

Borough of Dunellen

2023 Municipal Budget Presentation



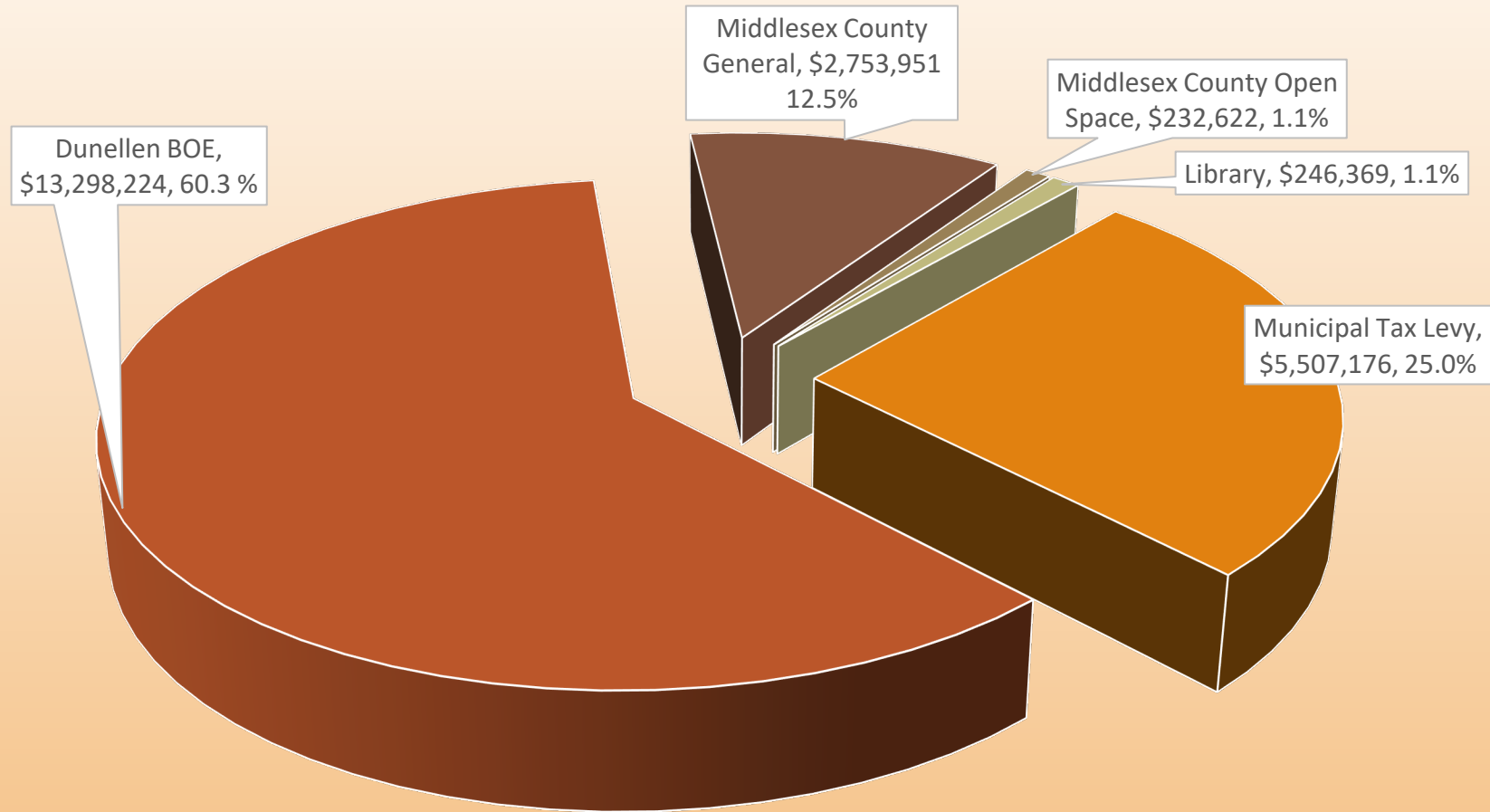
What is the Tax Levy?

- ❑ Amount of money needed to be raised by “equitable distribution” among all Borough property owners
- ❑ In NJ, “equitable distribution” is based on latest property valuation as of October 1 of the prior year
- ❑ Municipal portion equals the difference between operating expenditures and other sources of revenue (such as Licenses, Fees & Permits, Municipal Court, Construction Office, Interest, State Aid)
- ❑ 2007 under Governor Corzine, a Tax Levy CAP was set at 4% above prior year’s levy
- ❑ 2010 under Governor Christie, the Tax Levy CAP was reset to 2% above prior year’s levy
- ❑ Circumstances where increases above 2% can pass through to property owners: new construction; debt service and capital expenditure increases; pension and health benefit contributions in excess of 2%; deferred charges and declared emergencies
- ❑ **Dunellen’s 2023 Municipal budget is under CAP, with exclusions**

Summary Levy Cap Calc Worksheet

The instructions can be found on the Instruction Tab of the workbook.			
Summary Levy Cap Calculation			
	MUNICIPALITY	COUNTY	EXAMINER
1203	Dunellen Borough	Middlesex	
Model Tax Levy Calculation Worksheet			
Levy Cap Calculation			
	Prior Year Amount to be Raised by Taxation for Municipal Purposes		\$5,507,176
	Cap Base Adjustment (+/-)		\$0
	Less: Prior Year Deferred Charges to Future Taxation Unfunded		\$20,000
	Less: Prior Year Deferred Charges: Emergencies		\$235,032
	Less: Prior Year Recycling Tax		\$0
	Less: Changes in Service Provider: Transfer of Service/ Function		\$0
	Net Prior Year Tax Levy for Municipal Purpose Tax for Cap Calculation		\$5,252,144
	Plus: 2% Cap increase		\$105,043
	Adjusted Tax Levy		\$5,357,187
	Plus: Assumption of Service/ Function		\$0
	Adjusted Tax Levy Prior to Exclusions		\$5,357,187
	Exclusions:		
	Allowable Shared Service Agreements Increase	\$0	
	Allowable Health Insurance Cost Increase	\$134,714	
	Allowable Pension Obligations Increase	\$88,912	
	Allowable LOSAP Increase	\$0	
	Allowable Capital Improvements Increase	\$159,300	
	Allowable Debt Service, Capital Leases and Debt Service Share of Cost Increases	\$139,513	
	Recycling Tax Appropriation	\$0	
	Deferred Charges to Future Taxation Unfunded	\$20,000	
	Current Year Deferred Charges: Emergencies	\$0	
	Add Total Exclusions		\$542,438
	Less Cancelled or Unexpended Exclusions		\$9,100
	Adjusted Tax Levy After Exclusions		\$5,890,525
	Additions:		
	New Ratables - Increase in Valuations (New Construction and Additions)	\$425,000	
	Prior Year's Local Municipal Purpose Tax Rate (per \$100)	\$0.690	
	New Ratable Adjustment to Levy		\$2,933
	2020 Cap Bank Utilized in 2023		\$12,719
	2021 Cap Bank Utilized in 2023		\$43,117
	2022 Cap Bank Utilized in 2023		\$0
	Amounts approved by Referendum		\$0
	Maximum Allowable Amount to be Raised by Taxation		\$5,949,294
	Amount to be Raised by Taxation for Municipal Purposes		\$5,949,294
	Amount to be Raised by Taxation for Municipal Purposes Under/Over Cap (+/-)		\$0

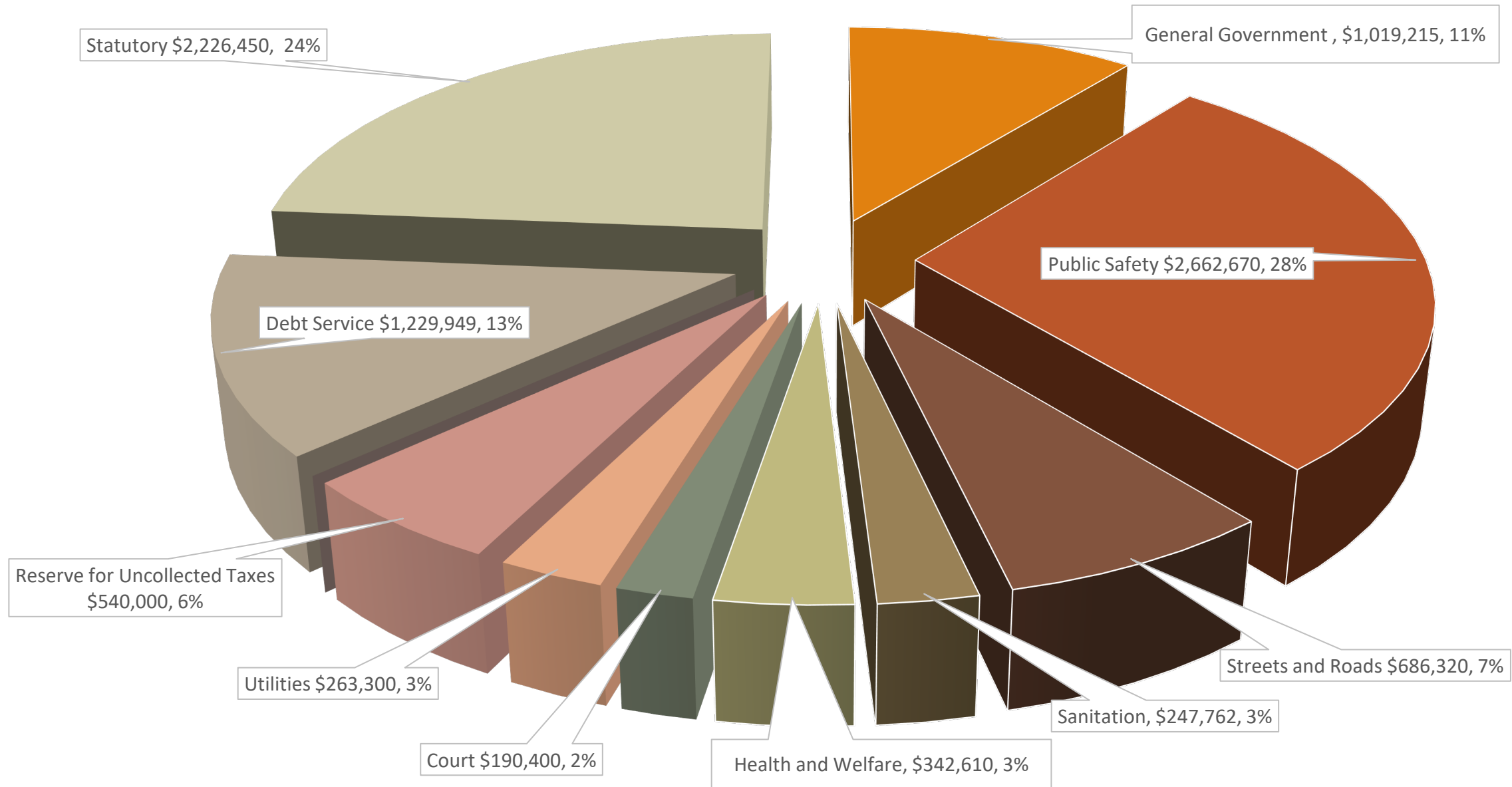
2022 Total Tax Levy = \$22,038,342



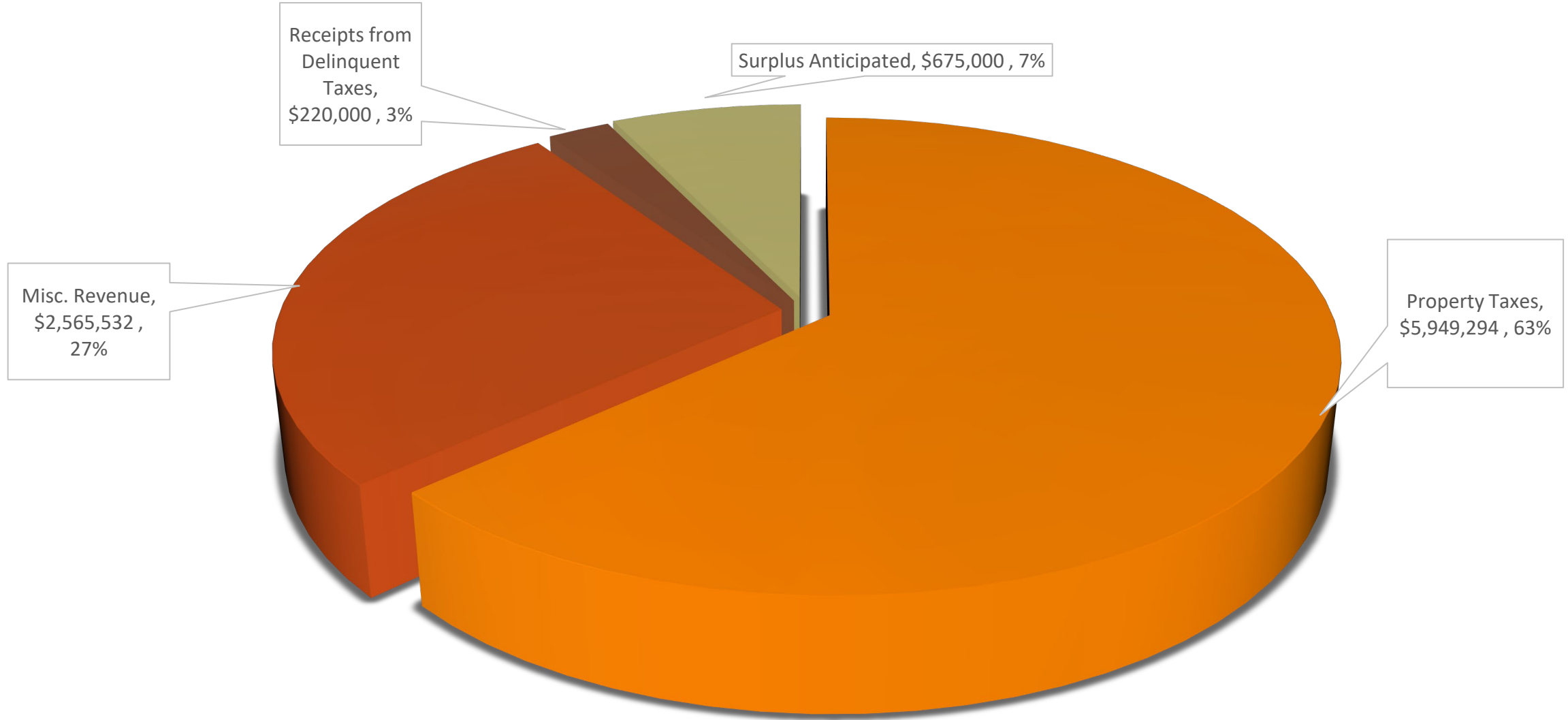
Department Budgets

<u>General Government</u>	<u>2023</u>	<u>2022</u>	<u>Inc./Dec.</u>
General Government (Administrator, Clerk, Mayor and Council, Finance, Tax Collector & Assessor, Elections, Planning Board, IT, Building and Grounds, Engineering, Construction)	\$1,019,215	\$938,635	+80,580
Public Safety (Police, Prosecutor, Fire, Crossing Guards, Aid to Rescue Squad, OEM, and Emergency Vehicles)	\$2,662,670	\$2,507,043	+\$155,627
Streets and Roads (DPW, Shade Tree)	\$687,470	\$591,950	+\$95,520
Sanitation (Solid waste, Recycling)	\$247,762	\$228,962	+18,800
Health and Welfare (Board of Health, Flood Control, Recreation, Senior Citizens, Arts & Cultural Commission)	\$342,610	\$215,839	+126,771
Debt Service (Long and short-term obligations, current year Capital Improvements)	\$1,229,949	\$1,175,268	+54,681
Court (Judge, Public Defender)	\$190,400	\$178,871	+\$11,529
Utilities (Electric, Telephone, Water, Gas)	\$263,300	\$250,500	+12,800
Statutory Expenditures (Public Employee & Police Retirement Systems, Social Security, Unemployment, Group Health and Liability Insurances)	\$2,226,450	\$1,935,290	+\$291,160

2023 Municipal Budget – Expenditures of \$9.41MM



2023 Municipal Budget – Revenues must equal \$9.41MM



Budget Snapshot – Municipal only

	2023	2022	Increase or (Decrease) 2022 over 2021	%
Borough Expenditures (E)	\$9,692,164	\$8,788,727	\$903,437	10.28%
Borough Revenues (R)	3,742,870	3,281,551	461,319	14.06%
Amount to be Raised by Taxes (A) = (E) - (R)	5,949,294	5,507,176	442,118	8.03%
Net Valuation (V)	845,663,000	798,480,700	47,182,300	5.91%
Tax Rate [A/V] (expressed in \$ per \$100 Assessed Value)	0.704	0.690	.014	1.65%
Municipal tax on a home				
-assessed @ \$365,283	\$2,569	\$2,519	\$50	2.00%
-assessed @ \$387,819	2,729	2,675	\$54	2.00%

2023 Sewer Budget

- Focusing on equitable distribution of costs for processing wastewater
- No increase in the Single-Family Rate – remains flat at \$350 annually
 - New users from Dunellen Station to be added throughout the year
 - Commercial based on a “usage” rate of \$4.25 per 1,000 gallons
 - *plus* \$150 administrative fee to acquire/process the data file *and*
- Utilizes a minimum Commercial fee of \$350, not less than Single Family

Link to the web page for the full CY2023 Municipal Budget:

<http://www.dunellen-nj.gov/departments/finance/documents.php>