

Readington Township

2016 Budget Highlights

Caps

❖ APPROPRIATIONS

❖ LEVY

Appropriations Cap

- COLA (COST OF LIVING ADJUSTMENT)
 - NOW REFERRED TO AS “1977 CAP”
 - 0 % FOR 2016 – INCREASED TO 3.5% BY ORDINANCE
 - A “PAPER” NUMBER
 - BALANCE IS “BANKED” FOR UP TO 2 YEARS
 - “Banked” amount removed if not utilized within 2 yrs.

Levy Cap

- 2007 CAP
 - REFERS TO 4% LEVY CAP ON LOCAL UNITS
 - SUPERSEDED BY THE 2010 CAP LAW
- 2010 CAP LAW
 - AMENDED 2007 CAP TO A 2% CAP
 - MODIFIED EXCLUSIONS

Appropriations

- **2016 Allowable Operating Appropriations (within cap)**
 - \$15,159,718
- **Proposed Budget Appropriations (within cap)**
 - \$14,103,176
 - \$ 1,056,542 under allowable “appropriations” cap

Examples:

Within Cap:

- Department Operating Expenses
- Salaries
- Legal
- Utilities
- Engineering

Out of Cap:

- Debt Service
- Road Repair & Improvements (chip seal)
- LOSAP

Budget Comparison

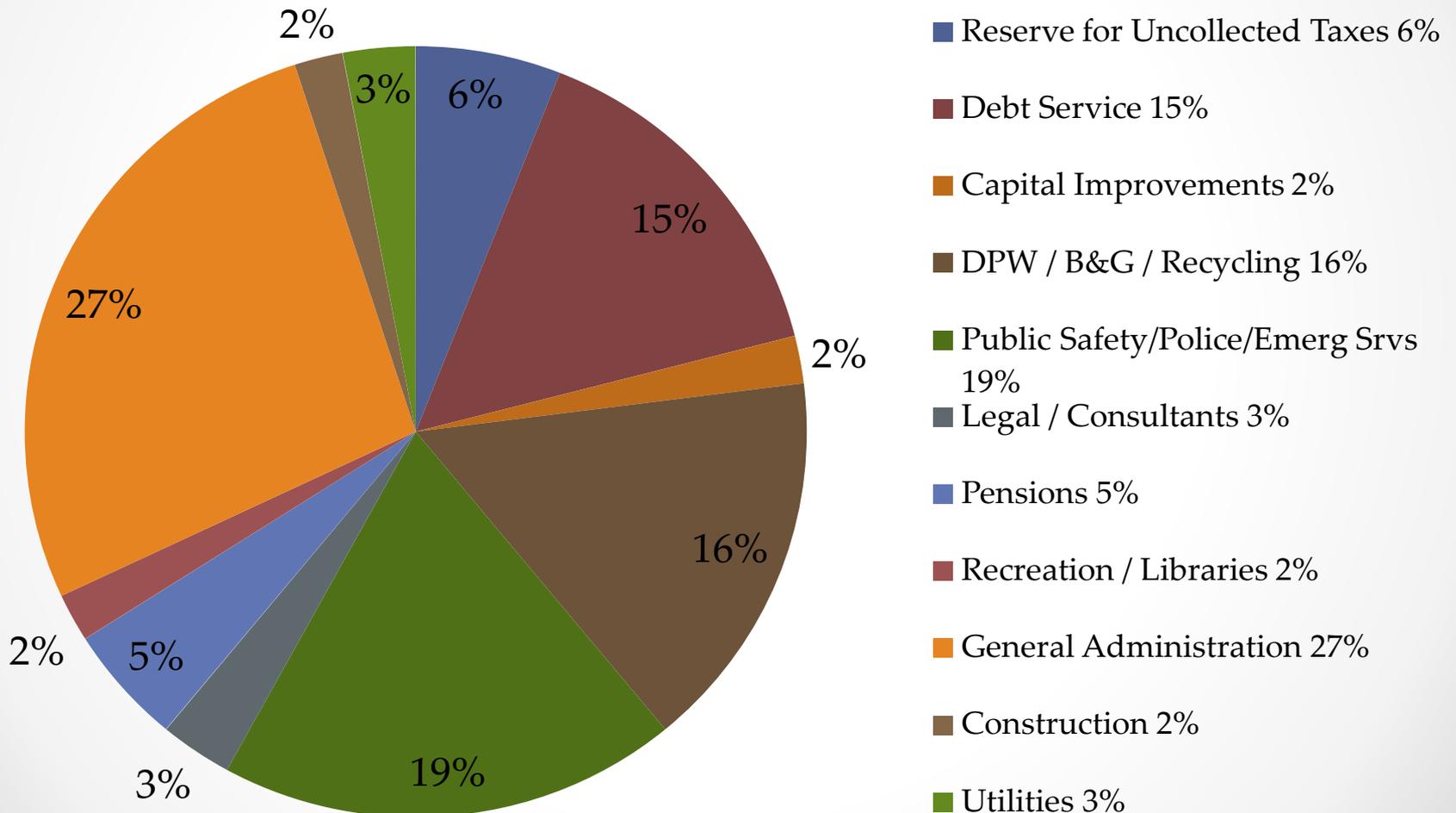
YEAR	TOTAL ADOPTED BUDGET	LESS FEMA EMERGENCY APPROPRIATIONS	NET	CHANGE	%
2012	17,713,348		17,713,348	622,309	3.64
2013	18,411,614	600,000	17,811,614	98,266	0.55
2014	21,011,916	2,244,603	18,767,313	955,699	5.36
2015	18,832,055	550,397	18,281,658	-485,655	-2.58
2016	18,695,128		18,695,128	413,470	2.26

Average increase over 5 years = 1.85%

Decreases / Increases:

- Debt Service
- Snow Removal
- Gasoline
- Capital Improvement Fund
- Consultants / Engineers
- Contractual Increases / Retro

2016 Budget Appropriations Breakdown by Category



State Aid ANTICIPATED

➤	2012	\$ 1,425,673
➤	2013	\$ 1,425,673
➤	2014	\$ 1,425,763
➤	2015	\$ 1,425,763
➤	2016	\$ 1,425,763

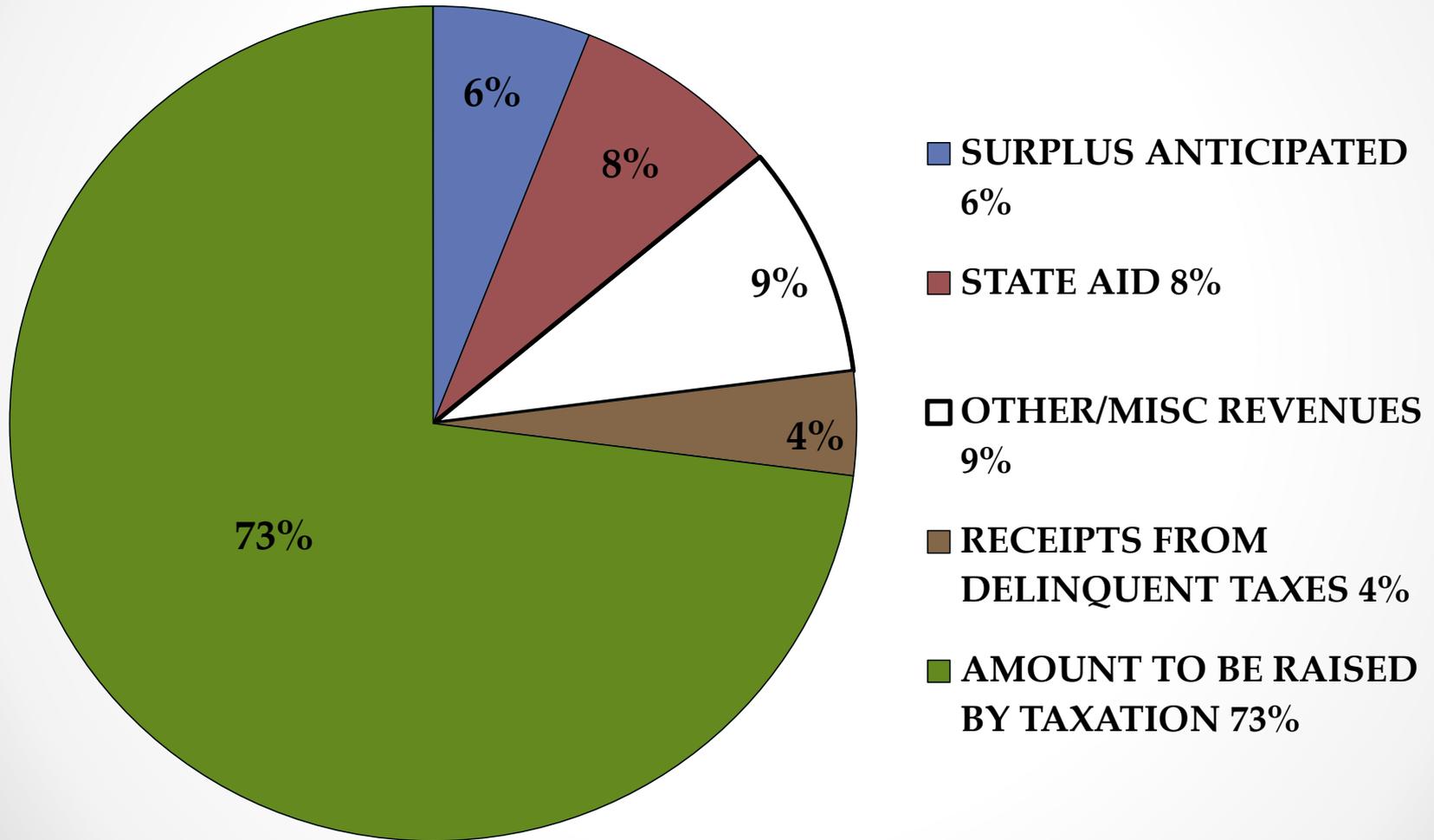
Interest Anticipated on Investments

	Anticipated	Collected
2011	108,900	65,300
2012	55,000	12,646
2013	10,000	7,422
2014	6,500	20,347
2015	15,000	28,152
2016	22,000	

Municipal Surplus

YEAR	BALANCE 12/31 of previous year	UTILIZED
2012	\$2,163,596	\$1,359,175
2013	\$1,476,072	\$ 685,000
2014	\$1,964,000	\$1,340,199
2015	\$2,063,915	\$1,190,677
2016	\$2,110,055	\$1,055,000

2016 Revenue by Category



Uncollected Reserve

Example Calculation:

FUNDS NEEDED \$72,500,000

EXPECTED COLLECTION RATE 98.34%

$$\$72,500,000 \times .9834 = \$71,300,000 \text{ (est)}$$

RUT is the difference = \$1,200,000

Municipal Debt

- 2009 \$70.0 million
- 2010 \$64.0 million
- 2011 \$61.9 million
- 2012 \$59.9 million
- 2013 \$56.6 million
- 2014 \$57.3 million
- 2015 \$56.5 million

LOCAL Tax Levy

Budget As Introduced for 2016

AMOUNT TO BE RAISED \$13,692,799

2016 PERMITTED \$14,161,323

UNDER \$ 468,524

Amount to be Raised

(History)

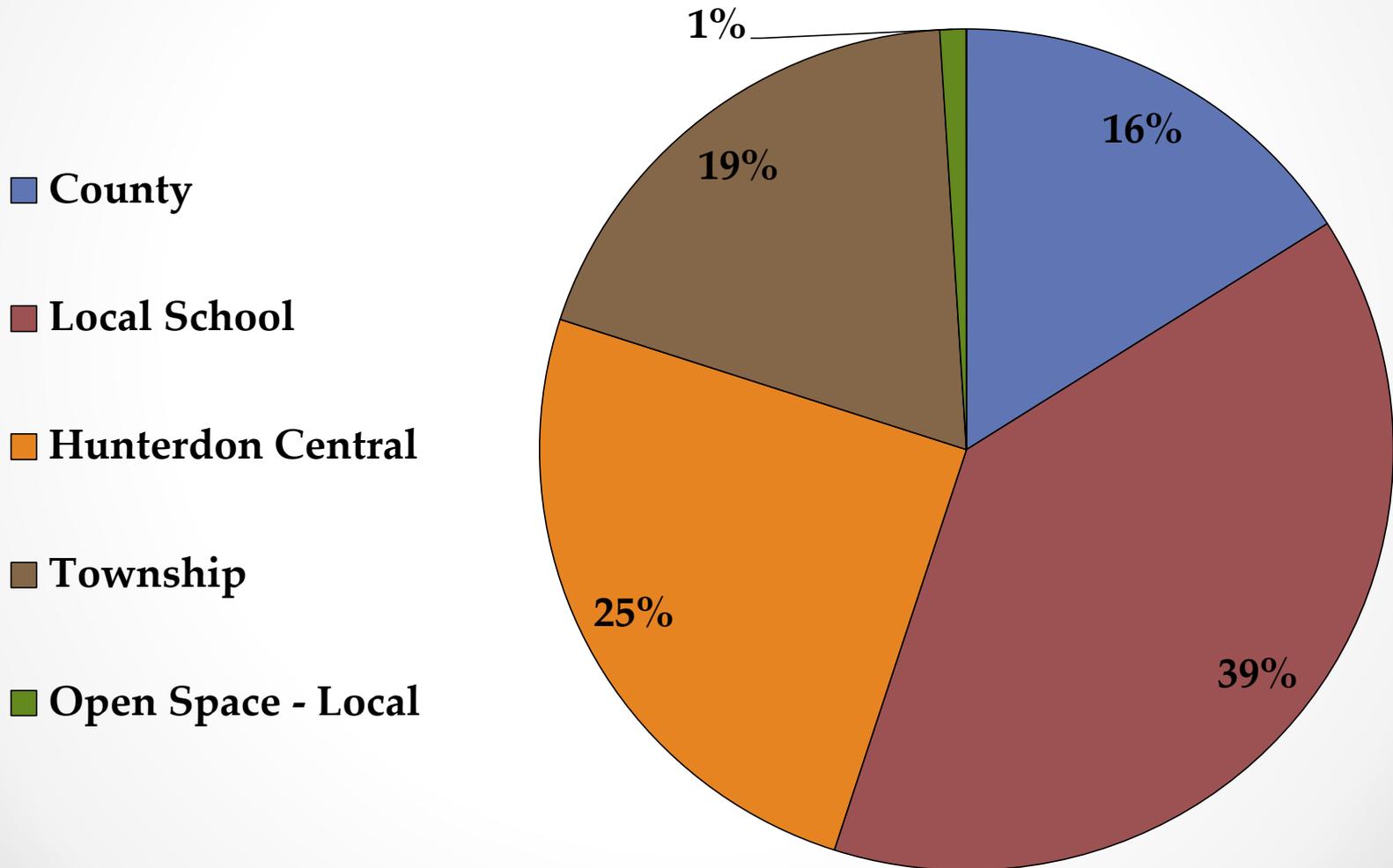
➤ 2013	\$ 13,106,241
➤ 2014	\$ 13,423,115
➤ 2015	\$ 13,542,704
➤ 2016	\$ 13,692,799

Municipal Tax Rate

- Valuation: \$2,593,333,060 (6.15% decrease)
- Budget Requirement: \$13,692,799
- Calculation:

\$13,692,799 divided by \$2,593,333,060 divided
by \$100 = .528

Projected 2016 Overall Tax Rate



The Cost of Running a Municipality

- Average Tax Bill in Readington =
\$11,000 (includes everything)
- Average Tax Bill for Municipal Services:
 $\$400,000 \times .528 = \$2,112$

What do you get for \$2,112?

- Police Protection
- Road maintenance, snow plowing, paving, drainage maintenance
- Equipment: snow plows, mowers, fire trucks
- Maintenance of Township owned properties
 - *Parks (fields), museums, libraries, open space trails*
- Curbside Garbage & Recycling
- Boards – Governing Body, Planning, Zoning, Health, Environmental, Open Space
- Zoning Enforcement
- Code Enforcement / Fire Inspections
- Municipal Court
- Elections
- Aid to Emergency Services (plus equipment)
- Animal Control
- Recreation and Museum programs (summer camp, sports/activity coordination)
- Licensing: Marriage, Liquor, Food Handlers
- Affordable Housing Administration
- Senior Citizen services (trips, transportation)
- 8,700 acres of preserved land