

Borough of Shrewsbury

2024 FINANCIAL REPORT

&

2025 PROPOSED MUNICIPAL BUDGET

PRESENTED BY:

LOUIS PALAZZO, CFO

2024 Revenue Realized

	2024 Anticipated	2024 Realized	% Realized
Surplus	\$915,000	\$915,000	100%
Miscellaneous Revenues Anticipated	\$474,000.13	\$757,445.52	159.80%
State Aid	\$401,548.87	\$425,999.36	106.09%
Other Revenues	\$70,000.00	\$59,904.91	84.86%
Grants	\$55,556.19	\$55,556.19	100%
Delinquent Taxes	\$70,000.00	\$101,936.43	145.62%
Property Taxes	\$7,924,572.85	\$7,967,294.29	100.54%
Reserve for Uncollected Taxes	\$182,272.15	\$182,272.15	100%
TOTAL	\$10,092,950.19	\$10,465,408.85	103.69%

Statement of 2024 Current Fund Surplus

Opening Balance 1/1/2024	\$ 1,398,487.97
LESS: Amount Utilized in 2024 Budget	<u>\$ 915,000.00</u>
SUBTOTAL	\$ 483,487.97
PLUS: Amount Regenerated From 2024 Municipal Operations	<u>\$ 3,063,253.71</u>
Ending Balance 12/31/2024	<u><u>\$ 3,546,741.68</u></u>
<i>Proposed Usage in 2024 Budget</i>	\$ 915,000.00

Collection of 2024 Taxes

2024 Total Tax Collections **\$ 28,682,426.12**

Total 2024 Tax Levy **\$ 28,876,272.35**

Percentage of Cash Collections to Total 2023 Levy:

99.32%

2023 Collection Rate: 99.51% (.19% decrease)

Apportionment of Tax Rate

	2024	% of TOTAL RATE
Municipal Taxes	.515	28.11%
SBBOE Local School Taxes	.686	37.45%
Red Bank Regional HS Taxes	.387	21.12%
Monmouth County Taxes (includes Health, Library, and Open Space Taxes)	.234	12.77%
Municipal Open Space Tax	.01	.55%
Total	1.832	100%

2024 Ratables vs. 2025 Ratables

**2024 Ratables:
\$1,571,977,900**

**2024 Ratables (Prior to Certification):
\$1,782,248,800**

INCREASED \$ 210,270,900 (+ 13.38%)

Statement of 2024 Current Fund Appropriations

Final 2024 Budget (incl Ch.159)	\$ 10,092,950.19
Expenditures	<u>\$ 9,748,655.48</u>
Appropriation Reserves	\$ 342,246.88
Unexpended Balance Cancelled	\$ 2,047.83

Introduction of 2025 Municipal Budget

The preparation and presentation of the annual operating budget is one of the single most important responsibilities of the Borough Council, Business Administrator and Chief Financial Officer.

Tonight's budget presentation is for the municipal portion only however, where appropriate or necessary estimates of the other budgets are included for comparison purposes.

To calculate the tax rate the municipality calculates the total cost for all services, less any offsetting revenues such as grants, user fees, money borrowed or money transferred from reserves to arrive at the Amount to Be Raised By Taxes. This amount is divided by the total assessment of the municipality.

Municipal Needs from Taxes

	2024 ADOPTED	2025 PROPOSED	\$ CHANGE	% CHANGE
Municipal Appropriations	\$ 10,056,880.00	\$ 10,434,230.00	+ \$377,350	+ 3.75%
Anticipated Revenues	\$ 1,950,035.00	\$1,968,255.00	+ \$18,220.00	+0.934%
Amount to be Raised by Taxation	\$ 8,106,845.00	\$8,465,975.00	+\$359,130.00	+4.43%

Expenses Detailed

INCREASES	
Employee Health Benefits	\$182,949
Salaries & Wages	\$110,469
PERS Pension Billing	\$34,626
Debt Service	\$23,102
Utilities & Bulk Purchases	\$24,000
Debt Service	\$23,102
Legal Services	\$35,000
Information Technologies	\$29,500
Net Remaining Activity	\$64,684.73
TOTAL INCREASES	\$527,432.73

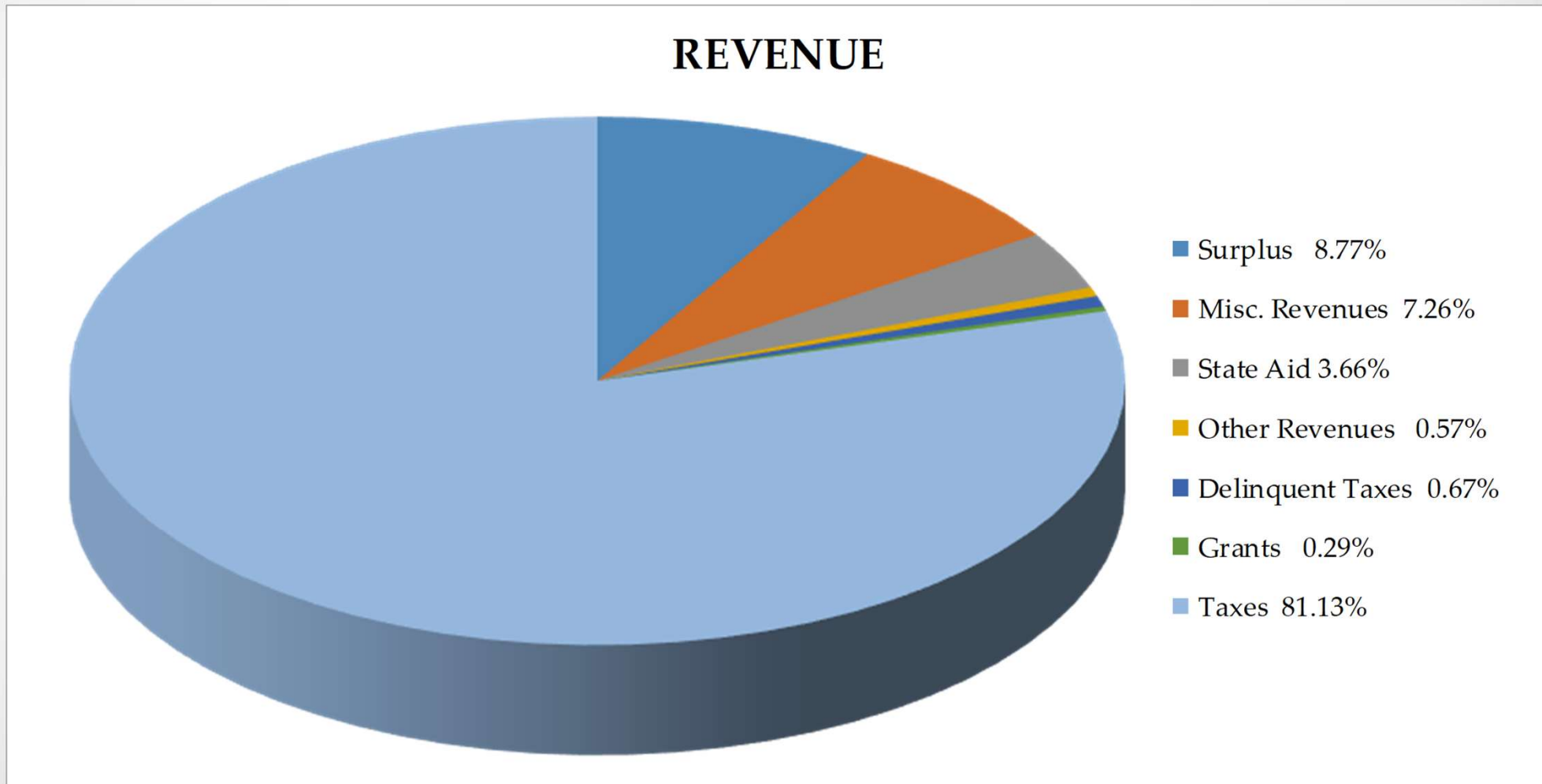
DECREASES	
PFRS Pension Billing	(\$54,536)
Grants Included @ Intro	(65,546.73)
Park Maintenance (Shift to Open Space Trust)	(\$30,000)
TOTAL DECREASES	(\$150,082.73)

**Net Increase:
\$377,350.00**

Sources of Revenue to Support Municipal Budget

	2024 ADOPTED	2025 PROPOSED	\$ CHANGE	% CHANGE
Surplus	\$915,000	\$915,000	+\$0	+ 0%
Miscellaneous Revenues	\$474,000.13	\$478,772.73	+ \$4,772.60	+1.00%
State Aid	\$ 401,548.87	\$ 381,641	(\$19,907.87)	(4.96%)
Grants	\$19,486	\$29,741.27	+ \$10,255.27	+52.63%
Other Revenues	\$70,000	\$59,904.91	(\$ 10,095.09)	(14.42%)
Delinquent Taxes	\$ 70,000	\$ 70,000	\$ 0	0%
Amount to be Raised by Taxation	\$ 8,106,845	\$ 8,465,975	\$359,130	+4.43%
Totals	\$10,056,880	\$10,434,230	+\$377,350	3.75%

Allocation of Revenue that Supports the Municipal Budget



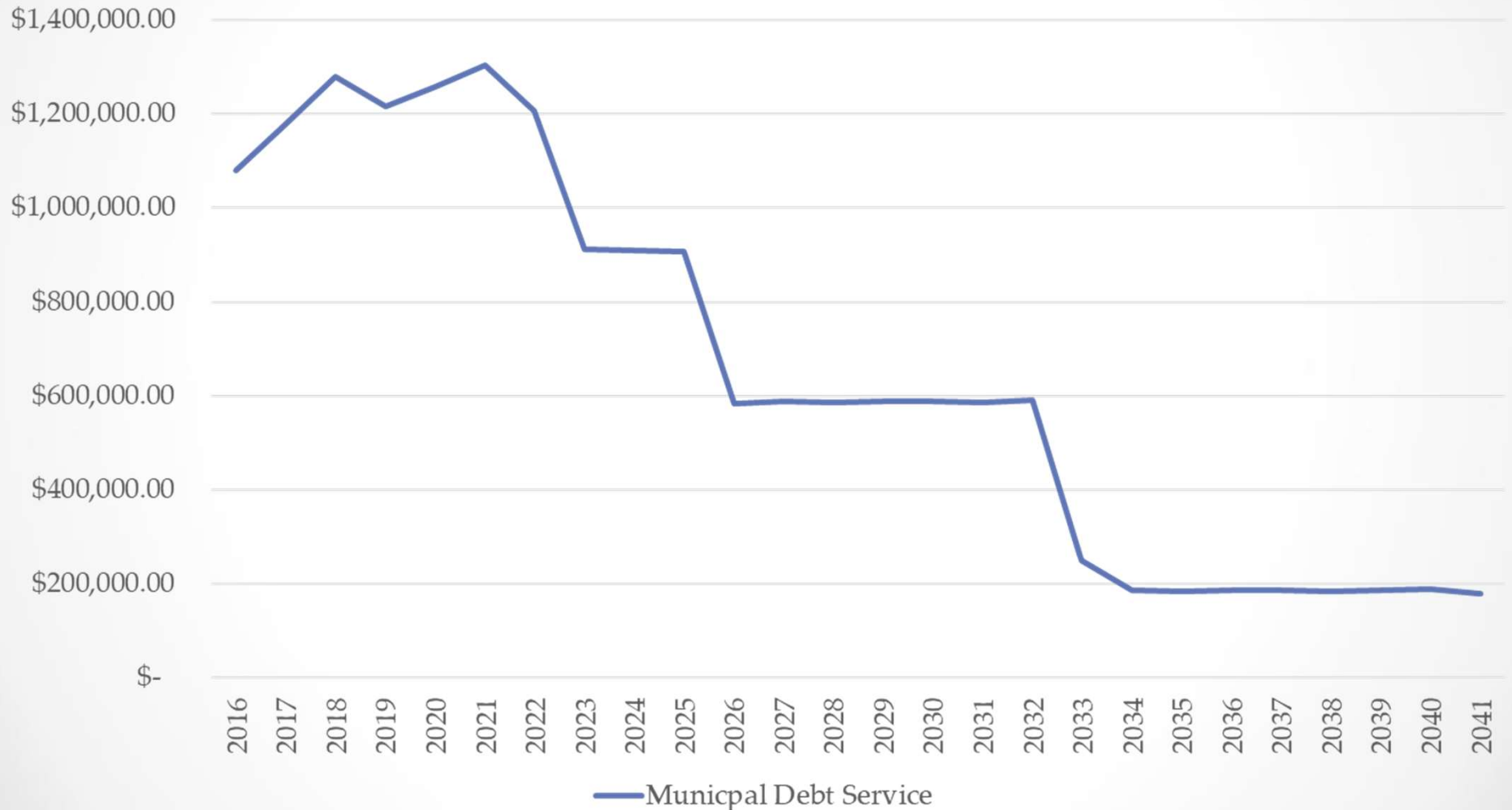
Debt Service

2024 Debt Service Budgeted			2025 Debt Service Budgeted		
Bond Principal	\$	595,000	Bond Principal	\$	620,000
Bond Interest	\$	253,170	Bond Interest	\$	225,482
Note Principal	\$	0	Note Principal	\$	0
Note Interest	\$	63,335	Note Interest	\$	89,200
Capital Leases	\$	111,515	Capital Leases	\$	95,800
TOTAL	\$	1,023,020	TOTAL <i>(increase \$7,462)</i>	\$	1,030,482

Principal Balances as of 12/31/2024:

General Obligation Bonds	\$	5,041,000
Bond Anticipation Notes	\$	3,120,000

Annual Municipal Debt Service



Annual Debt Statement Summary

Statutory Net Debt – December 31, 2024	\$7,715,000.00
Percentage of Net Debt to 3-Year Average Equalized Valuation Basis (\$1,475,865,740.33)	.493%
<u>Borrowing Capacity:</u>	
3-Year Average Equalized Valuation Basis	\$1,565,478,312.67
Maximum Borrowing Capacity (3.5% of E.V.B)	\$54,791,740.94
LESS: Statutory Net Debt – December 31, 2024	<u>\$7,715,000.00.</u>
Remaining Borrowing Capacity	\$47,076,740.94

ESTIMATED MUNICIPAL TAX **RATE**

47.5 CENTS
(per \$100 of assessed value)

ESTIMATED MUNICIPAL **TAX RATE**

- ❑ **This tax rate factor is reduced by .041 against the 2024 rate of .516 . A municipal average property assessment (\$856,480) will see an estimated \$244.63 increase in the municipal tax levy. This amount will vary based on the change in assessment value from the prior year.**
- ❑ **The proposed municipal budget as presented is in compliance with both appropriations & levy cap calculations.**

Historical Assessed Valuation

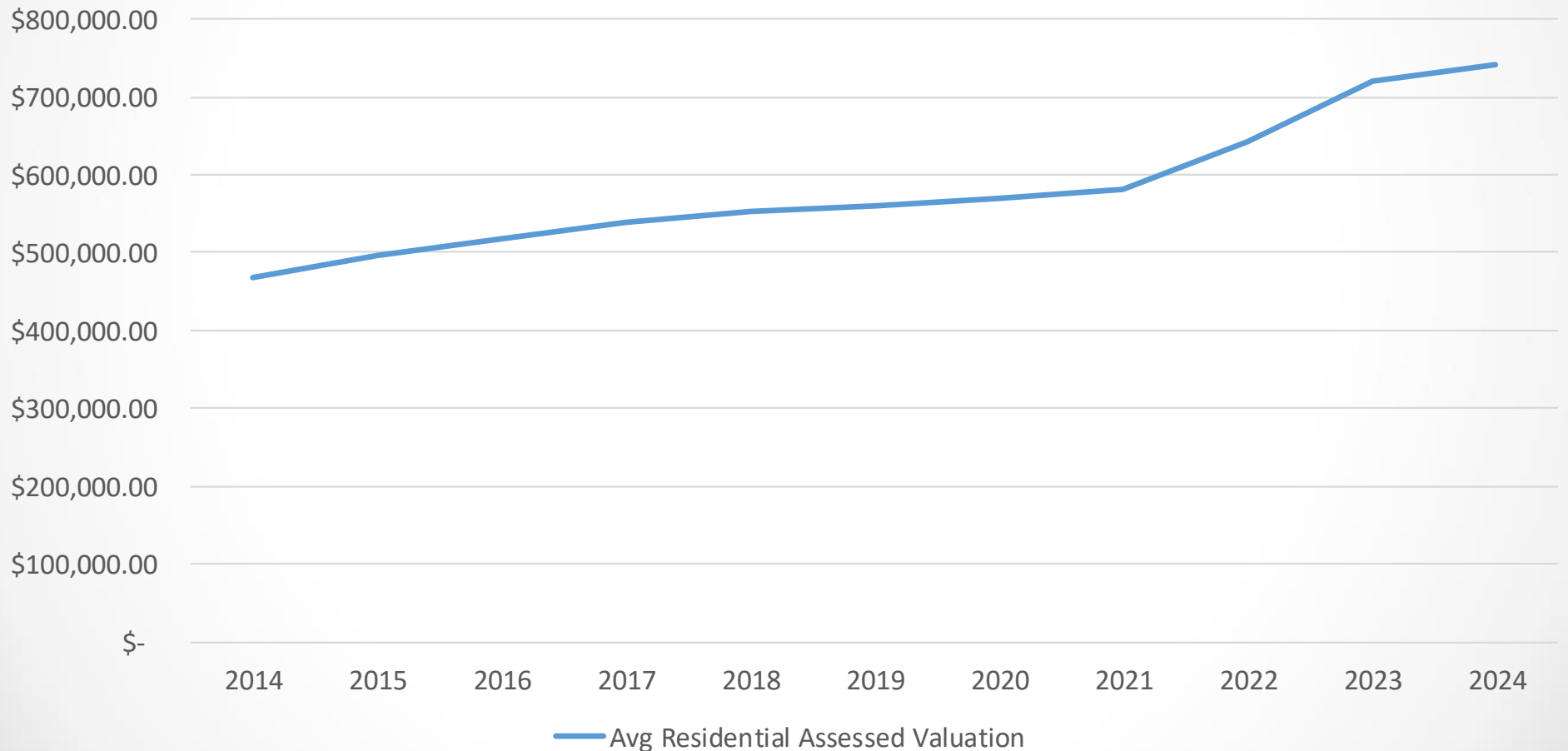
2012	\$788,877,000	2019	\$1,180,683,500
2013	\$999,936,000	2020	\$1,236,304,600
2014	\$1,002,579,200	2021	\$1,270,499,700
2015	\$1,066,177,800	2022	\$1,371,980,700
2016	\$1,116,649,000	2023	\$1,493,538,941
2017	\$1,147,047,500	2024	\$1,571,977,900
2018	\$1,168,426,200	2025 PRELIM	\$1,782,248,800

Historical Residential Assessed Valuation

2014	\$467,635	2020	\$568,625
2015	\$496,184	2021	\$580,491
2016	\$518,183	2022	\$642,143
2017	\$538,393	2023	\$720,614
2018	\$552,125	2024	\$741,018
2019	\$560,144	2025	\$856,480

Historical Residential Assessed Valuation

Avg Residential Assessed Valuation



Historical Tax Rates

YEAR	S'BURY BORO	SSBOE	RBR	COUNTY
2014	\$0.653	\$0.762	\$0.521	\$0.325
2015	\$0.622	\$0.731	\$0.499	\$0.314
2016	\$0.639	\$0.684	\$0.478	\$0.299
2017	\$0.634	\$0.710	\$0.486	\$0.296
2018	\$0.632	\$0.716	\$0.497	\$0.296
2019	\$0.625	\$0.727	\$0.494	\$0.289
2020	\$0.605	\$0.708	\$0.518	\$0.282
2021	\$0.600	\$0.702	\$0.523	\$0.286
2022	\$0.556	\$0.663	\$0.460	\$0.262
2023	\$0.517	\$0.707	\$0.409	\$0.241
2024	\$0.515	\$0.686	\$0.387	\$0.234

Historical Tax Levies

YEAR	S'BURY BORO	SSBOE	RBR	COUNTY	TOTAL
2014	\$6,553,387.00	\$7,650,085.00	\$5,231,492.39	\$3,256,397.51	\$22,791,361.90
2015	\$6,634,309.29	\$7,797,268.00	\$5,325,227.00	\$3,352,467.55	\$23,216,717.44
2016	\$7,137,179.20	\$7,649,492.00	\$5,339,616.00	\$3,350,452.76	\$23,584,185.56
2017	\$7,280,243.65	\$8,160,392.00	\$5,586,850.00	\$3,490,050.98	\$24,633,354.21
2018	\$7,392,918.01	\$8,371,801.00	\$5,808,823.00	\$3,464,386.32	\$25,155,878.85
2019	\$7,390,146.90	\$8,589,770.00	\$5,839,768.00	\$3,402,677.18	\$25,341,111.85
2020	\$7,490,786.87	\$8,756,727.00	\$6,415,670.00	\$3,483,683.68	\$26,270,101.55
2021	\$7,630,229.78	\$8,924,323.00	\$6,645,311.00	\$3,640,281.46	\$26,967,318.87
2022	\$7,630,228.00	\$9,100,116.00	\$6,319,418.00	\$3,603,306.84	\$26,807,764.34
2023	\$7,718,699.00	\$10,559,382.00	\$6,109,235.00	\$3,593,939.20	\$27,981,255.20
2024	\$8,106,845.00	\$10,791,792.00	\$6,095,767.00	\$3,666,478.22	\$28,660,882.22

Historical Tax Levies

