2025 MUNICIPAL BUDGET

CITY OF HACKENSACK

2025 MUNICIPAL BUDGET PRESENTATION

- Mission Statement
- Budget Overview
- Tax Levy Change & Projection
- Finance Policy Review

MISSION STATEMENT

To improve the *"Quality of Life" for Hackensack residents*

by improving or increasing services to residents without increasing taxes.

2025 BUDGET OVERVIEW

2025 BUDGET GOAL

TO CRAFT A BUDGET THAT IS ACCURATE AND CONTINUES THE POLICIES THAT HAVE ACHIEVED LONG-TERM TAX STABILITY.

The budget must provide the funding & plan for:

Community Improvements / Infrastructure

Re-development

Tax Relief

example

MAIN ST. SEWER SEPARATION

NEW FOSCHINI PARK STORMWATER OUTFALL

infrastructure improvement

designed to accommodate Main St. development

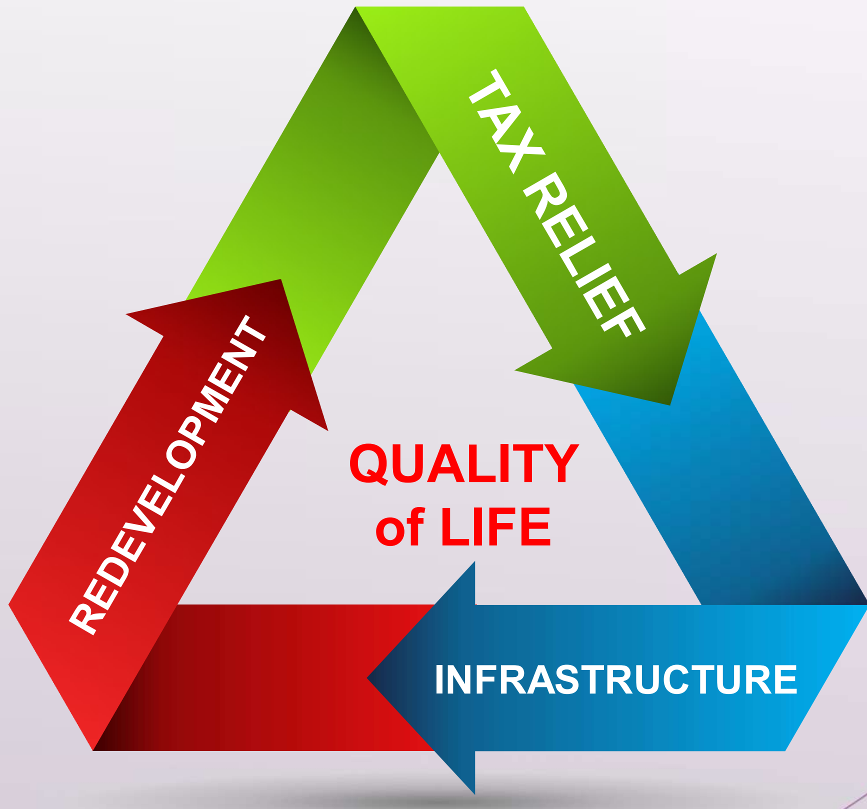
financed without raising taxes

example

New Foschini Stormwater Outfall

- Created a destination for stormwater now re-directed because of the Clay St sewer separation
  - Alleviates flooding in the Clay St Drainage Area
- Takes pressure off the Court St outfall by the reduction of the stormwater now flowing to the new outfall
  - Alleviates flooding in the River St area

2025 Budget Goal



Quality of Life -

Increasing service to the community without increasing taxes.

2025 Municipal Budget

$132,391,327

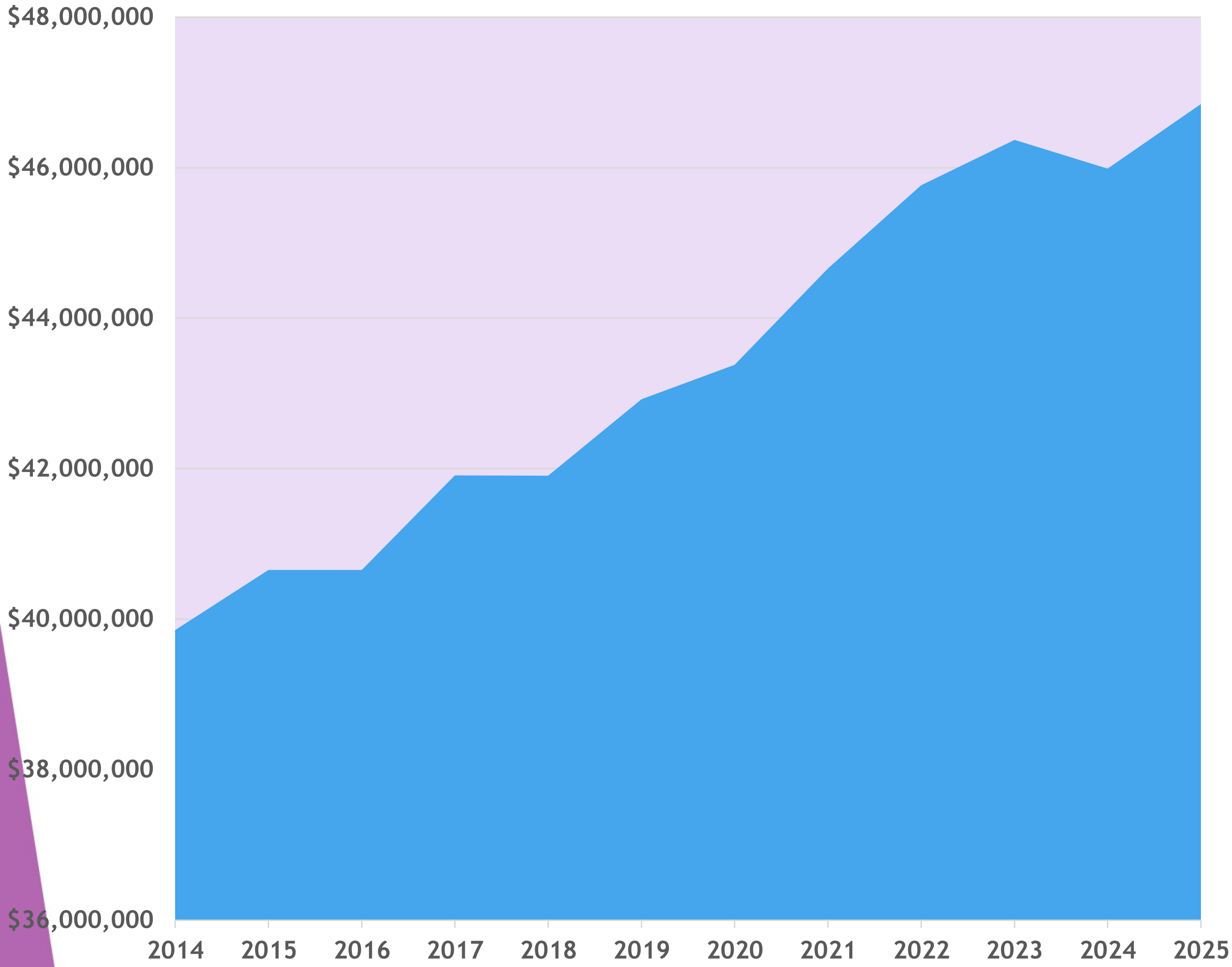
Spending Increase of $1,807,083 from 2024

+1.4%

2025 Municipal Budget

Spending Increase of	$1,807,083
Health Benefits / Insurance	+ $4,135,000
Pension Increase	+ $445,988
Entire Rest of the Budget	(- $2,773,905)

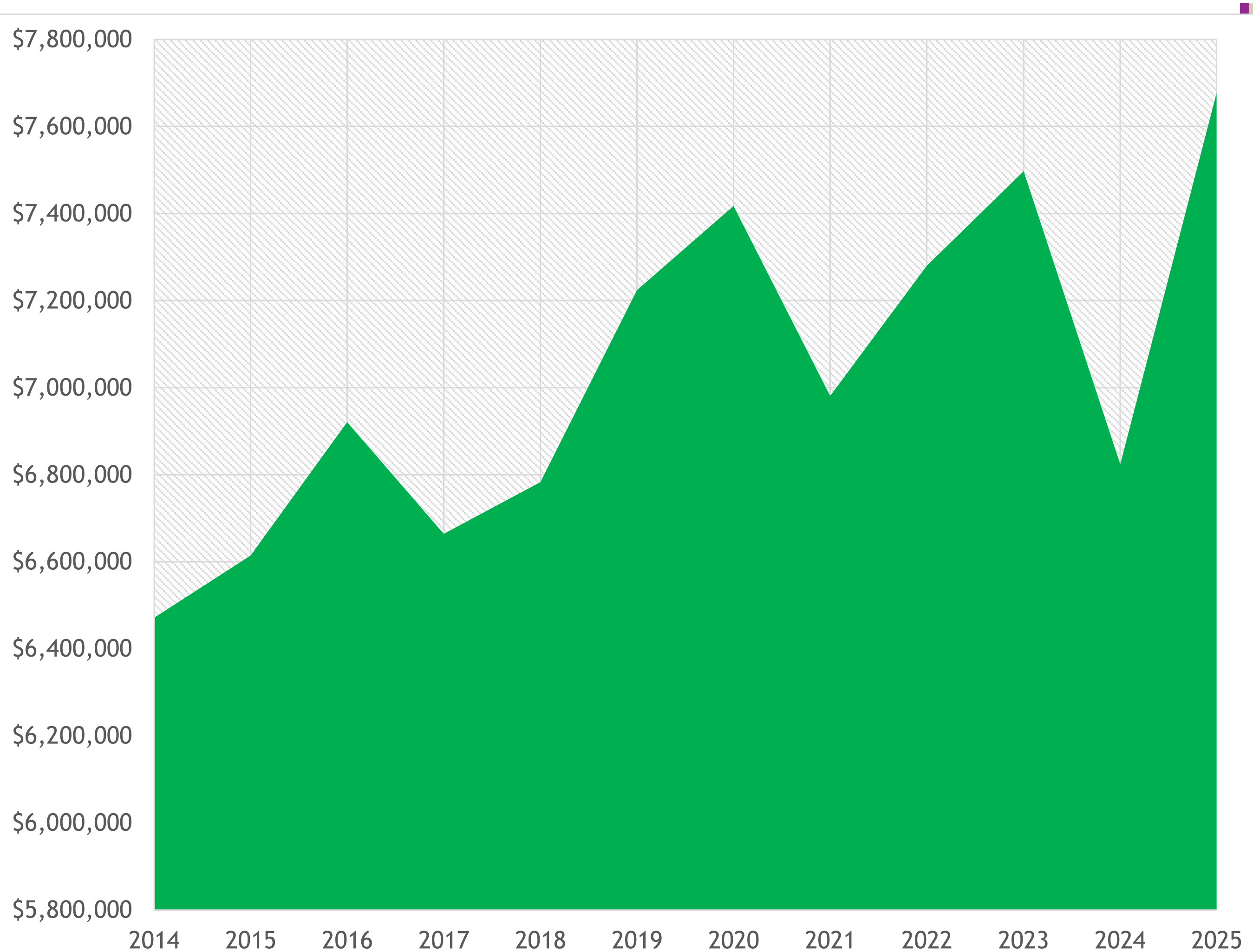
If not for the increases in the Health Benefits and the employer Pension bill, total spending would have declined by almost $2.75 million.



Salaries & Wages

$46,846,100 +1.8%

- Increase from last year of $861,000
- Police & Fire Salaries are up $1,180,000
- All other City depts are down (-$319,000)
- Since 2021, the City has added 4 Police Officers & 5 Firefighters

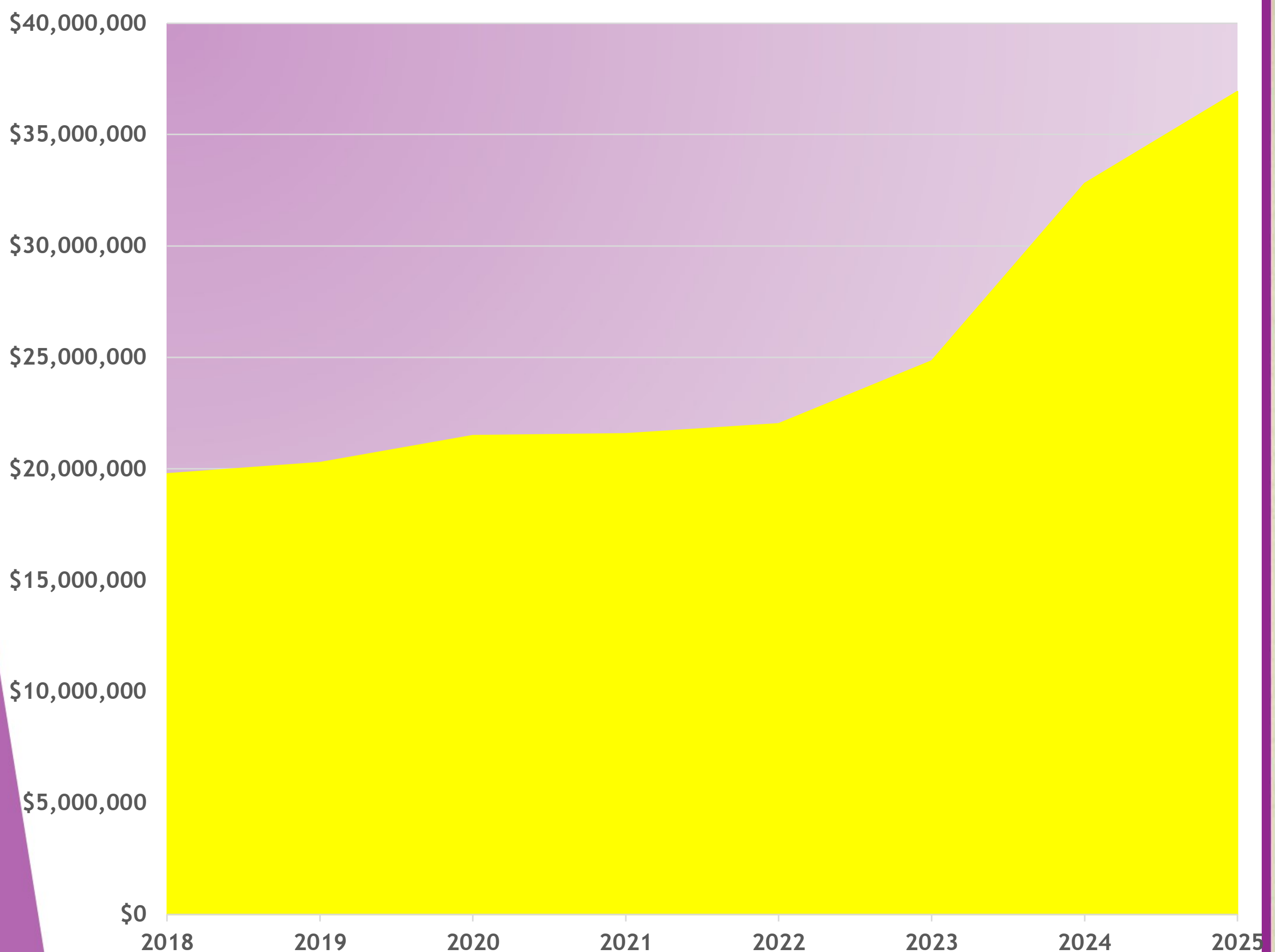


Dept. Other Expenses

$7,676,790 +12.5%

- Increase of $853,120 from last year

- In 2024 Dept. Other Expenses were cut drastically to off-set the increase in Health Benefits.



Insurance

$36,934,000 +12.6%

increase of $4.1 million

Inflation for medical supplies & services continues to run high in NJ.

The NJ State Health Benefits Plan rose by over 16% this year.

Health Benefits:

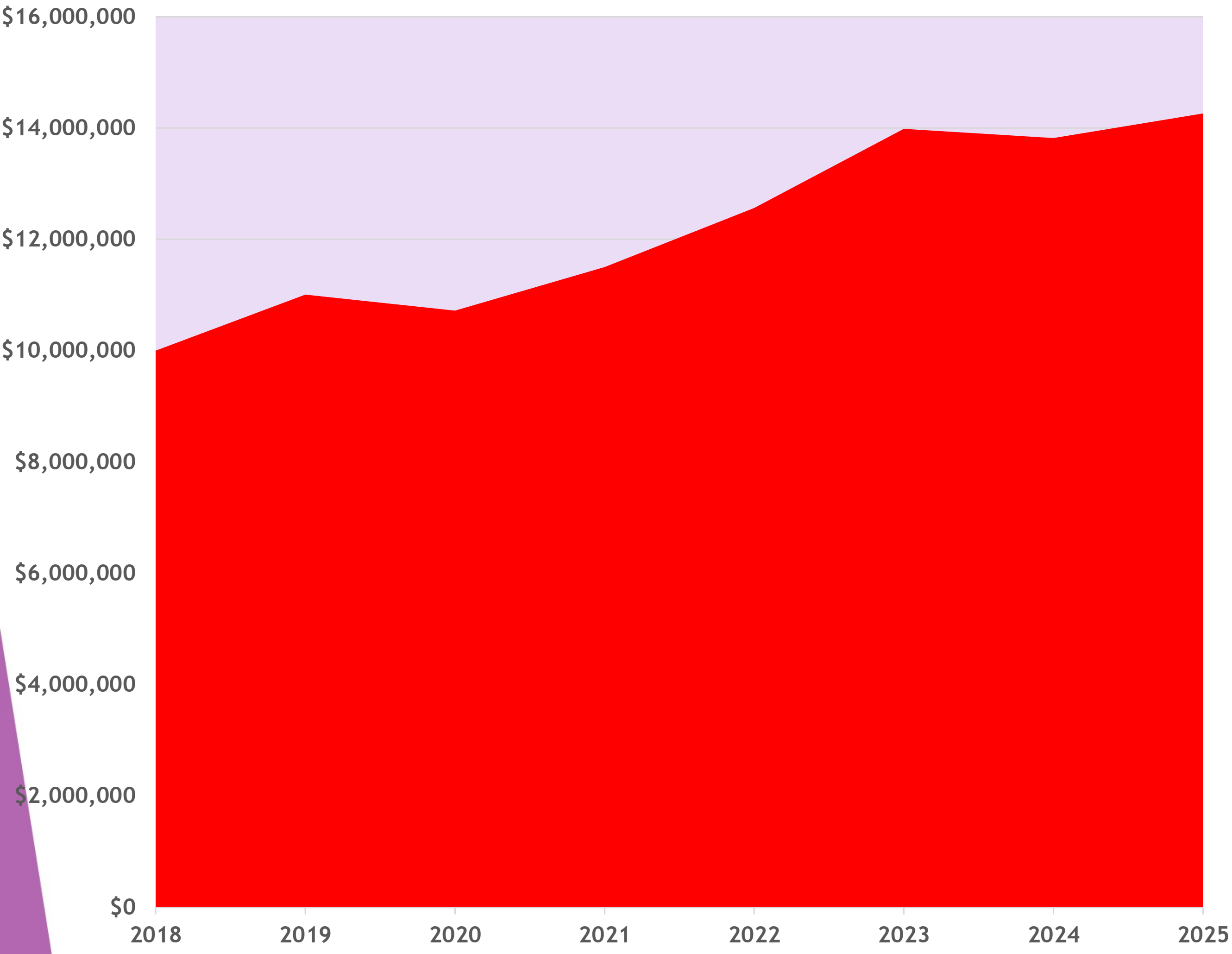
+$4,963,000 +17%

Workers' Comp:

-$289,000 -20%

General Liability:

+$342,000 +21%



Pension & Statutory

$14,262,540 +3.2%

increase of $445,988

Since 2020 the City's annual pension bill has increased by over $3.5 million!

2025 TAX LEVY INCREASE

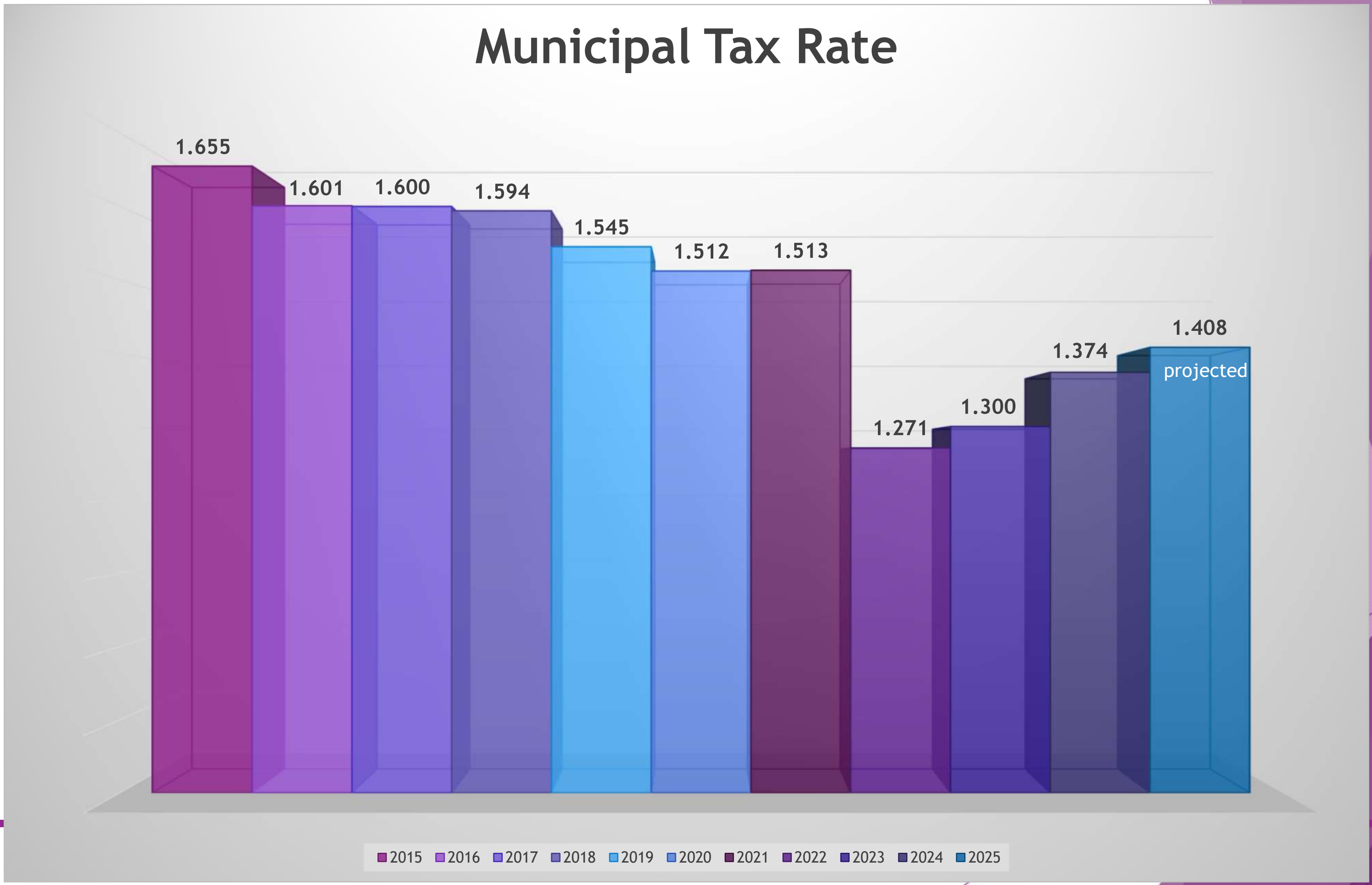
$700,765

+0.7%

Despite a $1.8 million increase in budget spending to increase services, City taxes will only rise $700 thousand.

2025 Municipal Budget includes:

- Increase in Local Revenue +$1,008,341
- Increase in PILOT Revenue +$3,050,781
- New Revenue – Cannabis Tax
- New Revenue – Teaneck Dispatch Shared Service
- Funding for new Tree Plantings paid for from a portion of the new Cannabis Tax
- Decrease in Sewerage Disposal of $481,000 as a result of the sewer separation effort


Municipal Tax Rate
1.655
1.601
1.600
1.594
1.545
1.512
1.513
1.271
1.300
1.374
1.408
projected
2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

Tax Bill Comparison 2025 - 2024

average home - $321,205

2025 projected tax bill		2024 actual tax bill		
1. School	$4,680.84	1. School	$4,410.14	+$270.69
2. County	$844.40	2. County	$799.80	+$44.60
3. County Open Space	$38.75	3. County Open Space	$38.54	+$0.21
4. Library	$134.88	4. Library	$122.06	+$12.82
5. City Open Space	$32.12	5. City Open Space	$32.12	+$0
6. Municipal Tax	$4,523.11	6. Municipal Tax	$4,413.36	+$109.75
Total	$10,254.09	Total	$9,816.03	

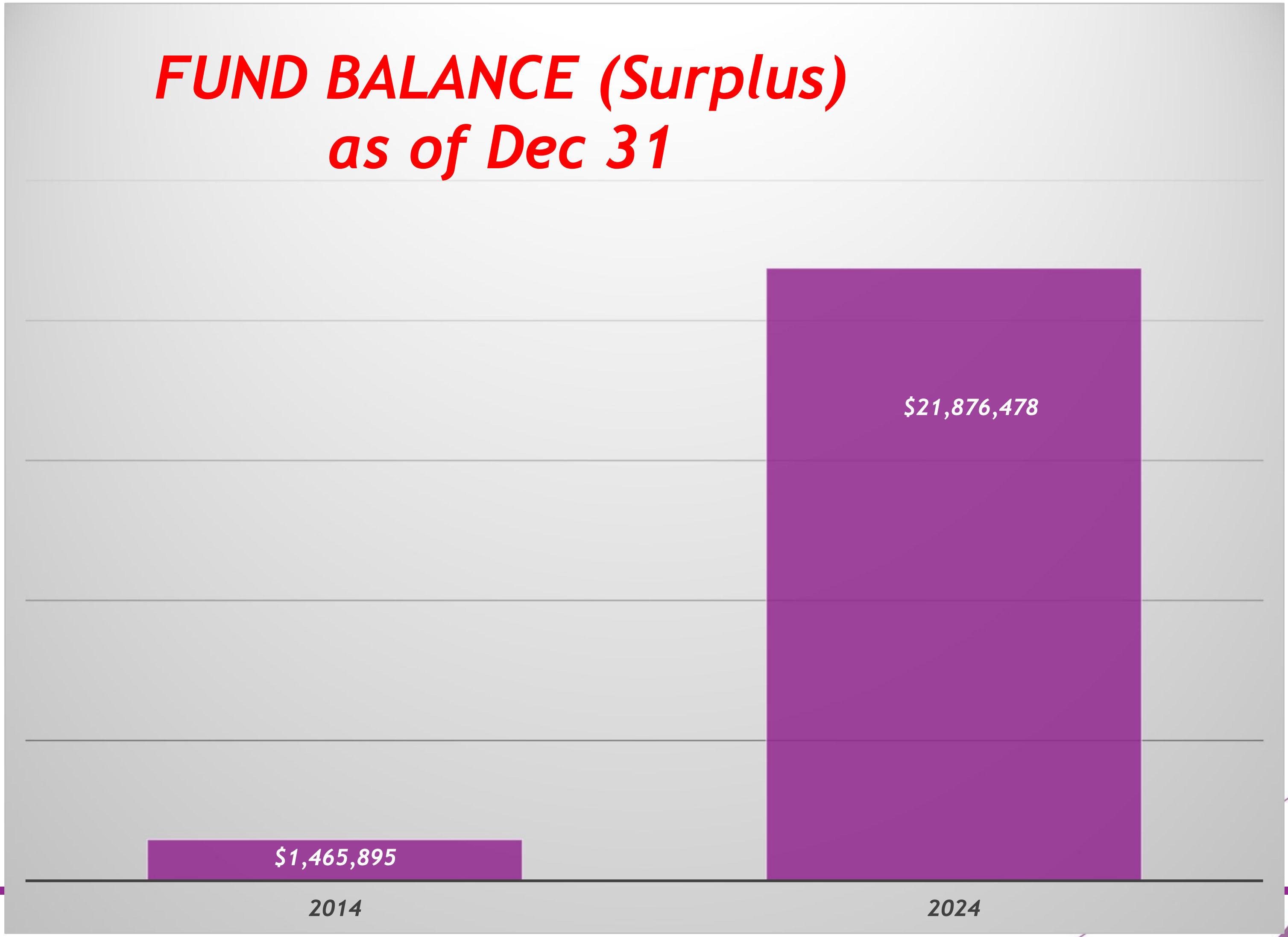
In 2025 the average home in Hackensack will see a projected tax increase of $438.06

Financial Policy Review

SURPLUS POLICY

1) Strive to keep Surplus between 20-25% of the operating budget

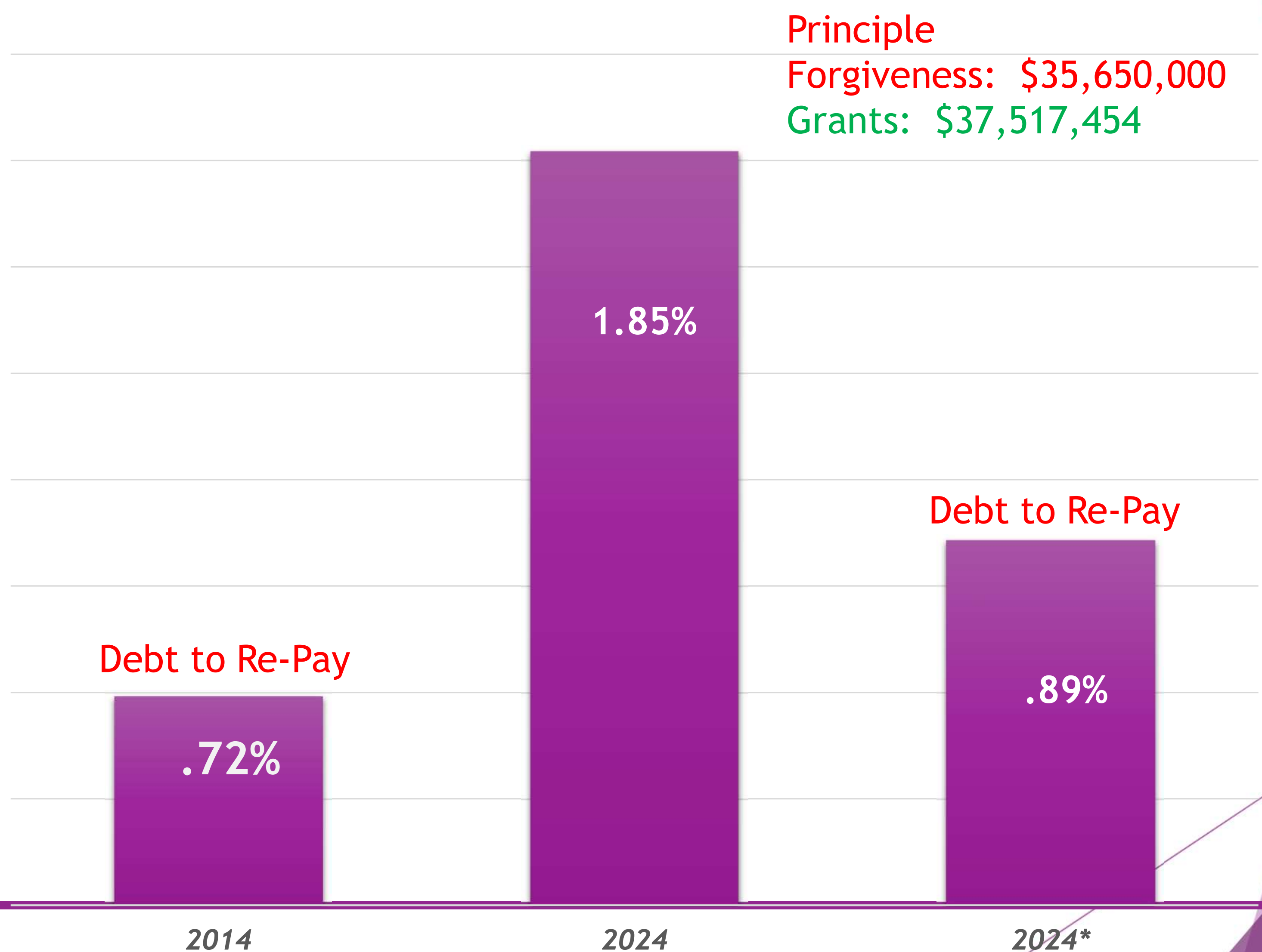
2) Only use as much surplus for tax relief as was re-generated the year before


FUND BALANCE (Surplus)
as of Dec 31
$21,876,478
$1,465,895
2014
2024

Financial Policy Review

DEBT MANAGEMENT POLICY

1) Decisions to issue debt will now be based on tax implications
   - Previous policy was not to exceed 1%
2) Record all grants as debt & use the grants to re-pay the debt
   - Previous practice had grant proceeds go to Surplus
3) Always keep the Debt Service / Deferred Charges budgets flat
4) Avoid budget fluctuations by paying off debt early when possible

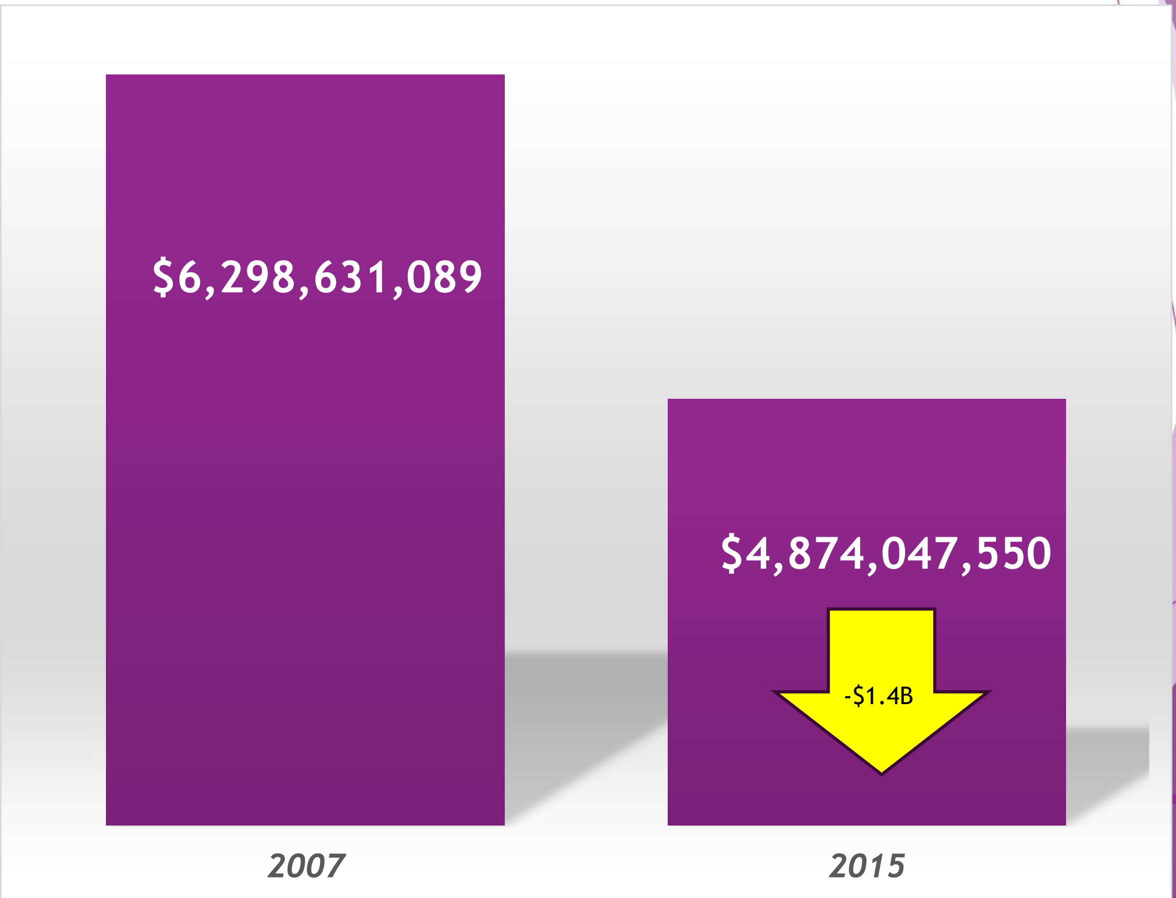


Principle
Forgiveness: $35,650,000
Grants: $37,517,454
1.85%
Debt to Re-Pay
.89%
Debt to Re-Pay
.72%
2014
2024
2024*

Financial Policy Review

RE-DEVELOPMENT POLICY

WHY WAS IT NEEDED?



Financial Policy Review
RE-DEVELOPMENT POLICY

INCLUDES:

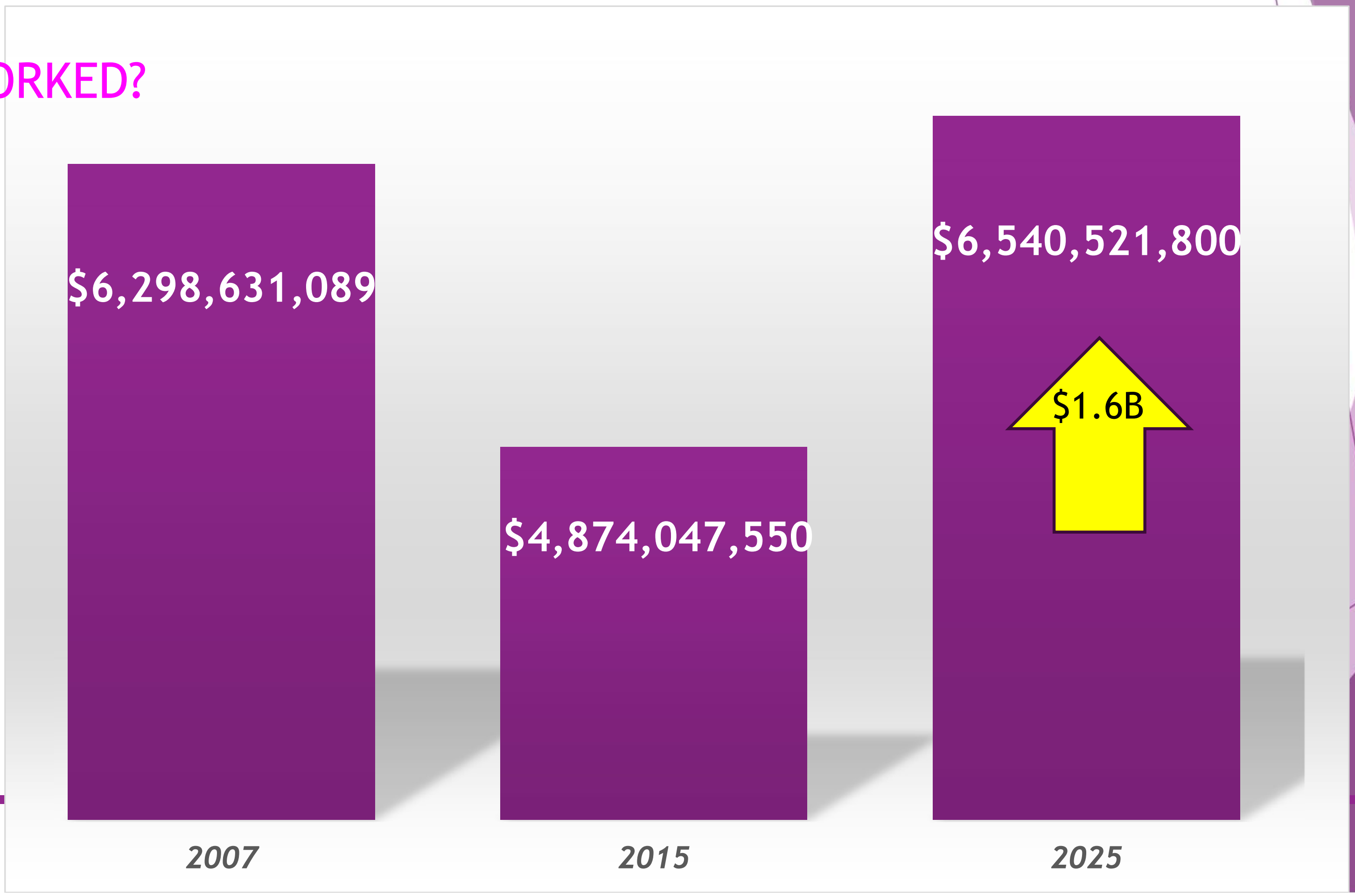
- PILOTs
- 2-Way Conversion – State St.
- 2-Way Conversion – Main St.
- Main St. Streetscape
- pending Anderson St. Streetscape
- various agreements with HUMC which bring tax stability through increased non-tax revenue
- *"Arts in the Downtown"*
  - HACPAC
  - Barbara Neustadter Art Gallery
  - Creation of the HACPAC Board
  - Atlantic St. Park events
  - Demarest St & Banta Pl. Murals
- Parking Improvements
  - Rehabilitation of the Atlantic St. Garage
  - Opening Atlantic St Garage to public
  - New credit card parking meters City-wide
  - ParkMobile phone app

Financial Policy Review

RE-DEVELOPMENT POLICY

VALUATIONS

HAS IT WORKED?



Financial Policy Review

RE-DEVELOPMENT POLICY

TAX RATE

2015		2025 – PROJECTED	
SCHOOL	1.551	SCHOOL	1.457
CITY	1.655	CITY	1.408

Hackensack Municipal Levy % Change

2025 MUNICIPAL BUDGET

Public Hearing
Tuesday June 24
8:00 p.m.
Council Chambers

Copies of the budget are available on the City website or in the City Clerk’s office.