



# FINANCE COMMITTEE MEETING

FEBRUARY 26, 2019

# CURRENT BUDGET CHANGES



LINE ITEM	2018 BUDGET	ORIGINAL REQUEST	PROPOSED BUDGET
CAPITAL IMPROVEMENT FUND –Change in capital requests	\$355,600	\$355,600	\$340,000
GASOLINE –Change in gas prices	\$89,760	\$100,000	\$90,000
LIBRARY –2% increase	\$214,000	\$230,000	\$218,280
BROOKSIDE ENGINE COMPANY –2% increase	\$30,250	\$35,250	\$30,855
RALSTON ENGINE COMPANY –2% increase	\$22,000	\$24,050	\$22,440
RECREATION SALARY- Projected salary of interim Rec. Dir.	\$50,000	\$50,000	\$20,000

# CURRENT TAX INCREASE

CURRENT TAX INCREASE = **1.992%**

DOLLARS TO CUT OR FUND BALANCE  
TO UTILIZE TO GET TO ZERO

**\$160,475**

# BUDGET PROJECTION COMPARISON

<b><u>0% INCREASE</u></b>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Fund Balance Anticipated	\$ 1,160,480.00	\$ 1,125,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00	\$ 1,200,000.00
Amount to be Raised by Taxation	\$8,056,299.39	\$8,055,827.20	\$8,170,880.15	\$8,366,242.62	\$8,567,079.59	\$8,773,561.65
Total Budget	\$10,839,792.42	\$10,760,786.20	\$10,950,839.15	\$11,146,201.62	\$11,347,038.59	\$11,553,520.65
% Tax Increase above previous Year	0.00%	-0.01%	1.43%	2.39%	2.40%	2.41%
<b><u>2% INCREASE</u></b>						
Fund Balance Anticipated	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00
Amount to be Raised by Taxation	\$ 8,216,779.39	\$ 8,180,827.20	\$ 8,370,880.15	\$ 8,566,242.62	\$ 8,767,079.59	\$ 8,973,561.65
Total Budget	\$ 10,839,792.42	\$ 10,760,786.20	\$ 10,950,839.15	\$ 11,146,201.62	\$ 11,347,038.59	\$ 11,553,520.65
% Tax Increase above previous Year	1.99%	-0.44%	2.32%	2.33%	2.34%	2.36%



# USES FOR FUND BALANCE

- ▶ BUILD RESERVES:
  - ▶ CAPITAL IMPROVEMENT FUND
  - ▶ RESERVE FOR REASSESSMENT
  - ▶ STORM TRUST
  - ▶ SPECIAL PROJECTS
  - ▶ TAX APPEALS
- ▶ PROVIDES CASH FLOW BETWEEN TAX COLLECTION
- ▶ UNANTICIPATED EXPENDITURES
- ▶ UNFORSEEN REVENUE FLUCTUATIONS

# FUND BALANCE BEST PRACTICE

GFOA RECOMMENDES MAINTAINING NO LESS 2 THAN  
MONTHS OF REGULAR GENERAL FUND OPERATING  
REVENUES OR EXPENDITURES

MENDHAM TOWNSHIP = \$1,700,000