

FY 2024

Executive Municipal Budget Overview Presentation



Town Council Meeting | May 14, 2024

Jillian Barrick, Business Administrator

Budget Summary Points

- Net Assessed Valuation –\$4,784,035,300
- One Cent of the Municipal Tax Rate =\$478,403
- \$900,020 under the 2% Property Tax Levy CAP
- Tax Collection rate 98.4%- per 2023 AFS
- Effective Tax Rate Increase – \$0.017

Tax Base

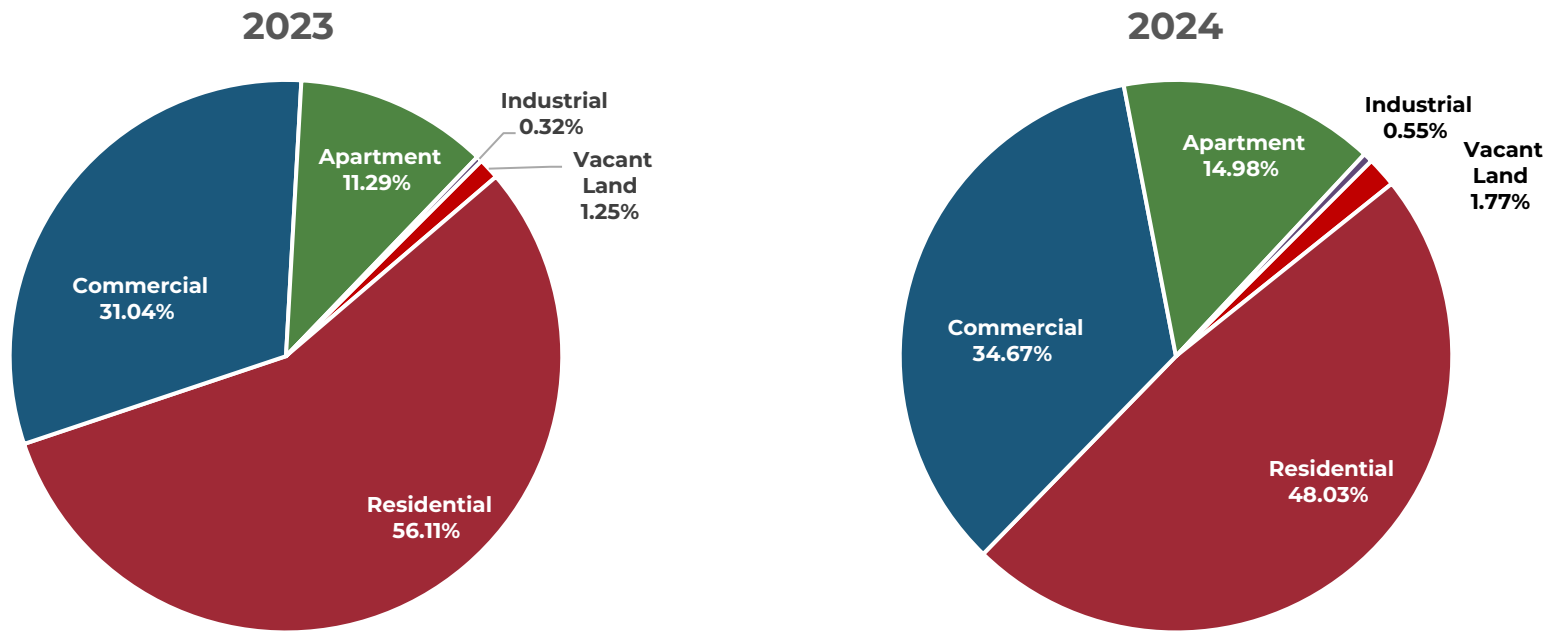
Town Net Assessed Valuation doubled!

\$2.4 billion increase over 2023 ratables

	2023	2024	\$ Change	% Change
Vacant Land	\$28,768,500	\$84,477,100	\$55,708,600	194%
Residential	\$1,295,231,100	\$2,297,762,600	\$1,002,531,500	77%
Commercial	\$716,442,650	\$1,658,590,800	942,148,150	132%
Industrial	\$7,430,100	\$26,394,200	\$18,964,100	255%
<u>Apartment</u>	<u>\$260,612,000</u>	<u>\$716,810,600</u>	<u>\$456,198,600</u>	<u>175%</u>
Total Assessed Value	\$2,308,484,350	\$4,784,035,300	\$2,475,550,950	107%

FY 2023 vs 2024

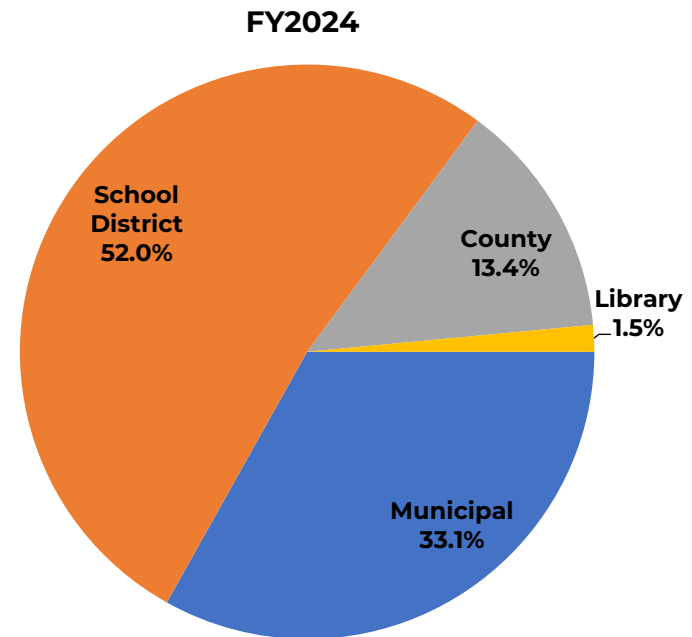
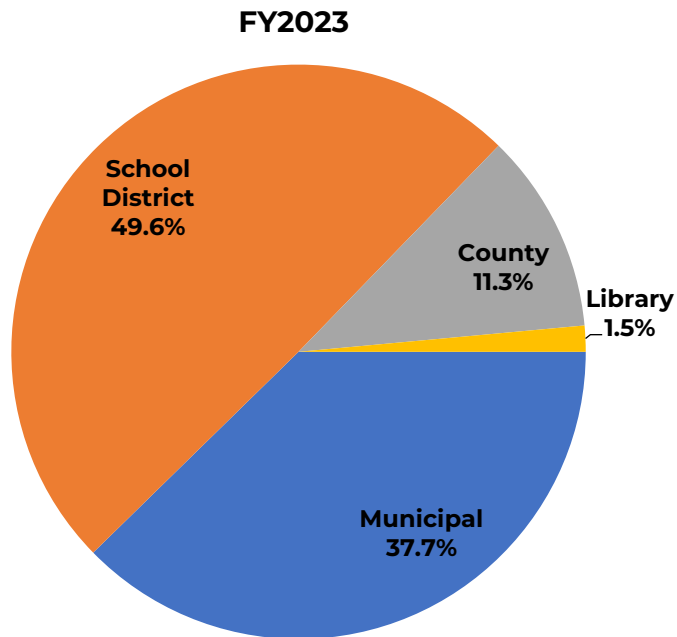
Valuation By Property Class



Revaluation has adjusted the percentages in each category

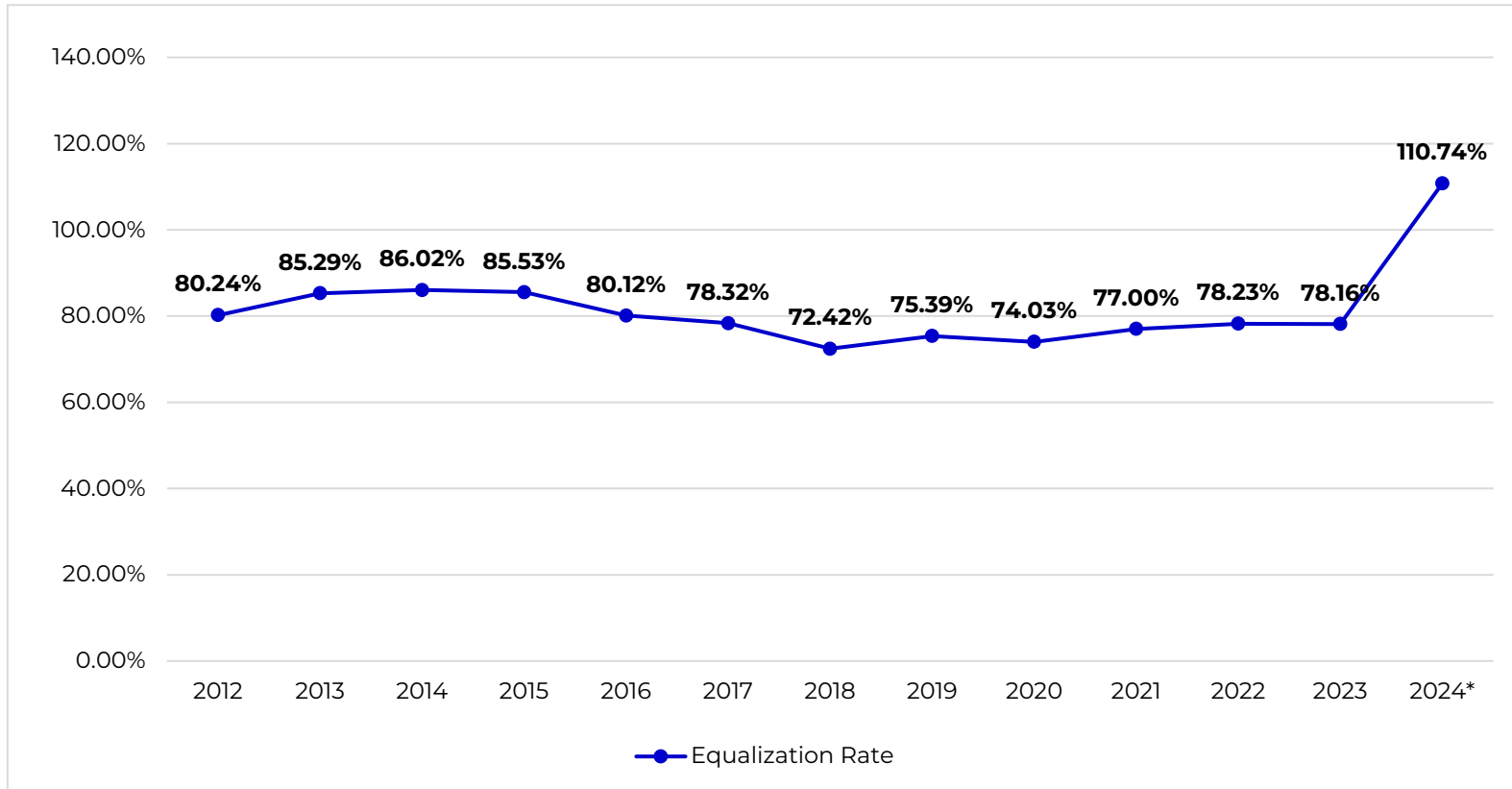
FY 2023 vs 2024

Property Tax Breakdown shift toward school and county



Revaluation has adjusted the percentages in each category

Equalization Rate

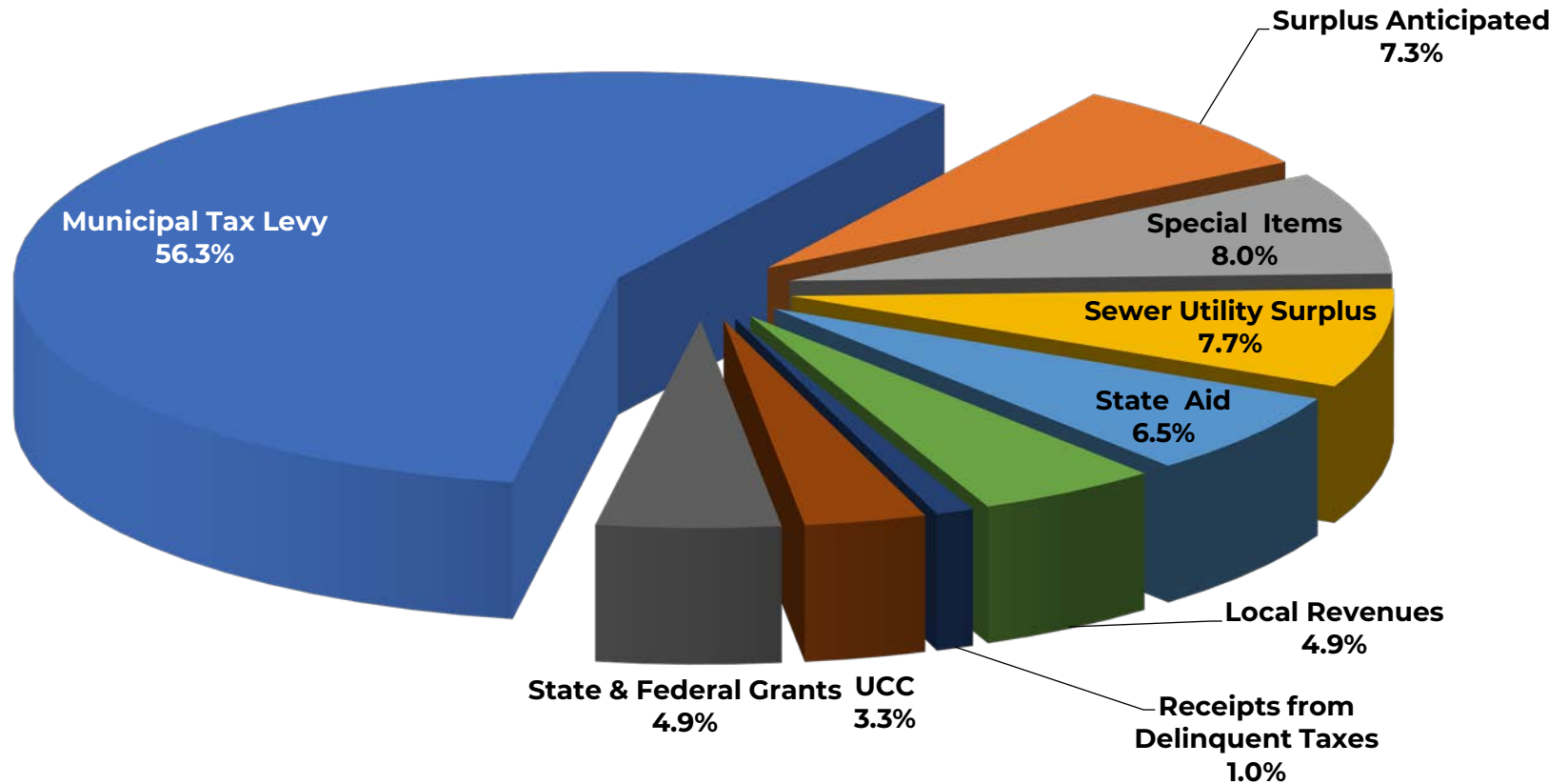


Financial Summary Totals

	FY2023	FY2024
<u>Operating Fund</u>		
Municipal Budget	\$43,383,284	\$45,438,295
Aid to the Library	980,755	1,196,521
<u>Grants</u>	<u>1,157,025</u>	<u>2,413,129</u>
Operating Fund Total	45,521,064	49,047,945
<u>Sewer Utility Fund</u>		
Sewer Utility Budget	6,912,552	6,643,210
Capital Improvements Plan	<u>565,000</u>	<u>749,815</u>
Sewer Utility Fund Total	7,477,552	7,393,025
Total Financial Budgets	\$52,998,616	\$56,440,970

2024 Revenues

“Where The Budget \$\$ Comes From”



General Revenues

Top 5 Revenue Increases 23 vs 24 (proposed)

General Revenues

Top 5 Revenue Decreases 23 vs 24 (projected)

Tax Bill Comparison (average residential property)

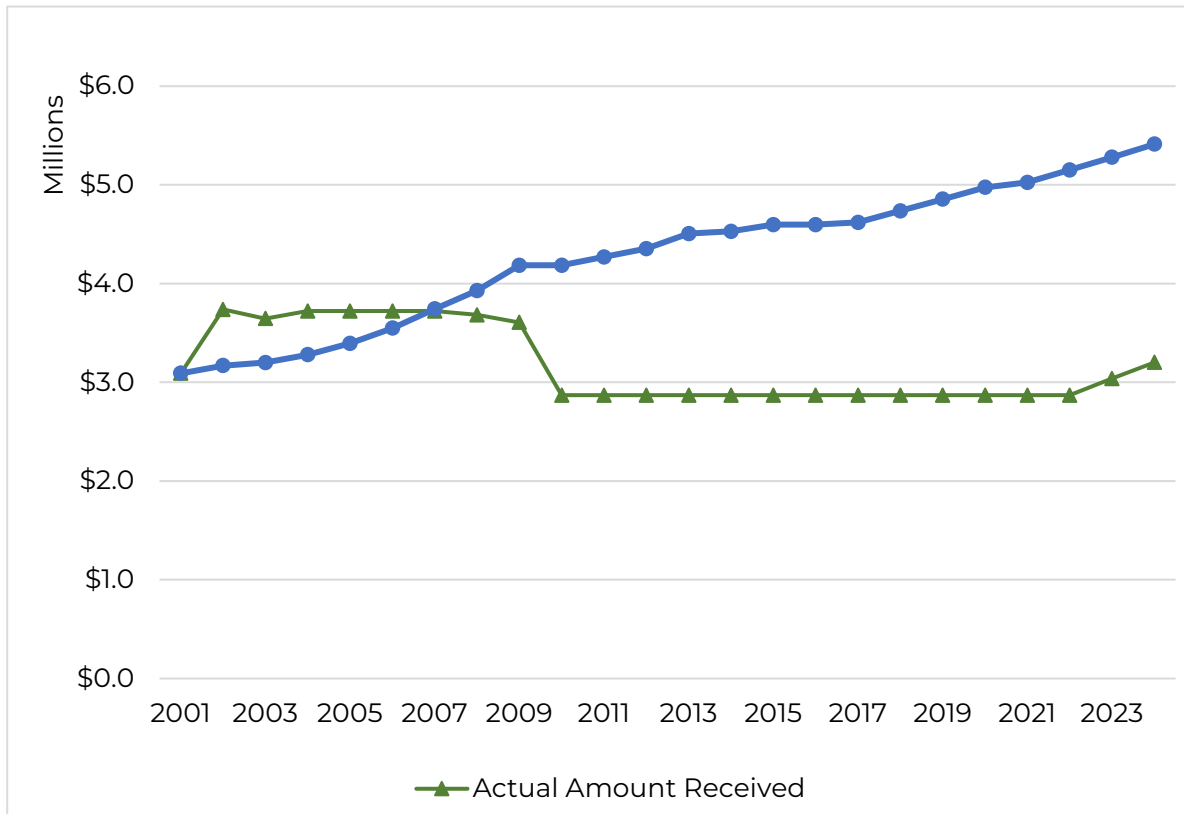
	FY2023	FY2024*	Difference
Average Residential Assessment	\$358,292	\$635,443	\$277,151
Municipal Tax	\$3,922	\$3,510	-\$412
Morris School District Tax*	\$5,161	\$5,512	\$350
Morris County Tax*	\$1,173	\$1,417	\$244
Public Library Tax	<u>\$152</u>	<u>\$159</u>	<u>\$7</u>
Total Tax Bill Amount	\$10,408	\$10,598	\$189

FY 2024 Total Property Tax \$ Effect

Increase of \$15.78/month

* FY 2024 Estimated Tax Amounts

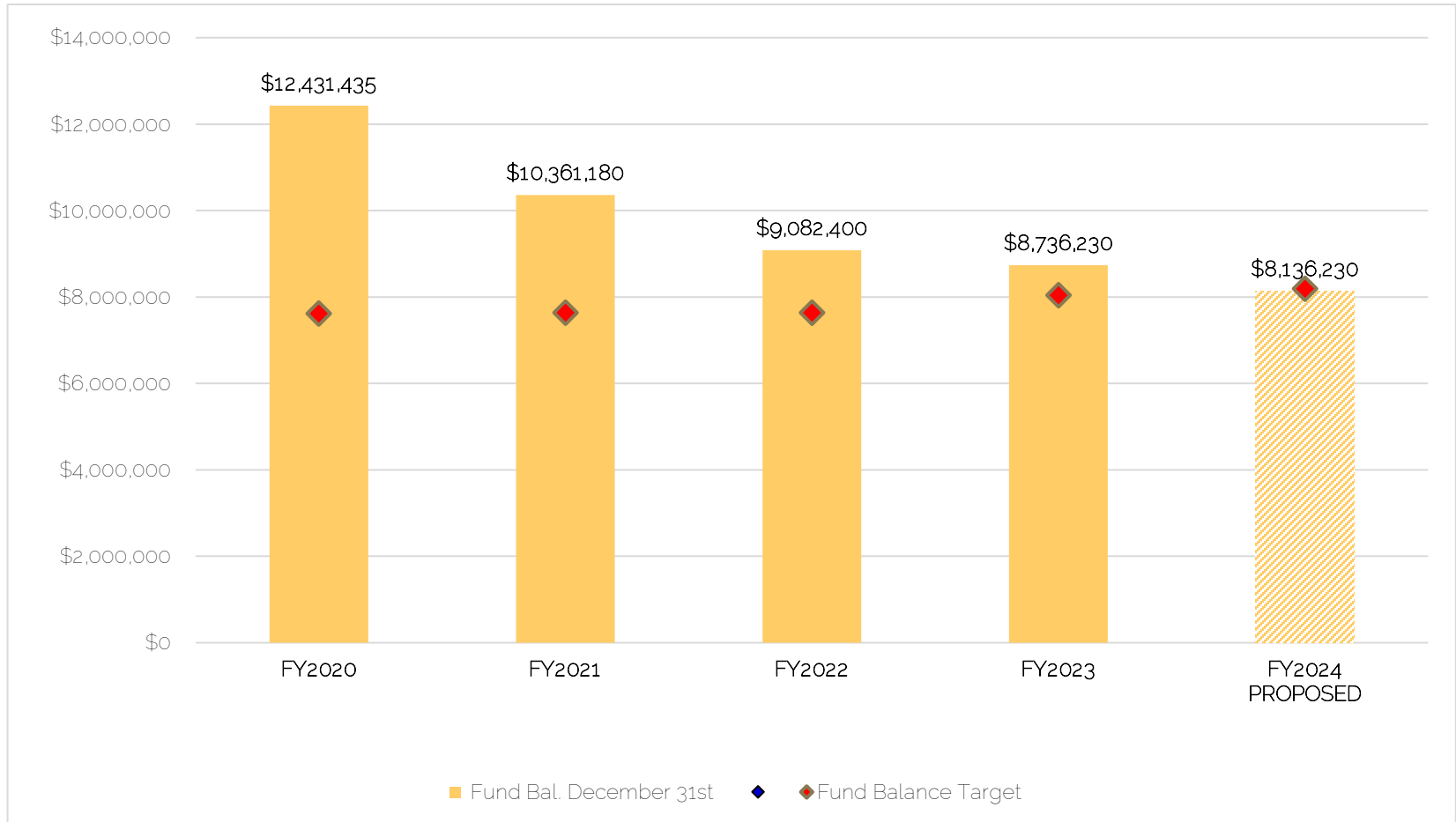
“State Aid” aka Energy Tax Receipts and CMPTRA



Full funding of Energy Tax Receipts/CMPTRA equals 4.6 cents or \$298 to the average homeowner

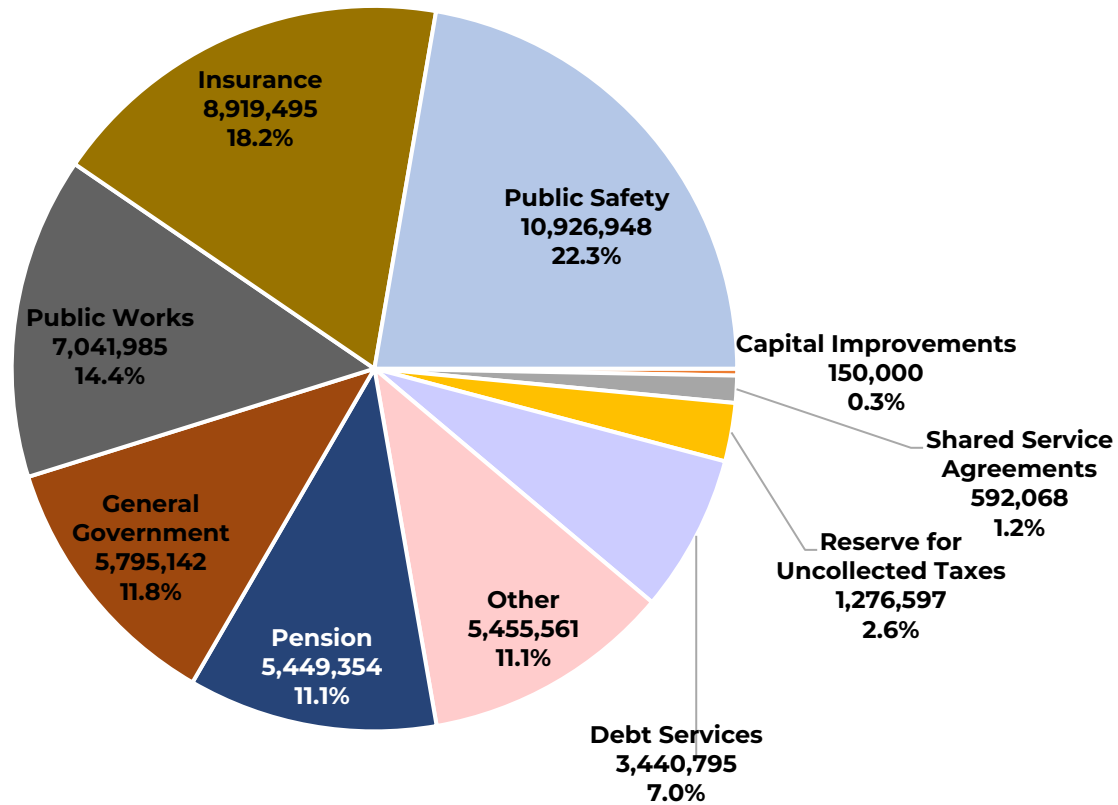
Cumulatively, the State has shorted the Town \$24.2 million since 2001

Fund Balance Trend 2020 -2024



FY 2024 Proposed Appropriations (%)

“How Budget is Allocated”



General Appropriations

Departmental Operations - \$25,370,429

- Up 1.9%, or \$494,146
- **Salary & Wages** - \$18,934,221 (39% of Total Appropriations)
 - Up 3.41%, or \$ 625,243
 - 193 Full-Time Employees
36 Part-time
- **Other Expenses** - \$ 6,436,207 (13% of Total Appropriations)
 - DOWN 2.0%, or \$131,096

What Changed? – Largest Increases

OPERATING BUDGET	<u>FY2024 Increase*</u>
Reserve for Uncollected Taxes	+\$532,157
Liability and Workers Comp Insurance	+\$444,564
Medical and Dental Insurance	+\$414,902
Interest on Notes	+\$183,000
Other Pension Costs	+\$111,574
TOTAL CHANGE	+\$1,689,197

**compared to FY2023 Budget*

What Changed? – Largest Decreases

OPERATING BUDGET	<u>FY2024 Decrease*</u>
Interest on Bonds	-\$235,805
PFRS Pensions	-\$211,247
Departmental Other Expenses	-\$131,096
TOTAL CHANGE	-\$578,148

**compared to FY2023 Budget*

Pension Costs

FY 2024 Pension Cost - \$ 4,636,729

FY 2024 Pension Obligations

- PFRS - \$211,247 Decrease, down 5.8% from 2023
- PERS - \$57,892 Increase, Up 5.9% from 2023

Rates Per NJ Pension Website

<https://www.nj.gov/treasury/pensions/2024-employer-billing.shtml>

Local Employer contribution rate changes:

- PERS – 17.61% compared to 17.11% in 2023
- PFRS – 36.54% compared to 36.51% in 2023

Health Care Insurance

FY 2024 Health Care Appropriation total of \$7.3 Million which is net of:

- Current Employee/Retiree Premium Cost Sharing (\$1,006,956)
- Offset from Sewer \$617k and Building Dept. \$100k

\$414,000 (6%) increase in 2024

- Broker went out to market for proposals.
- Town converted to Self Insured from fully-insured in 2018; changed Third-Party-Administrators in 2021. Medicare Advantage for 65 & over.
- Evaluate options annually for potential savings

Debt Service (Operating Budget)

Standard & Poor's Credit Rating – “AA+ (Stable Outlook)”

Principal Debt Payment Obligations paid down by \$2.4M in FY 2023

- \$2,490,000 scheduled principal payment this year

Net Debt Outstanding as of 12/31/23 - \$25,999,110

- General Obligation Bonds - \$22.1 million
- Bond Anticipation Notes - \$3.8 million

Total Net Debt to Equalized Valuation (\$3,340,096,140): 0.77%

Total Net Debt DECLINED BY \$18.8 million since FY 2010

Debt Service (Sewer Utility)

Principal Debt reduced by \$490,000 in FY 2023

- \$ 0 ---NO Debt!

Sewer Utility Debt Outstanding as of 12/31/23 - \$0

- Long Term Debt - \$0
- Bond Anticipation Notes - \$0

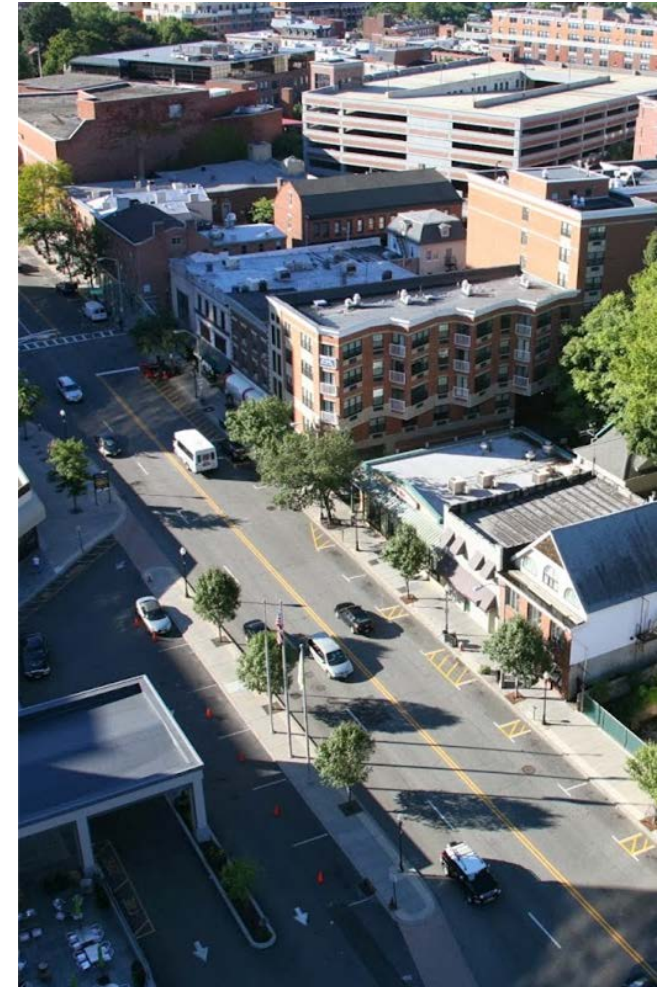
“Pay-A-You-Go” - Utility Budget includes \$750,000 for Capital Projects

No NEW Sewer Utility Debt – 12th year in a ROW!

Capital Projects

Total allocated for 2024 capital projects is \$2,665,000 which includes:

- \$1,695,000 in Roads and Engineering
- \$115,000 for Public Works
- \$100,000 for Public Safety Vehicles
- \$345,000 Parks & Recreation
- \$65,000 for Pool Improvements
- \$80,000 for Building Improvements
- \$40,000 for Dams & Footes Pond
- \$225,000 Section 20 Professional Costs



Q&A