Recreation
13 Transportation
18 Water Capital Reserve
19 Sewer Treatment Capital Reserve

30 Capital Reserve
31 Road Construction Cap Reserve
32 Library Capital Reserve
33 Land Acquisition
35 Liquid Fuels
55 LOSAP
60 Police Pension
62 Non Uniform Retirement
65 Non Uniform Pension



2016 Fund Groups

Fund Group	Fund Titles
GENERAL	General Recreation Capital Reserve Road Construction Reserve Liquid Fuels
WATER	Water Operating Water Capital Reserve
SEWER	Sewer Operating Sewer Capital Reserve



Major Revenue Sources

Fund Group	Major Revenue Sources
GENERAL	Real Estate Taxes Act 511 Taxes Licenses & Permits State Shared
WATER	User Fees Tapping Fees
SEWER	User Fees Tapping Fees



Major Services Provided

Fund Group	Major Services Provided
GENERAL	Public Safety Public Works (Highway) Parks & Recreation Libraries General Government
WATER	Drinking water and fire protection
SEWER	Sewage collection and disposal



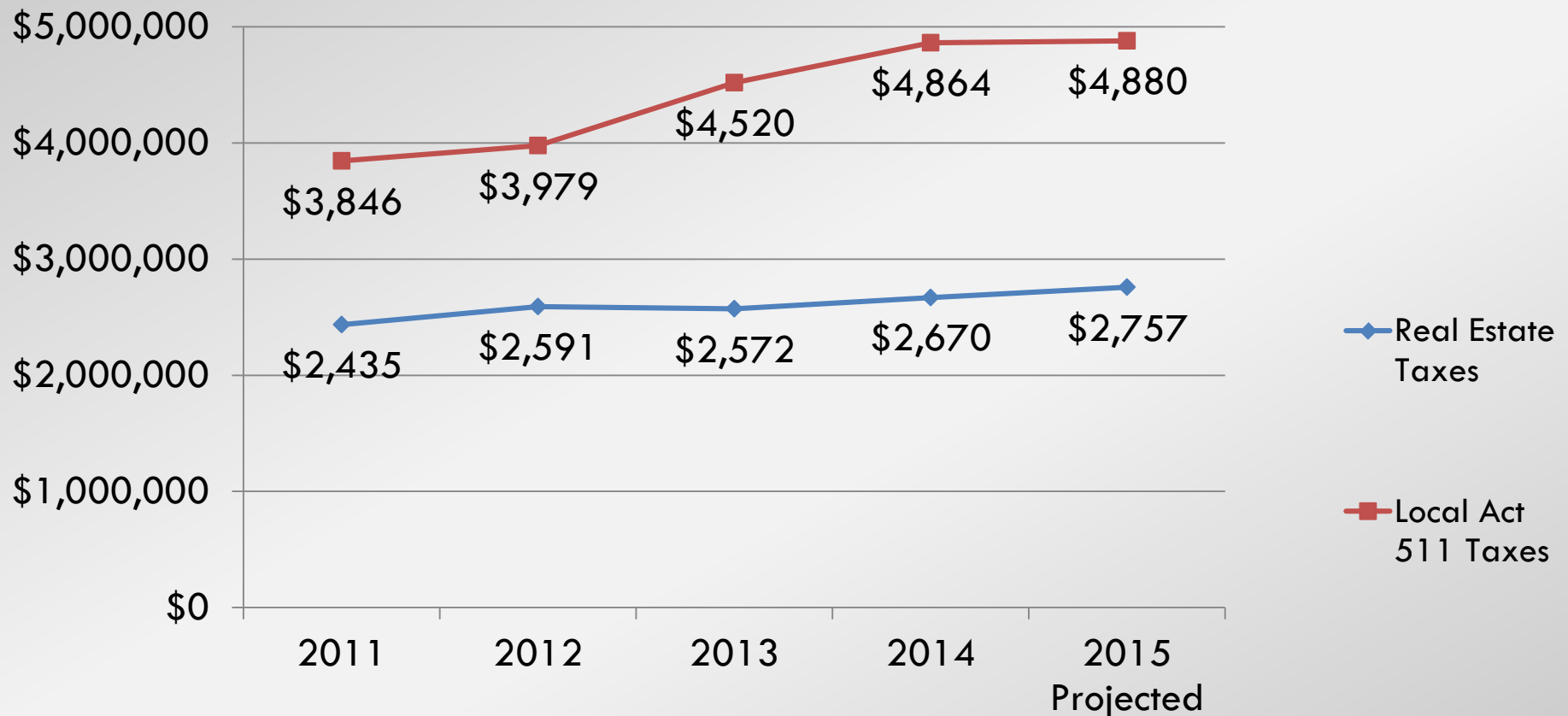
Budget Approach

Revenues

- History and trends are used to estimate the 2016 Township Revenues.
 - The original revenue estimates assume no increase in taxes and user fees.
 - If expenses exceed revenues, taxes and user fees can later be adjusted to balance the budget.



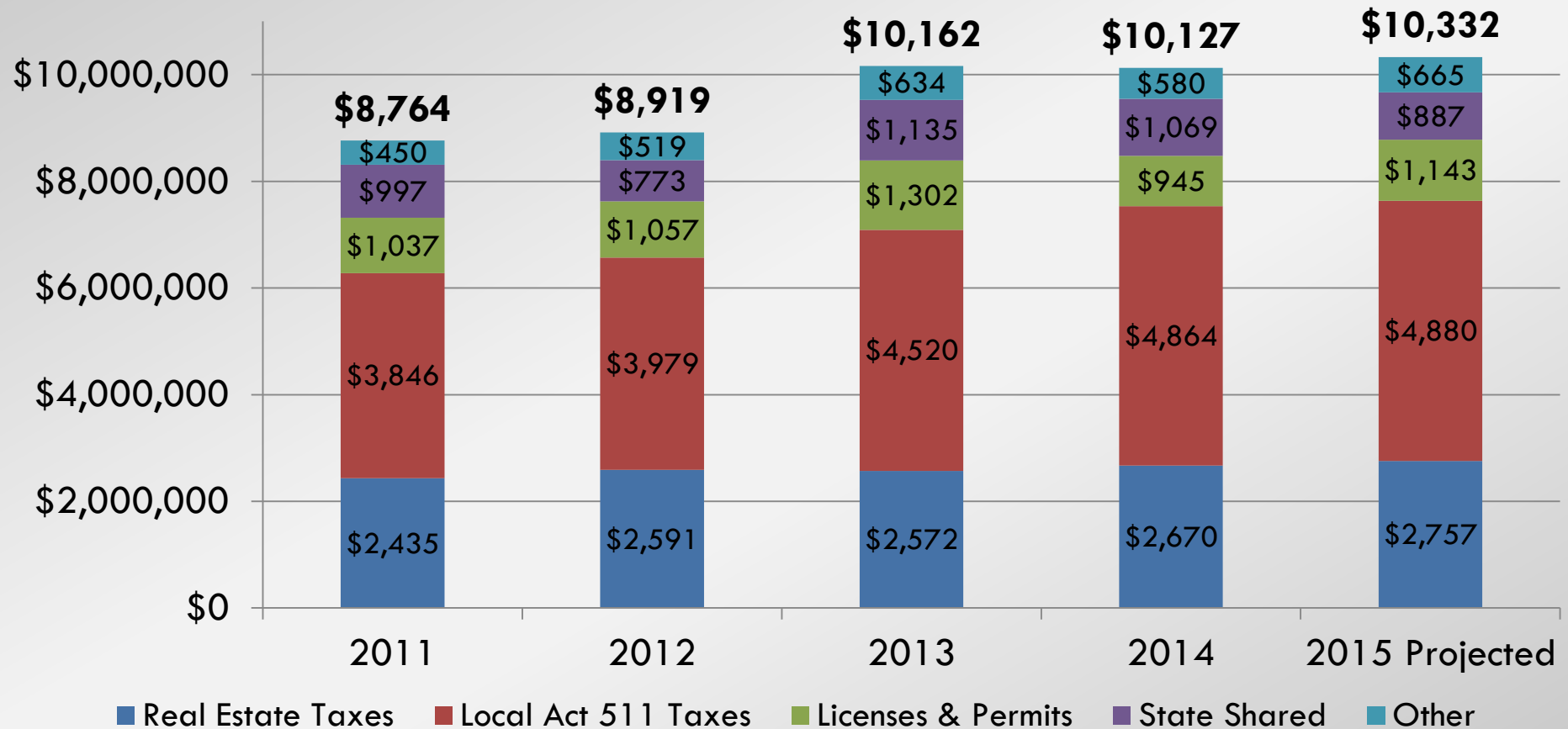
General Fund Group Major Revenues



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General Fund Group Revenues



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General Fund Group Revenues

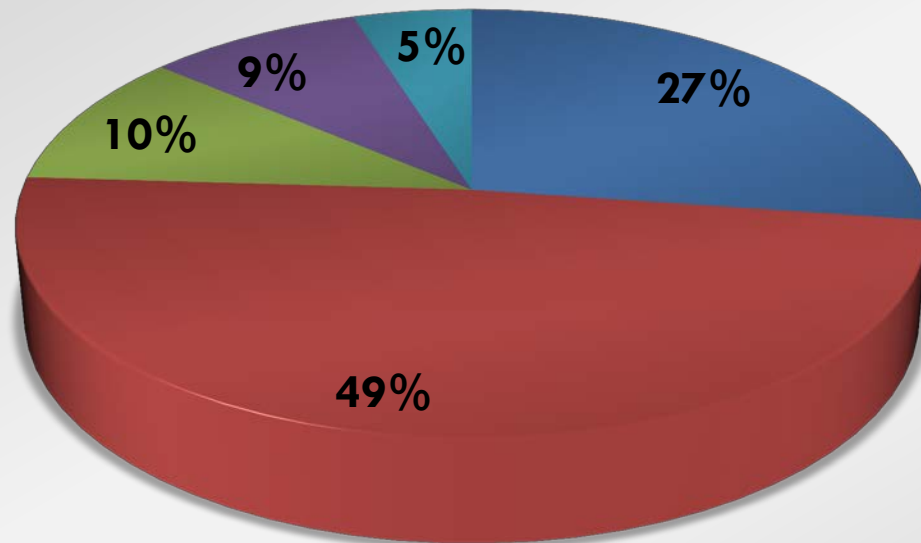
	2012	2013	2014	2015 Projected	2016 Proposed Budget
Real Estate Taxes	\$2,590,706	\$2,571,510	\$2,669,729	\$2,757,000	\$2,720,000
Act 511 Taxes	\$3,978,709	\$4,519,879	\$4,863,541	\$4,880,000	\$4,860,000
Licenses & Permits	\$1,057,454	\$1,302,007	\$945,146	\$1,142,550	\$1,021,500
State Shared	\$773,229	\$1,134,948	\$1,069,403	\$887,400	\$887,400
Other	\$519,148	\$634,122	\$579,541	\$665,400	\$489,600
	\$8,919,246	\$10,162,467	\$10,127,361	\$10,332,350	\$9,978,500

* Above revenue figures do not include transfers between funds or borrowing proceeds.



General Fund Group Revenues

General Fund Group Sources of Revenue Based on
2016 Proposed Budget

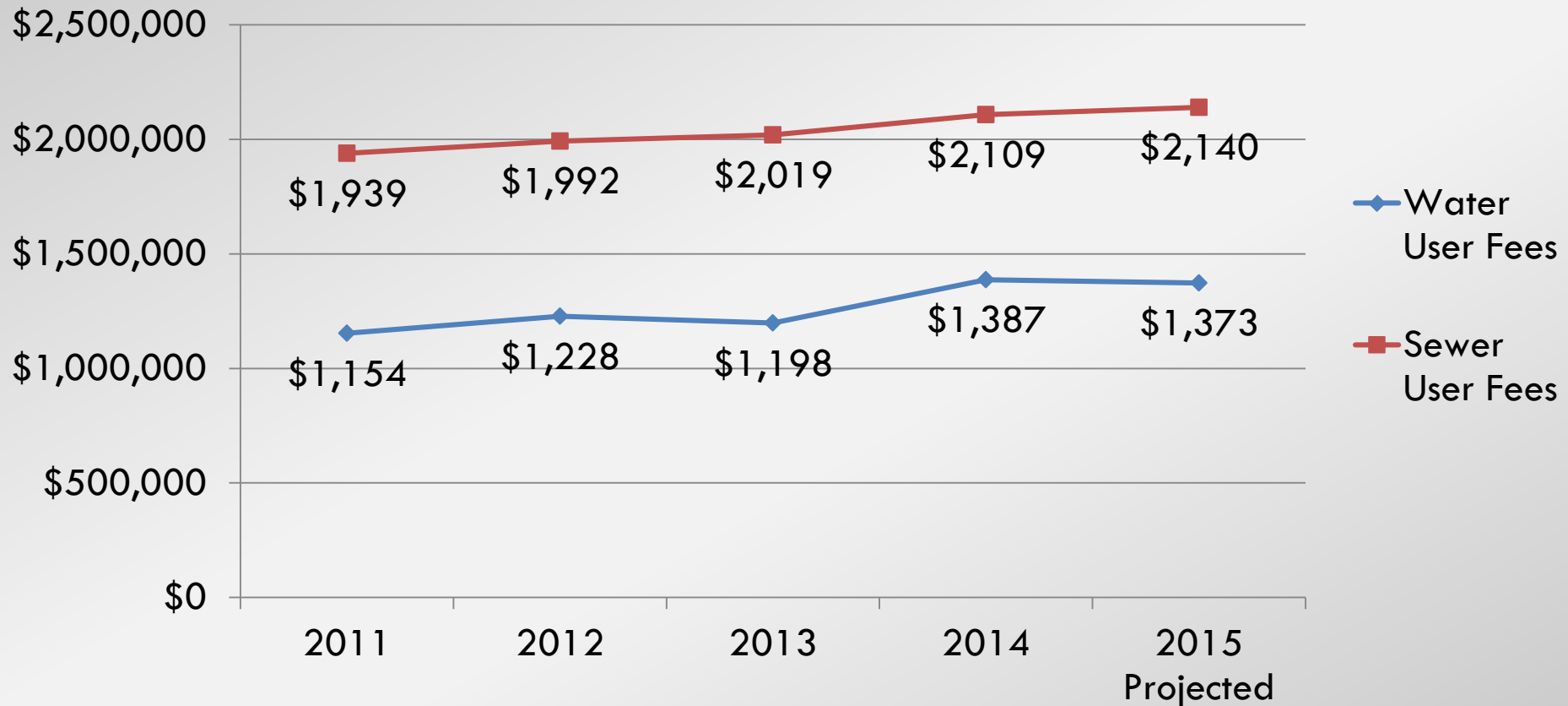


- Real Estate Taxes - \$2,720,000
- Local Act 511 Taxes - \$4,860,000
- Licenses & Permits - \$1,021,500
- State Shared - \$887,400
- Other - \$489,600

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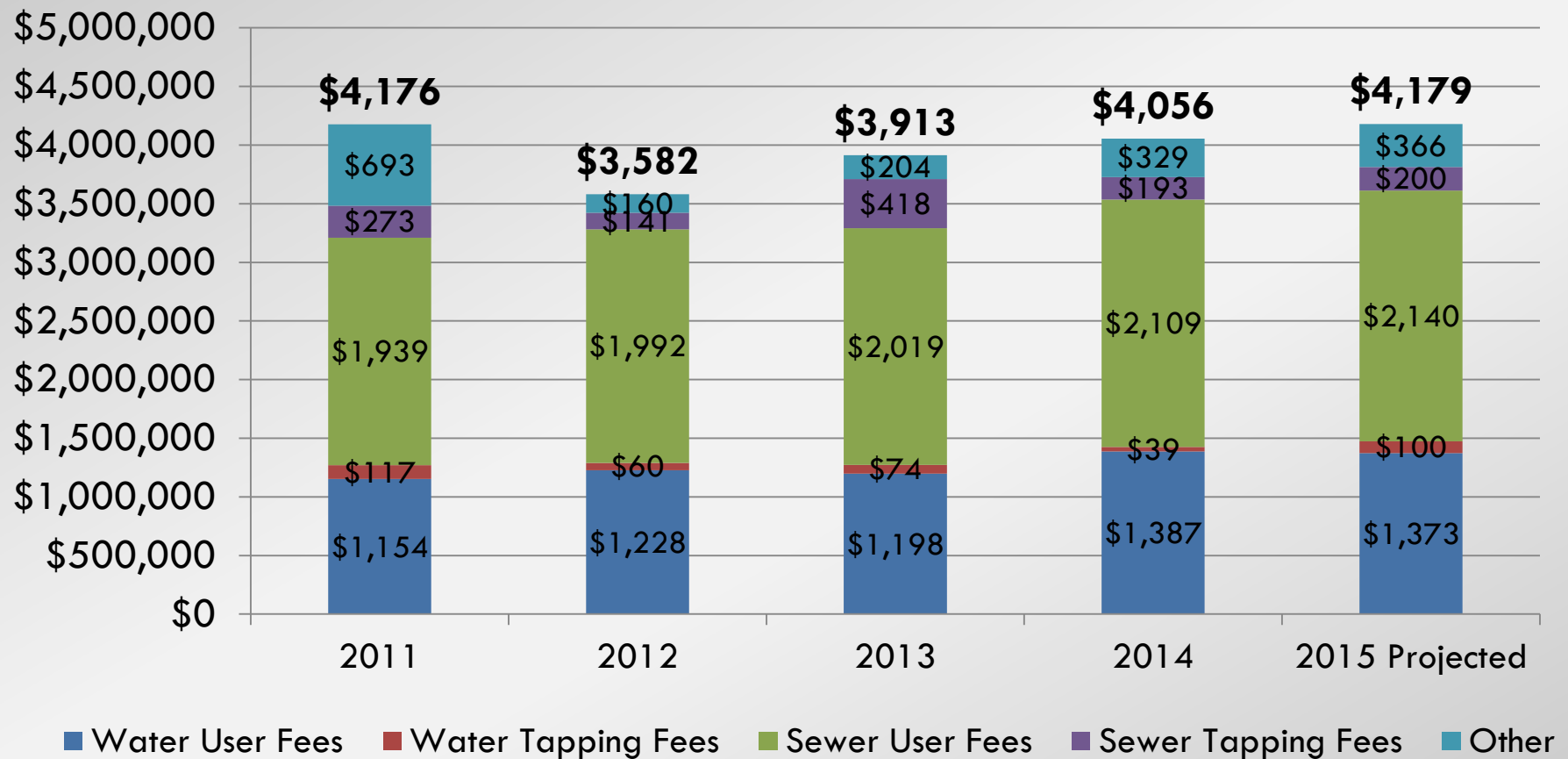
Water & Sewer Fund Group Major Revenues



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Water & Sewer Fund Group Revenues



Upper Saucon Township 2016 Budget Review
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Water & Sewer Fund Group Revenues

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u> <u>Projected</u>	<u>2016</u> <u>Proposed</u> <u>Budget</u>
Water User Fees	\$1,227,996	\$1,198,091	\$1,387,222	\$1,373,000	\$1,370,000
Water Tapping Fees	\$60,450	\$74,100	\$39,000	\$100,000	\$50,000
Sewer User Fees	\$1,992,295	\$2,019,325	\$2,108,568	\$2,140,000	\$2,140,000
Sewer Tapping Fees	\$141,100	\$417,620	\$192,587	\$200,000	\$100,000
Other	\$159,906	\$204,306	\$328,630	\$365,800	\$315,036
	\$3,581,748	\$3,913,442	\$4,056,007	\$4,178,800	\$3,975,036

* Above revenue figures do not include transfers between funds or borrowing proceeds.



Budget Approach

Expenses

- **Baseline Budget Approach**
 - The baseline is the minimum budget needed to offer services to citizens without cutting back on any services.
 - The baseline is established by utilizing the prior year budget less all one-time expenditures as identified during the prior year budget process.
 - Baselines include increases that do not fall under management's direct control. Examples include salaries, benefits, utility, insurances, debt service, etc.
- **Decision Packages**
 - Departments requesting funds for additional expenses are required to prepare Decision Packages. The Decision Packages assist in understanding:
 - What staff is requesting
 - Why staff is requesting the item
 - And alternatives, if applicable



Proposed Budget Expenses

2016 General Fund Group Baseline Operating Expenses

	<u>2015 Baseline</u>	<u>2016 Baseline</u>	<u>Baseline Increase</u>	<u>Baseline % Increase</u>
General Government	\$985,335	\$1,011,792	\$26,457	2.69%
Public Safety	\$2,861,774	\$2,964,341	\$102,567	3.58%
Community Development	\$1,235,979	\$1,313,012	\$77,033	6.23%
Public Works	\$1,529,434	\$1,611,366	\$81,933	5.36%
Recreation & Library	\$338,700	\$343,700	\$5,000	1.48%
Debt Service	\$764,384	\$766,716	\$2,332	0.31%
Employee Pension	\$631,462	\$512,139	-\$119,323	-18.90%
Insurance & Taxes	\$210,114	\$216,416	\$6,302	3.00%

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Proposed Budget Expenses

2016 Water and Sewer Fund Group Baseline Operating Expenses

	<u>2014 Baseline</u>	<u>2015 Baseline</u>	<u>Baseline Increase</u>	<u>% Increase</u>
Water Operating	\$682,932	\$741,262	\$58,330	8.54%
Water Debt Service	\$334,458	\$332,665	-\$1,793	-0.54%
Water Insurance & Taxes	\$129,159	\$134,897	\$5,738	4.44%
Sewer Collection	\$682,713	\$693,985	\$11,272	1.65%
Sewer Disposal	\$834,476	\$834,873	\$397	0.05%
Sewer Debt Service	\$0	\$0	\$0	
Sewer Insurance & Taxes	\$295,573	\$312,737	\$17,164	5.81%



Proposed Budget Expenses

2016 DECISION PACKAGE WORKSHEET

2016 BUDGET

***Upper Saucon Township 2016 Budget Review
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Proposed Budget Expenses

2016 General Fund Group Proposed Expenses

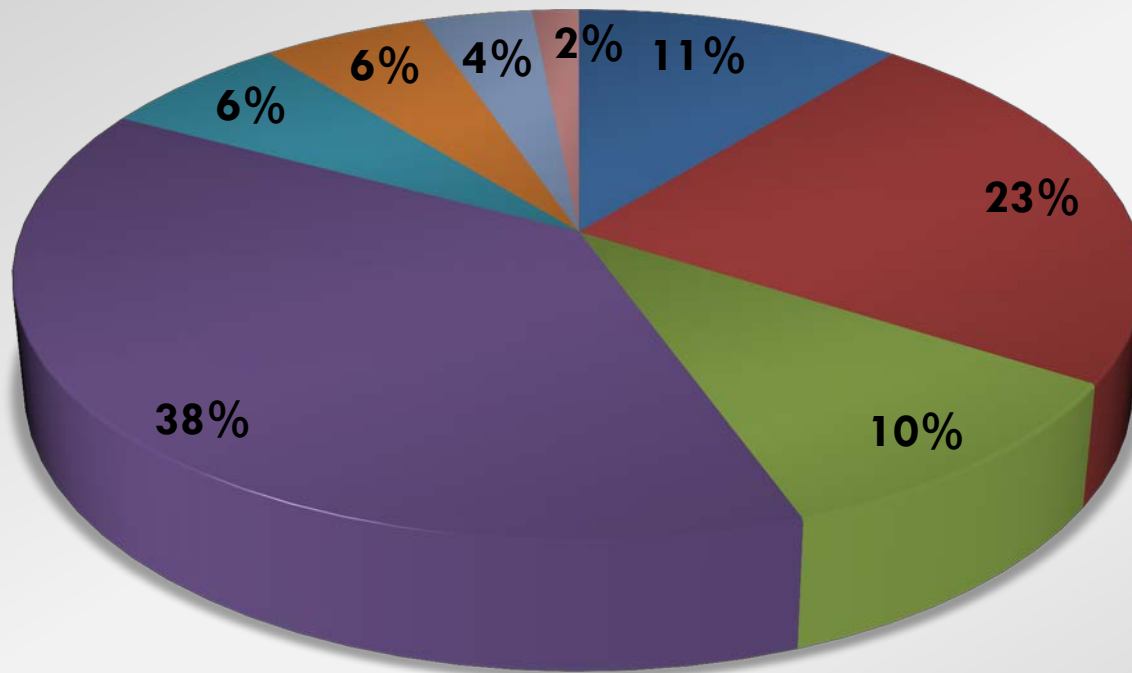
	<u>Baseline</u>	<u>Operating Decision Packages</u>	<u>Project Decision Packages</u>	<u>2016 Proposed Budget</u>
General Government	\$1,011,792	\$470,333		\$1,512,125
Public Safety	\$2,964,341	\$270,600		\$3,204,941
Community Development	\$1,313,012	\$137,000		\$1,450,012
Public Works	\$1,611,366	\$92,833	\$3,611,400	\$5,315,600
Recreation & Library	\$343,700	\$123,300	\$420,000	\$887,000
Debt Service	\$766,716			\$766,716
Employee Pension	\$512,139			\$512,139
Insurance & Taxes	\$216,416			\$216,416

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Proposed Budget Expenses

2016 General Fund Group Proposed Expenses



- General Government - \$1,512,125
- Public Safety - \$3,204,941
- Community Develop - \$1,450,012
- Public Works - \$5,315,600
- Recreation & Library - \$887,000
- Debt Service - \$766,716
- Employee Pension - \$512,139
- Insurance - \$216,416



Proposed Budget Expenses

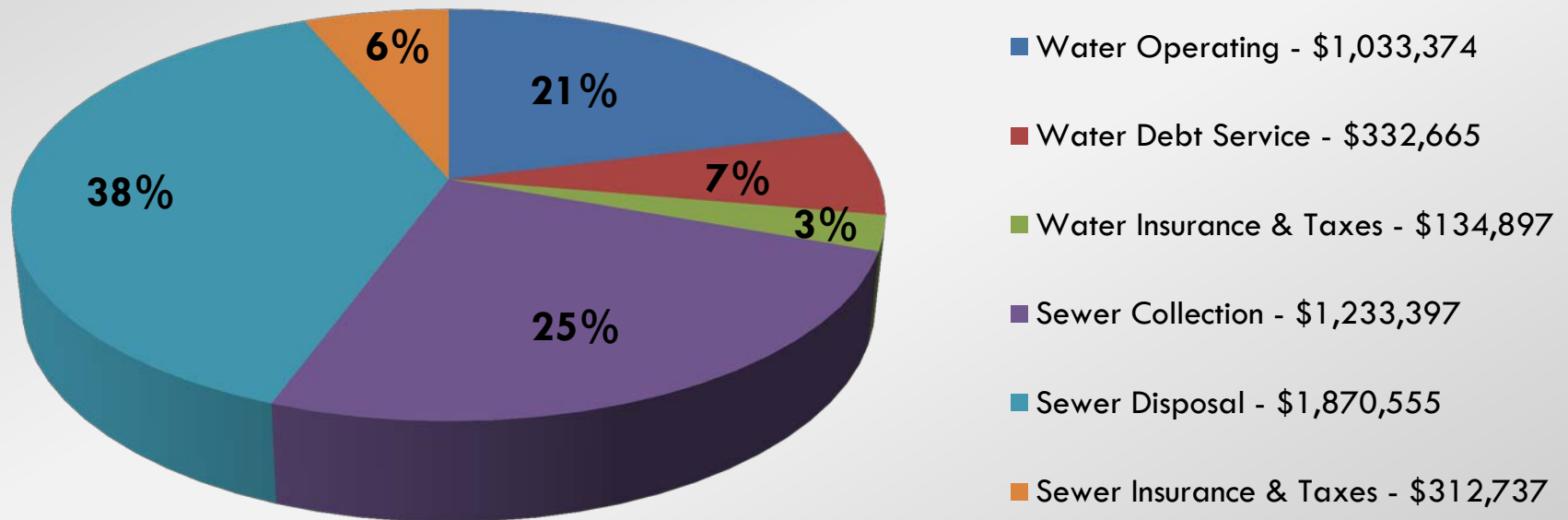
2016 Water and Sewer Fund Group Proposed Expenses

	<u>Baseline</u>	<u>Operating Decision Packages</u>	<u>Project Decision Packages</u>	<u>2016 Proposed Budget</u>
Water Operating	\$741,262	\$202,112	\$90,000	\$1,033,374
Water Debt Service	\$332,665			\$332,665
Water Insurance & Taxes	\$134,897			\$134,897
Sewer Collection	\$693,985	\$34,512	\$34,512	\$1,233,397
Sewer Disposal	\$834,873	\$170,682	\$865,000	\$1,870,555
Sewer Debt Service	\$0			\$0
Sewer Insurance & Taxes	\$312,737			\$312,737



Proposed Budget Expenses

2016 Water and Sewer Fund Group Proposed Expenses



Proposed Fund Balances

2016 Proposed Budget Summary General Fund Group

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
General	\$ 2,375,439	\$ 9,544,200	\$ 10,636,049	\$1,283,591
Recreation	\$ 967,085	\$ 252,500	\$ 420,000	\$ 799,585
Capital Reserve	\$ 745,532	\$ 253,100	\$ 407,500	\$ 591,132
Rd Construction	\$ 2,096,296	\$ 604,000	\$ 2,447,500	\$ 252,796
Liquid Fuels	\$ 644,448	\$ 424,700	\$ 1,053,900	\$ 15,248



Proposed Fund Balances

2016 Proposed Budget Summary Water & Sewer Fund Group

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Water	\$ 865,027	\$ 1,376,000	\$ 1,885,936	\$ 355,091
Water Capital	\$ 190,731	\$ 550,600	\$ 115,000	\$ 626,331
Sewer	\$ 2,686,856	\$ 2,378,033	\$ 3,046,790	\$ 2,018,099
Sewer Capital	\$ 2,412,621	\$ 1,170,403	\$ 1,369,900	\$ 2,213,124



Proposed Fund Balances

2016 Proposed Budget Summary Other Funds

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Fire Hydrant	\$ 87,479	\$ 135,500	\$ 120,000	\$ 102,979
Maintenance Trust	\$ 1,144,085	\$ 4,000	\$ 17,700	\$ 1,130,385
Transportation	\$ 1,440,513	\$ 5,700	\$ 49,000	\$ 1,397,213
Land Acquisition	\$ 121,397	\$ 400	\$ 2,000	\$ 119,797



Proposed Fund Balances

2016 Proposed Budget Summary Other Funds

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
LOSAP	\$ 202,656	\$ 53,595	\$ 46,000	\$ 210,251
Police Pension	\$ 5,430,884	\$ 283,969	\$ 284,000	\$ 5,430,853
Non-Uniformed Retirement	\$ 36,793	\$ 24,006	\$ 0	\$60,799
Non-Uniformed Pension	\$ 6,290,124	\$ 425,493	\$ 261,000	\$ 6,454,617



End



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