

BOROUGH OF MONTVALE

COUNTY OF BERGEN



2025 BUDGET OVERVIEW

Investing in Our Values. Building for Tomorrow.

FINANCE COMMITTEE

Mayor Mike Ghassali

Council President Timothy E. Lane

Councilman Chris Roche

Borough Administrator Joseph Voytus

Chief Financial Officer Matthew Cavallo

15 YEARS OF FISCAL RESPONSIBILITY

- Multiple years with **no tax increase**
- Montvale has consistently kept tax increases **below the rate of inflation**
- Efficient operations and **cost-saving strategies**
- Conservative approach has kept the Borough **financially strong**

2025 SNAPSHOT: MONTVALE'S RISING RESIDENTIAL VALUE

	2019	2020	2021	2022	2023	2024	2025		7-YR AVG
Average Residential Assessed Value	522,293	524,788	525,926	528,261	541,096*	541,096	549,604		531,995
# of Households	2,813	2,829	2,853	2,857	2,927	2,966	2,994		2,891
Municipal Rate	0.557	0.554	0.578	0.580	0.591	0.599	0.617		0.582
% Change (Rate)	-0.36%	-0.54%	4.33%^	0.35%	1.90%	1.49%	2.87%		1.43%
CPI	1.91%	1.65%	1.71%	3.32%	6.10%	3.82%	3.79%		3.19%

**New apartments were incorrectly miscategorized as Residential in 2023, resulting in an inflated the Average Residential Assessed Value, which was corrected in 2024.*

^Covid-19 Budget year with drop in multiple revenue streams

HOME VALUES REFLECT OUR INVESTMENTS

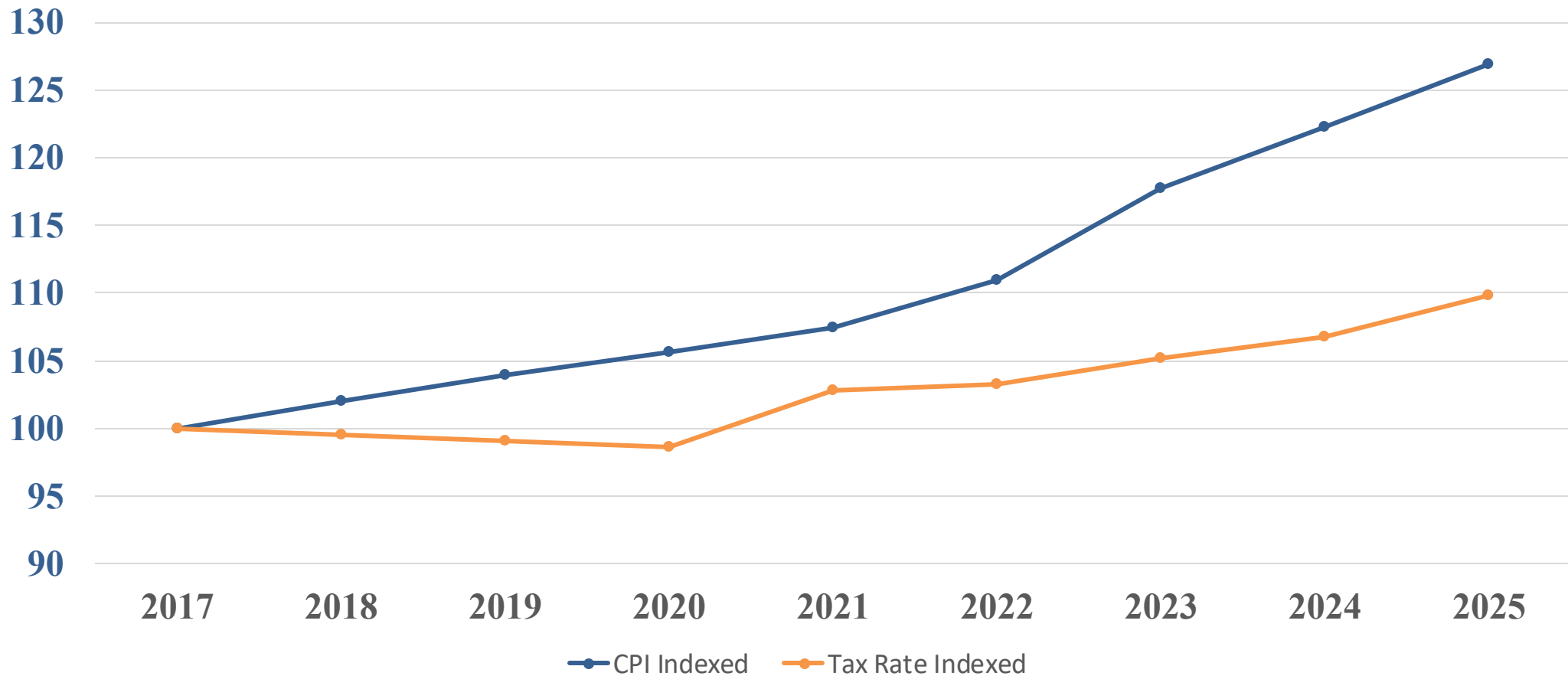
- Avg. home value ↑ **6.7%** in the last year (~\$55,000 increase)
- 5-year increase = **38%** (~\$240,000)
- 2025 Average Assessed Value: **\$549,604**
- Driven by: **public safety, recreation, roads**
- These increases benefit **every homeowner**

DOING MORE WITH LESS

- 2025 Municipal Tax Increase: **2.87%**
- CPI for North Jersey: **4.0%**
- Impact to Average Home: **\$94.49 annually**
- Montvale's increase remains **below inflation**

MONTVALE HOLDS THE LINE ON TAXES (2015-2025)

CPI versus Tax Rat (per \$100 since 2017)



STEERING TOWARDS SUSTAINABILITY: SHRINKING SURPLUS DEPENDENCE IN MONTVALE'S BUDGET (2020-2025)

	2020	2021	2022	2023	2024	2025
Balance - January 1	4,713,174	4,976,873	5,376,214	5,988,687	6,559,806	6,618,515
Amount Appropriated in the CY Budget-Cash	4,100,000	3,650,000	3,800,000	4,160,000	4,160,000	4,160,000
Percentage of Surplus Used in Support of Municipal Budget	86.99%	73.34%	70.68%	69.46%	63.42%	62.86%

2025 BUDGET REDUCES OPERATING COSTS

- Departmental operational expenses ↓ **2.51%**
- Insurance ↑ **\$127K**
- Salaries/wages ↑ **\$477K**
 - Includes **\$345K** from Police Contract Step increases

INSURANCE & UTILITIES OUTPACING INFLATION

- **Utility Costs:**
 - BPU-approved gas & electric rate hikes: ↑ 17% to ↑ 20%
 - Mitigation: **LED lighting & HVAC upgrades** help soften the blow
- **Health Insurance:**
 - Premiums ↑ **\$127,000**
 - Increase reduced by encouraging **high-deductible health plan** enrollment

STRATEGIC INFRASTRUCTURE & LAND PRESERVATION

- \$5M DePiero Farm acquisition
- Ongoing road resurfacing initiative
- Renewing and revitalizing parks, fields and open space
- Investments tied to increasing **home values & livability**

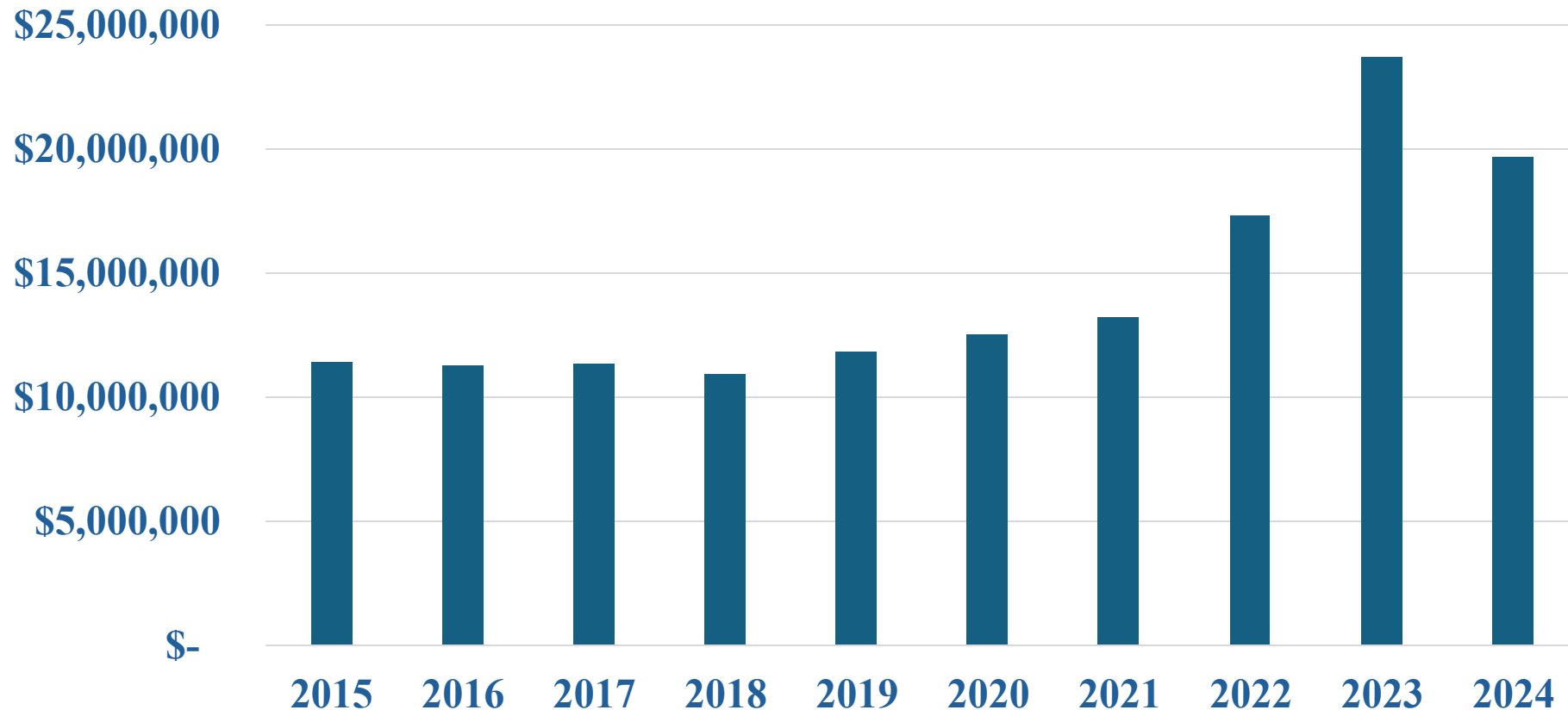
DEBT WITH DISCIPLINE

SMART FINANCING FOR 30+ YEAR ASSETS

- **AAA Bond Rating Reaffirmed:**
 - S&P affirmed Montvale's **AAA bond rating** in 2025
 - Allows us to borrow at the **lowest interest rates** available
- **Open Space & Quality of Life:**
 - \$5M for **DePiero Farm** ensures long-term preservation
 - Protects against overdevelopment & supports community priorities
- **Debt Is a Tool:**
 - Used for **capital improvements that benefit residents for decades**
 - **Strategic bonding** spreads costs over time — paid by those who benefit
 - Debt service increase: **\$262,000**, well within sustainable limits

BUILDING A BETTER MONTVALE: MUNICIPAL DEBT IS ESSENTIAL FOR INFRASTRUCTURE AND OPEN SPACE PRESERVATION

Net Municipal Debt (2015-2024)



SHARED SERVICES UPDATE

DPW AGREEMENT COST REALLOCATION

- **Triennial review with River Vale**
- Montvale's share ↑ due to **independent study**
- \$220K increase on \$4M DPW budget = **reasonable adjustment**

REVENUE ENHANCEMENTS & COST CONTROLS

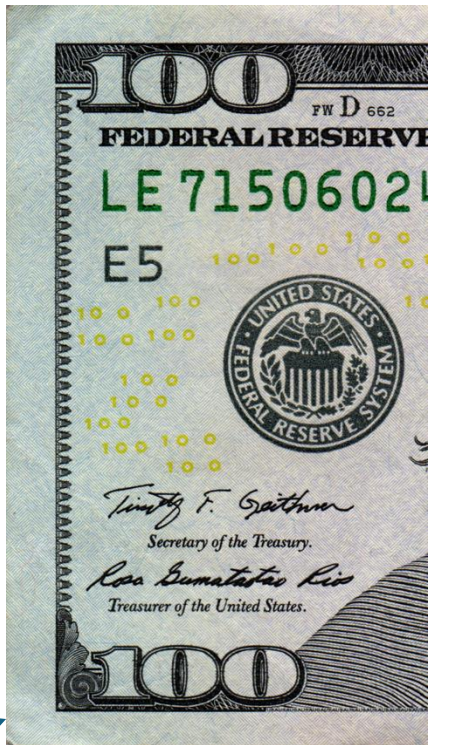
MAXIMIZING EVERY DOLLAR

- Banking interest earnings ↑
- Open Space Trust Fund offsets capital costs
- Discretionary cuts where possible
- Employee buy-in for HDHP participation
- Continued **AAA bond rating**

OPEN SPACE TRUST FUND: PRESERVING MONTVALE'S CHARACTER

- Funded by 1999 referendum
- \$2.1M invested to date
- 2024-25 projects include:
 - Open Space maintenance
 - Historic conservation
- Proceeds: **\$348K annually**

WHERE YOUR TAX DOLLAR GOES: HOW EVERY \$100 OF YOUR TAXES IS SPENT



Municipal
\$24.31

Municipal
Open
Space
\$0.59

Library
\$1.63

Local
Schools
\$34.70

Regional School
\$27.20

County
\$11.08

CAPITAL PROJECT HIGHLIGHTS: INVESTMENTS THAT BUILD COMMUNITY

- **Firehouse Construction:**
 - Modern facility to support emergency response for decades to come
- **Parks & Recreation:**
 - Huff Park upgrades, new playgrounds, and improved accessibility
 - Turf infields, pickleball, and bocce courts expand athletic offerings
- **Library Improvements:**
 - Reading garden, new carpeting, and HVAC upgrades create a welcoming space for all ages
- **DPW & Public Infrastructure:**
 - New equipment, vehicles, and parking lot improvements for better service delivery
 - LED lighting retrofits improve efficiency across municipal buildings
- **Open Space & Historic Preservation:**
 - Continued investment in DePiero Farm and Octagon House restoration
 - Supports long-term goals of preservation and controlled development

SUMMARY:

BALANCED, RESPONSIBLE, AND FUTURE-FOCUSED

- **2.87% tax increase = \$94.49 per home**
- **Maintains services, enhances infrastructure**
- **Smart use of surplus + targeted bonding**
- **Reflects resident priorities from 2024 survey**

**BUILT ON PRIORITIES.
BACKED BY PLANNING.**

This budget represents a balance between necessary fiscal restraint and long-term investment in the community that our residents deserve.