

TOWNSHIP OF DENVILLE

Mayor P. Ted Husa
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Municipal Clerk
973-625-8300 Ext. 232

TO: John Dorsey, Municipal Attorney

FROM: P. Ted Husa, Denville Mayor

DATE: January 9, 2008

RE: Preliminary 2008 Budget Information

Dear John,

In ongoing consultation with Valerie Dolan and Ray Sarinelli of Nisivoccia, I have ascertained from them that the following budget items represent a reasonable approximation of some noteworthy items prior to the beginning of the formal budget process for 2008.

\$360,000.00	Unfunded pension liability – fourth year of a five year obligation
\$480,000.00	Proceeds from a land sale (Cosman tract) put into Surplus in two pieces in 2006 and 2007 used and not regenerated.
\$650,000.00	Represents a decrease of annual tax revenue increase. The increase in 2005 and 2006 was about \$900,000.00 each year. In 2007 it was \$250,000.00.
\$250,000.00	Represents increase in contractual salary expense due to 4% increase.
\$25,000.00	Represents loss of construction fees.
\$100,000.00	My approximation of increase in gasoline, utilities and health insurance.

Our administration's motto is not to spend for the sake of spending, not to save just for the sake of saving, but to spend our tax dollar in the best, most efficient manner. The above information alone represents a gap that puts the Township in a position that, if not neutralized by other factors or exemptions, the budget is above the CAP.

Copy to Donna Costello
Denville Council