

Borough of Hasbrouck Heights 2022 Budget

Public Hearing & Adoption
May 10, 2022 - 7:00PM

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Major Points To Consider

SUMMARY

- 1.45% Local tax levy increase from 2021 to 2022 - Lowest percent increase since 2017
- Includes the absorption of all mandatory contractually obligated collective bargaining agreement (Union) increases
- Does not reduce the level of municipal services offered or reduce staffing
- Includes a conservative Capital Plan consistent with prior years

BUDGET IMPACTS

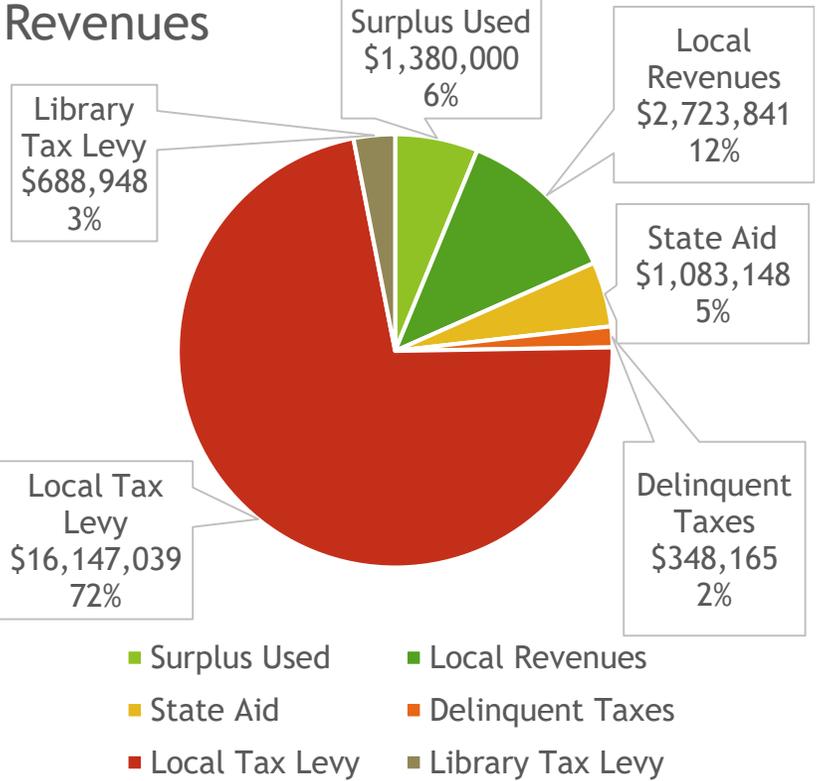
- COVID-19 effected revenues still include: Interest Earned, Hotel Fees & Court Fines
- To compensate we utilized the 3 Year Average rule to anticipate COVID effected revenues as permitted by DLGS
- Stagnant State Aid for the last 8+ years
- Pays off 1/5 (\$118,000) of the COVID-19 Special Emergency borrowing
- As introduced, this budget Includes the utilization of 50% of total awarded American Rescue Plan Funding (ARP) - \$400,000 as revenue loss replacement and \$227,592 as sanitary sewer infrastructure improvements

OTHER IMPORTANT DATA

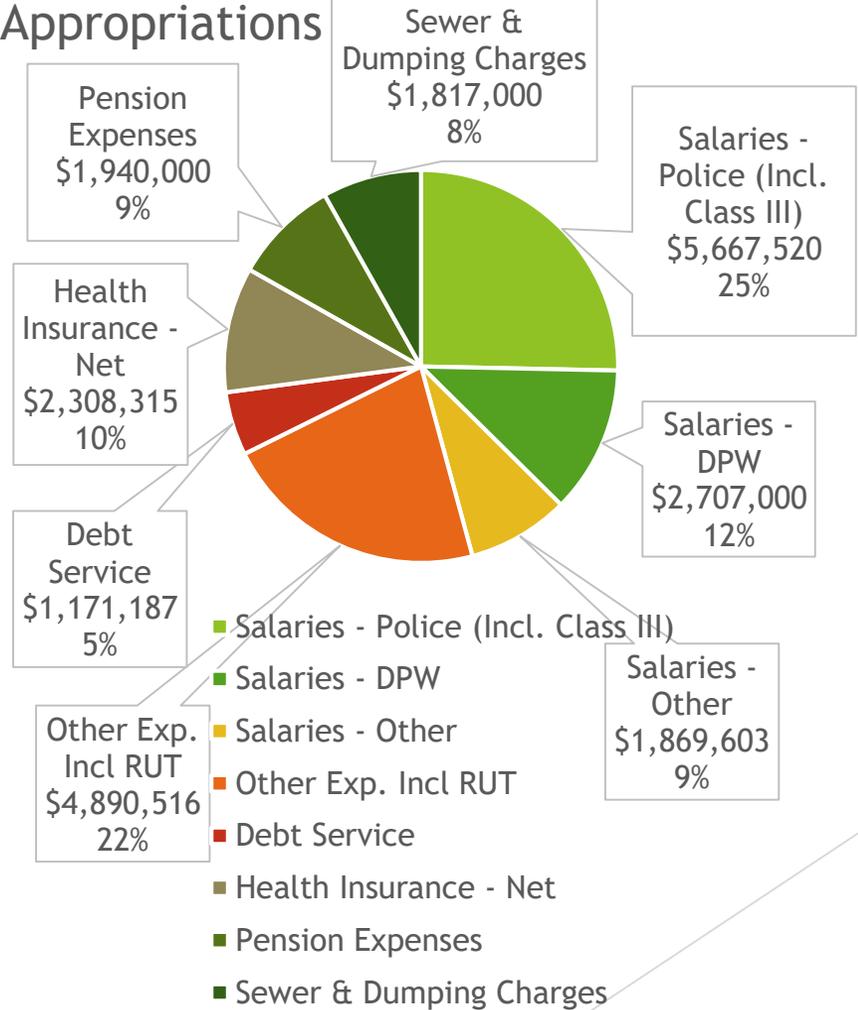
- Shift from commercial to residential tax burden due to COVID - commercial property values declined and residential real estate market excelled. The effect of this negated any tax savings from the increased ratables. The Borough's annual rolling assessment plan helped greatly in reducing the impact
- 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
- Total Ratables: **2022 = \$2,005,190,700 2021 = \$1,874,325,444 Increase of \$130,865,256**
- Local, School and Library Levies are Actual - County Tax Levies Are Estimates

2022 Anticipated Revenues and Budget Appropriations

Revenues



Appropriations



5 Year Comparison of Tax Levies

	2018	2019	2020	2021	2022 - Projected
Local	\$14,707,730	\$15,129,243	\$15,560,696	\$15,915,613	\$16,147,039
Library	\$616,094	\$606,049	\$636,739	\$639,793	\$688,948
School	\$29,306,120	\$30,127,255	\$30,887,794	\$31,594,523	\$32,221,116
County	<u>\$4,378,256</u>	<u>\$4,383,308</u>	<u>\$4,604,020</u>	<u>\$4,769,146</u>	<u>\$4,864,529</u>
Total Levy	<u>\$49,008,200</u>	<u>\$50,245,856</u>	<u>\$51,689,249</u>	<u>\$52,919,075</u>	<u>\$53,921,632</u>

Local Tax Levy % Increases:

2018-2019 2.87%
 2019-2020 2.85%
 2020-2021 2.28%
 2021-2022 1.45%

School Tax Levy % Increases:

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

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

	2018	2019	2020	2021	2022- Projected
Local	\$.856	\$.856	\$.866	\$.849	\$.805
Library	\$.036	\$.034	\$.035	\$.034	\$.034
School	\$1.705	\$1.706	\$1.719	\$1.685	\$1.606
County	<u>\$.255</u>	<u>\$.249</u>	<u>\$.256</u>	<u>\$.256</u>	<u>\$.245</u>
Total Rate	<u>\$2.852</u>	<u>\$2.845</u>	<u>\$2.876</u>	<u>\$2.824</u>	<u>\$2.690</u>

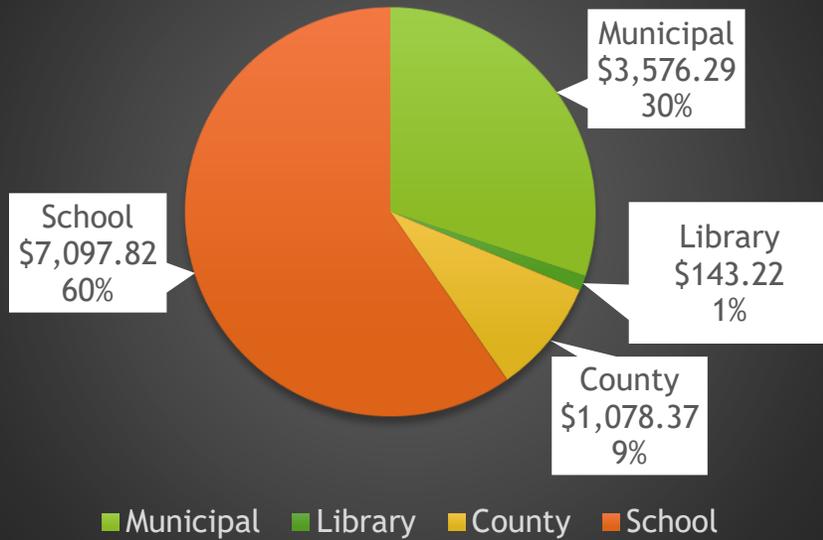
5 Year Comparison of Tax Bill For Average Residential Assessed Value

	2018	2019	2020	2021	2022 - Projected
Average Residential Assessment	\$383,000	\$393,100	\$401,600	\$421,236	\$456,232
Local Tax	\$3,278.48	\$3,364.94	\$3,477.86	\$3,576.29	\$3,672.67
Library Tax	\$137.88	\$133.65	\$140.56	\$143.22	\$155.12
School Tax	\$6,530.15	\$6,706.29	\$6,903.50	\$7,097.82	\$7,327.09
County Tax	<u>\$976.65</u>	<u>\$978.82</u>	<u>\$1,028.10</u>	<u>\$1,078.37</u>	<u>\$1,117.77</u>
Total Tax Bill	<u>\$10,923.16</u>	<u>\$11,183.70</u>	<u>\$11,550.02</u>	<u>\$11,895.70</u>	<u>\$12,272.65</u>
<u>Local Tax Increase From P/Y</u>		<u>\$86.46</u>	<u>\$112.92</u>	<u>\$98.43</u>	<u>\$96.38</u>
<u>School Tax Increase From P/Y</u>		<u>\$176.14</u>	<u>\$197.21</u>	<u>\$194.32</u>	<u>\$229.27</u>
<u>Total Tax Increase From P/Y</u>		<u>\$260.54</u>	<u>\$366.32</u>	<u>\$345.68</u>	<u>\$376.95</u>

Year To Year Comparison

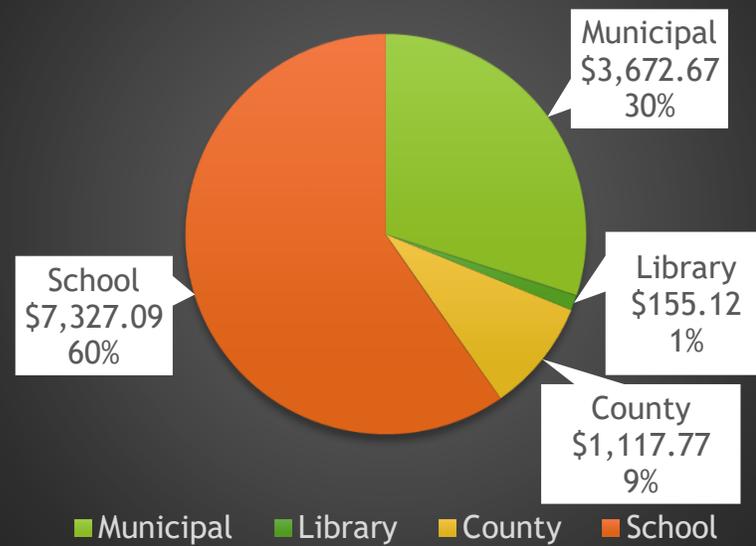
2021 Budget

Tax Bill



2022 Budget

Tax Bill



Final Comments

- Both myself, the Borough Administrator and the Finance Committee feel that this budget proposes 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 2 years as well as the current state of inflation in the economy. It is in line with increases authorized over the past several years and does not reduce any services that our taxpayers are accustomed to and also does not jeopardize staff levels.
- On average, each property will contribute **\$3,828 per year** to finance all Borough operations, including the Library, for the entire year 2022 (not including School or County tax levies). To put this in perspective, the blog "Money Saved is Money Earned" reports that buying a large gourmet coffee every workday will run you **more than \$1,000 over the course of a year, and over \$2,000 if you get it twice every workday!!**
- The Borough is constantly looking for opportunities to generate additional revenues to ease the tax levy burden. Examples of some items from 2021 include:
 - The recapture of \$107,000 of non-vested Borough LOSAP contributions from inactive volunteers
 - Filed for and received \$24,800 of surrender value for cancelled insurance policies
 - Switched the purchase of bottled water and cooler rental which saved 52% over what was being paid
 - Re-negotiated agreement with PSEG for extension to rental of Williams Avenue - \$6,000 annual increase
 - Investigated, filed for, and received \$2,282.87 in unclaimed funds that were at the State in the Borough's name going back as far as 2010
 - Auctioned off old and outdated municipal assets generating \$16,375
- 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.
- If there are any questions please do not hesitate to contact me at either dsireci@hasbrouck-heightsnj.org or at (201) 288-5637 or (201) 288-0195.