2018 Budget Information

- Budget Cap Update
- Budget Calendar
- FAST Update
- Levy Cap Referendum
- Local Finance Notices
- Other Budget Issues
LFN 2017-22 Cap and Budget Information

- Appropriation cap COLA is 2.5%
- Ordinance for 3.5% and for cap banking
- Introduce prior to budget introduction and adopt prior to budget adoption
- Ordinance must be published and a public hearing held at least 10 days from the date of publication
- Health Insurance increase 0%
  - No exclusion for either cap
  - Do not include waiver amounts in calculation – appropriate separate
  - Pension cost increases no longer exclusion from 1977 cap
Cap calculations levy cap workbooks posted
LFN 2018-01 discusses Referendum process
  - April 17th, May 8th
Any emergency costs excluded last year must be deducted for 2018.
Winter event of January 4th declared state of emergency – costs excluded from both caps
As new contracts negotiated – no cap exclusion for reduction of employee contributions.
Budget Calendar

- Budget calendar LFN 2017-26
  - Governor’s Budget Message – March 13
  - Introduce by 3/16 or next regular meeting
  - Adopt by 4/20 or next regular meeting
- Review begins upon submission of budget, AFS, Audit and Corrective Action Plan
- LFN 2018-05, 06,07,09 FAST Updates – Paper copies of introduced and adopted budgets must be submitted. UFB can wait for system. AFS and ADS in FAST.
- DLGS Exam Group 3
  - Shown on Muni Info Sheet
Budget Issues

- Fiscal Reports prepared
- Budget forms on the website
- Budgets on Website (4 years) (40A:4-10)
- RUT calculation – 3 year average and reduction due to tax appeals, requires resolution passage prior to budget introduction (40A:4-41)

- Amendment procedures
  - Not until after public hearing is held (40A:4-4)
  - Advertisement (40A:4-9)
Budget Issues

- Municipal Library Levy (PL 2011, c 38) separate levy on sheet 11 – not part of levy cap workbook
- Library surplus transfer – see LFN 2011-37 for details
- Per P.L. 2013, c.271 Snow Removal Trust Fund is now Storm Recovery Trust Fund. To be used for storm recovery, snow, ice and debris removal.
- Health Insurance Waivers separate line item – not included in levy cap workbook
- Include breakdown of employee contribution and total health care cost in the budget message.
Local Finance Notices Issued

- State Aid LFN after Governor’s Budget Presentation – March 13
- TA LFN – dates haven’t been set at this point
- State oversight begins with receipt of application – sample MOU on website
- Can’t assume receipt of aid – must have plan
- LFN 2017-25 County Entity Budget Cap – county budgets not on FAST.
LFN’s – Cont’d

- LFN 2015-27 DLGS Modernization bill – Reminders for Budget Issues
- Section 14 and 15 amends NJSA 40A:4-8 and 4-10 – eliminates requirement that a copy of introduced and adopted budgets be provided to public library. Budget documents as adopted should be on your website.
- Section 27 amends NJSA 40A:14-34, increasing the amount of the annual appropriation for volunteer fire companies to $150,000 for the first 3 and then $50,000 for each additional company. The Director shall adjust the amount per the COLA every two years. ($750 for ‘17&’18)
- Section 39 amends NJSA 40A:4-53 to permit a special emergency for unemployment result of layoffs.
Removes requirement for amounts of state aid from property tax bill – Calculator will be on DLGS website. LFN 2016-6.

LFN 2015-23 issued 11/6/15, discussed changes that impact the Local Finance Board procedures

Section 32 - Changes to EIT Project financing and loan approvals – Now DLGS Director approval, not Local Finance Board.

Section 12 – Non-conforming maturity schedules for EIT Loans no longer require LFB approval nor do waivers of down payment
DLGS - Rules

- Electronic Tax Sale- Webinar 3/23
- Electronic Disbursements
- Temporary CFO’s
- New Legislation
Anyone who is experiencing problems with the preparation of the 2018 budget – call and we will meet with you to discuss issues

Call early in the season – do not wait
Questions?

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