



Borough of Red Bank



Budget 2022 Highlights Presentation



2022 Municipal Budget Presentation

- Budget Process
- Municipal Tax Levy
- Property Tax Assessments
- Budget Revenues
- Budget Appropriations
- Capital Projects
- Utilities Overview
- CAP and CAP Bank
- Question/Answer





Budget Timeline



Milestones

2022 Timeline

2023 Timeline

Department Budgets

January - February

September - October

Preliminary Budget

April

February

Finance Committee
Review/Signoff

May

March

Budget Introduction

May 25th

March

Public Budget Presentation

June 15th

March/April

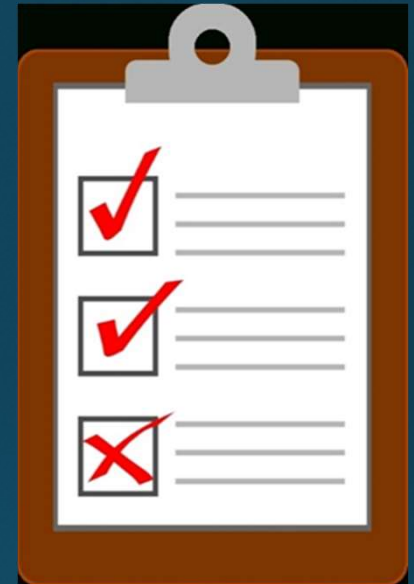
Budget Adoption

June 22nd

April

Budgeting Improvements

- × Long-term Budget Planning
 - Strategic Plan Initiatives
 - 6 Year Infrastructure Plan
 - Roads, Parks, Parking, Water/Sewer, Buildings
- × Departmental Goals
 - Improved Customer Service Initiatives
 - Cost Savings and/or Revenue Generation
 - Process/Work efficiencies
- × Surplus Policy
- × Budget Objectives
- × Budget Schedule





Budget Guidelines

REVENUES

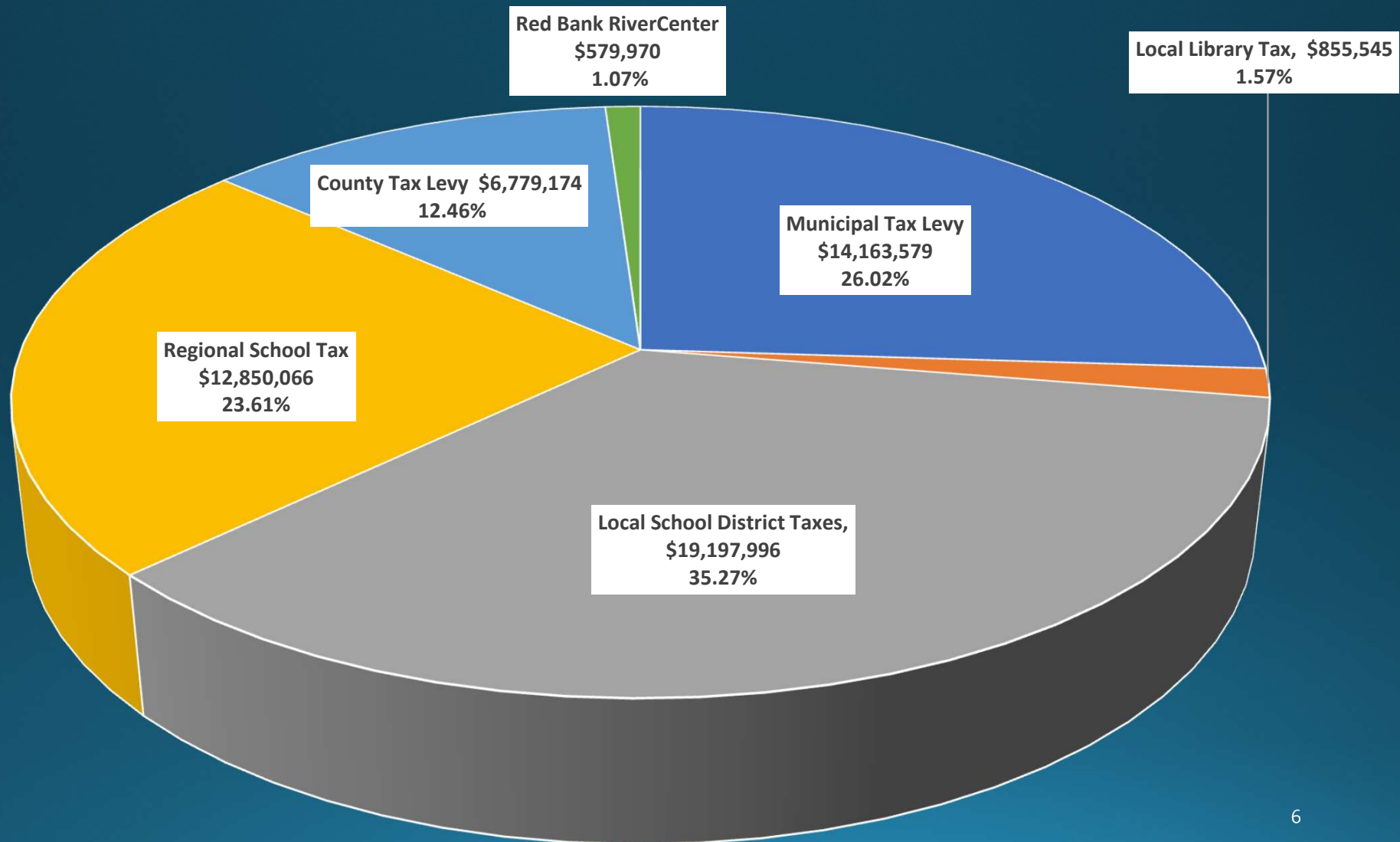
- Budgeted Revenue can not exceed prior year actual revenues

APPROPRIATIONS

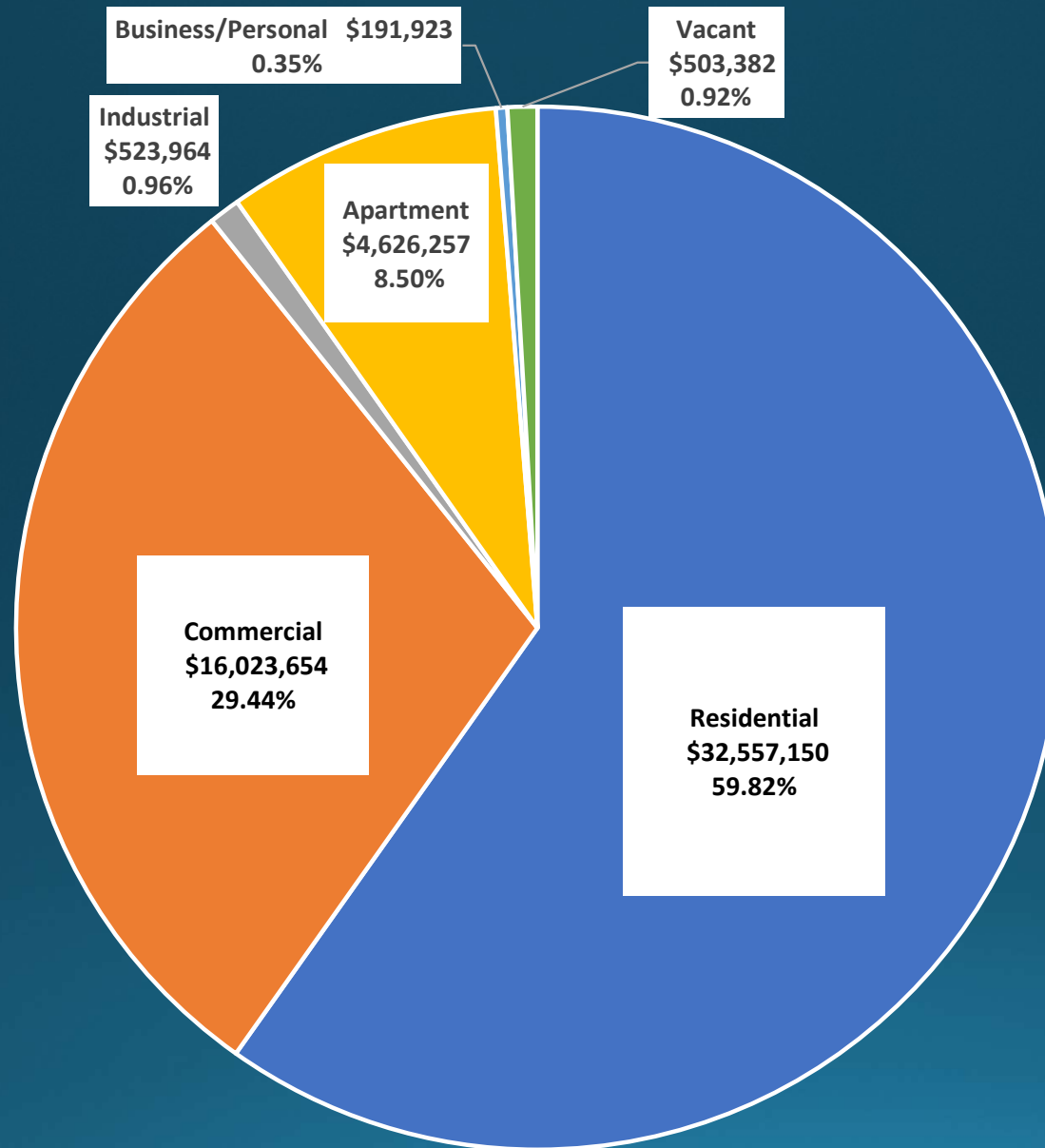
- By statute a municipality cannot spend more than budgeted for appropriations.
- Every line must be fully funded at time of adoption.

Where Do Your Tax Dollars Go?

Total 2022 Tax Levy \$54,426,330



How Is The Tax Levy Allocated?





How Is The Allocation Determined?

2022 Property Tax Assessments

Property Type	2022 Assessment Value	2021 Assessment Value	% Change	2022 Allocation %	2021 Allocation %	Difference
Residential	\$1,592,880,200	\$1,376,161,600	15.75%	59.82%	57.75%	2.07%
Commercial	\$783,967,900	\$731,620,000	3.80%	29.44%	30.70%	-1.26%
Apartment	\$226,342,700	\$219,568,900	0.49%	8.50%	9.21%	-0.71%
Industrial / Vacant / Other	\$59,653,582	\$55,678,187	0.29%	2.24%	2.34%	-0.10%
Total	<u>\$2,662,844,382</u>	<u>\$2,383,028,687</u>	<u>20.33%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>0.00%</u>

Budget 2022

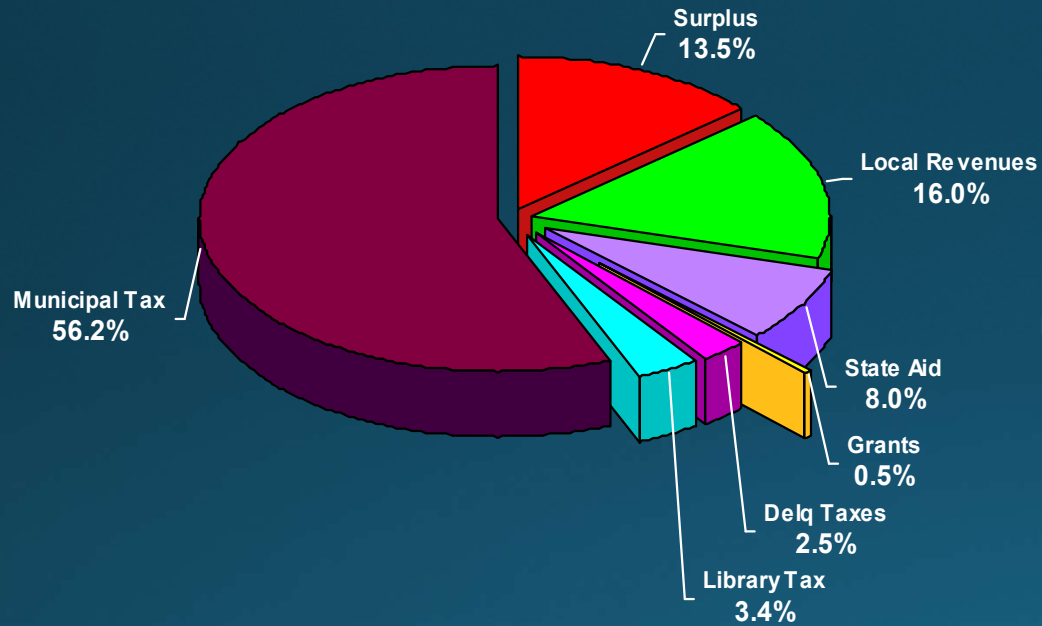
Municipal Tax Rate Summary 2018 - 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Amount to be Raised by Taxes	\$14,163,579	\$14,637,479	\$14,118,509	\$13,447,808	\$12,579,301
Municipal Taxation Rate	.5319	.6142	.6189	.6030	.5889
Municipal Tax Rate Change	(.0823)	(.0047)	.0159	.0141	.0280
<u>Residential Tax Impact</u>					
2022 Residential Average Assessment	469,876	406,067	383,981	376,216	366,231
Average Municipal Tax based on New Assessment	\$2,499.26	\$2,494.23	\$2,376.24	\$2,266.93	\$2,156.63
Average Residential Municipal Tax Increase	\$5.03	\$117.99	\$109.31	\$110.30	\$128.88
Average Municipal Tax % Increase	.202%	4.965%	4.822%	5.115%	6.356%

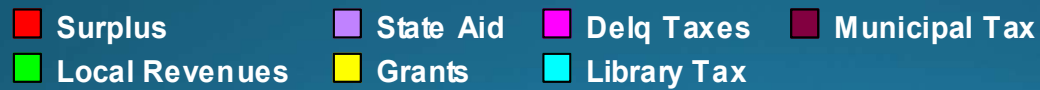
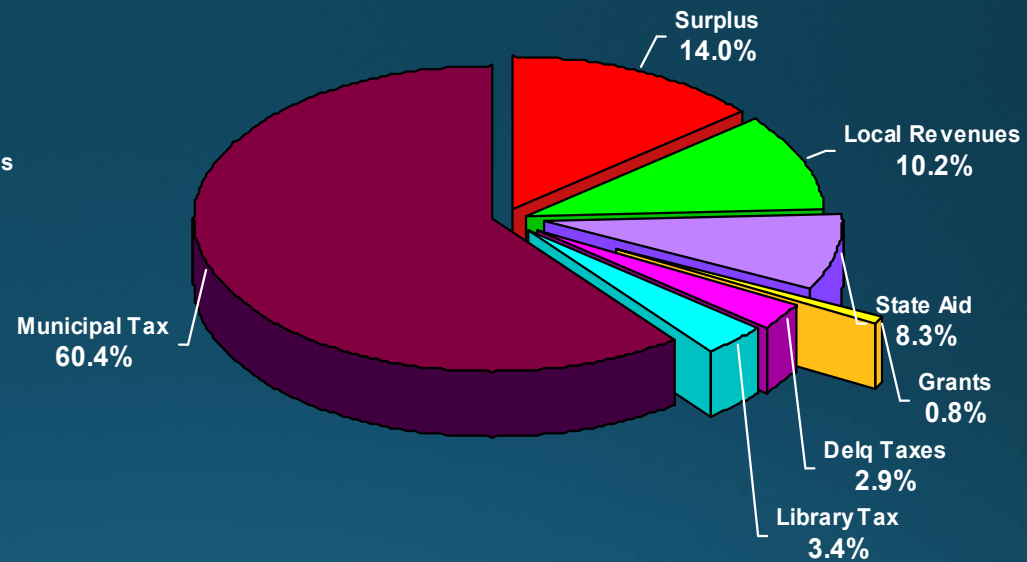
Budget 2022

Budget Revenues

2022



2021



Budget 2022

Budget Highlights

Main Revenue Categories – Comparison 2021 to 2022

Revenue Classification	Change	2022	2021
Fund Balance	0.00%	3,390,313.00	3,390,313.10
Local Revenues	63.68%	4,026,468.61	2,460,000.95
State Aid	0.00%	2,011,681.00	2,011,681.00
Grants	-38.62%	117,549.53	191,501.27
Delinquent Taxes	-7.34%	640,000.00	690,686.71
Library Tax	2.52%	855,545.14	834,493.97
Municipal Tax	-3.24%	14,163,579.28	14,637,478.92
<u>Total Budget Revenues</u>	<u>4.08%</u>	<u>25,205,136.56</u>	<u>24,216,155.92</u>



Budget 2022

Budget Highlights

Increases in Local Revenue – Detail Comparison 2021 to 2022

Local Revenue	2022	2021	Increase
Fees & Permits – Clerk	69,022.00	17,529.72	51,492.28
Hotel Occupancy Tax	148,915.00	95,593.13	53,321.87
Reserve for Payment of Bonds	172,673.00	.00	172,673.00
Riverview Hospital Bed Tax	440,190.00	.00	440,190.00
Parking Utility Fund Balance	850,000.00	.00	850,000.00
<u>Totals</u>	<u>1,680,800.00</u>	<u>113,122.85</u>	<u>1,567,677.15</u>

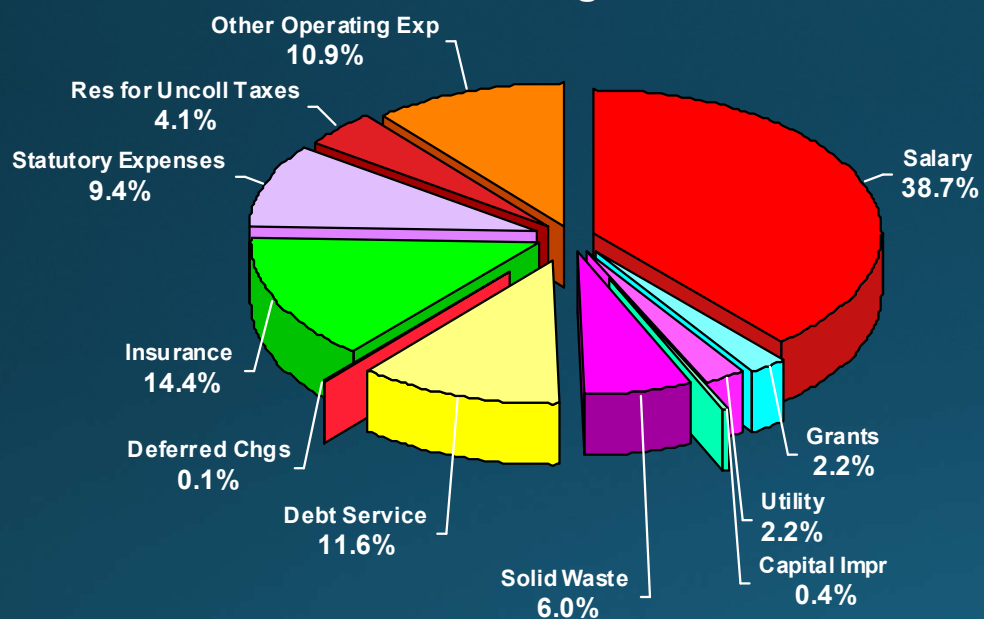
Budget 2022



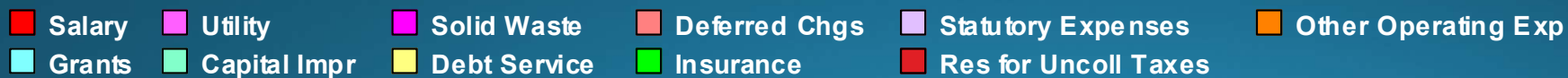
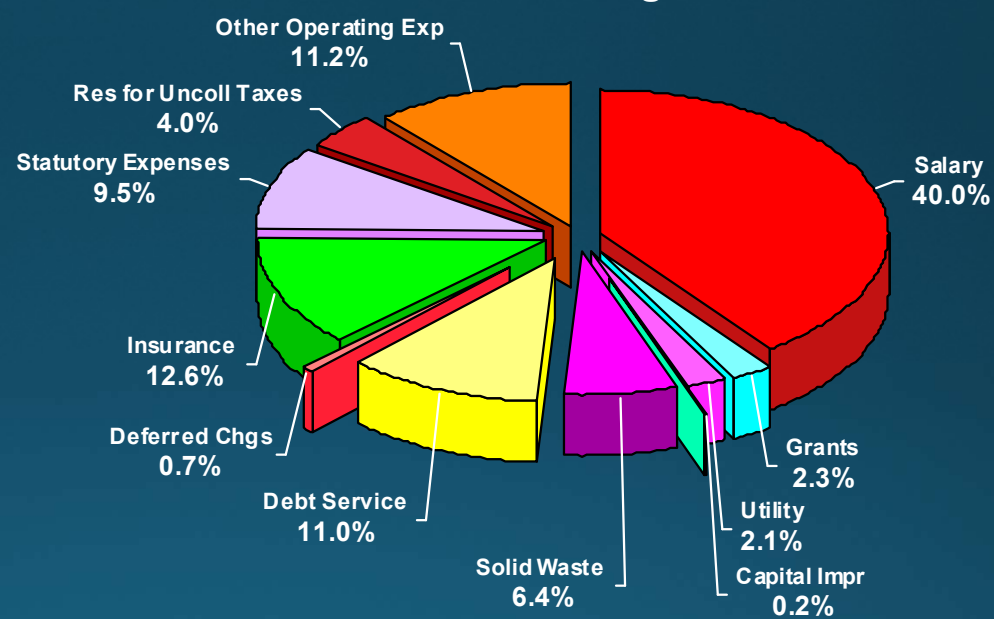
Budget 2022

Budget Appropriation Comparisons

2022 Budget



2021 Modi Budget



Budget 2022

Budget Highlights

Main Budget Categories – Comparison 2021 to 2022

Category	Change	2022 Budget	2021 Modified
CAP Impr fund	85.19%	100,000.00	54,000.00
Insurances & Employment Taxes	17.35%	4,127,472.00	3,517,140.00
Debt Service	9.07%	2,915,832.00	2,673,457.14
Utilities	8.59%	558,600.00	514,400.00
Reserve For Uncollected	5.06%	1,024,373.89	975,000.00
Employer Pension Costs	0.41%	1,863,505.00	1,855,899.86
Grants	0.01%	555,920.53	555,864.27
DCRP	0.00%	17,600.00	17,600.00
Total Salary and Wages	-0.11%	9,750,512.00	9,761,448.38
Solid Waste Disposal	-3.18%	1,519,000.00	1,568,967.67
Total Dept Operating-Other Expenses	-3.87%	2,509,776.00	2,610,729.02
Library Other Expenses		230,545.14	111,649.58
Deferred Charges		32,000.00	-
Master Plan			160,000.00
Total Budget	3.40%	25,205,136.56	24,376,155.92

Budget 2022

Budget Highlights Ratio of Debt to 3 Year Equalized Valuation

Maximum Debt Amount: \$86,446,603

Statutory Debt Ratio Limit is 3.5% of the Average Equalized Valuation of Real Estate for the 3 preceding years



Budget 2022

Budget Highlights Capital Budget Projects

Current Capital Projects:

General Capital Projects

Broad Street Road Reconstruction
Spring Street Road Reconstruction
Senior Center Reconstruction

Future Capital Projects:

General Capital Projects

DOT Grant Safe Streets to Transit - Red Bank Station Impr
DOT Grant South Street Road Reconstruction
Count Basie Park Improvements
TAP Grant Shresbury Ave Streetscapes
Municipal Building Improvements
Mill and Pave Alston Court, Hubbard Park & Allen Place
DOT Grant Mechanic Street Road Improvements
Various Infrastructure Improvements



Budget 2022

Water/Sewer Utility Budget 2022

2022 Dedicated Water/Sewer Budget			
Summary of Revenues	Anticipated		
	2022		2021
1. Surplus	92,400.00		0.00
2. Miscellaneous Revenues	6,879,810.00		6,735,147.84
3. Deficit (General Budget)			
Total Revenues	6,972,210.00		6,735,147.84
Summary of Appropriations	2022 Budget		Final 2021 Budget
1. Operating Expenses: Salary & Wage	871,000.00		821,414.89
Other Expense	4,473,612.00		4,340,172.91
2. Capital Improvements	50,000.00		50,000.00
3. Debt Service	1,577,598.00		1,523,560.04
4. Deferred Charges & Other Appropriations			
5. Surplus (General Budget)			
Total Appropriations	6,972,210.00		6,735,147.84

Current Capital Projects:

Water Sewer

Broad Street Water and Sewer
Reconstruction
Canal Street Sewer Reconstruction
Spring Street Reconstruction

Future Capital Projects:

Water Sewer

Congress Direct Funding - Lead Water Service Replacement
High Street Lift Station
Front Street Sewer Lining
Carriage Lane Sewer Lining
Various Infrastructure Improvements

Budget 2022

Parking Utility Budget 2022

2022 Dedicated Parking Budget				
Summary of Revenues		Anticipated		
		2022		2021
1. Surplus		0.00		137,986.80
2. Miscellaneous Revenues		1,543,203.00		1,215,268.87
3. Deficit (General Budget)				
Total Revenues		1,543,203.00		1,353,255.67
Summary of Appropriations		2022 Budget		Final 2021 Budget
1. Operating Expenses: Salary & Wage		376,800.00		295,911.48
Other Expense		831,953.00		663,046.65
2. Capital Improvements		0.00		0.00
3. Debt Service		334,450.00		394,297.54
4. Deferred Charges & Other Appropriations				
5. Surplus (General Budget)				
Total Appropriations		1,543,203.00		1,353,255.67

Current Capital Projects:

Parking
Various Infrastructure Improvements

Future Capital Projects:

Parking
Parking Meter Replacements
Wayfinding Improvements
Parking Lot Crack Sealing
White Street Solar Coverings
Electric Car Charging Stations

Budget 2022

Budget Highlights

2022 Tax Levy Cap Bank Status – What's Left on the Table?

Tax Levy CAP Calculation

Prior Year's Taxation	14,637,478.92
Adjustments:	
Prior Year Recycling Tax	(30,000.00)
Net Prior Year's Tax Levy for CAP Calculation	14,607,478.92
2% CAP Increase	292,149.58
Allowable Tax Levy Prior to Exclusions and Ratables	14,899,628.50
Exclusions:	237,834.00
New Ratables - New Construction	53,206.78
Maximum Allowable Amount of Taxation	15,190,669.28
Proposed 2022 Municipal Tax Levy	14,163,579.28
Over or Under 2% Levy CAP	1,027,090.00

Budget 2022

Budget Highlights

2022 Tax Levy Cap Bank Status – What's Left on the Table?

AM

- 2022 Budget for property taxes is **\$1,027,090.00** below the allowable Property Tax Levy Cap of 2%.
- In addition, the balance of the prior years Levy Cap Bank is **\$364,081** leaving **\$1,391,171.00** in allowable taxation.
- Unused Tax Levy Cap represents tax savings of **\$181.24** on the averaged assessed home of **\$469,876.00!**

Budget 2022



Questions and Answers