



2018 BUDGET Presentation

Township of Wall



2018 BUDGET GOALS

- **Minimize Current Year Tax Increase without Reduction in Services**
- **Prioritize Spending Reductions to Minimize Impact on Current Services**
- **Achieve Fiscal Stability by Considering Both the Short and Longer Term Financial Impact of This Year's Budget Decisions**
- **Address Infrastructure Needs while reducing dependency upon borrowing**
- **Meet State Guidelines on Spending Cap and Levy Cap**

STATE BUDGET MANDATES

- **2.0% Cap on Increase of Municipal Property Taxes**
 - 2018 Budget is *under* the 2.0% Tax Levy Cap by \$3,183,795.55 or 5.30 cents in the tax rate.
- **2.0% Cap on Appropriations**
 - 2018 Budget is *under* the 2.0% Appropriations Cap by \$2,449,364.42

2018 BUDGET ACTIONS

- 1. Individual meetings were convened with all Township Committee Chairs, Dept. Directors and support staff during development and review process.**
- 2. Full “baseline” review of all Departments’ operational costs.**
- 3. Analyzed all revenue items to minimize dependency on taxation.**
- 4. Leveraged all funding sources to reduce need on borrowing.**



Two Sections to Each Budget

1. Revenue

2. Appropriations



Revenue

Comparison of Non-Tax Revenue vs. 5 & 10 Year Averages

| | 2018 | 5-year Average | | | Average | 10-year Average | |
|--------------------------|---------------|----------------|-----------|------------|------------|-----------------|------------|
| | | Average | vs. 2018 | % vs. 2018 | | vs. 2018 | % vs. 2018 |
| Local Sources | | | | | | | |
| ABC & Other Licenses | 37,500.00 | 80,000 | (42,500) | -53.13% | 87,200 | (49,700) | -57.00% |
| Other Licenses | 104,000.00 | 43,800 | | 0.00% | 21,900 | | |
| Construction Code | 800,000.00 | 759,000 | 41,000 | 5.40% | 629,800 | 170,200 | 27.02% |
| Fees and Permits | 77,000.00 | 105,800 | (28,800) | -27.22% | 144,900 | (67,900) | -46.86% |
| Court Fees | 785,000.00 | 733,800 | 51,200 | 6.98% | 721,000 | 64,000 | 8.88% |
| Tax Int & Costs | 465,000.00 | 590,000 | (125,000) | -21.19% | 478,400 | (13,400) | -2.80% |
| Investment Int. | 55,000.00 | 27,600 | 27,400 | 99.28% | 70,716 | (15,716) | -22.22% |
| Legal settlement | | - | - | | 6,220 | (6,220) | -100.00% |
| Hotel Tax | 175,000.00 | 169,600 | 5,400 | 3.18% | 93,600 | 81,400 | 86.97% |
| W&S Indirect | 348,041.51 | 336,796 | 11,245 | 3.34% | 168,398 | 179,643 | 106.68% |
| Sub-Total | 2,846,541.51 | 2,846,396 | 145 | 0.01% | 2,422,134 | 424,408 | 17.52% |
| State Aid | | | | | | | |
| Energy Receipts Tax | 3,533,142.00 | 3,526,111 | 7,031 | 0.20% | 3,596,570 | (63,428) | -1.76% |
| Special Legislative | | - | - | n/a | - | - | |
| Federal Aid | | - | - | n/a | - | - | n/a |
| Sub-Total | 3,533,142.00 | 3,526,111 | 7,031 | 0.20% | 3,596,570 | (63,428) | -1.76% |
| Grants | | | | | | | |
| FEMA | | 143,423 | (143,423) | -100.00% | 101,711 | (101,711) | -100.00% |
| Grants | 395,035.48 | 688,846 | (293,811) | -42.65% | 427,557 | (32,521) | -7.61% |
| Sub-Total | 395,035.48 | 832,269 | (437,233) | -52.54% | 529,268 | (134,233) | -25.36% |
| Other Revenue | | | | | | | |
| Interlocal | 124,014.00 | 121,800 | 2,214 | 1.82% | 120,233 | 3,781 | 3.14% |
| Delinquent Taxes | 1,650,000.00 | 1,650,000 | - | 0.00% | 1,324,670 | 325,330 | 24.56% |
| Other Reserves | 130,382.20 | 100,955 | 29,427 | 29.15% | 222,218 | (91,835) | -41.33% |
| Reserve for Debt Service | 308,779.57 | 61,756 | | | 30,878 | | |
| Sunnyside Repayment | 66,667.00 | 80,000 | (13,333) | | 40,000 | 26,667 | 66.67% |
| Surplus | 4,748,400.83 | 3,292,461 | 1,455,940 | 44.22% | 2,977,467 | 1,770,933 | 59.48% |
| Sub-Total | 7,028,243.60 | 5,306,972 | 1,721,272 | 32.43% | 4,715,466 | 2,312,777 | 49.05% |
| Total Non-Tax Revenue | 13,802,962.59 | 12,511,748 | 1,291,215 | 10.32% | 11,263,438 | 2,539,524 | 22.55% |
| Current Taxes | 27,384,491.45 | 26,756,921 | 627,571 | 2.35% | 25,599,051 | 1,785,440 | 6.97% |
| Grand Total | 41,187,454.04 | 39,268,668 | 1,918,786 | 4.89% | 36,862,490 | 4,324,964 | 11.73% |

Comparison of Non-Tax Revenue

2018 vs. 1, 5, and 10 Year Periods

| | 2018 | 2017 | 2014 | 2009 | 1-Year Change | | 5-Year Change | | 10-Year Change | |
|---|---------------|---------------|------------|---------------|---------------|----------|---------------|----------|----------------|---------|
| | | | | | Actual | % | Actual | % | Actual | % |
| Local Sources | | | | | | | | | | |
| ABC & Other Licenses | 37,500.00 | 37,500.00 | 128,000 | 108,000 | - | 0.00% | (90,500) | -70.70% | (70,500) | -65.28% |
| Other Licenses | 104,000.00 | 115,000.00 | | | (11,000) | -9.57% | 104,000 | | 104,000 | |
| Construction Code | 800,000.00 | 700,000.00 | 750,000 | 418,000 | 100,000 | 14.29% | 50,000 | 6.67% | 382,000 | 91.39% |
| Fees and Permits | 77,000.00 | 97,000.00 | 125,000 | 89,000 | (20,000) | -20.62% | (48,000) | -38.40% | (12,000) | -13.48% |
| Court Fees | 785,000.00 | 775,000.00 | 639,000 | 765,000 | 10,000 | 1.29% | 146,000 | 22.85% | 20,000 | 2.61% |
| Tax Int & Costs | 465,000.00 | 465,000.00 | 660,000 | 331,000 | - | 0.00% | (195,000) | -29.55% | 134,000 | 40.48% |
| Investment Int. | 55,000.00 | 33,000.00 | 10,000 | 297,000 | 22,000 | 66.67% | 45,000 | 450.00% | (242,000) | -81.48% |
| Legal settlement | | - | | | - | | - | | - | |
| Hotel Tax | 175,000.00 | 175,000.00 | 175,000 | | - | 0.00% | - | 0.00% | 175,000 | |
| W&S Indirect | 348,041.51 | 348,041.51 | 307,815 | | - | 0.00% | 40,227 | 13.07% | 348,042 | |
| Sub-Total | 2,846,541.51 | 2,745,542 | 2,794,815 | 2,008,000 | 101,000 | 3.68% | 51,727 | 1.85% | 838,542 | 41.76% |
| State Aid | | | | | | | | | | |
| Energy Receipts Tax | 3,533,142.00 | 3,524,353.00 | 3,524,353 | 4,231,816 | 8,789 | 0.25% | 8,789 | 0.25% | (698,674) | -16.51% |
| Special Legislative | | | | | - | | - | | - | |
| Federal Aid | | | | | - | | - | | - | |
| Sub-Total | 3,533,142.00 | 3,524,353.00 | 3,524,353 | 4,231,816 | 8,789 | 0.25% | 8,789 | 0.25% | (698,674) | -16.51% |
| Grants | | | | | | | | | | |
| FEMA | | 367,113.65 | 350,000 | | (367,114) | -100.00% | (350,000) | -100.00% | - | |
| Grants | 395,035.48 | 1,403,469.66 | 233,783 | 92,445 | (1,008,434) | -71.85% | 161,253 | 68.98% | 302,590 | 327.32% |
| Sub-Total | 395,035.48 | 1,770,583.31 | 583,783 | 92,445 | (1,375,548) | -77.69% | (188,747) | -32.33% | 302,590 | 327.32% |
| Other Revenue | | | | | | | | | | |
| Interlocal | 124,014.00 | 126,584.00 | 110,000 | | (2,570) | -2.03% | 14,014 | 12.74% | 124,014 | |
| Delinquent Taxes | 1,650,000.00 | 1,650,000.00 | 1,550,000 | 900,000 | - | 0.00% | 100,000 | 6.45% | 750,000 | 83.33% |
| Other Reserves | 130,382.20 | 92,812.93 | 281,580 | 450,000 | 37,569 | 40.48% | (151,198) | -53.70% | (319,618) | -71.03% |
| Reserve for Debt Service | 308,779.57 | | | | | | 308,780 | | 308,780 | |
| Sunnyside Repayment | 66,667.00 | 66,667.00 | 133,334 | | - | 0.00% | (66,667) | -50.00% | 66,667 | |
| Surplus | 4,748,400.83 | 3,468,685.86 | 2,404,035 | 2,720,000 | 1,279,715 | 36.89% | 2,344,366 | 97.52% | 2,028,401 | 74.57% |
| Sub-Total | 7,028,243.60 | 5,404,749.79 | 4,478,949 | 4,070,000 | 1,623,494 | 30.04% | 2,549,295 | 56.92% | 2,958,244 | 72.68% |
| Total Non-Tax Revenue | 13,802,962.59 | 13,445,227.61 | 11,381,900 | 10,402,261.48 | 357,735 | 2.66% | 2,421,063 | 21.27% | 3,400,701 | 32.69% |
| Current Taxes | 27,384,491.45 | 26,913,505.11 | 26,192,012 | 22,715,206.44 | 470,986 | 1.75% | 1,192,480 | 4.55% | 4,669,285 | 20.56% |
| Grand Total | 41,187,454.04 | 40,358,732.72 | 37,573,911 | 33,117,467.92 | 828,721 | 2.05% | 3,613,543 | 9.62% | 8,069,986 | 24.37% |
| Portion of total budget supported by taxation | 66.49% | 66.69% | 69.71% | 68.59% | | | | | | |

Comparison of Reliance upon Local Taxation

2018 vs. 1, 5, & 10 Year Historical Data

| | <u>2018</u> | <u>2017</u> | <u>2014</u> | <u>2009</u> |
|---|---------------|---------------|-------------|---------------|
| Total Non-Tax Revenue | 13,802,962.59 | 13,445,227.61 | 11,381,900 | 10,402,261.48 |
| Current Taxes | 27,384,491.45 | 26,913,505.11 | 26,192,012 | 22,715,206.44 |
| Grand Total | 41,187,454.04 | 40,358,732.72 | 37,573,911 | 33,117,467.92 |
| Portion of total budget supported by taxation | 66.49% | 66.69% | 69.71% | 68.59% |

Note: State reduction in ERT Aid in 2005-2010 of \$922,172 or \$73.79 annually to a homeowner of an average assessed house



Appropriations:

What are the planned uses of the Revenue?



Discretionary vs. Non-Discretionary Comparison

| | |
|-------------------------|-----|
| Non-Discretionary Items | 47% |
|-------------------------|-----|

| | |
|---------------------|-----|
| Discretionary Items | 53% |
|---------------------|-----|

2018 Budget Appropriations Summary

| | Budgeted Amount | % Of Total |
|---------------------------------------|----------------------|------------|
| Public Safety | 10,726,099 | 26.04% |
| Public Works | 6,103,351 | 14.82% |
| Insurance | 4,600,078 | 11.17% |
| Debt Service | 4,314,327 | 10.47% |
| Pension & Social Security | 4,122,770 | 10.01% |
| Reserve for Uncollected Taxes | 2,655,729 | 6.45% |
| General Government | 2,583,472 | 6.27% |
| Engineering, Construction, & Land Use | 1,439,815 | 3.50% |
| Utilities | 1,185,000 | 2.88% |
| Capital Improvements | 1,090,000 | 2.65% |
| Grants | 609,498 | 1.48% |
| Municipal Court | 536,044 | 1.30% |
| Recreation | 531,270 | 1.29% |
| Total Budget | 41,187,454.04 | |

2018 Appropriation Summary Comparison 1, 5, & 10 Year Budgets

| | 2018 | | 2017 | | 2014 | | 2009 | |
|---------------------------------------|----------------------|------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| | Budgeted Amount | % Of Total | Budgeted Amount | 2017 % Of Total | Budgeted Amount | 2014 % Of Total | Budgeted Amount | 2009 % Of Total |
| Public Safety | 10,726,099 | 26.04% | 10,493,180 | 26.00% | 9,813,400 | 26.12% | 9,661,918 | 29.33% |
| Public Works | 6,103,351 | 14.82% | 5,921,437 | 14.67% | 5,993,500 | 15.95% | 6,387,967 | 19.39% |
| Insurance | 4,600,078 | 11.17% | 4,496,273 | 11.14% | 4,109,635 | 10.94% | 2,935,789 | 8.91% |
| Debt Service | 4,314,327 | 10.47% | 3,992,978 | 9.89% | 4,170,918 | 11.10% | 3,934,065 | 11.94% |
| Pension & Social Security | 4,122,770 | 10.01% | 4,110,653 | 10.19% | 4,090,994 | 10.89% | 2,266,395 | 6.88% |
| Reserve for Uncollected Taxes | 2,655,729 | 6.45% | 2,630,729 | 6.52% | 2,891,405 | 7.69% | 1,938,959 | 5.89% |
| General Government | 2,583,472 | 6.27% | 2,535,588 | 6.28% | 1,947,739 | 5.18% | 1,575,297 | 4.78% |
| Engineering, Construction, & Land Use | 1,439,815 | 3.50% | 1,496,287 | 3.71% | 1,419,250 | 3.78% | 1,513,791 | 4.60% |
| Utilities | 1,185,000 | 2.88% | 1,185,000 | 2.94% | 1,265,000 | 3.37% | 1,495,000 | 4.54% |
| Capital Improvements | 1,090,000 | 2.65% | 800,000 | 1.98% | 290,000 | 0.77% | 160,000 | 0.49% |
| Grants | 609,498 | 1.48% | 1,673,470 | 4.15% | 648,476 | 1.73% | 112,245 | 0.34% |
| Municipal Court | 536,044 | 1.30% | 521,367 | 1.29% | 497,700 | 1.32% | 475,920 | 1.44% |
| Recreation | 531,270 | 1.29% | 497,167 | 1.23% | 437,250 | 1.16% | 480,122 | 1.46% |
| Total Budget | 41,187,454.04 | | 40,356,146 | | 37,575,267 | | 32,937,468 | |



***SUMMARY
INFORMATION***

Composition of Total Taxes

Comparison of 2013 to 2017

| | 2013 | | 2017 | |
|-----------------------------------|----------|------------|----------|------------|
| | Tax Rate | % Of Total | Tax Rate | % Of Total |
| Municipal | 0.691 | 24.74% | 0.453 | 24.53% |
| County incl. Library & Open Space | 0.461 | 16.51% | 0.287 | 15.54% |
| School Board | 1.641 | 58.75% | 1.107 | 59.93% |
| Total | 2.793 | | 1.847 | |

Impacts of Municipal Taxation

| | |
|---|----------------|
| Proposed Tax Rate | 0.456 |
| Proposed Increase in Rate | 0.003 |
| Average Assessed House | 480,495 |
| 1 Cent on Average Homeowner | 48.05 |
| Revenue to the Township per 1 Cent in Rate | 600,426 |

Costs to the Average Wall Township Homeowner for all Municipal Services

| | <u>Annually</u> | <u>Monthly</u> | <u>Weekly</u> | <u>Daily</u> |
|--|-----------------|----------------|---------------|--------------|
| Total Increase to the Average Assessed Home | 14.41 | 1.20 | 0.28 | 0.04 |
| Total Municipal Taxes on an Average Assessed Home | 2,191.06 | 182.59 | 42.14 | 6.00 |

Effect Upon the Top 10 Highest & Lowest Single Family Property Assessments

| Highest | | Lowest | |
|-------------------|-----------------|-------------------|-----------------|
| <u>Assessment</u> | <u>Increase</u> | <u>Assessment</u> | <u>Increase</u> |
| 3,498,300.00 | 104.95 | 101,400 | 3.04 |
| 3,045,600.00 | 91.37 | 101,400 | 3.04 |
| 2,500,200.00 | 75.01 | 103,700 | 3.11 |
| 2,500,000.00 | 75.00 | 112,500 | 3.38 |
| 2,377,900.00 | 71.34 | 112,500 | 3.38 |
| 2,183,000.00 | 65.49 | 112,500 | 3.38 |
| 2,177,300.00 | 65.32 | 130,500 | 3.92 |
| 2,098,000.00 | 62.94 | 134,100 | 4.02 |
| 2,067,200.00 | 62.02 | 138,600 | 4.16 |
| 2,017,600.00 | 60.53 | 147,100 | 4.41 |

2018 Proposed Increase 0.003

2018 Budget Summary and Fact Sheet

| | | | |
|--|----------------------|---|----------------------|
| 2018 Proposed Budget | 41,187,454.04 | 2018 Projected Non-Tax Revenues | 13,802,962.59 |
| 2017 Budget | 40,356,146.89 | 2017 Non-Tax Revenues | 13,442,641.78 |
| Increase (Decrease) | 831,307.15 | Increase (Decrease) | 360,320.81 |
| Percentage Budget Increase (Decrease) | 2.06% | Percentage Non-Tax Increase (Decrease) | 2.68% |

| | | | |
|--|----------------------|--|----------------------|
| Maximum Allowed to be Raised by Taxes | 30,568,287.00 | 2018 Amount to be Raised by Taxes | 27,384,491.45 |
| 2018 Amount to be Raised by Taxes | 27,384,491.45 | 2017 Amount Raised by Taxes | 26,913,505.11 |
| Amount under (over) the Levy Cap | 3,183,795.55 | Increase | 470,986.34 |
| | | Percentage Increase | 1.75% |

| | | | |
|--------------------------------|--------------|---|----------------|
| 2018 Projected Tax Rate | 0.456 | An Increase of Local Purpose Tax of | 0.003 |
| 2017 Tax Rate | 0.453 | On an Average Assessed House of | 480,495 |
| Increase | 0.003 | Equals an Annual increase of Taxation of | 14.41 |
| Percentage Increase | 0.67% | | |