

Township of Nutley 2022 Municipal Adopted Budget Presentation

Commissioner Thomas J. Evans
Director of Revenue and Finance

June 7, 2022



2022 Municipal Budget Summary

Description	2022	2021	Change	Change %
Total Operating Costs - Excluding Grants	\$57,957,086	\$ 56,489,014	\$1,468,072	2.59%
LESS: Revenue				
State Aid	\$5,247,630	\$5,410,130	-\$162,500	-3.00%
PILOT Revenues -ON3	1,036,815	1,026,891	9,924	0.97%
BOE - Crossing Guards	300,000	-	300,000	-
EMS Billings	600,000	275,000	325,000	118.18%
Construction Permit Fees	375,000	300,000	75,000	25.00%
Other Revenues	7,769,666	7,732,282	37,384	0.01%
Total Revenue - Excluding Grants	\$15,329,111	\$14,744,303	\$584,808	3.97%
Annual Amount to be Paid By Taxpayers	\$42,627,975	\$41,744,711	\$883,264	2.116%

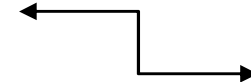
- ▶ Municipal operating costs have increased \$1,468,072 for 2022 which have been marginally offset by increased revenues of \$584,808, resulting in a municipal tax increase to taxpayers of \$883,264 or 2.116 %.
- ▶ See Slides 3 and 4 for further details of revenue and cost changes for 2022.

Revenue Changes in 2022 Budget

State Aid	
2021 State Aid w/TSA	\$5,410,130
2022 State Aid - Stabilized	\$5,247,630
Net Decrease	-\$162,500

Municipal Revenues	
2022 EMS Billings	\$325,000
BOE - One Time Crossing Guard Contribution	\$300,000
Construction Permit Fees	\$75,000
Net, Other revenues	\$47,308
Total 2022 Revenue Gain	\$747,308

\$2,762,500 in transitional aid was converted to permanent State Aid of \$2,600,000 for 2021 and beyond resulting in a final reduction of \$162,500 for 2022. **State Aid is now STABLE at this higher level.**



Revenue Summary	
Revenues Changes	\$747,308
Less: TSA Loss	-\$162,500
2022 Revenue Gain	\$584,808

Overall, our revenues remained substantially stable for 2022. The reduction in State Aid was wholly offset by the full year revenue estimate for EMS services and an increase in Construction Permit Fees for 2022. With the exception of the BOE's one-time contribution, going forward our revenues are expected to remain at current levels.

Operating Cost Changes for 2022

Salary	
Public Safety including Emergency Rescue Ser.	\$624,079
DPW	47,000
Parks & Public Property	0
Public Affairs	0
Revenue & Finance	0
Mayor's Office	0
Total	\$796,079

Total Cost Changes	
Salaries	\$671,079
Other Expenses	796,993
Grand Total	1,468,072

Other Expenses	
Sewer	\$221,000
Pension:	
Police/Fire	325,000
Other	91,000
ERIP Phase Out	-121,979
Group Medical Insurance	215,493
Gasoline	115,888
Reserve for Uncollected Taxes	91,000
Library Statutory Increase	53,721
Aid to School/County - TSA	-105,479
Debt Service	-75,722
Other Expenses < \$25K	-12,929
Total	\$796,993

- Union contract negotiations are pending, as such, salary increases are subject to change.
- Salary, Sewer, Pension and Group Medical costs are the primary drivers of our annual cost increases.
- Gasoline costs have increased while our overall debt service costs has declined.

2022 Water Utility Budget Summary

Budget	2022	2021	Change	% Change
Water and Maintenance Fee Revenue	\$4,868,000.00	\$4,625,163.00	\$242,413.00	5.25%
Less: Operating Costs	4,868,000.00	4,625,163.00	242,413.00	5.25%
Water Utility - Stable	\$0.00	\$0.00	\$0.00	0.00%

Budget Category	2022	2021	2020	2019	22-21 Change	% Change
Salaries & Wages	\$1,669,665.00	\$1,656,000.00	\$1,700,000.00	\$1,650,000.00	\$13,665.00	.83%
N. Jersey District Water	1,250,000.00	1,197,000.00	1,200,000.00	1,200,000.00	\$53,000.00	4.43%
Purchase of Water (P.V./Newark)	960,000.00	840,000.00	805,000.00	855,000.00	\$120,000.00	14.29%
Debt Service	182,335.00	123,363.00	110,000.00	110,745.00	\$58,972.00	47.80%
Medical Insurance/Other Ins.	280,000.00	280,000.00	275,000.00	285,000.00	\$0.00	0.00%
Social Security/Unemployment/Pension	151,000.00	155,000.00	141,000.00	131,000.00	-\$4,000.00	-2.58%
Water Utility Operations - Supplies & Equipment	375,000.00	373,800.00	384,750.00	326,750.00	\$1,200.00	0.32%
Total:	\$4,868,000.00	\$4,625,163.00	\$4,615,750.00	\$4,558,495.00	\$242,837.00	5.25%

- ▶ Overall, costs will increase \$242,837 for 2022, primarily from water distribution charges totaling \$173,000, an increase in debt service \$58,972 and net other changes of \$10,865.
- ▶ Although operating costs have increased, a water rate increase is not expected for 2022.

Municipal Budget by Service Area

		2022		2021		2014	
Police, Fire, EMS, & Municipal Court	\$5,340,263.36 24.23%	\$ 27,377,105.59	47.24%	\$ 26,316,613.00	46.59%	\$ 22,036,842.23	43.68%
Roadway, sewer maintenance and treatment, streetlighting, recycling	\$1,140,114.70 17.01%	\$ 7,840,866.93	13.53%	\$ 7,537,165.00	13.34%	\$ 6,700,752.23	13.28%
Insurance other than medical, Reserve for Uncollected Taxes (RUT)	\$1,023,522.00 17.98%	\$ 6,717,265.00	11.59%	\$ 6,502,656.00	11.51%	\$ 5,693,743.00	11.29%
All parks, building, and tree maintenance; recreation, oil, electricity, and telephones	\$209,379.78 5.23%	\$ 4,210,310.07	7.26%	\$ 4,147,757.00	7.34%	\$ 4,000,930.29	7.93%
Administrative operations - legal, treasury, IT, municipal clerk, construction code, tax assessor, purchasing and redevelopment	\$274.27 0.01%	\$ 4,240,271.84	7.31%	\$ 4,343,415.00	7.69%	\$ 4,239,997.57	8.41%
Health and veterans' services, garbage collection	\$180,780.79 5.28%	\$ 3,606,933.62	6.22%	\$ 3,655,073.00	6.47%	\$ 3,426,152.83	6.79%
Debt Service	(\$527,713.89) (18.94%)	\$ 2,258,450.11	3.90%	\$ 2,334,173.00	4.13%	\$ 2,786,164.00	5.52%
Library Services	\$144,577.00 9.26%	\$ 1,705,883.00	2.95%	\$ 1,652,162.00	2.92%	\$ 1,561,306.00	3.10%
	2014-2022	\$ 57,957,086.16		\$ 56,489,014.00		\$ 50,445,888.15	
\$ Change	\$ 7,511,198.01	\$ 1,468,072.16		\$ 6,043,125.85			
% Change	14.89%	2.60%		11.98%			

Comparative analysis of the change in the costs to provide municipal services including the Library since 2014 - HLR closure as the base year for comparison purposes.