

# **Berks County**

## **Proposed 2017 Budget**



**County Commissioners' Meeting**  
**November 17, 2016**

# **Berks County Commissioners' 2017 Budget Directives**

- **No property tax increase**
- **Balanced operating budget without reserves**
- **Hold wage and expenditure growth to projected CPI**
- **Limit Headcount Growth**
- **No new debt**
- **Fund new facility infrastructure needs with reserves**
- **No new, unfunded, discretionary programs**
- **Maintain commitment to:**
  - **Farmland preservation**
  - **Education, economic development, library and park systems**
- **Maintain long term financial stability and bond rating**
- **Prioritize capital improvement to:**
  - **Facility & bridge infrastructure projects**
  - **Technology/Software**

# **Berks County 2017 Budget Highlights**

- **No tax increase for 2017**
- **Total operating budget deficit of \$4.4M includes:**
  - **One time general fund funded capital of \$8.8M**
- **Total wage increase of \$2.5M or 2.4%. CPI projection 2%**
- **A net reduction of 4.5 fulltime equivalent employees**
  - **wage savings of \$0.2M**
- **Pension ARC of \$2.6M - \$.6M higher than 2016 budget**
- **No new debt service – \$28.2M due for 2017**
- **Current Bond rating AA1 – Stable Outlook**

# **Berks County**

## **2017 Budget Highlights – Cont'd**

- **Increase Support to RACC:**
  - County - \$150K operating/total \$3.25M – first increase since 2008
  - RDA - \$500K capital – Science Center renovation
- **Maintains the following commitment to:**
  - **GREP \$300K with \$200K match opportunity**
  - **Library System \$3.15M includes \$900K to RPL**
  - **Agland Preservation - \$1M for new certifications**
  - **Park System -\$3.1M – Operations and Antietam**
- **Berks Residential Center - \$1.1M net benefit to General Fund**
- **Decline in Jail revenue of \$2.0M - lower TPV's 125 to 30**

## **Berks County 2017 Budget Highlights – Cont'd**

- **New Vehicle Registration Fee - \$1.0M – Bridges**
- **Includes \$3.5M Landfill Fees revenue of which \$1.9M is in litigation**
- **Contingency budget of \$2.5M – CBAs, Capital, Litigation Costs, Federal/State budget cuts**

# Berks County

## 2017 Capital Plan Summary (in millions)

County Bridges	\$3.6
Ag. Center Renovations	\$2.2
WWTP Renovations	\$0.8
Security Improvements	\$1.0
Elevator Modernization	\$0.7
Park Improvements	\$0.7
Jail Improvements	\$0.8
Assessment Software	\$0.8
CYS Software	\$0.9
Agland Preservation	\$1.0
Other projects	\$1.6
<b>Total Plan</b>	<b>\$14.1</b>

### Highlights

- **Bridges** → Buttonwood Street – \$1.6M, Manatawny – \$1, Dreibelbis Station – \$0.2M, Blandon – \$0.4M, Misc. - \$0.4M
- **Facilities** → Ag Center - \$0.9M Roof, Ag Center Bldg. Renovations \$1.3M, WWTP Renovations \$0.8M, and Security Improvements \$1.0M
- **Elevator** → Replacement and modernization for Service Center and Court House \$0.7M
- **Parks** → \$0.7M for Antietam Park Improvements, Fruit Farm Bldgs, Stone Cliffe Park, and Grings Mill Park
- **Jail Improvements** → \$0.8M driveway reconfiguration and continued improvements to the buildings
- **Assessment** → Land Records with Mapping, Treasurer integration \$0.8M
- **CYS** → \$0.9M for Integrated Case Management System – year two of a three year program

# Berks County 2017 Fund Balance

## General Fund Balance Highlights:

- **Unassigned fund balance projected → \$118.9M**
- **Restricted for hazmat response → \$1.6M**
- **Assignment for route 222 corridor → \$5M**
- **Assignment for healthcare costs → \$4M**

# 2017 Berks County Tax Summary

	<u>2017</u>	<u>2016</u>
<b>Millage Rate</b>	7.372	7.372
<b>Assessed Value</b>	\$18,806,744,006	\$18,658,891,800
<b>Percent Change</b>	0.74%	0.20%
<b>Net Tax Billing</b>	\$132.3M	\$131.3M
<b>Interims</b>	\$0.5M	\$0.4M
<b>Net Tax Collections</b>	\$132.8M	\$131.7M
<b>Tax Claim Revenue</b>	\$4.4M	\$4.5M
<b>Total Tax Revenue</b>	\$137.2M	\$136.2M
<b>Less: Tax Refunds</b>	(\$0.6M)	(\$0.6M)
<b>Net Tax Revenue</b>	\$136.6M	\$135.6M

*Note:*

*2016 assessed value and net tax billing is actual.*

*Tax billing is net of discounts and uncollectibles of 4.6%.*

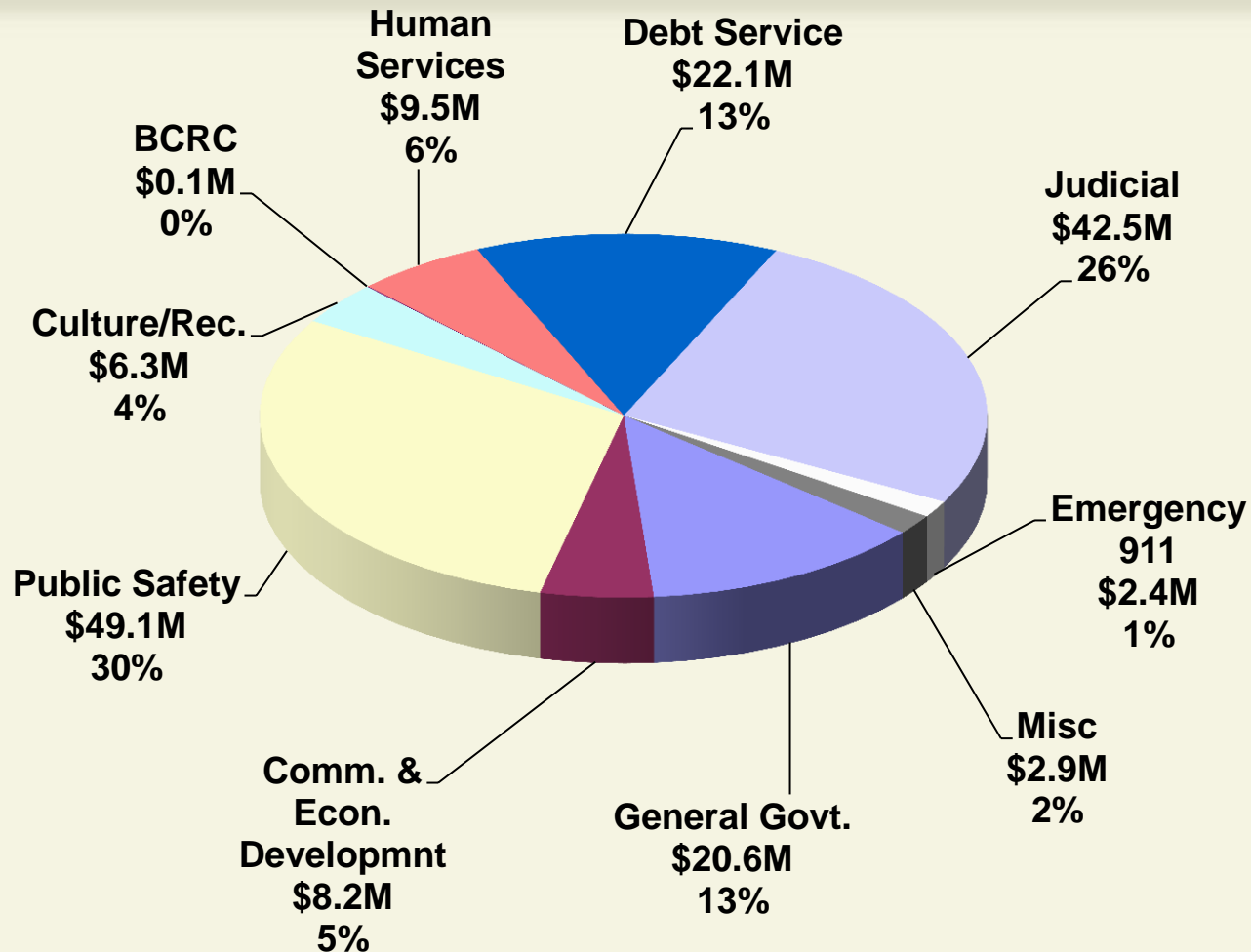


# Berks County

## 2017 Operating Budget Revenues and Expenditures (in millions)

<b>FUNDS</b>	<b>2017 Proposed</b>	<b>2016 Adopted</b>	<b>Incr. (Decr.)</b>	<b>Inc.(Decr. )</b>
<b>GENERAL FUND:</b>				
Revenues	\$ 219.7	\$ 215.0	\$ 4.7	2.2%
Expenditures	\$ 215.3	\$ 219.5	\$ (4.2)	(1.9%)
Less: Adjustments	\$ 9.5	\$ 11.7	\$ (2.2)	
<b>Net Surplus (Deficit)</b>	<b>\$ (5.1)</b>	<b>\$ (16.2)</b>		
<b>ALL FUNDS:</b>				
Revenues	\$ 498.3	\$ 475.9	\$ 22.4	4.7%
Expenditures	\$ 501.5	\$ 491.3	\$ 10.2	2.1%
Less: Adjustments	\$ 1.2	\$ 1.2	\$ -	
<b>Net (Deficit) Surplus</b>	<b>\$ (4.4)</b>	<b>\$ (16.6)</b>		

# Consumption of Taxes, Net Dept. Earnings and Fund Balance By Function



# **Berks County Current Initiatives**

- **Tax base growth - Commercial, industrial and residential**
- **Elimination of the Affordable Care Tax**
- **Process improvement - New technology/software**
- **Consolidate and automate assessment/land records**
- **Long term facility plan for jail - build new/renovate**
- **MH alternatives to incarceration - Jail ADP/Fed-state funding**
- **Facility security improvements - capital and policy**

# Berks County Proposed 2017 Budget Schedule

- November 17, 2016      Present 2017 Budget
- December 15, 2016      Adopt 2017 Budget
  
- Public Review
  - **County Commissioners' Office**
  - **Budget Office**
  - **County Website**      [www.countyofberks.com](http://www.countyofberks.com)

# Comments and Questions

