

# The Budget Process

# The Phases

- Information Gathering
- Department Requests
- Financial Projections
- Review & Discussion
- Public Presentation and initial Approval
- Auditor Review & State DCA Approval
- Public Hearing and Adopting

# Information Gathering

- Is a continual process from the completion of one budget to the start of the next.
- Salary Projections
  - Negotiated Contracts
  - Existing Staffing Levels
- Employment Taxes & Benefit Costs
- Debt Requirements
- Energy Costs and Other Projections

# Department Requests

- Notice is sent the end of Sept with requests due back the first week of Nov
- Request Operating Expense Needs, consistent with existing trends
- Detailed Justification for Trend Variances
- Major Line Item Requests Itemized
- Review Staffing Levels
- Submit 1-Year Capital Request, amend any long range Capital Requests

# Financial Projections

- December is Wrap-up Month
- Revenue Projections to Year-end
  - Tax Collection, % from prior years
  - State Aid, received in full
  - Miscellaneous, 10 month trend
- Expense Projections
  - 2 year budget cycle, determine cancellations and reserves
  - Unspent prior budget now closed to surplus
- Departmental Budget Meetings, review requests

# Financial Projections

- Project Year-End Surplus
- State Aid does NOT increase and in fact is decreasing
- Miscellaneous Revenue based on current year's projected totals
- Surplus Funds used as Revenue to the extent considered prudent, must sustain adequate reserve balance
- Tax Revenue calculation is final step

# Review and Discussion

- December
  - 1<sup>st</sup> draft of Wishlist Budget
  - Develop 1<sup>st</sup> draft Capital Projects
- January include policy discussion sessions
  - Staffing Levels
  - Spending Priorities, or Cuts
  - Budget impact on Tax Rate
  - Services or Programs to Add, Continue, or Discontinue

# Review and Discussion

- Financial Records are Closed out and rolled into the new fiscal year in January
- Financial Statements Prepared by February 10
- December's Financial Projections now replaced with actual activity, Draft Budget revised accordingly



# Public Presentation & Approval

- On or before February 10
- First Reading, Introduced to Public
- Public Hearing Date Announced
- Background Information made available to the Public
- Budget Summary Advertised

# Auditor Review & DCA Approval

- Statutory Compliance Issues
- Clerical Accuracy
- Budget Discretion is solely by the Commissioners, Auditor and DCA opinion is limited to Legal Compliance
- Approval on Statutory Compliance required before Public Hearing or Adoption

# Public Hearing

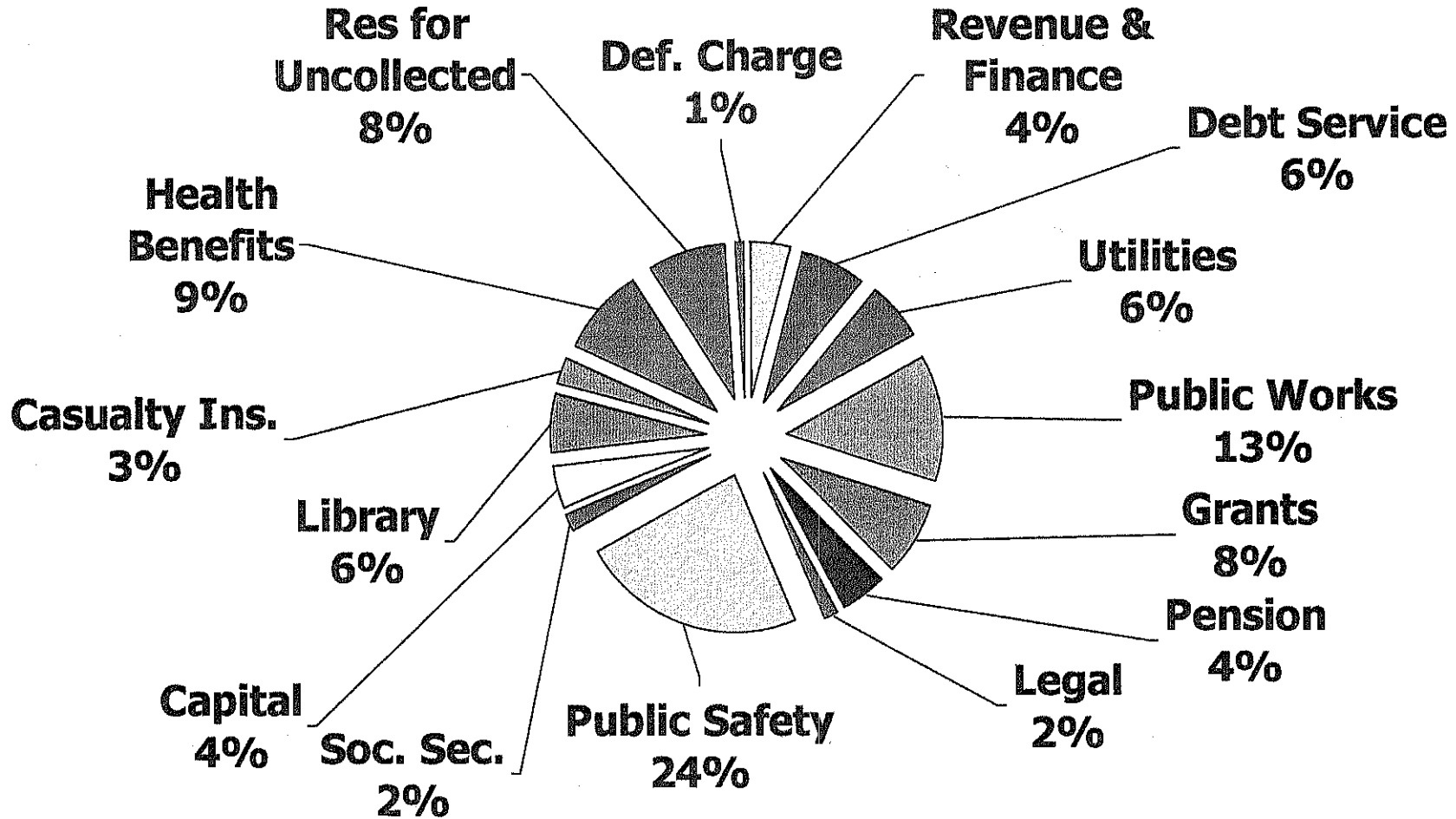
- Opportunity for the Public to Comment
- Final Vote by Commissioners occurs after listening to public comments
- Budget can be Approved, Amended without extending public hearing (small changes), Amended with additional public hearing, Tabled pending discussion on possible amendments, or outright rejected

# Budget Breakdown

- Nondiscretionary Appropriations
  - Salaries (unless layoffs are proposed)
  - Employment Taxes & Benefits
  - Debt Payments
  - Outsourced Service Contracts
- Discretionary Appropriations
  - Departmental Expense Budgets

# Appropriation Breakdown

(Using 2009 data)

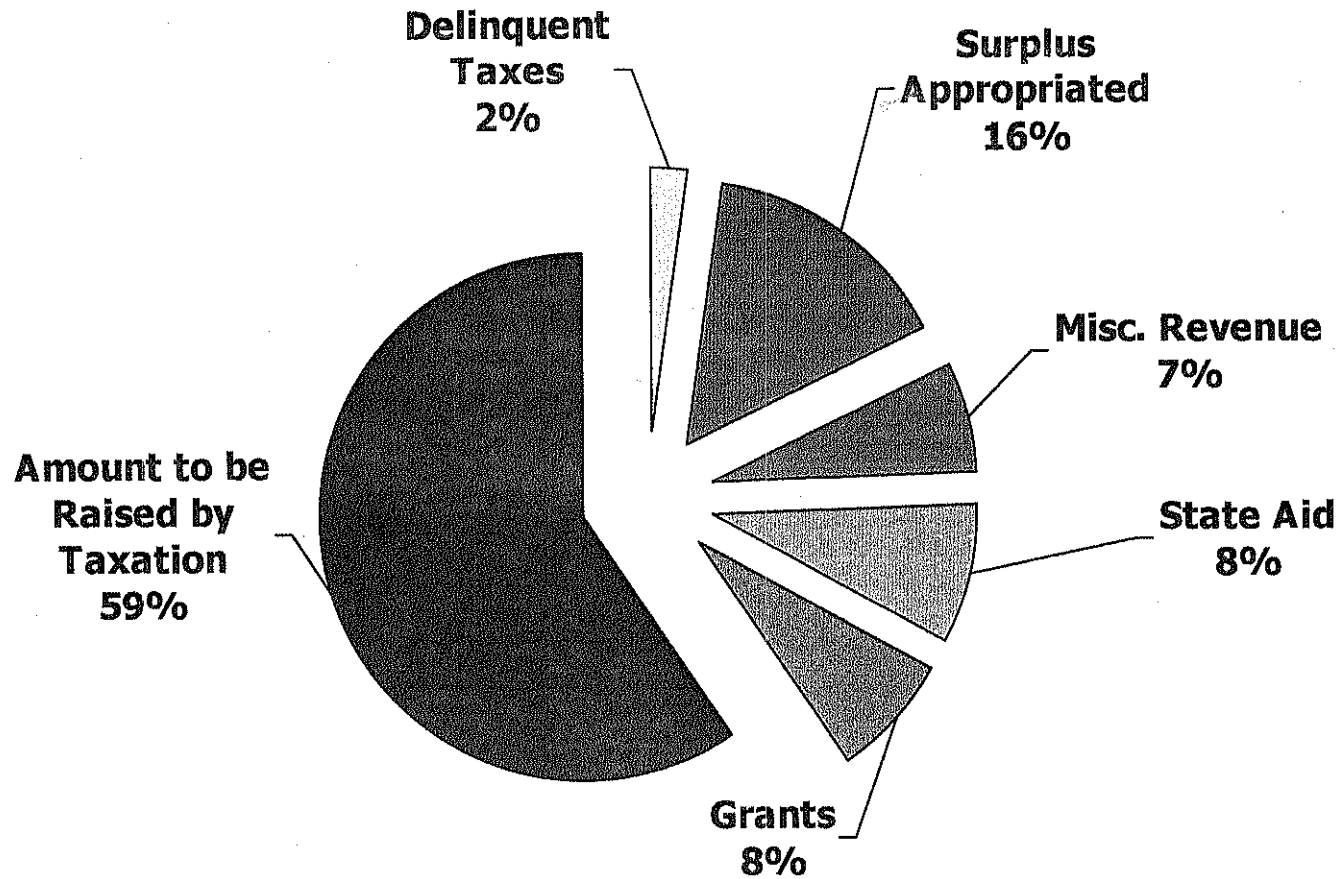


# Budget Breakdown

- Revenue Sources
  - Taxes
  - State Aid
  - Miscellaneous Revenue
  - Grants (offset by appropriations)
  - Surplus Funds, from prior years

# Revenue Breakdown

(Using 2009 data)



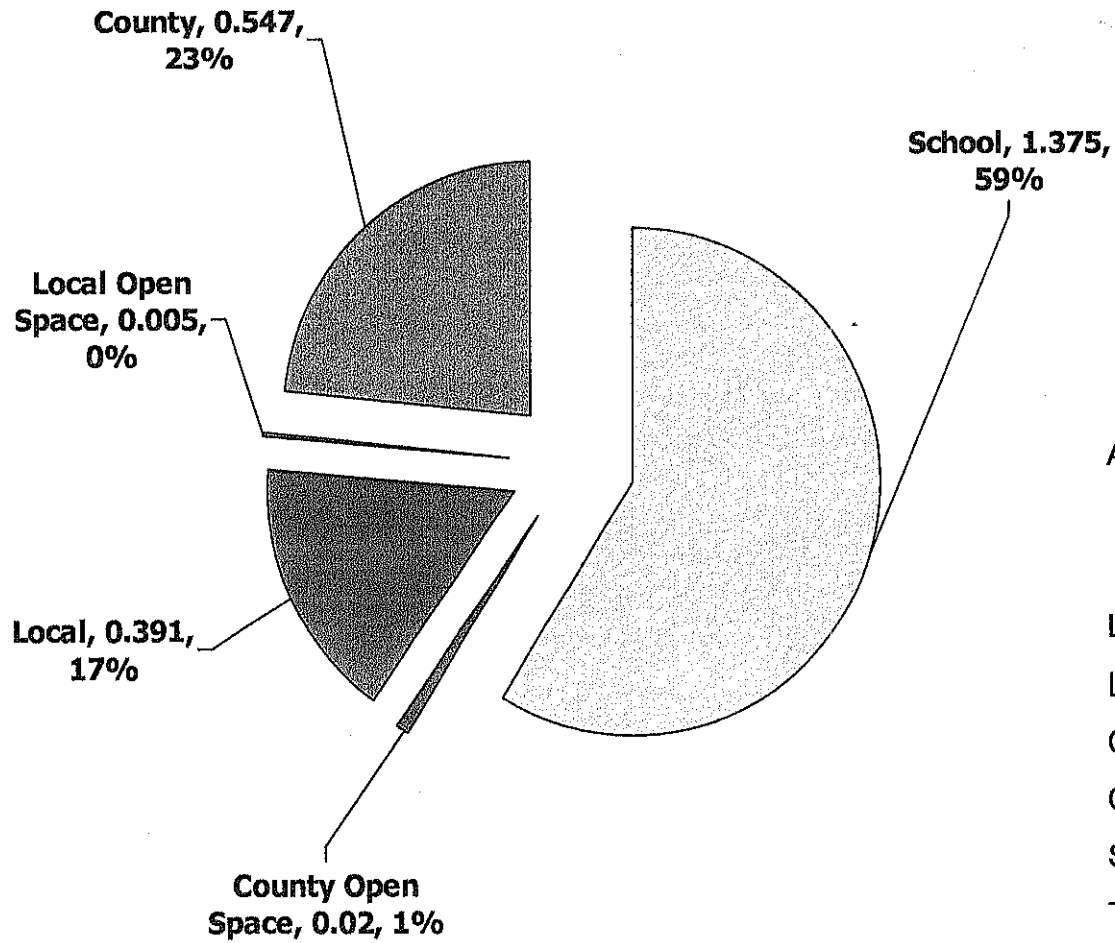
# Tax Calculation Formula

(Using 2009 data)

Total Appropriations	\$14,949,143.37
minus	
Anticipated Revenue	<u>\$ 6,080,764.00</u>
equals	
Local Purpose Tax	\$ 8,868,379.37
divided by	
Total Assessed Value	\$2,264,212,124
equals	
Local Tax Rate	\$0.3917
per \$100 assessed value	



# 2009 Total Tax Rate



Average Assessed Home  
\$491,359

Local Tax	\$ 1,925
Local Open Space	\$ 25
County Tax	\$ 2,687
County Open Space	\$ 96
School Tax	<u>\$ 6,754</u>
Total	\$11,480

# Haddonfield Staff & Services

Administration

13 Full Time Employees

25 Part Time Employees

Police

23 Full Time Employees

21 Part Time Employees

Fire

8 Full Time Employees

12 Part Time Employees

Public Works

17 Full Time Employees

3 Temporary Employees

Utilities

7 Full Time Employees

2 Part Time Employees

# Issues to be faced in 2010

- Continual increase in Pension Contribution
- Continual Increase in Fuel and Energy Cost
- Increase in Health Insurance and Casualty Insurance
- Police Contract Negotiations
- Continuation of the Street Rebuilding Program
- Aging infrastructure