

CHRISTOPHER T. MORRIS
Council President



PHYLLIS MAGAZZU
Mayor

Council Members
MARION BODANZA
FRANK EPIFANIO
JEROME McINTOSH

CATHERINE UNDERWOOD
Township Clerk

TOWNSHIP OF BERLIN

MUNICIPAL BUILDING
135 Route 73 South
West Berlin, NJ 08091
Phone (856) 767-1854

Date: 9/5/12

To: Residents of Berlin Township

From: Lori Campisano, CFO

RE: TY 2012 (7/1/12 – 12/31/12) Budget – Introduction 9/4/12 with Public Hearing on 10/2/12

Attached please find a condensed copy of the TY 2012 Budget (pages 3 through 18 of this document) that was introduced on 9/4/12. The budget, which is for a 6 month period 7/1/12 through 12/31/12, will be advertised and a public hearing is scheduled on October 2nd.

Also for your information are several analyses and schedules that I have prepared on the budget, some in accordance with the requirements of the State's Best Practices Checklist. **I am pleased to inform you that based on the score of our Best Practices Checklist last year; Berlin Township did receive 100% of its State Aid for SFY 2012.**

On June 13, 2012 the Local Finance Board approved our application to revert to a calendar year for 2013. **The "2% Tax Levy Cap" does not apply to the TY 2012 budget, since it is for the 6 month transitional period prior to reverting.** State statute provides that the Tax Levy or Amount to be Raised by Taxes, for a transitional budget, is limited to 95% to 105% of half of the prior year's tax levy. **The tax levy totaling \$2,912,058.98 in the introduced TY 2012 budget does fall at the lower end of the limits and equals 95.76% of half of the prior year's tax levy.** State statute also provides that appropriations be limited for a transitional year to 95% to 125% of half of the prior year's appropriations. **The total appropriations of \$4,282,308.33, in the introduced TY 2012 budget, also falls near the lower end of the limits and equals 96.52% of half of the prior year's appropriations.**

With the limits provided on the tax levy and appropriations, as mandated by the State, it is therefore impossible to present a budget for introduction that does not fall within the limits set. After various adjustments, the TY 2012 Budget was increased, without considering grants, by \$19,064.28 from departmental requests. It is projecting a 3.07% increase over half of last year's appropriations. **Taking into account**

the TY 2012 introduced budget, the tax levy for the entire calendar year 2012 is projecting a 5.79% tax increase over calendar year 2011, which computes to an average of \$8.42 per month increase to the average homeowner in the Township.

On the revenue side of the equation, for the TY 2012 Budget, most revenues have been anticipated to equal realistic amounts that may be received for the 6 month period. As with appropriations, revenues or receipts are not always received in equal amounts per month and therefore some revenues have been adjusted to equal less than half of the amount realized for the prior fiscal year. Surplus available at 6/30/12 plus any that may be generated during TY 2012 will be available to balance our first 2013 calendar year budget.

As mentioned above, the total appropriations, of the TY 2012 Budget, fall near the lower end of the limits, as set forth by the State, for transition year budgets. The budget includes the possible hiring of 2 part time special police officers, as well as a part time clerk in the Finance Department. A review of the budget analysis attached details the increases and decreases in appropriations. Brief reasons for the variances are included in this analysis. The largest increase in appropriations appears in the line item for Reserve for Uncollected Taxes. The Reserve has historically been budgeted at approximately \$50,000.00. This was due to our collection rate being very close to 100% and the execution of accelerated tax sales before year end. According to State guidance, the Township will not conduct a tax sale in the transitional period. Therefore, based on an estimated collection rate of 93%, the amount required to be budgeted for TY 2012 in the Reserve for Uncollected Taxes computed to \$670,183.00. This represents an increase of approximately \$647,000.00 over half of the amount budgeted for SFY 2012.

Also attached is an analysis of total taxes based upon the average residential assessments for calendar year 2012. **This analysis reveals that the total average tax bill for a resident in Berlin Township for the calendar year 2012 was approximately \$5,800.00 of which only approximately 32% or approximately \$1,800.00 is attributed to your municipal taxes.**

The TY 2012 Budget to be introduced is realistic and therefore could also be adopted. As far as appropriations and revenues are concerned, I don't feel that it would be responsible to cut or anticipate anything further for the transition period, especially since we must stay within the limits as set forth by the State for the tax levy and appropriations.

Lastly with this TY 2012 budget, as well as with every budget, the governing body has done its best, when weighing any tax increase against the need to provide essential services to you, the resident.

BERLIN TOWNSHIP - TY 2012 INTRODUCED BUDGET
CURRENT FUND - ANTICIPATED REVENUES

		ANTICIPATED TY 2012	SFY 2012	REALIZED IN CASH SFY 2012
1) Surplus Anticipated	08-101	-	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	4,326.00
Other	08-104	26,000.00	45,722.00	52,608.00
Fees & Permits	08-105	14,900.00	32,385.00	29,800.00
Fines & Costs:				
Municipal Court	08-110	25,000.00	156,881.00	147,839.31
Interest and Costs on Taxes	08-112	8,000.00	50,238.00	52,520.63
Interest on Investments and Deposits	08-113	700.00	2,267.00	1,562.58
Franchise Taxes - Cable T.V.	08-106		57,650.00	62,461.48
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Total Section A: Local Revenues		74,600.00	349,589.00	351,118.00
(SECTION B: STATE AID WITHOUT OFFSETTING APPROPRIATIONS)				
Energy Receipts Tax	09-202	1,234,473.00	1,287,847.00	1,287,847.00
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Total Section B: State Aid Without Offsetting Appropriations		1,234,473.00	1,287,847.00	1,287,847.00
(SECTION C: DEDICATED UNIFORM				

CONSTRUCTION CODE FEES)

Uniform Construction Code Fees	08-160	37,176.35	116,790.00	110,323.00
Total Section C: Dedicated Uniform Construction Code Fees		37,176.35	116,790.00	110,323.00

(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		2,677.43	2,677.43
Clean Communities Program	10-770		9,951.24	9,951.24
Obey the Signs or Pay the Fines Grant	10-729			
Body Armor Replacement Grant	10-755		2,033.73	2,033.73
Click It or Ticket Grant	10-733		4,000.00	4,000.00
Community Development Block Grant - - Hill Avenue Year 34	10-735	24,000.00		
Drive Sober or Get Pulled Over	10-736		5,000.00	5,000.00
Camden County Recreation Enhancement Grant - - Round 12 Luke Bandshell	10-738		25,000.00	25,000.00
- Round 12 - Spruce Courts	10-738		25,000.00	25,000.00
HOME Investment Partnership Program	10-726			
Smooth Operator Grant	10-724			
Over the Limit Under Arrest Grant	10-725		4,400.00	4,400.00
NJ Transportation Trust Fund - Municipal Aid Program - Edgewood Avenue	10-865			
Total Section F: Special Items of General Revenue With Prior Consent		24,000.00	78,062.40	78,062.40

(SECTION G: SPECIAL ITEMS OF GENERAL REVENUE ANTICIPATED WITH PRIOR CONSENT OF DIRECTOR-OTHER SPECIAL ITEMS)

Utility Surplus of Prior Year	08-116			
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Reserve for Developers Contribution	08-163	-	55,000.00	55,000.00
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Total Section G: Special Items of General Revenue With Prior Consent Other Special Items		-	55,000.00	55,000.00
TOTAL MISCELLANEOUS REVENUES		1,370,249.35	1,887,288.40	1,882,350.40
4) RECEIPTS FROM DELINQUENT TAXES		-	-	0.00
5) SUBTOTAL GENERAL REVENUES (ITEMS 1,2,3, AND 4)		1,370,249.35	2,258,988.40	2,254,050.40
6) AMOUNT TO BE RAISED BY TAXES	07-190	2,912,058.98	6,081,681.26	6,181,899.98
10) TOTAL GENERAL REVENUES		4,282,308.33	8,340,669.66	8,435,950.38

BERLIN TOWNSHIP - TY 2012 INTRODUCED BUDGET
CURRENT FUND - APPROPRIATIONS

		TY 2012	SFY 2012	EMERGENCY	TOTAL SFY 12 AS MODIFIED BY TRANSFERS	PAID OR CHARGED SFY 2012	RESERVED
8) GENERAL APPROPRIATIONS							
(A) OPERATIONS - WITHIN CAPS							
GENERAL GOVERNMENT							
Mayor & Council							
Salaries & Wages	20-110-1	27,600.00	55,700.00		55,700.00	54,767.30	932.70
Other Expenses	20-110-2	12,750.00	23,100.00		25,100.00	21,883.66	3,216.34
Township Clerk							
Salaries & Wages	20-120-1	44,600.00	79,000.00		84,000.00	83,539.49	460.51
Other Expenses	20-120-2	20,700.00	37,100.00		45,100.00	42,099.16	3,000.84
Financial Administration							
Salaries & Wages	20-130-1	49,400.00	88,800.00		88,800.00	88,708.21	91.79
Other Expenses	20-130-2	5,900.00	10,700.00		10,700.00	9,795.57	904.43
Audit Services							
Other Expenses	20-135-2	30,000.00	24,200.00		29,200.00	29,052.50	147.50
Revenue Administration							
Salaries & Wages	20-145-1	38,500.00	65,800.00		65,800.00	65,717.08	82.92
Other Expenses	20-145-2	6,900.00	13,900.00		13,900.00	7,654.57	6,245.43
Tax Assessment Administration							
Salaries & Wages	20-150-1	13,500.00	26,700.00		26,700.00	26,661.83	38.17
Other Expenses	20-150-2	3,300.00	6,420.00		4,420.00	2,224.21	2,195.79
Legal Services and Costs							
Other Expenses	20-155-2	50,000.00	65,000.00		70,000.00	62,148.39	7,851.61
Engineering Services and Costs							
Salaries & Wages	20-165-1	37,300.00	72,400.00		42,400.00	21,608.17	20,791.83
Miscellaneous Other Expenses	20-165-2	4,900.00	9,800.00		12,800.00	7,027.41	5,772.59

LAND USE ADMINISTRATION

Planning Board							
Other Expenses	21-180-2	6,000.00	11,500.00	11,500.00	6,500.04	4,999.96	

INSURANCE

Liability Insurance	23-210-2	500.00	126,000.00	116,000.00	110,331.95	5,668.05	
Worker Compensation Insurance	23-215-2	0.00	134,000.00	124,000.00	119,283.18	4,716.82	
Group Insurance	23-220-2	695,900.00	1,276,912.00	1,276,912.00	1,204,198.26	72,713.74	
Health Benefit Waiver	23-221-2	5,000.00	10,000.00	10,000.00	9,178.52	821.48	
Unemployment Compensation Insurance	23-225-2	8,000.00	16,000.00	16,000.00	12,687.50	3,312.50	

PUBLIC SAFETY FUNCTIONS

Police							
Salaries & Wages	25-240-1	860,600.00	1,625,900.00	1,632,900.00	1,622,850.33	10,049.67	
Other Expenses:							
Miscellaneous Other Expenses	25-240-2	86,135.00	149,600.00	119,600.00	112,238.96	7,361.04	
Police - Homeland Security							0.00
Salaries & Wages	25-240-1						0.00
Other Expenses	25-240-2						
Office of Emergency Management							
Salaries & Wages	25-252-1	1,000.00	2,000.00	2,000.00	514.98	1,485.02	
Other Expenses	25-252-2	350.00	700.00	700.00	0.00	700.00	
Aid to Ambulance Company							0.00
Salaries & Wages	25-260-1						5,068.17
Other Expenses	25-260-2	20,000.00	15,000.00	15,000.00	9,931.83		
Municipal Prosecutor							
Salaries & Wages	25-275-1	6,300.00	12,500.00	12,500.00	12,475.44	24.56	
Other Expenses	25-275-2	300.00	500.00	500.00	0.00	500.00	

Municipal Court

Salaries & Wages	43-490-1	53,600.00	106,100.00	106,100.00	105,751.77	348.23
Other Expenses	43-490-2	28,850.00	48,600.00	48,600.00	42,811.54	5,788.46
Public Defender						
Other Expenses	43-495-2	300.00	500.00	500.00	0.00	500.00
PUBLIC WORKS FUNCTIONS						
Streets & Road Maintenance						
Salaries & Wages	26-290-1	49,880.00	82,100.00	82,100.00	56,638.38	25,461.62
Other Expenses	26-290-2	11,800.00	19,606.00	34,606.00	22,943.66	11,662.34
Solid Waste Collection						
Salaries & Wages	26-305-1	184,800.00	358,300.00	358,300.00	349,199.79	9,100.21
Other Expenses	26-305-2	7,350.00	10,100.00	15,100.00	4,971.48	10,128.52
Buildings and Grounds						
Salaries & Wages	26-310-1	25,700.00	49,300.00	49,300.00	41,084.48	8,215.52
Other Expenses	26-310-2	24,500.00	28,000.00	33,000.00	28,566.50	4,433.50
Vehicle Maintenance						
Salaries & Wages	26-315-1	54,800.00	106,100.00	106,100.00	98,641.66	7,458.34
Other Expenses	26-315-2	51,400.00	95,800.00	95,800.00	71,175.76	24,624.24
HEALTH & HUMAN SERVICES FUNCTIONS						
Public Health Services						0.00
Salaries & Wages	27-330-1					500.00
Other Expenses	27-330-2	300.00	500.00	500.00	0.00	
PARKS & RECREATION FUNCTIONS						
Recreation Services & Programs						
Other Expenses	28-370-2	5,200.00	10,300.00	10,300.00	9,011.48	1,288.52
Maintenance of Parks						
Salaries & Wages	28-375-1	1,100.00	700.00	700.00	700.00	0.00
Other Expenses	28-375-2	10,150.00	18,400.00	21,400.00	12,821.68	8,578.32
EDUCATION FUNCTIONS						

Municipal Library							
Salaries & Wages	29-390-1	13,400.00	28,900.00	28,900.00	24,261.20	4,638.80	
Other Expenses	29-390-2	4,200.00	7,000.00	8,000.00	6,348.99	1,651.01	
UTILITY EXPENSES AND BULK PURCHASES							
Electricity & Natural Gas	31-430-2	53,000.00	105,700.00	95,700.00	83,417.02	12,282.98	
Street Lighting	31-435-2	46,700.00	88,100.00	88,100.00	88,071.30	28.70	
Telephone	31-440-2	15,900.00	31,300.00	31,300.00	30,933.76	366.24	
Telecommunication Charges	31-443-2	1,500.00	3,000.00	4,000.00	2,913.48	1,086.52	
Water	31-445-2	3,000.00	4,100.00	5,100.00	4,271.45	828.55	
Petroleum Products	31-447-2	70,000.00	92,200.00	92,200.00	75,313.81	16,886.19	
Sewerage	31-455-2	3,600.00	6,000.00	6,000.00	5,476.00	524.00	
LANDFILL/SOLID WASTE DISPOSAL COSTS							
Landfill/Solid Waste Disposal Costs	32-465-2	85,000.00	163,000.00	163,000.00	143,506.90	19,493.10	
CODE ENFORCEMENT AND ADMINISTRATION							
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (NJAC 5:23-4.17)							
Construction Office							
Salaries & Wages	22-195-1	44,200.00	88,500.00	88,500.00	87,409.70	1,090.30	
Other Expenses	22-195-2	13,500.00	32,650.00	32,650.00	30,904.17	1,745.83	
Other Code Enforcement							
Salaries & Wages	22-200-1					0.00	
Other Expenses	22-200-2	600.00	1,100.00	1,100.00	274.92	825.08	
OTHER COMMON OPERATING FUNCTIONS (UNCLASSIFIED)							

	Prior Years Bills							0.00
	Other Expenses	30-410-2						
	HR Direct PO # 52254							
	Accumulated Leave Compensation							
	Salaries & Wages	30-415-1	20,000.00	1,000.00		27,000.00	26,000.00	1,000.00
	Celebration of Public Events							
	Other Expenses	30-420-2	4,500.00	9,100.00		9,100.00	5,991.75	3,108.25
8A	TOTAL OPERATIONS WITHIN CAPS		2,924,265.00	5,555,288.00	0.00	5,555,288.00	5,202,491.17	352,796.83
	Detail:							
	Salaries & Wages		1,526,280.00	2,849,800.00	0.00	2,857,800.00	2,766,529.81	91,270.19
	Other Expenses		1,397,985.00	2,705,488.00	0.00	2,697,488.00	2,435,961.36	261,526.64
			2,924,265.00	5,555,288.00	0.00	5,555,288.00	5,202,491.17	352,796.83
	DEFERRED CHARGES WITHIN CAPS							
	Emergency Authorizations	46-870						0.00
	Deficit in Open Space Trust Fund	46-885						0.00
	Deficit in Animal Control Fund	46-886	3,397.82	1,205.20		1,205.20	1,205.20	0.00
	STATUTORY EXPENDITURES WITHIN CAPS							
	Public Employees Retirement System	36-471	0.00	180,543.00		180,543.00	179,291.40	1,251.60
	Social Security System	36-472	118,500.00	212,100.00		212,100.00	206,641.05	5,458.95
	Police and Firemen's Retirement System	36-475	0.00	488,549.00		488,549.00	347,027.00	0.00
	Defined Contribution Retirement System	36-477	1,000.00	2,000.00		2,000.00	352.14	1,647.86
	TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN CAPS		122,897.82	884,397.20	0.00	884,397.20	734,516.79	8,358.41
H1	TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN CAPS		3,047,162.82	6,439,685.20	0.00	6,439,685.20	5,937,007.96	361,155.24
	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		54,348.00	54,348.00	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	23,600.00	45,600.00	45,600.00	43,868.06	1,731.94	
Other Expenses	26-510-2	9,563.00	19,125.00	19,125.00	6,159.00	12,966.00	
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		2,677.43	2,677.43	2,677.43		0.00
HOME - Neighborhood Preservation							

Program					
Other Expenses	41-720-2				0.00
Drive Sober or Get Pulled Over Grant					
Salaries & Wages	41-723-1	5,000.00	5,000.00	5,000.00	0.00
Clean Communities Program					
Salaries & Wages	41-725-1	9,951.24	9,951.24	9,951.24	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	4,400.00	4,400.00	0.00
Obey 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 12					
Other Expenses	41-739-2	50,000.00	50,000.00	50,000.00	0.00
NJ Division of Highway Safety					
Click It of Ticket Grant					
Salaries & Wages	41-734-1	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	24,000.00			0.00

Body Armor Replacement Grant							
Other Expenses	41-755-2		2,033.73		2,033.73	2,033.73	0.00
TOTAL OPERATIONS EXCLUDED							
CAPS		64,163.00	204,135.40	0.00	204,135.40	189,437.46	14,697.94
Detail:							
Salaries & Wages		23,600.00	71,628.67	0.00	71,628.67	69,896.73	1,731.94
Other Expenses		40,563.00	132,506.73	0.00	132,506.73	119,540.73	12,966.00
		64,163.00	204,135.40	0.00	204,135.40	189,437.46	14,697.94
CAPITAL IMPROVEMENTS - EXCLUDED							
FROM CAPS							
Capital Improvement Fund	44-901	20,000.00					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						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 Enhance-							
ment Grant - TEA-21 - Haddon Avenue							
Other Expenses	41-803-2						0.00
TOTAL CAPITAL IMPROVEMENTS EXCLUDED							
FROM CAPS		20,000.00	0.00	0.00	0.00	0.00	0.00
MUNICIPAL DEBT SERVICE - EXCLUDED							
FROM CAPS							
Payment of Bond Principal	45-920	174,500.00	960,000.00		960,000.00	960,000.00	0.00

Payment of Bond Anticipation Note	45-925						
Interest on Bonds	45-930	306,300.00	691,000.00		691,000.00	690,970.64	0.00
Interest on Notes	45-935						0.00
TOTAL DEBT SERVICE - EXCLUDED FROM CAPS		480,800.00	1,651,000.00	0.00	1,651,000.00	1,650,970.64	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 FROM CAPS		564,963.00	1,855,135.40	0.00	1,855,135.40	1,840,408.10	14,697.94
(L) SUBTOTAL GENERAL APPROPRIATIONS		3,612,125.82	8,294,820.60	0.00	8,294,820.60	7,777,416.06	375,853.18
(M) RESERVE FOR UNCOLLECTED TAXES	50-899	670,182.51	45,849.06		45,849.06	45,849.06	0.00
9 TOTAL GENERAL APPROPRIATIONS		4,282,308.33	8,340,669.66	0.00	8,340,669.66	7,823,265.12	375,853.18

BERLIN TOWNSHIP - TY 2012 INTRODUCED BUDGET
 DEDICATED SEWER UTILITY BUDGET - ANTICIPATED REVENUES

	ANTICIPATED TY 2012	SFY 2012	REALIZED IN CASH SFY 2012
SURPLUS ANTICIPATED		9,409.00	9,409.00
RENTS	464,108.95	1,012,624.00	1,021,663.44
CONNECTION FEES	-	25,170.00	32,040.00
MISCELLANEOUS	2,091.05	10,977.00	11,910.77
TOTAL UTILITY REVENUES	466,200.00	1,058,180.00	1,075,023.21

BERLIN TOWNSHIP - TY 2012 INTRODUCED BUDGET
DEDICATED SEWER UTILITY BUDGET

		TY 2012	SFY 2012	EMERGENCY	TOTAL SFY 12 AS MODIFIED BY TRANSFERS	PAID OR CHARGED SFY 2012	RESERVED
Operating:							
Salaries & Wages	55-501	81,800.00	158,600.00		158,600.00	157,826.21	773.79
Other Expenses	55-502	148,900.00	298,080.00		298,080.00	278,170.63	19,909.37
Debt Service:							
Payment of Bond Principal	55-520	120,500.00	290,000.00		290,000.00	290,000.00	0.00
Interest on Bonds	55-522	108,400.00	289,700.00		289,700.00	197,389.79	0.00
Statutory Expenditures							
Contribution to:							
Public Employees Retirement System	55-540	0.00	9,000.00		9,000.00	9,000.00	0.00
Social Security System	55-541	6,300.00	12,200.00		12,200.00	12,103.17	96.83
Unemployment Compensation Insurance	55-542	300.00	600.00		600.00	38.58	561.42
TOTAL SEWER UTILITY APPROPRIATIONS		466,200.00	1,058,180.00		1,058,180.00	944,528.38	21,341.41

BERLIN TOWNSHIP - TY 2012 INTRODUCED BUDGET
MUNICIPAL OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST FUND
ANTICIPATED REVENUES

	ANTICIPATED TY 2012	SFY 2012	REALIZED IN CASH SFY 2012
AMOUNT TO BE RAISED BY TAXATION	70,093.00	139,152.00	140,749.05
Reserve Funds:			
Fund Balance Reserve for Future Use		9,248.00	\$9,248.00
TOTAL TRUST FUND REVENUES	70,093.00	148,400.00	149,997.05

BERLIN TOWNSHIP - TY 2012 INTRODUCED BUDGET
MUNICIPAL OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST FUND
APPROPRIATIONS

	TY 2012	SFY 2012	EMERGENCY	TOTAL SFY 12 AS MODIFIED BY TRANSFERS	PAID OR CHARGED SFY 2012	RESERVED
Maintenance of Lands for Recreation and Conservation						
Salaries & Wages	29,000.00	99,000.00		99,000.00	72,389.31	0.00
Other Expenses	18,720.00	33,840.00		33,840.00	33,840.00	0.00
Debt Service:						
Payment of Bond Principal	6,070.00	11,950.00		11,950.00	11,942.68	0.00
Payment of Bond Anticipation Notes						
Interest on Bonds	1,720.00	3,610.00		3,610.00	3,603.11	0.00
Interest on Notes						
Reserve for Future Use	14,583.00					0.00
TOTAL TRUST FUND APPROPRIATIONS	\$70,093.00	\$148,400.00	\$0.00	\$148,400.00	\$121,775.10	\$0.00

Analysis of the Amount to be Raised by Taxes (Municipal Tax Levy) for TY 2012 Introduced Budget

SFY 2012 Municipal Tax Levy	\$ 6,081,681.26
95% of 50% of SFY 2012 Municipal Tax Levy	\$ 2,888,798.60
105% of 50% of SFY 2012 Municipal Tax Levy	\$ 3,192,882.66
TY 2012 Introduced Municipal Tax Levy	\$2,912,058.98

Based on State Statute and Guidance on State Fiscal Year to Calendar Year Reversion, the Amount to be Raised by Taxes is limited to 95% to 105% of half of the Prior Year's Amount to be Raised by Taxes

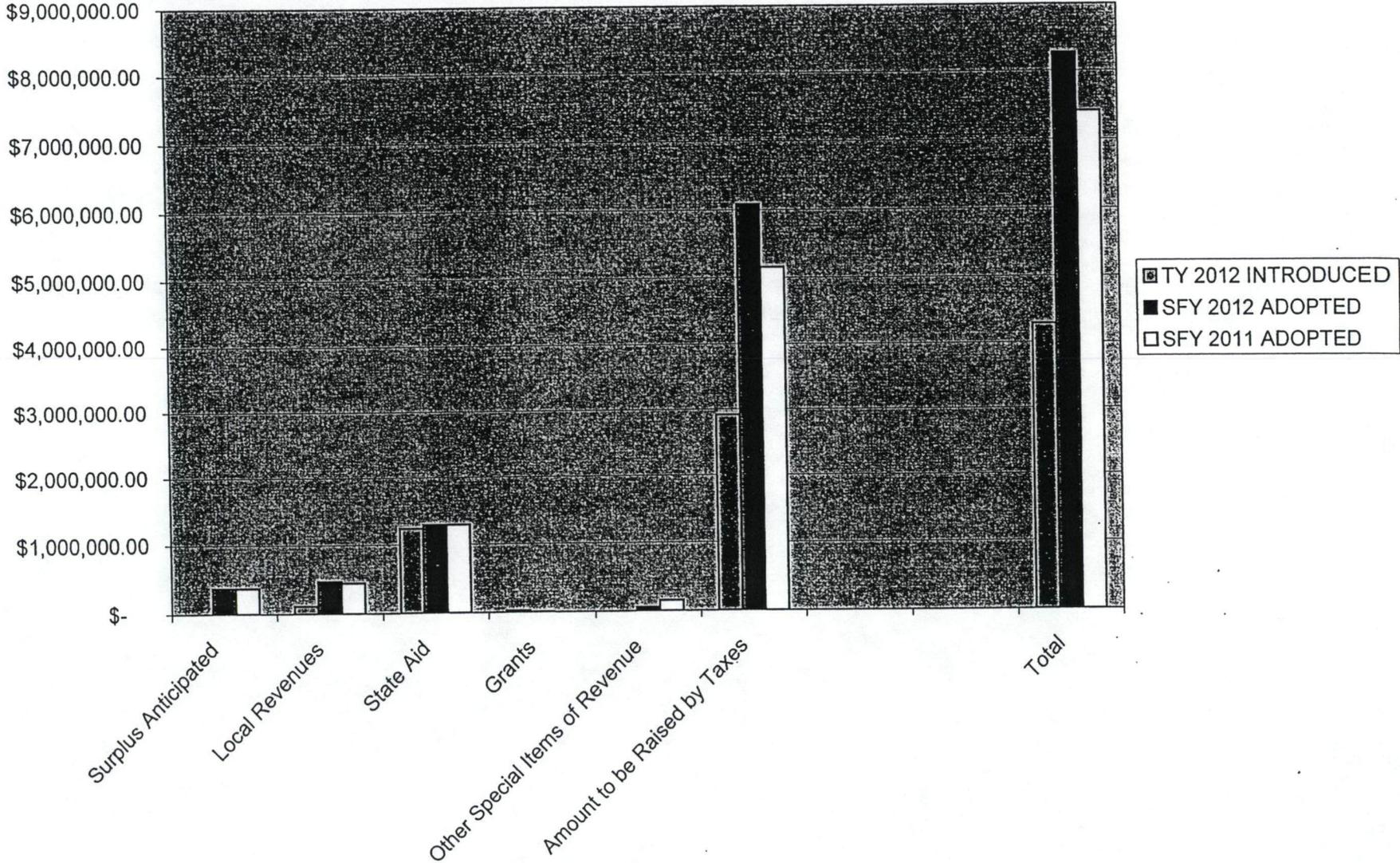
The TY 2012 Introduced Municipal Tax Levy is in compliance with the parameter set forth in the Statute. The amount of \$2,912,058.98 is 95.76% of 50% of the SFY 2012 Municipal Tax Levy or less than half of the prior year levy.

Township of Berlin
 Analysis of Increases and Decreases in Appropriations
 Comparing TY 2012 Introduced Budget to 1/2 of SFY 2012 Adopted Budget

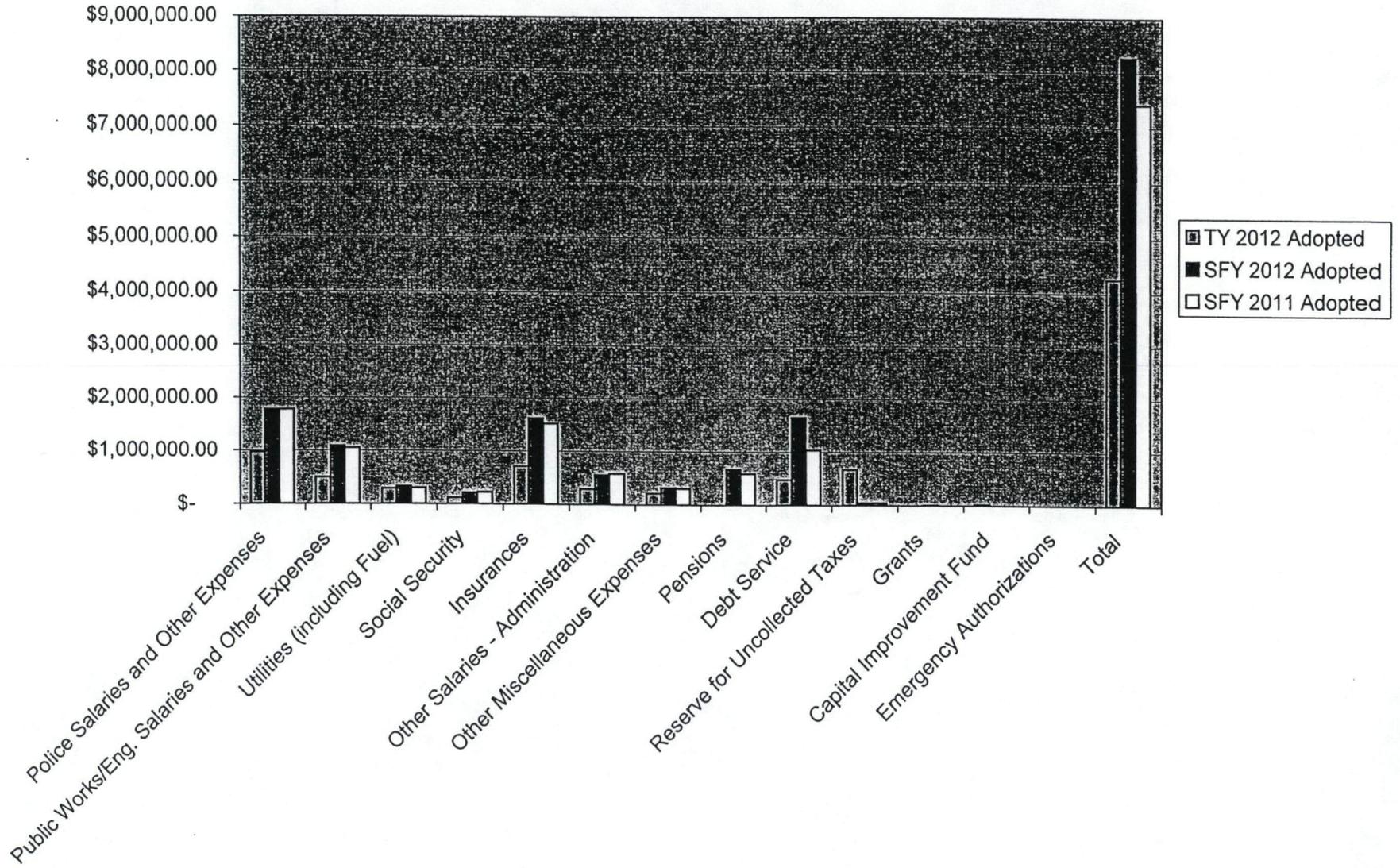
	TY 2012 Introduced Budget	1/2 of SFY 2012 Adopted Budget	Variance	Percent % Change	Brief Reason for Variance
Police Salaries	\$ 880,600	\$ 813,450	\$ 67,150	8.25	This increase is a net result of 2.5% raises in 2012 plus additional funds set aside for accumulated leave and the possible hiring of 2 part time special officers.
Police Other Expenses	86,135	74,800	11,335	15.15	The TY Budget includes the entire costs to lease 2 vehicles just as SFY 2012.
Public Works/Engineering Salaries	377,180	357,250	19,930	5.58	This is a net result of 2% raises and a change in contract for unused sick time.
Public Works/Engineering Other Expenses	119,663	100,415	19,248	19.17	This increase is the net result of funds needed for upgrade of the radio communication system plus other various increases.
Landfill	92,000	85,000	7,000	8.24	This decrease is result of budgeting more closely to the amount spent in SFY 2012
Utilities (including Fuel)	193,700	165,200	28,500	17.25	This increase is result of budgeting more closely to the amount spent in SFY 2012 plus projecting fuel costs to increase.
Social Security	118,500	106,050	12,450	11.74	This increase is a result of an overall increase in salaries since SFY 2012.
Insurance (Liability, Workers Comp, Group and Unemployment)	709,400	808,630	(99,230)	(12.27)	This decrease is the net result of increases in health benefit costs plus premiums for liability and workers compensation insurances are not due until 2013.
Other Salaries - Administration	292,100	277,000	15,100	5.45	This is a net result of 2% raises and the possible hiring of a part time finance clerk.
Other Miscellaneous Expenses	217,047	159,538	57,509	36.05	This increase is the net result of funds needed to be budgeted for the TY audit fee, legal fees due to various lawsuits, and funds needed to be budgeted for the ambulance contribution in the TY.
Pensions	1,000	335,546	(334,546)	(99.70)	The Township pension obligations are due April 1 of each year.
Debt Service	480,800	825,500	(344,700)	(41.76)	Debt service for TY 2012 has been budgeted to agree to the actual amounts due. Most of the Township's principal payments on it's debt fall due between Jan. and June of each year.
Capital Improvement Fund	20,000	-	20,000	100.00	The Township is setting aside these funds to help fund a capital ordinance possibly in 2013.
Reserve for Uncollected Taxes	670,183	22,925	647,258	2,823.37	The amount budgeted in TY 2013 is based on a calculation that the Township will collect approximately 93% of the amount billed for taxes, since we will no longer be conducting an accelerated tax sale.
Total	\$ 4,258,308	\$ 4,131,304	\$ 127,004	3.07	

Grants	\$	24,000	\$	39,031
Total Budgets	\$	4,282,308	\$	4,170,335

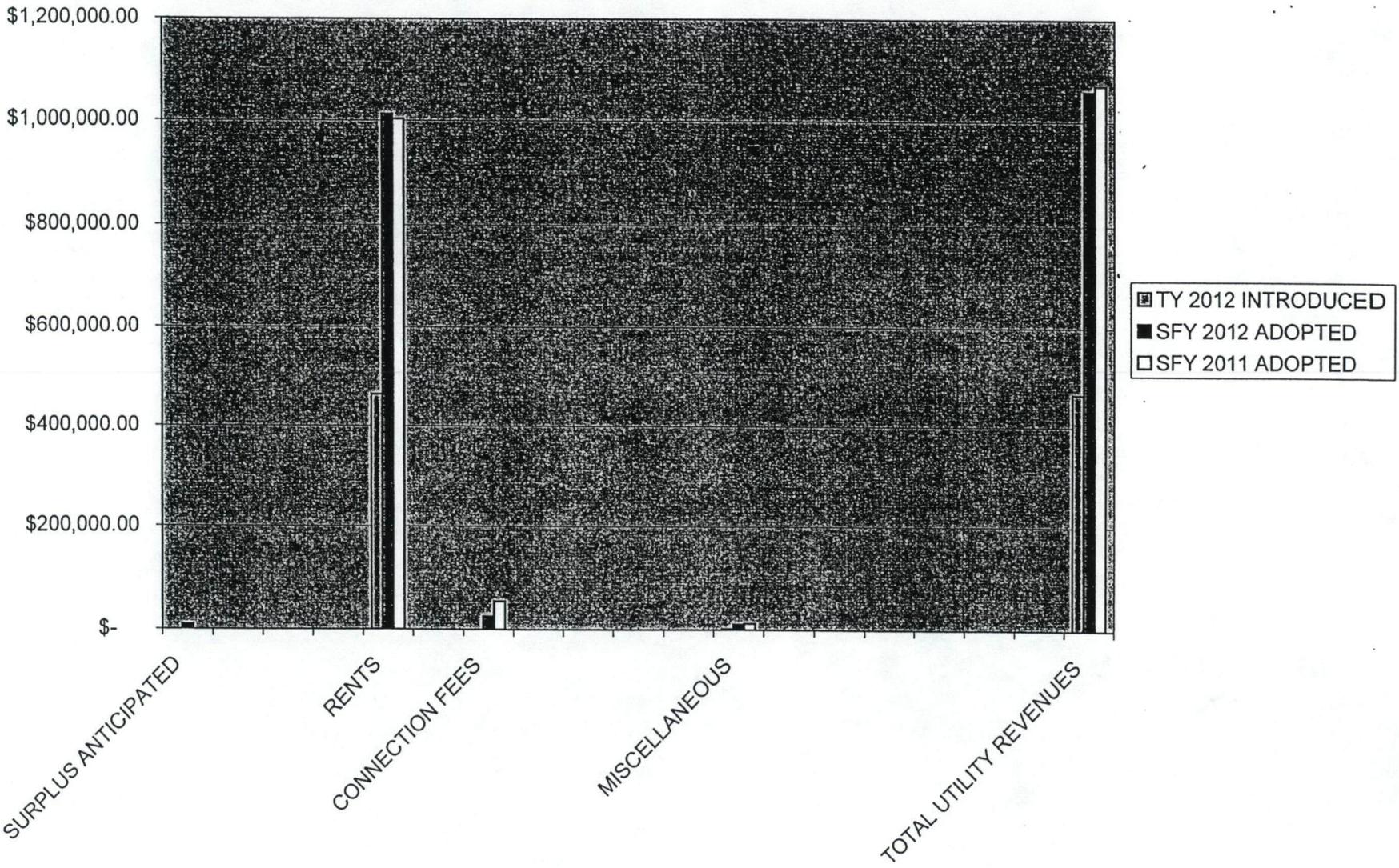
Current Fund- 3 Budget Cycle Revenue History and Projection



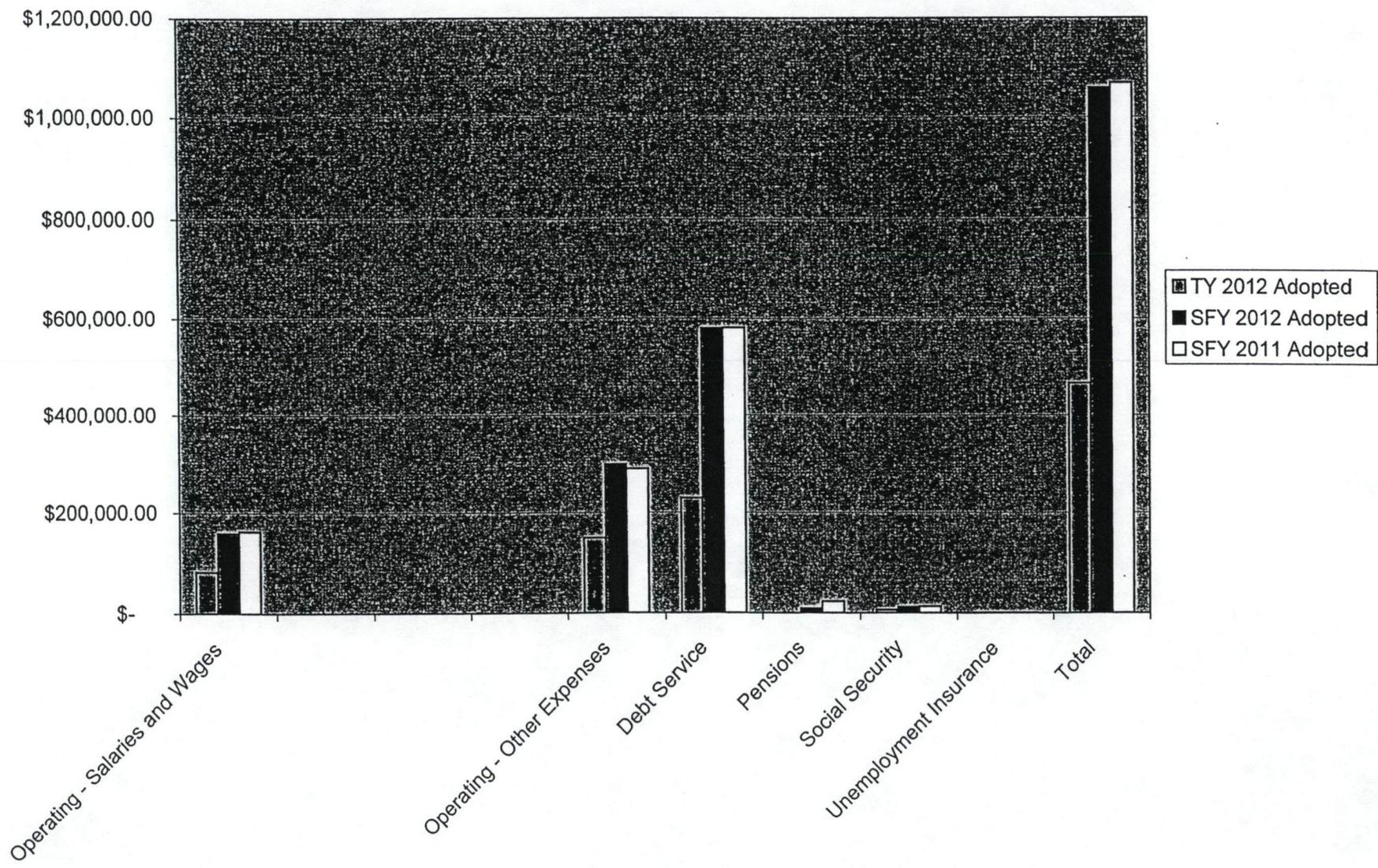
Current Fund - 3 Budget Cycle Appropriation History and Projection



Sewer Operating Fund - 3 Budget Cycle Revenue History and Projection



Sewer Operating Fund - 3 Budget Cycle Appropriation History and Projection



TOWNSHIP OF BERLIN
ANALYSIS OF THE TY 2012 BUDGET BY FUNCTION

DEPARTMENT	AMOUNT	PERCENTAGE
POLICE SALARIES	\$ 880,600	20.68
POLICE OTHER EXPENSES	86,135	2.02
<hr/>		
SUB TOTAL POLICE	\$ 966,735	22.70
PUBLIC WORKS /ENG. SALARIES (EXCLUDING SOLID WASTE)	\$ 192,380	4.52
PUBLIC WORKS/ENG. OTHER EXPENSES (EXCLUDING SOLID WASTE)	112,313	2.64
<hr/>		
SUB TOTAL PUBLIC WORKS/ENG. EXCLUDING SOLID WASTE	\$ 304,693	7.16
SOLID WASTE COLLECTION SALARIES	\$ 184,800	4.34
SOLID WASTE COLLECTION OTHER EXPENSES (INCLUDING LANDFILL)	99,350	2.33
<hr/>		
SUB TOTAL SOLID WASTE COLLECTION AND LANDFILL	\$ 284,150	6.67
SUB TOTAL PUBLIC WORKS/ENG. AND SOLID WASTE	\$ 588,843	13.83
UTILITIES (INCLUDING FUEL)	\$ 193,700	4.55
SOCIAL SECURITY	118,500	2.78
INSURANCE (INCLUDES W/C, GROUP AND UNEMPLOYMENT)	708,900	16.65
INSURANCE (LIABILITY)	500	0.01
OTHER SALARIES (ADMINISTRATION)	292,100	6.86
OTHER MISCELLANEOUS EXPENSES	217,047	5.10
POLICE AND FIREMENS RETIREMENT SYSTEM (PENSION)	0	0.00
DEFINED CONTRIBUTION RETIREMENT SYSTEM (PENSION)	1,000	0.02
DEBT SERVICE	480,800	11.29
CAPITAL IMPROVEMENT FUND	20,000	0.47
RESERVE FOR UNCOLLECTED TAXES	670,183	15.74
<hr/>		
TOTAL SUPPORTED BY TAXES.....	\$ 4,258,308	100.00
<hr/>		
RECONCILIATION		
TOTAL BUDGET	\$ 4,282,308	
LESS: GRANTS	(24,000)	
<hr/>		
TOTAL SUPPORTED BY TAXES.....	\$ 4,258,308	
<hr/>		

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

DEPARTMENT	HOUSEHOLD COST PER YEAR
POLICE SALARIES	\$ 381.30
POLICE OTHER EXPENSES	37.24
<hr/>	
SUB TOTAL POLICE	\$418.54
PUBLIC WORKS/ENG. SALARIES (EXCLUDING SOLID WASTE)	\$ 83.34
PUBLIC WORKS/ENG. OTHER EXPENSES (EXCLUDING SOLID WASTE)	48.68
<hr/>	
SUB TOTAL PUBLIC WORKS/ENG. EXCLUDING SOLID WASTE)	\$ 132.02
SOLID WASTE COLLECTION SALARIES	\$ 80.02
SOLID WASTE COLLECTION OTHER EXPENSES (INCLUDING LANDFILL)	42.96
<hr/>	
SUB TOTAL SOLID WASTE COLLECTION AND LANDFILL	\$ 122.98
SUB TOTAL PUBLIC WORKS/ENG. AND SOLID WASTE UTILITIES (INCLUDING FUEL)	\$ 255.00
UTILITIES (INCLUDING FUEL)	\$ 83.89
SOCIAL SECURITY	51.26
INSURANCE (INCLUDES W/C, GROUP AND UNEMPLOYMENT)	306.99
INSURANCE (LIABILITY)	0.18
OTHER SALARIES (ADMINISTRATION)	126.48
OTHER MISCELLANEOUS EXPENSES	94.03
POLICE AND FIREMENS RETIREMENT SYSTEM (PENSION)	0
DEFINED CONTRIBUTION RETIREMENT PROGRAM (PENSION)	0.37
DEBT SERVICE	208.17
CAPITAL IMPROVEMENT FUND	8.67
RESERVE FOR UNCOLLECTED TAXES	290.22
<hr/>	
	\$ 1,843.80
	=====

TOWNSHIP OF BERLIN
 ANALYSIS OF LOCAL MUNICIPAL TAXES
 FOR CALENDAR YEARS 2011 AND 2012

CY YEAR	AVERAGE ASSESSMENT	AMOUNT OF TAXES TO BE RAISED	RATABLES	TAX RATE PER \$100.00 (Note 2)	AVERAGE LOCAL MUNICIPAL TAX PER YEAR	INCREASE (DECREASE) FROM PREVIOUS YEAR	PERCENT INCREASE (DECREASE) FROM PREVIOUS YEAR
2011	\$ 105,749.00	\$ 5,733,479.05	\$ 347,880,725	1.648	\$1,742.74	\$308.55	21.51
2012 (Note 1)	\$ 105,844.00	\$ 6,107,558.36	\$ 350,468,328	1.742	\$1,843.80	\$101.06	5.79

Reminder:

Taxes increased in 2011 as a result of a decrease in Surplus due to large cuts in State Aid in SFY 2011 and prior years totaling over \$800,000.00.

Note 1:

1st Half Billing	\$	3,195,499.38
TY 2012 Levy Introduced		2,912,058.98
<hr/>		
2012 Amount to be Raised by Taxes	\$	6,107,558.36

Note 2: The Municipal Tax Rate used for Estimated 3rd Quarter 2012 billing (Aug 1, 2012) was \$1.823, therefore 4th Quarter bills due on Nov. 1, 2012 the municipal portion will decrease by 4.6 %.

TOWNSHIP OF BERLIN
 ANALYSIS OF TOTAL TAXES BASED ON THE AVERAGE RESIDENTIAL
 PROPERTY ASSESSMENT AND ON COUNTY CERTIFIED TAX RATES
 FOR THE CALENDAR YEAR 2012

(See Notes at Bottom)	ASSESSMENT	TAX RATE PER \$100.00	TOTAL TAXES	PERCENT OF TOTAL TAXES
COUNTY TAX.....	\$105,844.00	\$ 1.151	\$ 1,218.26	21.03
COUNTY LIBRARY TAX.....	\$105,844.00	0.074	78.32	1.35
COUNTY OPEN SPACE TAX.....	\$105,844.00	0.033	34.93	0.60
DISTRICT SCHOOL TAX.....	\$105,844.00	2.303	2,437.59	42.08
LOCAL MUNICIPAL TAX.....	\$105,844.00	1.742	1,843.80	31.83
FIRE DISTRICT TAX.....	\$105,844.00	0.130	137.60	2.46
OPEN SPACE/RECREATION TAX.....	\$105,844.00	0.040	42.34	0.73
 TOTALS.....		 \$ 5.473	 \$ 5,792.84	 100.00
		=====	=====	=====

Notes:

- 1) The County Taxes were verbally verified by the County Board Administrator
- 2) The District School Taxes is as per the A4F Form dated 3/27/12
- 3) The Municipal Tax equals the amount billed for 1st Half of 2012 plus the TY 2012 Levy as per the Division of Local Government Services
- 4) The Fire District Tax is as per the Assessor's Certification dated 4/11/12
- 5) The Open Space Tax is as per Referendum passed in 1999 at \$.04 per \$100 of assessed valuation

TOWNSHIP OF BERLIN
 ANALYSIS OF THE TOTAL TAX RATE AND TOTAL TAXES
 FOR THE CALENDAR YEARS 2008 THROUGH 2012

YEAR	TAX RATE *	AMOUNT	INCREASE OR (DECREASE)	PERCENT INCREASE OR (DECREASE)
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
2012	5.473 \$	5,792.84 \$	174.40	3.10

* BASED ON AN AVERAGE RESIDENTIAL ASSESSMENT OF THE FOLLOWING:

YEAR	ASSESSMENT
2012	\$105,844.00
2011	\$105,749.00
2010	\$104,686.00
2009	\$103,764.00
2008	\$102,659.00

TOWNSHIP OF BERLIN
ANALYSIS OF PROPERTY ASSESSMENTS
FOR THE CALENDAR YEARS 2008 THROUGH 2012

PROPERTY CLASSIFICATION	2012	2011	2010	2009	2008
Vacant Land.....	\$10,898,100	\$10,441,700	\$10,293,300	\$11,155,600	\$11,164,300
Residential.....	183,746,600	182,735,100	179,117,800	176,191,600	172,878,100
Farm (Regular).....	166,400	166,400	166,400	166,400	166,400
Farm (Qualified).....	27,100	43,300	43,300	43,300	43,300
Commercial.....	119,559,500	118,332,800	117,366,300	117,193,600	119,255,400
Industrial.....	31,381,700	31,476,600	32,875,000	33,195,000	33,578,200
Apartment.....	3,955,600	3,955,600	3,955,600	3,955,600	3,955,600
Utilities.....	733,328	729,225	1,007,138	705,599	575,061
TOTALS.....	\$350,468,328	\$347,880,725	\$344,824,838	\$342,606,699	\$341,616,361
INCREASE (DECREASE) FROM PREVIOUS YEAR.....	\$2,587,603	\$3,055,887	\$2,218,139	\$990,338	\$341,616,361
PERCENT INCREASE (DECREASE) FROM PREVIOUS YEAR.....	0.74	0.89	0.65	0.29	0.61

TOWNSHIP OF BERLIN
 ANALYSIS OF STATE AID RECEIVED EXCLUDING GRANTS
 FOR THE FISCAL YEARS 2008 THROUGH TY 2012

CATEGORY	TY 2012	SFY 2012	SFY 2011	SFY 2010	SFY 2009	SFY 2008
Business Personal Property Taxes.....						
Franchise and Gross Receipts Taxes/Energy Receipts Taxes.....	\$1,234,473.00	\$1,287,847.00	\$1,287,847.00	\$1,515,268.00	\$1,554,121.00	\$1,488,272.00
Supplemental Franchise and Gross Receipts/Energy Receipts Taxes.....						53,374.00
Legislative Initiative Municipal Block Grant.....						23,917.00
Consolidated Municipal Property Tax Relief.....						12,475.00
Pineland Tax Stabilization.....				320.00	320.00	320.00
Municipal Homeland Assistance.....						50,000.00
Municipal Property Tax Assistance.....						31,198.00
Extraordinary/Discretionary Municipal Property Tax Relief.....						400,000.00
SUB TOTALS.....	\$1,234,473.00	\$1,287,847.00	\$1,287,847.00	\$1,515,588.00	\$1,554,441.00	\$2,059,556.00
INCREASE (DECREASE) FROM PREVIOUS YEAR.....	(\$53,374.00)	\$0.00	(\$227,741.00)	(\$38,853.00)	(\$505,115.00)	(\$68,802.00)
PERCENT INCREASE (DECREASE) FROM PREVIOUS YEAR.....	(4.14)	0.00	(15.03)	(2.50)	(24.53)	(3.23)

This schedule highlights that our total State Aid decreased by \$ 825,083.00 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.

TY 2012 State Aid decrease has to do with timing. The final payment of our aid will be received after December 31, 2012 in June 2013.

TOWNSHIP OF BERLIN
 ANALYSIS OF TAX COLLECTION RATE PERCENTAGES, BALANCES OF DELINQUENT TAXES AND BALANCES OF TAX TITLE LIENS
 FOR THE FISCAL YEARS 2008 THROUGH 2012

	AS OF 6/30/12 (Note 1)	AS OF 6/30/11	AS OF 6/30/10	AS OF 6/30/09	AS OF 6/30/08
TAX COLLECTION RATE PERCENTAGES (ACTUAL)	99.14%	99.61%	99.72%	99.95%	99.11%
BALANCES OF DELINQUENT TAXES	\$ 2,035.29	\$ 2,134.48	\$ 2,903.98	\$ 3,289.64	\$ 4,754.73
BALANCES OF TAX TITLE LIENS	\$ 198,336.78	\$ 6,977.78	\$ 4,807.95	\$ 1,734.65	\$ 49,502.28

Notes:

1 - From Unaudited Financial Statement at 6/30/12. All other years are audited amounts.
 Also in 2012 the Township acquired a tax lien on a property along Route 73. The Township will move forward, as quickly as legally possible, to foreclose and later sell the property.

TOWNSHIP OF BERLIN
ANALYSIS OF SURPLUS/FUND BALANCE AND THE PERCENTAGE OF THE BUDGET REPRESENTED BY SURPLUS ANTICIPATED - CURRENT FUND
FOR THE FISCAL YEARS 2008 THROUGH TY 2012

	TY 2012 (See Note 2)	SFY 2012 (See Note 3)	SFY 2011	SFY 2010	SFY 2009	SFY 2008
Surplus/Fund Balance at Beginning of Year \$ (See Note 1)	533,357	\$ 517,315	\$ 410,182	\$ 717,912	\$ 1,002,238	\$ 918,395
Surplus Generated During Year	620,000	387,742	478,833	374,270	577,674	733,843
Sub Total	\$ 1,153,357	\$ 905,057	\$ 889,015	\$ 1,092,182	\$ 1,579,912	\$ 1,652,238
Surplus Anticipated to Balance Budget	-	(371,700)	(371,700)	(682,000)	(862,000)	(650,000)
Surplus/Fund Balance at End of Year	\$ 1,153,357	\$ 533,357	\$ 517,315	\$ 410,182	\$ 717,912	\$ 1,002,238
Total Original Budget Adopted	\$ 4,282,308	\$ 8,267,007	\$ 7,411,814	\$ 7,682,429	\$ 7,506,332	\$ 7,334,053
Percentage of the Budget Represented by Surplus Anticipated	0.00%	4.50%	5.01%	8.88%	11.48%	8.86%

Notes:

- 1 - Only Cash Surplus may be anticipated in the budget of the following year.
- 2- TY 2012 Surplus Generated During Year and Surplus/ Fund Balance at End of Year are Estimated. Budget is introduced amount
- 3- From Unaudited Financial Statement at 6/30/12

Comment for TY 2012: Generally the Township generates between \$300,000 to \$400,000 each year in Surplus. This year, however with the reversion to a calendar year, and with other revenues received, the amount estimated to be available as of 12/31/12 will be higher than normal and a conservative amount will be used to balance the budget for 2013.

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 2008 THROUGH TY 2012

	TY 2012 (See Note 2)	SFY 2012 (See Note 3)	SFY 2011 (See Note 3)	SFY 2010	SFY 2009	SFY 2008
Surplus/Fund Balance at Beginning of Year \$ (See Note 1)	121,069	\$ 9,417	\$ 53,100	\$ 87,431	\$ 82,898	9,591
Surplus Generated During Year	10,000	121,061	9,317	53,046	63,117	82,824
Sub Total	\$ 131,069	\$ 130,478	\$ 62,417	\$ 140,477	\$ 146,015	92,415
Surplus Anticipated to Balance Budget of Sewer Operating or Current Fund	-	(9,409)	(53,000)	(87,377)	(58,584)	(9,517)
Surplus/Fund Balance at End of Year	\$ 131,069	\$ 121,069	\$ 9,417	\$ 53,100	\$ 87,431	82,898
Total Original Budget Adopted	\$ 466,200	\$ 1,058,180	\$ 1,067,900	\$ 1,111,400	\$ 1,138,550	1,061,917
Percentage of the Budget Represented by Surplus Anticipated	0.00%	0.89%	4.96%	7.86%	5.15%	0.90%

Notes:

- 1 - Only Cash Surplus may be anticipated in the budget of the following year.
- 2- TY 2012 Surplus Generated During Year and Surplus/ Fund Balance at End of Year are Estimated. Budget is introduced amount.
- 3- From Unaudited Financial Statement at 6/30/12

Comment for TY 2012: The Township may generate approximately \$10,000 in surplus this year due to unexpended balances of appropriation reserves.
 No surplus was necessary to balance the TY 2012 Budget. A conservative amount will be used to balance the budget of 2013.