

# **2015 BUDGET**

**TOWNSHIP OF LITTLE FALLS**

---

**Budget Presentation**

# TOWNSHIP OF LITTLE FALLS

---

2015

Budget Presentation

# Overview

---

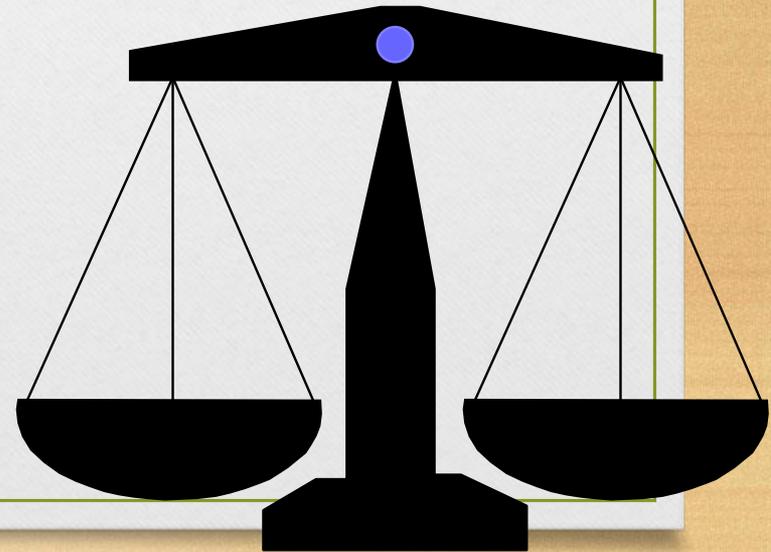
- Annual Budget Requirement
- Budget Calendar
- Budget Cap
- Revenues and Appropriations
- Transfers
- Emergencies
- Audit
- 2015 BUDGET



# Annual Budget Requirement

---

- Each Year every New Jersey Municipality must Introduce and Adopt a Balanced Municipal Budget. N.J.S.A. 40A:4.
- Municipal Appropriations Only
- Tax Rate Established:
  - Local
  - School
  - County.



# Statutory Requirements:

---

- Mayor's Budget to Council-Introduction and Approval
- Public Advertising
- Public Hearing
- Amendments at Public Hearing
  - **If Required**
- Adoption- 3 affirmative votes required to pass the Budget.

# Proposed Budget Calendar 2015

---

- February 13, 2015 Mayor's Budget Presented to Council
- Council Review
- March 23, 2015 Formal Budget Introduction
- April 27, 2015 Budget Adoption
- Tax information to the
  - County Board of Taxation
  - 15 days after Adoption

# Appropriations Cap

---

- Established in 1977- 5% Cap on Appropriations
- Lots of Amendments
- 2015 Cap- 1.5%
- 2015 Levy Cap 2%
- NJ Cost of Living 2015 – (1.5)%

# Budget Appropriations Cap Law

---

- N.J.S.A.40A:4-45
- Final CAP Appropriations shall be prohibited from increasing by more than 2.5% or the index rate, whichever is less over the previous year.
- 2015 CAP rate 1.5%
- Exceptions:
  - 2% CAP Municipal ordinance
  - Referendum

# TAX LEVY CAP

---

- Levy Cap on Municipal Property Tax
- Chapter 44 P.L. 2010
- Property Tax Levy Caps

N.J.S.A. 40A:4-45.44 through .47

2% levy cap on municipal, county, solid waste districts, and fire district tax levies

Introduced budgets must be cap compliant

# LEVY CAP

---

- Starting with the prior year amount to be raised by taxation for municipal purposes:  
Deduct:-One-year waivers and exclusions.  
Add/deduct the net cost increase or decrease for debt, pensions and health insurance.  
Add 2% of the prior year amount to be raised by taxation for municipal purposes.  
Add to the CAP the municipal tax value of added assessments.

## LEVY CAP APPROPRIATIONS CAP

---

- Levy CAP- \$11,619,754
- 2015 Levy -\$11,564,632
- Amount Below CAP- \$55,122

- 

---

- |                           |              |
|---------------------------|--------------|
| • Appropriation CAP-      | \$11,611,885 |
| • 2015 CAP Appropriations | \$11,358,215 |
| • Amount Below CAP        | \$253,670    |

# Revenues and Appropriations

---

- Revenues:
  - Fund Balance
  - Miscellaneous Revenues
  - State and Federal Aid
  - Real Estate Taxes

**Rule: Cannot anticipate any miscellaneous revenue greater than what was received in the prior year, unless new revenue is supported by proper documentation and approved by the Division of Local Government services.**

# Appropriations

---

- Appropriations are the authorizations to expend budget dollars in support of government operations.

**•Rule: Expenditures can only be made through valid procedural process, authorized by the Department Heads and the Township Administrator.**

# Transfers

---

- Current Budget-November 1 to December 31 of the Budget Year

# Emergencies

---

- Unanticipated events which require expenditures in support of the operation of government.
- Declared by the Mayor or Emergency Management Coordinator
- Funded by the Township Council, through Emergency resolution-passed by 2/3 vote
- Raised in the subsequent years Budget

# Audit

---

- Required by N.J.S.A 40A:5-9
- Annual Audit of each Municipality is conducted by an auditor who holds an un-canceled license as a Registered Municipal Accountant of the State of New Jersey.
- Township Auditor- Gary Higgins-RMA



2015 MUNICIPAL  
BUDGET

---

**PROPOSED**

# Agenda

---

The Annual Municipal Budget provides the Spending Authority for all Township Departments

This presentation provides an overview of our 2015 spending plan and estimates the Funding required to support that plan.

Only public information is presented herein, confidential information has been specifically excluded from this presentation.



**Highlights**



**Revenue**



**Appropriations**



**Debt**



**Tax Rate**

# Balance Sheet

## December 31,

Current Fund ( in thousands)	2013	2014	
<b>Assets</b>			
–Cash	\$3,221	\$5,158	
–Taxes receivable	760	611	
–Inter-funds	30	144	
–Other	566	876	
–Deferred Charges	168	79	
<b>Total Assets</b>	<b>4,745</b>	<b>6,868</b>	
<b>Liabilities</b>			
–Appropriation Reserves	\$1,082	\$660	
–Prepaid Taxes	444	186	
–Reserve For Receivables	1,296	1,580	
–Reserve for Grants	551	297	
–Other	419	3,206	
<b>Total Liabilities</b>	<b>\$3,792</b>	<b>\$5,929</b>	
<b>Fund Balance</b>	<b>\$953</b>	<b>\$939</b>	

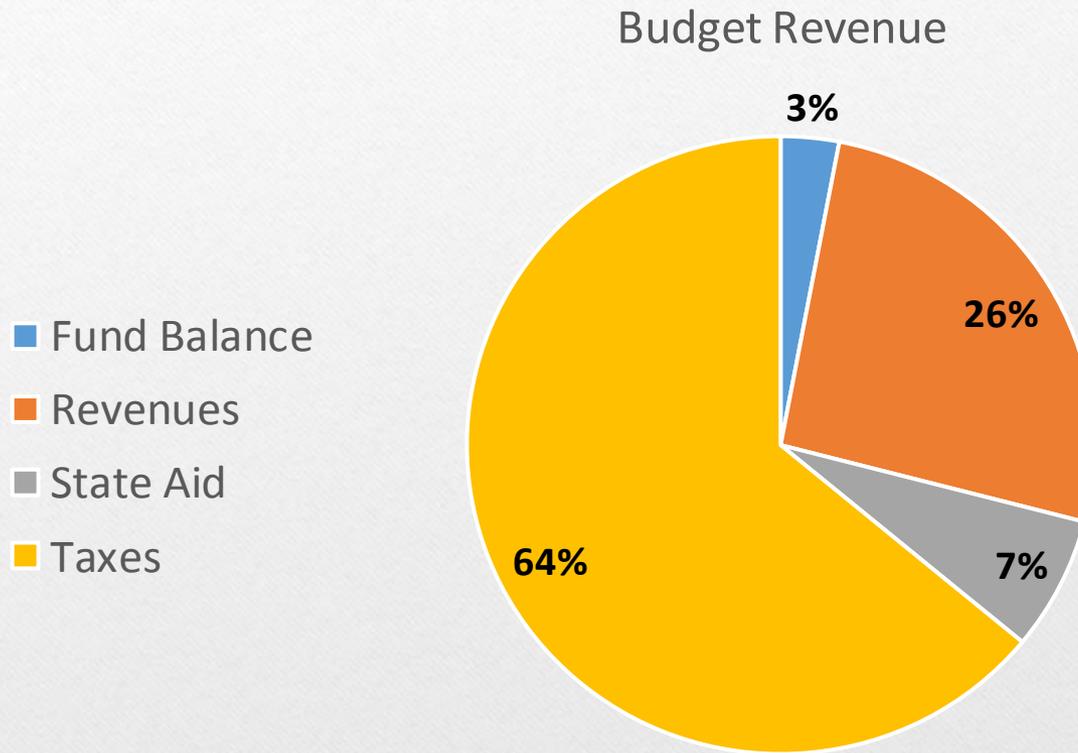
# Budget Highlights

<b>INTRODUCED BUDGET</b>	<b>2014</b>	<b>2015</b>
Fund Balance Utilized	\$450,000	\$538,000
Anticipated Revenue	3,188,400	3,330,157
Reserve for FEMA	.00	2,378,870
Receipts From Delinquent Taxes	345,000	527,841
Amount to be Raised by Taxes	11,857,764	12,113,060
Total Budget	15,841,164	18,888,028
In Cap Appropriations	10,750,558	11,358,215
Out of Cap Appropriations	5,090,606	7,529,813
Overexp. of Capital Ordinance 2013	.00	2,378,870

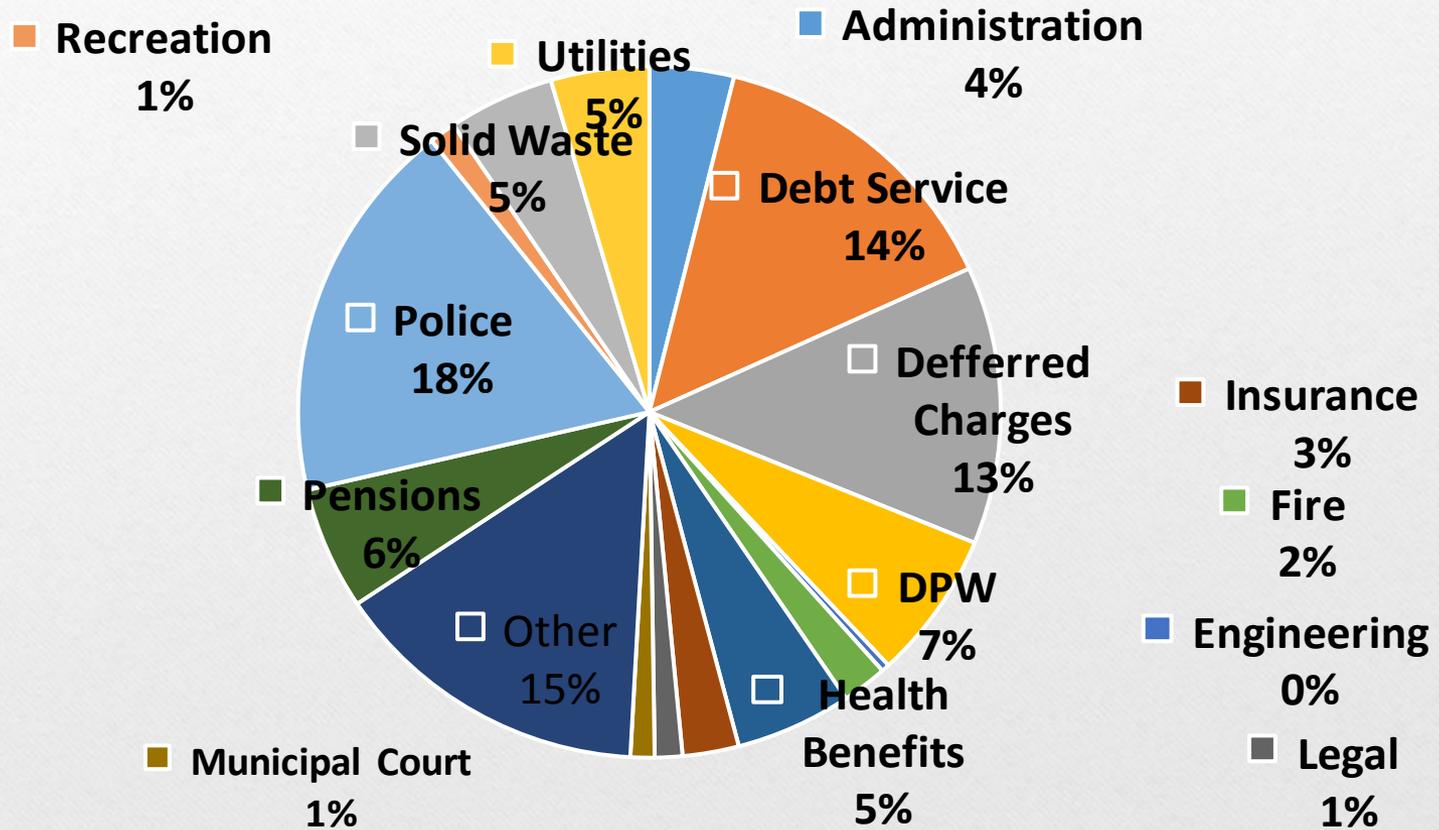
# Budget Highlights

- Anticipated Surplus utilization of \$538,000 in the 2015 Budget
- Appropriations have been set to reflect salary increases all Bargaining Unit Contracts in affect for 2015. PBA 1% and DPW 1%
- Administrative Salaries have been set to reflect a 2% cost of Living Adjustment.
- Police and Fire Pension costs reflect cost per Officer of \$23,844.70
- The Budget Anticipates the Hiring of 4 new Police Officers
- Public Employees Retirement System cost reflect cost per employee of \$6,606.00 No New Administrative positions are anticipated in the 2015 Budget
- Debt Service has remained stable from last year
- Assessed Values have stabilized from 2014

# 2015 Revenue by Source

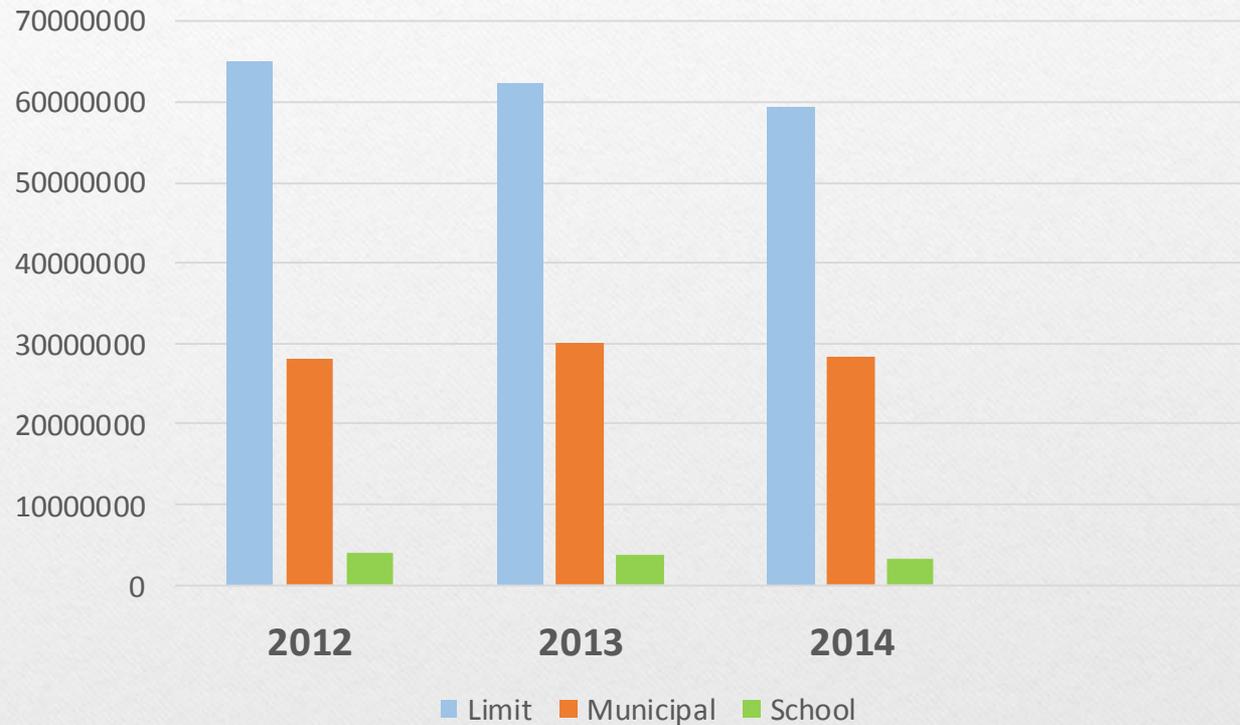


# 2015 Appropriations by Source



# Municipal Debt

## Comparison



# TOTAL TAX RATE

	(1) 2015	2014	2013	2012	2011	2010	2009
	<u>\$3.059</u>	<u>\$2.994</u>	<u>\$2.845</u>	<u>\$2.300</u>	<u>\$2.145</u>	<u>\$2.062</u>	<u>\$1.933</u>
Municipal	0.77990	\$0.75900	0.72794	0.57284	0.5494	0.572	0.514
Municipal Open Space	0.00500	0.00500	0.00626	0.00500			
Library	0.03700	0.03700	0.03930	0.03380	0.0332		
County	0.79152	0.77600	0.71570	0.63604	0.5725	0.539	0.522
Local School	0.91494	0.89700	0.85050	0.66700	0.6534	0.621	0.575
Regional High School	0.53040	0.52000	0.50530	0.38532	0.3365	0.331	0.322
Assessed Valuation	<u>1,482,747,500</u>	<u>1,486,752,900</u>	<u>1,507,404,960</u>	<u>1,885,661,100</u>	<u>1,912,300,600</u>	<u>1,919,873,500</u>	<u>1,923,117,266</u>
Assessed Valuation of Average Home	302,000	302,000	293,600	379,000	379,071	382,000	382,000

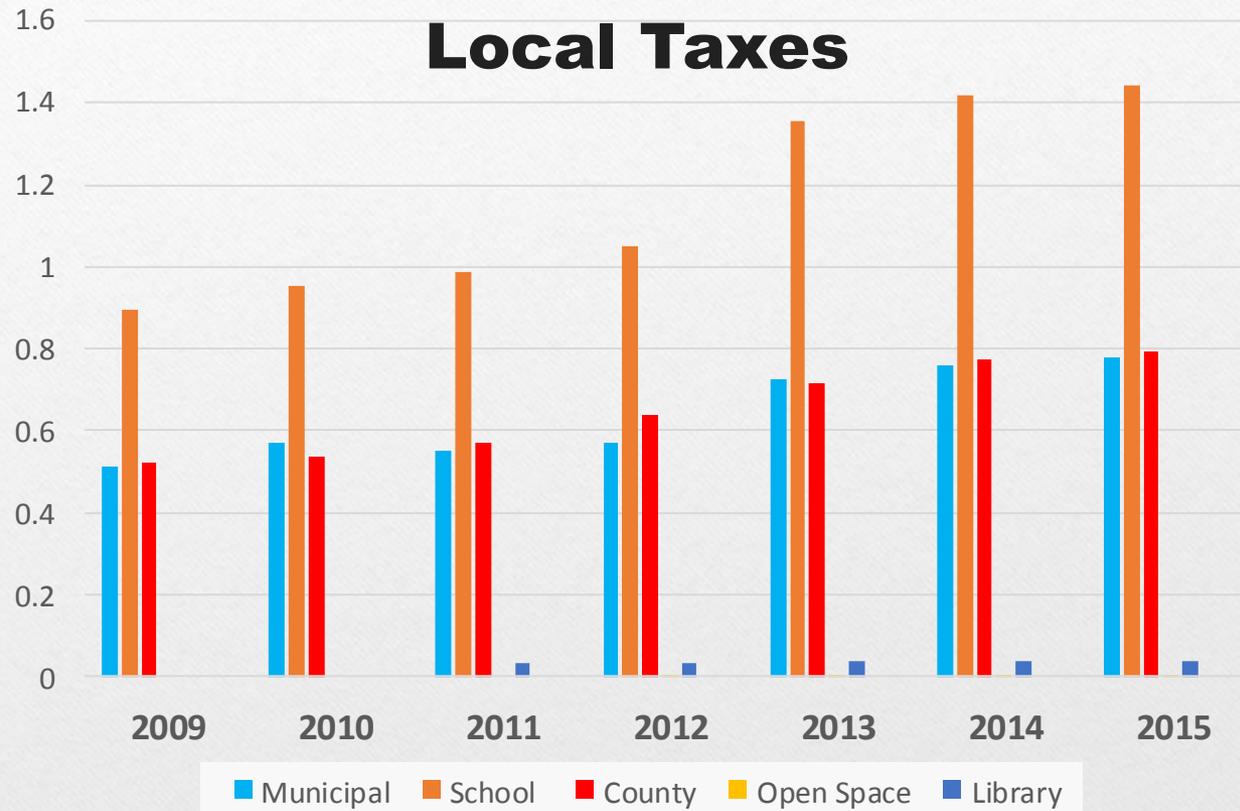
# How much do I pay?

---

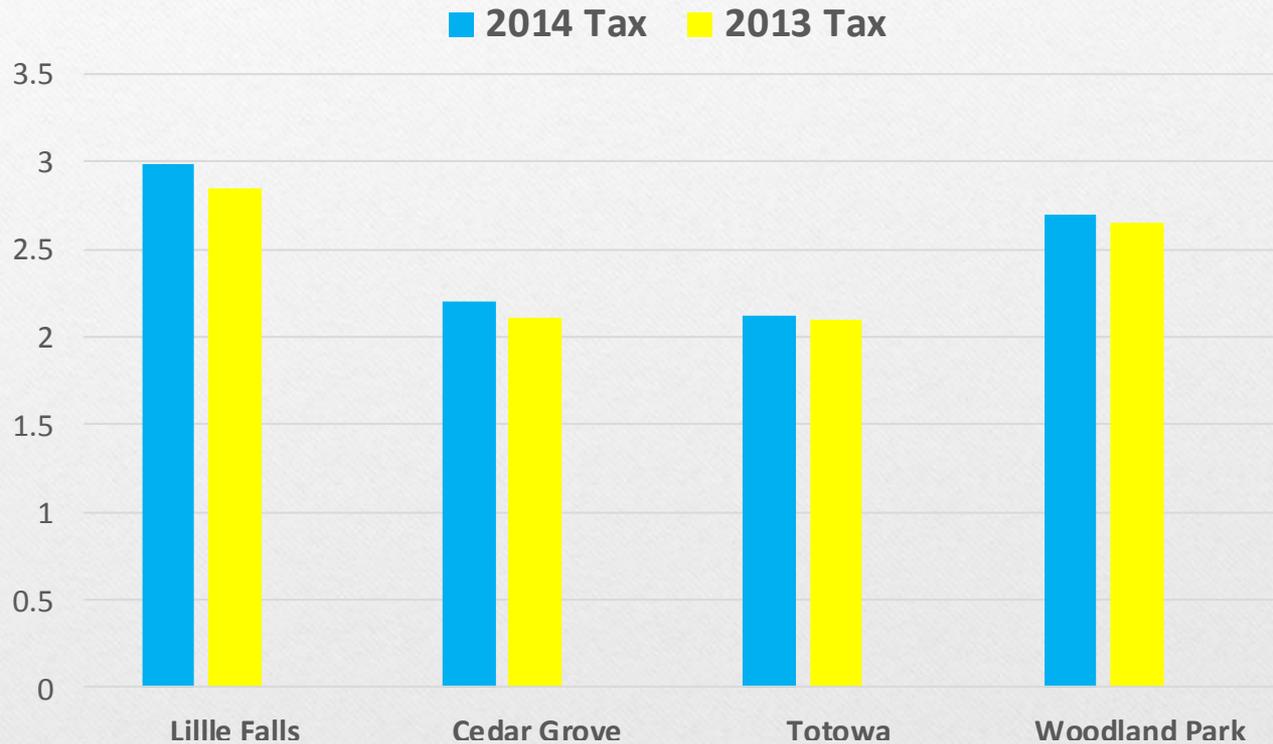
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015*</u>
LOCAL	<u>.514</u>	<u>.572</u>	<u>.549</u>	<u>.572</u>	<u>.728</u>	<u>.759</u>	<u>.779</u>
TOTAL	<u>1.933</u>	<u>2.062</u>	<u>2.145</u>	<u>2.300</u>	<u>2.845</u>	<u>2.994</u>	<u>3.059</u>

*Estimate	Assessed Value: <u>2010</u>			<u>2014</u>		<u>2015</u>
	Ave. A. V.	7,876		9,041		9,238
	<u>Municipal</u>	<u>2,185</u>		<u>2,292</u>		<u>2,352</u>

# Municipal Tax Rate

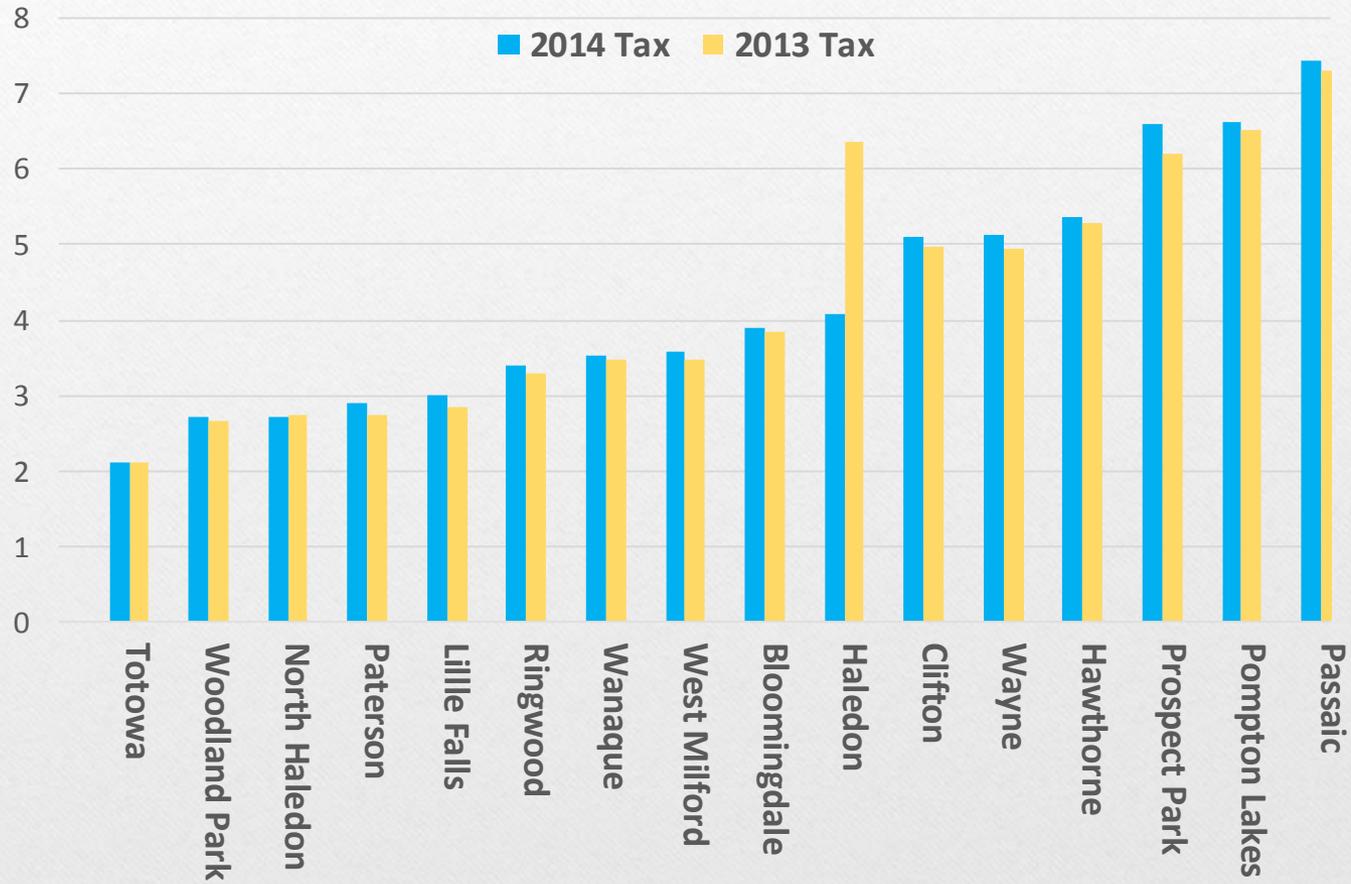


# Municipal Tax Rate Comparison Surrounding Towns



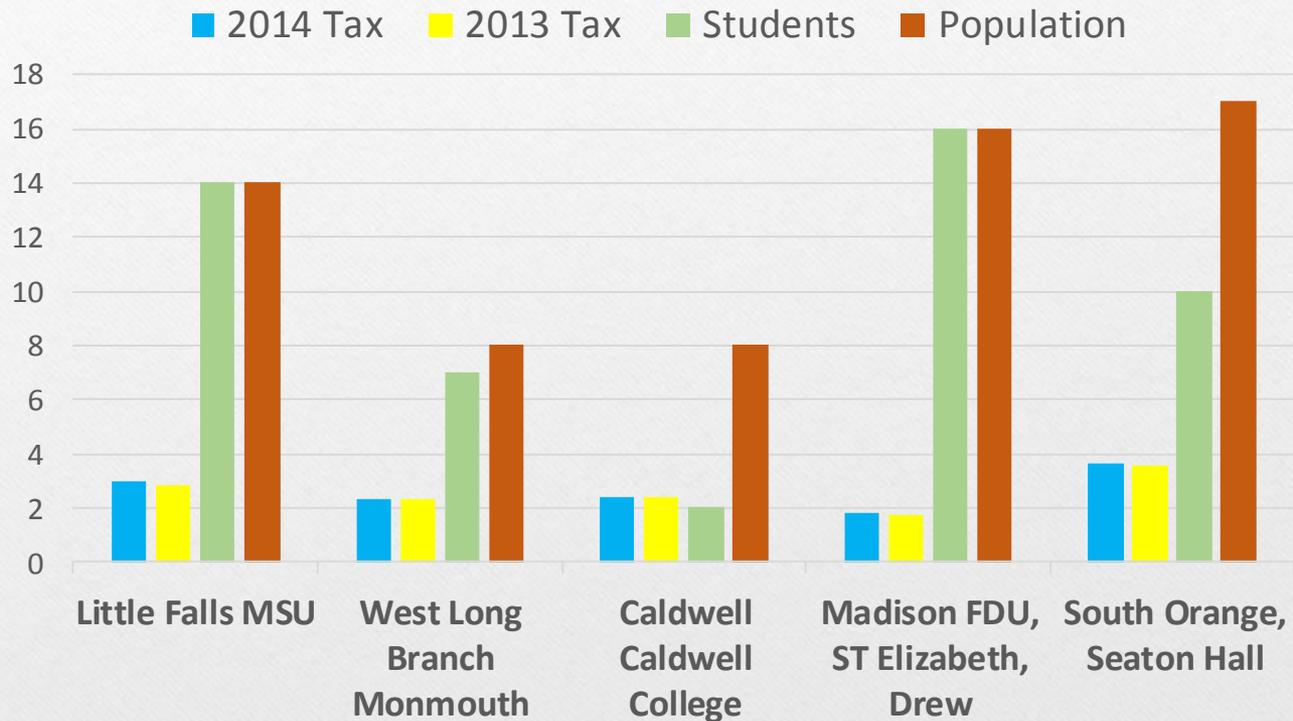
# Municipal Tax Rate

## COMPAISON PASSAIC COUNTY



# Municipal Tax Rate

## Towns with Colleges and Universities



# Capital Budget Plan

## 2015

A Capital Budget is a required part of the Annual Budget for all Municipalities in the State of New Jersey. N.J.S.A.40A:4-43 provides that this budget is A plan for the expenditure of public funds for Capital purposes. The Authorization to make the expenditure still requires a Capital Ordinance adopted by the Township Council for each specific project.

Capital Project:	Acqisition Year	Estimated Cost	Current Budget	CIF	Funding	
					Bnds and Notes	Grants
<b>Administration:</b>						
Acqisition of Terminal Server	2015	25,000.00	25,000.00			
<b>Police</b>						
Intergrated Car and Body Camers	2016-2018	150,000.00		7,500.00	142,500.00	
<b>Fire</b>						
Acqisition of SCBA	2015	500,000.00				500,000.00
Acqisition of New Engine 2	2015	650,000.00		32,500.00	617,500.00	
Acqisition of New Engine 4	2017	650,000.00		32,500.00	617,500.00	
Acqisition of 2 New Ambulances	2017	270,000.00		13,500.00	256,500.00	
<b>Sub Total Fire</b>		<b>2,070,000.00</b>	<b>-</b>	<b>78,500.00</b>	<b>1,491,500.00</b>	<b>500,000.00</b>
<b>Dpw</b>						
<b>Equipment:</b>						
Acqisition of F550	2015	63,000.00				
Acqisition of Internation Chasis 39,000 GVW	2015	140,000.00				
Acqisition of Used Chasis	2015	90,000.00				
Acqisition of Ford Expidition	2015	31,000.00				
<b>Sub Total Acqisition of DPW Equipment</b>		<b>324,000.00</b>		<b>16,200.00</b>	<b>307,800.00</b>	
<b>Sanitary Sewers</b>						
I&I Stevens Ave to Wilmore Rd. and Main St. to Cedar Grove Boundry	2016	500,000.00		25,000.00	475,000.00	
<b>Road Program</b>						
2015 resurfacing program	2015-2019	1,500,000.00		75,000.00	1,425,000.00	
Road Reconstruction Coney Rd. and Veranda Ave	2016	200,000.00		10,000.00	190,000.00	
		1,700,000.00		85,000.00	1,615,000.00	
<b>DOT Projects</b>						
<b>Storm Sewers</b>						
Replace Storm Drain William St.from Barber to Main	2015	400,000.00		20,000.00	380,000.00	
New Drain William St to Island pump Station						
<b>Sub Total DPW</b>		<b>2,924,000.00</b>	<b>-</b>	<b>146,200.00</b>	<b>2,777,800.00</b>	<b>-</b>
<b>TOTAL Capital Requests</b>		<b>5,169,000.00</b>	<b>25,000.00</b>	<b>232,200.00</b>	<b>4,411,800.00</b>	<b>500,000.00</b>

**Council Authorization Requested**

<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
25,000.00				
	75,000.00	40,000.00	35,000.00	
500,000.00				
650,000.00		650,000.00		
		270,000.00		
324,000.00				
	500,000.00			
300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
	200,000.00			
400,000.00				
<u>2,199,000.00</u>	<u>1,075,000.00</u>	<u>1,260,000.00</u>	<u>335,000.00</u>	<u>300,000.00</u>

Capital Budget addresses the needs of the Township and if authorized by Council will reflect a net savings over current debt service payments of **\$304,000**

Debt Service Payments 2015-	\$2,003,000.00
2015 Debt Authorizations-	<u>\$1,699,000.00</u>
Net Reduction in Debt	\$ <b><u>304,000.00</u></b>

# TOWNSHIP OF LITTLE FALLS

---

2015

BUDGET

QUESTIONS ?