

MILLSTONE TOWNSHIP COMMITTEE BUDGET WORKSHOP MEETING MINUTES FOR MAY 16, 2023

Mayor Ferro calls the meeting to order 9:15 a.m. followed by a flag salute and a moment of silence.

STATEMENT OF NOTICE AS REQUIRED BY P.L. 1975, C231 IS READ.

I hereby announce that pursuant to the Open Public Meeting Act, adequate notice of this meeting has been provided in the Annual Meeting Notice which was mailed to the Asbury Park Press and the Trenton Times, posted on the public announcements bulletin board in Town Hall and filed in the Office of the Township Clerk on May 14, 2023.

ROLL CALL: Committeeman Eric Davis – absent, Deputy Mayor Chris Morris – present, Committeeman Michael McLaughlin – absent, Committeeman Tara Zabrosky – present and Mayor Al Ferro - present. Also, in attendance: Kevin Abernethy - Township Administrator; Kathleen Hart - Municipal Clerk, Anthony Mannino, CFO and Melissa Peerboom, Deputy CFO.

All attendees and participants agree to conduct themselves in a manner appropriate for public gathering. Individual speakers should be advised that no right of privacy protects a person’s public comments made in a public forum. Accordingly, all participants bear responsibility for their own statements and commentary.

NEW BUSINESS:

1. Review of the 2023 Municipal Budget:

Anthony Mannino, CMFO reviews the PowerPoint (Attachment A) of the 2023 municipal budget with the Township Committee along with Kevin Abernethy, Township Administrator and Melissa Peerboom, Deputy CFO.

On the revenue side the Township can only budget up to what was realized in the prior year. The state aid without offsetting appropriations is the energy receipt tax received every year from the State. M/Ferro asked if this includes the reimbursement due to municipalities from the State for restoration of the energy receipt tax? The CFO said that this is not the reimbursement from the State. The American Rescue Plan money needs to be fully expended by 2026. The receipts from delinquent taxes are taxes not collected in 2022 and when the Township has the tax sale at the end of the year, the Township should collect this amount. The general appropriations for municipal purposes within “CAPS” represent all the departments, including salary and other expenses, utilities and gasoline costs. Operations – excluded from “CAPS” is the 911 service for dispatch, Court, EMS and Animal Control. Reserve for uncollected taxes is the tax that the municipality is required to collect for school and county tax the entire amount of their tax levy, even if the municipality does not collect the entire tax levy, it is still required to pay the full amount to the school and county. The State allows the municipality to budget a reserve for uncollected taxes, offsetting this amount.

The capital budget and plan are estimated projection of capital projects for the next six years. This is only a forecast and will change.

For 2023 budget the local municipal tax rate is \$0.222 per every \$100 of assessed valuation and the 2023 local open space tax is \$0.060 per every \$100 of assessed valuation. An average residential home value for 2023 is \$543,175.83 and the local tax will be \$1,208.07. On an average home value this will be a \$61.00 increase. The reserve for uncollected taxes 2022 tax collection percentage is 98.89% and the 2023 budgeted expectation is 98.35%. The 2023 budget is \$10,016,154.55 and the maximum allowable amount to be raised by taxation is \$5,679,693.37.

The appropriations CAP maximum allowable appropriations within CAPS are \$5,009,031.99 with the actual appropriations within CAPS in the budget now is \$4,989,335.00 leaving a 2023 CAP Bank of \$19,696.99. This means that the inside CAP is limited to 3.5%. This is a law from 1977 and it is to safeguard appropriations from massively increase from one year to another to protect residents from an undo tax increase. M/Ferro asked does the State limit the costs that are passed down to the municipalities? Mr. Mannino said unfortunately no, considering the very large increases in health benefits (24% increase) and pension (based on what type of employees you have). The Local Finance Board allowed a onetime allowance, this year only, where you were able to shift expenses of more than 3.5% to outside cap on garbage collection, recycling, pension increases, worker comp and diesel. This law is from 1977 and needs to be brought up to date, however, legislators are

MILLSTONE TOWNSHIP COMMITTEE BUDGET WORKSHOP MEETING MINUTES FOR MAY 16, 2023

hesitating to look at the old law and reevaluate.

Millstone Township has the second lowest municipal tax rate in Monmouth County. The total levy for all taxes (which includes, County, Schools, Special District, local municipal tax and Open Space is approximately \$47,315,000.00. Some of these numbers are estimated. The local municipal tax is \$4.2 million, open space tax is \$1.1 million, special district tax is \$2.3 million, school tax is \$33.8 million, county tax is \$5.7 million. M/Ferro states that it cost to send a child to school in Millstone approximately \$26,000 per year.

The Township Administrator states that the budget will be introduced at the May 17, 2023 Township Committee meeting. With this budget, the municipal tax will increase \$61.00 a year; \$15.00 per quarter. This is only for municipal tax.

PRIVILEGE OF THE FLOOR: (Limited to ½ Hour)

Mayor Ferro opens the meeting to the public at 10:04 a.m.

No public comment.

Mayor Ferro closes the meeting to the public at 10:04 a.m.

ADJOURNMENT:

Motion to adjourn was moved by C/Zabrosky; second by DM/Morris. All in Favor.

Time Out 10:05 a.m.

Audio of the meeting is available in the Municipal Clerks Office.

May 16, 2023 Township Committee Budget Workshop Meeting Minutes approved at a Township Committee meeting held on June 7, 2023.

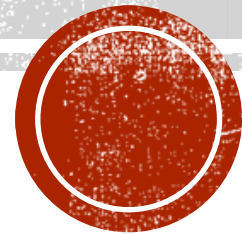
Kathleen Hart, RMC
Municipal Clerk

ATTACHMENT A

TOWNSHIP OF MILLSSTONE

2023

BUDGET WORKSHOP



REVENUES — CURRENT FUND

CURRENT FUND - ANTICIPATED REVENUES - (Continued)						
GENERAL REVENUES			FCOA	Anticipated		Realized in
				2023	2022	Cash in 2022
Summary of Revenues			XXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
1.	Surplus Anticipated (Sheet 4, #1)		08-101	3,000,000.00	1,300,000.00	1,300,000.00
2.	Surplus Anticipated with Prior Written Consent of Director of Local Government Services (Sheet 4, #2)		08-102	-	-	-
3.	Miscellaneous Revenues:		XXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
	Total Section A:	Local Revenues	08-001	454,488.27	732,008.81	768,940.66
	Total Section B:	State Aid Without Offsetting Appropriations	09-001	890,287.02	841,753.00	841,753.00
	Total Section C:	Dedicated Uniform Construction Code Fees Offset with Appropriations	08-002	571,000.00	600,000.00	571,157.99
	Total Section D:	Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Shared Service Agreements	11-001	6,000.00	6,000.00	6,000.00
	Total Section E:	Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Additional Revenues	08-003	-	-	-
	Total Section F:	Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Public and Private Revenues	10-001	30,371.12	67,218.32	67,218.32
	Total Section G:	Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items	08-004	370,992.75	688,435.00	688,435.00
	Total Miscellaneous Revenues		13-099	2,323,139.16	2,935,415.13	2,943,504.97
4.	Receipts from Delinquent Taxes		15-499	400,000.00	400,000.00	457,009.79
5.	Subtotal General Revenues (Items 1, 2, 3 and 4)		13-199	5,723,139.16	4,635,415.13	4,700,514.76
6.	Amount to be Raised by Taxes for Support of Municipal Budget:		XXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX
	a)	Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	07-190	4,293,015.39	4,051,564.78	XXXXXXXXXXXX
	b)	Addition to Local District School Tax	07-191	-	-	XXXXXXXXXXXX
	c)	Minimum Library Tax	07-192	-	-	XXXXXXXXXXXX
	Total Amount to be Raised by Taxes for Support of Municipal Budget		07-199	4,293,015.39	4,051,564.78	4,592,688.89
7.	Total General Revenues		13-299	10,016,154.55	8,686,979.91	9,293,203.65



APPROPRIATIONS – CURRENT FUND

CURRENT FUND - APPROPRIATIONS									
8. GENERAL APPROPRIATIONS			FCOA	Appropriated			Expended 2022		
Summary of Appropriations				for 2023	for 2022	for 2022 By Emergency Appropriation	Total for 2022 As Modified By All Transfers	Paid or Charged	Reserved
(H-1)	Total General Appropriations for		34-299	4,989,335.00	4,805,919.00	-	4,805,919.00	4,556,646.85	249,272.15
	Municipal Purposes within "CAPS"		XXXXXX						
(A)	Operations - Excluded from "CAPS"		XXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	Other Operations		34-300	27,989.44	26,200.00	-	26,200.00	26,181.00	19.00
	Uniform Construction Code		22-999	-	-	-	-	-	-
	Shared Service Agreements		42-999	246,600.00	243,800.00	-	243,800.00	232,551.00	11,249.00
	Additional Appropriations Offset by Revenues		34-303	-	-	-	-	-	-
	Public & Private Programs Offset by Revenues		40-999	36,824.62	73,724.32	-	73,724.32	73,724.32	-
	Total Operations Excluded from "CAPS"		34-305	311,414.06	343,724.32	-	343,724.32	332,456.32	11,268.00
(C)	Capital Improvements		44-999	1,590,000.00	350,000.00	-	350,000.00	50,000.00	300,000.00
(D)	Municipal Debt Service		45-999	2,343,488.75	2,427,825.00	-	2,427,825.00	2,005,323.50	XXXXXXXXXX
(E)	Total Deferred Charges (Sheet 28)		46-999	-	6,404.00	XXXXXXXXXX	6,404.00	6,404.00	XXXXXXXXXX
(F)	Judgments (Sheet 28)		37-480	-	-	-	-	-	XXXXXXXXXX
(G)	Cash Deficit - With Prior Consent of Local Finance Board		46-885	-	-	XXXXXXXXXX	-	-	XXXXXXXXXX
(K)	Local District School Purposes		29-410	-	-	-	-	-	XXXXXXXXXX
(N)	Transferred to Board of Education		29-405	-	-	XXXXXXXXXX	-	-	XXXXXXXXXX
(M)	Reserve for Uncollected Taxes		50-899	781,916.74	753,107.59	XXXXXXXXXX	753,107.59	753,107.59	XXXXXXXXXX
	Total General Appropriations		34-499	10,016,154.55	8,686,979.91	-	8,686,979.91	7,703,938.26	560,540.15



CAPITAL BUDGET & CAPITAL PLAN

(CONT...)

- The Capital Improvement Program presented herewith is an estimated projection of Capital Projects for the next six years. It should be noted that the foregoing does not represent an appropriation of funds for the purposes listed, but merely a plan of capital improvements that are being contemplated in 2023 and the ensuing five years. A funding authorization is required in the form of a budget appropriation or capital ordinance before monies are available for the projects outlined in this section.
- Every effort has and will be made by the Mayor and Township Council to plan improvements which are responsive to the needs of the community. Should unanticipated needs arise, the capital program will be revised or amended accordingly.



CAPITAL BUDGET & CAPITAL PLAN

CAPITAL BUDGET (Current Year Action)									
2023									
				Local Unit		TOWNSHIP OF MILLSTONE			
1 PROJECT TITLE	2 PROJECT NUMBER	3 ESTIMATED TOTAL COST	4 AMOUNTS RESERVED IN PRIOR YEARS	5 PLANNED FUNDING SERVICES FOR CURRENT YEAR - 2023					6 TO BE FUNDED IN FUTURE YEARS
				5a 2023 Budget Appropriations	5b Capital Improvement Fund	5c Capital Surplus	5d Grants in Aid and Other Funds	5e Debt Authorized	
Equipment:		-							
Class VIII, Single Axle Snow Removal Truck	1	224,000.00	-	-	-	-	-	-	224,000.00
Zero Turn Mower	2	18,000.00	-	-	-	-	-	-	18,000.00
Class II, Pick up Truck (Gas)	3	53,000.00	-	-	-	-	-	-	53,000.00
Open Trailer	4	10,900.00	-	-	-	-	-	-	10,900.00
High Reach Loader	5	168,000.00	-	-	-	-	-	-	168,000.00
Skid Steer Loader	6	63,000.00	-	-	-	-	-	-	63,000.00
Class V, Heavy Duty Truck with Dump Bed	7	84,500.00	-	-	-	-	-	-	84,500.00
Class VIII, Single Axle Snow Removal Truck	8	204,000.00	-	-	-	-	-	-	204,000.00
Class II, Pickup Truck (Gas)	9	52,000.00	-	-	-	-	-	-	52,000.00
Mid Range Tractor	10	83,000.00	-	-	-	-	-	-	83,000.00
Zero Turn Mower	11	18,000.00	-	-	-	-	-	-	18,000.00
Asphalt Roller	12	20,000.00	-	-	-	-	-	-	20,000.00
		-							
		-							
		-							
		-							
		-							
TOTAL - THIS PAGE	xxxxx	998,400.00	-	-	-	-	-	-	998,400.00



CAPITAL BUDGET & CAPITAL PLAN

CAPITAL BUDGET (Current Year Action)

2023

CAPITAL BUDGET (Current Year Action)									
2023									
Local Unit									
TOWNSHIP OF MILLSTONE									
1 PROJECT TITLE	2 PROJECT NUMBER	3 ESTIMATED TOTAL COST	4 AMOUNTS RESERVED IN PRIOR YEARS	5 PLANNED FUNDING SERVICES FOR CURRENT YEAR - 2023					6 TO BE FUNDED IN FUTURE YEARS
				5a 2023 Budget Appropriations	5b Capital Improvement Fund	5c Capital Surplus	5d Grants in Aid and Other Funds	5e Debt Authorized	
2023 Road Program	21	1,800,000.00	-	-	65,000.00	-	500,000.00	-	1,235,000.00
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
		-							
TOTAL - ALL PROJECTS	XXXXX	3,717,650.00	-	-	65,000.00	-	500,000.00	-	3,152,650.00



STATISTICS

- **Average Residential Home Value:**

- 2022 - \$541,137.43
 - Local Tax - \$1,147.21
- 2023 - \$543,175.83
 - Local Tax - \$1,208.07

- **Tax Rates**

- 2022 Local Municipal – \$0.212 per every \$100 of Assessed Valuation
- 2023 Local Municipal – \$0.222 per every \$100 of Assessed Valuation
- 2022 & 2023 Local Open Space – \$0.060 per every \$100 of Assessed Valuation



STATISTICS (CONT...)

- Reserve for Uncollected Taxes
 - 2022 Tax Collection Percentage – 98.89%
 - 2023 Budgeted Expectation – 98.35%
- Certification of New construction in 2022
 - \$16,187,500.00 at \$0.212 Municipal Tax Rate = \$34,317.50 of Additional Ratables
- Appropriations CAP - N.J.S.A. 40A:4-45.2 – 1977 CAP Law
 - Maximum Allowable Appropriations within “CAPS” - \$5,009,031.99
 - Actual Appropriations within “CAPS” – \$4,989,335.00
 - 2023 CAP Bank - \$19,696.99



STATISTICS (CONT...)

- Tax Levy CAP - N.J.S.A. 40A:4-45.45 & N.J.S.A. 40A:4-45.3 – 2010 CAP Law
 - Maximum Allowable Amount to be Raised by Taxation - \$5,679,693.37
 - Actual Amount to be Raised by Taxation – \$4,293,015.39
 - 2023 CAP Bank - \$1,386,677.98



STATISTICS (CONT...)

	Local Municipal Tax Rate	Local Municipal Open Space Rate
2023 - Proposed	0.222	0.060
2022 – Actual	0.212	0.060
2021 – Actual	0.202	0.060
2020 – Actual	0.177	0.060
2019 – Actual	0.167	0.060
2018 – Actual	0.139	0.060
2017 – Actual	0.139	0.060



STATISTICS (CONT...)

	Fund Balance (Available)	Fund Balance (Utilized)
2023 – Proposed	\$2,468,034.93	\$3,000,000.00
2022 – Actual	2,521,099.21	1,300,000.00
2021 – Actual	1,112,245.09	929,000.00
2020 – Actual	1,268,624.57	750,000.00
2019 – Actual	1,171,647.15	600,000.00
2018 – Actual	1,776,218.98	1,150,000.00
2017 – Actual	1,873,075.55	944,746.38

