



2025 Municipal Budget

MAY 12, 2025

AGENDA

BUDGET PROCESS

GOALS/OBJECTIVE

MUNICIPAL BUDGET

WATER UTILITY

SWIMMING POOL
UTILITY

TIMELINE

The budget process is a year-round collaborative effort between the Chief Financial Officer, Borough Administrator, Department Heads, Finance Committee, and Mayor and Council



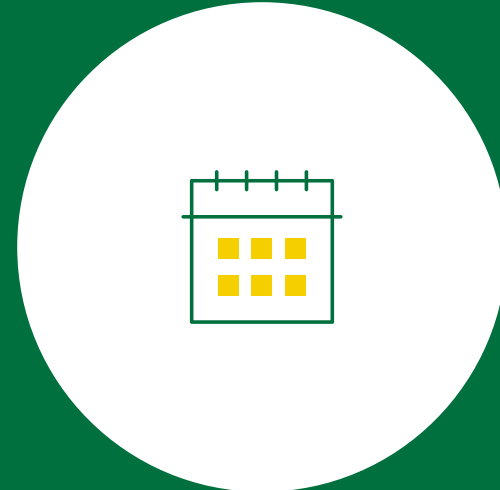
2025 Budget Adoption Process



April 14, 2025

Budget Introduction

- Annual Financial and Annual Debt Statements have been filed
- CAP Bank Ordinance for Introduction
- Introduced Budget and User Friendly Budget will be posted on the Borough website



April 15-May 11

- Budget is submitted for review to the State of New Jersey
- Summary is posted online and in the official newspaper of the Borough



May 12, 2025

Public Hearing and Budget Adoption

- A public hearing is held prior to adoption vote and not less than 28 days from the date of introduction
- CAP bank ordinance adopted

Budgeting Philosophy

Long-Term Approach

It is our goal to implement sustainable budget practices while providing a high level of service and maintaining predictable property taxes.

Fund Balance Policy

The Government Finance Officer's Association of the US & Canada (GFOA) recommends maintaining a total fund balance of as high as 25% of annual general fund expenditures.

Conservative Accounting

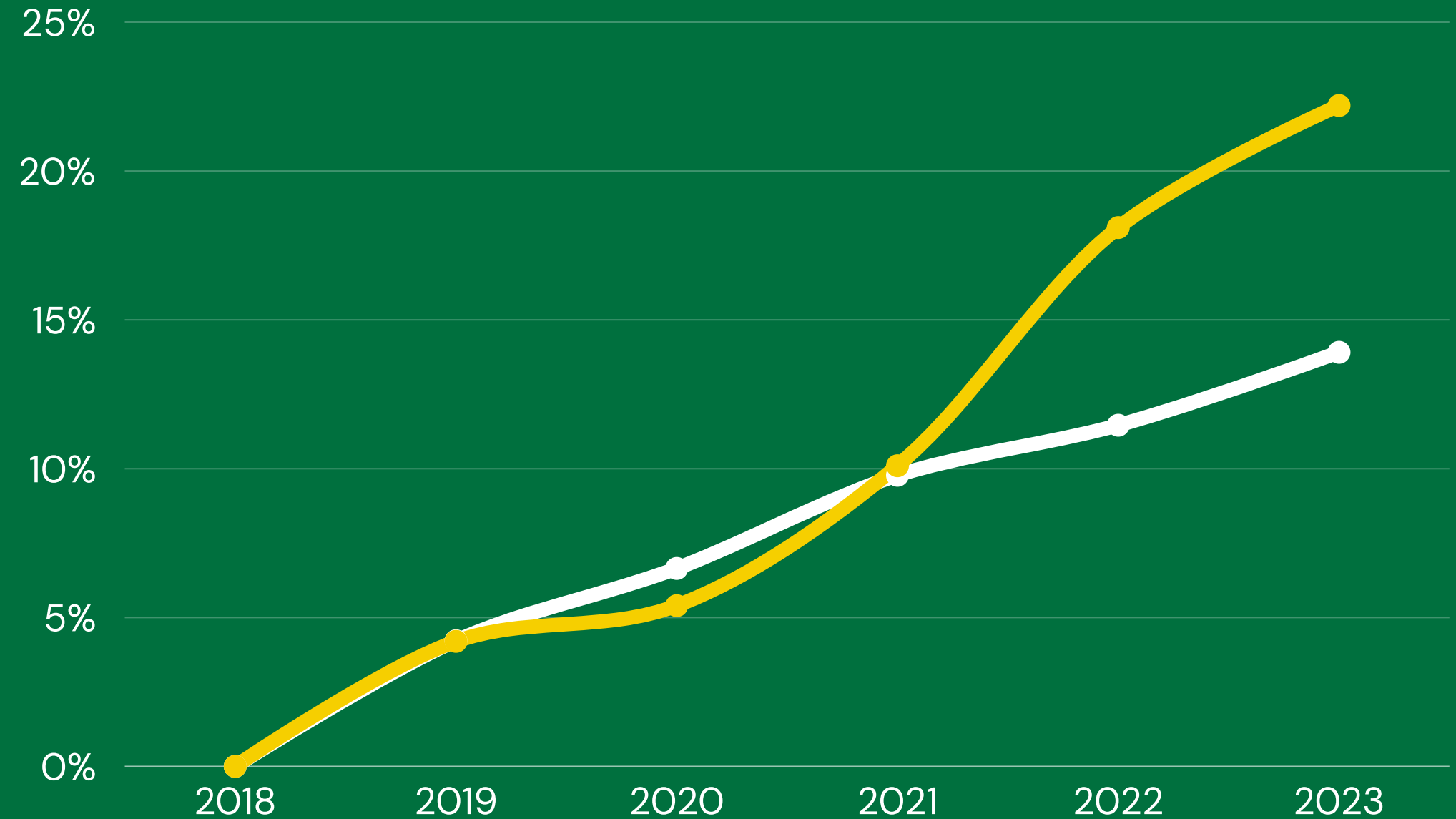
NJ municipal accounting standards require a conservative approach to budgeting. The Borough does not follow GAAP, but a modified cash basis form of accounting.

Capital & Debt

The Borough of Glen Ridge is Aaa rated municipality with a history of conservative debt issuance in favor of pay-as-you-go capital financing.

IMPACT OF INFLATION

From 2018–2024, the inflation rate has risen 22.70%. The municipal tax levy of the Borough of Glen Ridge has risen a total of 15.13% since 2019, but the impact of inflation on the budget has increased drastically in the past three years.



*Data Source: U.S. Bureau of Labor Statistics: All items in U.S. city average, all urban consumers, not seasonally adjusted.

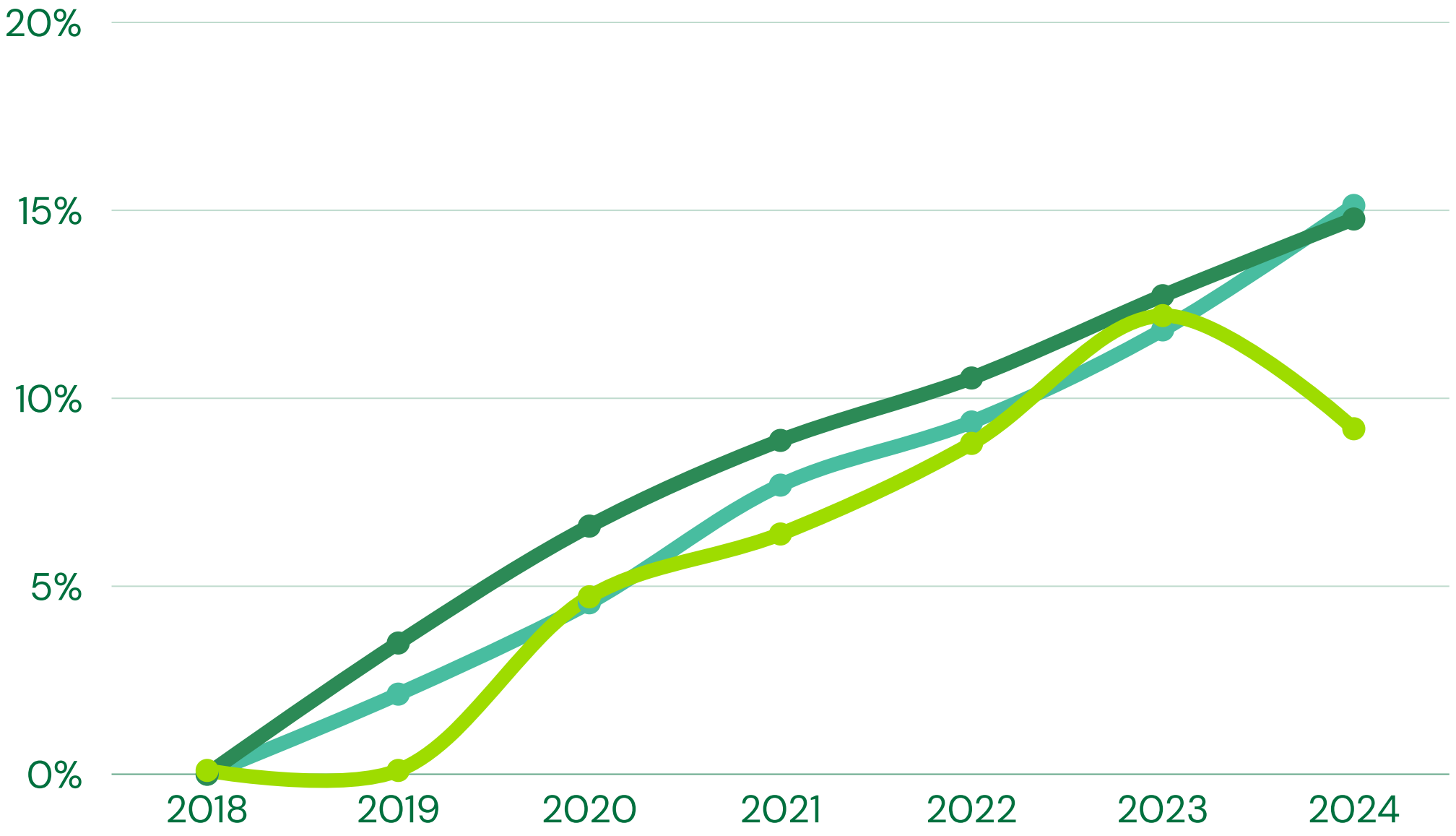
MUNICIPAL TAX LEVY

ANNUAL INFLATION



SCHOOL & COUNTY COMPARISON

The Board of Education makes up approximately 61% of the total tax bill for Glen Ridge residents. From 2018-2024, the school tax portion of residents property taxes increased approximately 14.77%. The County of Essex tax levy allocated to Glen Ridge reduced in 2024 due to increase ratables and development in the County.



MUNICIPAL TAX LEVY

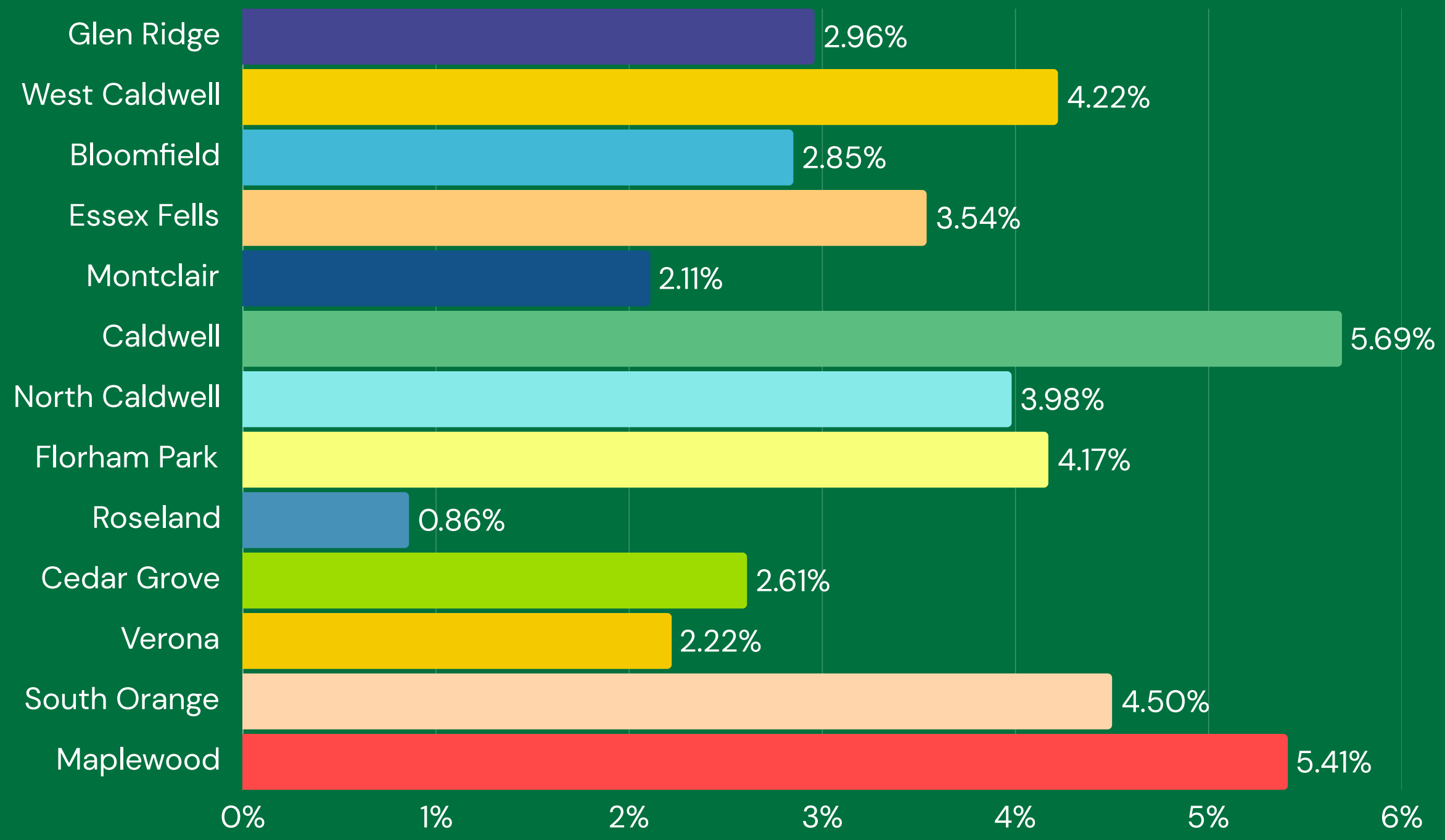
BOARD OF EDUCATION

COUNTY OF ESSEX



MUNICIPAL TAX LEVY COMPARISON

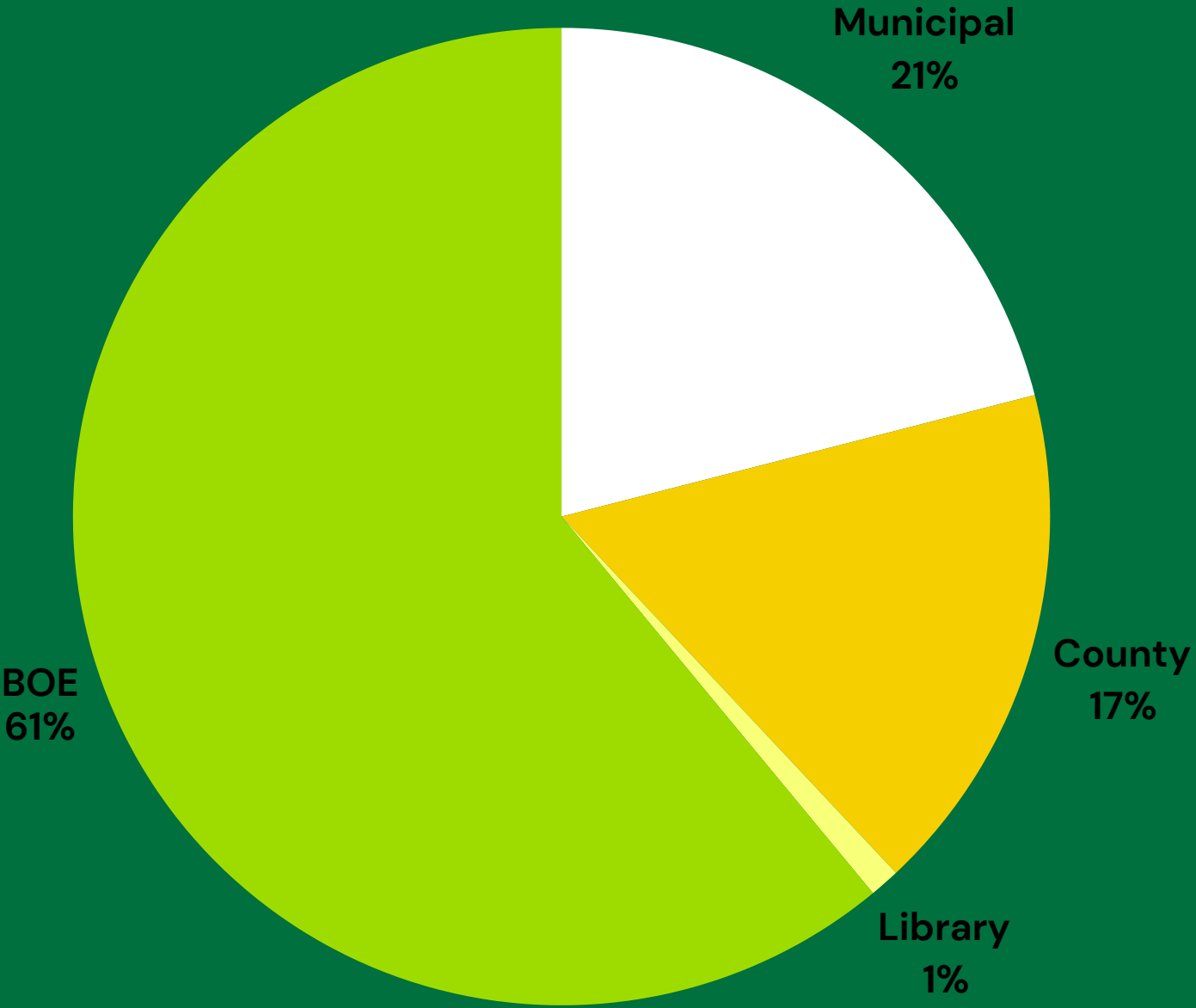
A comparison of other local municipalities and their Average Municipal Tax Levy increases from 2019-2024.



2024 TOTAL TAX LEVY

(AVERAGE HOUSEHOLD \$672,540)

Entity	2024 Tax on Average Household
Board of Education Tax	\$ 13,954
County of Essex Tax	\$ 3,683
Municipal Tax	\$ 5,029
Library Tax	\$ 319
TOTAL	\$ 22,985



BOARD OF EDUCATION

MUNICIPAL

ESSEX COUNTY

LIBRARY

2025 Municipal Budget



\$1,729,624,400

Net Taxable Value

(+.32% from 2024)

The Net Taxable Value of the Borough is the total value of all taxable property within the Borough. The tax rate is derived from dividing the Net Taxable Value by the Tax Levy.



\$.771

Municipal Tax Rate

(+3.09% from 2024)

The municipal tax rate is the rate that property owners will pay per \$100 of assessed value. The 2024 municipal tax rate was .748



\$5,203

Average Municipal Tax

(+ \$156 from 2024)

The average residential assessed value in 2025 is \$674,911, which is an increase of \$2,371 from the prior year

Property Tax Impact

Assessed Value	2024 Municipal Tax	2025 Municipal Tax	Increase from Prior Year
500,000	3,739	3,854	\$ 115
600,000	4,846	4,624	\$ 139
674,911	5,047	5,203	\$ 156
750,000	5,608	5,781	\$ 173
850,000	6,356	6,552	\$ 196
1,000,000	7,477	7,709	\$ 231
1,250,000	9,347	9,636	\$ 289

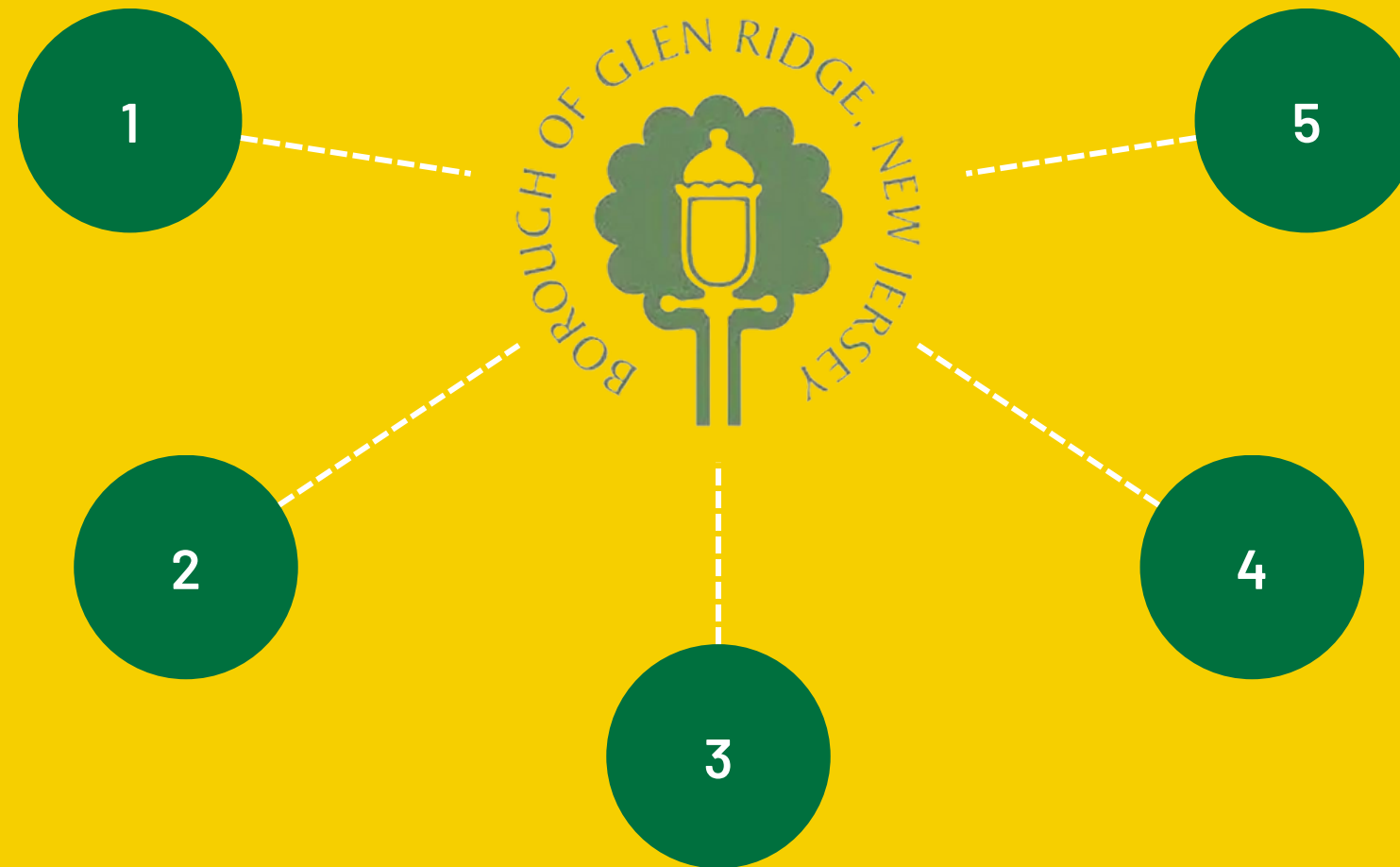
2025 BUDGET DRIVERS

Salary and Personnel Costs

Over 50% of the 2025 budget is related to personnel costs. Borough employees are members of 3 different collective bargaining units with contractual increases averaging 3%. The Borough's largest payroll includes approximately 180 total employees.

Employee Health Insurance

Health Insurance costs are rising rapidly across the State of New Jersey. Prescription costs are being driven upward by the increased use of costly GLP injectables. The State Health Benefits Plan has increased 43% since 2022. The Borough is looking for alternatives but has a very narrow market available.



Capital Financing Savings

The Borough held a bond sale in 2024 to transition the short-term bond anticipation notes into long term debt. The timing was advantageous to the Borough as those savings has allowed the budget to absorb larger cost increases elsewhere.

General Liability Insurance

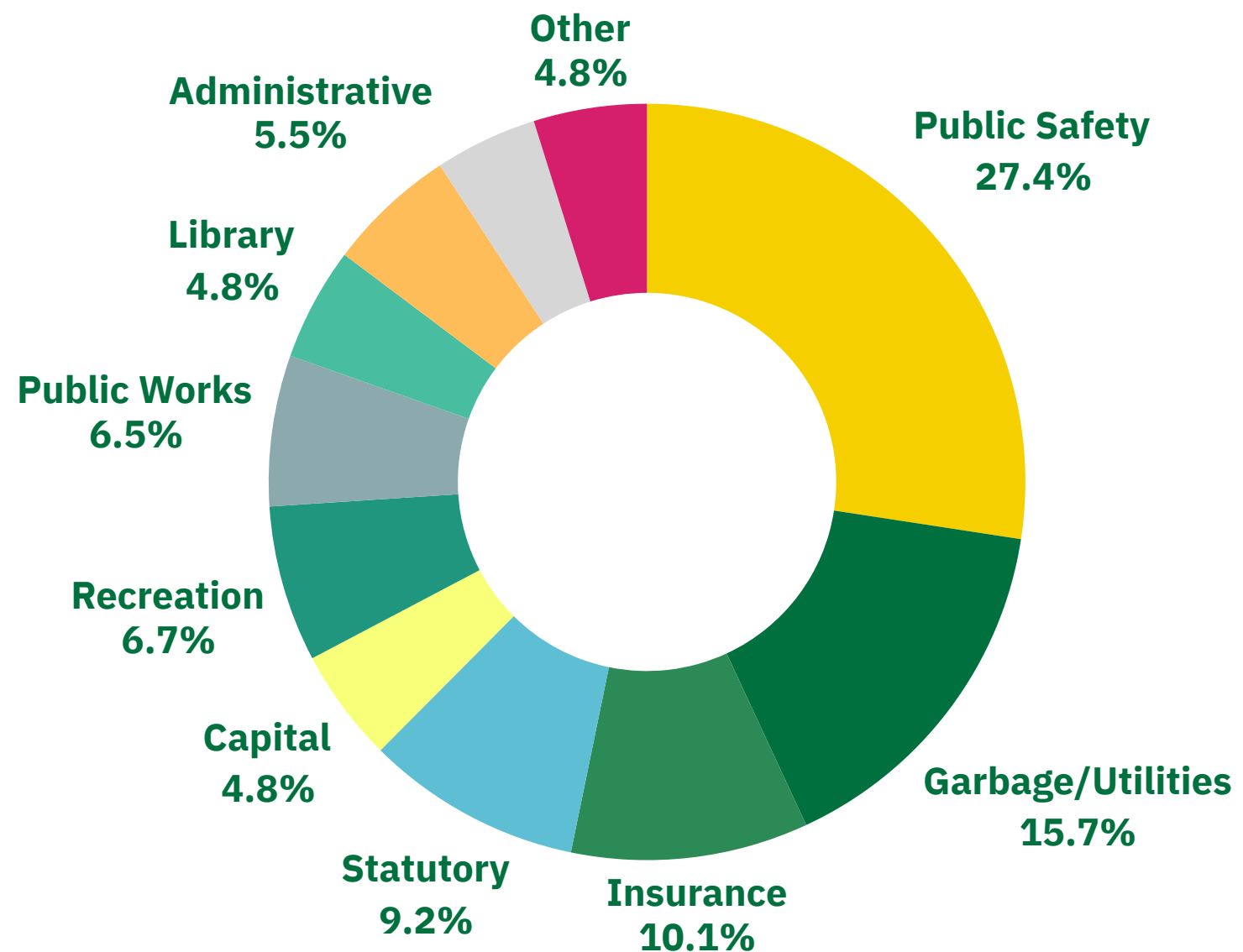
General insurance costs are rising rapidly across the State of New Jersey. Our coverage is obtained through the Joint Insurance Fund which includes auto, property, general liability, and workers compensation.

Cost of Goods and Services

Inflation continues to impact the municipal budget and the cost of goods and services that the Borough procures. While overall inflation increased about 4% in 2023, certain budget items are increasing at a much higher rate. Policy makers continue to try to mitigate the impacts of inflation while simultaneously maintaining economic growth and stability.

2025 Municipal Budget

(Including Library Funding)



Category	Average Monthly Cost
Public Safety	\$ 119
Garbage/Recycling/Utilities	68
Insurance	44
Statutory Expenses	40
Capital/Debt	21
Parks & Recreation	29
Public Works	28
Library	19
Administrative Functions	24
Other (Includes Uncollected reserve)	39
Monthly Service Bill:	\$ 433

2025 Budget Revenues

Category	2025 Budgeted	2024 Budgeted
Fund Balance	\$ 1,725,000	\$ 1,885,000
Municipal Receipts	\$ 2,504,306	\$ 2,309,571
Grants	\$ 30,299	\$ 114,924
Library Tax	\$ 892,711	\$ 818,411
Municipal Tax	\$ 13,332,992	\$ 12,892,258
TOTAL	\$ 18,485,308	\$ 18,020,164

2025 Budget Expenses

Category	2025 Budgeted	2023 Budgeted
Salary & Benefits	\$ 8,901,076	\$ 8,520,888
Operating Expenses	\$ 7,854,232	\$ 7,513,126
Capital/Statutory	\$ 1,730,000	\$ 1,986,150
Total Budget	\$ 18,485,308	\$ 18,020,164

Water Utility Budget

Revenue	2025
Fund Balance	\$ 500,000
Membership Fees	\$ 1,900,000
Miscellaneous Revenue	\$ 40,000
TOTAL	\$ 2,440,000

Expenses	2025
Salary & Wage	\$ 475,000
Other Expenses	\$ 1,535,000
Capital Investment	\$ 430,000
TOTAL	\$ 2,440,000

2024 Operating Results

The Water Utility operated with net positive operations in 2024, which was a bounce back from 2023. Efforts to clean up accounts and correct long standing meter issues have resulted in more stable and accurate collections.

Water Meter Replacement Project

The Borough is moving forward with a water meter replacement project that will provide more accurate meter reads, leak detection, and water usage analytics

Montclair Fees

Rates are being negotiated with Montclair and we are expecting an increase in the 2025 budget

Swimming Pool Utility Budget

Revenue	2025
Fund Balance	\$ 45,000
Pool Memberships	\$ 500,000
Miscellaneous Revenue	\$ 10,000
TOTAL	\$ 555,000

Expenses	2025
Salary & Wage	\$ 305,000
Other Expenses	\$ 185,000
Capital Investment	\$ 65,000
TOTAL	\$ 555,000

2024 Operating Results

After paying off in full the 2014 Swimming Pool debt, along with the COVID emergency declaration, the Pool Utility operated with strong net positive results in 2024.

Capital Investment

\$65,000 is allocated towards current and future capital needs

With solid financial results projected, there is opportunity for larger scale projects and improvements.

Minimum Wage

Seasonal minimum wage has increased to \$14.53 with a target of \$15.00 by 2026



Thank you!

Questions? Visit our website www.glenridgenj.org or email us at
cfo@glenridgenj.org

