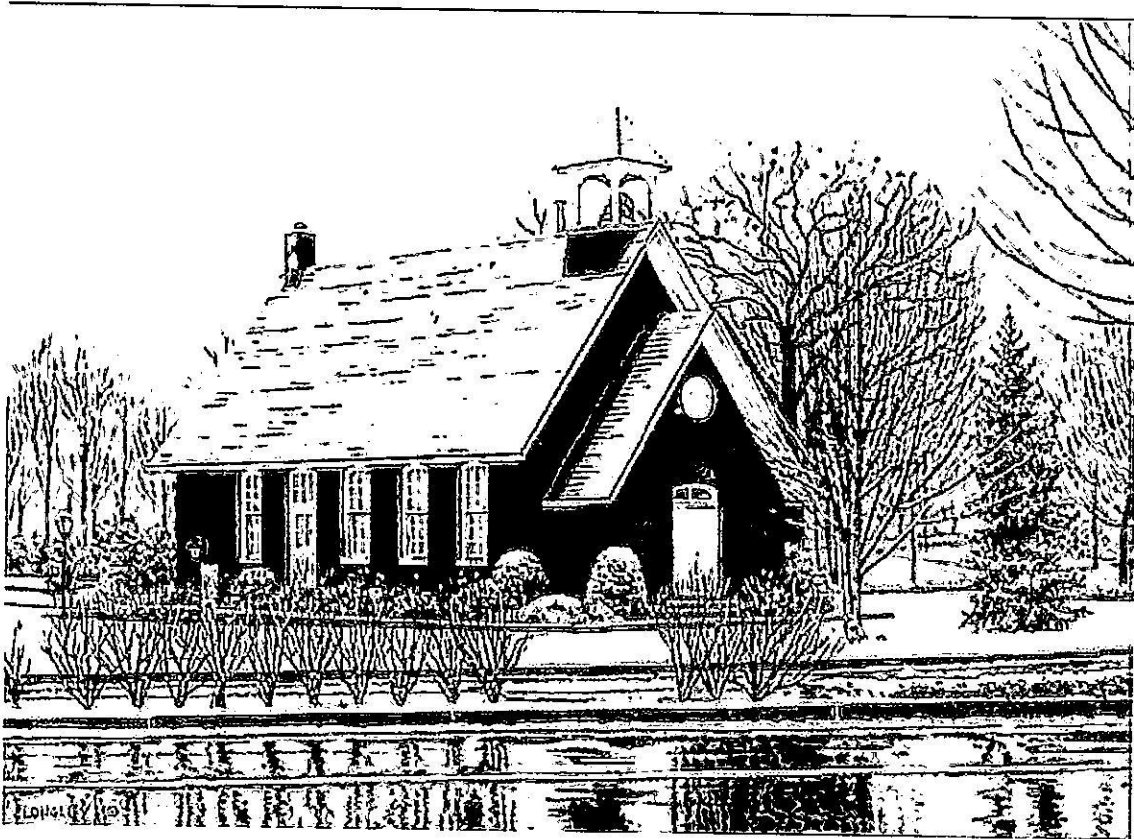


Borough of Florham Park



2023 Comparative Budget

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BUDGET PREPARATION

The budget is traditionally introduced March. The Mayor, Administrator and Council Member spend a significant amount of time reviewing and analyzing various aspects of the budget to come to a realistic budget that meets the needs of the residents. In April, after a formal public hearing, the budget will be adopted. A temporary budget is adopted at the beginning of the year, which provides for the orderly continuation of Borough operations until the budget is officially approved.

The budget process is not a seasonal process, but a continuous process that is discussed by members of the Finance Committee throughout the year. There is a significant amount of planning that leads up to the final development of the budget. Part of this planning involves debt affordability analysis as well as debt structuring. This enables the Mayor and Council to better plan for future years and to correct negative trends that may have an impact on the municipal future.

REVENUES

The current year revenues, that are budgeted, are based upon conservative estimates. The revenues most affected by the pandemic are hotel tax, court revenues, and interest income. New Jersey budget law allows a municipality to budget an amount that is equal to but not greater than what has been realized in the prior year for a revenue category. The Borough takes a conservative approach to revenue budgeting to ensure that the Borough does not become dependent upon a revenue source that will not be available in future budget years.

Revenue that is attributable to State Aid in the current year budget was left unchanged again as the state has indicated level funding again. This follows several years of reductions. The reductions for 2010, 2009 and 2008 were \$314,962, \$55,973 and \$140,039 respectively. The Borough has sustained approximately one-half of a million dollars loss in state aid. These reductions follow years of state aid that remained essentially unchanged. As was stated for the last several years, the State continues to shift what was their burden of support back to the taxpayers of our community. The lack of State Aid shifts a disproportionate burden of the budget to our taxpayers. In an effort to head off this burden we actively pursue other sources of revenue and look to regionalize services.

APPROPRIATIONS

The reserve for uncollected taxes account acts as an allowance for doubtful accounts when taxpayers of the Borough do not pay their taxes on time. The Borough is required by statute to pay out County and School tax dollars to those entities prior to satisfying our own obligations. As a result, when taxpayers are delinquent, this can potentially cause the Borough cash flow difficulties. The State of New Jersey requires every municipality to create and fund this reserve for uncollected taxes account in an amount sufficient to guarantee that the municipality will be able to meet its own obligations. The increase in the reserve account takes into consideration the increase in county and school tax requirements as well as the requirements of the Borough.

MANDATED APPROPRIATIONS AND THE BUDGET CAP

It should be noted that the greatest portion of the budget is mandated by state statutes and federal requirements. Furthermore, the State of New Jersey initially in 1976, placed a statutory limit on the growth of local budgets, commonly referred to as "The CAP Law". "The CAP Law" was substantially changed in August of 1990, by the state legislature and signed by the governor. The CAP Law was again substantially changed in the summer of 2004. Many of the areas of municipal government which are not controlled by the Mayor and Council must be satisfied within the "CAP" limit. The CAP limit for 2021 is 1.0%.

The State of New Jersey created a new CAP beginning in 2008. This new CAP is on the amount to be raised by taxation. The intent of the CAP was to limit tax increases to no greater than 4.0%. However, the State also put in exceptions for its own actions that may negatively impact municipal budgets. One such exception is for State Aid reductions.

The State of New Jersey again created a new CAP beginning in 2011. This newest CAP is on the amount to be raised by taxation. This limits the amount taxes can go up by 2.0% with four exceptions. They are debt service, health insurance, pension costs, and natural disasters.

PERSONNEL

The Borough has two labor unions, covering the public works and law enforcement personnel. The public works contract is currently in negotiations and the law enforcement contract was renegotiated in 2023. The remaining employees are not covered by union contracts; however, these positions are generally professional positions that are statutorily required.

TAX RATES

10-YEAR TAX RATE COMPARISON						
Year	Municipal	Library	Schools	County	County Open Space	Total Tax Rate
2014	.370	.029	.750	.213	.010	1.372
2015	.373	.031	.772	.222	.010	1.408
2016	.376	.031	.785	.234	.008	1.434
2017	.382	.031	.808	.243	.009	1.473
2018	.382	.034	.826	.260	.009	1.511
2019	.389	.034	.844	.264	.009	1.540
2020	.395	.033	.869	.262	.008	1.567
2021	.407	.033	.890	.261	.006	1.600
2022	.411	.034	.899	.261	.006	1.611
2023(Est)	.418	.034	.899	.265	.006	1.622

ADDITIONAL BUDGET INFORMATION

The 2023 budget responds to the needs of the community and maintains services that have come to be relied upon by many residents. Any budget areas where increases are seen were made after considerable review and justification for such increases.

We continue to look for opportunities to either provide services to neighboring communities, or have them provide services for us. We continue in our pledge to make Florham Park more efficient and save tax dollars any responsible way that we can.

LOOKING INTO THE FUTURE

The Mayor and Council continue to explore ways to improve the community as a whole and enhance the quality of life for residents. Looking ahead, the 2024 budget will bring with it new challenges. The State of New Jersey will most likely look to continue reducing the state aid that we receive for both schools and municipalities, forcing municipalities across the state to evaluate the level of service provided to residents in an attempt to control taxes.

THE GOVERNING BODY

Mayor:

Mark Taylor

Council:

Scott Carpenter

Joshua Marchal

Charles Germershausen

Charles Malone

Kristen Santoro

Nick Cicarelli

Borough of Florham Park
2021, 2022 and 2023 Appropriation Budgets

	<u>Adopted Budget</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>CURRENT FUND:</u>			
<u>GENERAL GOVERNMENT</u>			
General Administration			
Salary And Wages	163,715.00	177,430.00	180,415.00
Other Expenses	26,500.00	26,500.00	26,500.00
Mayor and Council			
Other Expenses	27,000.00	27,000.00	27,000.00
Municipal Clerk			
Salary And Wages	193,240.00	194,550.00	176,270.00
Other Expenses	67,350.00	67,350.00	67,350.00
Financial Administration			
Salary And Wages	80,090.00	139,630.00	142,155.00
Other Expenses	40,710.00	40,710.00	40,710.00
Annual Audit	22,450.00	22,450.00	22,450.00
Tax Collection			
Salary And Wages	83,440.00	49,725.00	50,720.00
Other Expenses	8,580.00	8,580.00	8,580.00
Assessment of Taxes			
Salary And Wages	72,115.00	76,060.00	77,020.00
Other Expenses	85,880.00	64,380.00	64,380.00
Legal Services And Costs			
Other Expenses	163,500.00	183,500.00	183,500.00
Engineering Services & Costs			
Salary And Wages	39,190.00	39,975.00	62,455.00
Other Expenses	82,350.00	82,350.00	82,350.00
Historic Commission			
Other Expenses	5,500.00	5,500.00	5,500.00
Total General Government	<u>1,161,610.00</u>	<u>1,205,690.00</u>	<u>1,217,355.00</u>
<u>LAND USE ADMINISTRATION</u>			
<u>Municipal Land Use Law (NJSA 40:55D-1)</u>			
Planning Board			
Salary And Wages	25,325.00	26,065.00	26,565.00
Other Expenses	72,840.00	72,840.00	72,840.00

Borough of Florham Park
2021, 2022 and 2023 Appropriation Budgets

	<u>Adopted Budget</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
Zoning Board of Adjustment			
Salary And Wages	11,285.00	11,745.00	11,960.00
Other Expenses	21,360.00	21,360.00	21,360.00
Total Land Use Administration	<u>130,810.00</u>	<u>132,010.00</u>	<u>132,725.00</u>
 <u>INSURANCE</u>			
Workers' Compensation Insurance	207,650.00	217,998.00	220,945.00
Liability Insurance	161,689.00	169,005.00	188,726.00
Group Insurance for Employees	2,380,260.00	2,620,860.00	2,697,240.00
Total Insurance	<u>2,749,599.00</u>	<u>3,007,863.00</u>	<u>3,106,911.00</u>
 <u>PUBLIC SAFETY</u>			
Municipal Court			
Salaries and Wages	125,870.00	106,400.00	107,830.00
Other Expenses	11,500.00	11,500.00	11,500.00
Municipal Prosecutor			
Salary And Wages	25,000.00	25,000.00	25,000.00
Public Defender			
Salaries and Wages	7,500.00	7,500.00	10,000.00
Fire			
Salaries and Wages	28,880.00	31,035.00	128,910.00
Other Expenses	142,900.00	142,900.00	142,900.00
Contribution to Volunteer Fire Department			
Other Expenses	30,000.00	30,000.00	75,000.00
Police			
Salary And Wages	4,507,975.00	4,645,598.00	4,718,423.75
Other Expenses	329,200.00	401,700.00	401,700.00
Police Vehicles			
Other Expenses	99,928.00	99,928.00	118,000.00
Fire Safety Program			
Salary And Wages	130,975.00	132,970.00	135,635.00
Other Expenses	16,220.00	16,220.00	16,220.00
First Aid Organization Contribution			
Other Expenses	25,000.00	25,000.00	15,000.00
Emergency Management Services			
Other Expenses	15,000.00	15,000.00	15,000.00
Total Public Safety	<u>5,495,948.00</u>	<u>5,690,751.00</u>	<u>5,921,118.75</u>

Borough of Florham Park
2021, 2022 and 2023 Appropriation Budgets

	<u>Adopted Budget</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>PUBLIC WORKS FUNCTIONS</u>			
Road Repairs and Maintenance			
Salaries and Wages	713,230.00	738,850.00	769,480.00
Other Expenses	263,250.00	264,750.00	269,950.00
Other Public Works			
Salaries and Wages	125,135.00	162,750.00	166,005.00
Solid Waste Collection (Recycling)			
Other Expenses	216,000.00	151,500.00	171,500.00
Buildings and Grounds			
Salaries and Wages	785,655.00	777,010.00	797,915.00
Other Expenses	200,215.00	206,972.00	229,472.00
Condo Services			
Other Expenses	65,000.00	65,000.00	80,000.00
Vehicle Maintenance			
Salaries and Wages	203,210.00	201,895.00	210,520.00
Other Expenses	91,650.00	92,000.00	104,900.00
Total Streets and Roads	<u>2,663,345.00</u>	<u>2,660,727.00</u>	<u>2,799,742.00</u>
<u>HEALTH AND WELFARE</u>			
Board of Health			
Salaries and Wages	66,875.00	68,215.00	\$ 69,580.00
Other Expenses	156,505.00	163,955.00	\$ 179,965.00
Environmental Commission			
Other Expenses	26,000.00	26,000.00	\$ 28,000.00
Social Service Agencies			
Other Expenses	16,500.00	16,660.00	\$ 17,500.00
Total Health and Welfare	<u>265,880.00</u>	<u>274,830.00</u>	<u>295,045.00</u>

Borough of Florham Park
2021, 2022 and 2023 Appropriation Budgets

	<u>Adopted Budget</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>RECREATION AND PUBLIC EVENTS</u>			
Recreation			
Salaries and Wages	131,575.00	133,720.00	\$ 143,420.00
Other Expenses	82,125.00	82,125.00	\$ 82,125.00
Public Events			
Other Expenses	5,500.00	26,500.00	\$ 6,000.00
Total Parks and Recreation	<u>219,200.00</u>	<u>242,345.00</u>	<u>231,545.00</u>
UTILITIES & BULK PURCHASES	<u>697,500.00</u>	<u>737,500.00</u>	<u>737,500.00</u>
<u>UNIFORM CONSTRUCTION CODE</u>			
Salaries and Wages	590,535.00	595,935.00	546,410.00
Other Expenses	308,180.00	214,480.00	152,965.00
Total Uniform Construction Code	<u>898,715.00</u>	<u>810,415.00</u>	<u>699,375.00</u>
<u>UNCLASSIFIED</u>			
Contingent	10,000.00	10,000.00	10,000.00
Total Unclassified	<u>10,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>
TOTAL OPERATIONS WITHIN "CAPS"	<u>14,292,607.00</u>	<u>14,772,131.00</u>	<u>15,151,316.75</u>
<u>STATUTORY EXPENDITURES</u>			
STATUTORY EXPENDITURES			
Social Security System (O.A.S.I.)	441,975.00	414,929.00	425,398.00
Public Employees Retirement System	372,182.60	433,232.00	501,323.00
Police and Firemen's Retirement System	1,221,392.00	1,207,352.00	1,375,463.00
Total Statutory Expenditures	<u>2,035,549.60</u>	<u>2,055,513.00</u>	<u>2,302,184.00</u>
TOTAL GENERAL APPROPRIATIONS WITHIN "CAPS"	<u>16,328,156.60</u>	<u>16,827,644.00</u>	<u>17,453,500.75</u>

Borough of Florham Park
2021, 2022 and 2023 Appropriation Budgets

	<u>Adopted Budget</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>Operations Excluded from "CAPS"</u>			
Maintenance of Free Public Library	1,199,600.00	1,242,627.00	1,285,129.00
Employee Group Health Insurance: Other Expenses	-	-	
Reserve for Tax Appeals Other Expenses	163,865.00	167,142.00	170,485.00
LOSAP Other Expenses	31,000.00	31,000.00	31,000.00
<u>Operations Excluded from "CAPS" (Cont'd):</u>			
Police and Firemen's Retirement System	-	-	
Total Operations Excluded from "CAPS"	<u>1,394,465.00</u>	<u>1,440,769.00</u>	<u>1,486,614.00</u>
<u>FEDERAL AND STATE GRANTS</u>			
Clean Communities Act	22,632.56	24,474.24	-
Recycling Tonnage Grant	12,204.97	24,830.91	14,074.27
Drunk Driving Enforcement Fund	4,285.91	-	
Body Armor Replacement Grant	2,464.25	754.19	822.30
Alcohol Education and Rehab Fund	-	3,180.78	4,264.17
Bulletproof Vest Program	630.00	-	3,941.90
Local Recreation Grant	-	75,000.00	-
Historical Commission-Morris County	15,400.00	-	-
NJ Dept of Law & Safety-Body Worn Camera Grant	73,368.00	-	-
EMMA Grant	10,000.00	10,000.00	-
Distracted Driving Grant	-	7,000.00	-
ANJEC	-	1,500.00	-
American Rescue Plan_firefighter Grant	-	25,000.00	-
American Rescue Plan	-	-	1,203,269.70
Lakes Management Grant	-	-	176,900.00
Opioid Settlement	-	-	22,328.98
Total Federal and State Grants	<u>140,985.69</u>	<u>171,740.12</u>	<u>1,425,601.32</u>
<u>CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS</u>			
Capital Improvement Fund	2,207,000.00	1,803,000.00	2,503,000.00
Improvements to Little Red School House			
Total Capital Improvements	<u>2,207,000.00</u>	<u>1,803,000.00</u>	<u>2,503,000.00</u>

Borough of Florham Park
2021, 2022 and 2023 Appropriation Budgets

	<u>Adopted Budget</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>DEBT SERVICE</u>			
Payment of Bond Principal	920,000.00	920,000.00	920,000.00
Payment of Bond Anticipation Notes and Capital Notes	-	-	
Payment of Special Emergency Note	-	-	
Interest on Bonds	272,410.00	226,410.00	180,410.00
Interest on Notes	-	-	
Interest on Special Emergency Note	-	-	
Total Debt Service	<u>1,192,410.00</u>	<u>1,146,410.00</u>	<u>1,100,410.00</u>
<u>DEFERRED CHARGES</u>			
Deferred Charges:			
Deferred Charges to Future Taxation Unfunded	-	-	-
Total Deferred Charges	<u>-</u>	<u>-</u>	<u>-</u>
<u>RESERVE FOR UNCOLLECTED TAXES</u>			
	<u>1,555,230.00</u>	<u>1,586,335.00</u>	<u>1,618,061.70</u>
TOTAL CURRENT FUND	<u><u>22,818,247.29</u></u>	<u><u>22,975,898.12</u></u>	<u><u>25,587,187.77</u></u>

Borough of Florham Park
2021, 2022 and 2023 Appropriation Budgets

	<u>Adopted Budget</u>		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>WATER UTILITY OPERATING FUND:</u>			
OPERATING			
Salaries and Wages	675,480.00	691,981.00	691,981.00
Other Expenses	807,520.00	789,482.00	789,482.00
CAPITAL IMPROVEMENTS	200,000.00	48,000.00	-
DEBT SERVICE	81,700.00	140,825.00	278,670.00
DEFERRED CHARGES	75,000.00	160,573.00	58,000.00
STATUTORY EXPENDITURES	141,500.00	150,339.00	149,646.00
	<u>1,981,200.00</u>	<u>1,981,200.00</u>	<u>1,967,779.00</u>
<u>TOTAL WATER UTILITY OPERATING FUND</u>			
	<u>1,981,200.00</u>	<u>1,981,200.00</u>	<u>1,967,779.00</u>
<u>POOL UTILITY OPERATING FUND:</u>			
OPERATING			
Salaries and Wages	66,500.00	84,500.00	100,000.00
Other Expenses	94,500.00	114,700.00	140,350.00
Deferred Charges	-	50,000.00	30,000.00
Deficit in Prior Years Operations	17,220.00	-	-
STATUTORY EXPENDITURES	5,000.00	6,464.00	7,650.00
	<u>183,220.00</u>	<u>255,664.00</u>	<u>278,000.00</u>
<u>TOTAL POOL UTILITY OPERATING FUND</u>			
	<u>183,220.00</u>	<u>255,664.00</u>	<u>278,000.00</u>
<u>SEWER UTILITY OPERATING FUND:</u>			
OPERATING			
Salaries and Wages	1,367,095.00	1,319,554.00	1,421,285.00
Other Expenses	2,018,394.00	2,054,173.00	2,228,706.00
CAPITAL & DEBT:			
Capital Improvement Fund	240,000.00	1,000,000.00	-
Capital Outlay	-	-	-
Debt Service	406,011.00	418,773.00	177,779.00
Deferred Charges	-	-	-
STATUTORY EXPENDITURES	290,500.00	289,500.00	322,230.00
	<u>4,322,000.00</u>	<u>5,082,000.00</u>	<u>4,150,000.00</u>
<u>TOTAL SEWER UTILITY OPERATING FUND</u>			
	<u>4,322,000.00</u>	<u>5,082,000.00</u>	<u>4,150,000.00</u>

Borough of Florham Park
Capital Budget (Current Year Action)

	Estimated Total Cost	Reserved in Prior Years	Capital Improvement Fund	Capital Surplus	Grants in Aid and Other Funds	Debt Authorized	Budget Appropriations	Future Funding Required
General Capital:								
Various Street Improvements	5,342,000.00		1,087,000.00		226,000.00			4,029,000.00
DPW Equipment	2,200,000.00		385,000.00					1,815,000.00
Fire Equipment	589,000.00		202,000.00					387,000.00
Police Equipment	1,750,000.00		60,000.00					1,690,000.00
Borough Share for Morris County Grant-LRSH	17,000.00		17,000.00					-
Recreation Equipment	15,000.00		15,000.00					-
New HVAC for Borough Hall	3,085,000.00	1,685,000.00	700,000.00					700,000.00
								-
Total General Improvements	12,998,000.00	1,685,000.00	2,466,000.00	-	226,000.00	-	-	8,621,000.00
Water Utility Capital:								
Improvements To Beacon Hill Tower	1,500,000.00							1,500,000.00
Improvements To Tower Hill	1,500,000.00							1,500,000.00
Water Meters	360,000.00		60,000.00					300,000.00
Well House Improvements	1,237,000.00		37,000.00		1,200,000.00			-
Riverside Dr Water Main Replacement	500,000.00							500,000.00
								-
Total Water Utility Improvements	5,097,000.00	-	97,000.00	-	1,200,000.00	-	-	3,800,000.00
Sewer Utility Capital:								
Carrigan Lane Sewer and Road Improvements	775,000.00		775,000.00					-
Sewer Jet Truck	650,000.00		650,000.00					-
CIPP-Beechwood & Elmwood	650,000.00			650,000.00				-
Sewer Expansion-Minisink, Delaware and Honeymoon	333,000.00		333,000.00					-
Generator	400,000.00		400,000.00					-
Gravily Filler Media Replacement	300,000.00		300,000.00					-
Bar Screen Replacement	1,400,000.00							1,400,000.00
Oxidation Ditch Improvements	1,080,000.00							1,080,000.00
Sludge Thickening Improvements-Replacement of DAF	5,000,000.00							5,000,000.00
Third Clarifier	3,300,000.00							3,300,000.00
Additional WAS Storage Tank	1,800,000.00							1,800,000.00
New Garage/Office space	1,500,000.00							1,500,000.00
Equalization Tank	1,300,000.00							1,300,000.00
Improvements to Sewer Utility	972,000.00							972,000.00
								-
Total Sewer Utility Improvements	19,460,000.00	-	2,458,000.00	650,000.00	-	-	-	16,352,000.00
	37,555,000.00	1,685,000.00	5,021,000.00	650,000.00	1,426,000.00	-	-	28,773,000.00