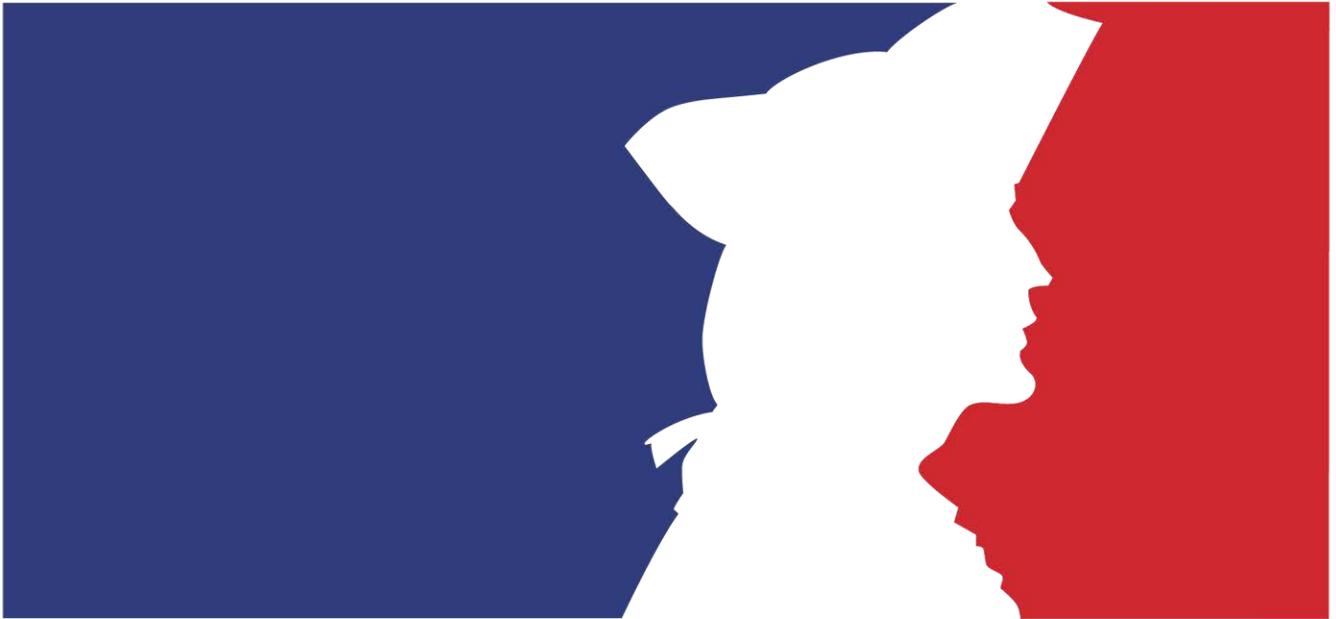


THE TOWN OF



MORRISTOWN

FY2017 Executive Municipal Budget

PROPOSED: Tuesday, May 9, 2017



Timothy P. Dougherty, *Mayor*

MUNICIPAL COUNCIL

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Kevin D. Harris
Town Clerk

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Chief Financial Officer

Vijayant Pawar
Town Attorney

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TO: Citizens of the Town of Morristown; Members of the Town Council
FROM: Hon. Timothy P. Dougherty, Mayor
DATE: May 9, 2017
SUBJECT: **FY 2017 Executive Municipal Budget**

As mandated by New Jersey Local Budget Law, and in accordance with the Town of Morristown Code, I am submitting Morristown's Fiscal Year ("FY") 2017 Executive Municipal Budget ("Municipal Budget") to the Town Council for consideration, authorization and adoption.

The Fiscal Year 2017 Municipal Budget is the culmination of seven years of fiscal and managerial discipline that followed many years of weak management and poor financial decisions, leaving our residents with a deteriorating tax base, a structurally imbalanced budget, and repeated tax increases. In 2010, my Administration was faced with the daunting task of transforming the business of local government in Morristown in the midst of financial strain, while striving to provide the level of service that our residents and business owners deserve. But we made the tough choices, reducing operational spending without compromising the level of service, and have arrived at a healthy, financially sound municipal operation that has led our community to flourish and grow.

Vice President Joe Biden once said, "Don't tell me what you value, show me your budget, and I'll tell you what you value." This budget demonstrates that our community values fiscal integrity, service excellence, and the expectation that every resident deserves the best quality of life.

My Administration's goal for this Town is simple: Keep Morristown a desirable place to live, work and visit. That means having a vibrant downtown, great parks, well maintained roads and sidewalks, and streets safe for pedestrians of all ages. It also means fortifying the tightknit fabric of this community that makes us all not just neighbors but a family of Morristownians. That can't be achieved without ensuring that property taxes are manageable and predictable, which is why it has been a priority to keep the municipal tax rate stable year after year.

Today, I am pleased to present to the Citizens of Morristown and Town Council the Fiscal Year 2017 Municipal Budget that continues our legacy of financial stability. And, for the seventh year, this budget includes no property tax increase.

In fact, the municipal tax rate is less than it was seven years ago because the decision was made that our taxpayers need not shoulder additional financial burden to receive exceptional government services. There are no one-time revenue gimmicks or appropriation deferrals in this budget. Local revenues and State Aid are stable. And property values are up.

As you know, at the end of 2015 the Town settled a long-standing tax appeal with the Morristown Medical Center. Because of this agreement, we now have an additional \$40.0 million added to our ratable base. Furthermore, Atlantic Health continues to pay interest and penalties on prior year

property taxes with a payment of \$550,000 every year for ten years. This additional revenue goes directly towards supporting our operating budget and stabilizing the tax rate.

The Town remains committed to reduce the debt burden on our taxpayers. Our long-term debt obligations have decreased by over \$20 million over the last several years. Indeed, the Town's annual debt payments will decline this year by over \$855,000. This downward trend is evidence of this Administration's aggressive approach and commitment to reducing the Town's debt burden on our taxpayers.

Morristown is vibrant and flourishing. Why? Because our neighborhoods, parks and trails, excellent schools, and performing arts center have made our community the place to be. And it was our fortitude through the tough years that prepared us to attract this tide of progress. Tax payers should be proud of the progress made in the last seven years as growth has brought many new businesses and residents into town. That activity has brought a vibrancy and cache to our Town, but also directly benefits the taxpayer. The smart growth that has occurred since 2010 adds over \$98.5 million in assessed value. With this additional value, including the hospital, and the PILOTs from redevelopment projects, every taxpayer will save \$1,197 per \$100,000 in assessed value over the next ten years. That means if you're the average homeowner with a property assessed at \$352,097, you will have saved \$4,218, which is meaningful savings.

As you can see, controlled, smart development has a positive financial impact in the short- and long term- that benefits the entire community. In addition to eliminating blight, it enhances neighborhoods through increased value and investment. Last year, the CVS was completed on Speedwell Avenue and Modera 44 became fully occupied. Investment all over town continues to grow as demonstrated by the amount of construction completed and underway. A 45,000 square foot office building opened in March. And there are also several residential projects including: Modera 55 on Early St; Dehart Lofts; the Ford and Morris St redevelopment – a project that brought a building that had been vacant for over 25 years back to life; and 3 South Street, which now houses a Blue Mercury location and other stores where empty storefronts stood for many years. There is even a recently approved new hotel coming to Market Street. The Building and Zoning departments that have both seen increases in activity as a result. In fact, the Town processed more zoning permits last year than in the previous 5 years and the Building department saw an increase in permit fees of 18 percent.

This Town is booming! Which is why we have engaged a national expert on traffic and mobility to help us identify strategies to improve mobility for all, which will provide the Town a roadmap for the capital improvements key to achieving our goals. The results of this complex undertaking will be available this summer.

Quality of life and open space remain a priority of my Administration. That is why the Town is investing in not one but 2 brand new parks. One park that is breaking ground next month is Kleightman Woods, made possible through the generous donation of property from the Kleightman family. The second park will be just over an acre adjacent to the Modera 55 building and will feature "garden rooms" perfect for active recreation and passive leisure. This park will also break ground this year and is funded through a partnership with the redeveloper, Mill Creek. We are also seeking to conserve 11 acres of open space at the property of Loyola Retreat House. In addition to parks,

the Town has 2 streetscape projects planned for this year. The first is on MLK, which began in 2016 with the first phase which looks great, and will continue with Phase 2 this summer that will feature a plaza at the Patriots' Path trailhead that will honor Dr. King. The Washington Avenue streetscape will also receive a makeover that will add traffic calming features to the road to make this neighborhood safer for our families.

Our public safety agencies are the best in the County, and we are proud of our men and women in uniform. Last year we achieved reductions in motor vehicle thefts, burglaries, and aggravated assaults. We also expanded training of our personnel in the use of Narcan and successfully treated 9 overdose cases. Pedestrian safety and distracted driving were a focus last year so that we can ensure that every resident and child can enjoy our walkable community safely. We received several grants to assist in increased enforcement that continues into this year. The Police began implementing body worn cameras in 2015, the first in the County, and will have them fully deployed to all patrol personnel this year. 2 new police recruits will be added to our roster to continue expanding the great work our police are doing. Our fire department will also see the addition of two firefighters to supplement existing staff.

Our human resources are the most important ingredient in providing services to our residents. This year we have expanded training and professional development activities for all staff to ensure constant improvement in skills so that our constituents are well served. That includes management and leadership training for current and emerging supervisors to ensure the development of capable future administrators in our organization prepared to take on additional responsibility.

Our engineering division, led by our new Town Engineer, is executing an expanded capital program this year and conducting several parking and traffic studies to improve the quality of life for our residents. The division's talented engineers execute much of the design work in-house which allows the town to complete a lot of work cost effectively. The division is also utilizing the latest technologies by developing in-house capacity for GIS and mapping. Each of the 3 existing division members recently obtained an FAA Airman Certificate for operating drones which will be used to collect photographic data and produce dynamic maps. Engineering will be working with our Environmental Commission to execute phase 2 of the study of Footes Pond, the next step in restoring this environmentally important asset in our community. The town was awarded over \$130,000 in grant dollars to expand the trails around the pond and create a complete loop around the pond. The design work for this project is already underway.

In 2016, the Town's expansion of recreational programs for adults and seniors will continue. Last summer we hosted the first open house at Burnham Pool and more families became members. We will continue improvements to the pool complex, undertaking major renovations in 2018, and Cauldwell Pool is in the process of being resurfaced for this season.

For our seniors, we've heard you loud and clear. We are working on new programs to expand social and recreational activities. But I'm most excited to share that we will have a new Colonial Coach this year with service expanded to Saturday mornings. Stay tuned!

Seniors, youth, and immigrant residents will all benefit from the Municipal ID program planned for this summer. All residents will have access to official government identification that can be used at

banks and government agencies to receive services. This is an important initiative that demonstrates that our community is Fair and Welcoming to all residents.

This year's budget represents a continued movement towards exceptional government services while solidifying the Town's financial stability and health.

"Alone we can do so little, together we can do so much." Helen Keller

I'd like to thank the Business Administrator, Jillian Barrick, and Chief Financial Officer, Frank Mason, for their many hours of dedication and hard work assembling this most important policy document. I'd also like to thank all of my Department Heads for working with me to restore financial sensibility and prudence to the way our government operates, and fostering a cooperative, responsive municipal service delivery that our citizens feel proud to call Morristown. And to our employees, each of you serves a vital role in bringing these goals to fruition and we would not be able to accomplish any of this without you. Our community is a better place because you are a part of our team, and I thank you.

And to our residents, it has been an honor working on behalf of this community and I pledge to continue working hard every day to make it even better.

Thank you.

FY2017 MUNICIPAL OPERATING BUDGET

FY2017 PROPOSED OPERATING BUDGET OVERVIEW

The proposed budget for FY2017 is \$53.7 million and includes appropriations for both the Operating and Sewer Utility Funds and their Capital Improvement Plans. Compared with FY2016, the total FY 2017 Financial Budget represents a \$1.3 million, or 2.5% increase. This year's capital request is \$584,716, or 14.2% more than the 2016 Capital budget.

FINANCIAL SUMMARY

	FY2016	FY2017
<u>Operating Fund</u>		
Municipal Budget	\$40,291,962	\$40,644,280
Grants	15,000	245,044
<u>Capital Improvements Plan</u>	<u>3,443,850</u>	<u>4,028,566</u>
Sub-total	43,750,812	44,917,890
<i>Percent Change</i>		3.2%
<u>Sewer Utility Fund</u>		
Sewer Utility Budget	8,577,142	8,063,204
<u>Capital Improvements Plan</u>	<u>670,000</u>	<u>670,000</u>
Sub-total	8,577,142	8,733,204
<i>Percent Change</i>		1.82%
Total Financial Budgets	\$52,327,955	\$53,651,094
<i>Percent Change</i>		2.5%

	FY2016	FY2017
<u>Capital Budget</u>		
Animal Control	\$0	\$25,000
Administration	274,850	0
Building and Grounds	48,000	488,196
Bus	0	150,000
Library	0	250,000
Police	0	146,565
Public Works	519,000	159,000
Parks & Recreation	222,000	413,150
<u>Roads & Engineering</u>	<u>2,380,000</u>	<u>2,396,655</u>
Total Capital Budget	\$3,443,850	\$4,028,566
<i>Percentage Change</i>		17.0%
<u>Sewer Capital Budget</u>		
Sewer Capital	670,000	670,000
<i>Percentage Change</i>		0.0%
Total Capital Budget	4,113,850	4,698,566
<i>Percentage Change</i>		14.2%

OPERATING BUDGET – HIGHLIGHTS

- **Flat Municipal Tax Rate:** The Administration is recommending a no change in the Municipal Tax Rate, making the 7th consecutive year of a flat or reduced rate.

In FY 2017, one cent (\$0.01) of the Municipal Tax Rate is equal to \$226,173 as compared with last fiscal year, which one cent was equal to \$225,465. A \$7.1 million increase in the Town’s tax base accounts for almost \$0.003, or a 0.314% effect on the Municipal Tax Rate to offset this year’s Municipal Tax Levy increase of \$558,439.

- **School District Rate Will Increase Total Property Tax Rate:** For Morristown’s average assessed residence of \$352,097, the following table will show the breakdown comparison of a property homeowner’s tax bill, and what the estimated total tax bill will look like in FY 2016.

**AVERAGE RESIDENTIAL ASSESSMENT (\$352,097)
Total Property Tax Bill Comparison**

	FY2016	FY2017	Difference
Municipal Tax	\$3,495.78	\$3,495.78	\$0.00
Morris County Tax	4,702.96	4,919.97	\$217.01
Morris School District Tax	1,041.68	1,102.82	\$61.14
<u>Public Library Tax</u>	<u>143.80</u>	<u>149.39</u>	<u>\$5.58</u>
Total Tax Bill Amount	\$9,384.21	\$9,667.95	\$283.74

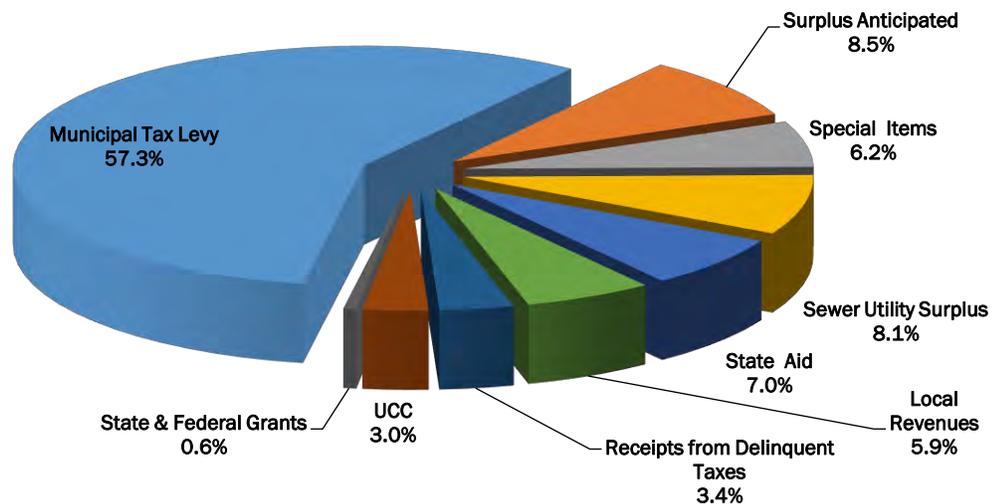
Furthermore, for every \$100,000 of assessed valuation, a property owner should anticipate an estimated \$27.48 increase in their total tax bill. The breakdown of this \$27.48 total tax increase per \$100,000 assessed valuation is as follows: Municipal: \$0; County: \$5.92 decrease; School District: \$21.00 increase; and Public Library: \$0.54.

- **\$462,225 UNDER Property Tax Levy Cap:** For six consecutive years, the Municipal Budget is well under the 2% Property Tax Levy Cap. As calculated through the Property Tax Levy Cap formula, the maximum allowable amount to be raised through the Town’s Municipal Levy is \$24,479,476. However, the Municipal Budget requires only \$22,917,708 in property tax revenues this year to balance out total appropriations. In FY 2016, the Town budget was \$2,094,282 under the Property Tax Levy Cap. Although this amount is permitted under the State law to “bank” for three budget years (FY’s 2017-19), the FY 2017 budget utilizes \$0.00 of its prior year Levy Cap bank amounts of \$719,362.

REVENUES

The Town’s operating budget reflects a mixture of revenue sources. The Municipal Tax Levy, funded through the property tax, is the largest portion at 57.3%. As the primary resource for government services, the tax base is the most important revenue source to ensure vital services are delivered. However, while the property tax is the largest share, each one of the other sources of revenue help to stabilize taxes and offset tax increases that would otherwise be necessary to absorb the natural increases in the costs of goods and services. Therefore, those other revenues should be maximized, where reasonable and prudent, to reduce reliance on the property tax where possible.

FY 2017 ANTICIPATED REVENUES (%)
“WHERE THE BUDGET \$\$ COMES FROM



For FY2017, the property tax levy makes up 57.3% of operating revenue, a modest increase of 0.57% from FY2016. While the municipal tax levy shows a nominal increase, the other components of the tax bill reflect substantial increases in the other governmental entities that serve our residents.

The table below shows the apportionment of the overall total property tax levy amount for each of these same years along with the percentage change from FY 2016 to FY 2017.

TOTAL PROPERTY TAX LEVY

	FY2013	FY2014	FY2015	FY2016	FY2017 (PROPOSED)	% Change from FY2013
Municipal	22,327,449	22,394,526	22,420,089	22,385,194	22,455,483	0.57%
County	6,526,730	6,536,993	6,532,115	6,945,154	7,084,057	8.54%
Regional School	27,397,371	27,711,111	28,277,088	30,115,346	31,603,930	15.35%
Library	868,145	853,710	861,586	920,827	959,592	10.53%
TOTAL	57,119,695	57,496,340	58,090,878	60,366,521	62,103,063	8.72%

TOTAL PROPERTY TAX

For every property owner, their tax bill reflects 4 components: Municipal, County, Regional School, and Library. For FY2017, that bill will total \$2.746 per \$100 of assessed value, an increase of 3.0 percent over 2016.

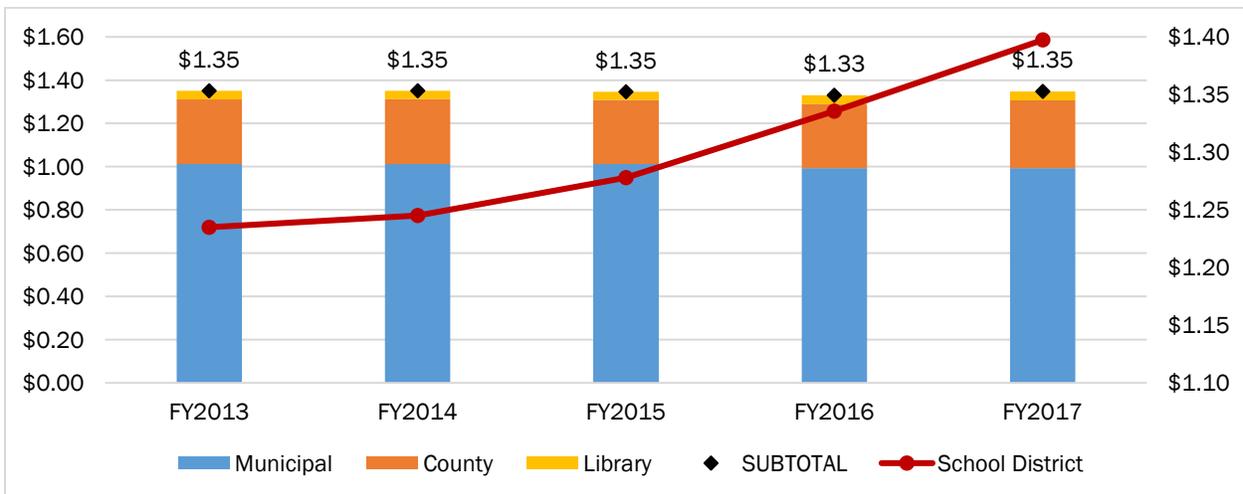
The chart below shows the five-year trend of the tax rate including FY2017. The School District makes up the largest portion of the tax rate and has increased significantly over the last five years while other components have remained stable or declined.

TOTAL PROPERTY TAX RATES

	FY2013	FY2014	FY2015	FY2016	FY2017	Change from FY2013
Municipal	\$1.013	\$1.013	\$1.013	\$0.993	\$0.993	(\$0.020)
School District	1.235	1.245	1.278	1.336	1.397	0.162
County	0.298	0.299	0.295	0.296	0.313	0.015
<u>Library</u>	<u>0.039</u>	<u>0.039</u>	<u>0.039</u>	<u>0.041</u>	<u>0.042</u>	<u>0.003</u>
TOTAL	\$2.585	\$2.596	\$2.625	\$2.665	\$2.746	\$0.161

Furthermore, over 5 years the School District has solely driven the increase in the tax rate. As shown below, the total of the other components of the tax rate have held flat at \$1.35 for each of the last 5 years, except for FY2016 which was \$0.02 less. The School District, on the other hand, has seen an increase of over 13 percent since FY2013.

TOTAL PROPERTY TAX RATE TREND



MUNICIPAL TAX LEVY

PROPERTY TAX LEVY: HOW IS EVERY \$1.00 SPENT

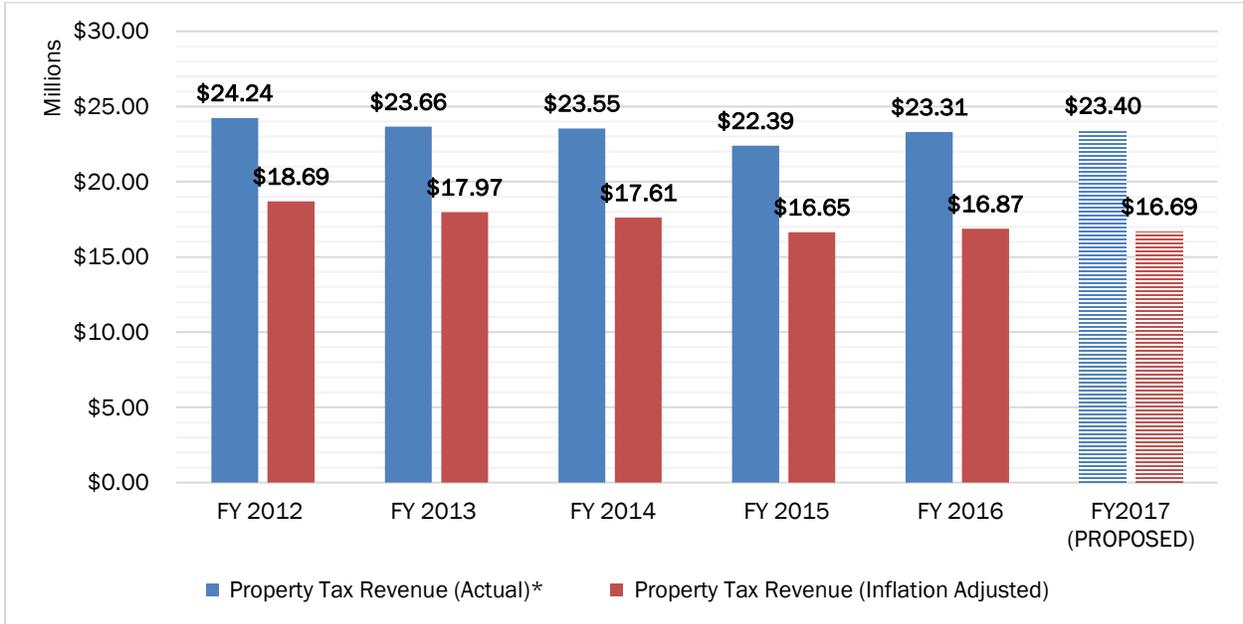
Appropriations	Portion Funded through Tax Levy	Portion of Every Dollar
<i>Municipal Operations</i>		
Police	\$605,797	\$0.17
Public Works	197,800	\$0.16
Fire	3,558,286	\$0.09
Code Enforcement	2,001,160	\$0.05
Revenue and Finance	582,052	\$0.03
Business Administration /Purchasing	552,633	\$0.03
Municipal Court	474,657	\$0.02
Legal	3,878,053	\$0.01
Reserves	258,049	\$0.01
<u>Town Clerk</u>	<u>323,052</u>	<u>\$0.01</u>
Total Municipal Operations		\$0.56
<i>Other Appropriations</i>		
Insurance	5,877,507	\$0.14
Pensions and OASI	3,518,904	\$0.09
Debt Service	3,452,500	\$0.08
Reserve for Uncollected Taxes	1,155,117	\$0.03
Capital Improvements	1,092,000	\$0.03
Aid to Library	959,592	\$0.02
Shared Service Agreements	711,468	\$0.02
Reserve for Tax Appeals	600,000	\$0.01
Grants	260,044	\$0.01
Contributions	161,100	\$0.00
Deferred Charges	128,277	\$0.00
Commissions	11,500	\$0.00
<u>Contingency</u>	<u>5,000</u>	<u>\$0.00</u>
Total Other Appropriations	17,933,009	\$0.44
TOTAL APPROPRIATIONS	\$40,889,321	\$1.00

Tax payers should be aware of what municipal services and other expenditures are funded through the budget as well as how much of their tax dollars are being spent for each appropriation purpose. To illustrate these costs in a different manner, the chart above shows how much a property owner would pay annually for each area of the municipal budget if the tax levy was not based upon Net Assessed Valuation (“NAV”), but was determined simply by owning a property in the Town.

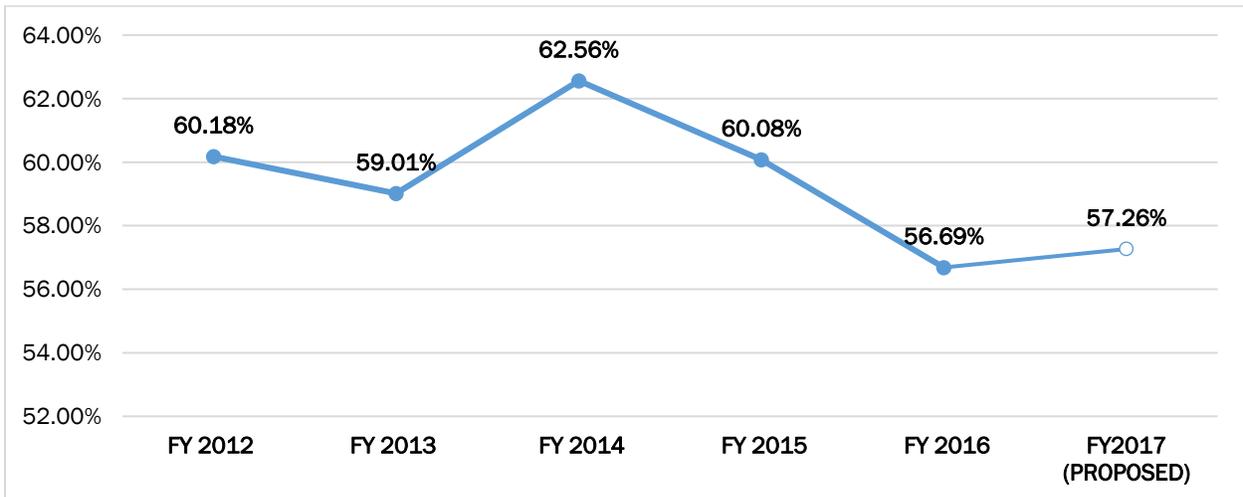
FY2017 MUNICIPAL OPERATING BUDGET

The Town has successfully held the municipal property tax levy stable for the last seven years. When relative to the impact of inflation, the property tax levy has shown a trend of decline. Similarly, property tax revenue as a percentage of total operating revenue remains stable as well.

MUNICIPAL PROPERTY TAX REVENUE TREND¹



PROPERTY TAX REVENUE AS A PERCENTAGE OF TOTAL OPERATING REVENUE



¹ * Property tax revenues are audited figures that include prior year delinquencies.

◆ **TAX BASE**

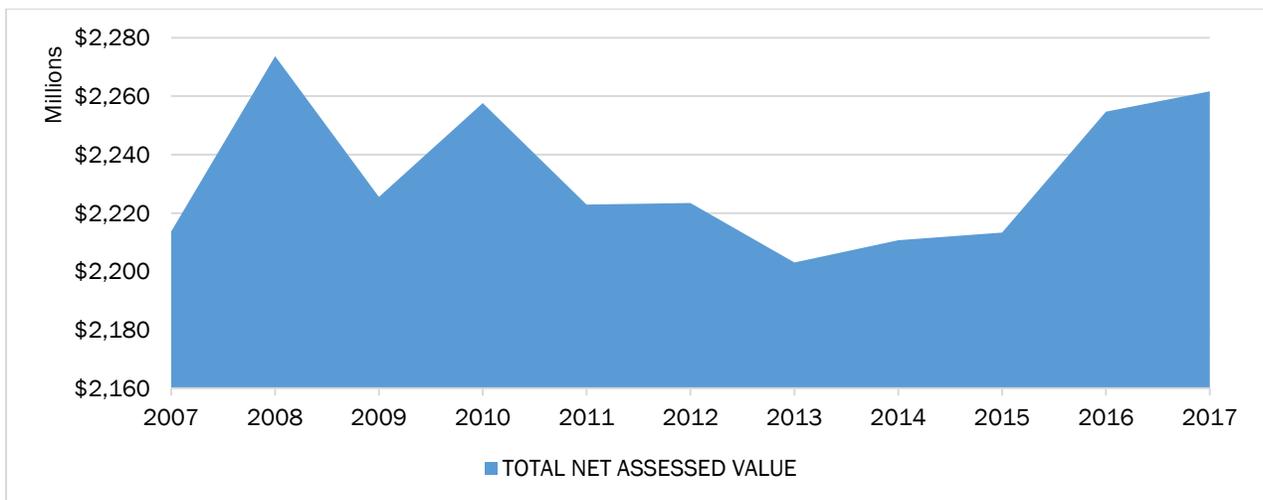
The Total Assessed Value of property determines the rate at which a tax rate is struck. All other things being equal, increasing property values would result in a decrease in tax rate as the burden is spread across a greater denominator. Thankfully, Morristown has experienced growth in value since 2013 which is anticipated to continue for the near future.

The Town’s property tax base provides approximately 57% of municipal budget revenues through its tax levy, which is the State average for all 565 municipalities. For this primary reason, it is essential for the Town to make every effort to preserve and defend its existing tax base in tax appeal litigation, and to carefully plan new development to maximize economic utilization of its rather small geographic area of 2.9 square miles.

A more complete picture of the Town’s Net Assessed Value is shown below.

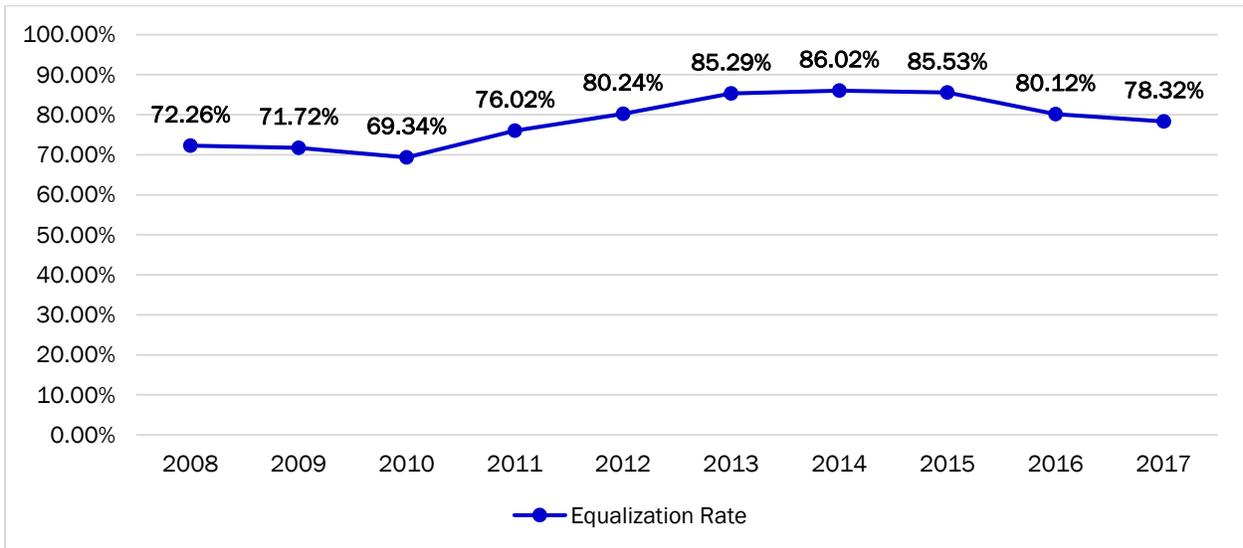
ASSESSED VALUATIONS (LAND IMPROVEMENTS BY CLASS)

FY	Vacant Land	Residential	Commercial	Apartment	Industrial	TOTAL
2017	16,322,900	1,266,492,800	727,584,000	242,590,200	8,732,600	2,261,722,500
2016	15,987,300	1,257,501,600	733,187,100	237,112,100	10,862,600	2,254,650,700
2015	18,629,800	1,258,855,642	696,034,200	228,912,100	10,862,600	2,213,294,342
2014	24,721,200	1,250,437,042	697,605,000	226,722,100	11,253,500	2,210,738,842
2013	25,321,600	1,241,869,042	697,912,200	226,722,100	11,253,500	2,203,078,442
2012	26,496,100	1,242,453,642	701,858,700	227,140,400	11,253,500	2,223,416,160
2011	34,550,100	1,242,654,342	708,794,700	211,285,200	11,445,300	2,222,943,460
2010	56,476,200	1,247,516,242	717,666,000	211,285,200	11,445,300	2,257,627,429
2009	23,271,200	1,238,444,242	761,433,900	176,421,700	11,665,100	2,225,524,793
2008	49,435,100	1,195,501,242	824,460,800	176,921,700	11,665,100	2,273,701,864
2007	55,989,100	1,194,136,942	758,006,900	177,599,100	11,665,100	2,213,619,563
2006	20,973,400	1,186,237,542	810,147,900	168,248,100	11,665,100	2,213,494,463



The Town’s NAV-to-Fair Market Valuation (“FMV”) ratio (or “Ratio”) is a primary factor used in tax appeal litigation, and determines whether a property owner has a likelihood of success under State tax law. From FY 2008 through FY 2010, the Town’s NAV-to-FMV ratio steadily declined as the FMV amount increased above a property owner’s assessed valuation. The Ratio is a lagging indicator as it provides property sale data from a period dating back one year in addition to a weighted average of property sales data from the 2 years preceding last year from the time the County provides the ratio number in October of each year. For example, the Town’s FY 2015 ratio is based on weighted sales data from July 2011 to June 2013, and from selected sales from July 2013 until June 2014. The graph below illustrates the Town’s Ratio for FY 2017, and the preceding nine years.

EQUALIZATION RATE: TREND



WHAT IS NAV AND WHY DOES IT MATTER?

The Net Assessed Value (NAV) is the value of property adjusted with the equalization rate.

$$\begin{matrix} \text{(Total Assessed Value)} \\ \times \text{(Equalization Rate)} \end{matrix} = \text{NAV}$$

This net value is used by the County and School District to apportion property tax burden to the Town’s taxpayers.

For example, if the Town’s NAV increases more than the Township’s value, as happened this year, the Town’s taxpayers will bear a greater share of the School’s tax levy.

As evidenced in the graph above, the Town’s Ratio, or Equalization Rate, has declined for the third year in a row. While this is an indication of positive market growth, through which the municipal levy and tax rate have benefited, the declining ratio has inverse relationship to the County and School portions of the tax, resulting in increases beyond the annual growth of either levy.

WHAT IS AN EQUALIZATION RATE?

$$\frac{\text{Net Assessed Value}}{\text{Total Market Value}} = \text{Equalization Rate}$$

FY2017 MUNICIPAL OPERATING BUDGET

The growth in the value of residential and apartment properties have served as catalyst to increased value in 2017. Residential and apartment value represents 66.7% of the Net Assessed Value for the Town. While there was significant loss in industrial value, this category represents less than one percent of total value. The following table provides the change in Net Assessed Value from last year in all real estate classifications:

NET ASSESSED VALUE ANNUAL COMPARISON

	FY2016	FY2017	\$ Difference	% Change
Vacant Land	\$15,987,300	\$16,322,900	\$335,600	2.10%
Residential	1,257,501,600	1,266,492,800	8,991,200	0.72%
Commercial	733,187,100	727,584,000	(5,603,100)	-0.76%
Apartment	237,112,100	242,590,200	5,478,100	2.31%
Industrial	<u>10,862,600</u>	<u>8,732,600</u>	<u>(2,130,000)</u>	<u>-19.609%</u>
TOTAL	\$2,254,650,700	\$2,261,722,500	\$7,071,800	0.314%

Since FY2013 and through FY2015, the Town has had modest-to-large added assessments. However, the added assessments from various properties have been offset by tax appeals that have resulted in a reduction in NAV. It should be noted that most of these large judgments span multiple years. For example, a judgment granted in FY 2014 for a FY 2010 assessment also affects the 2011 through 2015 NAV. Settlements, on the other hand, forestall future tax court appeals saving the Town money in the long term. Billable to exempt properties have a negative effect on the NAV as well. The table below provides an impact summary of how assessment gains over the last six years have been seriously negated by assessment reductions due to tax appeals.

**SUMMARY OF ASSESSMENT CHANGES
FY2013-2017 (to date)**

Description Additions:	2013	2014	2015	2016	2017
Additions:					
<i>New Added Assessments</i>	\$1,797,600	\$6,152,140	\$3,039,300	\$142,700	4,951,400
<i>Exempt to Billable</i>		657,600	657,600	40,000,000	0
Reductions:					
<i>State & County Judgments*</i>	(1,345,650)	(1,724,200)		(2,495,900)	(1,688,400)
<i>Assessment Settlements in Lieu of Future Appeal</i>	(14,205,289 - Verizon)	(443,300)	(483,800)	(639,300)	(550,300)
<i>Judgments settled for previous years</i>	(4,866,400)	(16,822,100)	(4,917,100)	(12,225,000)	(612,000)
<i>Billable to Exempt</i>	(714,400)		(359,900)		
NET ASSESSMENT GAIN/LOSS	(\$18,190,689)	(\$12,179,860)	(\$2,724,500)	\$24,782,500	2,100,700

Last year the Town saw 116 tax appeal filings, a reduction from the 142 filed the year before. The Town is also working diligently to reduce the amount of State Tax Court pending cases that are outstanding. The table below shows the type of property classification under appeal, total number of appeals filed in that respective classification, the number of appeals adjudicated and/or settled, and the 2014 old and new total NAV of those properties and the differential amount.

**FY2016 TAX APPEAL SUMMARY
STATE & COUNTY APPEALS**

	# of Appeals	NAV	# of Appeals Adjudicated	Adjudicated /Settlement NAV	\$ Difference
Vacant Land	6	1,919,400	0	0	0
Residential	37	19,531,420	5	18,037,020	(1,494,400)
Commercial	68	146,767,535	2	145,367,535	(1,400,000)
Apartment	3	7,700,000	0	0	0
<u>Industrial</u>	<u>2</u>	<u>815,100</u>	<u>1</u>	<u>2,021,100</u>	1,206,000
TOTAL	116	176,733,455	8	165,425,655	(1,688,400)

◆ **RECEIPTS FROM DELINQUENT TAXES**

The property tax collection rate has been healthy over the last five years. However, it dropped from 98.9% to 97.33%. As of December 31, 2016, delinquent taxes outstanding from last year were \$1,549,749, which the Town anticipates collecting and realizing in 2017.

In FY 2016, Outstanding Property Taxes as a Percentage of the Total Property Tax Levy moved slightly upward from 1.07% to 2.56%. This is due to Atlantic Health NOT paying their new conventional tax of \$1,075,600 per the \$40M new assessment. On the positive side, the balance was paid in early 2017 and no longer receivable. Over \$68,000 in interest was also received on this delinquency.

◆ **PROPERTY TAX CAP**

The Property Tax Levy Cap law strictly limits a municipality to a 2% increase over the previous year's Municipal Tax Levy. The number of exclusions allowed for under the Levy Cap law are Change in Debt Service, Allowable Increases in Health Care Insurance, Pension Costs and Capital Improvements. The Property Tax Levy Cap, similar to the Total Appropriations Cap, has an allowable increase for New Construction Value (New Values X Prior Year Municipal Tax Rate). In FY 2017, the Municipal Budget is \$462,225 under the 2% Property Tax Levy Cap.

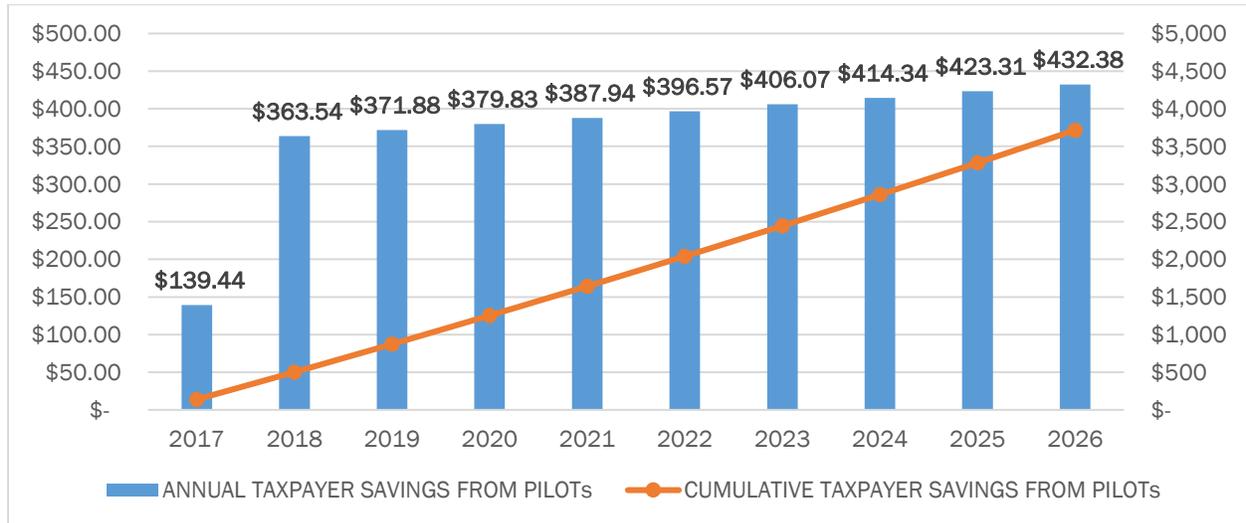
OTHER REVENUES

◆ **PILOTs**

Another form of revenue based on property values is the Payment in Lieu of Property Taxes (“PILOT”). There are three PILOT revenues anticipated in the FY2017 Proposed Budget totaling \$677,393.

It is important to note that redevelopment projects have a positive financial impact in the short and long term that benefits the entire community. In addition to eliminating blighted property, redevelopment enhances a neighborhood through increased value and investment. For the average taxpayer, revenue derived from redevelopment would otherwise need to be raised through property taxes. In fact, the existing redevelopment is expected to benefit the average taxpayer by \$139 this year, and together with anticipated development the average taxpayer will benefit by \$3,715 over the next ten years.

**PILOT BENEFIT TO AVERAGE TAXPAYER
(Property Value: \$352,097)**



There are two types of PILOT payments received by the Town. The first is for affordable housing generally funded through a State or Federal source that requires a predictable expense schedule to sustain the project. In the case of Morristown, the only PILOT in this category is for the public housing provided by the Morristown Housing Authority.

The second type is for a redevelopment project for which the municipality has entered into a redevelopers agreement with a property owner to redevelop a blighted property that would not be feasible but for a PILOT agreement. State statutes dictate the parameters for these agreements and ensures that the developer is not unfairly enriched by the agreement by setting financial limits within the agreements. The Town has entered into 4 such agreements, two of which are reflected in the budget. The third is for the Fox Rothchild building on Market and Bank Streets that opened in March of this year, and the fourth is for the Morris Street Development that also opened earlier this year. The town will receive a partial year of PILOT revenue from these property owners as surplus, and the full year of revenue will be anticipated in next year’s budget.

◆ **LOCAL AND SPECIAL ITEMS OF REVENUE**

Local Items of Revenue are anticipated at \$2,217,000 and Special Items of Revenue are anticipated at \$5,839,543. New revenue for this year is the CVS PILOT payment, which has its first full year in 2017; the prior partial year was not anticipated. Following is a summary of these revenues in 2016:

- The Town earned \$157,288 in Interest on Investments, almost three times the revenue anticipated. In 2016, the Town was able to earn new interest on the \$10 million received from the hospital. The additional funds also attracted attractive money market yield rates, which also contributed to increase.
- Special Items of Revenue ended \$82,260 above projected amounts due to the initial PILOT payments from the CVS PILOT agreement and healthy receipts from Hotel/Motel Tax and Rent Leveling Registration Fees
- The Fees & Permits revenue category continued to surpass annual expectations as it has for the last several years.
- Municipal Court fines & costs collected were substantially greater than anticipated. Total Court revenues realized last year were \$1,189,093, which was over \$224,000 or 23.2% above budget projections.
- The Rental of Property exceeded budgeted levels by \$48,693 or 20.3%.

◆ **DEDICATED UNIFORMED CONSTRUCTION CODE FEES**

U.C.C. fees collected in 2016 far exceeded projections. Revenues realized of \$1,266,919 was \$231,919 greater than was anticipated, which is a great indicator that capital investment remains strong in Morristown. The Town projects to experience above-average U.C.C. fee collection and revenues to flow in by over \$1 million given the number, type and size of pending land use development projects, and those already approved and starting construction this year. Year to Date revenues collected through May of this year reflect over \$491,000 so far, putting the Town on track for another busy year of construction.

PLANNED USE OF CURRENT FUND BALANCE (SURPLUS)

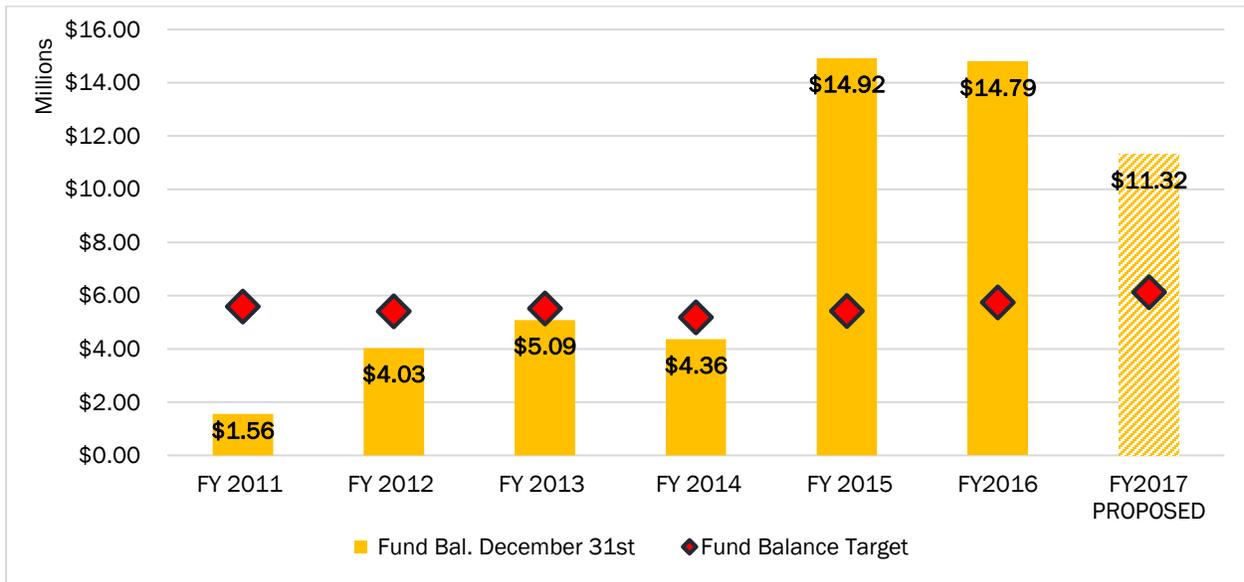
The Administration proposes to use \$3,475,000 in Fund Balance surplus for municipal operational purposes, reserves and other uses. The Administration recognizes the importance of using one-time revenues for one-time expenditures. To that end, a portion of the surplus proceeds are dedicated to invest the proceeds from the settlement with AHS to contribute to reserves and pay-as-you-go capital improvements. The source and use of these surplus funds in the Municipal Budget are stated below.

Approximately \$1.53 million will be used to fund discretionary appropriation reserve line-items such as \$600,000 in the Reserve for Tax Appeals (see Revenue Allocation table, Page 9). Similar to the last several years, the Town Administration continues to evaluate new revenue options and determine whether to increase its various sources of Local Revenues, U.C.C. Fees and Special Items of Revenue in order to stabilize or reduce its Municipal Tax Levy amount. Below illustrates the percentage breakdown of projected revenues that fund the Town’s FY 2015 Municipal Budget (see General Revenue section, Page 4-1 for specific dollar amounts).

USE OF SURPLUS ALLOCATION

Source & Use	Amount
Revenue Source	
<u>Fund Balance Anticipated (Surplus)</u>	<u>\$3,475,000</u>
TOTAL	\$3,475,000
Proposed Appropriation Use	
Municipal Operations - Property Tax Relief	\$1,247,832
Reserve for Tax Appeals	600,000
Reserve for Sick and Vacation Accumulation	402,000
Capital Improvement Fund	1,030,000
<u>Morris District Pass Thru Aid</u>	<u>195,168</u>
TOTAL	\$3,425,000

CHANGE IN FUND BALANCE



YEAR END	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 PROPOSED
Fund Bal. January 1st	\$2,307,961	\$1,560,561	\$4,033,623	\$5,085,104	\$4,098,735	\$14,920,374	\$14,790,342
Fund Bal. December 31st	\$1,560,561	\$4,033,623	\$5,085,104	\$4,362,291	\$14,920,374	\$14,790,342	\$11,315,342
Change in Fund Balance	(\$747,400)	\$2,473,062	\$1,051,481	(\$722,813)	\$10,821,639	(\$130,032)	(\$3,475,000)
Percentage Change	-32.38%	158.47%	26.07%	-14.21%	264.02%	-0.87%	-23.50%
Fund Bal. as % of Appropriations	4.19%	11.19%	13.82%	12.63%	41.23%	38.60%	27.67%

Based on the proposed budget, the anticipated change in fund balance would result in a remaining balance of \$11.3 million. However, by the end of each year unspent proceeds from the prior year lapses and is added to the Surplus. Over the last 5 years, between \$975,000 and \$13 million has lapsed into the Surplus. Therefore, while the change in Surplus is unknown at this time, it will be less than the \$3.475 million anticipated.

STATE AID (CMPTRA & ENERGY TAX RECEIPTS)

The Town’s total State Aid revenues will remain the same as last year at \$2,868,599, accounting for 7.15% of its total revenues. Nine years ago, State Aid revenues used to account for about 10% of the Town’s total revenue sources. Unfortunately, since 2009, the loss of over \$734,000 in state revenues has severely restricted the Town’s ability to fund its municipal operations and other statutory obligations. Consequently, this substantial loss of revenue certainly contributed to the Town’s organizational workforce reduction several years ago and its decision to implement municipal service delivery reform measures to cut its total appropriations. Indeed, the primary State Aid revenue loss issue is that of Energy Tax Receipts (“ETR”) being diverted by the State government for their funding needs instead of its original legislative intent that was to provide municipal property tax relief. It should be noted that if the Town received the full State Aid amount shown below, there would be a reduction of approximately \$0.08 to the municipal tax rate for a savings of over \$250.00 to the average taxpayer.

The State funding in the Consolidated Municipal Property Tax Relief Act (“CMPTRA”) category is flat for the first time in several years. In FY 2009, the Town received \$720,239 in CMPTRA revenues. This year, the Town will receive just \$71,000. Remaining consistent with their past funding pattern, the State will provide \$2,797,599 in ETR revenues, up \$43,166 from \$2,754,433 in FY 2014, which reflects an increase amount equal to the Town’s CMPTRA revenue amount reduction.

The short history on ETR revenues is that gas and electric utility taxes were originally collected by the host municipalities. However, when the State made itself the collection agent for these taxes, it promised to return the proceeds to municipalities to alleviate property owner tax burden. Yet, for years, State officials have diverted funding from Energy Taxes to plug holes in the State budget and to fund its programs. Consequently, the cumulative impact of years of underfunding has left Morristown and many municipalities with serious needs and burdensome property taxes (New Jersey State League of Municipalities website, Energy Tax Restoration Resource Center section). The chart and graph that follow depict State Aid realized by the Town each year since 2001, and the State Treasurer’s calculated Aid amounts that should have been due to the Town pursuant to statutory law, adjusted for inflation, but were not distributed.

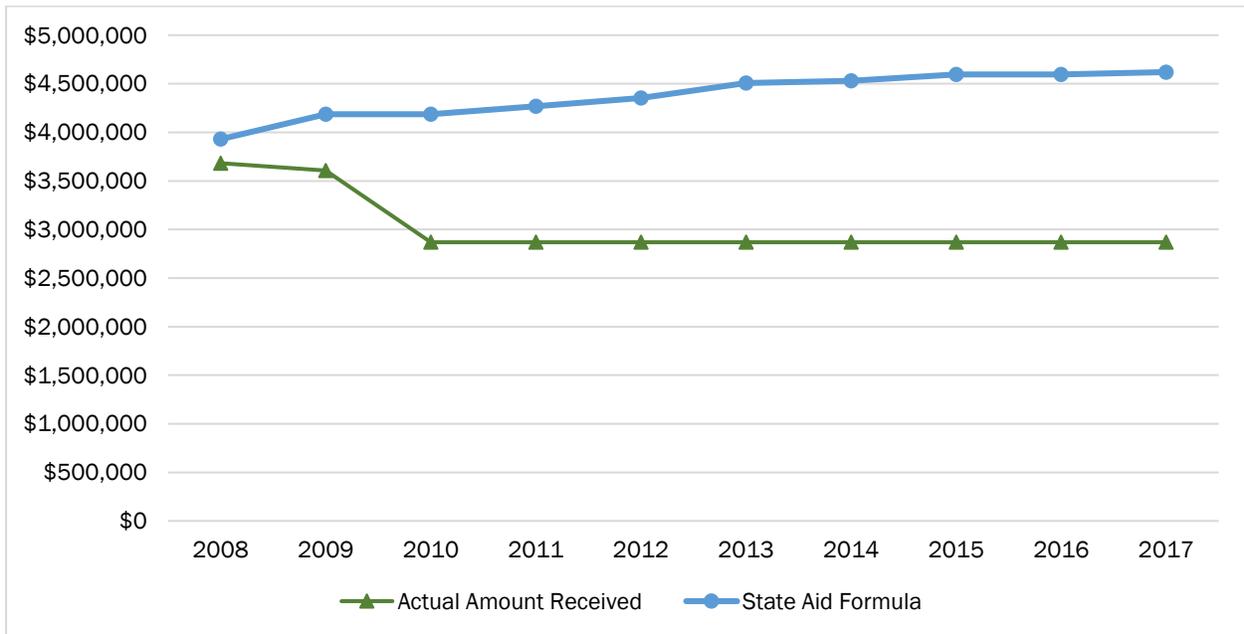
WHAT IS STATE AID?

State Aid is made up of two components: CMPTRA and Energy Tax Receipts, both of which are business taxes collected for property tax relief and neither of which is “aid” from the State.

Energy Tax Receipts (ETR) are franchise taxes paid by utilities that operate infrastructure in each municipality. The tax was created to be a source of local municipal funds, specifically to reduce local property taxes. These monies, once received by each local government directly, are now collected centrally by the State to be distributed to each municipality.

Consolidated Municipal Property Tax Relief Aid (CMPTRA) is a series of business taxes intended specifically to provide property tax relief at the local level. Like the ETR, it is collected by the State to be remitted to municipal governments.

CMPTRA/ENERGY TAX RECEIPTS ("STATE AID") IMPACT



Year	Actual Amount Received	Implicit Price Deflator	State Aid Formula	Excess/(Deficit)
2008	3,682,480	5.00%	3,929,951	(247,471)
2009	3,606,033	6.50%	4,185,398	(579,365)
2010	2,868,599	0.00%	4,185,398	(1,316,799)
2011	2,868,599	2.00%	4,269,106	(1,400,507)
2012	2,868,599	3.50%	4,354,488	(1,485,889)
2013	2,868,599	2.00%	4,506,895	(1,638,296)
2014	2,868,599	0.50%	4,529,430	(1,660,831)
2015	2,868,599	1.50%	4,597,371	(1,728,772)
2016	2,868,599	0.00%	4,597,371	(1,728,772)
2017	2,868,599	0.50%	4,620,358	(1,751,759)
TOTAL	30,237,305		43,775,766	(13,538,461)

MORRISTOWN MEDICAL CENTER SETTLEMENT

On November 10, 2015 the Town finalized a historic settlement with Atlantic Health Systems, the parent company of Morristown Medical Center, to resolve tax appeals going back to 2006 and provides for future tax payments through 2025.

Under the financial terms of the agreement, Morristown Medical Center will pay a total of \$15.5 million in outstanding property taxes for 2006 through 2008, including \$10.0 million paid on December 30, 2015 and \$5.5 million of penalties and interest that will be paid in annual installments over the next 10 years. Beginning in 2016 and through 2025, about 24 percent of the hospital property will be taxed at an assessed value of \$40.0 million. This represents an annual tax payment of \$1.05 million, of which the municipal portion equals 39%.

In 2016, \$1,000,000 was used to fund pay-as-you-go capital and offset anticipated debt issuance. This year, another \$897,000 is planned for pay-as-you-go capital.

The annual estimated impact of the settlement is shown below:

**MORRISTOWN MEMORIAL HOSPITAL SETTLEMENT
ESTIMATED FINANCIAL IMPACT**

Year	Additional Assessment	Total New Tax Revenue (All Entities)*	Interest and Penalties**	Total Payment from AHS	Total Revenue to the Town
Received through 2016			10,550,000	11,616,094	10,947,138
2017	40,000,000	1,079,147	550,698	1,629,844	947,836
2018	40,000,000	1,092,460	551,478	1,643,938	948,616
2019	40,000,000	1,106,040	552,344	1,658,384	949,482
2020	40,000,000	1,119,891	553,300	1,673,191	950,438
2021	40,000,000	1,134,019	554,349	1,688,369	951,487
2022	40,000,000	1,148,430	555,495	1,703,926	952,633
2023	40,000,000	1,163,129	556,742	1,719,871	953,880
2024	40,000,000	1,178,122	558,093	1,736,216	955,231
<u>2025</u>	<u>40,000,000</u>	<u>1,193,415</u>	<u>559,553</u>	<u>1,752,969</u>	<u>956,692</u>
TOTAL		\$10,214,654	\$15,542,053	\$26,822,802	\$19,513,435

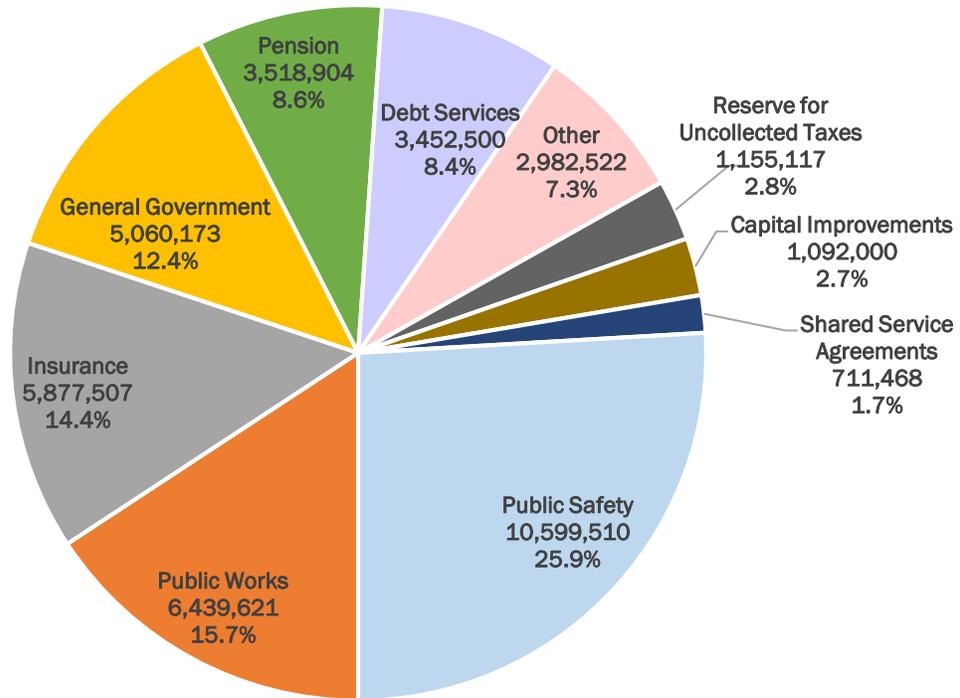
*All entities includes the Town, School District, County and Library. The municipal portion is approximately 39% of the total.

**Includes a CPI adjustment estimated at 2.5% per year.

APPROPRIATIONS

The 2017 Proposed Municipal Budget projects Total Appropriations to be \$853,485 more than FY2016 adopted budget appropriations. Moreover, net appropriations (Total Appropriations minus Reserve for Uncollected Taxes, Grants and one-time items funded by surplus) will increase by about \$414,608, or 1.01%.

**FY2017 PROPOSED APPROPRIATIONS (%)
HOW RESOURCES ARE ALLOCATED BY USE**



The following tables highlight the projected 2017 Budget’s Top 5 largest appropriation line-items compared with FY 2016, the percentage change from FY 2013 in these same categories, and the 5 largest appropriation increases and decreases this year.

5 LARGEST APPROPRIATION LINE-ITEMS

	FY2016	% of Total Appropriations	FY2017	% of Total Appropriations
Total Salaries & Wages	16,157,111	41.99%	17,323,467	42.37%
Total Other Expenses - Operating Departments	5,833,354	15.16%	5,628,346	13.76%
Medical and Dental Insurance	4,919,385	12.78%	5,077,507	12.42%
Total Pension Costs	3,843,465	9.99%	3,513,404	8.59%
Total Municipal Debt Service	4,308,000	11.20%	3,452,500	8.44%
TOTAL	35,061,314	91.11%	34,995,223	85.59%

Of the five largest items of appropriation, three are personnel expenses, highlighting that human resources are the Town’s greatest asset and expense. These three line items total \$25.9 million and make up 63.4% of total appropriations.

5 LARGEST APPROPRIATION INCREASES

	FY2016	FY2017	\$ Change from FY2016	% Change from FY2016
Police - Salaries & Wages	5,909,505	6,621,660	712,155	12.05%
Fire - Salaries & Wages	3,112,890	3,351,548	238,658	7.67%
Police Other Expenses	201,900	378,171	176,271	87.31%
Building & UCC Enforcement S&W	569,780	735,758	165,978	29.13%
Medical and Dental Insurance	4,919,385	5,077,507	158,122	3.21%

The largest increases reflect both increase costs in salaries and materials and supplies, but also deliberate, strategic investment in personnel, technology, and equipment to better serve our constituents. The Police Other Expenses, for example, reflects an investment of \$60,000 in equipment and software to fully deploy body-worn cameras. In Building UCC, the Town is adding additional staff and overtime funds to manage the influx of permit activity that has inundated existing staff.

5 LARGEST APPROPRIATION DECREASES

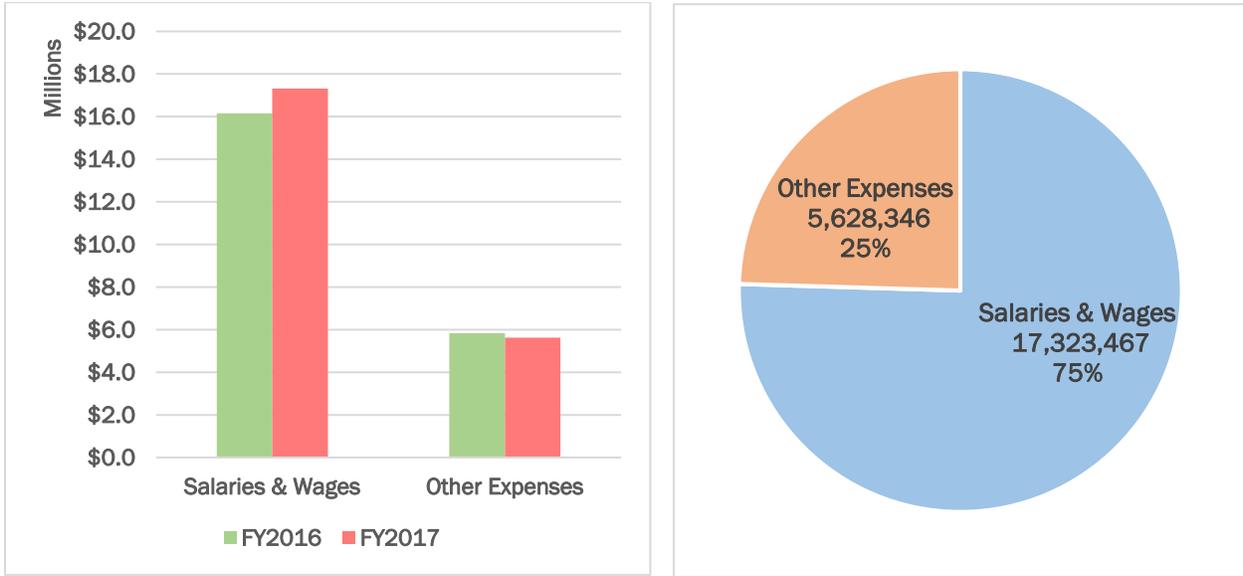
	FY2016	FY2017	\$ Change from FY2016	% Change from FY2016
Payment of Bond Principal	3,382,000	2,646,500	(735,500)	-21.75%
PFRS	2,370,137	2,019,734	(350,403)	-14.78%
Planning	565,000	250,000	(315,000)	-55.75%
Capital Improvement Fund	1,150,000	1,030,000	(120,000)	-10.43%
Payment of BANs and Capital Notes	158,000	65,000	(93,000)	-58.86%

Decreases reflect both the Town’s healthy credit rating allowing for lower borrowing rates as well as the Town’s commitment to reducing debt. The reduction in pension costs shows a rebound from a large increase in 2016 due to retroactive payments for police and fire personnel.

MUNICIPAL OPERATIONS

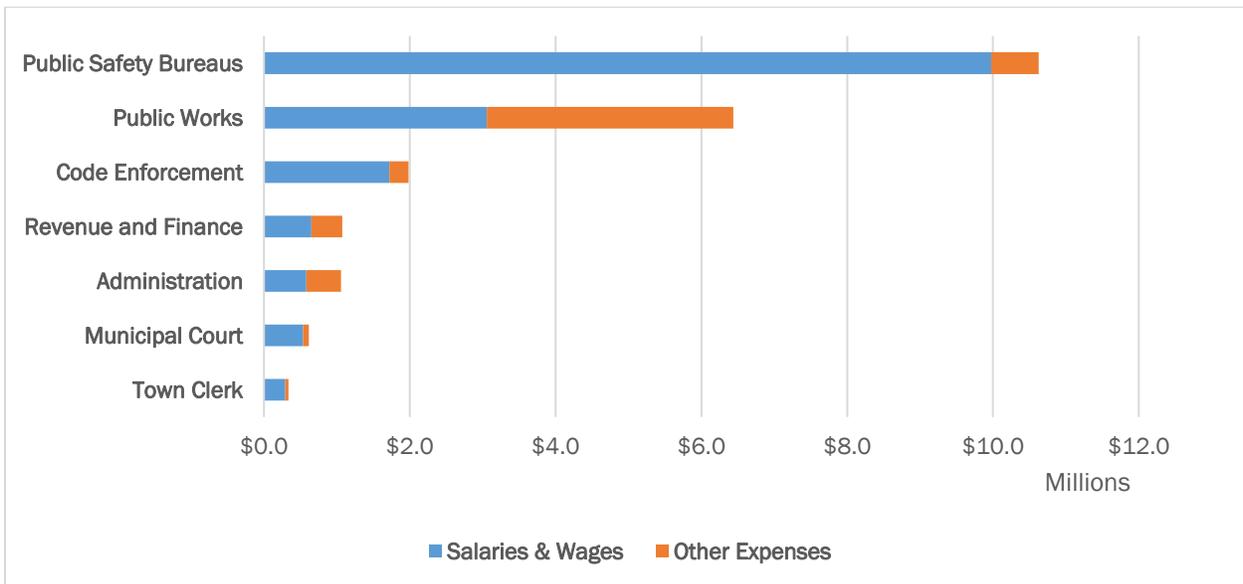
Total Appropriations needed to fund municipal services are projected to increase to \$22,951,813, a 4.37% increase when compared with FY2016. Salaries & Wages makes up the majority of these costs, totaling \$17.3 million or 75% of total departmental costs. The total increase is driven by increases in salaries and wages, and moderated by reductions in other expense.

MUNICIPAL OPERATIONS COMPARISONS



When reviewed by functional area, costs for safety and enforcement functions are driven by personnel costs while other functions are more evenly split. Public Works has significant non-personnel costs including the largest single line item of Solid Waste and Recycling.

MUNICIPAL OPERATIONS COMPARISONS



◆ **MUNICIPAL PERSONNEL**

With staffing levels hitting an historic low in 2012 due to attrition, involuntary workforce reductions and professional service agreements, the Town is cautiously rebuilding its organization with hiring decisions in key functional areas such as Public Works, Code Enforcement, and Public Safety. Over the last year, the Town Organization’s staff grew by one (1) full-time employee for a total of 189 positions (180 full-time and 9 part-time), with 172 of these full-time positions funded through the Operating Budget. The other 8 full-time positions are located in the Sewer Utility, whose budget is funded by user fees.

For 2017, the Town is proposing the addition of 5 full-time positions: 1 full-time position in Building UCC to address the increased workload in this division. Also proposed are new hires in public safety. 2 new hires are proposed for Police and 2 new hires proposed for Fire. We are also seeking to convert a part-time position in Senior Services from volunteer to paid.

The following table depicts all full-time and part-time municipal employees (excluding seasonal or temporary workers and elected officials), broken down by Department, Bureau, Division and Office over a 5 year period.

SUMMARY OF MUNICIPAL PERSONNEL HEADCOUNT

Town Personnel	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Police	1	3	2	0	2
Fire	1	0	0	0	2
Public Works	2	2	2	0	0
Admin	0	1	1	1	0
Code Enforcement	6 ²	2	(1)	0	1
<u>Finance</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>
Full Time	167	174	179	180	185
<u>Part Time</u>	<u>10</u>	<u>9</u>	<u>10</u>	<u>9</u>	<u>10</u>
TOTAL	177	183	189	189	195

*Note: Some of the added full-time positions were transitioned from part-time positions.

² Reflects reorganization from Human Services to Code Enforcement

FY2017 MUNICIPAL OPERATING BUDGET

TOTAL MUNICIPAL EMPLOYEES FY 2013- 2017

Departments	FY2013		FY2014		FY2015		FY2016		FY2017	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Administration	3	1	4	1	5	0	6	0	6	0
Town Clerk	4	0	3	0	3	0	3	0	3	0
Police	55	0	58	0	60	0	60	0	62	0
Superior Officers	15	0	16	0	15	0	12	0	16	0
Detectives	5	0	5	0	6	0	6	0	5	0
Patrol Officers	31	0	34	0	37	0	38	0	37	0
Admin. Staff	4	0	4	0	4	0	4	0	4	0
Fire	32	0	32	0	32	0	32	0	34	0
Superior Officers	7	0	7	0	7	0	7	0	7	0
Firefighters	24	0	24	0	24	0	24	0	26	0
Admin. Staff	1	0	1	0	1	0	1	0	1	0
Legal	1	0	1	0	1	0	1	0	1	0
Revenue & Finance	7	1	7	1	8	1	8	1	8	1
Treasurer	3	0	3	0	4	0	4	0	4	0
Tax Collector	3	0	3	0	3	0	3	0	3	0
Tax Assessor	1	1	1	1	1	1	1	1	1	1
Human Services	0	0	0	0	0	0	0	0	0	0
Code Enforcement	18	1	20	1	19	2	19	2	20	3
Building & U.C.C. Enforcement	7	0	8	0	8	0	8	0	9	0
Health	3	1	2	1	2	1	2	1	2	1
Animal Control	1	0	1	0	1	0	1	0	1	0
Property Maintenance	3	0	4	0	4	0	4	0	4	0
Rent Leveling	1	0	1	0	1	0	1	0	1	1
Zoning	2	0	4	0	3	1	3	1	3	1
Public Works	40	5	42	4	44	5	44	4	44	4
Public Works	27	3	29	2	30	3	30	2	30	2
Sewer Utility	8	0	8	0	8	0	8	0	8	0
Recycling	1	0	1	0	1	0	1	0	1	0
Planning	0	0	0	0	0	0	0	0	0	0
Engineering	3	0	3	0	3	0	3	0	3	0
Recreation	1	0	1	0	2	0	2	0	2	0
Bus Transport (Colonial Coach)	0	1	0	1	0	1	0	1	0	1
Clean Communities	0	1	0	1	0	1	0	1	0	1
Municipal Court	7	2	7	2	7	2	7	2	7	2
Admin. Staff	7	0	7	0	7	0	7	0	7	0
Judges	0	2	0	2	0	2	0	2	0	2
Prosecutors	0	0	0	0	0	0	0	0	0	0
	166	10	174	9	179	10	180	9	185	10

◆ **SALARY & WAGES**

The total 2017 Salary and Wage amount that includes base salary, longevity and step increases for all full-time union and non-union employees is \$15,027,337 - an increase of \$650,845 compared with last year. Finally, each of the six (6) collective bargaining agreements have settled for annual salary increases of 1.75 percent annually, reflected in the increase in this category. These contracts expire at the end of 2017, and negotiations are expected to begin in earnest during the second half of the year.

The chart below shows the impact from any salary increase budgeted in 2017, which is broken down by non-union employees and collective negotiation units.

FY2017 SALARY & WAGE INCREASES

GROUPS	TOTAL FULL-TIME EMPLOYEES	2016 TOTAL SALARIES	2017 TOTAL SALARIES	S&W % Adjustment in 2016
Municipal Employees Association	61	3,585,479	3,562,754	1.75%
PBA Local 43 - (Patrol Officers)	43	3,588,341	4,021,981	1.75%
Non-Union Employees	30	2,553,986	2,701,116	1.75%
FMBA Local 43 - (Firefighters)	26	2,110,279	2,130,816	1.75%
PBA Local 43 - (Superior Officers)	13	1,446,727	1,563,161	1.75%
Local 255 - Supervisors	5	398,431	430,074	1.75%
<u>FMBA Local 243 - (Fire Superior Officers)</u>	<u>4</u>	<u>693,249</u>	<u>617,435</u>	<u>1.75%</u>
TOTAL	182	14,376,492	15,027,337	

◆ **EMPLOYEE BENEFITS**

HEALTH CARE INSURANCE PREMIUM COSTS

The Town switched health insurance providers in 2015 from Horizon Blue Cross/Blue Shield to Oxford/United Healthcare as a result of a bid process that demonstrated significant savings. Furthermore, the previous plan experienced annual increases at a level greater than the market dictated. The Town performed a similar bid process, through our insurance broker, that resulted in another renewal of the contract with Oxford/United Healthcare.

Similarly, the Town decided to continue its 20+ year relationship with Delta Dental to provide coverage for current and retired employees in 2016. Due to market conditions and prudent negotiation, the Town's total dental premium will remain flat from 2016.

In sum, medical and dental insurance appropriations will total near \$6.2 million. However, factoring in deductions from employee/retiree health care premium cost sharing (\$919,000) and allocation of insurance benefit costs to the Sewer Utility (\$218,000) and the Division of Building and U.C.C. Enforcement (\$160,000), the Operating Budget amount appropriated in the healthcare insurance line-item is \$5.0 million.

Since FY 2010, the Town sets a fixed commission amount for its health care insurance broker to receive each year. By requiring an annual fixed commission fee below the industry standard, the Town has realized a cumulative average annual savings of \$300,000.

MEDICAL AND DENTAL PREMIUM COST SHARING TERMS

In accordance with the State Health Benefits Reform Law, Chapter 78, P.L. 2011, a Town employee's health care insurance contribution is determined as a specified percentage of the medical/dental coverage plans premium within a salary range expressed in the law, but not less than 1.5% of an employee's current pensionable salary. Employees who were hired prior to the effective date of Chapter 78 were subject to a four (4) year phase-in of the full contribution amount. All current Town employees are now at top tier, and will contribute approximately \$856,302 toward insurance premium costs - about \$61,000 more than last year. Retirees insurance cost sharing obligations are about \$31,000.

Moreover, pursuant to Town Ordinance O-12B-10, any newly elected or re-elected official whose term started January 1, 2012 or after must pay 100% of their health care insurance premiums (single or family coverage). The chart below delineates the Town's estimated annual cost savings from the State law as well as other medical and dental insurance cost-sharing terms as it relates to each specific group of employees.

“OPT-OUT” INCENTIVES

The Town offers an incentive to waive coverage to employees who have healthcare coverage outside of the Town (for example, through a spouse's job). The Town benefits from the reduced premium costs that more than outweighs the value of the incentive, do it's a “win-win.”

In FY 2010, the Governor signed legislation that placed limits on how much a municipality can pay a public employee who chooses to “opt-out” of its employer's health care insurance plan. The

FY2017 MUNICIPAL OPERATING BUDGET

law states that employers are now limited to up to a maximum \$5,000 per year for any employee/new enrollee who opts-out after May 21, 2010. Further, pursuant to O-12B-10, any newly elected or re-elected official does not receive opt-out payments if they choose to forgo health care insurance coverage.

While the change in State law may diminish the financial incentive for an employee to opt-out if already covered by a spouse's insurance policy, the Town's efforts over the last several years to educate employees and retirees about the "opt-out" choice will continue to result in cost savings. For that reason, the Town will not have to insure 14% of its full-time employees for medical and/or dental coverage this year, realizing an overall total savings of \$725,593 in total insurance premiums.

MEDICAL AND DENTAL INSURANCE "OPT-OUT" SAVINGS FY 2007-2017

Fiscal Year	Number and Type of Employees "Opting Out"	Total Insurance Premiums	Total Incentive Payments to Employee	Total Premium Savings to Town
2017	25 Current Employees 3 Retirees	856,361	130,768	725,593
2016	25 Current Employees 4 Retirees	784,126	133,864	650,262
2015	24 Current Employees 2 Retirees	705,625	132,083	568,542
2014	23 Current Employees 2 Retirees	624,698	125,000	499,698
2013	23 Current Employees 2 Retirees	621,772	219,884	401,888
2012	19 Current Employees 2 Retirees	576,239	223,119	353,120
2011	18 Current Employees 3 Elected Officials 2 Retirees	568,827	218,522	350,305
2010	22 Current Employees 3 Elected Officials 2 Retirees	620,627	262,564	358,063
2009	22 Current Employees 3 Elected Officials 2 Retirees	537,092	236,210	300,882
2008	21 Current Employees 2 Elected Officials 2 Retirees	398,870	177,890	220,980
2007	17 Current Employees 2 Retirees	251,469	111,499	139,970

◆ **HEALTH INSURANCE**

For FY 2017, the Town’s health care insurance premium line-item of \$5,077,507 is an increase of \$158,122 from last year. Workers compensation and multi-line liability (e.g., General Liability, Property, Automobile, Excess Public Officials Liability, Police Professional Liability, Crime, and Environmental Impairment Liability) insurance policy coverage will reduce by \$10,000 to a budgeted amount of \$800,000.

◆ **PENSION OBLIGATIONS**

The Town’s FY2017 pension obligations will decrease this year by a combined total of \$228,920. Overall, total annual pension payments for PERS and PFRS are \$ 3,513,904, which includes the amount of \$156,757 required this year to apply toward repayment of approximately \$1 million in pension obligations deferred in FY2009.

The table below depicts the last ten (10) years of pension obligations.

PENSION OBLIGATION PAYMENTS

Fiscal Year	PERS	PFRS
2008	393,800	1,634,768
2009	282,030*	868,114**
2010	595,900	2,263,000
2011	783,500	2,279,000
2012	755,000	1,947,000
2013	675,951	1,909,021
2014	633,931	1,758,217
2015	709,702	1,929,932
2016	772,667	2,370,137
2017	798,509	2,019,734

*PERS Full Pension Amount Owed - \$507,892

**PFRS Full Pension Amount Owed - \$1,669,720

NON-PERSONNEL EXPENSES

The table below shows the projected 10 largest Non-Personnel Expense categories in FY2016 compared with FY2017. The increase in software licensing costs representing implementation of new technologies in the Police Bureau and in Code Enforcement. Solid Waste and Recycling was reduced slightly to reflect lower than expected tipping costs.

**10 LARGEST NON-PERSONNEL EXPENSE APPROPRIATIONS
(Excludes Professional Service Line-Items)**

	FY2016	FY2017	% Change
Solid Waste and Recycling	\$1,387,858	\$1,344,605	-3.12%
Electricity (Municipal Buildings & Street Lights)	647,275	647,925	0.10%
Gasoline/Diesel Fuels	197,000	220,000	11.68%
Voice (LAN lines & Cellular) & Data Network Service and Maintenance	206,700	141,480	-31.55%
Maintenance of Motor Vehicles and Equipment	217,755	266,688	22.47%
Winter Salt	158,195	130,000	-17.82%
Maintenance of Office Equipment (includes Software Licensing Renewals)	44,200	119,717	170.85%
Building Maintenance & Repairs	128,935	102,250	-20.70%
Natural Gas/Propane	74,000	84,060	13.59%
<u>Motor Vehicle Parts/Repairs</u>	<u>93,000</u>	<u>60,000</u>	<u>-35.48%</u>
TOTAL	3,154,918	\$3,116,725	-1.21%

5 LARGEST PROFESSIONAL SERVICE APPROPRIATIONS

	FY2015	FY2016	% Change
Legal			
• General	\$250,000	\$250,000	0.00%
• Tax Appeal	249,700	250,000	0.12%
• Prosecutor/Public Defender	90,000	80,000	-11.11%
• Planning/Board Adjustment	30,000	30,000	0.00%
Solid Waste & Recycling Collection	697,858	697,858	0.00%
Planning Consultant - Long Range Planning	565,000	235,000	-58.41%
Information Technology	70,000	65,000	-7.14%
<u>Auditor</u>	<u>45,400</u>	<u>45,318</u>	<u>-0.18%</u>
TOTAL	1,997,958	1,653,176	-17.26%

Professional service contracts are generally stable. This year Long Range Planning has been returned to previous levels after extra funding was added last year for the Mobility Study which will be completed this year.

◆ **UTILITY AND ENERGY COSTS**

Since January 2012, the Town has held four (4) reverse online electricity auctions, the most recent one of which occurred in May 2016 for a contract start date of February 2017 with a 24-month term period. Tri-Eagle Energy was the prevailing lowest bidder for general electricity supply (\$0.08680 basic generation fixed cost price) and for street lighting supply (\$0.05700 basic generation fixed cost price). Each will generate 50% of its electricity from various renewable sources. The table below reflects the positive financial impact realized over the past 4 years by utilizing an online procurement auction platform to contract for electricity supply instead of paying JCP&L’s tariff rate.

Budget Line-Item	2011 (Pre-Online Electricity Auction)	2012	2013	2014	2015	2016	Total Cost Savings Over 4 Year Period
Buildings	\$365,200	\$288,848	\$253,803	\$277,871	\$316,000	\$317,762	\$371,716
Street Lights	351,813	275,105	317,686	293,703	307,223	285,000	280,348
<u>Sewer Utility</u>	<u>102,366</u>	<u>97,210</u>	<u>95,380</u>	<u>103,598</u>	<u>109,000</u>	<u>117,716</u>	<u>-11,074</u>
TOTAL	819,379	661,163	666,869	675,172	732,223	720,478	640,990

The Town also held an online auction for Natural Gas on the same day as the electricity auction. While the savings there are modest, the Town has locked in a rate less than the BPU tariff for two years, making this expense predictable.

Retail gasoline/diesel fuel prices have fluctuated, but not wildly. And the energy market remains volatile given the multitude of global factors that affect crude oil and retail gasoline pricing. Based on current market conditions and price ranges, the Administration is holding this line item flat.

◆ **RESERVE FOR UNCOLLECTED TAXES**

This year there is a notable increase in the Reserve for Uncollected Taxes (RUT) due to the late payment of one large bill by a single taxpayer. The \$1,155,117 budgeted in FY 2017, which is \$313,833 greater than appropriated last year, is based on a 98.14% collection rate estimate. This delinquent payment has been made and is reflected in the substantial increase of Receipts from Delinquent Taxes in Revenue of \$787,710.

◆ **TOTAL APPROPRIATIONS CAP**

The Total Appropriations CAP limits the growth of total spending for a municipality. Under the Total Appropriations CAP law, the State allows exclusions, or CAP base adjustments, to appropriation limits. Some of these exclusions are Debt Service, Reserve for Uncollected Taxes and Tax Appeals, Capital Improvements, Deferred Charges and Inter-local Service agreements. Even though the CAP Index is 0.0% this year with the option to increase it 3.5% with the adoption of a CAP Bank Ordinance, the Town will be under its allowable Total Appropriation limit again in FY 2017 by \$771,917.

◆ **RESERVES**

The Town has two major reserves: Tax Appeals and Sick and Vacation. The Town will continue to fund its Reserve for Tax Appeal line-item in anticipation of covering property tax revenue losses from any tax appeal judgment or settlement. Upon recommendation from the Town’s property tax appeal professionals, the reserve amount needed in FY 2017 is \$600,000.

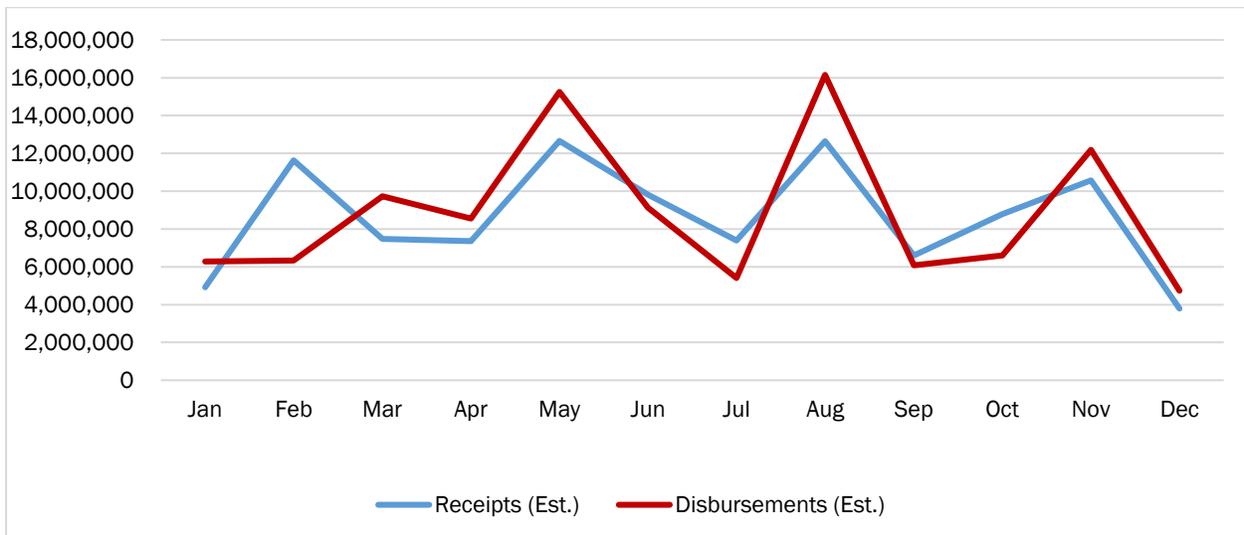
The Town is also proposing a Sick and Vacation appropriation for \$102,000 in anticipation of retirements and separations.

CASH FLOW

During the first five months of the fiscal year, current liabilities such as debt service, State pension obligations, Morris School District monthly payments, and Morris County quarterly payments amount to almost \$40 million. Moreover, the Town does not receive its State Aid of \$2.8 million until the 8th month of the year. Consequently, to meet its current liabilities on a timely manner, the Town has historically issued Tax Anticipation Notes (“TAN’s”) during the first quarter to inject liquidity into its current fund. This allows the Town to meet its current liabilities until the third quarter tax revenue payments are collected. However, it should be noted that the Town paid off \$1.0 million toward TAN principal in March 2016 and reduced this year’s TAN borrowing to zero.

The graph that follows illustrate monthly fluctuations of the Town’s projected cash flows during this year.

**ESTIMATED CASH FLOWS (CURRENT FUND)
FOR THE PERIOD January 2017 – December 2017**



THREE-YEAR FINANCIAL PROJECTIONS

The 2-year projected total General Revenue and Appropriation figures are based on the following annual assumptions:

- 2% Anticipated Total General Revenues
- 2% Salary & Wage increase
- 2-5% Other Expense increases
- 7.5% Health Care Insurance increase
- 7.5% Pension Obligation increase
- Town Net Assessed Valuation (NAV) at modest 0.5% annual growth
- Use of Surplus levels continue to include settlement funds towards property tax relief

MUNICIPAL BUDGET	Proposed FY2017	Projected FY2018	Projected FY2019
Non-Tax General Revenues	17,474,246	16,765,937	16,959,483
General Appropriations (Grants excluded)	22,259,958	22,979,233	23,854,910
<u>Reserve for Uncollected Taxes</u>	<u>1,155,117</u>	<u>886,586</u>	<u>910,226</u>
Total Appropriations	40,889,321	40,631,756	41,724,618
Amount to be Raised by Taxes (Municipal Levy)	22,455,483	22,901,429	23,795,924
Municipal Tax Rates	\$0.99	\$0.01	\$0.03
Percent Effect on Projected Municipal Tax Rates		1.48%	3.39%

These are only projections, yet they do provide conservative estimates of what to expect in the coming years. The projected increases are largely due to health care insurance and pension obligation increases. Both are increasing this year and the 2017-18 projections still assume a 7.5% increase because of future uncertainty. These anticipated increases are offset by anticipated decreases in debt service costs as well as the completion of projects with one-time expenses.

DEBT OBLIGATIONS

The Town’s overall debt service obligations will decrease by approximately \$839,000 this year.

In the short-term debt market, the Town continues to benefit from its Standard & Poor’s credit rating of ‘AA’ (positive outlook). Last year, the average net interest cost for the September sale totaling \$3.0 million was 0.98% and the November sale of \$3.2 million was at a rate of 1.15%.

In the long-term debt market, the Town permanently financed \$10.9 million in June with a rate of 2.22% for a 16 year term.

The chart below presents a summary of the Town’s General Obligation Bonds (Operating Budget) and Sewer Utility Debt Obligations, which are funded by property taxes and user fees, respectively.

SUMMARY OF DEBT OBLIGATIONS

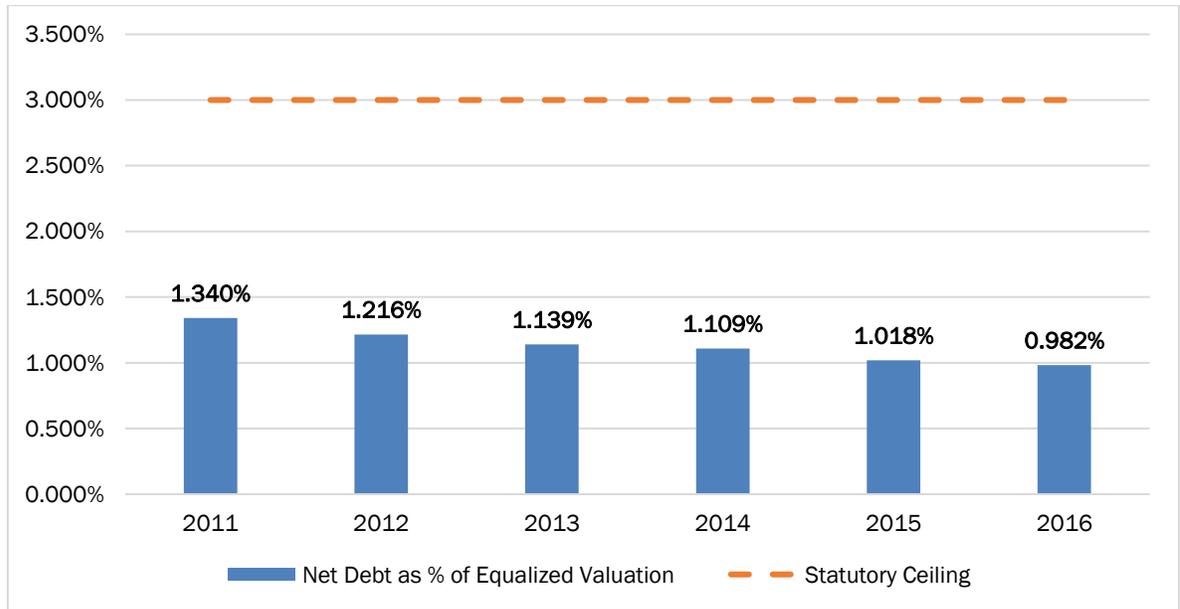
		Principal Outstanding 12/31/2016	2016 Principal Payment Due	2016 Interest Payment Due	Final Maturity	Primary Funding Source
GO Bonds						
2007	General Refunding Bonds	10,924,000	410,000	297,444	2032	Property Taxes
2012	General Refunding Bonds	0	0	0	0	Property Taxes
2011	General Refunding Bonds	480,104	240,844	11,995	2018	Property Taxes
2005	General Refunding Bonds	2,447,196	770,647	159,068	2019	Property Taxes
2014	General Refunding Bonds	3,740,000	1,225,000	137,350	2019	Property Taxes
<u>2009</u>	<u>General Refunding Bonds</u>	<u>1,150,000</u>	<u>0</u>	<u>53,425</u>	<u>2023</u>	<u>Property Taxes</u>
	TOTAL GO DEBT	18,741,300	2,646,491	659,281		
Sewer Utility Bonds						
2011A	Sewer Refunding Bonds	1,034,896	519,156	25,855	2018	Sewer User Fees
2014	Sewer Refunding Bonds	465,000	155,000	17,050	2019	Sewer User Fees
2005	Sewer Refunding Bonds	1,442,799	454,352	93,782	2019	Sewer User Fees
2011B	Sewer Refunding Bonds	465,000	85,000	13,356	2022	Sewer User Fees
<u>1993/ 2009</u>	<u>Sewer Refunding Bonds</u>	<u>2,475,000</u>	<u>0</u>	<u>114,988</u>	<u>2023</u>	<u>Sewer User Fees</u>
	TOTAL Sewer Utility Debt	5,882,695	1,213,508	265,031		

◆ **POSITIVE DEBT STRUCTURE TRENDS**

Though it is important for the Town to continue prudent long-term debt management practices, it should maintain a flexible adherence to its six (6) year capital improvement plan that may necessitate taking on new debt obligations. The Town continues to evaluate and work towards the elimination of debt and funding capital on a pay-as-you-go basis.

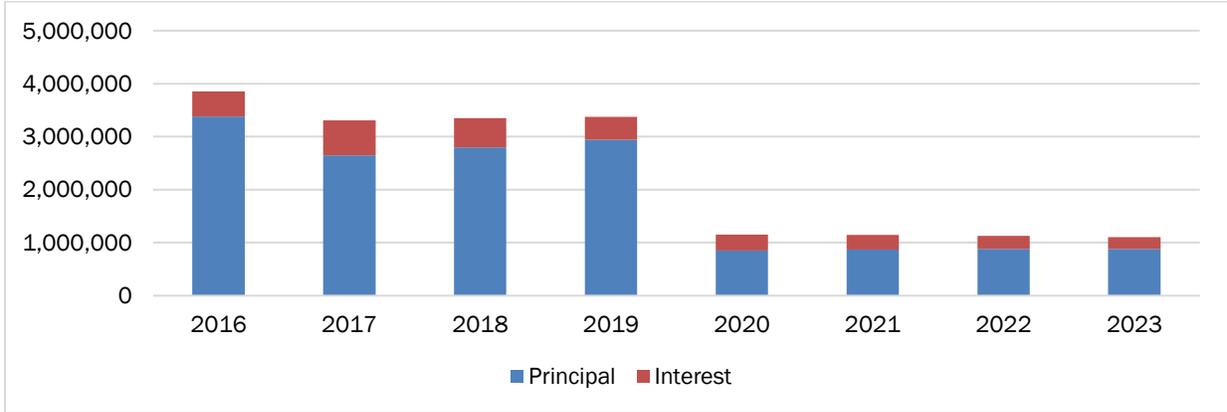
As of December 31, 2016, the Town’s total Net Debt (excludes Sewer Utility debt, but does include short-term Bond Anticipation Notes (BAN’s) is \$25,033,770. The percentage of the total Net Debt to Equalized Valuation [average of last 3 years (2014-16) - \$2,741,998,081 is .982%. The Town’s commitment to lower its debt burden has greatly contributed to keeping its total Net Debt to Equalized Valuation well below the 3.5% statutory maximum limit.

NET DEBT AS % OF EQUALIZED VALUATION



The graph and data below sets forth the Total General Obligation debt service schedule for long-term debt from FY 2016 to FY 2023.

LONG-TERM GENERAL OBLIGATION DEBT SCHEDULE



Fiscal Year	Total Long-Term GO Debt Payments*	Principal*	Interest*
2016	3,854,483	3,381,620	472,863
2017	3,305,771	2,646,491	659,280
2018	3,351,144	2,796,362	554,782
2019	3,372,810	2,939,447	433,363
2020	1,152,718	850,000	302,718
2021	1,147,042	870,000	277,042
2022	1,129,355	880,000	249,355
2023	1,106,668	885,000	221,668
2024	883,436	685,000	198,436
2025	879,392	700,000	179,392
2026	883,892	725,000	158,892
2027	881,843	745,000	136,843
2028	879,193	765,000	114,193
2029	900,567	810,000	90,567
2030	875,761	810,000	65,761
2031	854,861	815,000	39,861
2032	832,309	819,000	13,309

*Does not include new bonds anticipated for FY2017

As evidenced above, long-term debt service payments will modestly decrease next year until FY 2020 when the Town’s GO debt service payments will drop substantially by about \$2.2 million. Without new borrowing, over the next five years the Town will pay off about \$10.1 million in long term debt, leaving just \$12 million outstanding.

FY2017 MUNICIPAL OPERATING BUDGET

Since FY 2008, the Town has issued short-term debt in the form of Bond Anticipation Notes (BAN's) because of exceedingly favorable short-term borrowing costs to finance various capital projects. At the end December 31, 2016, in the Town's Current Fund (Operating Budget), the Town has about \$6.39 million outstanding in BAN's.

Debt reduction will continue to be a high priority of this Administration, and key to this effort is to limit new debt for capital expenditures vis-a-vis existing principal debt payments during that same year. For example, in FY 2017, total principal payments will exceed proposed new debt (\$2.4 million) for capital improvement projects by about \$156,263. The graph and data below provides ample evidence of how the Town has improved its debt management practices since FY 2002, realizing a total Operating Budget debt reduction of a net \$26.6 million.

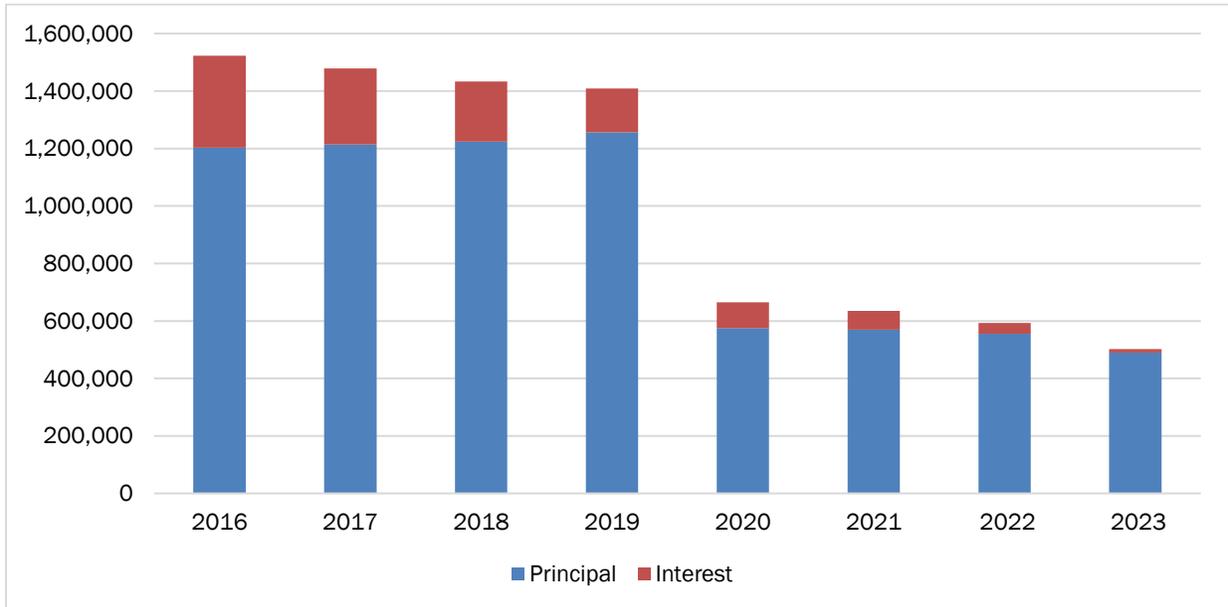
OPERATING BUDGET DEBT REDUCTION vs. NEW DEBT AUTHORIZED

Fiscal Year	Debt Principal Paid	New Debt Authorized	Reduction/ (Increase)
2002	2,235,000	2,377,000	(142,000)
2003	3,160,000	2,242,000	918,000
2004	2,476,673	1,822,000	654,673
2005	2,782,153	2,610,000	172,153
2006	2,970,228	1,895,000	1,075,228
2007	3,212,293	2,226,000	986,293
2008	3,769,928	1,293,900	2,476,028
2009	4,037,340	485,000	3,552,340
2010	4,385,000	1,165,000	3,220,000
2011	4,482,000	1,155,000	3,327,000
2012	4,607,953	1,623,500	2,984,453
2013	4,013,068	1,015,000	2,998,068
2014	4,192,000	2,350,000	1,842,000
2015	3,981,406	2,536,000	1,444,806
2016	3,381,620	2,407,408	974,213
2017	2,646,500	2,490,237	156,263

SEWER UTILITY - DEBT OBLIGATIONS

Below illustrates the Sewer Utility Debt Service Payment Schedule until the final principal payments on sewer long-term debt issuances are paid off.

LONG-TERM SEWER DEBT SCHEDULE



Fiscal Year	Total Sewer Utility Debt Payments	Principal	Interest
2016	1,522,734	1,203,379	319,355
2017	1,478,539	1,213,508	265,031
2018	1,433,466	1,223,637	209,829
2019	1,408,205	1,255,550	152,655
2020	664,925	575,000	89,925
2021	634,659	570,000	64,659
2022	592,806	555,000	37,806
2023	502,250	490,000	12,250

For the fourth consecutive year, the Town’s Sewer Utility operating budget completely funded \$670,000 in capital improvement projects instead of financing it through short-term debt. In 2017, debt service is down slightly again from last year’s obligation. And, similar to the last two years, the Sewer Utility’s 2017 capital project needs of \$670,000 will be funded through its operating budget.

As of the end December 31, 2016, the Town’s Sewer Utility Fund has about \$4.00 million outstanding in BAN’s. Keeping to its commitment to pay off its short-term debt over the next 5 years, the Town Administration is appropriating \$1,051,000 to pay down principal on its BAN’s

in the Sewer Utility budget even though its legal principal installment due is only just over \$178,000. Assuming the Town continues to employ a “pay-as-you-go” approach to any annual Sewer capital improvement project at the Plant, and does not incur additional short-term debt to pay for such, the Town strives to payoff its existing short-term sewer utility debt by no later than FY 2023 when its long term debt obligation repayment period comes to an end.

2. Municipal Operations

Section 2: Operating Departments and Sewer Utility

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**DEPARTMENT OF
ADMINISTRATION**

Administration

Jillian Barrick, Business Administrator

Bureau of Police Protection

Peter Demnitz, Chief

Bureau of Fire Protection

Robert Flanagan, Chief

Planning

Phil Abramson, Town Planner

Senior Services

Wayne Cresta, Manager

Vital Statistics

Angela Swanston, Registrar



ADMINISTRATION

FY2017 Proposed: \$587,574

Headcount: 6 Full-Time, 0 Part-Time

The Town of Morristown operates under the Faulkner Act with a Mayor-Council form of government. The Business Administrator, appointed by the Mayor with consent of the Town Council, is the Chief Administrative Officer of the Town who oversees the day to day operations of Morristown government which include, but are not limited to:

- Supervise the administration of all the departments established by the Town Code, except for the Town Clerk who reports to the Town Council.
- Research, develop, prescribe, and enforce procedures within and between departments and agencies for the effective and economical management of Town government.
- Oversee preparation of the annual municipal budget. Prepare and compile annual budget studies, analyses, and departmental budget hearings. And supervise the administration of the annual budget once adopted.
- Serve as the Town's Personnel Officer responsible for hiring and removal of employees and negotiating all labor contracts. Also, serving as Appointing Authority having the power and responsibility of appointing and terminating civil service positions in accordance with Town code and State statutes.
- Oversee insurance administration, purchasing processes and technology decisions.
- Work with the Town Planner to oversee the redevelopment process from initial concept all the way through to tracking and enforcement of Redevelopment Agreement conditions.
- Maintain a continuing review of federal and state aid programs so that the Town shall receive any and all aid to which it may be legally entitled and is most appropriate for Town purposes.
- Research and evaluate potential grant funding options to identify sources of funds that meet the needs of the Town and direct the grant seeking process.
- Interface with outside agencies including the Morristown Parking Authority, Morristown Housing Authority and Morristown Partnership to develop and implement coordinated programs which make the best use of public monies to improve quality-of-life in Morristown.
- Build and protect the Town of Morristown's "brand equity" across all platforms, from voicemail greetings to press releases, collateral materials, website and social media streams.
- Serve, in many instances, as the first point of contact for the public, providing a "customer-first" approach to anticipate and respond to the needs of Morristown's many constituencies.

GOALS AND OBJECTIVES

The Town Administration is deeply committed to having its organization operate innovatively and demonstrate best practices. Town employees are expected to ensure that their respective functions are operating efficiently, deliver municipal services in the most effective manner, and act professionally at all times when interacting with the general public.

2016 Highlights

- Facilitated cross-departmental task force with all land-use related operational divisions to identify and implement process improvements to better serve constituents.
- Negotiated purchase of 38 Headley Rd. from the State of NJ.
- Successfully settled 4 collective bargaining agreements reflecting fair but moderate salary increases, improved safety for public works employees, and streamlining of other personnel costs and benefits.
- Improve and expand social media presence of the Town.
- Implemented a new monthly Mayor's Newsletter highlighting activities and events throughout the year.
- Replaced antiquated telephonic system with state-of-the-art system with modern features and uniform voice mail greetings organization-wide.
- Implemented multi-mode employee notification system.

2017 Goals

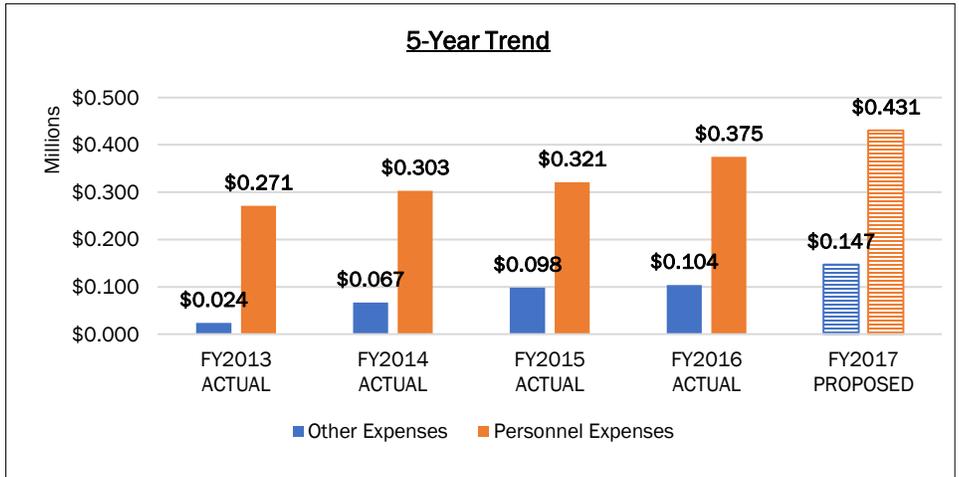
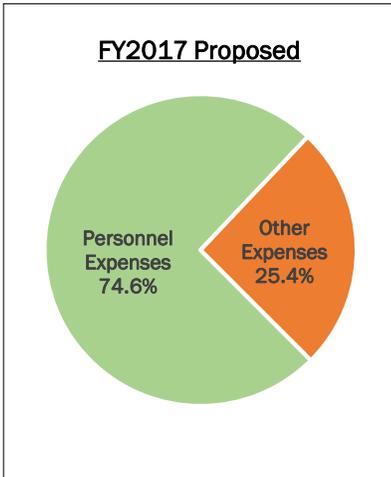
- Implement management and leadership training program.
- Encourage and expand professional development opportunities at all levels.
- Expand use of technology and staff competency.
- Review and modernize Personnel Handbook and policies.
- Automate personnel and payroll systems and records management to include self-service portal for employees.
- Expand employee benefits options to best meet the needs of employees.
- Complete ethics, discrimination, and customer service training for all employees.
- Expand e-government initiative implementation including:
 - Expansion of online payment capabilities
 - Update Town website and implement online forms
 - Improve online customer service portal
 - Enhance community notification system
 - Implementation of online OPRA request system

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Business Administration

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	271,000	302,985	320,942	374,623	490,594	430,594
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	271,000	302,985	320,942	374,623	490,594	430,594
OTHER EXPENSES:						
Services	5,307	39,928	68,247	76,287	97,100	91,550
Materials and Supplies	2,613	2,043	3,103	1,450	2,080	2,080
Training and Professional Development	5,539	10,661	10,345	10,056	28,467	28,650
Purchase of Vehicles and Equipment	601	798	2,172	1,228	600	600
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	1,279	1,958	1,367	0	5,100	5,100
Specialized Supplies and Services	8,314	11,489	13,004	15,069	17,610	19,000
TOTAL OTHER EXPENSES:	23,653	66,877	98,238	104,090	150,957	146,980
TOTAL BUDGET:	294,653	369,863	419,180	478,713	641,551	577,574

HEADCOUNT SUMMARY:						
Full-Time	3.00	4.00	5.00	6.00	6.00	6.00
Part-Time	1.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	4.00	4.00	5.00	6.00	6.00	6.00



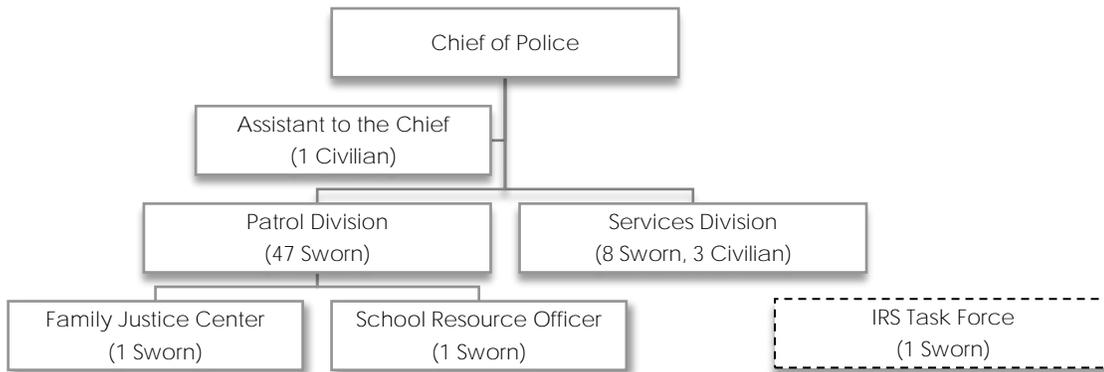


BUREAU OF POLICE PROTECTION

FY2017 Proposed: \$7,397,340

Headcount: 59 Sworn, 4 Civilian

The Morristown Police Department is the primary agency responsible for providing all police services to the Town of Morristown. Located at 200 South Street, the Morristown Police Department has an authorized strength of 57 sworn Police Officers and 3 civilian employees. From these numbers, the department maintains an active uniformed patrol, investigative services and dispatching facilities for all police, fire and emergency calls.



2016 Highlights

- Pilot program for Body Worn Cameras expanded; All patrol personnel are now outfitted with BWCs.
- Achieved reduction in motor vehicle thefts, burglaries, aggravated assaults, robberies involving firearms and assaults involving knives and other dangerous weapons continued.
- Expanded training in use of Narcan to all personnel and successfully treated 9 overdose cases.
- Initiated a community Recruitment Program and hosted an Open House for potential candidates in advance of the Civil Service Police Officers’ exam.
- Hired two police personnel.

2017 Goals

- Expand and Enhance Community Policing Programs by:
 - Maintaining a presence at Morristown High School and the Family Justice Center.
 - Participate in community events including Law Enforcement Night at Mennen Arena and seek new opportunities to interact with the community.
 - Implement the Morristown Safe Place Program, adapted from the Seattle Safe Place Program into the Business District. The program aims to reduce hate crimes involving Lesbian, Gay, Bisexual, Transgender and Questioning (LGBTQ) individuals by fostering an active collaboration between local businesses, schools, social organizations and local police.
 - Establish and maintain relationships with Morristown High School with the introduction of a course of instruction on police training and tactics.

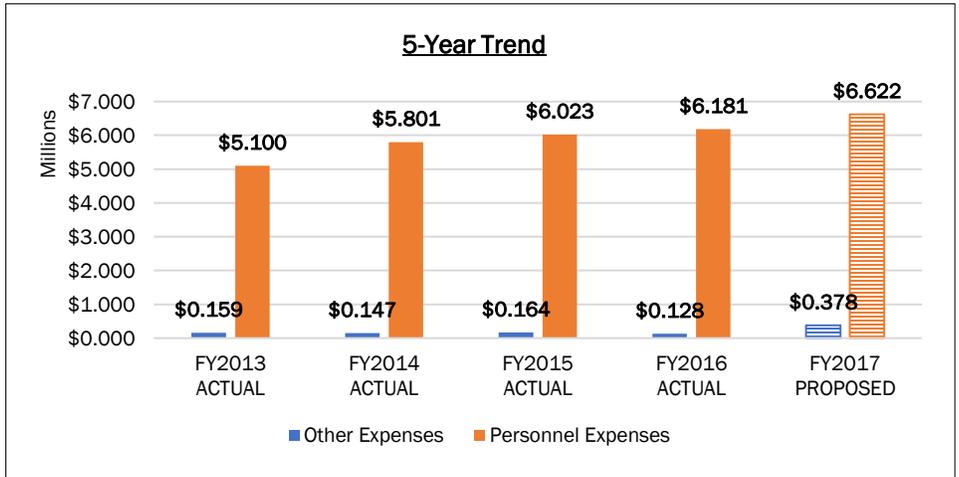
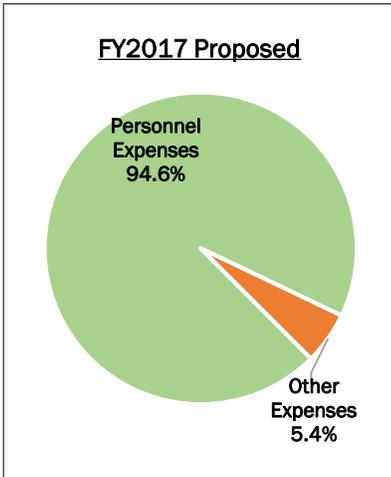
- Address growing concerns regarding the use of heroin and resulting overdoses. Work with the Morris County Sheriffs Department and CARESNJ to deliver awareness programs throughout the year to various audiences.
- Improve traffic flow throughout Morristown through deployment of personnel at key intersections during the morning and evening rush hours as well as when special events or circumstances indicate a necessity.
- Improve/Increase perception of safety through the strategic deployment of officers on foot and bicycle posts.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Bureau of Police Protection

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	5,062,363	5,748,488	5,974,983	5,978,625	6,658,160	6,522,160
Incentives and Allowances	37,233	52,254	47,812	40,881	49,500	49,500
Special Events and Other	0	0	0	0	79,000	50,000
TOTAL PERSONNEL EXPENSES:	5,099,596	5,800,742	6,022,795	6,019,506	6,786,660	6,621,660
OTHER EXPENSES:						
Services	24,917	44,100	41,860	44,387	47,475	49,400
Materials and Supplies	55,127	36,498	61,953	30,256	94,747	65,000
Training and Professional Development	28,138	28,173	10,190	8,085	8,532	8,400
Purchase of Vehicles and Equipment	11,442	4,392	1,818	7,803	371,318	155,494
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	38,905	33,681	48,304	37,216	100,957	99,878
TOTAL OTHER EXPENSES:	158,528	146,844	164,125	127,747	623,030	378,171
TOTAL BUDGET:	5,258,125	5,947,586	6,186,920	6,147,253	7,409,690	6,999,832

HEADCOUNT SUMMARY:						
Full-Time	55.00	59.00	62.00	61.00	66.00	63.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	55.00	59.00	62.00	61.00	66.00	63.00





BUREAU OF FIRE PROTECTION

FY2017 Proposed: \$3,589,678

Headcount: 34 Full-Time, 0 Part-Time

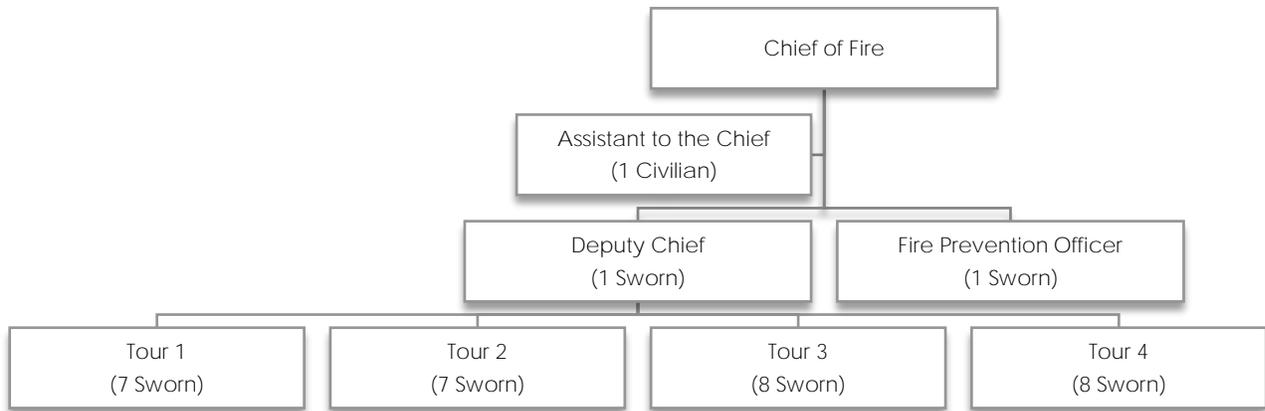
The Morristown Fire Bureau has 31 career members and a volunteer division. They all are EMT-certified and among the most highly trained firefighters in the region. Training with the federally-funded Urban Search & Rescue (USAR) along with Morristown’s mutual aid alliance has provided this Bureau with skill not only in firefighting and EMS, but in rescue operation as well.

The Bureau uses a four-tour system and members work a 24 hour on/72 off rotation schedule, running 2 engines and 1 ladder. An additional engine, platform, rescue, and ambulance are placed into service as needed.

The Fire Bureau presented and continues to manage programs on Fire Safety and Prevention to the public and, in conjunction with the American Red Cross, installs free smoke detectors throughout the town.

The Fire Headquarters at 161 Speedwell Ave was built in the early 1970s and the facility is being upgraded:

- Energy efficient replacement windows were installed
- New bay floor drain was installed
- Energy efficient doors for the bay area are planned
- Interior aesthetic upgrades are planned



2016 Highlights:

- Completed improvements and upgrades to headquarters including the bay floor resurfaced and rescaled and window replacement.
- Member training included new Class A burn building training at the County Academy.
- Provided new aid air conditioning for building for the cooling and warming stations.
- Increased number of inspections in Fire Prevention due to all Inspector positions being filled.

FIRE BUREAU INCIDENT ACTIVITY

Type of Incident	2015	% of Incident Calls	2016	% of Incident Calls
Fire	68	2.61%	62	3.37%
Overpressure rupture, explosion, overheating - no fire	n/a		80	4.34%
EMS & Rescue	1,049	40.30%	114	6.19%
Hazardous Conditions (No Fire)	165	6.34%	200	10.86%
Service Call	204	7.84%	231	12.54%
Good Intent Call	258	9.91%	223	12.11%
False Alarm & False Call	856	32.89%	893	48.48%
Severe Weather & Natural Disaster	1	0.04%	37	2.01%
<u>Special Type - Overpressure, Explosion - No Fire</u>	<u>2</u>	<u>0.08%</u>	<u>2</u>	<u>0.11%</u>
TOTALS	2,603		1,842	

FIRE PREVENTION INSPECTIONS

	2015	2016
<u>Life Hazard</u>		
• Total # of Inspections	212	283
• Total # of Re-inspections	121	215
• Total # of Cert. of Insp. Issued	212	283
<u>Non-Life Hazard</u>		
• Total # of Inspections	78	137
• Total # of Re-inspections	45	121
• Total # of Cert. of Insp. Issued	78	137

2017 Goals

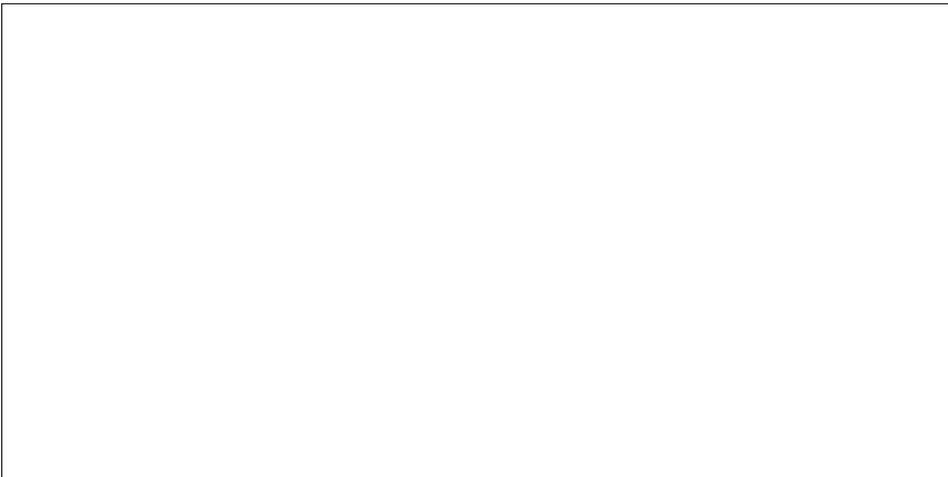
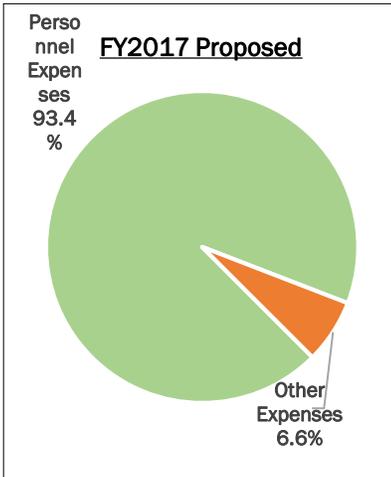
- Continuing to upgrade fire facility improvements including new bay doors, new bathrooms, and upgrade security system.
- Continue to invest in technology to enhance services offered.
- Continue planning the upgrade for the Department fleet.
- Wellness Program four day/week, performance-optimizing physical fitness program offered at no cost to the taxpayer courtesy of volunteer firefighter/owner of SUMMUS on Washington Street.
- Continue training members in hazard approach and training for any new hybrid solar compressed natural gas.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Bureau of Fire Protection

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	2,813,420	3,036,937	3,220,540	3,093,071	3,411,048	3,336,048
Incentives and Allowances	15,500	15,500	15,500	15,500	15,500	15,500
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	2,828,920	3,052,437	3,236,040	3,108,571	3,426,548	3,351,548
OTHER EXPENSES:						
Services	32,047	32,636	35,574	32,791	32,380	32,380
Materials and Supplies	46,947	52,078	80,632	119,592	87,500	87,500
Training and Professional Development	21,415	24,142	13,513	13,376	27,500	27,500
Purchase of Vehicles and Equipment	28,514	19,263	6,023	24,143	18,000	18,000
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	24,965	28,207	18,472	15,633	27,000	25,000
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	33,663	36,717	37,405	44,415	47,750	47,750
TOTAL OTHER EXPENSES:	187,551	193,042	191,619	249,949	240,130	238,130
TOTAL BUDGET:	3,016,472	3,245,479	3,427,659	3,358,520	3,666,678	3,589,678

HEADCOUNT SUMMARY:						
Full-Time	0.00	33.00	32.00	33.00	34.00	34.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	0.00	33.00	32.00	33.00	34.00	34.00





PLANNING

FY2017 Proposed:

Headcount: *(Provided by contract with Topology, LLC)

The Planning Division provides general planning and landscape design services to the Planning Board and Board of Adjustment, any committees of either Board and the Town Council. The Planning Division also works closely with other municipal officials and entities, such as the Environmental Commission; as well as with Morristown based, non-municipal organizations, such as the Morristown Partnership and the Trustees of the Green. It is the primary responsibility of the division to keep abreast of Planning and Land Use related issues at the Federal, State, County, regional and local levels that may affect the future of the Town and help develop Morristown’s response to those issues.



2016 Highlights

In 2016, the Morristown Planning Division continued to enhance the Town’s planning capacity by leveraging resources, creating effective public-private-partnerships, and developing collaborative relationships with community stakeholders. As a result, the Planning Division, under the leadership of the Mayor and at the direction of the Office of Administration, served the long-term goals and objectives of the municipality. The following list includes the Planning Division’s most noteworthy accomplishments:

- Form Based Code: As part of an ongoing long-term project, the Town’s Planning Division finalized their initial draft of an overhauled zoning ordinance. The draft and underlying principles were presented and refined multiple times with the Planning Board and more recently with members of the Governing Body. The document will be adopted in the second half of 2017, upon a full vetting with the public and other stakeholders.
- Affordable Housing Implementation: In March 2015, the New Jersey Supreme Court ceded control of statewide affordable housing compliance, which previously rested with the Council on Affordable Housing (COAH). This decision required Morristown to participate in the required litigation process in order to maintain control of local zoning decisions. The Planning Division worked hand-in-hand with the Department of Law and special counsel to support the drafting of legal filings and created new planning documents to comply with changing regulations.
- Redevelopment Planning & Management: The Town continued to advance various redevelopment initiatives. Substantial progress was made on the construction of a new 45,000 square foot office building for the Fox Rothschild law firm. In addition, the Town worked with the public to vet a proposal for self-storage proposed by the Hampshire Companies, requiring multiple public workshops and listening sessions. 2016 also saw construction begin on Phase 2 of the Speedwell Redevelopment, “Building C” of the Epstein’s Rehabilitation Plan and long-stalled multifamily building at the corner of Ann and Court Streets. Coordination and vetting of proposals from various property owners also continued throughout the year.

- Mobility Study: The Planning Division, in collaboration with the Department of Administration, kicked-off a major mobility initiative in 2016. The Study will outline a series of specific capital projects to improve overall circulation throughout Morristown by enhancing functionality of troubled intersections, and improving the safety and circulation for pedestrians and bicyclists. The Planning Division assisted in selection and procurement of a consulting firm. The Division established a project plan and management structure to track progress and completion through 2017.
- Grants: In 2016, the Planning Division supported the efforts of Millennium Strategies on several key funding requests. Perhaps most significantly was a Green Acres acquisition application for a portion of the Loyola House of Retreats property along James Street, undertaken in coordination with the Trust for Public Land. The Town was awarded a trails improvement grant from NJDEP which it used to construct a new kiosk at the Patriot's Path trailhead on Martin Luther King Jr. Avenue. The Planning Division also continued to coordinate with Morris County Parks Commission in order to reopen the closed segment of Patriot's Path.
- Special Projects: The Planning Division also completed certain smaller, more focused projects including a traffic calming and streetscape plan that required comprehensive neighborhood engagement and consensus building. The Planning Division also procured and managed the design and public engagement for the concept of a new park in the heart of the Speedwell Redevelopment Area.

2017 Goals

In 2017, the Planning Division will continue to work in collaboration with the Mayor, Administration, Governing Body and community at large to advance the following goals and initiatives:

- Mobility Study: The comprehensive mobility study will be completed in the fall of 2017. Engagement with NJDOT and Morris County DOT will likely deepen in 2017 to advance implementation of new concepts and strategies for the Town's thoroughfares.
- Form Based Code: The zoning code overhaul is on track for adoption in 2017, which will include a full vetting with interested agencies, stakeholders, the public.
- Redevelopment Planning: Collaborate with developers to evaluate and advance worthwhile redevelopment projects. The Planning Division will work to advance smaller "infill" projects that will complete the Speedwell Redevelopment Area. In addition, it is also anticipated that the redevelopment planning process will kick-off to transform the public parking lot behind the train station. Groundbreaking will likely occur in late 2017 or early 2018 on a mixed-use structure on Market Street, which represents the final phase of the Market & Bank Redevelopment Plan. Finally, 2017 or early 2018 will see the groundbreaking of a complete a much-needed overhaul of the public plaza located at Headquarters Plaza complex along Speedwell Avenue.
- Inter-Agency Coordination: Continue to work with outside agencies to achieve the Town's goals. Specifically, the Planning Division intends to continue conversations with the New Jersey Department of Transportation regarding implementation of traffic studies and improvements at key locations such as South Street, the Morristown Green and Speedwell Avenue. Furthermore, it will work with New Jersey Transit to advance enhancements to the appearance, functionality of Morristown Station and the development of potential surrounding lands.
- Affordable Housing: Once the Town's housing plan and associated spending strategy is approved, the Planning Division will work with the Department of Law and Administration to prepare and implement funding agreements with sponsors of identified projects. The Division will also assist in

the continued development of the Town's housing infrastructure, such as procurement of administrative agent and interdepartmental coordination needed to advance housing plan.

- Grant Writing: Focus on grants relating to historic preservation as well as flood resiliency and erosion control for the lands around the Whippany River. In addition, the Planning Division will seek funding for mobility studies to enhance safety and accessibility around Morristown Station and the Town Green. Grants will also be sought to implement mobility improvements recommended through the Mobility Study.



SENIOR SERVICES

FY2017 Proposed: \$43,684

Headcount: 0 Full-Time, 2 Part-Time

The Office of Senior Services provides various activities and programs to the senior population of Morristown. These include the “Flex and Stretch Exercise Program”, the 60+ Club, Chess and Bridge Clubs, A.A.R.P. income tax assistance and defensive driving classes, informational forums, monthly movies, insurance counseling (S.H.I.P.), blood pressure screenings and other health-related clinics as well as bimonthly newsletters. The Office continues to offer free local trips to such places as Washington’s Headquarters, The Seeing Eye, Macculloch Hall and Turtle Back Zoo for Morristown Seniors. Also, in partnership with the Morris County Office of Health Management, the Office of Senior Services has begun running healthy aging programs such as the “Science of Breathing” and the “Art of Laughter.”

The Office also holds an Annual Picnic and a Holiday Party. Participation in both events has greatly increased over the last several years. Every year attendance seems to break the previous year’s record! Fortunately, the generosity of local restaurants and other Morristown businesses have offset costs by generously contributing food and other goods. Also, in conjunction with the Morris County Nutrition Program, the Office of Senior Services delivers hundreds of meals to home bound seniors. Additionally, food/shopping transportation is provided to individuals on Tuesday, Wednesday and Thursday mornings.

To obtain any entitlements due them, the Office of Senior Services also serves as a conduit between Morristown Seniors and programs offered by State, County and Federal governments.



2016 Highlights

- Instituting new health and wellness programs such as “Chair Yoga”.
- Updating our long running “Flex and Stretch” class.
- More programs in conjunction with the Morris County Health Department.

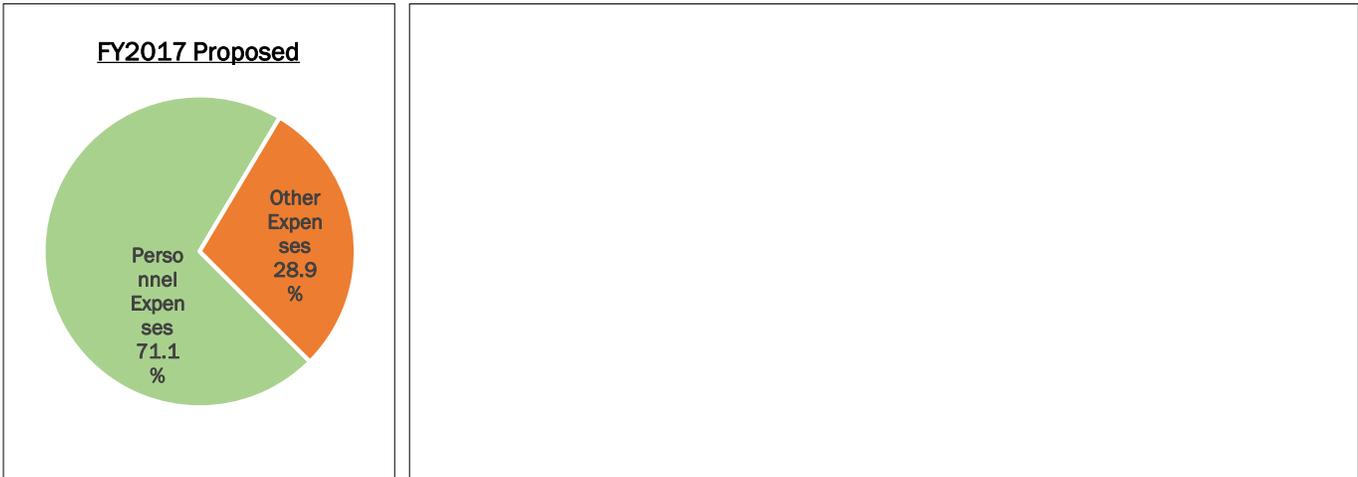
2017 Goals

- New programs and classes such as “Learning How to Play the Piano”.
- Improving transportation options for Seniors in Morristown (i.e.: “Rides for Seniors”).
- Implement a “Friendly Visiting” volunteer program.
- Implementing a “Shopping Escort” program.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Senior Services

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	15,435	21,379	23,237	24,047	42,869	42,869
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	15,435	21,379	23,237	24,047	42,869	42,869
OTHER EXPENSES:						
Services	2,465	2,353	2,575	2,805	4,850	4,850
Materials and Supplies	591	1,080	1,050	1,080	1,100	1,100
Training and Professional Development	0	0	0	0	0	0
Purchase of Vehicles and Equipment	0	0	0	0	4,500	4,500
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	1,481	1,752	1,428	3,448	15,250	7,000
TOTAL OTHER EXPENSES:	4,537	5,185	5,053	7,333	25,700	17,450
TOTAL BUDGET:	19,972	26,563	28,290	31,380	68,569	60,319
HEADCOUNT SUMMARY:						
Full-Time	0.00	0.00	0.00	0.00	0.00	0.00
Part-Time	0.00	2.00	2.00	2.00	2.00	3.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	0.00	2.00	2.00	2.00	2.00	3.00





VITAL STATISTICS

FY2017 Proposed: \$119,928

Headcount: 2 Full-Time, 0 Part-Time

Vital Statistics holds the records of all Births, Marriages, Civil Unions, Deaths and Fetal Deaths that occur in the Town of Morristown. The vital records date from 1905 to the present, incorporating hard copies and electronic copies. Vital records are issued either by mail or in person between the hours of 8:30am to 4:00pm.

The Vital Statistics office is responsible for filing, maintaining, issuing, proofing, and processing a high volume of amendments to vital records. Marriage Licenses are issued to Morristown residents or to out of State couples who are marrying in Morristown. The Vital Statistics office accepts the record, files the record in house, files the record with the State, notifies the issuing Town, inputs all data into the Town’s record-keeping system and then issues marriage certificates.

The State has also implemented the Vital Information Platform (VIP) in August of 2014. Birth Certificates are electronically submitted to our office by Morristown Medical Center. The office accepts or can adjust the record to reflect accurate vital information of child and parent.



2016 VITAL STATISTICS

	Units	Fees Collected
Marriage License Applications	237	\$6,636
Marriage Certificates Issued	546	\$8,190
Births Certificates Issued	11,185	\$167,775
Death Certificates Issued	755	\$9,060

2016 Births	4,536
2016 Deaths	1,321
2016 Marriages	284

2017 Goals

- Process the high volume of mail with a same day return service.
- Provide quick counter service with a 5-10 minute turnaround .
- Provide customer service via telephone/email.
- Provide professional experience in the assistance of amending and issuing records.
- Vital Statistics is run in a professional manner and its status of work is up to date.

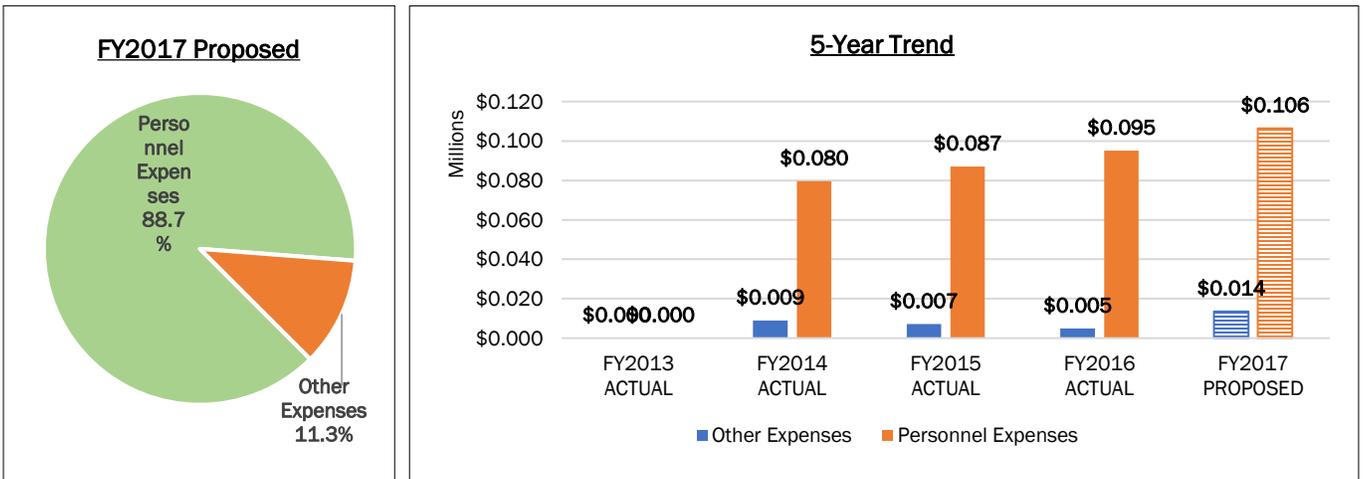
FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Vital Statistics

	FY2013 ¹ ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	0	79,560	87,043	95,071	106,398	106,398
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	0	79,560	87,043	95,071	106,398	106,398
OTHER EXPENSES:						
Services	0	661	488	504	2,142	1,500
Materials and Supplies	0	1,395	2,505	0	1,530	1,530
Training and Professional Development	0	0	633	522	2,000	1,500
Purchase of Vehicles and Equipment	0	0	0	2,963	3,500	3,500
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	0	6,891	3,454	859	5,500	5,500
TOTAL OTHER EXPENSES:	0	8,947	7,080	4,848	14,672	13,530
TOTAL BUDGET:	0	88,507	94,123	99,919	121,070	119,928

HEADCOUNT SUMMARY:

Full-Time						
Part-Time						
Seasonal	0.00	1.00	1.00	2.00	2.00	2.00
TOTAL HEADCOUNT:	0.00	1.00	1.00	0.00	0.00	0.00



¹ In 2013, Vital Statistics was part of the Clerk's Office.

**DEPARTMENT OF REVENUE
AND FINANCE**

Treasurer

Frank Mason, CFO, QPA

Tax Collector

Linda Winstead, Collector

Tax Assessor

Kevin Esposito, Assessor



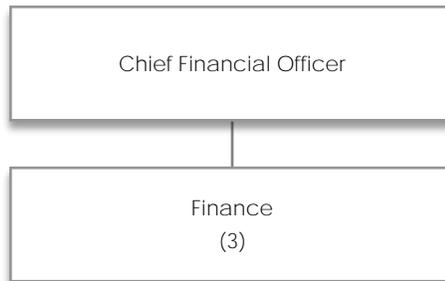
TREASURER

FY2017 Proposed: \$490,079

Headcount: 4 Full-Time, 0 Part-Time

The Finance Department is responsible for the collection and disbursement of Municipal funds and maintaining the Municipal financial records. The Finance Department is responsible for all financial transactions within the Town. These transactions include, but are not limited to the following:

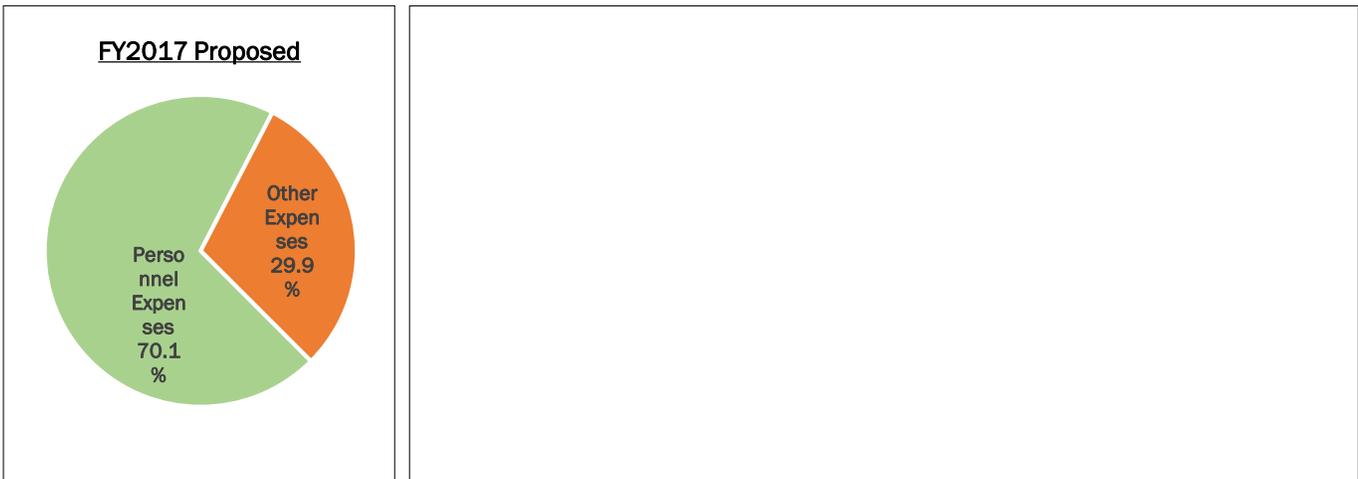
- Accounts payable/payment of bills
- Purchasing
- Cash receipts and reconciliations
- Investment activity
- Debt service (bonds, notes, loans, etc.)
- Grant activity
- Payroll (including benefits, pension and payroll taxes)
- Fixed asset record reporting
- Annual State budget preparation
- Coordination of the annual audit
- (EMMA) Electronic Municipal Market Access Debt reporting
- Preparation and filing of Annual Debt Statement and Annual Financial Statements
- Various insurance records including surety bonds, health insurance, Chapter 78 deductions
- Developer's escrow activity

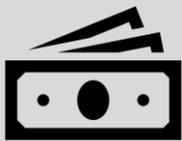


FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Treasurer

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	232,138	212,644	299,525	308,233	343,572	343,572
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	232,138	212,644	299,525	308,233	343,572	343,572
OTHER EXPENSES:						
Services	43,194	47,644	40,184	24,392	69,947	69,947
Materials and Supplies	2,988	2,183	2,871	3,519	3,057	3,057
Training and Professional Development	2,642	2,856	2,742	2,708	5,165	5,165
Purchase of Vehicles and Equipment	810	4,500	352	0	1,000	1,000
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	59,114	60,764	62,419	52,151	67,339	67,339
TOTAL OTHER EXPENSES:	108,747	117,948	108,568	82,770	146,508	146,508
TOTAL BUDGET:	340,886	330,592	408,093	391,003	490,079	490,079
HEADCOUNT SUMMARY:						
Full-Time	3.00	3.00	4.00	4.00	4.00	4.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	3.00	3.00	4.00	4.00	4.00	4.00



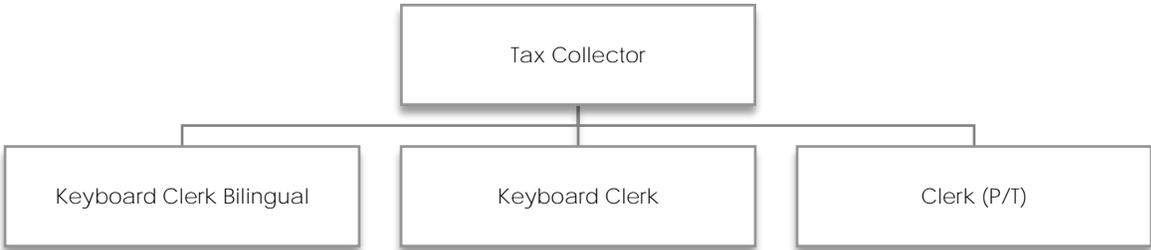


TAX COLLECTOR

FY2017 Proposed: \$215,899

Headcount: 3 Full-Time, 0 Part-Time

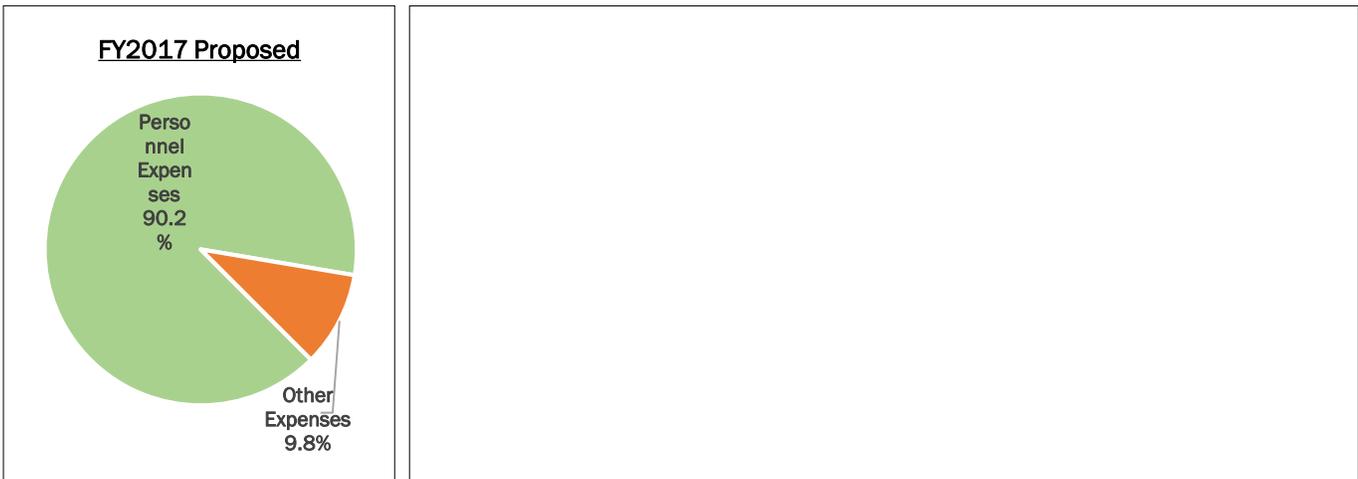
The Municipal Tax Collector extends each year's tax on the tax duplicate, prepares and mails tax bills and maintains tax accounting records as prescribed by law. The Tax Collector also receives and collects all current and delinquent real and personal property taxes, charges and receives penalties and interest pursuant to law and accounts for all collections. The Collector also makes and certifies searches for tax and other liens on any real property in the Town and charges and collects the Town's fees for same. The Tax Collector receives and collects all miscellaneous revenues due the Town. The Tax Collector prepares/mails Sewer Utility bills and receives/accounts for Sewer Utility payments.

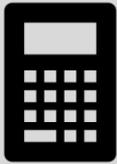


FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Tax Collector

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	174,550	178,148	182,875	184,163	194,634	194,634
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	174,550	178,148	182,875	184,163	194,634	194,634
OTHER EXPENSES:						
Services	18,631	13,328	12,551	12,739	15,535	15,400
Materials and Supplies	2,292	2,282	2,998	2,360	2,774	2,750
Training and Professional Development	1,749	1,395	2,119	2,174	2,436	2,440
Purchase of Vehicles and Equipment	135	4,335	0	2,400	0	0
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	603	662	600	600	675	675
TOTAL OTHER EXPENSES:	23,411	22,002	18,268	20,273	21,420	21,265
TOTAL BUDGET:	197,960	200,150	201,143	204,436	216,054	215,899
HEADCOUNT SUMMARY:						
Full-Time	3.00	3.00	3.00	3.00	3.00	3.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	3.00	3.00	3.00	3.00	3.00	3.00



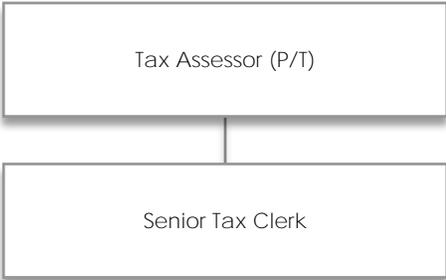


TAX ASSESSOR

FY2017 Proposed: \$366,994

Headcount: 1 Full-Time, 1 Part-Time

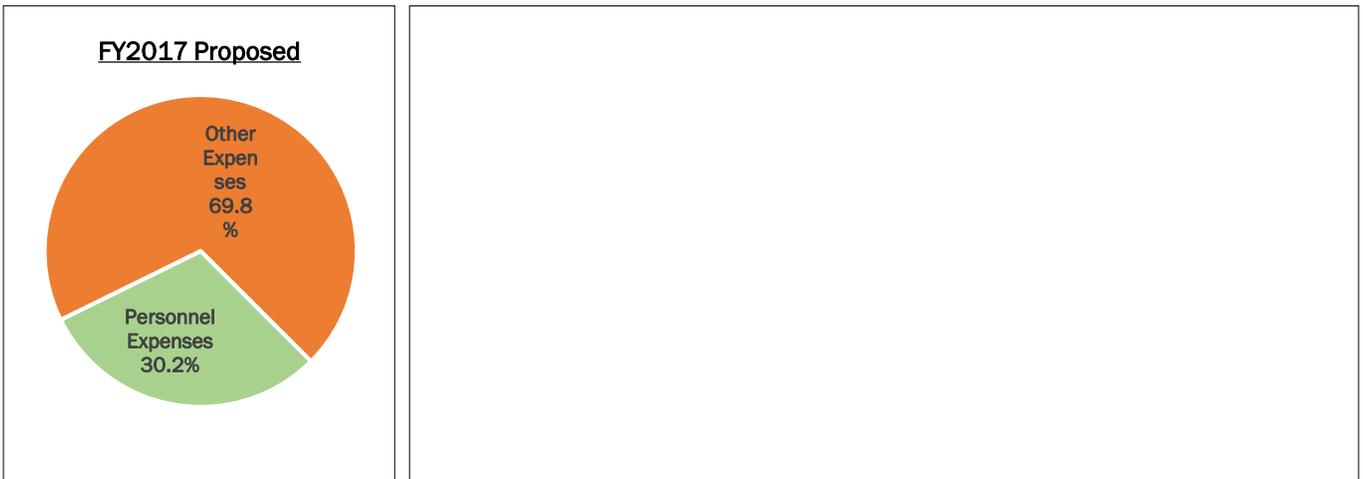
The Tax Assessor determines the taxability and fair market value of all new, existing and improved properties within the municipality. The assessor’s responsibilities include processing deeds and building permits for assessments, maintaining and updating assessment records, maintaining records for accurate up-to-date information from Planning, Zoning, and Construction Code enforcement, complying with State-mandated regulations, handling appeals, processing applications for exemptions or deductions, and compiling financial and other records for the County and State Boards. This office is governed by State statutes for all procedures. Property owners’ tax appeals must be filed on or before April 1st of the current tax year.



FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Tax Assessor

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	99,450	105,342	105,772	106,952	110,929	110,929
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	99,450	105,342	105,772	106,952	110,929	110,929
OTHER EXPENSES:						
Services	273,264	300,716	270,592	234,661	254,114	254,114
Materials and Supplies	836	1,386	616	1,398	1,600	1,600
Training and Professional Development	0	0	385	195	250	250
Purchase of Vehicles and Equipment	0	0	0	0	0	0
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	0	0	0	0	100	100
TOTAL OTHER EXPENSES:	274,100	302,102	271,593	236,254	256,064	256,064
TOTAL BUDGET:	373,550	407,444	377,365	343,206	366,994	366,994
HEADCOUNT SUMMARY:						
Full-Time	1.00	1.00	1.00		1.00	1.00
Part-Time	1.00	1.00	1.00		1.00	1.00
Seasonal	0.00	0.00	0.00		0.00	0.00
TOTAL HEADCOUNT:	2.00	2.00	2.00		2.00	2.00



**DEPARTMENT OF CODE
ENFORCEMENT**

*Director, Code
Enforcement*

**Building and UCC
Enforcement**

*Fritz Ruess, Construction
Official*

Health

*Carlos Perez, Public
Health Officer**

Animal Control

*Samantha Judson,
Animal Control Officer*

**Property
Maintenance**

*Andrae King, Chief
Housing Inspector*

Rent Leveling

*Wayne Cresta, Rent
Leveling Coordinator*

Zoning

*James Campbell,
Zoning Officer*

*Provided by contract with the Morris County Health Department.

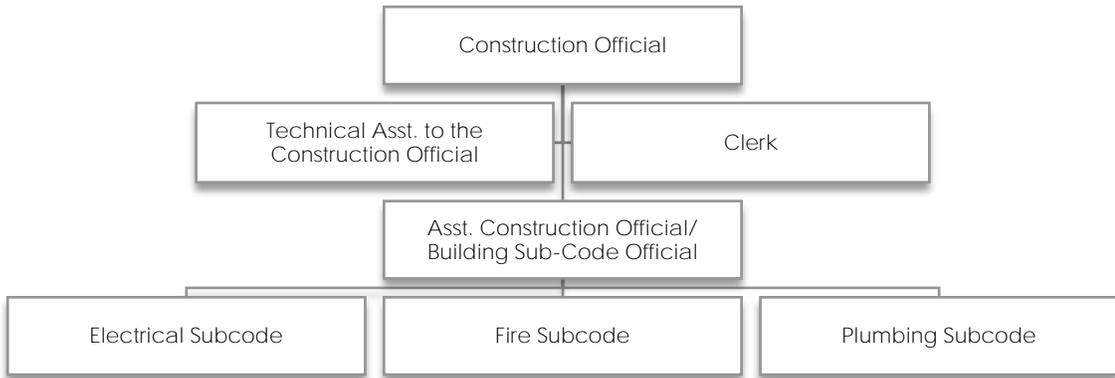


BUILDING AND UCC ENFORCEMENT

FY2017 Proposed:

Headcount: 9 Full-Time, 0 Part-Time

The primary responsibility of the Construction Department is to maintain the State-mandated system (NJ Uniform Construction Code) for processing permits, performing inspections, and to track and pursue code violations and unsafe structures. The permit process begins with plan review to ensure compliance with applicable codes and standards. The Department uses an open-door policy for meeting with and assisting customers with any questions or concerns. Upon final inspections and approvals, the permit process ends with the issuance of a Certificate of Approval or Certificate of Occupancy. The Division is primarily a “fee based” operation in that the majority of the funding comes directly from the construction permit fees that are collected. Last year, revenue from the issuance of construction permits was slightly over \$1 million.



This Division continues to make procedural, technological and policy changes to improve service and ensure consistency, transparency and uniformity. Each year, over 900 permits are issued and over 9,000 inspections performed. Over the last two years the value of construction for this permit activity has exceeded \$100 million, generating a positive direction for future property values. Strong building permit activity shows Morristown is attracting new projects and investment from developers, businesses and homeowners.

In addition to general permit activity, the following large projects continue in construction in FY 2017:

- Turtle Road (28 dwelling units)
- Ford/Morris Redevelopment
- 9 Prospect
- Epstein’s Rehabilitation Area (Building “C”)
- Speedwell Redevelopment - Phase 2 (Modera 55)
- Market Street office building

FY2017 MUNICIPAL OPERATING BUDGET

In First Quarter 2017, permit revenue is up over 50% above prior year. The following large projects are in the early stages of construction or in the pipe-line for ground-breaking/construction permits this year:

- 30 Court Street (66 dwelling units)
- Ridgedale Commons (28 dwelling units)
- Morristown Medical Center (Maternity Entrance renovation, 2 floor addition and garage expansion)
- 185 Morris Street (7 Apartments) - final phase of the Morris-Ford redevelopment project
- Spring Street redevelopment
- Proposed Hotel (Market Street)
- Vertical Realty Apartment Building (Market Street)

These projects and others will generate increased inspection activity. The Building Division will use additional “per diem” and PT/FT U.C.C. inspectors to supplement its current full-time staff. The additional employees will also assist in identifying and closing out open permits.

UCC INSPECTION COUNTS

Fiscal Year	Building	Electric	Plumbing	Fire	Total Inspections
2016	2,688	2,794	3,054	1,148	9,684
2015	2,886	3,019	2,823	1,233	9,961
2014	2,627	2,398	2,297	1,933	9,255
2013	2,628	1,632	2,213	1,206	7,679
2012	2,293	1,272	1,712	1,108	6,385
2011	1,674	1,159	1,535	896	5,264
2010	2,526	1,612	1,290	1,686	7,114
2009	3,777	1,838	1,933	1,655	9,203
2008	2,750	1,498	1,333	1,144	6,725
2007	1,876	1,424	1,250	823	5,373
2006	1,245	874	625	320	3,064

RESIDENTIAL & COMMERCIAL PERMITS

Fiscal Year	Residential Permits	Commercial Permits	Voided Permits	Total Permits
2016	673	260	0	933
2015	733	276	0	1,009
2014	730	348	0	1,030
2013	712	318	0	992
2012	651	341	0	918
2011	618	300	0	931
2010	655	276	0	1,113
2009	849	259	(5)	1,078
2008	778	305	(5)	1,110
2007	798	327	(15)	971
2006	650	331	(10)	320

CONSTRUCTION REVENUE COMPARISON FY2012-FY2015

	FY 2013	FY2014	FY2015	FY2016	Net Change from FY2015	Percent Change from FY2014
Number of Total Permits	1,030	1,078	1,009	933	(76)	-7.5%
Value of Construction	65,888,568	46,227,514	52,477,272	50,456,002	(2,021,270)	-3.8%
Total Fees Collected (Town's Share)	1,282,313	1,160,252	1,072,548	1,046,069	(24,497)	-2.3%

The charts above illustrate construction permit activity and revenue comparisons. While there was a slight decrease in permit revenue fees for FY 2016, the Division continues to exceed its anticipated revenue goal. Although the total number of permits was down by 7.5%, the Value of Construction was still over \$50 million, which will have a positive impact on assessed property values. The Division, as required by the NJ Uniform Construction Code, waived approximately \$17,000 in total fees for permits issued to Morris County, the Town of Morristown and the Morris School District.

2016 Highlights

- On November 1, 2016, the Building Division transitioned to a new Permit Database system, Spatial Data Logic. This integrated software system also supports the Property Maintenance, Zoning and Health Divisions, allowing these Divisions to access and share property data records. This enables the Division to review weekly and monthly reports to identify open permits, pending temporary certificates of occupancy expirations and pending plan review status. Monthly permit activity reports can be generated and forwarded to the Tax Assessor's office to ensure property assessed valuations are kept current.

- Staff retention and growth. Due to the continued increase of permit activity, a full time multi-disciplined inspector was hired. There was no turnover of existing staff. The code officials and front office staff continue to coordinate projects to ensure code compliance and to provide permit holders and the public with the highest level of customer service, professionalism and technical knowledge.
- Successfully plan reviewed, inspected and enabled occupancy for several complex and high profile projects: Maple Ave Townhouses, Fox Rothschild Office Building, 2 South Street rehabilitation, Morris-Ford Ave. redevelopment and major hospital renovation projects; including HVAC upgrade, CT Scan, Cardiology, curtain wall and Nuclear Medicine.
- The front office staff successfully handled over 200 Open Public Record Act ("OPRA") requests.

2017 Goals

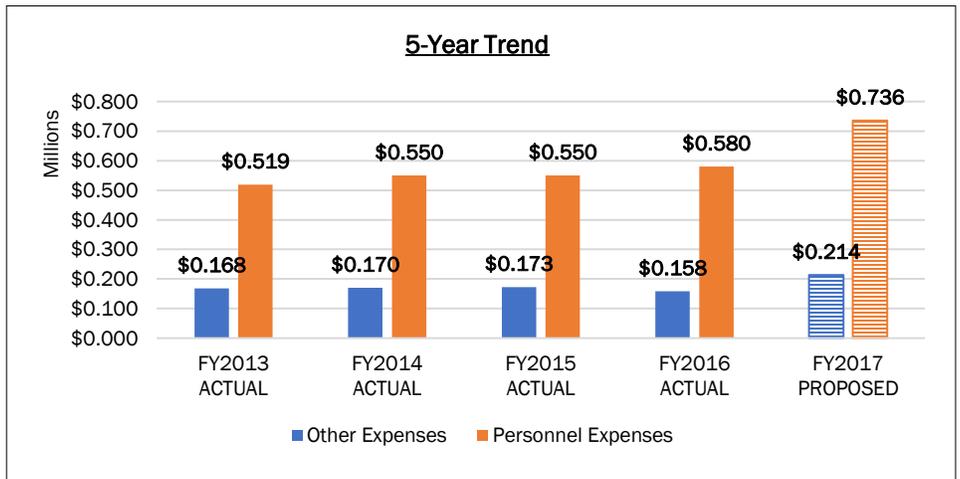
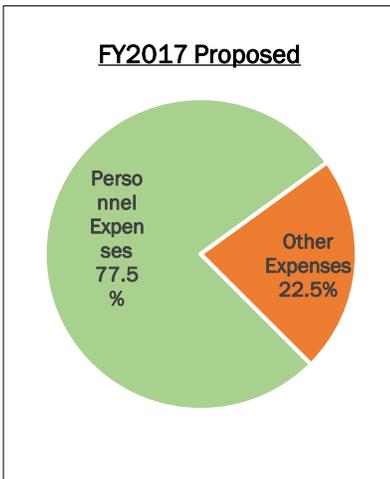
- Train, collaborate and coordinate with staff and other Divisions to maximize SDL software benefits including sharing of property information, checklist development, auto mailing, proper complaint tracking/closure and plan review/inspection and electronic delivery.
- Use SDL to develop process improvements and integrated SDL checklists for documenting required prior approvals and coordination compliance for zoning, health, COAH and Property Maintenance relating to new/existing properties to cross-link type of property, number of apartments/bedrooms, etc.
- When permitted by the NJUCC and the NJ Department of Treasury "Records Retention and Disposition Schedule", outdated permit records will be destroyed and notes will be placed into SDL records to document this action (as applicable).
- After determining record retention compliance requirements, evaluate, determine and implement a Building Division achieving (or scanning) system to enable permit records from 1995 to 2005 to be properly archived while also recognizing that timely access to obtain OPRA requested permit records is necessary.
- Hire and onboard a new Front Office staff member to supplement the current staff to enable proper coverage at all times, to provide the timely issuance of permits/certificates and to organize/file permit documents as needed.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Building & UCC

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	519,406	549,683	550,382	580,115	730,758	735,758
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	519,406	549,683	550,382	580,115	730,758	735,758
OTHER EXPENSES:						
Services	4,600	5,208	3,458	3,093	3,500	3,200
Materials and Supplies	1,543	3,292	3,797	2,789	2,700	2,700
Training and Professional Development	2,202	1,666	5,231	2,200	9,100	9,100
Purchase of Vehicles and Equipment	0	0	460	0	26,500	26,500
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	160,000	160,000	160,000	150,000	160,000	160,000
Specialized Supplies and Services	0	0	0	0	12,000	12,000
TOTAL OTHER EXPENSES:	168,345	170,166	172,946	158,082	213,800	213,500
TOTAL BUDGET:	687,751	719,849	723,328	738,197	944,558	949,258

HEADCOUNT SUMMARY:						
Full-Time	7.00	7.00	8.00	7.00	9.00	9.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	7.00	7.00	8.00	7.00	9.00	9.00





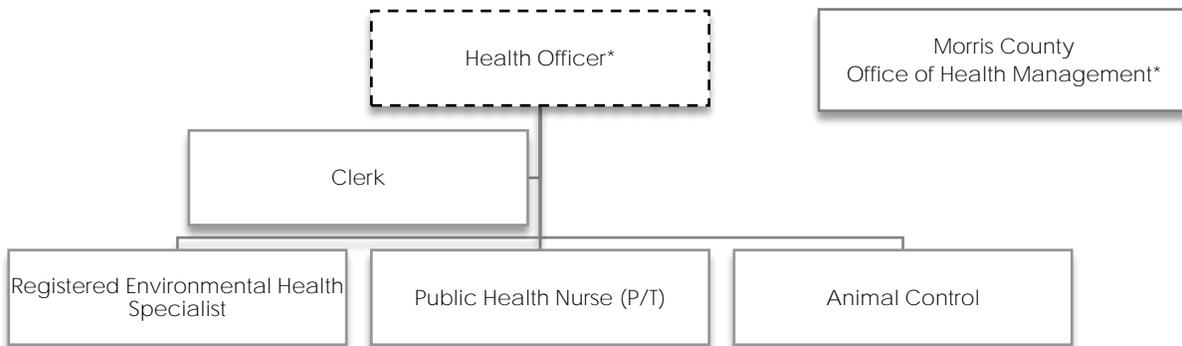
ENVIRONMENTAL HEALTH & PUBLIC HEALTH NURSING

FY2017 Proposed: \$185,012

Headcount: 2 Full-Time, 1 Part-Time²

The Morristown Division of Health contracts through a shared service agreement with the Morris County Office of Health Management to provide an array of public health services as mandated by NJAC 8:52: Public Health Practice Standards of Performance for Local Boards of Health. The four programmatic areas are: Animal Control, Environmental Health, Health Education and Public Health Nursing. The Division:

- Ensures that eateries, public swimming facilities, tattoo parlors, body piercing establishments, temporary events where food is served, and vending machines are clean and safe;
- Performs pupil immunization audits to ensure that children attending school are immunized against infectious diseases;
- Investigates cases of communicable disease and implements control measures to prevent the spread of diseases to others;
- Prevents the spread of rabies through public education, rabies immunization clinics, and the provision of animal control services 24 hours a day/7 days a week;
- Provides screenings for chronic diseases, provides lead testing for children, and offers influenza immunizations to residents; and
- Promotes the public’s health through the provision of community health education programs and services.



*Morris County Office of Health Management provides the Health Officer and supplements Town staff as needed as part of their shared services agreement.

² Morris County Office of Health Management provides the Health Officer and supplements Town staff as needed as part of their shared services agreement.

ENVIRONMENTAL HEALTH

The Environmental Health Program is responsible for protecting and promoting the public's health through the provision of various inspection, educational, regulatory, and enforcement services.

Specifically, the Environmental Health Program is responsible for:

- Enforcing State and local public health regulations.
- Investigating reports of foodborne illness.
- Conducting unannounced and routine inspections at all places that sell or serve food or beverages to the public including restaurants, luncheonettes, grocery stores, supermarkets, cafeterias, bars/taverns, convenience stores, delicatessens, and mobile food establishments (catering trucks, ice cream trucks, etc.).
- Inspecting food, snack, or beverage vending machines.
- Inspecting body art and tanning salons.
- Inspecting pet shops, kennels, and animal shelters.
- Investigating public health nuisance complaints.
- Performing childhood lead poisoning investigations.
- Inspecting youth camps and public swimming pools.
- Providing food handling training courses.
- Reviewing and approving plans for various establishments requiring licensure.

PUBLIC HEALTH NURSING

The Public Health Nurse is responsible for protecting and promoting the public's health through the provision of nursing interventions aimed at preventing chronic diseases, promoting positive maternal and child health outcomes, preventing the spread of communicable diseases, and assisting residents in obtaining health and social services resources. Specifically, the Public Health Nurse is responsible for:

- Providing guidance and recommendations to school nurses regarding pupil health matters.
- Conducting audits at schools, day care centers, and pre-schools to ensure children are properly immunized.
- Assisting with and performing follow up on maternal and child health services and referrals.
- Providing lead screenings targeting children 6 months to 18 years of age.
- Performing communicable disease investigations and implementing control measures to prevent the spread of disease.
- Providing nursing consultations and education to residents related to various health matters.
- Providing influenza immunizations to older adults and persons who may be at risk for influenza infection.
- Performing cardiovascular disease and diabetes risk assessments/screenings.
- Coordinating cancer screening and other screenings services for residents.
- Providing referrals for social and medical services.

FY2017 MUNICIPAL OPERATING BUDGET

Food Establishment Activities*		
	2015	2016
Total Number of Food Establishments Regulated (Excluding Temporary Vendors)	250	262
Total Number of Food Establishment Initial Inspections Conducted	229	228
Total Number of Food Establishments Re-inspected ^{3*}	62	71
Total Number of Food Establishment Floor Plans & Specifications Reviewed ^{4**}	41	42
Total Number of Pre-Operational Inspections Conducted	24	15
Total Number of Complaints at Food Establishments Investigated	39	32
Total Number of Temporary Food Establishment Licenses Issued	121	102
Total Number of Temporary Food Establishment Inspections Conducted	66	108
Number of Summonses Issued to Retail Food Establishments	52	39

Recreational Bathing Facility Activities	
Total Number of Public Swimming Pools Regulated	10
Total Number of Public Swimming Pools Pre-Operational (Seasonal Only)	7
Total Number of Public Swimming Pools Routine Inspections	18

Activities Pertaining to Body Art, Pet Shops, Youth Camps	
Total Number of Pre-Operational Youth Camp Inspections	4
Total Number of Pet Shops Inspected	1
Total Number of Body Art Establishment Inspections	1

Adult Health Services*		
	2015	2016
Total Number of Influenza Immunizations Administered	100	85
Total Number of Persons Screened for Hypertension	136	112
Total Number of Lead Screenings	46	45

³ * Re-inspections are performed when violations requiring correction are observed during an initial inspection. All inspections are conducted on an unannounced basis. If gross unsanitary or hazardous conditions that pose a threat to the public's health are observed during an inspection, the establishment's license is revoked.

⁴ ** These reviews are of floor plans and specifications for new or existing food establishments undergoing renovation. State law requires food establishments to provide floor plans and specifications to the local health department for review prior to undergoing any planned renovations or construction.

School Health Services	
Total Number of Immunization Audits Performed at Preschools	9
Total Number of Immunization Audits Performed at Kindergarten Facilities	5
Total Number of Immunization Audits for Grade 1 (Elementary Schools)	3
Total Number of Immunization Audits for Grade 6 (Elementary Schools)	3
Total Number of Immunization Audits for High School	1

2016 Highlights:

- The Division of Health amended Chapter 25 governing “Health”, to prohibit slaughtering of live animals for sale or use in the Town of Morristown.
- The Division of Health, Public Health Nurse began providing free childhood lead screenings once a month at St. Margaret’s Church of Scotland, located at 6 Sussex Avenue, Morristown. The screenings coincide with the Women, Infant and Children (WIC) program. In 2016, forty (40) children and five (5) pregnant woman were screened with zero (0) persons testing positive for lead.
- Held eight (8) food handlers’ courses. Four in English and four in Spanish.
- The Environmental Health Division has seen a 4.8 percent increase in the number of licensed retail food establishments when compared to 2015; up twenty-five (25) percent since Morristown entered the Shared Service Agreement. Additionally, the number of routine inspections stayed the same when compared to 2015, however, the number of facilities requiring re-inspections, went up by 15 percent. While these numbers continue to increase, the number of Conditionally Satisfactory ratings issued has remained the same when compared to previous years.
- The number of events where food was served/sold remained the same; however, the number of vendors participating in these events grew significantly. The REHS staff inspected 108 temporary vendors (routine only, not including re-inspections), which is up 63 percent when compared to last year.

2017 Goals:

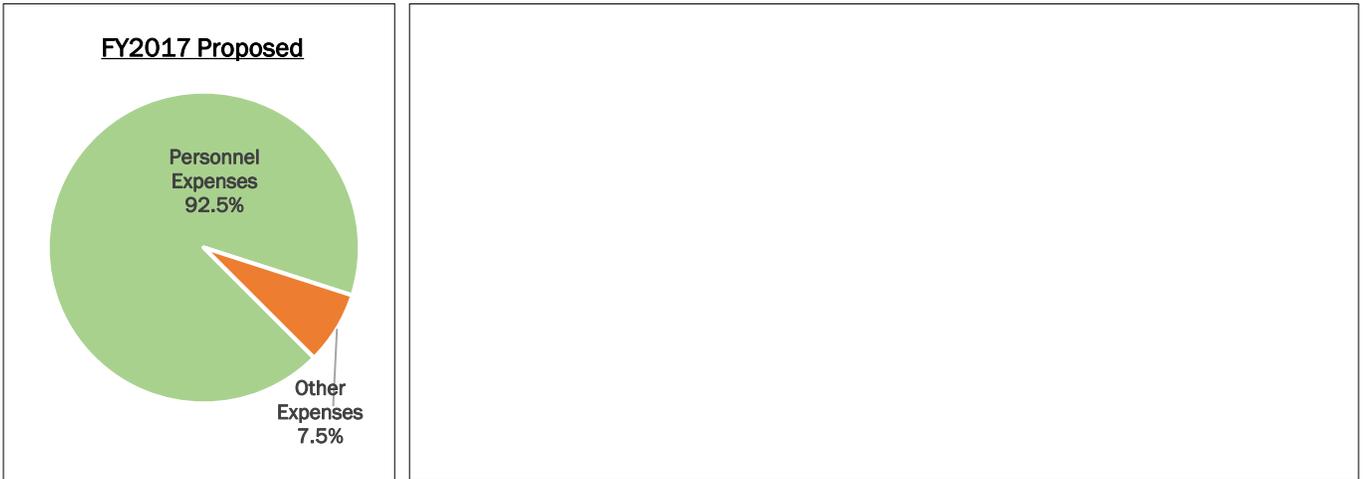
- Efforts will continue in 2017 to update Chapter 25 “Health” to align it with current State regulations governing public health.
- 10% reduction in the number of Conditionally Satisfactory ratings issued to Retail Food Establishments.
- 25% increase in attendance at the food handlers training.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Environmental Health and Public Health Nursing

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	243,746	152,207	150,449	139,930	186,062	186,062
Incentives and Allowances	0	530	448	550	550	550
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	243,746	152,737	150,897	140,480	186,612	186,612
OTHER EXPENSES:						
Services	4,044	4,828	4,066	4,286	5,500	5,500
Materials and Supplies	1,866	1,919	1,911	2,472	2,500	2,500
Training and Professional Development	315	227	679	348	2,600	1,600
Purchase of Vehicles and Equipment	0	0	510	1,896	1,900	500
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	2,460	900	900	0	0	0
Specialized Supplies and Services	6,362	2,536	4,560	5,005	5,100	5,100
TOTAL OTHER EXPENSES:	15,048	10,410	12,626	14,007	17,600	15,200
TOTAL BUDGET:	258,794	163,148	163,523	154,487	204,212	201,812

HEADCOUNT SUMMARY:						
Full-Time	3.00	2.00	2.00	2.00	2.00	2.00
Part-Time	1.00	1.00	1.00	1.00	1.00	1.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	4.00	3.00	3.00	3.00	3.00	3.00





ANIMAL CONTROL

FY2017 Proposed: \$78,959

Headcount: 1 Full-Time, 1 Part-Time⁵

The Animal Control Officer strictly enforces all codes dealing with Animal Control and Cruelty. The Animal Control Program offers many educational programs that deal with Animal Control and Prevention issues. Examples of services are listed below.

- Responds to calls and complaints concerning lost, stray, injured, nuisance domestic animals and/or rabid wild or domestic animals and vicious dogs.
- Captures stray domestic animals, as well as wild animal rabies vectors (i.e., raccoons, skunks, groundhogs, foxes, bats) threatening the safety and health of residents of the Town of Morristown.
- Patrols for stray cats and dogs.
- Investigates reports of potentially dangerous/vicious dogs.
- Seizes and impounds dogs and cats.
- Investigates animal cruelty, neglect and abuse.
- Evaluates all animals captured or picked up as to the need for veterinary care.
- Educates the public on responsible pet ownership, rabies prevention and the need for spaying and neutering of pets.

2016 Highlights

- In efforts to support and encourage responsible pet ownership, the Animal Control Officer/Animal Control Investigator, in conjunction with the Associated Humane Society, provided two (2) low cost spay/neuter clinics. All twenty (20) appointment slots were booked between both days. Due to the high demand from residents, additional dates will be scheduled in 2017.

2017 Goals

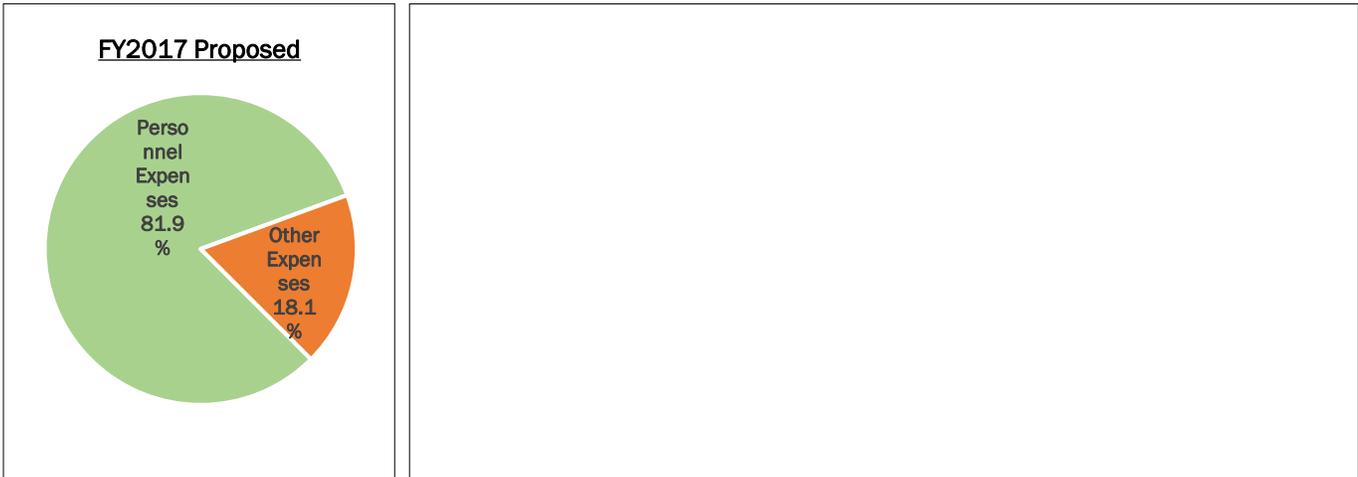
- The Animal Control Officer/Animal Control Investigator, in conjunction with the Associated Humane Society, will provide two (2) low cost spay/neuter clinics.
- To increase pet licensing rates by 25 percent.

⁵ Morris County Office of Health Management supplements Town staff as needed as part of their shared services agreement.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Animal Control

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	46,267	52,207	57,075	58,135	65,159	63,959
Incentives and Allowances	0	0	521	512	700	700
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	46,267	52,207	57,596	58,647	65,859	64,659
OTHER EXPENSES:						
Services	675	75	225	821	10,100	7,600
Materials and Supplies	0	0	0	0	0	0
Training and Professional Development	0	60	89	0	200	200
Purchase of Vehicles and Equipment	0	0	0	0	0	0
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	5,548	5,806	5,542	6,793	6,300	6,500
TOTAL OTHER EXPENSES:	6,223	5,941	5,856	7,614	16,600	14,300
TOTAL BUDGET:	52,490	58,148	63,452	66,261	82,459	78,959
HEADCOUNT SUMMARY:						
Full-Time	1.00	1.00	1.00	1.00	1.00	1.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	1.00	1.00	1.00	1.00	1.00	1.00





PROPERTY MAINTENANCE

FY2017 Proposed: \$315,215

Headcount: 4 Full-Time, 0 Part-Time

Three Inspectors and two administrative support staff maintain high standards in Morristown’s varied housing stock by performing fair, standardized, comprehensive inspections of residential properties. Their efforts preserve the housing stock, promote high property values, eliminate health and safety hazards, and help keep Morristown a desirable place to live. Activities include rental property inspections, housing and/or fire-related complaint investigation within residential properties, inspection/maintenance programs, investigation of “quality of life” issues and the issuance of a CH before any residential change in tenancy and/or ownership. The Division also tracks Vacant Properties and ensures they are held to Code standards.

- The team conducts 1,500 Certificate of Habitability inspections per year
- 350 of those are CH’s for property sales
- The remainder of CH’s are for tenancy changes.

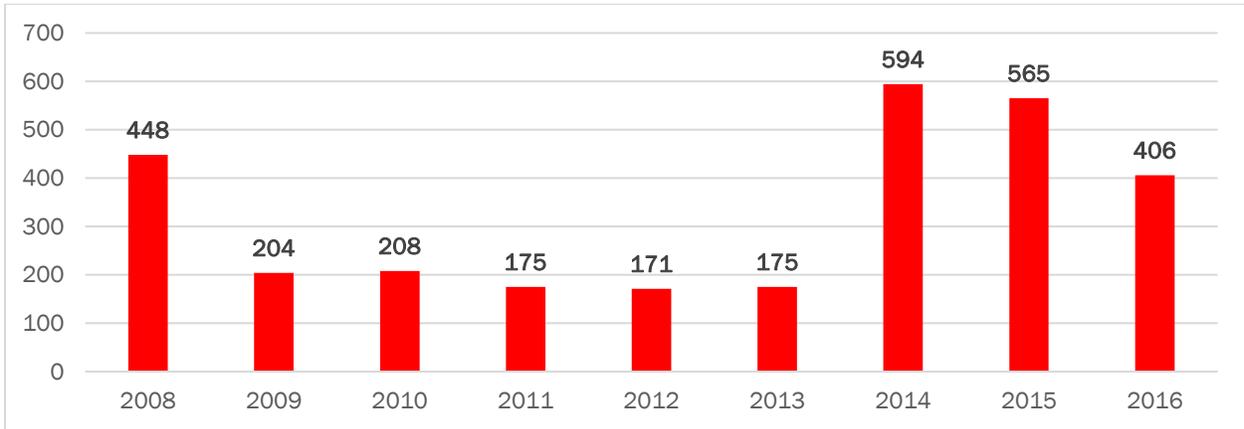


*Shared with Property Maintenance

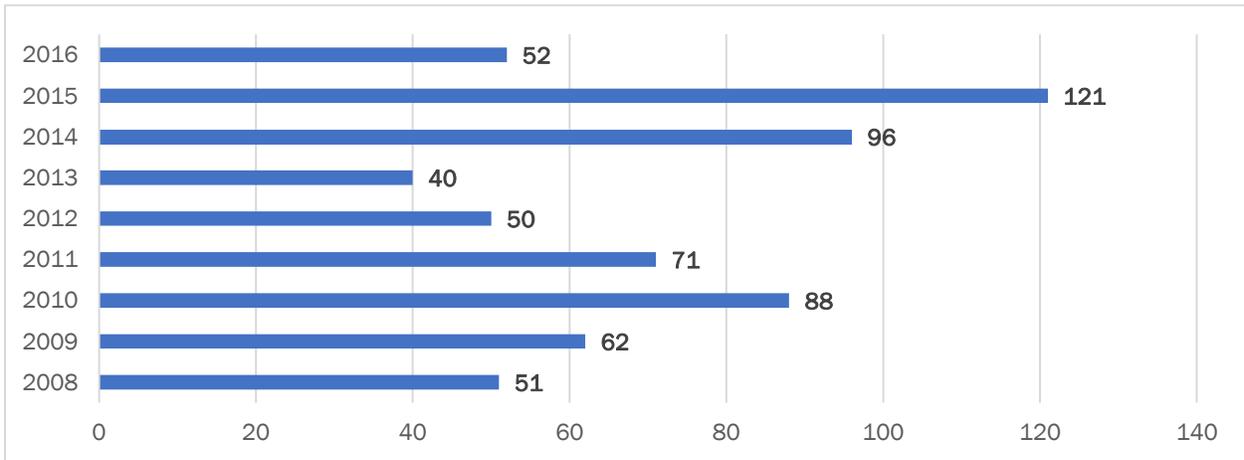
2016 Highlights

- Added weeknight and weekend inspections by hiring two part-time inspectors.
- Improved turnaround time on rental inspections to 1-2 days from request.
- Improved Complaint response time to the same or next business day.
- Improved compliance for property owners clearing snow/ice from sidewalks.
- Reassigned inspectors so that each inspector is dedicated to just two Wards instead of the whole Town and thus becomes more familiar with the property owners. This has reduced the number of Violations occurring.

PROPERTY MAINTENANCE – SUMMONSES ISSUED



PROPERTY MAINTENANCE – OVERCROWDING VIOLATIONS



2017 Goals

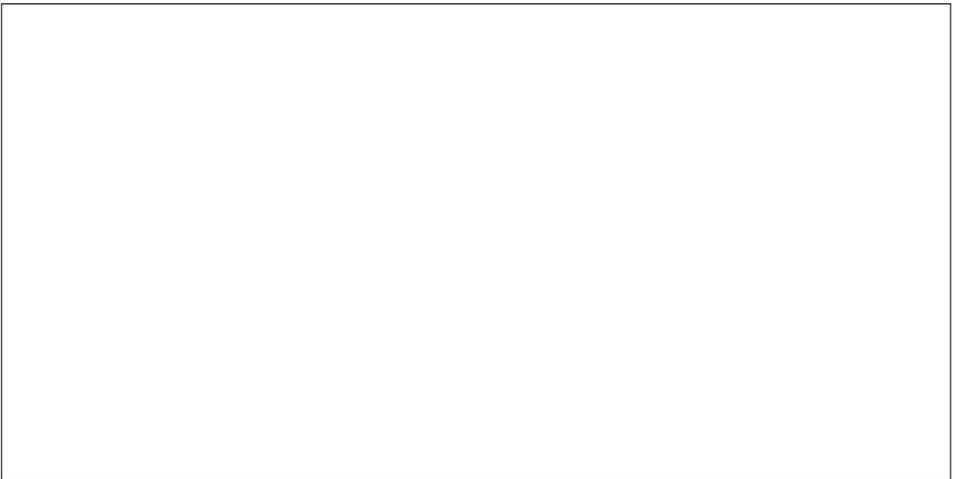
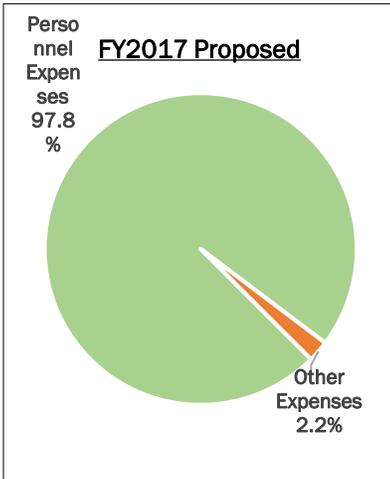
- Expand use of technology and working towards online transactions.
- Increase the focus on Vacant Property Registrations and Renewals.
- Increase compliance with the requirement that all multi-unit and apartment complexes get a Certificate for every change in tenancy.
- Coordinate more closely with Zoning, Construction, Health, and Rent Leveling.
- Improve interaction with the public by using the new Portal on the Town website for forms, records access and complaint reporting/response.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Property Maintenance

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	239,387	270,184	307,439	278,990	308,265	308,265
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	239,387	270,184	307,439	278,990	308,265	308,265
OTHER EXPENSES:						
Services	2,205	3,087	2,114	315	1,600	1,000
Materials and Supplies	739	681	804	615	1,000	1,000
Training and Professional Development	600	0	731	0	1,700	1,200
Purchase of Vehicles and Equipment	0	252	452	192	700	700
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	1,950	2,850	2,850	2,850	2,850	2,850
Specialized Supplies and Services	829	593	175	0	200	200
TOTAL OTHER EXPENSES:	6,323	7,463	7,126	3,972	8,050	6,950
TOTAL BUDGET:	245,710	277,647	314,565	282,962	316,315	315,215

HEADCOUNT SUMMARY:						
Full-Time	3.00	4.00	4.00	4.00	4.00	4.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	3.00	4.00	4.00	4.00	4.00	4.00





RENT LEVELING

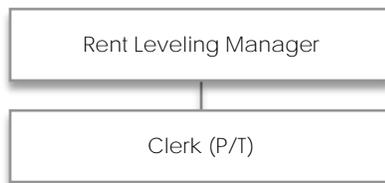
FY2017 Proposed:

Headcount: 1 Full-Time, 1 Part-Time

The Division of Rent Leveling protects tenants in privately-owned residential properties from excessive rent increases by mandating reasonable and gradual rent increases while ensuring that landlords receive a fair return on their investment. In 2016, the Division resolved all rental disputes through negotiation and without legal intervention.

Additionally, the Rent Leveling Division provides Morristown residents with information regarding fair housing and tenancy rights. The Division continues to improve its procedural operations and data management utilizing the Department of Code Enforcement's Spatial Data Logic software platform.

In 2016, the Division continued its progress in identifying additional units required to register per the Town's Rent Leveling code. Although Rent Leveling is a social service, registration fees provide income for the Town. Below are some Division statistics over the last 8 years:



2016 Highlights

- Identifying non-exempt rental properties.
- Working more closely with other Divisions such as Property Maintenance.
- Streamlining internal record keeping and controls.

2017 Goals

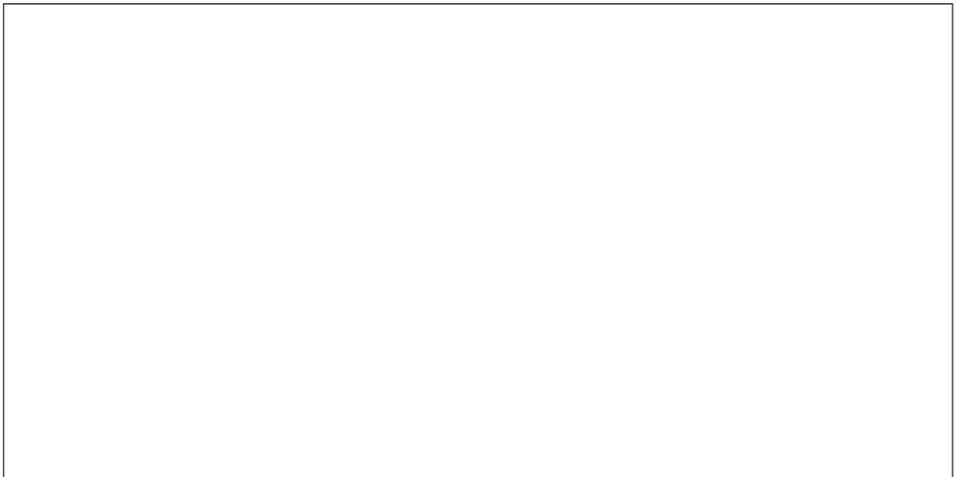
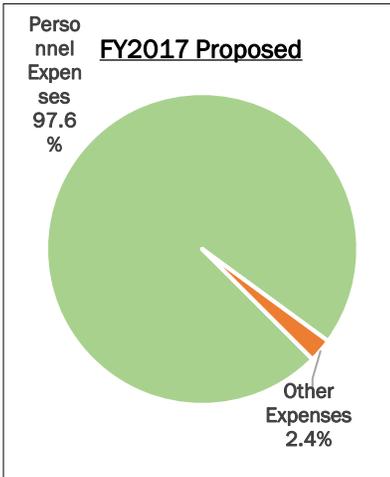
- The ability to register and pay online.
- Getting a better handle on the new town wide system, SDL.
- Possibly renaming this Division "The Office of Tenant/Landlord relations to assist those not protected by the Morristown Rent Control Ordinance.
- Include affordable housing within this Division.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Rent Leveling

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	72,670	76,332	78,883	86,103	96,528	96,528
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	72,670	76,332	78,883	86,103	96,528	96,528
OTHER EXPENSES:						
Services	0	91	0	0	0	0
Materials and Supplies	9	90	117	0	100	100
Training and Professional Development	0	0	0	0	250	250
Purchase of Vehicles and Equipment	0	847	0	0	1,000	500
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	1,560	1,560	1,560	1,560	1,560	1,560
Specialized Supplies and Services	0	0	0	0	0	0
TOTAL OTHER EXPENSES:	1,569	2,587	1,677	1,560	2,910	2,410
TOTAL BUDGET:	74,239	78,919	80,560	87,663	99,438	98,938

HEADCOUNT SUMMARY:						
Full-Time	1.00	1.00	1.00	1.00	1.00	1.00
Part-Time	0.00	0.00	0.00	0.00	1.00	1.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	1.00	1.00	1.00	1.00	2.00	2.00





LAND USE AND ZONING

FY2017 Proposed: \$241,655

Headcount: 3 Full-Time, 1 Part-Time

The Division of Zoning provides zoning enforcement, supports both Land Use Boards, processes zoning permits and provides the public with information about applicable sections of the Town Code. Zoning permits are generally the first step for changes in ownership, tenancy or use and precede almost all Construction projects, so this is often the “office of first contact” for the public. The Zoning Officer’s open door policy helps streamline the application process for many stakeholders/investors.

The Zoning Office processes Zoning Permit applications for new buildings, additions, decks, fences, pools, patios, sheds, standby generators, driveways and commercial buildings, tenancies and signage. A Zoning Permit is also required for every property sale, including single family homes. Zoning Approval is required before any structure can be built or altered, or its use changed.



*Shared with Property Maintenance

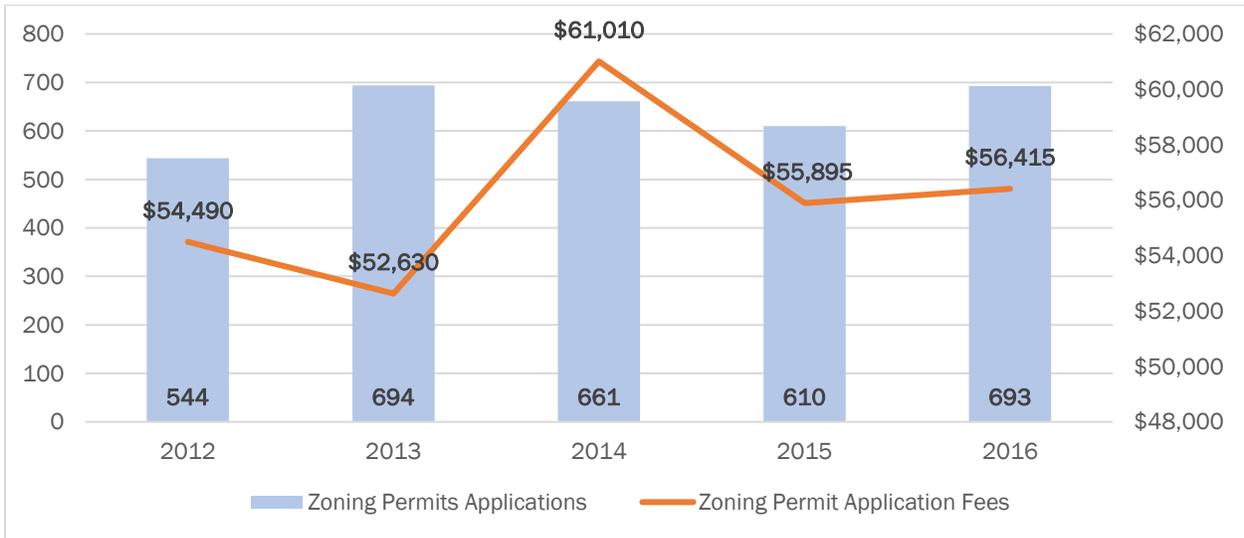
2016 Highlights

- Issued 673 Zoning permits with a fee income of \$56,415.
- Processed 36 Land Use applications with fees of \$ 55,394.
- Roll out of Spatial Data Logic Software to better utilize interdepartmental data sharing.
- Implementation of scanning files to reduce storage space.
- Reduce overhead with part time help during peak hours.

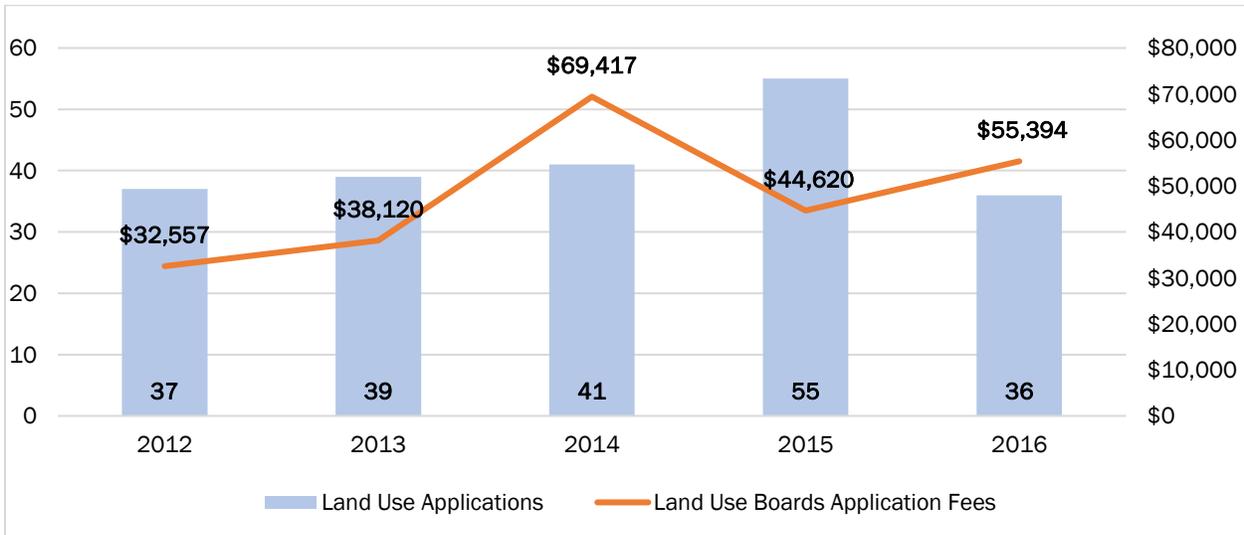
2017 Goals

- Continue to seek out efficiencies in cost savings as well as workflows.
- Will continue to provide excellent customer service by providing correct information, processing workflow in a timely manner and positive interactions with customers and colleagues.
- Keep abreast of any legal changes that may affect the Land Use Division.
- Coordinate with other departments on critical issues.
- Continue to enforce town ordinances and codes.

5 YEAR RESULTS – ZONING PERMIT APPLICATIONS & FEES COLLECTED



5 YEAR RESULTS – LAND USE BOARDS APPLICATIONS & FEES COLLECTED

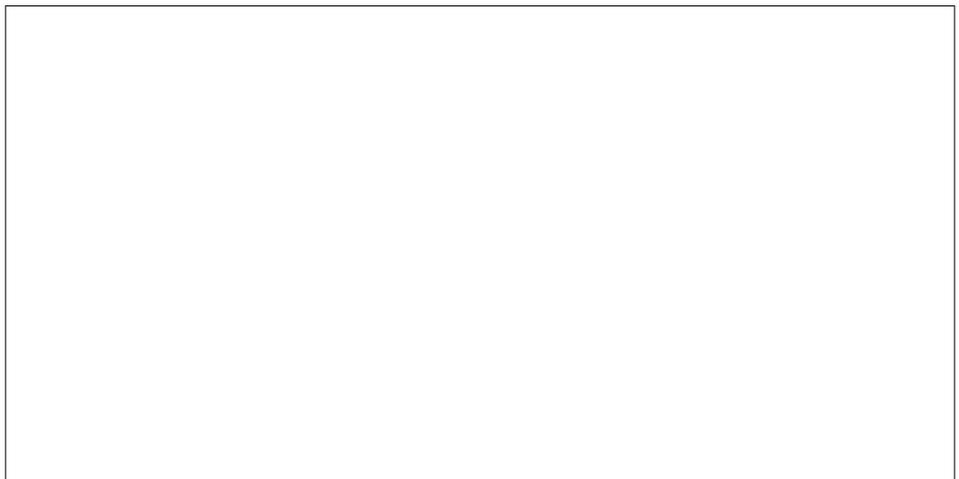
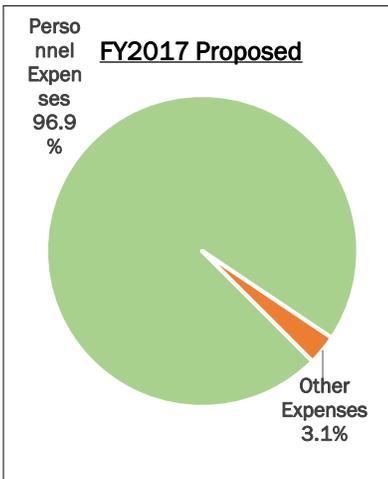


FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Land Use and Zoning

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	168,379	215,590	212,361	204,208	233,695	234,195
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	168,379	215,590	212,361	204,208	233,695	234,195
OTHER EXPENSES:						
Services	6,291	2,528	1,561	1,490	1,750	2,310
Materials and Supplies	1,725	1,943	899	1,625	1,500	2,000
Training and Professional Development	789	4,268	493	885	1,750	3,150
Purchase of Vehicles and Equipment	0	0	0	0	0	0
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	1,560	2,460	2,460	0	0	0
Specialized Supplies and Services	117	377	0	0	0	0
TOTAL OTHER EXPENSES:	10,482	11,576	5,413	4,000	5,000	7,460
TOTAL BUDGET:	178,861	227,166	217,774	208,208	238,695	241,655

HEADCOUNT SUMMARY:						
Full-Time	2.00	4.00	3.00	3.00	3.00	3.00
Part-Time	0.00	0.00	1.00	1.00	1.00	1.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	2.00	4.00	4.00	4.00	4.00	4.00

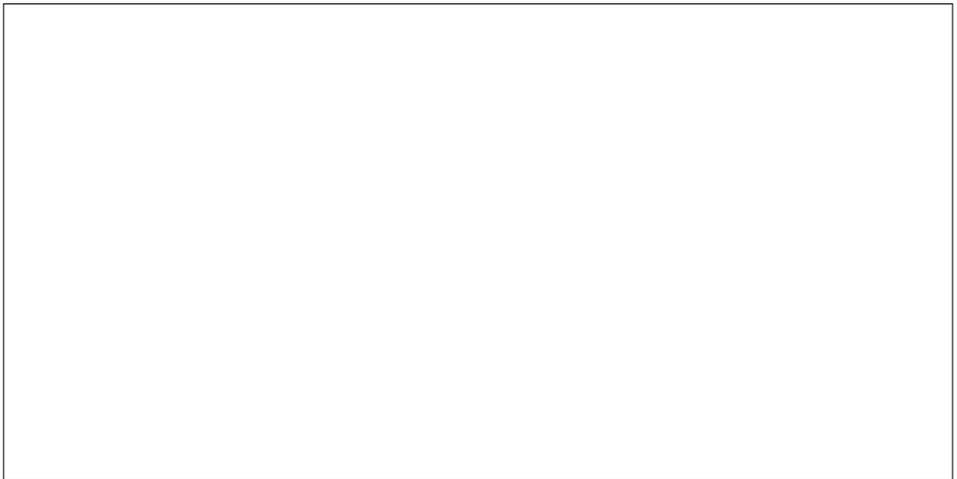
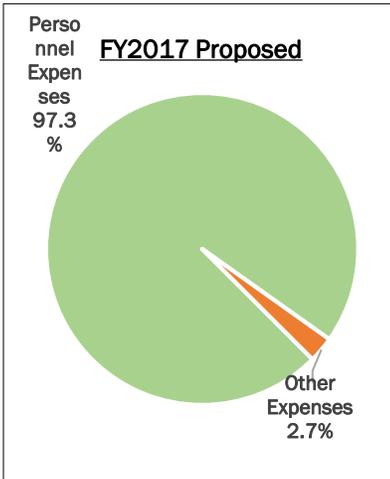


FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Code Enforcement Director

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	66,365	86,700	88,217	89,761	150,000	95,000
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	66,365	86,700	88,217	89,761	150,000	95,000
OTHER EXPENSES:						
Services	33	147	0	0	50	50
Materials and Supplies	197	673	779	32	350	350
Training and Professional Development	507	2,092	1,444	0	1,700	1,700
Purchase of Vehicles and Equipment	1,517	0	0	0	500	500
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	0	0	0	0	0	0
TOTAL OTHER EXPENSES:	2,255	2,912	2,223	32	2,600	2,600
TOTAL BUDGET:	68,620	89,612	90,440	89,793	152,600	97,600

HEADCOUNT SUMMARY:						
Full-Time	0.00	1.00	1.00	1.00	2.00	1.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	0.00	1.00	1.00	1.00	2.00	1.00



DEPARTMENT OF PUBLIC WORKS

Public Works

*Richard Fernicola,
Superintendent*

Bus

Recycling and Sanitation

Engineering

Anthony Devizio, Town Engineer

Recreation

*Amanda Applegate,
Recreation Supervisor*

Pools



PUBLIC WORKS

FY2017 Proposed: \$3,966,299

Headcount: 30 Full-Time, 2 Part-Time, 3 Seasonal

The Department of Public Works is primarily responsible for the physical infrastructure of the town including roads, sidewalks, buildings, vehicles, parks, etc. It also oversees the Sewer operation as well as Sanitation and Recycling, including administration of the Clean Communities program. The Recreation Division, which plans programs in the Parks, is also housed here. Department management also has oversight of the activities of the Lake Road Recycling Center, Clean Communities programs and implementation of the Shade Tree Management Plan.

Service request response and quality assurance are top priorities in this department. DPW aims to respond quickly to each request, deliver quality service and plan ahead to ensure infrastructure is prepared for future demands. The Division of Public Works provides:

- Oversight and customer service for residential garbage and recycling collection performed by private contractor Blue Diamond Disposal.
- Field and park maintenance at 14 recreation sites.
- Street sweeping of major roads every night and residential streets once every two weeks during the day.
- Snow plowing, removal and salting of 30 miles of Town streets; and sidewalk shoveling at numerous locations and crosswalks across Town.
- Maintenance of streets and sidewalks, such as pothole filling, repair and cleaning of catch basins and storm drains, and sidewalk repair.
- Collection of appliances, small metal, tires and batteries from residents six (6) times a year.
- Maintenance of municipal buildings and grounds at various locations.
- Municipal tree maintenance and removal.
- Traffic signal maintenance, sign installation and striping.
- Setup and clean-up for Town special events, such as the First Night, St. Patrick's Day parade and the Fall Festival.
- Vehicle and equipment maintenance for the Town's municipal fleet.

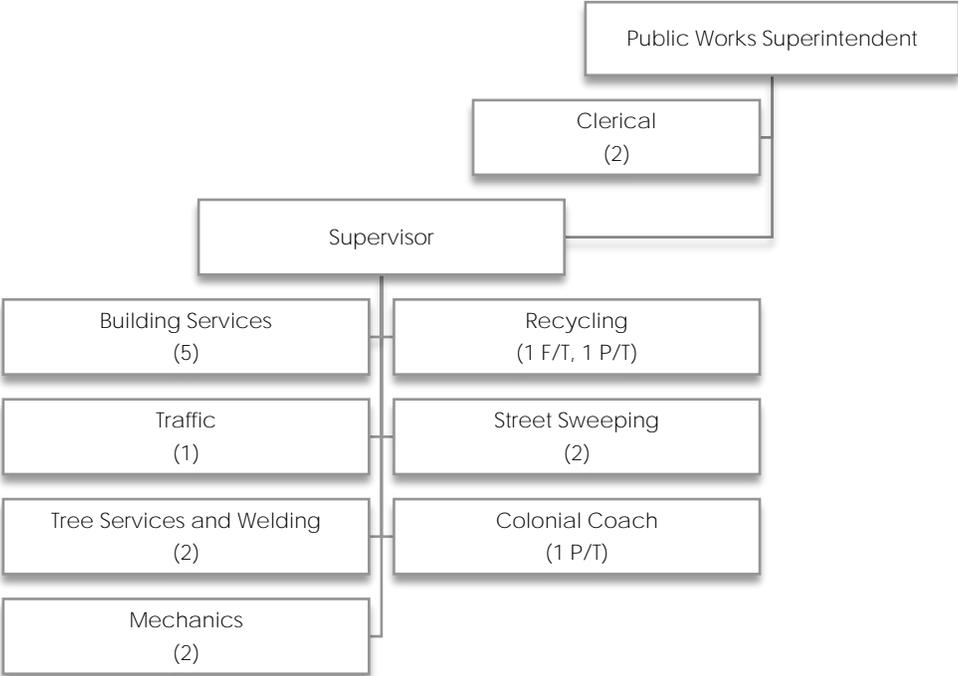
Accomplishments for 2016:

- Added fully automated compactors at recycling facility creating a safer, cleaner facility while improving the quality of recyclables and increasing revenue from cleaner materials.
- Build new bins for recyclables to better organize and separate waste.
- Replaced all mowing equipment with mulchers, eliminating grass waste and reducing time needed to mow.
- Upgraded equipment for snow removal, reducing staff time and outside contractor expenses.

Goals for 2017:

- Rejuvenate and beautify town gateways and Town Hall flower beds.
- Implement GPS technology in vehicles to improve management and oversight.
- Expand staff training in electrical, pesticide, and Certified Public Works Manager courses.
- Provide free mulch to residents.

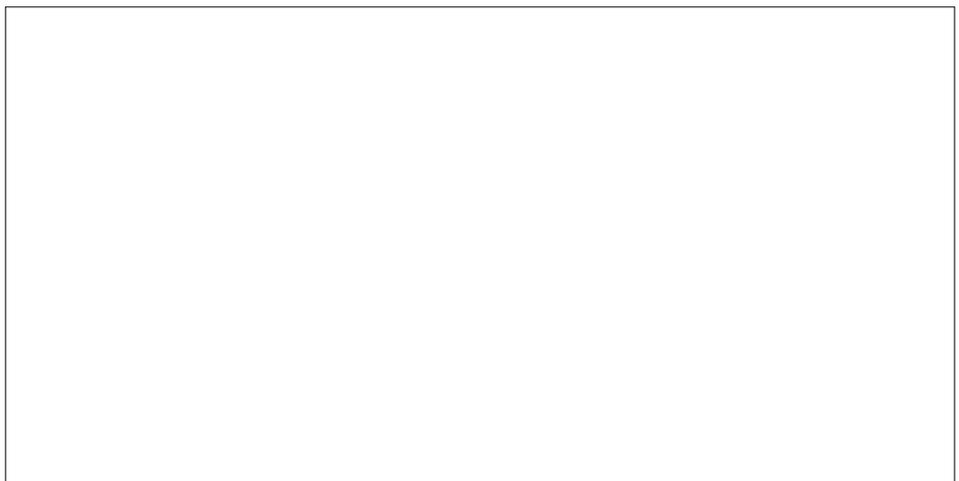
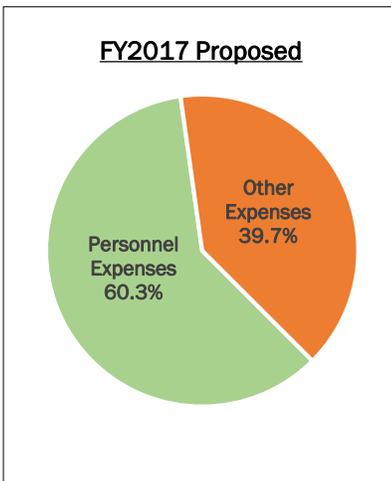
FY2017 MUNICIPAL OPERATING BUDGET



FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Public Works

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	1,776,140	2,108,451	2,129,492	2,252,584	2,370,631	2,370,631
Incentives and Allowances	14,850	14,300	15,950	15,950	20,300	20,300
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	1,790,990	2,122,751	2,145,442	2,268,534	2,390,931	2,390,931
OTHER EXPENSES:						
Services	106,807	178,123	173,346	245,467	185,585	185,585
Materials and Supplies	733	4,036	2,300	0	6,000	6,000
Training and Professional Development	2,399	1,125	1,309	2,599	10,290	10,290
Purchase of Vehicles and Equipment	4,754	10,833	8,014	17,105	24,700	24,700
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	925,408	954,665	905,795	802,193	990,025	974,775
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	254,435	280,961	397,260	227,613	420,213	374,018
TOTAL OTHER EXPENSES:	1,294,536	1,429,742	1,488,024	1,294,977	1,636,813	1,575,368
TOTAL BUDGET:	3,085,526	3,552,493	3,633,466	3,563,511	4,027,744	3,966,299
HEADCOUNT SUMMARY:						
Full-Time	27.00	29.00	30.00	30.00	30.00	30.00
Part-Time	3.00	2.00	3.00	3.00	2.00	2.00
Seasonal	3.00	3.00	3.00	3.00	3.00	3.00
TOTAL HEADCOUNT:	33.00	34.00	36.00	35.00	35.00	35.00



FY2017 MUNICIPAL OPERATING BUDGET

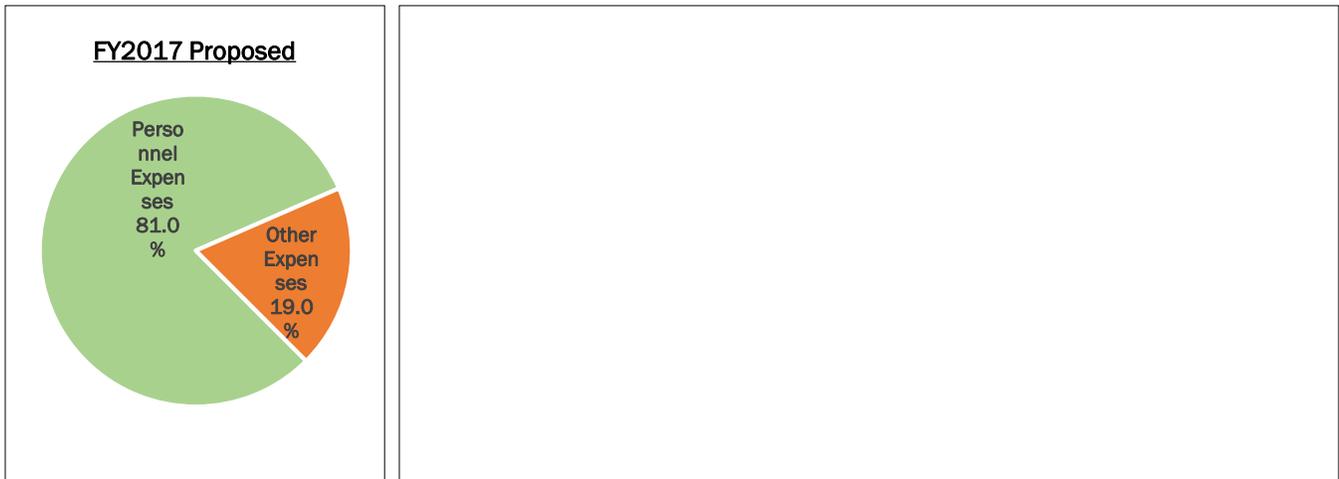
COLONIAL COACH

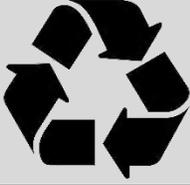


FY2017 Proposed:

Headcount: 0 Full-Time, 1 Part-Time

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	20,690	19,907	20,884	20,894	21,261	21,261
Incentives and Allowances	0	0	0	0	0	0
<u>Special Events and Other</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PERSONNEL EXPENSES:	20,690	19,907	20,884	20,894	21,261	21,261
OTHER EXPENSES:						
Services	3,000	376	1,754	4,009	6,000	5,000
Materials and Supplies	0	0	0	0	0	0
Training and Professional Development	0	0	0	0	0	0
Purchase of Vehicles and Equipment	0	0	0	0	0	0
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
<u>Specialized Supplies and Services</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER EXPENSES:	3,000	376	1,754	4,009	6,000	5,000
TOTAL BUDGET:	23,690	20,283	22,638	24,903	27,261	26,261
HEADCOUNT SUMMARY:						
Full-Time	0.00	0.00	0.00	0.00	0.00	0.00
Part-Time	1.00	1.00	1.00	1.00	1.00	1.00
<u>Seasonal</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL HEADCOUNT:	1.00	1.00	1.00	1.00	1.00	1.00





RECYCLING AND SANITATION

FY2017 Proposed: \$1,449,675

Headcount: 0 Full-Time, 1 Part-Time

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	70,276	76,396	70,528	74,570	67,235	74,570
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	70,276	76,396	70,528	74,570	67,235	74,570
OTHER EXPENSES:						
Services	3,125	11,934	9,911	6,790	11,500	11,500
Materials and Supplies	0	0	0	0	0	0
Training and Professional Development	65	405	150	1,320	1,000	1,000
Purchase of Vehicles and Equipment	0	0	0	0	0	0
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	564,190	610,260	660,361	639,882	701,458	701,458
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	486,230	481,275	485,864	685,295	661,147	661,147
TOTAL OTHER EXPENSES:	1,053,610	1,103,874	1,156,286	1,333,287	1,375,105	1,375,105
TOTAL BUDGET:	1,123,886	1,180,270	1,226,814	1,400,522	1,449,675	1,449,675

HEADCOUNT SUMMARY:						
Full-Time	0.00	0.00	0.00	0.00	0.00	0.00
Part-Time	1.00	1.00	1.00	1.00	1.00	1.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	1.00	1.00	1.00	1.00	1.00	1.00





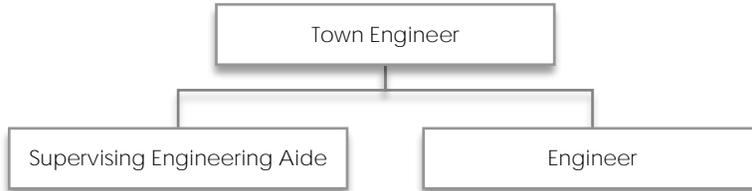
ENGINEERING

FY2017 Proposed: \$257,092

Headcount: 3 Full-Time, 0 Part-Time

The Engineering Division, headed by the Town Engineer, is a 3-person team within the Department of Public Works responsible for the administration of the Capital Improvement Program and for the technical matters involved in the maintenance and operation of the Town’s infrastructure, including the sewer system.

Among other responsibilities, the Engineering Division surveys, designs, bids, and inspects construction of municipal capital projects, administers the soil disturbance ordinance and issues permits, performs traffic and parking counts and analyzes the data for traffic calming and parking improvements on various streets, assembles/bids/inspects various projects for other divisions, applies for NJDOT State Aid and Community Development Block Grants, and assists the Tax Collector’s Office and Administration in reconciling sewer billing.



2016 Highlights

- Capital Projects completed in 2016 under the design, and or construction supervision of the Engineering Division include:
 - Milling and Resurfacing of 1.25 miles of Town roads - \$348,000
 - Washington Street Streetscape (Phases I & II) – \$470,000 (100% grant-funded)
 - Martin Luther King Avenue Streetscape, Phase I - \$800,000
 - Sanitary Sewer Repairs Various Streets - \$163,000
- The Division also initiated the development of in-house GIS and photogrammetry services with the purchases of ArcGIS software, 2 sUAS (Small Unmanned Aircraft Systems or “drones”), accompanying modeling software and regulatory training.

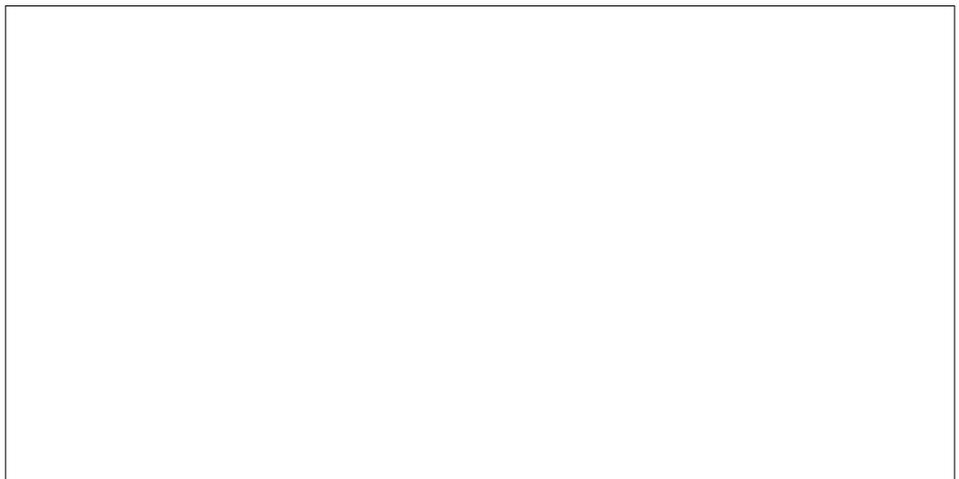
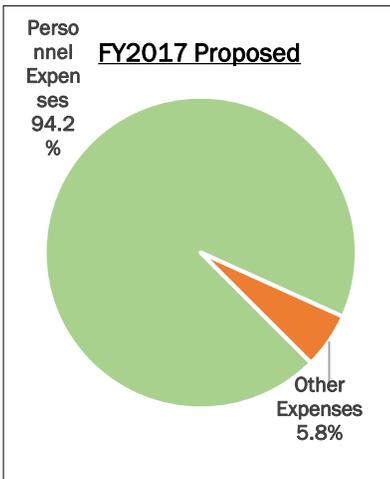
2017 Planned Actions

- Capital Projects slated for 2017 with design and/or construction supervision of the Engineering Division include:
 - Milling and Resurfacing of 2.9 miles of Town roads - \$765,000
 - Washington Street Streetscape, Phase III – \$245,000 (100% grant-funded)
 - Martin Luther King Avenue Streetscape, Phase II - \$500,000
 - Sanitary Sewer Repairs Various Streets - \$360,000
- The Division also plans to advance the development of in-house GIS and photogrammetry services and perform substantial mapping updates. Each of the 3 existing division members obtained an FAA Airman Certificate for small unmanned aircraft by passing the requisite test.
- The fourth division member began employment on 4/17/17 to fill a vacant position.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Engineering

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	227,637	239,583	186,587	147,751	242,292	242,292
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	227,637	239,583	186,587	147,751	242,292	242,292
OTHER EXPENSES:						
Services	1,600	208	70	354	2,600	2,600
Materials and Supplies	2,733	3,797	2,041	2,534	2,900	2,900
Training and Professional Development	814	230	0	3,224	2,525	2,525
Purchase of Vehicles and Equipment	1,685	636	36	3,348	500	500
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	<u>5,147</u>	<u>493</u>	<u>305</u>	<u>27,685</u>	6,275	6,275
TOTAL OTHER EXPENSES:	11,978	5,363	2,452	37,145	14,800	14,800
TOTAL BUDGET:	239,615	244,946	189,039	184,896	257,092	257,092
HEADCOUNT SUMMARY:						
Full-Time	3.00	3.00	3.00	3.00	3.00	3.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	3.00	3.00	3.00	3.00	3.00	3.00



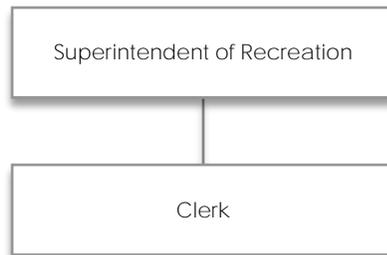


RECREATION

FY2017 Proposed: \$205,519

Headcount: 2 Full-Time, 0 Part-Time

The Recreation Department is a fundamental facet of the community. Our primary focus is on serving the residents and meeting their needs. Through various programs, special events, and activities we can add to the overall quality of life for citizens in the Town of Morristown. By utilizing various assessment tools, we can determine community needs and interests, then subsequently design and implement programs to meet those needs. In doing so, we can forge community bonds among citizens, create a stronger sense of unity within the community, and create a safe, fun environment for residents.



2016 Highlights

- Implemented new community based recreation programs (flag football, lacrosse, etc.).
- Hosted the first pool open house for non-members.
- Opened the pool to all residents and expanded hours during extreme heat which served a critical need but also led to an increase in season attendees.

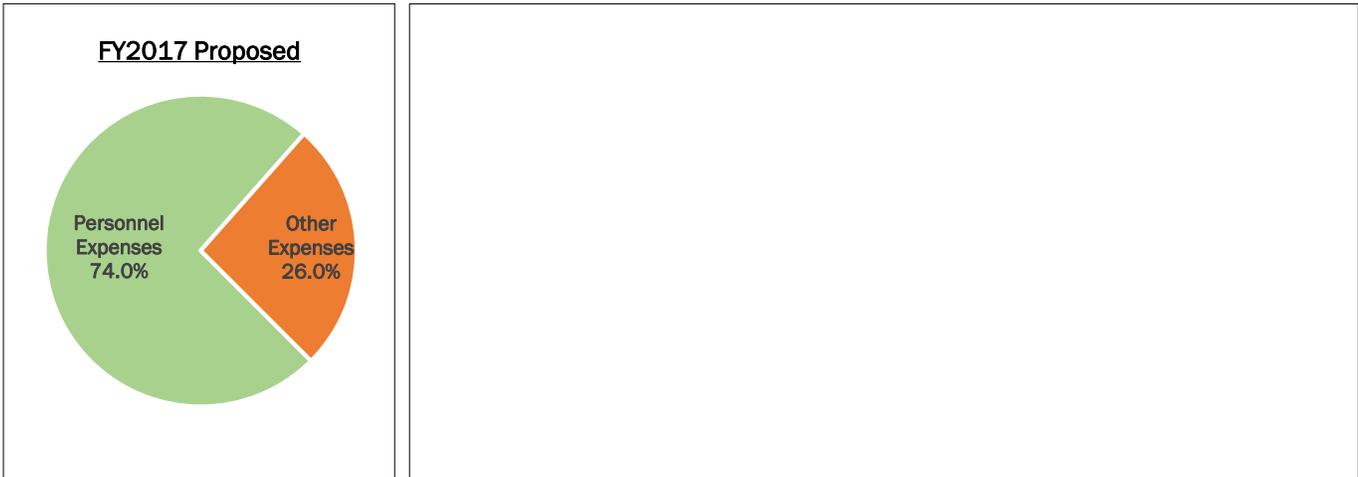
2017 Goals:

- Design and implement more programs for teens and adults.
- Expand the department to allow for increased program offerings.
- Update Burnham pool to better compete with surrounding aquatic facilities.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Recreation

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	130,946	118,622	139,920	128,757	151,602	152,134
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	130,946	118,622	139,920	128,757	151,602	152,134
OTHER EXPENSES:						
Services	8,539	9,610	5,440	5,437	11,405	11,115
Materials and Supplies	1,071	1,268	3,909	1,400	3,580	2,910
Training and Professional Development	3,845	805	1,414	3,542	4,725	4,725
Purchase of Vehicles and Equipment	786	2,251	1,795	575	700	700
Recreation Programs and Supplies	10,659	15,209	21,761	15,056	19,025	19,025
Utilities	0	0	0	0	0	0
Benefits	1,560	1,560	1,560	1,560	1,560	1,560
Specialized Supplies and Services	8,013	9,537	9,873	0	13,350	13,350
TOTAL OTHER EXPENSES:	34,473	40,239	45,752	27,570	54,345	53,385
TOTAL BUDGET:	165,419	158,862	185,672	156,327	205,947	205,519
HEADCOUNT SUMMARY:						
Full-Time	1.00	1.00	2.00	2.00	2.00	2.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	1.00	1.00	2.00	2.00	2.00	2.00



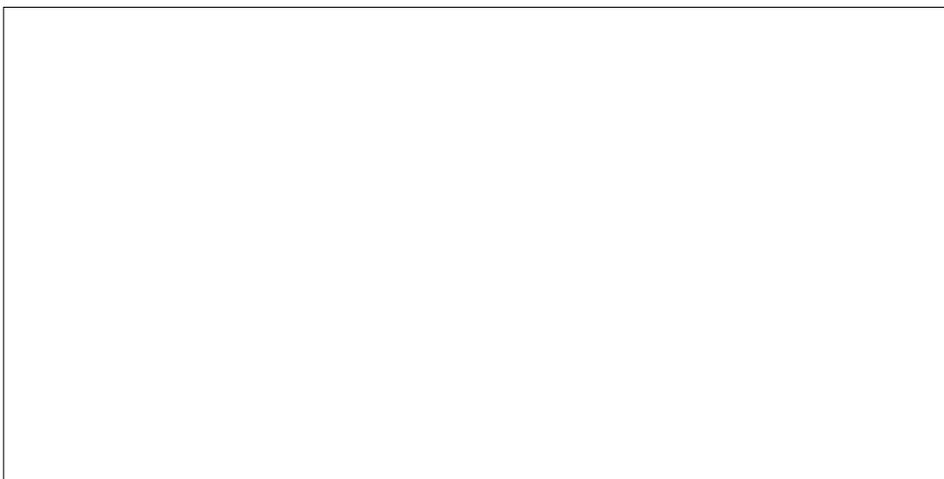
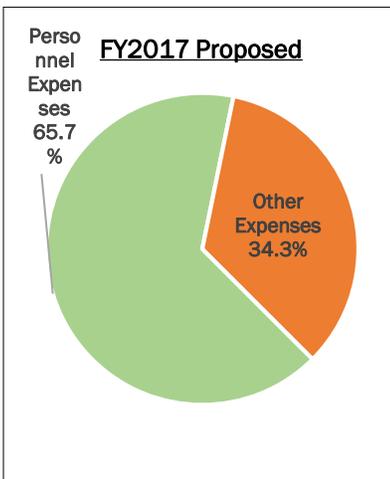


CAULDWELL AND BURNHAM POOLS

FY2017 Proposed: \$239,776

Headcount: 56 Seasonal

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	111,603	100,491	115,659	140,447	157,563	157,563
Incentives and Allowances	0	0	0	0	0	0
<u>Special Events and Other</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PERSONNEL EXPENSES:	111,603	100,491	115,659	140,447	157,563	157,563
OTHER EXPENSES:						
Services	14,462	19,489	14,175	17,349	18,095	18,095
Materials and Supplies	25,545	26,870	31,781	29,281	36,970	36,970
Training and Professional Development	400	2,075	2,150	2,290	3,515	3,515
Purchase of Vehicles and Equipment	1,367	1,732	1,078	535	2,283	2,283
Recreation Programs and Supplies	4,184	3,049	3,398	2,255	3,600	3,600
Utilities	9,196	10,030	11,172	10,381	10,600	10,600
Benefits	0	0	0	0	0	0
<u>Specialized Supplies and Services</u>	<u>794</u>	<u>6,194</u>	<u>6,726</u>	<u>6,253</u>	<u>7,150</u>	<u>7,150</u>
TOTAL OTHER EXPENSES:	55,947	69,441	70,480	68,344	82,213	82,213
TOTAL BUDGET:	167,550	169,932	186,139	208,791	239,776	239,776
HEADCOUNT SUMMARY:						
Full-Time	0.00	0.00	0.00	0.00	0.00	0.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
<u>Seasonal</u>	<u>55.00</u>	<u>55.00</u>	<u>55.00</u>	<u>56.00</u>	<u>56.00</u>	<u>56.00</u>
TOTAL HEADCOUNT:	55.00	55.00	55.00	56.00	56.00	56.00



MUNICIPAL COURT

Hon. Michael J. Noonan, Chief Judge

Heather Prokop, Court Administrator



MUNICIPAL COURT

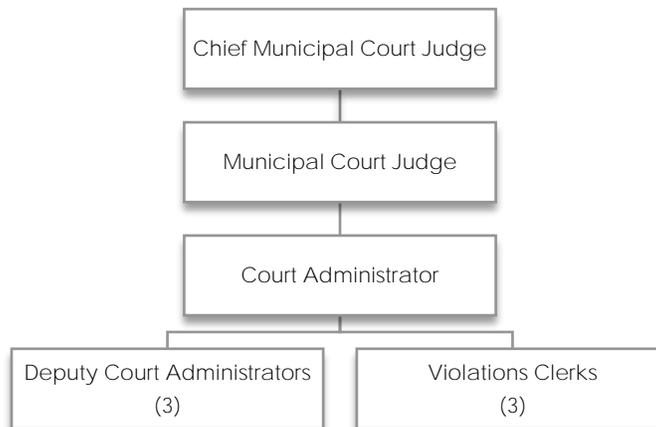
FY2017 Proposed: \$595,858

Headcount: 7 Full-Time, 2 Part-Time

Morristown's Municipal Court is an independent branch of government constitutionally entrusted with the fair and just resolution of disputes to preserve the rule of law and to protect the rights and liberties guaranteed by the Constitution and laws of the United States and this State.

Municipal Court is considered a court of limited jurisdiction. The Court handles motor vehicle and traffic violations, fish and game, disorderly person's offenses, violations of municipal ordinances, other non-indictable offenses not within exclusive control of Superior Court, penalty enforcement, complementary methods of dispute resolution, and all other proceedings in which jurisdiction is granted by statute.

The Staff and Judges operate the busiest municipal court in Morris County with the highest number of new cases out of all 39 towns. In addition, the Community Dispute Resolution Committee resolves minor citizen matters with great success.



2016 Highlights

- Processed over 40,000 cases.
- 20+ court sessions per month.
- Court Administrator and staff successfully completed NJ State Bail reform training.
- Scheduled special session trials.
- Provided interpreter services for hundreds of customers.

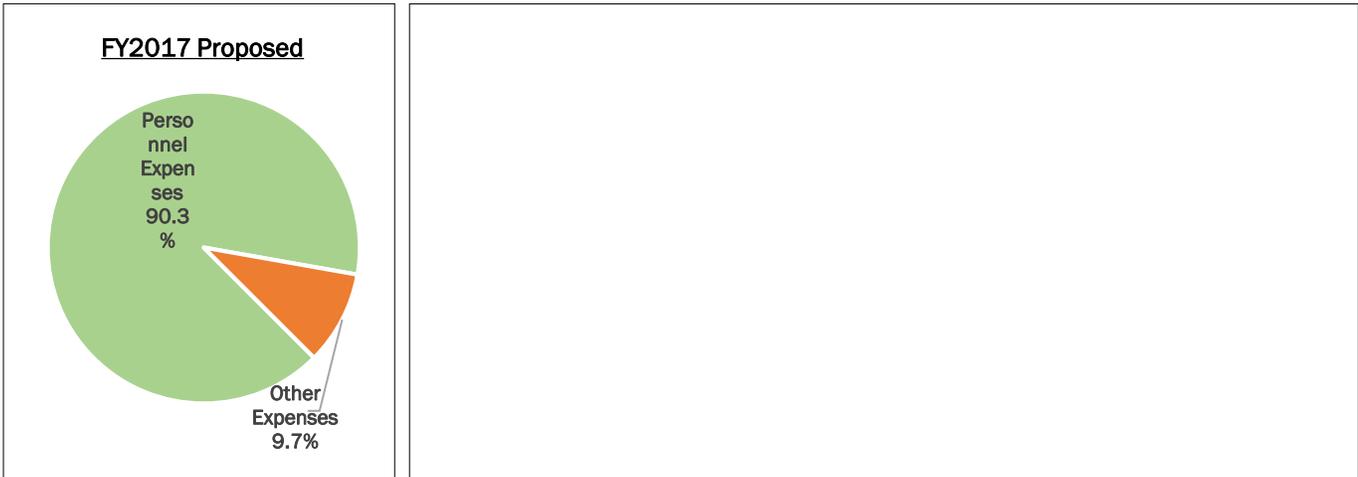
2017 Goals

- Increase job training for court staff.
- Improve the public's understanding of the Municipal Court.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Municipal Court

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	474,988	495,316	498,044	505,792	537,963	537,963
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	474,988	495,316	498,044	505,792	537,963	537,963
OTHER EXPENSES:						
Services	5,243	5,674	5,699	6,184	8,170	8,170
Materials and Supplies	449	583	555	691	650	650
Training and Professional Development	2,420	1,560	2,151	2,374	2,743	2,745
Purchase of Vehicles and Equipment	382	883	276	541	858	850
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	22,371	26,644	36,708	30,915	47,296	45,480
TOTAL OTHER EXPENSES:	30,865	35,344	45,389	40,705	59,717	57,895
TOTAL BUDGET:	505,853	530,660	543,433	546,497	597,680	595,858
HEADCOUNT SUMMARY:						
Full-Time	7.00	7.00	7.00	7.00	7.00	7.00
Part-Time	2.00	2.00	2.00	2.00	2.00	2.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	9.00	9.00	9.00	9.00	9.00	9.00



**OFFICE OF THE TOWN
CLERK**

Kevin Harris, Town Clerk



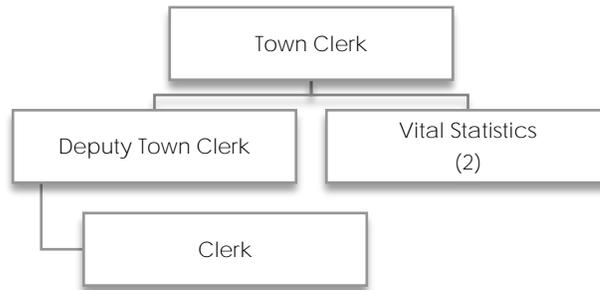
TOWN CLERK

FY2017 Proposed: \$337,662

Headcount: 3 Full-Time, 0 Part-Time

The Town Clerk serves as the hub of municipal government and functions as Records Manager, Licensing administrator and the keeper of Vital Statistics. Duties are defined in N.J.S.A. 40A:9-133. The Town Clerk serves in the following capacities:

- Secretary of the municipal corporation and custodian of the Municipal Seal, as well as all minutes, record books, deeds, bonds (performance or other), contracts and archival records of the municipal corporation, and provide public access to government records for both inspection and duplication;
- Secretary to the Council, who prepares meeting agendas at the discretion of the Council, attends all meetings of the Council, and provides for minutes of every meeting, as well as preservation of all ordinances and resolutions;
- Administrative Officer for the acceptance of applications and the issuance of licenses and permits for billiard parlors, 45 liquor-licensed establishments, taxis and limousines, newspaper vending machines, theaters (i.e. - Headquarters Plaza) on a per seat fee, charitable solicitations, raffles and bingo, auctions, amusement games, residential parking, going-out-of-business sales, mobile restaurants, peddling, handbills, and parade; and
- Chief Elections Officer in all elections held in the municipality and Chief Registrar of the Voters in the Town.



2016 Highlights

- Processed over 2,000 O.P.R.A. Requests since 2010 and seeks to improve on the existing storage system to facilitate response to O.P.R.A. requests.
- Initiated the use of a computerized Meeting Agenda & Minutes Management program.
- Aligned the issuance of Residential Parking Permits with the calendar year. 2017 permits are valid for nine months, expiring 12/31/2017.

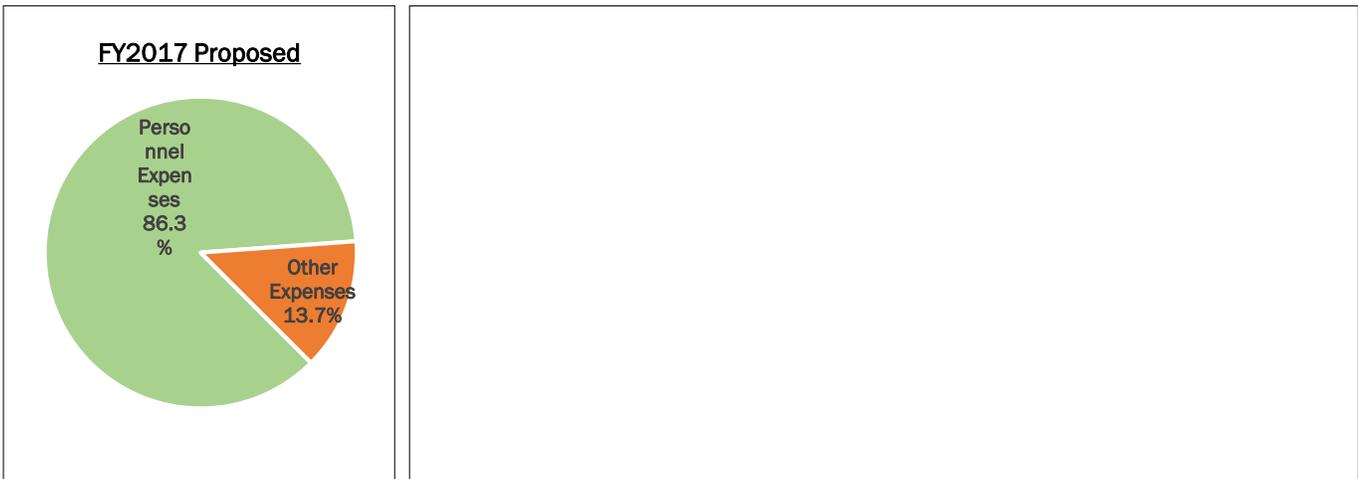
2017 Goals

- Providing passport renewal/issuance.
- Extending office hours on voter registration deadline days.
- Making forms and applications available for completion and submission online.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Town Clerk

	FY2013⁶	FY2014	FY2015	FY2016	FY2017	FY2017
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REQUESTED	PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	353,024	291,453	282,694	291,431	295,423	291,525
Incentives and Allowances	0	0	0	0	0	0
Special Events and Other	0	0	0	0	0	0
TOTAL PERSONNEL EXPENSES:	353,024	291,453	282,694	291,431	295,423	291,525
OTHER EXPENSES:						
Services	9,801	8,009	9,452	14,977	17,236	17,236
Materials and Supplies	1,413	591	1,096	351	0	0
Training and Professional Development	490	240	3,989	2,758	8,300	6,400
Purchase of Vehicles and Equipment	428	0	0	0	700	0
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	26,948	17,432	25,929	24,107	22,500	22,500
TOTAL OTHER EXPENSES:	39,081	26,272	40,466	42,193	48,736	46,136
TOTAL BUDGET:	392,105	317,724	323,160	333,624	344,159	337,662
HEADCOUNT SUMMARY:						
Full-Time	4.00	3.00	3.00	3.00	3.00	3.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL HEADCOUNT:	4.00	3.00	3.00	3.00	3.00	3.00



⁶ In 2013, Vital Statistics was in the Clerk's Office and accounts for 1 full-time employee.

SEWER UTILITY

John Dean, Superintendent

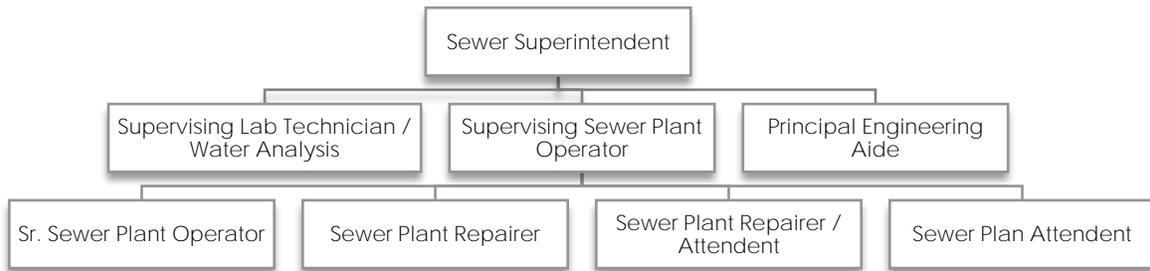


SEWER UTILITY

FY2017 Proposed: \$1,414,109

Headcount: 13 Full-Time, 0 Part-Time

Since its installation in 2009, the Town’s municipally-owned solar energy project has reduced electricity costs by approximately \$480,000, or \$80,000 per year. Moreover, Solar Renewable Energy Certificates (“SREC’s”) generated by this project have brought over \$1.25 million in revenue to the Sewer Utility. In FY 2014, this project produced 628 SRECs during the calendar year. The Town sold 583 SRECs in an open market/auction forum last year generating a total of \$109,511 in revenues. In July 2015, the Town sold 300 SRECs generated during the period October 2014 through May 2014, at \$227.00 per SREC for a total \$68,100. Then, in January 2016, a second SREC sale of 213 SREC’s secured an average per SREC price of \$282.59, for a total of \$60,192.



Capital Projects continuing in 2016 at the Wastewater Treatment Plant include:

- \$34,000 for Sanitary Sewer Repairs - The Town’s ongoing TV inspection of sanitary sewers identified sewer mains in need of repair. Priority will be given to streets that need to be paved soon. Funding for these repairs will reduce or eliminate the need for call-outs to deal with emergent sewer blockages or repairs.
- \$250,000 for Influent Submersible Pumps – New submersible pumps will replace 20-year old screw pumps to handle influent. The new pumps will be more reliable and energy efficient than the current pumps and ensure that the sewage plant can accept high rates of inflow during storms.
- \$136,000 for Activated Sludge Reduction Project, Phase I – Completion of aerobic sludge digestion and thickening system including electrical, mechanical, controls, SCADA, and pumps will result in 40% reduction in sludge. Sludge trucking and disposal costs are estimated to decrease by over \$100,000 per year.

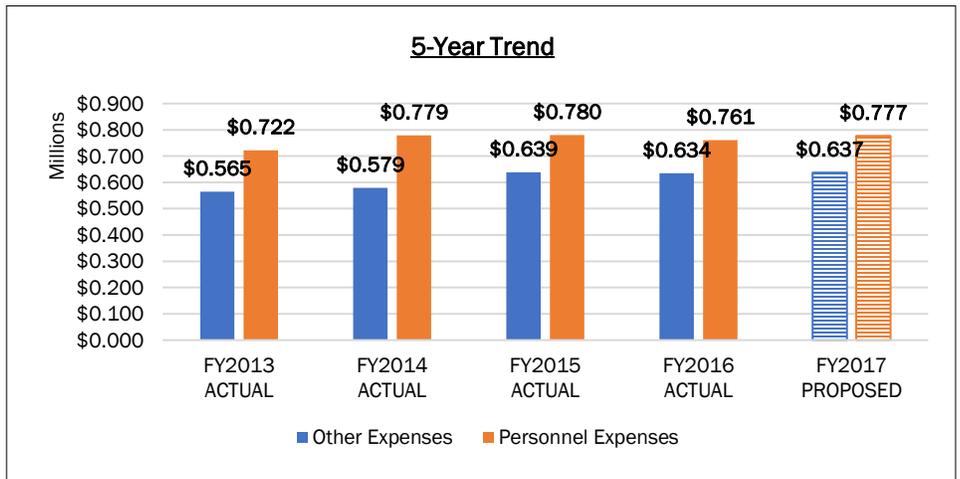
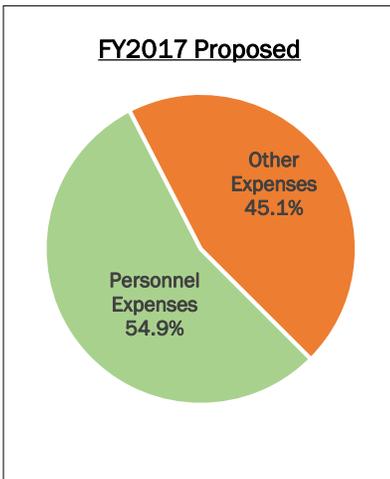
Sewer Utility capital projects planned this year, totaling \$670,000.

FY2017 MUNICIPAL OPERATING BUDGET

BUDGET SUMMARY: Sewer Utility

	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 REQUESTED	FY2017 PROPOSED
PERSONNEL EXPENSES:						
Salaries & Wages	718,453	774,803	776,206	757,410	766,052	766,052
Incentives and Allowances	3,850	3,850	3,850	3,300	4,400	4,400
Special Events and Other	0	0	0	0	6,400	6,400
TOTAL PERSONNEL EXPENSES:	722,303	778,653	780,056	760,710	776,852	776,852
OTHER EXPENSES:						
Services	78,782	84,941	95,500	140,708	137,700	137,700
Materials and Supplies	47,591	43,879	61,223	44,099	58,171	58,171
Training and Professional Development	23,147	22,873	24,875	25,109	28,071	28,071
Purchase of Vehicles and Equipment	7,012	6,381	4,500	5,049	6,650	6,650
Recreation Programs and Supplies	0	0	0	0	0	0
Utilities	368,786	376,618	412,181	372,428	353,663	353,663
Benefits	0	0	0	0	0	0
Specialized Supplies and Services	39,701	44,544	40,226	46,985	53,002	53,002
TOTAL OTHER EXPENSES:	565,019	579,236	638,505	634,378	637,257	637,257
TOTAL BUDGET:	1,287,323	1,357,890	1,418,561	1,395,088	1,414,109	1,414,109

HEADCOUNT SUMMARY:						
Full-Time	12.00	12.00	13.00	13.00	13.00	13.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00	1.00	1.00
TOTAL HEADCOUNT:	12.00	12.00	13.00	13.00	14.00	14.00



3. Current Fund Overview

FY2017 OPERATING BUDGET

PROPOSED

CURRENT FUND: OVERVIEW

	<i>HISTORICAL</i>			
	FY2013 <u>ACTUAL</u>	FY2014 <u>ACTUAL</u>	FY2015 <u>ACTUAL</u>	FY2016 <u>ACTUAL</u>
<u>GENERAL REVENUES</u>				
Cash Surplus	2,000,000	1,700,000	2,475,000	4,250,000
Total Local Revenues	2,747,102	2,565,828	2,395,122	2,732,103
Total State Aid (CMPTRA & Energy Tax Receipts)	2,868,599	2,868,599	2,868,599	2,868,599
Total Dedicated UCC Fees	1,281,683	1,161,488	1,072,548	1,266,919
Total State & Federal Revenues	2,712,595	256,873	124,260	182,138
Total Special Items Of Revenue	4,364,389	4,754,173	5,432,321	5,898,840
Receipts From Delinquent Taxes	487,532	475,635	512,834	610,350
<i>Subtotal: General Revenues</i>	<u>16,461,900</u>	<u>13,782,595</u>	<u>14,880,684</u>	<u>17,808,949</u>
Amount To Be Raised By Taxes (Includes Library Levy)	<u>22,788,556</u>	<u>22,394,526</u>	<u>22,394,526</u>	<u>23,306,021</u>
TOTAL REVENUES	<u>39,250,456</u>	<u>36,177,121</u>	<u>37,275,211</u>	<u>41,114,970</u>
<u>GENERAL APPROPRIATIONS</u>				
Total Departmental Expenses:	17,924,833	19,488,806	20,509,839	20,392,135
Total Non-Departmental Expenses:	5,390,857	4,730,362	5,124,529	5,590,864
Total Statutory Expenditure:	3,130,085	2,962,950	3,216,126	3,742,324
Reserve For Tax Appeals	750,000	650,000	294,000	491,031
<i>Subtotal: Within "CAPS"</i>	<u>27,195,775</u>	<u>27,832,119</u>	<u>29,144,494</u>	<u>30,216,354</u>
Aid to Library	-	-	861,586	920,827
Shared Service Agreements	554,383	652,523	289,148	699,597
Grants	2,712,595	100	124,260	182,138
Capital Improvements	179,965	242,310	211,445	1,211,372
Debt Service	5,028,365	5,015,831	4,746,295	4,291,188
Deferred Charges	279,100	-	983	117,927
<i>Subtotal: Excluded from "CAPS"</i>	<u>8,754,408</u>	<u>5,910,765</u>	<u>6,233,717</u>	<u>7,423,049</u>
SUB-TOTAL: GENERAL APPROPRIATIONS	<u>35,950,183</u>	<u>33,742,884</u>	<u>35,378,211</u>	<u>37,639,403</u>
Reserve for Uncollected Taxes	<u>852,346</u>	<u>804,949</u>	<u>813,272</u>	<u>841,284</u>
TOTAL GENERAL APPROPRIATIONS	<u>36,802,529</u>	<u>34,547,833</u>	<u>36,191,483</u>	<u>38,480,687</u>

FY2017 OPERATING BUDGET

PROPOSED

CURRENT FUND: OVERVIEW

	FY2016 <u>BUDGET</u>	FY2017 <u>PROPOSED</u>	<u>DIFFERENCE</u>	
			\$	%
<u>GENERAL REVENUES</u>				
Cash Surplus	4,250,000	3,475,000	(775,000)	(18.24%)
Total Local Revenues	2,350,218	2,417,000	66,782	2.84%
Total State Aid (CMPTRA & Energy Tax Receipts)	2,868,599	2,868,599	-	-
Total Dedicated UCC Fees	1,035,000	1,231,000	196,000	18.94%
Total State & Federal Revenues	-	245,044	245,044	-
Total Special Items Of Revenue	5,816,000	5,839,543	23,543	0.40%
Receipts From Delinquent Taxes	475,000	1,398,060	923,060	194.33%
<i>Subtotal: General Revenues</i>	16,794,817	17,474,246	679,429	4.05%
Amount To Be Raised By Taxes (Includes Library Levy)	23,306,021	23,415,075	109,054	0.47%
TOTAL REVENUES	40,100,838	40,889,321	788,483	1.97%
<u>GENERAL APPROPRIATIONS</u>				
Total Departmental Expenses:	21,990,464	22,951,813	961,349	4.37%
Total Non-Departmental Expenses:	5,939,358	6,065,107	125,749	2.12%
Total Statutory Expenditure:	3,843,465	3,513,404	(330,061)	(8.59%)
Reserve For Tax Appeals	510,000	600,000	90,000	17.65%
<i>Subtotal: Within "CAPS"</i>	32,283,287	33,130,323	847,036	2.62%
Aid to Library	920,827	959,592	38,765	4.21%
Shared Service Agreements	725,687	711,468	(14,219)	(1.96%)
Grants	15,000	260,044	245,044	1633.63%
Capital Improvements	1,212,000	1,092,000	(120,000)	(9.90%)
Debt Service	4,308,000	3,452,500	(855,500)	(19.86%)
Deferred Charges	877	128,277	127,400	14526.80%
<i>Subtotal: Excluded from "CAPS"</i>	7,182,391	6,603,881	(578,510)	(8.05%)
SUB-TOTAL: GENERAL APPROPRIATIONS	39,465,678	39,734,204	268,526	0.68%
Reserve for Uncollected Taxes	841,284	1,155,117	313,832	37.30%
TOTAL GENERAL APPROPRIATIONS	40,306,962	40,889,321	582,359	1.44%

4. Current Fund Revenues

**FY2017 OPERATING BUDGET
PROPOSED**

CURRENT FUND: REVENUE

	<i>HISTORICAL</i>			
	<u>FY2013 ACTUAL</u>	<u>FY2014 ACTUAL</u>	<u>FY2015 ACTUAL</u>	<u>FY2016 ACTUAL</u>
<u>GENERAL REVENUES</u>				
Fund Balance Anticipated				
Cash Surplus	\$ 2,000,000	\$ 1,700,000	\$ 2,475,000	\$ 4,250,000
Local Revenues				
Licenses:				
Alcoholic Beverages	\$ 91,250	\$ 91,250	\$ 91,250	\$ 88,770
Other	134,445	126,506	141,046	127,237
Fees & Permits	467,682	550,857	558,656	586,461
Fines & Costs:				
Municipal Court	930,665	969,569	970,966	1,189,093
Interest & Costs on Taxes	146,110	138,189	145,043	128,667
Interest on Investments & Deposits	10,915	47,300	41,120	157,288
Annual Fee S.M.C.M.U.A.	30,000	30,000	30,000	30,000
Swim Pool Fees	151,814	161,486	149,332	144,791
Lease Agreement - S.D.C.	541,544	195,500		-
<u>Cable Franchise Fees</u>	<u>242,676</u>	<u>255,171</u>	<u>267,709</u>	<u>279,796</u>
TOTAL LOCAL REVENUES	\$ 2,747,102	\$ 2,565,828	\$ 2,395,122	\$ 2,732,103
<u>Total State Aid (CMPTRA & Energy Tax Receipts)</u>				
Energy Receipts Tax	\$ 2,739,864	\$ 2,754,433	\$ 2,797,599	\$ 2,797,599
Consolidated Municipal Property Tax Relief Act	128,735	114,166	71,000	71,000
TOTAL STATE AID (CMPTRA & ETR)	\$ 2,868,599	\$ 2,868,599	\$ 2,868,599	\$ 2,868,599
<u>Dedicated Uniform Construction Code Fees</u>				
Uniform Construction Code Fees	\$ 1,281,683	\$ 1,161,488	\$ 1,072,548	\$ 1,266,919
TOTAL DEDICATED UCC FEES	\$ 1,281,683	\$ 1,161,488	\$ 1,072,548	\$ 1,266,919
Grants				
Recycling Tonnage Grant	\$ 36,324	\$ -	\$ 50,245	\$ -
Clean Communities Program	29,546	29,185	-	38,474
MLB Baseball Tomorrow Fund	-	-	34,015	-
Body Armor Fund	-	4,971	-	-
Conventis Grant	-	-	5,000	-
Alcohol Education & Rehab. Fund	2,955	2,718	-	1,753
Drunk Driving Enforcement Fund	48,915	-	-	-
Body Armor Fund	6,437	-	-	4,911
Safe Routes to School Program	120,000	-	-	-
NJ DOT Pedestrian Safety- click it or ticket	250,000	-	-	-
NJ DOT Sussex Walking program	-	-	-	120,000
NJ DEP Recreation Trails	-	-	-	12,000

**FY2017 OPERATING BUDGET
PROPOSED**

CURRENT FUND: REVENUE

	FY2016 BUDGET	FY2017 PROPOSED	DIFFERENCE	
			\$	%
<u>GENERAL REVENUES</u>				
Fund Balance Anticipated				
Cash Surplus	\$ 4,250,000	\$ 3,475,000	\$ (775,000)	(18.24%)
<u>Local Revenues</u>				
Licenses:				
Alcoholic Beverages	\$ 91,000	\$ 88,000	\$ (3,000)	(3.30%)
Other	125,000	125,000	-	-
Fees & Permits	550,000	550,000	-	-
Fines & Costs:				
Municipal Court	965,000	965,000	-	-
Interest & Costs on Taxes	135,518	128,000	(7,518)	(5.55%)
Interest on Investments & Deposits	41,000	112,000	71,000	173.17%
Annual Fee S.M.C.M.U.A.	30,000	30,000	-	-
Swim Pool Fees	145,000	144,000	(1,000)	(0.69%)
Lease Agreement - S.D.C.	-	-	-	-
Cable Franchise Fees	<u>267,700</u>	<u>275,000</u>	<u>7,300</u>	2.73%
TOTAL LOCAL REVENUES	\$ 2,350,218	\$ 2,417,000	\$ 66,782	2.84%
<u>Total State Aid (CMPTRA & Energy Tax Receipts)</u>				
Energy Receipts Tax	\$ 2,797,599	\$ 2,812,018	\$ 14,419	0.52%
Consolidated Municipal Property Tax Relief Act	71,000	56,581	(14,419)	(20.31%)
TOTAL STATE AID (CMPTRA & ETR)	\$ 2,868,599	\$ 2,868,599	\$ -	-
<u>Dedicated Uniform Construction Code Fees</u>				
Uniform Construction Code Fees	\$ 1,035,000	\$ 1,231,000	\$ 196,000	18.94%
TOTAL DEDICATED UCC FEES	\$ 1,035,000	\$ 1,231,000	\$ 196,000	18.94%
<u>Grants</u>				
Recycling Tonnage Grant	\$ -	\$ 41,853	\$ 41,853	-
Clean Communities Program	-	-	-	-
MLB Baseball Tomorrow Fund	-	-	-	-
Body Armor Fund	-	-	-	-
Conventis Grant	-	-	-	-
Alcohol Education & Rehab. Fund	-	-	-	-
Drunk Driving Enforcement Fund	-	-	-	-
Body Armor Fund	-	-	-	-
Safe Routes to School Program	-	-	-	-
NJ DOT Pedestrian Safety- click it or ticket	-	14,995	14,995	-
NJ DOT Sussex Walking program	-	-	-	-
NJ DEP Recreation Trails	-	-	-	-

**FY2017 OPERATING BUDGET
PROPOSED**

CURRENT FUND: REVENUE

	<i>HISTORICAL</i>			
	<u>FY2013 ACTUAL</u>	<u>FY2014 ACTUAL</u>	<u>FY2015 ACTUAL</u>	<u>FY2016 ACTUAL</u>
NJ DEP Green Acres - Early Street Acquisition	487,500	-	-	-
Morris County Open Space Trust Fund-Early Street	1,575,000	-	-	-
Morris County Foote's Pond Wood Trail	-	-	-	-
NJ DEP Forestry/Tree Planting	-	-	-	-
TD Green Streets Grant	-	-	-	-
NJ Distracted Driving	-	-	-	-
Pocahontas Dam Seepage Control	80,000	-	-	-
Local Aid Infrastructure Cory Rd	75,918	-	-	-
NJ DOT Washington Street Streetscape	-	220,000	-	-
Sustainable New Jersey	-	-	35,000	-
TOTAL GRANTS	\$ 2,712,595	\$ 256,873	\$ 124,260	\$ 182,138
<u>Special Items of General Revenue</u>				
Airport Operating Fund Balance (Surplus)	\$ 204,000	\$ 215,000	\$ 215,000	\$ 215,000
Sewer Operating Fund Balance (Surplus)	3,000,000	3,200,000	3,225,000	3,225,000
General Capital Fund Balance (Surplus)	-	-	-	-
Rental of Property	219,156	214,306	261,807	288,693
Outside Police - Administration Fees	86,166	91,818	90,000	90,000
Payment in Lieu of Taxes - Urban Renewal-Mill Creek	-	-	515,307	530,612
Payment in Lieu of Taxes - Housing Authority	-	-	90,891	82,428
Payment in Lieu of Taxes - CVS	-	-	-	-
Atlantic Health Settlement (10 Year)	-	-	-	550,000
Contribution From Wastewater	131,000	131,000	131,000	131,000
Municipal Hotel & Motel Occupancy Tax	496,508	457,649	647,812	634,429
Uniform Fire Safety Act	42,064	53,443	48,233	49,068
Rent Leveling Registration Fee	78,630	90,090	94,980	93,695
Fire Bureau EMS Revenue Recovery	99,453	136,743	112,291	8,915
Shared Services - Animal Control	7,412	6,758	-	-
FEMA Reimbursement	-	157,365	-	-
TOTAL SPECIAL ITEMS OF REVENUE	\$ 4,364,389	\$ 4,754,173	\$ 5,432,321	\$ 5,898,840
Receipts from Delinquent Taxes	\$ 487,532	\$ 475,635	\$ 512,834	\$ 610,350
SUBTOTAL: GENERAL REVENUES	\$ 16,461,900	\$ 13,782,595	\$ 14,880,684	\$ 17,808,949
AMOUNT TO BE RAISED BY TAXES (includes library levy)	\$ 22,788,556	\$ 22,394,526	\$ 22,394,526	\$ 23,306,021
TOTAL REVENUES	\$ 39,250,456	\$ 36,177,121	\$ 37,275,211	\$ 41,114,970

**FY2017 OPERATING BUDGET
PROPOSED**

CURRENT FUND: REVENUE

	FY2016 BUDGET	FY2017 PROPOSED	DIFFERENCE	
			\$	%
NJ DEP Green Acres - Early Street Acquisition	-	-	-	-
Morris County Open Space Trust Fund-Early Street	-	-	-	-
Morris County Foote's Pond Wood Trail	-	132,696	132,696	-
NJ DEP Forestry/Tree Planting	-	30,000	30,000	-
TD Green Streets Grant	-	20,000	20,000	-
NJ Distracted Driving	-	5,500	5,500	-
Pocahontas Dam Seepage Control	-	-	-	-
Local Aid Infrastructure Cory Rd	-	-	-	-
NJ DOT Washington Street Streetscape	-	-	-	-
Sustainable New Jersey	-	-	-	-
TOTAL GRANTS	\$ -	\$ 245,044	\$ 245,044	-
Special Items of General Revenue				
Airport Operating Fund Balance (Surplus)	\$ 215,000	\$ 215,000	\$ -	-
Sewer Operating Fund Balance (Surplus)	3,225,000	3,300,000	75,000	2.33%
General Capital Fund Balance (Surplus)	-	-	-	-
Rental of Property	240,000	119,000	(121,000)	(50.42%)
Outside Police - Administration Fees	90,000	90,000	-	-
Payment in Lieu of Taxes - Urban Renewal-Mill Creek	495,000	530,000	35,000	7.07%
Payment in Lieu of Taxes - Housing Authority	90,000	82,000	(8,000)	(8.89%)
Payment in Lieu of Taxes - CVS	-	65,393	65,393	-
Atlantic Health Settlement (10 Year)	550,000	550,000	-	-
Contribution From Wastewater	131,000	131,000	-	-
Municipal Hotel & Motel Occupancy Tax	620,000	620,150	150	0.02%
Uniform Fire Safety Act	45,000	47,000	2,000	4.44%
Rent Leveling Registration Fee	90,000	90,000	-	-
Fire Bureau EMS Revenue Recovery	25,000	-	(25,000)	(100.00%)
Shared Services - Animal Control	-	-	-	-
FEMA Reimbursement	-	-	-	-
TOTAL SPECIAL ITEMS OF REVENUE	\$ 5,816,000	\$ 5,839,543	\$ 23,543	0.40%
Receipts from Delinquent Taxes	\$ 475,000	\$ 1,398,060	\$ 923,060	194.33%
SUBTOTAL: GENERAL REVENUES	\$ 16,794,817	\$ 17,474,246	\$ 679,429	4.05%
AMOUNT TO BE RAISED BY TAXES (includes library levy)	\$ 23,306,021	\$ 23,415,075	\$ 109,054	0.47%
TOTAL REVENUES	\$ 40,100,838	\$ 40,889,321	\$ 788,483	1.97%

5. Current Fund Appropriations Summary

FY2017 OPERATING BUDGET

PROPOSED

CURRENT FUND: APPROPRIATIONS SUMMARY

	<i>HISTORICAL</i>			
	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
<u>GENERAL APPROPRIATIONS</u>				
GENERAL APPROPRIATIONS - OPERATIONS WITHIN "CAPS"				
<u>Departmental Expenses:</u>				
Salaries & Wages:				
<i>Department of Administration:</i>	286,435	403,924	431,222	493,741
<i>Office of the Town Clerk:</i>	353,024	291,453	282,694	291,431
<i>Public Safety Bureaus:</i>	7,936,516	8,858,179	9,261,896	9,292,202
<i>Department of Revenue and Finance:</i>	506,138	496,134	588,172	599,348
<i>Department of Code Enforcement:</i>	1,356,220	1,403,433	1,445,775	1,438,304
<i>Department of Public Works:</i>	2,359,759	2,688,467	2,689,539	2,788,651
<i>Municipal Court:</i>	474,988	495,316	498,044	505,792
<i>Statutory and Non-Departmental Agencies:</i>	99,440	101,428	103,203	103,184
<i>Reserves</i>	375,000	162,722	422,331	206,253
Total Salaries & Wages	13,747,520	14,901,055	15,722,876	15,718,906
Other Departmental Expenses				
<i>Department of Administration:</i>	240,759	372,968	372,531	375,333
<i>Office of the Town Clerk:</i>	39,081	26,272	40,466	42,193
<i>Public Safety Bureaus:</i>	409,848	402,520	419,738	440,875
<i>Department of Revenue and Finance:</i>	406,258	442,051	398,429	339,297
<i>Department of Code Enforcement:</i>	210,246	211,056	207,867	189,267
<i>Department of Public Works:</i>	2,603,308	2,801,435	3,018,781	3,032,010
<i>Municipal Court:</i>	60,865	48,676	49,919	41,480
<i>Statutory and Non-Departmental Agencies:</i>	206,948	282,772	279,232	212,774
<i>Reserves</i>	-	-	-	-
Total Other Expenses	4,177,313	4,587,751	4,786,963	4,673,229
TOTAL DEPARTMENTAL EXPENSES:	\$ 17,924,833	\$ 19,488,806	\$ 20,509,839	\$ 20,392,135
<u>Non-Departmental Expenses:</u>				
Insurance	5,206,264	4,579,218	5,005,005	5,446,921
Contributions	178,873	146,850	113,841	136,400
Commissions	800	2,294	1,093	3,900
Contingency	4,920	2,000	4,590	3,643
TOTAL NON-DEPARTMENTAL EXPENSES:	\$ 5,390,857	\$ 4,730,362	\$ 5,124,529	\$ 5,590,864
TOTAL STATUTORY EXPENDITURES:	\$ 3,130,085	\$ 2,962,950	\$ 3,216,126	\$ 3,742,324
RESERVE FOR TAX APPEALS	\$ 750,000	\$ 650,000	\$ 294,000	\$ 491,031
TOTAL APPROPRIATIONS WITHIN "CAPS"	\$ 27,195,775	\$ 27,832,119	\$ 29,144,494	\$ 30,216,354

FY2017 OPERATING BUDGET

PROPOSED

CURRENT FUND: APPROPRIATIONS SUMMARY

	FY2016 BUDGET	FY2017 PROPOSED	DIFFERENCE	
			\$	%
<u>GENERAL APPROPRIATIONS</u>				
GENERAL APPROPRIATIONS - OPERATIONS WITHIN "CAPS"				
<u>Departmental Expenses:</u>				
Salaries & Wages:				
<i>Department of Administration:</i>	541,279	579,861	38,582	7.13%
<i>Office of the Town Clerk:</i>	291,525	291,525	0	0.00%
<i>Public Safety Bureaus:</i>	9,301,521	9,978,209	676,688	7.28%
<i>Department of Revenue and Finance:</i>	599,359	649,135	49,776	8.30%
<i>Department of Code Enforcement:</i>	1,464,715	1,721,015	256,300	17.50%
<i>Department of Public Works:</i>	2,921,318	3,058,750	137,433	4.70%
<i>Municipal Court:</i>	509,191	537,963	28,772	5.65%
<i>Statutory and Non-Departmental Agencies:</i>	103,203	105,009	1,806	1.75%
<i>Reserves</i>	425,000	402,000	(23,000)	(5.41%)
Total Salaries & Wages	16,157,111	17,323,467	1,166,357	7.22%
Other Departmental Expenses				
<i>Department of Administration:</i>	499,185	475,885	(23,300)	(4.67%)
<i>Office of the Town Clerk:</i>	48,200	46,136	(2,064)	(4.28%)
<i>Public Safety Bureaus:</i>	518,030	651,301	133,271	25.73%
<i>Department of Revenue and Finance:</i>	400,324	423,837	23,513	5.87%
<i>Department of Code Enforcement:</i>	234,670	262,420	27,750	11.83%
<i>Department of Public Works:</i>	3,747,290	3,380,871	(366,419)	(9.78%)
<i>Municipal Court:</i>	75,655	77,895	2,240	2.96%
<i>Statutory and Non-Departmental Agencies:</i>	310,000	310,000	-	-
<i>Reserves</i>	-	-	-	-
Total Other Expenses	5,833,354	5,628,346	(205,008)	(3.51%)
TOTAL DEPARTMENTAL EXPENSES:	\$ 21,990,464	\$ 22,951,813	\$ 961,349	4.37%
<u>Non-Departmental Expenses:</u>				
<i>Insurance</i>	5,729,758	5,877,507	147,749	2.58%
<i>Contributions</i>	193,100	171,100	(22,000)	(11.39%)
<i>Commissions</i>	11,500	11,500	-	-
<i>Contingency</i>	5,000	5,000	-	-
TOTAL NON-DEPARTMENTAL EXPENSES:	\$ 5,939,358	\$ 6,065,107	\$ 125,749	2.12%
TOTAL STATUTORY EXPENDITURES:	\$ 3,843,465	\$ 3,513,404	(330,061)	(8.59%)
RESERVE FOR TAX APPEALS	\$ 510,000	\$ 600,000	\$ 90,000	17.65%
TOTAL APPROPRIATIONS WITHIN "CAPS"	\$ 32,283,287	\$ 33,130,323	\$ 847,036	2.62%

FY2017 OPERATING BUDGET

PROPOSED

CURRENT FUND: APPROPRIATIONS SUMMARY

	<i>HISTORICAL</i>			
	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
GENERAL APPROPRIATIONS - OPERATIONS EXCLUDED FROM "CAPS"				
Aid to Library	-	-	861,586	920,827
Shared Service Agreements	554,383	652,523	289,148	699,597
Grants	2,712,595	100	124,260	182,138
Capital Improvements	179,965	242,310	211,445	1,211,372
Debt Service	5,028,365	5,015,831	4,746,295	4,291,188
Deferred Charges	279,100	-	983	117,927
TOTAL APPROPRIATIONS EXCL. FROM "CAPS"	\$ 8,754,408	\$ 5,910,765	\$ 6,233,717	\$ 7,423,049
SUB-TOTAL: GENERAL APPROPRIATIONS	35,950,183	33,742,884	35,378,211	37,639,403
Reserve for Uncollected Taxes	852,346	804,949	813,272	841,284
TOTAL GENERAL APPROPRIATIONS	\$ 36,802,529	\$ 34,547,833	\$ 36,191,483	\$ 38,480,687

FY2017 OPERATING BUDGET

PROPOSED

CURRENT FUND: APPROPRIATIONS SUMMARY

	FY2016 BUDGET	FY2017 PROPOSED	DIFFERENCE	
			\$	%
GENERAL APPROPRIATIONS - OPERATIONS EXCLUDED FROM "CAPS"				
Aid to Library	920,827	959,592	38,765	4.21%
Shared Service Agreements	725,687	711,468	(14,219)	(1.96%)
Grants	15,000	260,044	245,044	1633.63%
Capital Improvements	1,212,000	1,092,000	(120,000)	(9.90%)
Debt Service	4,308,000	3,452,500	(855,500)	(19.86%)
Deferred Charges	877	128,277	127,400	14526.80%
TOTAL APPROPRIATIONS EXCL. FROM "CAPS"	\$ 7,182,391	\$ 6,603,881	\$ (578,510)	(8.05%)
SUB-TOTAL: GENERAL APPROPRIATIONS	39,465,678	39,734,204	268,526	0.68%
Reserve for Uncollected Taxes	841,284	1,155,117	313,832	37.30%
TOTAL GENERAL APPROPRIATIONS	\$ 40,306,962	\$ 40,889,321	\$ 582,359	1.44%

6. Departmental Expenses

FY2017 OPERATING BUDGET

PROPOSED

DEPARTMENTAL OPERATING EXPENSES DETAIL

	<i>HISTORICAL</i>			
	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
SALARIES & WAGES:				
Department of Administration:				
Business Administration	\$ 271,000	\$ 302,985	\$ 320,942	\$ 374,623
Purchasing	-	-	-	-
Senior Services	15,435	21,379	23,237	24,047
Vital Statistics	-	79,560	87,043	95,071
Office of the Town Clerk:	353,024	291,453	282,694	291,431
Public Safety Bureaus:				
Police	5,099,596	5,800,742	6,022,795	6,180,631
Fire	2,828,920	3,052,437	3,236,040	3,108,571
Emergency Management Services	7,999	5,000	3,061	3,000
Department of Revenue and Finance:				
Treasurer's Office	232,138	212,644	299,525	308,233
Collector of Taxes	174,550	178,148	182,875	184,163
Assessment of Taxes	99,450	105,342	105,772	106,952
Department of Code Enforcement:				
Code Enforcement Director	66,365	86,700	88,217	89,761
Building & UCC Enforcement	519,406	549,683	550,382	580,115
Health	243,746	152,737	150,897	140,480
Animal Control	46,267	52,207	57,596	58,647
Property Maintenance	239,387	270,184	307,439	278,990
Rent Leveling	72,670	76,332	78,883	86,103
Zoning	168,379	215,590	212,361	204,208
Department of Public Works:				
Public Works	1,790,990	2,122,751	2,145,442	2,268,534
Recycling & Sanitation Services	70,276	76,396	70,528	67,235
Bus Transportation	20,690	19,907	20,884	20,894
Planning	7,617	10,717	10,519	15,033
Engineering Services	227,637	239,583	186,587	147,751
Land Use Administration	-	-	-	-
Recreation Administration	130,946	118,622	139,920	128,757
Recreation - Burnham/Cauldwell Pools	111,603	100,491	115,659	140,447
Municipal Court:				
Municipal Court	474,988	495,316	498,044	505,792
Public Defender	-	-	-	-
Statutory and Non-Departmental Agencies:				
Legal	99,440	101,428	103,203	103,184
Municipal Prosecutor	-	-	-	-
Clean Communities Salaries & Wages	-	-	-	-
Reserves				
Reserve for Salary Increases	275,000	45,000	291,350	170,636
Reserve for Vacation & Sick Pay	100,000	117,722	130,981	35,617
Reserve for Unemployment Benefits	-	-	-	-
TOTAL SALARIES & WAGES	\$ 13,747,520	\$ 14,901,055	\$ 15,722,876	\$ 15,718,906

FY2017 OPERATING BUDGET

PROPOSED

DEPARTMENTAL OPERATING EXPENSES DETAIL

	FY2016	FY2017	DIFFERENCE	
	BUDGET	PROPOSED	\$	%
SALARIES & WAGES:				
<i>Department of Administration:</i>				
Business Administration	\$ 420,550	\$ 430,594	\$ 10,044	2.39%
Purchasing	-	-		
Senior Services	25,655	42,869	17,214	67.10%
Vital Statistics	95,074	106,398	11,324	11.91%
<i>Office of the Town Clerk:</i>	291,525	291,525	0	0.00%
<i>Public Safety Bureaus:</i>				
Police	6,180,631	6,621,660	441,029	7.14%
Fire	3,112,890	3,351,548	238,658	7.67%
Emergency Management Services	8,000	5,000	(3,000)	(37.50%)
<i>Department of Revenue and Finance:</i>				
Treasurer's Office	308,231	343,572	35,341	11.47%
Collector of Taxes	184,168	194,634	10,466	5.68%
Assessment of Taxes	106,960	110,929	3,969	3.71%
<i>Department of Code Enforcement:</i>				
Code Enforcement Director	89,761	95,000	5,239	5.84%
Building & UCC Enforcement	569,780	735,758	165,978	29.13%
Health	158,192	186,612	28,420	17.97%
Animal Control	61,997	64,659	2,662	4.29%
Property Maintenance	291,479	308,265	16,786	5.76%
Rent Leveling	76,370	96,528	20,158	26.40%
Zoning	217,136	234,195	17,059	7.86%
<i>Department of Public Works:</i>				
Public Works	2,320,380	2,390,931	70,551	3.04%
Recycling & Sanitation Services	74,570	74,570	-	-
Bus Transportation	21,479	21,261	(218)	(1.02%)
Planning	21,000	20,000	(1,000)	(4.76%)
Engineering Services	218,789	242,292	23,503	10.74%
Land Use Administration	-	-	-	-
Recreation Administration	148,400	152,134	3,734	2.52%
Recreation - Burnham/Cauldwell Pools	116,700	157,563	40,863	35.01%
<i>Municipal Court:</i>				
Municipal Court	509,191	537,963	28,772	5.65%
Public Defender	-	-	-	-
<i>Statutory and Non-Departmental Agencies:</i>				
Legal	103,203	105,009	1,806	1.75%
Municipal Prosecutor	-	-	-	-
Clean Communities Salaries & Wages	-	-	-	-
<i>Reserves</i>				
Reserve for Salary Increases	300,000	300,000	-	-
Reserve for Vacation & Sick Pay	125,000	102,000	(23,000)	(18.40%)
Reserve for Unemployment Benefits	-	-	-	-
TOTAL SALARIES & WAGES	\$ 16,157,111	\$ 17,323,467	\$ 1,166,357	7.22%

FY2017 OPERATING BUDGET

PROPOSED

DEPARTMENTAL OPERATING EXPENSES DETAIL

	<i>HISTORICAL</i>			
	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
OTHER EXPENSES - OPERATING DEPARTMENTS:				
Operating Departments:				
Department of Administration:				
Business Administration	\$ 23,653	\$ 66,877	\$ 98,238	\$ 104,090
Purchasing	212,569	291,959	262,160	259,062
Senior Services	4,537	5,185	5,053	7,333
Vital Statistics	-	8,947	7,080	4,848
Office of the Town Clerk:	39,081	26,272	40,466	42,193
Public Safety Bureaus:				
Police	158,528	146,844	164,125	127,747
Fire	187,551	193,042	191,619	249,949
- Fire Truck Lease	57,627	57,627	57,627	57,627
Emergency Management Services	6,141	5,007	6,367	5,552
Department of Revenue and Finance:				
Treasurer's Office	108,747	117,948	108,568	82,770
Collector of Taxes	23,411	22,002	18,268	20,273
Assessment of Taxes	274,100	302,102	271,593	236,254
Department of Code Enforcement:				
Code Enforcement Director	2,255	2,912	2,223	32
Building & UCC Enforcement	168,345	170,166	172,946	158,082
Health	15,048	10,410	12,626	14,007
Animal Control	6,223	5,941	5,856	7,614
Property Maintenance	6,323	7,463	7,126	3,972
Rent Leveling	1,569	2,587	1,677	1,560
Zoning	10,482	11,576	5,413	4,000
Department of Public Works:				
Public Works	1,294,536	1,429,742	1,488,024	1,294,977
Recycling & Sanitation Services	1,053,610	1,103,874	1,156,286	1,333,287
Bus Transportation	3,000	376	1,754	4,009
Planning	149,764	152,401	254,033	266,678
Engineering Services	11,978	5,363	2,452	37,145
Land Use Administration	-	-	-	-
Recreation Administration	34,473	40,239	45,752	27,570
Recreation - Burnham/Cauldwell Pools	55,947	69,441	70,480	68,344
Municipal Court:				
Municipal Court	30,865	35,344	45,389	40,705
Public Defender	30,000	13,332	4,530	775
Statutory and Non-Departmental Agencies:				
Legal	146,948	234,772	229,482	158,774
Municipal Prosecutor	60,000	48,000	49,750	54,000
TOTAL OTHER EXPENSES - OPERATING DEPARTMENTS:	\$ 4,177,313	\$ 4,587,751	\$ 4,786,963	\$ 4,673,229

FY2017 OPERATING BUDGET

PROPOSED

DEPARTMENTAL OPERATING EXPENSES DETAIL

	FY2016 BUDGET		FY2017 PROPOSED	DIFFERENCE	
				\$	%
OTHER EXPENSES - OPERATING DEPARTMENTS:					
Operating Departments:					
Department of Administration:					
Business Administration	\$ 105,925	\$	146,980	\$ 41,055	38.76%
Purchasing	376,450		297,925	(78,525)	(20.86%)
Senior Services	7,360		17,450	10,090	137.09%
Vital Statistics	9,450		13,530	4,080	43.18%
Office of the Town Clerk:	48,200		46,136	(2,064)	(4.28%)
Public Safety Bureaus:					
Police	201,900		378,171	176,271	87.31%
Fire	251,130		238,130	(13,000)	(5.18%)
- Fire Truck Lease	58,000		29,000	(29,000)	(50.00%)
Emergency Management Services	7,000		6,000	(1,000)	(14.29%)
Department of Revenue and Finance:					
Treasurer's Office	118,270		146,508	28,238	23.88%
Collector of Taxes	25,990		21,265	(4,725)	(18.18%)
Assessment of Taxes	256,064		256,064	0	0.00%
Department of Code Enforcement:					
Code Enforcement Director	2,600		2,600	-	-
Building & UCC Enforcement	180,450		213,500	33,050	18.32%
Health	16,600		15,200	(1,400)	(8.43%)
Animal Control	16,600		14,300	(2,300)	(13.86%)
Property Maintenance	8,050		6,950	(1,100)	(13.66%)
Rent Leveling	2,910		2,410	(500)	(17.18%)
Zoning	7,460		7,460	-	-
Department of Public Works:					
Public Works	1,619,218		1,615,368	(3,850)	(0.24%)
Recycling & Sanitation Services	1,417,308		1,375,105	(42,203)	(2.98%)
Bus Transportation	5,000		5,000	-	-
Planning	565,000		235,000	(330,000)	(58.41%)
Engineering Services	12,510		14,800	2,290	18.31%
Land Use Administration	-		-	-	-
Recreation Administration	51,390		53,385	1,995	3.88%
Recreation - Burnham/Cauldwell Pools	76,864		82,213	5,350	6.96%
Municipal Court:					
Municipal Court	45,655		57,895	12,240	26.81%
Public Defender	30,000		20,000	(10,000)	(33.33%)
Statutory and Non-Departmental Agencies:					
Legal	250,000		250,000	-	-
Municipal Prosecutor	60,000		60,000	-	-
TOTAL OTHER EXPENSES - OPERATING DEPARTMENTS:	\$ 5,833,354	\$	5,628,346	\$ (205,008)	(3.51%)

7. Non-Departmental Expenses

FY2017 OPERATING BUDGET

PROPOSED

NON-DEPARTMENTAL EXPENSES DETAIL

	<i>HISTORICAL</i>			
	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
NON-DEPARTMENTAL EXPENSES:				
Insurance				
Other Insurance	\$ -	\$ -	\$ -	\$ -
Workers Compensation	-	-	-	-
Combined Other Insurance & Workers Comp.	692,588	705,495	744,914	788,658
Surety Bond Premiums	-	-	-	-
Medical and Dental Insurance	4,513,676	3,873,723	4,260,091	4,658,263
Total Insurance:	5,206,264	4,579,218	5,005,005	5,446,921
Contributions				
Ambulance Squad	60,000	60,000	-	-
Memorial and Veterans Day Association	1,400	1,400	1,400	1,900
Project Pride	24,800	12,400	24,800	24,800
Teen Center	33,700	16,850	33,700	33,700
Municipal Alliance	7,773	-	7,741	-
Morris County Tourism Bureau	20,000	5,000	5,000	21,800
Whippany River Coalition	1,200	1,200	1,200	6,200
Morristown Partnership	10,000	10,000	-	-
Alumni Assoc. of the Morris County Drug Court	-	-	-	-
Annual Community Family Day Festival	-	-	-	8,000
Maintenance of The Green	20,000	40,000	40,000	40,000
Other Expenses	-	-	-	-
Total Contributions:	178,873	146,850	113,841	136,400
Commissions				
Environmental Commission	350	2,294	410	3,238
Historic Preservation Commission	50	-	-	-
Shade Tree Commission	400	-	683	662
Total Commissions:	800	2,294	1,093	3,900
Contingency	4,920	2,000	4,590	3,643
TOTAL NON-DEPARTMENTAL EXPENSES:	\$ 5,390,857	\$ 4,730,362	\$ 5,124,529	\$ 5,590,864
STATUTORY EXPENDITURES:				
Pensions				
PERS	\$ 675,945	\$ 633,931	\$ 709,702	\$ 772,667
DCRP	6,702	5,756	7,217	10,535
OASI	514,127	564,570	569,094	586,268
CP&F	24,291	476	181	2,756
PFRS	1,909,021	1,758,217	1,929,932	2,370,098
Total Pensions:	3,130,085	2,962,950	3,216,126	3,742,324
TOTAL STATUTORY EXPENDITURES:	\$ 3,130,085	\$ 2,962,950	\$ 3,216,126	\$ 3,742,324
RESERVE FOR TAX APPEALS:	750,000	650,000	294,000	491,031

FY2017 OPERATING BUDGET

PROPOSED

NON-DEPARTMENTAL EXPENSES DETAIL

	FY2016 BUDGET	FY2017 PROPOSED	DIFFERENCE	
			\$	%
NON-DEPARTMENTAL EXPENSES:				
Insurance				
Other Insurance	\$ -	\$ -	\$ -	-
Workers Compensation	-	-	-	-
Combined Other Insurance & Workers Comp.	810,373	800,000	(10,373)	(1.28%)
Surety Bond Premiums	-	-	-	-
Medical and Dental Insurance	4,919,385	5,077,507	158,122	3.21%
Total Insurance:	5,729,758	5,877,507	147,749	2.58%
Contributions				
Ambulance Squad	30,000	30,000	-	-
Memorial and Veterans Day Association	1,900	1,900	-	-
Project Pride	24,800	24,800	-	-
Teen Center	33,700	33,700	-	-
Municipal Alliance	11,500	11,500	-	-
Morris County Tourism Bureau	22,000	5,000	(17,000)	(77.27%)
Whippany River Coalition	6,200	6,200	-	-
Morristown Partnership	10,000	10,000	-	-
Alumni Assoc. of the Morris County Drug Court	5,000	-	(5,000)	(100.00%)
Annual Community Family Day Festival	8,000	8,000	-	-
Maintenance of The Green	40,000	40,000	-	-
Other Expenses	-	-	-	-
Total Contributions:	193,100	171,100	(22,000)	(11.39%)
Commissions				
Environmental Commission	4,000	4,000	-	-
Historic Preservation Commission	3,500	3,500	-	-
Shade Tree Commission	4,000	4,000	-	-
Total Commissions:	11,500	11,500	-	-
Contingency	5,000	5,000	-	-
TOTAL NON-DEPARTMENTAL EXPENSES:	\$ 5,939,358	\$ 6,065,107	\$ 125,749	2.12%
STATUTORY EXPENDITURES:				
Pensions				
PERS	\$ 772,667	\$ 798,509	\$ 25,842	3.34%
DCRP	19,800	19,800	-	-
OASI	660,861	660,861	-	-
CP&F	20,000	14,500	(5,500)	(27.50%)
PFRS	2,370,137	2,019,734	(350,403)	(14.78%)
Total Pensions:	3,843,465	3,513,404	(330,061)	(8.59%)
TOTAL STATUTORY EXPENDITURES:	\$ 3,843,465	\$ 3,513,404	(330,061)	(8.59%)
RESERVE FOR TAX APPEALS:	510,000	600,000	90,000	17.65%

8. Other Expenses Excluded from "CAP"

FY2017 OPERATING BUDGET

PROPOSED

EXPENSES EXCLUDED FROM "CAP" DETAIL

	<i>HISTORICAL</i>			
	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
<i>Aid to Library</i>	-	-	861,586	920,827
<i>Shared Service Agreements</i>				
Morris County Public Health Services	-	93,987	100,713	108,198
Morris School District - Busi. Pers. Prop.	187,159	187,159	188,435	218,777
Morris County Radio Dispatching	360,474	364,480	-	372,622
Harding Township (Animal Control Officer)	6,750	6,897	-	-
<i>Total Shared Service Agreements</i>	554,383	652,523	289,148	699,597
<i>Grants</i>				
Recycling Tonnage Grant	36,324	-	50,245	-
Clean Communities Program	29,546	100	-	38,474
MLB Baseball Tomorrow Fund	-	-	34,015	-
Body Armor Fund	6,437	-	-	4,911
Conventis Grant	-	-	5,000	-
Alcohol Education & Rehab. Fund	2,955	-	-	1,753
NJ DOT Washington Street Streetscape	-	-	-	-
Drunk Driving Enforcement Fund	48,915	-	-	-
Local Aid Infrastructure Award-Cory Road (Irene)	75,918	-	-	-
Safe Routes to School Program	120,000	-	-	-
NJ DOT Pedestrian Safety	250,000	-	-	-
Click It or Ticket	-	-	-	5,000
NJ DOT Sussex Walking program	-	-	-	120,000
NJ DEP Recreation Trails	-	-	-	12,000
NJ DEP Green Acres - Early Street Acquisition	487,500	-	-	-
Morris County Open Space Trust Fund-Early Street	1,575,000	-	-	-
Morris County Foote's Pond Wood Trail	-	-	-	-
NJ DEP Forestry/Tree Planting	-	-	-	-
TD Green Streets Grant	-	-	-	-
NJ Distracted Driving	-	-	-	-
Pocahontas Dam Seepage Control	80,000	-	-	-
Sustainable New Jersey	-	-	35,000	-
Grant Match- Other	-	-	-	-
<i>Total Grants</i>	2,712,595	100	124,260	182,138
<i>Capital Improvements</i>				
Capital Improvement Fund	140,000	150,000	150,000	1,150,000
Computer Hardware/Software	39,965	92,310	61,445	61,372
<i>Total Capital Improvements</i>	179,965	242,310	211,445	1,211,372
<i>Debt Service</i>				
Payment of Bond Principal	3,828,329	3,854,819	3,527,405	3,381,621
Payment of BANs and Capital Notes	184,739	281,824	450,660	157,849
Interest on Bonds	931,084	739,440	611,940	615,478
Interest on Notes (Include Tax Anticipation Notes)	84,213	139,748	156,290	136,240
<i>Total Municipal Debt Service</i>	5,028,365	5,015,831	4,746,295	4,291,188
<i>Deferred Charges</i>				
Prior Year Bills- Morristown Court Condo Assoc.	-	-	983	876
Emergency Appropriations	279,100	-	-	117,051
<i>Total Deferred Charges</i>	279,100	-	983	117,927
<i>TOTAL APPROPRIATIONS EXCL. FROM "CAPS"</i>	\$ 8,754,408	\$ 5,910,765	\$ 6,233,717	\$ 7,423,049

FY2017 OPERATING BUDGET

PROPOSED

EXPENSES EXCLUDED FROM "CAP" DETAIL

	FY2016	FY2017	DIFFERENCE	
	BUDGET	PROPOSED	\$	%
Aid to Library	920,827	959,592	38,765	4.21%
Shared Service Agreements				
Morris County Public Health Services	134,288	139,800	5,512	4.10%
Morris School District - Busi. Pers. Prop.	218,777	195,168	(23,609)	(10.79%)
Morris County Radio Dispatching	372,622	376,500	3,878	1.04%
Harding Township (Animal Control Officer)	-	-	-	-
Total Shared Service Agreements	725,687	711,468	(14,219)	(1.96%)
Grants				
Recycling Tonnage Grant	-	41,853	41,853	-
Clean Communities Program	-	-	-	-
MLB Baseball Tomorrow Fund	-	-	-	-
Body Armor Fund	-	-	-	-
Conventis Grant	-	-	-	-
Alcohol Education & Rehab. Fund	-	-	-	-
NJ DOT Washington Street Streetscape	-	-	-	-
Drunk Driving Enforcement Fund	-	-	-	-
Local Aid Infrastructure Award-Cory Road (Irene)	-	-	-	-
Safe Routes to School Program	-	-	-	-
NJ DOT Pedestrian Safety	-	14,995	14,995	-
Click It or Ticket	-	-	-	-
NJ DOT Sussex Walking program	-	-	-	-
NJ DEP Recreation Trails	-	-	-	-
NJ DEP Green Acres - Early Street Acquisition	-	-	-	-
Morris County Open Space Trust Fund-Early Street	-	-	-	-
Morris County Foote's Pond Wood Trail	-	132,696	132,696	-
NJ DEP Forestry/Tree Planting	-	30,000	30,000	-
TD Green Streets Grant	-	20,000	20,000	-
NJ Distracted Driving	-	5,500	5,500	-
Pocahontas Dam Seepage Control	-	-	-	-
Sustainable New Jersey	-	-	-	-
Grant Match- Other	15,000	15,000	-	-
Total Grants	15,000	260,044	245,044	1633.63%
Capital Improvements				
Capital Improvement Fund	1,150,000	1,030,000	(120,000)	(10.43%)
Computer Hardware/Software	62,000	62,000	-	-
Total Capital Improvements	1,212,000	1,092,000	(120,000)	(9.90%)
Debt Service				
Payment of Bond Principal	3,382,000	2,646,500	(735,500)	(21.75%)
Payment of BANs and Capital Notes	158,000	65,000	(93,000)	(58.86%)
Interest on Bonds	631,000	670,000	39,000	6.18%
Interest on Notes (Include Tax Anticipation Notes)	137,000	71,000	(66,000)	(48.18%)
Total Municipal Debt Service	4,308,000	3,452,500	(855,500)	(19.86%)
Deferred Charges				
Prior Year Bills- Morristown Court Condo Assoc.	877	10,676	9,799	1117.33%
Emergency Appropriations	-	117,601	117,601	-
Total Deferred Charges	877	128,277	127,400	14526.80%
TOTAL APPROPRIATIONS EXCL. FROM "CAPS"	\$ 7,182,391	\$ 6,603,881	\$ (578,510)	(8.05%)

9. Capital Budget

**CAPITAL BUDGET (Current Year Action)
2017**

PROJECT TITLE	PROJECT NUMBER	ESTIMATED	AMOUNTS	PLANNED FUNDING SERVICES FOR CURRENT YEAR - 2017					TO BE
		TOTAL COST	RESERVED IN PRIOR YEARS	2017 Budget Appropriations	Capital Improvement Fund	Capital Surplus	Grants in Aid and Other Funds	Debt Authorized	FUNDED IN FUTURE YEARS
Roadway/Sidewalk Improvements	1	6,036,155		1,996,655	618,483		150,000	1,378,172	4,039,500
DPW Equipment	2	751,500		309,000	15,450			293,550	442,500
Park & Playground Improvements	3	2,538,850		354,000	221,950			132,050	2,184,850
Building Improvements	4	357,985		230,500	11,525			218,975	127,485
Dam Projects	5	3,207,696		257,696	12,885			244,811	2,950,000
Burnham Pool	6	1,788,150		59,150	2,958			56,193	1,729,000
Administration	7	25,000		25,000	1,250			23,750	0
Library	8	250,000		250,000	12,500			237,500	0
Police Dept	9	146,565		146,565	7,328			139,237	0
Section 20	10	1,801,125		400,000	20,000			380,000	1,401,125
Sewer Utility Projects	S1	670,000		670,000					0
Sewer Utility Equipment	S2	0		0					0
Sewer Facility Maintenance	S3	0		0					0
TOTALS - ALL PROJECTS		17,573,026	0	4,698,566	924,329	0	150,000	3,104,237	12,874,460

SIX YEAR CAPITAL PROGRAM - 2017 - 2022
Anticipated Project Schedule and Funding Requirements

PROJECT TITLE	PROJECT NUMBER	ESTIMATED	ESTIMATED	FUNDING AMOUNTS PER BUDGET YEAR					
		TOTAL COST	COMPLETION TIME	2017	2018	2019	2020	2021	2022
Roadway/Sidewalk Improvements	1	6,036,155	2022	1,996,655	2,912,500	627,000	0	250,000	250,000
DPW Equipment	2	751,500	2020	309,000	87,000	210,000	145,500	0	0
Park & Playground Improvements	3	2,538,850	2020	354,000	1,159,850	400,000	625,000	0	0
Building Improvements	4	357,985	2018	230,500	127,485	0	0	0	0
Dam Projects	5	3,207,696	2019	257,696	2,000,000	950,000	0	0	0
Burnham Pool	6	1,788,150	2019	59,150	679,000	1,050,000	0	0	0
Administration	7	25,000	2,017	25,000	0	0	0	0	0
Library	8	250,000	2017	250,000	0	0	0	0	0
Police Dept	9	146,565	2017	146,565	0	0	0	0	0
Section 20	10	1,801,125		400,000	800,000	485,550	115,575	0	0
Sewer Utility Projects	S1	670,000	2020	670,000	0	0	0	0	0
Sewer Utility Equipment	S2	0	2015						
Sewer Facility Maintenance	S3	0	2014	0	0	0	0	0	0
TOTALS - ALL PROJECTS		17,573,026		4,698,566	7,765,835	3,722,550	886,075	250,000	250,000

**SIX YEAR CAPITAL PROGRAM - 2017 - 2022
SUMMARY OF ANTICIPATED FUNDING SOURCES AND AMOUNTS**

PROJECT TITLE	Estimated Total Cost	BUDGET APPROPRIATIONS		Capital Improve- ment Fund	Capital Surplus	Grants-In- Aid and Other Funds	BONDS AND NOTES			
		Current Year 2017	Future Years				General	Self Liquidating	Assessment	School
Roadway/Sidewalk Improvements	6,036,155		201,975	618,483			5,215,697			
DPW Equipment	751,500		22,125	15,450			713,925			
Park & Playground Improvements	2,538,850		109,243	221,950			2,207,658			
Building Improvements	357,985		6,374	11,525			340,086			
Dam Projects	3,207,696		147,500	12,885			3,047,311			
Burnham Pool	1,788,150		86,450	2,958			1,698,743			
Administration	25,000		0	1,250			23,750			
Library	250,000		0	12,500			237,500			
Police Dept	146,565		0	7,328			139,237			
Section 20	1,801,125		70,056	20,000			1,711,069			
Sewer Utility Projects	670,000	670,000						0		
Sewer Utility Equipment	0	0						0		
Sewer Facility Maintenance	0	0						0		
TOTALS - ALL PROJECTS	17,573,026	670,000	643,723	924,329	0	0	15,334,974	0	0	0

10. Sewer Utility

FY2017 OPERATING BUDGET

PROPOSED

SEWER UTILITY: OVERVIEW

	FY2016		FY2017		<u>DIFFERENCE</u>	
	<u>BUDGET</u>		<u>PROPOSED</u>		<u>\$</u>	<u>%</u>
<i>REVENUES</i>						
Sewer Utility Fund Balance	\$ 425,000	\$	280,000	\$	(145,000)	-34.12%
Total Surplus Anticipated	425,000		280,000		(145,000)	-34.12%
Sewer User Fees	7,912,191		7,993,204		81,013	1.02%
Sewer User Fees/Additional	-					
Miscellaneous						
Interest Income	5,000		11,000		6,000	120.00%
Late Fees	35,000		25,000		(10,000)	-28.57%
Sewer Connection Fees From Capital	131,851		304,000		172,149	130.56%
Sale of SRECs	68,100		120,000		51,900	76.21%
Capital Fund Balance	-					
Deficit (General Budget)	-				-	0.00%
TOTAL SEWER UTILITY REVENUES	\$ 8,577,142	\$	8,733,204	\$	156,062	1.82%

FY2017 OPERATING BUDGET

PROPOSED

SEWER UTILITY: OVERVIEW

	FY2016 <u>BUDGET</u>	FY2017 <u>PROPOSED</u>	<u>DIFFERENCE</u>	
			<u>\$</u>	<u>%</u>
<u>APPROPRIATIONS</u>				
<u>Departmental Expenses:</u>				
Salaries & Wages	776,852	776,852	-	0.00%
Other Expenses	637,257	637,257	-	0.00%
Total Departmental Expenses	\$ 1,414,109	\$ 1,414,109	\$ -	0.00%
<u>Non-Departmental Expenses:</u>				
<u>Insurance</u>				
Medical and Dental Insurance	\$ 217,770	\$ 217,769	(1)	0.00%
Other Insurance	88,000	88,000	-	0.00%
Workers Compensation	105,000	105,000	-	0.00%
			-	0.00%
Reserve for Salary Increases	10,000	-	(10,000)	-100.00%
Service Fees Due the Current Fund	131,000	131,000	-	0.00%
Social Security (OASI)	131,726	131,726	-	0.00%
TOTAL OTHER EXPENSES:	\$ 683,496	\$ 673,495	(10,001)	-1.46%
<u>Capital Improvements</u>				
Capital Improvement Fund	\$ 250,000	\$ 250,000	-	0.00%
Computer Hardware/Software	420,000	420,000	-	0.00%
Total Capital Improvements	670,000	670,000	-	0.00%
<u>Debt Service</u>				
Payment of Bond Principal	\$ 1,203,800	\$ 1,213,600	9,800	0.81%
Payment of BANs and Capital Notes	963,302	1,051,000	87,698	9.10%
Interest on Bonds	320,000	270,000	(50,000)	-15.63%
Interest on Notes (Include TANs)	49,700	141,000	91,300	183.70%
Total Municipal Debt Service	2,536,802	2,675,600	138,798	5.47%
Deferred Charges	3,175		-	
Surplus to Current Fund	3,225,000	3,300,000	75,000	2.33%
Total Non-Departmental Expenses:	\$ 7,118,473	\$ 7,319,095	\$ 200,622	2.82%
TOTAL SEWER UTILITY APPROPRIATIONS	\$ 8,532,582	\$ 8,733,204	\$ 200,622	2.35%

2017 OPERATING BUDGET

307-001: Sewer

	FY2013	<i>Historical</i> FY2014	FY2015	<i>Prior Year</i>		FY2017	FY2017
	ACTUAL	ACTUAL	ACTUAL	FY2016	FY2016	PROPOSED	PROPOSED
				ADOPTED	ACTUAL		
BUDGET SUMMARY:							
PERSONNEL EXPENSES:							
Salaries & Wages	718,453	774,803	776,206	811,972	757,410	766,052	766,052
Incentives and Allowances	3,850	3,850	3,850	4,400	3,300	4,400	4,400
Special Events and Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,400</u>	<u>0</u>	6,400	6,400
TOTAL PERSONNEL EXPENSES:	722,303	778,653	780,056	822,772	760,710	776,852	776,852
OTHER EXPENSES:							
Services	78,782	84,941	95,500	124,300	140,708	137,700	137,700
Materials and Supplies	47,591	43,879	61,223	57,406	44,099	58,171	58,171
Training and Professional Development	23,147	22,873	24,875	26,870	25,109	28,071	28,071
Purchase of Vehicles and Equipment	7,012	6,381	4,500	6,000	5,049	6,650	6,650
Recreation Programs and Supplies	0	0	0	0	0	0	0
Utilities	368,786	376,618	412,181	372,102	372,428	353,663	353,663
Benefits	0	0	0	0	0	0	0
Specialized Supplies and Services	<u>39,701</u>	<u>44,544</u>	<u>40,226</u>	<u>49,220</u>	<u>46,985</u>	53,002	53,002
TOTAL OTHER EXPENSES:	565,019	579,236	638,505	635,898	634,378	637,257	637,257
TOTAL BUDGET:	1,287,323	1,357,890	1,418,561	1,458,669	1,395,088	1,414,109	1,414,109
HEADCOUNT SUMMARY:							
Full-Time	12.00	12.00	13.00	13.00	13.00	13.00	13.00
Part-Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Seasonal	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1.00</u>	<u>1.00</u>
TOTAL HEADCOUNT:	12.00	12.00	13.00	13.00	13.00	14.00	14.00

**2017 OPERATING BUDGET
OTHER EXPENSES SUMMARY**

307-001: Sewer

OTHER EXPENSES:	FY2013	Historical	FY2015	Prior Year		FY2017	FY2017	% CHANGE	\$
	ACTUAL	FY2014 ACTUAL	ACTUAL	FY2016 ADOPTED	FY2016 ACTUAL	REQUESTED	PROPOSED		
Services:									
21 - Advertising and Legal Notices	0	0	0	0	0	0	0	0	0.0%
22 - Postage	0	0	0	0	0	0	0	0	0.0%
23 - Printing	0	0	0	0	0	0	0	0	0.0%
24 - Municipal Property Repair	6,950	5,735	6,500	5,000	5,813	7,000	7,000	1,187	20.4%
25 - Motor Vehicle Maintenance	0	0	0	0	0	0	0	0	0.0%
26 - Equipment Maintenance	62,087	68,331	75,000	96,800	113,009	109,100	109,100	(3,909)	-3.5%
27 - Legal Services	0	0	0	0	0	0	0	0	0.0%
28 - Professional Services	9,745	10,875	14,000	22,500	21,886	21,600	21,600	(286)	-1.3%
29 - Contract Services	0	0	0	0	0	0	0	0	0.0%
59 - IT Consultant	0	0	0	0	0	0	0	0	0.0%
79 - Radio Maintenance & Repair	0	0	0	0	0	0	0	0	0.0%
Materials and Supplies:									
31 - Chemicals	47,265	43,605	60,808	56,956	43,836	57,759	57,759	13,923	31.8%
32 - Uniforms	0	0	0	0	0	0	0	0	0.0%
34 - M.V. Parts/Repairs	0	0	0	0	0	0	0	0	0.0%
35 - Janitorial Service	0	0	0	0	0	0	0	0	0.0%
36 - Office Supplies	326	274	415	450	263	412	412	149	56.5%
Training and Professional Development:									
33 - Books/Publications/Dues	0	0	250	250	0	200	200	200	0.0%
41 - Conferences & Travel	0	0	0	0	0	0	0	0	0.0%
42 - Education & Training	1,698	2,958	2,000	2,750	2,853	2,500	2,500	(353)	-12.4%
44 - Association Dues	300	0	950	1,050	0	600	600	600	0.0%
45 - Travel	0	0	0	0	0	0	0	0	0.0%
49 - Permits & Fees	21,149	19,915	21,675	22,820	22,256	24,771	24,771	2,515	11.3%
Purchase of Vehicles and Equipment:									
51 - Purchase of Vehicles	0	0	0	0	0	0	0	0	0.0%
53 - New Equipment Purchase	4,197	3,084	4,500	3,000	3,889	4,000	4,000	111	2.9%
55 - Plumbing/Electrical Supplies	2,816	3,298	0	3,000	1,160	2,650	2,650	1,490	128.4%
58 - Copy Machine Supplies	0	0	0	0	0	0	0	0	0.0%
Recreation Programs and Supplies:									
66 - Recreation Supplies	0	0	0	0	0	0	0	0	0.0%
67 - Recreation Programs	0	0	0	0	0	0	0	0	0.0%
Utilities:									
71 - Electricity	90,991	95,298	109,000	126,350	120,000	117,325	117,325	(2,675)	-2.2%
72 - Water	4,917	7,800	15,000	15,900	15,000	24,638	24,638	9,638	64.3%
73 - Electricity - Traffic Lights	0	0	0	0	0	0	0	0	0.0%
74 - Gasoline/Diesel Fuels	0	1,020	0	2,250	528	1,500	1,500	972	184.1%
75 - Electricity - Street Lights	0	0	0	0	0	0	0	0	0.0%
76 - Telephone	0	0	0	0	0	0	0	0	0.0%
77 - Natural Gas/Propane	3,059	4,500	4,017	5,500	2,800	5,000	5,000	2,200	78.6%
78 - Tipping Fees	269,820	268,000	284,164	222,102	234,100	205,200	205,200	(28,900)	-12.3%
Benefits:									
80 - Car Allowance	0	0	0	0	0	0	0	0	0.0%
93 - Fringe Benefits	0	0	0	0	0	0	0	0	0.0%
Specialized Supplies and Services:									
228 - Sewer Billings/Fees	13,322	16,345	12,180	12,500	12,022	12,500	12,500	478	4.0%
279 - Specialized Supplies	8,101	8,489	6,536	9,000	8,123	8,200	8,200	77	0.9%
284 - Safety Supplies	514	971	638	1,000	1,493	1,300	1,300	(193)	-12.9%
295 - Tipping Fees	8,675	7,553	10,292	12,420	10,349	12,252	12,252	1,903	18.4%
296 - Sewer Line Repairs	0	2,507	105	2,000	827	2,500	2,500	1,673	202.3%
297 - Airport Sewer System	2,350	130	7,965	8,000	12,329	10,000	10,000	(2,329)	-18.9%
298 - Sewer Line Cleaning	6,739	8,549	2,510	4,300	1,842	6,250	6,250	4,408	239.3%
OTHER EXPENSES:	565,019	579,236	638,505	635,898	634,378	637,257	637,257	2,879	0.5%

SALARIES AND WAGES

307-001: Sewer

SALARIES AND WAGES	FY2013	<i>Historical</i> FY2014	FY2015	<i>Prior Year</i>		FY2017	FY2017
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ADOPTED</u>	<u>ACTUAL</u>	<u>REQUESTED</u>	<u>PROPOSED</u>
<u>Salaries and Wages</u>							
11 - Salaries and Wages	693,963	742,911	751,206	784,432	728,507	726,812	726,812
12 - Overtime	24,490	31,893	25,000	27,540	28,903	27,540	27,540
13 - Part-Time	0	0	0	0		0	0
14 - Seasonal/Temporary	0	0	0	0		11,700	11,700
15 - Council Salaries	0	0	0	0		0	0
16 - Special Police/Court Security	0	0	0	0		0	0
21 - College Incentive	0	0	0	0		0	0
22 - Clothing Allowance	3,850	3,850	3,850	4,400	3,300	4,400	4,400
31 - Special Events and Other	0	0	0	6,400		6,400	6,400
TOTAL OTHER EXPENSES:	722,303	778,653	780,056	822,772	760,710	776,852	776,852

HEADCOUNT

307-001: Sewer

TITLE	FY2013 ACTUAL	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL	FY2017 PROPOSED
FULL-TIME:					
DPW Director/Town Engineer	1.00	1.00	1.00	1.00	0.00
Keyboarding Clerk 3	0.00	0.00	1.00	1.00	1.00
Mechanic	1.00	1.00	1.00	1.00	1.00
Principal Engineering Aide	1.00	1.00	1.00	1.00	1.00
Senior Diesel Mechanic	1.00	1.00	1.00	1.00	1.00
Senior Sewer Plant Operator	1.00	1.00	1.00	1.00	1.00
Sewer Plant Attendant	2.00	2.00	2.00	2.00	2.00
Sewer Plant Repairer	1.00	1.00	1.00	1.00	1.00
Sewer Superintendent	1.00	1.00	1.00	1.00	1.00
Sr. Sewer Plant Operator	1.00	1.00	1.00	1.00	1.00
Super. Engineering Aide	1.00	1.00	1.00	1.00	1.00
Supervising Lab Technician	1.00	1.00	1.00	1.00	1.00
Town Engineer	0.00	0.00	0.00	0.00	1.00
TOTAL FULL-TIME	12.00	12.00	13.00	13.00	13.00
PART-TIME:					
Janitor-(P/T)	0.00	0.00	0.00	0.00	0.00
TOTAL PART-TIME	0.00	0.00	0.00	0.00	0.00
SEASONAL/TEMPORARY					
Laborer	0.00	0.00	0.00	0.00	1.00
TOTAL SEASONAL	0.00	0.00	0.00	0.00	1.00
TOTAL HEADCOUNT:	12.00	12.00	13.00	13.00	14.00

PERSONNEL - SALARIES AND WAGES

307-001: Sewer								
NAME	TITLE	Prior Year	Proposed					
		FY2016	FY2017	STEP/ MERIT	LONGEVITY	TOTAL COMP.		
ACTUAL	BASE							
FULL-TIME:								
EXISTING STAFF:	**							
1. Basile, C.	Sewer Plant Repairer RESIGNED	\$66,927					\$0	
2. Curlo, J. 25%	Senior Diesel Mechanic	19,335	19,673	0	150		19,823	
3. Dean, J.	Sewer Superintendent	114,978	116,990				116,990	
4. Demnitz, P. 25%	Mechanic	18,260	18,579	0	450		19,029	
5. France, F. 25%	Keyboarding Clerk 3	15,306	15,574	0	450		16,024	
6. Gandy, M.	Principal Engineering Aide	73,038	74,316		1,200		75,516	
7. Grant, V.	Sewer Plant Attendant	61,225	62,296		900		63,196	
8. Devizio, A. 25%	Town Engineer	26,250	31,250				31,250	
9. Morris, L.	Sr. Sewer Plant Operator RETIRED	70,547			2,100		2,100	
10. Panei, R. 50%	Super. Engineering Aide	25,093	25,533	0	525		26,058	
11. Patel, M.	Supervising Lab Technician	77,340	78,693		2,100		80,793	
12. Riley, L.	Sewer Plant Attendant	56,183	57,166		600		57,766	
13. Wexler, R.	Senior Sewer Plant Operator	77,340	78,693		2,100		80,793	
14. VACANT	Sewer Plant Repairer	0	66,927				66,927	
15. VACANT	Sr. Sewer Plant Operator	0	70,547				70,547	
16.							0	
17.							0	
18.							0	
19.							0	
20.							0	
21.							0	
22.	** Portion of Total Salary allocated to Sewer Utility Budget.							0
23.							0	
24.							0	
25.							0	
26.							0	
27.							0	
28.							0	
29.							0	
30.							0	

11. Airport Utility

FY2017 OPERATING BUDGET

PROPOSED

AIRPORT UTILITY: OVERVIEW

<u>Dedicated Revenues:</u>	<u>Anticipated FY 2017</u>	<u>Anticipated FY 2016</u>	<u>Realized FY 2016</u>
Surplus Anticipated	\$ 15,000	\$ 20,000	\$ 20,000
Lease Payments	205,000	200,000	210,002
Interest Income	0	0	
Total Revenues	\$ 220,000	\$ 220,000	\$ 230,002
<u>Appropriations:</u>	<u>Appropriated FY 2017</u>	<u>Appropriated FY 2016</u>	<u>Paid or Charged</u>
Operating	\$ 5,000	\$ 5,000	\$ 5,000
Deferred Charge	0	0	0
Surplus	<u>\$ 215,000</u>	<u>\$ 215,000</u>	<u>\$ 215,000</u>

12. Total Appropriations CAP

CALCULATION OF ALLOWABLE OPERATING APPROPRIATIONS WITHIN CAP

The New Jersey Legislature has provided for an annually variable percentage limitation on operating appropriations to reflect annual nationwide increases in the basic costs of governmental operations. If the local government should determine that the limitation imposed is not sufficient to meet the needs of the community during the upcoming budget year, it may increase the limitation by ordinance.

The CAP limitation permitted all calendar year municipalitites during 2017 is 0.5%. The Morristown government may adopt an Ordinance increasing this limitation to 3.5%.

Total Municipal Appropriations - 2016	\$40,100,838
CAP Base Adjustment-	<u>0</u>
Adjusted Base	\$40,100,838

2016 Appropriations Excluded from CAP

Other Operations	\$ 1,507,509
Additional UCC	0
Interlocal Serv. Agreements	506,910
Grants Public/Private	15,000
Capital Improvements	1,212,000
Municipal Debt Service	4,308,000
Deferred Charges (Sandy)	0
Transfer Board of Ed	218,777
Res. for Uncollected Taxes	<u>841,284</u>

8,609,480

Amount on which 2.0% CAP is applied \$31,491,358

Amount on which 2.0% CAP is applied			\$31,491,358
Allowable Index per State	0.50%		157,457
Index Rate Ordinance Increase	3.00%		944,741
CAP Bank 2015		562,287	
CAP Bank 2016		84,149	
New Construction	7,351,400	0.992	<u>72,926</u>
Total Allowable Appropriations - 2017			\$33,312,917

2017 Appropriations within CAPS 32,541,000

Amount under Appropriation CAP and CAP Bank for 2017 \$771,917

HEALTHCARE INSURANCE per LFN 2011-4	
EMPLOYER SHARE	4,808,016
EMPLOYEE SHARE	986,913
Total	5,794,929

13. Property Tax Levy CAP

III. TAX LEVY CAP

Chapter 62 of the Laws of 2007 as amended by P.L. 2010 Chapter 44 established a formula that limits increases in the municipal tax levy.

The Levy Cap is in addition to the existing appropriation CAP for municipalities.

The core of the formula is a 2% increase to the previous year's tax levy, which is then

subject to various modifications, exclusions and waiver requests. The formula to calculate the FY 2017 Property Tax Levy CAP is as follows:

Prior Year Amount to be Raised by Taxation for Municipal Purposes		\$	22,385,175
Less:			
One Year Waivers			0
Prior Year Recycling Tax			0
Prior Year Capital Improvement Fund & Down Payment			0
Prior Year Deferred Charges to Future Taxation Unfunded			0
Changes to Service Provider and Adjustments			0
Net Prior Year Tax Levy for Municipal Purpose Tax for CAP Calculation:			<u>22,385,175</u>
Plus: 2% CAP			447,704
Plus: Prior Year Extraordinary Aid Award			
Adjusted Tax Levy Prior to Exclusions		\$	<u>22,832,879</u>
<u>Exclusions:</u>			
Allowable Debt Service Cost Increases		0	
Offset to State formula aid loss		0	
Allowable Pension Obligation Increases	10,389		
Allowable Health Insurance Cost Increase	18,326		
Allowable Capital Improvement Fund Increase	0		
Deferred Charges to Future Taxation Unfunded	0		
Current Year Deferred Charges: Emergencies	0		
			<u>0</u>
	Total Exclusions		28,715
	Less Canceled Exclusions		<u>16,812</u>
Adjusted Tax Levy Before Additions		\$	<u>22,844,782</u>
<u>Additions:</u>			
Value of New Construction	\$7,351,400 x \$0.992	72,926	
New Ratable Adjustment to Levy		0	<u>72,926</u>
Maximum Allowable Amount to be Raised by taxation for FY 2016		\$	22,917,708
Amount to be Raised by Taxation in FY 2017 Budget			22,455,483
Amount under PROPERTY TAX LEVY CAP for 2017		\$	462,225