



BOROUGH OF DUNELLEN

OFFICE OF THE MAYOR
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Message by the Mayor Jason F. Cilento July 2020

I would like to use this month's Message by the Mayor to discuss the Municipality's CY2020 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.

2020 MUNICIPAL BUDGET

First and foremost, I am happy to present to you the 2020 Municipal Budget through the form of an infographic. The governing body of the Borough of Dunellen believes good government thrives when there is good communication between elected officials and their constituents. Therefore, the Finance Committee under the Chairmanship of Council President Kenneth Bayer, and including Council Members Jessica Dunne and Trina Rios, worked hard to present a budget that provided the Borough with high quality of services while being fiscally responsible.

Unfortunately, this year COVID-19 brought upon the municipality, and all municipalities across New Jersey, unexpected expenditures and loss of revenue to cover appropriations. Although the Borough can project that we will be reimbursed for COVID-19 related expenditures through FEMA and County funding, we were unable to fully project if/when we would make up on loss of revenues such as Construction Office, Clerk's Office and Municipal Court to cover the necessary operational expenses to ensure services are still provided to our community. The Finance Committee sought to secure savings due to these loss revenues, but in order to maintain quality services, taxes still need to be raised 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 2020 Total Tax Levy totals \$21,120,855.00. The Municipal Tax Levy (for operations of the Borough of Dunellen) is 26% of your overall tax bill or \$0.26 cents per dollar raised. This year, it's an estimated increase of \$80.00 on a home assessed at \$288,285. Middlesex County Open Space is 1% of the tax bill or \$0.01 cents per dollar raised; Middlesex County General Purpose is 11% of the tax bill or \$0.11 cents per dollar raised; and Library is 1% or \$0.01% cents per dollar raised. The Dunellen Board of Education is 61% of the overall tax bill or \$0.61 cents per dollar raised.

As Mayor, I tasked the Borough Council and the Finance Committee earlier in the year to work with my office to develop achievable goals through our budget that enhanced organizational structures and efficiencies, improved communications, provided grant opportunities and prioritized a community vision for Dunellen's downtown. Through the CY2020 Municipal Budget, I believe we were able achieve these targeted goals by doing the following:

1. **Enhanced Organizational Structure and Efficiencies:** Creation of the Public Works Manager to oversee the administration of the Department of Public Works (DPW), as well as the hiring of part-time support staff for the DPW and Recreation Department to assist in enhanced scheduling, reporting and communications with residents.
2. **Communication Enhancements:** Creation of the Public Information Officer to assist the Mayor and Borough Council, as well as Borough Administration, to heighten our local government's communication with residents and business community.
3. **Grant Opportunities:** Created the role of a freelance grant writer to seek additional funds to offset burdens on budget for programming and projects around Dunellen.
4. **Prioritizing Community Vision for our Downtown:** Appointment of a planner to host workshops to build a community consensus for Dunellen's downtown and integrate this vision into our master plan reexamination. This goal prepares the borough to be proactive in its redevelopment efforts and control the vision for our downtown.

You may find more detailed information on the CY2020 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, is to decrease debt service payments, alleviate property taxes, and 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 unforeseen matter of COVID-19 as well as the State of New Jersey delaying their own fiscal year. The estimated tax bill therefore still needs to be issued within the timeframe of collection dates because the Borough requires the revenue from tax collections in order to pay the other taxing districts, and to 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 been charged to date. For example, the average assessment of a home in Dunellen is currently \$288,285 and the estimated tax rate is \$3.249

per \$100 of assessed value, which calculates to an estimated total of \$9,366.38 for the year. In this case, the First and Second Quarter tax bills for 2020 are both \$2,236.37. The Third Quarter Estimated bill subtracts these two amounts, before dividing the remainder by two.

$\$9,366.38 - 2,236.37 - 2,236.37 = \$4,893.64 / 2 = \$2,446.82$, the amount of your estimated 3rd Quarter bill.

Multiplying \$2,446.82 by four yields \$9,787.28, which overstates the actual amount due for 2020 by over \$420. (Compare \$9,787.28 to the estimated amount of \$9,366.38).

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 CY2020 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,

A handwritten signature in black ink, appearing to read 'Jason F. Cilento', with a stylized flourish at the end.

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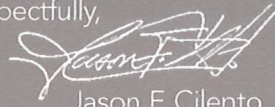
2020

MUNICIPAL BUDGET

MAYOR'S MESSAGE

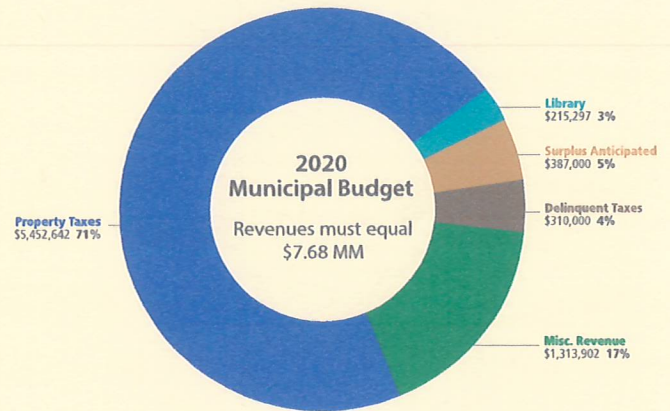
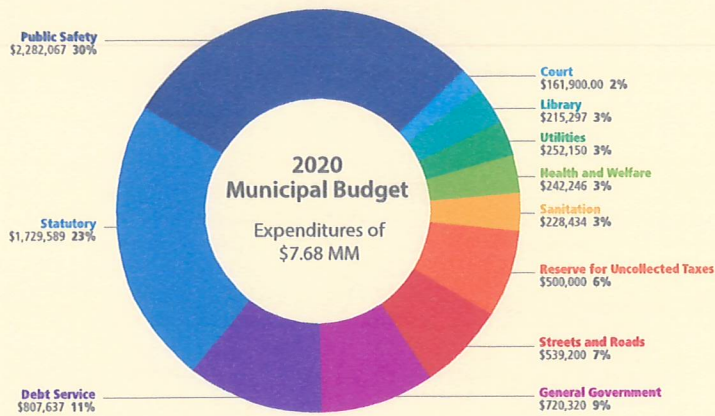
Good Government thrives when there is good communication between elected officials and their constituents. One of the best ways to enhance communication is to make the Budget process, and the annual Budget, transparent to the property owners of Dunellen. I take very seriously the explanation of, and justification for, how property taxes are raised and spent. The Borough Council and I provide this infographic of the 2020 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

2020 DUNELLEN BUDGET HIGHLIGHTS



2020 Budget Goals Achieved



Enhanced Organizational Structure & Efficiencies

Creation of the Public Works Manager to oversee administration of the Department of Public Works (DPW), as well as hiring of part-time support staff for DPW and Recreation Department to assist in enhanced scheduling, reporting and communication with residents.



Communication Enhancements

Creation of the Public Information Officer to assist the Mayor & Borough Council, as well as the Borough Administration, to communicate borough functions through social media and website. This enhances our local government's communication and transparency.



Grant Opportunities

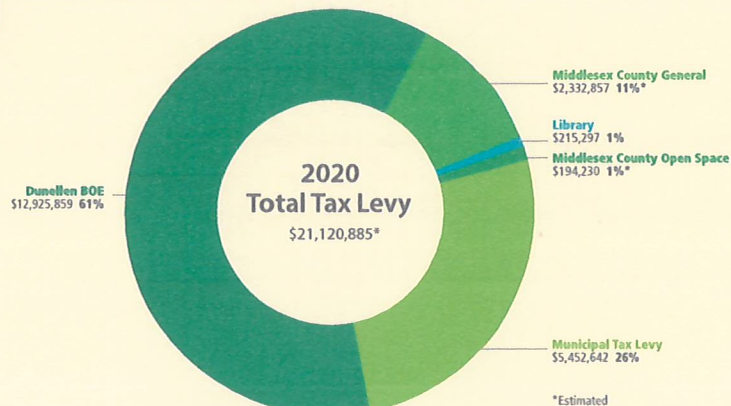
Bringing on a freelance grant writer to seek additional funds to offset burdens on budget for programing and projects around Dunellen.



Prioritizing Community Vision for our Downtown

Appointment of a planner to host workshops to build a community consensus for Dunellen's downtown and integrate this vision into our master plan reexamination. This goal prepares the borough to be proactive in its redevelopment efforts and control the vision for our downtown.

WHERE YOUR TAXES GO



*Estimated

2020 SEWER UTILITY BUDGET

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

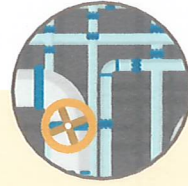
Statutory Expenses	2%	\$7
Debt Services	4%	\$14
Capital Improvements	7%	\$25
Salaries and Wages	10%	\$35
Operating Expenses	13%	\$45
Plainfield Area Regional Sewerage Authority	64%	\$224
Total	100%	\$350



NJ DOT-approved monies for these roadways:

South Madison Avenue: \$583,316

Lincoln Avenue: \$525,000



Sewer and Road Repair Program

Our Current Sewer Repair Program

We are currently in year 3 of a five-year shared service agreement with Plainfield Area Regional Sewerage Authority (PARSA), which guarantees 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 6 at 10% per year to assess the needed repairs.

Mayor Cilito's sewer & road repair program, with support from the Borough Council, addresses the videoing and assessing of sewer line repairs immediately as we repave roads through the use of \$20,000.00 in CDBG grant funds for these purposes.

Our Plans for Future Road Improvements

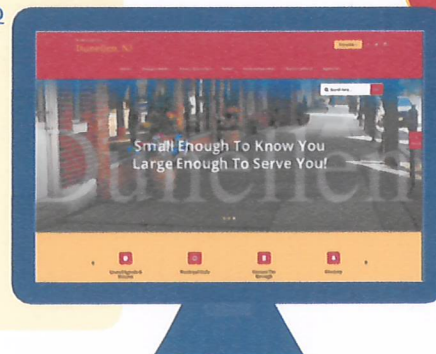
The sewer cleaning and videoing program coincides with an annual request to the New Jersey Department of Transportation for grant funds for roadway improvements. In the recent past, we made successful applications to fund Grove Street and South Madison Avenue projects and this year we are applying for additional monies to pave Lincoln Avenue.

Through this plan the Borough will address both cleaning and videoing of the lines, focusing in particular on those roads undergoing improvements - Grove Street and South Madison Avenue in 2020, Lincoln Avenue (anticipated) in 2021. This plan tackles the dire need to improve our aging sewer lines now.

CALCULATE MY 2020 PROPERTY TAXES

For information on the Revaluation conducted in 2018, see
http://www.dunellen-nj.gov/municipal_news/valuation/index.php

For an Excel spreadsheet to help you calculate
your 2020 taxes, see
http://www.dunellen-nj.gov/departments/tax_assessor/index.php



REMINDER
Estimated
3RD quarter tax
bills mailed in
JUNE