



BOROUGH OF CALDWELL

BUDGET INTRODUCTION

AUGUST 15, 2023

INTRODUCTION

THE BOROUGH HAS 3 OPERATING FUNDS:

- CURRENT FUND
- WATER UTILITY
- SEWER UTILITY

EACH OF THESE FUNDS HAS ITS OWN CAPITAL ACCOUNT

THE BOROUGH'S BUDGET IS SUBJECT TO "STATE REVIEW"

THE MUNICIPAL PORTION OF TAXES ARE BASED ON THE "CURRENT FUND" BUDGET.

THE TOTAL TAX BILL INCLUDES COUNTY AND SCHOOL OBLIGATIONS

2023 CHALLENGES

REDUCTIONS IN REVENUE

UNIFORM CONSTRUCTION CODE FEES	\$	70,329.00
AMERICAN RESCUE PLAN ACT	\$	415,586.50

SUBTOTAL	\$	485,915.50
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INCREASES IN APPROPRIATIONS

BOND PRINCIPAL*	\$	515,000.00
INTEREST ON BONDS**	\$	130,528.50
EMPLOYEE HEALTH INSURANCE O/E	\$	289,846.00
POLICE DEPARTMENT S&W	\$	277,724.00
POLICE & FIRE RETIREMENT SYSTEM (PFRS)	\$	81,604.56
WORKER'S COMP/LIABILITY INSURANCE	\$	46,900.00

SUBTOTAL	\$	1,341,603.06
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TOTAL	\$	1,827,518.56
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IMPACT OF MAJOR DRIVERS OVER 2022 BUDGET	21.38%
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*THE BOROUGH ISSUED \$40,068,000 OF SERIAL BONDS IN 2022.

- \$20,000,000 IN REDEVELOPMENT BONDS (FULLY MATURES IN 2052)
- \$10,350,000 FOR GENERAL CAPITAL OBLIGATIONS (FULLY MATURES IN 2040)
- \$9,718,000 FOR WATER & SEWER CAPITAL OBLIGATIONS (FULLY MATURES IN 2052)

\$30,350,000 OF THIS AMOUNT WILL BE PAID FROM THE CURRENT FUND BUDGET OVER THE NEXT 18-30 YEARS. 2023 IS THE FIRST YEAR PRINCIPAL PAYMENTS ARE DUE.

**2023 IS ALSO THE FIRST FULL YEAR OF INTEREST PAYMENTS ON THESE BONDS. HOWEVER, THE 2023 BUDGET DOES NOT INCLUDE \$556,875 OF INTEREST ON THE \$20M OF REDEVELOPMENT BONDS. THIS INTEREST MUST BE BUDGETED BEGINNING IN 2025.

WATER UTILITY BUDGET

	<u>2022</u>	<u>2023</u>
<u>ANTICIPATED REVENUE</u>		
SURPLUS ANTICIPATED	\$ -	\$ 114,451.45
WATER RENTS	\$ 2,164,496.75	\$ 2,050,000.00
INTEREST & PENALTIES ON WATER RENTS	\$ -	\$ 23,000.00
TOTAL ANTICIPATED REVENUE	\$ 2,164,496.75	\$ 2,187,451.45
<u>APPROPRIATIONS</u>		
<u>OPERATING:</u>		
SALARIES & WAGES	\$ 253,800.00	\$ 272,808.00
OTHER EXPENSES	\$ 1,325,296.75	\$ 1,181,314.00
<u>DEBT SERVICE:</u>		
PAYMENT OF BOND PRINCIPAL	\$ 275,000.00	\$ 389,000.00
INTEREST ON BONDS	\$ 242,000.00	\$ 246,430.00
INTEREST ON NOTES	\$ 10,400.00	\$ -
<u>STATUTORY EXPENDITURES:</u>		
PUBLIC EMPLOYEES' RETIREMENT SYSTEM	\$ 20,700.00	\$ 31,620.82
SOCIAL SECURITY SYSTEM	\$ 15,700.00	\$ 17,000.00
POLICE AND FIREMEN'S RETIREMENT SYSTEM	\$ 21,600.00	\$ 24,623.44
DEFICIT IN OPERATIONS IN PRIOR YEARS	\$ -	\$ 24,655.19
TOTAL APPROPRIATIONS	\$ 2,164,496.75	\$ 2,187,451.45

RATE INCREASE

FROM \$9.00 TO \$10.00 PER \$1,000 GALLONS

EFFECTIVE Q4 2023

2023 INCREASE OFFSETS

DECREASES IN APPROPRIATIONS

SOLID WASTE COLLECTION O/E	\$	(100,000.00)
NOTE PRINCIPAL	\$	(108,750.00)
INTEREST ON NOTES	\$	(45,057.00)
LEGAL O/E	\$	(40,000.00)
CALDWELL COMMUNITY CENTER O/E	\$	(30,000.00)

SUBTOTAL	\$	(323,807.00)
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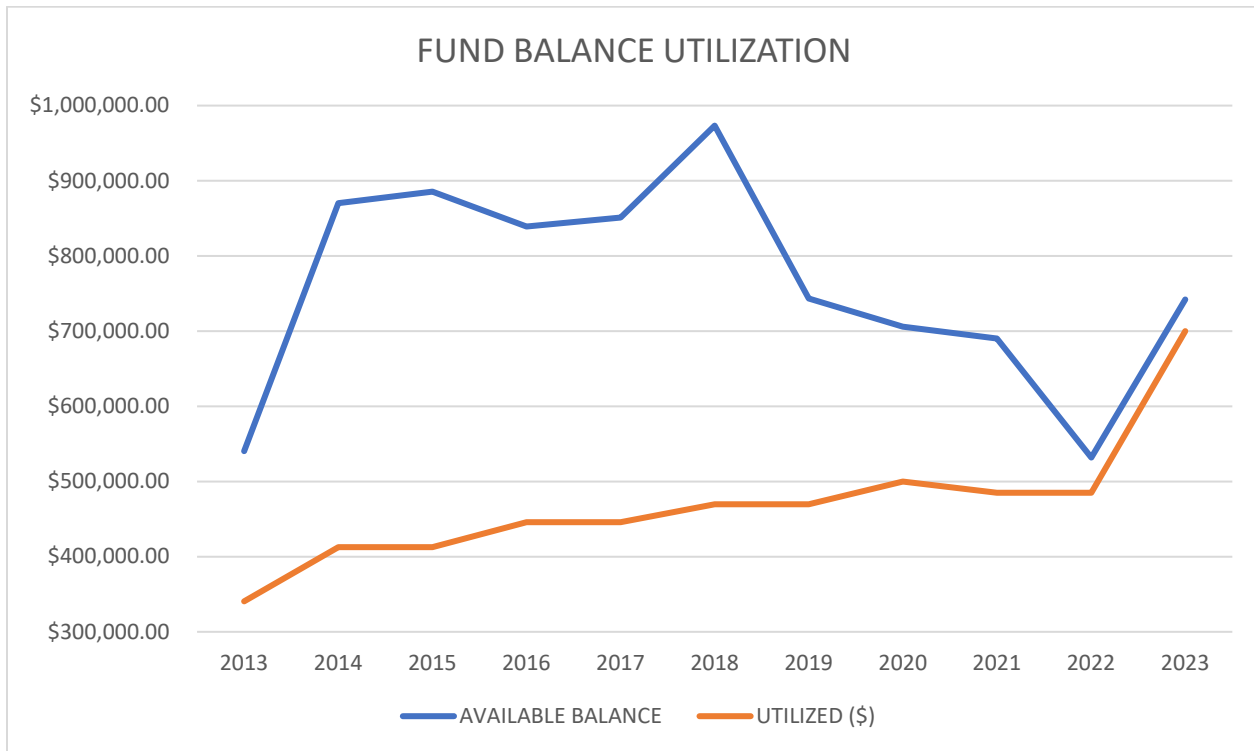
INCREASES IN REVENUE

SURPLUS ANTICIPATED	\$	(215,000.00)
GENERAL CAPITAL FUND BALANCE	\$	(215,000.00)
EXCESS SEWER USER FEES	\$	(255,000.00)

SUBTOTAL	\$	(685,000.00)
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TOTAL	\$	(1,008,807.00)
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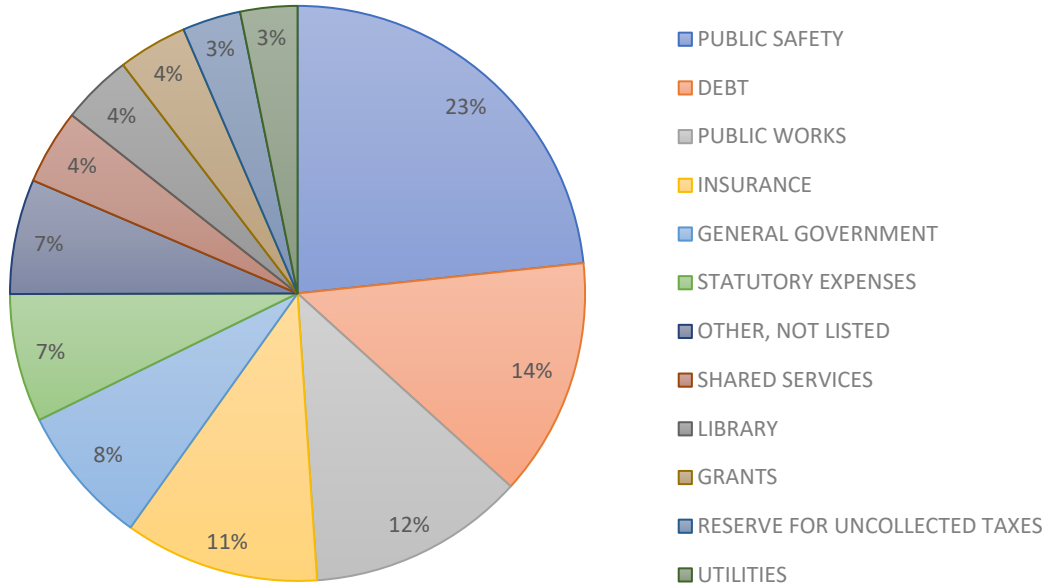
FUND BALANCE



<u>YEAR</u>	<u>AVAILABLE BALANCE</u>	<u>UTILIZED (\$)</u>	<u>UTILIZED (%)</u>
2013	\$ 540,190.30	\$ 340,550.00	63.04%
2014	\$ 870,223.82	\$ 412,500.00	47.40%
2015	\$ 885,487.09	\$ 412,500.00	46.58%
2016	\$ 839,302.73	\$ 445,837.50	53.12%
2017	\$ 851,265.25	\$ 445,837.50	52.37%
2018	\$ 973,366.36	\$ 469,837.50	48.27%
2019	\$ 743,556.19	\$ 469,837.50	63.19%
2020	\$ 705,817.37	\$ 500,000.00	70.84%
2021	\$ 689,960.36	\$ 485,000.00	70.29%
2022	\$ 531,806.25	\$ 485,000.00	91.20%
2023	\$ 741,943.25	\$ 700,000.00	94.35%

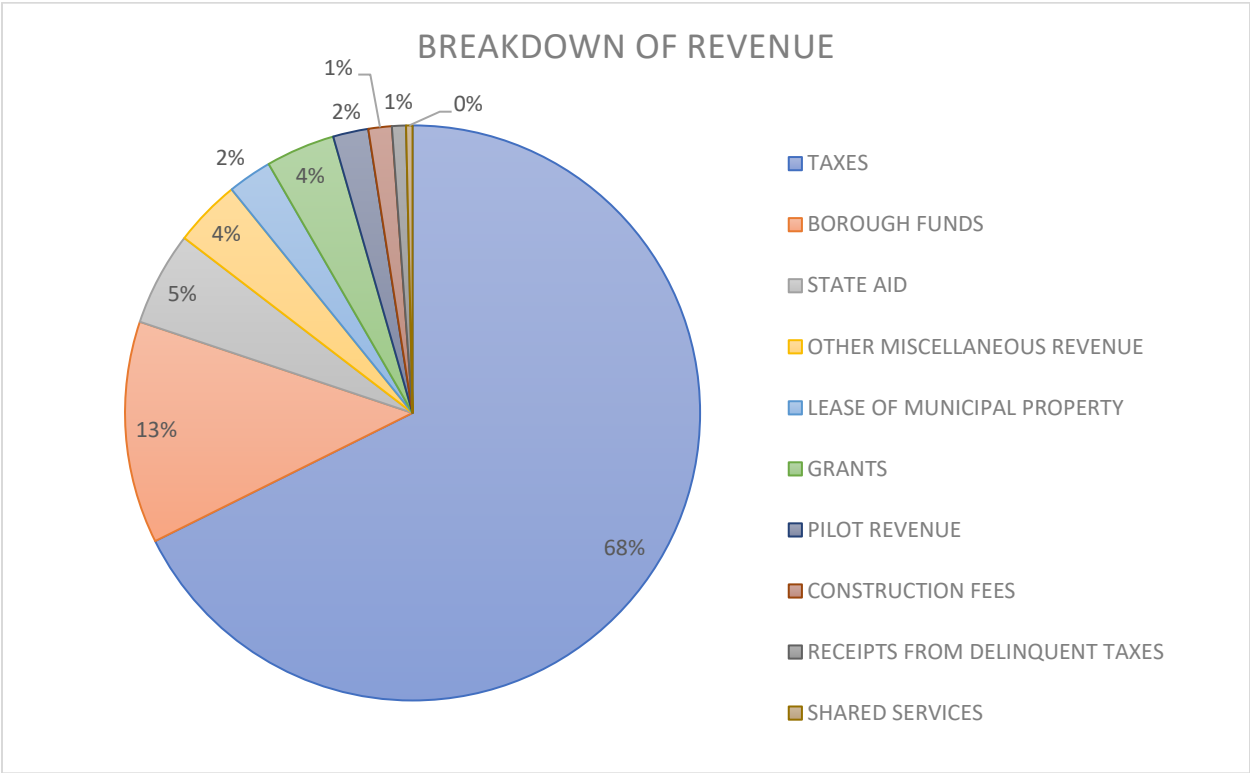
APPROPRIATIONS

BREAKDOWN OF APPROPRIATIONS



<u>CATEGORY</u>	<u>AMOUNT</u>	<u>%</u>
PUBLIC SAFETY	\$ 3,374,214.00	23.32%
DEBT	\$ 1,937,771.50	13.39%
PUBLIC WORKS	\$ 1,766,373.00	12.21%
INSURANCE	\$ 1,583,896.00	10.95%
GENERAL GOVERNMENT	\$ 1,141,465.00	7.89%
STATUTORY EXPENSES	\$ 1,043,840.56	7.21%
OTHER, NOT LISTED	\$ 935,249.70	6.46%
SHARED SERVICES	\$ 609,870.00	4.21%
LIBRARY	\$ 575,828.10	3.98%
GRANTS	\$ 562,671.44	3.89%
RESERVE FOR UNCOLLECTED TAXES	\$ 475,000.00	3.28%
UTILITIES	\$ 463,910.00	3.21%
TOTAL APPROPRIATIONS	\$14,470,089.30	100.00%

ANTICIPATED REVENUE



<u>CATEGORY</u>	<u>AMOUNT</u>	<u>%</u>
TAXES	\$ 9,788,565.65	67.65%
BOROUGH FUNDS	\$ 1,807,133.17	12.49%
STATE AID	\$ 763,283.00	5.27%
GRANTS	\$ 562,671.44	3.89%
OTHER MISCELLANEOUS REVENUE	\$ 544,251.17	3.76%
LEASE OF MUNICIPAL PROPERTY	\$ 360,000.00	2.49%
PILOT REVENUE	\$ 287,600.00	1.99%
CONSTRUCTION FEES	\$ 190,527.00	1.32%
RECEIPTS FROM DELINQUENT TAXES	\$ 113,813.96	0.79%
SHARED SERVICES	\$ 52,243.91	0.36%
TOTAL REVENUE	\$14,470,089.30	100.00%

AMOUNT TO BE RAISED BY TAXES

6. Amount to be Raised by Taxes for Support of Municipal Budget:	xxxxx	xxxxxxxxxxx	xxxxxxxxxxx
a) Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	07-190	9,339,862.72	8,548,479.49
b) Addition to Local District School Tax	07-191	-	
c) Minimum Library Tax	07-192	448,702.93	430,118.10
Total Amount to be Raised by Taxes for Support of Municipal Budget	07-199	9,788,565.65	8,978,597.59
7. Total General Revenues	13-299	14,470,089.30	13,122,221.43

Sheet 11

2023: \$9,788,565.65

2022: \$8,978,597.59

INCREASE (\$): \$809,968.06

INCREASE (%): 9.02%

CHALLENGES \$ 1,827,518.56

LESS: OFFSETS \$ (1,008,807.00)

TOTAL LEVY IMPACT \$ 818,711.56

% OF TOTAL LEVY INCREASE 98.93%

WHAT DOES THAT MEAN FOR THE “AVERAGE RESIDENT”?

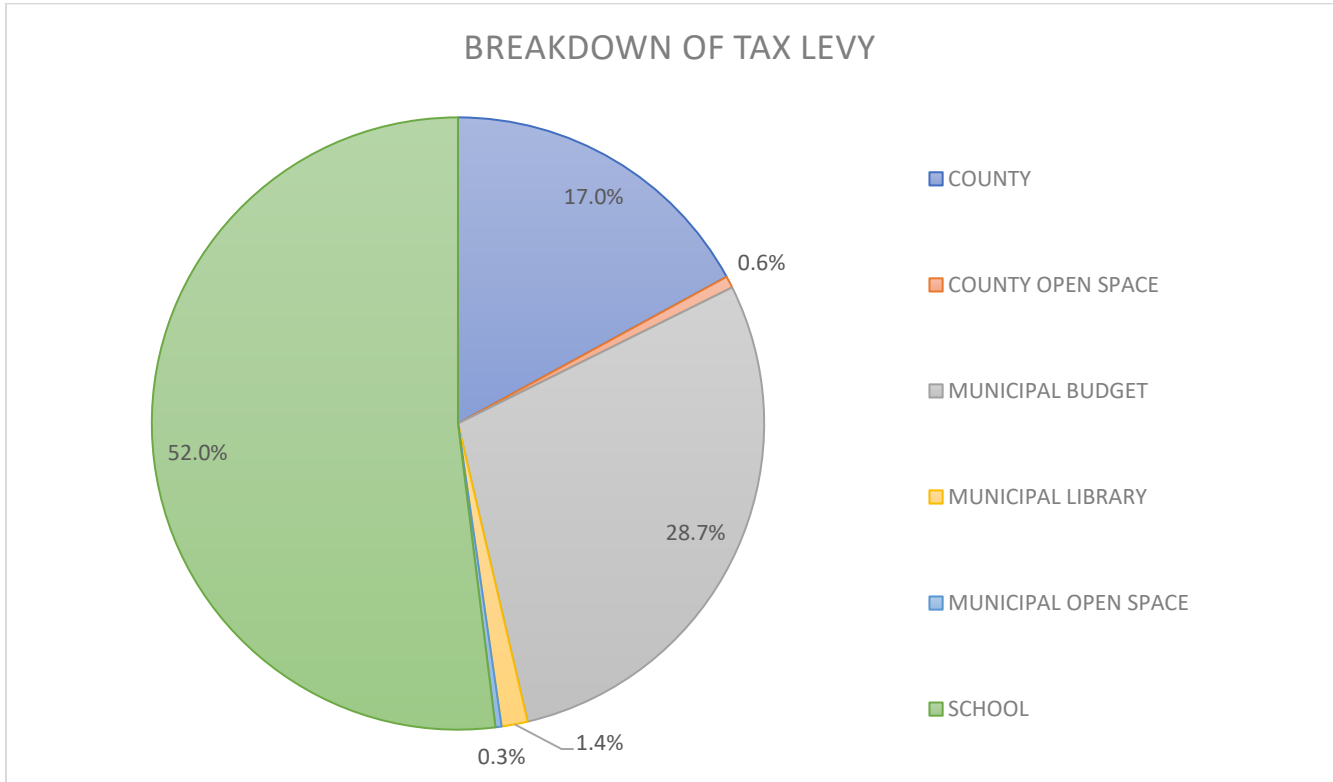
2023 TAX BASE

<u>CLASSIFICATION</u>	<u>NO. OF PROPERTIES</u>	<u>NET TAXABLE VALUE</u>	<u>%</u>
VACANT LAND	30	\$ 3,129,500	0.30%
RESIDENTIAL	1,922	\$ 817,787,700	77.88%
COMMERCIAL	183	\$ 126,195,200	12.02%
APARTMENT	30	\$ 99,814,200	9.51%
PUBLIC UTILITIES	1	\$ 3,102,500	0.30%
TOTAL	2,166	\$ 1,050,029,100	100.00%

AVERAGE RESIDENTIAL VALUATION

$$\$817,787,700 / 1,922 = \$425,487.88$$

TAX LEVY



	<u>2021</u>	<u>2022</u>	<u>2023</u>
			ESTIMATED
COUNTY	\$ 5,800,500.82	\$ 5,708,184.99	\$ 5,551,060.20
COUNTY OPEN SPACE	\$ 188,231.11	\$ 193,183.76	\$ 203,045.08
MUNICIPAL BUDGET	\$ 8,028,055.86	\$ 8,548,479.49	\$ 9,339,862.72
MUNICIPAL LIBRARY	\$ 404,860.89	\$ 430,118.10	\$ 448,702.93
MUNICIPAL OPEN SPACE	\$ 105,651.48	\$ 104,499.64	\$ 105,002.91
SCHOOL	\$ 15,874,066.00	\$ 16,601,445.00	\$ 16,921,113.00
TOTAL	\$ 30,401,366.16	\$ 31,585,910.98	\$ 32,568,786.84
CHANGE (\$)	\$ 1,415,435.39	\$ 1,184,544.82	\$ 982,875.86
CHANGE (%)	4.88%	3.90%	3.11%

ESTIMATED 2023 TAX RATE

TOTAL LEVY / NET TAXABLE VALUE * 100

\$32,568,786.84 / \$1,050,029,100 * 100 = **3.102**

BREAKDOWN OF 2023 TAX RATE

	<u>*ESTIMATED*</u> <u>2023 LEVY</u>	<u>*ESTIMATED*</u> <u>2023 RATE</u>
COUNTY	\$ 5,551,060.20	0.529
COUNTY OPEN SPACE	\$ 203,045.08	0.019
MUNICIPAL BUDGET	\$ 9,339,862.72	0.889
MUNICIPAL LIBRARY	\$ 448,702.93	0.043
MUNICIPAL OPEN SPACE	\$ 105,002.91	0.010
SCHOOL	\$ 16,921,113.00	1.612
TOTAL	\$ 32,568,786.84	3.102

TAX RATE INCREASE

2023: 3.102

2022: 3.023

DIFFERENCE: 2.61%

AVERAGE 2023 TAX BILL

AVERAGE RESIDENTIAL VALUE * TAX RATE / 100

$\$425,487.88 * 3.102 / 100 = \mathbf{\$13,198.63}$

ESTIMATED

	<u>RATE</u>	<u>AVERAGE TAX BILL</u>
COUNTY	0.529	\$ 2,250.83
COUNTY OPEN SPACE	0.019	\$ 80.84
MUNICIPAL BUDGET	0.889	\$ 3,782.59
MUNICIPAL LIBRARY	0.043	\$ 182.96
MUNICIPAL OPEN SPACE	0.010	\$ 42.55
SCHOOL	1.612	\$ 6,858.86
TOTAL	3.102	\$ 13,198.63

NOT AVERAGE?

<u>ASSESSED VALUE</u>	<u>2022</u>	<u>2023</u>	<u>CHANGE (\$)</u>
\$ 200,000.00	\$ 6,046.00	\$ 6,204.00	\$ 158.00
\$ 250,000.00	\$ 7,557.50	\$ 7,755.00	\$ 197.50
\$ 300,000.00	\$ 9,069.00	\$ 9,306.00	\$ 237.00
\$ 350,000.00	\$ 10,580.50	\$ 10,857.00	\$ 276.50
\$ 400,000.00	\$ 12,092.00	\$ 12,408.00	\$ 316.00
\$ 425,487.88	\$ 12,862.50	\$ 13,198.63	\$ 336.14
\$ 450,000.00	\$ 13,603.50	\$ 13,959.00	\$ 355.50
\$ 500,000.00	\$ 15,115.00	\$ 15,510.00	\$ 395.00
\$ 550,000.00	\$ 16,626.50	\$ 17,061.00	\$ 434.50
\$ 600,000.00	\$ 18,138.00	\$ 18,612.00	\$ 474.00
\$ 650,000.00	\$ 19,649.50	\$ 20,163.00	\$ 513.50
\$ 700,000.00	\$ 21,161.00	\$ 21,714.00	\$ 553.00
\$ 750,000.00	\$ 22,672.50	\$ 23,265.00	\$ 592.50
\$ 800,000.00	\$ 24,184.00	\$ 24,816.00	\$ 632.00
\$ 850,000.00	\$ 25,695.50	\$ 26,367.00	\$ 671.50
\$ 900,000.00	\$ 27,207.00	\$ 27,918.00	\$ 711.00
\$ 950,000.00	\$ 28,718.50	\$ 29,469.00	\$ 750.50
\$ 1,000,000.00	\$ 30,230.00	\$ 31,020.00	\$ 790.00
\$ 1,050,000.00	\$ 31,741.50	\$ 32,571.00	\$ 829.50
\$ 1,100,000.00	\$ 33,253.00	\$ 34,122.00	\$ 869.00
\$ 1,150,000.00	\$ 34,764.50	\$ 35,673.00	\$ 908.50
\$ 1,200,000.00	\$ 36,276.00	\$ 37,224.00	\$ 948.00