

# 2018 Monmouth County Budget Presentation

**1p.m. – Hall of Records Freeholder Meeting Room**

**7 p.m. – Brookdale Community College, Student Life Center, Twin Light 1 Room**

**Introduced by the  
Monmouth County Board of Chosen Freeholders**

Thomas A. Arnone, Director

Lillian G. Burry, Deputy Director

John P. Curley

Patrick Impreveduto

Gerry P. Scharfenberger, Ph.D.



# 2018 County Budget Goals and Objectives

- Maintain or improve the level of County Services for the citizens of Monmouth County.
- Minimize tax impact and comply with all statutory budget cap requirements.
- Continue to implement a long term financial plan for County Government and protect the County's long standing "Aaa" bond rating.
- Identify potential areas for operational efficiencies and/or additional cost savings for 2018 and 2019.



# 2018 County Budget Development Timeline

## SUMMER 2017

Mid-year department budget review meetings with County Administration and Finance

Budget status update reports for the Board of Chosen Freeholders

Memorandum and general budget instructions sent to Department Heads

## FALL 2017

Department budget requests submitted to Finance Department

Department budget review meetings with County Administration and Finance Department

Budget status update reports for the Board of Chosen Freeholders

## WINTER 2017-2018

Department budget review meetings with County Administration and Finance Department

Budget status update reports for the Board of Chosen Freeholders

Department budget review meetings with County Administration, Finance and Freeholder Liaisons



# Summary of Expenditures

APPROPRIATIONS	2018 PROJECTED BUDGET	2017 ADOPTED BUDGET	INCREASE/ (DECREASE)
<b>Operations:</b>			
Salaries and Wages	\$170,157,110.04	\$167,703,753.66	\$2,453,356.38
Other Expense (Including Contingent)	\$179,058,376.62	\$179,539,571.34	(\$481,194.72)
<b>Total Operations</b>	\$349,215,486.66	\$347,243,325.00	\$1,972,161.66
Capital Improvements	\$3,550,000.00	\$3,550,000.00	\$0.00
Debt Service	\$59,059,513.34	\$57,956,675.00	\$1,102,838.34
Deferred Charges and Statutory Expenditures	\$37,625,000.00	\$36,500,000.00	\$1,125,000.00
<b>Total Appropriations</b>	\$449,450,000.00	\$445,250,000.00	\$4,200,000.00

# Summary of Revenues

ANTICIPATED REVENUES	2018 PROJECTED REVENUE	PERCENT OF TOTAL REVENUE	2017 ADOPTED REVENUE	PERCENT OF TOTAL REVENUE	\$ CHANGE	% CHANGE
Fund Balance	40,000,000.00	8.90%	43,500,000.00	9.77%	(3,500,000.00)	-0.87%
Miscellaneous Revenues	52,226,798.85	11.62%	50,096,522.59	11.25%	2,130,276.26	0.37%
Total State and Federal Revenues Offset With Appropriations	8,017,993.69	1.78%	7,690,499.11	1.73%	327,494.58	0.06%
New Jersey State Aid	21,231,025.02	4.72%	21,362,523.30	4.80%	(131,498.28)	-0.07%
Other Special Items	22,474,182.44	5.00%	20,125,455.00	4.52%	2,348,727.44	0.48%
Amount to be Raised by Taxation - County Purpose Tax	305,500,000.00	67.97%	302,475,000.00	67.93%	3,025,000.00	0.04%
<b>TOTAL ANTICIPATED REVENUES</b>	<b>449,450,000.00</b>	<b>100.00%</b>	<b>445,250,000.00</b>	<b>100.00%</b>	<b>4,200,000.00</b>	<b>0.00%</b>



# Fund Balance

	Fund Balance as of Jan. 1	Utilized in Budget	Fund Balance Regenerated	Change to Fund Balance
2007	\$ 85,872,728	(\$ 48,500,000)	\$ 49,930,640	\$ 1,430,640
2008	\$ 87,303,368	(\$ 48,500,000)	\$ 44,845,471	(\$ 3,654,529)
2009	\$ 83,648,839	(\$ 44,850,000)	\$ 44,965,400	\$ 115,400
2010	\$ 83,764,239	(\$ 44,850,000)	\$ 37,906,643	(\$ 6,943,357)
2011	\$ 76,820,883	(\$ 43,865,000)	\$ 44,134,572	\$ 269,572
2012	\$ 77,090,455	(\$ 43,865,000)	\$ 46,090,173	\$ 2,225,173
2013	\$ 79,315,628	(\$ 46,000,000)	\$ 42,892,389	(\$ 3,107,611)
2014	\$ 76,208,017	(\$ 43,000,000)	\$ 33,220,191	(\$ 9,779,809)
2015	\$ 66,428,207	(\$ 40,000,000)	\$ 37,238,349	(\$ 2,761,651)
2016	\$ 63,666,556	(\$ 41,325,000)	\$ 36,092,002	(\$ 5,232,998)
2017	\$ 58,433,558	(\$ 36,000,000)	\$35,866,240	(133,760)
2018	\$ 58,299,798	(\$ 35,865,000)		



# Fund Balance

## Tax Relief Due to Care Center Sale Proceeds

	Fund Balance – Care Center Sale Proceeds as of Jan. 1	Utilized in Budget	Fund Balance Regenerated	Reserved for Debt Service
2015			\$ 32,400,000	(\$ 3,905,000)
2016	\$ 28,495,000	(\$ 4,525,000)	0	0
2017	\$ 23,970,000	(\$ 7,500,000)	0	0
2018	\$ 16,470,000	(\$ 4,135,000)	0	0
2019	\$ 12,335,000			



# Tax Levy CAP Restrictions

- 2010 CAP Law
- 1977 CAP Law
- For Monmouth County, the proposed County Tax Levy for 2018 is \$305,500,000, which is \$2,619,136.92 below the state-mandated 1977 property tax levy cap of \$308,119,136.92.



# Proposed 2018 Tax Levy

<b>2018 Tax Levy</b>	<b>\$ 305,500,000</b>
<b>2017 Tax Levy</b>	<b>\$ 302,475,000</b>
<b>Change</b>	<b>\$3,025,000</b>

← 1% increase

## Tax Levy Impact on Municipalities

Town	2018 Average Residential Tax (without increase)	2018 Average Residential Tax (with increase)	2018 Average Annual Tax Increase per Household
Howell	\$ 883.93	\$ 892.70	\$ 8.77
Middletown	\$ 1044.77	\$ 1055.12	\$ 10.35
Ocean	\$ 1156.71	\$ 1168.18	\$ 11.47
Upper Freehold	\$ 1198.16	\$ 1210.02	\$ 11.86
Wall	\$ 1219.45	\$ 1231.52	\$12.07

# County Budget Cost Drivers

- Debt Service
- Pensions
- Salaries and Wages (contractual obligations)



# County Budget Highlights

- Overall Decrease in Department Expenditures
- Reduction in Health Care Costs
- New Technology
- Capital Infrastructure Investments
- Aaa Bond Rating – Monmouth County is the only county in NJ with a Triple A rating from all three agencies: Fitch, Moody's and Standard & Poor's – and one of only 46 counties (out of 3142) in the entire U.S. to carry that distinction.



# Historical Perspective

Year	Adopted budget	Change to budget	Percent change	Amount raised by taxation	Change to Tax Levy	Percent Change
2002 to 2007	\$376,321,895 to \$471,854,000	\$95,532,105	25.39%	\$236,020,000 to \$286,504,000	\$50,484,000	21.39%
2008 to 2012	\$481,114,000 to \$487,350,000	\$6,236,000	1.30%	\$286,504,000 to \$302,475,000	\$15,971,000	5.57%
2013 to 2017	\$481,000,000 to \$445,250,000	(\$35,750,000)	(7.43%)	\$302,475,000 to \$302,475,000	\$0	0%



# Historical Perspective

Through attrition, the County has maintained its commitment to a smaller, efficient workforce.

## 2008

S&W: \$179,069,379.02

O/E: \$302,044,620.98

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Total: \$481,114,000.00

Full Time: 3,227.00

Part Time: 158.00

Seasonal: 396.00

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Total Positions: 3,781.00

## 2018

S&W: \$170,157,110.04

O/E: \$279,292,889.96

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Total: \$449,450,000.00

Full Time: 2,550.85

Part Time: 105.00

Seasonal: 182.00

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Total Positions: 2,837.85

# County Budget Next Steps

February 8, 2018

Calendar Year 2018 Cap Bank Resolution Introduction

2018 Division of Social Services Fiscal Plan Authorization

2018 County Budget and 2018 Reclamation Center Utility Budget Presentation, Introduction and Approval

February 22, 2018

Calendar Year 2018 Cap Bank Resolution Adoption

March 8, 2018

2018 County Budget and 2018 Reclamation Center Utility Budget Public Hearing and Adoption

2018 County Library Tax Levy Authorization

2018 County Board of Health Tax Levy Authorization

