

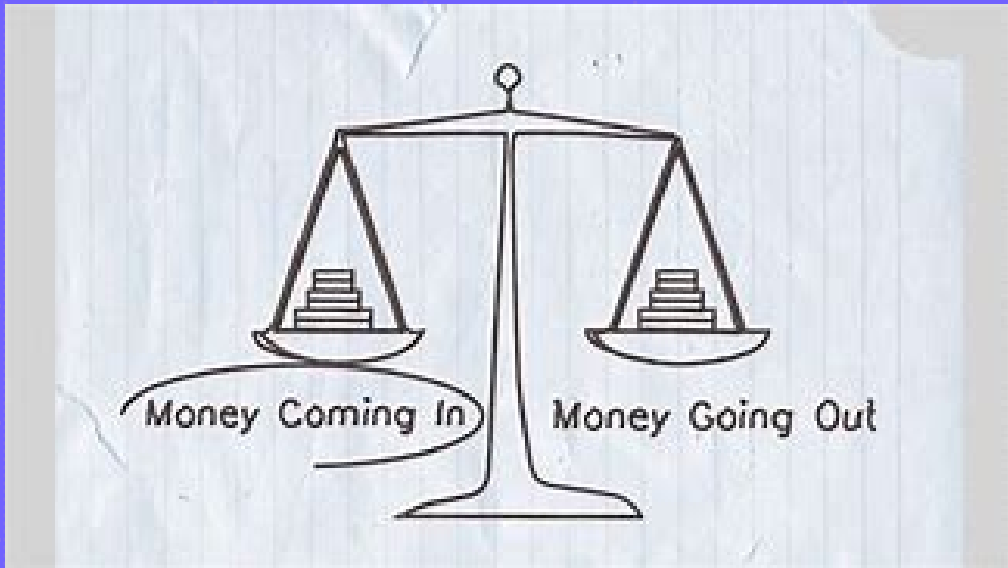
2025 Avalon Budget Presentation



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Avalon Borough Council Finance Committee
April 12, 2025



The Avalon Budget Process



- Department heads meet with Chief Financial Officer to submit budget requests, including capital projects
- Mayor considers budget requests through a “needs v. wants” analysis to consider impact on municipal tax rate
- Council Finance Committee reviews draft of budget, communicates to mayor any desired additions/subtractions
- Budget advances to Council for authorization

By the Numbers: 2025 Municipal Budget

- \$36,487,090 supported by \$20,660,000 from taxpayers
- Municipal tax rate remains at 20.5 cents per \$100 of assessed valuation with no tax increase. Avalon has maintained or reduced the tax rate for nine years, except in 2023 during unchecked federal inflation
- Avalon maintains the elimination of all long-term, general obligation debt
- Less surplus used to support the budget, \$1.03 million
- Maintain AAA bond rating from Standard and Poor's



Avalon Budget Strategy



- Finance capital projects with cash or in most cases, with a higher down payment than required by state statute; this eliminates long-term debt obligated in future budgets
- Apply surplus funding from the Avalon Free Public Library to budget (2025 figure: \$2.4 million)
- Maintain high bond rating to save hundreds of thousands of dollars annual on interest on short-term borrowing
- Include annual funding for likely known expenses, including beach projects and maintenance of back bay navigation channels, tree planting program, etc.



Avalon's Pursuit of Grant Funding

- \$84,000 secured for sports and fitness walking trail at 8th Street recreation facility (grant award announced April 7, 2025).
- Avalon secured \$1 million federal grant for a living shoreline at Bay Park Marina (resiliency)
- \$8 million secured for 2023 hydraulic beach fill (next fill anticipated in 2026)
- Over \$1 million secured in Open Space program for rehabilitation of Bay Park Marina
- \$4 million Congressional earmark sought for major water main replacement
- \$2 million in Open Space funding previously secured to finance entire Surfside Park project



2025 Capital Projects



- +/- \$1 million: Rehabilitation of 13th Street water tower
- \$8 million: Replacement of large water main on 42nd Street to advance water pressure/emergency response capabilities
- \$648,000: Sand back passing project to restore north end beaches (contract awarded, June 2025 overnight project)
- +/- \$1 million: Living shoreline project at Bay Park Marina (supported by \$1 million grant)
- +/- \$350,000 Improvements to 39th Street tennis area (safety)
- +/- \$100,000 technology (data protection and efficiency)
- \$87,750 24th Street bulkhead; \$1.2 million various streets supported by NJDOT grant



2025 Beach Utility Fund

The fund totals \$2,177,123 to support necessary public safety and cleanliness initiatives on the beach.

Beach tag prices to remain stable in 2025, with one exception. Pre-season seasonal beach tags are \$35, representing a three dollar increase over last year. Cost of seasonal, weekly, and daily tags remains the same.

Fund pays for lifeguards, taggers, beach rescue equipment, daily cleaning of beaches. By statute, all revenue generated on the beach must be spent on the beach



2025 Water/Sewer Utility Fund



- Budget: \$8,994,120 which represents a 6.01% increase from last year
- Rates charged by the Cape May County Municipal Utilities Authority represent more than 50% of the budget (February, 2025 Avalon used 7.66% of CMCMUA system)
- Fund finances state-mandated projects including the lead service line replacement program
- \$10 surcharge per quarter will continue to pay for the lead pipe replacement program



Thank you!



The Avalon 2025 municipal budget is available online at www.avalonboro.net