

West Windsor Township



2017 Budget

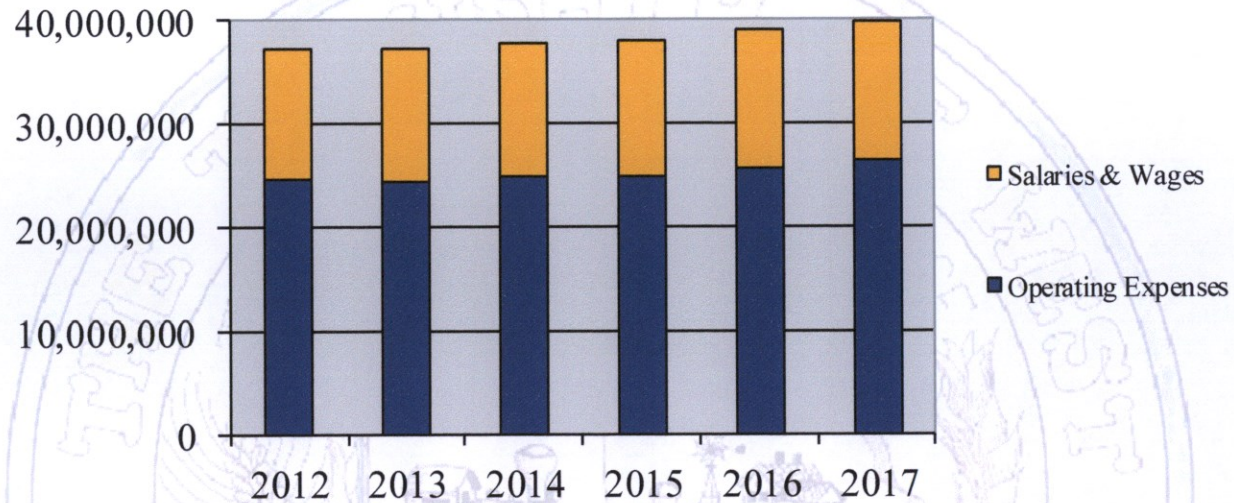


**WEST WINDSOR TOWNSHIP
2017 MUNICIPAL BUDGET**

PUBLIC HEARING

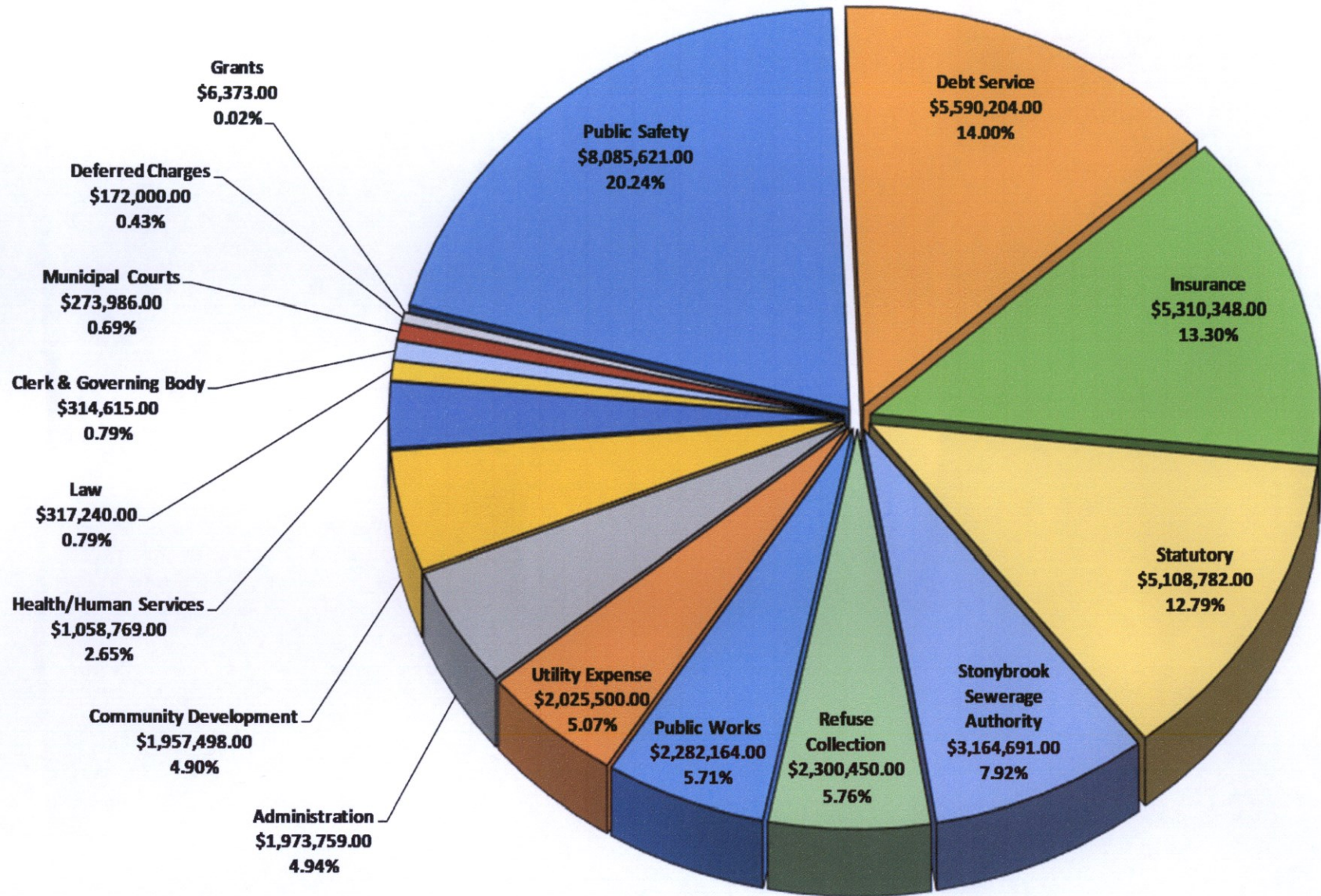
April 24, 2017

TOTAL BUDGET COMPARISON

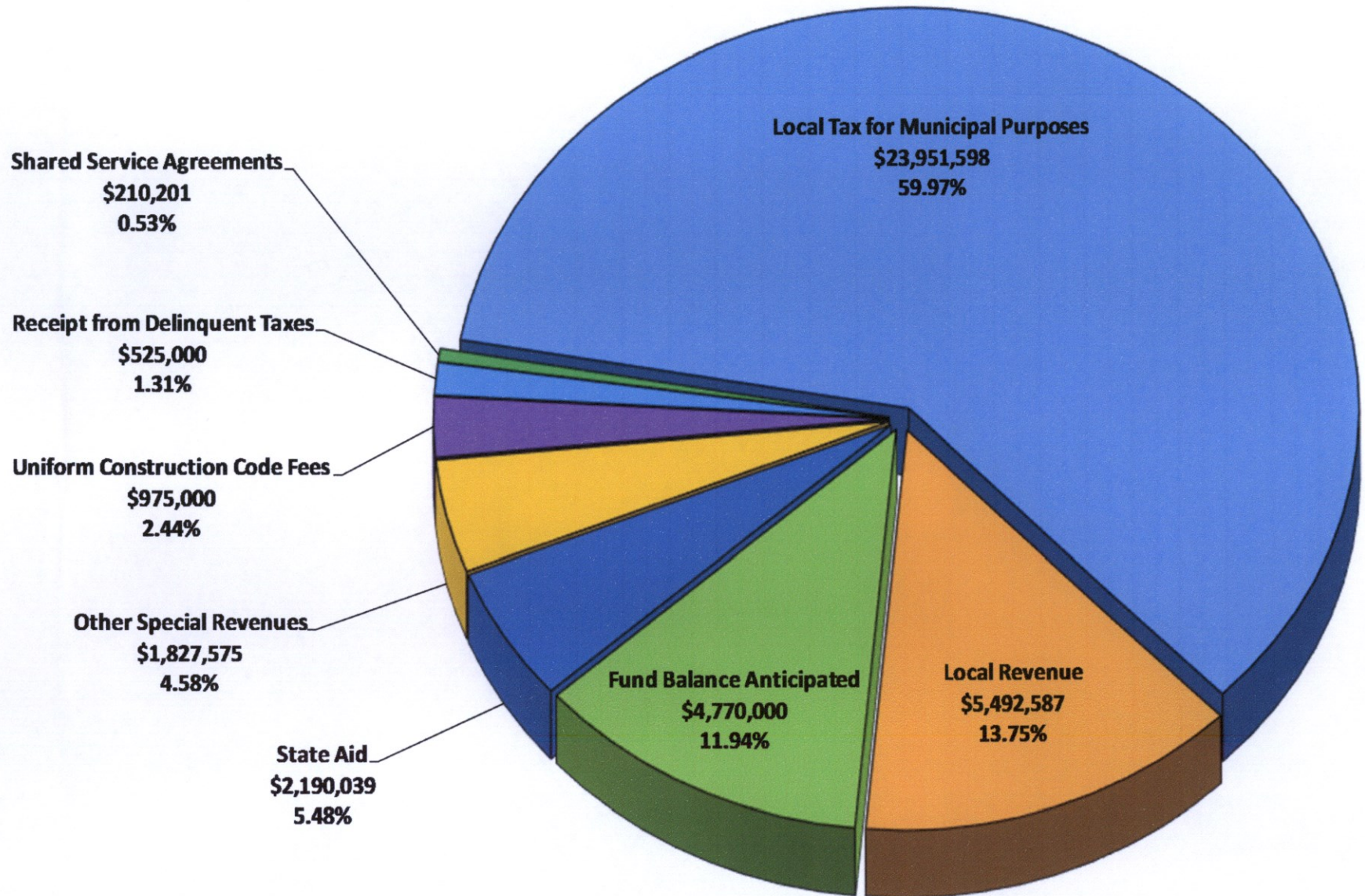


	2012	2013	2014	2015	2016	2017
Operating Expenses	24,752,037	24,515,301	24,819,222	24,916,629	25,561,176	26,339,781
Salaries & Wages	12,564,963	12,786,199	12,935,628	13,182,671	13,401,824	13,602,219
Total	37,317,000	37,301,500	37,754,850	38,099,300	38,963,000	39,942,000
(Percent Over Previous Year)		-0.06%	1.22%	0.91%	2.27%	2.51%

DEPARTMENT PERCENT TO TOTAL BUDGET



REVENUE PERCENTAGE TO TOTAL BUDGET



Fund Balance

1. Fund Balance is “one-time” revenue that must be replenished during the budget year in order for it to be available for use in a subsequent year’s budget.
2. Fund Balance is replenished by “excess resulting from operations” which includes 1) the difference between revenues realized versus anticipated, 2) uncharged balances in prior year appropriations and 3) the collection of taxes in excess of the Reserve for Uncollected Taxes.
3. \$4,770,000 of the Township’s \$5,757,018 Fund Balance is being utilized as revenue to support the 2017 operating budget.
4. 12% of the revenue to support the \$39,942,000 municipal operating budget is coming from Fund Balance causing Reserve Fund Balance to drop below \$1 million, the lowest dollar amount since 2005.
5. Year End Fund Balance has declined by nearly \$2.5 million from \$8.25 million in 2007 to \$5.75 million in 2016.
6. Fund Balance is projected to fall to \$5.3 million at Year End 2017 with the use of \$4,770,000 to support the 2017 budget.
7. Further reliance on the use of Fund Balance must be significantly reduced in 2018 and beyond to a level consistent with the amount replenished in order to stabilize and rebuild the level of Fund Balance in accordance with Fund Balance Policy as recommended by the Rutgers “Powers and Duties of the Municipal Governing Body, The Role of the Governing Body in Municipal Finance” publication.
8. There needs to be less reliance of the use of Fund Balance to support future budgets, since 8 out of the last 9 years experienced reductions to the Year End Fund Balance.
9. Statutory restrictions pertaining to the “Property Tax Levy Cap” may prohibit future tax increases necessary to restore the level of Fund Balance which may compromise future services to residents.

Comparative and Forecast Schedule of Fund Balance

	A	B	C	D		
		(+)	(-)	(A+B-C)	(B-C)	(A-C)
Fund Balance	1-Jan	Excess	Amount	31-Dec		
Analysis	Beginning	Resulting from	Appropriated in	Ending	Results of	Reserve
Year	Balance	Operations	Annual Budget	Balance	Operations	Fund Balance
2008	8,251,378.88	3,766,452.93	4,200,000.00	7,817,831.81	-433,547.07	3,681,378.88
2009	7,817,831.81	3,725,304.94	4,200,000.00	7,343,136.75	-474,695.06	3,432,831.81
2010	7,343,136.75	3,902,424.07	4,400,000.00	6,845,560.82	-497,575.93	2,943,136.75
2011	6,845,560.82	4,643,860.42	4,435,000.00	7,054,421.24	208,860.42	2,410,560.82
2012	7,054,421.24	4,550,583.56	4,575,000.00	7,030,004.80	-24,416.44	2,479,421.24
2013	7,030,004.80	4,009,182.44	4,435,000.00	6,604,187.24	-425,817.56	2,595,004.80
2014	6,604,187.24	4,420,233.76	4,620,529.00	6,403,892.00	-200,295.24	1,983,658.24
2015	6,403,892.00	4,728,752.42	4,825,538.00	6,307,106.42	-96,785.58	1,578,354.00
2016 ***	6,307,106.42	4,079,911.33	4,630,000.00	5,757,017.75	-550,088.67	1,677,106.42
2017 ***	5,757,017.75	4,333,564.00	4,770,000.00	5,320,581.75	-436,436.00	987,017.75
2018 ***	5,320,581.75	4,395,155.42	4,330,000.00	5,385,737.17	65,155.42	990,581.75
2019 ***	5,385,737.17	4,359,626.13	4,330,000.00	5,415,363.30	29,626.13	1,055,737.17
2020 ***	5,415,363.30	4,332,346.50	4,330,000.00	5,417,709.80	2,346.50	1,085,363.30
2021 ***	5,417,709.80	4,378,512.79	4,330,000.00	5,466,222.60	48,512.79	1,087,709.80
2022 ***	5,466,222.60	4,372,552.66	4,330,000.00	5,508,775.25	42,552.66	1,136,222.60

** Unaudited	
*** Forecast Model Assumptions -	B - Excess Resulting from Operations based on prior 7 year average
	C - Amount Appropriated in Annual Budget constant years 2018 - 2022.

Estimated results of Future Fund Balance and Future Reserve Fund Balance based on above Forecast Model Assumptions.

The Administration continues to recommend the use of Fund Balance be reduced to an amount consistent with the amount replenished in order to stabilize and rebuild the level of Fund Balance.

Statutory restrictions pertaining to the "Property Tax Levy Cap" may prohibit future tax increases necessary to restore the level of Fund Balance which may compromise future services to residents.

OVERALL MUNICIPAL TAX IMPACT

Municipal Tax Levy - \$23,951,598

Total Assessed Valuation \$5,989,000,000 *

Average Residential Assessment - \$522,000 *

Municipal Tax Rate .400 Cents *

Average Residential Household Municipal Taxes \$2,088 *

* The total assessed valuation (tax base) for 2017 has not been certified by the County Tax Administrator as of this date.