

May 18, 2023 – 6:30PM

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CPA,CMFO,CTC

# Borough of Wallington

## 2023 Budget Presentation



# Major Points To Consider

## SUMMARY

- 2.29% Local tax levy increase from 2022 to 2023 (\$228,528)
- Includes the absorption of all mandatory contractually obligated collective bargaining agreement (Union) increases as well as a 15% increase (\$170,000) in pension obligations
- Funds \$112,000 of Police retirement unused time payments
- Does not reduce the level of municipal services offered or reduce staffing
- 99.14% collection rate for 2022 helped reduce the 2023 Reserve for Uncollected Taxes appropriation by \$250,000
- 2022 surplus generated exceeded amount used to fund the 2022 budget by \$338,050 (\$1,298,623 vs. \$960,573)
- Surplus Balance 12/31/22 = \$2,614,393 Surplus Utilized in 2023 budget = \$1,600,000 Balance remaining = \$1,014,393

## BUDGET IMPACTS

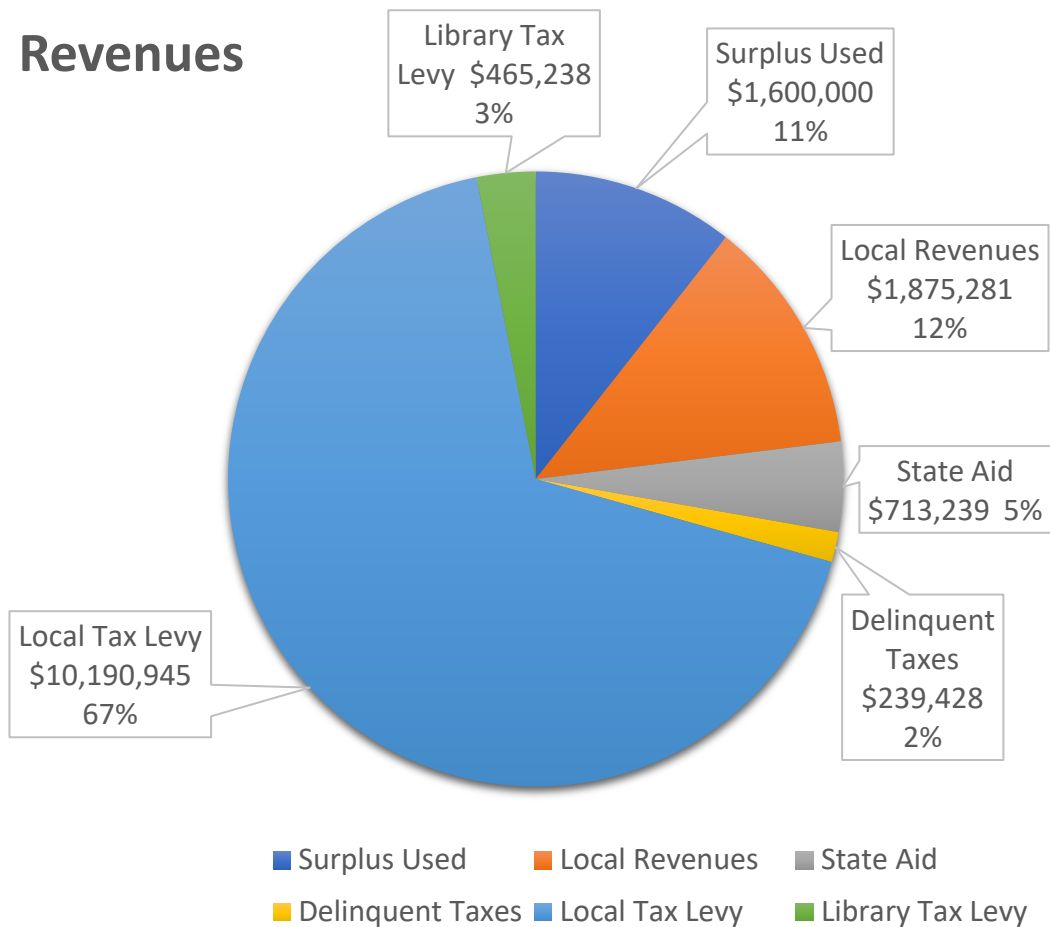
- COVID-19 effected revenues still include Court Fines
- Stagnant or minimal increases in State Aid for the last 9+ years
- Pays off 1/5 (\$53,767) of the COVID-19 Special Emergency and 1/5 (\$36,000) of Tropical Storm Ida Emergency
- As introduced, this budget Includes the utilization of \$435,000 of American Rescue Plan Funding (ARP) as revenue loss replacement

## OTHER IMPORTANT DATA

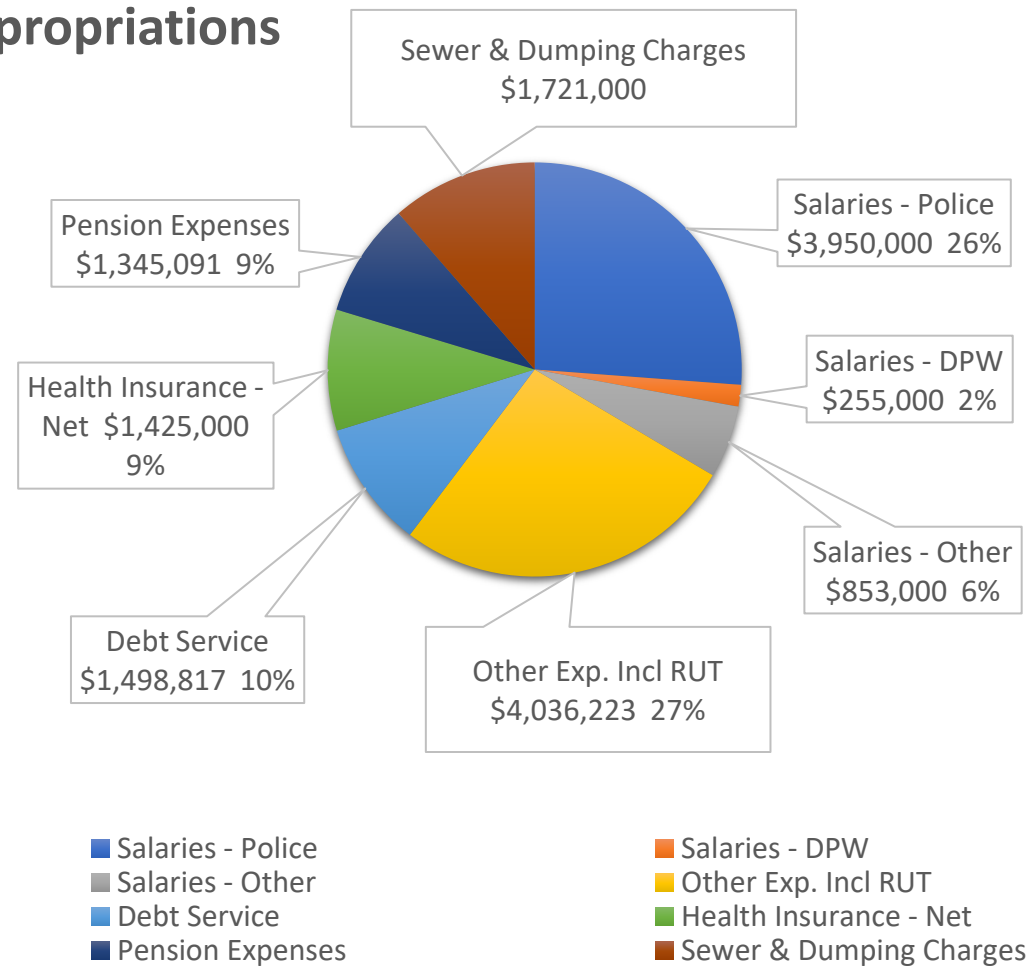
- The Borough is confident that it will generate additional sizeable ratables from pending new construction and upgrades to existing under-performing properties currently petitioning before its Land Use Board
- Total Ratables: **2023** = \$966,630,958    **2022** = \$964,543,799    **Increase** of \$2,087,159
- Local, School and Library Levies are Actual - County Tax Levies Are Estimates

# 2023 Anticipated Revenues and Budget Appropriations

## Revenues



## Appropriations





# 5 Year Comparison of Tax Levies

	2019	2020	2021	2022	2023 - Projected
Local	\$9,084,413	\$9,670,454	\$9,765,157	\$9,962,416	\$10,190,945
Library	\$363,222	\$383,608	\$404,924	\$439,051	\$465,238
School	\$16,474,788	\$16,769,394	\$17,145,400	\$17,347,895	\$17,616,033
County	<u>\$2,679,755</u>	<u>\$2,882,498</u>	<u>\$3,073,125</u>	<u>\$3,153,021</u>	<u>\$3,270,200</u>
Total Levy	<u>\$28,602,178</u>	<u>\$29,705,954</u>	<u>\$30,388,606</u>	<u>\$30,902,383</u>	<u>\$31,542,416</u>

# 5 Year Comparison of Tax Levies



## Local Tax Levy % Increases:

2018-2019	4.09%
2019-2020	6.45%
2020-2021	0.98%
2021-2022	2.02%
2022-2023	2.29%



## School Tax Levy % Increases:

2018-2019	0.11%
2019-2020	1.79%
2020-2021	2.24%
2021-2022	1.18%
2022-2023	1.55%



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

	2019	2020	2021	2022	2023- Projected
Local	\$.949	\$1.004	\$1.011	\$1.032	\$1.054
Library	\$.038	\$.040	\$.042	\$.045	\$.048
School	\$1.721	\$1.741	\$1.777	\$1.799	\$1.822
County	<u>\$.279</u>	<u>\$.300</u>	<u>\$.319</u>	<u>\$.328</u>	<u>\$.339</u>
Total Rate	<u><u>\$2.987</u></u>	<u><u>\$3.085</u></u>	<u><u>\$3.149</u></u>	<u><u>\$3.204</u></u>	<u><u>\$3.263</u></u>



# 5 Year Comparison of Tax Bill For Average Residential Assessed Value

	2019	2020	2021	2022	2023 – Projected
Average Residential Assessment	\$313,381	\$313,759	\$315,145	\$316,049	\$317,092
Local Tax	\$2,974.17	\$3,150.55	\$3,185.66	\$3,261.63	\$3,342.15
Library Tax	\$119.09	\$125.52	\$132.34	\$142.22	\$152.20
School Tax	\$5,393.61	\$5,463.26	\$5,599.33	\$5,685.72	\$5,777.42
County Tax	<u>\$874.39</u>	<u>\$941.40</u>	<u>\$1,005.17</u>	<u>\$1,036.64</u>	<u>\$1,074.94</u>
Total Tax Bill	<u>\$9,361.26</u>	<u>\$9,680.73</u>	<u>\$9,922.50</u>	<u>\$10,126.21</u>	<u>\$10,346.71</u>
<u>Local Tax Increase From P/Y</u>		<u>\$176.38</u>	<u>\$35.11</u>	<u>\$75.97</u>	<u>\$80.52</u>
<u>School Tax Increase From P/Y</u>		<u>\$69.65</u>	<u>\$136.07</u>	<u>\$86.39</u>	<u>\$91.70</u>
<u>Total Tax Increase From P/Y</u>		<u>\$319.47</u>	<u>\$241.77</u>	<u>\$203.71</u>	<u>\$220.50</u>

# So, what do you get for the municipal portion of your taxes?

For **2023**, the municipal and library portion of the tax bill for an average home valued at **\$317,092** will be **\$3,494**. For this amount, residents will receive the following services and programs:

- Garbage & Recycling Pickup
- Road Plowing & Street Maintenance
- Recreation & Park Maintenance
- Police Department & Crossing Guards
- Fire & EMS Services
- Sewage & Water Treatment
- Health & Human Service
- Senior Citizen Services
- Administration, Finance, Elections, Records
- Construction, Zoning & Planning (Land Use)
- Road resurfacing projects
- Sewer and other Infrastructure Improvements
- Safe Playgrounds & turf fields





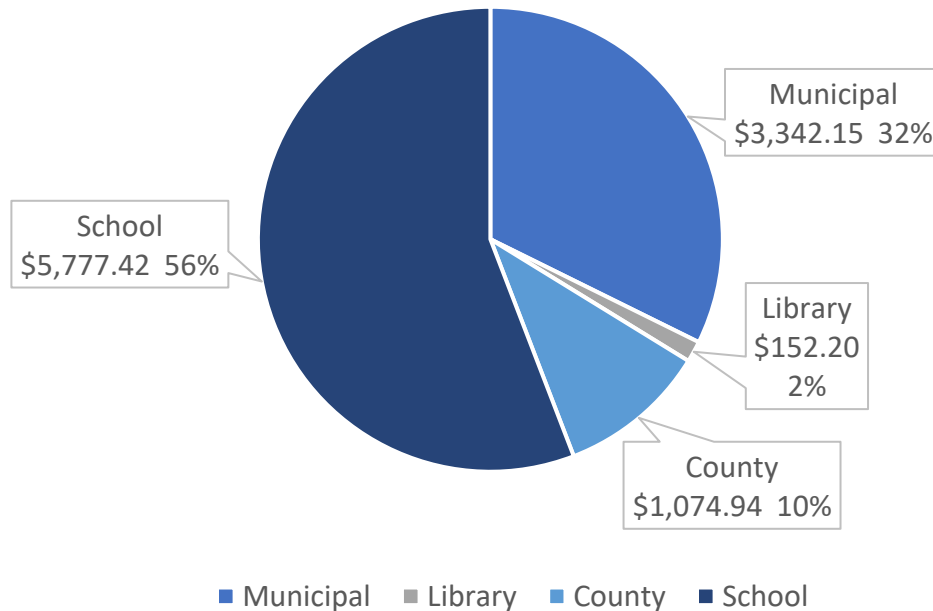


# Year To Year Comparison

Note: The Mayor & Council are responsible for only 32% of your tax bill

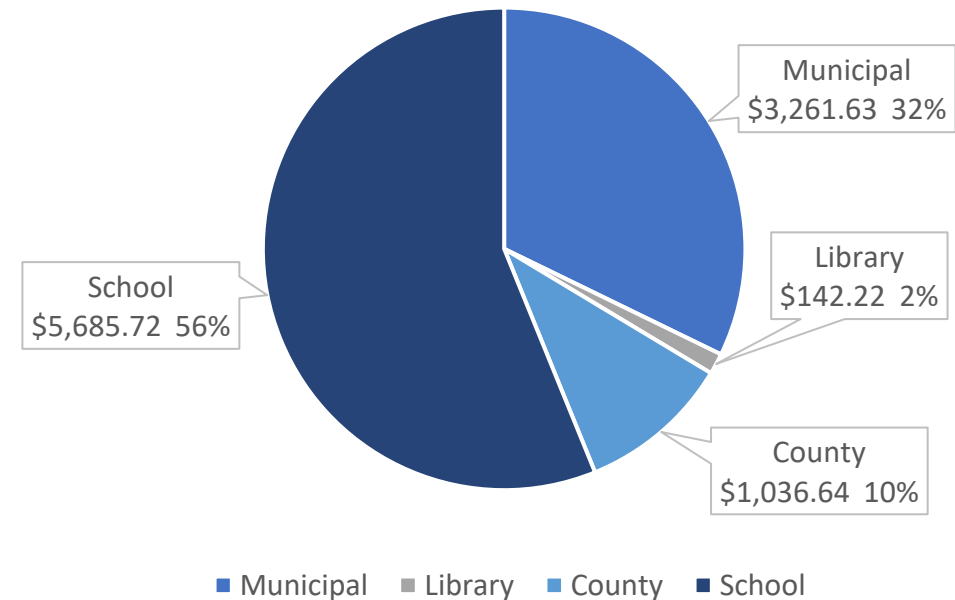
## 2023 Budget

### 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 *does not jeopardize staff levels* which many municipalities have had to resort to.

*This is the ONLY part of your tax bill that the Mayor & Council control.*

# Final Comments



On average, each property will contribute \$3,494 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!!**



# Thank You

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

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If there are any questions, please do not hesitate to contact me at either [cmfo@wallingtonnj.org](mailto:cmfo@wallingtonnj.org) or at (973) 777-0318 ext. 203