

Delran 2018 Municipal Budget

Mayor- Ken Paris

Council At Large- Gary Catrambone

Council At Large- Tyler Burrell

Council- Ward 1 Michael Schwartz

Council-Ward 2 Daniel O'Connell

Council-Ward 3 Patty Kolodi

The 2018 Budget

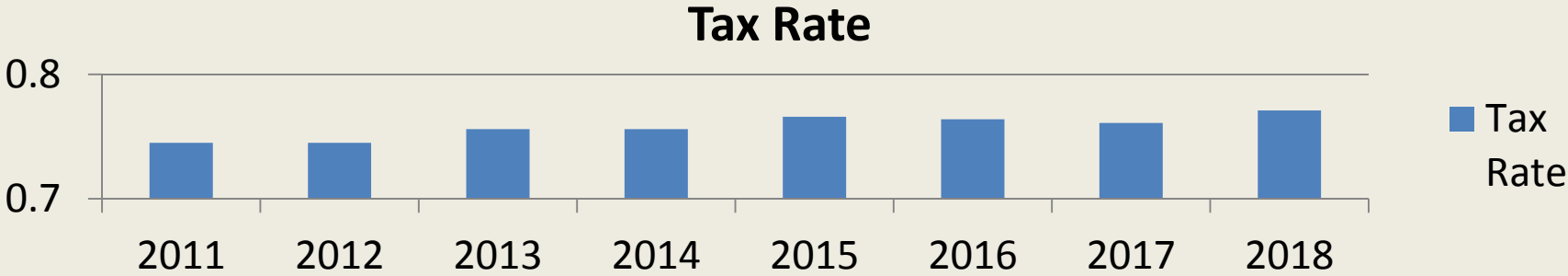
- The 2018 Budget was introduced on Tuesday March 13, 2018 and the public hearing on the budget will take place on Tuesday April 10, 2018 at 7:00 pm.
- The following pages depict this years budget as well as a history of our most recent budgets, this budget has a slight increase of .01 cent per one hundred dollars of assessed valuation.
- The rate will increase from .761 to .771 which for someone with a house valued at \$210,552 (the average assessment) will result in a increase of \$21 for the year.
- The Township has been able to accomplish this modest increase partially through the successful management of its fund balance and will be utilizing \$3,748,000 dollars of fund balance as a revenue in this budget.
- Over the last seven years the township has increased its local purpose tax only 2.6 cents. This includes two years with no tax increase, three years with a one cent increase, and two years with a slight decrease in the tax rate.
- The amount that the Township collects from the entire town to fund its budget has gone from \$10,704,500 in 2011 to \$10,902,313 for 2018. That is an increase of only \$197,813 over 8 years .
- Included in this power point is a Moody's Investors Recent Review of Delran Township's Financial Position. A quote from the review "The Township is in a very strong financial position. Notable credit factors include a robust financial position".
- This has been accomplished in an era of ever declining state revenues to municipalities.
- The Township will continue to provide excellent services such as leaf removal, snow removal, branch removal, trash removal, police services, continued improvements to Delran Community Park, a 1.5 million dollar road construction project and other essential services with the 2018 budget.

Budget Highlights

- 8 Years of Tax and Budget Stability for the Township.
- Outside Agencies rate Delran “very strong financial position”.
- Fund Balance remains strong and provides tax relief.
- In spite of State Revenues at stagnant levels for over 20 years.
- Local Tax Collections continue to remain strong.
- Spending plan continues to be well below mandated levels.
- Township accomplishes this while providing significant road improvements, continued development of community park, excellent township services.

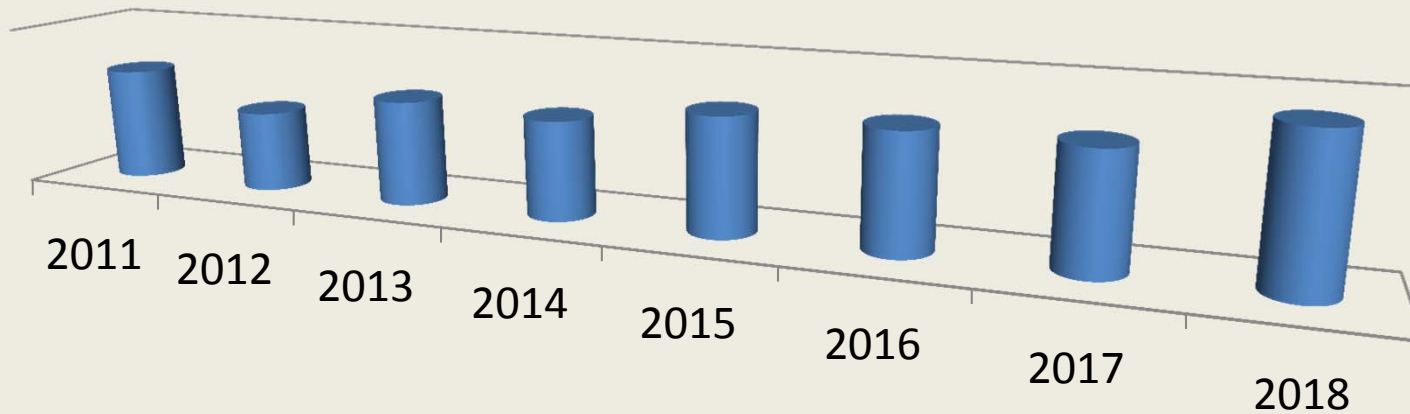
Comparative Tax Rate Summary For the Last 8 Years

2011	2012	2013	2014	2015	2016	2017	2018	8 year total
.745	.745	.756	.756	.766	.764	.761	.771	2.6 cent increase
	No Increase	1.1 Cent Increase	No Increase	1 cent increase	Slight Decrease (.002)	Slight Decrease (.003)	1 cent increase	2.6 cent increase Over 8 Budgets



8 Year History of the Amount to be Raised by Taxation

2011	2012	2013	2014	2015	2016	2017	2018
\$10,704,500	\$10,500,000	\$10,649,000	\$10,610,000	\$10,722,000	\$10,721,788	\$10,713,000	10,902,313



Moodys Investors Most Recent Review of the Delran Township Financial Position

MOODY'S
INVESTORS SERVICE

ISSUER COMMENT

9 December 2016

RATING

General Obligation (or GO Related)¹

Aa2 No Outlook

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Township of Delran, NJ

Annual Comment on Delran Township

Issuer Profile

Delran Township is located in Burlington County in western New Jersey, approximately 10 miles northeast of downtown Philadelphia. Burlington County has a population of 449,722 and a population density of 563 people per square mile. The county's per capita personal income is \$53,747 (1st quartile) and the August 2016 unemployment rate was 5.0% (2nd quartile).² The largest industry sectors that drive the local economy are health services, retail trade, and administrative/waste management services.

Credit Overview

Delran Township has a very high quality credit position, and its Aa2 rating is slightly above the median rating of Aa3 for cities nationwide. Notable credit factors include a robust financial position, and a healthy tax base with an affluent socioeconomic profile. It also takes into account a low debt liability with a sizable pension burden.

Finances: The township has a very strong financial position, which is relatively favorable in comparison to the assigned rating of Aa2. The available fund balance as a percent of operating revenues (70.4%) is far above the US median. Moreover, the net cash balance as a percent of revenues (76.8%) is far superior to other Moody's-rated cities nationwide and saw an impressive increase between 2012 and 2015. Moody's makes certain adjustments to New Jersey local governments' fund balances to include receivables and reserves that would be eligible to be included in fund balance under GAAP accounting but are excluded as a result of state statutory accounting regulations.

Economy and Tax Base: The economy and tax base of Delran Township are very healthy and are consistent with its Aa2 rating. The median family income equates to a robust 162.8% of the US level. In addition, the total full value (\$1.5 billion) is consistent with the US median despite falling from 2012 to 2015. Lastly, the full value per capita (\$89,057) is equivalent to other Moody's-rated cities nationwide.

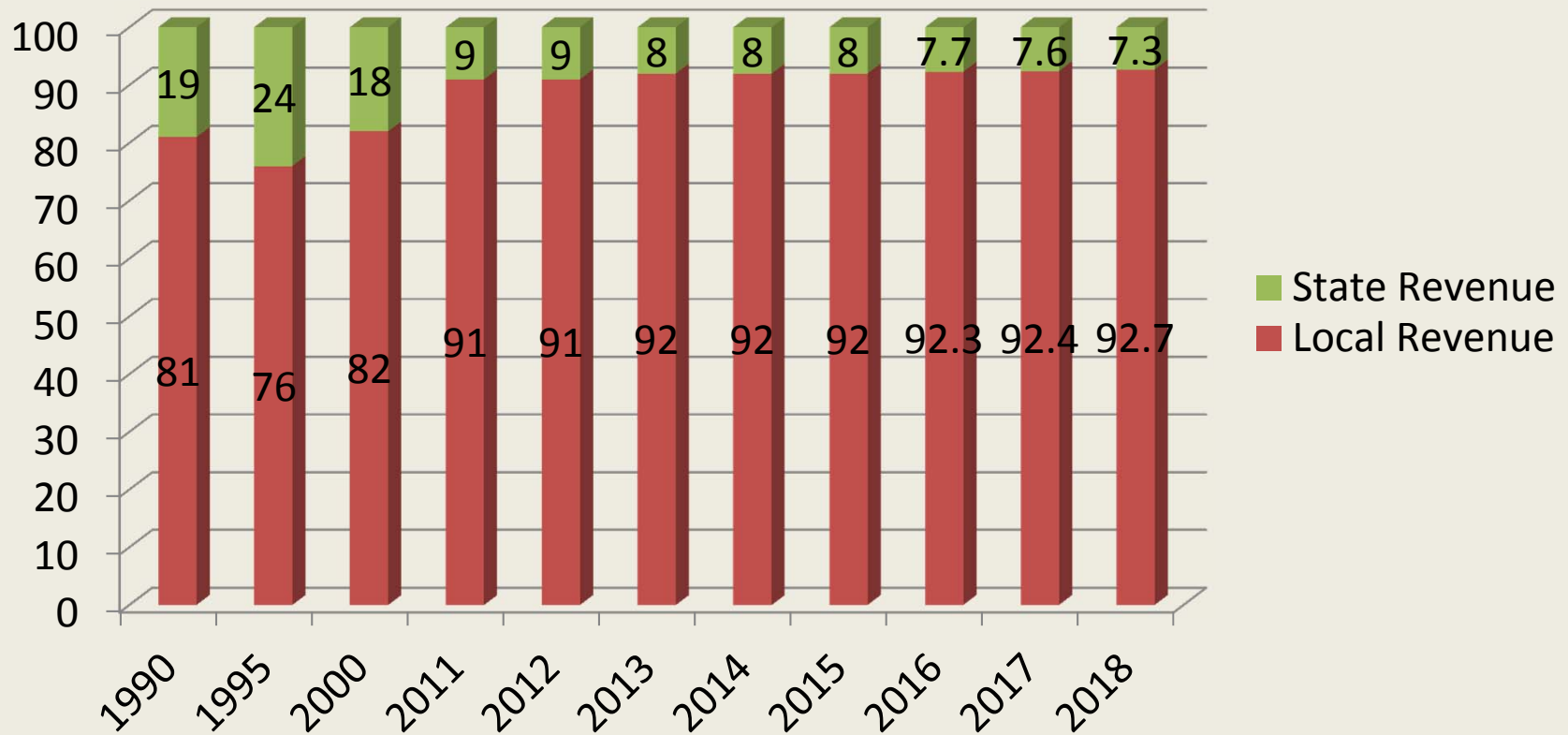
Debt and Pensions: The debt and pension liabilities of Delran Township are mid-ranged and slightly unfavorable relative to the assigned rating of Aa2. The net direct debt to full value (1.2%) is slightly lower than the US median. The Moody's-adjusted net pension liability to operating revenues (1.9x) exceeds the US median and unfavorably rose from 2012 to 2015.

Management and Governance: Positive operating margins are a sign of strong financial management. Advantageously, on average, Delran Township's operations were positive even as the tax base generally shrank.

Analysis of Fund Balance

Year	Balance	Utilized in Next Budget	Percent Utilized	Percentage of Budget
2007	\$2,906,792	\$2,300,000	79%	15.9%
2008	\$2,935,004	\$2,255,000	77%	15%
2009	\$3,681,830	\$2,280,000	62%	14.8%
2010	\$4,035,352	\$2,480,000	61%	16%
2011	\$4,404,069	\$2,500,000	57%	15.9%
2012	\$5,275,000	\$2,700,000	51%	17.5%
2013	\$5,107,195	\$2,700,000	53%	17.2%
2014	\$5,657,785	\$2,700,000	48%	17.2%
2015	\$6,813,244	\$2,560,000	38%	16.4%
2016	\$8,007,985	\$3,000,000	37.5%	18%
2017	\$8,700,000	\$3,500,000	40%	21%
2018	\$8,737,686	\$3,748,000	43%	21%

Declining State Revenues

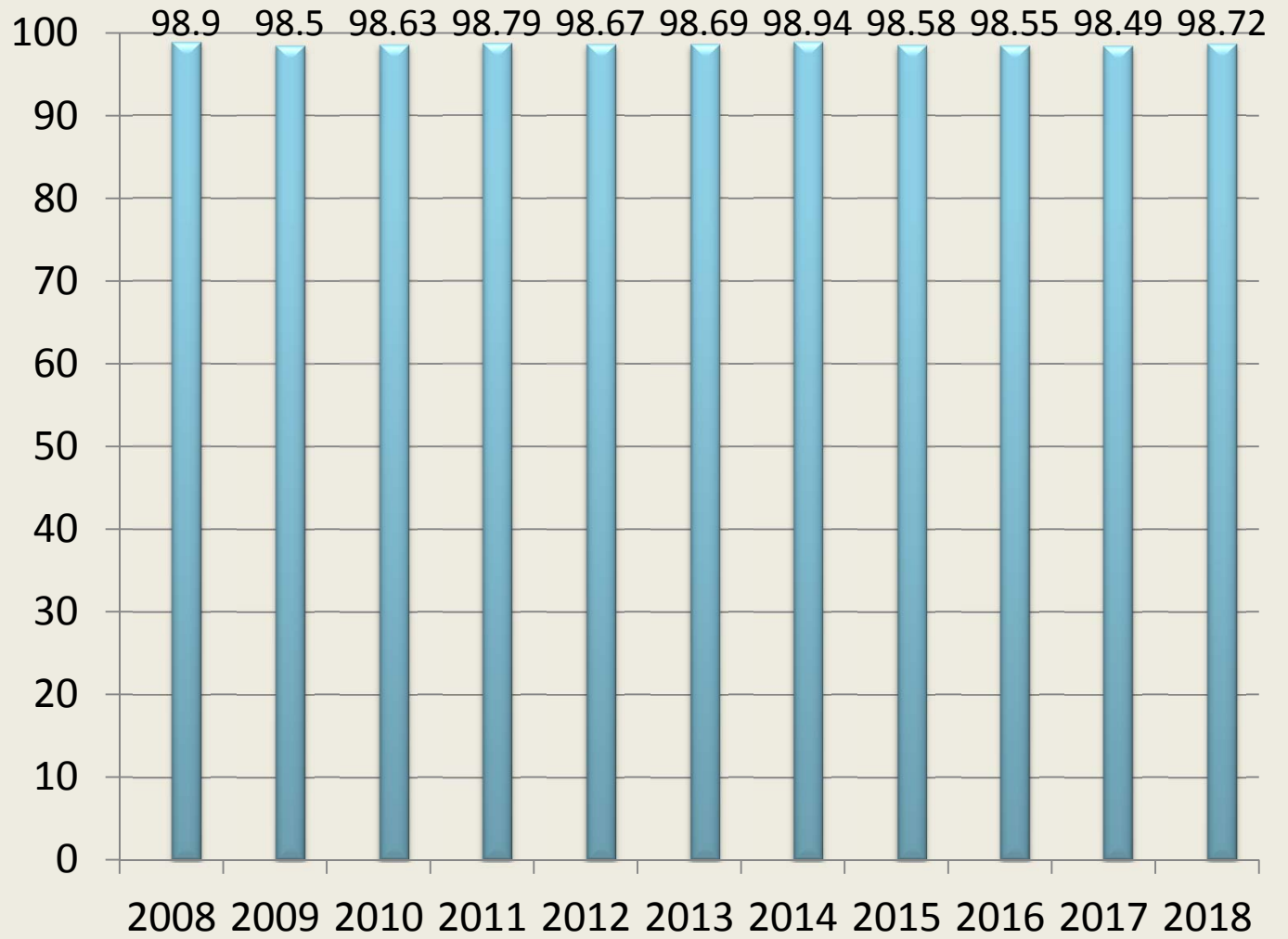


Budget Revenue Summary

	1990	1995	2005	2011	2012	2013	2014	2015	2016	2017	2018
Local Revenue	81%	76%	82%	91%	91%	92%	92%	92%	91.7%	92.4%	92.7%
State Revenue	19%	24%	18%	9%	9%	8%	8%	8%	8.3%	7.6%	7.3%

Year	% Collected
2008	98.90
2009	98.50
2010	98.63
2011	98.79
2012	98.67
2013	98.69
2014	98.94
2015	98.58
2016	98.55
2017	98.49
2018	98.72

Percentage of Tax Collections



General Revenues

Revenues by Category

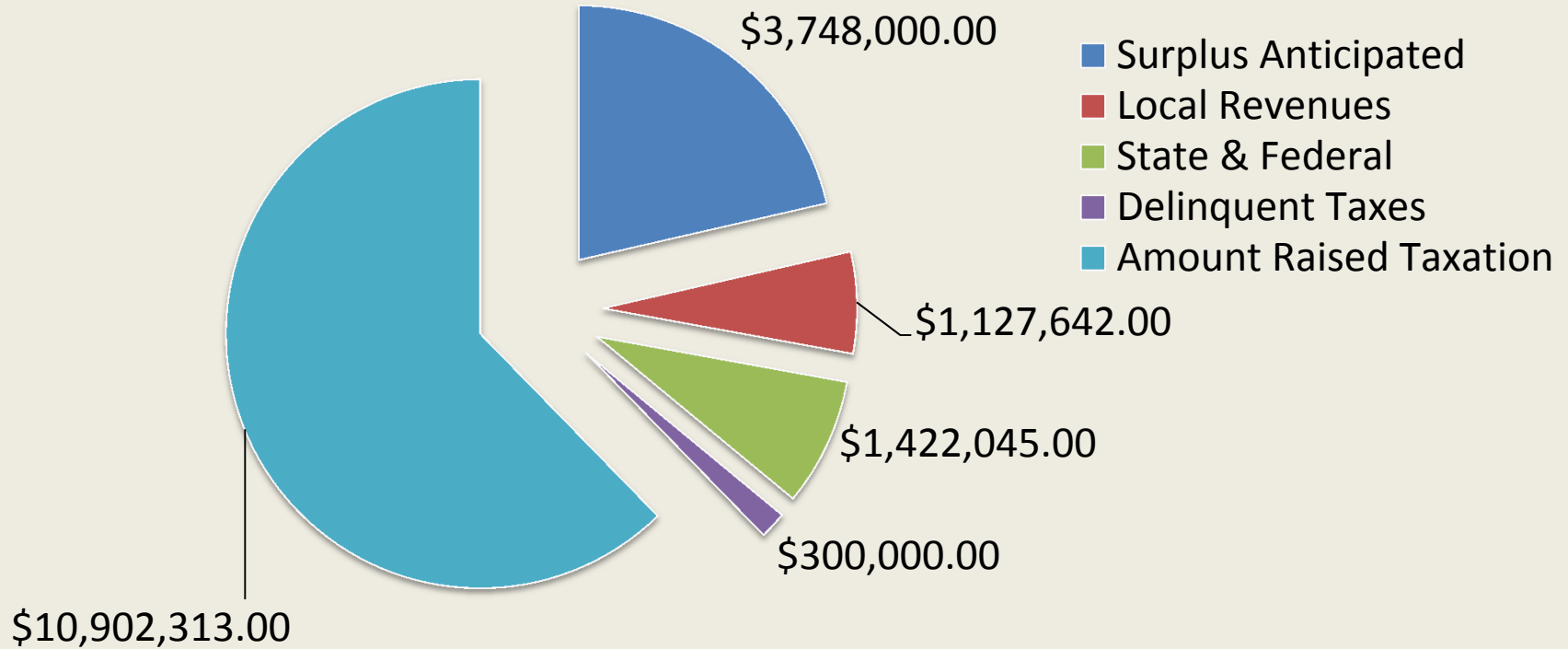
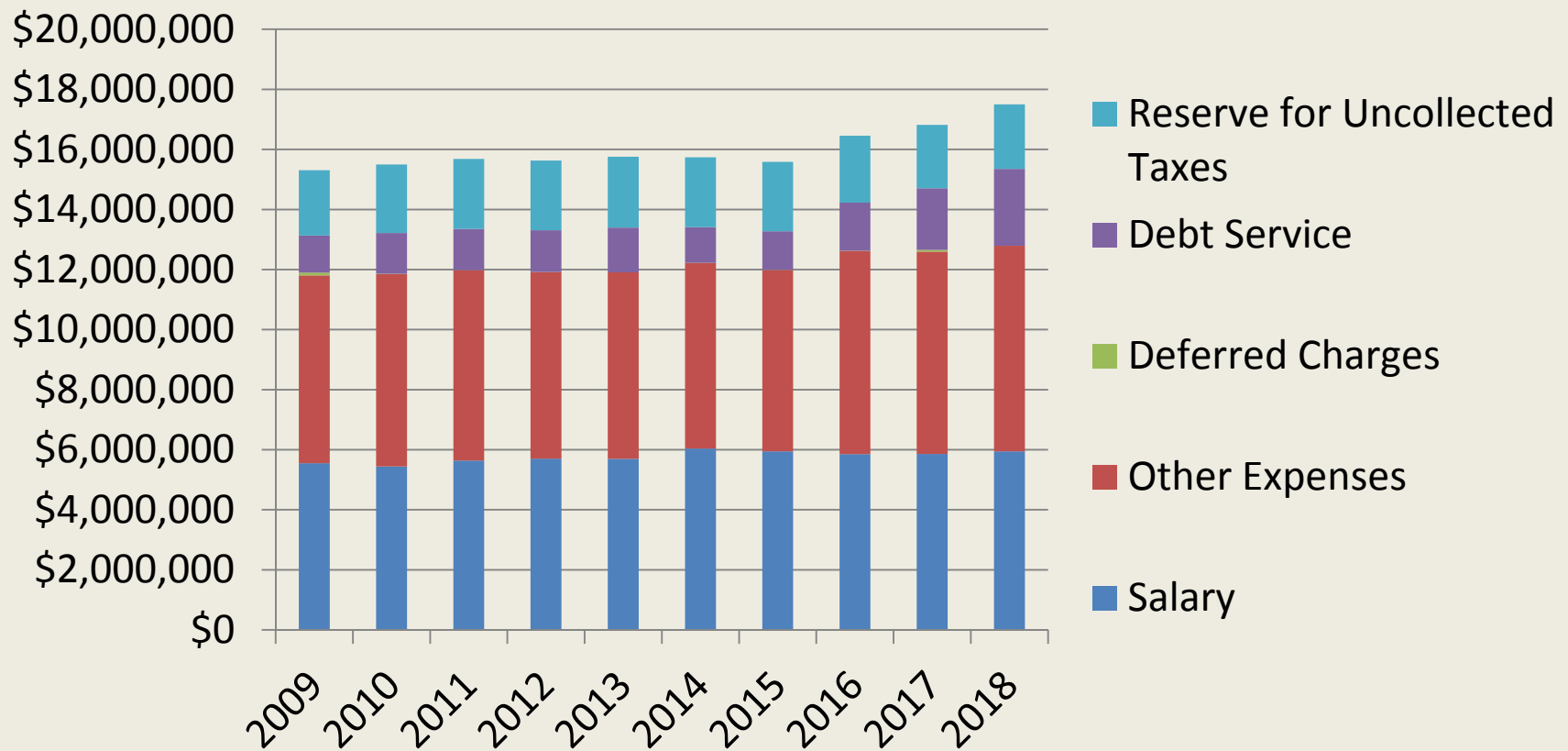


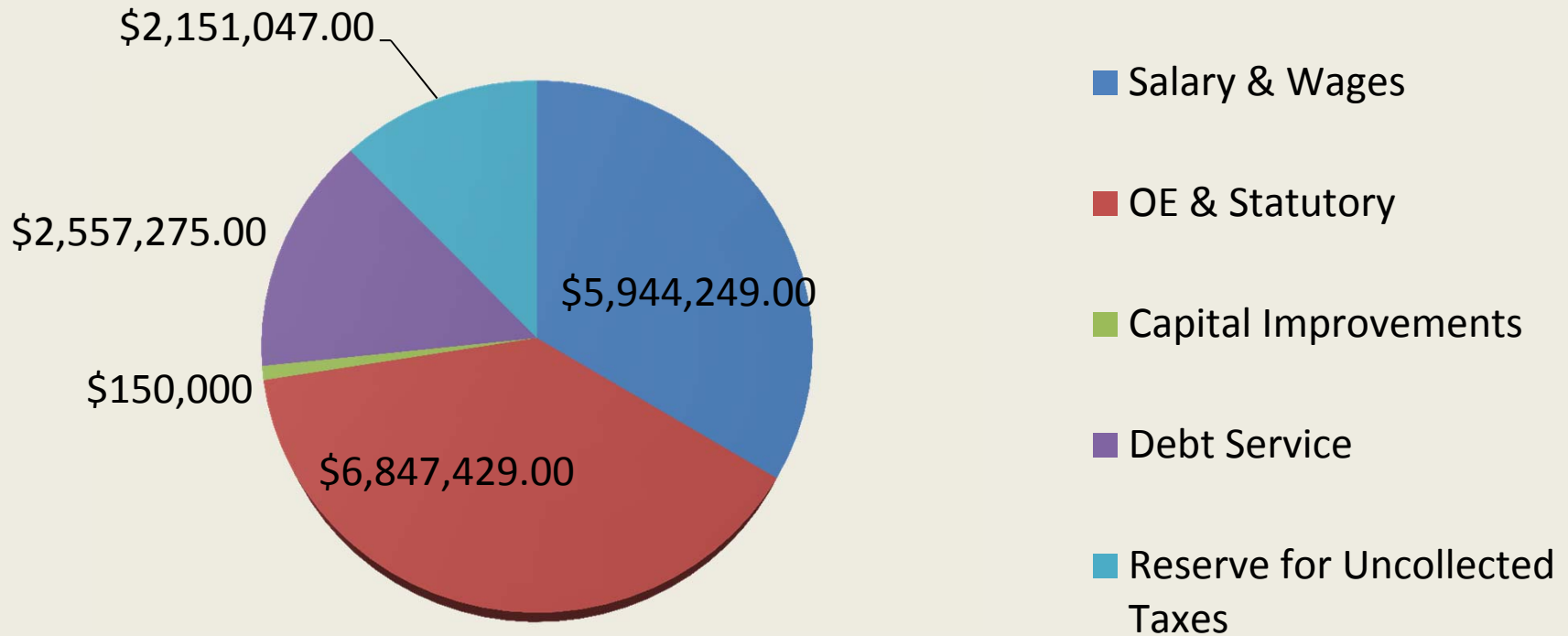
Chart of 9 Year Spending by Category



Spending by Category

	Salary & Wages	Other Expenses	Deferred Charges	Debt Service	Reserve For Uncollected Taxes
2009	\$5,548,071	\$5,149,225	\$ 93,225	\$1,233,863	\$2,177,428
2010	\$5,444,247	\$5,040,874	\$ 10,000	\$1,357,691	\$2,282,366
2011	\$5,639,939	\$4,932,669	\$ 0	\$1,375,652	\$2,330,283
2012	\$5,702,322	\$6,155,649	\$8,173.74	\$1,390,355	\$2,324,500
2013	\$5,698,322	\$6,209,332	\$0	\$1,480,346	\$2,358,000
2014	\$6,036,955	\$6,185,615	\$4,000	\$1,187,430	\$2,321,543
2015	\$5,948,152	\$6,038,867	\$4,000	\$1,283,926	\$2,309,955
2016	\$5,853,085	\$6,768,911	\$4,000	\$1,603,613	\$2,227,905
2017	\$5,858,520	\$6,737,822	\$57,687	\$2,049,950	\$2,114,616
2018	\$5,944,249	\$6,847,429	0	\$2,557,275	\$2,151,047

Budget Appropriations

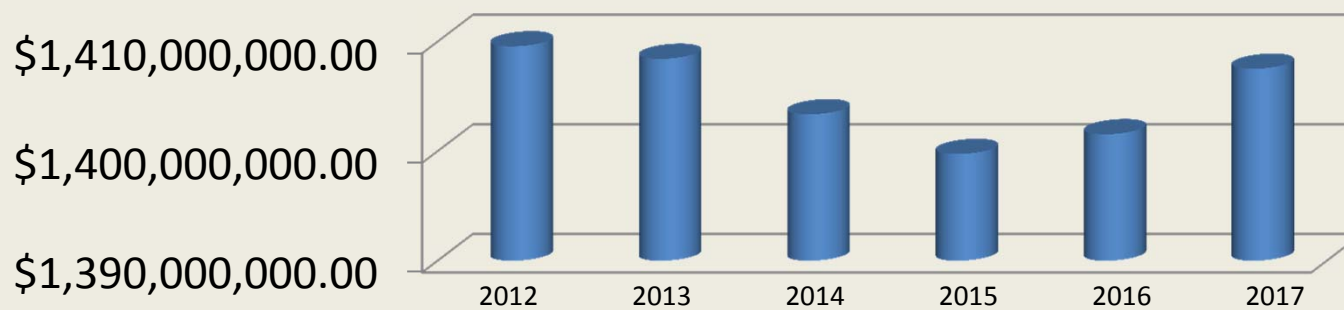


Total Appropriations

	Total Appropriations	Change
2011	\$15,685,000	
2012	\$15,631,000	-54,000
2013	\$15,796,000	+165,000
2014	\$15,735,543	-60,457
2015	\$15,584,900	-150,643
2016	\$16,593,217	\$743,939
2017	\$16,818,595	\$225,368
2018	\$17,500,000	\$681,405

7 Year Summary of Net Valuation Taxable

Year	Valuation	Difference
2012	\$1,409,575,370	-\$155,440,681 (reassessed)
2013	\$1,408,433,780	-\$1,142,000
2014	\$1,403,370,633	-\$5,063,147
2015	\$1,399,747,692	-\$3,622,941
2016	\$1,401,551,386	+\$1,803,694
2017	\$1,407,526,492	+ \$5,975,106
2018	\$1,412,432,892	+ \$4,906,400



Total Tax Bill by Tax Entity

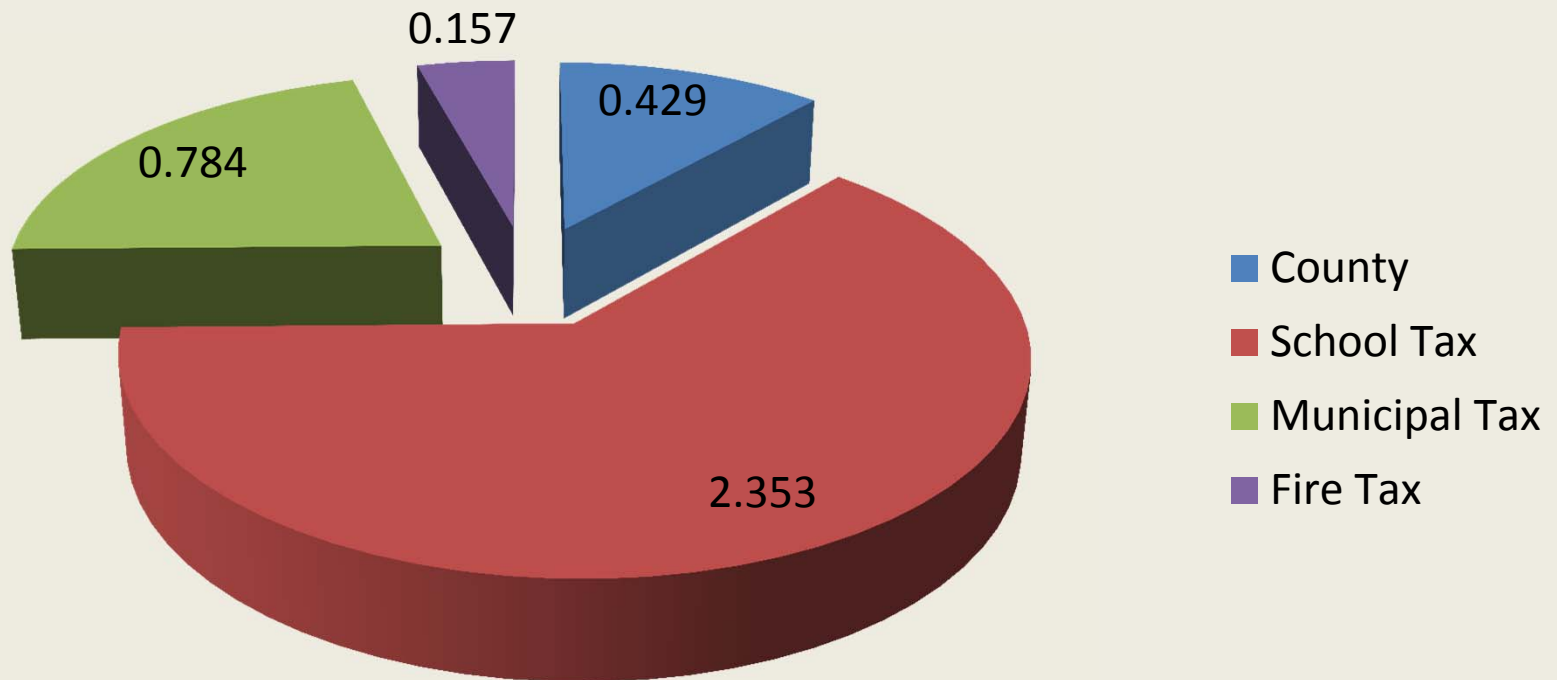
(Based on 2017 Tax Bill)

- County Tax .353
- County Library Tax .033
- County Open Space Tax .043
- District School Tax 2.353
- Municipal Open Space Tax .023
- Local Municipal Tax .761
- Fire District .157

Pie Chart of Tax by Entity

(Total Entity Tax for County includes County Library and Open Space and Municipal includes Open Space)
(Based on 2017 Tax Bill)

Tax By Entity



Tax by Entity for Average Home

(Estimate at \$210,000
(2017 Tax Bill))

• County Tax	\$900.90
• School Tax	\$4,941.30
• Municipal Tax	\$1,646.40
• Fire Tax	\$329.70
Total -----	
	\$7,818.30