

Mine Hill 2014 Budget & State of the Township Presentation



Mine Hill's 4 Budget Areas

1. Water Utility
2. Garbage District
3. Sewer Utility
4. Current Fund/Municipal

Water Utility

- The Water Utility is Financially Stable.
- The water meter and leak repairs have netted significant savings reducing water loss from 52% to 16% as of 4th quarter 2013
- 2014 Debt Payments = \$43,220
- 2014 Water Surplus = \$214,254
- Debt Balance from Meters = \$388,000

2014 Water Utility Projects

- Hurd Street Extension from Dover Water System – approximately \$30,000 –will add about 20 additional customers
- Continuing Leak Detection to lower water loss below 10% should gain another \$26,000
- Realize more Surplus to allow Township to make a significant debt payment in 2015 of 30-40% of the remaining debt

Water Main Leak Detectors



Considering Mag Metering



- Mag Meters are for the water mains that supply the towns system from the MUA water tower
- We want to self-monitor the *billions* of gallons of water they send us
- Cellular Technology Design for easy monitoring

Garbage District

- The Garbage District is Financially Stable.
- The Garbage District has no debt
- 2014 Total Budget = \$397,000
- 2014 Surplus = \$41,000
- MUA Recycling contract is stable
- Blue Diamond Garbage Contract is up
February 2015

2015 Garbage District

- Explore inter-local agreement options with Wharton, etc.
- Explore managing garbage ourselves.
- Tipping fees = 2012/2013 = \$106,000.00
- Contract costs = \$279,000.00
- We will explore the cost of an additional DPW employee and the costs of a truck and see which is most cost effective

Sewer Utility

- The Sewer Utility is Financially Stable.
- The Sewer Utility was bankrupt in 2012 by **\$38,683.00**
- 2014 Budget = \$402,000
- 2014 Debt Payments = \$152,000
- 2014 Sewer Surplus = \$105,000
- Debt Balance = \$1,532,000 / 2023
- Mine Hill has 502 sewer customers

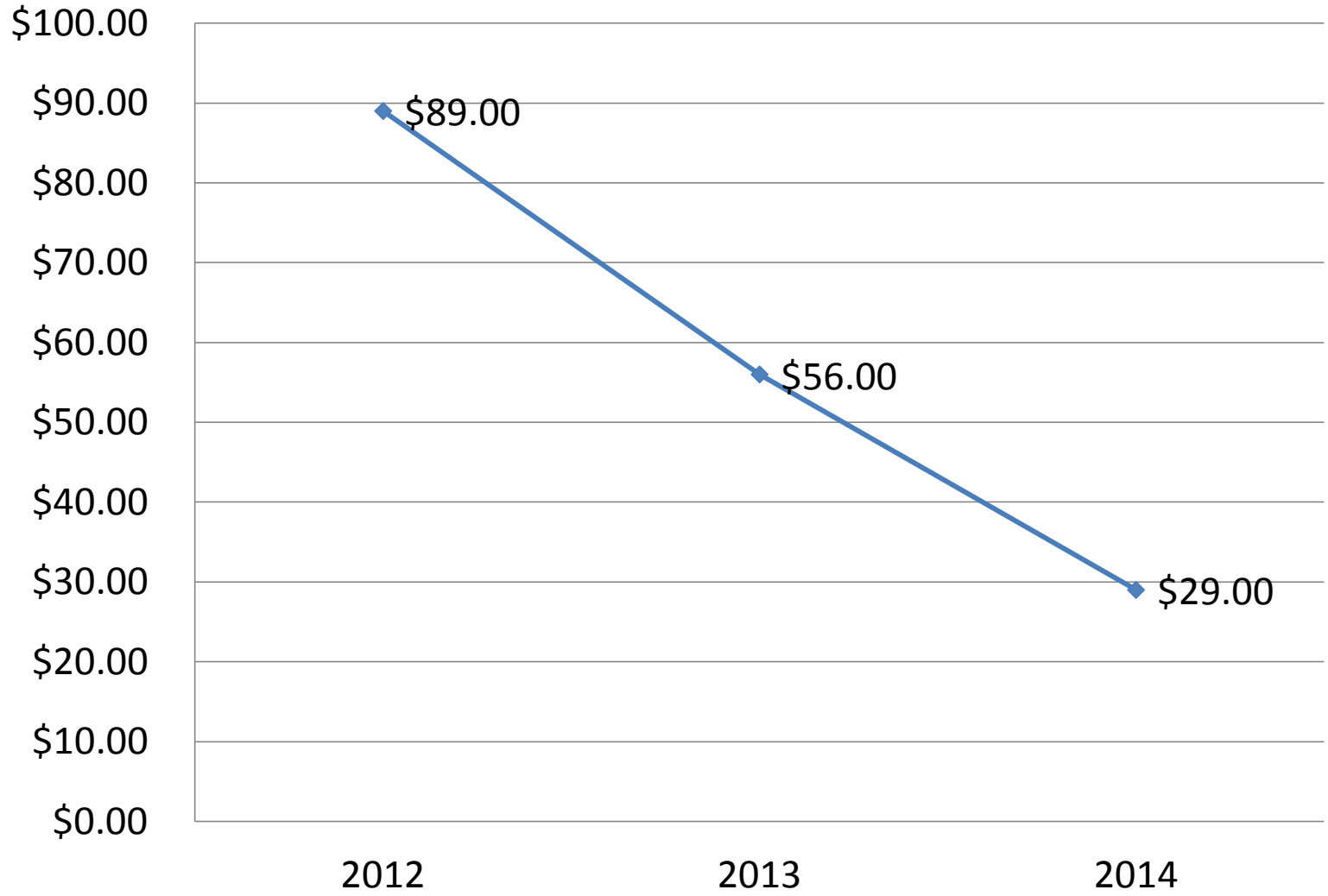
Sewer Plans for 2014/15/16

- The Township is actively pursuing expansion of the sewer system.
- Our goal is to expand sewers to every house in Mine Hill within 5-7 years
- We have been actively engaged in discussions with the Rockaway Valley Sewer Authority and the DEP regarding this issue.
- We have a meeting in Trenton on March 11th with the DEP to discuss our plan
- We believe we can make a case that the majority of the township can achieve this goal

Municipal Budget

- Tax increase will equal **\$2.41/month** per average assessed household or **\$29.00/year**
- The Township retired \$2,000,000.00 in total debt in 2013 from all 4 budget areas
- Municipal surplus increased by from \$491,000.00 to \$759,000.00
- The Township incurred no municipal debt for the 3rd year in a row.
- In May of 2014 our municipal budget debt will be \$1.6M

Tax Increase History



Taxes Increases Avoided

- Police Contract Savings
in 2013 & 2014 = \$167,980.00
- This would equal = \$139.00
- A 6.7% increase
- \$35,000 saved 2nd half of 2013 would
equal \$32.00 increase to fund Capital

Capital Budget

- **\$200,000 cash reserve** created in Capital Budget
- Will fund the needs of the DPW, Fire Department, First Aid Squad etc.
- **\$200,000 cash in hand** is unusual for Mine Hill and again, is not from borrowed sources
- Municipal surplus will be approximately \$559,000.00 in 2014

Capital Projects List for 2014/15

- Paving S. 1st Street – Cost Estimate is \$92,000/\$80,000 CBDG Grant was applied for on March 3rd, 2014
- Paving Thomastown Road – Cost Estimates are \$80,000 - \$90,000
- Paving 4th, 5th and other smaller streets
- Engineering design on Randolph Avenue & Rt. 46 sidewalk projects
- Sidewalk repairs, drainage corrections, maintenance of Township facilities

Equipment Purchased in 2013

- Street Sweeper with Clean Communities Grant
- Additional mowers and snow plows
- 2 Additional salt spreaders
- Additional DPW Shed (3 total)
- Case Backhoe
- Wood Chipper
- Storm Basin Vacuum truck

Why we want to be out of debt.

- We want to control our own destiny.
- It's popular for the State to blame small towns as money wasters but the State of NJ is ranked 50th in the United States in terms of long term financial viability.
- The State wants to squeeze us out of existence by decreasing aid.
- If we are debt free and financially independent we control our own destiny.

In Summary

- The Township's 4 budget areas are stable and solvent
 - The Township is aggressively trying to reduce debt and minimize spending
 - The Township has eliminated structural borrowing as part of the municipal budget process for 3rd year in a row
 - We have sufficient funds to meet our needs in the 2014 budget including capital and the utilities
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- Mayor Sam Morris
 - Katelyn Wild, Acting CMFO
 - Greg Della Pia, CPA, CMFO, PSA
 - Dave Bloom and Fred Willis, Council Budget Committee