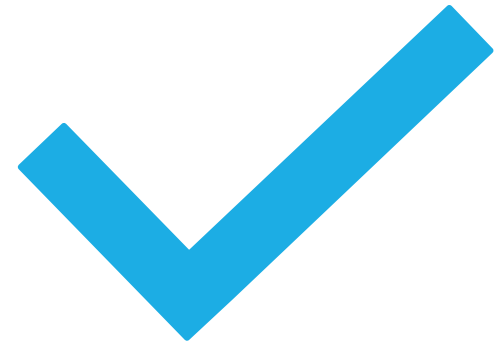




2024 MUNICIPAL BUDGET

2023 OVERVIEW

- INFLATION
- Infrastructure Improvements
- Capital Investments
- Hazard Mitigation (Risk Reduction)
- Recreational Improvements
- Non-Property Tax Revenue Generation
- Continued growth of fund balance in anticipation of future capital debt repayment and general economic changes.



Budget / Mission

Resiliency

Fiscal responsibility /
stability

Quality of life

Provision of
exceptional public
services

Capital Debt for growth
of community and
distribution of costs to
those who receive the
benefit

Managing through
stagnant / lost State
Aid

Sustainable budgeting

Economic vibrancy

Informed and engaged
community

Appropriate
investment in
infrastructure

2024 Budget Priorities

Control Spending

Spending is down slightly as compared to 2023.

- Budget includes a one-time appropriation to “pay down” an unfunded ordinance that was to be funded by a grant but must be funded locally due to an inability to meet grant requirements that is beyond the control of the governing body. (\$241,040.00)

Conserve / Build

Surplus at the start of 2023 was \$4,174,202.26. Surplus at the start of 2024 is \$4,802,712.56, of which \$760,066.02 will be utilized to reduce taxation in the budget.

- The balance of \$4,042,646.54 exceeds our long-term targeted amount of \$2,000,000.00 (based upon current budget levels) thus creating a higher level of resiliency to address future budgets impacts.

Maintain Stability

Maintain Stable Taxes:

- This budget results in a tax rate decrease of 14.14% and an overall amount to be raised by taxation increase of 1.89%. This is well below the inflation rate of 3.2%.

Prepare

Prepare for Significant Investment in Flood Mitigation:

- This budget continues to support efforts to assure sufficient funding exists to support Phase 1 of the proposed Borough Flood Mitigation project.

2024 Budget Overview



Borough remains in a strong financial position as a result of years of fiscal planning with a strong focus on resiliency and sustainability.



Achieved revenue goals and controlled spending.



Attained funding for additional roadway improvements.



Operated the Beach and Sewer Utilities at a self-sustaining levels.



Continued along our plan of fiscal stability through strong tax collections, strategic budgeting and debt planning, and investing in the overall quality of life for Sea Bright residents and businesses.

Overview of Tax Impacts

Amount to be Raised by Taxation increases by 1.89% as compared to 2023

Taxable Value in the Borough has increased by 206,342,968.00 (18.74%)

Total Increase in Tax Levy is \$95,000.00 (1.89%)

Tax Rate has decreased 14.14% as compared to 2023

2023 Tax Rate: 45.7 cents

2024 Tax Rate: 39.2 cents (Projected)

Tax Rate Decrease- 14.14%

Regulatory Impacts

- ▣ Appropriations CAP (3.5%)
- ▣ Levy CAP (2%)
- ▣ Pension Contributions
- ▣ State Aid (Local Property Tax Relief)
- ▣ 2024 & Beyond (Levy Cap, Cap Limitations, Pension Costs, Health Benefit increases)
- ▣ School Taxes

What does this mean?



- The expectation is that the Borough remains and will remain in a good position to manage through a difficult economy.
- The Borough has demonstrated the ability to manage through significant challenges, such as Sandy, the Pandemic, and economic uncertainty. It is important that the Borough move forward in a manner that maintains that level of resiliency while continuing to invest in the future.
- The Sewer Utility will require continued adjustments to the rate to assure that the utility can invest in reducing inflow and infiltration as well as in improving overall system efficiency.
- The Beach utility must continue to prepare for regular sand replenishment costs to assure sustainable operations while mitigating the impacts of municipal flooding.

Budget Process Prior to Introduction

1	2	3	4
Long Term Capital Investment Planning - Focus on department needs, roadway improvements, pedestrian safety, sanitary sewer system, drainage and flood mitigation	Department Budget Submission / Initial Review - Dept Heads prepared and submitted budgets for review October – December. - Meetings with Council and Administration in January	Finance Committee Review - Review of financial condition and budget drivers with members of the Administration and Finance Committee	Public Workshop - Borough Council held a public workshop on March 5 where the Borough's financial condition was reviewed in detail and the proposed budget was presented.

Budget & Tax Comparison

- 2024 Budget: \$7,897,798.17
- 2023 Budget: \$8,113,508.24
(2.66% Decrease)

- 2024 Avg Tax: \$4,036.10
- 2024 Avg Home: \$1,028,676.12

Comparison:

Home valued at \$1,025,000.00

2023 Municipal Tax: \$4,684.25

2024 Municipal Tax: \$4,021.68

Decrease \$662.57

Comparison:

Home valued at \$859,541.71 (Avg 2023)

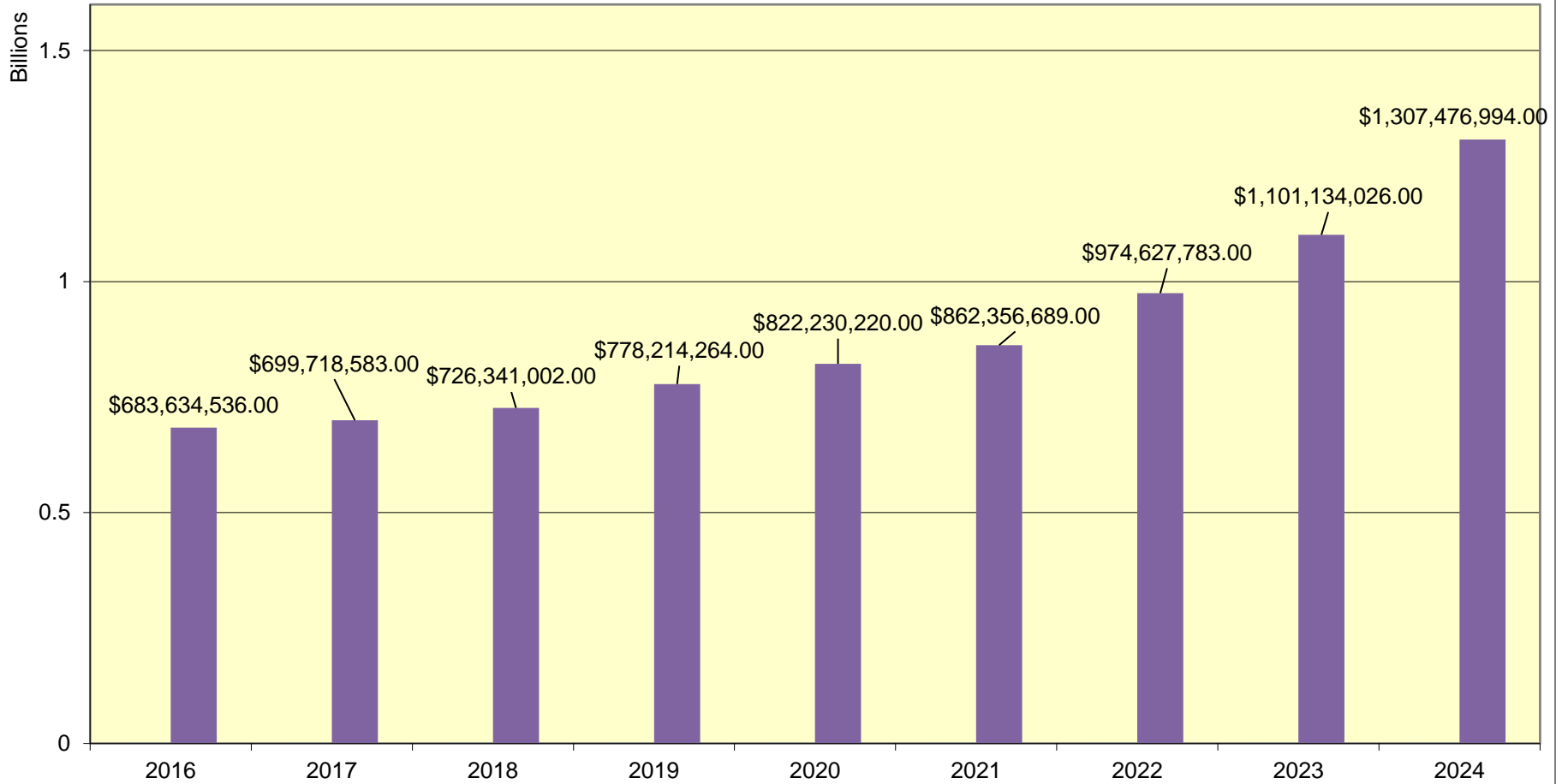
Now valued at: \$1,028,676.12 (Avg 2024)

2023 Municipal Tax: \$3,928.11

2024 Municipal Tax: \$4,036.10

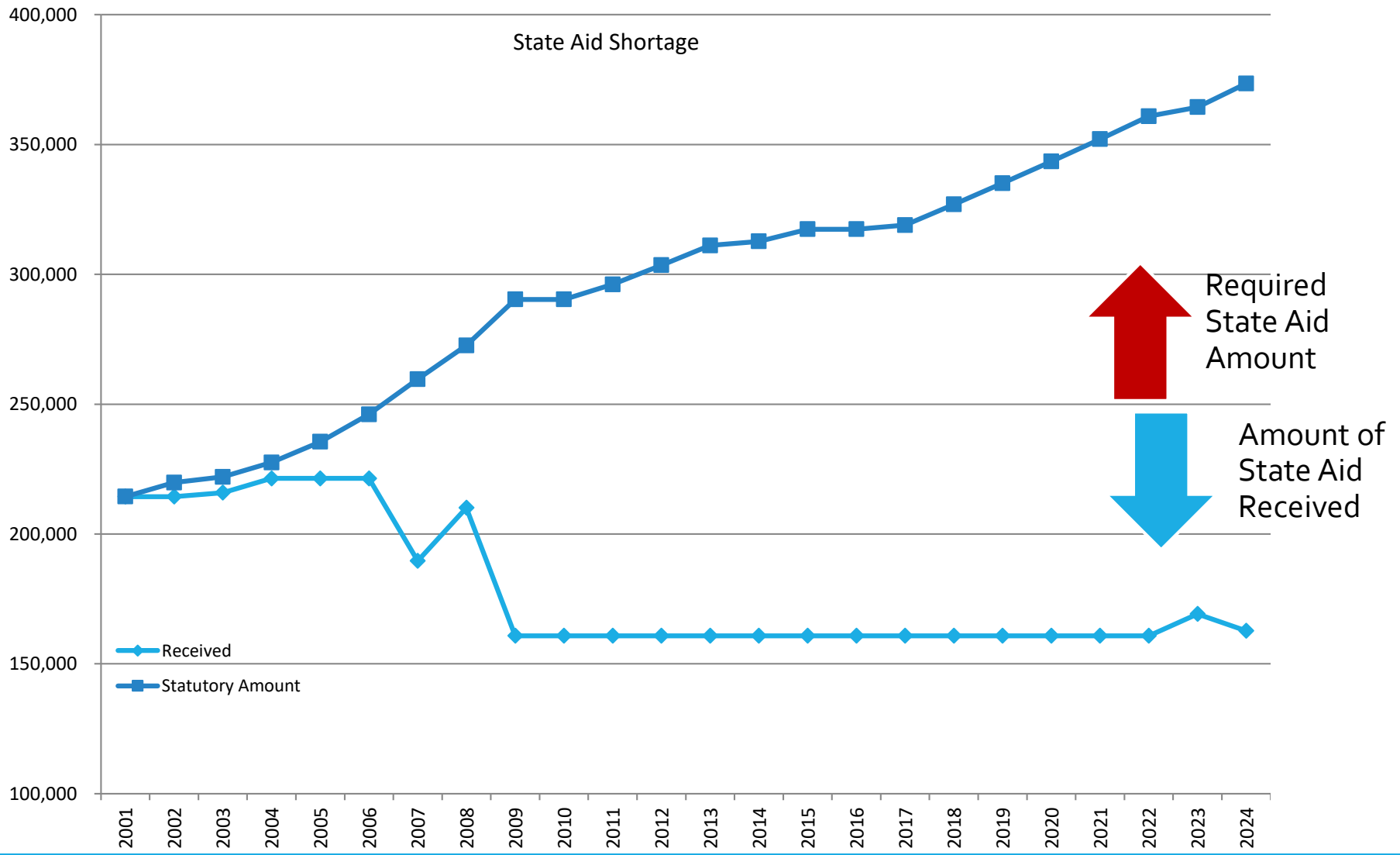
Increase \$107.99

Total Taxable Assessed Value

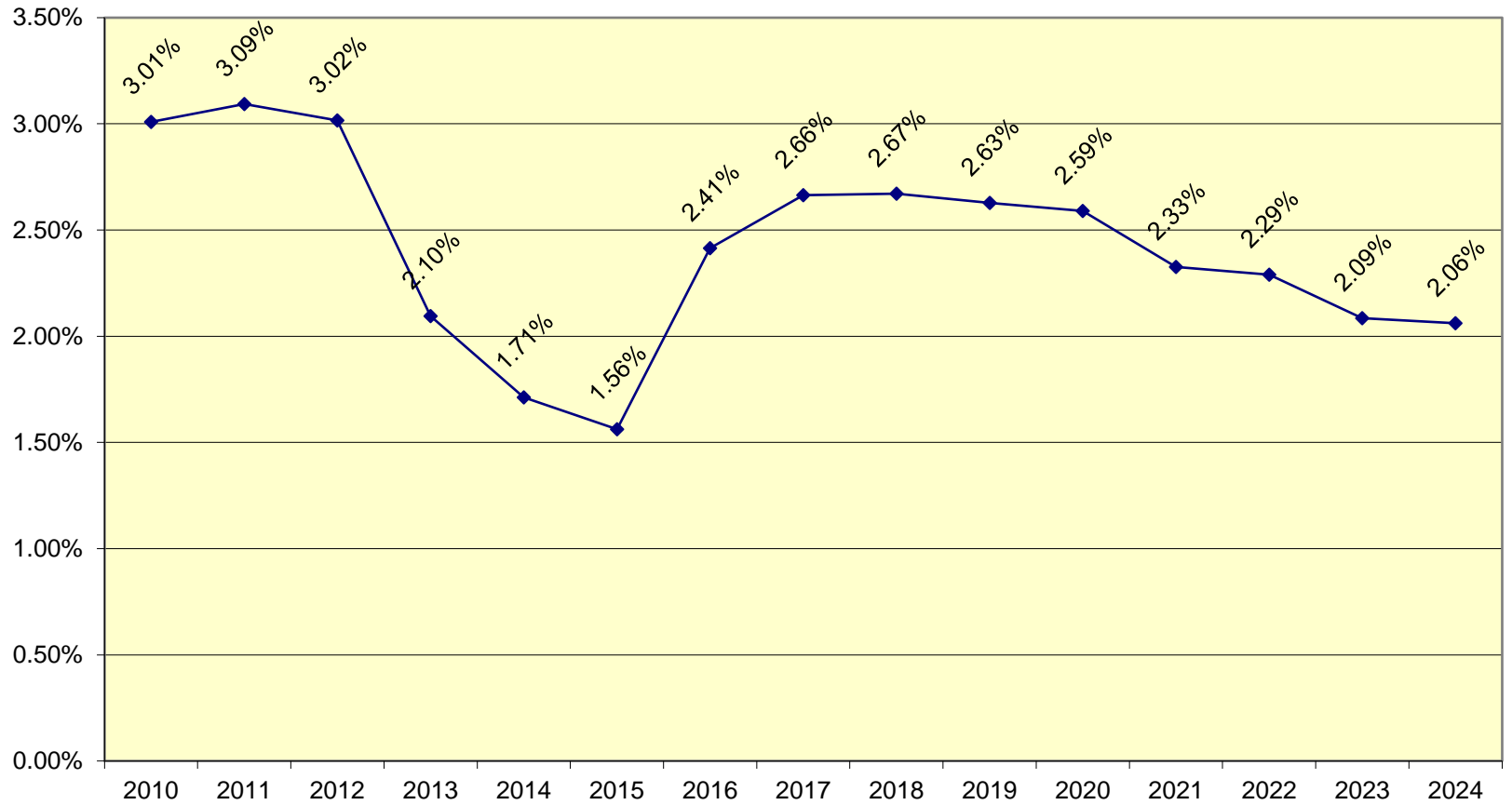


State Aid Shortage

(\$210,512. for 2024 / \$2,819,450. since 2001)



State Aid as as Percentage of Total Budget Revenue



Tax Levy CAP Calculation

2% Allowance over 2024: \$100,600.00

New Construction Adjustment: \$52,151.38

Maximum Allowable Levy: \$5,035,000.00

Amount of 2024 Tax Levy; \$5,130,000.00

Amount remaining in Levy Cap "Bank":

2024: \$156,344.00

2023: \$162,304.00

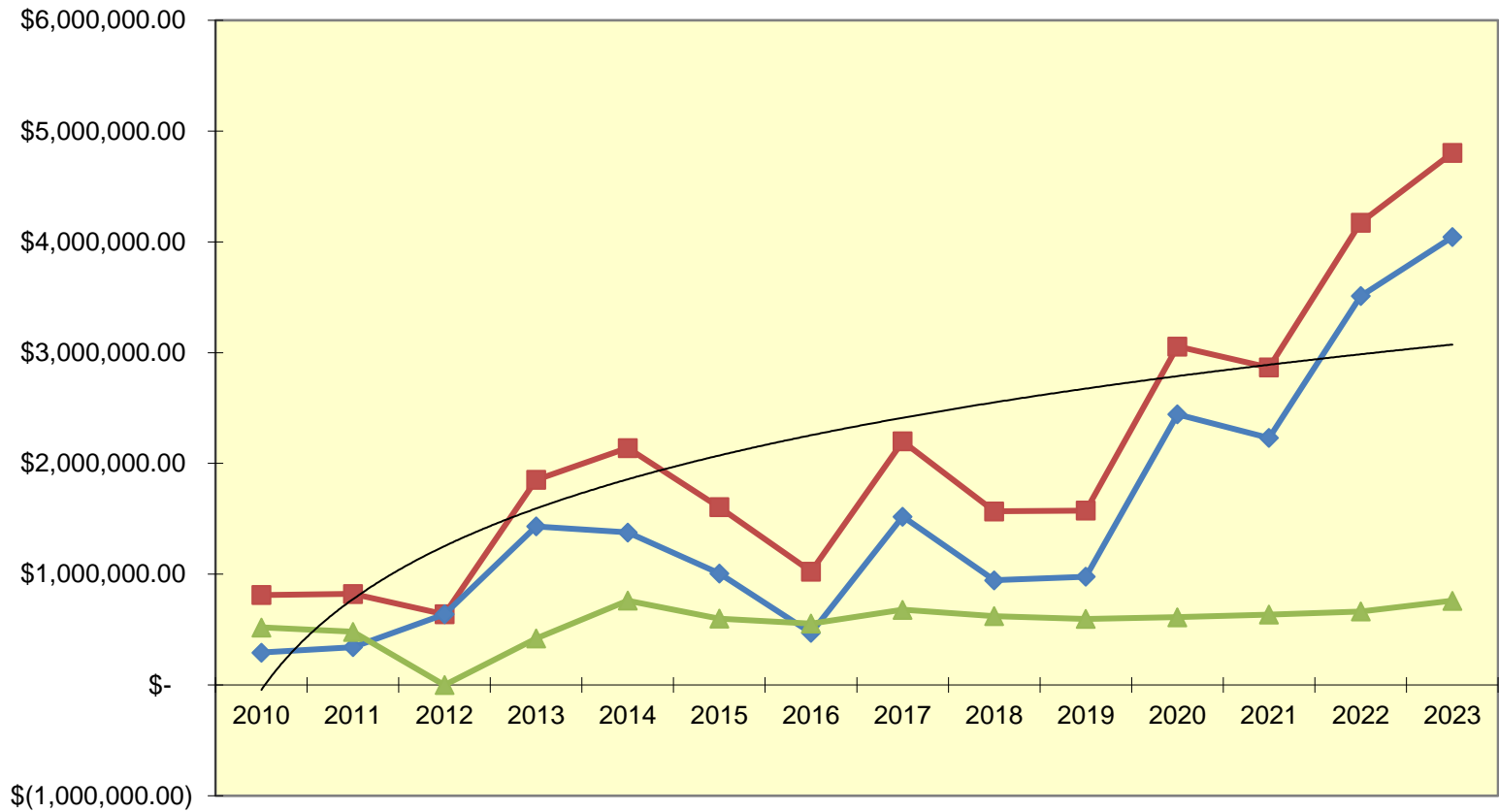
2022: \$ 2,123.00

TOTAL: \$320,771.00

Surplus Analysis

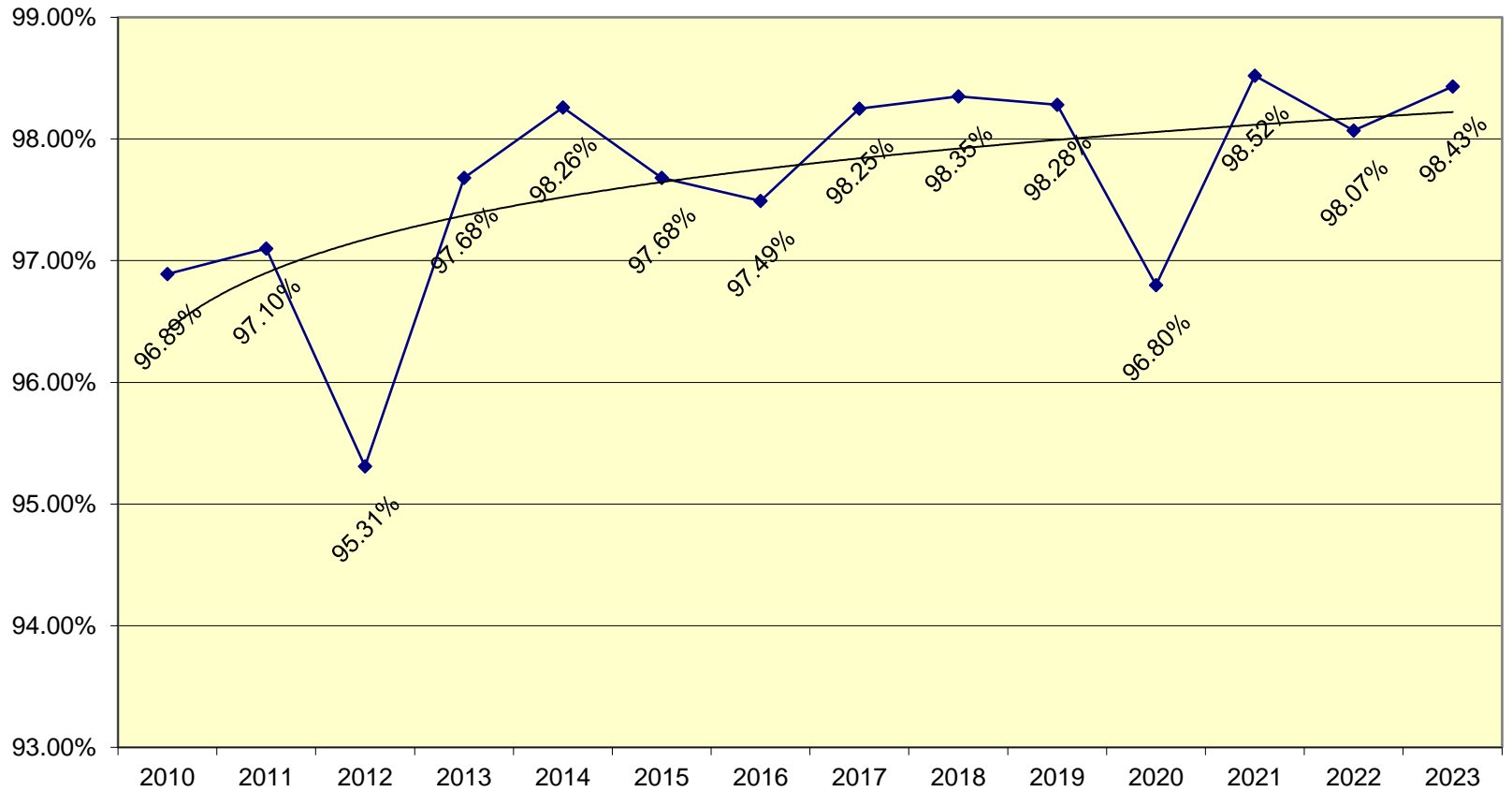
• Balance on January 1, 2023	\$4,174,202.26
• Amount Utilized in 2023 Budget	(\$663,747.85)
• Excess Operations in 2023	\$1,292,258.15
• Balance on January 1, 2024	\$4,802,712.56
• Amount Utilized in 2024 Budget	(\$760,066.02)
• Balance Remaining:	\$4,042,646.54

Surplus History



—■— Surplus Available 12 / 31 —◆— Surplus Remaining After Anticipation
—▲— Surplus Utilized to Offset Taxes in SubsYr — Log. (Surplus Available 12 / 31)

Tax Collection Rates



No drastic measures needed

No Pension Deferral

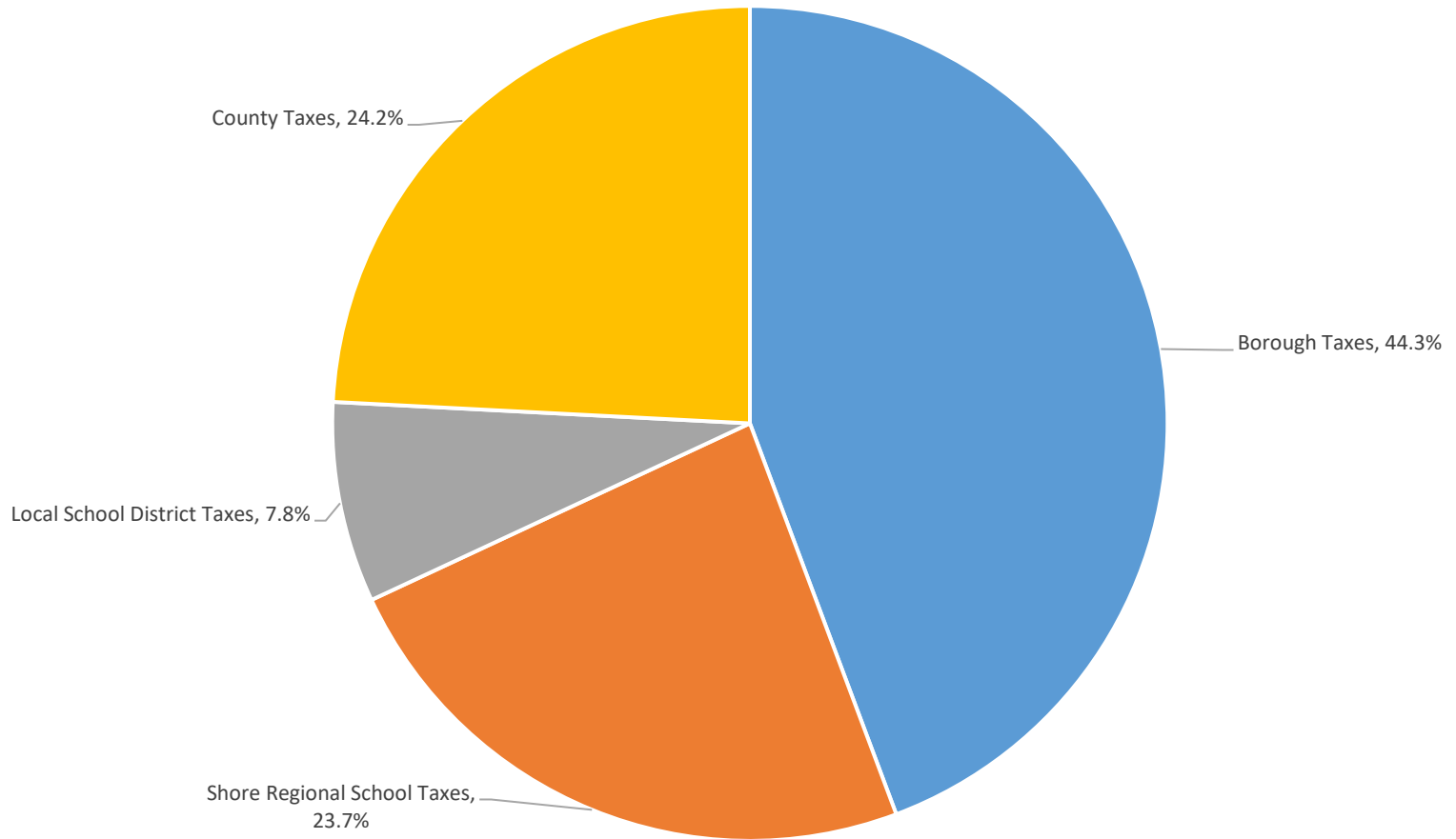
No School Tax Deferral

No Appropriations CAP / CAP Waivers

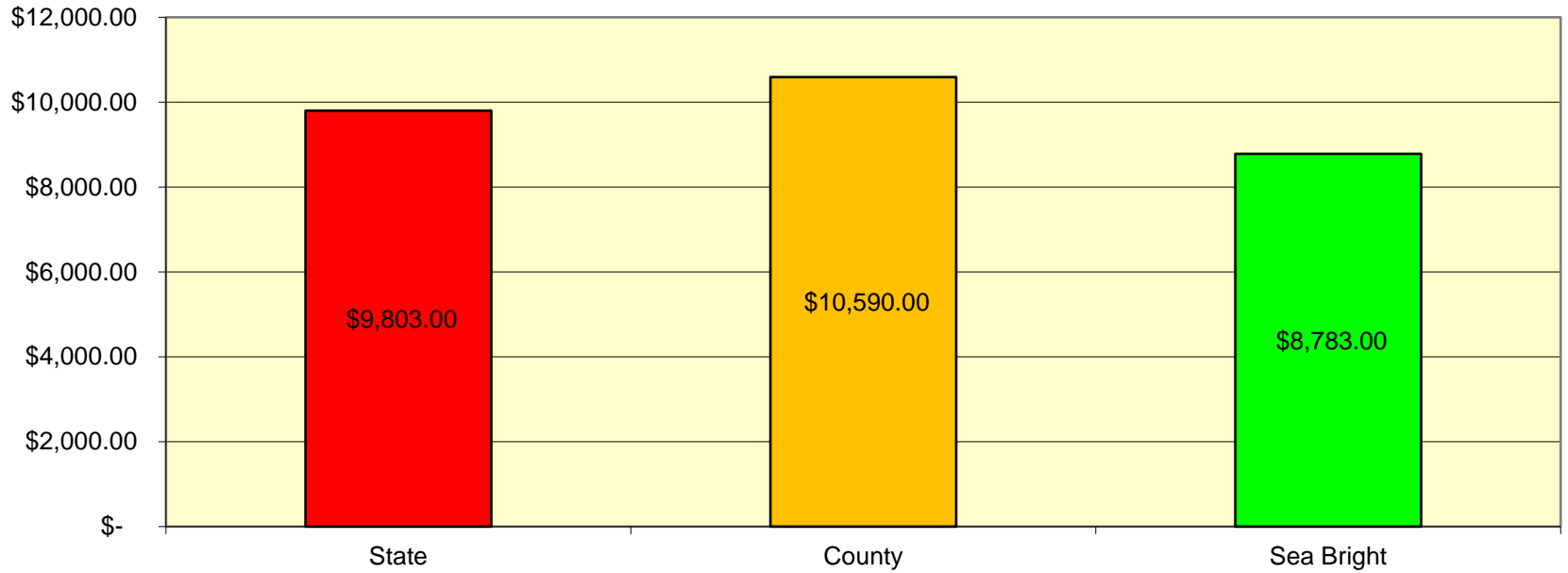
No Fiscal Year Debt

No Extraordinary Aid

Borough of Sea Bright 2024 Estimated Tax Rate Components



Taxes Paid by Average Home (2023)



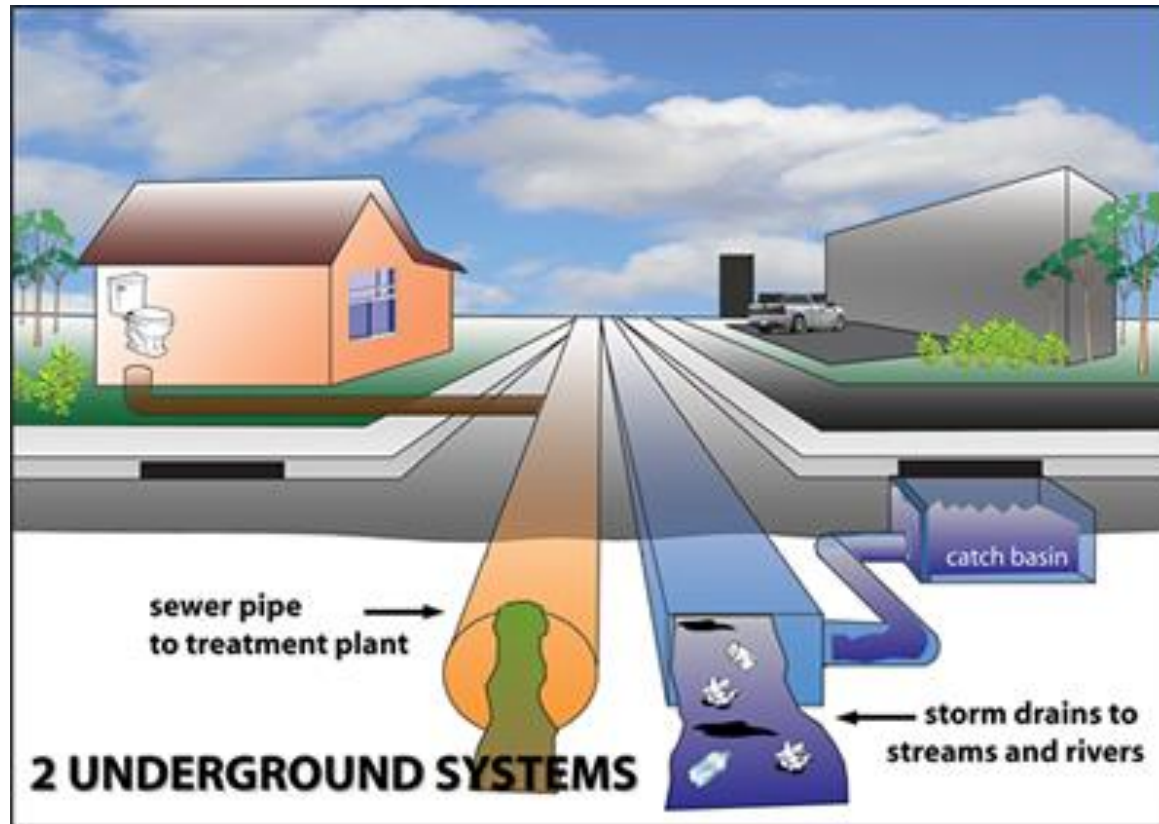
AVERAGE TOTAL TAX BILL
RESIDENTIAL

Beach Utility

- Self-Liquidating Operation
- Operating a normal budget levels



Sewer Utility



- Self-Liquidating Operation
- Low Debt
- Requires capital investment



Comments