



# Borough of Hasbrouck Heights 2023 Budget

Public Hearing & Adoption

May 23<sup>rd</sup>, 2023 – 7:00 P.M.

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# Major Points To Consider

## SUMMARY

- .98% (\$158,363) local tax levy increase from 2022 to 2023 - Lowest percent increase since 2017
- Total Ratables: **2023** = \$2,152,955,527    **2022** = \$2,005,190,700    **Increase of \$147,764,827 = 7.4%**
- Includes the absorption of all mandatory contractually obligated collective bargaining agreement (Union) increases, a 9% increase in State mandated Library funding, a 21% increase in health benefit premiums, a 14% increase in liability insurance premiums and a 12% increase in pension obligations
- Provides for 2 additional full-time Dispatchers, promotion of 3 new Lieutenants and 2 new Sergeants
- Does not reduce the level of municipal services offered or reduce staffing
- Includes a conservative Capital Plan consistent with prior years & creates 2 new capital reserve line items for future purchases of vehicles for the Fire Department and DPW
- 99.45% collection rate for 2022 helped reduce the 2023 Reserve for Uncollected Taxes appropriation by \$114,500
- 2022 surplus generated exceeded amount used to fund the 2022 budget by \$75,860 (\$1,455,860 vs. \$1,380,000)

## BUDGET IMPACTS

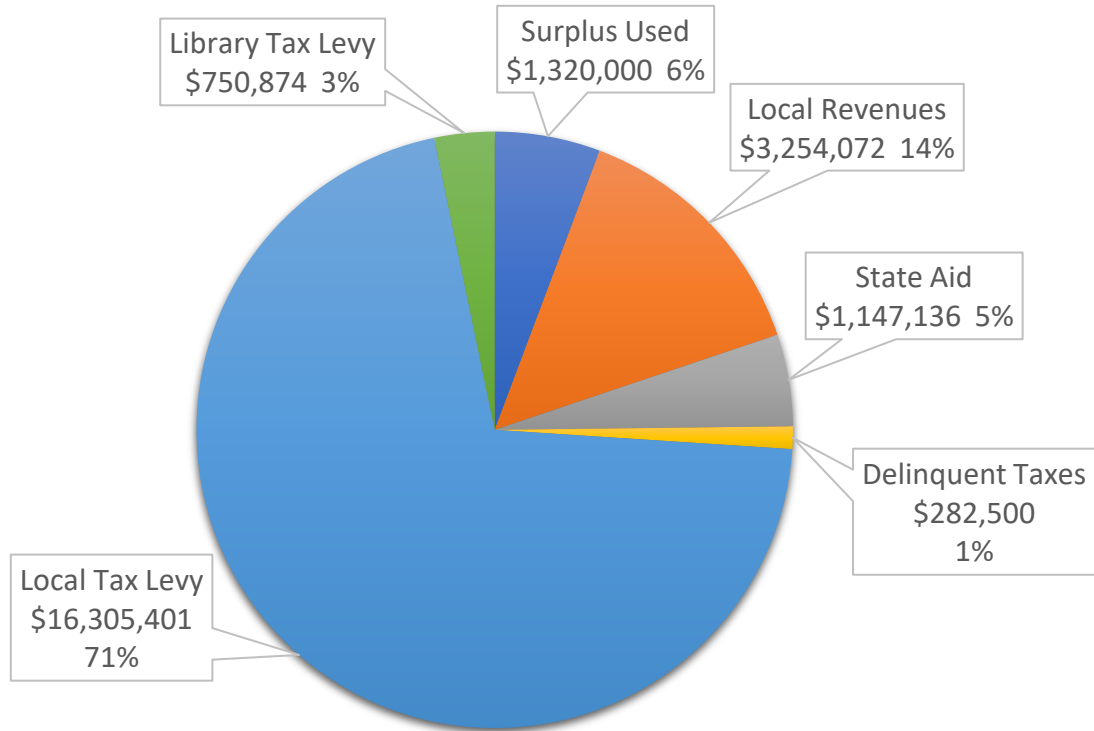
- COVID-19 effected revenues still include Hotel Fees. Others have returned to near pre-COVID amounts
- Stagnant or minimal increases in State Aid for the last 9+ years
- Pays off 1/5 (\$118,000) of the COVID-19 Special Emergency borrowing (Year 2 of 5)
- As introduced, this budget Includes the utilization of the final 50% of total awarded American Rescue Plan Funding (ARP) - \$627,593 as revenue loss replacements

## OTHER IMPORTANT DATA

- Shift from commercial to residential tax burden due to COVID - commercial property values still depressed and residential real estate market still excelling. The effect of this negated any tax savings from the increased ratables. The Borough's annual rolling assessment plan helped greatly in reducing the impact
- The Borough is confident that it will generate additional sizeable ratables from pending new construction and upgrades to existing under-performing properties currently petitioning before its Land Use Board
- Local, School and Library Levies are Actual - County Tax Levies Are Estimates

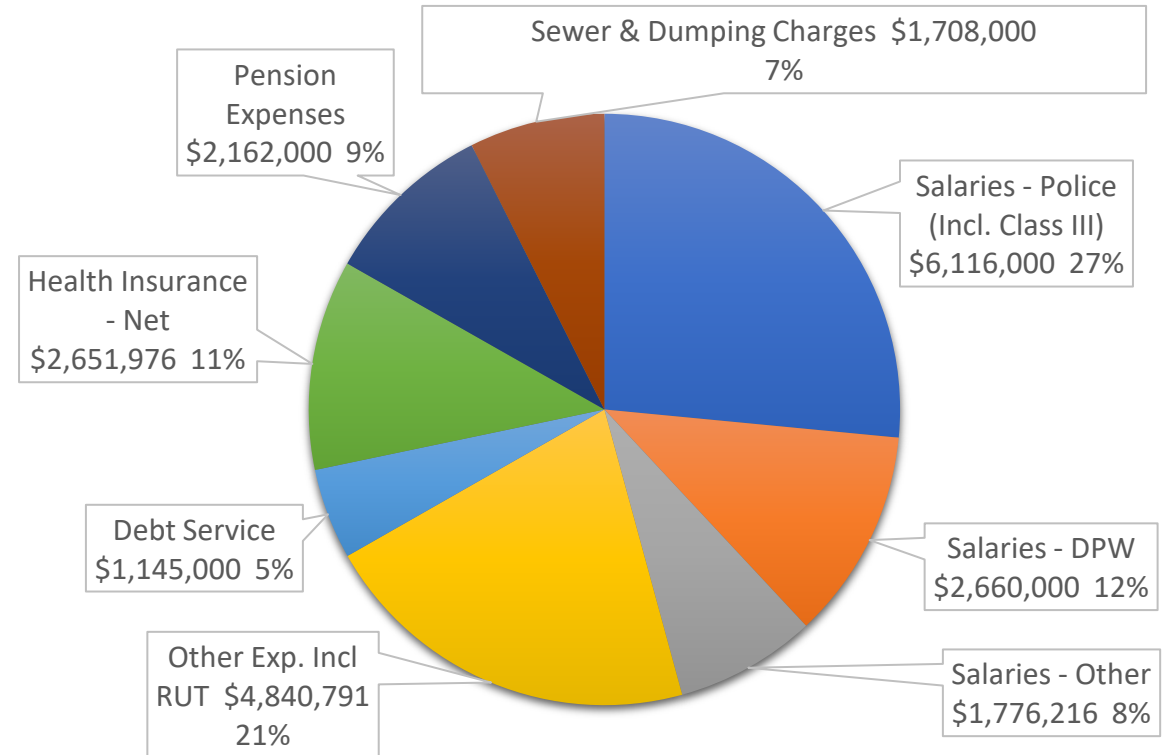
# 2023 Anticipated Revenues and Budget Appropriations

## Revenues



- Surplus Used
- Local Revenues
- State Aid
- Delinquent Taxes
- Local Tax Levy
- Library Tax Levy

## Appropriations



- Salaries - Police (Incl. Class III)
- Salaries - DPW
- Salaries - Other
- Other Exp. Incl RUT
- Debt Service
- Health Insurance - Net

## 5 Year Comparison of Tax Levies

- Local Tax Levy % Increases:

- 2018-2019 2.87%
- 2019-2020 2.85%
- 2020-2021 2.28%
- 2021-2022 1.45%
- 2022-2023 .98%

- School Tax Levy % Increases:

- 2018-2019 2.80%
- 2019-2020 2.52%
- 2020-2021 2.29%
- 2021-2022 1.98%
- 2022-2023 2.86%

# 5 Year Comparison of Tax Levies

	2019	2020	2021	2022	2023 - Projected
Local	\$15,129,243	\$15,560,696	\$15,915,613	\$16,147,039	\$16,305,401
Library	\$606,049	\$636,739	\$639,793	\$688,948	\$750,874
School	\$30,127,255	\$30,887,794	\$31,594,523	\$32,221,116	\$33,144,124
County	<u>\$4,383,308</u>	<u>\$4,604,020</u>	<u>\$4,769,146</u>	<u>\$4,919,504</u>	<u>\$5,091,687</u>
Total Levy	<u>\$50,245,855</u>	<u>\$51,689,249</u>	<u>\$52,919,075</u>	<u>\$53,976,607</u>	<u>\$55,292,086</u>

## 5 Year Comparison of Tax Rate Per \$100 of Assessed Value

	2019	2020	2021	2022	2023- Projected
Local	\$.856	\$.866	\$.849	\$.805	\$.757
Library	\$.034	\$.035	\$.034	\$.034	\$.035
School	\$1.706	\$1.719	\$1.685	\$1.607	\$1.539
County	<u>\$.249</u>	<u>\$.256</u>	<u>\$.256</u>	<u>\$.246</u>	<u>\$.236</u>
Total Rate	<u>\$2.845</u>	<u>\$2.876</u>	<u>\$2.824</u>	<u>\$2.692</u>	<u>\$2.567</u>

# 5 Year Comparison of Tax Bill For Average Residential Assessment

	2019	2020	2021	2022	2023 - Projected
Average Residential Assessment	\$393,100	\$401,600	\$421,236	\$456,232	\$493,172
Local Tax	\$3,364.94	\$3,477.86	\$3,576.29	\$3,672.67	\$3,733.31
Library Tax	\$133.65	\$140.56	\$143.22	\$155.12	\$172.61
School Tax	\$6,706.29	\$6,903.50	\$7,097.82	\$7,331.65	\$7,589.92
County Tax	<u>\$978.82</u>	<u>\$1,028.10</u>	<u>\$1,078.37</u>	<u>\$1,122.33</u>	<u>\$1,163.89</u>
Total Tax Bill	<u>\$11,183.70</u>	<u>\$11,550.02</u>	<u>\$11,895.70</u>	<u>\$12,281.77</u>	<u>\$12,659.73</u>
<b><u>Local Tax Increase From P/Y</u></b>		<u>\$112.92</u>	<u>\$98.43</u>	<u>\$96.38</u>	<u>\$60.64</u>
<b><u>School Tax Increase From P/Y</u></b>		<u>\$197.21</u>	<u>\$194.32</u>	<u>\$233.83</u>	<u>\$258.27</u>
<b><u>Total Tax Increase From P/Y</u></b>		<u>\$366.32</u>	<u>\$345.68</u>	<u>\$386.07</u>	<u>\$377.96</u>

# So... What do you get for the Municipal & Library portion of your taxes?

For **2023**, the municipal and library portion of the tax bill for an average home valued at **\$493,172** will be **\$3,906**.

For this amount, residents will receive the following services and programs:

- Garbage & Recycling Pickup
- Street Cleaning – New State of the Art Equipment
- Road Plowing & Street Maintenance
- Recreation Programs/Youth Center & Park Maintenance
- Police Department & Crossing Guards
- Fire & EMS Services
- Sewage & Water Treatment
- Health & Human Services
- Senior Citizen Services (4,000 square foot senior center)
- Administration, Finance, Elections, Records
- Construction, Zoning & Planning (Land Use)
- Road resurfacing projects
- Sewer and other Infrastructure Improvements
- Safe playgrounds & turf fields
- Full service 15,000 square foot BCCLS participating free public library

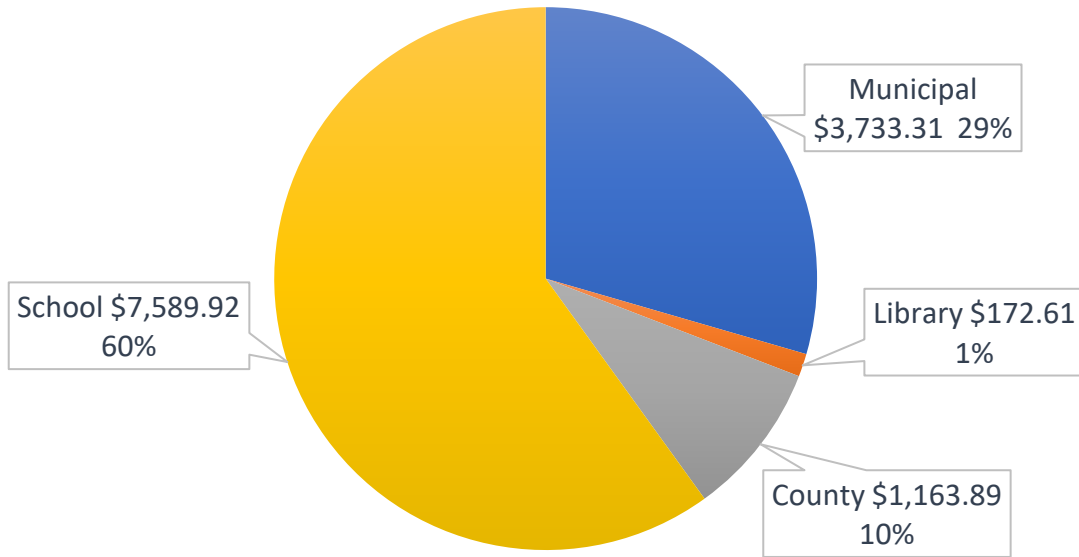


# Year To Year Comparison

Note: The Mayor & Council are responsible for only 29% of your tax bill

Tax Bill

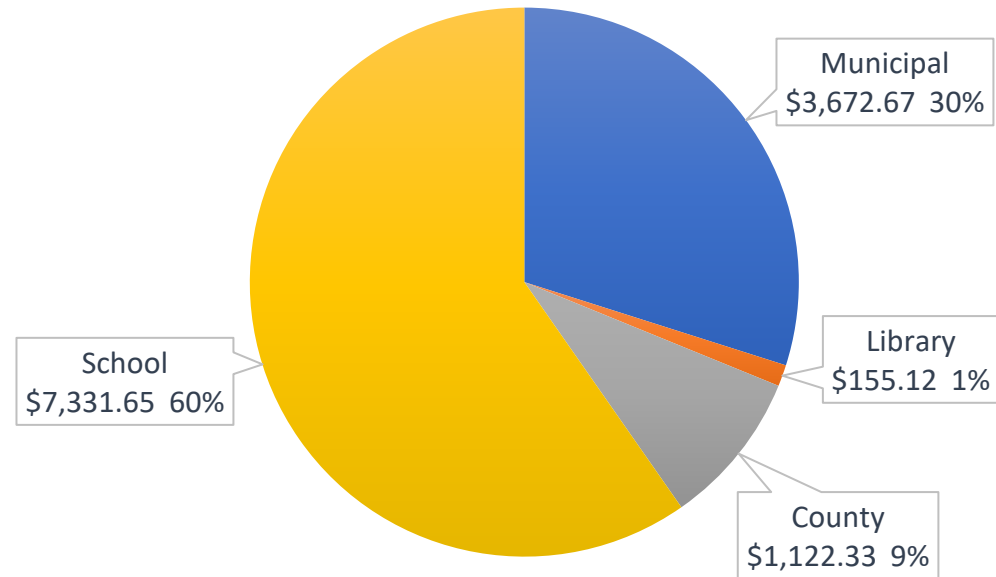
### 2023 Budget



■ Municipal ■ Library ■ County ■ School

Tax Bill

### 2022 Budget



■ Municipal ■ Library ■ County ■ School

# Did you know?

On average, each property will contribute \$3,906 per year to finance all Borough operations, including the Library, for the entire year 2023 (not including School or County tax levies).

To put this in perspective, in February 2023, the website “Moneyzine.com” reports that the average price of a pack of cigarettes in New Jersey is currently **\$9.22**.

Smoking 1 pack per day will cost you **more than \$3,300 over the course of a year, and over \$6,700 if you smoke 2 packs per day!!**

# Final Comments

The Borough Administrator, Finance Committee and I have worked together diligently to be able to propose a fair increase in the Municipal Tax Levy considering the negative impact that COVID-19 has had on the Borough's finances over the past 3 years as well as the current state of inflation in the economy.

It is less than any increases authorized over the past several years and **does not reduce any services** that our taxpayers are accustomed to and **does not jeopardize staffing levels** which many municipalities have had to resort to. **This budget is the ONLY part of your tax bill that the Mayor & Council control.**

I would like to thank the Finance Committee, Borough Administrator and all Department Heads for their assistance and cooperation in the preparation of this crucial document.

# Looking Ahead

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The Borough is constantly looking for opportunities to generate additional revenues to ease the tax levy burden. Examples of some items for 2023 & 2024 include:

- Hiring of a **grant writing firm** to assist the Borough in applying for any grant opportunities available to help ease the burden on the operating & capital budgets
- **Re-negotiation of expiring inter-local agreements** so that the amounts charged more accurately reflect the market value of those services.
- **Re-evaluating our present fee schedules** for Woodland Park rental as it pertains to Non-Borough Residents.



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