

**Township of Teaneck
Proposed
2014
Municipal Budget**

Proposed 2014 Municipal Budget

Budget Preparation Process

1. Department Head Requests
2. Manager/CFO Review
3. Manager/CFO/Department Head Public Hearings
4. Public Input at Council Meetings
5. Manager/CFO final review
6. Manager's presentation to Council of proposed budget appropriations and estimated revenues

Proposed 2014 Municipal Budget

Budget Preparation Process

7. Council review and public hearings
8. Auditor's Revenue and tax levy cap projections
9. Auditor's review and recommendations
10. Council introduction of budget by revised statutory date of 3/14
11. Hearing and adoption of budget by revised statutory date of 4/25 or by resolution

Assumptions

2014 Budget is dependent upon:

- Council determination of 2014 Municipal Budget Appropriations
- Fund Balance (Surplus) available for 2014
- 2013 Municipal Revenues' Analysis and 2014 Revenue Anticipations
- State Aid allocations for 2014
- BCUA Sewer Increase estimated at 2.56%

Proposed 2014 Municipal Budget

Proposed budget or appropriations increase 3.11% or \$2,151,855.74

Estimated annual tax increase:
Average home assessed at \$455,000
Increase in Taxes
Per year: \$130
Per month: \$10.83
Per Week: \$2.50
Per Day: \$.36

Tax Levy = Budget Appropriations Minus Revenues

No Tax Levy Cap Issue Expected

Appropriation vs. Levy

- Appropriations – what the municipality intends to spend on operations
 - Levy – what the municipality intends to raise through taxation of property owners
- (Levy = Budget Appropriations less Revenues)

Appropriations Cap vs. Levy Cap

Appropriations Cap

- Enacted 1977
- Originally capped budget appropriations increases at cost of living (COLA)
- Amended in 2003 to 2.5%
- COLA Ordinance 3.5% and Cap Banking

Levy Cap

- Enacted 2007
- Amended in 2010 to 2% and modified exclusions

Exclusions from 2010 Levy Cap

- Increases in Debt Service and Capital Expenditures
- Weather and other “declared” emergencies
- Pension contributions in excess of 2%
- Health benefit cost increases in excess of 2% and limited by the increase in State Health Benefits rate increases

Appropriations Increase \$2,151,855.74*

Category	Increase
Salaries & Wages	\$832,585.08
Other Expenses (Tab 5 less Statutory, Debt Service, Deferred Charges, and Capital Funds)	\$473,527
Debt Service/Debt Management Plan	\$407,882.47
Statutory Expenditures/Deferred Charges (PFRS, PERS, SS)	\$379,867.19
Group Health Insurance Premiums	\$292,400**
Special Emergencies (Revaluation – 5 Year)	\$142,494
BCUA	\$110,000**
Insurance Premiums	\$96,000**

Appropriations Increases

- *Total appropriations increase is less
 - Grants (5,000)
 - Capital Improvement Fund (79,500)
 - Group Health Insurance** (292,400)
 - BCUA** (110,000)
 - Insurance Premiums** (96,000)(**Included in Other Expenses)

= \$2,151,855.74

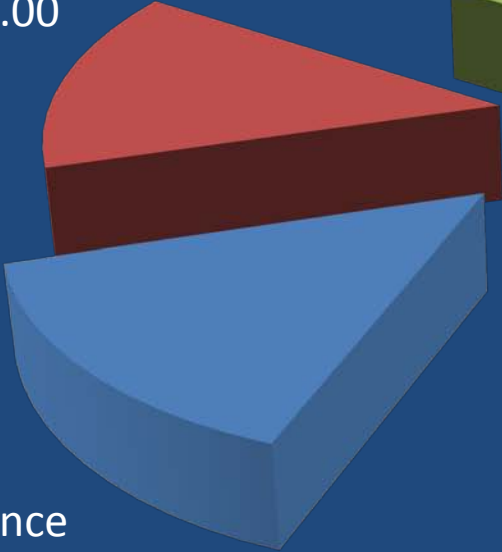
What are Special Emergency Appropriations?

Per N.J.S.A. 40A:4-53:

- Preparation of Tax Maps
- Revaluation
- Codification of Ordinances
- Preparation of Master Plan
- Drainage Maps/Flood Control
- Engineering/Planning of Sanitary Sewer System
- Municipal Consolidation
- Severance Liabilities
- Preparation of Sanitary/Storm System Map
- Tax Appeal Refunds

Budgeted Special Emergencies

Revaluation
\$142,494.00
14%



Tax Appeals
2012
\$744,000.00
72%

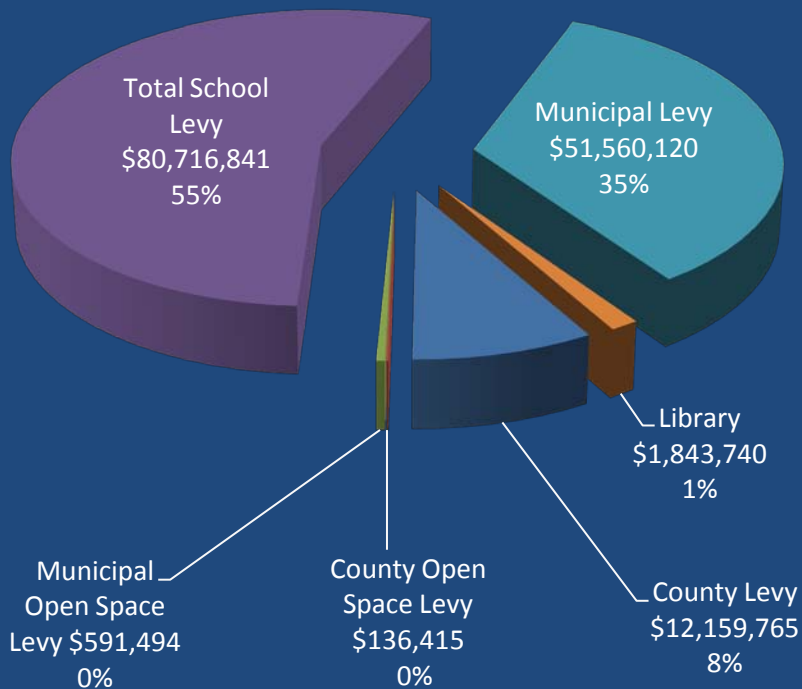
Severance
Liabilities
\$153,667.00
15%

Total: \$1,040,161.00

2013 Tax Breakdown

Tax Breakdown

**Total Property Taxes:
\$147,008,375**

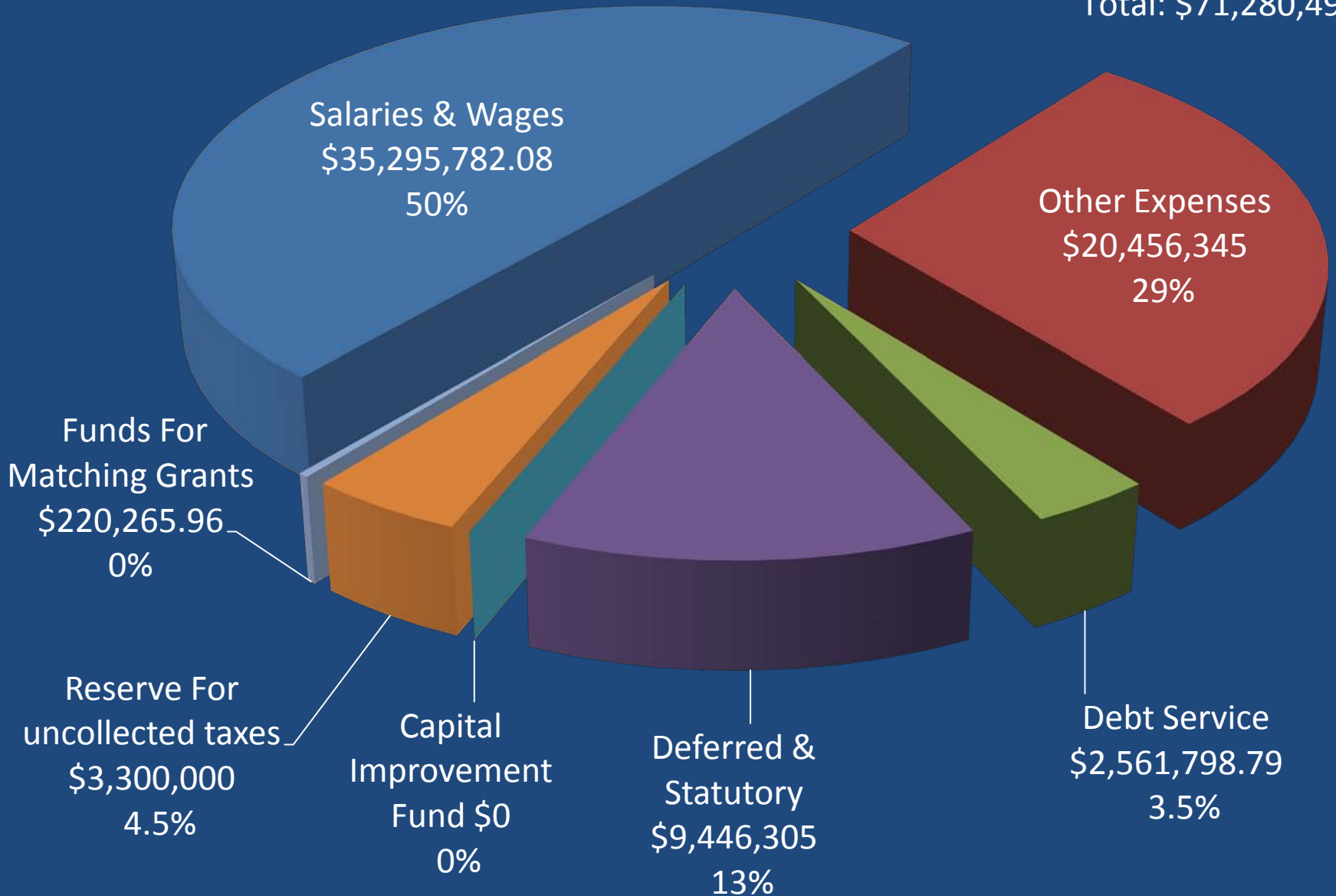


- Proposed budget refers to municipal portion of taxes only
- All taxes collected by the municipality for the taxing entity
- Taxes forwarded to taxing entity biweekly/quarterly

2014 Proposed Budget

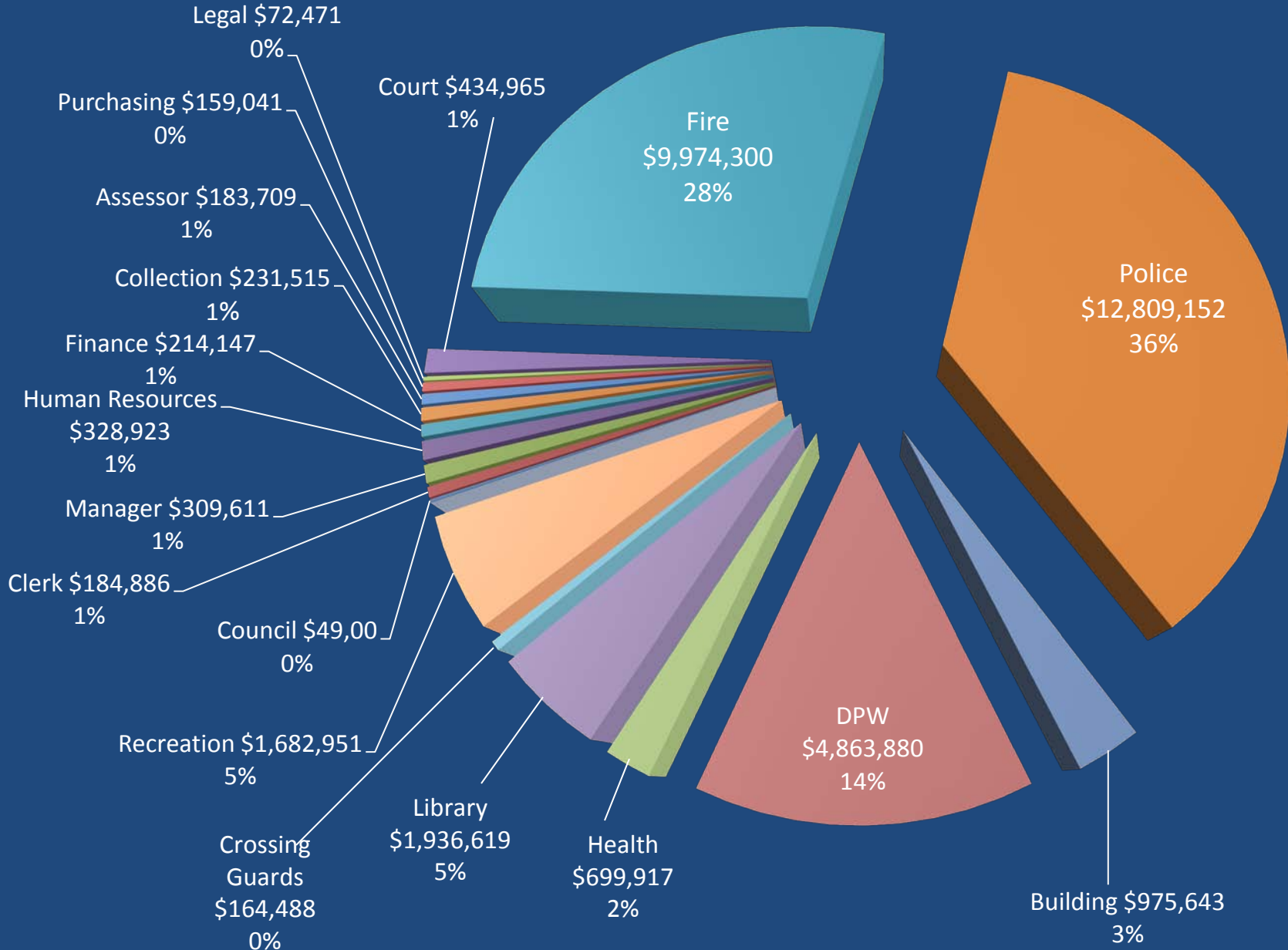
Budget Appropriation Categories

Total: \$71,280,496.83

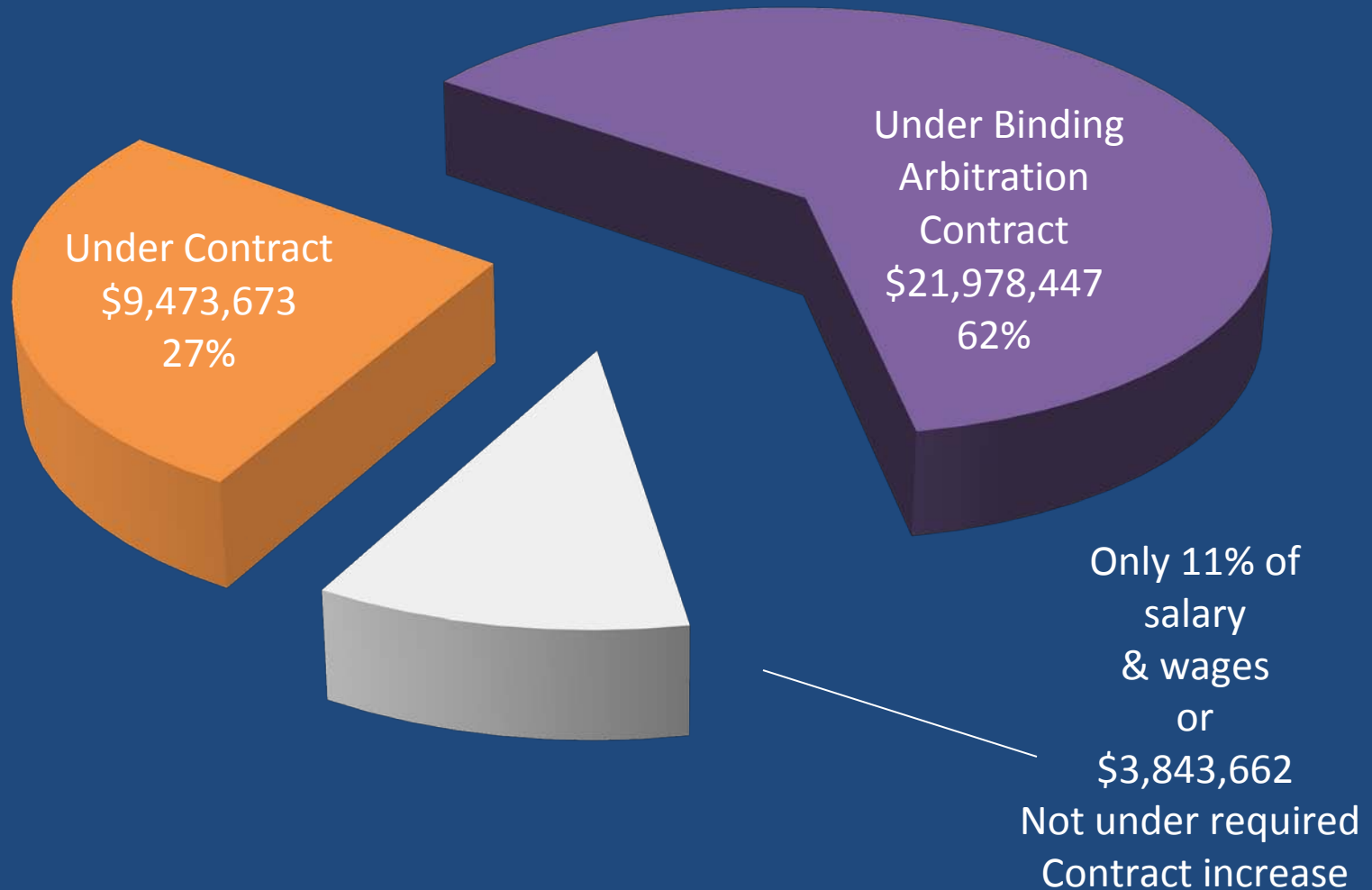


Proposed Salaries & Wages

Total: \$35,295,782



Salary & Wage Increases Required by Union Contract



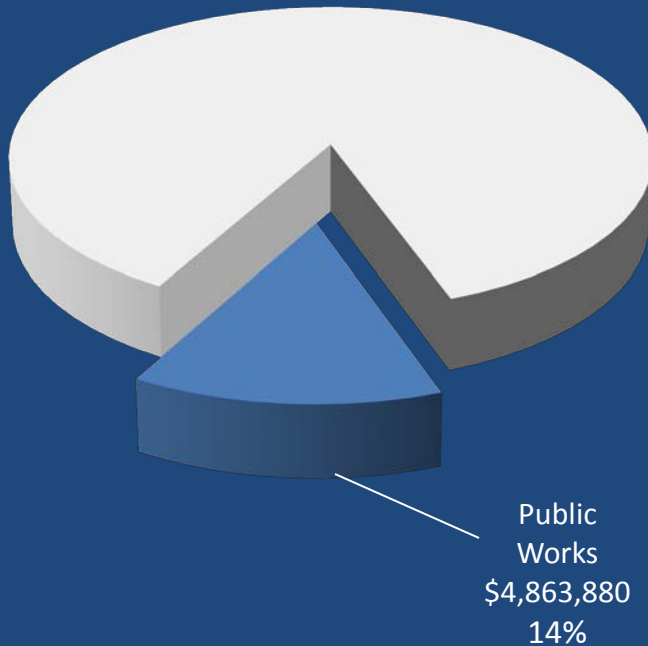
Total: \$35,295,782

Salaries and Wages Summary and Recommendations

Department of Public Works (DPW)

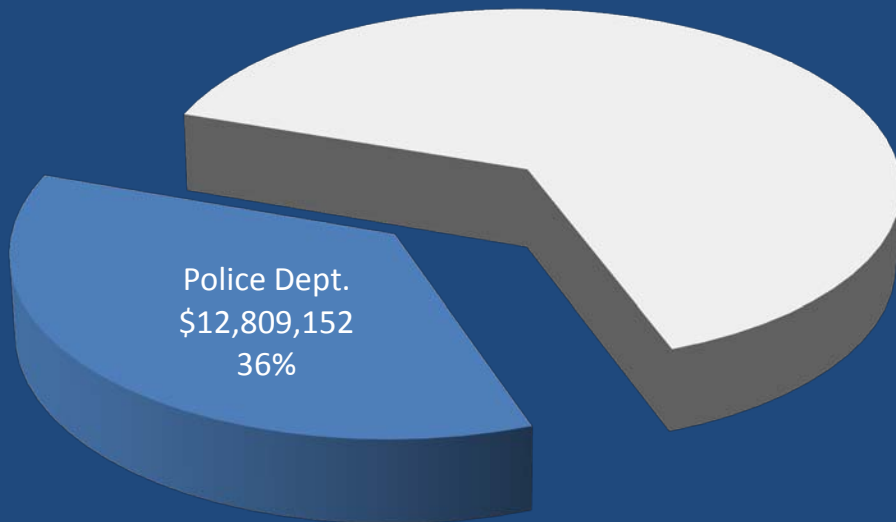
2014 Recommendations

- Fill (4) vacant laborer positions
 - (1) Maintenance Laborer
 - (2) Roads Division Laborers
 - (1) Trees/Parks Laborer



Salaries and Wages Summary and Recommendations

Police



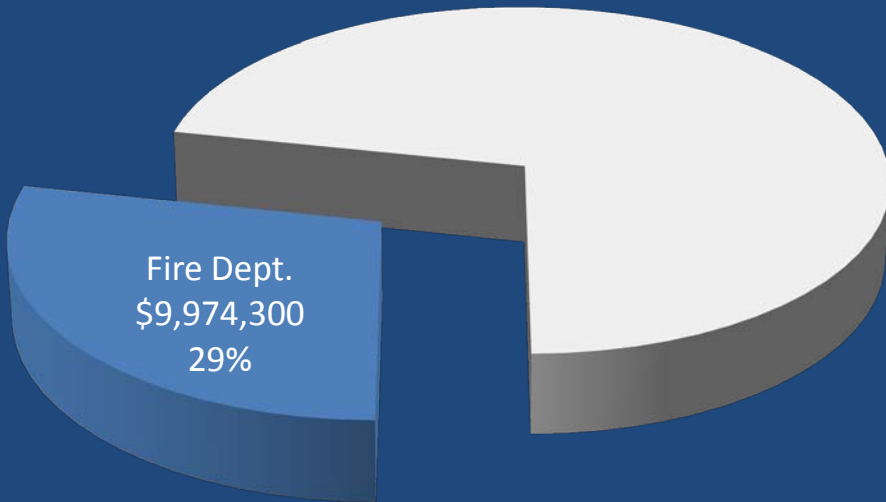
2014 Recommendations

- Authorized strength via ord. (115) uniformed officers
- Maintain strength at (96) sworn officers
- Current staffing level is (94) officers
- Fill (2) vacant Police Officer positions, (8) Civilian Dispatcher positions
- Additional funds included for Part-Time Park Rangers (4 P/T)

Salaries and Wages Summary and Recommendations

Fire

2014 Recommendations



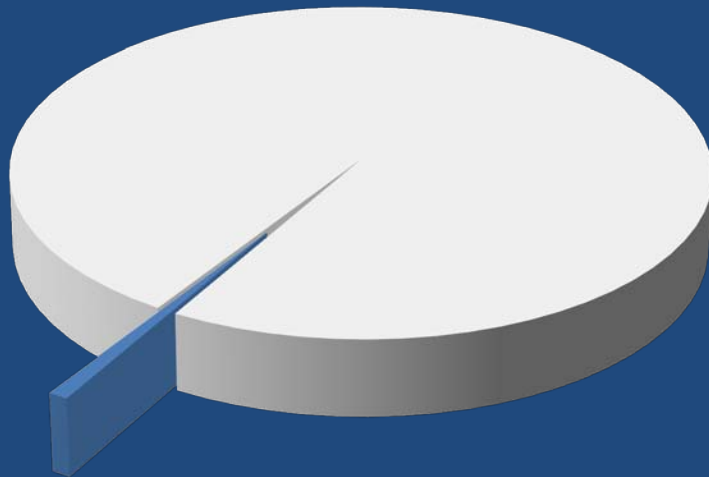
- Maintain Fire Department at 92 uniformed Fire Fighters
- Current strength of 88 uniformed officers
- Fill (4) vacant entry-level Fire Fighter positions

Salaries and Wages Summary and Recommendations

Manager's Office

2014 Recommendations

- Do not fund Deputy Manager position in 2014, consider for 2015



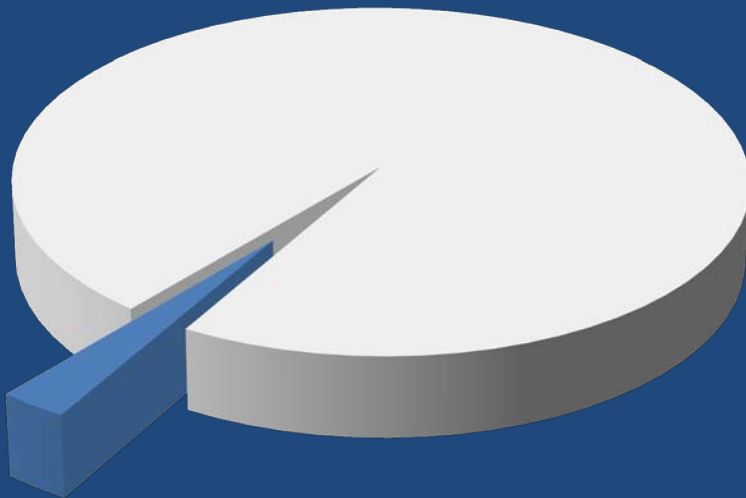
Manager
\$309,611
1%

Salaries and Wages Summary and Recommendations

Building Department

2014 Recommendations

- Hire (1) Assistant Construction Official \$75,000



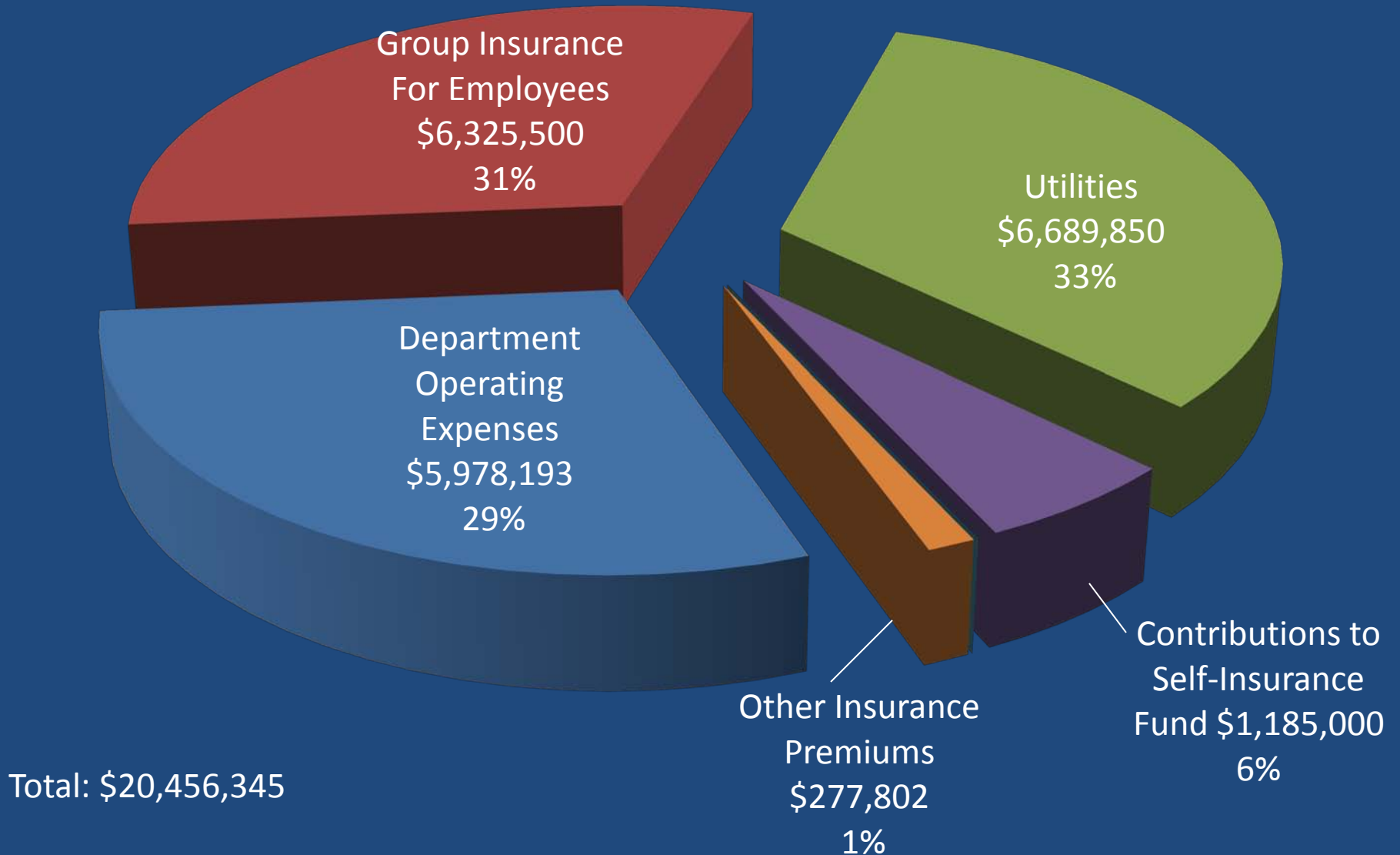
Building
\$975,643
3%

Salaries and Wages Summary and Recommendations

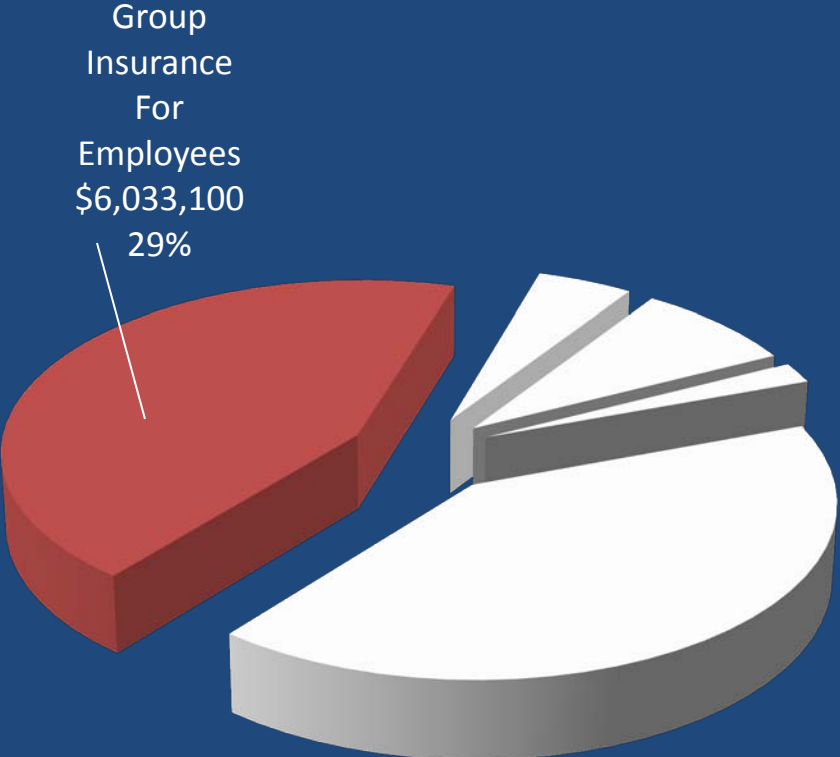
Overtime

Dept.	2014	2013	Change %	Change \$
Fire	\$425,000	\$425,000	0 %	\$0
DPW	\$320,000	\$320,000	0%	\$0
Police	\$425,000	\$425,000	0%	\$0

Appropriations Other Expenses



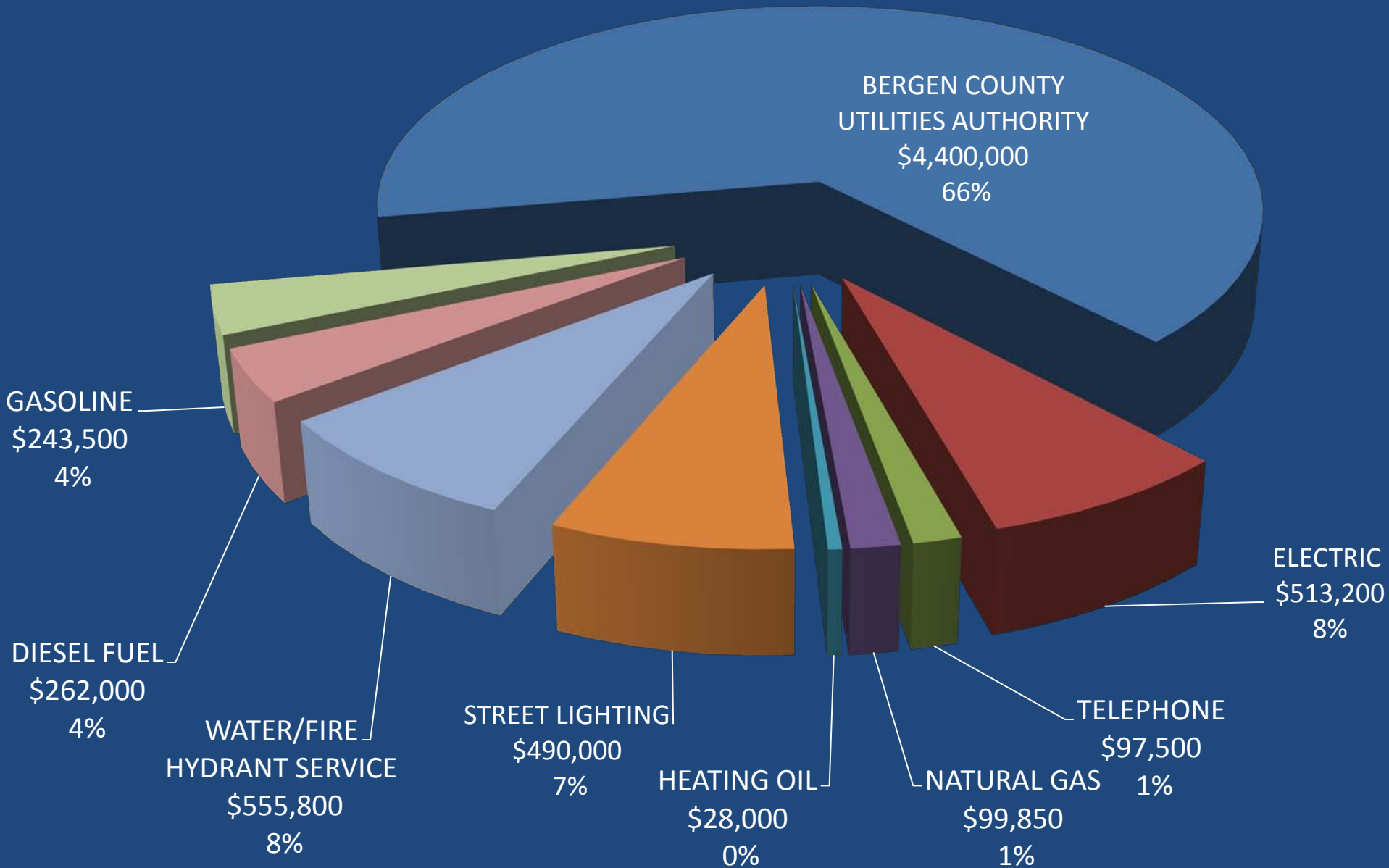
Group Insurance For Employees



- Increased \$292,400 or 4.85%

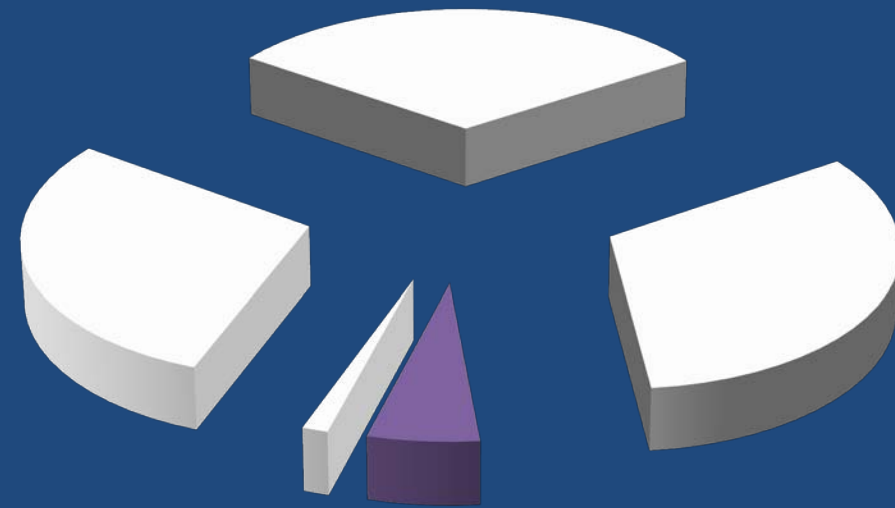
Utilities

Total: \$6,689,850



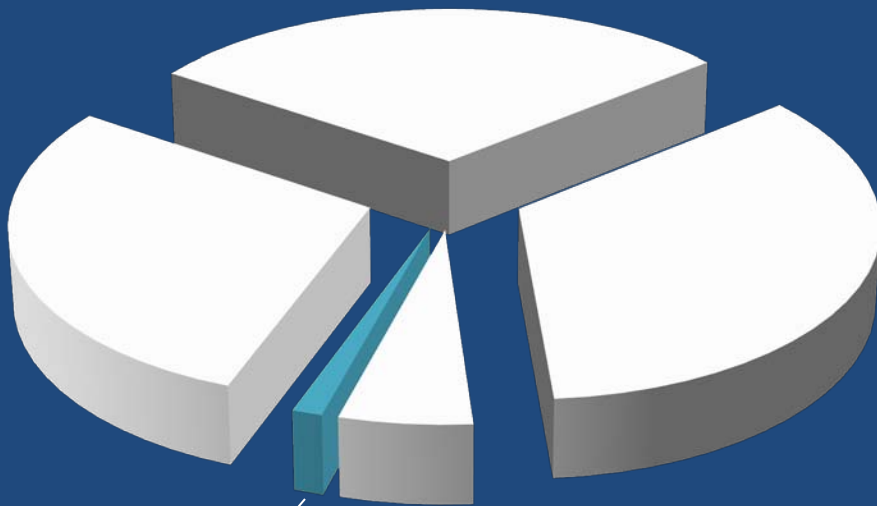
Contributions to Self-Insurance Fund

- Up 5.4% or \$60,000 from 2013



Contributions
to Self-
Insurance
Fund
\$1,110,000
5%

Other Insurance Premiums



Other
Insurance
Premiums
\$277,802
1%

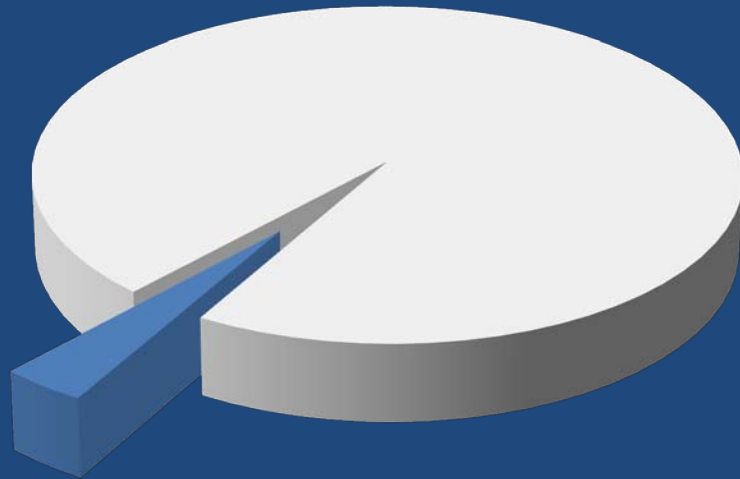
- Auto Liability and collision
- Employment Practices
- Public Officials
- Facilities

Budgeted 8.30%
increase (\$21,302)

Debt Service

Debt Service

Highlights



- Bond Interest Increased \$145,076.75
- Bond principal Increased \$825,000
- After certain reductions, total increase of \$407,882.47 in Debt Service from 2013

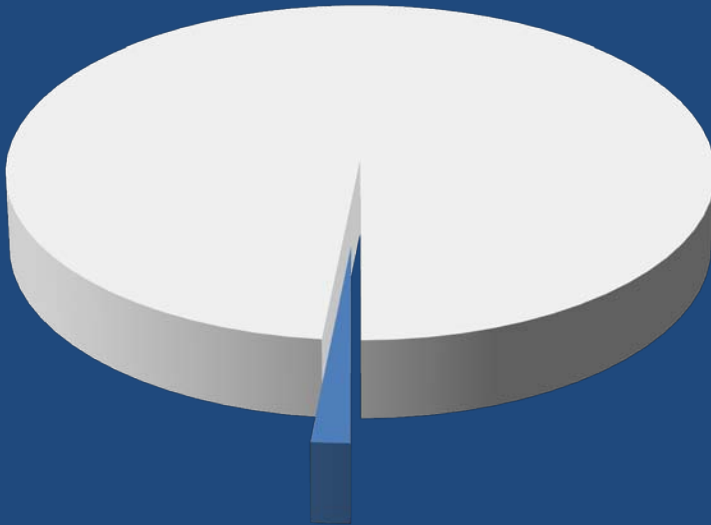
Debt
Service
\$2,561,799
4%

Deferred Charges

Deferred Charges

Tax appeal reserve of
\$1,000,000 for 2014
appeals

Number of appeals and
potential refunds TBD

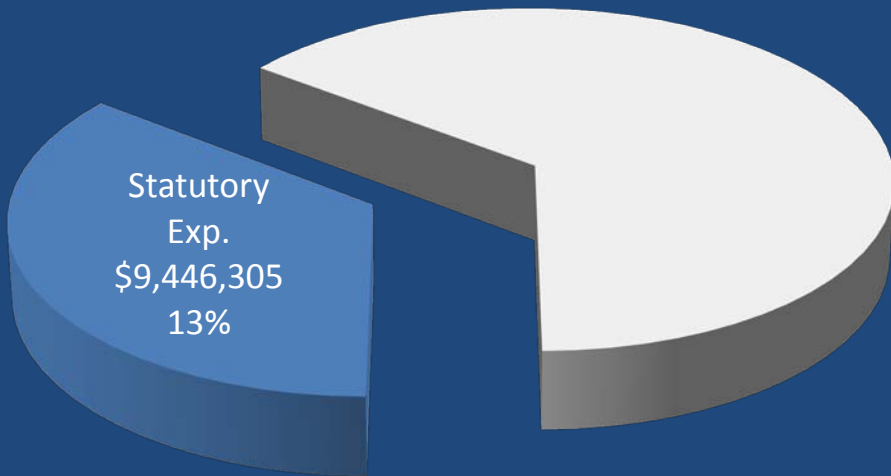


Deferred
Charges
\$1,150,000
2%

Statutory Expenditures

Statutory Expenditures

- PFRS Increased \$288,829
- PERS Increased \$78,621
- Social Security Increased \$28,900
- Total line item Increased \$382,683.54



Capital Improvement Fund

Total Cost of Improvements

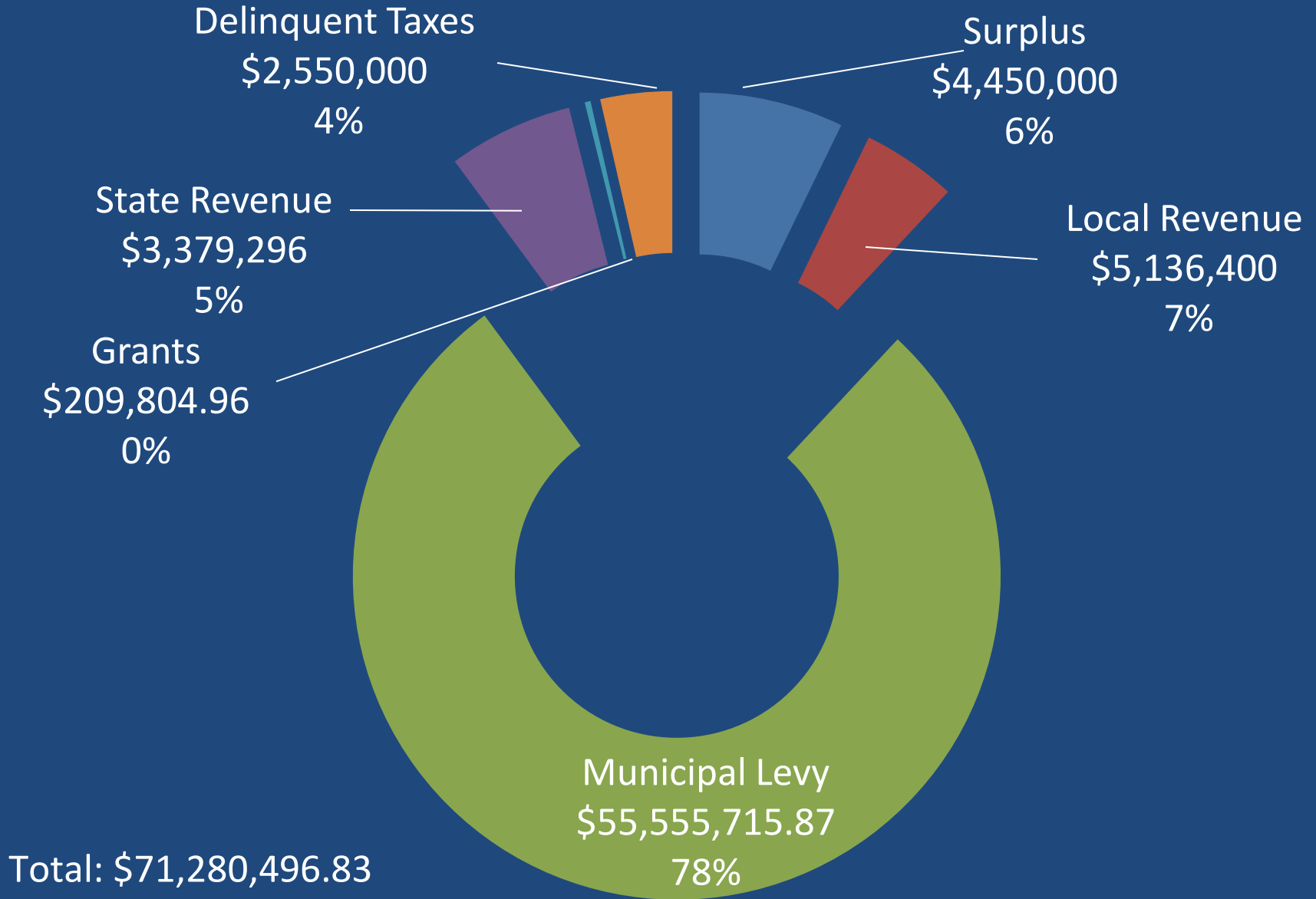
\$5,547,600

Capital Improvement Fund

\$277,100

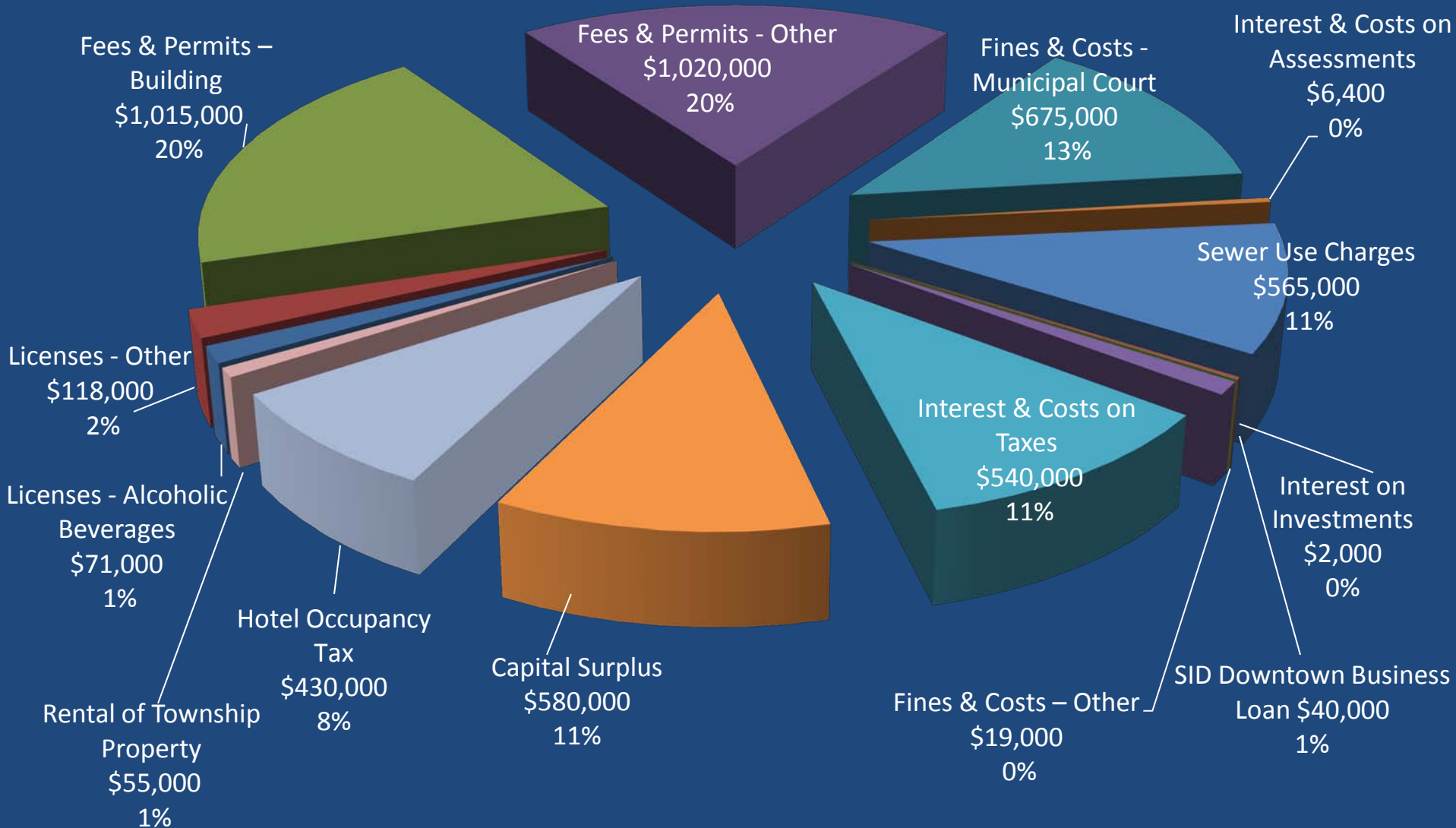
Capital Improvement Fund Review
January 16, 2014

Estimated Revenue



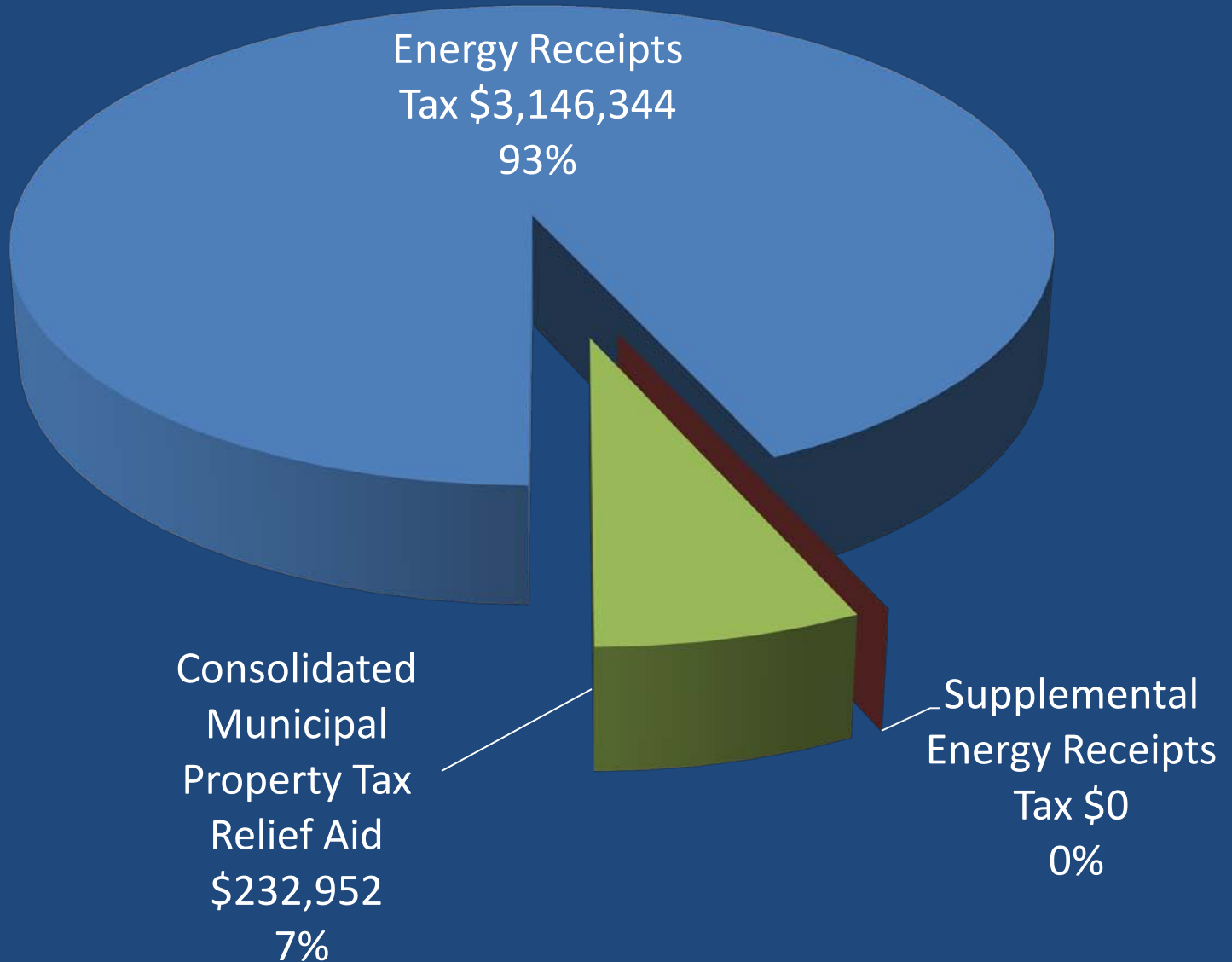
Estimated Local Revenue

Total: \$5,136,400



Estimated State Revenue

Total: \$3,379,296

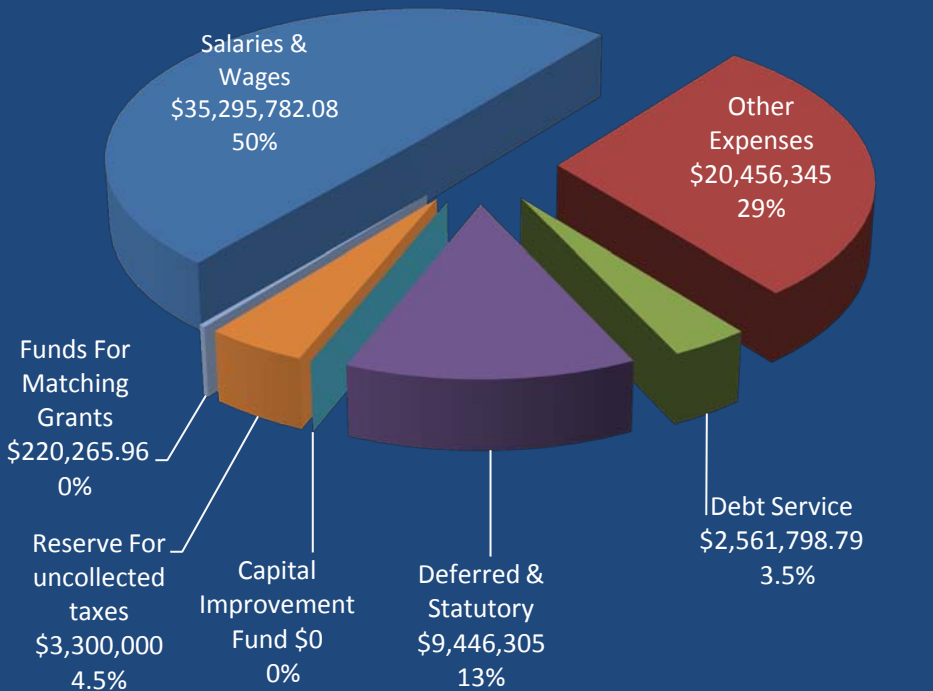


Factors impacting budget

- General state of economy
- Special Emergencies
- Impact of tax appeals
- Reduction in Ratable Base
- Interest rates
- Reduced or flat state aid
- BCUA sewer

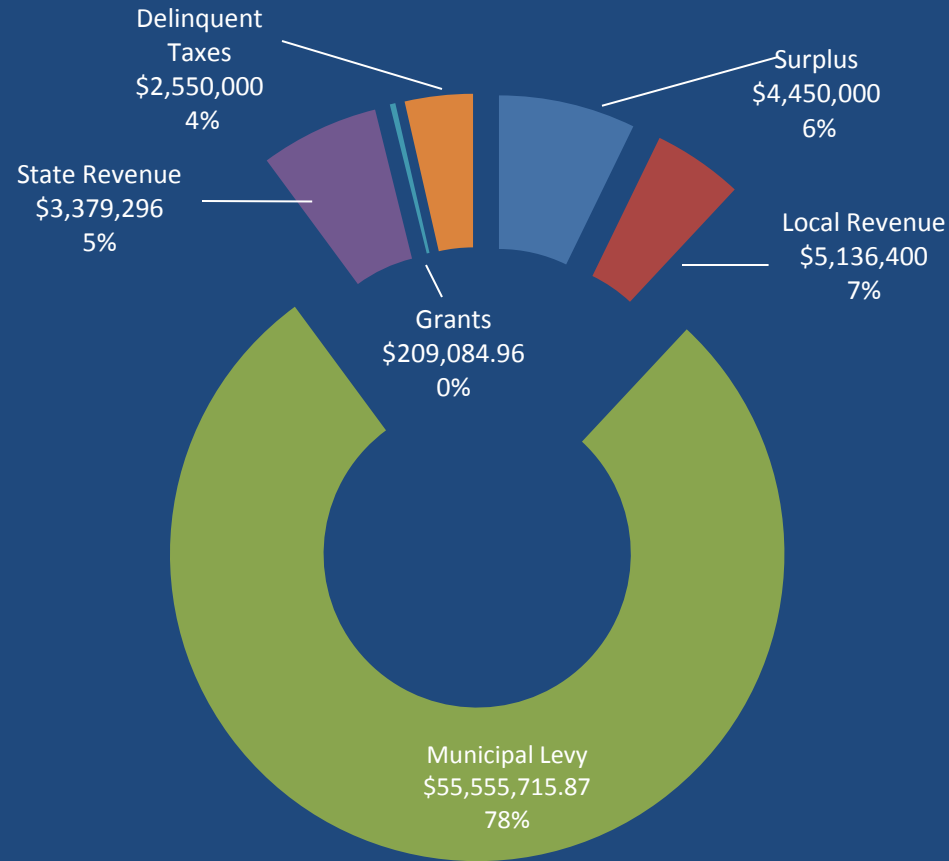
Budget Wrap - UP

Appropriations



Total: \$71,280,496.83

Revenue



Total: \$71,280,496.83

Strategies

Short & Long Term

- Accelerated tax sale/Tax Sale date change
- Limited hiring freeze
- Shared services
- Cost containment/efficiency
- Police/Fire/EMS Dispatch through County
- Power Purchase Agreement/Consortium
- Billing for Ambulance Services
- Switch to 3rd party energy supplier
- Sale/development of selected municipally owned property
- Redevelopment of Alfred Avenue
- CO or Certificate of Inspection upon resale/purchase

Upcoming Budget Meeting

Tentative Agenda

Thursday, January 16, 2014

- Review - Legal Services budget
- Review - Police Department budget
- Review - Public Works/Engineering budgets
- Review - Capital budget
- Review - Various budget accounts

Upcoming Budget Meeting Tentative Agenda

Thursday, January 23, 2014

- Review - Fire Department budget
- Review - Recreation Department budget
- Review - Various budget accounts

Upcoming Budget Meeting

Tentative Agenda

Thursday, January 30, 2014

- Presentation - Auditor
- Presentation - Insurance
- Review - Library Budget
- Review - Council budget
- Review - Township Manager's budget
- Review - Township Clerk's budget
- Review - Various budget accounts

Thank you!

