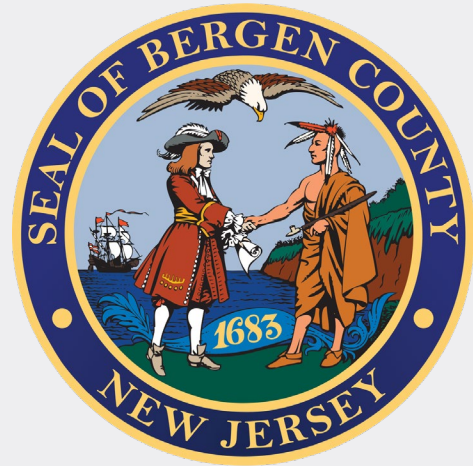




COUNTY OF
BERGEN
2023
Budget

As presented by

County Executive
James J. Tedesco III

Inflation & Supply Chain Challenges

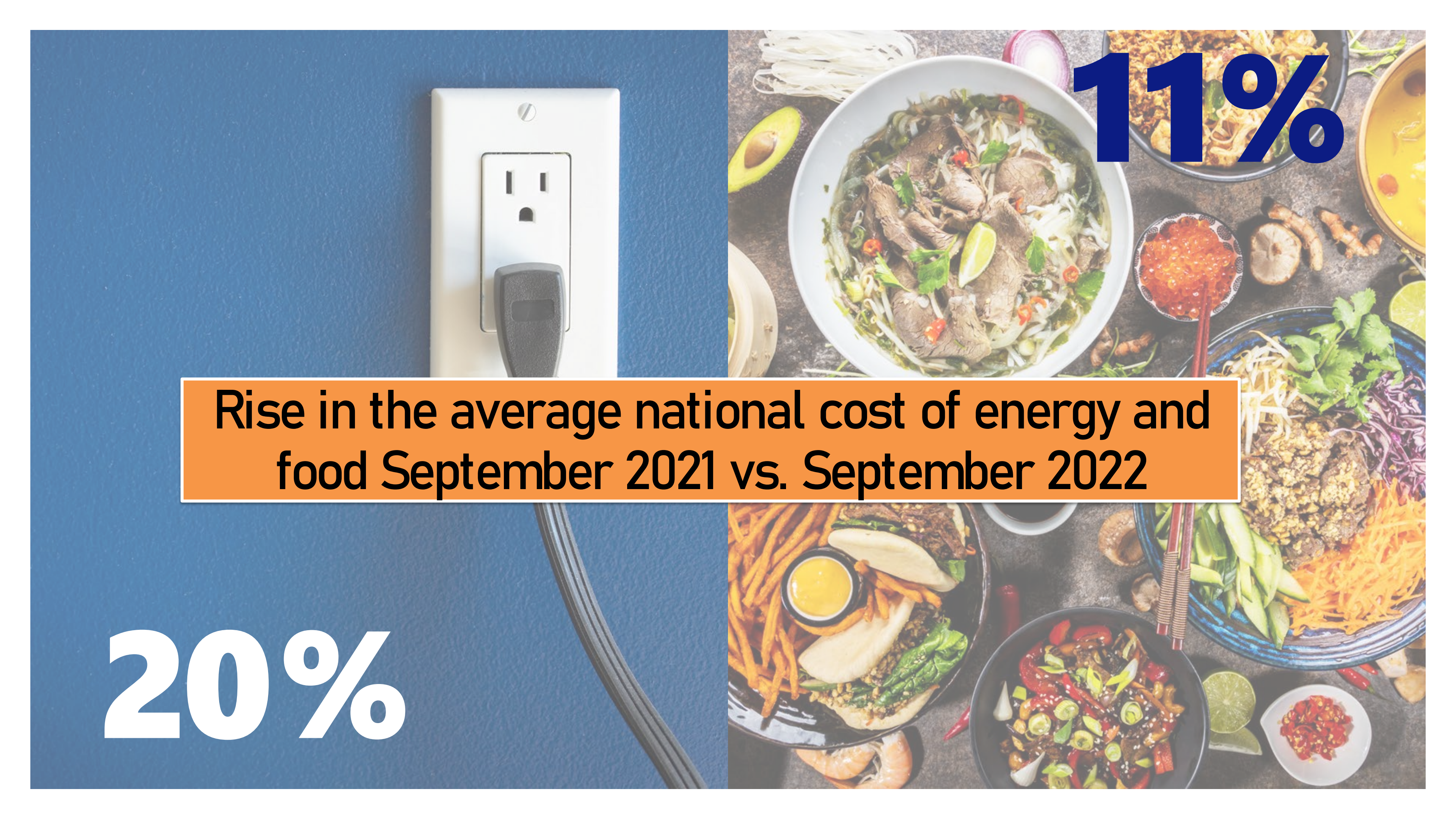
Bergen County is not immune to inflationary pressure as we see costs increase across the board

Increased costs throughout the Operating budget

Long lead time on purchases

Extremely tight labor market





11%

Rise in the average national cost of energy and food September 2021 vs. September 2022

20%



Inflationary Pressures

INCREASED COSTS FOR BERGEN COUNTY

Road Materials	20 %
Vehicles	13 %
Electric & Gas	14 %
Cleaning Supplies	38 %
Water	25 %
Sewer	56 %



Economic Reality

“Balancing the need to maintain critical services with the impacts of inflation, the labor market and other economic pressures has made this budget year particularly challenging.”

James J. Tedesco, III
County Executive

Budget Revenue Challenges



COVID- 19 challenges still exist

American Rescue Plan Grant expires in 2024

TOTAL LOSS OF REVENUE OVER FOUR YEARS:

- 2020 - \$27,500,000
- 2021- \$30,878,000
- 2022 - \$39,600,000
- 2023 - \$39,600,000

TOTAL : \$ 137,578,000



2023 Budget Challenges

Year-Over-Year increase for
statutorily-required items
contributing to budget pressure



Budget Category	Budget Increase	% Increase
Insurance Premiums & Claims	\$ 22,688,752	23.66%
NJ State Pension Increase to PERS & PFRS Pensions	\$4,135,468	11.46%
Total	\$ 26,824,220	

Police and Firefighter Retirement System
(PFRS) –Law Enforcement Pensions

Public Employees Retirement System (PERS)
– Non-Law Enforcement Pensions

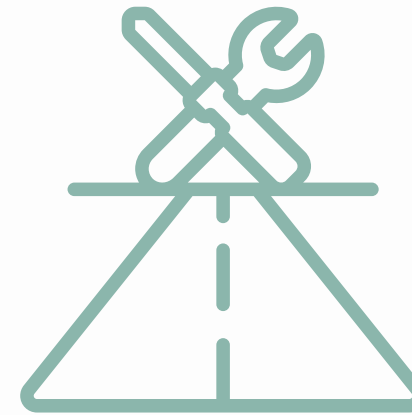
Goals of the 2023 Budget



Community
Safety



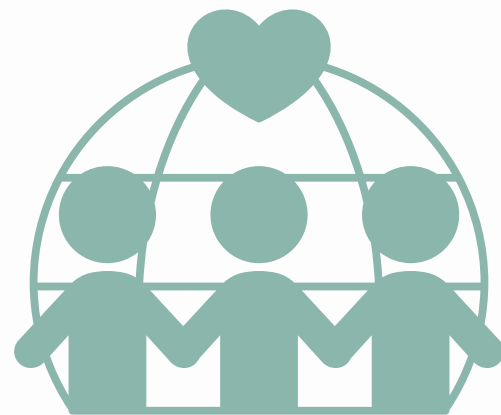
Education



Public
Infrastructure



Parks and
Recreation



Critical
Services



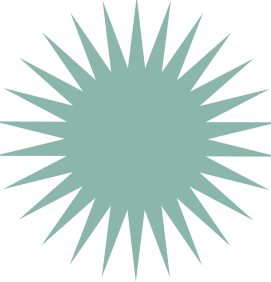
Strong Fiscal
Management



Building a safer tomorrow.



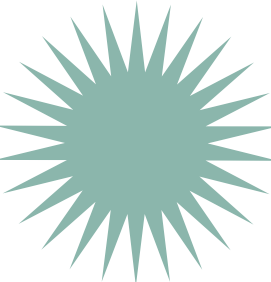
Established Bergen Emergency Medical Services Response Unit



Multiple municipalities have closed their volunteer EMS squads over the last several years



As a response, the County proactively established Bergen County Emergency Medical Services in February 2023 in response to EMS needs across the County



Bergen County EMS will supplement local EMS squads, providing more reliable response to medical emergencies



Bergen County EMS is Off to a Great Start



Saving Lives!

- County has responded to over 910 calls from February through May 2023 in 50 of the 70 municipalities
- COVID greatly impacted EMS services throughout the County, which not only highlighted the need for this critical service, but also allowed the County to use ARP dollars for start-up costs
- Projected revenue for a full year is estimated to be over **\$1 million** and will offset costs of this greatly needed service





31 New Correction Officers

37

New Sheriff's Officers



Launched new
encrypted
BC-ALERT
communications
channel now
available to all
local Bergen
County Police
Departments



Completed
construction
of new
Training
Annex at the
Law and
Public Safety
Institute



Supporting Education

*As we look to the future
of what education can
and should be, it is
critical to anticipate the
needs not just in
education, but in the
workforce...*

Building a new Career and Technical Education High School



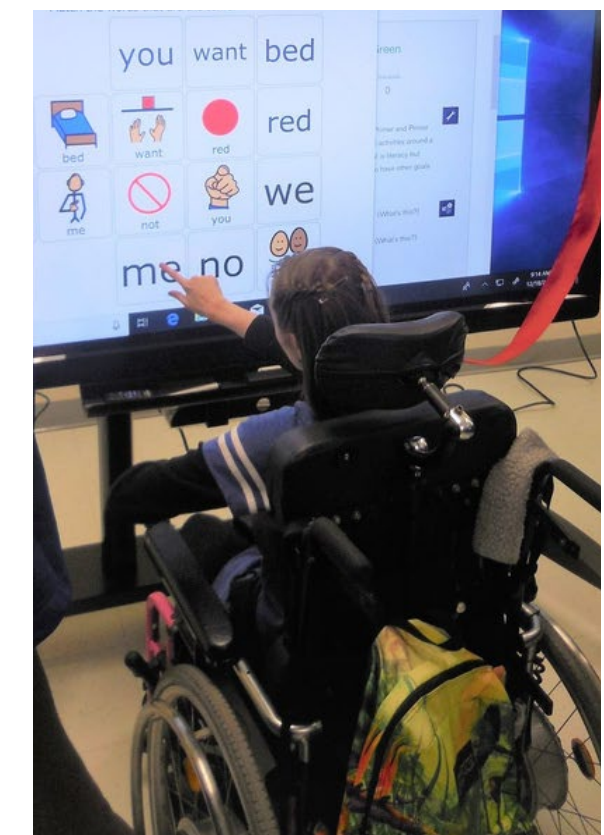
"This new career technical education school supports alternative paths and builds a more inclusive education system that has something for every single student, all while helping ensure Bergen County remains competitive in the 21st-century global economy."



Increased Investment in Bergen County's Special Services School District

30%

Increase
since 2014



Bergen Community College raising the bar



Economic Recovery Specialists assist businesses

BCC students have gained real -life skills serving as resource specialists, aiding hundreds of small business owners with tasks that varied from developing social media strategies to find suppliers, applying for grants and loans, and designing websites



Launched Center for Online Learning

Thanks to a County investment, the BCC Center for Online Learning is providing more flexibility for working students by now offering two -degree programs entirely online



Parks and Recreation

"When I took office, I made a commitment that the preservation of open space, protection of our environment, and enhancement of our park system would be among my top priorities."

County Executive James J. Tedesco, III





Ecological Restorations

Teaneck Creek Park

\$7 million revolutionary habitat and wetland restoration project that reclaims park land for Bergen County residents

Wild Duck Pond in Ridgewood

\$1.7 million project has restored ecological functions of the pond and enhanced public use by constructing storm water treatment wetlands and using native plants to our region





Expanded Access to Waterways

In 2022 the Van Buskirk Island Paddle Center in New Milford & Bergen County Rowing Center in Riverside County Park both opened





Recreational Renovations

Coming to:

Saddle River County Park
Pascack Brook County Park
Van Saun County Park
Wooddale County Park
Samuel Nelkin County Park





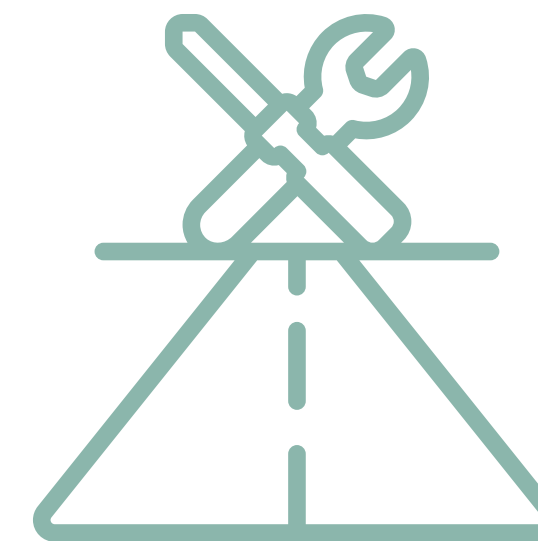
Carlton Hill

Rails to Trails Project

Acquired rail line from Norfolk Southern for \$1.9 million

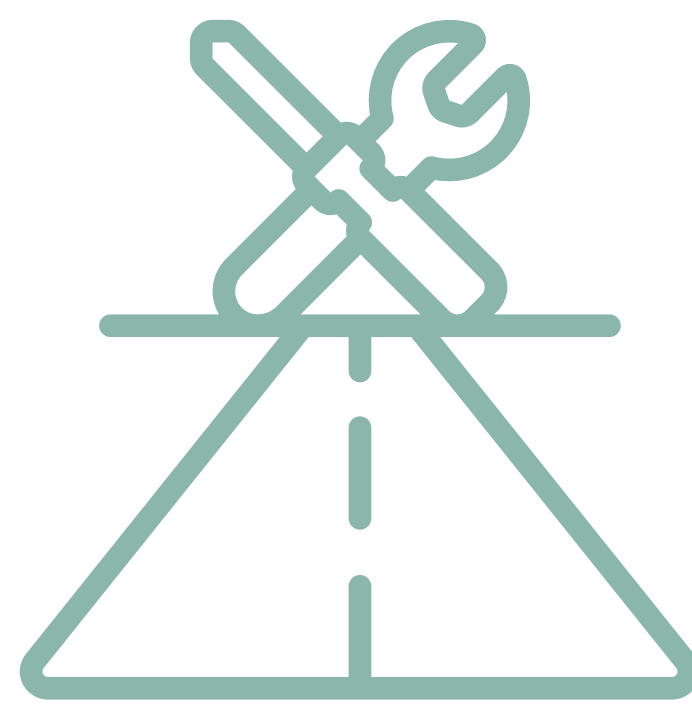
This **1.2 mile, 11 acre** property will soon become a linear park creating passive recreation opportunities from the Passaic River to downtown Rutherford





Public Infrastructure

Improving the quality of life for all Bergen
County residents



Paving Roads, Fixing Bridges, Completing Infrastructure Projects



17

bridge repairs and replacements completed

23

drainage improvement projects completed

23

miles of county roads resurfaced

5,802

potholes filled



Flood Control



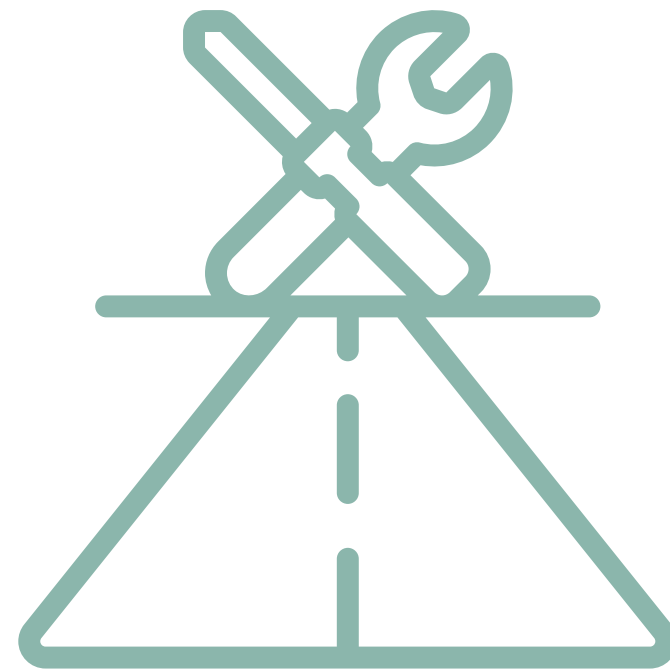
Installed 13
backflow
preventers using
federal funds to
help prevent
flooding in
Bergen County

Critical Infrastructure Projects



Anderson Street
Bridge

\$41 million project on bridge connecting Bergen County's two largest municipalities of Hackensack and Teaneck



Kingsland Avenue
Bridge

\$45 million project to repair intercounty bridge in South Bergen County connecting Lyndhurst and Nutley in neighboring Essex County

Unclogging the economic artery of Bergen County

Route 17 bottleneck is the worst transportation headache in Bergen County and one of the most dangerous corridors in NJ

Idling vehicles have a negative environmental impact creating poor air quality

BILLIONS of dollars in interstate commerce flow through this corridor every year

Improvements include additional lanes and added shoulders, increasing capacity by 1,800 vehicles per hour and drastically improve traffic safety

Improvements will address a major quality of life issue for Bergen County residents



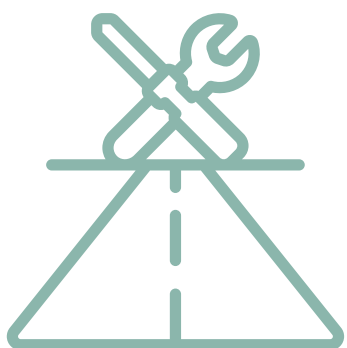
Visionary Project Bringing Transportation & Mixed-Use Development to the County Seat

Innovative partnership between the County, NJ Transit, and the City of Hackensack

Transforms one of the busiest bus stations in the state into a modern transportation hub

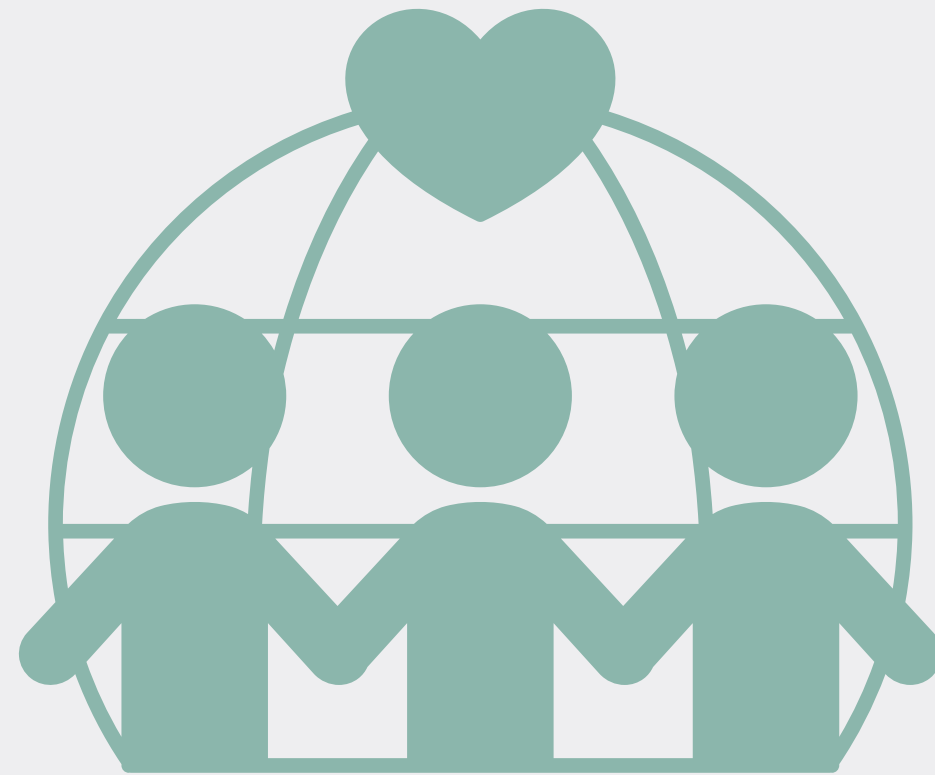
This investment increases bus capacity countywide, improves commutes, and brings 96 units of “workforce,” non market rate housing

Will allow veterans, firefighters, nurses, police officers, and teachers to live in the county where they work when they are starting their careers



Delivering Critical Services

To those who need help the most



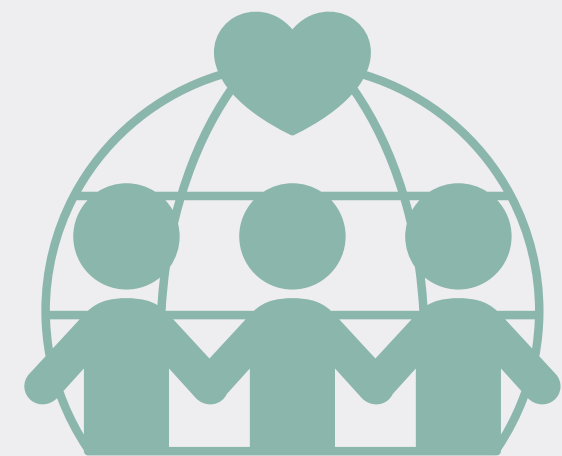
Investing in mental health services

Building on the 12% increase given to mental health service providers in the 2022 budget

County now has one comprehensive Division of Mental Health and Addiction Services under the Department of Health

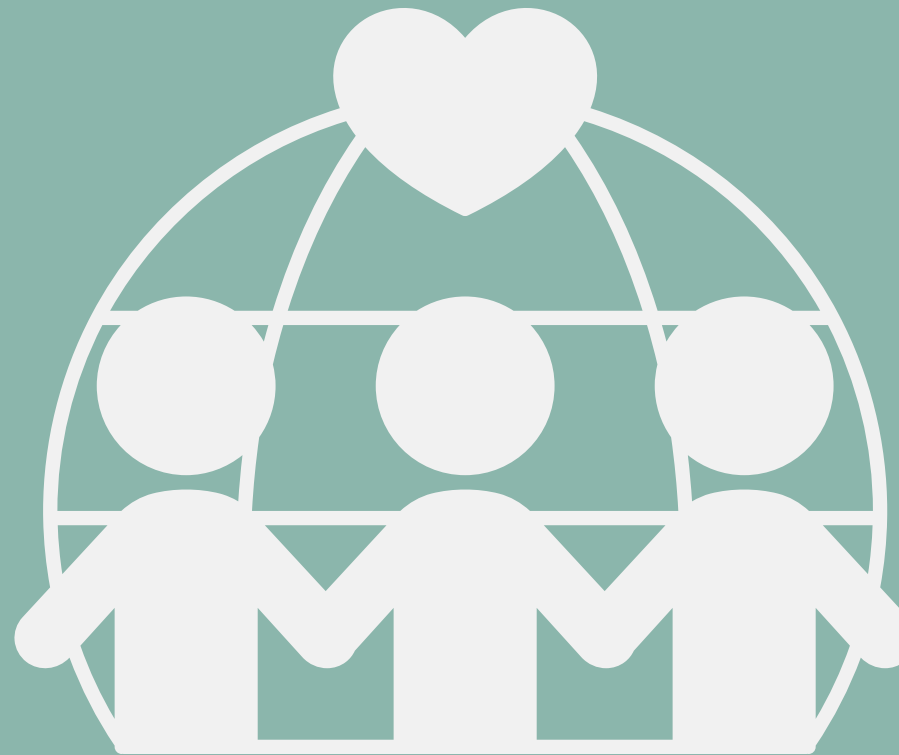
Continue to partner with the County's public hospital Bergen New Bridge Medical Center as they serve as a regional leader on addiction and behavioral health

Bergen County is taking a lead role in combatting the opioid epidemic using funds from the national opioid settlement



Fighting Food Insecurity

- Sustainability Grants - nearly \$1 million to bolster operation of local pantries
- Oasis Insights - innovative client management software allows pantries to refer clients to critical social service providers
- Connecting local food pantries with local food suppliers and providing millions of dollars to purchase equipment, supplies, and direct food assistance
- Transitioning the Task Force to become permanent **Office of Food Security** under Department of Human Services



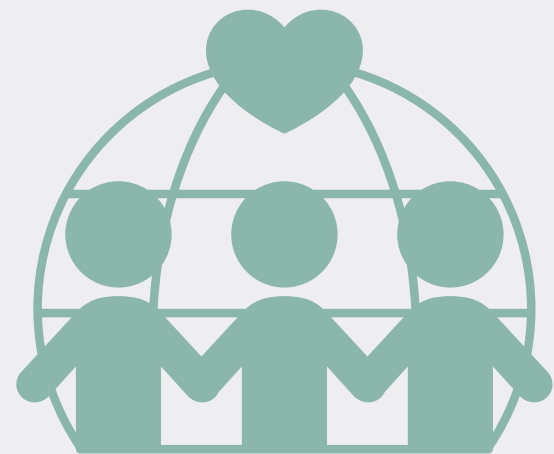
Community Transportation



626,296 miles logged

109,376 rides

Life saving rides for medical treatment, purchase of groceries, employment and community activities



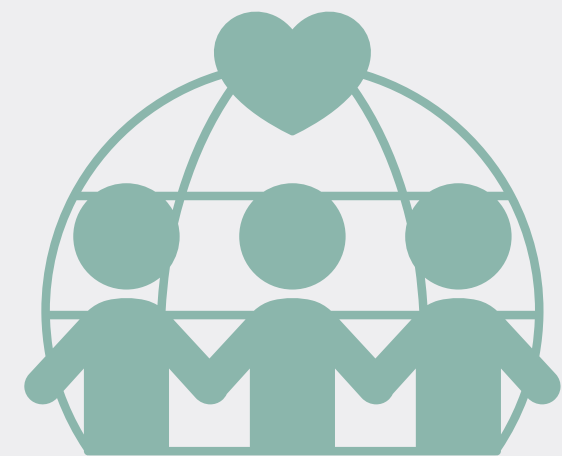


Taking care of those who served

"They put their lives on hold to
fight for the freedoms we all hold
dear"

County Executive Jim Tedesco

- Veterans Services recovered **\$400,000** for Bergen County Veterans and their families
- More than **2,000 Veterans** were served in 2022
- **50,000 flags** were distributed to local veteran organizations for Memorial Day
- Launched the County's first ***Stand Down*** event for at risk veterans to prevent veteran homelessness

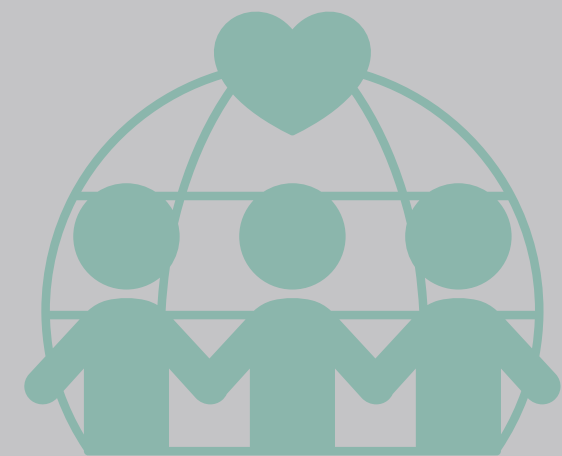


Serving our seniors

Bergen County Meals on Wheels delivered **334,000 meals**

Launched **Age -Friendly & Dementia -Friendly Initiatives** to make sure our seniors can age in place with dignity

Expanding social and nutritional programs at our **10 County - operated senior activity centers and 26 senior nutritional centers**



2023 Capital Spending

Major Capital Expenditures	2023 Funding Amount
Public Works	\$23,955,750
Parks	\$37,454,500
Community Safety	\$8,797,908
Planning & Engineering (Including Road Projects)	\$16,473,188
Elections	\$15,776,250

Bergen County continues to invest in our infrastructure

Proposed Total Capital Spending: \$104 million



Maintaining Strong Fiscal Management



Maintained Aaa Bond Rating

The size of a governments tax base is no longer a scoring criteria because Moody's doesn't feel it is a valid predictor of ability to pay. This hurts New Jersey governments because of the higher home values in our State.

Despite this, Moody's Investors Service once again reaffirmed the County's Aaa Bond Rating on May 5th.

"Management has a long history of conservative budgeting and successfully managing its debt portfolio"

"The Aaa issuer rating reflects the county's very strong finances"

"The outlook is stable"

Moody's Investors Service



Aaa HIGHEST RATING ISSUED BY
MOODY'S
INVESTORS SERVICE



Pooled Notes

Aaa Bond Rating Benefits

"By guarantying the notes of each local borrower, the financing would be secured by County's 'Aaa' credit rating to achieve the lowest rates possible in the municipal market."

"Each participant in the program received a rate of **3.84 %**"

\$133.9 million Pooled Note Program produced an **estimated**
\$60,000 in aggregate savings to five municipalities

"Currently, issuers with lower credit ratings than the County that are issuing notes competitively without an offering document and credit rating are receiving rates in the range from **3.97% to 4.28%**, and those reported rates do not take into account costs of issuance"



NW FINANCIAL GROUP, LLC
Exceeding Expectations

2 Hudson Place, 3rd Fl.
Hoboken, NJ 07030
Tel (201) 656-0115
Fax (201) 656-4905
www.nwfinancial.com

MEMORANDUM

To: County of Bergen, New Jersey
From: NW Financial Group, LLC
Date: June 5, 2023

Re: Bergen County Improvement Authority
County Guaranteed Governmental Pooled Project Notes, Series 2023

In March 2023, the Bergen County Improvement Authority (the "Authority") and its financing team began evaluating opportunities for certain municipalities within the County of Bergen to refinance outstanding bond anticipation notes and issue new money notes through a County-guaranteed pooled note financing issued by the Authority. Each participating municipality had credit ratings lower than the County, and many had the practice of issuing their notes without a credit rating or an offering document. Developments in the municipal market at the time were now requiring those municipalities to incur the costs of preparing offering documents and receiving credit ratings prior to issuing notes, or else run the risk of receiving a much higher rate. Recognizing that such developments and rapidly increasing market rates were increasing the cost of short-term borrowing for these municipalities, the Authority advised each prospective municipality that the County Executive and the County Board of Commissioners were offering the County's guaranty of all notes to be issued under the Pooled Note Program. By guarantying the notes of each local borrower, the financing would be secured by County's "Aaa" credit rating to achieve the lowest rates possible in the municipal market. The costs of issuance would also be shared amongst the participants and allocated proportionately, with the County itself anchoring the Pooled Note Program as its largest participant to increase the savings for each borrower.

After review and consideration of the opportunity, five total municipalities within the County chose to participate in the financing. Among the participants were the Boroughs of Closter, Edgewater, Glen Rock, Little Ferry, and the City of Garfield (the "Borrowers"). The Authority executed the pricing of the Pooled Note Program notes on May 17, 2023. Accounting for all costs of issuance, each participant in the program received a rate of 3.84%, which included the receipt of additional premium to each borrower in addition to the principal received on the date of closing, June 1, 2023. When compared to other note sales and market rates on or around the sale date, the Pooled Note Program produced an estimated \$60,000 in aggregate savings to the Borrowers. The timing of the pricing was also extremely fortunate, as within just one week, developments in the market resulted in 1-year note rates increasing by about thirty basis points (0.30%). Currently, issuers with lower credit ratings than the County that are issuing notes competitively without an offering document and credit rating are receiving rates in the range from 3.97% to 4.28%, and those reported rates do not take into account costs of issuance.

Responsible Fund Balance Management

- Key Factor in Maintaining Aaa Bond Rating
 - Moody's is looking for year-over-year increases in fund balance
- Strong financial position for sustainability
- Preparedness for future uncertainties
- Responsibly using fund balance to offset costs to taxpayers
- **The fund balance has doubled since taking office in 2015**



Fund Balance



	2015	2016	2017	2018	2019	2020	2021	2022	2023
Beginning Fund Balance	\$32.7M	\$33.8M	\$38.3M	\$45.8M	\$48.6M	\$47.2M	\$60.6M	\$64.5M	\$69.9M
Used to Off-Set Taxes	\$18.4M	\$18.4M	\$19.4M	\$20.5M	\$20.5M	\$25.0M	\$24.4M	\$29.8M	\$36.5M
Regenerated	\$19.5M	\$22.9M	\$26.8M	\$23.2M	\$19.1M	\$38.5M	\$28.3M	\$35.1M	\$41.5M*
Ending Fund Balance	\$33.8M	\$38.3M	\$45.8M	\$48.6M	\$47.2M	\$60.6M	\$64.5M	\$69.9M	\$74.9M*

* Estimated

\$42,200,000 increase in fund balance since 2015

Pursuing new revenue opportunities



Growing existing services for current and future budgets



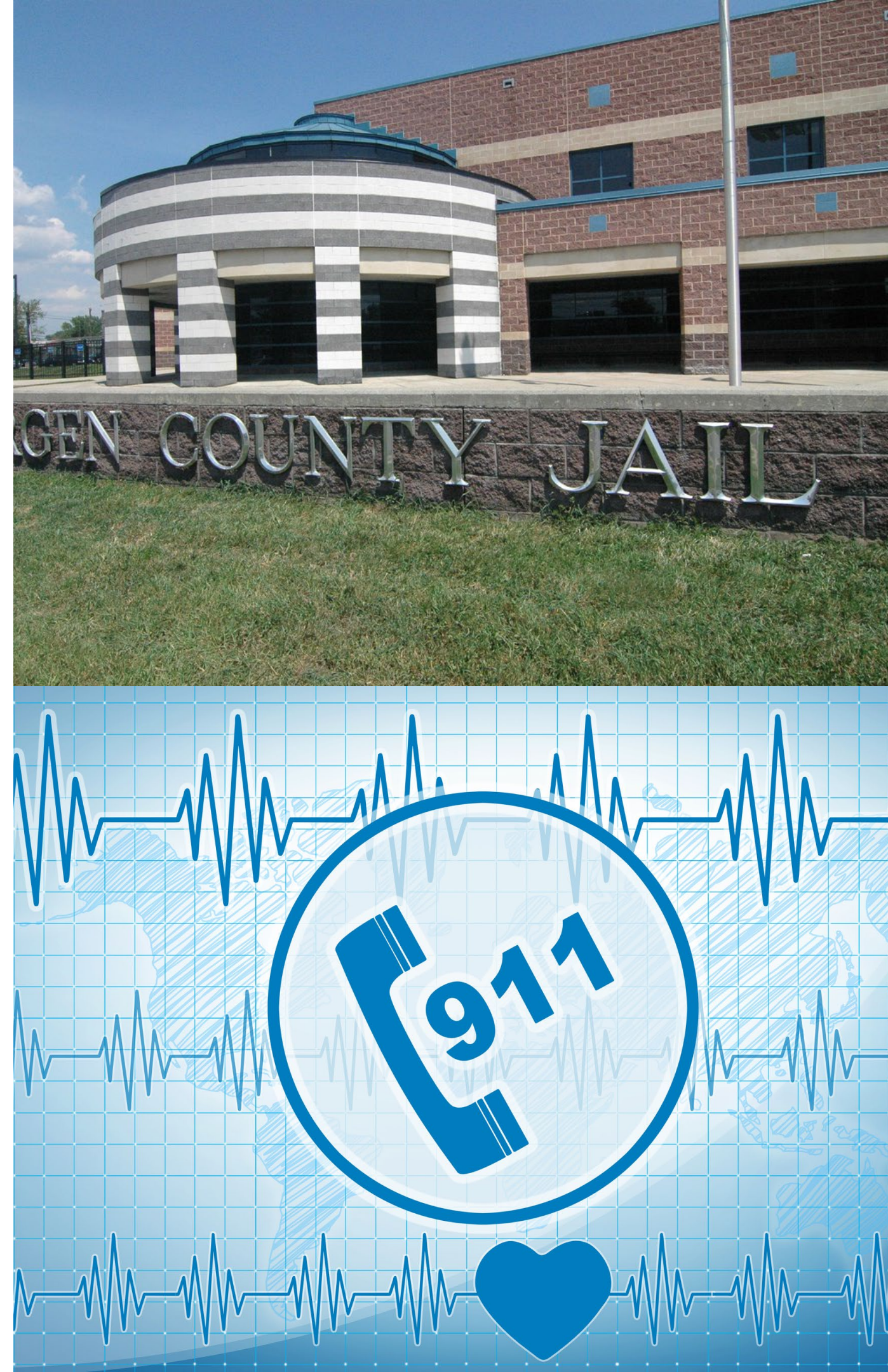


Expanding Parks Recreational Programming

Shared Services

Correctional Shared Services

9-1-1 and Dispatch



Establishing New Revenue Sources

County EMS

Training Out of
County Emergency
Responders

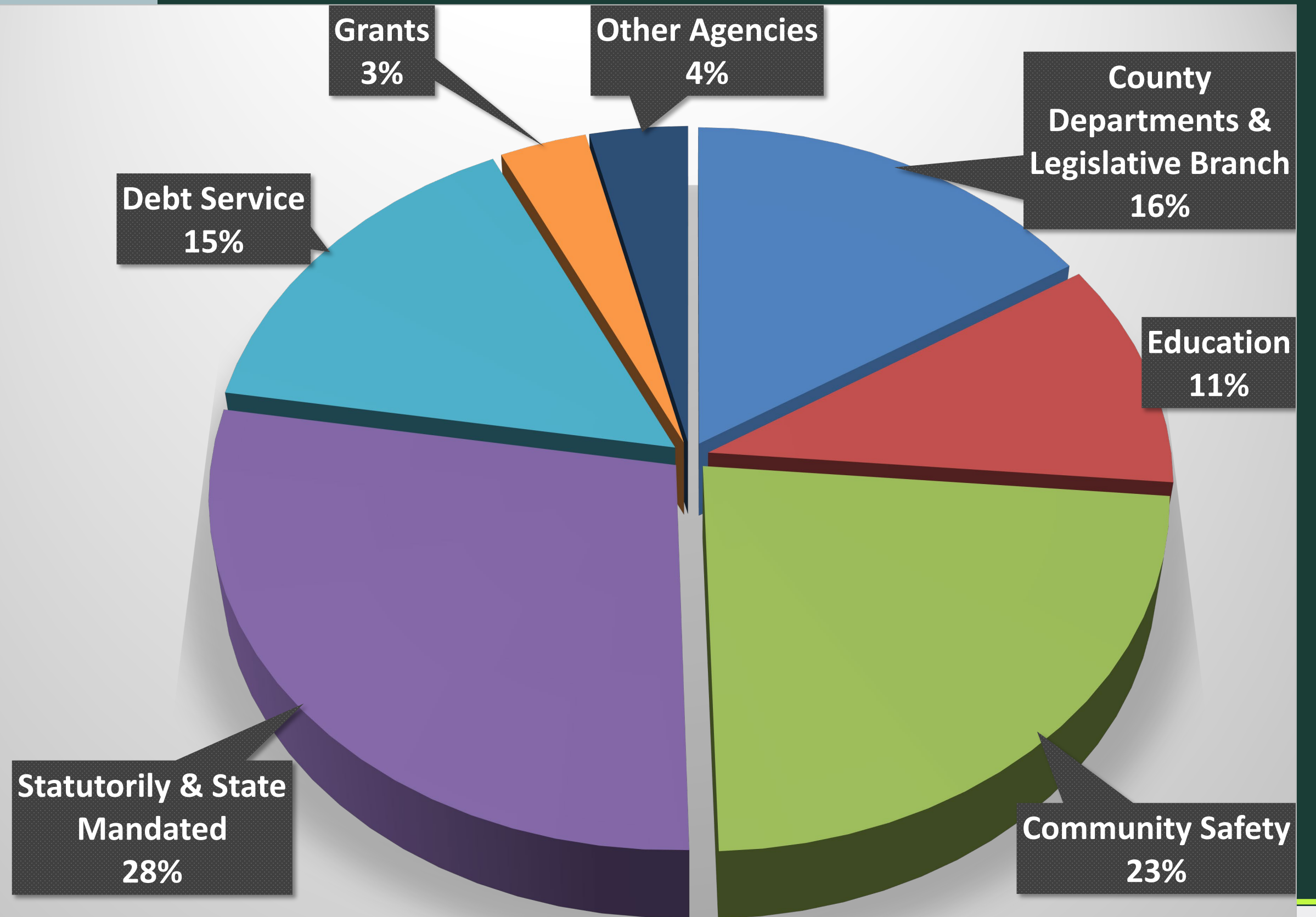




\$670.1M

TOTAL BUDGET

2023 Proposed Budget



2023 Budget Synopsis

Budget Pressures	Amount
Amount to be Raised by Taxation	\$32,871,372.64
Statutorily and State Mandated Expenses	<u>\$26,824,220.00</u>
Increase in Controllable Costs of County Government	\$6,047,152.64

Despite inflationary pressures , the net increase in controllable costs is **1.35%**

County Property Taxes



On the average house assessed
at \$500,000.00

\$3.84 increase per month

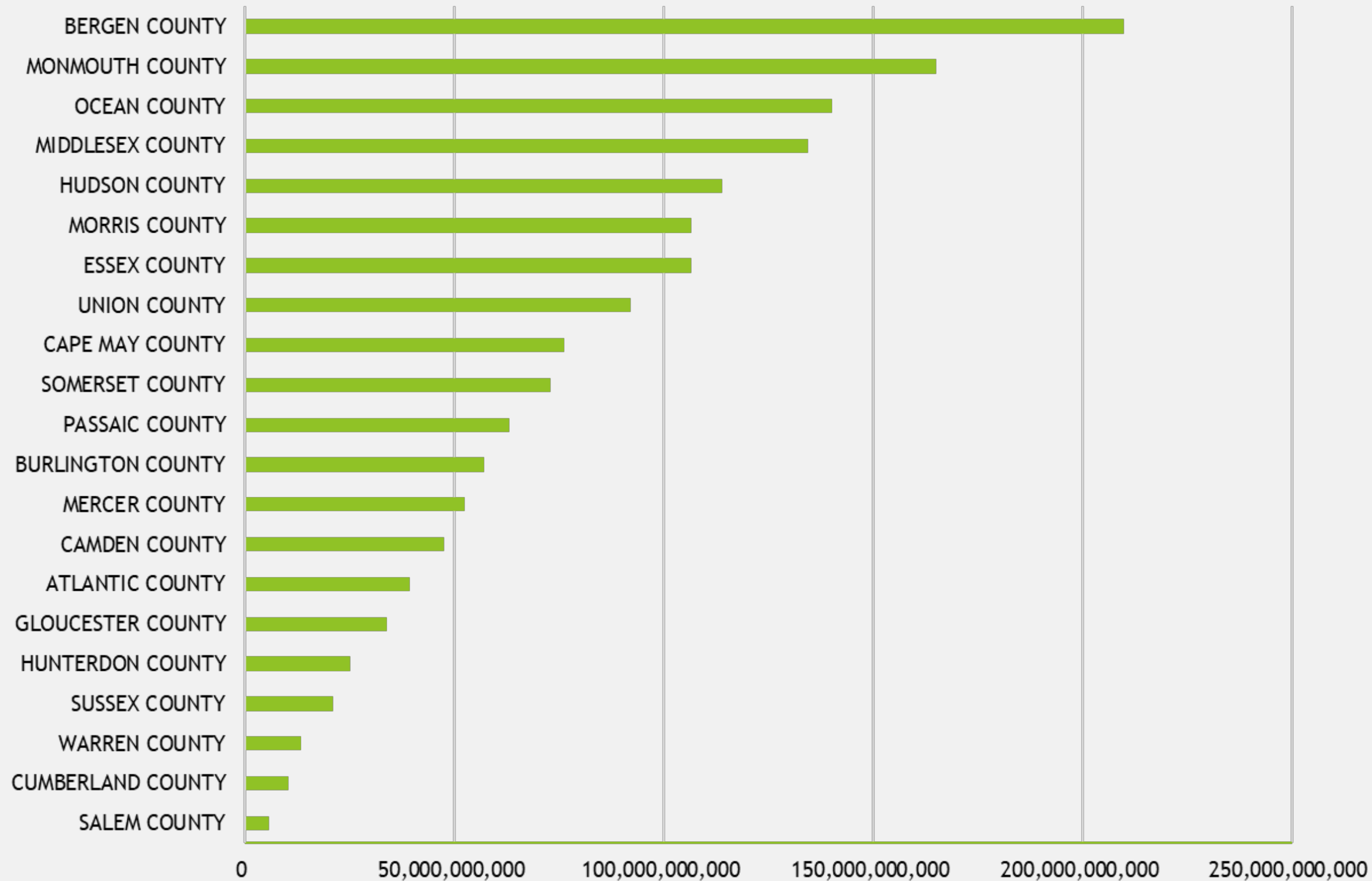
\$46.04 increase per year



That's less than one Starbucks Tall Mocha Frappuccino \$6.95 per month

Strongest Property Values in NJ

County Ratable Comparison



Bergen County
property values,
totaling
\$209,784,711,405,
remain **27%**
higher than any other
county in the State of
New Jersey!

Bergen County will maintain the 2nd lowest tax-rate in the state

County	Tax Rate		County	Tax Rate
Monmouth	.2519		Sussex	.6325
Bergen	.2673		Mercer	.6896
Morris	.2897		Gloucester	.7271
Cape May	.3254		Middlesex	.7306
Somerset	.3815		Warren	.7801
Hunterdon	.4068		Camden	.8849
Ocean	.4250		Passaic	.9512
Burlington	.4308		Union	.9546
Hudson	.4860		Cumberland	1.2752
Essex	.5131		Salem	1.3382
Atlantic	.5791			



TO

RECAP

Budgets are about priorities



The 2nd lowest tax-rate in NJ

Highest property values in NJ

Budget Credits

County Executive James J. Tedesco, III extends his appreciation to following individuals for their dedication, work ethic and professionalism in the formulation of the 2023 Operating and Capital Budget.

Treasury & Division of Budget & Capital Planning

Jon Rheinhardt – Chief Financial Officer

Melissa Howard – Treasurer

Marlene Golden – Budget Examiner

Michael Kaplan – Budget Clerk

Sadie Ortiz – Executive Assistant

Executive Office

Thomas Duch – County Administrator/County Counsel

Michael Bellucci – Deputy County Administrator

