

Township of West Milford
Administrator's Office
Interoffice Memorandum

To: Township Council
CC: Mayor Bieri
From: Bob Casey, Interim Township Administrator
Date: May 7, 2014
Subject: 2014 Annual Budget as Introduced

Attached is the "Official" 2014 Budget for the Township of West Milford for Introduction at this time. Over the past month the original Proposed Budget has been reduced by over \$426,000, and it is being Introduced at this Council meeting with the specific understanding that the Council will continue its budget review and may effect additional changes at the time of the Public Hearing and Amendment / Adoption at the June 4, 2014 meeting.

Attached is a summary overview of the Introduced Budget comparing 2014 with the prior two Adopted Budgets. In essence the primary issue facing the Township is the absence of revenues as reflected in the fact that the 2014 "normal reoccurring revenues", other than Property Taxes, are \$309,067 less than those in 2013 (which were in fact over \$300,000 less than in 2012 while 2012 was \$420,000 less than in 2011) In sum, the primary issue facing the Township is not necessarily the growth in expenditures but rather the decrease in reoccurring revenues.

As to the Expenditure growth, subtracting our the Reserve for Uncollected Taxes (which is more a reflection of the School and county Taxes owed) and the Grants (which vary by the year and resulting in both a revenue and appropriation addition to the budget) the 2014 operations budget is \$393,486 over the prior year (an increase of 1.35%)

Even though this expenditure increase is very reasonable, given the absence of reoccurring non property tax revenues, the amount required in property taxes to fund the 2014 budget has increased by \$856157 or 3.97%

Attached is a sheet showing the total property tax requirements for all taxpayers in the municipality. The total tax requirements i.e. including the County, Schools, County Open Space, etc. has increased by 2.229%. For the "average homeowner with an Assessed value of \$247,000, the total tax increase for the upcoming tax year is \$255.15, of which the Municipal portion (Municipal, Municipal Open Space, Solid Waste and Library) is \$104.73.

As cited in the Budget Message of March 19,

“The Budget that is being proposed is intended to continue the existing services and policies of the Township in a manner that address some existing operational needs, makes some minor adjustments to staffing patterns and funds needed capital improvements. It is also designed to result in the generation of surplus that will be available for the 2015 and 2016 budgets.”

At this point in time, this message remains accurate I look forward to continuing our discussions on the fiscal needs of the Township.

2014

2013

3/06/3/14

MUNICIPALITY
NET VALUE TAXABLE

TOWNSHIP OF WEST MILFORD
2,766,559,500.00

2,786,654,287.00

(20,094,787.00)

	2014 PRELIMINARY		2013 ACTUAL		INCREASE OR (DECREASE)		% CHANGE IN TAX RATE
	AMOUNT	RATE	AMOUNT	RATE	AMOUNT	RATE	
LIBRARY TAX	999,618.00	0.036	1,031,786.00	0.037	(32,168.00)	(0.001)	-2.41%
MUNICIPAL OPEN SPACE	150,490.00	0.005	150,490.00	0.005	0.00	0.000	0.73%
MUNICIPAL	21,405,502.85	0.7737	20,527,177.08	0.7366	878,325.77	0.037	5.04%
SOLID WASTE	1,868,965.59	0.068	1,709,857.12	0.061	159,108.47	0.006	10.10%
SCHOOL	53,540,227.00	1.935	52,496,334.00	1.884	1,043,893.00	0.051	2.73%
COUNTY ESTIMATED FROM COUNTY	20,752,335.00	0.750	20,641,774.36	0.741	110,560.64	0.009	1.27%
COUNTY OPEN SPACE	310,000.00	0.011	310,360.87	0.011	(360.87)	0.000	0.61%
TOTAL	99,027,138.44	3.579	96,867,779.43	3.476	2,159,359.01	0.103	2.97%

AVERAGED ASSESSED VALUE OF HOME -

247,000.00

247,000.00

	2014	2013	INCREASE OR (DECREASE)
LIBRARY	89.25	91.45	(2.21)
MUNICIPAL OPEN SPACE	13.44	13.34	0.10
MUNICIPAL	1,911.10	1,819.46	91.63
GARBAGE	166.86	151.56	15.31
SCHOOL	4,780.10	4,653.10	127.00
COUNTY	1,852.78	1,829.62	23.16
COUNTY OPEN SPACE	27.68	27.51	0.17
TOTAL	8,841.20	8,586.05	255.15

	A	B	C	D	E	F	G
1	BUDGET COMPARISON						
2							
3	ITEM		2014	2013		2012	2011
4	Budget Total		INTRODUCED	ADOPTED	2014 vs 2013	ADOPTED	ADOPTED
5							
6	REVENUE						
7	SURPLUS		2,200,000	2,200,000	-	1,600,000	1,900,000
8	REOCCURRING		2,168,637	2,277,704	(109,067)	3,424,013	3,341,000
9	STATE AID		3,161,715	3,161,715	-	3,161,715	3,161,715
10	DELINQUENT TAXES		1,000,000	1,200,000	(200,000)	956,000	1,160,000
11					-		
12	SUBTOTAL		8,530,352	8,839,419	(309,067)	9,141,728	9,562,715
13							
14	PROPERTY TAXES		22,405,120	21,548,963	856,157	21,336,148	20,214,627
15							
16	SUBTOTAL		30,935,472	30,388,382	547,090	30,477,876	29,777,342
17							
18	GRANTS		282,941	955,442	(672,501)	228,481	666,860
19					-		
20	TOTAL		31,218,413	31,343,824	(125,411)	30,706,357	30,444,202
21					-		
22					-		
23	APPROPRIATIONS						
24	TOTAL		31,218,413	31,505,988	(287,575)	30,856,357	30,444,202
25	less Reserve for Taxes		(1,915,000)	(1,890,000)	(25,000)	(1,890,000)	(1,890,000)
26	less Grants		(282,941)	(989,002)	706,061	(230,941)	(713,860)
27					-		
28	net budget		29,020,472	28,626,986	393,486	28,735,416	27,840,342
29					-		
30	less debt		(2,696,270)	(2,766,850)	(70,580)	(2,916,818)	(2,406,709)
31					-		
32	net budget		26,324,202	25,860,136	464,066	25,818,598	25,433,633