

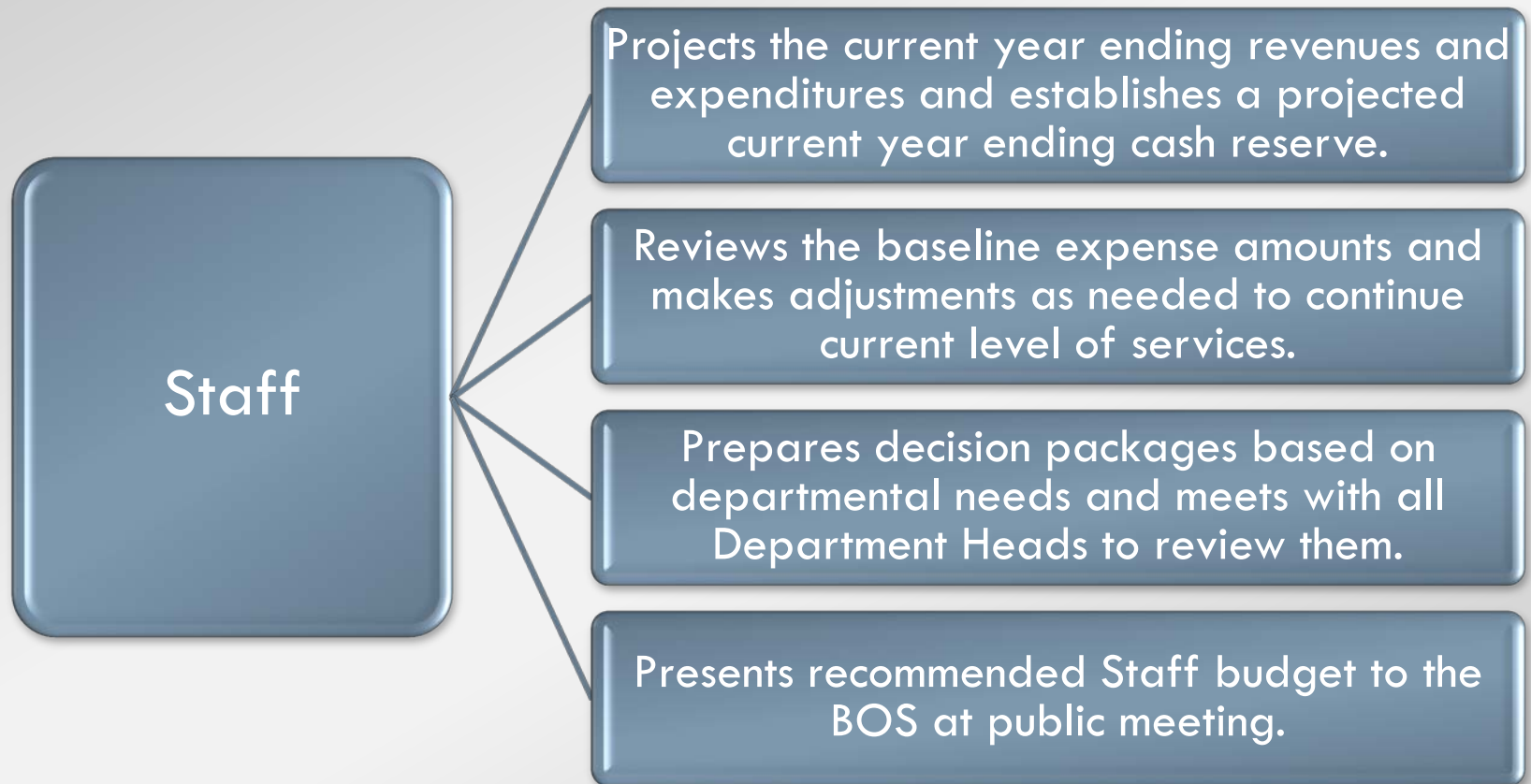
Upper Saucon Township

2017 Budget Review

November 14, 2016

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

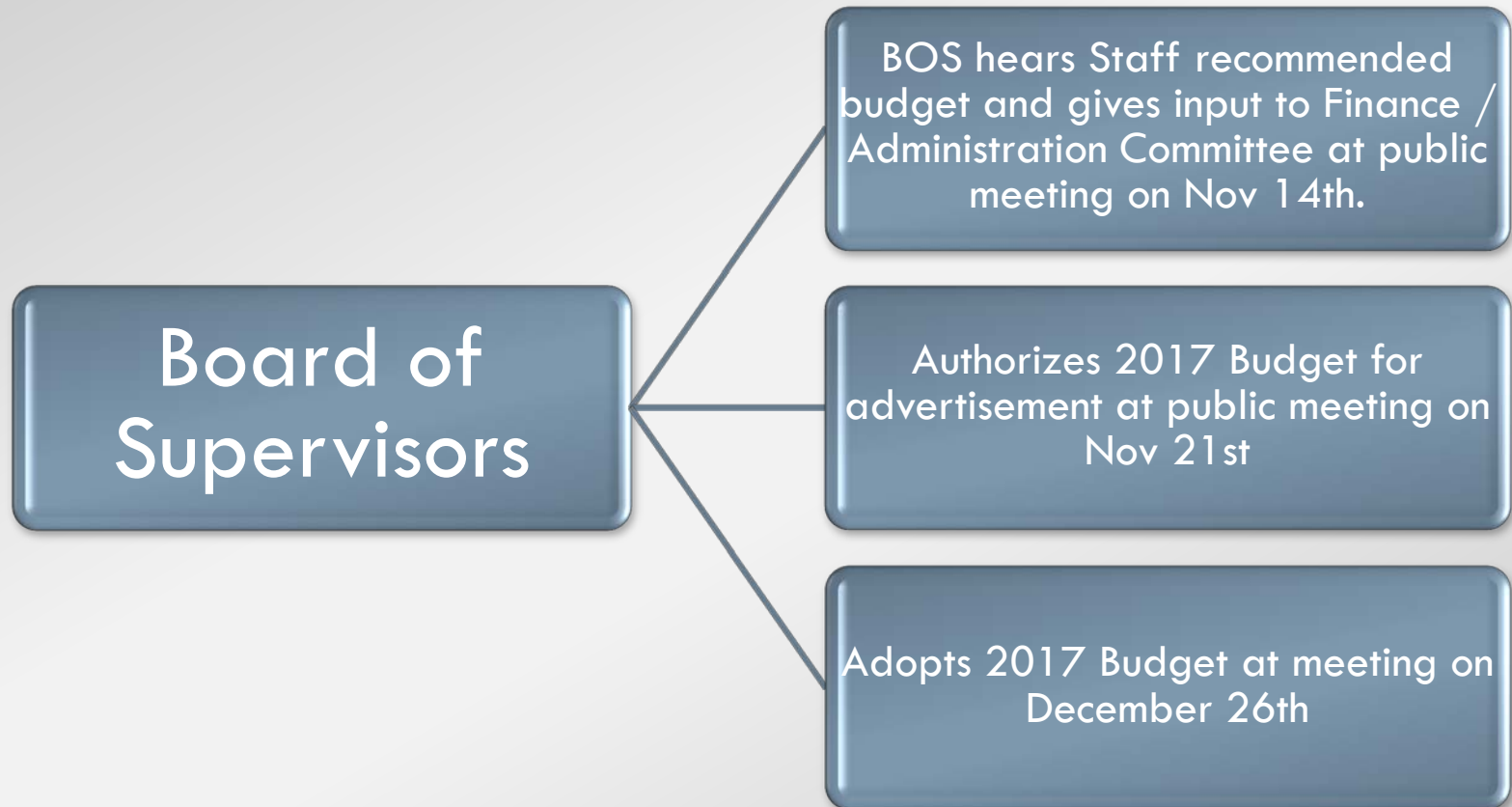
Budget Process and Responsibilities



Budget Process and Responsibilities



Budget Process and Responsibilities



2017 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



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 by Fund Group

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 by Fund Group

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



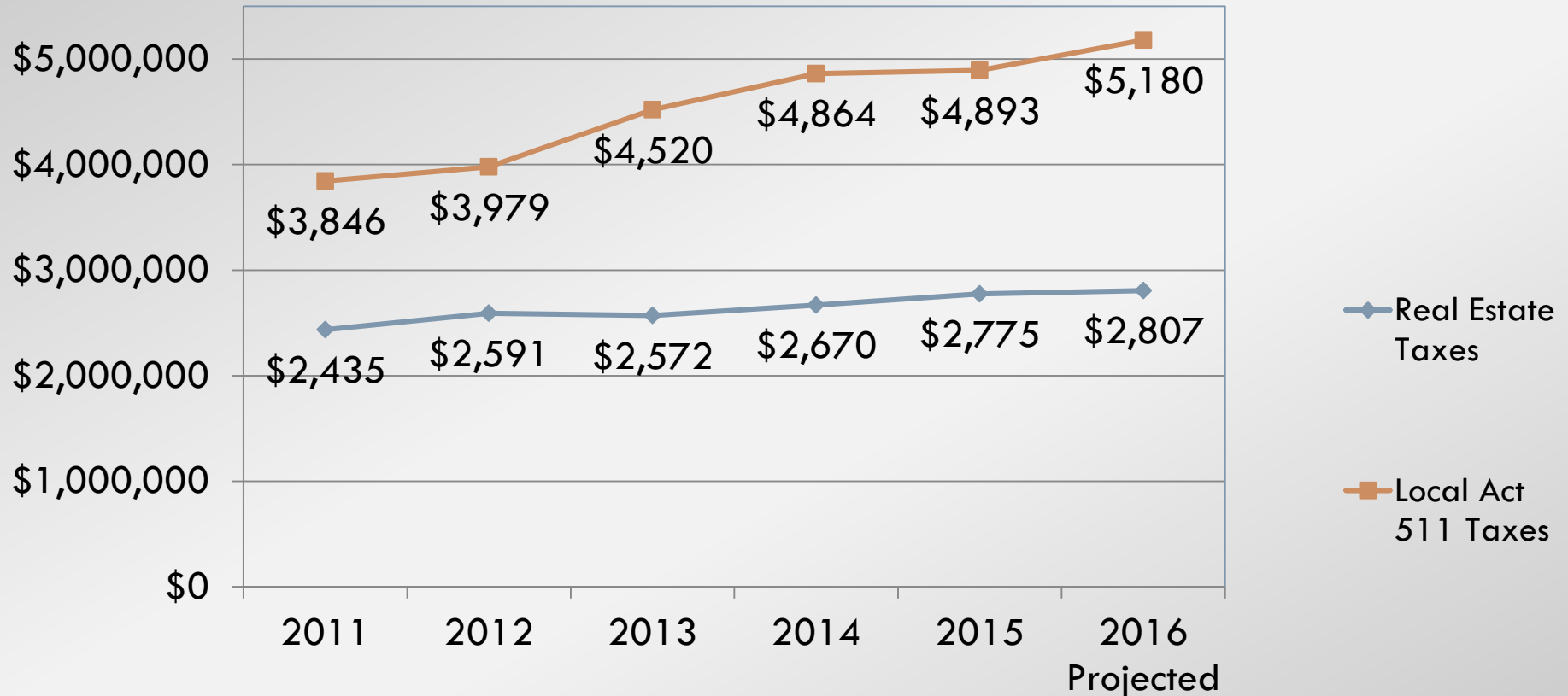
Budget Approach

Revenues

- History and trends are used to estimate the 2017 Township Revenues.
 - The original revenue estimates assume no increase in taxes and user fees.
 - If expenses exceed available funds, taxes and user fees can later be adjusted to balance the budget.



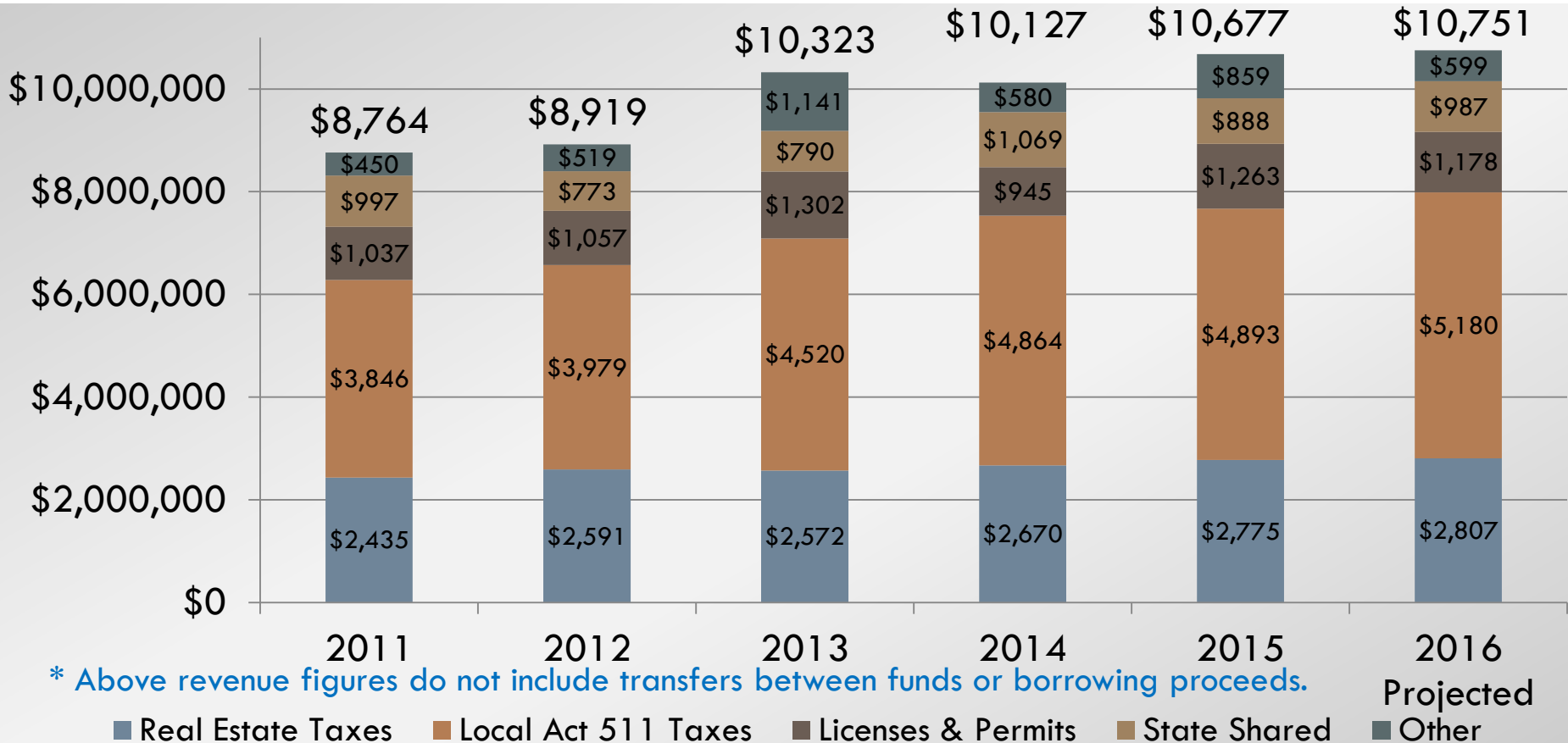
General Fund Group Major Revenues



Upper Saucon Township 2017 Budget Review
November 14, 2016



General Fund Group Revenues



Upper Saucon Township 2017 Budget Review
November 14, 2016



General Fund Group Revenues

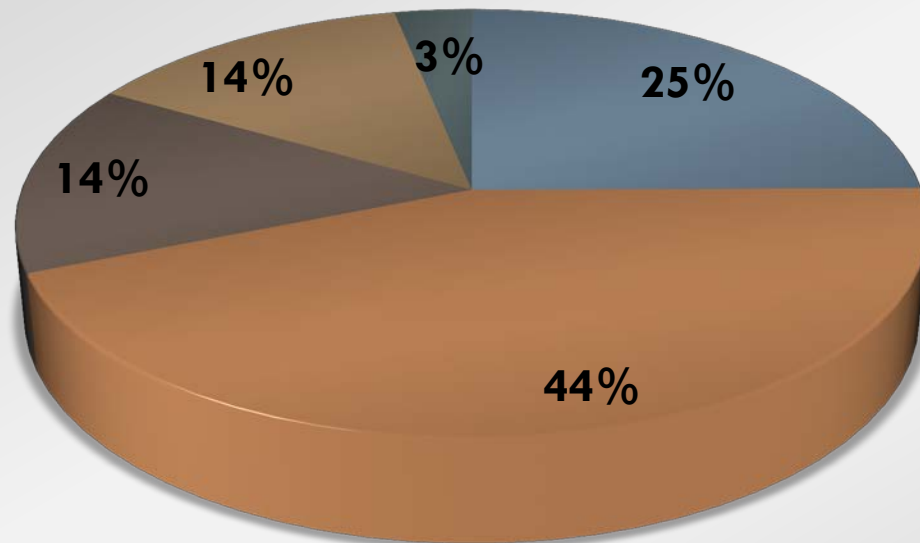
	2013	2014	2015	2016 Projected	2017 Proposed Budget
Real Estate Taxes	\$2,571,510	\$2,669,729	\$2,774,591	\$2,807,000	\$2,750,000
Act 511 Taxes	\$4,519,879	\$4,863,541	\$4,892,932	\$5,180,000	\$4,865,000
Licenses & Permits	\$1,302,007	\$945,146	\$1,262,756	\$1,177,900	\$1,591,300
State Shared	\$789,550	\$1,069,403	\$887,577	\$987,050	\$1,496,593
Other	\$1,140,519	\$579,541	\$859,445	\$599,400	\$352,500
	\$10,323,466	\$10,127,360	\$10,677,301	\$10,751,350	\$11,055,393

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



General Fund Group Revenues

General Fund Group Sources of Revenue Based on
2017 Proposed Budget

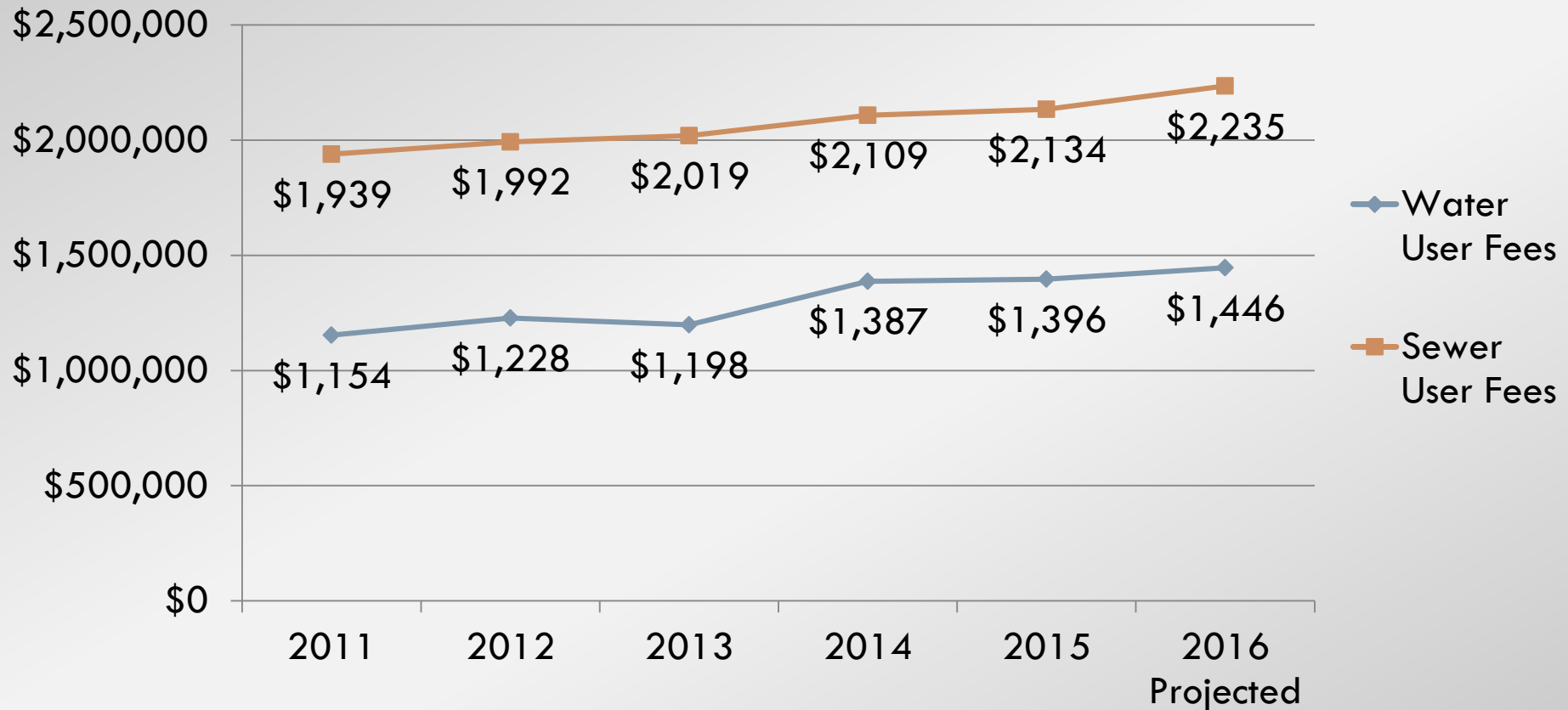


- Real Estate Taxes - \$2,750,000
- Local Act 511 Taxes - \$4,865,000
- Licenses & Permits - \$1,591,300
- State Shared - \$1,496,593
- Other - \$352,500

Upper Saucon Township 2017 Budget Review
November 14, 2016



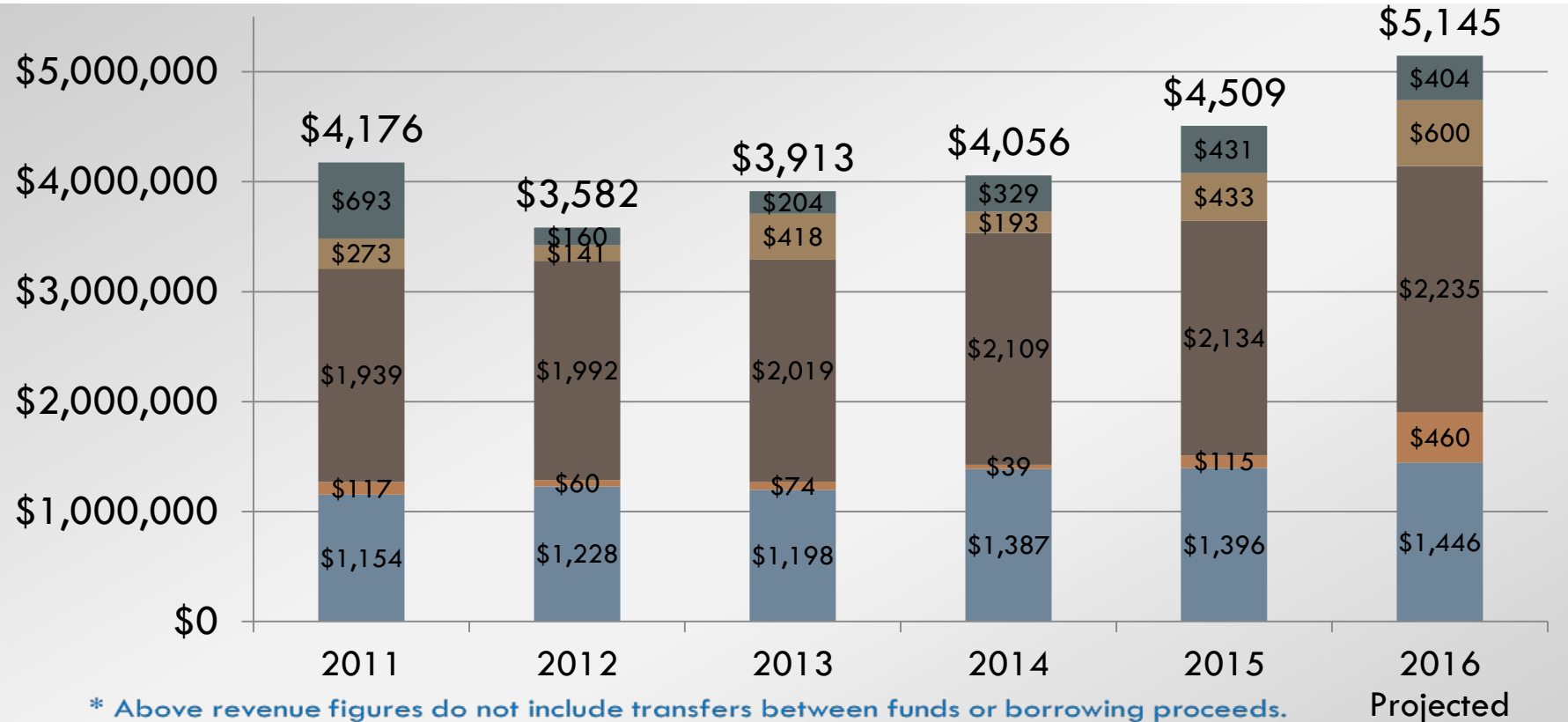
Water & Sewer Fund Group Major Revenues



Upper Saucon Township 2017 Budget Review
November 14, 2016



Water & Sewer Fund Group Revenues



■ Water User Fees
■ Water Tapping Fees
■ Sewer User Fees
■ Sewer Tapping Fees
■ Other

Upper Saucon Township 2017 Budget Review
November 14, 2016



Water & Sewer Fund Group Revenues

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u> <u>Projected</u>	<u>2017</u> <u>Proposed</u> <u>Budget</u>
Water User Fees	\$1,198,091	\$1,387,222	\$1,396,179	\$1,446,000	\$1,435,000
Water Tapping Fees	\$74,100	\$39,000	\$115,000	\$460,000	\$50,000
Sewer User Fees	\$2,019,325	\$2,108,568	\$2,134,111	\$2,235,000	\$2,240,000
Sewer Tapping Fees	\$417,620	\$192,587	\$433,320	\$600,000	\$100,000
Other	\$204,307	\$328,628	\$430,535	\$404,262	\$310,751
	\$3,913,443	\$4,056,005	\$4,509,145	\$5,145,262	\$4,135,751

* 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.



Proposed Budget Expenses

2017 General Fund Group Baseline Operating Expenses

	<u>2016 Baseline</u>	<u>2017 Baseline</u>	<u>Baseline Increase</u>	<u>Baseline % Increase</u>
General Government	\$996,792	\$1,046,042	\$49,250	4.94%
Public Safety	\$2,964,341	\$3,084,572	\$120,231	4.06%
Community Development	\$1,328,012	\$1,390,328	\$62,316	4.69%
Public Works	\$1,617,749	\$1,562,262	-\$55,487	-3.43%
Recreation & Library	\$343,700	\$343,700	\$0	0.00%
Debt Service	\$766,716	\$1,116,271	\$349,555	45.59%
Employee Pension	\$489,414	\$560,187	\$70,773	14.46%
Insurance & Taxes	\$220,487	\$222,200	\$1,713	0.78%



Proposed Budget Expenses

2017 Water and Sewer Fund Group Baseline Operating Expenses

	<u>2016 Baseline</u>	<u>2017 Baseline</u>	<u>Baseline Increase</u>	<u>% Increase</u>
Water Operating	\$746,011	\$778,660	\$32,649	4.38%
Water Debt Service	\$332,665	\$375,488	\$42,823	12.87%
Water Insurance & Taxes	\$133,443	\$121,730	-\$11,713	-8.78%
Sewer Collection	\$700,405	\$702,992	\$2,587	0.37%
Sewer Disposal	\$839,306	\$862,286	\$22,980	2.74%
Sewer Debt Service	\$0	\$0	\$0	
Sewer Insurance & Taxes	\$308,182	\$363,430	\$55,248	17.93%



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

2017 DECISION PACKAGE WORKSHEET

*Upper Saucon Township 2017 Budget Review
November 14, 2016*



Proposed Budget Expenses

2017 General Fund Group Proposed Expenses

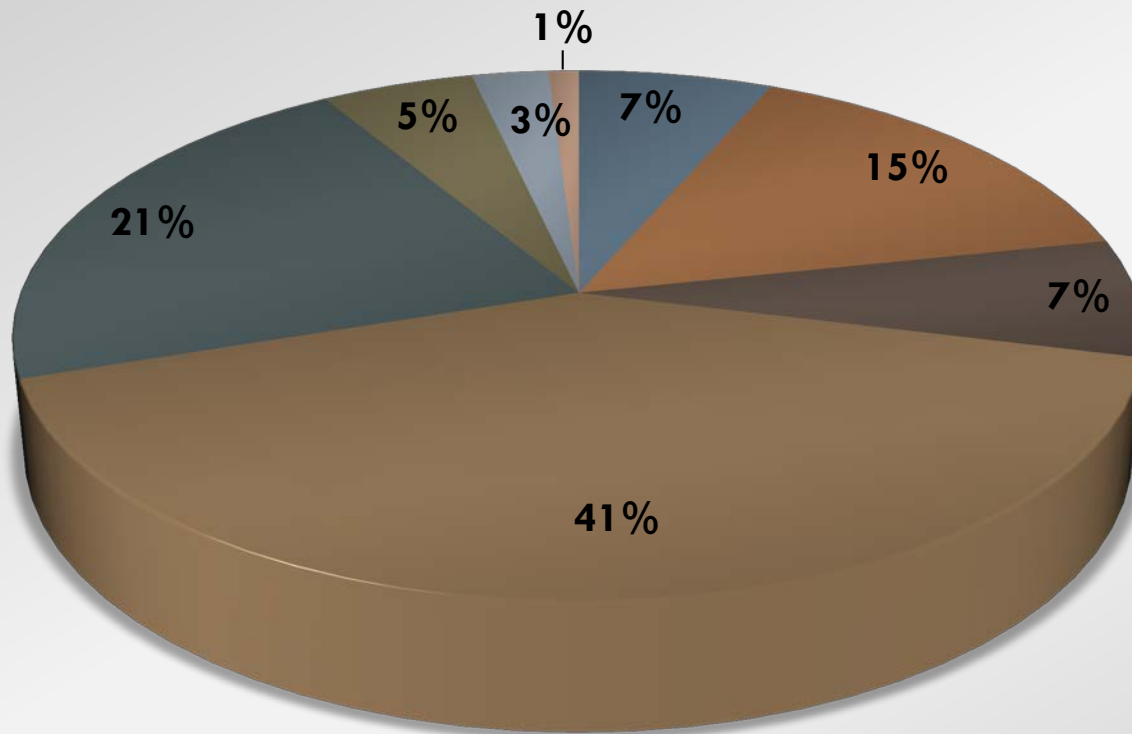
	<u>Baseline</u>	<u>Operating Decision Packages</u>	<u>Project Decision Packages</u>	<u>2017 Proposed Budget</u>
General Government	\$1,046,042	\$371,600		\$1,417,642
Public Safety	\$3,084,572	\$233,150		\$3,317,722
Community Development	\$1,390,328	\$179,429		\$1,569,757
Public Works	\$1,562,262	\$84,632	\$7,310,500	\$8,957,394
Recreation & Library	\$343,700	\$116,500	\$4,217,000	\$4,677,200
Debt Service	\$1,116,271			\$1,116,271
Employee Pension	\$560,187			\$560,187
Insurance & Taxes	\$222,200			\$222,200

Upper Saucon Township 2017 Budget Review
November 14, 2016



Proposed Budget Expenses

2017 General Fund Group Proposed Expenses



- General Government - \$1,417,642
- Public Safety - \$3,317,722
- Community Develop - \$1,569,757
- Public Works - \$8,957,394
- Recreation & Library - \$4,677,200
- Debt Service - \$1,116,271
- Employee Pension - \$560,187
- Insurance - \$222,200



Proposed Budget Expenses

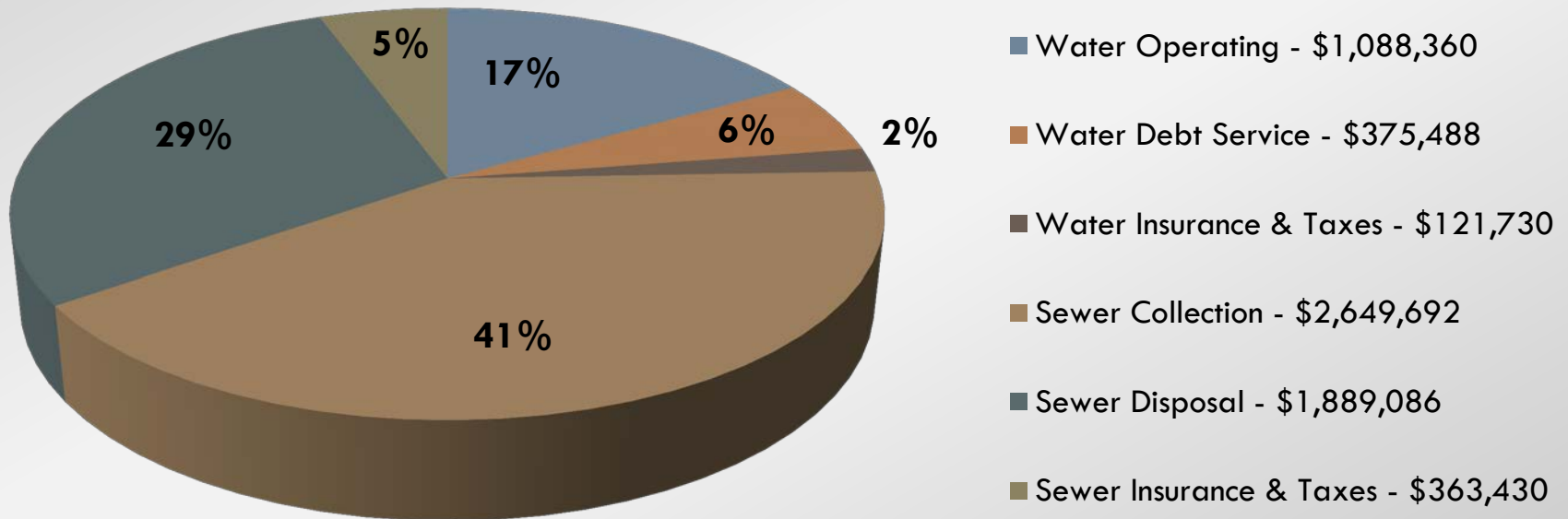
2017 Water and Sewer Fund Group Proposed Expenses

	<u>Baseline</u>	<u>Operating Decision Packages</u>	<u>Project Decision Packages</u>	<u>2017 Proposed Budget</u>
Water Operating	\$778,660	\$224,700	\$85,000	\$1,088,360
Water Debt Service	\$375,488			\$375,488
Water Insurance & Taxes	\$121,730			\$121,730
Sewer Collection	\$702,992	\$74,700	\$1,872,000	\$2,649,692
Sewer Disposal	\$862,286	\$285,800	\$741,000	\$1,889,086
Sewer Debt Service	\$0			\$0
Sewer Insurance & Taxes	\$363,430			\$363,430



Proposed Budget Expenses

2017 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	\$ 3,044,552	\$ 9,537,300	\$ 11,109,273	\$ 1,472,579
Recreation	\$ 986,315	\$ 3,254,000	\$ 4,217,000	\$ 23,315
Capital Reserve	\$ 610,770	\$ 252,000	\$ 389,500	\$ 473,270
Rd Construction	\$ 2,073,914	\$ 4,007,000	\$ 6,062,800	\$ 18,114
Liquid Fuels	\$ 803,311	\$ 505,093	\$ 1,068,200	\$ 240,204



Proposed Fund Balances

2016 Proposed Budget Summary Water & Sewer Fund Group

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Water	\$ 754,637	\$ 1,490,951	\$ 1,975,578	\$ 270,010
Water Capital	\$ 1,064,751	\$ 550,500	\$ 110,000	\$ 1,505,251
Sewer	\$ 2,570,990	\$ 2,482,300	\$ 3,289,208	\$ 1,764,082
Sewer Capital	\$ 3,964,956	\$ 1,112,000	\$ 2,705,000	\$ 2,371,956



Proposed Fund Balances

2016 Proposed Budget Summary Other Funds

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Fire Hydrant	\$ 107,919	\$ 135,500	\$ 118,500	\$ 124,919
Maintenance Trust	\$ 1,136,293	\$ 4,000	\$ 18,000	\$ 1,122,293
Transportation	\$ 1,451,738	\$ 5,700	\$ 49,000	\$ 1,408,438
Land Acquisition	\$ 121,982	\$ 500	\$ 4,000	\$ 118,482
Library Cap. Res.	\$ (4,735)	\$ 12,650	\$ -	\$ 7,915



Proposed Fund Balances

2016 Proposed Budget Summary Other Funds

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
LOSAP	\$ 214,291	\$ 96,750	\$ 40,000	\$ 271,041
Police Pension	\$ 5,594,963	\$ 310,179	\$ 279,180	\$ 5,625,962
Non-Uniformed Retirement	\$ 61,650	\$ 37,762	\$ -	\$ 99,412
Non-Uniformed Pension	\$ 6,568,498	\$ 433,953	\$ 285,849	\$ 6,716,601



End



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