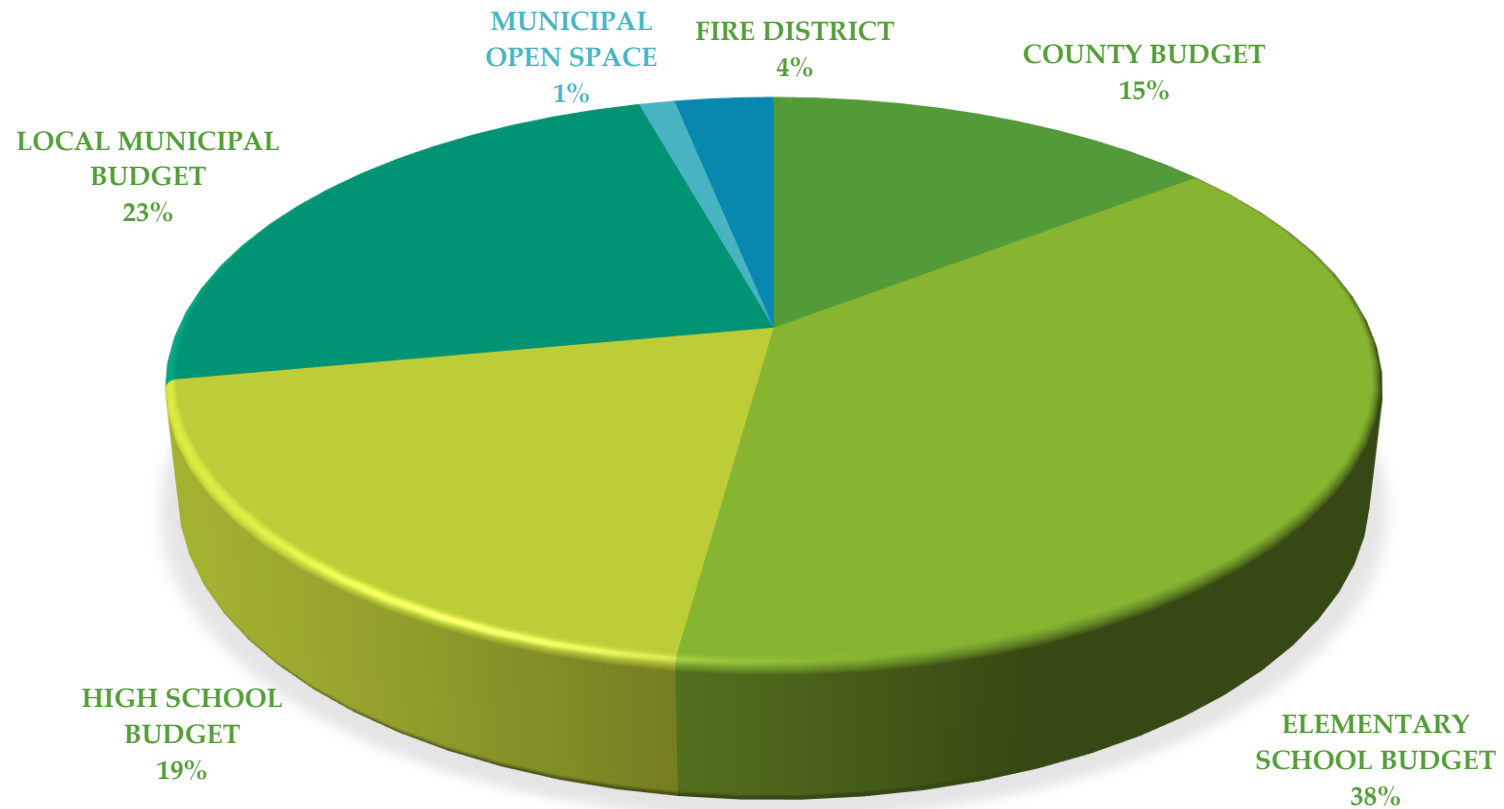




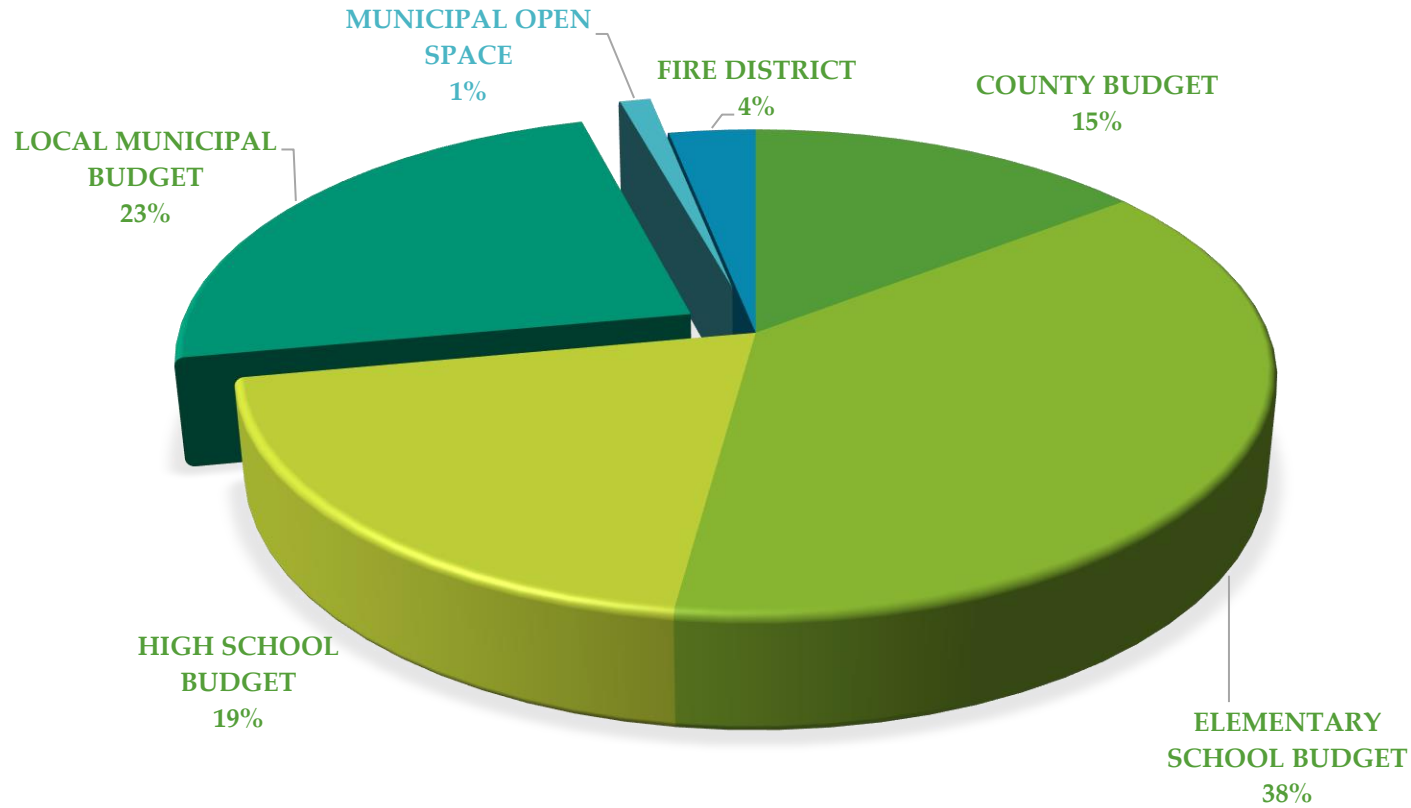
**2024 Municipal Budget Presentation  
Borough of Tinton Falls  
March 5, 2024**



# Where Tinton Falls Tax Dollars Go....



# Breaking Down the Municipal Portion of your taxes....





# What do I get for my 24 percent?

## Essential Services

- Infrastructure and Roadways
- Police and Public Safety
- Public Works
- Solid Waste Removal & Disposal
- Engineering & Planning
- Public Health Services
- Municipal Court & Justice
- Tax Collection & Distribution
- Property Assessment
- Registrar Services
- Zoning, Code & Housing Enforcement
- Emergency Notification System
- Curbside Recycling

## Quality-of-Life Services

- Borough Parks
- Recreation Programs
- Sports Playing Fields
- Summer Camp Program
- Open Space Acquisition
- Open Space Maintenance
- Affordable Housing
- Historic Preservation
- Borough Library



# Results of 2023 Operations - Budget

- The Borough of Tinton Falls budget structure continues to result in a positive position in available cash and reserves, which adds to our ability to stabilize the tax rate and weather economic downturns.
  - Percent of Fund Balance held in reserve remains strong increasing slightly from 32.01% to 32.15% of following years' total budget.
  - Borough Regenerated 109% of Fund Balance Utilized in the 2023 Budget.
- Municipal revenue exceeded our targets by 25%, aiding in the regeneration of our surplus.
- 2021 through 2024 budgets combined have \$1,540,319 remaining under the 2% levy cap (this equates to approximately 2.9 cents on the tax rate.)
- Tax Collection Rate remains strong but dipped slightly to 98.52%, which requires an increase in the Reserve for Uncollected Taxes to \$1,126,280.



# 2024 Budget Structure

## GENERAL

- Overall the Budget is a fiscally sound and responsible plan. The budget contains no gimmicks or structural issues.
- The Budget provides necessary funding for all municipal services and for continued and increased capital investment in the Borough's infrastructure, parks, and equipment.
- The Budget allows for the regeneration of a majority of surplus utilized.

## REVENUES

- The Borough continues to be conservative in its revenue projections.
- Regular State Aid increased 4.92% or \$77,715 for the second increase in the last fifteen years.

# 2024 Budget Structure (continued)



## APPROPRIATIONS

- Total Operating Expenses have increased by a marginal 2.15%.
- Total Budgeted Salaries and Wages, a component of Operating Expenses, have increased by 3.31%. The increase is primarily related to contractual salary and step increases.
- Total Debt Service has remained stable from 2023.
- Total Budget Appropriations, exclusive of the non-spending Reserve for Uncollected Taxes, have increase by 2.18%.
- The Borough continues to employ a hybrid strategy for its capital needs. The Borough appropriates all non-road capital improvements directly in the budget and authorizes general debt only for the road improvement programs. This strategy has resulted in a reduction in the Borough's Net Debt and in long-term borrowing costs.

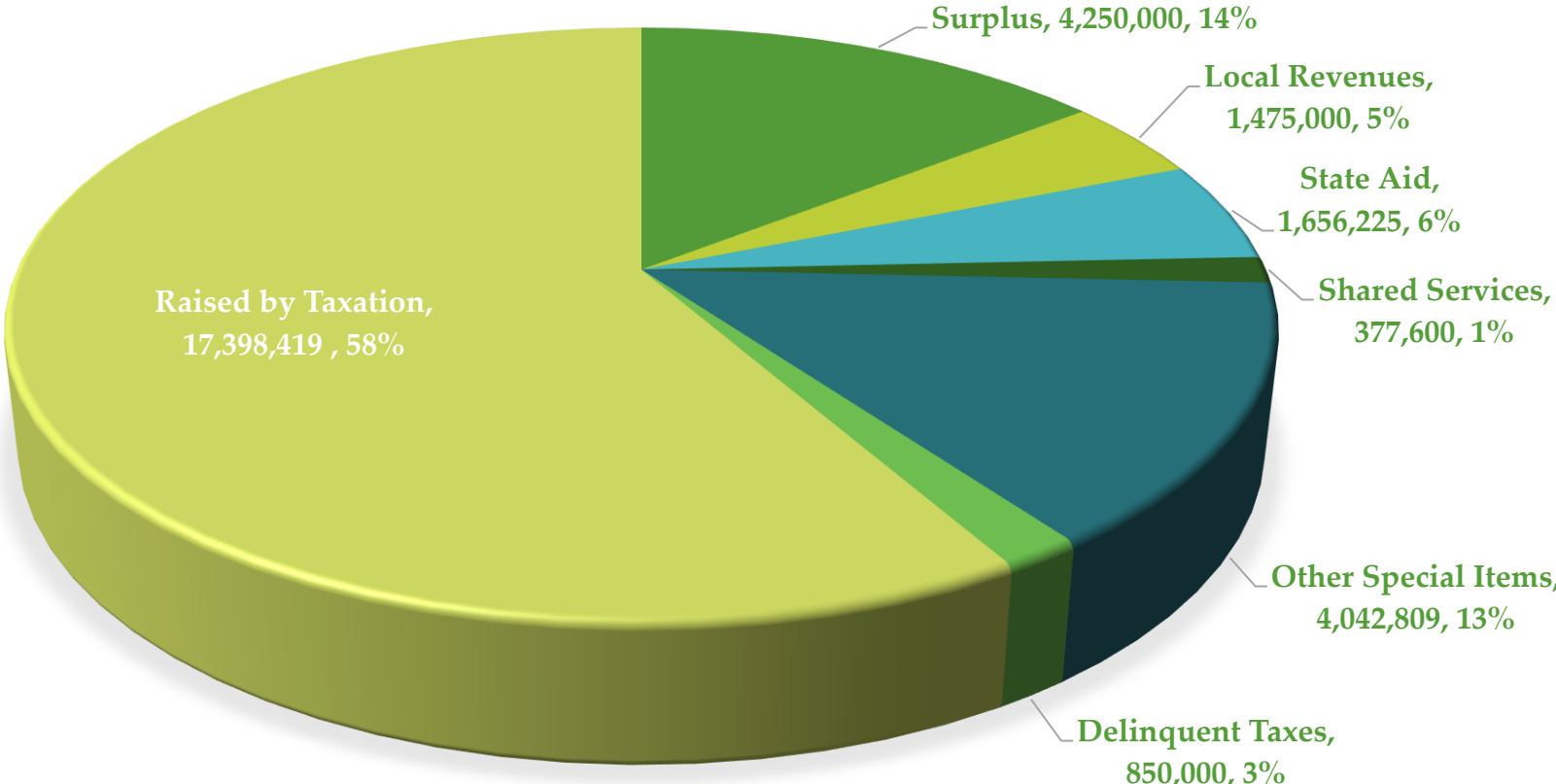


# Summary of Revenues

ANTICIPATED REVENUES	PROPOSED BUDGET 2024	ADOPTED BUDGET 2023	DOLLAR CHANGE	PERCENT CHANGE
State Aid	\$ 1,656,225	\$ 1,578,510	\$ 77,715	4.92%
Municipal Revenue	5,895,409	5,907,455	(12,046)	-0.20%
Delinquent Taxes	850,000	500,000	350,000	70%
Fund Balance	4,250,000	4,200,000	50,000	1.19%
Amount to Be Raised by Taxation	17,398,419	16,923,126	475,293	2.8%
<b>Total Anticipated Revenues</b>	<b>\$ 30,050,053</b>	<b>\$ 29,109,091</b>	<b>\$ 940,962.00</b>	<b>3.23%</b>
<b>Annual Tax Comparison</b>				
<b>Assessed Valuations Taxable</b>	<b>\$ 5,275,081,706</b>	<b>\$ 4,803,651,668</b>	<b>\$ 471,430,038</b>	<b>9.81%</b>
<b>Municipal Tax Rate</b>	<b>\$ 0.330</b>	<b>\$ 0.352</b>	<b>\$ (0.022)</b>	<b>-6.25%</b>



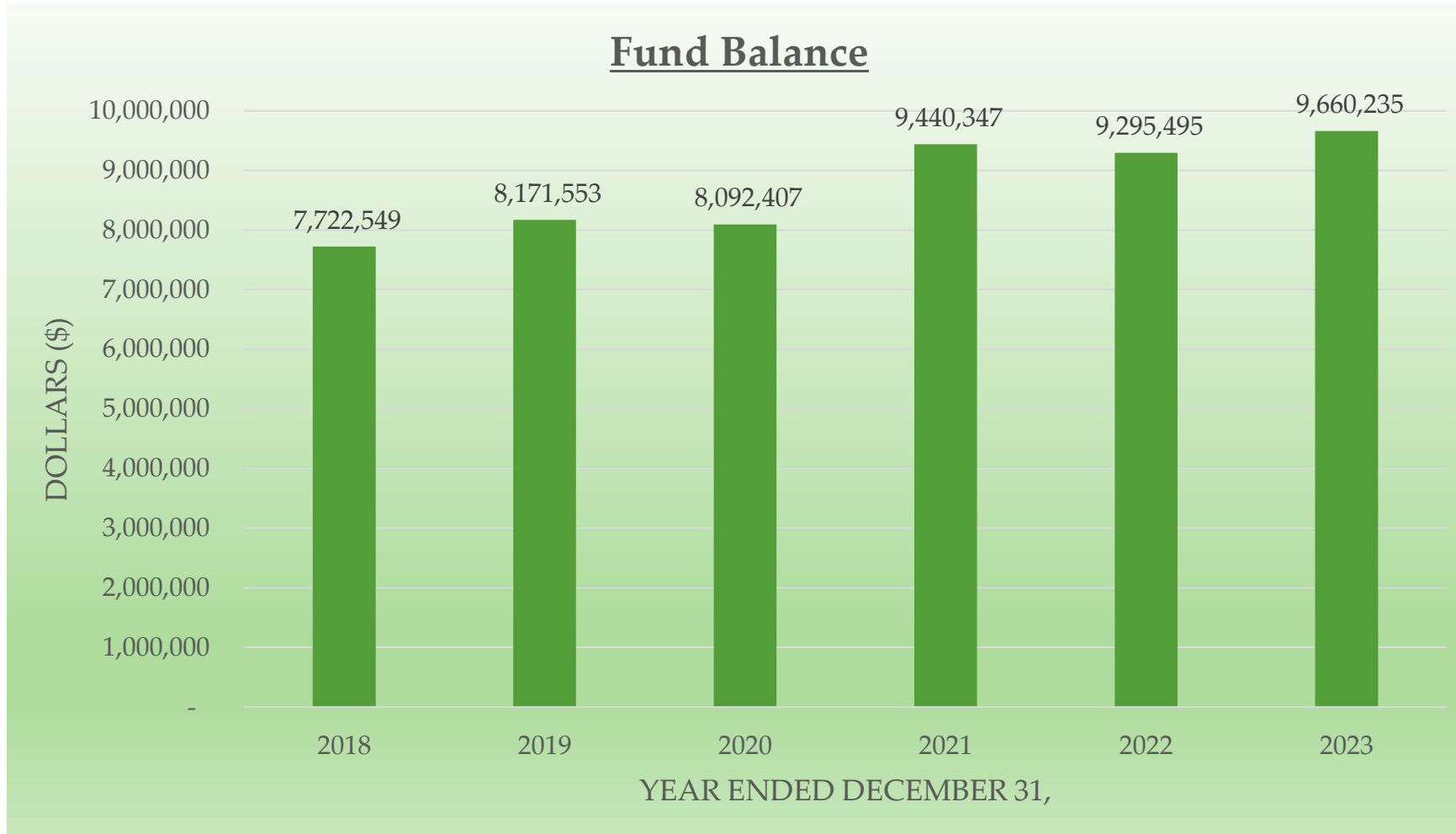
# 2024 Budget Revenue Anticipated



Total revenues  
of \$30,050,053

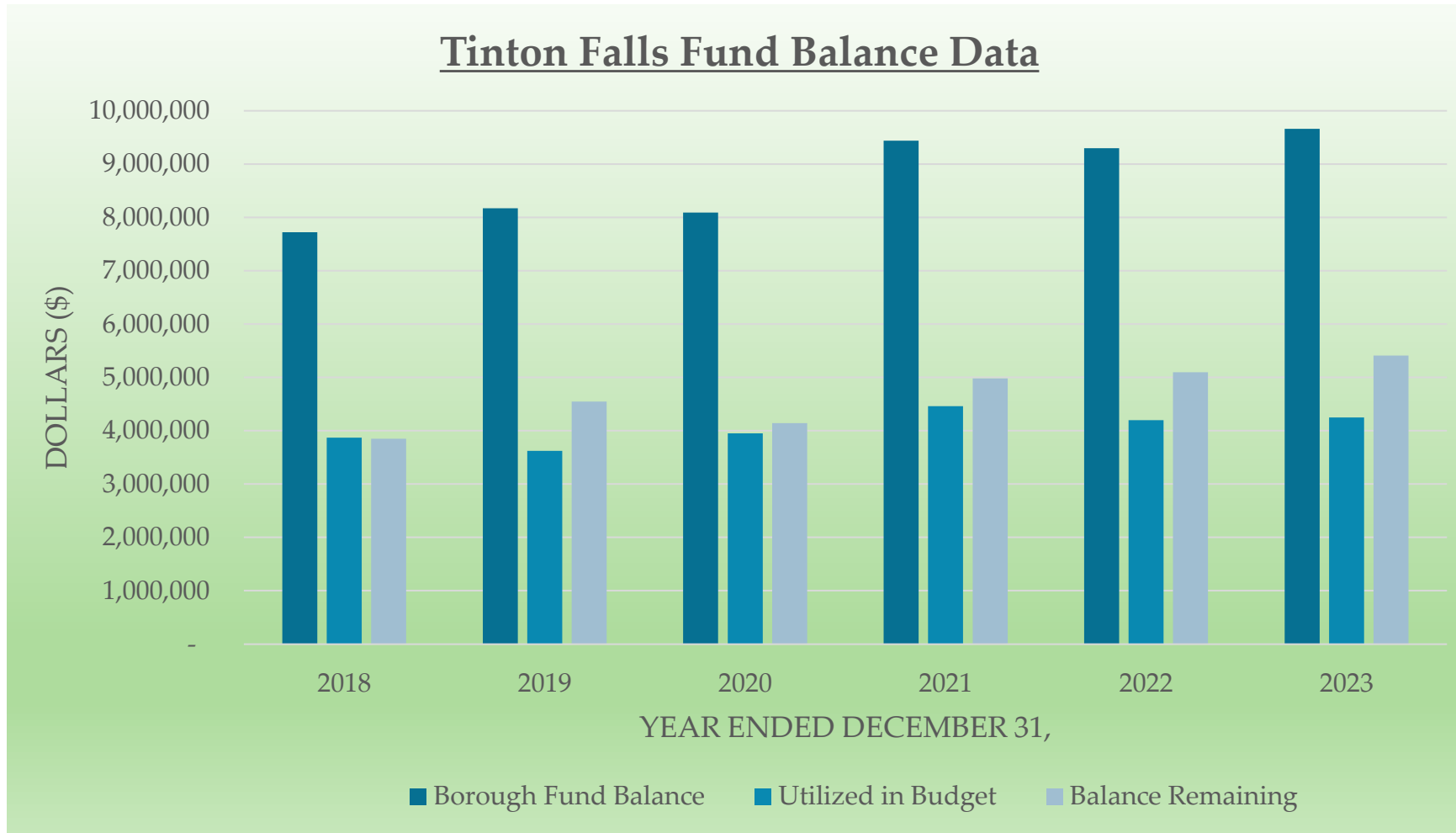


# Historical Municipal Fund Balance





# Borough Fund Balance Data





# Non-Utilized Fund Balance as a % of Budget



The more non-utilized fund balance the Borough has on hand, the better we are positioned to manage emergencies and unexpected economic issues and to stabilize municipal taxes.

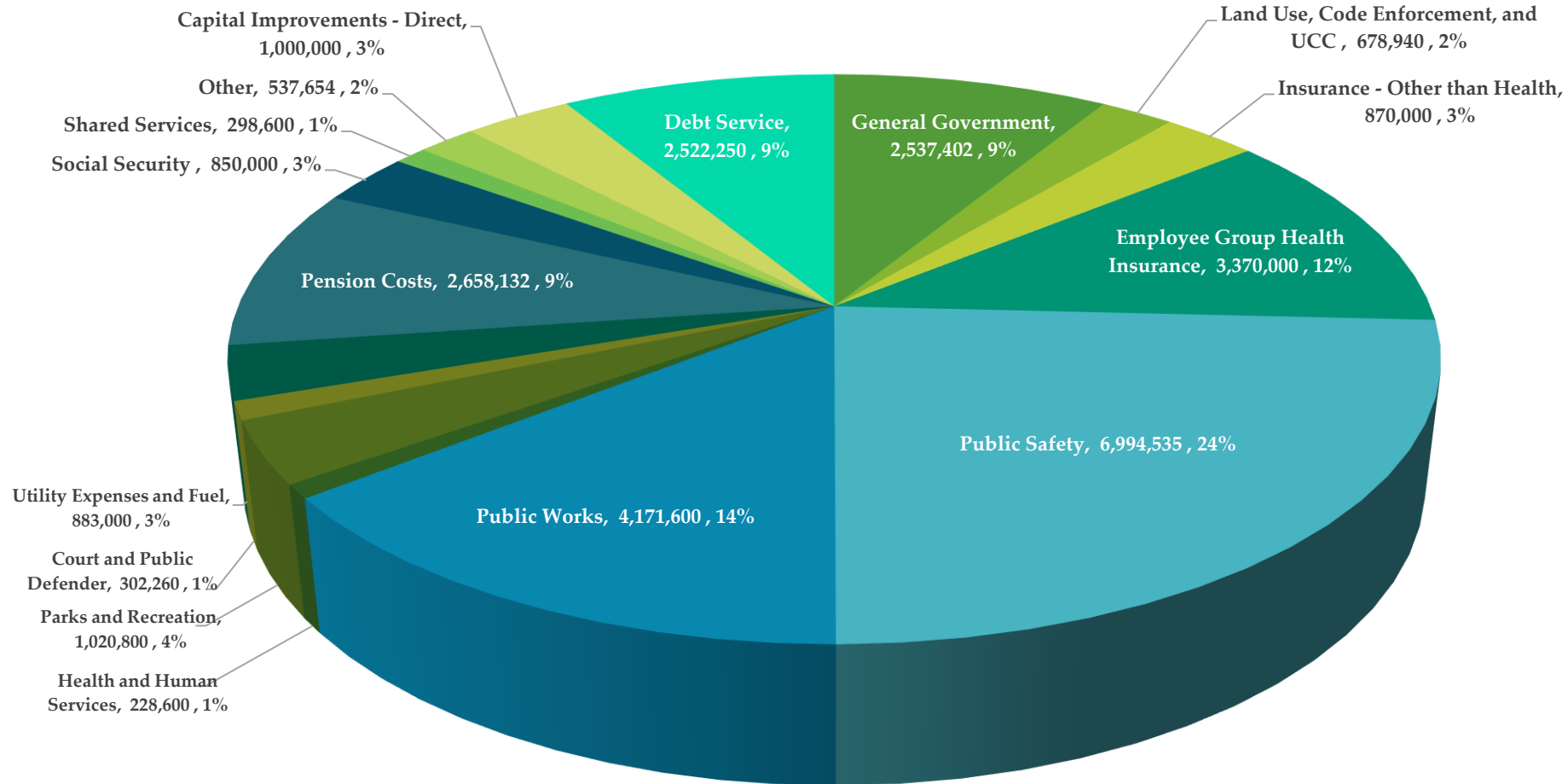


# Summary of Appropriations

APPROPRIATIONS	PROPOSED BUDGET 2024	ADOPTED BUDGET 2023	DOLLAR CHANGE	PERCENT CHANGE
<b>Operations:</b>				
Salaries and Wages	\$ 12,492,912	\$ 12,092,956	\$ 399,956	3.31%
Other Expenses	9,400,479	9,339,092	61,387	0.66%
<b>Total Operations</b>	<b>21,893,391</b>	<b>21,432,048</b>	<b>461,343</b>	<b>2.15%</b>
Capital Improvements	1,000,000	810,500	189,500	23.38%
Debt Service	2,522,250	2,498,396	23,854	0.95%
Statutory Expenditures	3,508,132	3,565,100	(56,968)	-1.60%
Reserve for Uncollected Taxes	1,126,280	803,047	323,233	40.25%
<b>Total Appropriations</b>	<b>\$ 30,050,053</b>	<b>\$ 29,109,091</b>	<b>\$ 940,962</b>	<b>3.23%</b>



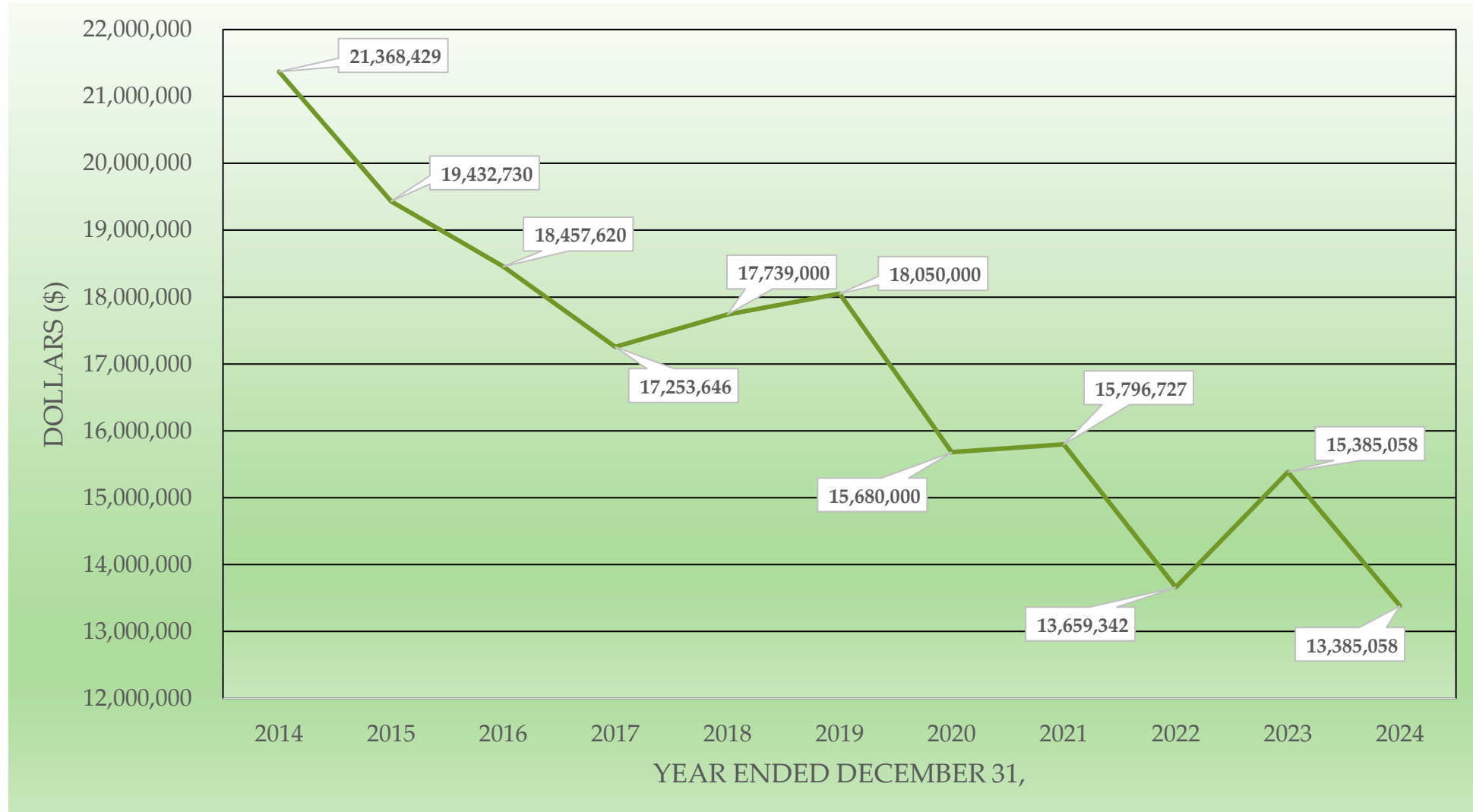
# 2024 Budget Appropriations by Function



Total  
Appropriations  
of \$30,050,053



# Borough Net Statutory Debt





# Credit Rating Upgrade

## **Moody's Investors Service (Quotes from Rating Press Release 08/14/20):**

“Moody’s Investor Service has upgraded the Borough of Tinton Falls, NJ’s general obligation unlimited tax rating to Aa1 from Aa2. Concurrently we have assigned a Aa1 rating to the borough’s General Obligation Refunding Bonds, Series 2020.”

“The upgrade to Aa1 reflects the borough’s increasingly strong finances. The rating also incorporates its above-average resident wealth and income, modest debt, favorable location and above-average pension burden.”

The Borough’s Aa1 rating was affirmed by Moody’s on October 27 ,2023.





# Municipal Tax Rate



# Municipal Open Space Trust Fund



	2019	2020	2021	2022	2023	Proposed Budget 2024
Open Space Trust Reserve Balance - January 1st	\$ 660,775	\$ 1,014,517	\$ 98,105	\$ 111,171	\$ 205,720	\$ 335,548
<b>Trust Fund Revenues:</b>						
Open Space Tax	757,196	781,993	825,987	963,208	1,080,821	1,186,893
Open Space Tax - Added/Omitted	11,436	5,049	13,329	7,187	5,697	5,000
Interest Income	14,342	10,863	5,912	6,443	9,317	8,000
Sycamore Complex DCA Softball Fields Grant					600,000	
Walz and Liberty Park - County Grant			377,000			
<b>Total Revenues</b>	<b>782,974</b>	<b>797,905</b>	<b>1,222,228</b>	<b>976,838</b>	<b>1,695,835</b>	<b>1,199,893</b>
<b>Trust Fund Expenditures: (Includes Cash Expenditures and Encumbrances)</b>						
Maintenance of Land - Salaries & Wages	125,297	129,922	127,154	151,883	74,949	150,000
Maintenance of Land - Other Expenses	96,404	67,441	14,115	54,317	52,623	100,000
<b>Development of Land:</b>						
Sycamore Softball Fields - Down Payment					166,000	
Walz Park Design						165,000
Hockhockson Park Improvements				443,986		55,000
2020/2021 Park Improvement Program		1,208,000	537,751	81,017		
2023 Park Improvement Program					692,717	
Miscellaneous		112,075				
Acquisition and Development of Land - Other Costs	79,841	72,241	6,684			
Acquisition of Open Space Property			402,627			
<b>Debt Service:</b>						
Principal on Bonds	85,000	85,000	85,000	85,000	90,000	90,000
Principal on Notes					372,000	500,000
Interest on Bonds	42,690	39,638	31,842	32,155	28,684	25,128
Interest on Notes			3,989	33,931	89,034	128,750
<b>Total Expenditures</b>	<b>429,232</b>	<b>1,714,317</b>	<b>1,209,162</b>	<b>882,289</b>	<b>1,566,007</b>	<b>1,213,878</b>
Open Space Trust Reserve Balance - December 31	\$ 1,014,517	\$ 98,105	\$ 111,171	\$ 205,720	\$ 335,548	\$ 321,563



# Sewer Utility Budget Summary

Dedicated Sewer Utility Budget	PROPOSED BUDGET 2024	ADOPTED BUDGET 2023	DOLLAR CHANGE	PERCENT CHANGE
<b>Revenues</b>				
Surplus Anticipated	\$ 1,200,000.00	\$ 1,250,000.00	\$ (50,000.00)	-4.00%
Sewer Rents	4,173,500.00	4,106,500.00	67,000.00	1.63%
<b>Total Revenues</b>	5,373,500.00	5,356,500.00	17,000.00	0.32%
<b>Appropriations</b>				
Salaries and Wages	720,000.00	660,000.00	60,000.00	9.09%
Other Expenses	3,893,000.00	4,210,000.00	(317,000.00)	-7.53%
Capital Outlay	600,000.00	330,000.00	270,000.00	81.82%
Statutory Expenditures	160,500.00	156,500.00	4,000.00	2.56%
<b>Total Appropriations</b>	\$ 5,373,500.00	\$ 5,356,500.00	\$ 17,000.00	0.32%



# Capital Projects – Overview

The 2024 budget adheres to the 2023 revision of the Borough's long-term capital debt management plan that allowed for an increase of 70% in road infrastructure funding over a 10 year period (2023-2032). The plan proposed to maintain a stable total annual debt service budget appropriation, fund approximately \$20,000,000 in road improvements, and reduce net debt by an average of \$500,000 per year or \$5,000,000 over the 10 year period. Under the revised plan all non-road infrastructure capital items continue to be appropriated and paid for in cash without incurring debt.



# Capital Projects – Overview

- Total Planned Capital Projects in 2024 of \$2,220,000, consisting of \$1,620,000 in general capital improvements and \$600,000 in sewer utility capital improvements.
- Making use of \$1,560,000 in direct operating budget capital appropriations

The borough is very proud of the \$1,560,000 budgeted in the capital improvement section of the current and sewer operating budgets as these appropriations help reduce future debt issuance and further strengthen the borough's financial position.



# Capital Projects – Grants

The Borough has obtained a total of **\$1,831,212 in grant funds** to offset the costs of construction projects to be completed in 2024:

- FY2024 NJDOT Municipal Aid (Hockhockson Road) - \$314,292
- FY2024 NJDCA Division of Local Government Services (Softball Fields) - \$600,000
- FY2024 NJDCA Public Safety Operating Aid (Municipal Complex Security) - \$50,000
- FY2023 NJDCA Local Recreational Improvements (Softball Fields) - \$74,000
- FY2023 Monmouth County Municipal Open Space (Wardell Park Restrooms) - \$195,000
- FY2023 NJDOT Municipal Aid (Essex Road) - \$219,420
- NJ Library Construction Bond Act (Library Improvements) - \$217,500
- Community Development Block Grant (Wardell Road) - \$161,000



# 2024 Capital Budget – General Improvements

<u>General Improvements</u>	<u>Amount Appropriated</u>	<u>FUNDING SOURCES</u>				
		<u>Operating Budget</u>	<u>Capital Improvement Fund</u>	<u>Other Funds</u>	<u>Debt Authorized</u>	<u>Open Space Trust</u>
Field Lighting Improvements at Hockhockson Park	55,000					55,000
Walz Park Improvements Design	165,000					165,000
Improvements to Public Buildings and Grounds	160,000	160,000				
Drainage Improvements	440,000			440,000		
Various Improvements to DPW Equipment	25,000	25,000				
Acquisition of Department of Public Works and Borough Trucks	238,000	238,000				
Fuel Island Improvements	485,000		485,000			
Acquisition of Storage Containers	12,000	12,000				
Automated Refuse Containers	40,000	40,000				
<b>Total General Improvements</b>	<b>1,620,000</b>	<b>475,000</b>	<b>485,000</b>	<b>440,000</b>	<b>-</b>	<b>220,000</b>



# 2024 Capital Budget – Sewer Improvements

<b><u>Sewer Improvements</u></b>	<b><u>Amount Appropriated</u></b>	<b>FUNDING SOURCES</b>				
		<b><u>Operating Budget</u></b>	<b><u>Capital Improvement Fund</u></b>	<b><u>Other Funds</u></b>	<b><u>Debt Authorized</u></b>	<b><u>Open Space Trust</u></b>
Upgrades to the Leland Terrace Pump Station	400,000	400,000				
Miscellaneous Pump Station Upgrades and Improvements	50,000	50,000				
Installation of New Generator at Jumping Brook Pump Station	150,000	150,000				
<b>Total Sewer Improvements</b>	<b>600,000</b>	<b>600,000</b>				

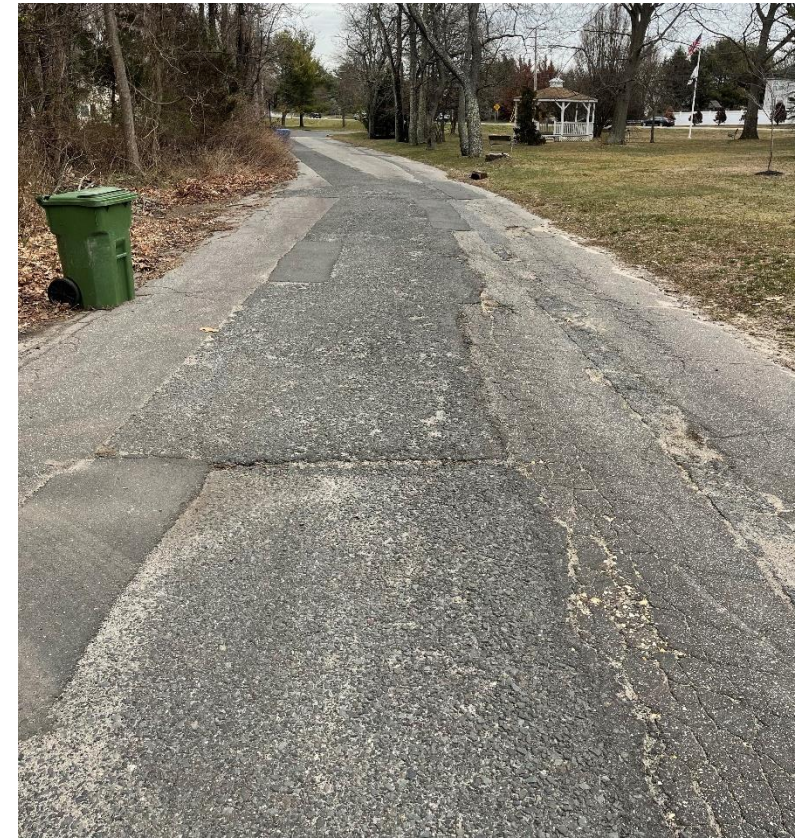




# Capital Projects – Road Work

- Borough is responsible for 85 miles of roads
- Road Program designed in 2023 and to be constructed in 2024
- 22 roads to be paved (approximately 5.1 miles)

- Essex Road
- West Park Ave  
(*Shafto to Heritage*)
- Wardell Road
- Hockhockson Road  
(*Squankum to Sam*)
- Firehouse Road
- Willshire Drive
- Wilkins Court
- Clover Street
- Blossom Street
- Peach Street  
(*Hance to Springdale*)
- Hamilton Road  
(*cul-de-sac*)
- Colonial Drive
- Trent Road
- Andrew Drive
- Harvard Drive
- Glassboro Drive
- Dartmouth Court
- Princeton Court
- Penn Court
- Duke Court
- St. John's Court
- Brown Drive



**Hamilton Road Existing Conditions**

# Capital Projects – Road Repaving



**Essex Road Existing Conditions**



**Wardell Road Existing Conditions**

# Capital Projects – Road Repaving



**Harvard Drive Existing Conditions**



**Hockhockson Road Existing Conditions**

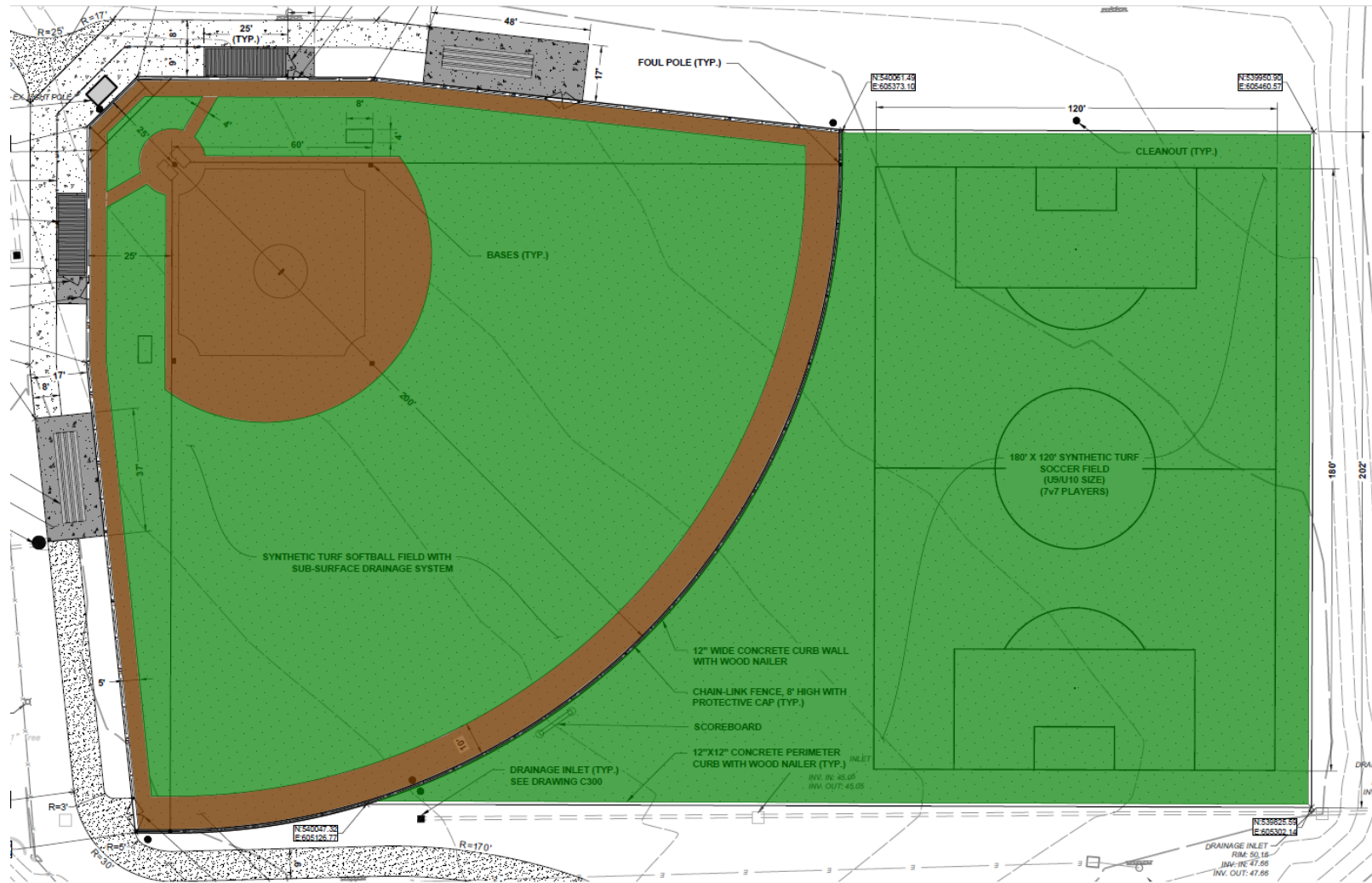
# Capital Projects – Park Improvements



## New Softball Fields

- Convert Field #4 to 200' synthetic turf softball field, along with 120'x180' synthetic turf soccer field
- Convert Field #6 to 200' natural grass outfield and synthetic turf infield softball field

# Capital Projects – Park Improvements



# Capital Projects – Park Improvements



*Existing Restroom Building at Sycamore Recreation Complex*

- New Restroom Building at Wardell Park
- Water & Sewer Extension
- Pump Station

# Capital Projects – Park Improvements



- New lights for T-Ball fields

# Capital Projects – Park Improvements



- 2024 Survey, Design & Permitting Project:
  - Walking Trails
  - Playground
  - Fishing Platform
  - Restroom Building





# Capital Projects – Drainage

- Proposed projects include:
  - Pine Brook Road Drainage Pipe Repairs
  - Wardell Road Culvert Repairs/Replacement





# Capital Projects – Buildings & Grounds

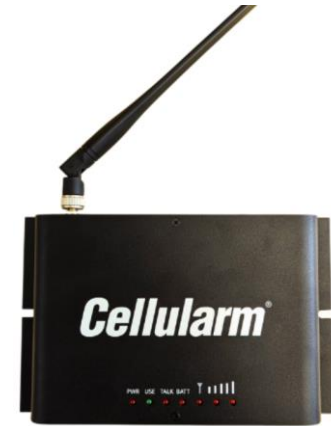
- Proposed projects include:
  - New LED Monument Sign for Borough Hall
  - Fuel Island and Dispenser Upgrades
  - Extension of the Retaining Wall and Landscaping Buffer along Pearl Harbor Drive & DPW





# Capital Projects – Sewers

- Proposed projects include:
  - Leland Terrace Pump Station Upgrades
  - Jumping Brook Pump Station Emergency Generator
  - Alarm Notification System Upgrades





# Timeline

- Introduction:
  - Tuesday, March 5, 2024 Council Meeting
  - Budget document to be posted on website and published in summary
- Public Hearing:
  - Tuesday, April 2, 2024 Council Meeting