

# Borough of Manville



2026

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Budget Presentation

April 27, 2026

# What is a municipal budget?

Think of it like the municipality's financial plan. Just like a household budget, it shows what we expect to bring in and how we plan to spend it.

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## Why should YOU care?

Because it's your money. This budget determines whether roads are repaired, snow is plowed, parks are maintained, and police are on patrol.

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# Understanding Your Tax Bill

*Where do your property taxes go?*

School District

50.52%



Municipal

33.13%



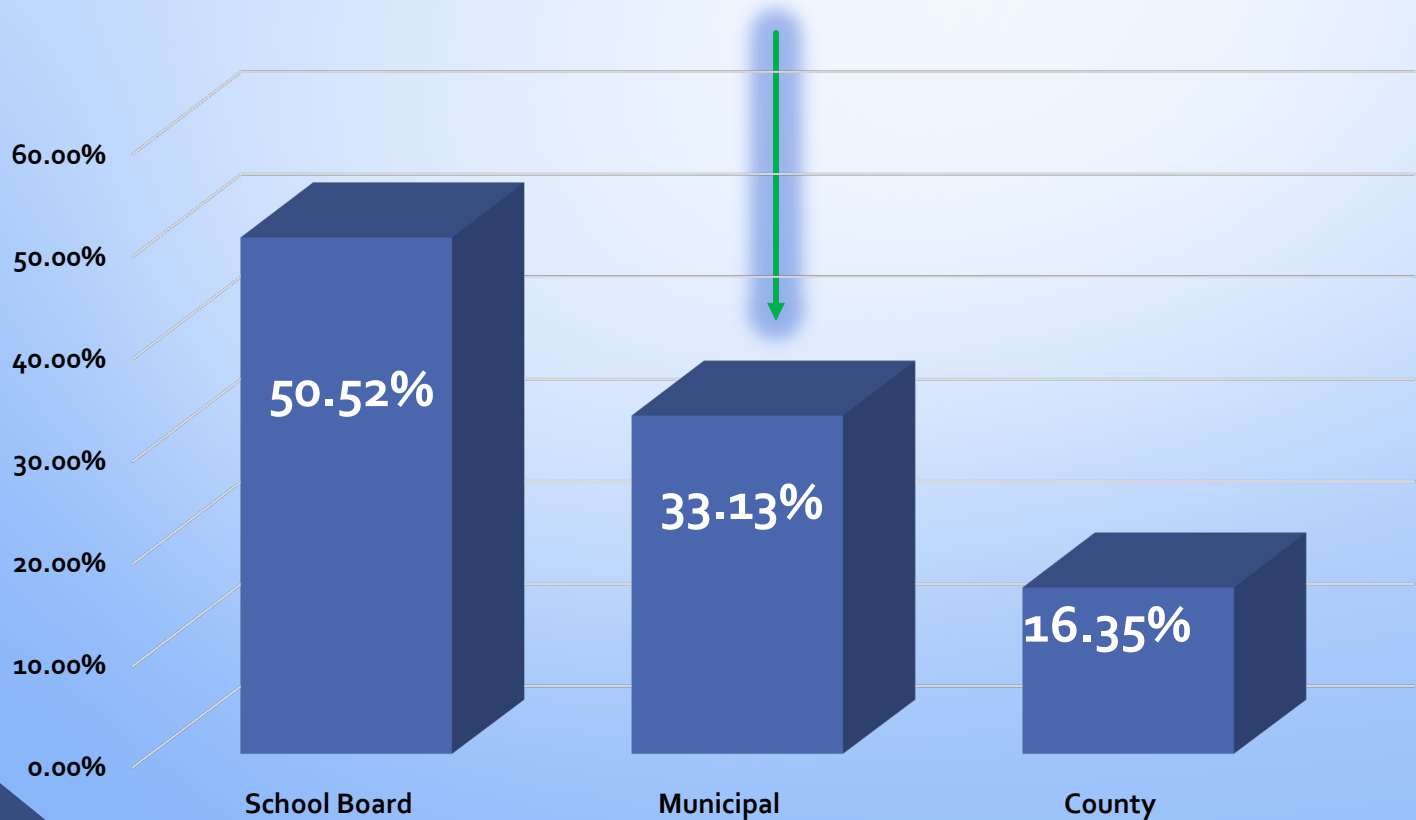
Somerset  
County

16.35%



# Property Tax Bill Allocation

We collect it all,  
but only control part of it



# Understanding the Budget Process

*From initial planning to final adoption, how your budget comes together*

- ❖ Budget Requests
- ❖ Department Meetings
- ❖ Assessor Ratables
- ❖ Budget & Finance Committee
- ❖ Budget Introduction
- ❖ Advertisement
- ❖ State Review
- ❖ Budget Hearing
- ❖ Budget Adoption



# 2026 Budget Cost Drivers

*Despite pressure from key cost drivers, the overall budget was held to a level below inflation*

**Increase to 2026 Budget (excluding grants): \$ 363,668**

## ***Main Cost Drivers (increases):***

<i>Police Salaries</i>	<i>\$261,000</i>
<i>Health Insurance</i>	<i>\$260,000</i>
<i>Capital Improvement Fund (state mandated)</i>	<i>\$50,000</i>
<i>Debt</i>	<i>\$43,000</i>
<i>Unemployment Fund</i>	<i>\$40,000</i>



# 2026 Budget Snapshot

Rising property values strengthen homeowner equity, but also impact assessed values used to calculate taxes.



*Higher values benefit homeowners, while also contributing to higher tax bills.*



**Borough Value**

**\$1,569,143,600**

**▲ 6.97%** Greater Than 2025



Reflects overall growth in property values across the Borough.



**Average Assessed Home Value (Tax Basis)**

**\$426,736**

**▲ 8.83%** Greater Than 2025



Higher values increase homeowner equity—but also the assessed base used to calculate taxes.



**Property Tax Rate**

**\$.707**

**▲ 1.02%** More Than 2025



Represents only one part of the tax bill calculation.

# AVERAGE ASSESSED HOME VALUE

*Home values increased over 75% since 2020 – significantly strengthening homeowner equity*



# MUNICIPAL PROPERTY TAX SUMMARY

*Supporting essential community services and public safety.*



**\$0.701 MUNICIPAL TAX RATE**

Increase from \$0.699 in 2025



**\$0.007 RATE INCREASE**

From prior year



**\$272.77 ANNUAL INCREASE**

On the average assessed home (AAH)



**\$22.73 MONTHLY INCREASE**

On the average assessed home (AAH)



**\$3,015 TAX ON AVG. ASSESSED HOME**

Annual municipal portion

## What do your municipal taxes fund?

**\$3,015** annually per average home  
(≈ \$251/month)



### Public Safety

Police & Emergency Services



### Roads & Infrastructure

Repair, maintenance & improvement



### Parks & Recreation

Parks, trails & community spaces



### Community Services

Programs & support for residents



### Local Government Operations

Administration & village services



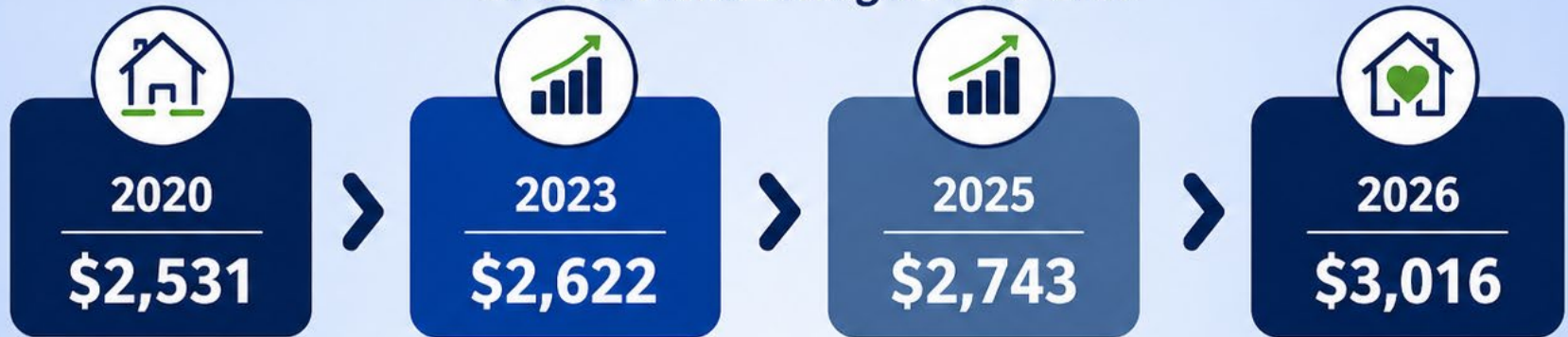
Your tax dollars stay local and fund the services residents rely on every day.



**Responsible budgeting. Maximum community impact.**

# Average Municipal Tax on the Average Assessed Home

How this has changed over time



Increase since 2020: **+\$485**

≈ \$81 per year on average



**+\$40.42** per month compared to 2020



A necessary adjustment in 2026 **restores long-term financial stability** following years of constrained growth.



Overall growth remains **below inflation** over the same period.

# 2026 Property Tax Calculation 101

*A step-by step look at how your property taxes are calculated*

❖  $(\text{Tax Levy} / \text{Town Assessment}) \times 100 = \text{Tax Rate}$   
 $(\$ 11,088,291 / \$1,569,143,600) \times 100 = \$\mathbf{0.707}$

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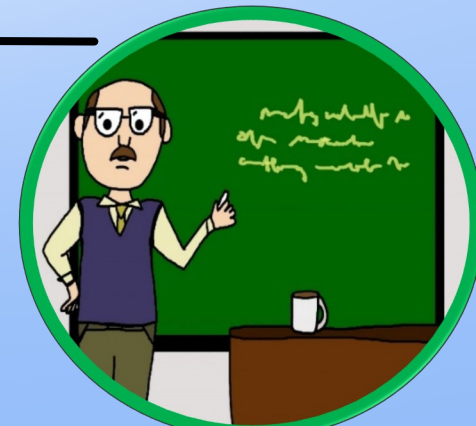
❖  $2026 \text{ Average Assessed Home} \times 2026 \text{ TR} / 100 = 2026 \text{ Total Municipal Tax}$   
 $\$426,736 \quad \times \quad .707 \quad / 100 = \quad \mathbf{\$3,015.51}$

❖  $2025 \text{ Average Assessed Home} \times 2025 \text{ TR} / 100 = 2025 \text{ Total Municipal Tax}$   
 $\$392,103 \quad \times \quad .699 \quad / 100 = \quad \mathbf{\$2,742.74}$

❖  $\text{Annual Increase On Avg. Assessed Home: } \mathbf{\$3,015.51 - \$2,742.74 = \$272.77}$

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❖  $\text{Monthly Increase on Avg. Assessed Home:}$   
 $\$272.77 / 12 \text{ months} = \mathbf{\$22.73 \text{ more per month}}$



# 2026 Budget Overview

*Core budget comparison provides the most accurate year-over-year view*

2026 Budget  
\$17,358,796

Core Budget (Excl. Grants)  
\$16,716,452



2025 Budget  
\$17,954,121

Core Budget (Excl. Grants)  
\$16,352,784

*Grant funding is one-time in nature, varies annually, and is budget neutral*

2.22% increase in core budget, ↓ below inflation

# Year over Year Comparison

2026

Amount to be Raised by  
Property Taxes

\$11,088,291

2025

Amount to be Raised by  
Property Taxes

\$10,260,623

# Municipal Tax Levy Growth Remains Controlled Over Time

~2.7% average annual growth since 2020 – *below inflation*



2020 Tax Levy

**\$9,542,787**

*(Starting Point)*



Total Increase

**\$1,545,504**

*(Over 6 years)*



2026 Tax Levy

**\$11,088,291**

*(Current Year)*



Levy growth (~16%) remains *below inflation* (~25%)  
*over the same period.*



Sources: Township of Manville Budget Documents;  
U.S. Bureau of Labor Statistics (CPI-U), 2020–2026 (2025–2026 estimated)

# 2% TAX LEVY CAP

- ❖ The tax levy cap law imposes a 2% cap on the total increase of local government tax levies, subject to certain exclusions. These exclusions to the 2% tax levy cap allow a municipality to increase the tax levy over 2% due to these exclusions.
- ❖ The exclusions include increase in debt service and capital expenditures; weather and other declared emergencies; pension contributions in excess of two percent, and health benefit cost increases in excess of 2 percent.
- ❖ In short, if any of the aforementioned exemptions causes our tax levy to increase over 2 percent, we still comply with the 2% tax levy cap law. Now, in order to increase the tax levy over 2%, when not related to these exemptions, we would need a referendum.

# 2.5% APPROPRIATION CAP

❖ When we talk about the 2.5% cap (also referred to as the 3.5% cap), we are referring to the appropriation cap. Appropriation is a fancy word for expenses. There are two types of appropriations:

## ❖ **Inside the CAP:**

- Salary & Wages
- Operating expenses (stationary, equipment, professional services, advertising, audit, training, uniforms, pensions, health insurance, employer taxes, etc...)

## ❖ **Outside the CAP:**

- Debt service
- Capital expenditures
- Reserve for uncollected
- Emergency appropriations
- Grant appropriations
- Library funding
- Shared Service Expenses
- Judgements

## 2.5% APPROPRIATION CAP
















- ❖ The 2.5% cap relates only to “inside the cap” appropriations. The law limits the increase in inside the cap appropriations from year to year to 2.5% or the state’s cost of living adjustment (COLA), whichever is lower. This year the state’s COLA is 2.0 %. The state also allows a municipality, by ordinance, to increase the COLA percentage to **3.5%**.

## 2.5% APPROPRIATION CAP

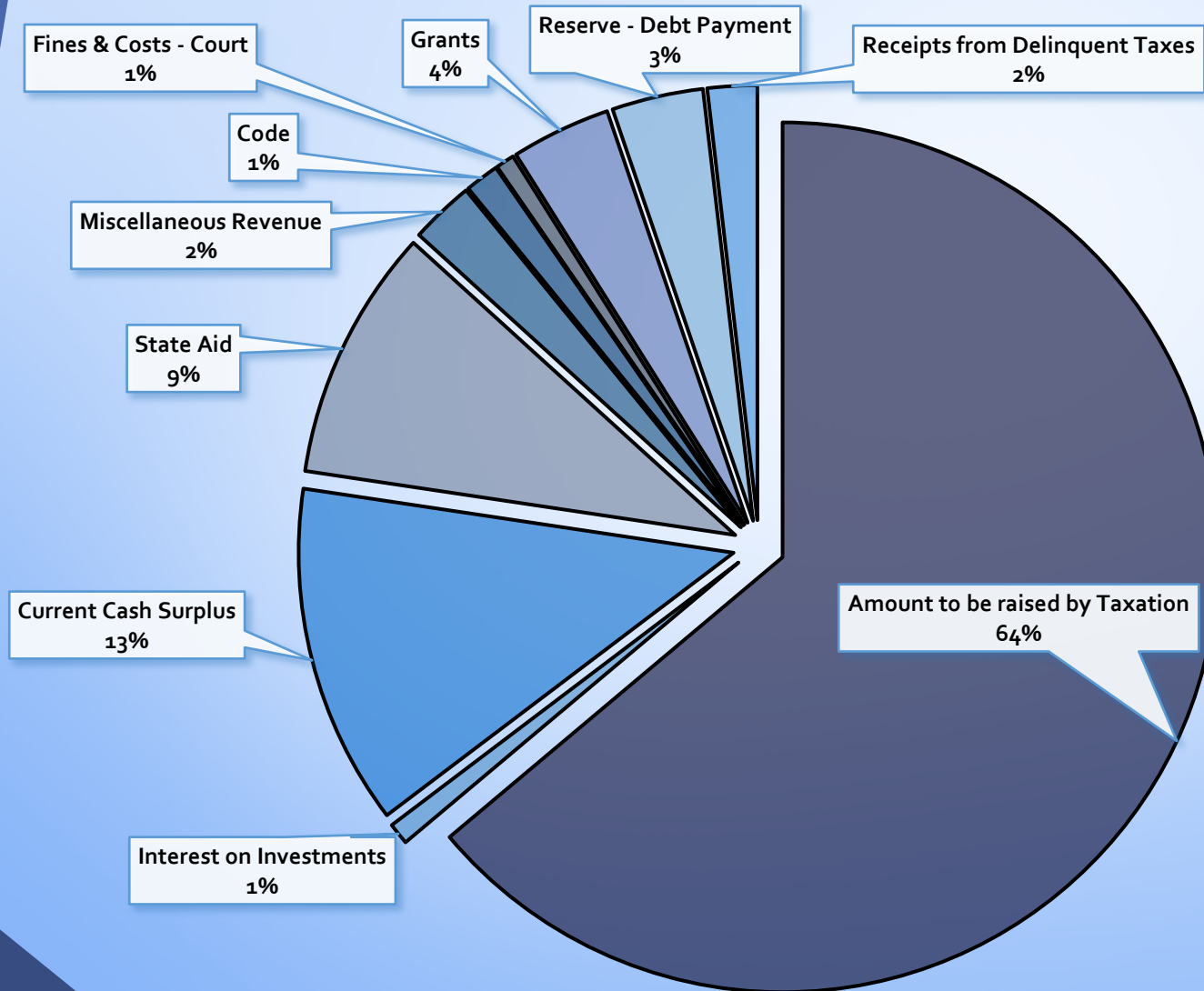
- ❖ The 3.5% ordinance, it does not indicate that the tax rate will increase by 3.5%. People often get this confused. It only means that if truly needed, we would be able to increase our inside the cap appropriations to 3.5% of prior year's inside the cap appropriations. Again, doing so does not automatically mean the tax rate will increase to 3.5% either. Remember, there are many variables in the tax rate equation that can offset the increase in inside the cap appropriations.
- ❖ Finally, if a 3.5% cap ordinance is passed and do not raise our inside the cap appropriations by 3.5%, the state allows us to bank (carry-over), for up to two years, the difference between its final appropriation subject to the cap and 3.5%. This ordinance is a tool we have in our budgeting arsenal, which allows us flexibility in the event of an unforeseen financial incident.

# Current Fund 2026 Revenue Sources

*Where do our funds come from?*

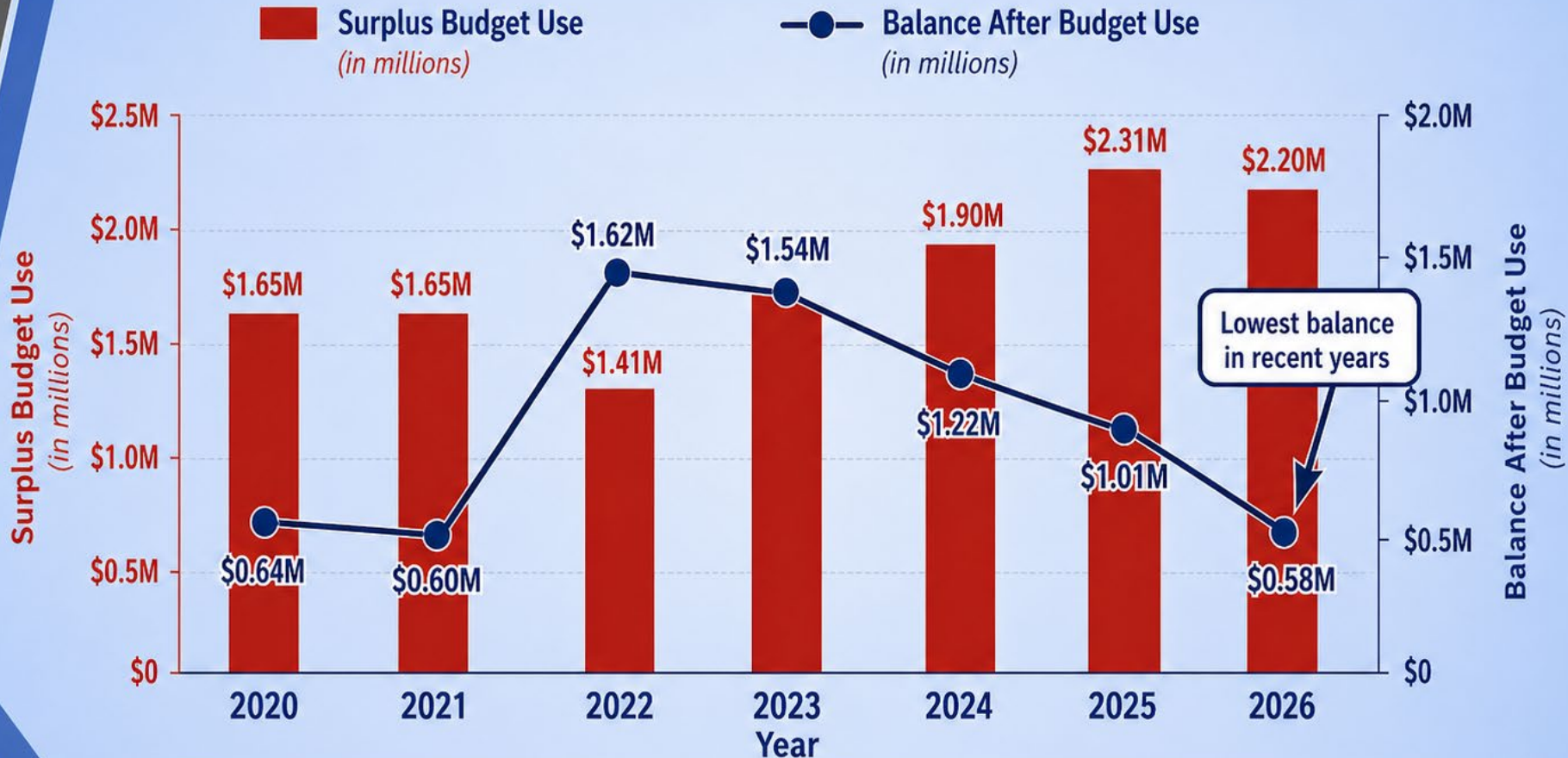
REVENUE	YEAR 2026	YEAR 2025	Difference
Property Taxes	\$11,088,291	\$10,260,623	 \$827,668
Surplus	\$2,200,000	\$2,310,000	 \$110,000
State Aid	\$1,628,161	\$1,628,161	 \$0.00
Grants	\$642,344	\$1,601,337	 \$958,993
Debt Reserve	\$589,000	\$606,000	 \$17,000
Delinquent Taxes	\$320,000	\$400,000	 \$80,000
Construction Code	\$219,000	\$219,000	 \$0.00
Interest on Investments	\$140,000	\$150,000	 \$10,000
Court Fines	\$120,000	\$130,000	 \$10,000
Fire Safety	\$90,000	\$88,000	 \$2,000
Property Maintenance	\$80,000	\$0.00	 \$80,000
Fees & Permits	\$75,000	\$110,000	 \$35,000
Leases	\$90,000	\$96,000	 \$6,000
Interest on Taxes	\$62,000	\$90,000	 \$28,000
Liquor Licenses	\$15,000	\$15,000	 \$0.00

# 2026 Revenue Sources



# Surplus Use is Outpacing Sustainability

*Increasing reliance on surplus is reducing reserves*



Rising budget use is driving down surplus reserves.  
Continued reliance on surplus is **not sustainable long term.**

# Importance of a Healthy Surplus

## Rainy Day Protection

Emergencies happen. We handle them without touching your wallet.

## Budgeting Revenue

Surplus lets us absorb a portion of the rising costs.

## AA1 Bond Rating - Earned

Our reserve is why we borrow at lower rates, which means less of your money going to interest.

We've been saving.

Here's why that's a big deal for you.



# 2026 Budget Cost Drivers

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**Increase to 2026 Budget (excluding grants): \$ 363,668**

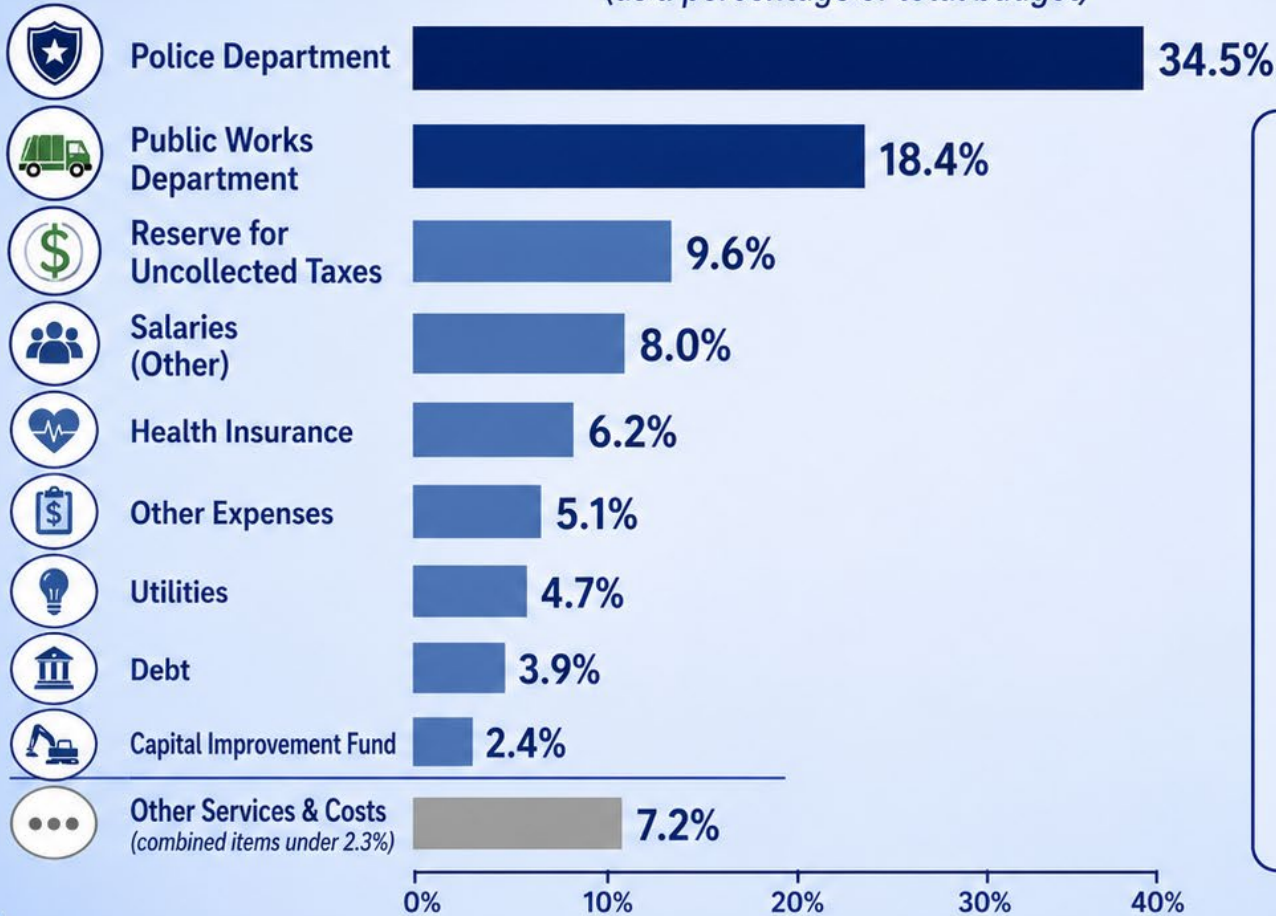
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# Where Your Municipal Tax Dollars Go

2026 Budget by Major Category  
(as a percentage of total budget)



Police and Public Works represent core services that support:

- ✓ Public safety
- ✓ Infrastructure
- ✓ Daily operations

**Over 50%**  
of the budget supports  
**Public Safety and  
Public Works.**

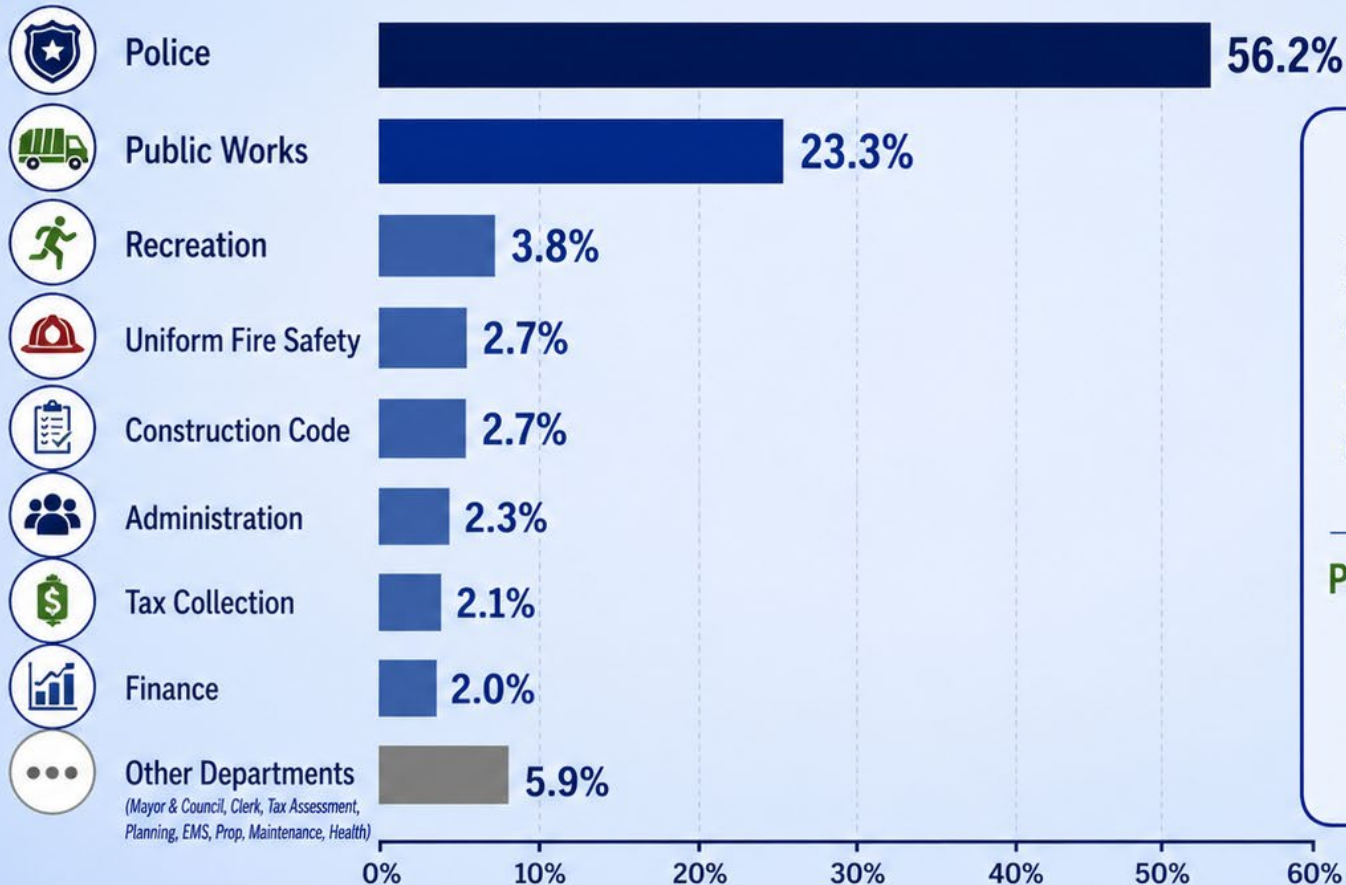


A significant portion of the budget supports essential services residents rely on every day.

Many costs are driven by contractual obligations, benefits, and required services.

# 2026 Salary Budget Breakdown

How staffing resources are allocated



Staffing is primarily concentrated in:

- ✓ Public safety
- ✓ Infrastructure & operations

Police and Public Works account for nearly

**80%**

of the salary budget.



The majority of staffing supports essential services residents rely on every day.

Personnel costs are largely driven by staffing needs, contractual obligations, and service delivery requirements.

# 2026 Department Appropriations

DEPARTMENTS	MAJOR DEPARTMENTAL PROGRAMS			
	2026 Budget Appropriations	2025 Budget Appropriations	Increase / Decrease \$	Increase / Decrease %
<b>POLICE - Salary &amp; Wages (S&amp;W)</b>	\$ 3,700,000	\$ 3,439,000	\$ 261,000	7.59%
<b>POLICE - Other Expenses (O/E)</b>	\$ 218,000	\$ 218,000	\$ -	0.00%
<b>DPW / BUILDINGS &amp; GROUNDS - S&amp;W</b>	\$ 1,530,000	\$ 1,525,000	\$ 5,000	0.33%
<b>DPW / BUILDINGS &amp; GROUNDS - O/E</b>	\$ 1,009,700	\$ 1,034,050	\$ (24,350)	-2.35%
<b>RECREATION - S&amp;W</b>	\$ 250,000	\$ 251,300	\$ (1,300)	-0.52%
<b>RECREATION - O/E</b>	\$ 27,000	\$ 27,000	\$ -	0.00%
<b>UNIFORM FIRE SAFETY - S&amp;W</b>	\$ 174,915	\$ 169,000	\$ 5,915	3.50%
<b>UNIFORM FIRE SAFETY - O/E</b>	\$ 19,250	\$ 22,250	\$ (3,000)	-13.48%
<b>CONSTRUCTION CODE - S&amp;W</b>	\$ 175,950	\$ 170,000	\$ 5,950	3.50%
<b>CONSTRUCTION CODE - O/E</b>	\$ 30,000	\$ 30,000	\$ -	0.00%
<b>PROPERTY MAINTENANCE - S&amp;W</b>	\$ 110,000	\$ 110,000	\$ -	0.00%
<b>PROPERTY MAINTENANCE - O/E</b>	\$ 5,000	\$ 5,000	\$ -	0.00%
<b>ENGINEERING - O/E</b>	\$ 150,000	\$ 150,000	\$ -	0.00%

# 2026 Department Appropriations

DEPARTMENTS	2026 Budget Appropriations	2025 Budget Appropriations	Increase / Decrease \$	Increase / Decrease %
PLANNING DEPARTMENT - S&W	\$ 7,000	\$ 7,000	\$ -	0.00%
PLANNING DEPARTMENT - O/E	\$ 47,000	\$ 52,000	\$ (5,000)	-9.62%
CLERK - S&W	\$ 74,500	\$ 50,000	\$ 24,500	32.89%
CLERK - O/E	\$ 24,000	\$ 24,000	\$ -	0.00%
ADMINISTRATIVE & EXECUTIVE - S&W	\$ 150,000	\$ 56,000	\$ 94,000	167.86%
ADMINISTRATIVE & EXECUTIVE - O/E	\$ 287,000	\$ 391,000	\$ (104,000)	-26.60%
DATA PROCESSING	\$ 40,000	\$ 31,000	\$ 9,000	29.03%
FINANCE & TAX - S&W	\$ 339,347	\$ 327,200	\$ 12,147	3.71%
FINANCE & TAX - O&E	\$ 67,000	\$ 61,100	\$ 5,900	9.66%
LEGAL	\$ 220,000	\$ 230,000	\$ (10,000)	-4.35%
FIRE DEPARTMENT	\$ 165,350	\$ 165,350	\$ -	0.00%

# 2026 Department Appropriations

DEPARTMENTS	MAJOR DEPARTMENTAL PROGRAMS			
	2026 Budget Appropriations	2025 Budget Appropriations	Increase / Decrease \$	Increase / Decrease %
<b>INSURANCES</b>				
EMPLOYEE GROUP HEALTH	\$ 1,540,000	\$ 1,280,000	\$ 260,000	20.31%
LIABILITY INSURANCE	\$ 385,000	\$ 400,000	\$ (15,000)	-3.75%
WORKERS COMPENSATION	\$ 291,600	\$ 270,000	\$ 21,600	8.00%
SOCIAL SECURITY	\$ 285,000	\$ 270,000	\$ 15,000	5.56%
UNEMPLOYMENT	\$ 80,000	\$ 40,000	\$ 40,000	100.00%
<b>SUBTOTAL INSURANCES</b>	<b>\$ 2,581,600</b>	<b>\$ 2,260,000</b>	<b>\$ 321,600</b>	<b>14.23%</b>
<b>PENSIONS</b>				
PFRS	\$ 1,005,000	\$ 1,090,000	\$ (85,000)	-7.80%
PERS	\$ 240,000	\$ 300,000	\$ (60,000)	-20.00%
<b>TOTAL PENSIONS</b>	<b>\$ 1,245,000</b>	<b>\$ 1,390,000</b>	<b>\$ (145,000)</b>	<b>-10.43%</b>
<b>CAPITAL IMPROVEMENT FUND</b>	<b>\$ 400,000</b>	<b>\$ 350,000</b>	<b>\$ 50,000</b>	<b>14.29%</b>
<b>DEBT</b>	<b>\$ 649,000</b>	<b>\$ 606,000</b>	<b>\$ 43,000</b>	<b>7.10%</b>
<b>RESERVE FOR UNCOLLECTED TAXES</b>	<b>\$ 1,600,000</b>	<b>\$ 1,600,000</b>	<b>\$ -</b>	<b>0.00%</b>

# Reducing Costs Through Strategic Actions

*Saving taxpayer dollars through smart decisions*

## Health Insurance

~\$400k annual savings vs State Health Plan

## Health Benefit Waivers

9 employees opting out ~\$350k savings

## Animal Control Services

Outsourcing saves ~\$100K annually

## Court Shared Services

~\$250K annual savings

*Over \$1.1 M in annual savings and cost avoidance*

# Cost Control Measures

*Actions taken to limit future spending growth*

## Training Efficiency

Transition to web-based training to reduce travel and training costs

## Reduction Through Attrition

FT DPW employee not replaced upon vacancy

*These actions help limit future cost increases and reduce long term budget pressure*

# Debt Service Detail

## MOODY'S RATING: Aa1

- ❖ The Aa1 term rating reflects the borough's healthy finances, specifically related to reserves and liquidity.

## FACTORS THAT COULD LEAD TO AN UPGRADE

- ❖ Material increase of the tax base and resident wealth and income
- ❖ Significant increase in reserves

## FACTORS THAT COULD LEAD TO A DOWNGRADE

- ❖ Material deterioration of the tax base and resident wealth and income
- ❖ Significant decrease in reserves or liquidity



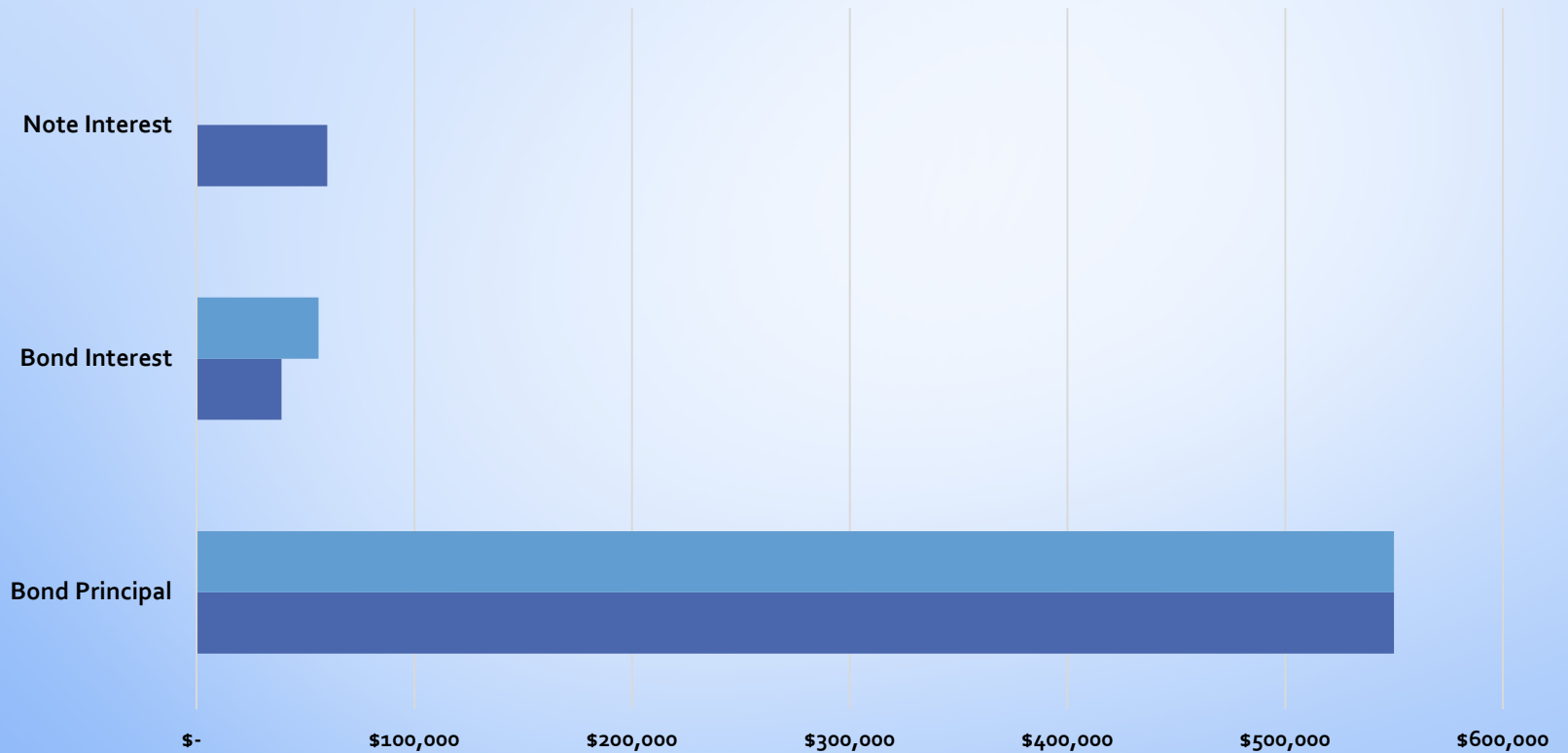
# Debt Service Detail (continued)

## Debt Authorized but Not Issued:

- ❖ Ordinance 2024-1323 - \$1,825,000
  - ❖ Fire Truck



# 2026 Municipal Debt Payments



	Bond Principal	Bond Interest	Note Interest
2025	\$550,000	\$56,000	\$-
2026	\$550,000	\$39,000	\$60,000

■ 2025 ■ 2026

# Capital Improvement Plan - 2026

## Police

- Vehicle & Equipment



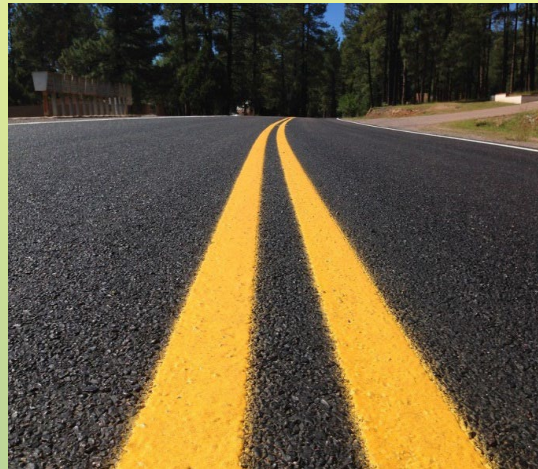
## Buildings

- Parking Lots Paving



## Engineering

- Roadwork



## DPW

- Paving
- Vehicle & Equipment

## Recreation

- Pool & Park Upgrades

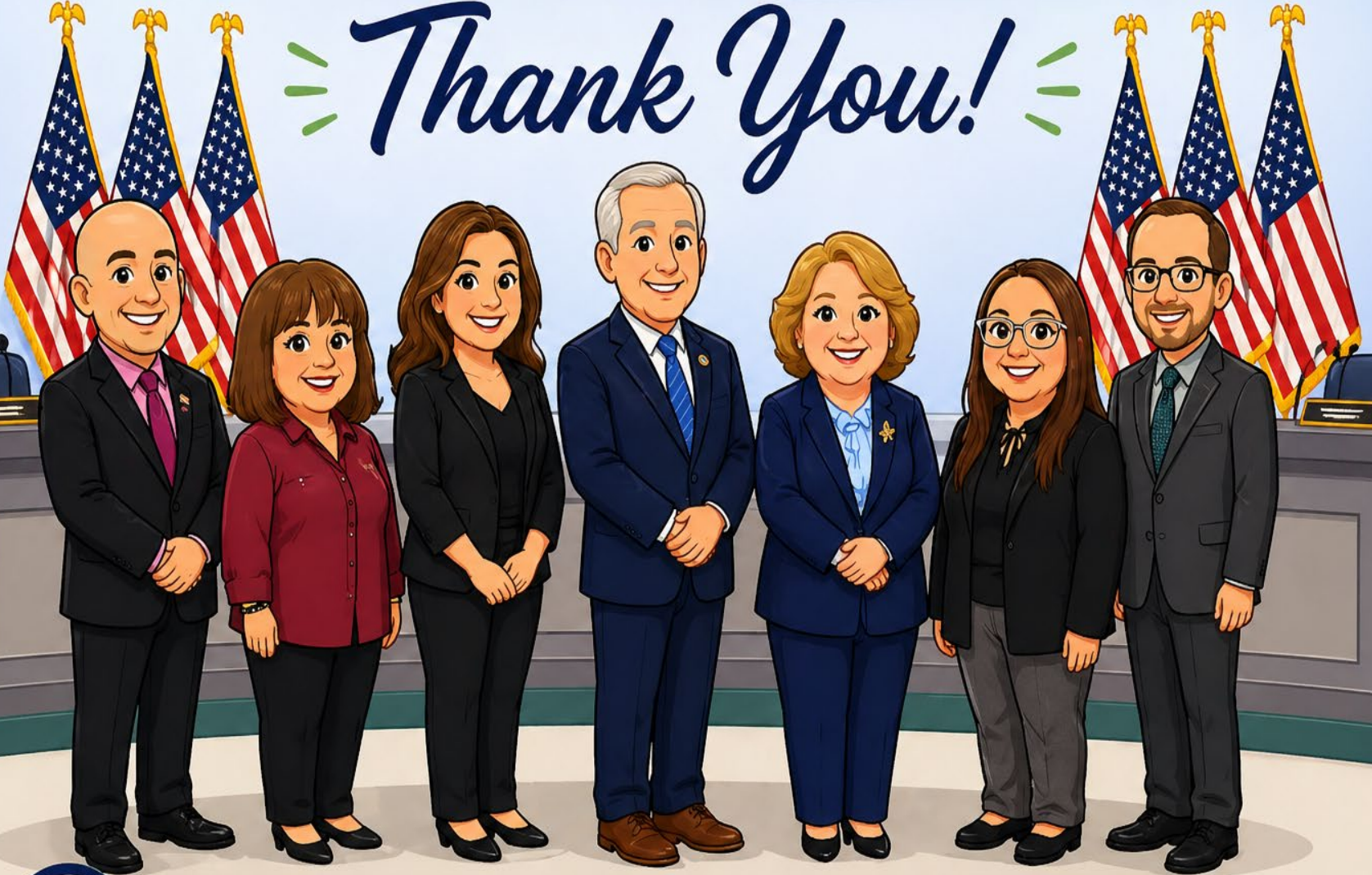
# 2026 Budget Calendar

- April 27, 2026 – Budget Introduction
- June 08, 2026 – Public Hearing and Adoption *(contingent on state review of introduced budget)*

# Thank you



Thank You!



DEDICATED TO OUR COMMUNITY

*Committed to Our Future*