

HARDYSTON TOWNSHIP

2011 Municipal Budget

Presented at
Budget Public Hearing
April 12, 2011

Budget Process/Timeline

- § October
 - § Dept. budget request forms submitted to Township Mgr.
- § November
 - § Dept. budget hearings with Township Manager
- § January/February
 - § Preparation of Draft Budget
- § March -May
 - § Council Budget review
- § April – June
 - § Budget Introduction
- § July
 - § Public hearing and adoption

Budget Highlights

§ Total budget - \$9,911,645

- | Operating Budget Increase 1.6% (\$155,448)
from 2010

Budget Highlights (con.)

- § Allowable tax levy increase - \$265,594
- § Actual tax levy increase - \$185,969
- § Balance of allowable increase not being utilized - \$79,624
- § 2.8% increase in the tax levy

Budget Highlights (con.)

§ Budget impacted by the following:

┆ **REVENUE REDUCTIONS:**

- ┆ Loss of State Aid - \$14,975
- ┆ Reduction of Income from Interest on Investments - \$65,000
- ┆ Reduction in Construction Permit Fees - \$15,000
- ┆ Reduction in Municipal Court Fees - \$8,800
- ┆ Tax Appeal/Value Adjustments - \$42,900
- ┆ Reserve for Sale of Assets - \$8,645

Budget Highlights (con.)

POSITIVE REVENUE CHANGES:

- | Increase in New Inter-Local Revenue (all five new inter-local partnerships commencing mid-year in 2010, the balance of a full year's contract is added to revenues for 2011):
 - Hamburg Borough – Recycling - \$14,500
 - Hamburg Borough – Municipal Facility Waste - \$1,900
 - Sussex Borough – Public Works - \$88,731
 - Newton – Construction Dept. Services - \$40,530
 - Sussex Borough – Construction Dept. Services - \$27,666

Budget Highlights

§ Continue with pay-as-you-go capital improvement plan:

§ Capital projects include:

- | Funds to Replace 1 Pick-Up Truck Within Fleet – DPW
- | Funds to Refurbish 1 Single-Axle Dump Truck – DPW
- | Funds to Refurbish Sweeper – DPW
- | Funds to Purchase & Refurbish Used Garbage Vehicle – DPW
- | Funds to Purchase New Mason Dump Truck Plow Assembly DPW
- | Funds to complete air conditioning installation in computer room – Buildings and Grounds
- | Funds to replace gate at DPW main garage with automatic gate to increase security – Buildings and Grounds
- | Funds to replace DPW office roof – Buildings and Grounds

Budget Highlights (con.)

§ Capital projects (con.):

- | Funds for the 1st year of a 3-year program to replace facility identification signage and welcome signs – EDC
- | Funds to Upgrade Voice Mail System & E-mail Server – Computer Technology
- | Funds to Replace 2 MDT Laptops for Use in Police Vehicles – repurpose older units in First Aid ambulances to implement digital patient record program – Police/EMS
- | Purchase of hydrolic lift stretcher unit – EMS
- | Continuation of various established replacement programs for replacement of communications equipment, radios, fire hoses, turnout gear, and SCBA air packs

Debt Service

- | Debt service appropriation reflects permanent financing for all municipal debt, including municipal building and new aerial device fire truck
- | Debt service appropriation reflects financing for solar energy generating facility, replacement of old municipal building with salt/substation facility on south side of township, upgrades to existing DPW facility and emergency communication upgrades for police, fire and first aid communications throughout the municipality

Budget Highlights (con.)

§ Operational Projects:

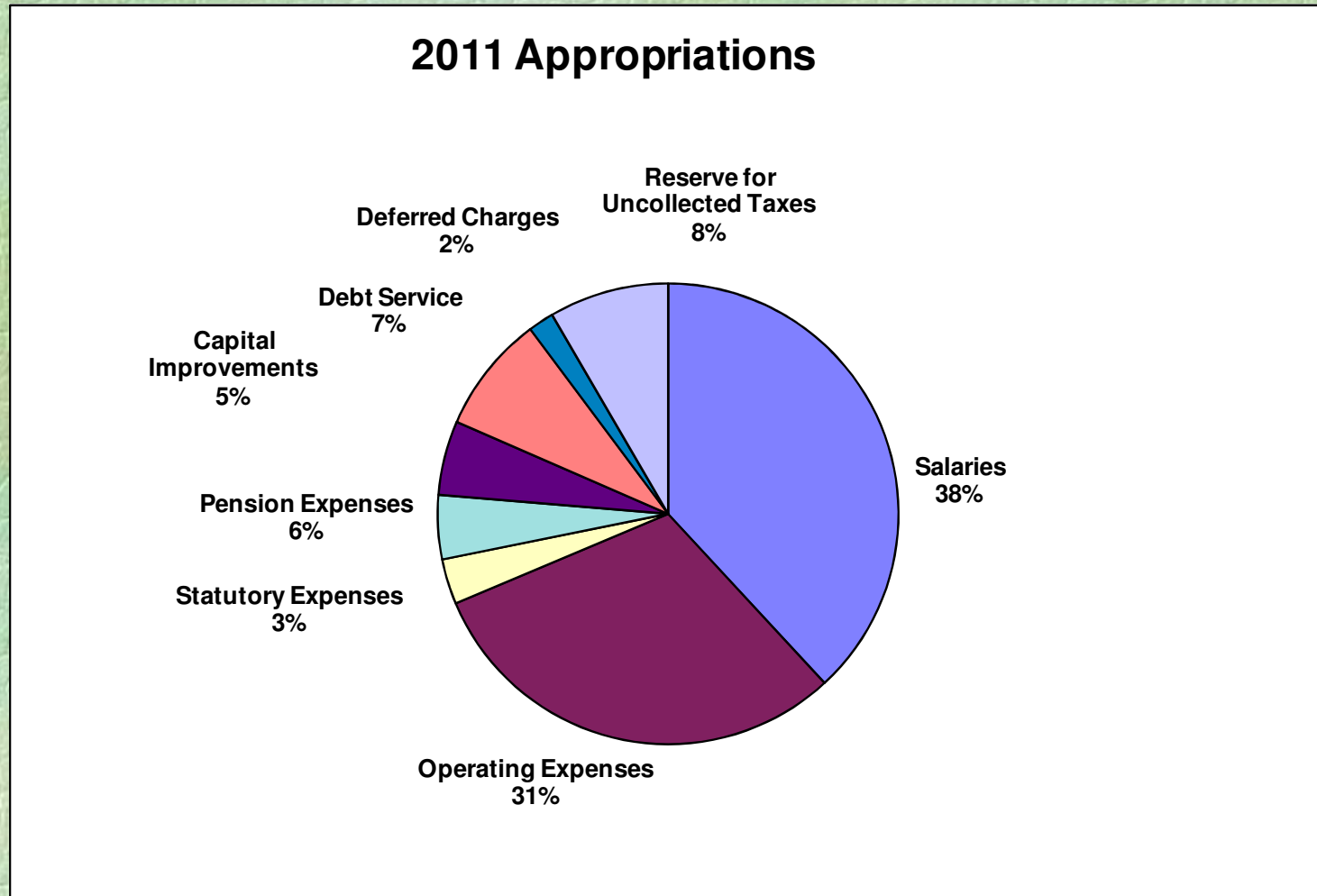
- | Road resurfacing projects slated for portions of the following roads in 2010:
 - Portion of Crystal Springs Road
 - 1000 tons of patch to be utilized throughout the Township where found to be needed.

Budget Highlights (con.)

§ Operational Projects:

- | Replacement of two police vehicles
- | Implementation of data management software for planning and zoning (same vendor as construction data management system for overall integrated record system)

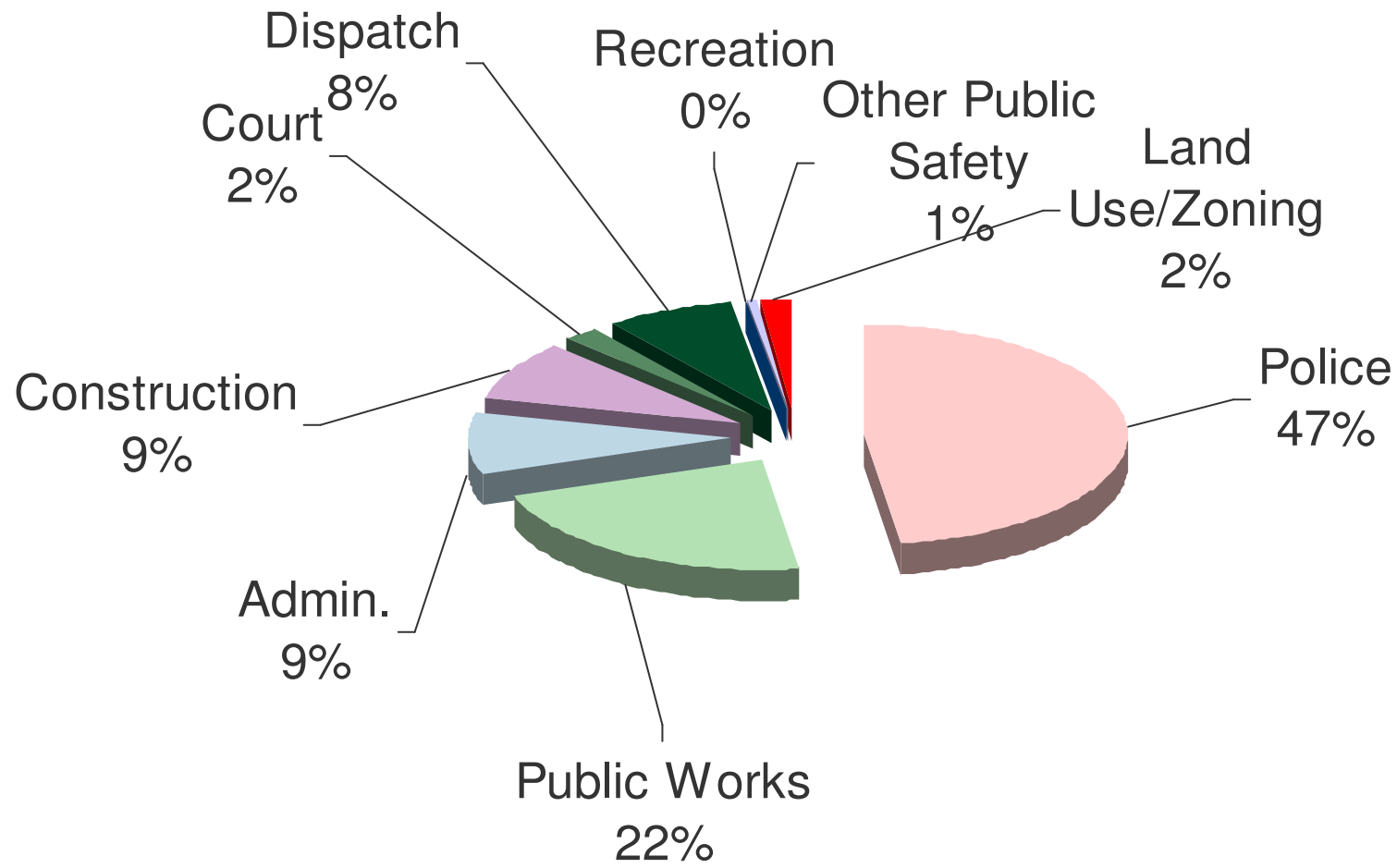
Total 2011 Appropriations:



Differences in Operating 2010 - 2011

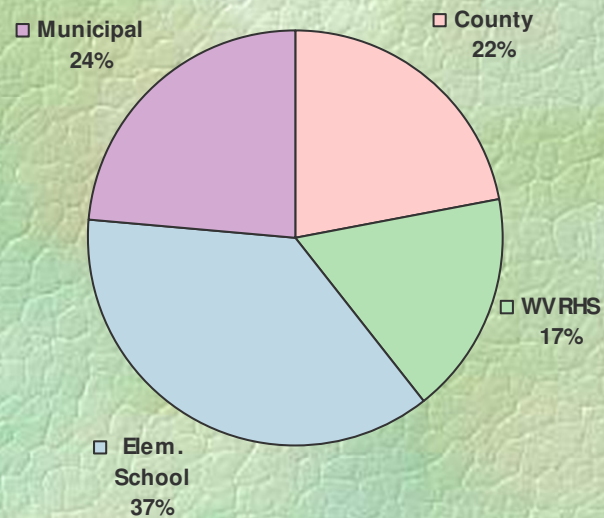
- § Pension Cost increase \$90,135
- § Health insurance net increase of \$34,725 – reflects full year of employee contributions of 1.5% for all non-contractual employees and savings from the implementation of an opt-out option for employees who elect to waive health insurance benefits.
- § 0% increase for all non-contractual employees
- § Increases to contracted employees larger funded by not replacing an officer retiring in 2011
- § Negotiated reduction in Inter-Local Finance Dept. Contract w/Franklin Borough – savings \$9,247

2011 Salary Distribution



Reserve for Uncollected Taxes

Total Appropriation - \$726,833
Decrease of \$5,167



§ Elementary School

| \$268,928

§ WVRHS

| \$123,561

§ County

| \$159,903

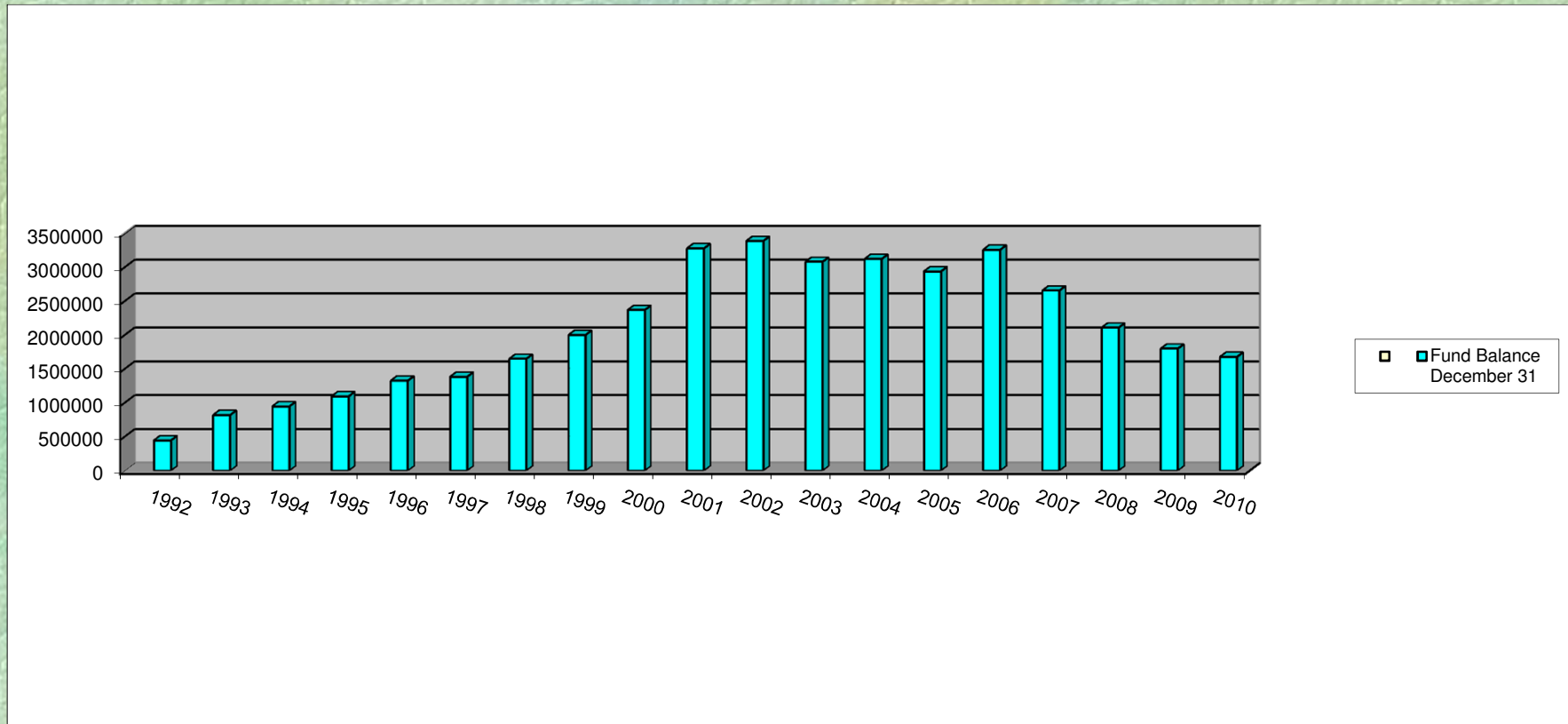
§ Municipal

| \$174,439

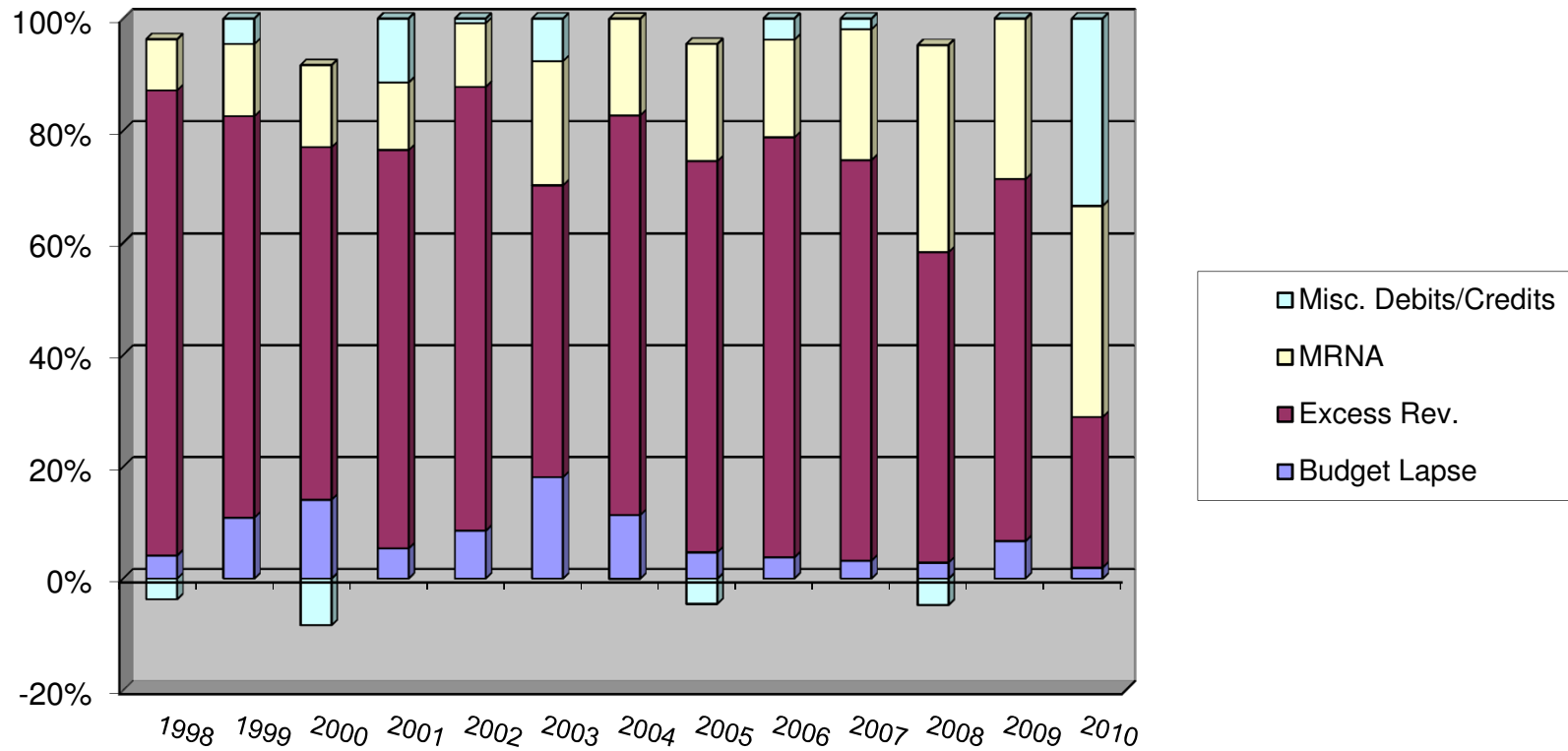
Revenue Comparison 2010-2011

	<u>2011</u>	<u>2010</u>	<u>\$ Change</u>	<u>% Change</u>
Property Taxes	\$ 6,454,611	\$ 6,268,641	\$ 185,970	3.0%
Surplus	\$ 977,279	\$ 877,279	\$ 100,000	11.4%
State Aid	\$ 725,074	\$ 740,049	\$ (14,975)	-2.0%
Delinquent Taxes	\$ 370,000	\$ 370,000	\$ -	0.0%
Grants	\$ 44,417	\$ 248,047	\$ (203,630)	-82.1%
Interlocal Services Revenue	\$ 867,584	\$ 699,975	\$ 167,609	23.9%
Construction Code Fees	\$ 112,000	\$ 127,000	\$ (15,000)	-11.8%
Special Items of Revenue	\$ 52,500	\$ 48,845	\$ 3,655	7.5%
Local Revenue	\$ 308,178	\$ 376,359	\$ (68,181)	-18.1%
TOTAL	\$ 9,911,643	\$ 9,756,195	\$ 155,448	1.6%

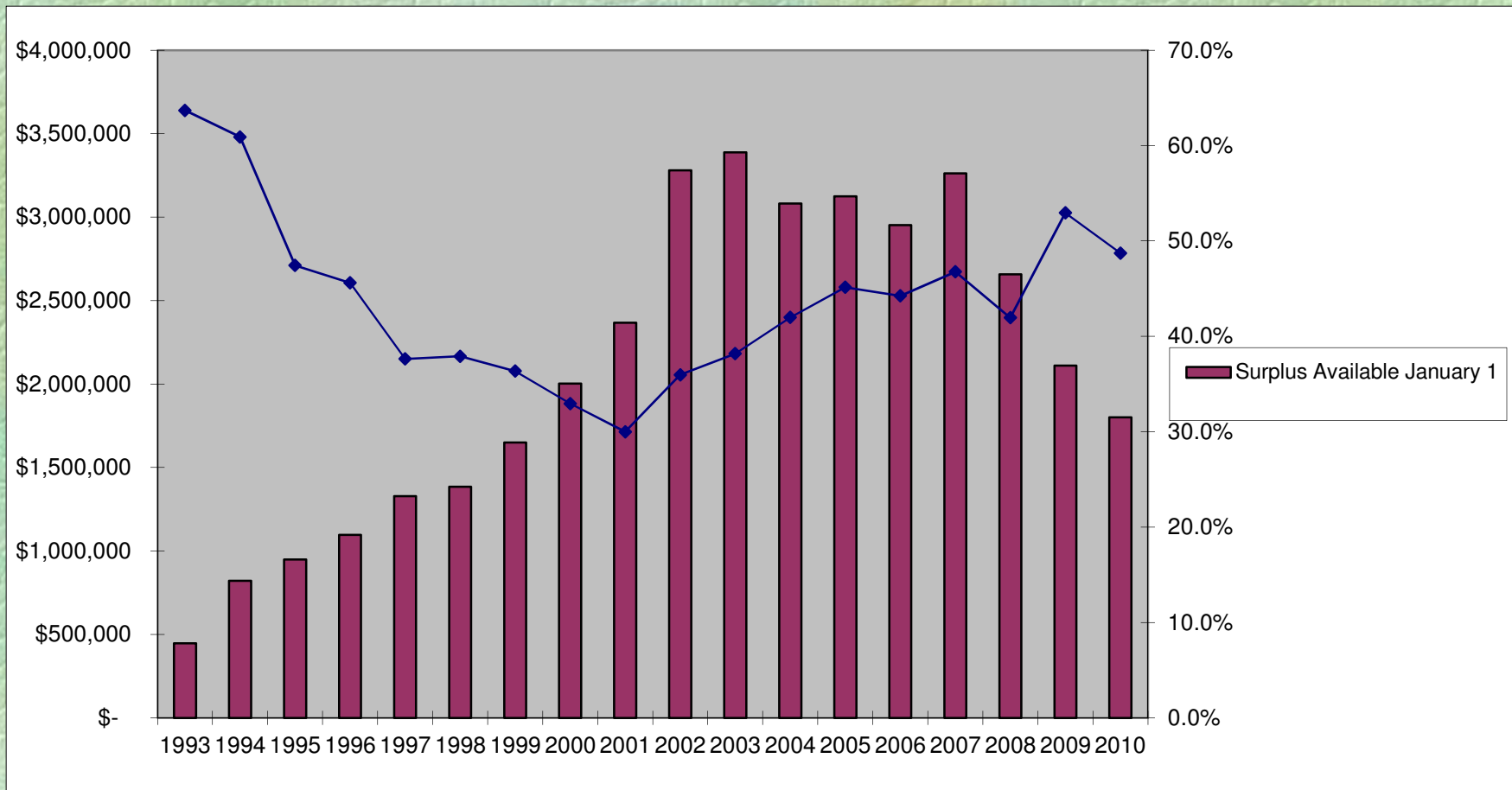
Surplus Available (Dec. 31)



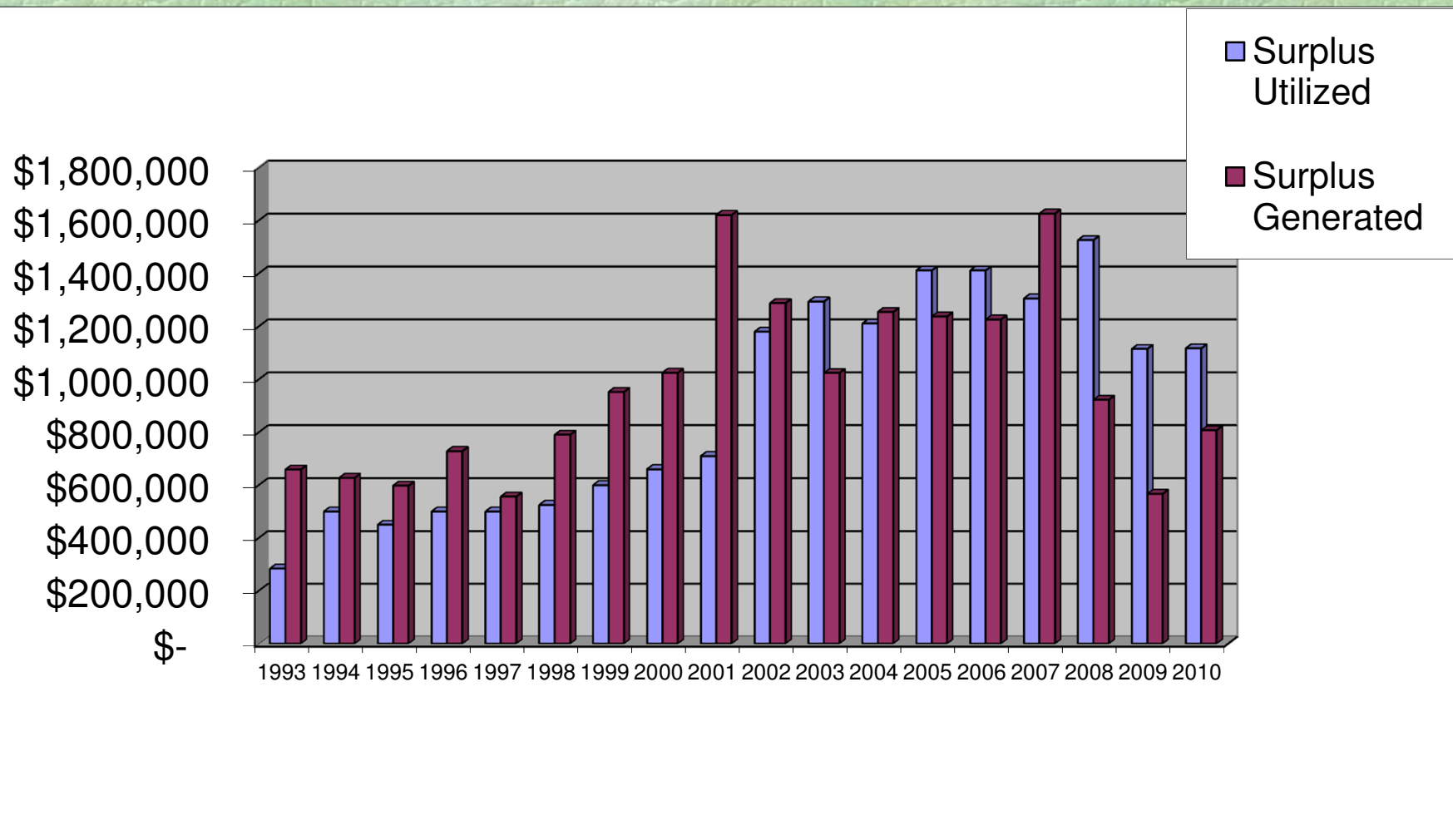
How Surplus is Generated



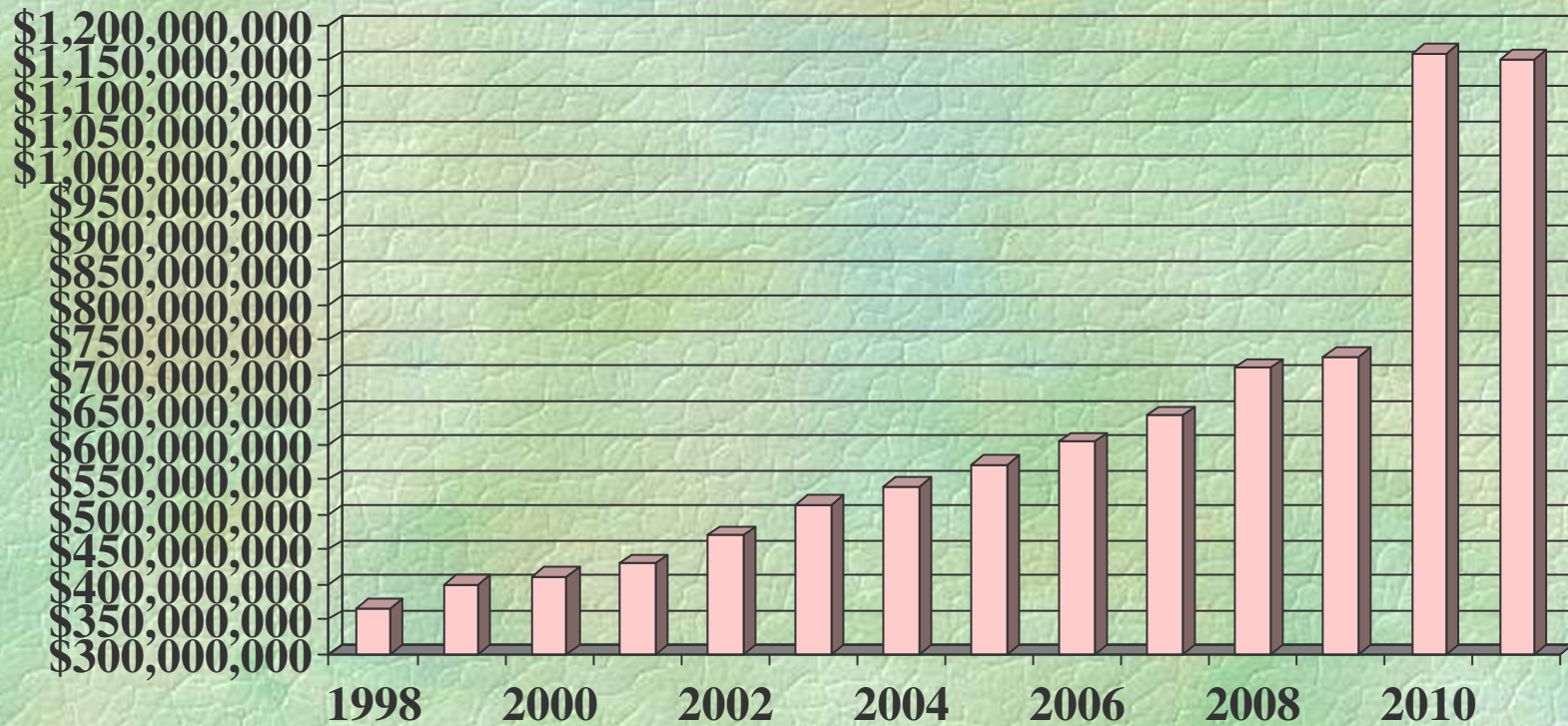
Historic Use of Surplus



Annual Change in Surplus

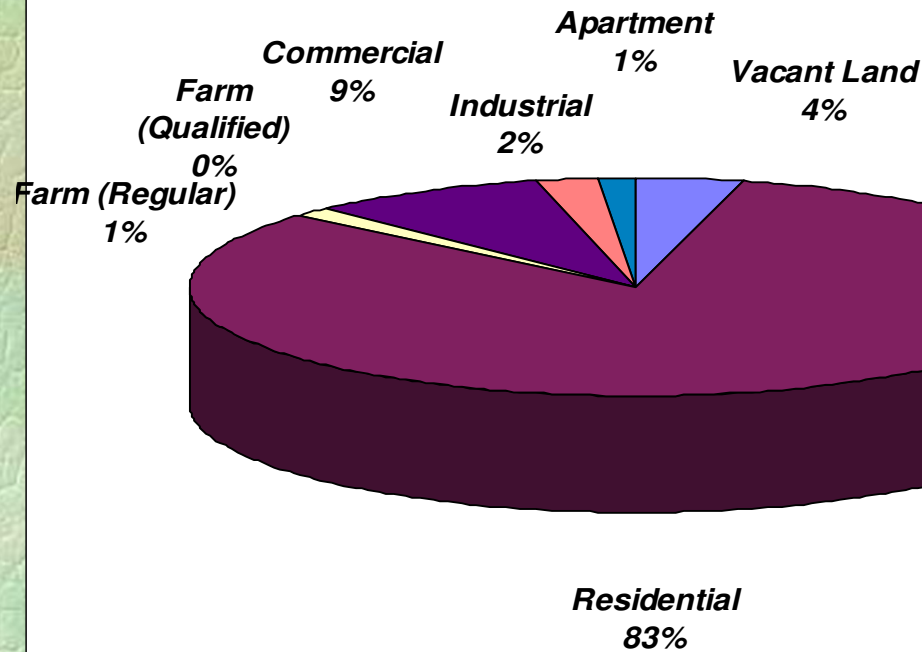


Net Taxable Value 1996-2011



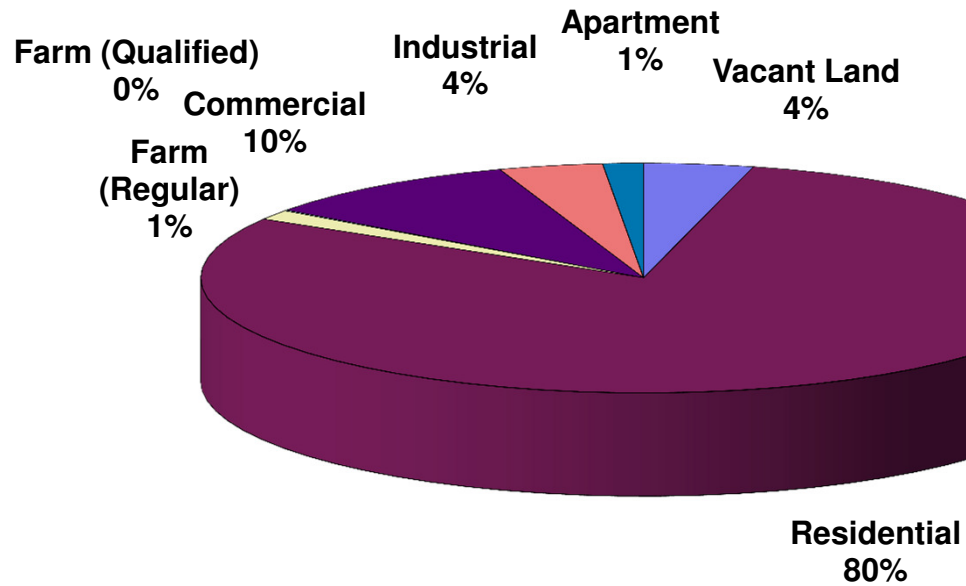
2009 Net Taxable Value

Hardyston Township 2009 Net Taxable Value

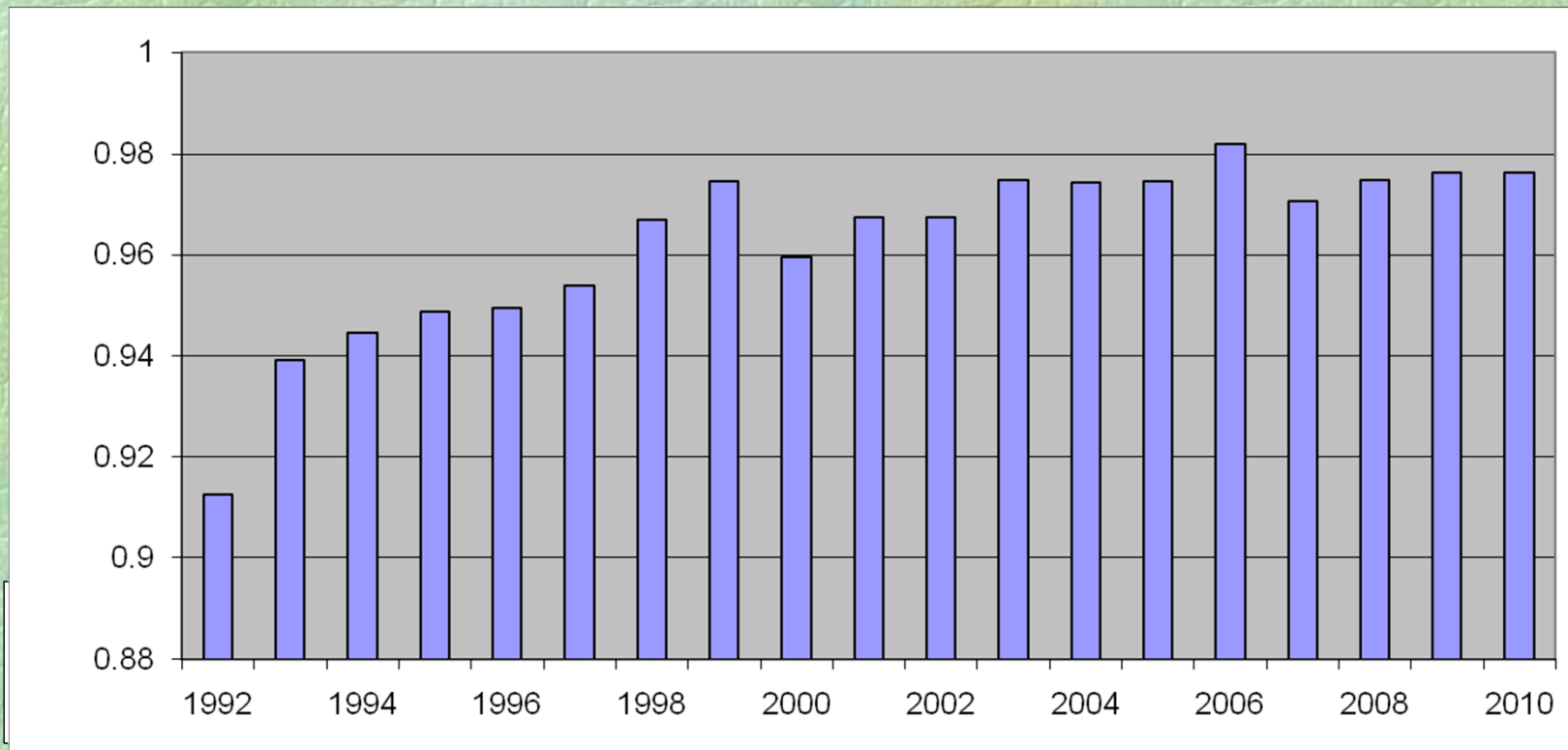


2011 Net Taxable Value

Hardyston Township 2011 Net Taxable Value

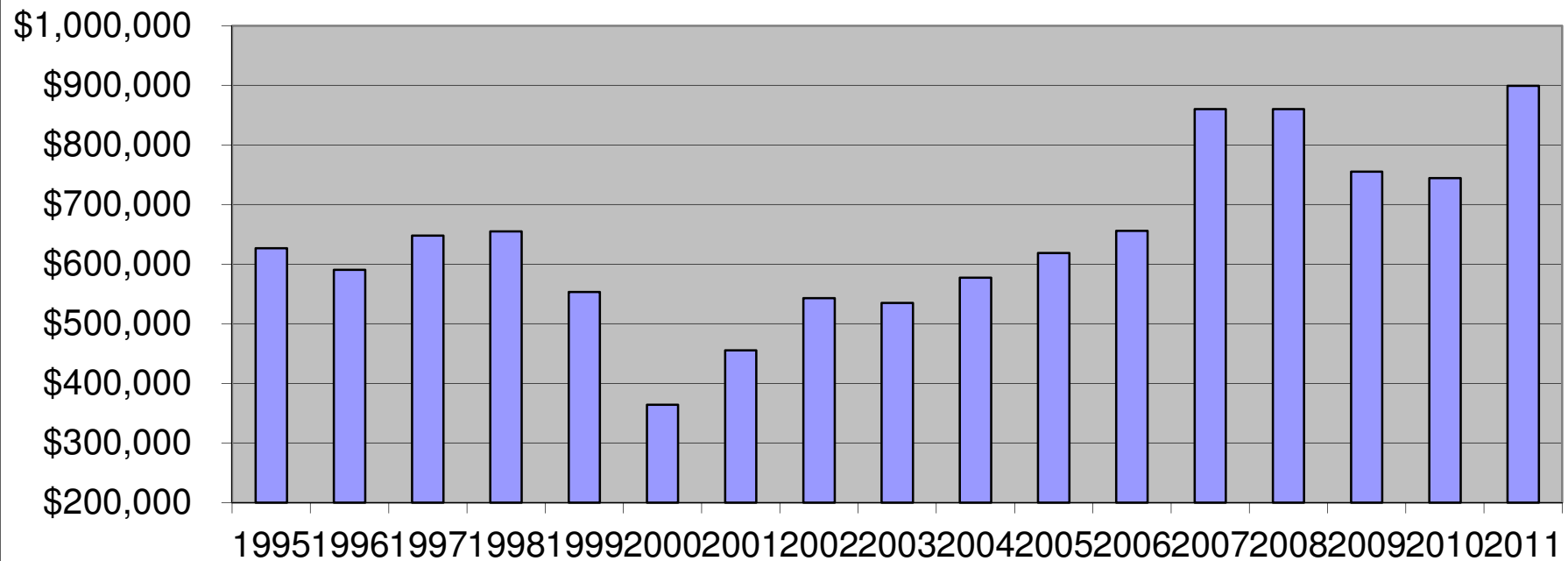


Tax Collection Rate



Delinquent Taxes Outstanding as of 1/1

Delinquent Tax Outstanding as of 1/1



Hardyston Township Tax Rate Analysis

- § The average annual tax rate increase for the municipal portion of the tax rate for the past 14 years (since 1998) has been 1.86%
- § The total increase in the municipal portion of an average home's property taxes over the past 14 years (including this year) was \$257.03 – an average increase of \$18.35/year

Keys to Future Budgets

- § Development of a 5-Year Strategic Plan for future municipal operations and revenue projections to continue to meet community needs and goals incorporating new cap law changes
- § Consideration of strategies to weather the current and potentially extended period of national and local economic instability
- § Continued development of strategies to address dwindling surplus
- § Conservative and balanced management of resources to provide for the growing needs of an expanding and diversified population and community
- § Continued expansion of Inter-Local Relationships
- § Continued Economic and Tourism Development

2011 Shared Services

- § Joint Liability/Workers Comp. Insurance
- § Joint Health Insurance
- § Public Works Services (Sussex Borough)
- § Recycling Collection (Hamburg Borough)
- § Animal Control Services (Wantage)
- § Fuel Pump Services (BOE's/Franklin/Hamburg/County of Sussex)
- § Littell Center Recreation (Franklin)
- § Lawn Maintenance (Hardyston BOE)
- § Computer Technology (Hardyston BOE)
- § HTMUA – Administration, Billing, Field Service, Finance

2011 Shared Services (cont.)

- § Construction (Franklin, Hamburg, Newton Sussex)
- § Senior Transport. Services (Sussex Cty.)
- § Tax Collection (Franklin)
- § Financial Administration (Franklin)
- § Solid Waste Collection/Recycling (HTBOE)

Hardyston Lands Preserved

TOTAL ACRES WITHIN HARDYSTON TOWNSHIP:	20853.67	
<u>OWNER</u>	<u>ACREAGE</u>	<u>% OF TOTAL</u>
State of New Jersey	4346.32	20.8%
United States of America	174.36	0.8%
Audobon Society	77.73	0.4%
NJ Natural Land Trust	67.42	0.3%
TOTAL TAX EXEMPT OPEN SPACE (1)	4665.83	22.4%
Newark Watershed Cons. & Development Corp. (2)	4001.00	19.2%
Passaic River Coalition (3)	105.13	0.5%
TOTAL TAXABLE OPEN SPACE	4106.13	19.7%
TOTAL PRESERVED LANDS (4)	8771.96	42.1%
Other Tax Exempt Lands (5)	463.65	2.2%
TOTAL ALL TAX EXEMPT LANDS	5129.48	24.6%
ALL TAX EXEMPT + PRESERVED TAXABLE	9235.61	44.3%

Completed Goals:

§ See Available Report of 2010
Accomplishments and 2011 Goals

Improvements to Public Facilities & Infrastructure

- § Continue development of independent closure plan with DEP for landfill using grant funding
- § Noted capital improvement projects at North Church Public Works facility to enhance security and maintain facilities
- § Seal and mark measurements – park walking path

Ongoing Projects

Development and finalization of 5-year strategic operations plan

§ Negotiations for further expansion of our inter-local partnership base

§ Development and implementation of sustainable community and wellness initiatives

Defining Economic Development & Planning Focus and Initiatives

- § Continue focus on development of pre-approved projects
- § Seek additional industrial development investment in North Church Technical Center
- § Continue pursuit of State Plan Endorsement and implementation of affordable housing planning

Challenges

- § Limiting growth of operations
- § Navigating an uncertain economy
- § State aid in the new fiscal reality
- § Accurately forecasting development and its impact to service needs and fiscal consequences
- § Continue to reduce reliance on surplus in view of development slow down
- § Continued exploration of shared service opportunities
- § Wisely and adequately meeting State-mandated obligation to affordable housing