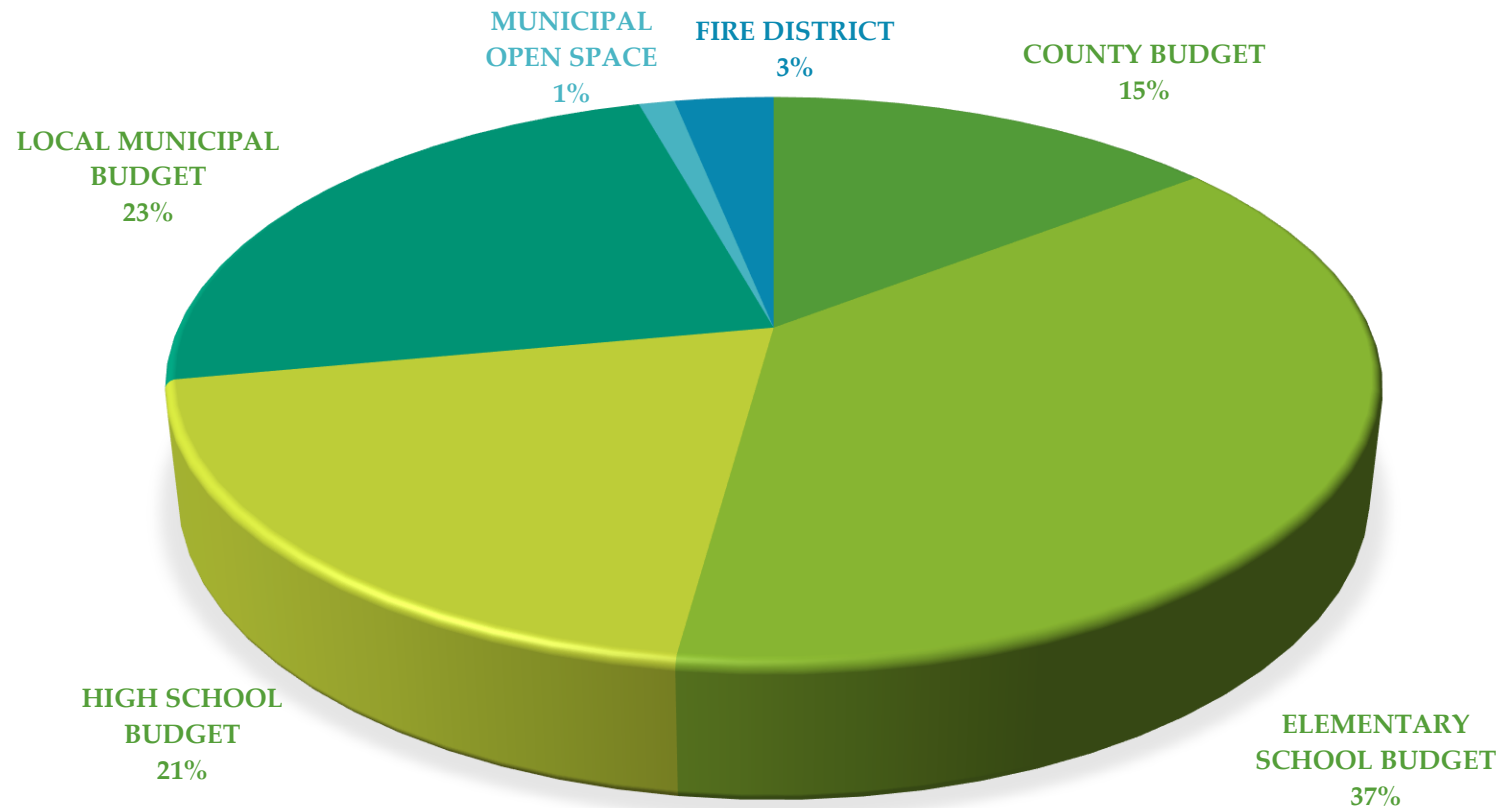


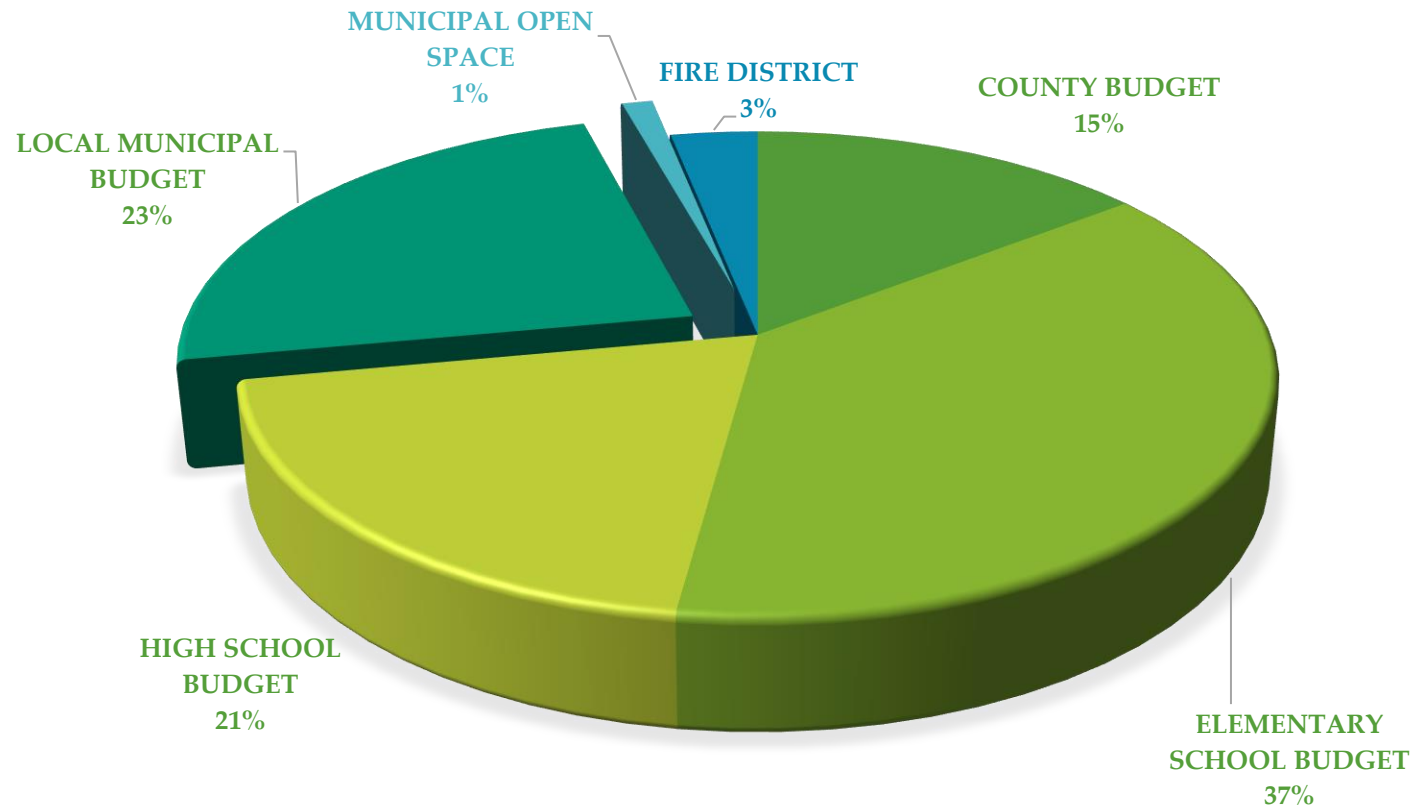


**2022 Municipal Budget Presentation
Borough of Tinton Falls
April 5, 2022**

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 2021 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 30.04% to 35.04% of budget.
 - Borough Regenerated 134% of Fund Balance Utilized in the 2021 Budget.
- Municipal revenue exceeded our targets by 19%, aiding in the regeneration of our surplus.
- 2019 through 2022 budgets combined have \$2,477,870 remaining under the 2% levy cap (this equates to approximately 5.8 cents on the tax rate.)
- Tax Collection Rate remains high at 99.18%, which has stabilized our Reserve for Uncollected Taxes @ \$797,000.

2022 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 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.
- State Aid to remain the same for the thirteenth straight year.

2022 Budget Structure (continued)



APPROPRIATIONS

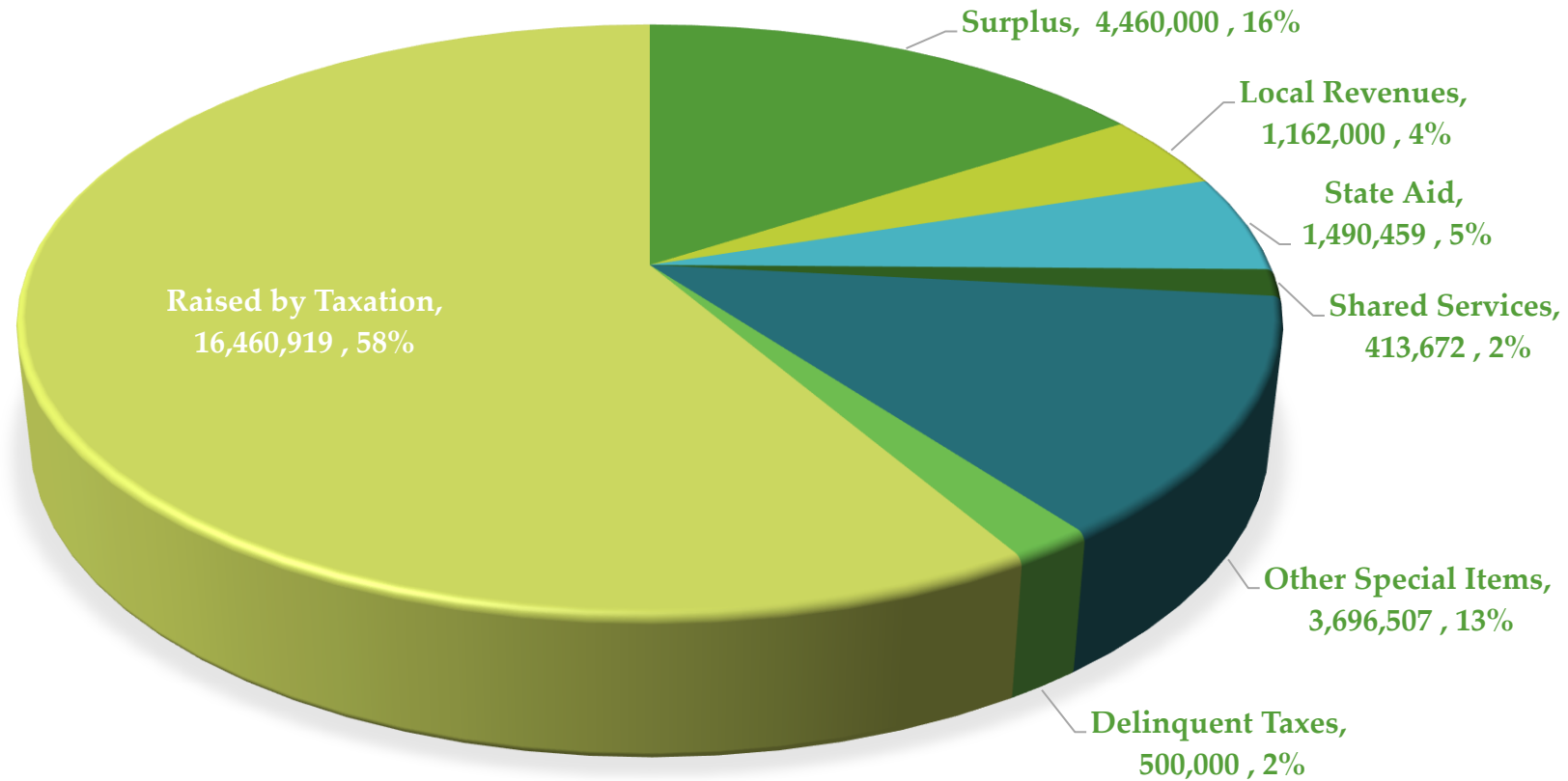
- Total Operating Expenses have increased by a marginal 2.08% exclusive of Health Benefit Costs which increased by 2.14% of Operations.
- Total Budgeted Salaries and Wages, a component of Operating Expenses, have increased by 1.23%.
- Total Debt Service has remained stable from 2021.
- The Borough continues 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

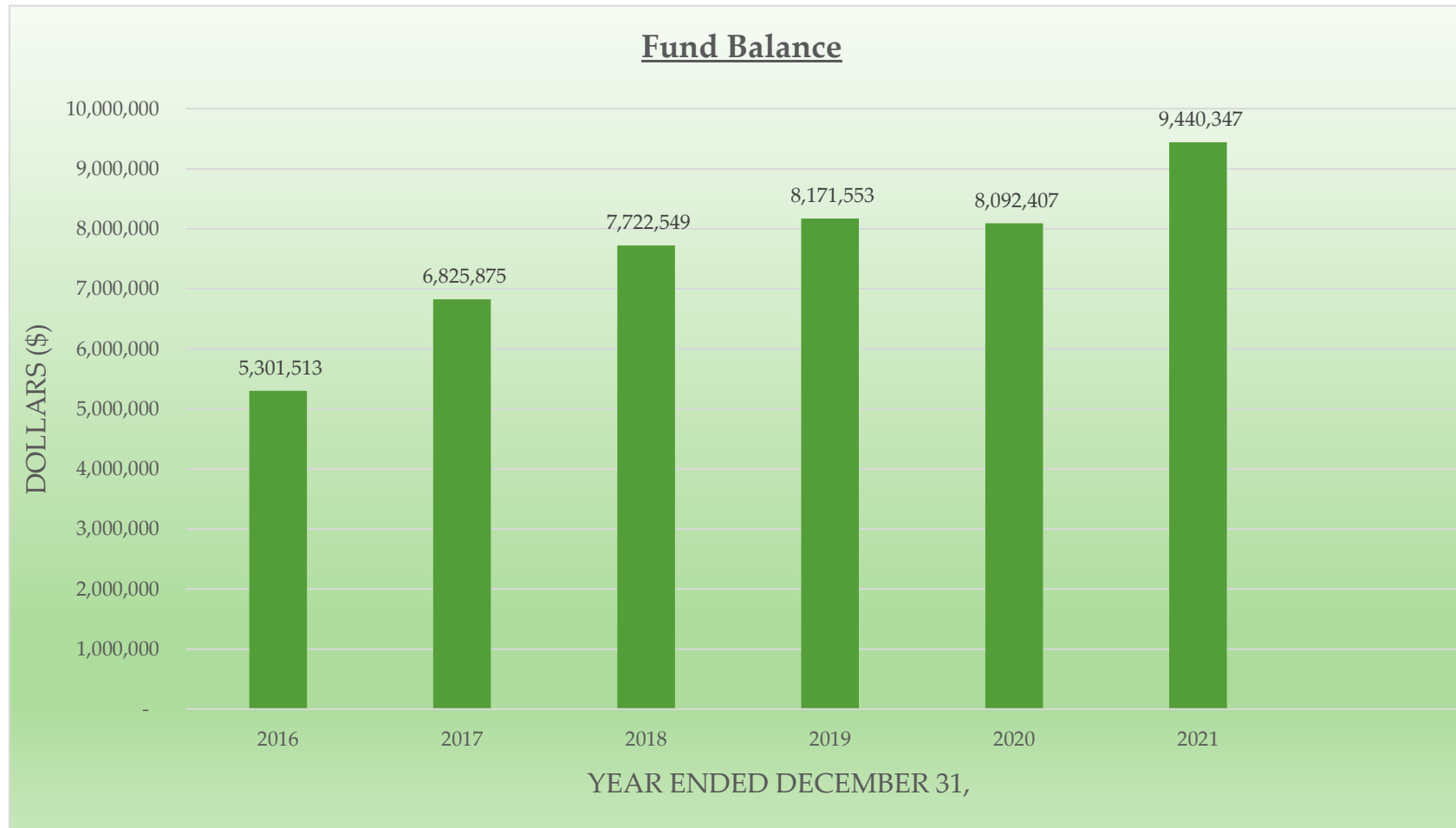
ANTICIPATED REVENUES	PROPOSED BUDGET 2022	ADOPTED BUDGET 2021	DOLLAR CHANGE	PERCENT CHANGE
State Aid	\$ 1,490,459	\$ 1,490,459	\$ -	0%
Municipal Revenue	5,272,179	4,876,146	396,033	8.12%
Delinquent Taxes	500,000	700,000	(200,000)	-29%
Fund Balance	4,460,000	3,950,000	510,000	12.91%
Amount to Be Raised by Taxation	16,460,919	16,153,346	307,573	1.90%
Total Anticipated Revenues	\$ 28,183,557	\$ 27,169,951	\$ 1,013,606.00	3.73%
Annual Tax Comparison				
Assessed Valuations Taxable	\$ 4,283,845,037	\$ 3,671,055,873	\$ 612,789,164	16.69%
Municipal Tax Rate	\$ 0.384	\$ 0.440	\$ (0.056)	-12.73%

2022 Budget Revenue Anticipated

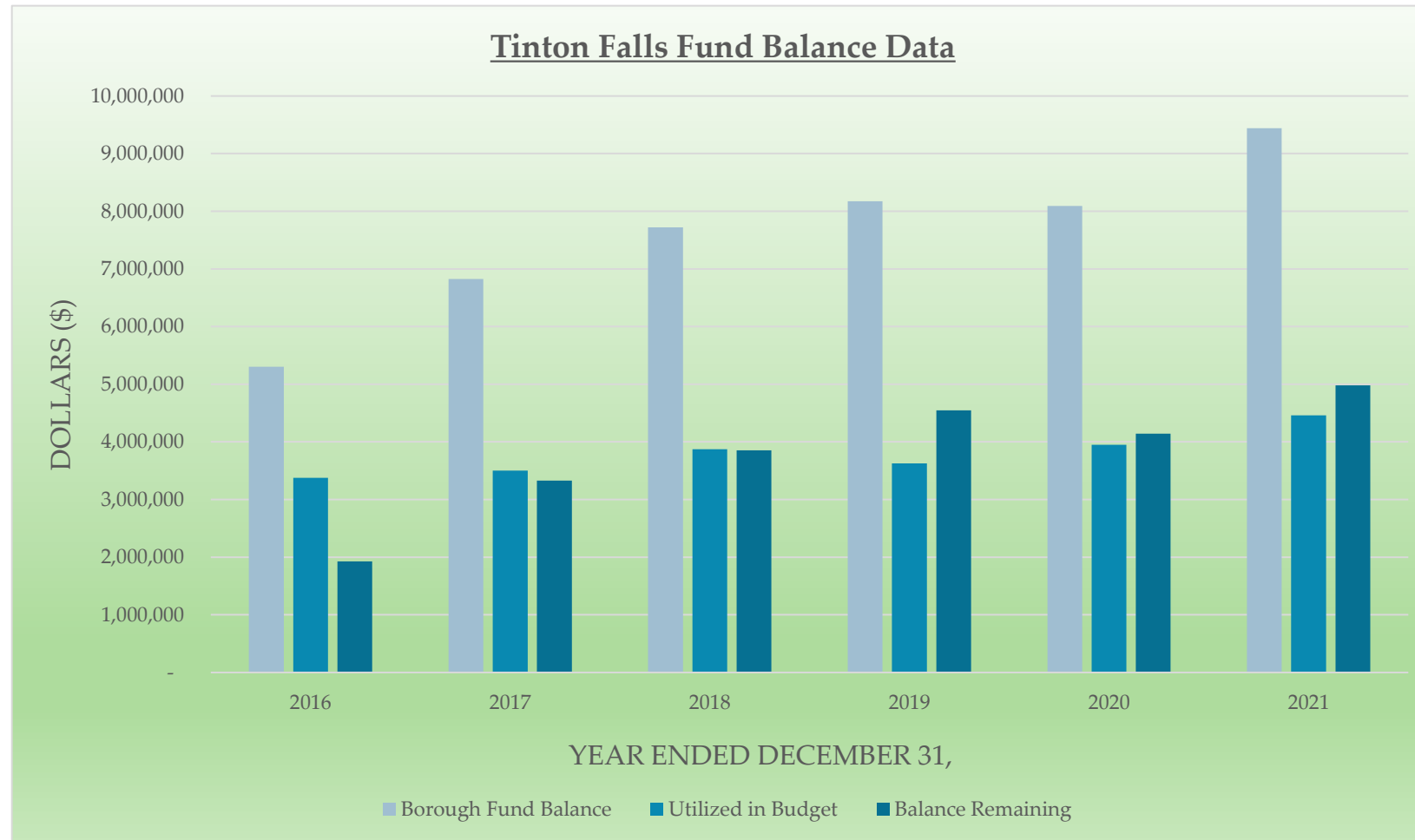


Total revenues
of \$28,183,557

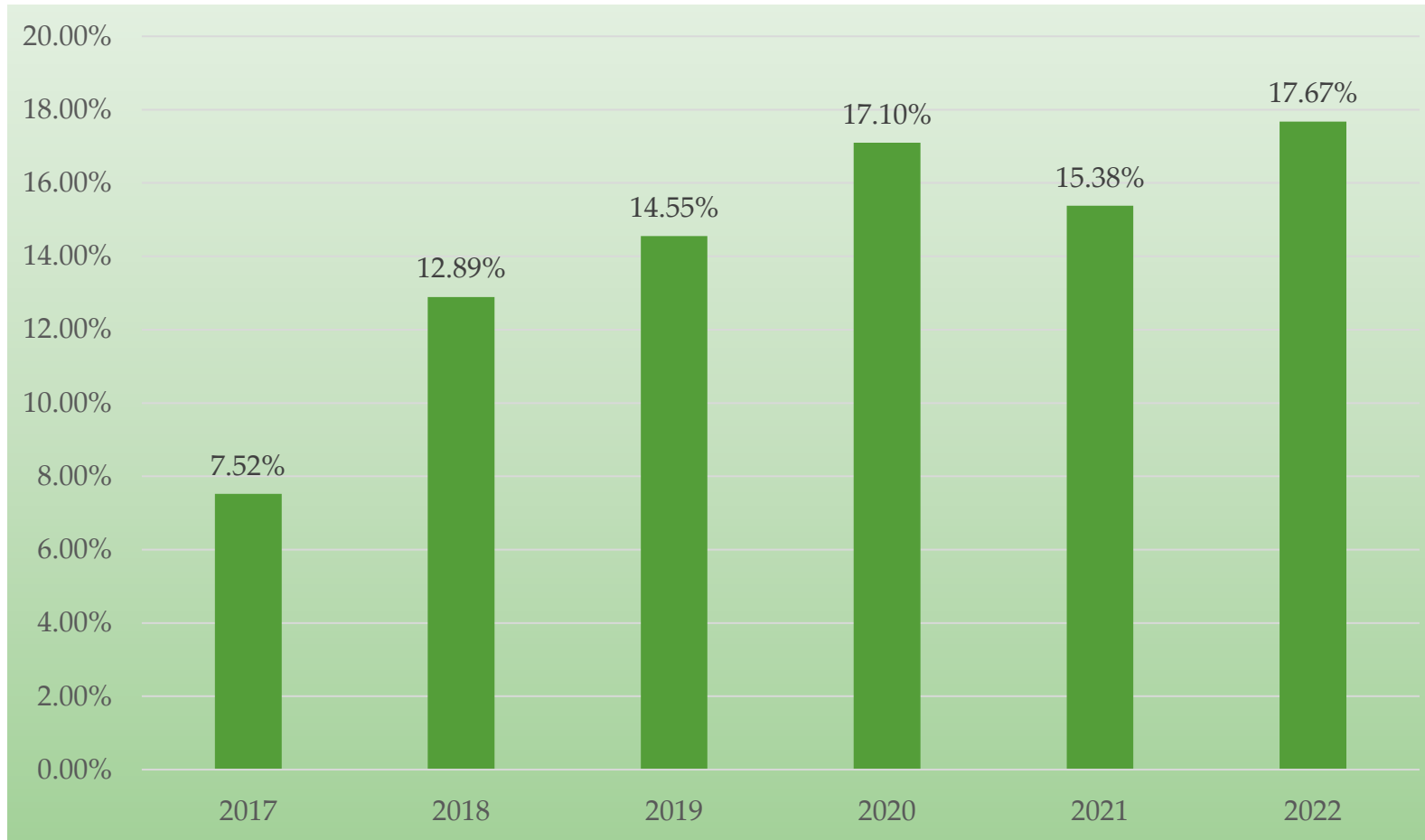
Historical Municipal Fund Balance



Borough Fund Balance Data



Non-Utilized Fund Balance as a % of Budget



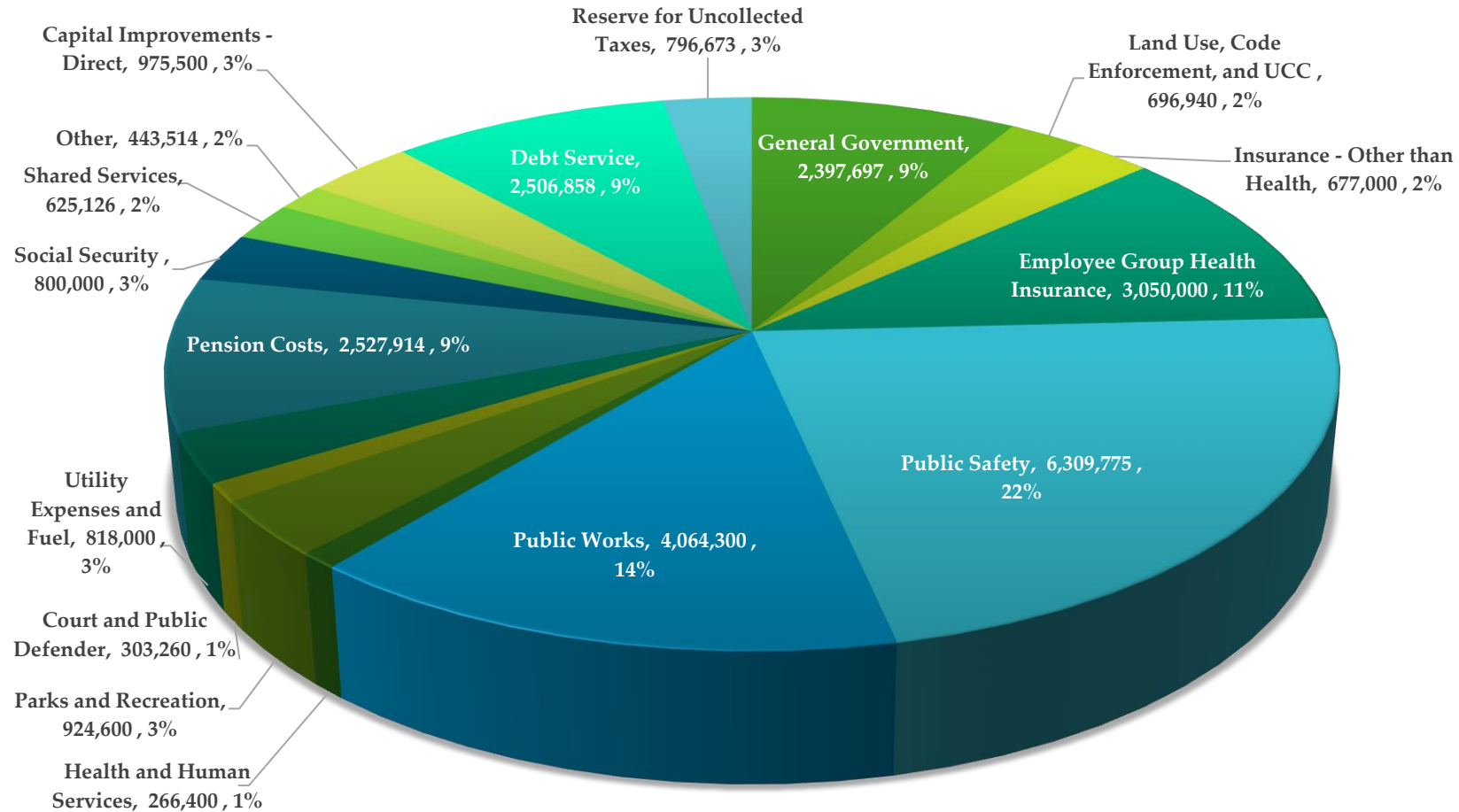
The more non-utilized fund balance the Borough has on hand, the better we are positioned to manage emergencies and unexpected economic issues and to stabilize municipal taxes.



Summary of Appropriations

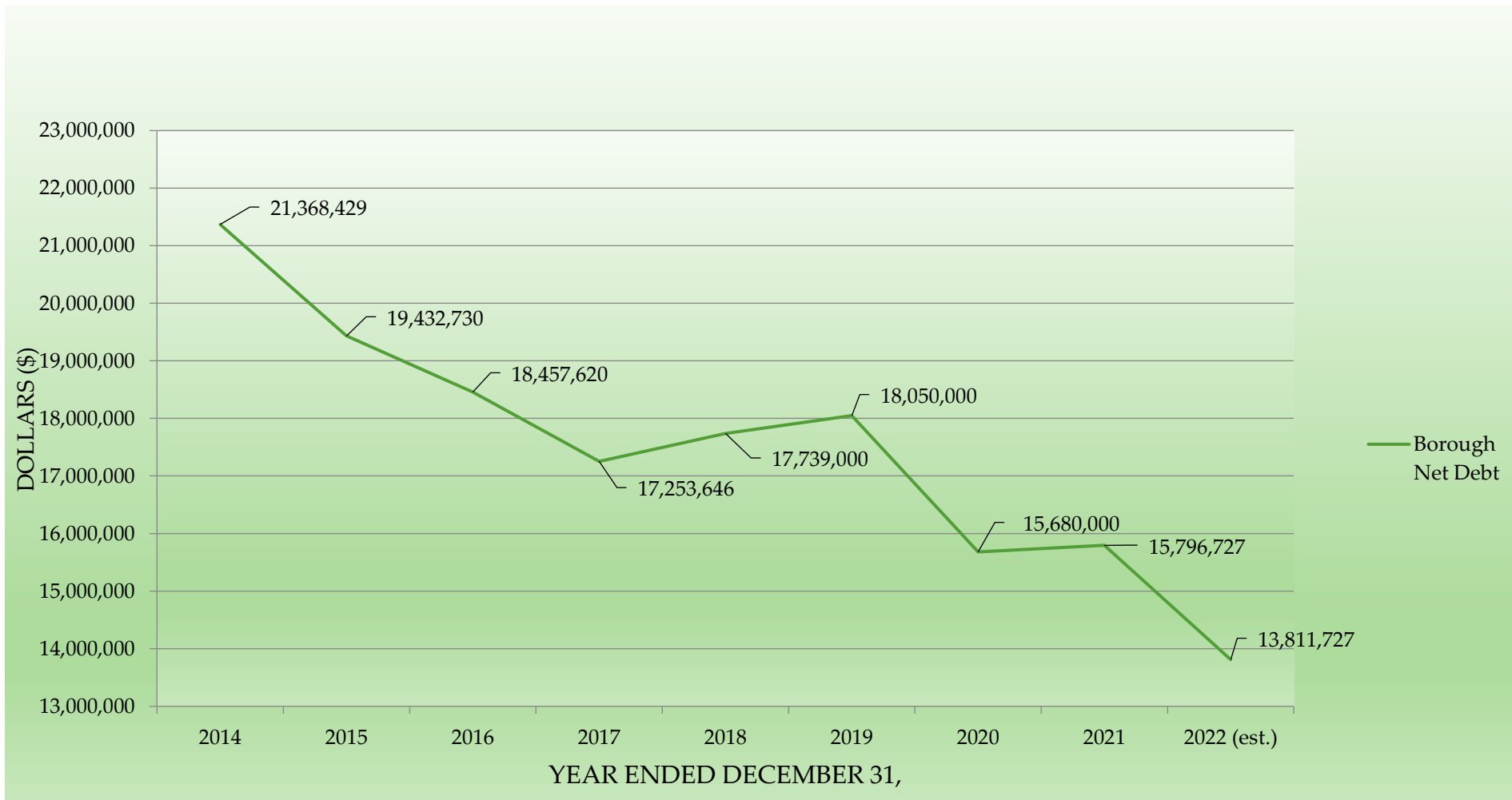
APPROPRIATIONS	PROPOSED BUDGET 2022	ADOPTED BUDGET 2021	DOLLAR CHANGE	PERCENT CHANGE
Operations:				
Salaries and Wages	\$ 11,722,284	\$ 11,579,836	\$ 142,448	1.23%
Other Expenses	8,854,328	8,162,780	691,548	8.47%
Total Operations	20,576,612	19,742,616	833,996	4.22%
Capital Improvements	975,500	984,000	(8,500)	-0.86%
Debt Service	2,506,858	2,504,594	2,264	0.09%
Statutory Expenditures	3,327,914	3,173,773	154,141	4.86%
Reserve for Uncollected Taxes	796,673	764,968	31,705	4.14%
Total Appropriations	\$ 28,183,557	\$ 27,169,951	\$ 1,013,606	3.73%

2022 Budget Appropriations by Function



Total
Appropriations
of \$28,183,557

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.”



Municipal Tax Rate



Municipal Open Space Trust Fund



	Actual					Proposed
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	Budget <u>2022</u>
Open Space Trust Reserve Balance - January 1st	\$ 415,208	\$ 491,829	\$ 660,775	\$ 1,014,517	\$ 98,105	\$ 111,171
Trust Fund Revenues:						
Open Space Tax	686,093	716,863	757,196	781,993	825,987	963,865
Open Space Tax - Added/Omitted	11,222	8,393	11,436	5,049	13,329	5,000
Interest Income	4,959	15,045	14,342	10,863	5,912	5,000
Walz and Liberty Park - County Grant					377,000	
Traditions - State and County Grants	1,118,256	250,000				
Total Revenues	1,820,530	990,301	782,974	797,905	1,222,228	973,865
Trust Fund Expenditures: (Includes Cash Expenditures and Encumbrances)						
Maintenance of Land - Salaries & Wages	127,650	106,517	125,297	129,922	127,154	130,000
Maintenance of Land - Other Expenses	86,686	39,038	96,404	67,441	14,115	100,000
Development of Land:						
Walz Park Improvements Design						155,000
Wardell Park Improvements Design						75,000
Hockhockson Park Improvements						444,000
Hance Park Improvements	90,338	21,570				
2020/2021 Park Improvement Program				1,208,000	537,751	
Miscellaneous				112,075		
Acquisition and Development of Land - Other Costs	30,224	38,626	79,841	72,241	6,684	
Acquisition of Open Space Property	970,000	79,431			402,627	
Debt Service:						
Principal on Bonds	83,761	85,354	85,000	85,000	85,000	85,000
Principal on Notes	300,000	400,000				
Interest on Bonds	48,618	45,685	42,690	39,638	31,842	32,155
Interest on Notes	6,632	5,134			3,989	33,931
Total Expenditures	1,743,909	821,355	429,232	1,714,317	1,209,162	1,055,086
Open Space Trust Reserve Balance - December 31	\$ 491,829	\$ 660,775	\$ 1,014,517	\$ 98,105	\$ 111,171	\$ 29,950



Sewer Utility Budget Summary

Dedicated Sewer Utility Budget	PROPOSED BUDGET 2022	ADOPTED BUDGET 2021	DOLLAR CHANGE	PERCENT CHANGE
Revenues				
Surplus Anticipated	\$ 835,500.00	\$ 1,195,500.00	\$ (360,000.00)	-30.11%
Sewer Rents	3,900,000.00	4,100,000.00	(200,000.00)	-4.88%
Total Revenues	4,735,500.00	5,295,500.00	(560,000.00)	-10.58%
Appropriations				
Salaries and Wages	650,000.00	650,000.00	-	0.00%
Other Expenses	3,560,000.00	3,889,000.00	(329,000.00)	-8.46%
Capital Outlay	380,000.00	620,000.00	(240,000.00)	-38.71%
Statutory Expenditures	145,500.00	136,500.00	9,000.00	6.59%
Total Appropriations	\$ 4,735,500.00	\$ 5,295,500.00	\$ (560,000.00)	-10.58%



Capital Projects – Overview

- Total Planned Capital Projects in 2022 of \$2,271,300, consisting of \$1,982,500 in general capital improvements and \$288,800 in sewer utility capital improvements.
- Making use of:
 - \$529,300 in grant funds
 - \$217,500 NJ Library Construction Bond Act
 - \$311,800 NJDOT Municipal Aid Grant (Gilbert Street Improvements)
 - \$1,104,300 in direct operating budget capital appropriations

The borough is very proud of \$1,104,300 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 and budget structure.

2022 Capital Budget – General Improvements



<u>General Improvements</u>	<u>Amount Appropriated</u>	<u>FUNDING SOURCES</u>					<u>Open Space Trust</u>
		<u>Operating Budget</u>	<u>Grants</u>	<u>Capital Reserves</u>	<u>Other Funds</u>	<u>Debt Authorized</u>	
Field Lighting Improvements at Hockhockson Park	444,000						444,000
Walz Park Improvements Design	155,000						155,000
Wardell Park Improvements Design	75,000						75,000
Wardell Park Amenities	30,000						30,000
Various Improvements to DPW Equipment	61,000	61,000					
Acquisition of Multi-Purpose Hook Lift Truck with Plow, Spreader, Dump Body, and Vacuum	350,500	350,500					
Acquisition of Asphalt Hot Patcher	119,000	119,000					
Acquisition of Zero Turn Mower	28,000						28,000
Acquisition of Wheel Loader	245,000	245,000					
Improvements to Library	435,000		217,500	150,000	67,500		
Automated Refuse Containers	40,000	40,000					
Total General Improvements	1,982,500	815,500	217,500	150,000	67,500	0	732,000

2022 Capital Budget – Sewer Improvements



	<u>FUNDING SOURCE</u>	
<u>Sewer Improvements:</u>	<u>Amount Appropriated</u>	<u>Operating Budget</u>
Acquisition of Manhole Cutter	35,000	35,000
Hovnanian Pump Station Upgrades	105,000	105,000
Sewer Main Inspections - Inflow and Infiltration Study	148,800	148,800
Total Sewer Improvements	288,800	288,800

Capital Projects – Road Repaving



- Borough is responsible for 85 miles of roads
- Road Program designed in 2021 and constructed in 2022
- 11 roads to be paved (approximately 2.9 miles)

- | | |
|--------------------|------------------|
| ➤ Glenwood Drive | ➤ Lyndell Lane |
| ➤ Riverview Drive | ➤ Garden Place |
| ➤ Fairfield Drive | ➤ Wardell Road |
| ➤ William Street | (Shafto Road to |
| ➤ Terry Lane | Maywood Run) |
| ➤ Orchard Street | ➤ Gilbert Street |
| ➤ Wellington Drive | (North, South & |
| | West) |



Gilbert Street Existing Conditions

Capital Projects – Road Repaving



Orchard Street Existing Conditions



Riveredge Road Existing Conditions

Capital Projects – Road Repaving



Terry Lane Existing Conditions



William Street Existing Conditions

Capital Projects – Sidewalks

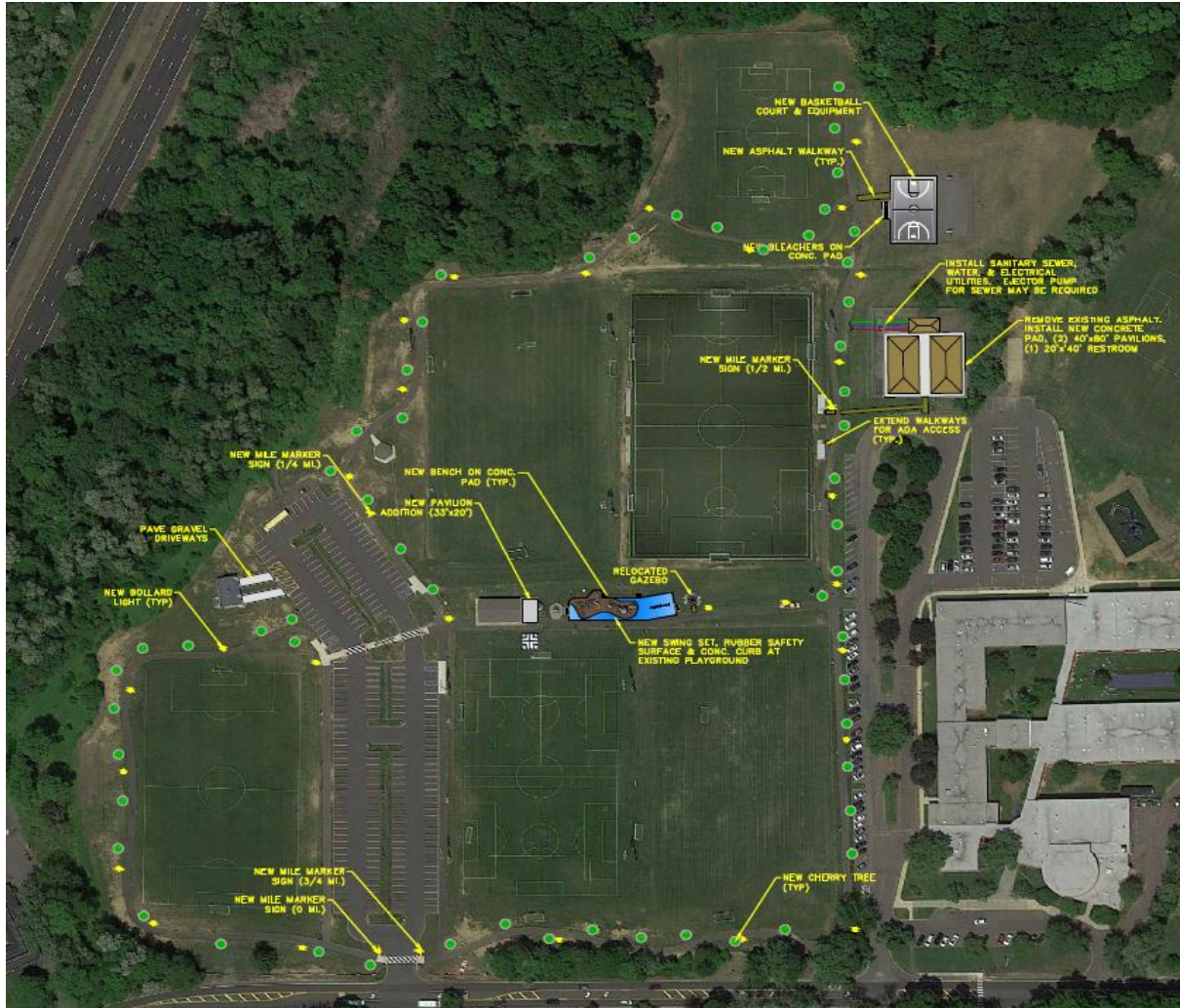


**Sidewalk
Improvements on
Shrewsbury
Avenue:**

Newman Springs
Road to Sycamore
Avenue

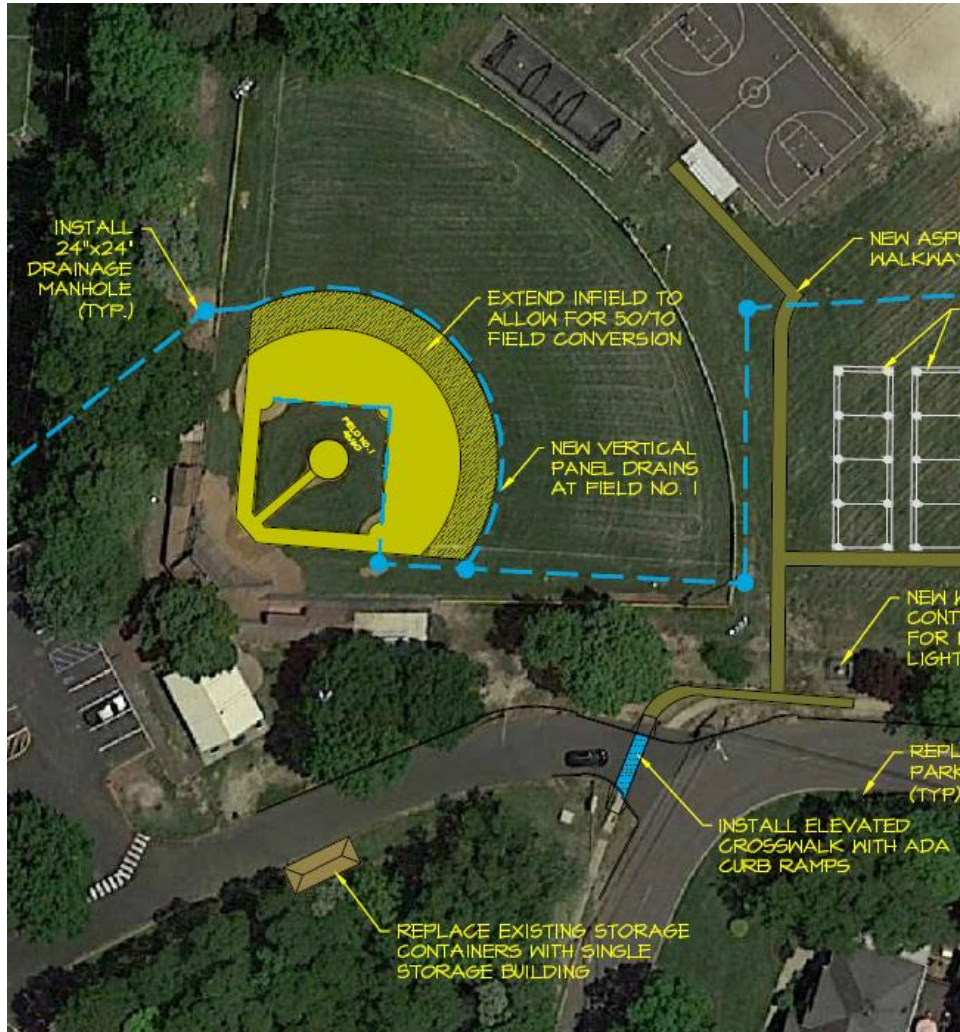


Capital Projects – Park Improvements

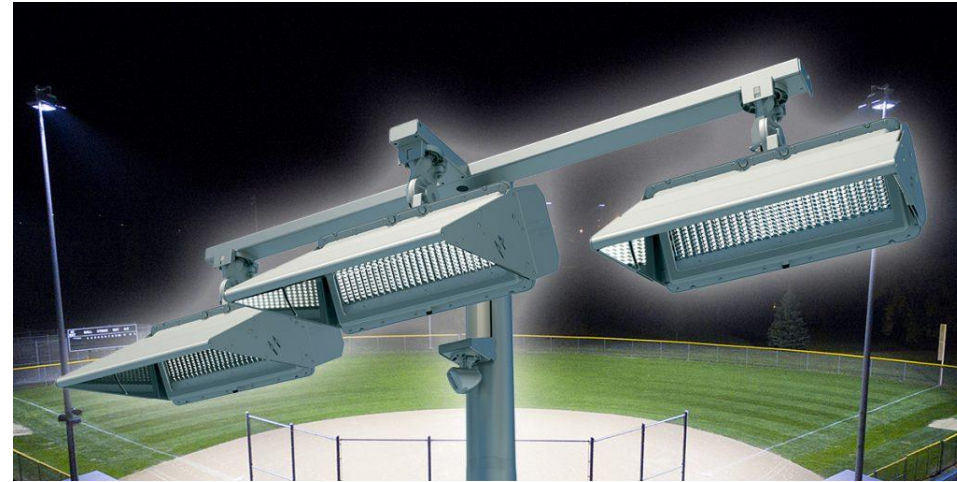


- Resurface Basketball Court
- New restroom building and two pavilion structures at old tennis court area
- Expand existing pavilion structure
- New swing set and rubber safety surface at playground
- New walkway lighting
- Additional landscaping
- Lightning detection & warning system

Capital Projects – Park Improvements

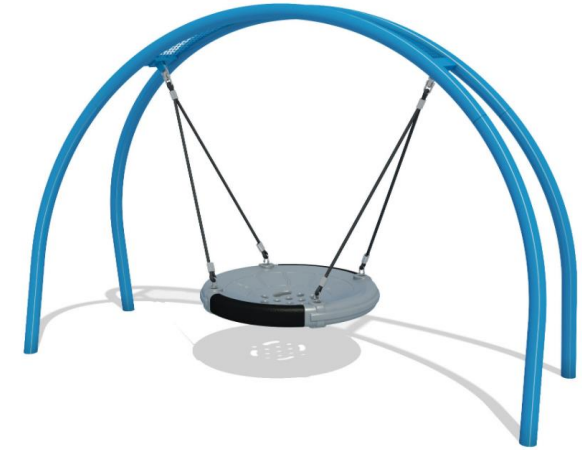
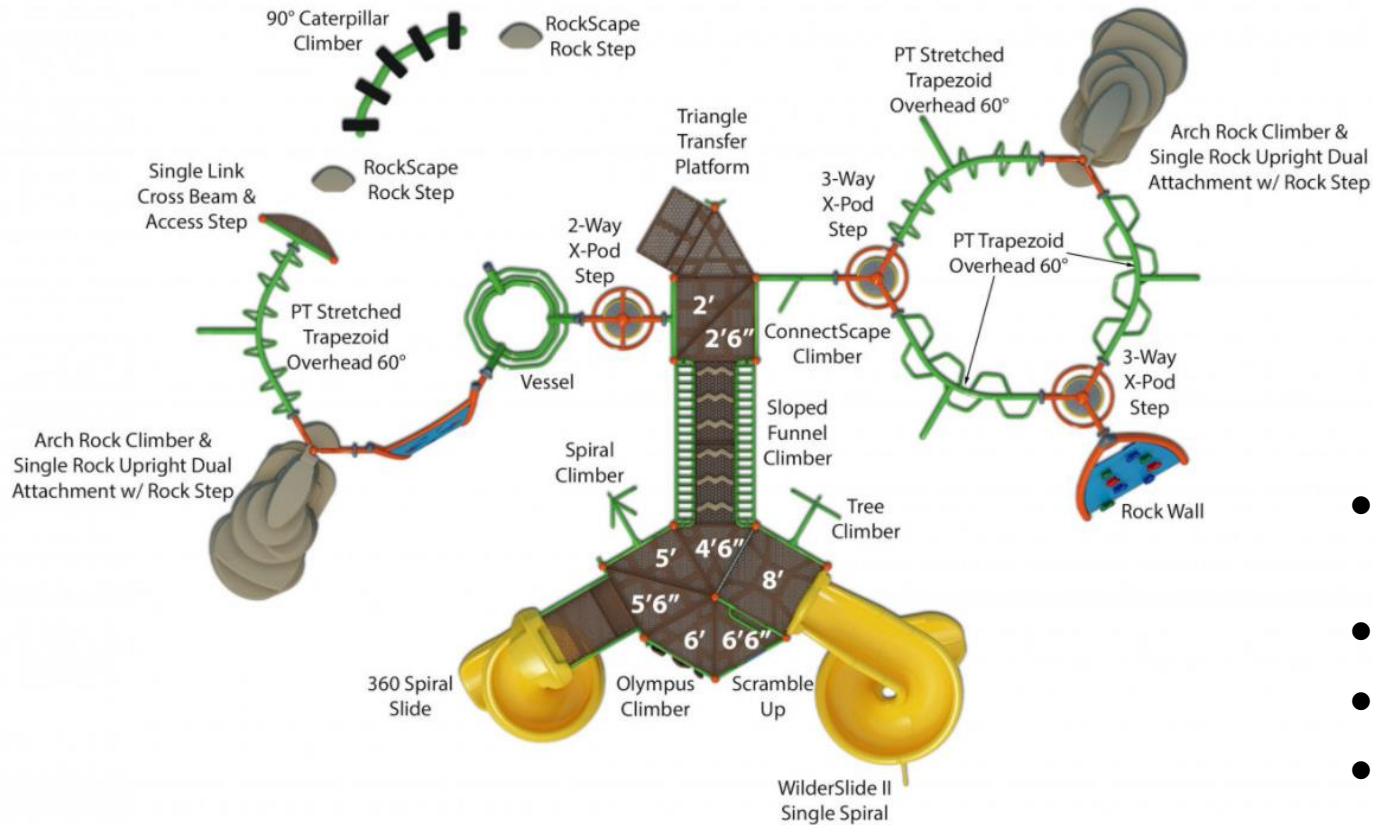


HOCKHOCKSON PARK



- New Musco lights at Field No. 3
- Wireless lighting controls for all fields
- Re-grade Field No. 1 & expand for 50/70 conversion
- Curb, Sidewalk, and Drainage improvements
- New Storage Building
- Lightning detection & warning system

Capital Projects – Park Improvements



- New playground equipment with rubber safety surface
- Reconstruct basketball court
- New walkways
- Re-pave parking lot

Capital Projects – Park Improvements

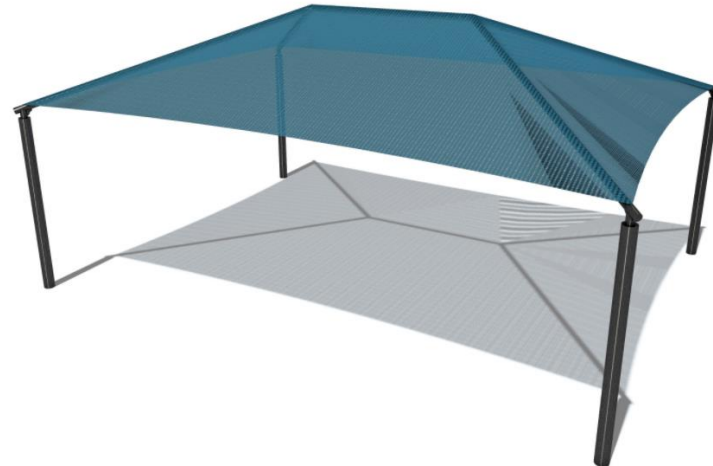


- Reconstruct basketball courts
- New walkways around concession building
- New equipment and rubber safety surface at back playground
- New dog park, including:
 - Increased size
 - Separate areas for large & small dogs
 - Synthetic turf surface
 - Shade structures
 - Dog course equipment & amenities
 - Lighting

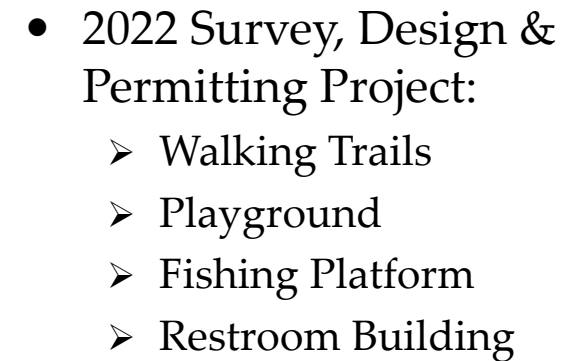
Capital Projects – Park Improvements



- 2022 Construction:
 - Additional Landscaping
 - Shade Structure and Tables



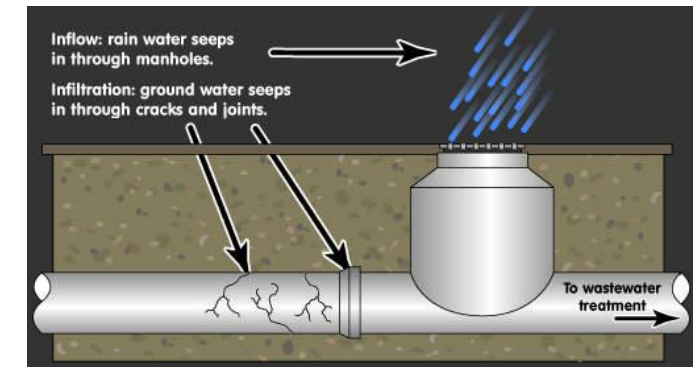
- 2022 Design Project:
 - New Restroom Building (similar to Sycamore)
 - Water & Sewer Extension
 - Pump Station





Capital Projects – Sewers

- Proposed projects include:
 - Hovnanian Pump Station Controls Upgrades
 - Sewer Main Inspection & I/I Study – Phase 1
 - Acquisition of Manhole Cutter





Timeline

- Introduction:
 - Tuesday, April 5, 2022 Council Meeting
 - Budget document to be posted on website and published in summary
- Public Hearing:
 - Tuesday, May 3, 2022 Council Meeting