



Readington Township

2018 Budget Highlights

Caps

❖ APPROPRIATIONS

❖ LEVY

Appropriations Cap

- COLA (COST OF LIVING ADJUSTMENT)
 - NOW REFERRED TO AS “1977 CAP”
 - 2.5% FOR 2018 – 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 - SUPERSEDED BY THE 2010 CAP LAW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

- **2018 Allowable Operating Appropriations
(within cap)**
 - \$16,157,705
- **Proposed Budget Appropriations
(within cap)**
 - \$14,732,368
 - \$ 1,425,337 under allowable “appropriations” cap

Examples:

Within Cap:

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

Out of Cap:

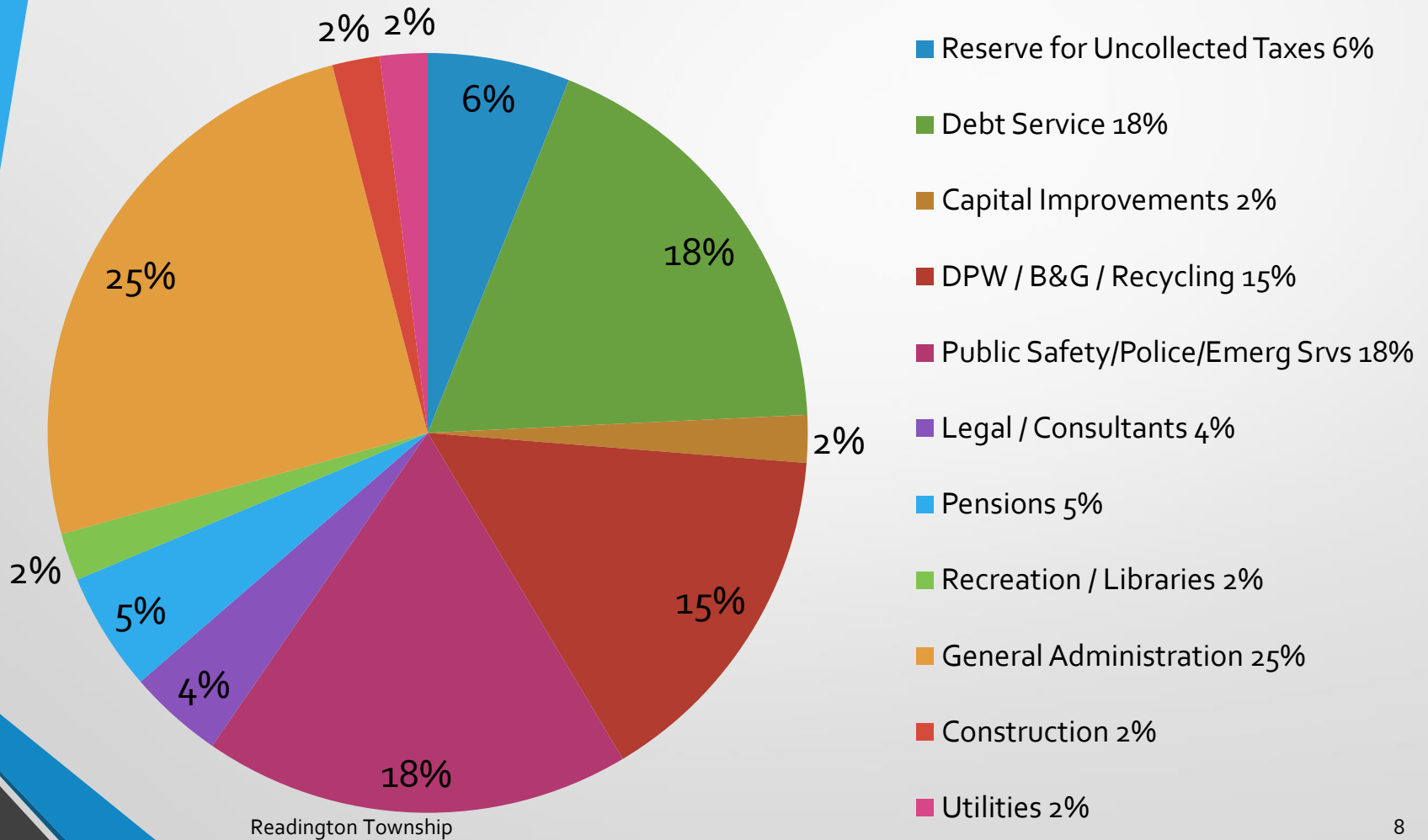
- Debt Service
- Road Repair & Improvements (chip seal)
- LOSAP
- Capital Improvement Fund

Budget Comparison

YEAR	TOTAL ADOPTED BUDGET	LESS FEMA, EPA GRANTS EMERGENCY APPROPRIATIONS	NET	CHANGE	%
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
2017	20,789,308	1,374,343	19,414,965	719,837	3.85
2018	20,080,997		20,080,997	666,032	3.43

Average increase over 5 years = 2.46%

2018 Budget Appropriations Breakdown by Category



State Aid ANTICIPATED

➤	2014	\$ 1,425,673
➤	2015	\$ 1,425,673
➤	2016	\$ 1,425,673
➤	2017	\$ 1,425,673
➤	2018	\$ 1,425,673

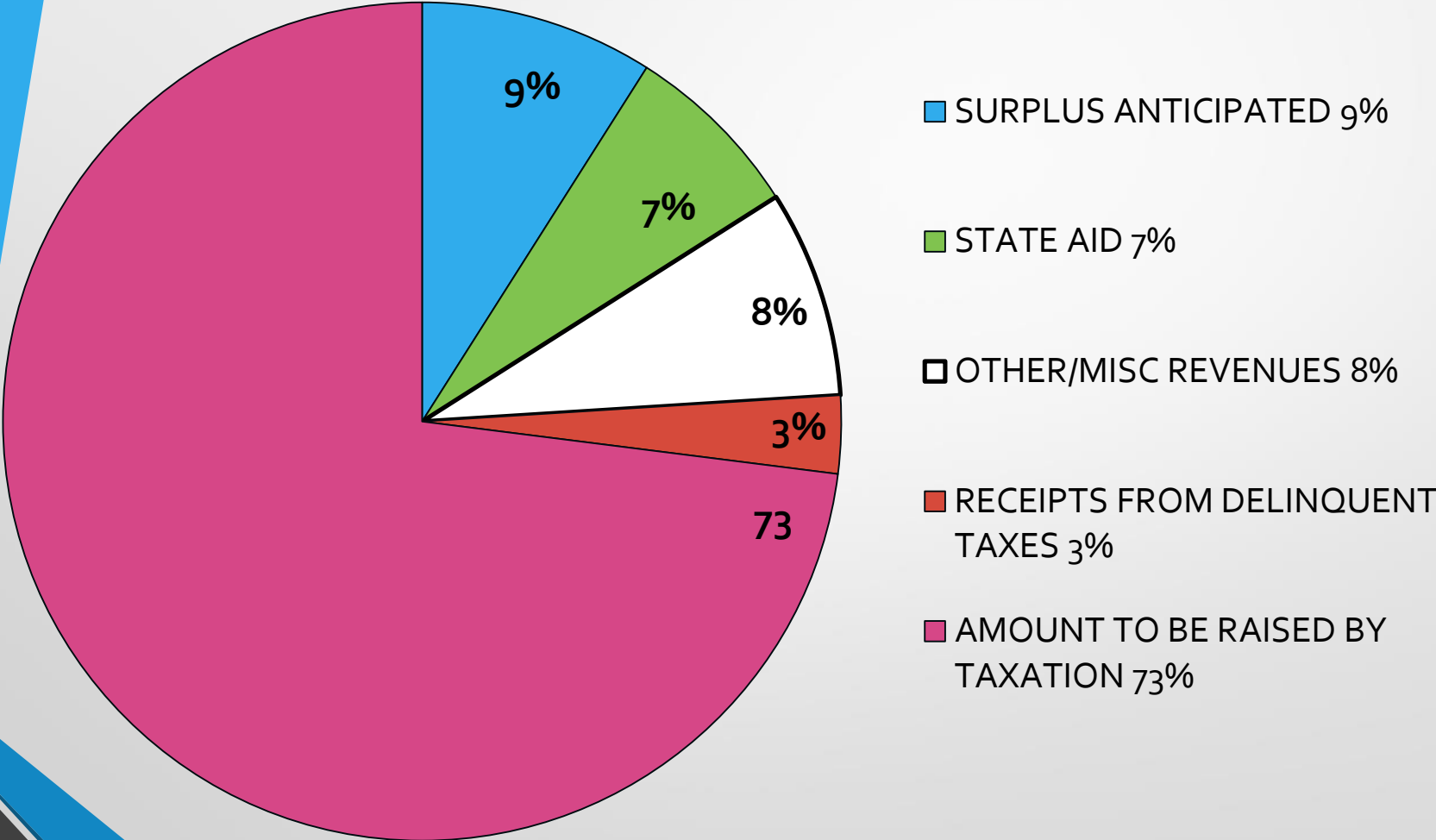
Interest Anticipated on Investments

	Anticipated	Collected
2013	10,000	7,422
2014	6,500	20,347
2015	15,000	28,152
2016	22,000	34,721
2017	30,655	46,467
2018	40,000	

Municipal Surplus

YEAR	BALANCE 12/31 of previous year	UTILIZED
2014	\$1,964,000	\$1,340,199
2015	\$2,063,915	\$1,190,677
2016	\$2,110,055	\$1,055,000
2017	\$2,654,687	\$1,756,000
2018	\$2,752,998	\$1,852,000

2018 Revenue by Category



Readington Township

RESERVE FOR Uncollected TAXES

Example Calculation:

FUNDS NEEDED	\$ 76,358,518
EXPECTED COLLECTION RATE	98.43%

$$\text{\$ } 76,358,518 \times .9843^* = \text{\$ } 75,158,518$$

RUT is the difference = $\text{\$ } 1,200,000^*$

(*Figures have been rounded)

Net Municipal Debt

➤	2011	\$61.9 million
➤	2012	\$59.9 million
➤	2013	\$56.6 million
➤	2014	\$57.3 million
➤	2015	\$56.5 million
➤	2016	\$54.7 million
➤	2017	\$58.3 million

LOCAL Tax Levy

Budget as Introduced for 2018

AMOUNT TO BE RAISED \$ 14,667,315

Amount to be Raised **(History)**

➤ 2015	\$ 13,542,704
➤ 2016	\$ 13,692,799
➤ 2017	\$ 14,445,980
➤ 2018	\$ 14,667,315

Changing Assessments

5 yr Assessment History

TAX YEAR	ASSESSMENTS	INCREASE / DECREASE	MUNICIPAL TAX RATE	% CHANGE ASSESSED
2014	\$2,663,316,584	+\$10,241,556	\$.503	+0.39
2015	\$2,609,384,279	-\$54,051,805	\$.519	-2.00
2016	\$2,593,333,060	-\$16,051,219	\$.528	-6.15
2017	\$2,612,293,253	+\$18,960,193	\$.553	+7.31
2018	\$2,605,206,893	-\$7,086,360	\$.563	-2.71

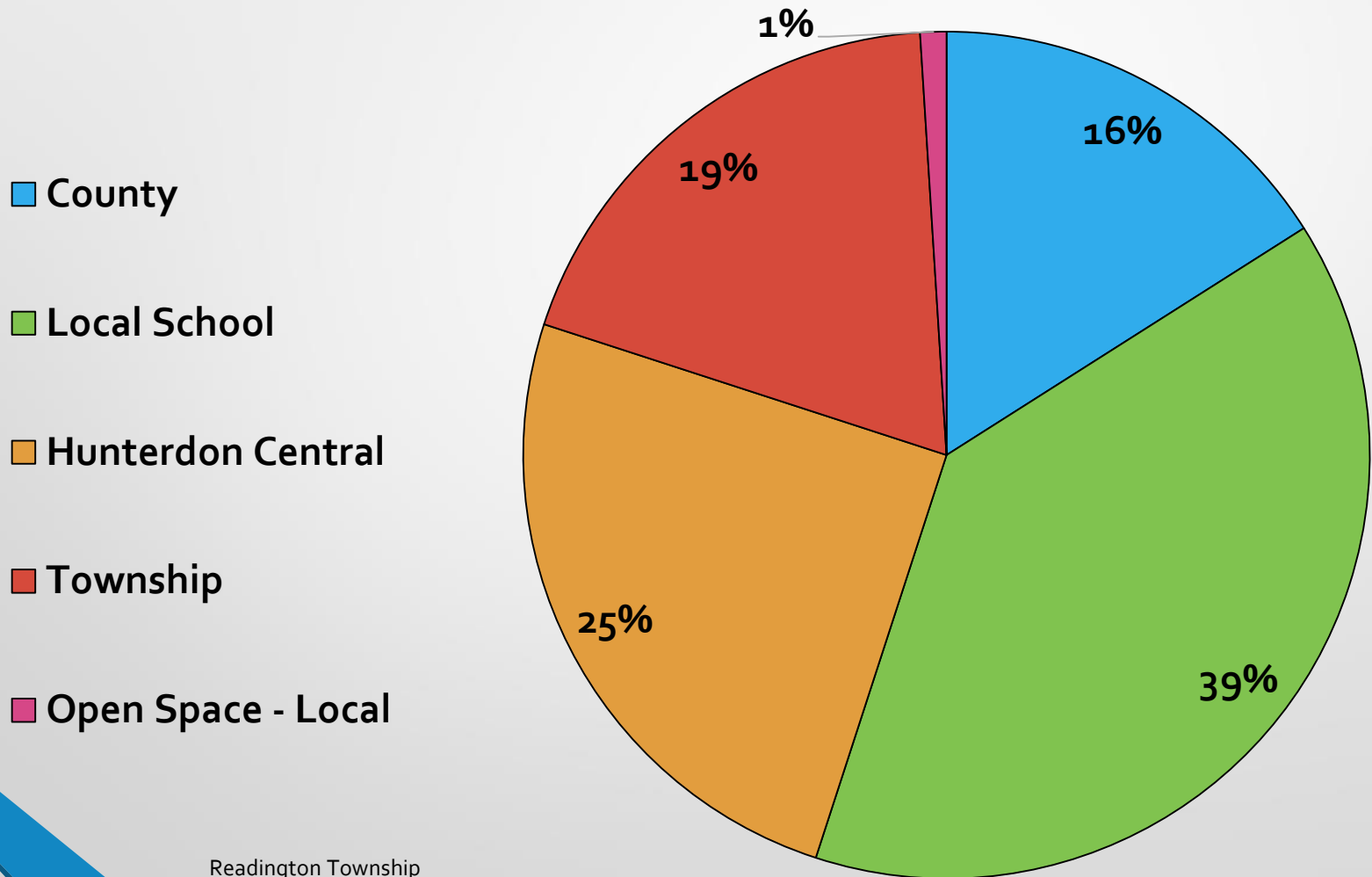
Approximately a 2.18% decrease in assessments over 5 years.

Municipal Tax Rate

- Valuation: \$2,605,206,893
- Budget Requirement: \$14,667,315
- Calculation:

\$14,667,315 divided by \$2,605,206,893 divided by
\$100 = .563

Projected 2018 Overall Tax Rate



The Cost of Running a Municipality

- Average Tax Bill in Readington:
\$11,520 (includes everything)
- Average Tax Bill for Municipal Services:
 $\$400,000 \times .563 = \$2,252$

What do you get for \$2,252?

- Police Protection, training, K-9
- 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)
- 8,900 acres of preserved land