

2009 MUNICIPAL BUDGET

The 2009 Budget represents an increase of \$124.15 for the average house assessed at \$65,000.00 for Municipal Taxes.

The preparation of the 2009 Municipal Budget was a difficult process. When we first started out the budget was at an increase of \$234.00 per house assessed at \$65,000.00. The governing body worked diligently to reduce this amount and stabilize taxes without compromising the level of services.

We were faced with Mandatory Appropriation increases such as:

<u>APPROPRIATION</u>	<u>AMOUNT OF INCREASE</u>	<u>TAX DOLLAR VALUE FOR \$65,000.00 HOUSE</u>
Pension - PERS	\$ 67,273.00	\$ 15.12
Pension - PFRS	\$ 26,449.00	\$ 5.94
Statutory Contribution to the Library	\$ 2,763.00	\$ 0.62
Insurance Costs	\$ 72,000.00	\$ 16.18
Utilities	\$ 31,500.00	\$ 7.08
Debt Service	\$ 52,324.66	\$ 11.76
Reserve for Uncollected Taxes	\$ 209,316.00	\$ 47.03
Total	<u>\$ 461,625.66</u>	<u>\$ 103.73</u>

Another factor that worked against the Borough of Roselle Park, along with the rest of the Municipalities in New Jersey, was the loss of State Aid for the second year. After a decrease in 2008 of \$166,606.00, we were hit with another decrease of \$19,999.00 in State Aid for 2009. This amounts to \$4.49 for the average house assessed at \$65,000.00.

So one can see we faced a difficult task. The seven appropriation categories above and the loss of State Aid revenues we already had a tax impact of \$108.22 for the average house assessed at \$65,000.00.

In 2009 we had a joint effort with the Board of Education to run the programs at the Youth Center saving the Borough \$25,000.00 this year and another \$25,000.00 in 2010.

Our goal was to reduce costs with a minimal impact of loss of services to the residents. Some of those cuts were as follows:

- Eliminate 3 Part time Fire Prevention Inspectors
- Eliminate 1 Deputy OEM Coordinator
- Eliminate the Title of Police Captain as of 4-1-09 for 2009
- Eliminate 4 Part time staff for CAASA as of 5-1-09
- Eliminate 1 Part time Custodian as of 7-1-09
- 2 Bulky Waste Pickups for 2009 not 4 as in 2008

We would like to inform residents that paying your taxes on time, in the year they are due, greatly reduces the reserve for uncollected taxes.

To further explain,

Each year the tax office is given the amount to collect through taxation which includes,

- County Tax
- County Open Space Tax
- School Tax
- Municipal Tax

The Borough must pay the taxes due to the County and School whether or not the current taxes are paid by the taxpayer. When a taxpayer does not pay their taxes in the year they are due it ultimately will increase the tax rate the following year.

To put it simply, all taxpayers suffer as a result of property owners not paying taxes in the year they are due.

We will continue to try and stabilize taxes and maximize services to our residents.