



borough of

HO-HO-KUS

new jersey

2023 Municipal Budget Presentation



2023 Budget Overview

Municipal Budget – Proposed budget expenditures of \$10.8 million will increase \$358,000, which is 3.4% over the 2022 level. This primarily reflects increases in police salaries, pensions, health insurance, library costs and capital outlay.

Municipal Tax Rate – The proposed tax rate reflects a 1.9 point increase from 2022. This will result in a \$186.00 (or \$15.00 per month) increase in taxes on an average home valued at \$765,938.

Current Debt Level – The current debt level is \$8.7 million with an interest rate of 2.3% and is scheduled to be paid back in annual installments ending in 2029. The budget includes \$631,000 of debt service (principal and interest) payments.

Surplus – There was a municipal budget surplus of \$3.16 million at the end of 2022, of which \$1.16 million is being used to partially offset the tax rate increase.

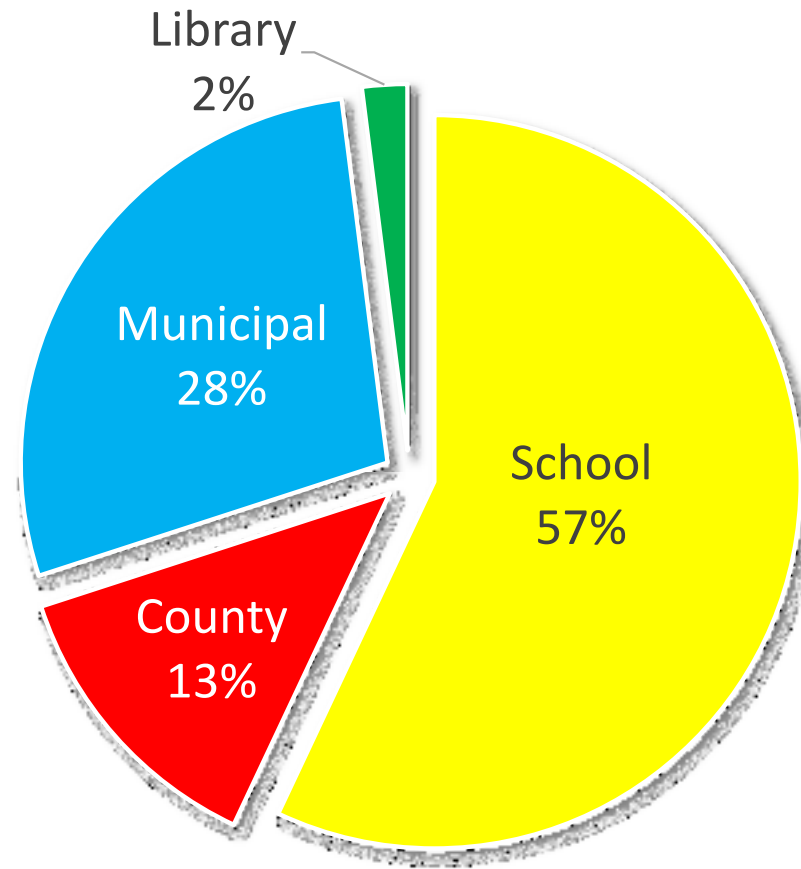
2023 Budget Overview

Pension Costs – State-mandated pension payments for the PFRS Plan (police officers) total \$866,000, an increase of \$175,000, or 25% over 2022. Payments for the PERS Plan (all other employees) total \$274,000, an increase of \$15,000, or 6% over 2022.

Capital Investment – The 2023 budget reflects \$439,000 of capital outlays including road resurfacing projects, a police vehicle, fire gear and town beautification projects and improvements.

American Rescue Plan (“ARP”) – In 2022, \$425,478 was received by the Borough to help offset the financial impact of the pandemic. Some of this money will be used to fund some of the 2023 capital projects.

Breakdown of the Property Tax Bill



Borough property taxes have four components with the Municipal Services portion comprising 30% of the total property tax bill.

Budget History

	2019 - 2023 Budget History						
		2019	2020	2021	2022	2023	
	Budget	\$9,849,743	\$10,215,601	\$10,347,834	\$10,487,667	\$10,846,156	
	\$ Increase vs. PY	\$711,324	\$365,858	\$132,233	\$139,833	\$358,489	
	% Increase vs. PY	7.8%	3.7%	1.3%	1.4%	3.4%	
	Tax Rate	0.620	0.640	0.666	0.682	0.701	
	Levy	\$7,240,398	\$7,485,940	\$7,824,596	\$8,118,731	\$8,403,653	
	\$ Increase vs. PY	\$40,880	\$245,542	\$338,656	\$294,135	\$284,922	
	% Increase vs. PY	0.5%	3.4%	4.5%	3.8%	3.5%	

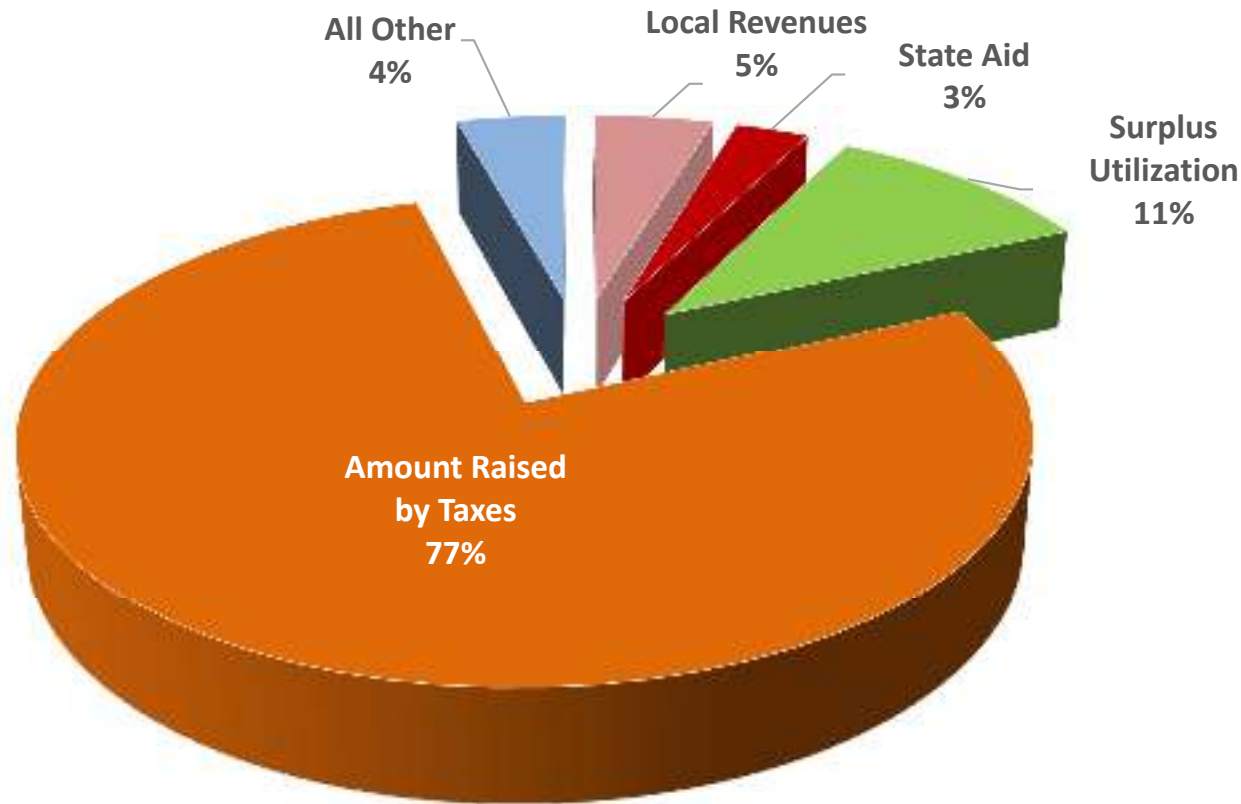
Municipal Tax Rate

2017 - 2023 Tax Rate History							
	Municipal						
	Tax Rate		Taxes		Increase		
	2023	0.701	\$ 5,368	\$15 per month	\$ 186	1.9 Points	
	2022	0.682	5,182		122	1.6 Points	
	2021	0.666	5,060		274		
	2020	0.640	4,786		166		
	2019	0.620	4,620		-		
	2018	0.620	4,620		142		
	2017	0.602	4,478		-		

History of Surplus Balance

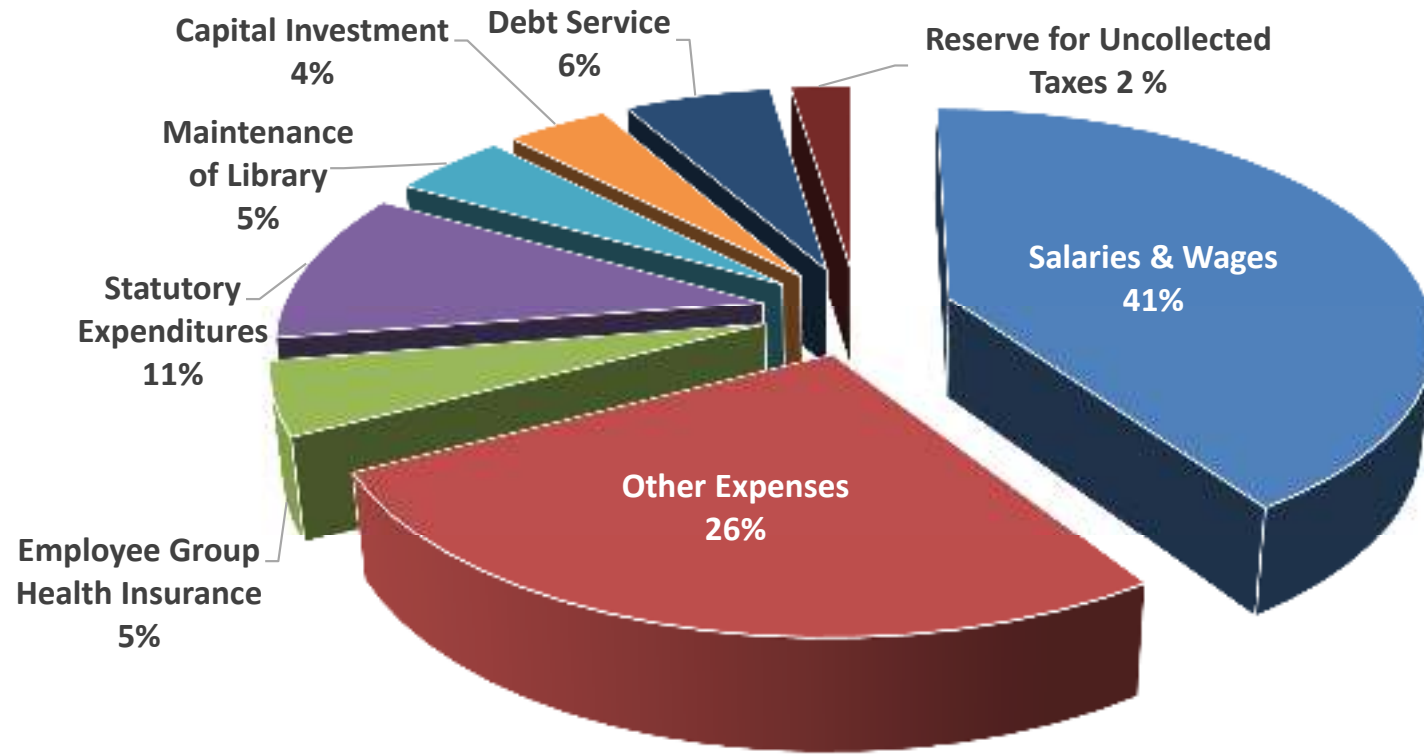
		Surplus	To Offset Taxes			Excess From	
		Balance at	Used in			Prior Year	
	Year	December 31	Succeeding Years			Operations	
	2022	\$3,162,036	\$1,162,000		2023	\$749,860	
	2021	3,262,575	850,000		2022	965,836	
	2020	2,927,739	631,000		2021	449,893	
	2019	3,477,846	1,000,000		2020	638,543	
	2018	3,539,302	700,000		2019	838,377	
	2017	3,373,646	665,000		2018	764,160	
	2016	2,774,485	165,000		2017	918,000	
	2015	1,855,000	300,000		2016	403,062	
	2014	1,752,694	300,000		2015	570,438	
	2013	1,407,256	225,000		2014	475,120	
	2012	1,119,635	187,000		2013	484,152	
	2011	817,745	187,000		2012	433,398	
	2010	514,346	130,000		2011	59,245	
	2009	937,752	466,100		2010	442,386	

Breakdown of 2023 Budget Revenues



Municipal Budget - Revenues	2022	2023	Change
Local Revenues	\$ 431,650	\$ 506,475	\$ 74,825
State Aid	295,884	311,318	15,434
Surplus Utilization and ARP (2022)	1,275,478	1,162,000	(113,478)
Amount Raised by Taxes	8,118,731	8,403,653	284,922
All Other	365,924	462,710	96,786
Total Revenues	\$ 10,487,667	\$ 10,846,156	\$ 358,489

Breakdown of 2023 Budget Appropriations



Municipal Budget - Appropriations	2022	2023	Change
Salary & Wages	\$ 4,184,400	\$ 4,417,200	\$ 232,800
Other Expenses	2,714,081	2,892,326	178,245
Employee Group Health Insurance	513,773	551,893	38,120
Statutory Expenditures	1,126,000	1,159,250	33,250
Maintenance of Library	468,538	495,043	26,505
Capital Investment	570,000	439,000	(131,000)
Debt Service	650,875	631,444	(19,431)
Reserve for Uncollected Taxes	260,000	260,000	-
Total Appropriations	\$ 10,487,667	\$ 10,846,156	\$ 358,489

Capital Projects

2023 Proposed Capital Budget			
Road Resurfacing/Curbing/Drainage:			
-Various Streets		\$ 200,000	(a)
-West Saddle River Road (Section 1 & 2)			
(a) DOT Grants (\$202,000 & \$180,540)		382,540	(b)
(b) Engineering (\$20,000 & \$35,500)		54,000	(a)
Police - 2023 Ford Explorer	60,000	-	(Trust)
- Idemia Fingerprint Machine	26,000	-	(Trust)
- 3 Camera ALPR System (Plate Reader)	21,000	-	(Trust)
Fire - Turnout Gear	12,000	-	(PEOSHA)
DPW - Bucket Truck	75,000	-	(Trust)
Ho-Ho-Kus - Improvements & Beautification			
(Landscaping, Roofing, etc.)		185,000	(a)
Total		<u>\$ 821,540</u>	
Summary:			
Capital Investment		\$ 439,000	(a)
Grants		382,540	(b)
Total Capital Spending Including Grant		<u>\$ 821,540</u>	