

# MENDHAM TOWNSHIP

Budget Introduction – APRIL 11, 2016

*Mayor, Frank Cioppettini  
Deputy Mayor, Diana Orban Brown  
Committee Member, Christopher Baumann  
Committee Member, Maribeth Thomas  
Committee Member, Samuel Tolley*

# THE BUDGET PROCESS

Department Head Line Level Review



Submitted to CFO & Business Administrator for Analysis and Input



Presentations/Discussion with Finance Committee



Presentations/Discussion with Township Committee



Budget Introduction – State Requirement by March 18<sup>th</sup> or the first meeting after



Public Hearing



Budget Adoption – At least 28 days after Budget Introduction

# CURRENT FUND EXPENSES

Budget Item	2015 Budget	2016 Budget	% Change
Salaries (Non-Police)	\$1,492,932	\$1,539,650	3.13%
Salaries (Police)	\$1,581,175	\$1,629,172	3.04%
Insurance	\$870,484	\$928,850	6.71%
Utilities	\$291,675	\$268,675	(7.89%)
Debt Service & Capital Contributions	\$1,195,849	\$1,411,480	18.03%
Reserve for Uncollected Taxes	\$1,034,580	\$1,046,617	1.16%
Pension	\$494,254	\$489,300	(1.00%)
Statutory Expenditures	\$246,000	\$260,920	6.07%
All Other Accounts	\$2,014,685	\$1,965,837	(2.42%)
<b>TOTAL</b>	<b>\$9,221,635</b>	<b>\$9,540,501</b>	<b>3.46%</b>

# CURRENT FUND REVENUES

Revenue	2015 Anticipated	2015 Realized	2016 Anticipated	% Change
Fund Balance	\$790,000	\$790,000	\$790,000	0%
Local Revenues	\$306,600	\$261,828	\$248,600	(18.92%)
State Aid	\$487,059	\$487,059	\$487,059	0%
UCC Fees	\$240,000	\$191,159	\$190,000	(20.83%)
Grants	\$29,751	\$29,751	\$9,162	(60.20%)
Other Special Items	\$231,200	\$245,210	\$140,200	(39.36%)
Delinquent Taxes	\$233,000	\$222,335	\$220,000	(5.58%)
Amount To Be Raised by Taxes	\$6,904,025	\$7,704,790	\$7,455,480	7.99%
<b>TOTAL</b>	<b>\$9,221,635</b>	<b>\$9,932,132</b>	<b>\$9,540,501</b>	<b>3.46%</b>

# 2016 CAPITAL PLAN

<i>Project</i>	<i>Cost</i>	<i>2016 Budget / CIF</i>	<i>Debt Authorized</i>
Road Overlay Program	\$254,510	\$12,725	\$241,784
Refurbish Various Equipment / Vehicles for DPW	\$35,000	\$1,750	\$33,250
Equipment for Ralston Fire Company	\$56,000	\$2,800	\$53,200
Equipment for Brookside Fire Department	\$21,000	\$5,325	\$15,675
Reserve for Capital Improvement Fund	\$10,000	\$10,000	\$0
Various Municipal Building Improvements	\$25,000	\$1,400	\$23,600
Water Line - Library & Town Hall	\$10,000	\$1,000	\$9,000
Road Improvements	\$142,000	\$142,000	\$0
Police Vehicle	\$28,500	\$28,500	\$0
<b>Totals</b>	<b>\$582,010</b>	<b>\$205,500</b>	<b>\$376,509</b>

# BUDGET OBJECTIVE

- Create Stability in Operating Expenses
- Revenues Based on Reliability
- Build Fund Balance & Reserves
- Eliminate Revenue & Expense Spikes & Dips
- Address Shortfalls in Revenues
- Effectively Manage Debt through Long Term Planning – Stop Debt from Driving the Budget

# 2016 MUNICIPAL TAX IMPACT

	2015 Tax Rate	2016 Tax Rate
Municipal Tax	.367	.397
Open Space Tax	.023	.023

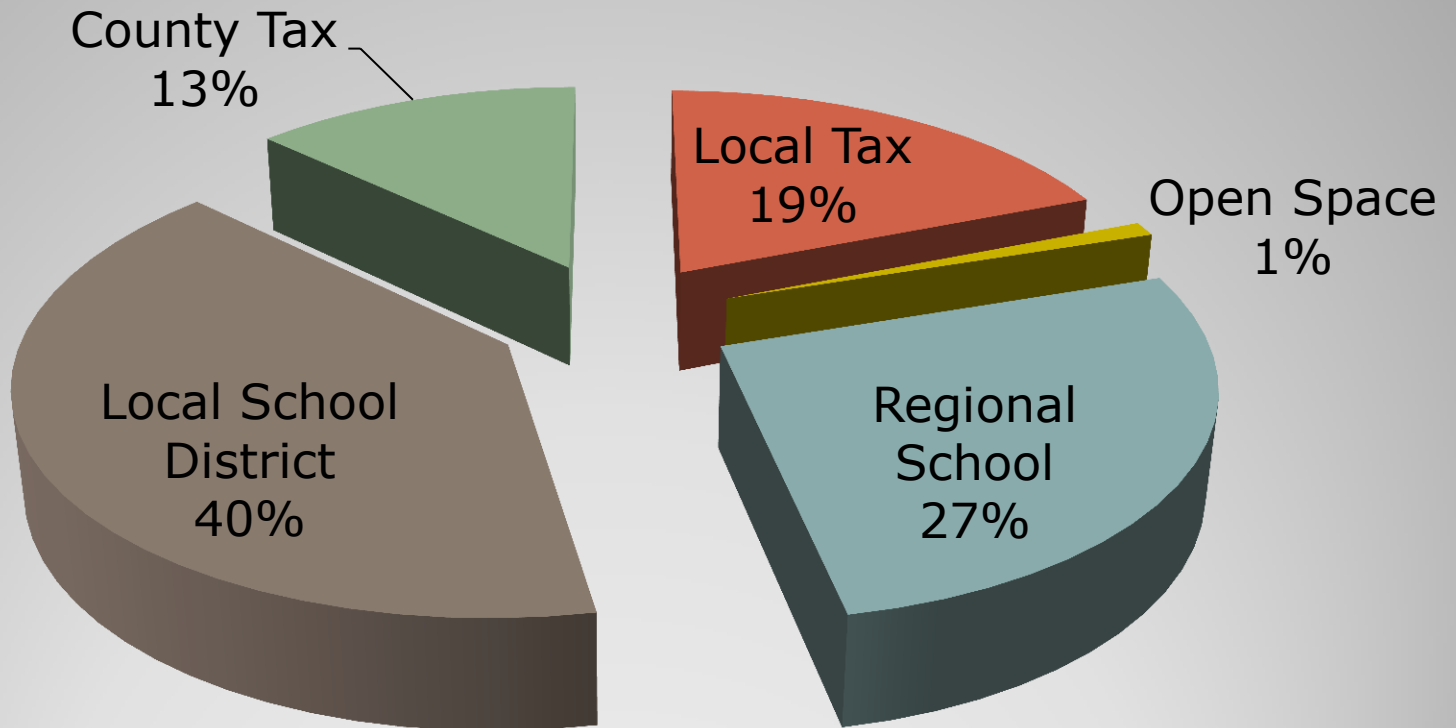
	2015 Local Tax Levy	2016 Local Tax Levy
Municipal Tax	6,904,028	7,455,480
Open Space Tax	431,650	431,650

# TAX IMPACT

	2015		2016		% Change	Difference	Difference
Components	\$\$ Amount	Rates	\$\$ Amount	Rates		Annual	Monthly
Local Tax	\$3,275.64	.367	\$3,543.74	.397	8.18%	\$268.10	\$22.34
Open Space	\$204.80	.023	\$205.17	.023	.18%	\$0.37	\$.03
School District Tax (estimated)	\$7,382.99	.829	\$7,544.40	.847	2.19%	\$161.41	\$13.45
Regional School Tax (estimated)	\$4,849.79	.544	\$4,955.82	.556	2.19%	\$106.03	\$8.84
County Tax (estimated)	\$2,333.35	.262	\$2,384.37	.263	2.19%	\$51.01	\$4.25
<b>Overall Tax Estimate</b>	<b>\$18,046.57</b>	<b>2.026</b>	<b>\$18,633.50</b>	<b>2.092</b>	<b>3.25%</b>	<b>\$586.92</b>	<b>\$48.91</b>
<b>Average Home in Mendham - \$890,425</b>							



# TAX LEVY BREAKDOWN



# 2016 AND BEYOND

- Finance Committee will meet year-round and develop a three-year prospective budget
- Evaluate service agreements and continue negotiations with vendors
- Review and manage the use of debt in regard to term and structure
- Identify additional shared services and outsourcing opportunities