



2025 Verona Municipal Budget



Budget Workshop
February 18, 2025



2024 Result of Operations

Tax Collection:

- Collection rate greater than 99%
- 2024 Delinquent Taxes at year end totaled \$560,598.60

<u>Year</u>	<u>% of Property Taxes Collected as of 12/31</u>
2024	99.32
2023	99.24
2022	99.28
2021	98.47
2020	99.17



2024 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.

2024 Revenues			
<u>Revenue</u>	<u>2024 Anticipated</u>	<u>Collected</u>	<u>%</u>
Interest on Deposits	250,000	704,212	181.68%
Parking Meters	35,000	70,922	102.64%
Municipal Court	100,000	175,395	75.39%
Fees and Permits	110,000	183,032	66.39%
Uniform Fire Safety Act	18,000	25,936	44.09%
Community Center Rental	35,000	49,700	42.00%
Cell Tower Leases	140,000	187,156	33.68%
Recreation Fees	300,000	389,747,	29.92%



2024 Result of Operations

Expenses:

- Our garbage and recycling contracts were bid in 2023 for 2024-2028. Increase of 5% per year
- Our medical expenses continue to rise
- Our OPEIU contract expired at the end of 2024
- Forrester expenses keep rising with aging trees in the municipality
- A few unexpected expenses came up last year, but the Department heads were able to manage these additional expenses while still performing essential services in their budgets

<u>Year</u>	<u>Total Budget</u>	<u>Paid/Charged</u>
2024	28,531,569.91	27,337,489.83
2023	27,317,171.23	26,352,113.52



2025 Proposed Municipal Budget Summary

Revenue Source	2024 Budget	2025 Budget (Proposed)
Miscellaneous Anticipated Revenue	5,580,970	4,898,381
Delinquent Taxes	475,000	475,000
Fund Balance	3,650,000	4,000,000
Library	1,048,530	1,140,016
Amount to be Raised by Taxation	<u>17,777,070</u>	<u>18,288,642</u>
TOTAL	28,531,570	28,802,039
Expense Appropriation	2024 Budget	2025 Budget (Proposed)
Salary and Wages	9,440,912	10,170,412
Statutory Expenses	2,439,240	2,470,354
Debt Service	3,850,490	3,201,580
Public Library	1,048,530	1,140,016
Reserve for Uncollected Tax	1,800,000	1,500,000
Other Expenses	<u>9,952,398</u>	<u>10,319,677</u>
TOTAL	28,531,570	28,802,039



2024 vs 2025 Municipal Budget Comparison

	2024 Budget	2025 Budget (Proposed)	Change
Municipal Tax Levy * does not include Library *	\$17,777,070	18,288,642	2.88%
Municipal Tax Rate	.740	.761	2.73%
Avg. Property Valuation	\$434,575	\$435,752	.27%
Municipal Tax on Avg. Property	\$3,218	\$3,315	\$97
Assessed Valuation	2,400,934,100	2,404,312,800	.14%



Municipal Tax History

	2019	2020	2021	2022	2023	2024	2025
Municipal Levy	16,832,635	17,288,689	17,677,898	18,115,597	18,498,151	18,825,599	19,428,658
% Change from Prior Year	3.12%	2.71%	2.25%	2.48%	2.11%	1.77%	3.20%
Municipal Tax Rate	.702 *	.722	.740	.759	.772	.784	.809
% Change from Prior Year	-13.03%	2.82%	2.43%	2.50%	1.68%	1.53%	3.09%
Total Operating Expenses	22,687,943	23,398,830	24,082,039	25,298,140	27,098,577	28,216,686	28,789,814
% Change from Prior Year	3.02%	3.13%	2.92%	5.05%	7.12%	4.13%	2.03%

* 2019 Revaluation

The Municipal Tax Levy has increased at an average of 2.52% since 2019.



2025 Material Changes

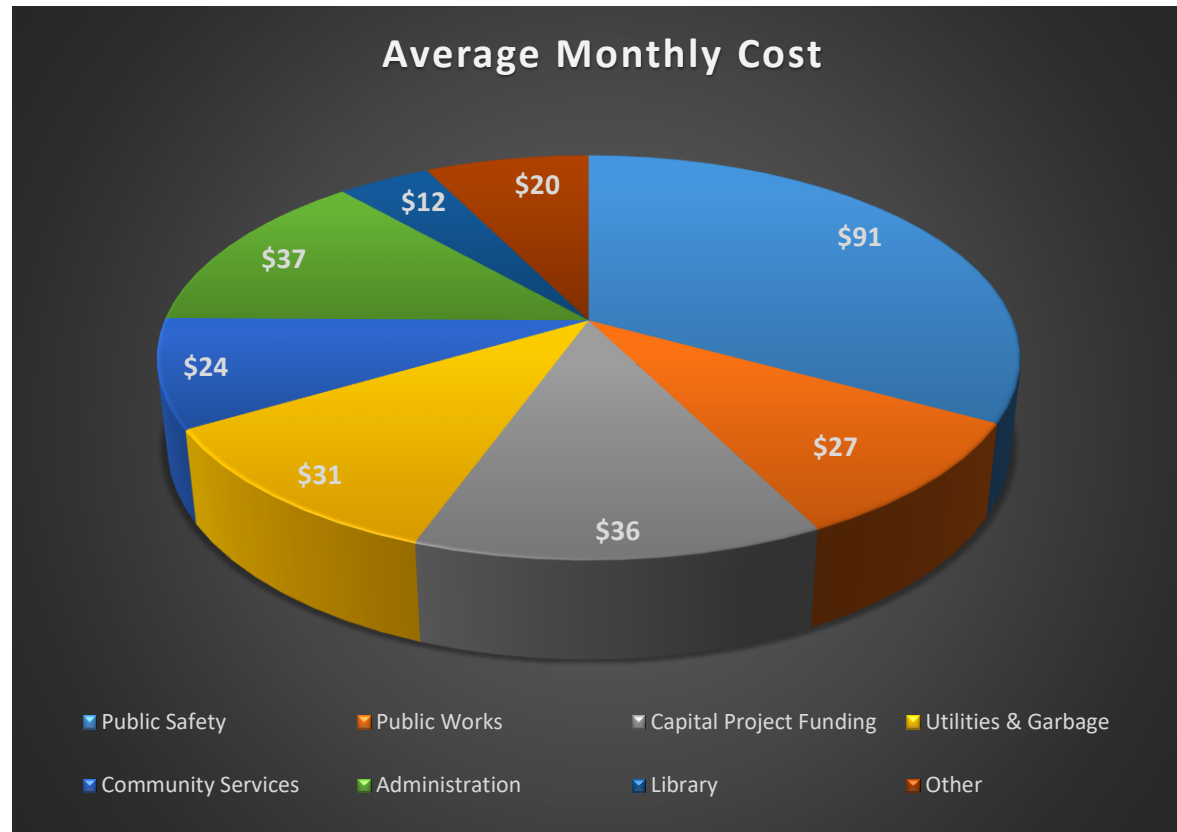
The majority of the Township expenses remain consistent year to year. Increases to the operating budget are often driven by a handful of budget lines:

2025 Total Increase to Operating Expenses: \$1,304,430

Budget Line	2025 Amount	Increase	Description
Garbage and Recycling	1,120,000	60,000	Contracts were up, bid out in 2024 for 2025-2028
Employee Medical Benefits	2,860,000	369,000	Medical increased over 14%
Police Pension	1,495,354	45,930	Statutory payment required by the State of NJ
Salary and Wages	10,170,412	729,500	PBA contract finalized through 2026. OPEIU currently pending
Capital Improvement Fund	350,000	100,000	Additional amount for future projects and minimum down payments



What Municipal Taxes Can the Average Resident Expect to Pay?



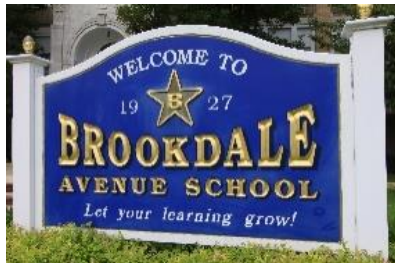
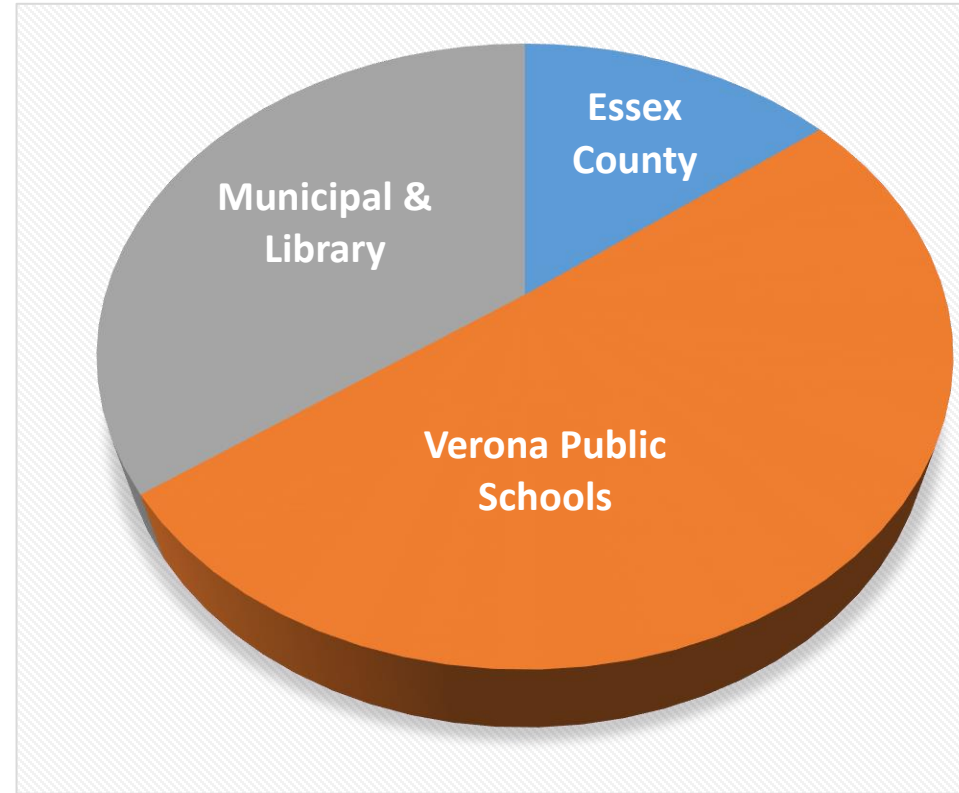
Municipal Services as a Monthly Bill:

Municipal Service	Annual Cost
Public Safety	\$ 1,097
Capital Projects and Debt	\$ 431
Public Works	\$ 318
Gas/Electric, Garbage, Recycling	\$ 367
Administration and Legal	\$ 442
Community Services and Recreation	\$ 278
Public Library	\$ 138
Other Miscellaneous Services	\$ <u>244</u>
Total Average Annual Tax Bill	\$ 3,315

Municipal Service	Monthly
Public Safety	\$ 91
Capital Projects and Debt	\$ 36
Public Works	\$ 27
Gas/Electric, Garbage, Recycling	\$ 31
Administration and Legal	\$ 37
Community Services and Recreation	\$ 24
Public Library	\$ 12
Other Miscellaneous Services	\$ <u>20</u>
Total Monthly Service Bill	\$ 278



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



- 2025 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	0.00	(905,511.94)	0.00
Totals:	1,401,511.94	(\$1,401,511.94)	

- All ARP Funds were used as revenue replacement prior to the 12/31/2024 deadline.



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

- Tax Rate: \$.03 per \$100 of assessed valuation
- Estimated Open Space Funds to be Raised: \$720,922
- Average Residential Tax: \$130.73





Next Steps

- Workshop Discussions with Department Heads today and March 3, 2025
- Introduction of Budget – March 17, 2025
- Public Hearing and Adoption – April 21, 2025

