

Township of Nutley 2020 Municipal Budget

Introduction: MAY 5, 2020

Prepared by:

**Commissioner Thomas J. Evans
Department of Revenue & Finance**

2020 Municipal Budget Summary

Description	2020	2019	Change	Change %
Total Operating Costs, excluding TSA	\$ 56,253,142	\$ 54,787,870	\$ 1,465,272	2.67%
Add: TSA Allocation to School/County	\$1,774,264	\$2,087,370	-\$313,106	15.0%
Total Operating Costs	\$ 58,027,406	\$ 56,875,240	\$ 1,152,166	2.03%
LESS: Revenues, State Aid and applied Reserves	\$16,154,654	\$15,002,488	\$ 1,152,166	7.68%
Annual Amount to be Paid By Taxpayers:	\$ 41,872,752	\$ 41,872,752	ZERO CHANGE	0.00%

- **Securing a commitment for our 2020 Transitional State Aid (“TSA”), coupled with conservative budget planning, achieves a zero increase in the Municipal Tax Levy for 2020.**
- **The \$313,106 decrease in TSA for our Schools and County represents that portion which is pending final State approval.**
- **The Appropriation and Revenue increases shown here are detailed on slides 3 and 4.**

Operating Cost Changes for 2020

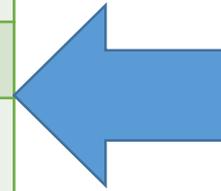
Salary	
Public Safety	\$420,491
Parks & Public Property	0
DPW	64,000
Public Affairs	62,135
Revenue & Finance	21,000
Mayor's Office	11,000
Total	\$578,626

Total Changes	
Salaries	\$578,626
Net other Exp.	573,540
Grand Total	\$1,152,166

Other Expenses	
Sewer	\$166,000
Pension:	
Police/Fire	164,369
Other	55,418
TSA School/County	-313,106
Capital Improve. Fund	209,000
Legal Fees	141,000
Property Revaluation	110,000
Medical Insurance	-\$73,575
Garbage Removal	-\$54,593
Debt Service	-50,124
Res. Uncollectible Taxes	89,039
Other Expenses	180,112
Total	\$566,233

Revenue Changes in 2020 Budget

Transitional State Aid (TSA)	
2019 TSA	\$3,250,000
2020 TSA - Approved	\$2,762,500
2020 TSA - Pending	-\$487,500



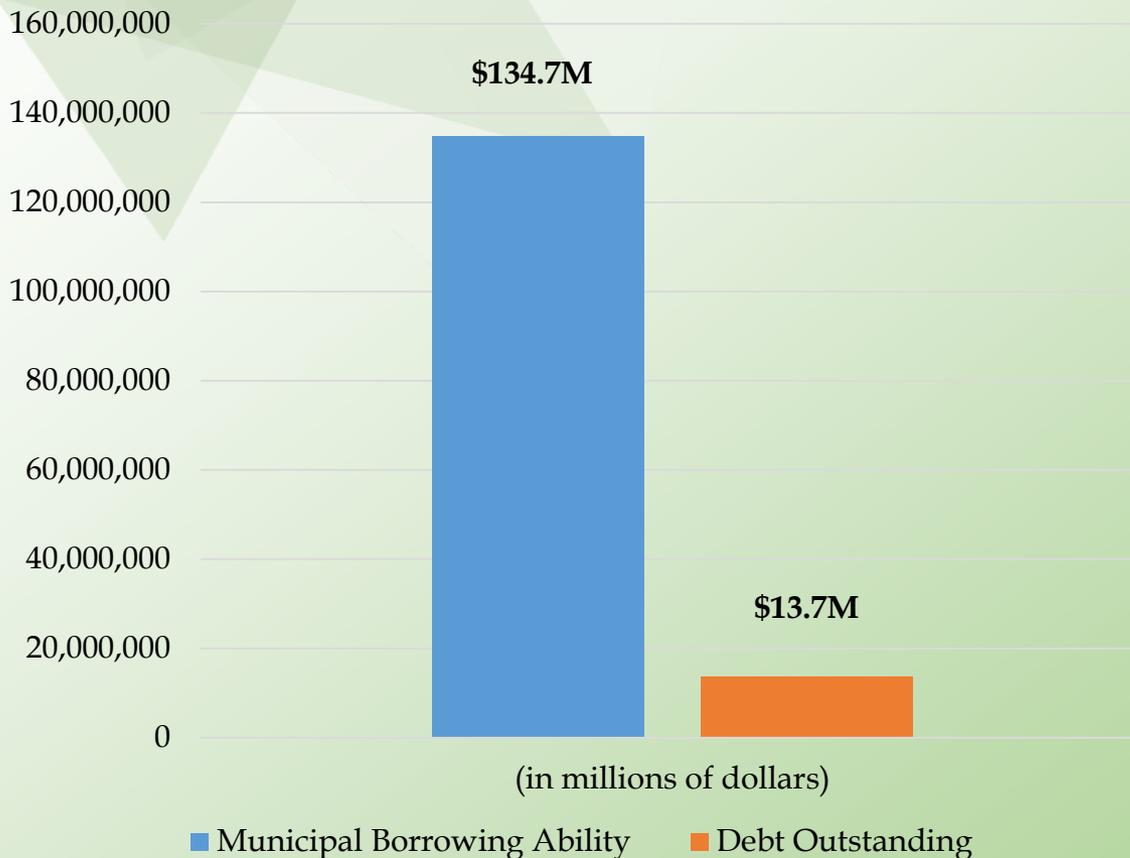
85% of our Transitional Aid has been Approved.
15% is Pending Final Approval.

Revenues	
On3 - Pilot Payments	\$816,941
Municipal Reserves	\$1,194,194
Lost revenue arising from the Coronavirus Pandemic - Code Enforcement, Court, Metered Parking	-\$400,000
Net, Other	\$28,531
Total Revenue Changes	\$1,639,666

Summary	
Total Revenues Changes	\$1,639,666
Less: TSA Pending	-\$487,500
Net, Revenue Increase	\$1,152,166

Municipal Debt Outstanding

Borrowing Ability vs. Municipal Debt Outstanding



Aa²
Moody's
Investors
Service Credit
Rating

- Overall debt is \$1.7 million LOWER since 2015.
- Current debt equals 10% of our borrowing power
- Debt terms are stable at 2.52% over 10 years.

Summary Points

- Most cost outlays for the Coronavirus Pandemic are reimbursable by FEMA.
- Municipal lost revenues of \$400,000 are not currently reimbursable by FEMA or the CARE Act.
- A major shortfall in property tax collections or other revenue sources will result in changes to this budget.
 - Relief for State and Local Governments is currently pending at the Federal level.
 - Further Property Tax relief is pending and requires State Law changes or an Executive Order by the Governor.
 - A New Hire Freeze and a Quarantine of Non-Essential spending is in Place Until Further Notice.
- A Public Budget Hearing will be held on June 4, 2020.

The full budget document, including these slides, will be posted on the Township website on May 6, 2020.