

TOWNSHIP OF BYRAM NEW JERSEY

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TO: All Residents and Taxpayers of Byram Township
DATE: April 3, 2009
RE: 2009 Municipal Budget Message

INTRODUCTION

Every year the Township Council is called upon to establish municipal policy through the adoption of the Municipal Budget. While the Manager and staff prepare recommendations in the form of a draft document, the Council must ensure that the adopted budget adequately satisfies the needs of the community and serves the best interests of the Township.

The budget is divided into several categories as follows:

Municipal Operations
Capital Improvement Program
Sewer Utility

Municipal Operations and the Capital Improvement Program are supported by a variety of revenues. These sources include current property taxes, state aid, surplus balance and miscellaneous revenues generated by municipal operations. The Sewer Utility is supported by fees collected from users of the system.

The 2009 municipal budget including the capital improvement program totals \$9,886,900. This represents a 3.38% increase over the 2008 budget.

APPROPRIATIONS

Appropriations are the platform that allows local government to deliver services to its residents. Significant dollar increases are seen in the following appropriations:

Liability and Group Insurance	\$113,660
Police Department	\$109,050
Statutory Charges including Pensions	\$ 71,899
Utilities	\$ 71,150
Reserve for Uncollected Taxes	\$ 45,678
Trash Program & Recycling Tax	\$ 32,000

REVENUES

Revenues in support of the budget comprise four sources including current property taxes 71.13%, miscellaneous revenues 13.91%, general fund surplus 11.51%, and receipts for delinquent taxes 3.45%.

Miscellaneous revenues are generated by fees, grants, and state aid. Based on the Governor's proposed 2009-2010 fiscal year budget, Byram Township's state aid was reduced \$27,540. Also, the Township had a loss of \$103,320 in lease income from the Civic Center (Consolidated School), and only realized \$80,214 in interest on investments in 2008 which was \$43,785 less than what was anticipated. In 2009, we can not anticipate more than what was realized in the prior year.

Surplus is generated by several sources including cancellation of budget reserves from 2007, revenues in excess of anticipated amounts, reserve for uncollected taxes from 2008, and added and omitted taxes collected. Surplus anticipated in this budget is \$1,138,142 or 11.51% of the total revenues. This is a \$103,000 increase from 2008 or 9.95%. The surplus anticipated for 2008 was 10.82% of the total revenues.

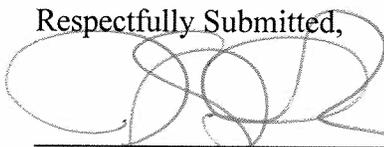
TAX RATE

The 2009 municipal budget calls for a rate increase of \$0.0387. This represents an estimated \$117.66 annual municipal tax increase for the average assessed home of \$303,700. A comparison of municipal real estate taxes is summarized in the following table. If these trends continue, the Township will increasingly rely on property taxes to support municipal operations.

	2007	2008	2009 Estimated	Increase/ Decrease
Average Assessed Home	\$147,109	\$147,109	\$303,700	---
Municipal Taxes	\$1,678.51	\$1,830.04	\$1,917.85	\$117.66
Open Space Taxes	\$ 29.42	\$ 29.42	\$ 30.37	\$.95
Total Municipal Taxes	\$1,707.93	\$1,859.46	\$1,948.22	\$118.61

The 2009 municipal budget, as presented, maintains current service levels that residents have come to expect and add to the quality of life for all taxpayers in Byram.

Respectfully Submitted,



Joseph W. Sabatini, Township Manager