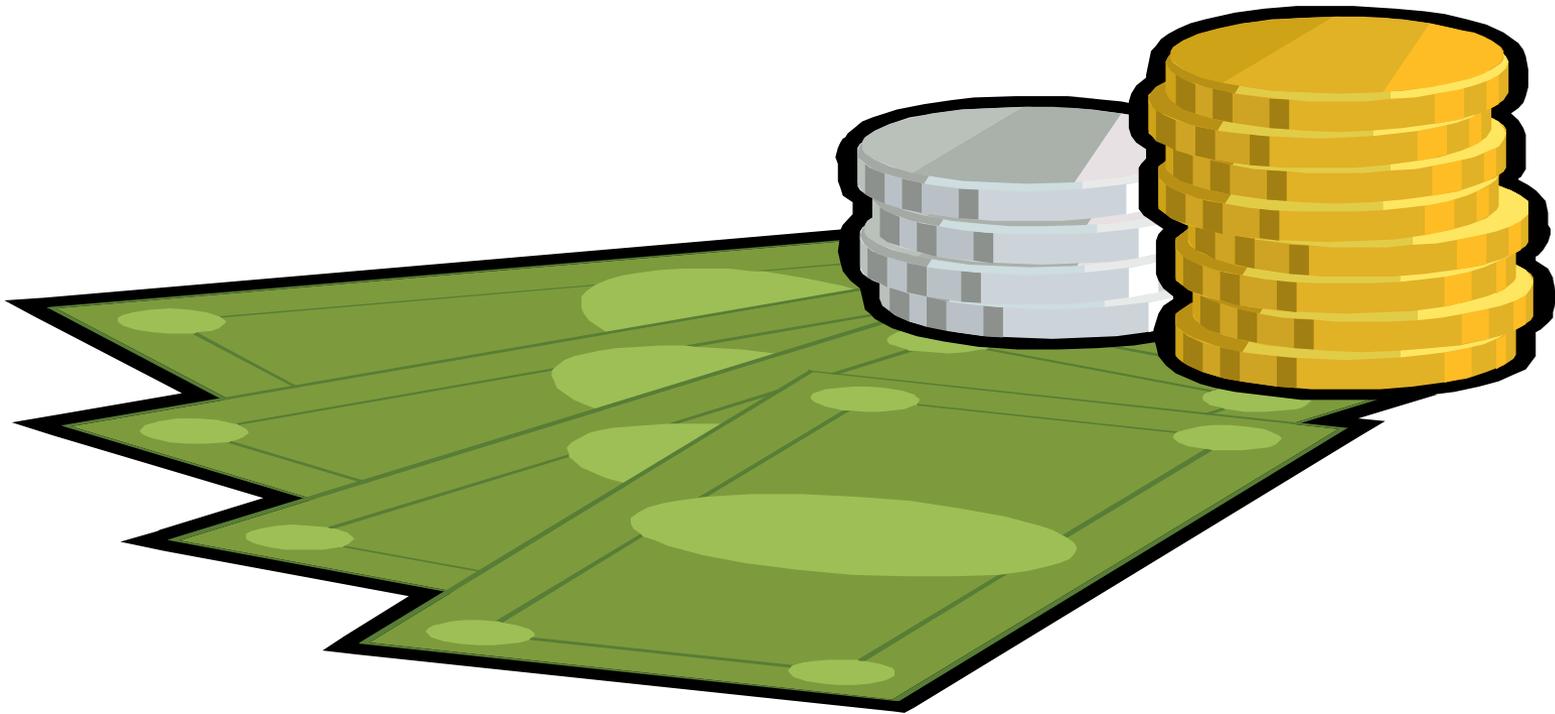


# BOROUGH OF CHATHAM

## 2014 Municipal Budget



# **Budget Process Schedule** (revised 3/10/14)

<b>General &amp; Capital Budget Presentation.....</b>	<b>February 24<sup>th</sup></b>
<b>COLA Ordinance Introduction.....</b>	<b>February 24<sup>th</sup></b>
<b>Budget Discussion.....</b>	<b>March 10<sup>th</sup></b>
<b>COLA Ordinance Adoption.....</b>	<b>March 10<sup>th</sup></b>
<b>Budget Introduction.....</b>	<b>March 24<sup>th</sup></b>
<b>Capital Ordinance Introduction.....</b>	<b>March 24<sup>th</sup></b>
<b>Budget Adoption.....</b>	<b>April 28<sup>th</sup></b>
<b>Capital Ordinance Adoption.....</b>	<b>April 28<sup>th</sup></b>

# Budget Overview

## 2014



<b>Description</b>	<b>2013</b>	<b>2014</b>	<b>+/-</b>	<b>+/- Percent</b>
Total Budget	\$13,673,993	\$14,094,778	\$420,785	3.08%
Tax Levy (library included)	\$8,217,632	\$8,361,943	\$144,311	1.75%
Municipal Tax Rate	.360	.365	.005	1.39%
Library Tax Rate	.039	.040	.001	2.56%
<u>Total Tax Rate</u>	<u>.399</u>	<u>.405</u>	<u>.006</u>	<u>1.50%</u>
Total Budget (less \$165,000 from capital)		\$13,929,778	\$255,785	1.87%

**Annual Increase for Average Assessed Home of \$660,325= \$46.22**

# **\$165,000 Road Repairs**

Initial Grant Funding (Local Aid 2012)	\$65,000
Supplemental Grant Funding (early 2013)	<u>\$250,000</u>
Total Combined Grant Amount	\$315,000
Anticipated Grant Appropriation (unaware of the \$250,000 grant)	\$150,000
Balance (to be transferred for other road projects)	\$165,000

# Road Improvement Plan

## Mill & Pave

Center Street (original capital)

Other general repairs \$25,000  
(road surplus)

Duchamp Place (original capital)

Yale & Harvard (partial reconstruction)

Summit Avenue (Fern – Borough line) (road surplus)

Red Road (Hillside – Fairmount) (road surplus)

Fairview Avenue (Washington – Borough line) (original capital)

Division Avenue (Cost share with Madison) (road surplus)

Fairmount (County project)

Edgehill Avenue (road surplus)

# Total Annual Municipal Cost Increase

(Average Assessment \$660,325)

2014



Description	2012	2013	12/13 Increase	2014	13/14 Increase
Municipal Tax (Including Library)	\$2,588	\$2,635	\$47	\$2,681	\$46
Open Space Tax	\$33	\$33	No Change	\$33	No Change
<b>Total Tax</b>	<b>\$2,621</b>	<b>\$2,668</b>	<b>\$47</b>	<b>2,714</b>	<b>\$46</b>

## Tax Levy CAP (3 year bank)

Maximum allowable amount to be raised by taxation \$ 7,518,208

Amount to be raised by taxation (library tax not included) \$ 7,518,208

2013 CAP Bank	\$	177,185
2012 CAP Bank	\$	180,568
2011 CAP Bank	\$	<u>175,516</u>
Total CAP Bank	\$	533,269

### CAP Exclusions

- ✓ Pension Increases
- ✓ Capital Improvement Increases
- ✓ Debt Service Increase
- ✓ New Ratable Adjustment To The Tax Levy
- ✓ Health Insurance Increase (2% inside CAP)
- ✓ LOSAP Increase
- ✓ Deferred Charges (all)

Library Tax Is Not Included In The Cap Calculation.

If necessary the three year CAP bank or a portion can be applied to the following year budget which allows for a higher percentage tax rate increase over the 2% CAP limit.

# Appropriations CAP (2 year bank)

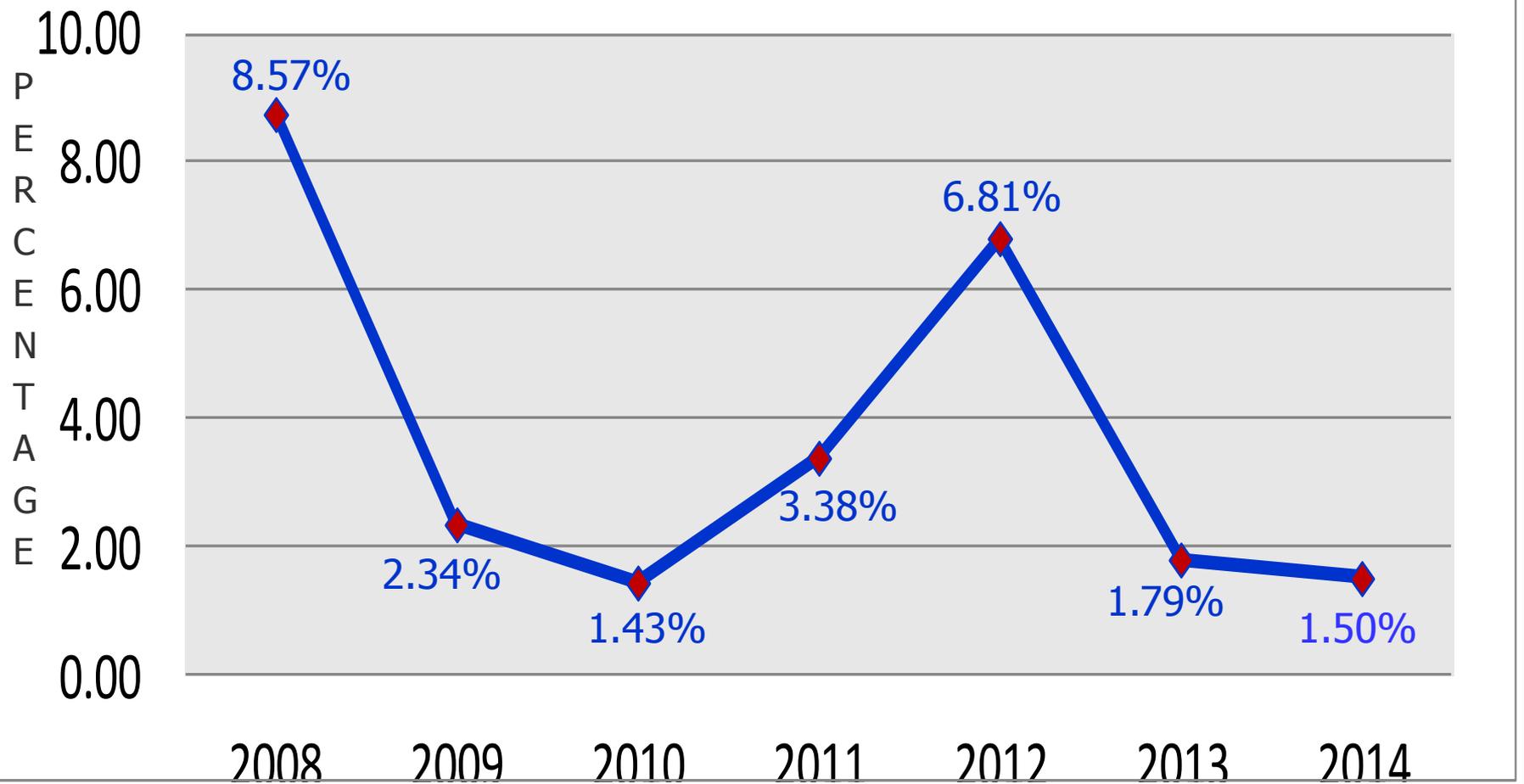
2013 (actual inside CAP)	\$8,593,913
2014 3.5%	\$ 300,786
2012 CAP Banking	\$628,824
2013 CAP Banking	\$146,558
Added Assessments	<u>\$20,511</u>
2014 Maximum Allowed	<u>\$9,690,595</u>
2014 (actual within CAP)	<u>\$8,796,554</u>
2014 Maximum	\$894,041 (allowed within appropriations CAP)
2014 CAP Bank	\$118,658

## CAP Exclusions

- ✓ Debt Service
- ✓ Capital Improvements
- ✓ New Ratable Adjustment
- ✓ Grants
- ✓ Reserve for Uncollected Taxes
- ✓ Deferred Charges
- ✓ Health Insurance Increase (4% inside CAP)
- ✓ LOSAP
- ✓ Snow Emergencies
- ✓ Library
- ✓ Joint Meeting



# Total Tax Rate Increase Comparison 2008 - 2014



The 2014 local open space tax remains unchanged



# How was your tax 2013 dollar spent?

## School Tax

**63%**  
(\$24,279,800)

**Municipal  
Tax  
22%**

(\$8,349,011)

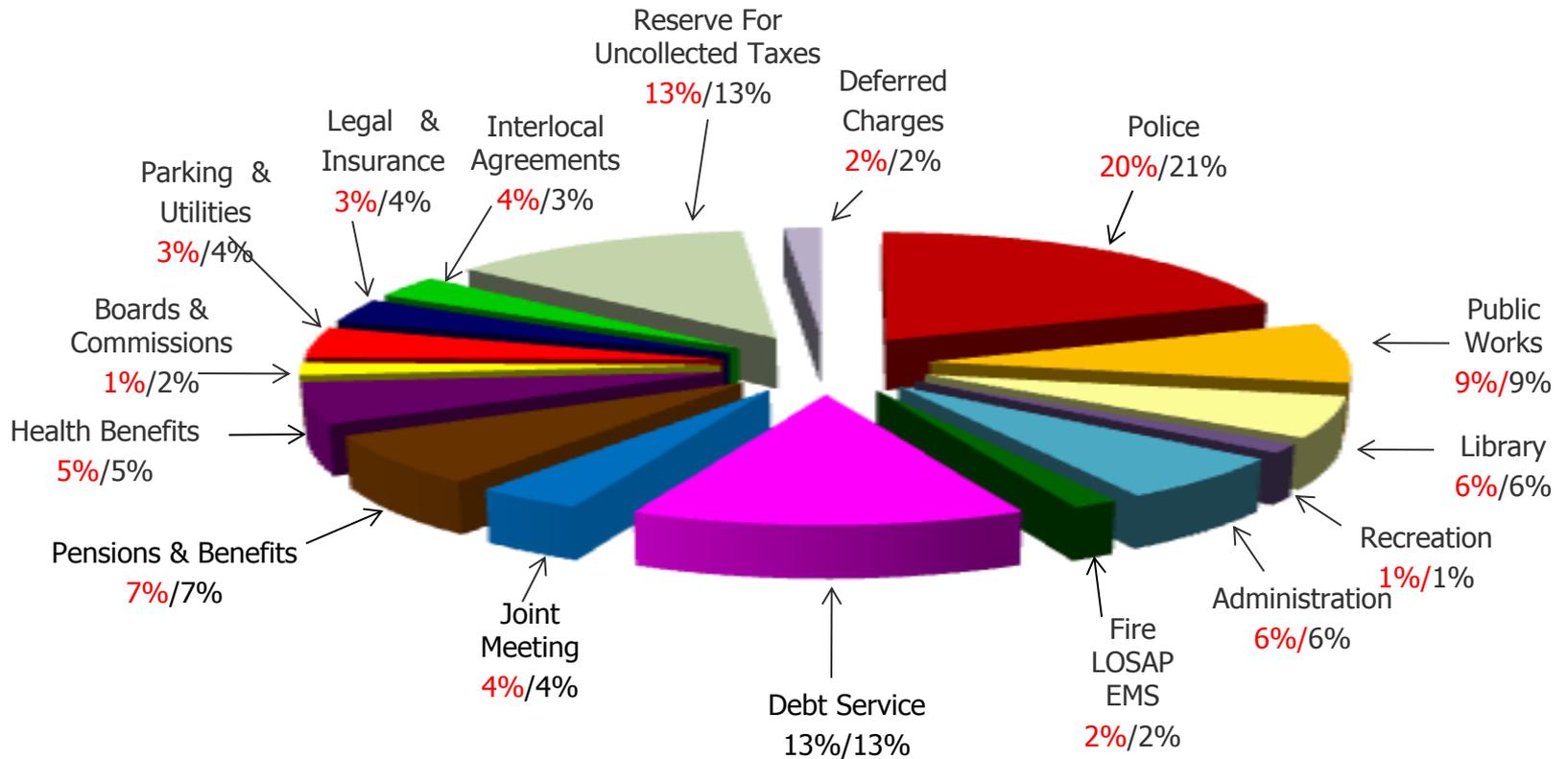
**County  
Tax  
15%**

(\$5,810,678)



# Expense Percentage By Department/Type To The Total Budget

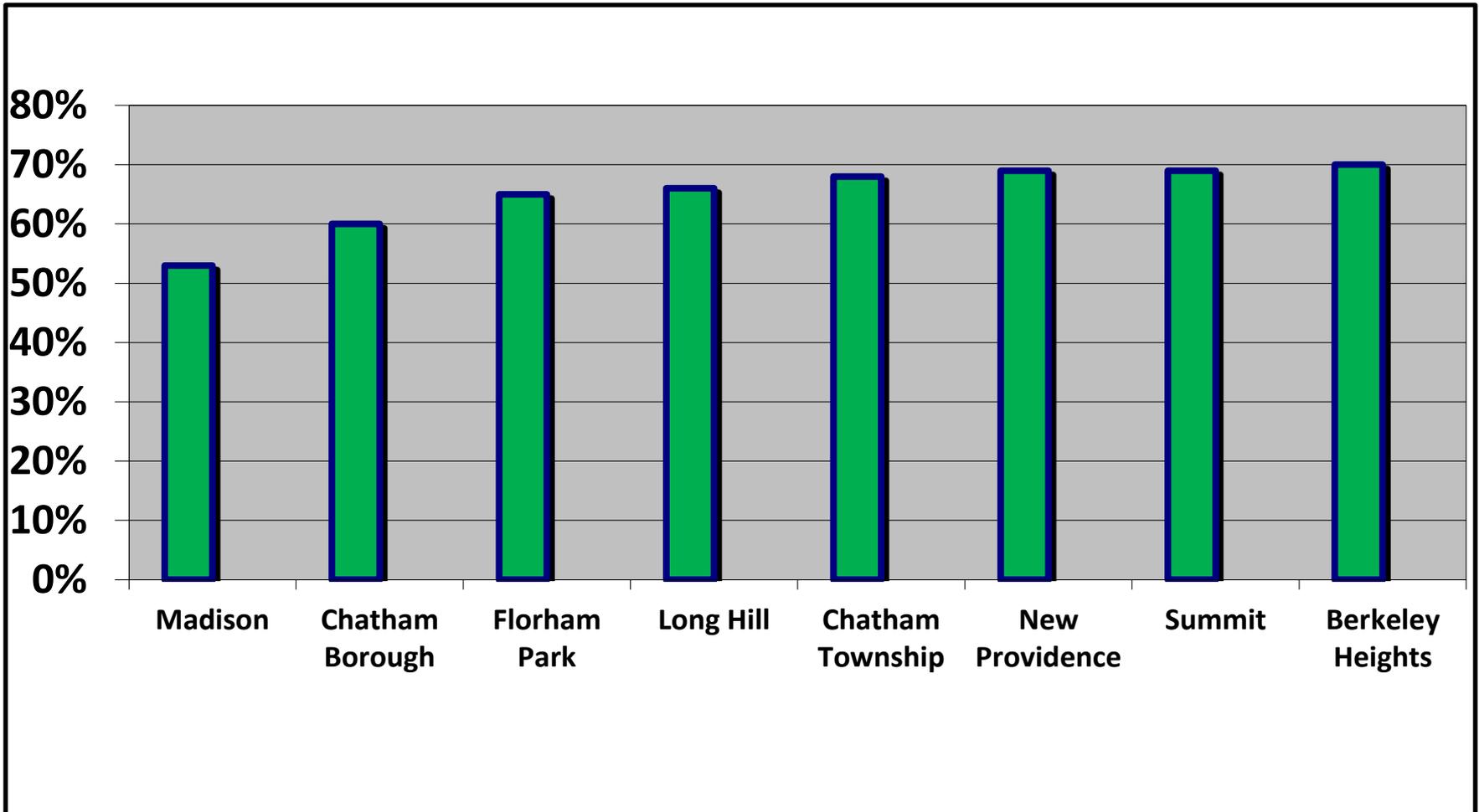
## 2014



Red percent is 2013

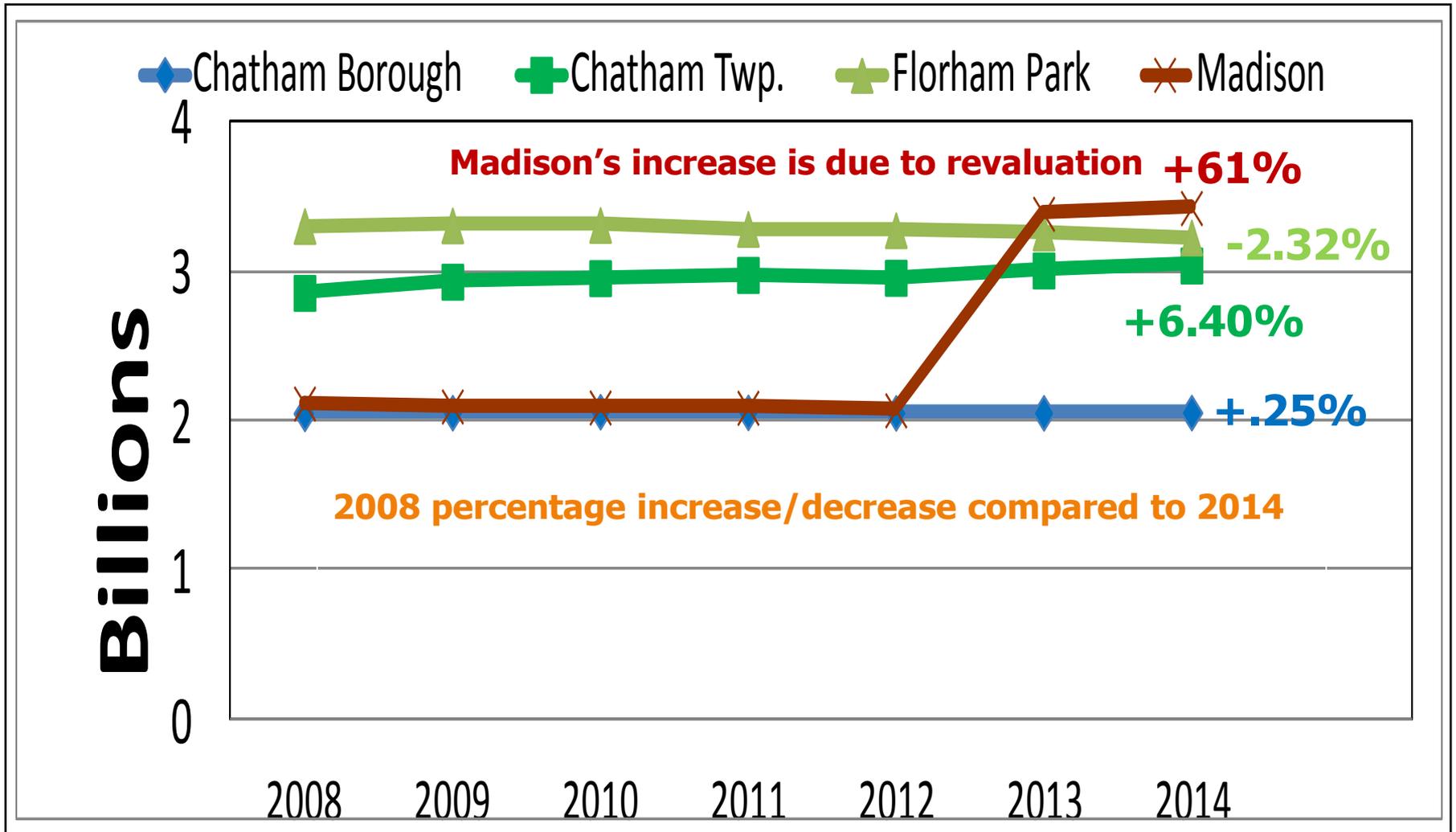
# Tax dollar percent that funds the budget

**Chatham Borough ranks 2<sup>nd</sup> lowest when compared to surrounding towns**

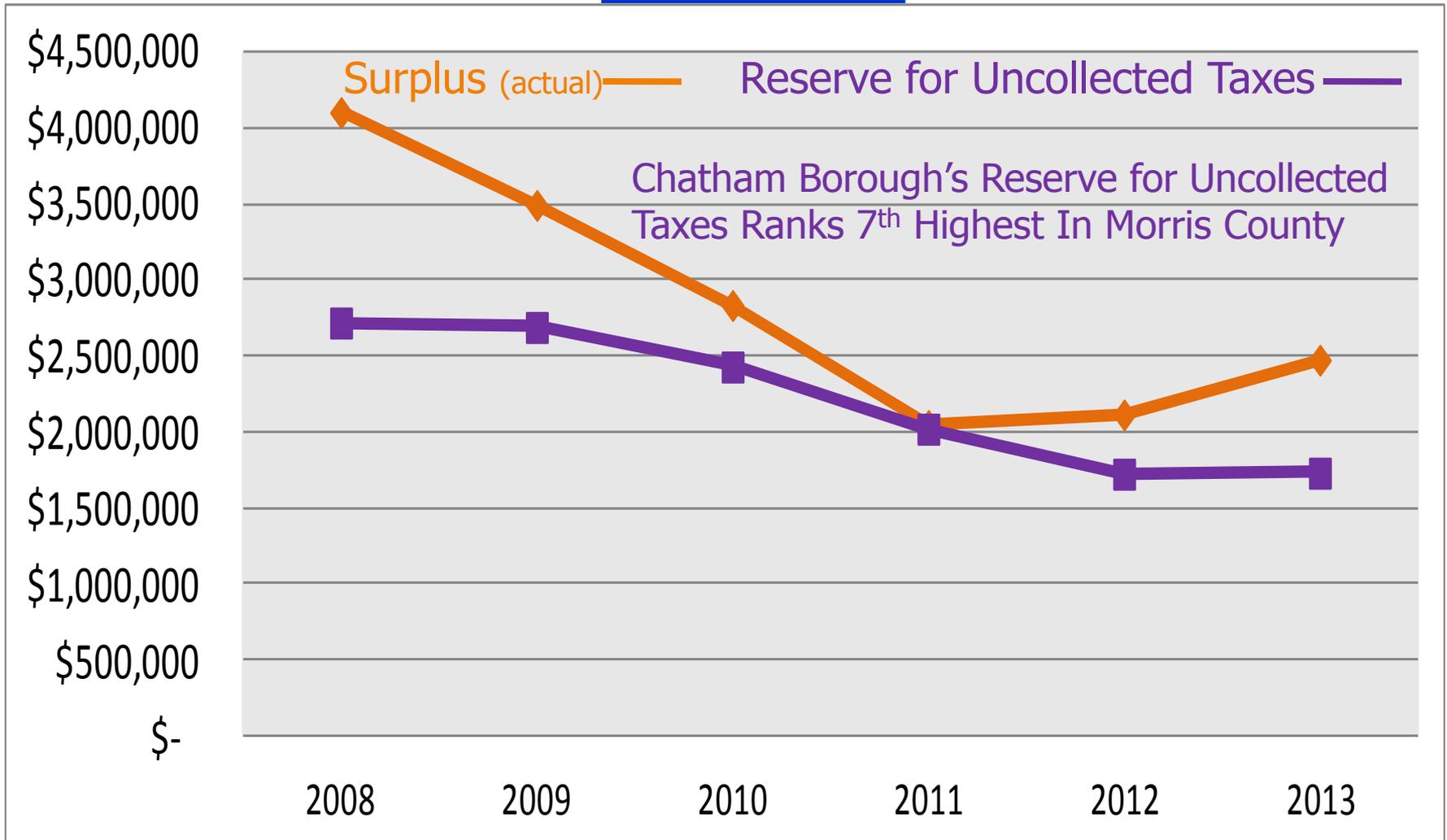


# Property Valuation & Percentage Increases

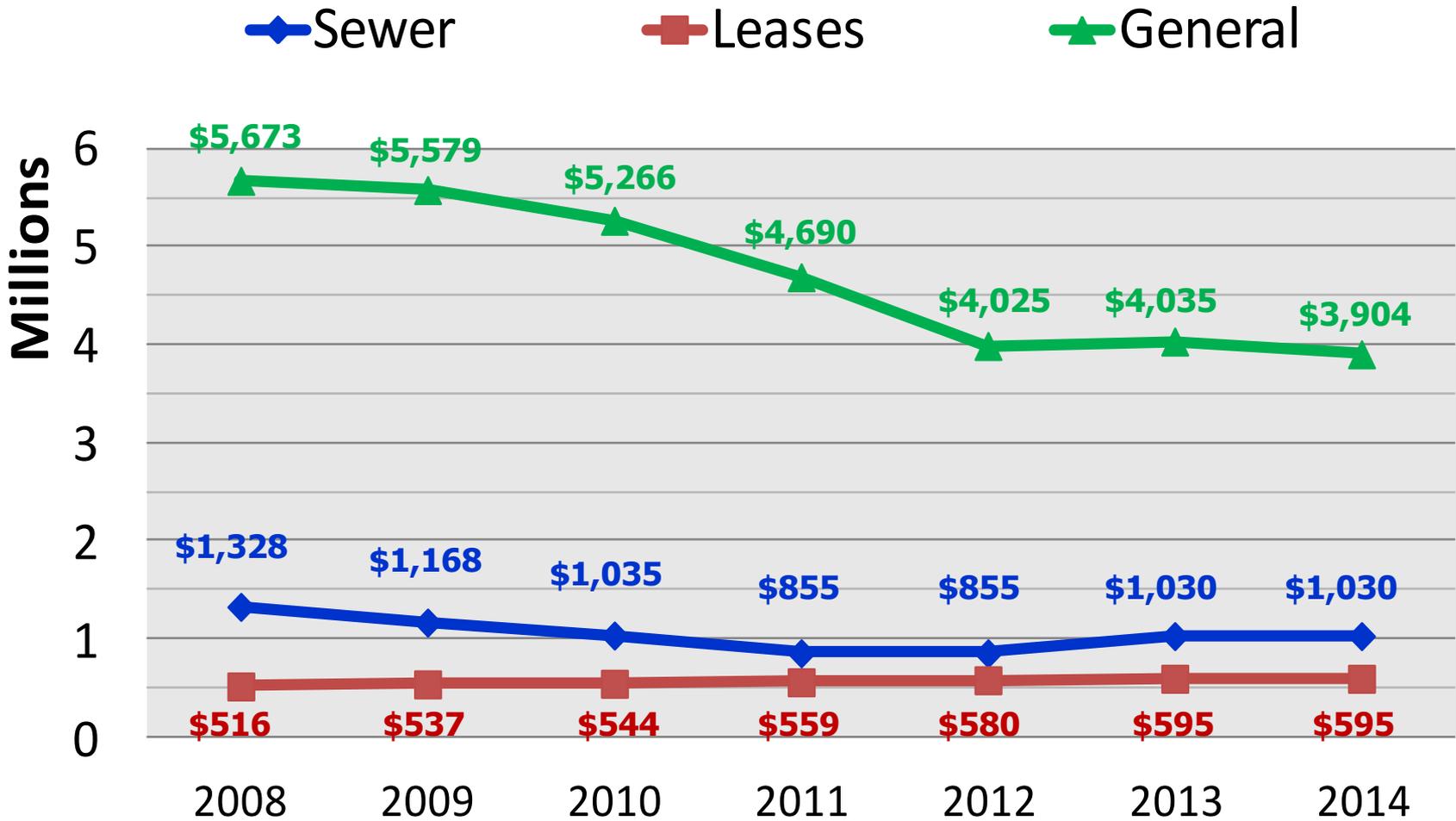
## 2008 - 2014



# Surplus/Reserve for Uncollected Taxes 2008 - 2013

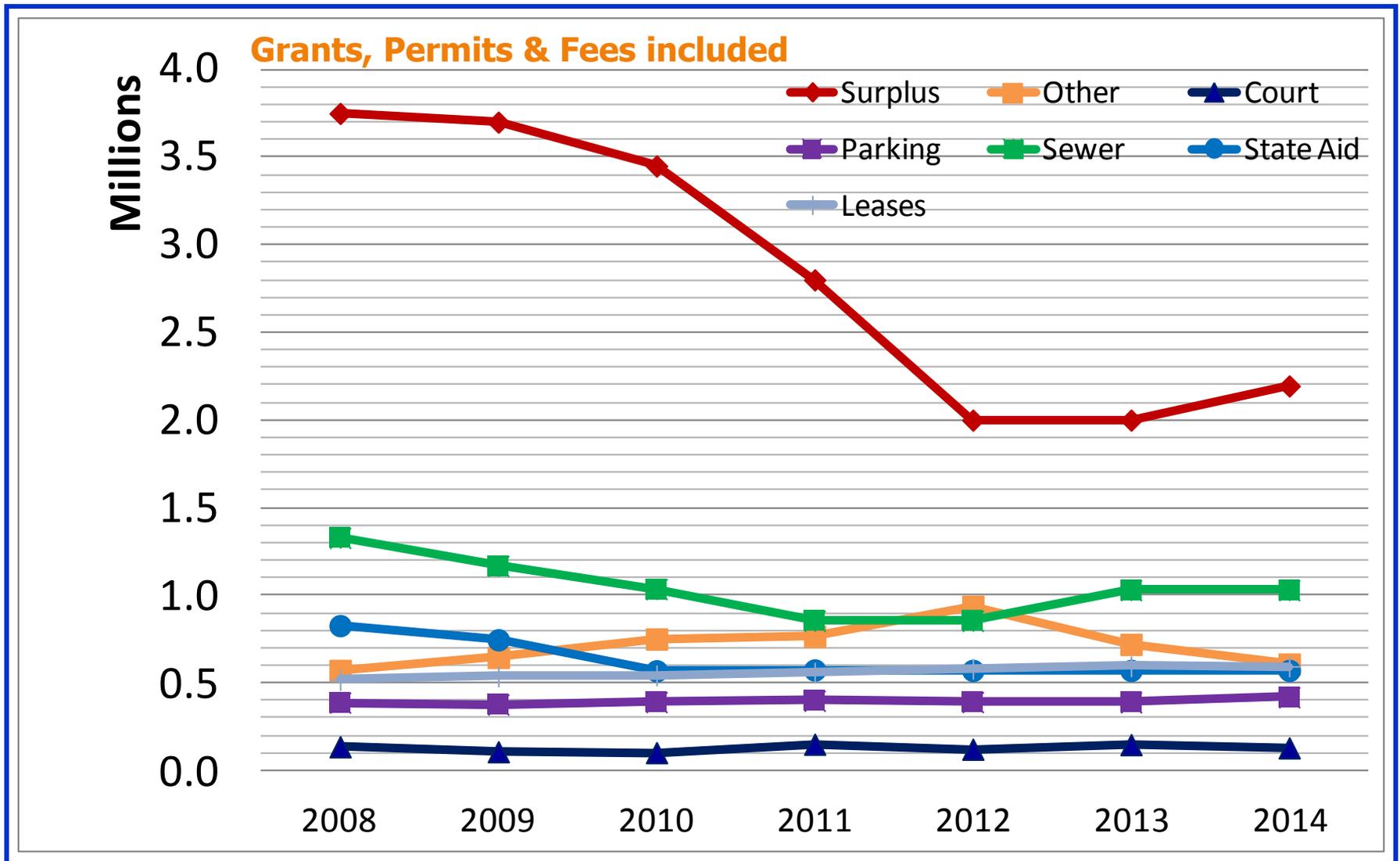


# Revenues 2008 - 2014



# General Revenue Breakdown

## 2008 - 2014



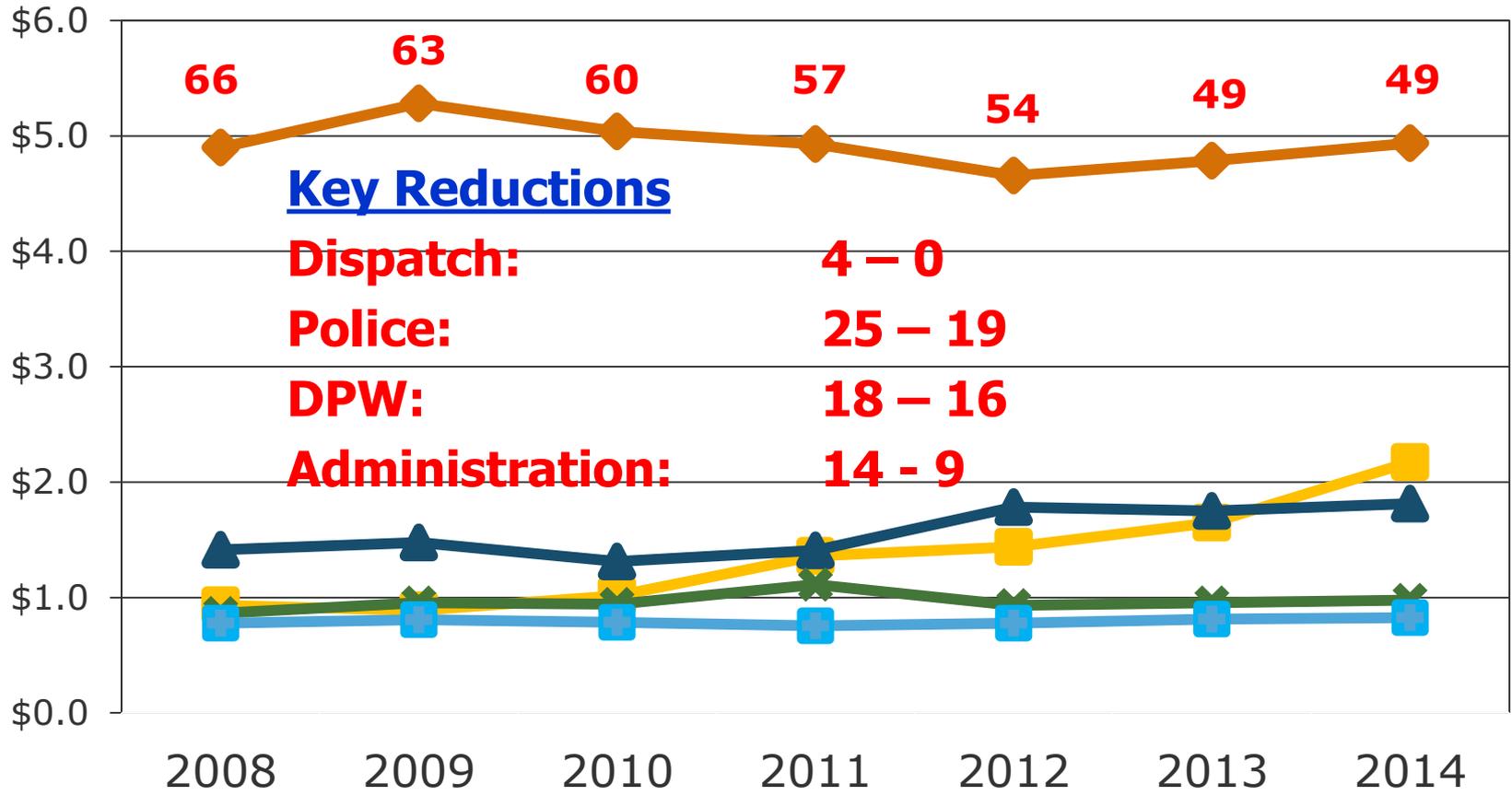
**Fulltime Employees**

**08 – 66 / 09 – 63 / 10 – 60**

**11 – 57 / 12 – 54 / 13 - 49/ 14-49**

# Annual Expense Comparison

## 2008 - 2014



### Key Reductions

**Dispatch: 4 – 0**

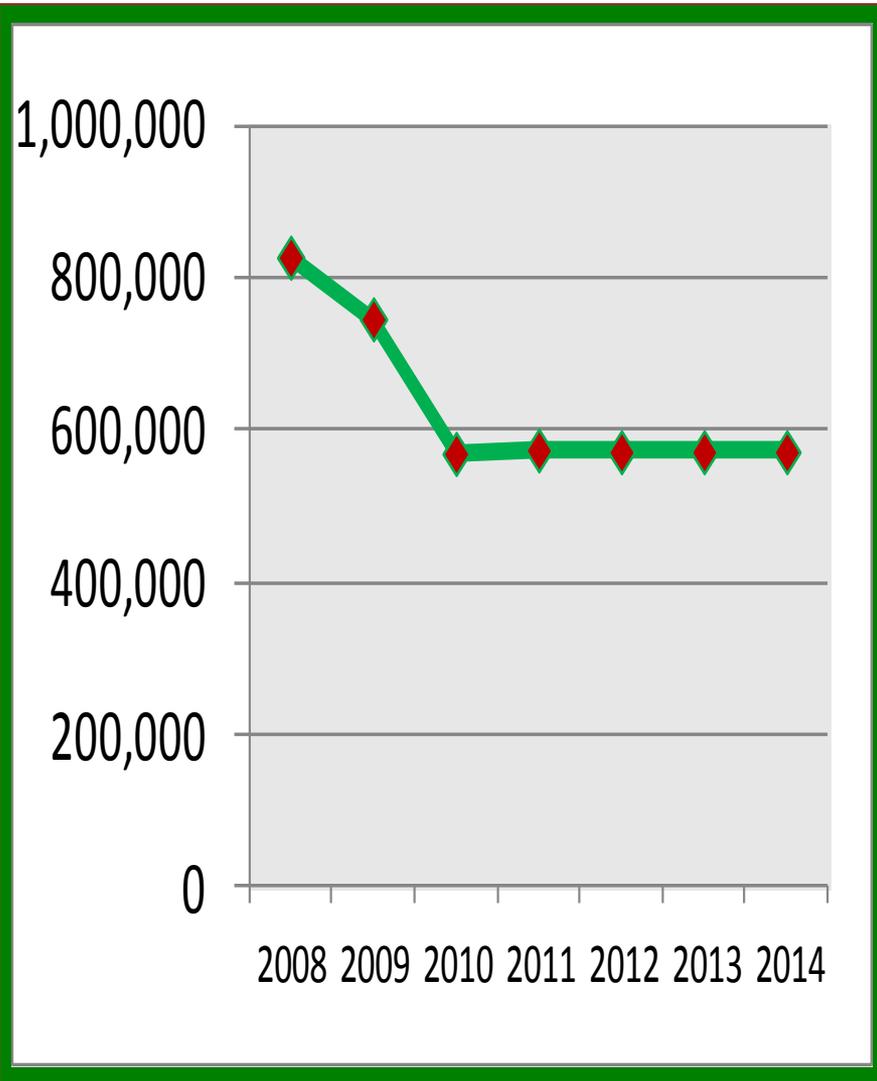
**Police: 25 – 19**

**DPW: 18 – 16**

**Administration: 14 - 9**

◆ Salary    ◆ Operating    ◆ Debt Service    ◆ Pension    ◆ Library

## State Aid Trends 2008 - 2014

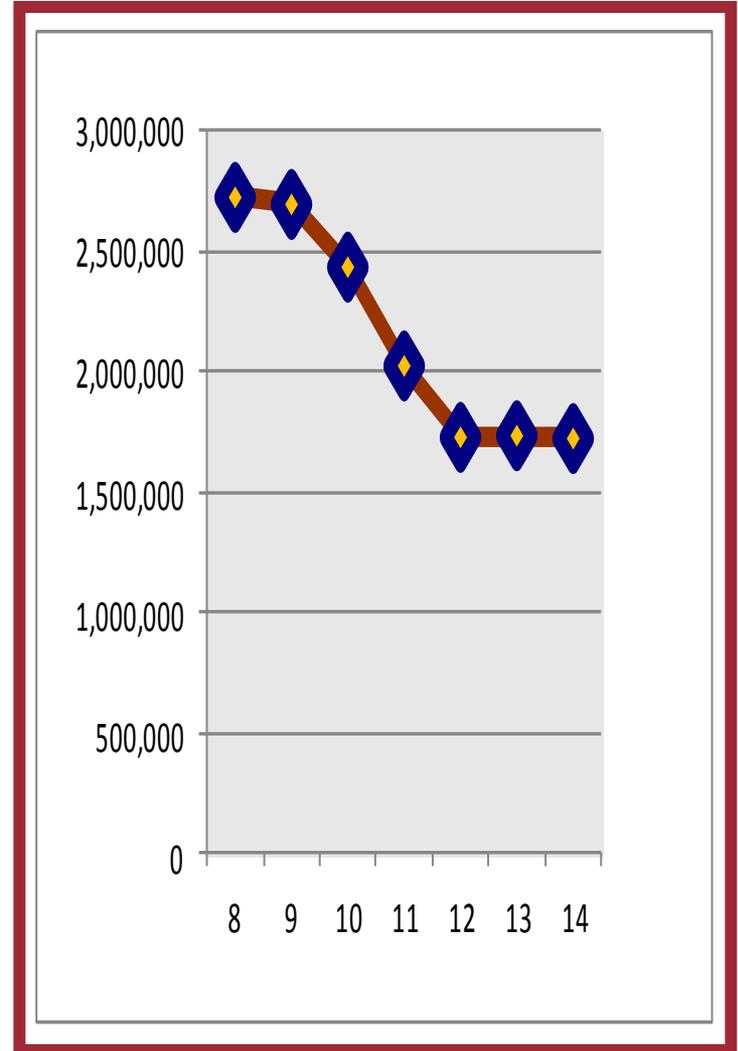


<u>Year</u>	<u>Amount Allocated</u>	<u>+ / - Dollars</u>
<b>2014</b>	<b>\$572,099</b>	<b>\$0</b>
<b>2013</b>	<b>\$572,099</b>	<b>\$ 0</b>
<b>2012</b>	<b>\$572,099</b>	<b>( \$ 2,303)</b>
<b>2011</b>	<b>\$574,402</b>	<b>\$ 4,606</b>
<b>2010</b>	<b>\$569,796</b>	<b>(\$176,853)</b>
<b>2009</b>	<b>\$746,649</b>	<b>(\$ 81,014)</b>
<b>2008</b>	<b>\$827,663</b>	<b>(\$54,462)</b>

# Reserve for Uncollected Taxes

2008 - 2014

<u>Year</u>	<u>RUT</u>	<u>Total Budget</u>	<u>% of Budget</u>
2014	\$1,720,576	14,094,778	12.21%
2013	\$1,732,279	\$13,661,993	12.68%
2012	\$1,725,706	\$13,424,938	12.85%
2011	\$ 2,021,912	\$13,628,582	14.83%
2010	\$ 2,431,371	\$13,820,540	17.59%
2009	\$ 2,691,689	\$14,309,139	18.81%
2008	\$ 2,720,891	\$14,242,636	19.10%



# Mandatory Expenses Increases 2014

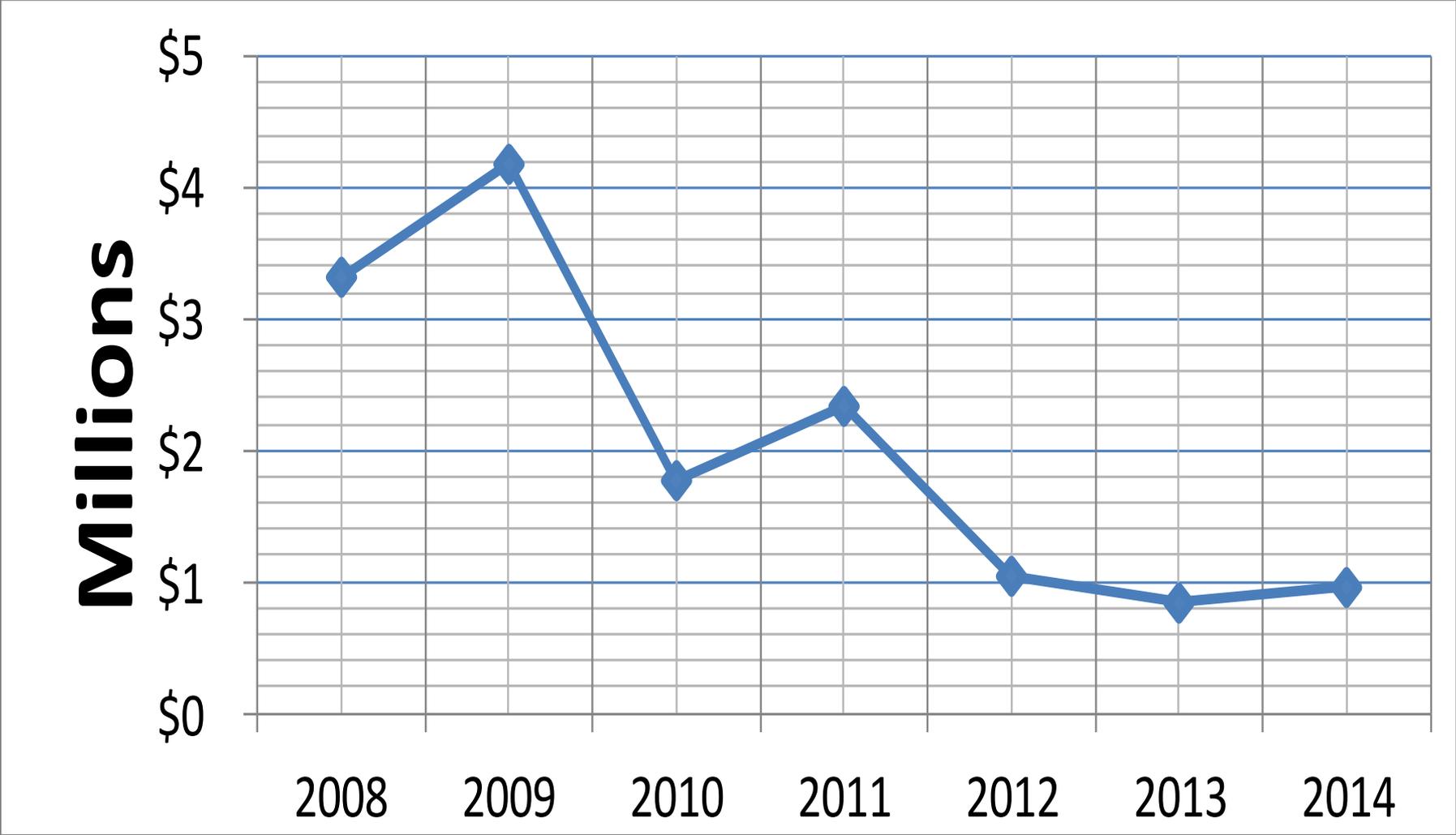
Pension – PERS/PFRS.....	\$ 23,971
Debt Service.....	48,924
DPW Contractual Salaries.....	22,125
Police Contractual Salaries.....	59,792
Library.....	30,999
Joint Meeting.....	<u>92,385</u>
TOTAL.....	\$ 278,196

**Total Budget Increase \$420,785**  
**Less Capital Transfer \$165,000**  
**\$255,785 (actual increase)**



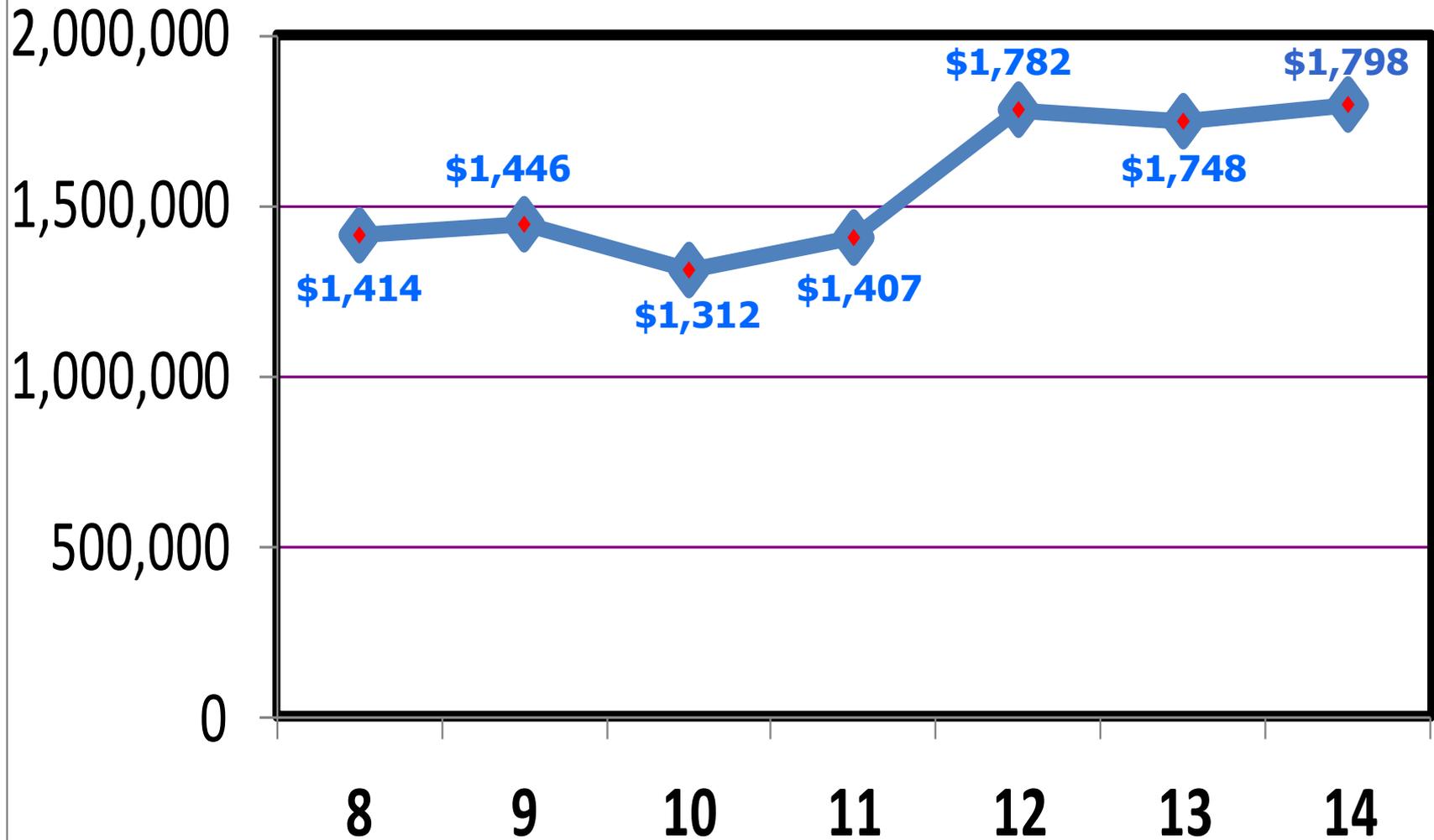
# Capital Spending

## 2008 - 2014



# General Debt Service

## 2008 - 2014



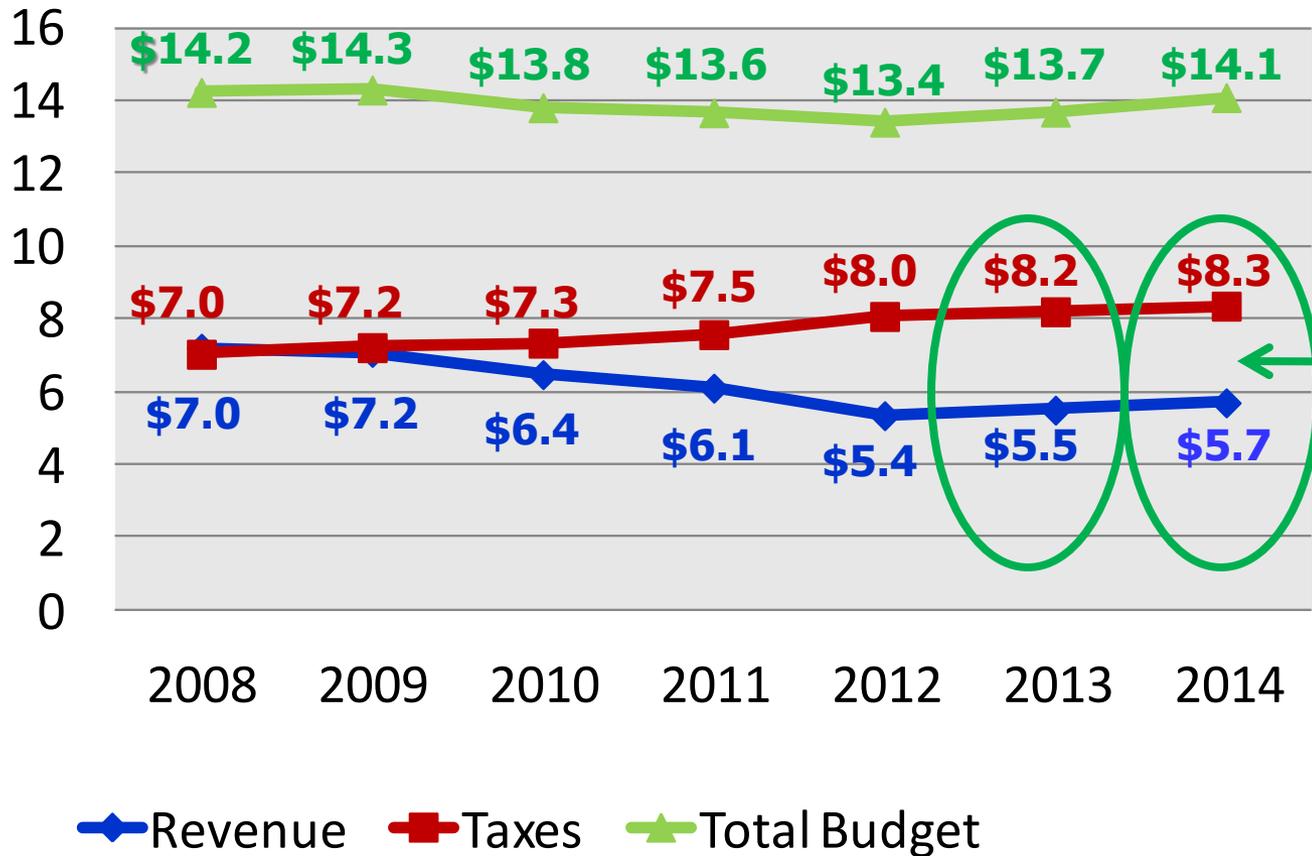
# Budget Line Items For Discussion

<u>Line Item</u>	<u>Requested</u>	<u>Budgeted</u>	<u>Recommended</u>
Project Pride	27,030	27,030	27,030
Planner	47,000	23,407	30,000
Planner (COAH)	25,000	0	0
DPW Overtime	89,000	65,000	89,000
<u>DPW Operating</u>	<u>45,500</u>	<u>30,500</u>	<u>45,500</u>
<b>Totals</b>	<b>233,530</b>	<b>145,937</b>	<b>191,530</b>

# Revenue/Tax/Total Budget Comparison

## 2014

Millions



The Challenge

# DISCUSSION

