

BUDGET UPDATE



Update from DLGS on Budget Related Matters

Budget Timeline

- LFN 2017-26
- CY 2018 Budget Deadline Extension and Enforcement
 - As authorized pursuant to N.J.S.A. 40A:4-5.1, the Local Finance Board approved at its December meeting the statutory budget deadline revisions set forth below. These changes modify the statutory dates for introduction, adoption, and Mayor/Council Faulkner Act and related budget transmissions.



Budget Timeline

- LFN 2017-26 : The revised dates (absent referendum dates) are:

Introduction and Adoption of Budget – Non Referendum	Statutory Date	Revised Date*
Mayor/Council Faulkner Act (Executive) budget transmission to governing body	1/15	2/16
Municipal introduction and approval of budget	2/10	3/16
County introduction and approval of budget	1/26	3/16
Municipal adoption	3/20	4/20
County adoption	2/28	4/20

*or the next regularly scheduled meeting of the governing body.



Transitional Aid Application Process

- LFN 2017-26
- CY municipalities in financial distress will only have one opportunity to apply for Transitional Aid to Localities (Transitional Aid).
- The due date for applications will be set shortly.
- Municipalities applying for Transitional Aid must submit an introduced budget with the application.
- Aid awards come with a significant loss of local control and stringent conditions, municipalities are reminded to request Transitional Aid only as a last resort.



Calendar 2018 Budget

- LFN 2017-22 - Cost of Living Cap Adjustment
 - The COLA for CY 2018 budgets is calculated at two and one-half percent (2.5%). Pursuant to N.J.S.A. 40A:4-45.2, “municipalities and counties shall be prohibited from increasing their final appropriations by more than 2.5%...” unless action is taken by the governing body to increase their final appropriations subject to the cap to the statutorily permitted three and a half percent (3.5%).
 - For Counties, the increase applies to the property tax levy, not final appropriations.
 - In other words, the automatic increase to the “1977” cap base is 2.5%, which is the statutory maximum.
 - The governing body may pass a COLA ordinance, increasing the cap base to 3.5%.



Calendar 2018 Budget

- LFN 2017-22 - Group Health Insurance and Pension Cap Exclusions
 - The 1977 cap law includes a cap exception for Group Health Insurance (N.J.S.A. 40A:4-45.3e). This exception is limited to the amount appropriated that is over 4% of the previous year's expenditures, but not exceeding the State Health Benefits percentage increase.
 - The State Health Benefits percentage increase for CY 2018 calculations is 0%, so there is no 1977 cap exception for Group Health Insurance for CY 2018.
 - The Group Health Insurance exclusion in the 2010 levy cap is for increases over 2%. Thus, for the 2010 levy cap calculation, the Group Health Insurance exclusion is based on the same 0% increase, therefore there will be no exclusion for the levy cap also.
 - Pension appropriation increases are no longer a 1977 cap law exception - the entire pension obligation will be appropriated on sheet 19 under Statutory Expenditures.



• Quiz Question #1



FAST Budget Status

- LFN 2018-9
 - The decision has been made to defer the mandatory utilization of the FAST Solution for Calendar Year Budget submissions until 2019.
 - Local Units operating on the Calendar Year will not be required to utilize the FAST Solution for 2018 Budget submissions.
 - Local Units operating on the State Fiscal Year will continue to be expected to file SFY 2019 budgets through the FAST Solution in the coming months.
 - Counties deferral of submission of the Budget Document through FAST until 2019 remains intact



Budget Options

- Submit Introduced, Adopted and User Friendly on paper documents
- Submit Introduced, Adopted on paper then enter Adopted into FAST to generate UFB
- Submit Introduced on paper; Submit Adopted & UFB through FAST



FAST Status

- Any Budget information entered into FAST thus far will remain in the system and be available for final updating as soon as all testing has been completed.
- Your efforts thus far have not been wasted, as you will be able to enter information in addition to what is already in the system.
- This will also allow for an easier 2019 Budget cycle as 2018 Budget information will roll over.



View & Edit Existing Municipality Budget

- Municipality Budget will open to the General page
- Navigate through other sections using the left-hand navigation

The screenshot displays the 'Financial Automation Submission and Tracking' interface, specifically the 'Budget Certifications' section. A blue oval highlights the left-hand navigation menu, which includes the following items: General, Data Entry Sheet, Tax Rates, Explanatory Statement: Current Fund (Sheet 3), Explanatory Statement: Appropriations Expended and Cancelled (Sheet 3a), Explanatory Statement: Appropriation CAP Calc (Sheet 3b), Explanatory Statement: Levy CAP Calc (Sheet 3c), Explanatory Statement: Split Function Appropriations & health insurance Recap (Sheet 3d), and Current Fund: Anticipated.

The main content area is titled 'Financial Automation Submission and Tracking' and 'Budget Certifications'. It contains several input fields with search and clear buttons:

- Mayor:** Fred Tagliarini
- Registered Municipal Accountant:** Charles Fallon Jr
- Tax Collector:** (empty)
- Municipal Attorney:** (empty)
- Acting Municipal Clerk:** Karen Ventura
- Location of Published Budget:** Asbury Park Press
- Date of Budget Approval by Governing Body:** 4/6/2017

An 'Add' button is located at the bottom right of the form.



Editing Fields on a Municipality Budget

Fields you CAN edit

- Open, white box

Appropriations: General Budget
Adopted Budget
<input type="text" value="18,545,075.83"/>
Added by NJS 40A:4-87
<input type="text" value="49,638.60"/>
Emergency Appropriations
<input type="text" value="0.00"/>
Total Appropriations
<input type="text" value="18,644,353.03"/>

Fields you CANNOT edit

- No white boxes – cannot click in field
- Automatically calculated

CY Proposed Salary & Wages
0
CY Proposed Budget Fringe Benefits
145



In-Depth Look at Municipality Budget Sections

Navigate through different areas of the Municipality Budget using the left-hand navigation areas (in white)

General	Current Fund: Anticipated Revenues (Sheets 4-10a)	Capital Budget and Capital Improvement Program (sheet 40-40d)
Data Entry Sheet	Current Fund: Summary of Anticipated Revenues (Sheets 11)	Open Space, Recreation, Farmland & Historic Preservation Trust Fund (sheet 43)
Tax Rates	Current Fund: Appropriations within CAPS (Sheets 12-19)	Annual List of Change Orders Approved (sheet 44)
Explanatory Statement: Current Fund (Sheet 3)	Current Fund: Appropriations Excluded from CAPS (Sheets 20-29)	Reserve for Uncollected Taxes: Option 1 (sheet RUT Option 1)
Explanatory Statement: Appropriations Expended and Cancelled (Sheet 3a)	Current Fund: Summary of Appropriations (Sheet 30)	Reserve for Uncollected Taxes: Option 2 (sheet RUT Option 2)
Explanatory Statement: Appropriation CAP Calc (Sheet 3b)	Dedicated Assessment Budget (sheet 37)	Summary Information
Explanatory Statement: Levy CAP Calc (Sheet 3c)	Appendix to Budget Statement (sheet 39)	
Explanatory Statement: Split Function Appropriations & health Insurance Recap (Sheet 3d)		



2015	2016
Previous Budget Year (CY-1) *	Current Budget Year (CY) *
2017	2018
Last day of Previous Budget Year *	Last day of Current Budget Year *
12/31/2017	12/31/2018
1st Subsequent Budget Year (CY+1) *	2nd Subsequent Budget Year (CY+2) *
2019	2020
3rd Subsequent Budget Year (CY+3) *	
2021	
Sheet 1 Signer	Council, Committee, Commissioner, or Freeholder
<input type="text"/>	<input type="text"/>
Capital Budget (population based)	
3 Population <10,000	
Capital Budget Years 1: CY	Capital Budget Years 2: CY+1
2018	2019
Capital Budget Years 3: CY+2	Capital Budget Years 4: CY+3
2020	



Explanatory Statement: Appropriation CAP Calculation (1977 Cap) (Sheet 3b)

- Mix of fields where you can add data and read-only calculated fields
- At bottom, click **Save**

Explanatory Statement: Appropriation CAP Calculation (1977 Cap) (sheet 3b)

Total General Appropriations PY

Total General Appropriations for PY

18,594,714.00

CAP Base Adjustment: Fire - Other Expenses

CAP Base Adjustment: Fire Protection Official

CAP Base Adjustment: Crossing Guards

Subtotal



Current Fund – Anticipated Revenues (Sheets 4 – 10a)

- Mix of editable fields, calculated fields and subsidiary ledgers
- Add data / rows to subsidiary ledgers
- At bottom, click **Save**

Current Fund - Anticipated Revenues (sheets 4-10a)

Surplus Anticipated Add

Muni Budget Revenue Line Item ↑	FCOA	Anticipated CY	Anticipated PY	Realized in Cash PY	
Surplus Anticipated	08-101	67,332.39	900,000.00	9,000,000.00	▼
Total Surplus Anticipated	08-100	67,332.39	900,000.00	900,000.00	▼
Verizon Cable TV	08-115	101,059.00	99,793.53	99,793.53	▼

Total - FCOA 08-100: Anticipated CY:

Total - FCOA 08-100: Anticipated PY:

Total - FCOA 08-100: Realized in Cash in PY:



Current Fund – Summary of Anticipated Revenues (Sheet 11)

- Mix of fields where you can add data and read-only calculated fields
- At bottom, click **Save**

Current Fund - Summary of Anticipated Revenues (sheet 11)

1. Surplus Anticipated | FCOA 08-101

Anticipated CY	Anticipated PY	Realized in Cash in PY
<input type="text" value="67,332.39"/>	<input type="text" value="900,000.00"/>	<input type="text" value="900,000.00"/>

2. Surplus Anticipated with Prior Written Consent of Director of Local Government Services | FCOA 08-102

Anticipated CY	Anticipated PY	Realized in Cash in PY
<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>

3. Miscellaneous Revenues

Total Section A: Local Revenues | FCOA 08-001

Anticipated CY	Anticipated PY	Realized in Cash in PY
<input type="text" value="2,286,975.00"/>	<input type="text" value="2,215,539.53"/>	<input type="text" value="2,323,096.25"/>



Current Fund – Appropriations: Operations Within CAPS (Sheets 12 – 19)

- Mix of editable fields, calculated fields and subsidiary ledgers
- Add data / rows to subsidiary ledgers
- At bottom, click **Save**

Current Fund - Appropriations: Operations Within CAPS (sheet 12-19)

Operations within CAPS

Add

Muni Budget Appropriation Line Item ↑	FCOA	Appropriated for CY	Appropriated for PY	Appropriated for PY by Emergency Appropriation	Appropri Total for PY as Modified By All Transfers	Expended PY: Paid or Charged	Expended PY: Reversed	
100th Anniversary	30-410-2	12,000.00	12,000.00	0.00	12,000.00	12,000.00	0.00	▼
Animal Control	27-330-2	5,000.00	0.00	0.00	0.00	0.00	0.00	▼
Bayshore Youth and Family Service Bureau	30-410-2	15,000.00	15,000.00	0.00	15,000.00	15,000.00	0.00	▼
Claims Deductible	23-210	2,000.00	4,000.00	0.00	4,000.00	4,000.00	0.00	▼
Codification of Ordinances	20-120-2	0.00	0.00	0.00	0.00	0.00	0.00	▼



FAST ACTIVE FCOA CODES (As of 1.18.18)

Description
20-100: General Administration
20-105: Human Resources (Personnel)
20-110: Board of Chosen Freeholders
20-110: Governing Body
20-110: Mayor and Council
20-120: County Clerk
20-120: Municipal Clerk
20-130: Financial Administration (Treasury)
20-135: Audit Services
20-140: Computerized Data Processing
20-145: Revenue Administration (Tax Collection)
20-150: County Board of Taxation
20-150: Interest on Tax Appeals
20-150: Tax Appeals
20-150: Tax Assessment Administration
20-155: Legal Services (Legal Dept.)
20-160: County Surrogate's Office
20-165: Engineering Services
20-170: Economic Development Agencies
20-175: Historical Sites Office
21-180: Planning Board
21-181: Flex Acct- Land Use Administration
21-185: Zoning Board of Adjustment
21-186: Flex Acct- Land Use Administration
21-190: Affordable Housing
21-191: Flex Acct- Land Use Administration
22-195: Other Code Enforcement Functions
22-196: Flex Acct- Code Enforcement And Administration
22-900: Uniform Construction Code Appropriations - OUTSIDE CAP
22-901: Custom FCOA - outside CAPS
22-901: Custom FCOA - within CAPS
23-210: Liability Insurance

Find and Replace ? X

Find **Replace**

Find what:

Options >>

Find All Find Next Close



• Quiz Question #2



Reserve for Uncollected Taxes and Amount to be Raised by Taxation (AFS sheet 25)

Reserve for Uncollected Taxes & Amount to be Raised by Taxation (25)	
1. Appropriated for CY Muni Budget Item 8(L)-CY+1 80015	
<input type="text"/>	
2. Local District School Tax-CY+1 Est 80017	2. Local District School Tax-CY Act 80016
<input type="text"/>	<input type="text"/>
3. Regional School District Tax-CY+1 Est 80026	3. Regional School District Tax-CY Act 80025
<input type="text"/>	<input type="text"/>
4. Regional HS Tax - School Budget-CY+1 Est 80019	4. Regional HS Tax - School Budget-CY Act 80018
<input type="text"/>	<input type="text"/>
5. County Tax-CY+1 Est 80021	5. County Tax-CY Act 80020
<input type="text"/>	<input type="text"/>
6. Special District Taxes-CY+1 Est 80023	6. Special District Taxes-CY Act 80022
<input type="text"/>	<input type="text"/>
7. Municipal Open Space Tax-CY+1 Est 80028	7. Municipal Open Space Tax-CY Act 80027
<input type="text"/>	<input type="text"/>
8. Total General Appropriations & Other Taxes 80024-01	
-	
9. Total Anticipated Rev CY+1 Muni Bud(Items) 80024-02	
<input type="text"/>	
10. Cash Required from CY+1 Taxes 80024-03	
-	
Percentage for line 11 820034-04	
<input type="text"/>	
11. Item 10 / % = Amt to be Raised by Taxes 80024-05	



Reserve for Uncollected Taxes: Option 1

- Mix of fields where you can add data and read-only calculated fields
- At bottom, click **Save**

Reserve for Uncollected Taxes: Option 1 (sheet RUT Option 1)

1. Total General Appropriations for CY
Appr CY: L: Subttl Gen Approp FCOA 34-400

2. Local District School Tax
Tax Rates: Local Dist School Tax - Est CY - Amt
RUT: 2.Local School District Tax Actual 80016 PY

3. Regional School District Tax
Tax Rates: Regional School Dist Tax - Est CY - Amt
RUT: 3.Regional School Dist Tax Actual 80025 PY



Reserve for Uncollected Taxes: Option 2 (Sheet RUT Option 2)

- Mix of fields where you can add data and read-only calculated fields
- At bottom, click **Save**

Reserve for Uncollected Taxes: Option 2 (sheet RUT Option 2)

Budget Preparation

RUT2: A:Amount Wanted for Total Incl Reserve

Appr CY: L: Subttl Gen Approp FCOA 34-400

RUT2: C:Calculated Reserve (A-B)

RUT: 10.Cash Required from CY 80024-03

RUT2: E:Amount to be Raised based on C+D



USER FRIENDLY BUDGET

- User Friendly Budget rule was adopted at the December 2014 LFB meeting.
- This year it is required to be submitted with the **Adopted Budget**.
- Electronic document for 2018 – Updated form on web.
 - E-mail to ufb.lgs@dca.nj.gov if not completing it through FAST
- Name municode_fba_2018.xls for the adopted budget version.
- Publish on municipal website



USER FRIENDLY BUDGET

- Any areas that you feel you need to clarify –use the note page
- Prior Year and Current Year information required by statute
- Revenue sheet same as summary in the budget.
- Appropriations page –grants are classified by purpose as required by the statute.



USER FRIENDLY BUDGET

- Personnel Costs – latest % used from Pensions
 - PERS 12.91
 - PFRS 25.51
- Accumulated Absence page – Should be listing individual contracts per rule for non-union as well as each union group
- Debt sheet – Re-working of ADS



USER FRIENDLY BUDGET

- Shared Services – Include all formal and informal agreements. *Do not include coop purchasing*
- Authorities and Fire Districts - simple listing
- Must email Excel file correctly named or enter the information in FAST & Generate the report



USER FRIENDLY BUDGET - TAX RATES

Tax Rates

Estimated CY

Actual PY

County Tax - Amt	County Tax - Rate	County Tax - Amt	County Tax - Rate	County Tax - Change
<input type="text"/>	—	<input type="text"/>	—	—
County Library - Amt	County Library - Rate	County Library - Amt	County Library - Rate	County Library - Change
<input type="text"/>	—	<input type="text"/>	—	—
County Health - Amt	County Health - Rate	County Health - Amt	County Health - Rate	County Health - Change
<input type="text"/>	—	<input type="text"/>	—	—
County Open Space - Amt	County Open Space - Rate	County Open Space - Amt	County Open Space - Rate	County Open Space - Change
<input type="text"/>	—	<input type="text"/>	—	—
Additional County Taxes (Estimated)		Additional County Taxes (Actual)		
<input type="button" value="Add"/>		<input type="button" value="Add"/>		

USER FRIENDLY BUDGET SECTION - PRO

2017 Calendar Year Property Tax Levies - ALL entities levying property taxes				
	Calendar Year	Calendar Year	% of	Avg Residential
	Tax Rate	Tax Levy	Total Levy	Taxpayer Impact
Municipal Purpose Tax			=DIV/0!	\$0.00
Municipal Library			=DIV/0!	\$0.00
Municipal Open Space			=DIV/0!	\$0.00
Fire Districts (avg. rate/total levies)			=DIV/0!	\$0.00
Other Special Districts (total levies)			=DIV/0!	\$0.00
Local School District			=DIV/0!	\$0.00
Regional School District			=DIV/0!	\$0.00
County Purposes			=DIV/0!	\$0.00
County Library			=DIV/0!	\$0.00
County Board of Health			=DIV/0!	\$0.00
County Open Space			=DIV/0!	\$0.00
Other County Levies (total)			=DIV/0!	\$0.00
Total (Calendar Year 2017 Budget)	0.000	\$0.00	=DIV/0!	\$0.00
Total Taxable Valuation as of	October 1, 2017			
(To be used to calculate the current year tax rate)				
Current Year Average Residential Assessment				
Prior Year to Current Year Comparison				
Comparison - Municipal Purposes Tax Rate				
Prior Year	Current Year	% Change (+/-)		
0.000		=DIV/0!		
Comparison - Municipal Purposes Tax Levy				
Prior Year	Current Year	% Change (+/-)	\$ Change (+/-)	
\$0.00	\$0.00	=DIV/0!	\$0.00	
Comparison - Impact on Avg. Residential Tax Payment (Municipal Purposes Only)				
Prior Year	Current Year	% Change (+/-)	\$ Change (+/-)	
\$0.00	\$0.00	=DIV/0!	\$0.00	
Sheet UFB-1				



UFB: Health Benefits

- Two editable fields: **Is medical coverage provided by the SHBP? (Yes/No)** and **Is prescription drug coverage provided by the SHBP? (Yes/No)**
- Remainder are read-only calculated fields and subsidiary ledgers
- At bottom, click **Save**

Health Benefits (N-5)									
Active Employees									
Sort Order	Health Benefit Coverage	# Covered Members - Proposed Budget	Annual Cost Estimate per Empl - Proposed Budget	Total Cost Estimate - Proposed Budget	# Covered Members - Current Year	Annual Cost per Employee - Current Year	Total Cost - Current Year	\$ Increase / Decrease	% Increase / Decrease
1.00	Single Coverage	4	11,799	47,196	5	11,119	55,595	-8,399	-15.1
2.00	Parent & Child	2	20,433	40,866	2	19,898	39,796	1,070	2.7
3.00	Employee & Spouse (or Partner)	4	22,115	88,460	4	22,238	88,952	-492	-0.6
4.00	Family	22	33,022	726,484	22	31,007	682,154	44,330	6.5
5.00	Employee Cost Sharing Contribution (enter as negative -)								
Subtotal									
# Covered Members - Proposed Budget		Annual Cost Estimate per Employee- Proposed budget		# Covered Members- CY Budget		Total Cost- CY Budget			



UFB: Accumulated Absence

- One subsidiary ledger with one calculated field
- After adding data to subsidiary ledgers, click **Save** at bottom

Financial Automation Submission and Tracking

Accumulated Absences (N-6)

Schedule of Accumulated Liability for Compensated Absences

[Add](#)

Individual Eligible for Benefit Name ↑	Gross Days Accum Comp Absences at Jan 1, PY	Dollar Value of Accrued Comp Absence Liability	Legal Basis for Benefit
Chiorello	558	4,583.00	Approved Labor Agreement <input type="button" value="v"/>
Dixon	484	888.00	Approved Labor Agreement <input type="button" value="v"/>
Fusco	336	352.00	Approved Labor Agreement <input type="button" value="v"/>
Garcia	845	6,930.00	Approved Labor Agreement <input type="button" value="v"/>

< 1 2 3 4 5 >

Total of Accord Comp Absence Liability at Jan 1 PY
78,830

[Save](#)



• Quiz Question #3



Adding Attachments

Utilities
Notes and Attachments
Submit for Review
Examined by Audit

Notes and Attachments

There are no notes to display.

Attach a File

Choose Files No file chosen



Generate Reports

- Click on the **Notes, Attachments & Report Generation** section
- Click the **Generate Document** button at the bottom

The screenshot displays a web application interface. At the top, there is a navigation menu with the following items: 'Summary Information', 'Levy Cap Calculation Additional Details', 'Utilities', 'Notes, Attachments & Report Generation' (highlighted with a blue oval), and 'Submit for review'. Below the menu, the main content area is titled 'Financial Automation Submission and Tracking' and 'Notes, Attachments & Report Generation'. A yellow message box states 'There are no notes to display.' At the bottom of the page, there is an 'Attach a File' section with a 'Choose Files' button and the text 'No file chosen'. Below this, there are two buttons: 'Save' and 'Generate Document' (highlighted with a blue oval).



Other FAST Issues

- Supplemental Debt Statement
 - Found in the Annual Debt Statement section
 - Can be created once Annual Debt Statement is filed

Home > FAST > Annual Debt Statements > ADS Summary

Summary
Bonds and Notes For Local School
Bonds and Notes Regional School
Bonds and Notes Utility Fund
Other Bonds Notes Loans
Deductions Applicable Other Bonds Notes
Bonds by another Public Body Guaranteed by Municipality
Special Debt Statement Borrowing Power NISA 40A:2-7(f)
Obligations not included in Gross Debt
Notes, Attachments & Report Generation
Submit for Review
Supplemental Debt Statements

Financial Aut
Summary
Local Gov't Entity
Budget Year Endin
12/31/2017
CFO *
I am swearing that
 No Yes
Does the entity ha

Other FAST Issues

- Supplemental Debt Statement
 - Click Add and the information from the Annual is populated

Home > FAST > Annual Debt Statements > Supplemental Debt Statements

Summary
Bonds and Notes For Local School
Bonds and Notes Regional School
Bonds and Notes Utility Fund
Other Bonds Notes Loans
Deductions Applicable Other Bonds Notes
Bonds by another Public Body Guaranteed by Municipality
Special Debt Statement Borrowing Power NJSA 40A:2-7(f)
Obligations not included in Gross Debt
Notes, Attachments & Report Generation
Submit for Review
Supplemental Debt Statements

Financial Automation Submission and Supplemental Debt Statement

[SDS Name ↑](#)

There are no records to display.

Please Note: The Annual Debt Statement must be in a .

Current ADS status:
Active

[Add Supplemental Debt Statement](#)



Technical Assistance

FOR TECHNICAL ASSISTANCE WITH THE
FAST SYSTEM, PLEASE

EMAIL: HELPDESK@DCA.NJ.GOV OR

CALL: **609.292.8134**



Contact Information

Maureen Mitchell
(609) 292-4132

MAUREEN.MITCHELL@DCA.NJ.GOV

