

Deirdre Dillon
Mayor

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Councilwoman
Utilities, Buildings & Grounds

Glen Popolo
Councilman
Health, Education & Social Services

Michael Gutwetter
Councilman
Finance & Administration



Sara Poppe
Councilwoman
Public & Governmental Relations

Peter Kilman
Council President
Public Safety

Jane Woods
Councilwoman
Building, Planning & Zoning

A MESSAGE FROM THE MAYOR AND COUNCIL

Public Hearing on the 2023 Municipal Budget will be April 26, 2023 at 7:00PM

The public hearing on the budget will also be accessible telephonically. Access information will be posted on the Borough's website www.ramseynj.com with the agenda for the meeting. In addition, the meeting may be viewed on the Borough YouTube channel, which is directly accessible from the link on the Borough website.

Dear Resident:

Your property tax bill is comprised of four separate components: (1) Ramsey Schools; (2) Ramsey Municipal Services; (3) Bergen County Government; and (4) Ramsey Free Public Library. Please note that only the municipal services portion (19%) of your property taxes is administered by your Mayor and Council. The Ramsey Board of Education (69%) solely determines the school tax levy from the annual budget it sets and incorporates any additional voter approved referendums or ballot questions. Similarly, Bergen County (10%) is responsible for setting its budget and tax levy. The Ramsey Free Public Library (1%) funding is a formula mandated by New Jersey State law.

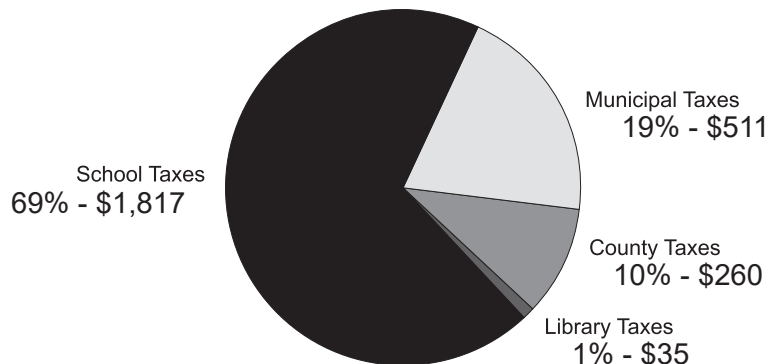
Below please find a breakdown of the final certified 2022 property taxes by each of the four components followed by a discussion of the 2023 Municipal Budget

SUMMARY OF PROPERTY TAX COMPONENTS

2022 Total Ramsey Property Tax Rate increase was 1.16%

2022 Final Property Taxes by Component Per \$100,000 of Property Assessed Value

% of Your Property Tax Bill



2023 MUNICIPAL BUDGET

The 2023 municipal budget has similar economic challenges that all households and businesses are facing such as the inflationary and, in some cases, skyrocketing costs in our economy. These economic challenges in 2023 are not unique to Ramsey. Due to these inflationary cost increases, the State of New Jersey has taken unprecedented action in granting one-year budget cap exceptions for expenditures of Garbage Removal and Disposal, Recycling, Health Insurance and Employer Pension Contributions. These line items are all either publicly bid contracts or assessments set by the State of New Jersey or its contracted vendors. These are also the largest increased cost drivers in Ramsey's 2023 municipal budget.

The 2023 budget includes principal paydown on debt of \$1.3 million, with just under 50% of it funded by grants the Borough sought out and received thereby mitigating the cost to taxpayers. Ramsey’s municipal debt level remains one of the lowest among the 13 Northwest Bergen municipalities. This strong low leveraged financial standing, leaves Ramsey in position to utilize the long-term debt markets for large capital infrastructure projects.

For the last twelve years Ramsey has kept its municipal tax rate increases below 2%, including a 0% increase in 2021 as the community and world dealt with the impact of COVID and economic loss. Unfortunately, 2023 is very different. The four expense line items mentioned above (garbage removal and disposal, recycling, health insurance and pension contributions) account for 97% of the municipal budget tax increase with the rest of the budget (police, department of public works, emergency services support, other Borough services, employees, etc.) representing 3% of the municipal rate increase. For the Borough’s average home assessed at \$533,096 in 2023, the municipal budget’s property tax increase impact will be \$19.99 monthly or approximately \$240 annually. Including 2023, the seven-year average municipal annual rate increase is 2.52%.

Of the 70 Bergen County towns, Ramsey ranks as the 6th lowest, or better than 90% of the towns, in the lowest percentage of property taxes utilized for municipal services. In fact, Ramsey’s effective municipal tax rate is more than 29% below the Bergen County town average, translating to Ramsey’s annual municipal portion of the tax levy being millions of dollars below that of the average Bergen County town.

As your elected officials, we remain highly cognizant of our obligation to wisely manage residents’ tax dollars, and we maintain our focus on managing these expenditures as conservatively as possible without sacrificing service and long-term value. Through our careful long-term planning, which includes a history of stable budgeting and low debt levels, Ramsey is financially healthy and strong. Your Mayor and Council work diligently to produce a leaner, more efficient municipal government, yet one which remains able to deliver the essential municipal services which our residents and businesses expect and deserve.

You may view the full 2023 municipal budget in its entirety on the Borough website (www.ramseynj.com) along with a summary budget presentation. In addition, copies of the budget are on reserve at the Ramsey Free Public Library. Residents are invited to comment on any aspect of the budget at Mayor and Council meetings, or by letter or e-mail. The public hearing on the 2023 budget will be during the Council meeting on April 26, 2023.

2023 ESTIMATED TOTAL PROPERTY TAX RATE

The above discussion focused on the Municipal budget and its portion of Ramsey’s total property taxes in 2023. Below provides an estimate of Ramsey’s taxpayers total 2023 property taxes. All components are subject to final adoption of budgets by the applicable entity and certification by Bergen County and, therefore, are estimated rates.

Component	2022 Certified Property Tax Rate	2023 Estimated Property Tax Rate	2023 Estimated Property Tax Rate Change	Monthly Increase Per \$100,000 of Assessed Value	Annual Increase Per \$100,000 of Assessed Value
Municipal	\$0.511	\$0.556	\$0.045	\$3.75	\$45
School	\$1.817	\$1.862	\$0.045	\$3.75	\$45
County	\$0.260	\$0.269	\$0.009	\$0.75	\$9
Library	\$0.035	\$0.039	\$0.004	\$0.33	\$4
Total	\$2.623	\$2.726	\$0.103	\$8.58	\$103

The estimated total property rate increase, for all four components in 2023 is 3.93%. For the Borough’s average home assessed at \$533,096 in 2023, the estimated total property tax increase would be \$45.76 monthly or approximately \$549 annually.

Thank you for your continued cooperation and support,
Borough of Ramsey Mayor and Council

PROPOSED MUNICIPAL TAX DATA COMPARISON

	2022 Actual Tax Rate - \$	2023 Proposed Tax Rate - \$	2023 Rate Increase - \$
MUNICIPAL SERVICES	\$0.511	\$0.556	\$0.045

The following information is a more detailed overview of the municipal budget:

MUNICIPAL REVENUE COMPARISON

	<u>2022</u>	<u>2023</u>
Alcoholic Beverage Licenses.....	\$34,000	\$34,000
Other Administrative Licenses	\$70,000	\$75,000
Construction Code.....	\$480,000	\$480,000
Other Permits	\$25,000	\$40,000
Municipal Court Fines.....	\$81,000	\$95,000
Interest and Cost on Taxes.....	\$100,000	\$95,000
Energy Receipts Tax.....	\$1,474,471	\$1,561,577
Utility Operating Surplus.....	\$200,000	\$225,000
Interest on Investments and Deposits	\$15,000	\$80,000
Cable Franchise Fee	\$222,000	\$215,000
Municipal Occupancy Tax.....	\$120,000	\$150,000
Cell Tower Revenue	\$65,000	\$68,000
Life Hazard Use Fees.....	\$205,000	\$210,000
Reserve to Pay Bond Anticipation Notes (Grants).....	\$559,835	\$568,708
Grants with Offsetting Appropriations	\$122,928	\$185,432
Recycling Revenue.....	\$17,000	\$10,000
Receipts from Delinquent Taxes.....	\$400,000	\$400,000
American Rescue Plan	\$1,557,887	\$-----
Contingency Reserve (1).....	\$2,695,000	\$2,695,000
Amount to be Raised by Taxes for Support of Municipal Budget	\$17,996,748	\$19,589,237
Amount to be Raised by Taxes for Free Public Library	\$1,254,438	\$1,371,746
TOTAL GENERAL REVENUES	\$27,695,307	\$28,148,700

1. CONTINGENCY RESERVE – We anticipate utilizing \$2,695,000 of reserve/fund balance in the 2023 Municipal Budget. Fund Balance is generated by unused appropriations and unanticipated revenues from last year’s Municipal Budget, which is then utilized to offset municipal taxes on a year-to-year basis.

MUNICIPAL EXPENSE COMPARISON

	<u>2022</u>	<u>2023</u>
GENERAL GOVERNMENT		
Administrative & Executive	\$427,500	\$481,700
Mayor & Council	\$50,950	\$51,000
Borough Clerk	\$302,050	\$321,000
Finance & Administration	\$290,750	\$311,000
Audit Services	\$50,000	\$55,000
Computer Maintenance & Data Services	\$175,000	\$244,000
Collection & Assessment of Taxes	\$416,600	\$388,000
Legal Services	\$250,000	\$225,000
Engineering	\$139,500	\$135,000
LAND USE ADMINISTRATION		
Planning Board	\$92,000	\$94,000
Zoning Board	\$11,400	\$12,000
INSURANCE	\$2,430,500	\$3,001,500
PUBLIC SAFETY		
Police, Prosecutor, Courts, and 911	\$6,302,650	\$6,428,522
Emergency Management	\$157,900	\$164,000
Fire and Fire Protection	\$436,730	\$453,800
First Aid Contribution	\$105,000	\$105,000
Construction Office	\$392,250	\$402,000
PUBLIC WORKS		
Road Maintenance, Resurfacing and Sidewalks	\$1,508,750	\$1,526,000
Shade Tree Commission	\$197,250	\$210,000
Recycling	\$666,000	\$949,000
Garbage & Trash Removal	\$645,000	\$1,220,000
Building & Grounds	\$620,000	\$637,000
Vehicle Maintenance	\$458,750	\$474,000
HEALTH SERVICES		
Board of Health	\$127,500	\$151,000
Visiting Nurses	\$24,500	\$26,000
Environmental Commission	\$7,330	\$8,000
Dog & Cat Regulation	\$20,500	\$22,000
Drug Abuse Program and Other Human Services	\$31,400	\$31,500
PARKS & RECREATION		
Board of Recreation Commission	\$144,310	\$146,000
Other Programs	\$191,250	\$204,500
PURCHASE VARIOUS DEPARTMENT EQUIPMENT	\$213,000	\$235,000
UTILITIES AND LANDFILL FEES	\$1,518,750	\$1,756,000
CONTINGENCY	\$5,000	\$5,000
DEFERRED CHARGES AND STATUTORY	\$2,655,000	\$2,936,000
LIBRARY	\$1,254,438	\$1,371,746
GRANTS OFFSET BY REVENUES	\$122,928	\$185,432
AMERICAN RESCUE PLAN - CAPITAL IMPROVEMENTS	\$1,557,887	\$-----
CAPITAL IMPROVEMENT FUND	\$100,000	\$650,000
DEBT SERVICE AND DEFERRED CHARGES	\$2,544,984	\$1,482,000
RESERVE FOR UNCOLLECTED TAXES	\$1,050,000	\$1,050,000
TOTAL GENERAL APPROPRIATIONS	\$27,695,307	\$28,148,700

Borough of Ramsey

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Ramsey, NJ 07446

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