

RESOLUTION 91-19

**RESOLUTION AUTHORIZING AN ALTERNATE CALCULATION OF THE
RESERVE FOR UNCOLLECTED TAXES PURSUANT TO N.J.S.A. 40A:4-41(c)(1)**

WHEREAS, N.J.S.A. 40A:4-40 requires that there shall be included in each budget an appropriation for a Reserve for Uncollected Taxes, and

WHEREAS, N.J.S.A. 40A:4-41 limits the percentage for the calculation of the aforementioned Reserve for Uncollected Taxes "to an amount not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of the preceding fiscal year," and

WHEREAS, County and State tax appeal judgments have been awarded to property owners in the year 2018, the percentage of tax collections was computed to be 96.46%, which was below the normal percentage for the Borough of Clayton as computed for the previous fiscal years, and

WHEREAS, the computation of the Reserve for Uncollected Taxes for the Budget for the year 2019 based, on the aforementioned percentage, will cause a hardship to the residents of the Borough of Clayton, and

WHEREAS, it is anticipated that tax collections for the Borough of Clayton for the fiscal year 2019 will be realized in amounts as computed for the years prior to 2018, and

WHEREAS, N.J.S.A. 40A:4-41(c)(1) provides for the use of a three-year average to determine the amount required for the reserve for uncollected taxes for municipalities.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Clayton, County of Gloucester, that it hereby elects to determine the reserve for uncollected taxes in the 2019 budget by using a percentage of 96.81%. This is the average of the percentages of taxes levied, which were received in cash by the last day of each of the three preceding fiscal years, in accordance with the provisions of N.J.S.A. 40A:4-41(c)(1).

BE IT FURTHER RESOLVED, that two (2) certified copies of this resolution be furnished to the Director of the Division of Local Government Services.

BOROUGH OF CLAYTON



THOMAS BIANCO, Mayor

ATTEST:



CHRISTINE NEWCOMB, Clerk