



**2023  
MORRIS  
TOWNSHIP  
MUNICIPAL  
BUDGET**



**MAYOR**  
Mark Gyorfy

**DEPUTY MAYOR**  
Bud Ravitz

**COMMITTEE**  
Catherine Wilson  
Donna Guariglia  
Jeffrey Grayzel

# 2023 BUDGET CHALLENGES

- EMPLOYEE COSTS
  - SALARY AND WAGES
  - HEALTH INSURANCE
  - PENSION
- GAS AND DIESEL FUEL COSTS
- RECYCLING AND TIPPING FEES COSTS
- SWIM POOL
  - MINIMUM WAGE
  - LIFE GAUARD INCENTIVE
- DEFERRED CHARGES



# CONTINUAL CORONAVIRUS IMPACT

- REVENUES
  - REDUCTION OF GENERAL FEES
    - HOTEL ROOM TAX
    - MUNICIPAL COURT FEES
  - REDUCTION OF INTEREST ON INVESTMENTS
  - PARKING LOT FEES REDUCTION
    - COMMUTERS WORKING FROM HOME

# THE BUDGET PROCESS

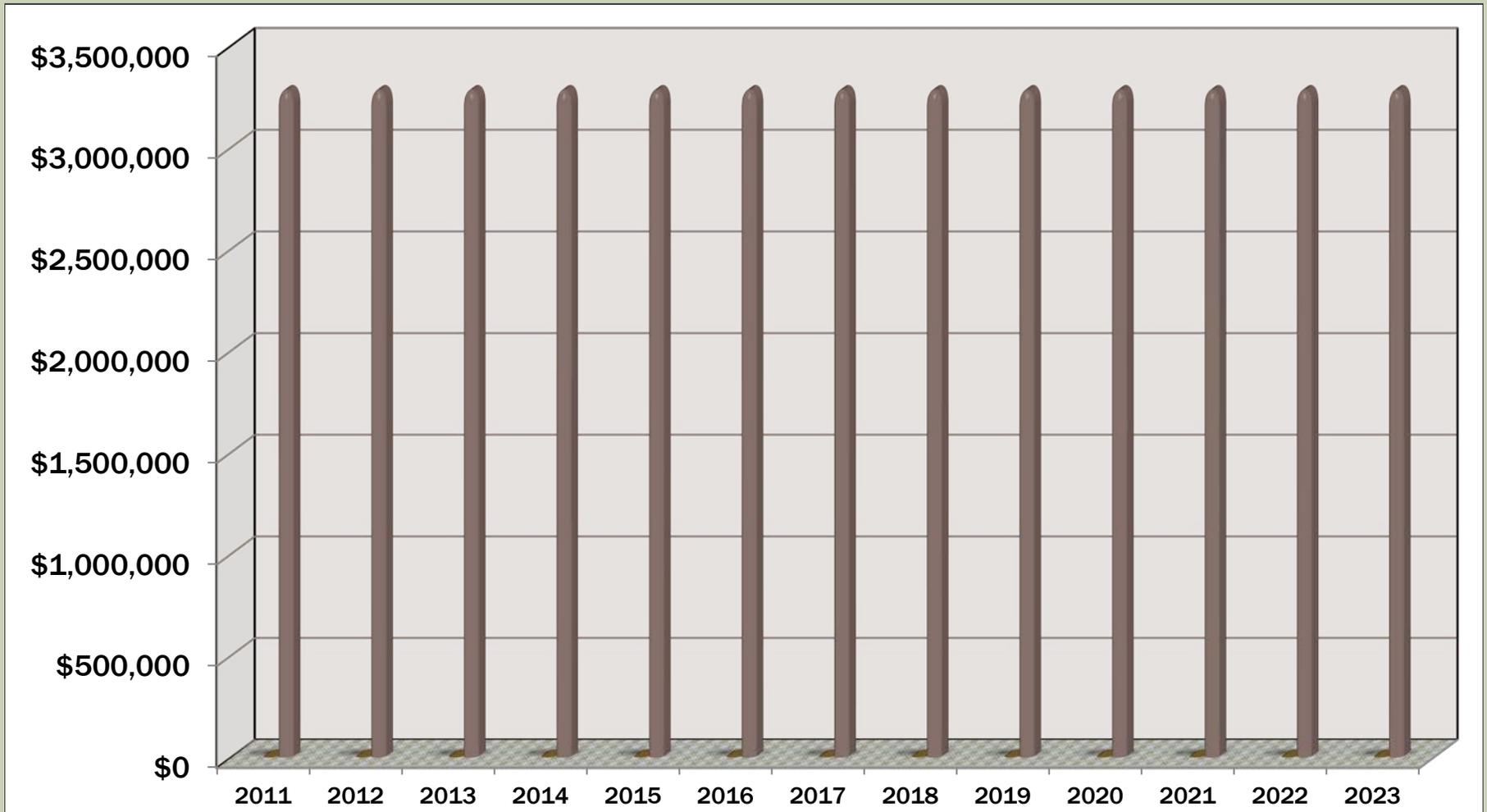


- ❑ **October/November:** Department Heads prepare and submit their Operating Expense Budget and Capital Budget Proposals
- ❑ **December/January:** The Standing Committees, Department Heads, and Administrator review each Departments' Proposals and Requests
- ❑ **January/February:** The Finance Committee, Administrator, and CFO assemble all the department budgets into a comprehensive draft budget for consideration by the Township Committee
- ❑ **March:** Introduction of Budget
- ❑ **April:** Adoption of Budget

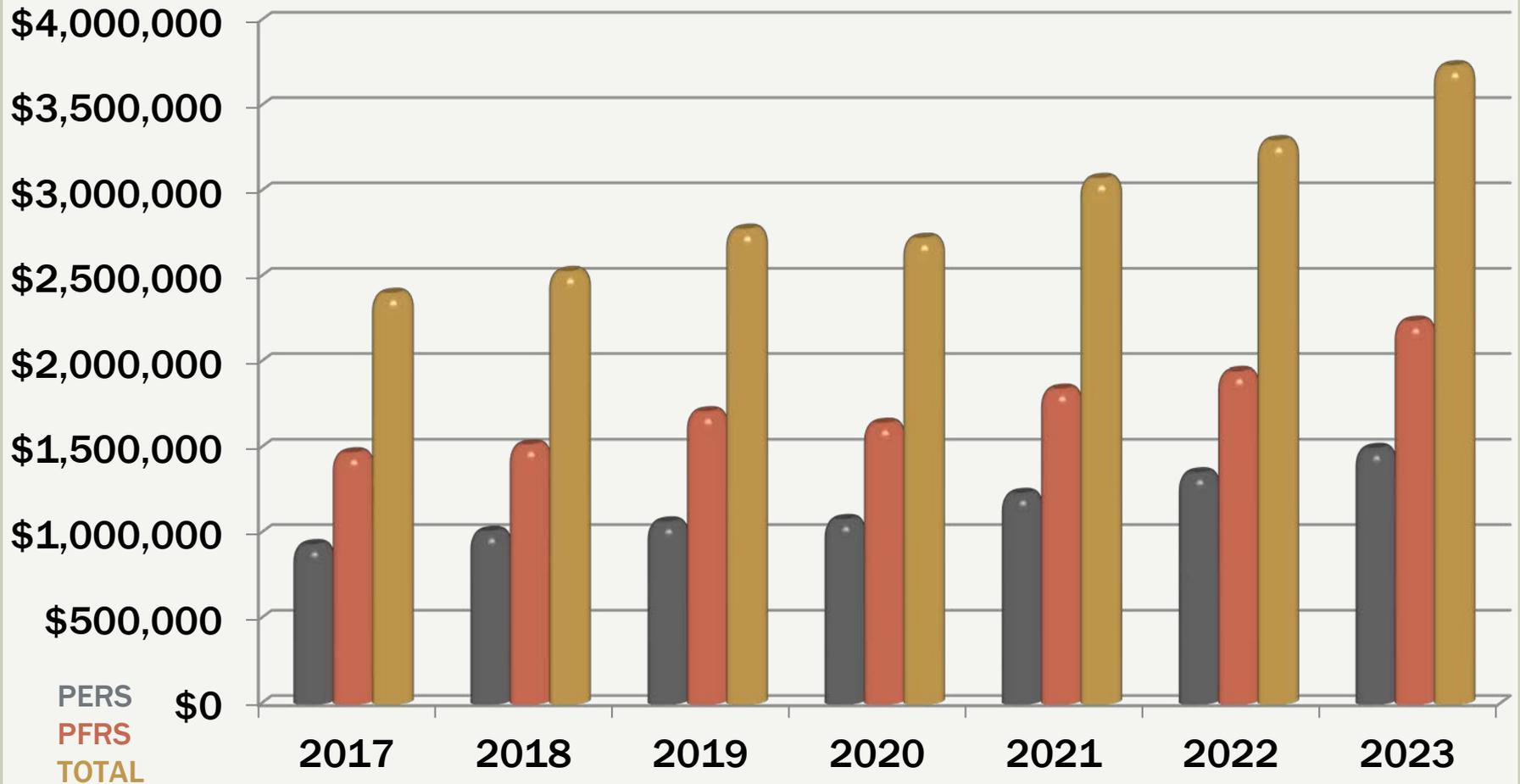
*Throughout the year the budget is monitored to assure anticipated revenues are on track to avoid any over expenditures, and to ensure compliance with NJ State Statutes.*



# STATE AID INCREASE .7%



# PENSION COSTS UP 13.5%



# COST OF STATE MANDATES

	2017	2018	2019	2020	2021	2022	2023	2022-2023 DOLLAR INCREASE/ DECREASE
PUBLIC EMPLOYEES RETIREMENT FUND	\$719,319	\$777,689	\$821,719	\$832,753	\$948,849	\$1,041,362	\$1,151,251	\$109,889
POLICE AND FIRE RETIREMENT FUND	\$1,469,354	\$1,516,823	\$1,710,108	\$1,642,631	\$1,842,430	\$1,943,199	\$2,237,203	\$294,004
SOCIAL SECURITY	\$1,020,000	\$1,040,000	\$1,040,000	\$1,085,000	\$1,100,000	\$1,145,000	\$1,190,000	\$45,000
GROUP HEALTH INSURANCE	\$2,545,750	\$2,545,750	\$2,682,500	\$2,682,500	\$2,706,500	\$2,741,500	\$3,017,020	\$275,520
TOTAL	\$5,754,423	\$5,880,262	\$6,254,327	\$6,242,884	\$6,597,779	\$6,871,061	\$7,595,474	\$724,413

# COST OF RECYCLING & TIPPING FEES

2018	2019	2020	2021	2022	2023
\$975,750	\$1,093,750	\$1,370,000	\$1,309,000	\$1,217,500	\$1,353,500
DECREASE \$16,5000	INCREASE \$118,0000	INCREASE \$276,250	DECREASE \$61,000	DECREASE \$91,500	INCREASE \$136,000

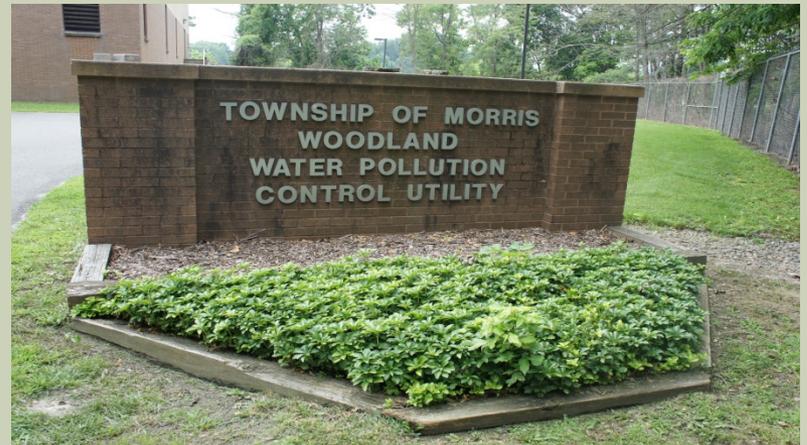
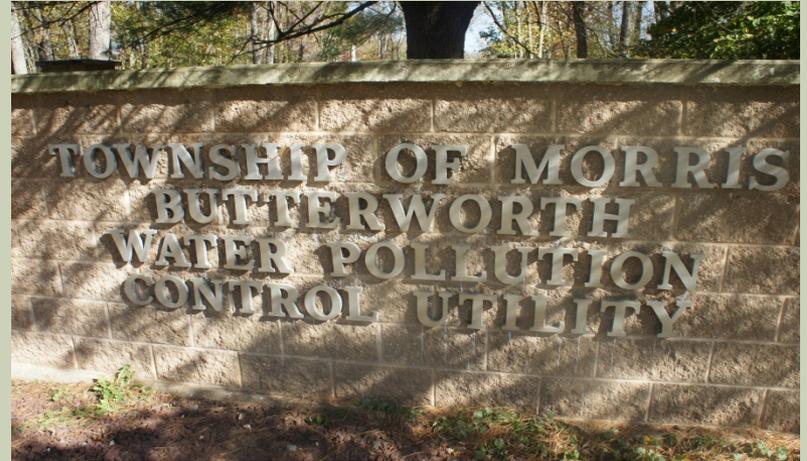
# MUNICIPAL DEBT AT YEAR END

(INCLUDING AUTHORIZED BUT NOT ISSUED DEBT)

	2017	2018	2019	2020	2021	2022
GENERAL	\$23,485,925	\$23,547,425	\$23,274,706	\$22,323,456	\$21,322,956	\$20,020,381
SEWER UTILITY	\$13,350,264	\$12,387,526	\$11,380,788	\$10,359,050	\$9,326,312	\$8,496,574
SWIMMING UTILITY	\$3,885,050	\$3,657,800	\$2,696,300	\$2,466,675	\$2,334,150	\$2,149,450
PARKING UTILITY	\$376,500	\$296,500	\$213,000	\$159,000	\$105,000	\$70,000
TOTAL DEBT	\$41,097,739	\$39,889,251	\$37,564,794	\$35,308,181	\$33,088,418	\$30,736,405

# OTHER VARIABLES

- COST OF GASOLINE AND DIESEL FUEL
- UNION LABOR CONTRACTS TO BE SETTLED
- INCREASE IN SHARE OF LIBRARY COSTS
- STATE AID – ENERGY TAX RECEIPTS
- NO INCREASE IN RATABLE BASE



# 2023 GRANTS

<b>GRANT</b>	<b>AMOUNT</b>	<b>COST SHARE</b>
<b>NJDOT LAP Woodland Resurfacing</b>	<b>\$274,275.00</b>	<b>\$237,628.00</b>
<b>NJDOT LAP Whitehead Road Resurfacing</b>	<b>\$294,394.00</b>	<b>\$205,606.00</b>
<b>Enhancing Public Health Infrastructure</b>	<b>\$126,550.00</b>	
<b>Recycling Tonnage</b>	<b>\$38,582.44</b>	
<b>ARP Firefighters</b>	<b>\$27,000.00</b>	<b>\$6,544.29</b>
<b>National Opioid Settlement</b>	<b>\$39,613.04</b>	
<b>NJDCA LRIG MAALL</b>	<b>\$100,000.00</b>	
<b>Municipal Alliance</b>	<b>\$17,405.00</b>	<b>\$4,351.25</b>
<b>DHAS Municipal Alliance</b>	<b>\$3,900.00</b>	
<b>Municipal Alliance Supplemental 2022</b>	<b>\$4,000.00</b>	<b>\$2,000.00</b>
<b>Bulletproof Vest – State</b>	<b>\$2,863.56</b>	
<b>TOTAL</b>	<b>\$928,583.04</b>	<b>\$456,129.54</b>

---

**POLICE, FIRE, EMS, OEM**

---

**HEALTH SERVICES**

---

**WASTE DISPOSAL, RECYCLING,  
ROAD MAINT.**

---

**RECREATION –  
ENHANCED PROGRAMS**

---

**PROFESSIONAL SERVICES**

---



**HIGH LEVEL  
SERVICES**



---

**JOINT MUNICIPAL COURT WITH  
MADISON, CHATHAM TOWNSHIP,  
AND CHATHAM BOROUGH**

---

**SEWER CONTRACTS WITH  
NEIGHBORING TOWNS**

---

**JOINT PUBLIC LIBRARY**

---

**PUBLIC SAFETY-  
COMMUNICATIONS, MUTUAL AID,  
AND SHARED RESOURCES**

---



**SHARED  
SERVICES**



# KEY OFFSETS



- REDUCTION IN DEBT SERVICE
- INCREASE IN REVENUE FROM PILOTS
- INCREASE IN FEES, LICENSING, AND PERMITS
- INCREASE IN FUND BALANCE USED



# 2023 ANTICIPATED REVENUES

<b>FUND BALANCE</b>	<b>\$6.000 MILLION</b>
---------------------	------------------------

<b>MISC. REVENUE</b>	<b>\$7.578 MILLION</b>
----------------------	------------------------

<b>DELINQUENT TAX</b>	<b>\$0.550 MILLION</b>
-----------------------	------------------------

<b>LOCAL TAX</b>	<b>\$24.392 MILLION</b>
------------------	-------------------------

<b>LIBRARY TAX</b>	<b>\$2.017 MILLION</b>
--------------------	------------------------

<b>TOTAL</b>	<b>\$40.537 MILLION</b>
--------------	-------------------------

# 2023 APPROPRIATIONS

<b>Salary and Wages</b>	<b>\$15.281 million</b>
<b>Operating Expenses</b>	<b>\$10.900 million</b>
<b>Statutory Expenses</b>	<b>\$5.197 million</b>
<b>Capital Improvements</b>	<b>\$.787 million</b>
<b>Debt Service</b>	<b>3.155 million</b>
<b>Res. Uncollected Taxes</b>	<b>\$3.200 million</b>
<b>Joint Public Library</b>	<b>\$2.017 million</b>
<b>Total</b>	<b>\$40.537 million</b>

# 2023 CAPITAL PROGRAM

## Debt Policy

### Capital Bond Program (Debt)

- \$3.3 million
  - Major Projects – Road Reconstruction, Road Overlay, Parks Renovations, DPW large trucks

### Capital Improvement Fund Program (No Debt)

- \$337,000
  - Smaller infrastructure improvements for facilities. General Services for drainage, curbing, and sidewalk projects. Smaller DPW and Parks Trucks

### Capital Outlay Program(No Debt)

- \$275,000
  - Small projects, tree removal and replacement trees

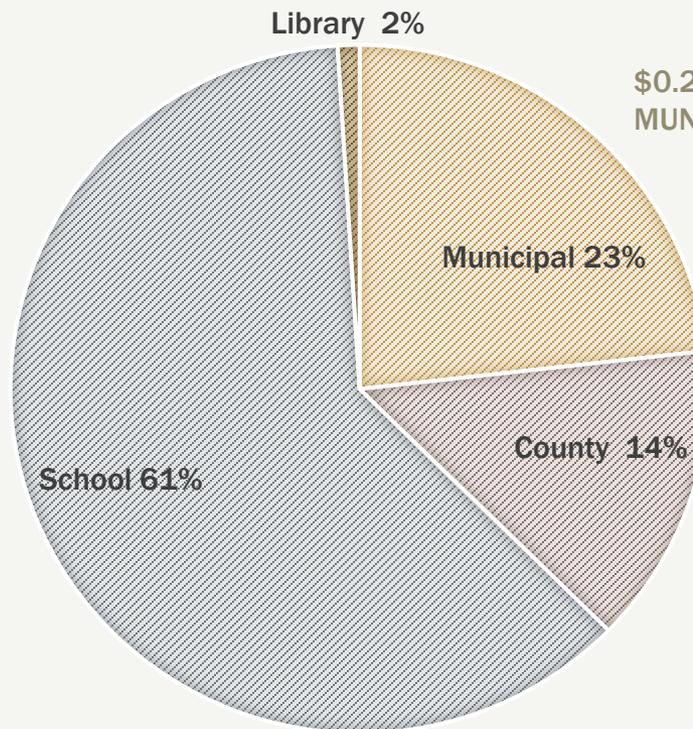
# PROPERTY VALUES

	<b>ASSESSED PROPERTY VALUE</b>	<b>EQUALIZED RATIO</b>	<b>EQUALIZED VALUE</b>
<b>2023</b>	<b>\$5,424,267,438</b>	<b>89.69%</b>	<b>\$6,047,795,114</b>
<b>2022</b>	<b>\$5,426,750,138</b>	<b>93.02%</b>	<b>\$5,833,960,587</b>
<b>2021</b>	<b>\$5,402,534,838</b>	<b>93.92%</b>	<b>\$5,752,273,039</b>
<b>2020</b>	<b>\$5,395,254,038</b>	<b>94.40%</b>	<b>\$5,715,311,481</b>
<b>2019</b>	<b>\$5,316,122,838</b>	<b>96.25%</b>	<b>\$5,523,244,507</b>
<b>2018</b>	<b>\$5,268,836,538</b>	<b>99.19%</b>	<b>\$5,311,862,625</b>

# TOTAL PROPERTY TAX RATE

2020 TAX RATE PER \$100 \$600,000 NAV (AVERAGE)		2021 TAX RATE PER \$100 \$600,000 NAV (AVERAGE)		2022 TAX RATE PER \$100 \$600,000 NAV (AVERAGE)		2023 TAX RATE PER \$100 \$600,000 NAV (AVERAGE)	
DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT
MUNICIPAL .420	\$2,520	MUNICIPAL .432	\$2,520	MUNICIPAL .440	\$2,640	MUNICIPAL .450	\$2,698
COUNTY .278	\$1,668	COUNTY .279	\$1,668	COUNTY .278	\$1,668	* COUNTY .278	\$1,668
SCHOOL 1.128	\$6,768	SCHOOL 1.164	\$6,768	SCHOOL 1.189	\$7,134	* SCHOOL 1.224	\$7,344
OPEN SPACE .002	\$12	OPEN SPACE .002	\$12	OPEN SPACE .011	\$66	OPEN SPACE .011	\$66
LIBRARY .034	\$204	LIBRARY .035	\$204	LIBRARY .035	\$210	LIBRARY .037	\$222
TOTAL	\$11,172	TOTAL	\$11,472	TOTAL	\$11,718	* TOTAL	\$11,998
2020 TAX RATE	\$1.862	2021 TAX RATE	\$1.912	2022 TAX RATE	\$1.953	* 2023 PROJECTED TAX RATE	\$2.000

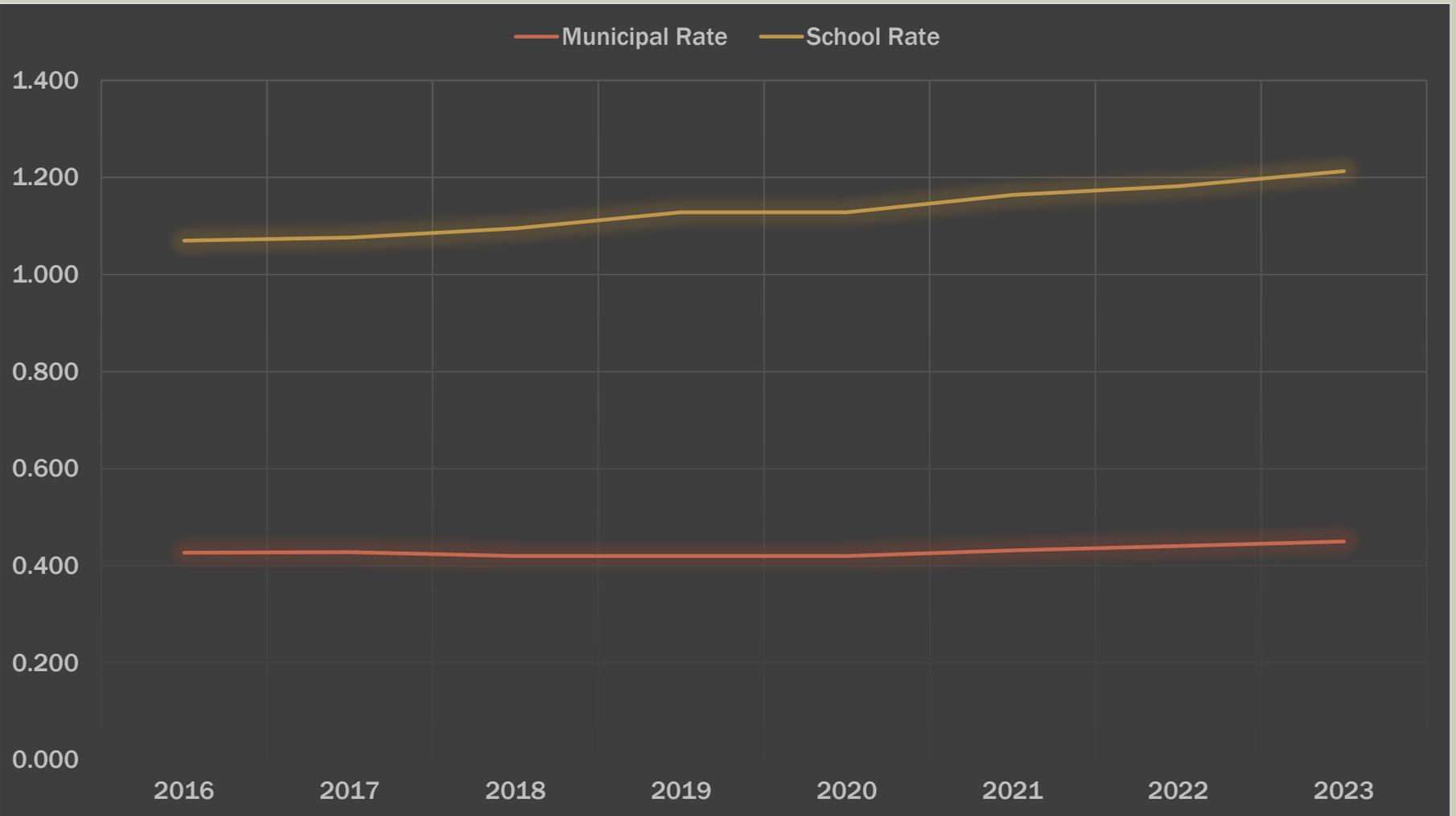
# PROPERTY TAX DISTRIBUTION



\$0.23 OF EVERY TAX DOLLAR FUNDS  
MUNICIPAL GOVERNMENT

■ Municipal ■ County ■ School ■ Library

# INCREASE IN MUNICIPAL RATE VS INCREASE IN SCHOOL RATE



# TAX COLLECTION RATE VS RESERVE FOR UNCOLLECTED TAXES RATE

## Tax Collection Rate

2017	99.33%
------	--------

2018	99.41%
------	--------

2019	99.35%
------	--------

2020	99.30%
------	--------

2021	99.36%
------	--------

2022	99.07%
------	--------

## Uncollected Taxes Rate

2018	96.66%
------	--------

2019	96.71%
------	--------

2020	96.78%
------	--------

2021	96.89%
------	--------

2022	96.89%
------	--------

2023	97.04%
------	--------

# FUND BALANCE

ROLL FUND BALANCE TO AVOID TAX SPIKE

MAINTAIN TAX LEVY CAP OF 2%

FUND BALANCE IS ALSO INSURANCE AGAINST LOSS OF REVENUE

AVAILABLE FOR EMERGENCY APPROPRIATIONS SUCH AS NATURAL DISASTER AND REVALUATION

TAX APPEALS

FUND BALANCE POLICY



# POLICY

The long time position of the Township of Morris is to be fiscally conservative, to preserve our Triple A credit rating, and have funds available for cash flow, emergencies and unanticipated expenditures. Maintaining an adequate Fund Balance from year to year enables the Township to have a stable tax rate without significant fluctuations. This position is supported by the New Jersey Division of Local Government Services and Credit Rating Agencies.

Being fiscally responsible requires the Township to maintain an unreserved Fund Balance of 15% to 20% of the general operating budget appropriations for Salaries, Operating Expenses, Statutory Expenses, Debt Service, and Capital Improvement. Excluded in the calculation are Reserve for Uncollected Taxes and the Municipal Library Appropriation.

Fund Balance provides cash flow liquidity for the Township's operations. Lack of adequate Fund Balance may put the Township at risk of fiscal stress resulting in excessive tax increases. Fund Balance is used as a tool to mitigate and stabilize the Amount to be Raised by Taxation. Fund Balance is considered one-time revenue in the budget in the sense that it will not be available in the future unless it is regenerated.

It is therefore the policy of the Township of Morris Governing Body to maintain a Fund Balance of 15% to 20% of annual appropriations to insure our fiscal responsibility, maintain services for our residents, be prepared for emergencies and major weather events, tax appeals, and ensure we are able to stay within the 2% property tax levy cap.

# FUND BALANCE HISTORY

YEAR	YEAR END FUND BALANCE	AMOUNT USED FOR FOLLOWING YEAR BUDGET
2022	\$11,366,064	\$6,000,000
2021	\$11,182,975	\$5,800,000
2020	\$11,421,774	\$6,400,000
2019	\$12,989,704	\$7,500,000
2018	\$11,325,287	\$6,250,000
2017	\$10,196,834	\$5,300,000
2016	\$9,979,776	\$5,300,000
2015	\$8,884,230	\$4,900,000
2014	\$7,905,615	\$5,300,000
2013	\$8,101,780	\$5,079,076
2012	\$6,946,876	\$4,100,000
2011	\$6,426,000	\$3,626,000



# UTILITIES



**SEWER UTILITY**  
**\$11,237,175**



**PARKING LOT UTILITY**  
**\$403,724**



**SWIM POOL UTILITY**  
**\$1,646,774**

# AMERICAN RESCUE PLAN FUNDS

<b>American Rescue Plan (ARP) Funds:</b>		
<b>1<sup>st</sup> Tranche received 7/2021</b>		<b>\$1,159,518</b>
<b>2<sup>nd</sup> Tranche received 7/2022</b>		<b>\$1,159,518</b>
<b>TOTAL</b>		<b>\$2,319,036</b>
<b>Uses of American Rescue Plan (ARP) Funds:</b>		
<b>Reimbursement of Expenses attributed to COVID</b>	<b>2021</b>	<b>\$98,994</b>
<b>IT Infrastructure</b>	<b>2022/2023</b>	<b>\$150,000</b>
<b>Collinsville-Tucker Redevelopment</b>	<b>2022/2023</b>	<b>\$550,000</b>
<b>Fire Apparatus</b>	<b>2022/2023</b>	<b>\$1,000,000</b>
<b>Parking 2020 Operating Deficit due to COVID</b>	<b>2022</b>	<b>\$85,000</b>
<b>Swim Pool 2020 Operating Deficit due to COVID</b>	<b>2022</b>	<b>\$218,000</b>
<b>Swim Pool 2020 Operating Deficit due to COVID</b>	<b>2023</b>	<b>\$217,042</b>

# 2023 BUDGET

- MAINTAIN ALL SERVICES
- CAPITAL PROGRAM BACK TO PRE-COVID LEVELS
  - MAINTAIN ANNUAL ROAD OVERLAY AND CRACK SEALING PROGRAM
  - GENERAL SERVICES FOR DRAINAGE, CURBING AND SIDEWALKS
  - INFRASTRUCTURE IMPROVEMENTS / EQUIPMENT AND TRUCKS
- INCREASE IN GRANT FUNDING
- ARP MONEY USED TO PURCHASE A FIRE APPARTUS, IT INFRASTRUCTURE, AND COLLINSVILLE-TUCKER REDEVELOPMENT
- 2% MUNICIPAL TAX LEVY INCREASE
- INCREASE FOR 2023 WILL BE \$4.84 A MONTH FOR MEDIAN ASSESSED RESIDENTIAL PROPERTY OF \$600,000 (\$58 a year)
- FISCALLY RESPONSIBLE

---

## **SALARY AND WAGE INCREASES**

---

**INSTABILITY OF RECYCLING MARKET**

**COSTS OF GOODS AND SERVICES  
(CPI)**

**INSURANCE PREMIUMS**

---

**REVENUE PROJECTIONS**

---

**PROJECTED IMPACT OF:**

**STATE AID**

---

**HEALTH BENEFIT COSTS**

---

**PENSION COSTS**

---

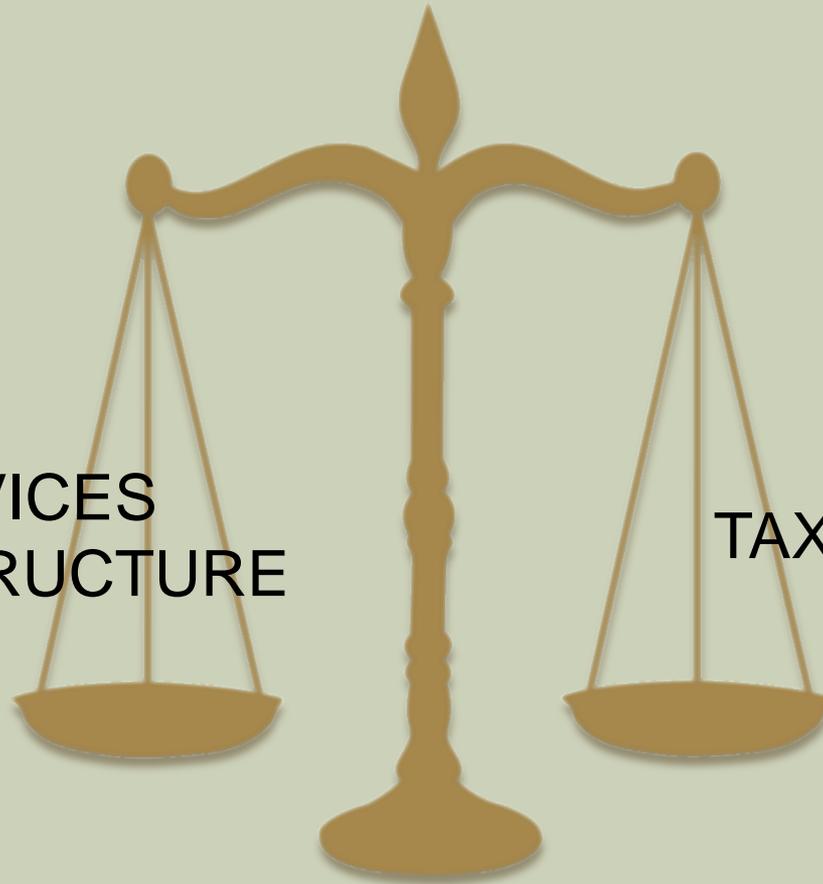


**2024**



# BALANCE

SERVICES  
INFRASTRUCTURE



TAXES