



BOROUGH OF DUNELLEN

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Message from the Mayor Jason F. Cilento July 2022

I would like to use this month's Message from the Mayor to discuss the Municipality's CY2022 Budget and some of its goals, as well as its impact beginning August 1st as our Third Quarter Property Taxes become due, and what Estimated Tax Bills are.

2022 MUNICIPAL BUDGET

I am writing this letter to present the 2022 Municipal Budget through the form of an infographic. The governing body and I believe good government thrives when there is good communication between elected officials and their constituents. I tasked the Finance Committee – under the Chairmanship of Council President Trina G. Rios, and including Council Members Daniel Cole Sigmon and Harold VanDermark with guidance by our Chief Financial Officer Scott Olsen - to present a budget for Borough Council consideration that provided the Borough with high quality services while being fiscally responsible and to take into consideration the infrastructure improvements we need in our Borough.

Appreciating the gravity of our financial responsibility, the Finance Committee sought to secure savings in many municipal areas. All line items were carefully examined, and their necessity justified. However, all on the Council are aware that vital services must be maintained, and the high quality of life Dunellen residents appreciate needs to be sustained. This year, we were able to deliver a budget that did just that and in a manner that raised the exact same amount of taxes as last year's budget, which in effect is considered a 0% overall tax increase. While the budget as a whole increased by 8.5% over last year, much of that increase is dedicated to much-needed capital improvements to our streets, buildings, open spaces, sewers and stormwater infrastructure, judiciously utilizing American Rescue Plan Act monies received from the federal government, a prudent use of those funds for such infrastructure projects.

So what does this mean for your taxes this year? As you can see from the infographic, there is a section that states, "Where Your Taxes Go." The breakdown is as follows: the Borough's 2022 estimated Total Tax Levy equals \$22,038,376.00. The Municipal Tax Levy (for operations of the Borough of Dunellen) is 25% of your overall tax bill or \$0.25 cents per dollar raised. Middlesex County Open Space is 1% of the tax bill or \$0.01 cents per dollar raised; Middlesex County General Purpose is 13% of the tax bill or \$0.13 cents per dollar raised; the Free Public Library is 1% or \$0.01% cents per dollar raised. The Dunellen Board of Education is 60% of the overall tax bill or \$0.60 cents per dollar raised. A homeowner assessed at \$365,283 – the average assessment town-wide - will pay \$2,520.45 in support of the municipal portion of the budget, \$105.93 in support of Middlesex County Open Space, \$1,260.23 for Middlesex County General Purposes, \$113.24 in support of the Dunellen Public Library and \$6,081.96 for the Dunellen Board of Education.

The Mayor and Council's primary goal for CY 2022 is the funding of several critical infrastructure projects, including paving Lincoln and Dunellen Avenues, First Street, and part of West Fourth Street (utilizing a shared-services agreement with Piscataway), as well as striping of roads to encourage better traffic and pedestrian safety. Also included are investments in the South Avenue Culvert Project (which will assist in alleviating flooding), a Master Plan Re-Examination, Stormwater improvements, a Climate Vulnerability Assessment, and a facility and roof assessment of Borough Hall. Improvements to the playground at Morecraft Park are also included.

You may find more detailed information on the CY2022 Municipal Budget, including our PowerPoint presentation at: <http://www.dunellen-nj.gov/departments/finance/documents.php>

We understand property taxes in New Jersey can be a burden and we take very seriously our responsibility on how taxes are raised and spent. Our goal in future budgets, as revenues from redevelopment projects become realized and can be anticipated in a budget, is to decrease debt service payments, stabilize property taxes, and continue to invest in necessary infrastructure improvements.

THIRD QUARTER ESTIMATED TAX BILL DETAILS

An estimated tax bill is used when at least one taxing district has not had its tax rate certified by the State of New Jersey in time for issuing the quarterly tax bill. For the Borough of Dunellen, there are 3 districts: the Borough itself, including the Public Library; the Board of Education; and the County, including County Open Space. The State of New Jersey has not yet approved any set rate. This is most likely due to the State of New Jersey delaying adoption of its own budget. The estimated tax bill still needs to be issued within the timeframe of collection dates because the Borough must pay the other taxing districts – both the School and County – as well as continue providing services to our residents.

While it is tempting to multiply the Estimated Third Quarter bill by four to approximate the tax increase for the year, doing so is inaccurate. This is because the calculation of the Estimated Third Quarter bill subtracts what has already been charged to date. For example, the average assessment of a home in Dunellen is currently \$365,283 and at the estimated tax rate of \$2.760 per \$100 of assessed value, calculates to \$10,081.81 for calendar year 2022. In this example, the first and second quarter tax bills for 2022 (which incidentally were sent out in September 2021), are \$2,435.44, respectively. The Third Quarter Estimated bill subtracts these two amounts, before dividing the remainder by two.

$\$10,081.81 - 2,435.44 - 2,435.44 = \$5,210.93 / 2 = \$2,605.47$, the amount of your estimated 3rd Quarter bill.

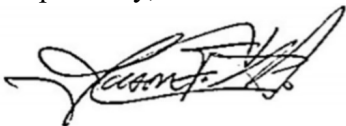
Multiplying \$2,605.47 by four yields \$10,421.88, which overstates the actual amount due for 2022 by over \$340. (Compare \$10,421.44 to the estimated amount of \$10,081.81).

Hopefully, this helps explain the Estimated Third Quarter bill you are receiving. You can always contact the Tax Collector's office for more specific information about your property taxes, or the Tax Assessor's office for more specific information concerning the value of your property. And, you can determine the estimated taxes based on your own home's assessed value by visiting www.dunellen-nj.gov/departments/tax_assessor/index.php.

I hope this letter has assisted you in explaining the Borough's CY2022 Municipal Budget. For more information on Dunellen's Sewer and Road Repair Program, please review the infographic for details. Many thanks to Dunellen resident and graphic artist Sheri Muha for the fantastic job she did on the infographic.

Thank you for your time and consideration in this matter and please feel free to contact me or any Council Member if you have any questions or concerns.

Respectfully,



Jason F. Cilento, Mayor
Borough of Dunellen

2022 MUNICIPAL BUDGET

MAYOR'S MESSAGE

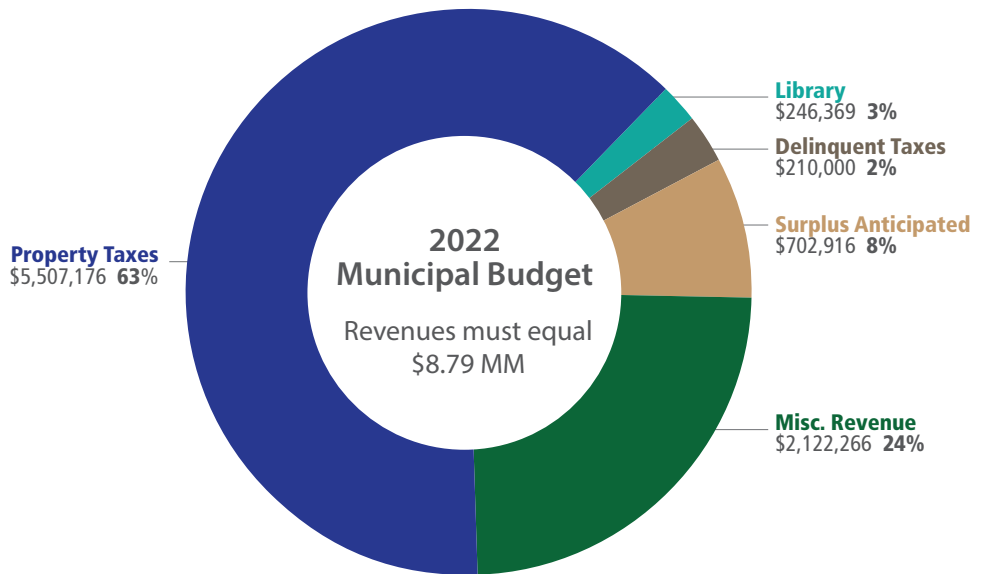
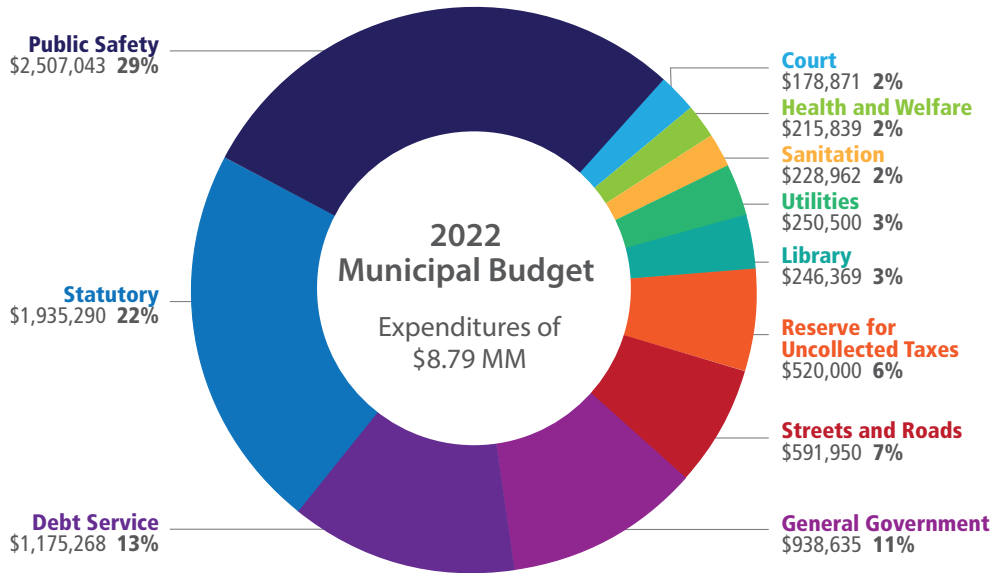
Good Government thrives when there is good communication between elected officials and their constituents. One of the best ways to enhance communication is to make the Budget process, and the annual Budget, transparent to the property owners of Dunellen. I take very seriously the explanation of, and justification for, how property taxes are raised and spent. The Borough Council and I have provided you this infographic of the 2022 Budget to highlight its key points and inform you of the shared goals this budget achieves. We believe this infographic helps explain where your tax dollars are spent so that when you receive your bills for the next tax cycle, you will agree that we are providing high quality services while being fiscally responsible. You can find more details about the budget on our website at: www.dunellen-nj.gov/departments/finance/documents.php

Respectfully,



Jason F. Cilento, Mayor

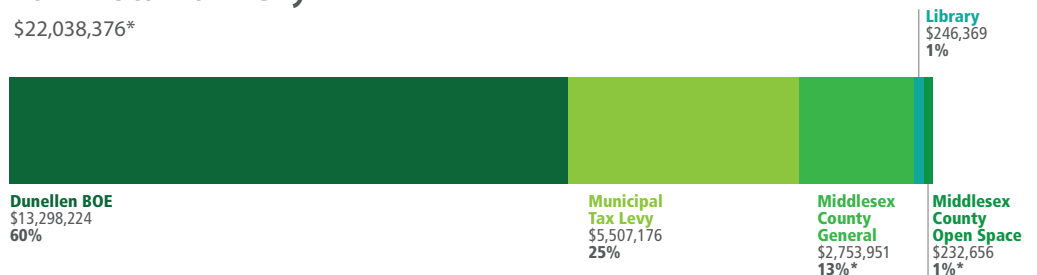
2022 DUNELLEN BUDGET HIGHLIGHTS



WHERE YOUR TAXES GO

2022 Total Tax Levy

\$22,038,376*



*Estimated

2022 SEWER UTILITY BUDGET

\$350

Where Your Sewer Fees Go
(Appropriated for a Single-family House)



Sewer and Road Repair Program

Our Current Sewer Repair Program

We are currently in year five of a five-year shared service agreement with the Plainfield Area Regional Sewerage Authority (PARSA), which provides that 20% of the sewer pipe is cleaned every year. At the time of the agreement, it was the Borough’s intention to enter into another agreement with PARSA to start videoing the sewer lines in year six at 10% per year to assess any needed repairs. Mayor Cilento’s sewer and road repair plan, with support from the Borough Council, addresses the videoing and assessing of sewer line repairs contemporaneously as we repave roads. Over the course of the past 2 years, we have used \$20,000 per year in Community Development Block Grant monies to expedite the cleaning, videoing and assessing of the sewer lines. This program has resulted in significant savings as we locate and repair broken sewer lines prior to improving the roadway surfaces. This fiscally prudent and methodical approach has allowed for us to catch up on the cleaning and videoing of our lines. As an added benefit of the Borough-PARSA shared service agreement, PARSA was able to update our sanitary sewer maps with a GIS system that includes an asset management component to better determine what current and future repairs may be needed.

Our Plans for Future Road Improvements

The sewer cleaning and videoing program coincides with an annual request to the New Jersey Department of Transportation for grant funds for roadway improvements. In the recent past, we made successful applications to fund South Madison and Lincoln Avenues (all designed with pedestrian safety in mind) and this year we are applying for additional monies to pave Second Street (between Madison Avenue and the Middlesex border). In addition, the Borough of Dunellen has continued its partnership with Middlesex County’s Mill and Pave program in which the existing surface is first removed and then replaced with fresh asphalt, all at a significant savings to the Borough. This year, sections of First Street, Dunellen Avenue, Schwartz Place and Front Street will be milled and paved and striped appropriately for traffic and pedestrian safety. Additionally, the Borough of Dunellen is coordinating with the various utility stakeholders to ensure their underground infrastructure is upgraded prior to road improvements and as a result both PSE&G and NJ American Water utilities have invested millions of dollars in upgrading their aging infrastructure while paving several miles of road, curb to curb at no cost to the Borough. These partnerships accelerate improvements to our aging sewer lines and roads, at a significant savings and include more road miles than we could pave on our own.

CALCULATE MY 2022 PROPERTY TAXES

For information on the Borough’s 5-Year Reassessment program, see:
http://www.dunellen-nj.gov/departments/tax_assessor.php

For an Excel spreadsheet to help you calculate your 2022 taxes, see
https://cms1.revize.com/revize/dunellennj/departments/tax_assessor/index.php

REMINDER
Estimated
3rd quarter tax bills
mailed in early July