JACKSON TOWNSHIP
2020 BUDGET PRESENTATION

PREPARED BY:
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A Year-Round Process

- Adopt
- Forecast / Close-out
- Introduce
- Prepare
The State of New Jersey dictates

- The budget process
- Financial management and accounting practices used by municipalities

The Department of Community Affairs approves

- All budgets
- Financial statements
- Audits
BACKGROUND

The municipal budget has two principal components:
• Operating budget
• Capital budget

The budget is organized into two expense categories:
• Salary and Wages (S&W)
• Other Expenses (OE)

The budget must always balance revenues and expenses
BACKGROUND

The municipality collects property taxes for the

- County
- Board of Education
- Fire Districts
- Township

Counties, Boards of Education & Fire Districts receive 100 percent of what is anticipated, whether collected or not.

Municipalities cover any gap with dollars from “Reserve for Uncollected Taxes”.
BACKGROUND

The budget process is affected by different fiscal years:

- State of New Jersey – 7/1 through 6/30
- Board of Education – 7/1 through 6/30
- Township of Jackson – 1/1 through 12/31
First, let’s look back at 2019...
2019 Revenue

~ Township miscellaneous revenue exceeded the budget totals by $973,538.42
  • Interest on investments & deposits
  • Increase in fees & permits
  • Increase in Housing Fees

~ Unanticipated Revenue was $720,870.89
  • Off Duty Surcharge
  • Rental Registration
  • Tower rental
# 2019 Expenses

- **Total Municipal Expenses**
  - **Budgeted**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018 Budgeted</th>
<th>2019 Budgeted</th>
<th>2020 Budgeted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$44,173,657.09</td>
<td>$44,789,978.87</td>
<td>$47,536,243.22</td>
</tr>
</tbody>
</table>

- **Expended**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018 Expended</th>
<th>2019 Expended</th>
<th>2020 Expended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$43,025,414.77</td>
<td>$42,645,534.77</td>
<td>?</td>
</tr>
</tbody>
</table>
Moving on to 2020 ...
## 2020 Proposed Municipal Budget Summary

### Revenue Source

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>2020 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous Anticipated Revenue</td>
<td>$7,631,846.26</td>
</tr>
<tr>
<td>Delinquent Taxes</td>
<td>$1,450,000.00</td>
</tr>
<tr>
<td>Fund Balance</td>
<td>$4,808,000.00</td>
</tr>
<tr>
<td>Amount to be Raised by Taxation</td>
<td>$33,646,396.96</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$47,536,243.22</td>
</tr>
</tbody>
</table>

### Expense Appropriation

<table>
<thead>
<tr>
<th>Expense Appropriation</th>
<th>2020 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary and Wages</td>
<td>$21,469,874.45</td>
</tr>
<tr>
<td>Statutory Expenses</td>
<td>$5,640,230.24</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$3,820,370.98</td>
</tr>
<tr>
<td>Reserve for Uncollected Taxes</td>
<td>$2,686,292.58</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>$13,919,474.97</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$47,536,243.22</td>
</tr>
</tbody>
</table>
## 2019 & 2020 Municipal Budget Comparison

<table>
<thead>
<tr>
<th></th>
<th>2019 Budget</th>
<th>2020 Budget (Proposed)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Tax Levy</td>
<td>$33,001,310.41</td>
<td>$33,646,396.96</td>
<td>1.95%</td>
</tr>
<tr>
<td>Municipal Tax Rate</td>
<td>.486/$100</td>
<td>.492/$100</td>
<td>1.23%</td>
</tr>
<tr>
<td>Avg. Property Valuation</td>
<td>$327,707.00</td>
<td>$328,520.00</td>
<td>$813.00</td>
</tr>
<tr>
<td>Municipal Tax on Avg. Property</td>
<td>$1,592.66</td>
<td>$1,617.63</td>
<td>$21.02</td>
</tr>
<tr>
<td>Assessed Valuation</td>
<td>$6,789,618,746</td>
<td>$6,833,295,262</td>
<td>.64%</td>
</tr>
</tbody>
</table>
Total Expense by Category

- Aid & Assist: $1,000,000.00
- Blding & Plning: $2,978,839.21
- Debt Svc: $3,946,131.48
- Gen'l Govt: $5,173,521.19
- Insurance: $6,016,930.00
- Pub Works: $5,291,836.35
- Public Safety: $14,247,861.34
- Rec: $554,175.83
- RUT: $2,686,292.58
- Statutory: $5,640,655.24
- Total: $47,536,243.22
Property Class Breakdown

- Vacant Land: 2.12% of total, $144,891,600
- Residential: 86.27% of total, $5,889,336,020
- Farm: 0.40% of total, $27,401,511
- Commercial: 2.04% of total, $580,983,701
- Industrial: 0.66% of total, $44,717,200
- Apartments: 8.51% of total, $139,061,200
A look at the entire Estimated Property Tax Bill of a Jackson Township resident

- Local School District: $96,572,578.90 (56.44%)
- Municipal Purpose Tax: $33,646,396.96 (19.66%)
- County Purposes: $32,536,196.20 (19.02%)
- Fire Districts (total levies): $6,976,723.96 (4.08%)
- Municipal Open Space: $1,366,659.05 (0.80%)

Total Estimated Property Tax Bill: $196,572,578.90
Proposed levy increase 1.95%

**Estimated annual tax increase**

Average home assessed at $328,520

Increase in taxes

$21.02 per year