

2019 Monmouth County Budget Presentation

Introduction by the
Monmouth County Board of Chosen Freeholders

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Brookdale Community College

February 19, 2019

7:30 pm



2019 County Budget Goals

- Maintain and/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 2019 and 2020.



2019 County Budget Development Timeline

SUMMER 2018

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

Budget status update report for the Board of Chosen Freeholders

Memorandum and general budget instructions sent to Department Heads

FALL 2018

Department budget requests submitted to Finance Department

Department budget review meetings with County Administration and Finance Department

Budget status update report for the Board of Chosen Freeholders

WINTER 2018-2019

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	2019 PROJECTED BUDGET	2018 ADOPTED BUDGET	INCREASE/ (DECREASE)
Operations:			
Salaries and Wages	\$170,961,309.33	\$169,974,260.04	\$987,049.29
Other Expense (Including Contingent)	\$176,271,653.17	\$177,741,226.62	(\$1,469,573.45)
Total Operations	\$347,232,962.50	\$347,715,486.66	(\$482,524.16)
Capital Improvements	\$3,550,000.00	\$3,550,000.00	\$0.00
Debt Service	\$58,992,037.50	\$59,059,513.34	(\$67,475.84)
Deferred Charges and Statutory Expenditures	\$39,825,000.00	\$37,625,000.00	\$2,200,000.00
Total Appropriations	\$449,600,000.00	\$447,950,000.00	\$1,650,000.00

Summary of Revenues

ANTICIPATED REVENUES	2019 PROJECTED REVENUE	PERCENT OF TOTAL REVENUE	2018 ADOPTED REVENUE	PERCENT OF TOTAL REVENUE	\$ CHANGE	% CHANGE
Fund Balance	37,000,000.00	8.23%	40,000,000.00	8.93%	(3,000,000.00)	-7.50%
Miscellaneous Revenues	55,931,641.44	12.44%	52,226,798.85	11.66%	3,704,842.59	7.09%
Total State and Federal Revenues Offset With Appropriations	9,604,642.32	2.14%	8,017,993.69	1.79%	1,586,648.63	19.79%
New Jersey State Aid	19,074,064.30	4.24%	21,231,025.02	4.74%	(2,156,960.72)	-10.16%
Other Special Items	22,489,651.94	5.00%	22,474,182.44	5.02%	15,469.50	0.07%
Amount to be Raised by Taxation - County Purpose Tax	305,500,000.00	67.95%	304,000,000.00	67.86%	1,500,000.00	0.49%
TOTAL ANTICIPATED REVENUES	449,600,000.00	100.00%	447,950,000.00	100.00%	1,650,000.00	0.37%



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	(\$ 35,115,000)	\$ 35,118,571	3,571
2019	\$ 58,303,369	(\$ 35,115,000)		



Fund Balance

	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	(\$ 4,885,000)	0	0
2019	\$ 11,585,000	(\$ 1,885,000)		
2020	\$ 9,700,000			



Tax Levy CAP Restrictions

- 2010 CAP Law
- 1977 CAP Law
- For Monmouth County, the proposed County Tax Levy for 2019 is \$305,500,000, which is \$8,646,785.45 below the state-mandated 1977 property tax levy cap of \$314,146,785.45.



Proposed 2019 Tax Levy

2019 Tax Levy	\$305,500,000
2018 Tax Levy	\$304,000,000
Change	\$1,500,000

← 0.49% increase



County Budget Cost Drivers

- ▶ State Pension Costs
- ▶ Salaries and Wages (contractual obligations)



County Budget Highlights

- ▶ Overall Decrease in Department Expenditures
- ▶ Reduction in Health Care Costs
- ▶ 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.



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 2013	\$481,114,000 to \$481,000,000	(\$114,000)	0.02%	\$286,504,000 to \$302,475,000	\$15.971,000	5.57%
2014 to 2019	\$480,900,000 to \$449,600,000	(\$31,300,000)	(6.51%)	\$302,475,000 to \$305,500,000	\$3,025,000	1.00%



Historical Perspective

2008

S&W:	\$179,069,379.02
O/E:	\$302,044,620.98

Total:	\$481,114,000.00

Full Time:	3,227.00
Part Time:	158.00
Seasonal:	396.00

Total Positions:	3,781.00

2019

S&W:	\$170,961,309.33
O/E:	\$278,638,690.67

Total:	\$449,600,000.00

Full Time:	2,564.00
Part Time:	112.00
Seasonal:	182.00

Total Positions:	2,858.00

County Budget Next Steps

February 19, 2019

Calendar Year 2019 Cap Bank Resolution Introduction
2019 Division of Social Services Fiscal Plan Authorization
2019 County Budget and 2019 Reclamation Center Utility
Budget Presentation, Introduction and Approval

March 14, 2019

Calendar Year 2019 Cap Bank Resolution Adoption
2019 County Budget and 2019 Reclamation Center Utility
Budget Public Hearing and Adoption
2019 County Library Tax Levy Authorization
2019 County Board of Health Tax Levy Authorization

