



TOWNSHIP OF HILLSBOROUGH

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News Release

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Municipal Budget Under Levy Cap and Only 14% of Tax Bill

Hillsborough Township adopted the 2013 municipal budget Tuesday night, which once again is under the 2% levy cap. The \$27,377,707 municipal budget results in a 1.6% increase in the Municipal tax rate over 2012.

“Hillsborough Township operates a 54 square mile municipality with just under 14% of the total tax bill,” stated Mayor DelCore during the budget adoption. Also worth noting, the Township maintains 14 parks and recreation fields, over 250 miles of Township roads and has a very active recreation department and active senior groups.

“Balancing the municipal budget is never an easy task, but this budget with spending held to the 2008 levels, continues our approach of managing the township’s spending in a fiscally responsible way,” reiterated Mayor Frank DelCore, during the budget adoption Tuesday evening.

Main cost drivers in the budget include increases in contractual wages and salary increases, increased capital spending and higher healthcare costs. “In order to continue to uphold our community to a level expected by our residents, we need to ensure that we continue to maintain an adequate level of capital spending. Also, despite rising healthcare costs, our total increase in healthcare costs was partially offset by increasing employee contributions towards health benefit premiums, which have doubled to nearly \$300,000 from last year,” added Mayor DelCore.

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As has been the practice of the Township, allowable exceptions over the 2% levy cap which for the 2013 budget totaled \$553,664, were not utilized in order to reduce the tax impact on Township residents. Available exceptions include pension obligation increases, deferred charges to future taxation, current year emergency appropriations and prior year ratable increases.

“It is important for our residents to understand that it has been our practice and as continued in this budget, the Township continues to reject the allowable exceptions. For the 2013 budget that would have amounted to \$553,664 in exceptions over the 2% tax levy, which could have resulted in nearly \$900,000 in incremental taxes, thus saving our taxpayers from this additional tax increase,” stated Mayor DelCore.

“Hillsborough continues to do more with less as evidenced by once again frozen or reduced budget line items; 56 budget line items are frozen or reduced from their **2011** spending levels,” stated Mayor Frank DelCore. In addition, total spending for the 2013 budget remains below the level of spending in 2008. “Once again, I am very proud of the fact that we spend less today than we did when I took office in 2008. It is a testament to the priority this Township Committee places on fiscal responsibility,” Mayor DelCore noted.

For the 2013 budget year, state aid remains flat for the third consecutive year. “We have had to continue to sustain, since 2010, the redirection of Energy Tax Receipts which cumulatively totals approximately \$2.5 million; while expenses continue to rise and we strive to provide our residents the same level of essential services and programs that they expect and deserve,” stated Committeeman Carl Suraci, Chair of the Budget and Finance Committee.

Non-tax revenue is projected higher in the 2013 budget, but remains down \$2.2 million from 2010 levels. CFO Nancy Haberle noted in her presentation that “while some non-tax revenues, such as interest on investments, continue to slowly decline, they are being

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offset by increases from other non-tax revenues, such as Uniform Construction Code fees from the Building Department”.

The debt reduction plan continues resulting in a reduction of \$121,475 in interest payments for 2013, while not extending the life of the bonds.

The budget will change the municipal tax rate a half of a cent per \$100 of property valuations, from 30.9 cents to 31.4 cents for individual property owners. The average homeowner will see a \$19 increase, from \$1,139 to \$1,158 on the average home assessed value of \$368,700.

“We continue to operate the Township as a business, protecting our tax payers by our diligence and watchful eye over spending,” concluded Mayor Frank DelCore.
