



2024 Verona Municipal Budget



Budget Workshop
February 26, 2024



2023 Result of Operations

Tax Collection:

- Property tax payment collections remain strong year to year
- Collection rate greater than 99%
- 2023 Delinquent Taxes at year end totaled \$556,884.02

<u>Year</u>	<u>% of Property Taxes Collected as of 12/31</u>
2023	99.24
2022	99.28
2021	98.47
2020	99.17
2019	98.97



2023 Result of Operations

Miscellaneous Revenue:

- All of our anticipated revenues came in higher than the budgeted amount. See below a list of our largest percentages received over the budgeted amounts.

2023 Revenues			
<u>Revenue</u>	<u>2023 Budget</u>	<u>Collected</u>	<u>%</u>
Interest on Deposits	125,000	423,541	238.83%
Uniform Construction Code Fees	280,000	529,598	89.14%
Cell Tower Lease	117,317	202,635	72.72%
Municipal Court	85,000	127,325	49.79%
Parking Meters	30,000	44,149	47.16%
Uniform Fire Safety Act	18,000	24,767	37.60%
Fees & Permits	110,000	145,318	32.11%
Community Center Rentals	35,000	45,175	29.07%
Recreation Fees	280,000	354,610	26.65%



2023 Result of Operations

Expenses:

- Our garbage and recycling contracts finalized in 2023, bid in 2024
- Our Health contract slightly increased
- Due to the lack of snow, we were able to reserve all of funds towards our Storm Trust
- Department heads did an excellent job managing expenses while still performing essential services

<u>Year</u>	<u>Total Budget</u>	<u>Paid/Charged</u>
2023	27,317,171.23	26,352,113.52
2022	26,672,441.58	25,066,338.28



2024 Proposed Municipal Budget Summary

Revenue Source	2023 Budget	2024 Budget (Proposed)
Miscellaneous Anticipated Revenue	4,694,021	5,289,996
Delinquent Taxes	475,000	475,000
Fund Balance	3,650,000	3,650,000
Library	998,504	1,048,530
Amount to be Raised by Taxation	<u>17,499,646</u>	<u>17,798,413</u>
TOTAL	27,317,171	28,261,939
Expense Appropriation	2023 Budget	2024 Budget (Proposed)
Salary and Wages	8,758,731	9,428,912
Statutory Expenses	1,250,983	1,323,544
Debt Service	4,190,390	4,027,590
Public Library	998,504	1,048,530
Reserve for Uncollected Tax	1,800,000	1,800,000
Other Expenses	<u>10,318,563</u>	<u>10,633,363</u>
TOTAL	27,317,171	28,261,939



2023 vs 2024 Municipal Budget Comparison

	2023 Budget	2024 Budget (Proposed)	Change
Municipal Tax Levy * does not include Library *	\$17,499,646	17,798,413	1.71%
Municipal Tax Rate	.731	.741	1.49%
Avg. Property Valuation	\$433,000	\$434,575	.36%
Municipal Tax on Avg. Property	\$3,163	\$3,222	1.86%
Assessed Valuation	\$2,395,347,700	2,400,934,100	.22%



Municipal Tax History

	2018	2019	2020	2021	2022	2023	2024
Municipal Levy	16,323,921	16,832,635	17,288,687	17,677,897	18,115,597	18,498,151	18,846,943
% Change from Prior Year	2.76%	3.12%	2.71%	2.25%	2.48%	2.11%	1.89%
Municipal Tax Rate	.807	.702 *	.722	.740	.759	.773	.785
% Change from Prior Year	2.85%	-13.03%	2.82%	2.43%	2.50%	1.68%	1.65%
Total Operating Expenses	22,022,732	22,687,943	23,398,830	24,082,039	25,298,140	27,098,577	26,424,176
% Change from Prior Year	0.97%	3.02%	3.13%	2.92%	5.05%	7.12%	-2.49%

* 2019 Revaluation

The Municipal Tax Levy has increased at an average of 2.47% since 2018.



2024 Material Changes

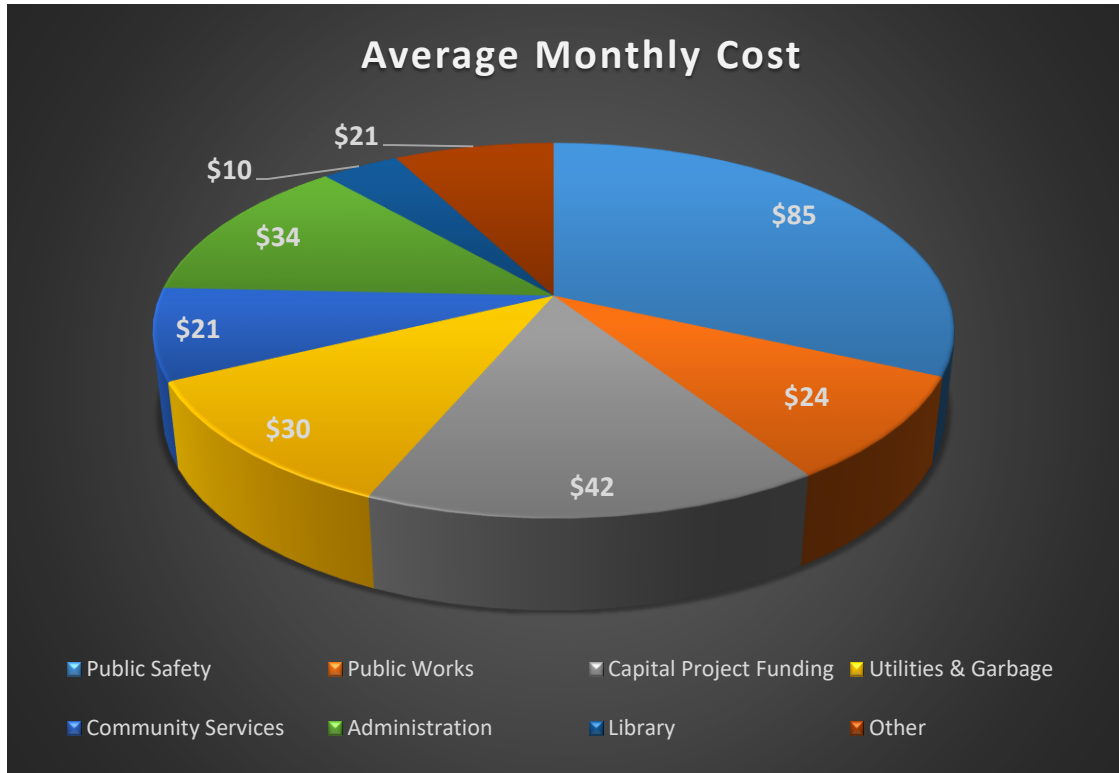
The majority of the Township expenses remain consistent year to year. Increases to the operating budget are often driven by a handful of budget lines:

2024 Total Increase to Operating Expenses: \$894,742

Budget Line	2024 Amount	Increase	Description
General Insurance	929,000	116,649	Insurance Fund payment increased over 12%
Employee Medical Benefits	2,500,000	276,202	Medical increased over 9%
Police Pension	1,449,424	33,974	Statutory payment required by the State of NJ
Legal Installments	786,160	662,960	Down payments required by State of NJ
Capital Improvement Fund	250,000	50,000	Additional amount for future projects and minimum down payments



What Municipal Taxes Can the Average Resident Expect to Pay?

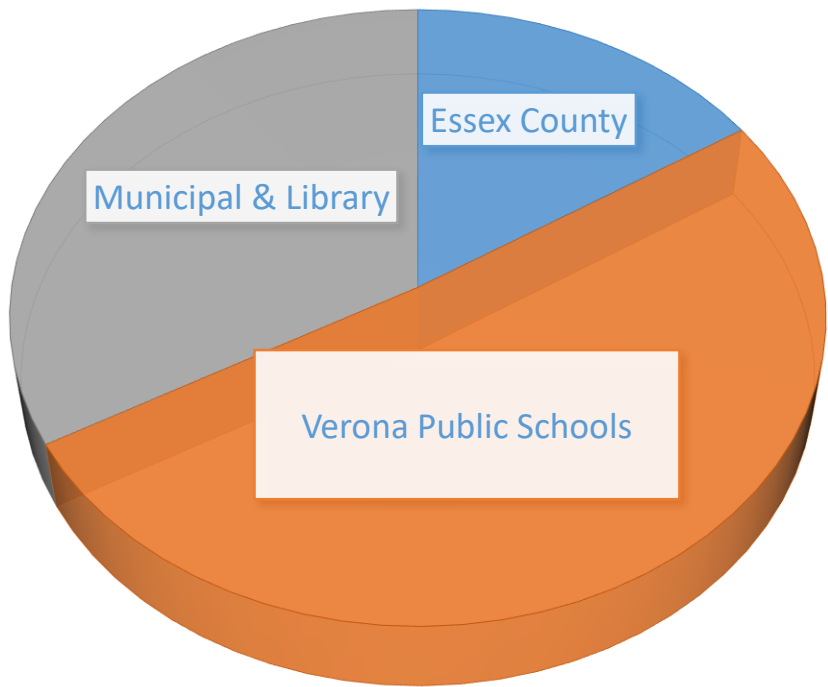


Municipal Services as a Monthly Bill:

Municipal Service	Annual Cost
Public Safety	\$ 1,016
Capital Projects and Debt	\$ 499
Public Works	\$ 288
Public Utility, Garbage, Recycling	\$ 365
Administration and Legal	\$ 410
Community Services and Recreation	\$ 269
Public Library	\$ 128
Other Miscellaneous Services	\$ 247
Total Average Annual Tax Bill	\$ 3,222

Municipal Service	Monthly
Public Safety	\$ 85
Capital Projects and Debt	\$ 42
Public Works	\$ 24
Public Utility, Garbage, Recycling	\$ 30
Administration and Legal	\$ 34
Community Services and Recreation	\$ 21
Public Library	\$ 10
Other Miscellaneous Services	\$ 21
Total Monthly Service Bill	\$ 267

Now, Let's Look at the Entire Property Tax Bill of a Verona Resident



- 2024 School and County estimated based on historical increases



American Rescue Plan Funds

Below reflects the money received and spent with ARP funds

Year	Money Received	Spent	Balance
2021	700,755.97		700,755.97
2022	700,755.97	(396,000)	1,005,511.94
2023	0.00	(100,000)	905,511.94
2024 Proposed	0.00	(905,511.94)	0.00
Totals:	1,401,511.94	(\$1,401,511.94)	

- 2024 is the last year to use ARP funds as revenue loss or to have an approved project with funds encumbered by the end of 2024 and paid by the end of 2026.

- Proposed in 2024, is to use 200,000 in our Pool utility fund and the balance of 705,511.94 in our current fund.



Open Space Trust Fund

Ordinance 2019-36 Established an Open Space Trust Fund Tax:

- This ordinance was amended by approval of referendum in 2023. Ordinance 2023-48, which increased the tax rate from \$.02 per \$100 assessed valuation to \$.03 per \$100 assessed valuation
 - Acquisition of lands for recreation and conservation purposes;
 - Development of lands acquired for recreation and conservation purposes;
 - Maintenance of lands acquired for recreation and conservation purposes;
 - Historic preservation of historic properties, structures, facilities, sites, areas or objects and the acquisition of such properties, structures, facilities, sites, areas or objects for historic preservation purposes; or
 - Payment of debt service on indebtedness issued or incurred by the Township for any of the purposes set forth in above
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- Tax Rate: \$.03 per \$100 of assessed valuation
 - Estimated Open Space Funds to be Raised: \$720,280
 - Average Residential Tax: \$130.37





Next Steps

- Workshop Discussions with Department Heads today 2/26/2024
- Introduction of Budget – March 11th
- Public Hearing and Adoption – April 8th

