

# TOWNSHIP OF BYRAM

## NEW JERSEY

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TO: Township Council

FROM: Joseph W. Sabatini, Township Manager

DATE: October 14, 2016

RE: PRELIMINARY VIEW (ESTIMATED) 2017 Municipal Budget

### Disclaimer:

The 2017 Budget Process has started with the Township Department Heads. The Department Heads were instructed not to request any increase to the overall total for departmental operating expenses. Salary and Wages have been populated with contractual obligations and anticipated changes for staffing. Other categories of expenses have been estimated based on prior year experiences. It is too early in the budget process to provide an accurate view of the budget since most of budget line items will not be known until the end of this year or early 2017.

### Summary of Estimated Expenses:

- Applied changes to Departmental Salary and Wages:
  - Applied all contractually required salary increases, steps, promotions and changes of longevity for Police.
    - ✓ Clerical and Administrative Employees = 2%
    - ✓ DPW and Building and Grounds = 2%
    - ✓ Police Officers = 2.0%
      - 2 employees will receive increased longevity.
      - 2 employees in steps.
  - No change to overtime budgets for Police or DPW.
  - Staff Changes Include:
    - ✓ Planning Board:
      - Possible promotion to planning aide.
    - ✓ Zoning:
      - Planning to increase hours of Zoning Officer to Full-time.
- General Liability and Workers' Compensation Insurance – applied a 2% increase.
- Applied preliminary rates for Group Insurance (Medical/Rx Increase, Dental, Life, LTD and AD&D) and changes to employee census:
  - 2017 NJHIF rates are not expected until November.

- Pensions:
  - Public Employees' Retirement System (PERS):
    - ✓ Applied same increase as 2016 – 6%.
  - Police and Firemens' Retirement System (PFRS):
    - ✓ Applied same increase as 2016 – 11%.
  - DCRP:
    - ✓ May require additional adjustments of increased eligibility of PT workers that are eligible for DCRP and not PERS.
  
- Other Notes:
  - Utilities – No Changes
  - Garbage – Contractual Increase \$12,000.
  - Statutory Expenses – FICA Tax (will need to adjust based on final total S&W).
  - Reserve for Uncollected Taxes – No Change.

**Summary of Estimated Revenues:**

- Fund Balance:
  - The Amount of Fund Balance committed to 2016 budget totaled \$1,370,102 which was an increase of \$30,000 from 2015. This was used to offset the purchase of DPW vehicles. Assuming no change to amount of fund balance to be committed to 2017 budget.
  - The Township needs to ensure it maintains adequate fund balance reserve levels and needs to regenerate the fund balance committed to each year's budget. Fund balance is accumulated from budget revenues in excess of anticipated amounts, miscellaneous revenues not anticipated, excess receipts of delinquent taxes, budget revenues received that were not anticipated, cancelling of appropriation reserves and added and omitted taxes collected for when construction improvements are deemed completed by the Tax Assessor.
  
- Miscellaneous Revenues:
  - Made NO changes to miscellaneous revenues and anticipated the same amounts in the adopted 2016 Municipal Budget.
  - Assuming same level of State Aid.
  
- Amount to be Raised through Taxation:
  - As presented, the increased amount to be raised by taxes is at \$221,733 or increase of 2.7%.

	2017 Budget Amounts			2016 Budget Amounts			Change	Change	Budget	SW & OE	% Change Total	Notes:
	S&W	O&E	Total	S&W	O&E	Total						
MAYOR/COUNCIL	\$17,500	\$8,500	\$26,000	\$17,500	\$8,500	\$26,000	\$0	0.00%	0.23%		0.00%	
ADMINISTRATIVE & EXECUTIVE	\$212,500	\$80,400	\$292,900	\$212,000	\$80,850	\$292,850	\$50	0.02%	2.60%		0.00%	
CLERK	\$91,200	\$9,950	\$101,150	\$79,500	\$9,500	\$89,000	\$12,150	13.65%	0.90%		0.11%	
FINANCE ADMINISTRATION	\$116,000	\$17,585	\$133,585	\$124,000	\$39,636	\$163,636	-\$30,051	-18.36%	1.18%		-0.27%	
COLLECTION OF TAXES	\$35,700	\$56,240	\$91,940	\$26,500	\$56,240	\$82,740	\$9,200	11.12%	0.82%		0.08%	
TAX ASSESSMENT	\$80,250	\$43,570	\$123,820	\$79,000	\$43,570	\$122,570	\$1,250	1.02%	1.10%		0.01%	
AUDIT FEES	\$0	\$53,889	\$53,889	\$0	\$30,160	\$30,160	\$23,729	78.68%	0.48%		0.21%	
LEGAL SERVICES & COSTS	\$0	\$115,000	\$115,000	\$0	\$115,000	\$115,000	\$0	0.00%	1.02%		0.00%	
ENGINEERING SERVICES	\$0	\$40,000	\$40,000	\$0	\$40,000	\$40,000	\$0	0.00%	0.35%		0.00%	
PLANNING BOARD	\$31,650	\$76,350	\$108,000	\$26,500	\$76,350	\$102,850	\$5,150	5.01%	0.96%		0.05%	
ZONING	\$54,500	\$500	\$55,000	\$37,500	\$500	\$38,000	\$17,000	44.74%	0.49%		0.15%	
CONSTRUCTION OFFICIAL	\$86,000	\$27,000	\$113,000	\$116,000	\$27,475	\$143,475	-\$30,475	-21.24%	1.00%		-0.27%	
ENVIRONMENTAL COMMISSION	\$0	\$2,600	\$2,600	\$0	\$2,600	\$2,600	\$0	0.00%	0.02%		0.00%	
BOARD OF HEALTH	\$0	\$3,400	\$3,400	\$0	\$3,400	\$3,400	\$0	0.00%	0.03%		0.00%	
ANIMAL CONTROL	\$9,800	\$9,250	\$19,050	\$9,700	\$9,250	\$18,950	\$100	0.53%	0.17%		0.00%	
MUNICIPAL COURT	\$0	\$127,500	\$127,500	\$0	\$127,500	\$127,500	\$0	0.00%	1.13%		0.00%	
MUNICIPAL PROSECUTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	0.00%		0.00%	
<b>TOTAL GEN GOVT.</b>	<b>\$735,100</b>	<b>\$671,734</b>	<b>\$1,406,834</b>	<b>\$728,200</b>	<b>\$670,531</b>	<b>\$1,398,731</b>	<b>\$8,103</b>	<b>0.58%</b>	<b>12.48%</b>	<b>26.82%</b>	<b>0.07%</b>	
POLICE DEPARTMENT	\$1,873,000	\$98,525	\$1,971,525	\$1,828,500	\$98,525	\$1,927,025	\$44,500	2.31%	17.48%		0.40%	
EMERGENCY SQUAD	\$0	\$25,500	\$25,500	\$0	\$25,500	\$25,500	\$0	0.00%	0.23%		0.00%	
EMERGENCY MANAGEMENT	\$3,000	\$0	\$3,000	\$3,000	\$0	\$3,000	\$0	0.00%	0.03%		0.00%	
FIRE DEPARTMENT	\$0	\$63,525	\$63,525	\$0	\$63,525	\$63,525	\$0	0.00%	0.56%		0.00%	
FIRE PREVENTION/UNIFORM ALLOWANCE	\$0	\$29,000	\$29,000	\$0	\$28,900	\$28,900	\$100	0.35%	0.26%		0.00%	
(911) RADIO COMMUNICATIONS	\$0	\$182,000	\$182,000	\$0	\$178,500	\$178,500	\$3,500	1.96%	1.61%		0.03%	
<b>TOTAL PUBLIC SAFETY</b>	<b>\$1,876,000</b>	<b>\$398,550</b>	<b>\$2,274,550</b>	<b>\$1,831,500</b>	<b>\$394,950</b>	<b>\$2,226,450</b>	<b>\$48,100</b>	<b>2.16%</b>	<b>20.17%</b>	<b>43.36%</b>	<b>0.43%</b>	
PUBLIC WORKS DEPARTMENT	\$808,750	\$291,250	\$1,100,000	\$794,250	\$291,250	\$1,085,500	\$14,500	1.34%	9.75%		0.13%	
IMPROVEMENTS TO STREETS & ROADS	\$0	\$105,500	\$105,500	\$0	\$105,500	\$105,500	\$0	0.00%	0.94%		0.00%	
BUILDINGS AND GROUNDS	\$70,700	\$34,000	\$104,700	\$69,500	\$34,000	\$103,500	\$1,200	1.16%	0.93%		0.01%	
RECYCLING	\$6,100	\$10,000	\$16,100	\$6,000	\$10,000	\$16,000	\$100	0.63%	0.14%		0.00%	
FLEET MAINTENANCE	\$0	\$123,500	\$123,500	\$0	\$123,500	\$123,500	\$0	0.00%	1.10%		0.00%	
<b>TOTAL PUBLIC WORKS</b>	<b>\$885,550</b>	<b>\$564,250</b>	<b>\$1,449,800</b>	<b>\$869,750</b>	<b>\$564,250</b>	<b>\$1,434,000</b>	<b>\$15,800</b>	<b>1.10%</b>	<b>12.86%</b>	<b>27.64%</b>	<b>0.14%</b>	
RECREATION	\$70,750	\$7,860	\$78,610	\$69,500	\$7,860	\$77,360	\$1,250	1.62%	0.70%		0.01%	
SENIOR CITIZEN/HISTORICAL SOCIETY	\$0	\$9,000	\$9,000	\$0	\$9,000	\$9,000	\$0	0.00%	0.08%		0.00%	
SENIOR CITIZEN TRANSPORTATION	\$24,500	\$0	\$24,500	\$24,000	\$0	\$24,000	\$500	2.08%	0.22%		0.00%	
CELEBRATION OF PUBLIC EVENTS	\$0	\$2,000	\$2,000	\$0	\$2,000	\$2,000	\$0	0.00%	0.02%		0.00%	
<b>TOTAL COMMUNITY PROGRAMS</b>	<b>\$95,250</b>	<b>\$18,860</b>	<b>\$114,110</b>	<b>\$93,500</b>	<b>\$18,860</b>	<b>\$112,360</b>	<b>\$1,750</b>	<b>1.56%</b>	<b>1.01%</b>	<b>2.18%</b>	<b>0.02%</b>	
	<b>\$3,591,900</b>	<b>\$1,653,394</b>	<b>\$5,245,294</b>	<b>\$3,522,950</b>	<b>\$1,648,591</b>	<b>\$5,171,541</b>	<b>\$73,753</b>	<b>1.43%</b>	<b>46.51%</b>	<b>100.00%</b>	<b>0.66%</b>	
ELECTRICITY	\$0	\$57,000	\$57,000	\$0	\$57,000	\$57,000	\$0	0.00%	0.51%		0.00%	
STREET LIGHTING	\$0	\$36,000	\$36,000	\$0	\$36,000	\$36,000	\$0	0.00%	0.32%		0.00%	
TELEPHONE	\$0	\$25,500	\$25,500	\$0	\$25,500	\$25,500	\$0	0.00%	0.23%		0.00%	
HEATING OIL	\$0	\$70,000	\$70,000	\$0	\$70,000	\$70,000	\$0	0.00%	0.62%		0.00%	
GASOLINE	\$0	\$120,000	\$120,000	\$0	\$120,000	\$120,000	\$0	0.00%	1.06%		0.00%	
		\$0	\$0		\$0	\$0	\$0	#DIV/0!	0.00%		0.00%	
GENERAL LIABILITY	\$0	\$196,262	\$196,262	\$0	\$192,414	\$192,414	\$3,848	2.00%	1.74%		0.03%	
WORKERS COMP	\$0	\$102,452	\$102,452	\$0	\$100,443	\$100,443	\$2,009	2.00%	0.91%		0.02%	
GROUP INSURANCE	\$0	\$1,726,262	\$1,726,262	\$0	\$1,651,112	\$1,651,112	\$75,150	4.55%	15.31%		0.67%	
GROUP INSURANCE MEDICARE REIMBURSEMENTS	\$0	\$16,082	\$16,082	\$0	\$14,500	\$14,500	\$1,582	10.91%	0.14%		0.01%	
PENSIONS/FICA TAX	\$0	\$910,014	\$910,014	\$0	\$856,123	\$856,123	\$53,891	6.29%	8.07%		0.48%	
ACCUMULATED SICK/VAC LEAVE & UNEMPLOYMENT	\$0	\$200	\$200	\$0	\$200	\$200	\$0	0.00%	0.00%		0.00%	
MUNICIPAL SEWER CHARGES	\$0	\$6,575	\$6,575	\$0	\$6,575	\$6,575	\$0	0.00%	0.06%		0.00%	
MUSCONETCONG SEWER FEES (VC)	\$0	\$40,000	\$40,000	\$0	\$40,000	\$40,000	\$0	0.00%	0.35%		0.00%	
		\$0	\$0		\$0	\$0	\$0	#DIV/0!	0.00%		0.00%	
GARBAGE CONTRACT	\$0	\$674,000	\$674,000	\$0	\$662,000	\$662,000	\$12,000	1.81%	5.98%		0.11%	
RECYCLING TAX	\$0	\$10,500	\$10,500	\$0	\$10,500	\$10,500	\$0	0.00%	0.09%		0.00%	
DEBT SERVICE	\$0	\$325,880	\$325,880	\$0	\$313,155	\$313,155	\$12,725	4.06%	2.89%		0.11%	
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!	0.00%		0.00%	
CAPITAL IMPROVEMENT FUND	\$0	\$454,913	\$454,913	\$0	\$438,138	\$438,138	\$16,775	3.83%	4.03%		0.15%	

FEDERAL AND STATE GRANTS	\$0	\$0	\$0	\$0	\$74,163	\$74,163.31	-\$74,163	-100.00%	0.00%	-0.67%
MUNICIPAL ALLIANCE	\$0	\$0	\$0	\$0	\$11,420	\$11,420	-\$11,420	-100.00%	0.00%	-0.10%
RES FOR UNCOLLECTED TAXES	\$0	\$1,200,000	\$1,200,000	\$0	\$1,200,000	\$1,200,000	\$0	0.00%	10.64%	0.00%
LEASE AGREEMENT - RIVERSIDE PARK	\$0	\$976	\$976	\$0	\$976	\$976	\$0	0.00%	0.01%	0.00%
PURCHASE OF VEHICLES	\$0	\$59,000	\$59,000	\$0	\$89,000	\$89,000	-\$30,000	100.00%	0.52%	-0.27%
<b>TOTAL OTHER EXPENSES</b>			<b>\$6,031,616</b>		<b>\$5,969,219.31</b>	<b>\$62,397</b>		<b>1.05%</b>	<b>53.49%</b>	<b>100.00%</b>
			\$11,276,909.94		\$11,140,760.31	\$136,150		1.22%	100.00%	0.56%

TOTAL GEN GOVT.	\$8,103
TOTAL PUBLIC SAFETY	\$48,100
TOTAL PUBLIC WORKS	\$15,800
TOTAL COMMUNITY PROGRAMS	\$1,750
TOTAL OTHER EXPENSES	\$147,980 (Excludes Grants)
NET CHANGE:	\$221,733