

MENDHAM TOWNSHIP

Budget Introduction – March 13, 2017

*Mayor, Diana Orban Brown
Deputy Mayor, Richard Diegnan
Committee Member, Christopher Baumann
Committee Member, Frank Cioppettini
Committee Member, Warren Gisser*

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 18th or the first meeting after



Public Hearing



Budget Adoption – At least 28 days after Budget Introduction

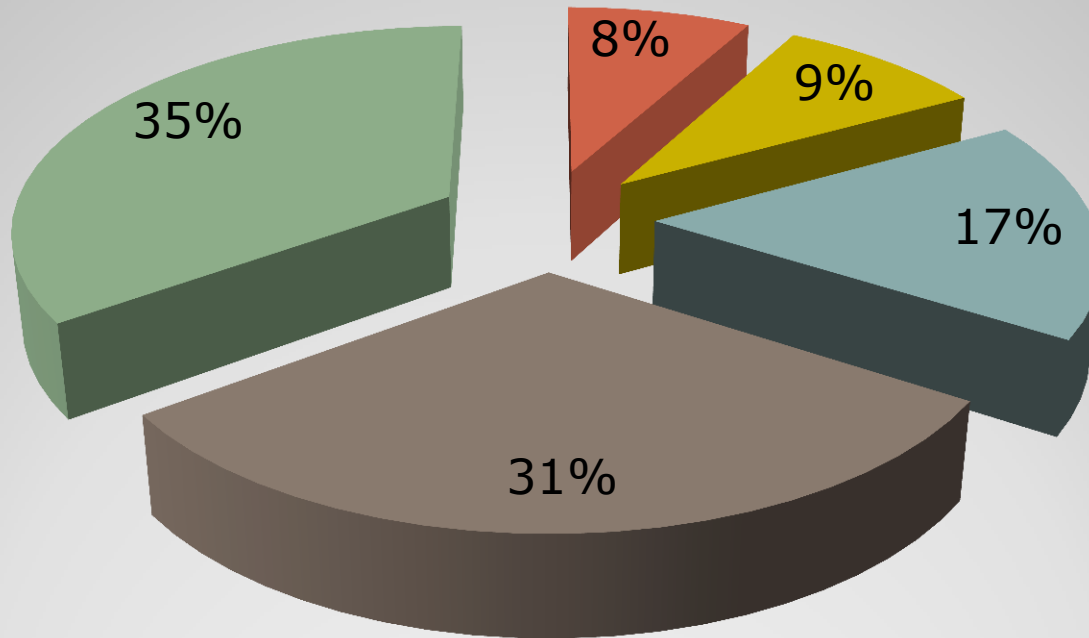
CURRENT FUND REVENUES

Revenue	2016 Anticipated	2016 Realized	2017 Anticipated	\$\$ Change
Fund Balance	\$790,000	\$790,000	\$804,860	\$14,860
Local Revenues	\$248,600	\$241,917	\$228,600	(\$20,000)
State Aid	\$487,059	\$487,059	\$487,059	\$0
UCC Fees	\$190,000	\$194,280	\$190,000	\$0
Grants	\$9,162	\$9,162	\$3,719	(\$5,443)
Other Special Items	\$140,200	\$172,664	\$421,587	\$281,387
Delinquent Taxes	\$220,000	\$226,984	\$250,000	\$30,000
Amount To Be Raised by Taxes	\$7,455,480	\$8,297,829	\$7,749,984	\$294,504
TOTAL	\$9,540,501	\$10,419,895	\$10,135,809	\$595,308

Percentage Increase – 6.24%

Budget Breakdown

- Statutory Expenditures
- Insurance
- Debt Service
- Salary & Wages
- Operating Expenses



Budget Breakdown

	2016 Budget	2017 Budget	\$\$ Change
Statutory Expenditures	\$750,220	\$781,520	\$31,300
Insurance	\$939,830	\$949,430	\$9,600
Debt Service	\$1,205,980	\$1,718,557	\$512,577
Salary & Wages	\$3,168,822	\$3,147,520	(\$21,302)
Operating Expense	\$3,475,649	\$3,538,782	\$63,133
Total	\$9,540,501	\$10,135,809	\$595,308

Percent Increase – 6.24%

Statutory Expenditures

	2016 Budget	2017 Budget	\$\$ Change
PERS	\$161,423	\$173,100	\$11,677
PFRS	\$326,377	\$345,000	\$18,623
Social Security	\$260,920	\$260,920	\$0
DCRP	\$1,500	\$2,500	\$1,000
Total	\$750,220	\$781,520	\$31,300

Percent Increase – 4.17%

Insurance

	2016 Budget	2017 Budget	\$\$ Change
General Liability	\$157,350	\$167,950	\$10,600
Workers Comp	\$123,800	\$122,800	(\$1,000)
Group Insurance	\$658,680	\$658,680	\$0
Total	\$939,830	\$949,430	\$9,600

Percentage Increase – 1.02%

Debt Service

	2016 Budget	2017 Budget	\$\$ Change
Bond Principal	\$793,250	\$779,000	(\$14,250)
Bond Interest	\$192,984	\$230,000	\$37,016
BAN Principal	\$180,400	\$633,557	\$453,157
BAN Interest	\$39,346	\$76,000	\$36,654
Total	\$1,205,980	\$1,718,557	\$512,577
Percentage Increase – 42.49%			

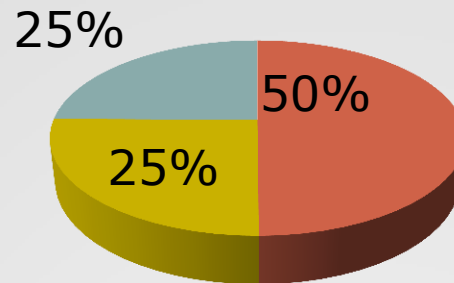
Debt Management Plan

Year	Balance 12/31	Debt Reduction
2017	\$10,177,506	(\$902,537)
2018	\$9,903,219	(\$274,287)
2019	\$9,158,346	(\$744,873)
2020	\$8,392,372	(\$765,974)
2021	\$7,595,872	(\$796,500)
2022	\$7,036,372	(\$559,500)
2023	\$6,449,872	(\$586,500)
2024	\$5,700,000	(\$749,872)
2025	\$5,360,000	(\$340,000)
2026	\$4,970,000	(\$390,000)
2027	\$4,610,000	(\$360,000)
2028	\$4,290,000	(\$320,000)
2029	\$4,010,000	(\$280,000)
2030	\$3,700,000	(\$310,000)
TOTAL DEBT REDUCTION		(\$7,380,043)

Salary & Wages

	2016 Budget	2017 Budget	\$\$ Change
Police	1,629,172	\$1,571,180	(\$57,992)
DPW	\$794,615	\$795,790	\$1,175
All Other	\$745,035	\$780,550	\$35,515
Total	\$3,168,822	\$3,147,520	(\$21,302)
Percentage Increase – (.67%)			

■ Police ■ DPW ■ All Other



OPERATING EXPENSES

Budget Item	2016 Budget	2017 Budget	\$\$ Change
Administration	\$72,150	\$55,400	(\$16,750)
Mayor & Council	\$5,500	\$5,500	\$0
Municipal Clerk	\$3,100	\$12,100	\$9,000
Audit	\$38,100	\$45,000	\$6,900
Finance	\$64,000	\$34,000	(\$30,000)
Management Information Systems	\$54,000	\$70,500	\$16,500
Tax Assessor	\$7,030	\$7,030	\$0
Tax Collection	\$1,780	\$3,180	\$1,400
Legal	\$76,750	\$86,750	\$10,000
Engineering	\$22,700	\$22,700	\$0
Environmental Commission	\$500	\$500	\$0

OPERATING EXPENSES

Budget Item	2016 Budget	2017 Budget	\$\$ Change
Planning Board	\$14,800	\$19,600	\$4,800
Board of Adjustment	\$3,050	\$3,200	\$150
Police	\$70,200	\$74,250	\$4,050
Dispatch	\$141,229	\$143,000	\$1,771
Emergency Management Services	\$200	\$200	\$0
Aid to Volunteer Fire Companies	\$52,750	\$60,250	\$7,500
Fire Inspection & Hydrants	\$67,340	\$73,440	\$6,100
Municipal Prosecutor	\$15,000	\$13,500	(\$1,500)
Streets & Roads	\$163,500	\$189,900	\$26,400
Snow Removal	\$287,900	\$287,900	\$0
Sanitation	\$260,000	\$251,000	(\$9,000)

OPERATING EXPENSES

Budget Item	2016 Budget	2017 Budget	\$\$ Change
Public Buildings & Grounds	\$59,400	\$63,400	\$4,000
Board of Health	\$109,800	\$76,800	(\$33,000)
Animal Control	\$15,500	\$15,500	\$0
Senior Citizen Programs	\$21,018	\$21,000	(\$18)
Board of Recreation	\$0	\$5,900	\$5,900
Maintenance of Parks	\$18,700	\$24,700	\$6,000
Municipal Court	\$6,350	\$6,350	\$0
Construction	\$10,000	\$10,800	\$800
Utilities	\$276,675	\$239,675	(\$37,000)
Historic Preservation	\$500	\$500	\$0

OPERATING EXPENSES

Budget Item	2016 Budget	2017 Budget	\$\$ Change
Contingent	\$2,000	\$0	(\$2,000)
Anticipated Deficit	\$18,778	\$0	(\$18,778)
Aid to Library	\$200,000	\$210,000	\$10,000
LOSAP	\$52,000	\$55,000	\$3,000
Grants	\$11,232	\$5,789	(\$5,443)
Capital Improvement Fund	\$205,500	\$305,600	\$100,100
Reserve for Uncollected Taxes	\$1,046,617	\$1,028,868	(\$17,749)
Reserve for Pitney Expenses	\$0	\$10,000	\$10,000
TOTAL	\$3,475,649	\$3,538,782	\$63,133

Percentage Increase - 1.82%

2017 MUNICIPAL TAX IMPACT

	2016 Tax Rate	2017 Tax Rate
Municipal Tax	.397	.412

	2015 Local Tax Levy	2016 Local Tax Levy
Municipal Tax	\$7,455,480	\$7,749,983

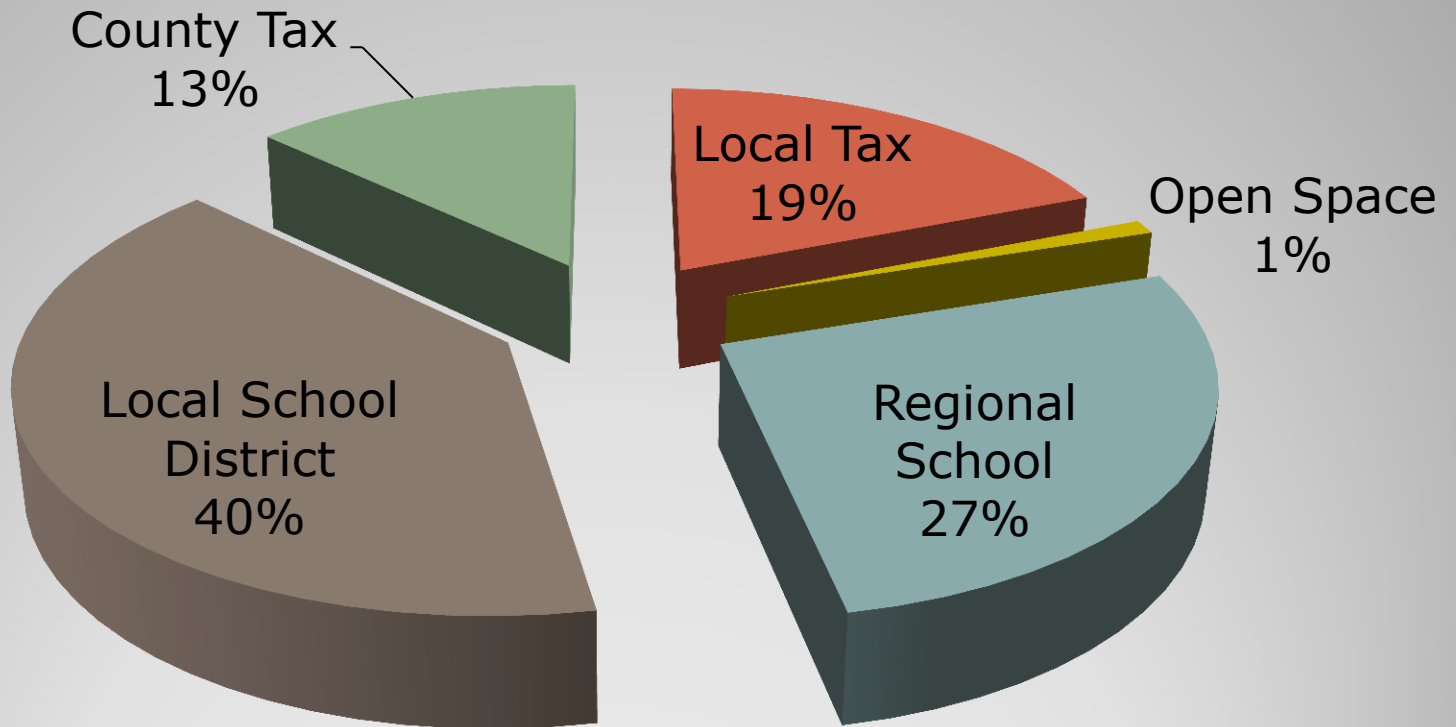
MUNICIPAL TAX INCREASE = 3.9%

TAX IMPACT

Components	2016		2017		% Change	Difference
	\$\$ Amount	Rates	\$\$ Amount	Rates		
Local Tax	\$3,579.47	.397	\$3,716.96	.412	3.9%	\$137.49
Open Space	\$207.24	.023	207.02	.023	(.10%)	(\$.22)
School District Tax (estimated)	\$7,464.96	.829	\$7,606.27	.845	1.8%	\$141.31
Regional School Tax (estimated)	\$4,955.30	.550	\$5,049.10	.561	1.8%	\$93.80
County Tax (estimated)	\$2,374.82	.263	\$2,419.77	.268	1.8%	\$44.95
Overall Tax Estimate	\$18,581.79	2.062	\$18,999.12	2.109	2.2%	\$417.33

Average Home in Mendham - \$900,000

TAX LEVY BREAKDOWN



Capital Plan

Department	2017	2018	2019	2020	2021	2022
Fire Companies	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
Police Department	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Recreation Department	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
Public Works	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
Streets & Roads	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00
Administration	\$ 15,600.00	\$ 15,600.00	\$ 15,600.00	\$ 15,600.00	\$ 15,600.00	\$ 15,600.00
Township Buildings Infrastructure	\$ 62,500.00	\$ 62,500.00	\$ 62,500.00	\$ 62,500.00	\$ 62,500.00	\$ 62,500.00
Total Projects	\$ 1,018,100.00	\$ 1,018,100.00	\$ 1,018,100.00	\$ 1,018,100.00	\$ 1,018,100.00	\$ 1,018,100.00

2016 AND BEYOND

- Work with all departments on developing capital plan based on parameters given
- Review contracts for price reductions
- Identify additional shared services and outsourcing opportunities