

August 11, 2011

To: Residents of Berlin Township

From: Lori A. Campisano, CFO

RE: SFY 2012 Budget Introduced on 8/8/11 with a Public Hearing on 9/12/11

Attached please find a condensed copy of the SFY 2012 Budget (pages 3 through 17 of this document) that was introduced on 8/8/11. The budget will be advertised and a public hearing is scheduled on September 12th. **This budget is within both the Tax Levy Cap and Appropriations Caps imposed by the State.**

Also for your information are several analyses and schedules that I have prepared on the budget, some in accordance with requirements of the State's Best Practices Checklist. **The Best Practices Checklist was established by the State last year to encourage municipalities to consider practices which encourage financial accountability and transparency.** Depending upon its score, a municipality could have been penalized for up to 5% of its final State aid payment. **I am pleased to inform you that based on our score last year; Berlin Township did receive 100% of its State Aid for SFY 2011.**

Even though the introduced budget has been cut by approximately \$325,000.00 from departmental requests, it is projecting a tax increase. Included is an analysis of the increase, totaling \$927,108.00 in the Amount to be Raised by Taxation. An increase of \$927,108.00 in the Amount to be Raised by Taxes computes to an approximately \$23.75 per month increase to the average homeowner in the Township.

Revenues have decreased by approximately \$76,300.00 due to our other revenues being down by approximately \$98,000.00 and an increase in local revenues of approximately \$ 21,000.00. Surplus being anticipated in this budget is the same amount as anticipated last year. Additional funds in Surplus could be anticipated, however with possible cuts in State Aid always looming, it is probably wise not to use our entire available surplus to balance this year's budget. Even though State Aid remained the same for this year, the Township has lost over the last 5 years approximately \$840,000.00 in State Aid. A detail of our State Aid from SFY 2007 through SFY 2012 is attached. A 3 Year Revenue History and Projection has been prepared and included in this packet.

On the appropriations side, even though the budget was cut by approximately \$325,000.00 from departmental requests, total appropriations have increased by \$850,800.00 or \$11.48% over the prior year. Without the increase in debt service of approximately \$619,000.00, appropriations increased by approximately \$231,800.00 or 3.6% over the prior year. A review of the budget and an analysis attached details the increases and decreases in appropriations. Brief reasons

for the variances are included in this analysis. Overall salaries have decreased by approximately \$46,600.00 over last year and "Other Expenses" have increased by approximately \$185,200.00. The majority of the other expense increases have to do with approximately \$55,000.00 that had to be budgeted to pay the vendor for the new red light cameras for 6 months. Revenues to be received from the red light cameras could not be anticipated this year. Also insurances have increased by approximately \$100,000.00 or 6.72% due to the net effect of staffing reductions and the projected increases in premiums like all businesses are facing. Utilities have increased approximately \$30,000.00 due to the increased costs of the new building. Debt Service has increased due to the issuance of permanent financing in December 2010 due mostly to the new building. A 3 Year Appropriation History and Projection has been prepared and is included in this packet.

Also attached is an analysis of total taxes based upon the average residential assessments for calendar year 2011 (Rates for the County and other taxing agencies are done on a calendar year basis). **This analysis reveals that the total average tax bill for a resident in Berlin Township for the calendar year 2011 was approximately \$5,600.00 of which only approximately 31% or approximately \$1,700.00 is attributed to your municipal taxes.**

According to the State, taxes in the Township of Berlin are considered in the medium range compared statewide. Also, **according the latest information on the State Division of Local Government Services website, average taxes for a homeowner in Berlin Township are 11th lowest out of 37 municipalities in Camden County. The governing body has done its best, when weighing the tax increase against the need to provide services to you in the preparation of this budget.**

SFY 2012 Introduced Budget

Run # 2

CURRENT FUND - ANTICIPATED REVENUES

		Anticipated SFY 2012	SFY 2011	REALIZED IN CASH SFY 2011
1) Surplus Anticipated	08-101	371,700.00	371,700.00	371,700.00
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3) MISCELLANEOUS REVENUES (SECTION A: LOCAL REVENUES)				
Licenses:				
Alcoholic Beverages	08-103	4,446.00	4,266.00	4,446.00
Other	08-104	45,722.00	45,903.00	45,722.00
Fees & Permits	08-105	32,385.00	21,160.00	32,385.00
Fines & Costs:				
Municipal Court	08-110	156,881.00	166,345.00	156,881.12
Interest and Costs on Taxes	08-112	50,238.00	44,082.00	50,238.26
Interest on Investments and Deposits	08-113	2,267.00	8,992.00	2,267.09
Franchise Taxes - Cable T.V.	08-106	57,650.00	52,537.00	57,650.33
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Total Section A: Local Revenues		349,589.00	343,285.00	349,589.80
 (SECTION B: STATE AID WITHOUT OFFSETTING APPROPRIATIONS)				
Energy Receipts Tax	09-202	1,287,847.00	1,287,847.00	1,287,847.00
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Total Section B: State Aid Without Offsetting Appropriations		1,287,847.00	1,287,847.00	1,287,847.00
 (SECTION C: DEDICATED UNIFORM CONSTRUCTION CODE FEES)				
Uniform Construction Code Fees	08-160	116,790.00	101,409.00	116,790.00

Total Section C: Dedicated Uniform
Construction Code Fees

116,790.00	101,409.00	116,790.00
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(SECTION F: SPECIAL ITEMS OF
GENERAL REVENUE ANTICIPATED
WITH PRIOR CONSENT OF DIRECTOR-
PUBLIC AND PRIVATE REVENUES
OFFSET WITH APPROPRIATIONS)

Drunk Driving Enforcement Fund	10-745		2,659.99	2,659.99
Clean Communities Program	10-770		10,127.88	10,127.88
Obey the Signs or Pay the Fines Grant	10-729			
Body Armor Replacement Grant	10-755		2,076.94	2,076.94
Click It or Ticket Grant	10-733		4,000.00	4,000.00
Community Development Block Grant -				
- Hill Avenue Year 32	10-735			
- Hill Avenue Year 33	10-735		33,255.00	33,255.00
Camden County Recreation Enhancement Grant - Round 10	10-738			
HOME Investment Partnership Program	10-726			
Smooth Operator Grant	10-724			
Over the Limit Under Arrest Grant	10-725	4,400.00	3,962.02	3,962.02
NJ Transportation Trust Fund - Municipal Aid Program - Edgewood Avenue	10-865		200,000.00	200,000.00

Total Section F: Special Items of
General Revenue With Prior Consent

4,400.00	256,081.83	256,081.83
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(SECTION G: SPECIAL ITEMS OF
GENERAL REVENUE ANTICIPATED
WITH PRIOR CONSENT OF DIRECTOR-
OTHER SPECIAL ITEMS)

Utility Surplus of Prior Year	08-116		53,000.00	53,000.00
Reserve for Developers Contribution	08-163	55,000.00	100,000.00	100,000.00

Total Section G: Special Items of General Revenue With Prior Consent Other Special Items		55,000.00	153,000.00	153,000.00
TOTAL MISCELLANEOUS REVENUES		1,813,626.00	2,141,622.83	2,163,308.63
4) RECEIPTS FROM DELINQUENT TAXES		-	-	0.00
5) SUBTOTAL GENERAL REVENUES (ITEMS 1,2,3, AND 4)		2,185,326.00	2,513,322.83	2,535,008.63
6) AMOUNT TO BE RAISED BY TAXES	07-190	6,081,681.26	5,154,572.78	5,356,539.53
10) TOTAL GENERAL REVENUES		8,267,007.26	7,667,895.61	7,891,548.16

Rec # 2

CURRENT FUND - APPROPRIATIONS

		SFY 2012	SFY 2011	EMERGENCY	TOTAL SFY 11 AS MODIFIED BY TRANSFERS	PAID OR CHARGED	RESERVED
8) GENERAL APPROPRIATIONS							
(A) OPERATIONS - WITHIN CAPS							
GENERAL GOVERNMENT							
Mayor & Council							
Salaries & Wages	20-110-1	55,700.00	55,900.00		55,900.00	55,099.68	800.32
Other Expenses	20-110-2	23,100.00	27,100.00		21,100.00	18,905.21	2,194.79
Township Clerk							
Salaries & Wages	20-120-1	79,000.00	66,700.00		72,700.00	72,549.89	150.11
Other Expenses	20-120-2	37,100.00	43,900.00		30,900.00	30,168.78	731.22
Financial Administration							
Salaries & Wages	20-130-1	88,800.00	84,800.00		84,800.00	84,747.99	52.01
Other Expenses	20-130-2	10,700.00	10,700.00		10,700.00	10,516.53	183.47
Audit Services							
Other Expenses	20-135-2	24,200.00	22,000.00		22,000.00	22,000.00	0.00
Revenue Administration							
Salaries & Wages	20-145-1	65,800.00	76,200.00		76,200.00	76,115.98	84.02
Other Expenses	20-145-2	13,900.00	14,000.00		12,000.00	10,524.02	1,475.98
Tax Assessment Administration							
Salaries & Wages	20-150-1	26,700.00	26,500.00		26,500.00	26,444.23	55.77
Other Expenses	20-150-2	6,420.00	7,420.00		4,420.00	2,140.80	2,279.20
Legal Services and Costs							
Other Expenses	20-155-2	65,000.00	35,000.00		85,000.00	82,361.43	2,638.57
Engineering Services and Costs							
Salaries & Wages	20-165-1	72,400.00	62,900.00		47,900.00	42,560.70	5,339.30
Miscellaneous Other Expenses	20-165-2	9,800.00	11,200.00		8,200.00	5,030.63	3,169.37
LAND USE ADMINISTRATION							

Planning Board Other Expenses	21-180-2	11,500.00	12,500.00	9,500.00	6,500.04	2,999.96
INSURANCE						
Liability Insurance	23-210-2	126,000.00	121,000.00	116,000.00	115,673.32	326.68
Worker Compensation Insurance	23-215-2	134,000.00	134,700.00	117,700.00	115,011.92	2,688.08
Group Insurance	23-220-2	1,276,912.00	1,189,240.00	1,206,240.00	1,203,773.82	2,466.18
Health Benefit Waiver	23-221-2	10,000.00				0.00
Unemployment Compensation Insurance	23-225-2	16,000.00	48,900.00	58,900.00	58,101.13	798.87
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries & Wages	25-240-1	1,625,900.00	1,687,200.00	1,695,200.00	1,693,365.02	1,834.98
Other Expenses:						
Miscellaneous Other Expenses	25-240-2	149,600.00	88,750.00	85,750.00	81,056.26	4,693.74
Police - Homeland Security						
Salaries & Wages	25-240-1					0.00
Other Expenses	25-240-2					0.00
Office of Emergency Management						
Salaries & Wages	25-252-1	2,000.00	3,100.00	3,100.00	1,755.48	1,344.52
Other Expenses	25-252-2	700.00	850.00	850.00	125.00	725.00
Aid to Ambulance Company						
Salaries & Wages	25-260-1					0.00
Other Expenses	25-260-2	15,000.00	15,000.00	13,000.00	12,081.37	918.63
Municipal Prosecutor						
Salaries & Wages	25-275-1	12,500.00	12,300.00	12,300.00	12,230.94	69.06
Other Expenses	25-275-2	500.00	500.00	500.00		500.00
Municipal Court						
Salaries & Wages	43-490-1	106,100.00	105,500.00	105,500.00	105,162.20	337.80

Other Expenses	43-490-2	48,600.00	41,150.00	41,150.00	39,936.72	1,213.28
Public Defender Other Expenses	43-495-2	500.00	500.00	500.00		500.00
PUBLIC WORKS FUNCTIONS						
Streets & Road Maintenance						
Salaries & Wages	26-290-1	82,100.00	156,112.00	155,112.00	155,054.35	57.65
Other Expenses	26-290-2	19,606.00	13,900.00	21,900.00	16,712.33	5,187.67
Solid Waste Collection						
Salaries & Wages	26-305-1	358,300.00	251,800.00	243,300.00	242,795.10	504.90
Other Expenses	26-305-2	10,100.00	10,700.00	10,700.00	7,451.86	3,248.14
Buildings and Grounds						
Salaries & Wages	26-310-1	49,300.00	48,100.00	30,100.00	28,241.98	1,858.02
Other Expenses	26-310-2	28,000.00	27,500.00	27,500.00	21,942.28	5,557.72
Vehicle Maintenance						
Salaries & Wages	26-315-1	106,100.00	104,900.00	103,900.00	103,050.44	849.56
Other Expenses	26-315-2	95,800.00	90,300.00	93,300.00	67,712.99	25,587.01
HEALTH & HUMAN SERVICES FUNCTIONS						
Public Health Services						
Salaries & Wages	27-330-1		5,000.00	5,000.00	4,628.61	371.39
Other Expenses	27-330-2	500.00	500.00	500.00	463.00	37.00
PARKS & RECREATION FUNCTIONS						
Recreation Services & Programs						
Other Expenses	28-370-2	10,300.00	10,300.00	300.00		300.00
Maintenance of Parks						
Salaries & Wages	28-375-1	700.00	7,800.00	6,300.00	5,482.68	817.32
Other Expenses	28-375-2	18,400.00	16,700.00	16,700.00	15,792.17	907.83
EDUCATION FUNCTIONS						

Municipal Library							
Salaries & Wages	29-390-1	28,900.00	28,600.00	26,600.00	26,256.19	343.81	
Other Expenses	29-390-2	7,000.00	7,000.00	7,000.00	5,006.46	1,993.54	
UTILITY EXPENSES AND BULK PURCHASES							
Electricity & Natural Gas	31-430-2	105,700.00	75,000.00	125,000.00	112,224.44	12,775.56	
Street Lighting	31-435-2	88,100.00	99,200.00	90,200.00	84,360.07	5,839.93	
Telephone	31-440-2	31,300.00	37,000.00	31,000.00	29,675.66	1,324.34	
Telecommunication Charges	31-443-2	3,000.00				0.00	
Water	31-445-2	4,100.00	4,000.00	4,000.00	3,729.35	270.65	
Petroleum Products	31-447-2	92,200.00	80,000.00	90,000.00	74,589.36	15,410.64	
Sewerage	31-455-2	6,000.00	5,500.00	5,500.00	5,455.00	45.00	
LANDFILL/SOLID WASTE DISPOSAL COSTS							
Landfill/Solid Waste Disposal Costs	32-465-2	163,000.00	173,000.00	161,000.00	160,908.17	91.83	
CODE ENFORCEMENT AND ADMINISTRATION							
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (NJAC 5:23-4.17)							
Construction Office							
Salaries & Wages	22-195-1	88,500.00	92,900.00	89,900.00	88,116.72	1,783.28	
Other Expenses	22-195-2	32,650.00	23,350.00	24,350.00	23,187.72	1,162.28	
Other Code Enforcement							
Salaries & Wages	22-200-1		19,700.00	19,700.00	19,089.16	610.84	
Other Expenses	22-200-2	1,100.00	1,100.00	1,100.00	678.06	421.94	
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED)							
Prior Years Bills							

	Other Expenses	30-410-2						0.00
	HR Direct PO # 52254							
	Accumulated Leave Compensation							
	Salaries & Wages	30-415-1	1,000.00	1,000.00		0.00		0.00
	Celebration of Public Events							
	Other Expenses	30-420-2	9,100.00	25,800.00		7,800.00	5,431.64	2,368.36
8A	TOTAL OPERATIONS WITHIN CAPS		5,555,288.00	5,422,272.00	0.00	5,422,272.00	5,291,974.88	130,297.12
	Detail:							
	Salaries & Wages		2,849,800.00	2,897,012.00	0.00	2,860,012.00	2,842,747.34	17,264.66
	Other Expenses		2,705,488.00	2,525,260.00	0.00	2,562,260.00	2,449,227.54	113,032.46
			5,555,288.00	5,422,272.00	0.00	5,422,272.00	5,291,974.88	130,297.12
	DEFERRED CHARGES WITHIN CAPS							
	Emergency Authorizations	46-870						0.00
	Deficit in Open Space Trust Fund	46-885		0.00				0.00
	Deficit in Animal Control Fund	46-886	1,205.20	6,461.38		6,461.38	6,461.38	0.00
	STATUTORY EXPENDITURES WITHIN CAPS							
	Public Employees Retirement System	36-471	180,543.00	159,110.00		159,110.00	157,380.47	1,729.53
	Social Security System	36-472	212,100.00	223,300.00		223,300.00	219,571.50	3,728.50
	Police and Firemen's Retirement System	36-475	488,549.00	427,037.00		427,037.00	427,037.00	0.00
	Defined Contribution Retirement System	36-477	2,000.00					0.00
	TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN CAPS		884,397.20	815,908.38	0.00	815,908.38	810,450.35	5,458.03
H1	TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN CAPS		6,439,685.20	6,238,180.38	0.00	6,238,180.38	6,102,425.23	135,755.15
	OPERATIONS EXCLUDED FROM CAPS							
	MUNICIPAL COURT							

Municipal Court							
Salaries & Wages	43-490-1						0.00
Other Expenses	43-490-2						0.00
Public Defender							
Other Expenses	43-495-2						0.00
Liability Insurance	23-210-2						
Worker Compensation Insurance	23-215-2						
Group Insurance	23-220-2	54,348.00	21,560.00	21,560.00	21,560.00		0.00
Police - Homeland Security							
Salaries & Wages	25-240-1						0.00
Other Expenses	25-240-2						0.00
NJPES Stormwater Permit							
Street Division							
Salaries & Wages	26-510-1	45,600.00	45,000.00	45,000.00	45,000.00		0.00
Other Expenses	26-510-2	19,125.00	18,750.00	18,750.00	17,724.04		1,025.96
Landfill/Solid Waste Recycling Tax							
Other Expenses	32-465-2	7,000.00	7,000.00	7,000.00	7,000.00		0.00
Public Employees Retirement System	36-471-2						0.00
Police and Firemen's Retirement System	36-475-2						0.00
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES							
Neighborhood Preservation Program							
Salaries & Wages	41-705-1						0.00
Other Expenses	41-705-2						0.00
Drunk Driving Enforcement Grant							
Police Department							
Salaries & Wages	41-710-1		2,659.99	2,659.99	2,659.99		0.00
HOME - Neighborhood Preservation Program							

Other Expenses	41-720-2					0.00
Smooth Operator Grant						
Salaries & Wages	41-724-1					0.00
Clean Communities Program						
Salaries & Wages	41-725-1	10,127.88		10,127.88	10,127.88	0.00
Other Expenses	41-725-2					0.00
HOME Investment Partnership Program						
Other Expenses	41-726-2					0.00
Neighborhood Housing Rehab 2008 Grant						
Other Expenses	41-727-2					0.00
Over the Limit Under Arrest Grant						
Salaries & Wages	41-728-1	4,400.00	3,962.02	3,962.02	3,962.02	0.00
Obeys the Signs or Pay the Fines Grant						
Salaries & Wages	41-729-1					0.00
Supplemental Fire Services						
Other Expenses	41-730-2					0.00
Camden County Recreation Enhancement Grant - Round 10						
Other Expenses	41-739-2					0.00
NJ Division of Highway Safety						
Click It or Ticket Grant						
Other Expenses	41-734-2	4,000.00		4,000.00	4,000.00	0.00
NJ Division of Traffic Safety -						
Buckle Up South Jersey						
Other Expenses	41-750-2					0.00
Local Match for Grants	41-760-2					0.00
Community Development Block Grant						
Other Expenses	41-765-2	33,255.00		33,255.00	33,255.00	0.00

Body Armor Replacement Grant							
Other Expenses	41-755-2		2,076.94		2,076.94	2,076.94	0.00
TOTAL OPERATIONS EXCLUDED							
CAPS		130,473.00	148,391.83	0.00	148,391.83	147,365.87	1,025.96
Detail:							
Salaries & Wages		50,000.00	61,749.89	0.00	61,749.89	61,749.89	0.00
Other Expenses		80,473.00	86,641.94	0.00	86,641.94	85,615.98	1,025.96
		130,473.00	148,391.83	0.00	148,391.83	147,365.87	1,025.96
CAPITAL IMPROVEMENTS - EXCLUDED FROM CAPS							
Capital Improvement Fund	44-901		0.00				0.00
Down Payment on Improvements	44-902						0.00
Reserve for New Municipal Building	44-915						0.00
NJDOT Grant - Edgewood Avenue							
Other Expenses	41-865-2		200,000.00		200,000.00	200,000.00	0.00
NJDOT Grant - Sidewalk along Rt 73 N							
Other Expenses	41-865-2						0.00
NJDOT Grant - Mt. Vernon Ave.							
Other Expenses	41-865-2						0.00
Federal - Transportation Enhancement Grant - TEA-21 - Haddon Avenue							
Other Expenses	41-803-2						0.00
TOTAL CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS		0.00	200,000.00	0.00	200,000.00	200,000.00	0.00
MUNICIPAL DEBT SERVICE - EXCLUDED FROM CAPS							
Payment of Bond Principal	45-920	960,000.00	710,070.00		735,070.00	735,000.00	
Payment of Bond Anticipation Note	45-925		0.00				

Interest on Bonds	45-930	691,000.00	223,870.00		198,870.00	192,968.64	
Interest on Notes	45-935		98,400.00		98,400.00	98,383.93	
TOTAL DEBT SERVICE - EXCLUDED FROM CAPS		1,651,000.00	1,032,340.00	0.00	1,032,340.00	1,026,352.57	0.00
DEFERRED CHARGES - EXCLUDED FROM CAPS							
Emergency Authorizations	46-870						0.00
Special Emergency Authorizations - 5 Yr.	46-875						0.00
TOTAL DEFERRED CHARGES EXCLUDED FROM CAPS		0.00	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL APPROPRIATIONS EXCLUDED (O) FROM CAPS		1,781,473.00	1,380,731.83	0.00	1,380,731.83	1,373,718.44	1,025.96
(L) SUBTOTAL GENERAL APPROPRIATIONS		8,221,158.20	7,618,912.21	0.00	7,618,912.21	7,476,143.67	136,781.11
(M) RESERVE FOR UNCOLLECTED TAXES	50-899	45,849.06	48,983.40		48,983.40	48,983.40	0.00
9 TOTAL GENERAL APPROPRIATIONS		8,267,007.26	7,667,895.61	0.00	7,667,895.61	7,525,127.07	136,781.11

Page # 2

DEDICATED SEWER UTILITY BUDGET - ANTICIPATED REVENUES

	Anticipated SFY 2012	SFY 2011	REALIZED IN CASH SFY 2011
SURPLUS ANTICIPATED	9,409.00	-	0.00
RENTS	1,012,624.00	1,003,078.00	1,012,624.27
CONNECTION FEES	25,170.00	53,942.00	25,170.00
MISCELLANEOUS	10,977.00	10,880.00	10,977.19
TOTAL UTILITY REVENUES	1,058,180.00	1,067,900.00	1,048,771.46

Run # 2

MUNICIPAL OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST FUND
ANTICIPATED REVENUES

	Anticipated SFY 2012	SFY 2011	REALIZED IN CASH SFY 2011
AMOUNT TO BE RAISED BY TAXATION	139,152.00	137,929.00	139,576.85
Reserve Funds: Fund Balance Reserve for Future Use	9,248.00	8,621.00	\$8,621.00
=====			
TOTAL TRUST FUND REVENUES	148,400.00	146,550.00	148,197.85

Review this ✓

MUNICIPAL OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST FUND
APPROPRIATIONS

	SFY 2012	SFY 2011	EMERGENCY	TOTAL SFY 11 AS MODIFIED BY TRANSFERS	PAID OR CHARGED	RESERVED
Maintenance of Lands for Recreation and Conservation						
Salaries & Wages	99,000.00	131,000.00		131,000.00	124,000.37	0.00
Other Expenses	33,840.00					0.00
Debt Service:						
Payment of Bond Principal	11,950.00	11,710.00		11,710.00	11,707.37	0.00
Payment of Bond Anticipation Notes						
Interest on Bonds	3,610.00	3,840.00		3,840.00	3,838.43	0.00
Interest on Notes						
Reserve for Future Use						0.00
TOTAL TRUST FUND APPROPRIATIONS	\$148,400.00	\$146,550.00	\$0.00	\$146,550.00	\$139,546.17	\$0.00

Analysis of the Increase in the Amount to be Raised by Taxes for SFY 2012 Introduced Budget

Revenues:

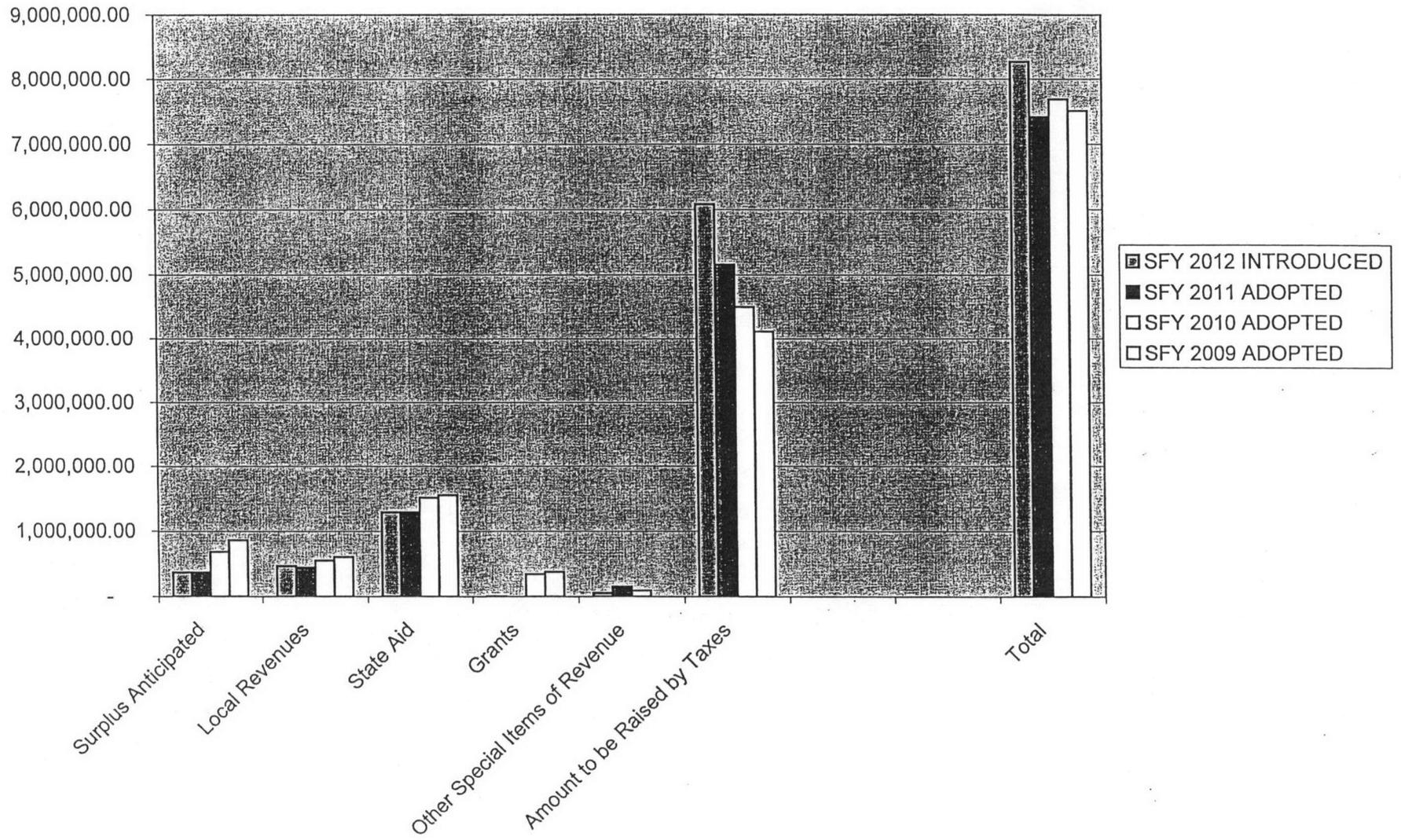
(Note: A positive amount for revenues indicates a decrease)

	Amount	Percent Change
Surplus Anticipated	\$ -	
Local Revenues	(21,685)	
Regular State Aid	-	
Reserve for Developers Contributions	45,000	
Utility Surplus of Prior Year	53,000	
	\$ 76,315	4.04% Decrease in Revenues
<hr/>		
Appropriations (see detail on next page)		
(Note: A positive amount for appropriations indicates an increase)	\$ 850,793	11.47% Increase in Appropriations
<hr/>		
Total Increase in Amount to be Raised (Tax Levy)	\$ 927,108	17.96% Increase in SFY 2012 Introduced Budget

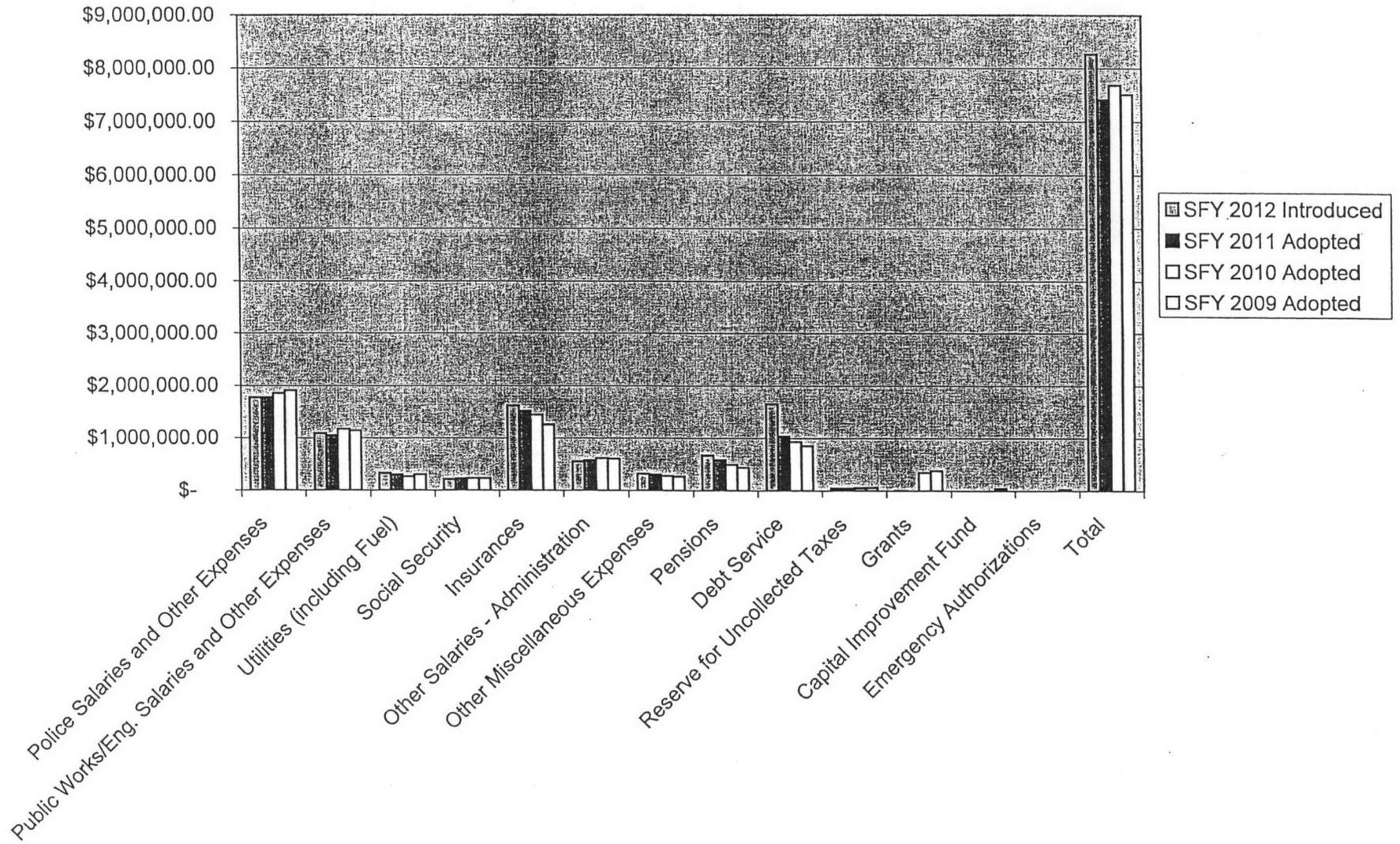
Township of Berlin
 Analysis of Increases and Decreases in Appropriations
 Comparing SFY 2012 Introduced Budget to SFY 2011 Adopted Budget

	SFY 2012 Introduced Budget	SFY 2011 Adopted Budget	Variance	Percent % Change	Brief Reason for Variance
Police Salaries	\$ 1,626,900	\$ 1,688,200	\$ (61,300)	(3.63)	This is a net result of 2% raises and Sgt. Hill retirement on 11/1/11.
Police Other Expenses	149,600	88,750	60,850	68.56	This is a net result of an increase in budget request due to leasing of vehicles and the new Traffic Signal Monitoring System for \$54600 (Red Light Cameras).
Public Works/Engineering Salaries	714,500	676,612	37,888	5.60	This is a net result of 2% raises and budgeting for full year salary of Eng. Tech as well as seasonal help for leaf pickup.
Public Works/Engineering Other Expenses	200,831	189,050	11,781	6.23	This is mostly as a result of monies needed to be budgeted for snow removal as only approximately \$17,000 remains in the trust.
Landfill	170,000	180,000	(10,000)	(5.56)	This decrease is result of budgeting more closely to the amount spent in SFY 2011.
Utilities (including Fuel)	330,400	300,700	29,700	9.88	This increase is result of budgeting more closely to the amount spent in SFY 2011 especially for electricity for the new building.
Social Security	212,100	223,300	(11,200)	(5.02)	This decrease is a result of an overall decrease in salaries since SFY 2011.
Insurance (Liability, Workers Comp, Group and Unemployment)	1,617,260	1,515,400	101,860	6.72	This is a net result of increases in rates for State Health Benefits and a loss in the number of employees since SFY 2011.
Other Salaries - Administration	554,000	577,200	(23,200)	(4.02)	This is a net result of 2% raises and salaries for those laid off being removed from payroll for the entire year.
Other Miscellaneous Expenses	319,075	305,131	13,944	4.57	This is a net result of increases in legal costs and reductions to Celebration of Public Events.
Pensions	671,092	586,147	84,945	14.49	Increase in pension contribution as per the State.
Debt Service	1,651,000	1,032,340	618,660	59.93	This increase is a result of debt being permanently financed in Dec. 2010 for \$10,318,000 which includes financing of the new building for a total of \$7,950,000.
Reserve for Uncollected Taxes	45,849	48,984	(3,135)	(6.40)	This decrease is a net result and increase in the tax collection rate used in the calculation of this line item.
Total	\$ 8,262,607	\$ 7,411,814	\$ 850,793	11.48	
Grants	\$ 4,400	\$ -			
Total Budgets	\$ 8,267,007	\$ 7,411,814			

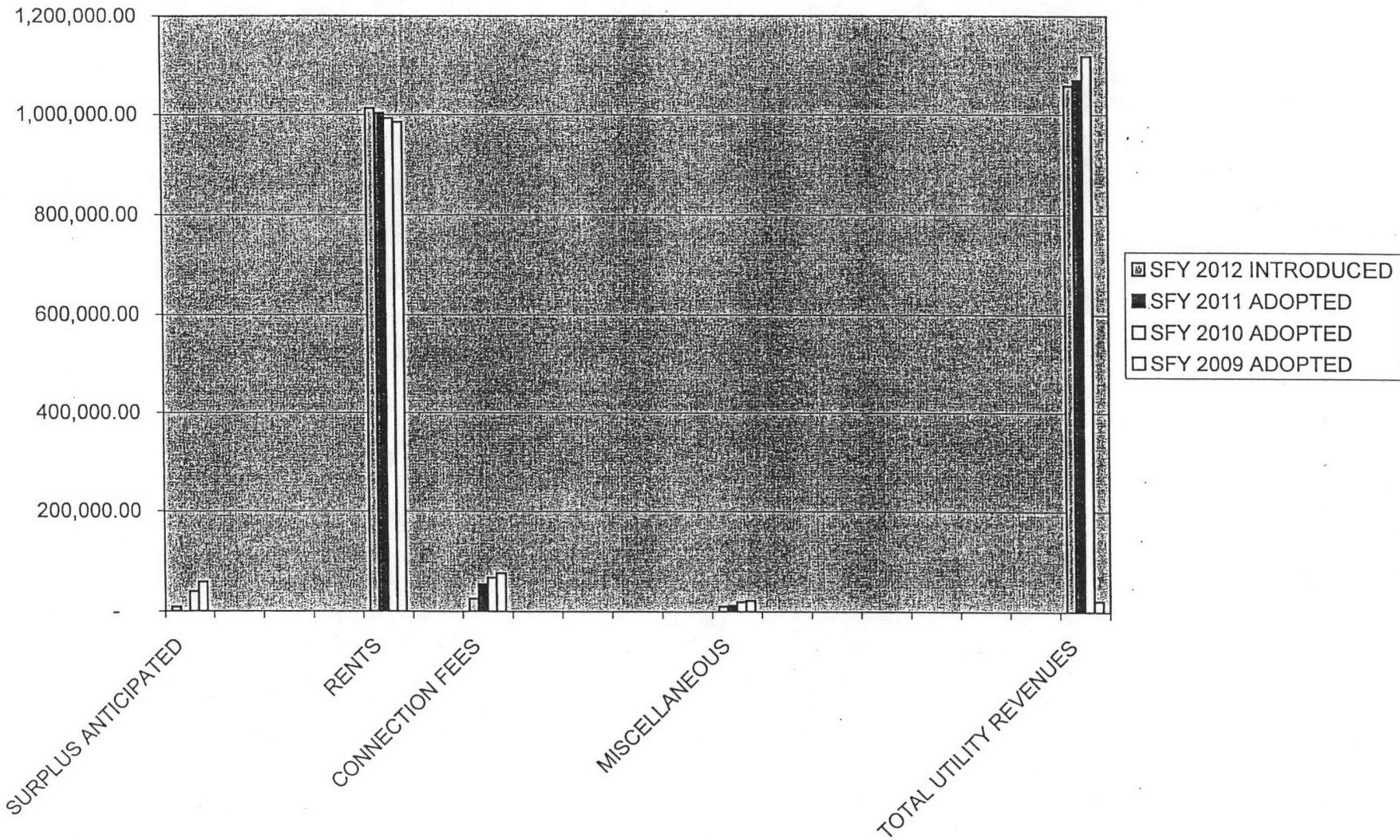
Current Fund - 3 Year Revenue History and Projection



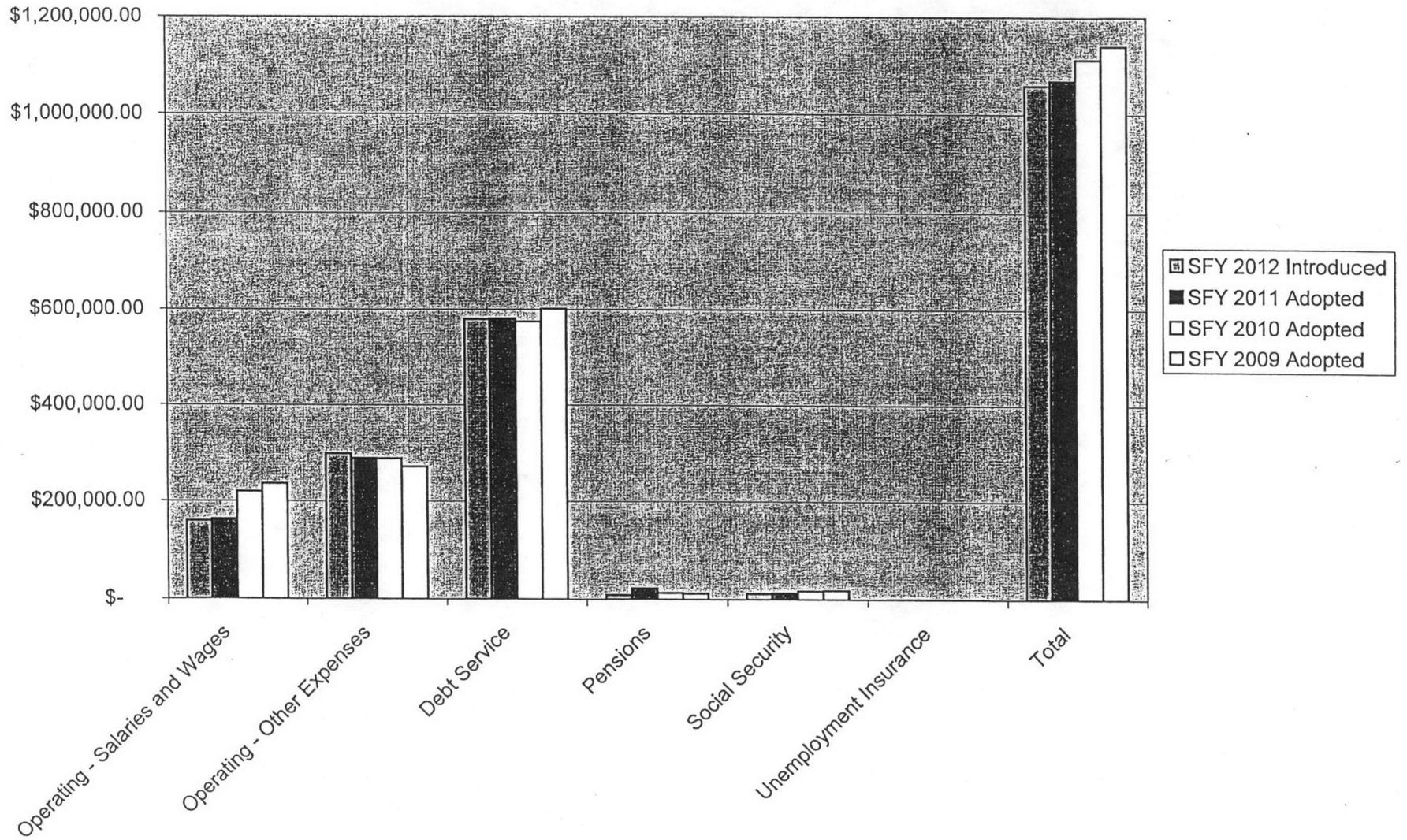
Current Fund - 3 Year Appropriation History and Projection



Sewer Operating Fund - 3 Year Revenue History and Projection



Sewer Operating Fund - 3 Year Appropriation History and Projection



TOWNSHIP OF BERLIN
ANALYSIS OF THE SFY 2012 BUDGET BY FUNCTION

DEPARTMENT	AMOUNT	PERCENTAGE
POLICE SALARIES	\$ 1,626,900	19.69
POLICE OTHER EXPENSES	149,600	1.81
SUB TOTAL POLICE	\$ 1,776,500	21.50
PUBLIC WORKS /ENG. SALARIES (EXCLUDING SOLID WASTE)	\$ 356,200	4.31
PUBLIC WORKS/ENG. OTHER EXPENSES (EXCLUDING SOLID WASTE)	190,731	2.31
SUB TOTAL PUBLIC WORKS/ENG. EXCLUDING SOLID WASTE	\$ 546,931	6.62
SOLID WASTE COLLECTION SALARIES	\$ 358,300	4.34
SOLID WASTE COLLECTION OTHER EXPENSES (INCLUDING LANDFILL)	180,100	2.18
SUB TOTAL SOLID WASTE COLLECTION AND LANDFILL	\$ 538,400	6.52
SUB TOTAL PUBLIC WORKS/ENG. AND SOLID WASTE	\$ 1,085,331	13.14
UTILITIES (INCLUDING FUEL)	\$ 330,400	4.00
SOCIAL SECURITY	212,100	2.57
INSURANCE (INCLUDES W/C, GROUP AND UNEMPLOYMENT)	1,491,260	18.05
INSURANCE (LIABILITY)	126,000	1.52
OTHER SALARIES (ADMINISTRATION)	554,000	6.70
OTHER MISCELLANEOUS EXPENSES	319,075	3.86
POLICE AND FIREMENS RETIREMENT SYSTEM (PENSION)	182,543	2.21
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PENSION)	488,549	5.91
DEBT SERVICE	1,651,000	19.98
RESERVE FOR UNCOLLECTED TAXES	45,849	0.56
TOTAL SUPPORTED BY TAXES.....	\$ 8,262,607	100.00
RECONCILIATION		
TOTAL BUDGET	\$ 8,267,007	
LESS: GRANTS	(4,400)	
TOTAL SUPPORTED BY TAXES.....	\$ 8,262,607	

TOWNSHIP OF BERLIN
ANALYSIS OF LOCAL MUNICIPAL TAX DISTRIBUTION
BY SERVICE AREAS
FOR SFY 2012

DEPARTMENT	HOUSEHOLD COST PER YEAR
POLICE SALARIES	\$ 363.97
POLICE OTHER EXPENSES	33.46
<hr/>	
SUB TOTAL POLICE	\$397.43
PUBLIC WORKS /ENG. SALARIES (EXCLUDING SOLID WASTE)	\$ 79.67
PUBLIC WORKS/ENG. OTHER EXPENSES (EXCLUDING SOLID WASTE)	42.70
<hr/>	
SUB TOTAL PUBLIC WORKS/ENG. EXCLUDING SOLID WASTE)	\$ 122.37
SOLID WASTE COLLECTION SALARIES	\$ 80.22
SOLID WASTE COLLECTION OTHER EXPENSES (INCLUDING LANDFILL)	40.30
<hr/>	
SUB TOTAL SOLID WASTE COLLECTION AND LANDFILL	\$ 120.52
SUB TOTAL PUBLIC WORKS/ENG. AND SOLID WASTE	\$ 242.89
UTILITIES (INCLUDING FUEL)	\$ 73.94
SOCIAL SECURITY	47.51
INSURANCE (INCLUDES W/C, GROUP AND UNEMPLOYMENT)	333.65
INSURANCE (LIABILITY)	28.10
OTHER SALARIES (ADMINISTRATION)	123.85
OTHER MISCELLANEOUS EXPENSES	71.35
POLICE AND FIREMENS RETIREMENT SYSTEM (PENSION)	40.85
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PENSION)	109.25
DEBT SERVICE	369.33
RESERVE FOR UNCOLLECTED TAXES	10.34
<hr/>	
	\$ 1,848.49
	=====

TOWNSHIP OF BERLIN
 ANALYSIS OF LOCAL MUNICIPAL TAXES
 FOR SFY 2011 AND SFY 2012

SFY YEAR	AVERAGE ASSESSMENT	AMOUNT OF TAXES TO BE RAISED	RATABLES	TAX RATE * PER \$100.00	AVERAGE LOCAL MUNICIPAL TAX PER YEAR	INCREASE (DECREASE) FROM PREVIOUS YEAR	PERCENT INCREASE (DECREASE) FROM PREVIOUS YEAR
2011	\$104,686.00	\$5,154,572.78	\$344,824,838	1.494	\$1,564.01	\$200.55	14.71
2012	\$105,749.00	\$6,081,681.26	\$347,880,725	1.748	\$1,848.49	\$284.48	18.19

Reminder:

Taxes increased in SFY 2011 as a result of a decrease in Surplus due to large cuts in State Aid in SFY 2011 and prior years totaling approximately \$840,000.00.

TOWNSHIP OF BERLIN
 ANALYSIS OF TOTAL TAXES BASED ON THE AVERAGE RESIDENTIAL
 PROPERTY ASSESSMENT AND ON COUNTY CERTIFIED TAX RATES
 FOR THE CALENDAR YEAR 2011

	ASSESSMENT	TAX RATE PER \$100.00	TOTAL TAXES	PERCENT OF TOTAL TAXES
COUNTY TAX.....	\$105,749.00	\$ 1.109	\$ 1,172.76	20.87
COUNTY LIBRARY TAX.....	\$105,749.00	0.072	76.14	1.36
COUNTY OPEN SPACE TAX.....	\$105,749.00	0.035	37.01	0.66
DISTRICT SCHOOL TAX.....	\$105,749.00	2.278	2,408.96	42.88
LOCAL TAX.....	\$105,749.00	1.648	1,742.74	31.02
FIRE DISTRICT TAX.....	\$105,749.00	0.131	138.53	2.46
OPEN SPACE/RECREATION TAX.....	\$105,749.00	0.040	42.30	0.75
TOTALS.....		\$ 5.313	\$ 5,618.44	100.00

TOWNSHIP OF BERLIN
 ANALYSIS OF THE TOTAL TAX RATE AND TOTAL TAXES
 FOR THE CALENDAR YEARS 2007 THROUGH 2011

YEAR	TAX RATE *	AMOUNT	INCREASE OR (DECREASE)	PERCENT INCREASE OR (DECREASE)
2007	4.616 \$	4,761.36 \$	180.16	3.93
2008	4.714 \$	4,839.34 \$	77.98	1.64
2009	4.790 \$	4,970.30 \$	130.96	2.71
2010	4.926 \$	5,156.83 \$	186.53	3.75
2011	5.313 \$	5,618.44 \$	461.61	8.95

* BASED ON AN AVERAGE RESIDENTIAL ASSESSMENT OF THE FOLLOWING:

YEAR	ASSESSMENT
2011	\$105,749.00
2010	\$104,686.00
2009	\$103,764.00
2008	\$102,659.00
2007	\$103,149.00

TOWNSHIP OF BERLIN
ANALYSIS OF PROPERTY ASSESSMENTS
FOR THE CALENDAR YEARS 2007 THROUGH 2011

PROPERTY CLASSIFICATION	2011	2010	2009	2008	2007
Vacant Land.....	\$10,441,700	\$10,293,300	\$11,155,600	\$11,164,300	\$10,810,400
Residential.....	182,735,100	179,117,800	176,191,600	172,878,100	173,496,100
Farm (Regular).....	166,400	166,400	166,400	166,400	166,400
Farm (Qualified).....	43,300	43,300	43,300	43,300	42,100
Commercial.....	118,332,800	117,366,300	117,193,600	119,255,400	118,941,200
Industrial.....	31,476,600	32,875,000	33,195,000	33,578,200	31,533,000
Apartment.....	3,955,600	3,955,600	3,955,600	3,955,600	3,955,600
Utilities.....	729,225	1,007,138	705,599	575,061	596,219
TOTALS.....	\$347,880,725	\$344,824,838	\$342,606,699	\$341,616,361	\$339,541,019
INCREASE (DECREASE) FROM PREVIOUS YEAR.....	\$3,055,887	\$2,218,139	\$990,338	\$2,075,342	\$5,962,303
PERCENT INCREASE (DECREASE) FROM PREVIOUS YEAR.....	0.89	0.65	0.29	0.61	1.79

TOWNSHIP OF BERLIN
ANALYSIS OF STATE AID RECEIVED EXCLUDING GRANTS
FOR THE FISCAL YEARS 2007 THROUGH 2012

CATEGORY	2012	2011	2010	2009	2008	2007
Business Personal Property Taxes.....						
Franchise and Gross Receipts Taxes/Energy Receipts Taxes.....	\$1,287,847.00	\$1,287,847.00	\$1,515,268.00	\$1,554,121.00	\$1,488,272.00	\$1,407,902.00
Supplemental Franchise and Gross Receipts/Energy Receipts Taxes.....					53,374.00	53,374.00
Legislative Initiative Municipal Block Grant.....					23,917.00	23,917.00
Consolidated Municipal Property Tax Relief.....					12,475.00	92,845.00
Pineland Tax Stabilization			320.00	320.00	320.00	320.00
Municipal Homeland Assistance					50,000.00	50,000.00
Municipal Property Tax Assistance					31,198.00	
Pension Reduction in Appropriations/Savings.....						
Extraordinary/Discretionary Municipal Property Tax Relief.....					400,000.00	500,000.00
SUB TOTALS.....	\$1,287,847.00	\$1,287,847.00	\$1,515,588.00	\$1,554,441.00	\$2,059,556.00	\$2,128,358.00
INCREASE (DECREASE) FROM PREVIOUS YEAR.....	\$0.00	(\$227,741.00)	(\$38,853.00)	(\$505,115.00)	(\$68,802.00)	\$150,000.00
PERCENT INCREASE (DECREASE) FROM PREVIOUS YEAR.....	0.00	(15.03)	(2.50)	(24.53)	(3.23)	7.58

This schedule highlights that our total State Aid decreased by \$840,511 in the last 5 years alone.
These massive cuts in State Aid have caused the use of our Surplus to balance the budget in prior years and the layoffs last year.

TOWNSHIP OF BERLIN
 ANALYSIS OF TAX COLLECTION RATE PERCENTAGES, BALANCES OF DELINQUENT TAXES AND BALANCES OF TAX TITLE LIENS
 FOR THE FISCAL YEARS 2007 THROUGH 2011

		AS OF 6/30/11 (Note 1)	AS OF 6/30/10	AS OF 6/30/09	AS OF 6/30/08	AS OF 6/30/07
TAX COLLECTION RATE PERCENTAGES (ACTUAL)		99.61%	99.72%	99.95%	99.11%	99.88%
BALANCES OF DELINQUENT TAXES	\$	2,134.48	\$ 2,903.98	\$ 3,289.64	\$ 4,754.73	\$ 38,960.56
BALANCES OF TAX TITLE LIENS	\$	6,977.78	\$ 4,807.95	\$ 1,734.65	\$ 49,502.28	\$ 45,426.02

Notes:
 1 - From Unaudited Financial Statement at 6/30/11. All other years are audited amounts.

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TOWNSHIP OF BERLIN
 ANALYSIS OF SURPLUS/FUND BALANCE AND THE PERCENTAGE OF THE BUDGET REPRESENTED BY SURPLUS ANTICIPATED - CURRENT FUND
 FOR THE FISCAL YEARS 2007 THROUGH 2012

	2012 (See Note 2)	2011 (See Note 3)	2010	2009	2008	2007
Surplus/Fund Balance at Beginning of Year (See Note 1)	\$ 517,315	\$ 410,182	\$ 717,912	\$ 1,002,238	\$ 918,395	\$ 748,122
Surplus Generated During Year	400,000	478,833	374,270	577,674	733,843	670,273
Sub Total	\$ 917,315	\$ 889,015	\$ 1,092,182	\$ 1,579,912	\$ 1,652,238	\$ 1,418,395
Surplus Anticipated to Balance Budget	(371,700)	(371,700)	(682,000)	(862,000)	(650,000)	(500,000)
Surplus/Fund Balance at End of Year	\$ 545,615	\$ 517,315	\$ 410,182	\$ 717,912	\$ 1,002,238	\$ 918,395
Total Original Budget Adopted	\$ 8,267,007	\$ 7,411,814	\$ 7,682,429	\$ 7,506,332	\$ 7,334,053	\$ 6,785,352
Percentage of the Budget Represented by Surplus Anticipated	4.50%	5.01%	8.88%	11.48%	8.86%	7.37%

Notes:

- 1 - Only Cash Surplus may be anticipated in the budget of the following year.
- 2- 2011 Surplus Generated During Year and Surplus/ Fund Balance at End of Year are Estimated. Budget is introduced amount
- 3- From Unaudited Financial Statement at 6/30/11

Comment for SFY 2012: Generally the Township generates between \$300,000 to \$400,000 each year in Surplus.
 Therefore anticipating \$371,700 in Surplus in this year's budget appears reasonable and
 should be sufficient to maintain our current bond rating.

TOWNSHIP OF BERLIN
 ANALYSIS OF SURPLUS/FUND BALANCE AND THE PERCENTAGE OF THE BUDGET REPRESENTED BY SURPLUS ANTICIPATED - SEWER OPERATING FUND
 FOR THE FISCAL YEARS 2007 THROUGH 2012

	2012 (See Note 2)	2011 (See Note 3)	2010	2009	2008	2007
Surplus/Fund Balance at Beginning of Year (See Note 1)	\$ 9,417	\$ 53,100	\$ 87,431	\$ 82,898	\$ 9,591	\$ 50,922
Surplus Generated During Year	10,000	9,317	53,046	63,117	82,824	9,589
Sub Total	\$ 19,417	\$ 62,417	\$ 140,477	\$ 146,015	\$ 92,415	\$ 60,511
Surplus Anticipated to Balance Budget of Sewer Operating or Current Fund	(9,409)	(53,000)	(87,377)	(58,584)	(9,517)	(50,920)
Surplus/Fund Balance at End of Year	\$ 10,008	\$ 9,417	\$ 53,100	\$ 87,431	\$ 82,898	\$ 9,591
Total Original Budget Adopted	\$ 1,058,180	\$ 1,067,900	\$ 1,111,400	\$ 1,138,550	\$ 1,061,917	\$ 1,047,303
Percentage of the Budget Represented by Surplus Anticipated	0.89%	4.96%	7.86%	5.15%	0.90%	4.86%

Notes:

- 1 - Only Cash Surplus may be anticipated in the budget of the following year.
- 2- 2011 Surplus Generated During Year and Surplus/ Fund Balance at End of Year are Estimated. Budget is introduced amount.
- 3- From Unaudited Financial Statement at 6/30/11

Comment for SFY 2012: The Township may generate approximately \$10,000 in surplus this year due to unexpended balances of appropriation reserves. Therefore anticipating \$9,409 in Surplus in this year's budget appears reasonable and should be sufficient to maintain our current bond rating.