

TOWNSHIP OF JEFFERSON

2021 MUNICIPAL BUDGET PRESENTATION





Total Budget Summary 2021

	2021	2020	2019	2018	2017
SALARIES	\$11,294,067	\$11,041,435	\$10,824,889	\$10,359,355	\$10,161,861
TOTAL OPERATING EXPENSES	\$8,788,696	\$8,712,016	\$8,781,424	\$9,328,724	\$9,286,466
GRANTS	\$47,707	\$51,568	\$67,021	\$230,385	\$55,792
CAPITAL IMPROVEMENT FUND	\$986,944	\$852,591	\$715,480	\$714,447	\$621,859
DEBT SERVICE	\$3,069,000	\$2,932,000	\$2,793,000	\$2,612,758	\$2,443,100
STATORY EXPENSES/DEFERRED CHARGES	\$2,811,631	\$2,583,122	\$2,700,995	\$2,614,255	\$3,564,612
RESERVE FOR UNCOLLECTED TAXES	\$1,990,000	\$1,940,000	\$1,900,000	\$1,875,000	\$1,846,943
TOTAL BUDGET	\$28,940,339	\$28,061,165	\$27,715,788	\$27,504,538	\$26,924,840



Debt Service

	2021	2020
Payment of Bond Principal	\$1,850,000.00	\$1,825,000.00
Payment of Bond Anticipation Notes	\$870,000.00	\$745,000.00
Interest on Bonds	\$187,000.00	\$232,000.00
Interest on Notes	\$162,000.00	\$130,000.00
Total Municipal Debt Service	\$3,069,000.00	\$2,981,702.26

	2021	2020
Loan Repayments for Principal Interest	\$39,732.94	\$38,950.04
Interest on Assessment Note	\$9,969.33	\$10,752.22
NJDEP Dam Loan & Principal & Interest Total	\$49,702.27	\$49,702.26



Proposed Capital Plan

Capital Plan 2021	Amount
Municipal Improvements	\$ 550,700.00
Public Safety Vehicles/Equipment	\$1,087,850.00
Roads & Drainage Improvements	\$1,990,603.00
DPW Equipment	\$387,000.00
Vehicles	\$50,000.00
Recreation Equipment/Improvements	\$277,300.00
Health Equipment/Improvements	\$4,000.00
Technology Improvements	\$154,770.00
Water Improvements/Equipment	\$210,000.00
Sewer Improvements/Equipment	\$762,500.00
Total for 2020	\$5,474,723.00

* Section 20 additional \$120,000



2021 Municipal Tax Rate

- 2021 Tax Rate \$0.877
- 2020 Tax Rate \$0.849
Net Change = $-\$0.028$ or 3.30%
- Tax Levy Increase \$888,797 or 3.7%
- Municipal Tax Increase \$88.66 average home assessment of \$319,133 for 2021.



2021 Increase

• New Garbage Contract (Separate Budget)	\$ 246,000.00
• Pension Increase	
▪ Police & Fire Retirement System	\$ 108,125.00
▪ Public Employee Retirement System	<u>\$ 131,405.00</u>
	\$ 239,530.00
• Health Insurance Increase	\$ 229,800.00
• Paying off more Debt to help make the Municipality Debt Free	
▪ Increase of \$125,000 to pay off BAN Principal	\$ 125,000.00
▪ Increase of \$125,000 to pay of Capital Projects with bonding/financing with interest	<u>\$ 125,000.00</u>
	\$ 250,000.00
• Planning for succession in Engineering Department	
▪ New Assistant Engineer Position partially funded in 2020 (1/2)	\$ 75,000.00
▪ New Draftsman Position Funded in 2021	\$ 44,500.00
• Police Salary and Wages Contractual Increase	\$ 197,160.00
	Total Current Fund \$ 1,035,990.00
	Total Garbage <u>\$ 246,000.00</u>
	\$ 1,281,990.00

* From introduced budget to adopted budget the total budget increase is \$879,174.10



Top 5 Expenses for 2021

1. Public Safety	\$ 6,849,880
2. Employee Health, Pension, Etc.	\$ 5,512,174
3. Debt Service	\$ 3,069,000
4. Road Repair & Maintenance	\$ 2,688,640
5. Reserve for Uncollected Taxes(RUT)	\$ 1,990,000



Reserve for Uncollected Taxes (RUT)

• RUT in 2017	\$ 1,846,943
• RUT in 2018	\$ 1,875,000
• RUT in 2019	\$ 1,900,000
• RUT in 2020	\$ 1,940,000
• RUT in 2021	\$ 1,990,000



Fund Balance History

	2021	2020	2019	2018	2017
Balance 12/31	\$4,720,825	\$4,107,675	\$3,754,244	\$3,929,891	\$3,372,761
Anticipated in Budget	\$2,580,000	\$2,280,000	\$2,105,000	\$2,190,000	\$1,890,000
Surplus Remaining	\$2,140,825	\$1,827,675	\$1,649,244	\$1,739,891	\$1,482,761
Percent of Revenues	8.9%	8.1%	7.6%	8.0%	7.0%
Total General Revenues	\$28,940,339	\$28,061,165	\$27,715,789	\$27,504,538	\$26,924,841



Tax Levy CAP (AKA 2010 CAP)

	2021	2020	2019	2018	2017
Maximum Allowable Levy Per CAP	\$21,353,546	\$20,988,675	\$20,636,091	\$20,289,455	\$20,015,525
Actual Levy Amount Per Budget	\$21,001,828	\$20,402,815	\$20,145,148	\$19,707,345	\$19,471,050
Under CAP (Cap is based on both revenue & expenditures)	\$351,718	\$585,859	\$490,943	\$582,110	\$544,475



APPROPRIATION CAP (AKA 1977 CAP)

	2021	2020	2019	2018	2017
Amount which CAP % is Applied	\$20,994,243	\$20,995,245.38	\$20,949,745.74	\$20,700,841.00	\$20,486,014.36
Index Rate (%) Per State	1.0%	2.5%	2.5%	2.5%	0.5%
Allowable Increase Without COLA Ordinance	\$209,442.43	\$542,881.13	\$523,743.64	\$517,521.03	\$102,430.07
Index Rate (%) with COLA Ordinance	3.5%	3.5%	3.5%	3.5%	3.5%
Allowable Increase with COLA Ordinance	\$733,048.51	\$734,833.59	\$733,241.10	\$724,529.44	\$717,010.50

- CAP is based on expenditures only.
- Index rate changes each year based on consumer price index.



Water & Sewer Utility 2021 Budget Summary

	2021	2020	2019
Salaries	\$850,590	\$817,193.00	\$833,956.00
Total Operating Expenses	\$1,553,075.00	\$1,518,050.00	\$1,436,150.00
Capital Improvement Fund	\$195,000.00	\$190,000.00	\$75,000.00
Debt Service	\$1,025,488.16	\$1,049,357.00	\$1,342,876.00
Defferred Charges/Other	\$25,000.00	\$25,000	
Statutory Expenditures	\$157,031.00	\$148,250.00	\$152,896.00
Total Budget	\$3,806,184.16	\$3,747,850.00	\$3,840,878.00



Solid Waste Collection

	2021	2020	2019
Salaries	\$75,000.00	\$75,000.00	\$75,000.00
Operating Expenses	\$23,000.00	\$23,000.00	\$23,000.00
Contractual Services	\$2,569,000.00	\$2,278,000.00	\$2,206,100.00
Disposal Fees	\$1,500.00	\$1,500.00	\$1,500.00
Statutory Expenses	\$7,420.00	\$7,420.00	\$7,140.00
Total Budget (at adoption)	\$2,675,920.00	\$2,384,740.00	\$2,312,740.00



Garbage Contract Bid

GARBAGE CONTRACT BID	2020	2021	2022	2023	2024	2025
CONTRACT AMOUNT	\$2,358,000	\$2,604,000	\$2,682,000	\$2,760,000	\$2,844,000	\$2,844,000
DIFFERENCE		\$246,000	\$78,000	\$78,000	\$84,000	\$0.00
NET CHANGE		10.4%	3.0%	2.9%	3.0%	0.0%



Breakdown of Municipal Tax Levy for 2021

	2021	2020	Increase
Garbage	\$298.93	\$268.42	\$30.50
Municipal	\$2,363.93	\$2,306.19	\$57.74
Library	\$104.55	\$104.13	\$.42
Municipal Open Space	\$31.91	\$31.91	\$0.00
Total	\$2,799.32	\$2,710.66	\$88.66



Breakdown of Taxes Paid for Jefferson Residents

2021		
County of Morris*	9.0%	.252*
County Open Space Tax*	0.3%	.007*
Jefferson Township Schools*	59.5%	1.667*
Municipal Open Space Tax	0.4%	.010
Municipal Library Tax	1.2%	.033
Garbage District	3.3%	.094
Township of Jefferson (2021)	26.4%	0.741
Total	100%	2.804

*Estimated cost for 2021 since budgets have not been adopted.



Thank You!