

**CITY OF NEW BRUNSWICK
CALENDAR YEAR 2021
ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION
LIMITS AND TO ESTABLISH A CAP BANK
(N.J.S.A. 40A:4-45.14)**

WHEREAS, the Local Government Cap Law, N.J.S. 40A:4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget up to 2.5% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and,

WHEREAS, N.J.S.A. 40A:4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and,

WHEREAS, the Governing Body of the City of New Brunswick, in the County of Middlesex, finds it advisable and necessary to increase its CY 2021 Budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,

WHEREAS, the Governing Body hereby determines that a 3.5% increase in the Budget for said year, amounting to \$1,964,944.55 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

WHEREAS, the Governing Body hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.

NOW, THEREFORE, BE IT ORDAINED by the Governing Body of the City of New Brunswick, in the County of Middlesex, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2021 Budget year, the final appropriations of the City of New Brunswick shall, in accordance with this ordinance and N.J.S.A. 40A:4-45.14, be increased by 3.5%, amounting to \$2,750,922.37, and that the CY 2021 Municipal Budget for the City of New Brunswick be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER ORDAINED, that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be uploaded on the FAST System for said Director within 5 days after such adoption.

ADOPTED ON FIRST READING

DATED: May 19, 2021

LESLIE R. ZELEDON, City Clerk


SUZANNE SICORA-LUDWIG, Council
President

COUNCILMEMBER	V	N	NV	AB	COUNCILMEMBER	V	N	NV	AB
ANDERSON	X				ESCOBAR, P. M.	X			
EGAN	X				SICORA-LUDWIG, S.	X			
FLEMING, S.	X								

FIRST READING VOTE ON MAY 19, 2021
V= VOTED
N= MOVED
NV= SECOND NV= NO VOTE
AB= ABSENT

EXPLANATORY STATEMENT - (Continued)

BUDGET MESSAGE

CAP CALCULATION

Total General Appropriations for 2020	94,375,702.00
Cap Base Adjustment:	
Subtotal	94,375,702.00
Exceptions Less:	
Total Other Operations	1,217,570.00
Total Uniform Construction Code	
Total Interlocal Service Agreement	2,545,000.00
Total Additional Appropriations	
Total Capital Improvements	189,000.00
Total Debt Service	6,394,626.00
Transferred to Board of Education	738,613.00
Type I School Debt	2,814,438.00
Total Public & Private Programs	1,094,009.00
Judgements	
Total Deferred Charges	353,130.00
Cash Deficit	
Reserve for Uncollected Taxes	431,534.00
Total Exceptions	15,777,920.00
Amount on Which CAP is Applied	78,597,782.00
<u>1.0%</u> CAP	785,977.82
Allowable Operating Appropriations before	
Additional Exceptions per (N.J.S.A. 40A:4-45.3)	79,383,759.82

CAP CALCULATION

Allowable Operating Appropriations before		
Additional Exceptions per (N.J.S.A. 40A:4-45.3)		79,383,759.82
Additions:		
New Construction (Assessor Certification)		572,068.62
2019 Cap Bank		744,136.17
2020 Cap Bank		953,368.41
Total Additions		2,269,573.20
Maximum Appropriations within "CAPS" Sheet 19 @	1.0%	81,653,333.02
Additional Increase to COLA rate.	3.5%	
Amount of Increase allowable.	2.5%	1,964,944.55
Maximum Appropriations within "CAPS" Sheet 19 @	3.5%	83,618,277.57

NOTE:

Sheet 3b

MANDATORY MINIMUM BUDGET MESSAGE MUST INCLUDE A SUMMARY OF:

1. HOW THE "CAP" WAS CALCULATED. (Explain in words what the "CAPS" mean and show the figures.)
2. A SUMMARY BY FUNCTION OF THE APPROPRIATIONS THAT ARE SPREAD AMONG MORE THAN ONE OFFICIAL LINE ITEM (e.g. if Police S & W appears in the regular section and also under "Operation Excluded from "CAPS" section, combine the figures for purposes of citizen understanding.)

ADOPTED ON SECOND READING

DATED: _____, 2021

LESLIE R. ZELEDON, City Clerk

SUZANNE SICORA-LUDWIG, Council
President

APPROVAL BY THE MAYOR ON THIS ____ DAY OF _____, 2021

JAMES M. CAHILL, Mayor

APPROVALS:



CITY ADMINISTRATOR



CITY ATTORNEY