

Hillsdale, NJ 2015 Budget Review

Issues for 2015

- The 2015 Budget is decreasing slightly from 2014.
- landfill costs are increasing
- reduction in budgeted revenues
- capital needs: roads and equipment persist

The bottom line effect of these issues:

1-The increase in 2015 landfill costs presents a significant challenge. The 2015 landfill budget is \$712,600 with the 2014 budget established at \$392,600. This is a \$320,000 budget increase, equal to two (2) tax points. The two tax points may sound harmless but each tax point is a 1.82% increase in the municipal tax rate. Two tax points equals 3.64% increase in the municipal tax rate.

This means that if the 2015 landfill cost were to be inserted into the 2014 budget the tax rate would be 3.64% higher.

2-2015 budget revenues are down by approximately \$100,000, or about 1% on the tax rate. Construction code revenues, as an example, are down by \$25,000.

3-If we add these two issues together the 2015 budget is experiencing pressure of \$420,000 on tax revenues. This is about a 5% increase in the municipal tax rate.

4-The capital improvement fund (also known as pay as you go capital-and also used for down payments) is decreasing by \$214,000. The 2015 budgeted amount is \$100,000 . This will provide sufficient funding for a down payment on capital projects. This includes adopting a bond ordinance at a MINIMUM for the Library Elevator- \$150,000 and \$175,000 for Centennial Field. If these projects are not funded by a bond ordinance the amount of \$325,000 must be added to the 2015 budget. This is two tax points, an additional 3.6% (+/-).

Hillsdale

2/4/2015-2/22/2015

2012-2015 BUDGET/TAX SUMMARY

3/10/2015-3/15/2015-3/19/2015

Description	Percent Change	2015 est.	2014	2013	2012
Total Assessed Valuation		1,674,602,941	1,674,602,941	1,676,352,441	1,956,518,271
Estimated Municipal Tax Levy	2.21%	9,192,376	8,993,438	8,843,637	8,679,105
School Tax Levy	2.50%	20,138,546	19,647,362	19,319,320	18,975,747
Regional H.S. Tax Levy	2.62%	11,092,836	10,809,102	10,875,329	10,476,588
County Tax Levy	2.50%	4,331,758	4,226,105	4,021,793	4,126,879
TOTAL Tax Levy	2.47%	44,755,516	43,676,007	43,060,079	42,258,319
Average Residential Valuation		468,884	468,884	469,163	549,638
Municipal Tax Rate	2.22%	0.549	0.537	0.49	0.44
School Tax Rate	2.53%	1.865	1.819	1.801	1.505
County Tax Rate	2.65%	0.26	0.25	0.24	0.21
Total Tax Rate	2.48%	2.673	2.61	2.57	2.16
2012 Tax Rate after tax base revision (reassessment).					2.29
Total Residential Avg Tax Bill	2.48%	12,531	12,228	12,052	11,871
Average Est. Residential Tax Bill-Muni Services		2,574	2,518	2,304	2,443
Average Est. Residential Tax Increase-Muni Services		56			

Apportionment of taxes, Municipal=20.5%, School=69.8%, County 9.7%.