



**Budget 2013**  
**MAINTAINING**  
**FISCAL**  
**RESPONSIBILITY**



# 2013 PRIORITIES

- **FISCALLY RESPONSIBLE**
- **MAINTAIN / INCREASE SERVICES**
- **MAINTAIN HEAD COUNT**
- **STRENGTHEN AND MAINTAIN INFRASTRUCTURE**

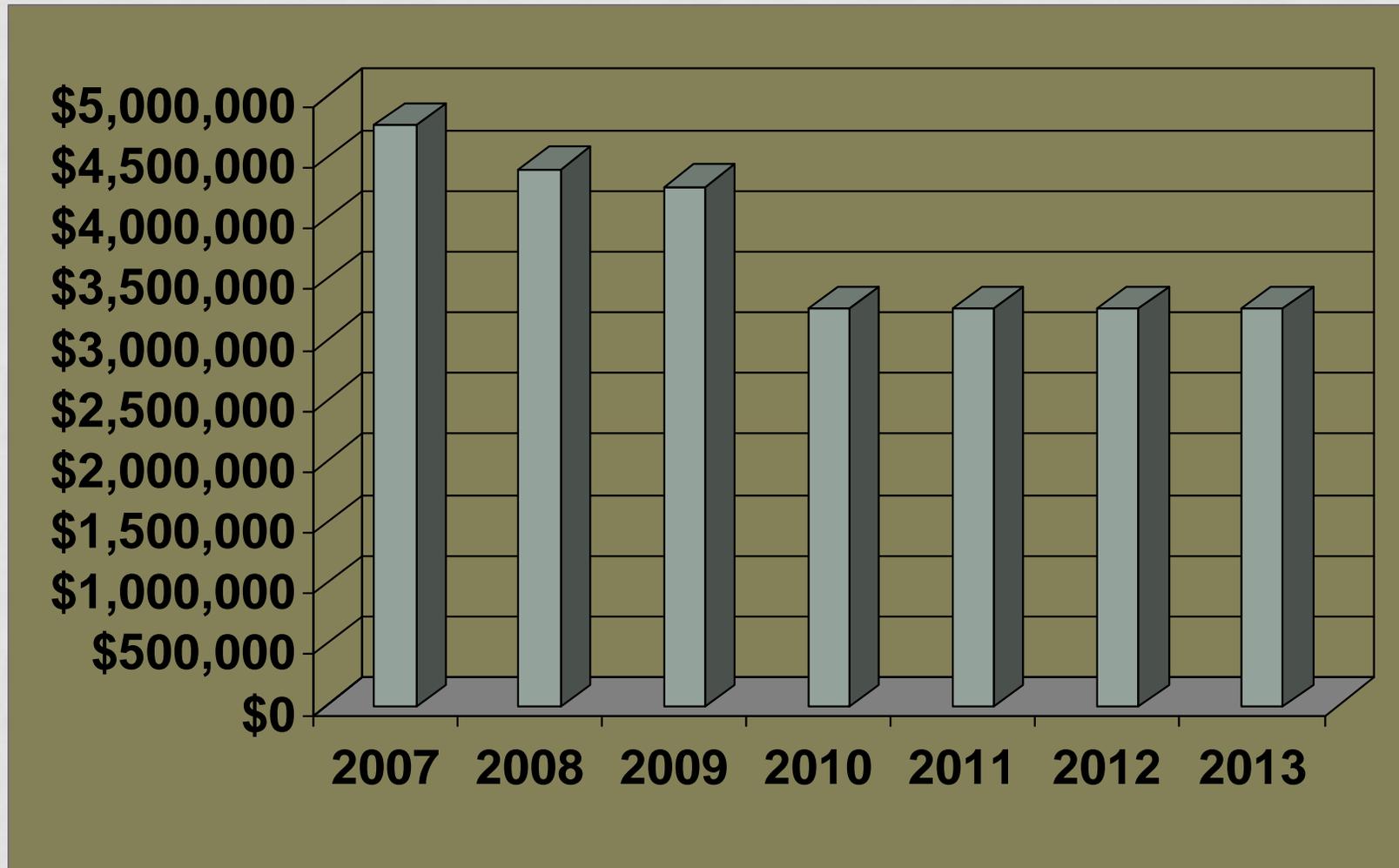


# **BUDGET CHALLENGES**

- **DECREASE IN RATABLES**
- **TAX REVENUE**
- **HEALTH AND INSURANCE COSTS**
- **TAX APPEALS**
- **TAX APPEAL LOAN PAYMENT**

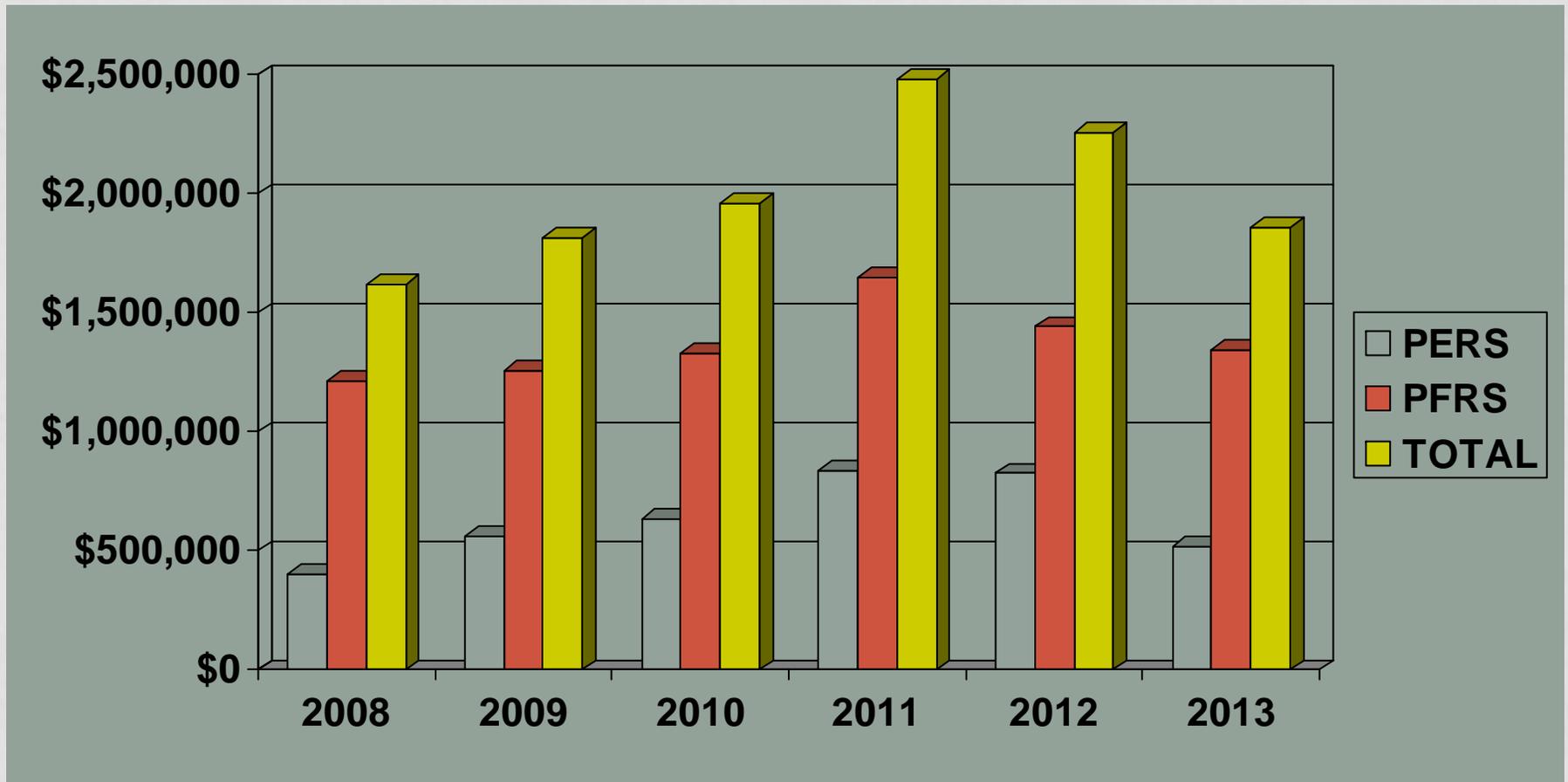


# STATE AID REDUCTION



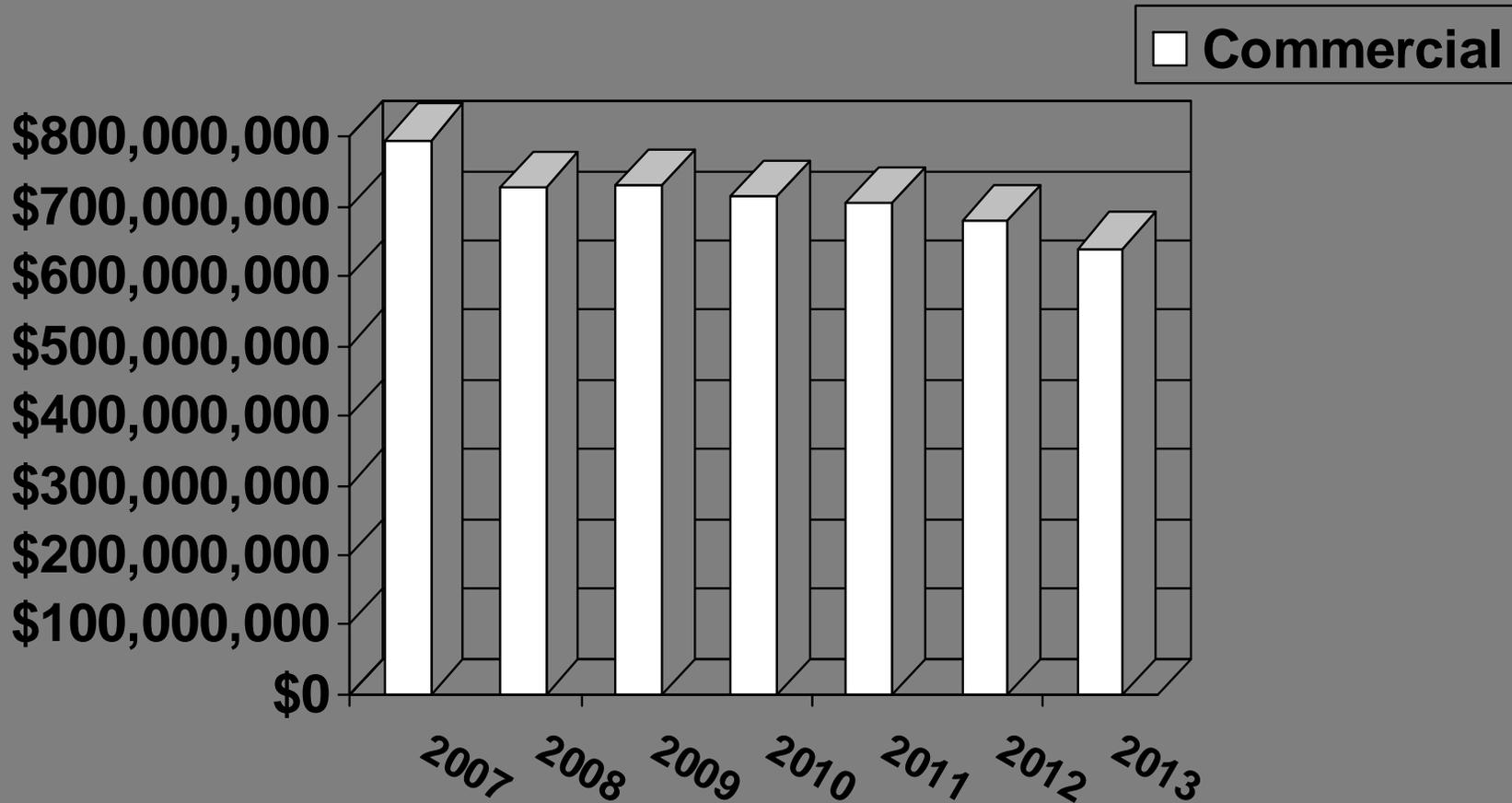


# PENSION COSTS





# COMMERCIAL ASSESSED PROPERTY VALUES





# COST OF STATE MANDATES

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>12'-13' Dollar Increase/Decrease</b>
<b>Public Employees Retirement Fund</b>	<b>\$659,151</b>	<b>\$648,751</b>	<b>\$517,360</b>	<b>-\$131,391</b>
<b>Police and Fire Retirement Fund</b>	<b>\$1,645,782</b>	<b>\$1,441,976</b>	<b>\$1,343,141</b>	<b>-\$98,835</b>
<b>Social Security</b>	<b>\$953,000</b>	<b>\$990,000</b>	<b>\$1,008,900</b>	<b>\$18,900</b>
<b>Group Health Insurance</b>	<b>\$2,165,869</b>	<b>\$2,568,262</b>	<b>\$2,341,657</b>	<b>-\$53,605</b>
<b>Unemployment Compensation Ins.</b>	<b>\$263,000</b>	<b>\$120,000</b>	<b>\$10,000</b>	<b>-\$110,000</b>
<b>Total</b>				<b>-\$374,931</b>



## **OTHER VARIABLES**

- **STATE MANDATES**
- **LOW INTEREST RATES ON CASH RESERVES**
- **INCREASE IN BUILDING PERMITS AND REVENUE**
- **UNION LABOR CONTRACTS**
- **CAPITAL PROJECTS**



# HIGH LEVEL SERVICES

- Police, Fire, EMS, OEM
- Health Services
- Waste Disposal, Recycling, Road Maint.
- Recreation – Enhanced Programs
- Professional Services



# SHARED SERVICES

- SEWER CONTRACTS WITH NEIGHBORING TOWNS
- JOINT PUBLIC LIBRARY
- PUBLIC SAFETY –COMMUNICATIONS, MUTUAL AID AND SHARED RESOURCES
- IT / WEBSITE WITH MORRIS COUNTY
- HEALTH SERVICES SHARED WITH HANOVER and HARDING TOWNSHIPS
- HURRICANE SANDY DEBRIS REMOVAL



# KEY SAVINGS

- **\$47,000 reduction in operating expenses/salary**
- **\$229,000 reduction in pension payments**
- **\$110,000 reduction in unemployment compensation**
- **Library costs are now a separate tax similar to School, County and Open Space. Reduction of \$59,000**



# 2013 ANTICIPATED REVENUES

<b>Fund Balance Rollover</b>	<b>\$4.1 million</b>
<b>Misc. Revenue</b>	<b>\$6.4 million</b>
<b>Delinquent Tax</b>	<b>\$.70 million</b>
<b>Local Tax</b>	<b>\$21.6 million</b>
<b>Library Tax</b>	<b>\$1.76 million</b>
<b>TOTAL</b>	<b>\$33.9 Million</b>



# 2013 APPROPRIATIONS

• Salary and wages	\$13.2 million
• Operating Expenses	\$10.7 million
• Statutory Expenses	\$2.7 million
• Capital Improvements	.12 million
• Debt Service	\$3.0 million
• Res. Uncollected Taxes	\$3.5 million
• Deferred Charges	.65 million
<b>TOTAL</b>	<b>\$33.9 million</b>



# HIGHLIGHTS OF 2013 BUDGET

Tax Rate Increase of .011 cents  
.579 to .590 per \$100 assessed value

Overall Increase of 1.9% = .55% on Tax Levy Cap

Equates to less than \$4 per month for the average  
homeowner- \$44.00 Per Year  
(\$400,000 assessment)



# HIGHLIGHTS OF 2013 BUDGET

## CAPITAL PROJECTS

- **Maintain Infrastructure**
- **Overlay and drainage projects**
- **Sewer Utility Improvements**
  
- **Purchase of Equipment**
- **Police, Fire, Recreation, DPW, Swim Pool**



# HIGHLIGHTS OF 2013 BUDGET

- .55% Tax Levy Cap Increase
- \$1.75 million under Cap



# MUNICIPAL DEBT AT YEAR END

(Including Bond Anticipation Notes)

	<u>2012</u>	<u>2011</u>	<u>2010</u>
General	\$19,769,000	\$20,790,000	\$22,559,000
Sewer	\$15,072,968	\$11,545,444	\$11,896,394
Swimming Utility	\$259,000	\$289,000	\$314,000
Parking Utility	<u>\$827,000</u>	<u>\$622,000</u>	<u>\$697,000</u>
<b>Total Debt</b>	<b>35,927,968</b>	<b>\$33,531,444</b>	<b>\$35,466,394</b>



# UTILITIES

- SEWER UTILITY                      \$6.96 million
- PARKING LOT UTILITY    \$331,723
- SWIM POOL UTILITY        \$588,315
- All operated at a surplus for 2010, 2011, and 2012
- All expected to operate at a surplus for 2013



# FUND BALANCE

- **Roll Fund Balance to avoid tax spike**
- **Maintain Tax Levy Cap of 2%**
- **Fund Balance is also insurance against loss of revenue**
- **Available for emergency appropriations  
Hurricane Irene and Hurricane Sandy**
- **Tax appeals**



# FUND BALANCE HISTORY

<u>Year</u>	<u>Yr End Fund Balance</u>	<u>CARRYOVER TO FOLLOWING YEAR</u>
2012	\$6,946,876	\$4,100,000
2011	\$6,426,000	\$3,626,000
2010	\$5,504,671	\$3,500,000
2009	\$6,388,265	\$4,471,000
2008	\$8,155,881	\$6,500,000
2007	\$7,501,706	\$6,000,000
2006	\$8,131,753	\$5,400,000



# 2014

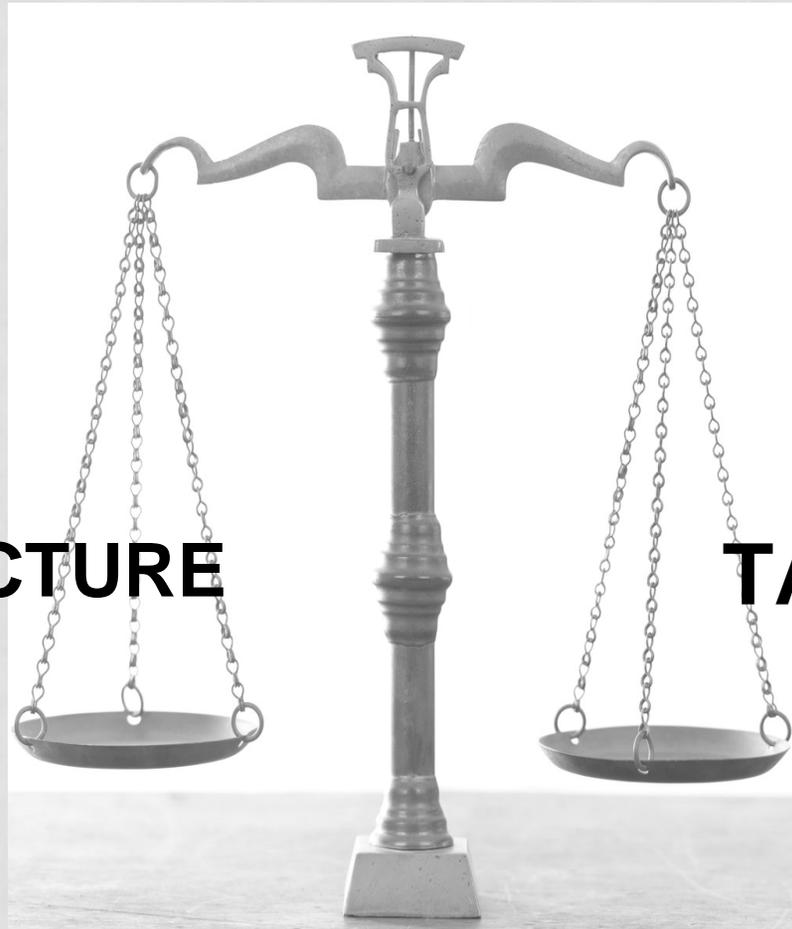
- **Tax appeal Loan Payment**
- **Fee collections are increasing**
- **Projected impact of:**
  - State Aid**
  - Health Benefit Costs**
  - Pension Costs**
  - Labor Contract Negotiations**



# BALANCE

**SERVICES**

**INFRASTRUCTURE**



**TAXES**