



2012 Budget Introduction

February 21, 2012



WE HAVE A LEGAL BALANCED BUDGET



Township of Hamilton



OVERVIEW

1. History and Comparisons
2. How are your Tax Dollars Spent
3. Finance Committee Recommendations
4. Budget Overview
5. Appropriations by Category
6. Revenues by Category
7. Best Practices
8. Budget Challenges Going Forward
9. 2012 the Year for Change



4 YEAR BUDGET HISTORY

2009 \$25,475,510.07

2010 \$26,281,195.78

2011 \$26,325,271.01

2012 \$25,336,494.00



Proposed



Total Local Tax Revenue

2010	17,173,971.24
2011	\$17,774,078.71
2012	\$17,673,530.80



HISTORY AND COMPARISONS

5 YEAR DEBT HISTORY

2006	\$22,902,077.43	
2007	\$21,438,610.48	
2008	\$20,431,247.12	
2009	\$19,084,520.41	
2010	\$17,906,734.56	
2011	\$16,637,373.33	
2012	\$16,067,373.33	

Projection

Township of Hamilton



FULL-TIME EMPLOYEE COUNT BY YEAR

2007 = 177 employees

2008 = 174 employees

2009 = 167 employees

2010 = 155 employees

2011 = 122 employees (Adjusted 118)

2012 = 117 employees (proposed)



How much will this budget cost the Average Tax Payer?

The average home is assessed at \$187,800, and will pay \$1,389.72 this year in Township Taxes.



What are Your Tax Dollars Spent on?

\$ 1,390.00

\$833.00 Pays for Public Safety

\$254.00 Pays for Public Works

\$130.00 Pays for Solid Waste

\$173.00 Pays for General Government



What does \$833.00 in Public Safety Services Include?

- Police Protection
- Fire Protection
- Rescue Squad
- Office of Emergency Management
- Municipal Court
- Animal Control
- LOSAP



Township of Hamilton



What does \$254.00 in Public Works Services Include?

\$254.00 in Public Works services includes the following:

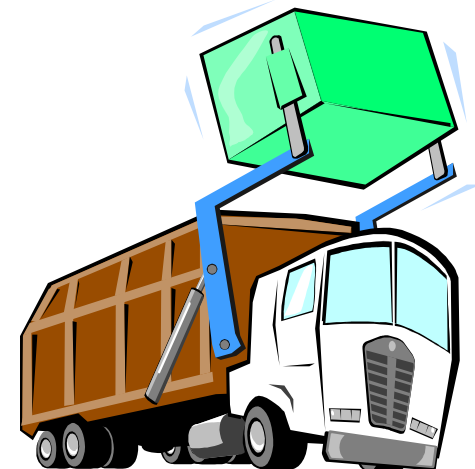
- Street Maintenance
- Street Lighting
- Snow Removal
- Flood Mitigation
- Storm Water Maintenance
- Parks Maintenance



What does \$130.00 in Solid Waste Services Include?

\$130.00 in Solid Waste/Garbage & Recycling services includes the following:

- Garbage Collection
- Landfill Fees
- Recycling
- Yard Waste Collection



What does \$173.00 in General Government Services Include?

STATE MANDATED & OTHER SERVICES

Clerks Office, Tax Collection, Tax Assessors Office
Planning Office, Zoning Office, Audit, Vital Statistics
Administration, Finance, Web Site, Insurance,



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FINANCE COMMITTEE RECOMMENDATIONS

14

ELIMINATE THE STRUCTURAL DEFICIT

NO TAX INCREASE

REDUCE DEPENDENCE ON SURPLUS

REDUCE DEPENDENCE ON SCHOOL DEFERRAL

CONTINUE REDUCING DEBT

PAY AS WE GO

INVEST IN OPPORTUNITIES THAT REDUCE THE COST OF OPERATIONS

Township of Hamilton



ELIMINATE STRUCTURAL DEFICIT

~~STRUCTURAL DEFICIT ELIMINATED!~~



NO TAX INCREASE

The 2012 budget does not contain a municipal tax increase.

To the contrary, due to tax assessment appeals, tax revenues have actually been reduced by approximately \$ 150,000.00



REDUCE DEPENDANCE ON SURPLUS

2010 BUDGETED SURPLUS \$ 2,803,000




2011 BUDGETED SURPLUS \$ 2,450,000



2012 BUDGETED SURPLUS \$ 2,100,000



REDUCE DEPENDANCE ON SCHOOL DEFFERAL

2010	SCHOOL DEFERRAL	\$ 803,000	
2011	SCHOOL DEFERRAL	\$ 675,000	
2012	SCHOOL DEFERRAL	\$ 0	



CONTINUE REDUCING DEBT

The 2012 budget includes a payment of principal in the amount of \$ 2,850,000.00 which represents an increase of \$170,000 over last years payment.

In addition the 2012 budget includes paying off the \$400,000 left on the Assessment Revaluation one year early. This represents an increase of \$200,000 over last years payment.



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PAY AS WE GO

The 2012 budget includes a \$100,000 cash payment to the 5 – Fire Companies. This payment has been bonded for in recent years budget.

The budget also include \$42,000 toward the cost of replacing the flooring in Town hall.



INVEST IN OPPORTUNITIES THAT REDUCE FUTURE OPERATING COSTS

The budget includes \$250,000 for the purchase of 7 new vehicles. Purchasing new vehicles to replace vehicles that are outside their useful life reduces the cost of the vehicle maintenance contract.

This budget includes the sale of 16 vehicles which will also reduce the cost of the vehicle maintenance contract



BUDGET OVERVIEW

WHAT'S IN THE 2012 BUDGET

REDUCTION IN TAX REVENUES

INCREASED DEBT PAYMENT

INVESTMENTS IN REDUCING OPERATING COSTS

FUNDING FOR PUBLIC EVENTS

Cove, 911, Veterans Day, Memorial Day, Holiday Lighting Overtime and Supplies,

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BUDGET OVERVIEW

WHAT'S NOT IN THE 2012 BUDGET

NO LAYOFFS OR FURLOUGHS

NO SCHOOL DEFERRAL

NO PAY RAISES (except steps, longevity, and funded additional duties)

NO ELIMINATION OF SERVICES

NO ADDITIONAL EMPLOYEES (except part-time housing/code)

NO ADDITIONAL FUNDING FOR PUBLIC EVENTS EXCEPT THOSE SHOWN ON PREVIOUS SLIDE

NO NEW PROGRAMS OR SERVICES, EXCEPT HOUSING AND CODE ENFORCEMENT PROGRAMS

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APPROPRIATIONS BY CATEGORY

Salaries & Wages	\$8,171,085.00
Other Expenses	8,935,310.00
Statutory & Deferred Charges	2,913,976.00
State & Federal Grants	384,620.00
Capital (without grants)	120,000.00
Debt Service	3,335,391.00
<u>Reserve for Uncollected Taxes</u>	<u>1,476,111.80</u>
Total Appropriations	\$25,336,493.80



REVENUES BY CATEGORY

Surplus	\$ 2,100,000.00
Local (ie. fees, permits, licenses)	1,762,300.00
State Aid	2,841,043.00
State & Federal Grants	384,620.00
Delinquent Tax	575,000.00
<u>Local Purpose Tax</u>	<u>17,673,530.80</u>
Total Revenues	\$ 25,336,493.80



BEST PRACTICES – TOTAL BUDGET

5 YEAR BUDGET ANALYSIS

Expenditure By Category					
	2009	2010	2011	2012*	2013*
Direct Employee Costs	\$14,838,873	\$15,151,787	\$15,305,829	\$13,816,481	\$13,900,000
General Liability Insurance	\$260,900	\$259,800	\$257,550	\$397,000	\$400,000
Debt Service	\$3,174,641	\$3,159,041	\$3,248,241	\$3,335,391	\$3,300,000
Reserve for Uncollected Taxes	\$1,169,539	\$1,183,118	\$1,442,326	\$1,476,112	\$1,476,000
Capital Funds	\$75,000	\$75,000	\$364,641	\$120,000	\$75,000
Public Works	\$2,517,960	\$2,475,560	\$2,661,600	\$2,703,250	\$2,703,000
Utilities	\$741,000	\$684,000	\$791,500	\$741,500	\$738,000
Police & Fire Other Expenses	\$948,836	\$958,710	\$891,800	1,109,045	\$1,109,000
All Other Departments	\$1,748,761	\$2,334,180	\$1,046,129	\$1,637,715	\$1,650,873
Total	\$25,475,510	\$26,281,196	\$26,009,616	\$25,336,494	\$25,351,873



BEST PRACTICES – REVENUE ANALYSIS

5 YEAR BUDGET ANALYSIS

Revenues by Category	2009	2010	2011	2012	2013*
Surplus	\$2,036,000	\$2,000,000	\$1,775,000	\$2,100,000	\$2,500,000
Local & Other Revenues	\$2,365,300	\$2,417,843	\$1,701,876	\$1,762,300	\$1,762,300
State Aid	\$3,702,117	\$2,884,076	\$2,841,043	\$2,841,043	\$2,841,043
Deferred School Tax	\$379,000	\$803,000	\$675,000		
Grants	\$147,766	\$402,306	\$667,618	\$384,620	
Receipts from Delinquent Tax	\$700,000	\$600,000	\$575,000	\$575,000	\$575,000
Local Purpose Tax	\$16,145,327	\$17,173,971	\$17,774,079	\$17,673,530	\$17,673,530
Total	\$25,475,510	\$26,281,196	\$26,009,616	\$25,336,494	\$25,351,873

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The 2013 Budget will be more challenging than this budget:

- The Township will not have a \$500,000 land sale to increase surplus.
- The Township loses over \$384,000 in funding from the COPS Hiring and Recover Grant.
- The Township has agreed to provide pay raises to most Township Employees approximately \$100,000.



CHALLENGES GOING FORWARD

The 3 year budget plan is still within reach provided we continue our vigilance in avoiding new unfunded programs, and services.

Next years budget will likely require the use of additional surplus to cover the lost revenues and increasing expenses.

In order to avoid larger future Tax increases the Township should annually adjust the tax rate to compensate for successful tax appeals.



Hamilton Township

Year Tax Levy Population

2010 \$17,173,971.24 26,253

2011 \$17,774,078.71  26,503 

2012 \$17,673,530.80  26,610 

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2012 THE YEAR FOR CHANGE

Greater Egg Harbor School District

<u>Year</u>	<u>Tax Levy</u>	<u>Students</u>
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2009	\$ 8,875,113.69	4082
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2010	\$ 9,505,101.47 	4037 
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2011	\$ 9,952,018.00 	4036 
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Township of Hamilton



PRIOR YEAR BUDGET REVIEW

Hamilton Township School District

<u>Year</u>	<u>Tax Levy</u>	<u>Students</u>
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2009	\$19,121,023.00	3334
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2010	\$19,390,321.00 	3259 
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2011	\$19,608,987.00 	3295 
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Township of Hamilton



2012 IS THE YEAR FOR CHANGE

During the past 3 years the Boards of Educations Budgets have continued to grow while the number of students they serve has gone down. During these same three years the Township budget has grown but so has it population.

2012 IS THE YEAR FOR CHANGE

The Townships 2012 budget includes a reduction in Tax Revenue of \$101,000.

The Township is asking both Boards of Education to join it in reducing the Tax Burden on its residents.

Township of Hamilton



- Introduced the Budget March 5, 2012
- Publication of the “Approved” March 21, 2012
- Public Hearing (April 2, 2012)
- Amendments (if any)
- Adoption of the Budget



Governing Body Questions?

