

# 2021 Delran Municipal Budget

Overview of the 2021 municipal budget and 5 year history of past budgets



# Delran Township Budget Process

- The 2021 budget process began in October of 2020 with the department heads meeting with administration to examine the costs and processes necessary to deliver the service needs of the community.
- This culminated in the Mayor submitting his budget to the Township Council on March 3<sup>rd</sup>, 2021 for their review.
- Township Council reviewed the budget at work sessions through the month of March. Due to the declared emergency of the COVID-19 pandemic, the State of New Jersey extended the budget deadlines. Therefore, the Township Council recently introduced the budget on April 6, 2021 and scheduled a public hearing for May 4, 2021.



# 2020 Delran Municipal Budget

- The proposed Budget calls for **no tax increase**
- Appropriations are less than last year
- Spending plan is below the state cap on appropriations
- Tax Levy Cap is below the state cap on taxes
- Sewer Budget calls for **no rate increase** (11<sup>th</sup> year in a row)



# Delran Net Valuation

This is the total valuation of all properties within the Township of Delran that are subject to property taxes.

- Delran has a Net Valuation Taxable of \$1,427,678,200
- Each penny of the tax rate yields \$142,678.



# The Tax Rate Impact on Taxpayers

- From the Tax Collectors book, there are 5,171 homes in Delran with a total valuation of \$1,096,512,300 for an average assessment of \$212,050 per home in Delran.
- Based upon this information, each penny on the tax rate represents \$21.20 per year, an average homeowner.
  - The tax rate is on a “per thousand dollars of the assessment” basis.
- This Municipal Budget calls for **no tax increase!**



# Delran Municipal Tax rate in 2021

- Utilizing this year's tax rate and this year's average assessment, the average home in Delran pays \$1,631 for the municipal tax rate and \$48.60 for the Open Space Tax.
- These are the only funds that remain with the Township from the property tax bill. The remainder of your property tax bill is forwarded to the Schools, the County and the Fire District.
- The Municipal portion of your taxes is used to pay for the police, public works, the court system, and all municipal services.



# Delran Municipal Tax Rate since 2016

## Comparing the last 5 years of Municipal Budgets:

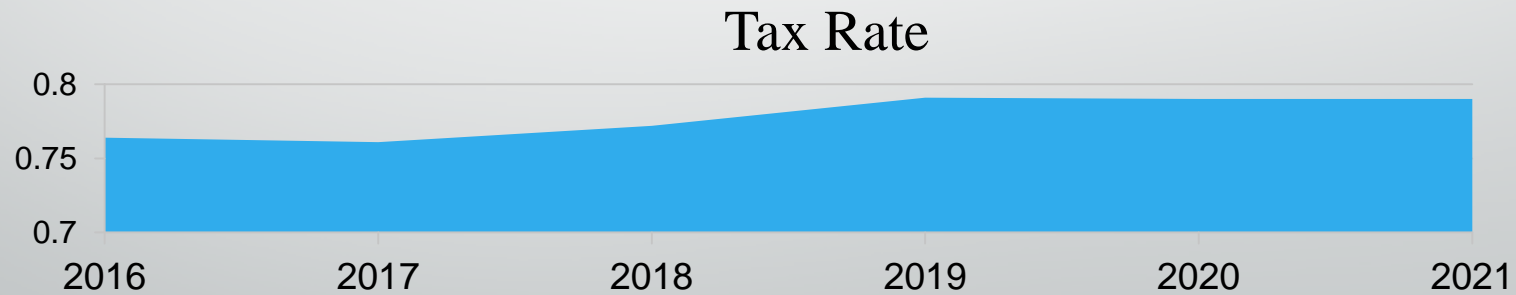
- The Tax Rate in 2016 was .764 cents and the Tax Rate, five budget years later, is .790 cents
- So, over the last five years, the total increase in the Municipal Tax Rate has been 2.4 cents
- In the last two years, the Municipal Tax rate has not increased.
- Remember, the Municipal Rate represents just 21.9% of the total property tax bill in Delran.





# Comparative Tax Rate Summary Last 5 Years

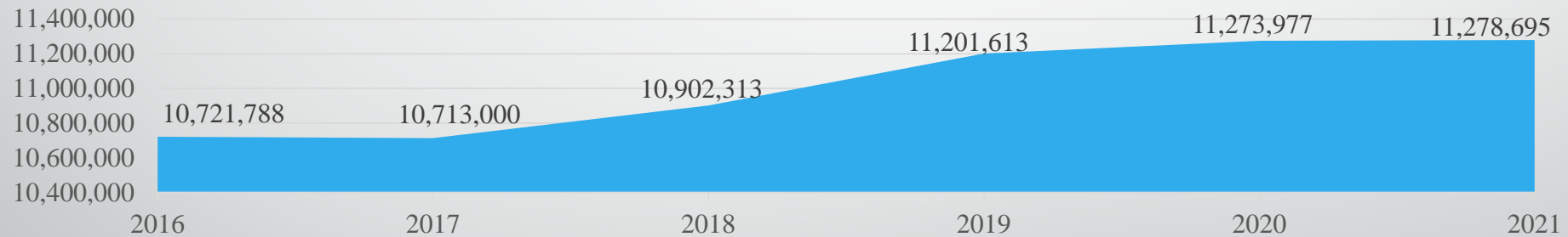
2016 Average	2017	2018	2019	2020	2021	5 year total
.764	.761	.772	.791	.790	.790	2.6 cent increase
Slight Decrease (.002)	Slight Decrease (.003)	1 cent increase	1.9 cent increase	No Increase	No Increase	Average increase less than ½ cent





# History of the Amount to be Raised by Taxation

2016	2017	2018	2019	\$2020	2021
\$10,721,788	\$10,713,000	\$10,902,313	\$11,201,613	\$11,273,977	\$11,278,695

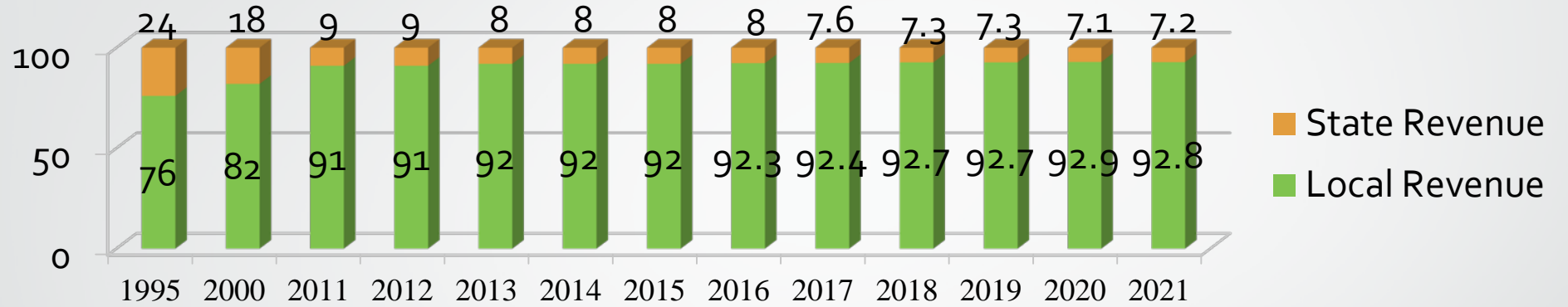


# Analysis of Fund Balance

Year	Balance	Utilized in Next Budget	Percent Utilized	Percentage of Budget
2016	\$8,007,985	\$3,000,000	37.5%	18%
2017	\$8,700,000	\$3,500,000	40%	21%
2018	\$8,737,686	\$3,748,000	43%	21%
2019	\$9,285,157	\$4,000,008	43%	22%
2020	\$9,060,140	\$4,000,000	44%	22%
2021	\$9,195,302	\$4,301,500	47%	24%



# Budget Revenue Examples of Declining State Revenues

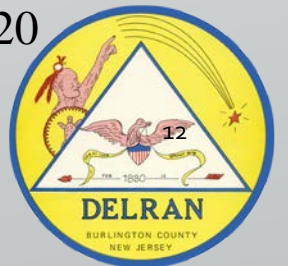


	1990	1995	2005	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Local Revenue	81%	76%	82%	91%	91%	92%	92%	92%	91.7%	92.4%	92.7%	92.8%	92.9%	92.8%
State Revenue	19%	24%	18%	9%	9%	8%	8%	8%	8.3%	7.6%	7.3%	7.2%	7.1%	7.2%



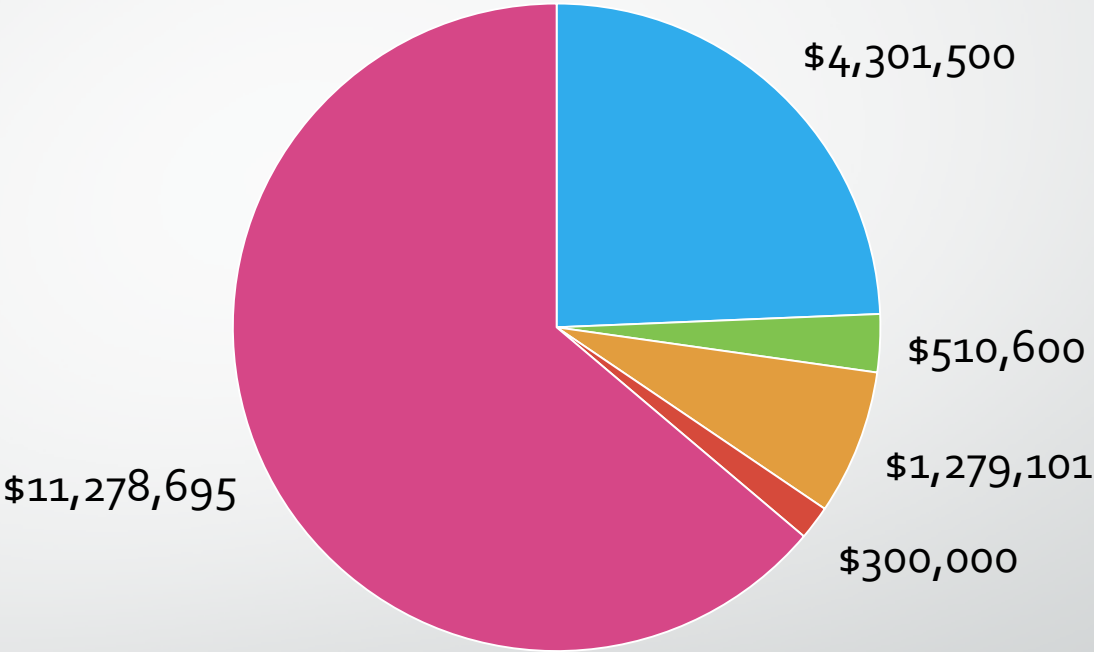
# Percentage of Tax Collections

Year	% Collected
2015	98.58
2016	98.55
2017	98.49
2018	98.72
2019	98.69
2020	98.89



# General Revenues

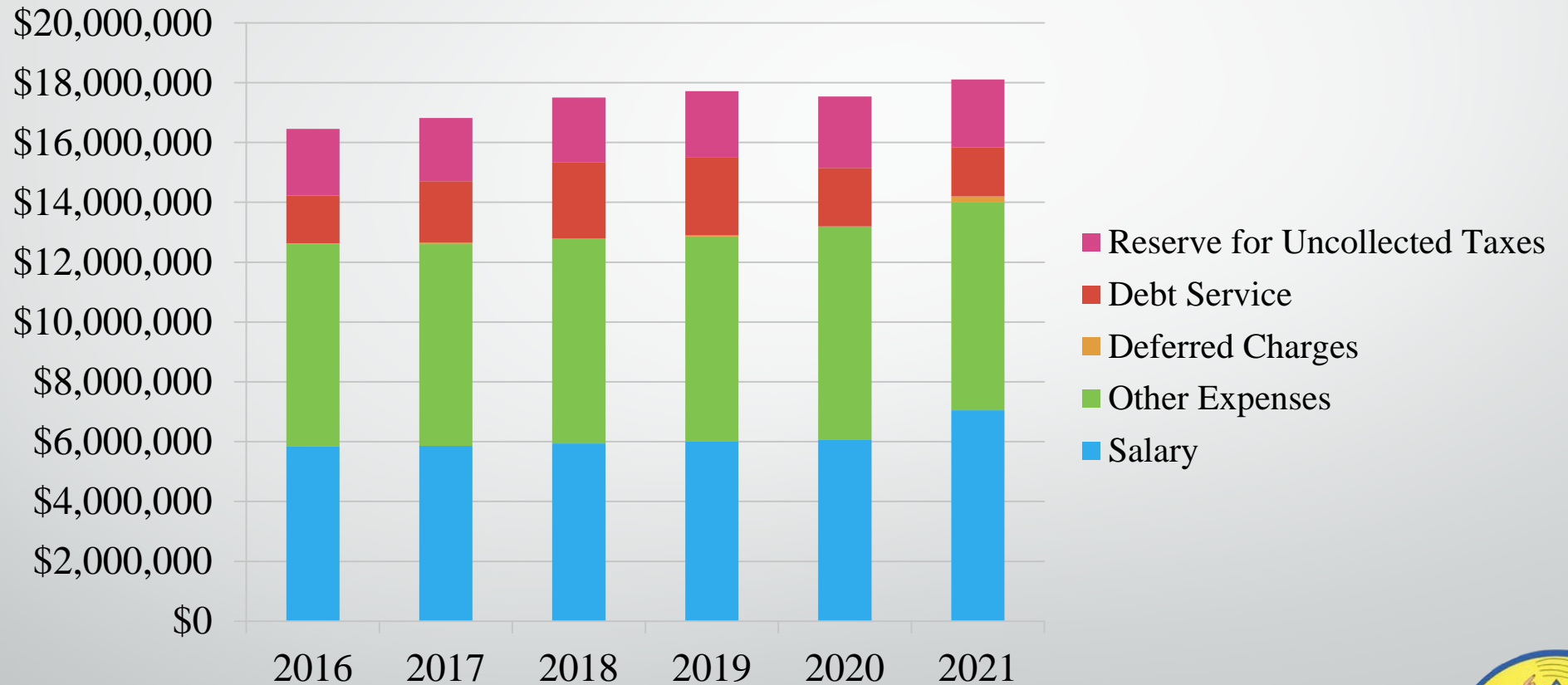
Surplus Anticipated	\$4,301,500
Local Revenues	\$510,600
State and Federal Aid	\$1,279,101
Receipts –Delinquent Taxes	\$300,000
Amount Raised by Taxation	<u>\$11,278,695</u>
<b>Total</b>	<b>\$17,709,896</b>



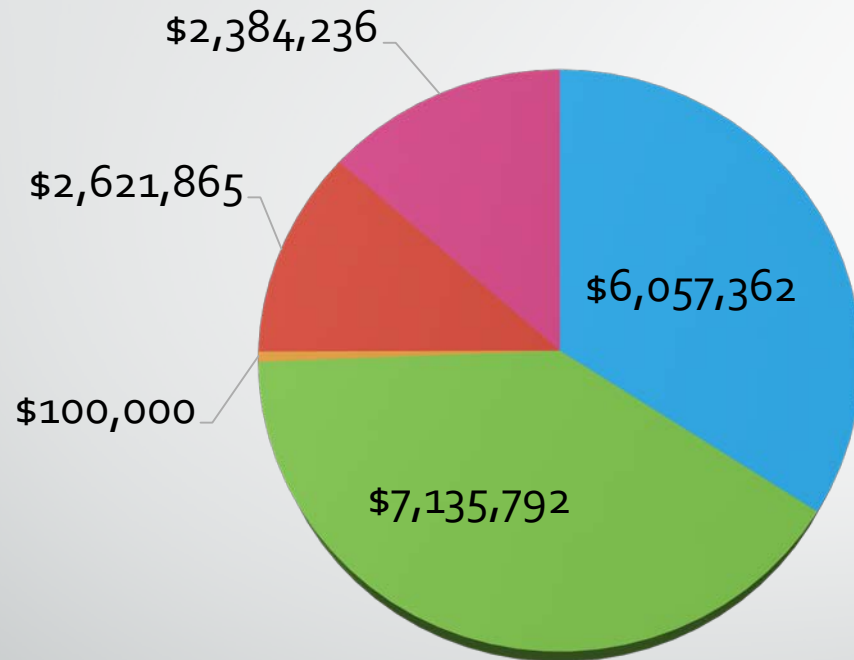
- Surplus Anticipated
- Local Revenues
- State & Federal
- Delinquent Taxes
- Amount Raised Taxation



# Chart of Spending by Category



# Budget Appropriations



- Salary & Wages
- OE & Statutory
- Capital Improvements
- Debt Service
- Reserve for Uncollected Taxes





# Total Appropriations

	Total Appropriations	Change
2016	\$16,651,755	\$ 802,477
2017	\$16,903,785	\$ 252,030
2018	\$17,549,620	\$ 645,835
2019	\$18,393,694	\$ 844,074
2020	\$18,092,682	\$ -301,012
2021	\$17,709,896	\$-382,706



# 6 Year Summary of Net Taxable Valuation

Year	Valuation	Difference
2016	\$1,401,551,386	+\$1,803,694
2017	\$1,407,526,492	+\$5,975,106
2018	\$1,412,432,892	+\$4,906,400
2019	\$1,415,853,382	+\$4,198,200
2020	\$1,425,281,690	+\$9,428,308
2021	\$1,427,678,200	+\$2,396,510



# Total Tax Bill by Tax Entity

(Based on 2021 municipal tax and 2020 for other taxing entities)

Tax by Entity	Tax by Entity for Average House Assessed at \$212,050
County Tax .398	\$843.96
County Library Tax .036	\$76.33
County Open Space Tax .024	\$50.89
District School Tax 2.454	\$5203.70
Municipal Tax .790	\$1675.19
Municipal Open Space Tax .022	\$46.65
Fire District Tax .159	\$714.95
<b>Total</b>	<b>\$8,611.67</b>

## Tax By Entity

