

Hillsborough Township

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News Release

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**Township Introduces 2018 Municipal Budget:
Tax Rate Reduced and Under the 2% Cap**
8th Consecutive Year – No Exceptions Taken – Resulting in \$157,743 Taxpayer Savings

Hillsborough Township introduced the 2018 municipal budget at Tuesday's Township Committee meeting, which for the 8th year in a row came in under the 2% levy cap.

The Township continues the "Pay As You Go Program" for routine capital purchases and further makes payments on debt service greater than what is required, therefore further reducing the debt of the Township. This practice affords the Township to maintain its AA+ bond rating. The budget includes monies allocated for the Capital Improvement Fund of \$570,000, an increase of \$80,000, which will help to fund Capital Ordinances.

The Township saw an increase in the total rateable value for 2018 of \$195 million, which increases the tax base over which the tax levy is distributed. "The increase in rateable value within the Township helps to hold, or reduce, the municipal property tax each year, by providing more dollars over which the tax levy can be dispersed," stated Chief Financial Officer Nancy Costa.

As has been the practice of the Township, allowable exceptions over the 2% levy cap which for the 2018 budget could have added \$157,743 to the tax levy, were not utilized in order to reduce the tax impact on Township residents. Available exceptions include pension obligation increases, deferred charges to future taxation and increase in debt service and capital improvement appropriations. Since the inception of the levy CAP in 2011, the Township had \$1,723,493 in available exceptions which could have been used to increase taxes above the 2% CAP. After holding flat for 3 consecutive years, the 2018 municipal tax rate will be reduced from 33 cents per \$100 of assessed value to 32.6 cents due to the annual reassessment program as well as continued growth in the Township.

“If the Township were to take advantage of the allowable exceptions and exceed the 2% levy cap, the taxpayers would have incurred an additional \$157,743 in taxes. As Mayor McCauley previously stated for the 8th consecutive year, the municipal budget comes in below the 2% tax levy cap while receiving no additional State aid.”

“This budget is a direct result of the Township Committee’s commitment to continued fiscal responsibility; working efficiently while providing our taxpayers the same level of service excellence they expect and deserve,” stated Deputy Mayor Doug Tomson, Liaison and Chair to the Finance Committee.

“It has been the position of this Township Committee to take a fiscally prudent stand when dealing with the Township’s finances. Therefore, once again, for the 8th consecutive year we are introducing a budget below the 2% tax levy. In addition, cost savings have been a part of the Municipal employees’ annual goals and objectives. Their efforts are additionally realized in the results of this budget,” concluded Mayor McCauley.

The 2018 introduced budget saw a significant increase in spending of \$185,000 for snow removal, due to the multiple winter storms experienced from February through April.

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