

2013
TOWNSHIP OF MOUNT OLIVE
MUNICIPAL BUDGET

Robert Greenbaum, Mayor
Sean Canning, Administrator
Sherry Maniscalco, Chief Financial Officer

2013 MUNICIPAL BUDGET

The Process –

Work on the 2013 budget began in September 2012 with requests sent to all departments, boards, and organizations. Departmental budget hearings were held in November 2012 and the Mayor's budget was presented to you in early January.

The municipal budget must be introduced by 3/15 and adopted by 4/26.

We are eligible for local budget exam so our budget does not need to be reviewed by the Division this year. We can adopt without their approval.

2013 municipal budget

Laws affecting our budget:

- We are still obligated to comply with the Property Tax (2%) CAP Law as well as the Appropriation CAP. We are well under both of those CAPS.
- Chapter 78, PL 2011 will result in savings to the Township in health benefits; specifically \$219,000 in 2013.
- Pension reform has resulted in a decrease in our annual appropriation of \$14,096.

2013 MUNICIPAL BUDGET

2013 Budget Summary –

- The proposed 2013 budget reflects an increase in overall expenditures by \$353,266 or 1.3%.
- The projected municipal tax rate is .606 as compared to .590 in 2012.
- The annual municipal tax increase is \$48.54 for a home assessed at the average of \$311,500.

2013 municipal budget

Summary continued -

- Our ratable base is expected to remain relatively the same despite some tax appeals due to our added assessments.
- The tax dollar percentage increase is 2.64%.
- There is no increase to the sanitation district tax.

2013 municipal budget



One tax point = \$300,000 or \$30

In order to reduce taxes by \$30, you would need to increase revenues by \$300,000 or reduce expenditures by \$300,000.

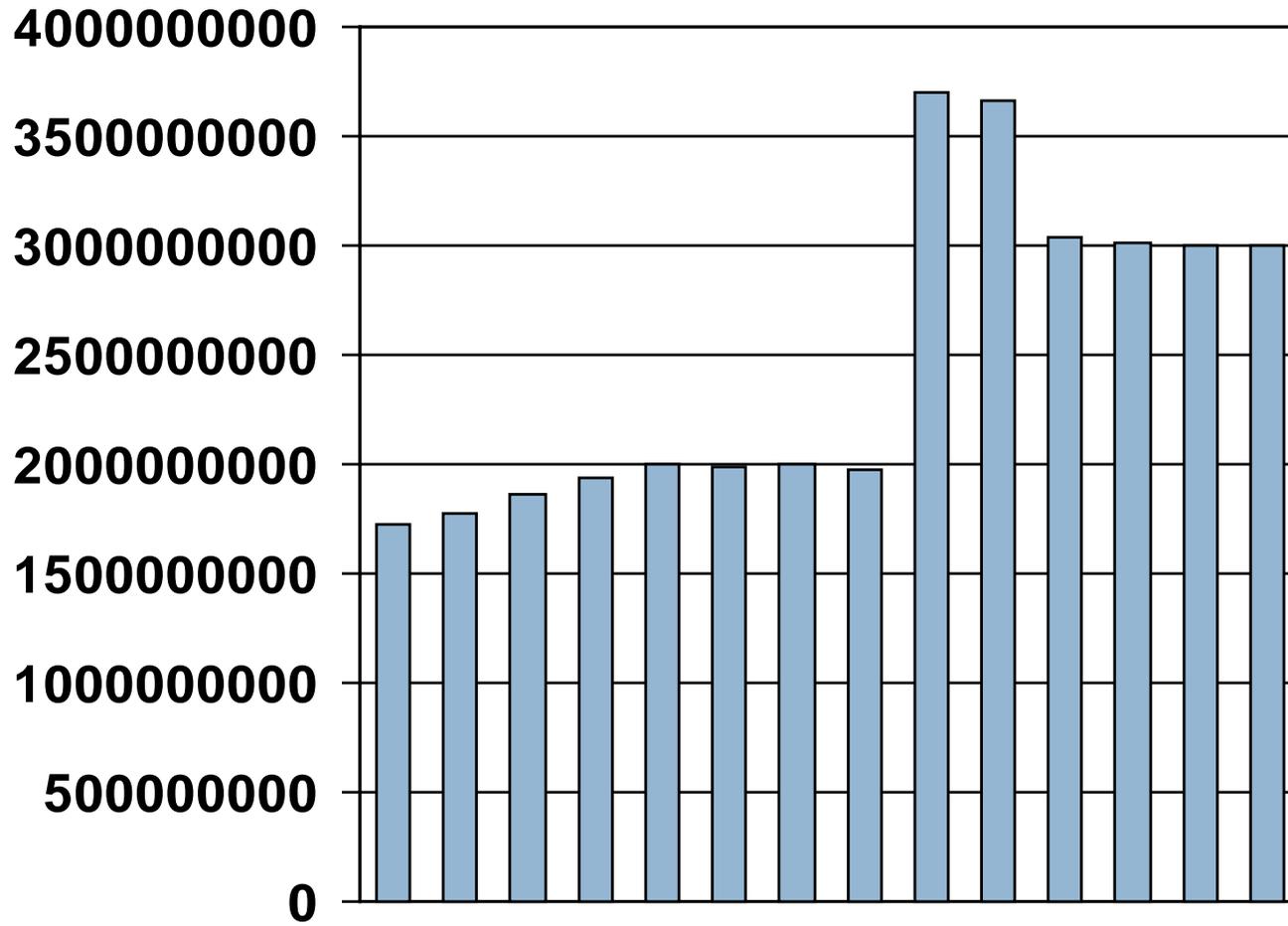
2013 municipal budget



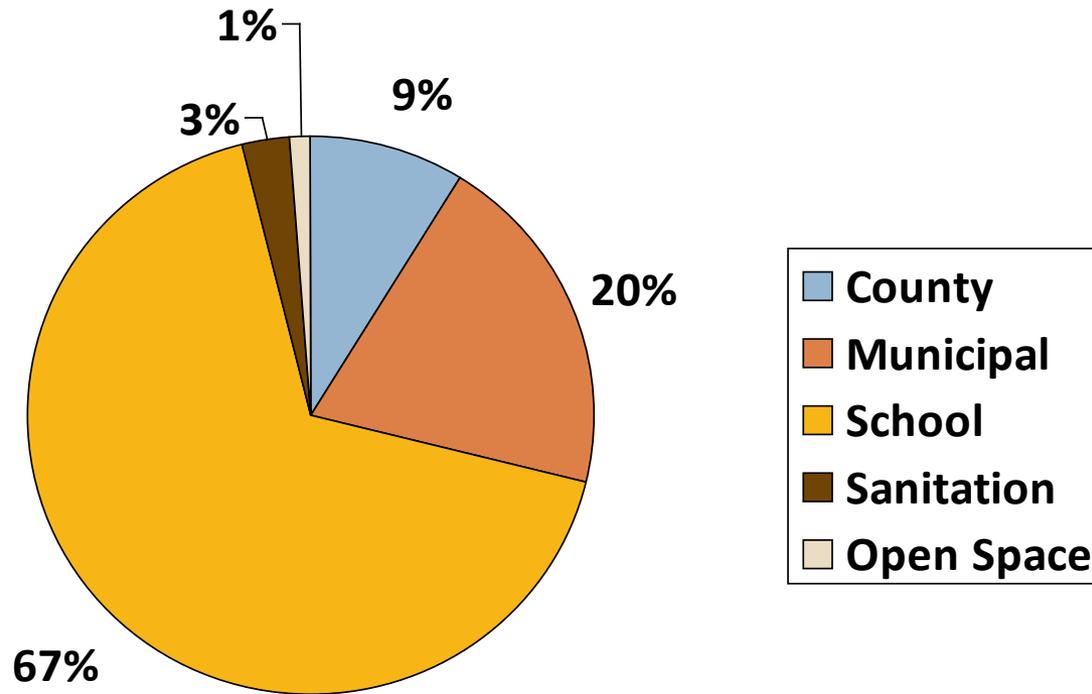
How does this compare to our previous budgets?

The average annual increase from 1999 to 2012 was \$70 or 5.54%. We are well under that.

2013 MUNICIPAL BUDGET RATABLE ANALYSIS



2013 MUNICIPAL BUDGET - TAX PIE



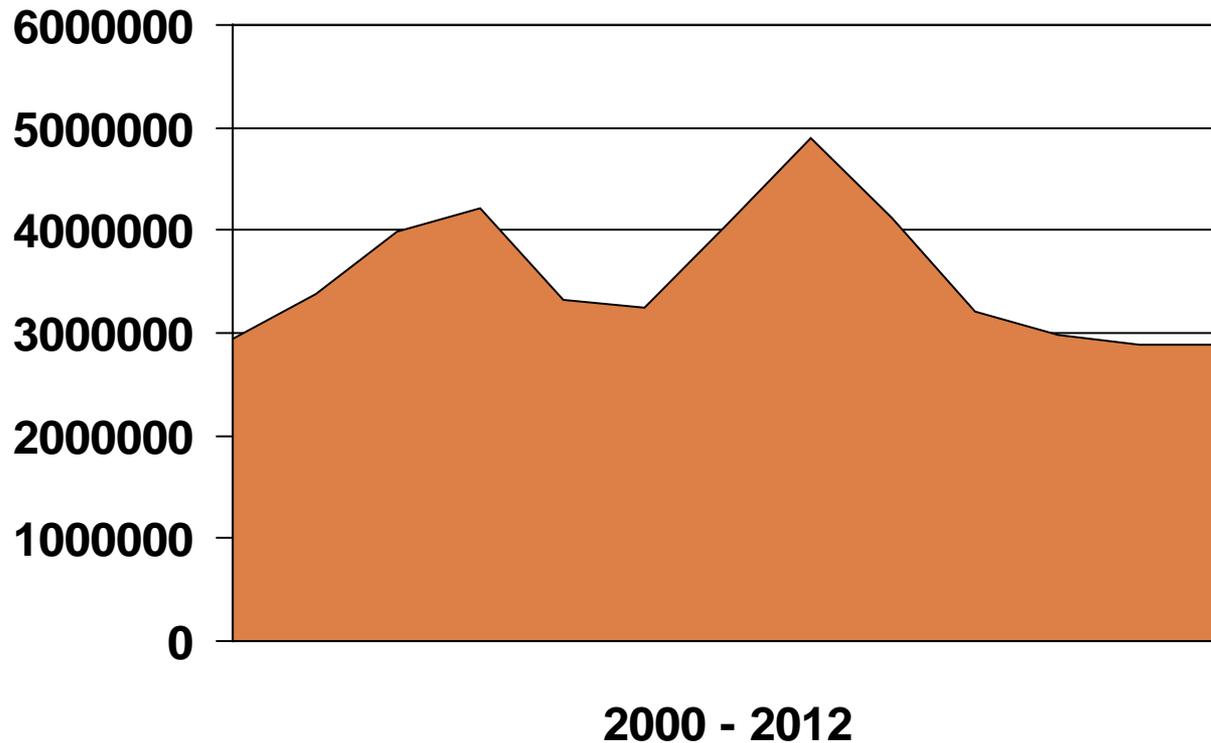
2013 MUNICIPAL BUDGET

Surplus:

- ▶ Our surplus balance at 12/31/12 was \$2,881,794 which was only \$10,855 lower than it was at 12/31/11.
- ▶ The decrease is nominal when you consider the additional expenses we incurred from Sandy.

What helped surplus? Our tax collection rate was 98.61% in 2012. We also have the large premium from the bond sale.

2013 MUNICIPAL BUDGET – SURPLUS HISTORY

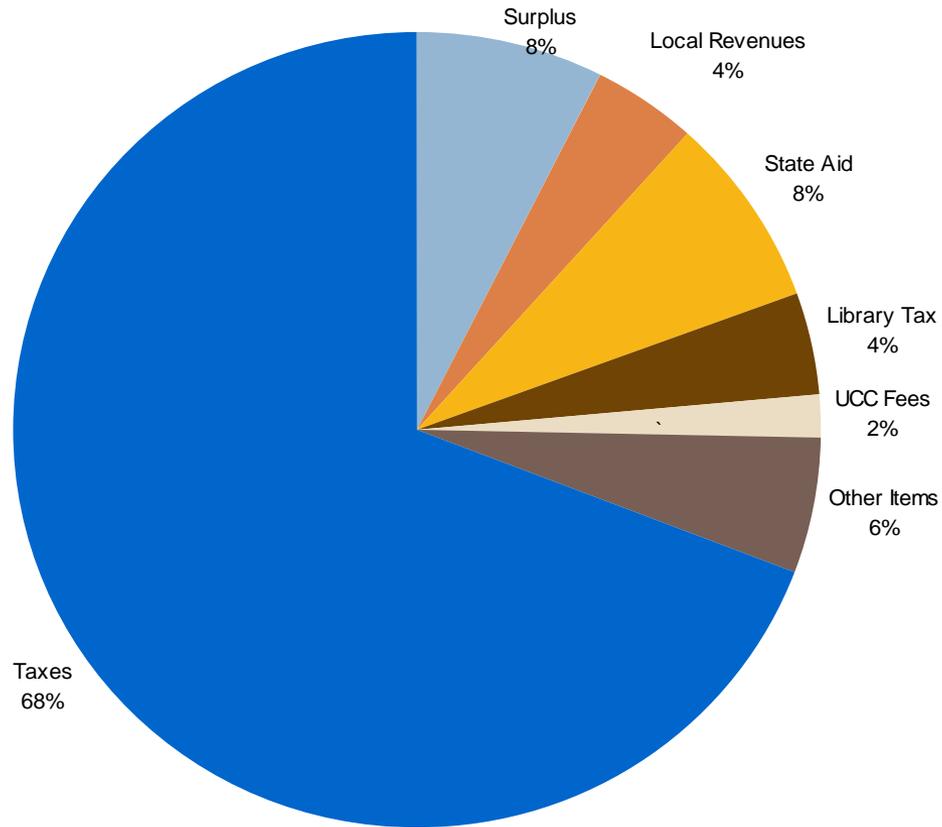


2013 MUNICIPAL BUDGET

Revenue Summary –

- Surplus Used– Decreased \$225,000 based upon our calculation of surplus regeneration throughout 2013
- Delinquent Taxes – Increased \$108,000 because delinquent taxes increased slightly at 12/31/12
- Local Revenues – Decreased \$47,100 which is primarily from the loss of court revenue
- Interlocal Revenues – Increased \$9,051 primarily from annual cost of living increases
- Special Revenue Items – Increased \$135,250 which is primarily the downpayment from sanitation on capital projects
- Tax Revenues – Increased \$467,392 to balance the budget

2013 MUNICIPAL REVENUES



2013 MUNICIPAL BUDGET

Changes in expenditures:

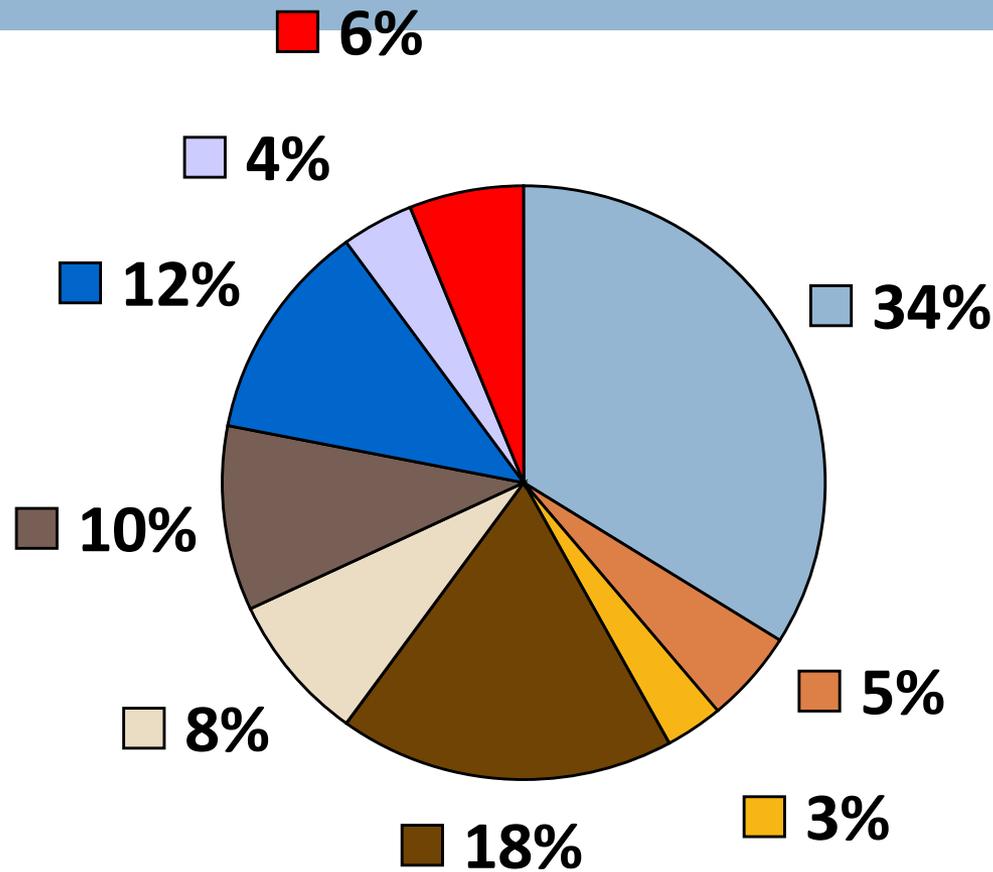
- Salaries/Wages – Decreased \$148,314 based upon retirements
- Library – 1/3 mil requirement decreased by \$38,108
- Pension Contributions – Decreased \$14,096 as determined by the Division of Pensions
- Debt Service – Increased \$305,254 primarily due to our bond sale in 2012
- Utilities – Decreased \$26,750 primarily due to electric and our savings from the NJSEM
- Legal and Audit – Increased \$49,905 primarily from anticipated planning board litigation

2013 MUNICIPAL BUDGET

Changes in expenditures (continued):

- Capital – Increased \$44,926 based upon our recommended capital plan for 2013...includes the new sanitation trucks
- Insurance – Increased \$304,263 primarily due to increased retiree coverage and then coverage for the replacement personnel as well
- Reserve for Uncollected Taxes – Increased \$25,000 because it hasn't been raised in several years

2013 MUNICIPAL BUDGET



- Salaries
- Dept. Budgets
- Utilities
- Debt Service
- RUT
- Misc
- Insurance
- Library
- Pension

2013 MUNICIPAL BUDGET

Moving into 2013:

- We have \$85,425 on hand for tax appeals at 12/31
- We have \$111,316 in our unemployment trust for unemployment claims.
- We have \$55,243 in our snow trust for storm control costs.
- ****Budget hearings are scheduled for 2/16 and 2/23.

2013 municipal budget



My thanks!

To all the departments, boards, committees and volunteer organizations for assisting us in preparing the Mayor's 2013 budget.