



# 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

Department Budgets

## 2022 Timeline

January - February

## 2023 Timeline

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

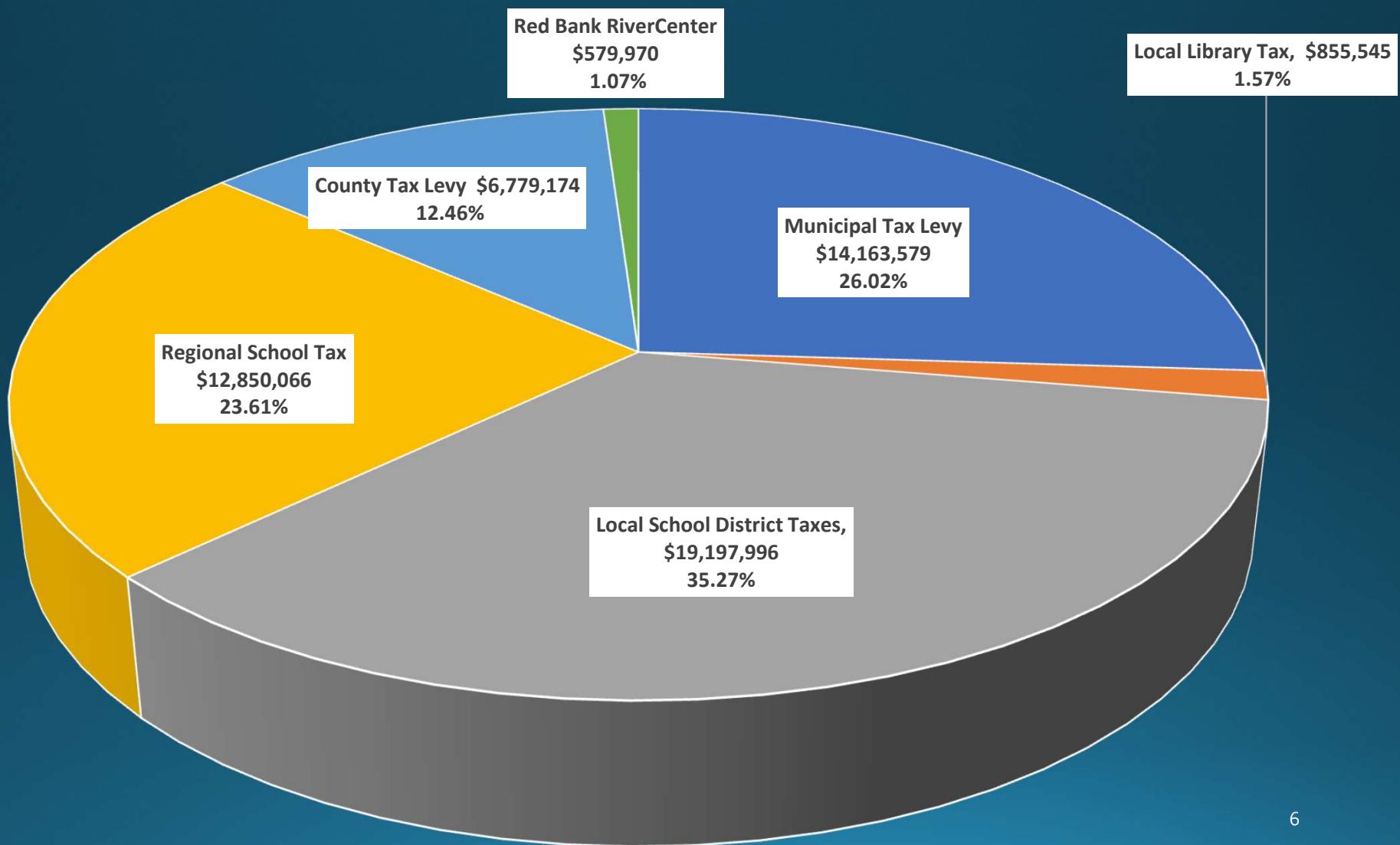
- Budgeted Revenue can not exceed prior year actual revenues

## APPROPRIATIONS

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

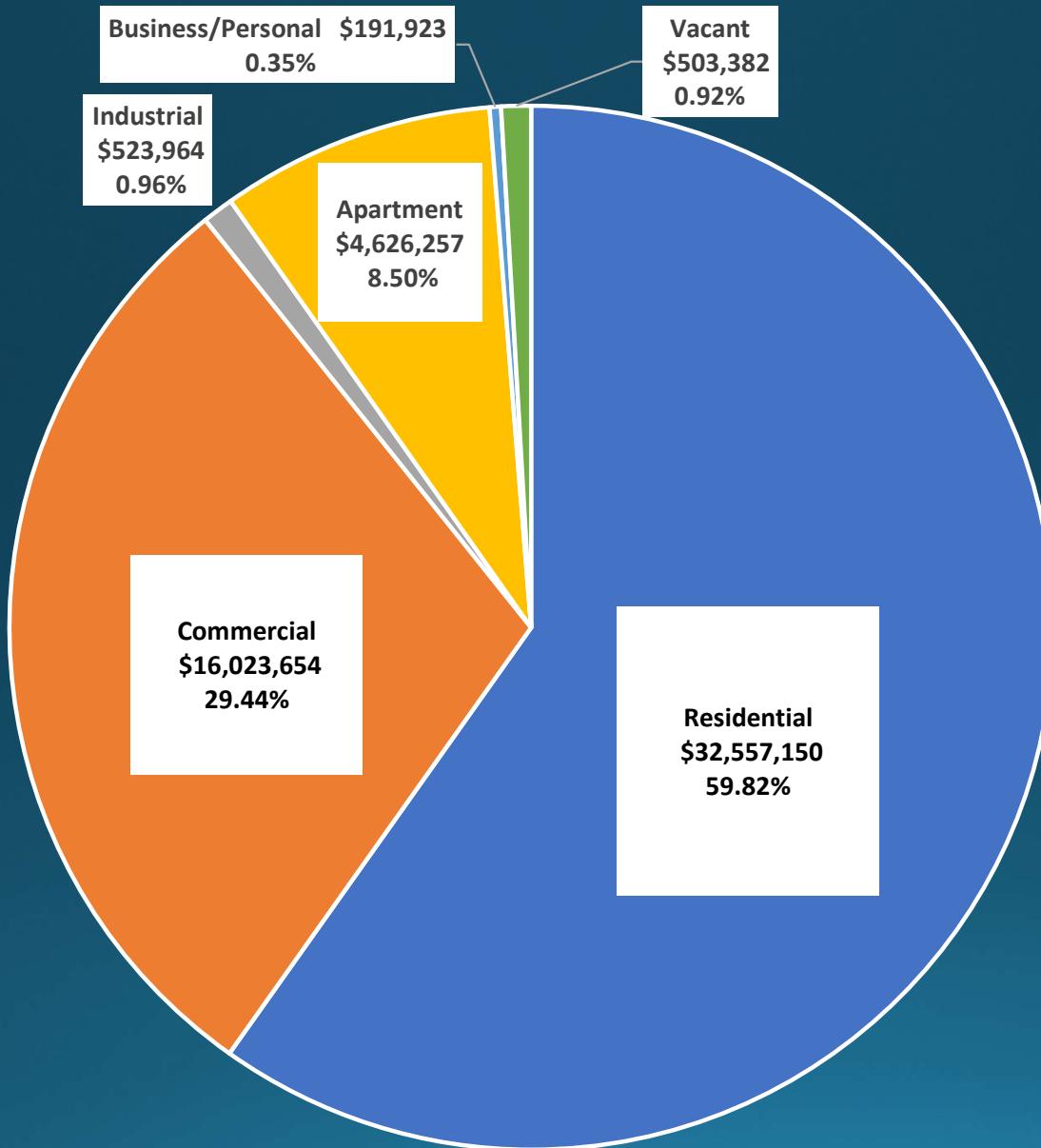
# Where Do Your Tax Dollars Go?

## 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%	<b>-1.26%</b>
Apartment	\$226,342,700	\$219,568,900	0.49%	8.50%	9.21%	<b>-0.71%</b>
Industrial / Vacant / Other	\$59,653,582	\$55,678,187	0.29%	2.24%	2.34%	<b>-0.10%</b>
<b>Total</b>	<b>\$2,662,844,382</b>	<b>\$2,383,028,687</b>	<b>20.33%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>

# Budget 2022

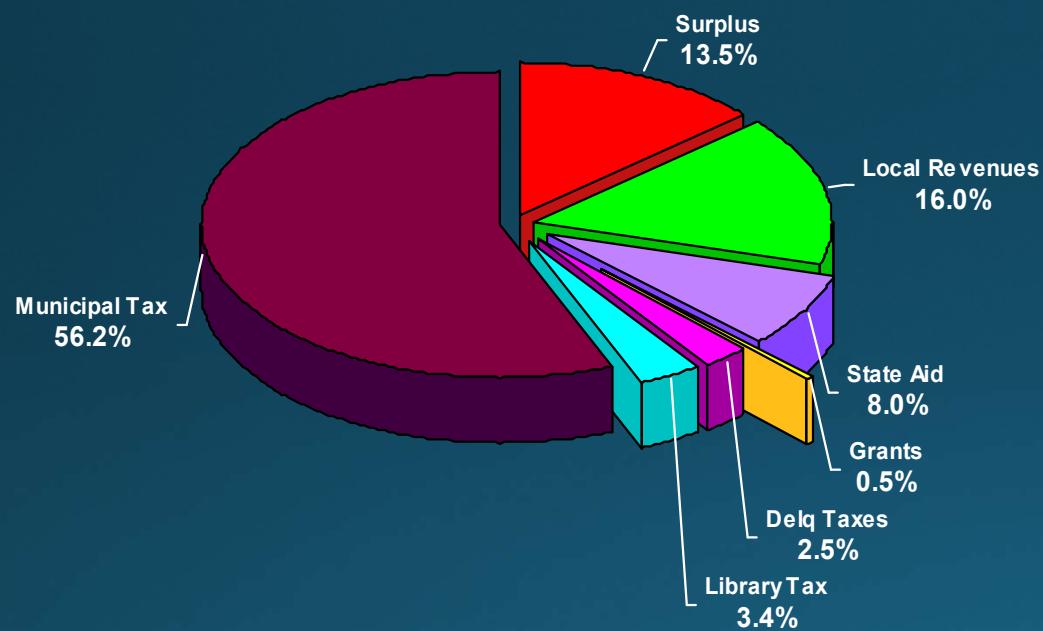
## Municipal Tax Rate Summary 2018 - 2022

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

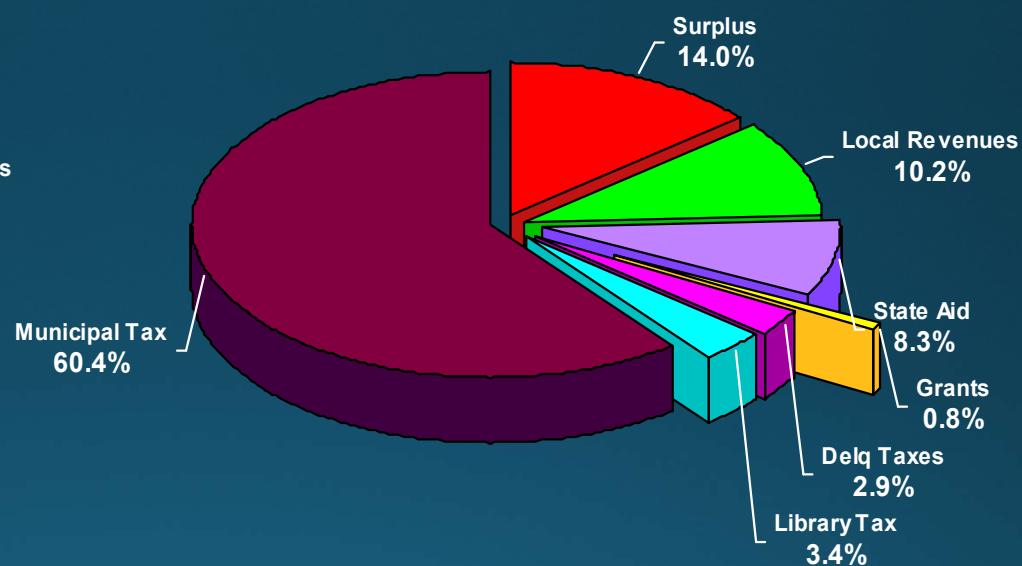
# Budget 2022

## Budget Revenues

2022



2021



■ Surplus      ■ State Aid      ■ Delq Taxes      ■ Municipal Tax  
■ Local Revenues      ■ Grants      ■ Library Tax



# 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
<b>Totals</b>	<b>1,680,800.00</b>	<b>113,122.85</b>	<b>1,567,677.15</b>



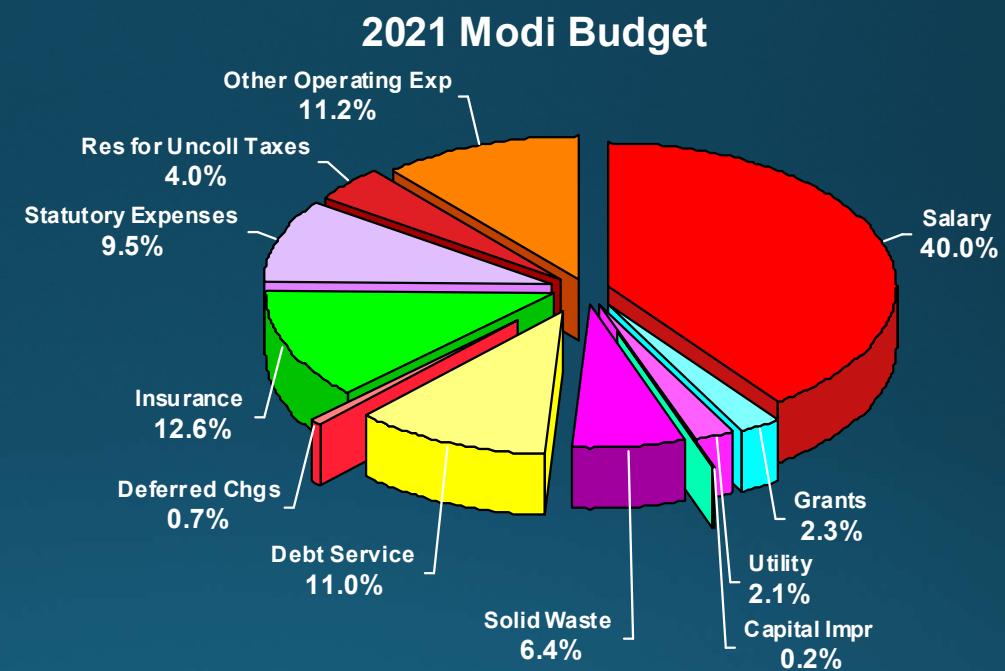
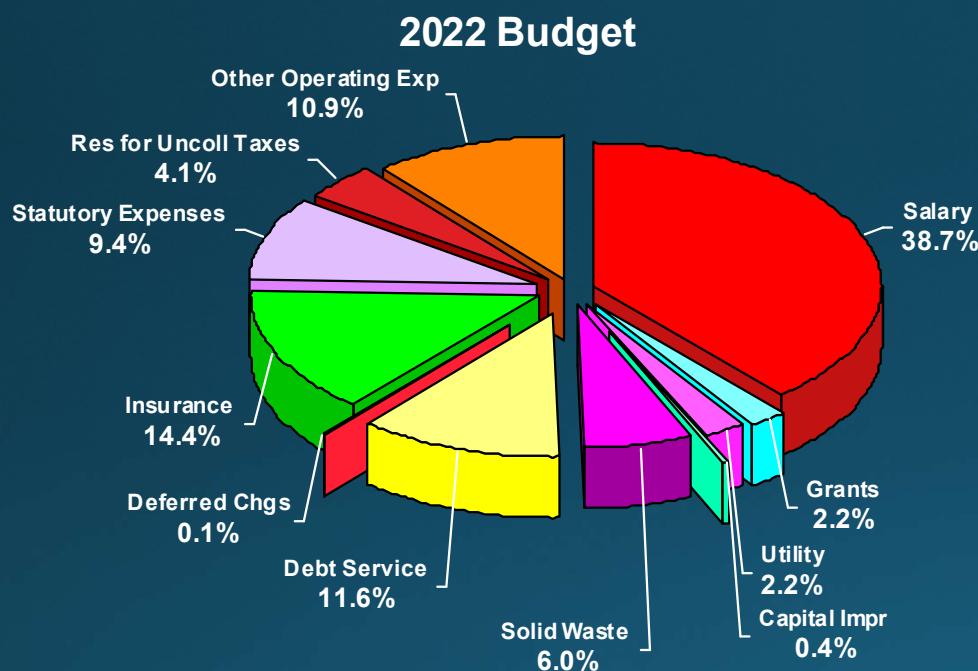
## Budget 2022

# Budget Pressures



# Budget 2022

## Budget Appropriation Comparisons



Salary	Utility	Solid Waste	Deferred Chgs	Statutory Expenses	Other Operating Exp
Grants	Capital Impr	Debt Service	Insurance	Res for Uncoll Taxes	



# 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
<b>Total Budget</b>	<b>3.40%</b>	<b>25,205,136.56</b>	<b>24,376,155.92</b>

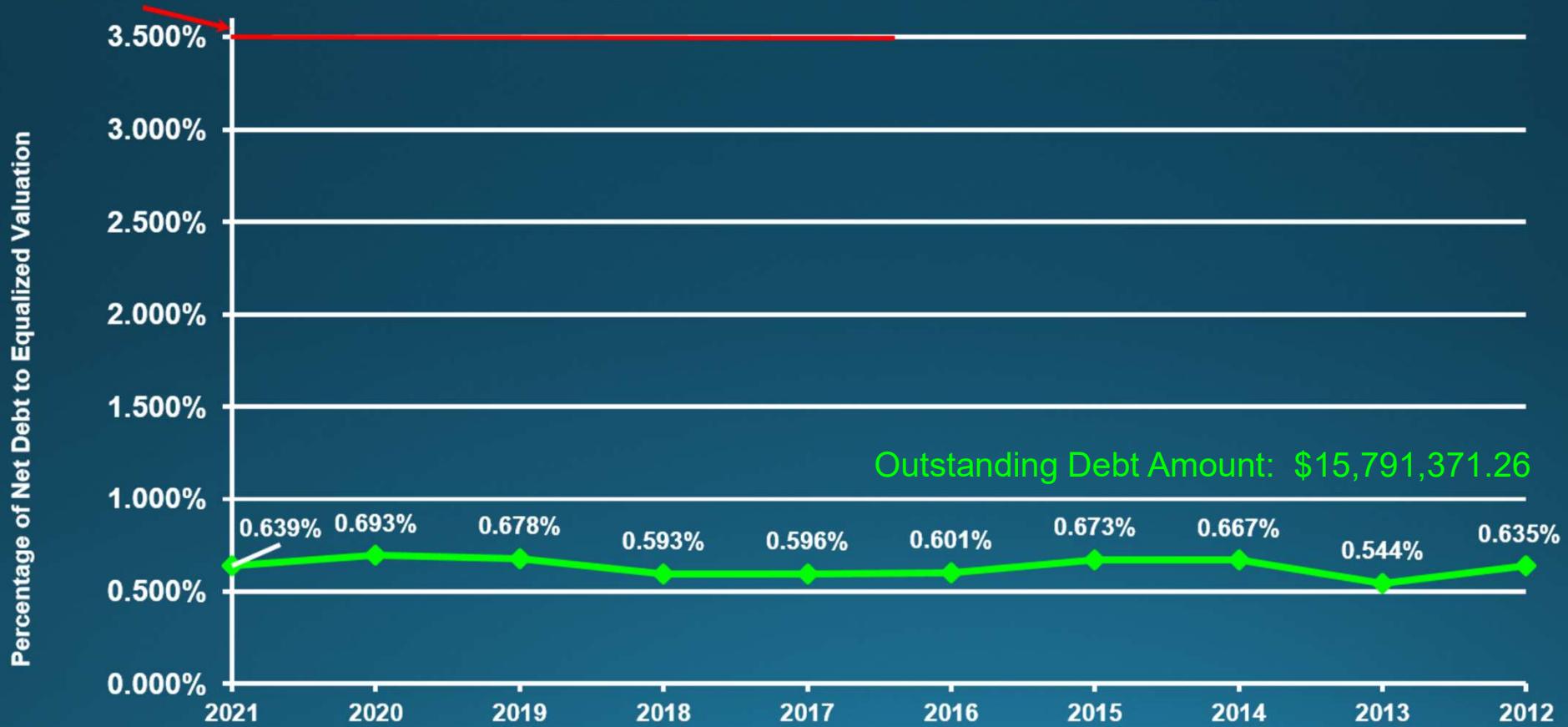
# Budget 2022

## 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 Shrewsbury 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)		
<b>Total Revenues</b>	<b>6,972,210.00</b>	<b>6,735,147.84</b>
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)		
<b>Total Appropriations</b>	<b>6,972,210.00</b>	<b>6,735,147.84</b>

### 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)		
<b>Total Revenues</b>	<b>1,543,203.00</b>	<b>1,353,255.67</b>
Summary of Appropriations		2022 Budget
1. Operating Expenses: Salary & Wage		376,800.00
Other Expense		831,953.00
2. Capital Improvements		0.00
3. Debt Service		334,450.00
4. Deferred Charges & Other Appropriations		
5. Surplus (General Budget)		
<b>Total Appropriations</b>	<b>1,543,203.00</b>	<b>1,353,255.67</b>

## Current Capital Projects:

## Parking

## Various Infrastructure Improvements

## Parking

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

## Future Capital Projects:

# Budget 2022

## Budget Highlights

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

#### Tax Levy CAP Calculation

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



# Budget 2022

## Budget Highlights

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

- 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