

BOROUGH OF Chester

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Dear Fellow Taxpayer,

I hope this message finds you well and surviving the heat wave we are currently experiencing!

Enclosed you will find your estimated tax bills for the 3rd quarter of 2024. Final tax bills will be mailed by September 30. Estimated bills are being mailed as the state has not yet finalized the state budget.

As a refresher for those of you who have lived here for a while, and those who are new to New Jersey, a quick explanation as to how taxes are collected in this state. Municipalities are tasked with the collection of taxes for all taxing entities, except for the state itself. Each Spring, in the Borough's case, Morris County, West Morris Regional High School District, the Chester K-8 Consolidated School District forward their budgets to the Borough. By state law, the Library receives 1/3 of a mil of the total value of a taxable property. Since the overall value of the Borough has increased, so has the overall budget of the library. Additionally, the taxes for County Open Space and Borough Open Space, both of which were enacted by a vote of the public decades ago, are calculated and applied to the overall tax rate. Other than the "Local Tax" on your tax bill, which is approximately 33% of your total tax bill, all other taxes are under the authority of another taxing entity. If you have questions regarding an increase in one of those taxes, please contact the appropriate authority.

Attached you will find a breakdown of the municipal tax, including the library tax. Total budget appropriations for 2024 are \$5,416,037. The Borough ended the year with a surplus, which is the Borough's savings account, of \$2,847,773. Of that figure, \$697,307 was appropriated to support the budget. Overall, the budget came in under the 2% CAP mandated by the state, resulting in an overall increase of \$163,221. Examples of budget items that fall outside of the state 2% CAP are Capital Improvements, Debt Service, Health Insurance and Pensions. Overall, the tax levy increased by 4.12% resulting in a tax increase of \$199.68 for the municipal average residence of \$572,250.

Of special note this year is the tax levy for the K-8 school district. When the K-8 district calculated the tax owed by Borough residents for 2023, an error was made resulting in an overpayment by Borough taxpayers of approximately \$313,000 which means Chester Township residents underpaid by the same amount. The correction was made for Borough residents on a pro rata basis depending upon the assessed value of your home. Next year, the decrease will not be in effect, so taxpayers will see an increase for that item, plus however much the Board of Education increases its budget.

Please keep this in mind if you escrow your taxes. All questions related to this may be addressed to the Business Administrator at the Chester Board of Ed.

New Ordinances

I want to bring your attention to some new ordinances that were enacted by the Council in 2023. The Council deliberates on all proposed ordinances, some of which come from suggestions by residents, some from the Borough Land Use Board, some mandated by the state of New Jersey and some from the governing body itself. Of note:

- Peddlers' License Requirement. Any vendor wishing to go door to door in the Borough must register with the Borough and pay a \$500 fee. They are required to have their Borough provided Peddlers License available. Religious organizations and political candidates, by state code, are exempt. (Borough initiated)
- Privately Owned Salt Storage. All salt on private property must be stored on an impermeable surface and covered. (NJ DEP mandated)
- Bamboo Prohibitions. Bamboo is non-native, and in some cases, extremely invasive. Restrictions as to the planting and maintenance of bamboo have been put into place. (Borough initiated)
- Side and rear yard setback. Previously, the setbacks for an accessory building such as a storage shed was 25 ft. For some lots, that would place the shed in the middle of the yard. This ordinance reduces the side and rear yard setback to 10 feet provided that the accessory building is less than 200 sf and has a maximum height of 16 ft. Accessory buildings, including sheds, require a zoning and construction permit. (Borough initiated)

All ordinances of the Borough of Chester are available at: <https://ecode360.com/CH1917/home>

Additionally, the NJDEP is requiring all municipalities to enact an ordinance for the replacement of trees. This will most likely involve requiring a permit for the replacement of a tree removed on private property.

Sewer Expansion Update

Efforts are continuing on the expansion of the Borough Wastewater Treatment plant. Updates will be posted on the Borough website.

Borough Email List

The Borough is compiling a database of residents for emails on happenings in the Borough. If you would like to be included, please email: clerk@chesterborough.org. Please write: "Borough email list" in the subject line.

On behalf of the Borough Council and myself, thank you for the opportunity to serve you. Please reach out with questions or concerns at any time. My email is: jhoven@chesterborough.org.

Best,



Janet Hoven
Mayor

2024 Tax Rate: Adoption

2024 Total Budget Appropriations		5,416,037.29
Reserve For Uncollected:		420,000.00
Public Library Appropriation Adjustment	0.033	156,010.93
Approximate Budget:		5,260,026.36
Still Needed to Support Budget:		-

Surplus 12/31/23:	2,847,773.89
Used in This Budget:	697,307.23
% of Surplus Used	24.49%
Surplus Balance:	2,150,466.66

2024 LEVY CAP CALCULATION:	
Max Amt Tax Levy Cap:	\$3,979,486.64
Current Amt Tax Levy:	\$3,970,498.99
Total Amt Over or Under:	\$8,987.65
	UNDER LEVY CAP

2023 Amount to be Raised by Taxes:	\$3,963,288.58
2024 Amount to be Raised by Taxes:	\$4,126,509.92

2023 Budget Appropriations: No Grants/IL Service	\$5,038,012.60
2024 Budget Appropriations: No Grants/IL Service	\$5,205,854.99

THIS SCENARIO REPRESENTS:		
Municipal Tax Increase in Dollars:	\$	163,221
Budget Appropriation Increase in Dollars:	\$	167,842
% Increase in Budget Appropriations:		3.33%
Municipal Tax Rate would be:		0.883
% Increase in Municipal Tax Rate		-2.17%
Avg Municipal Tax Increase per Point	\$	57.14
Municipal Increase in Tax Points:		3.49
% Increase in Tax Levy:		4.12%
2024 (Avg) Municipal Incr - \$572,250 Residence:	\$	199.68

2023 VALUATION	438,594,534
TAX POINT:	43,859
Municipal Rate:	0.903

2024 VALUATION	467,103,520
TAX POINT:	46,710
Adopted Mun Rate:	0.883

# RESIDENTIAL PROPERTIES - 2023		
468	\$	537,732
Market Value: 99.43%	\$	540,814
RESIDENTIAL VALUE	\$	251,658,500

# RESIDENTIAL PROPERTIES - 2024		
466	\$	572,250
Market Value: 99.21%	\$	576,807
RESIDENTIAL VALUE	\$	266,668,500

2024 APPROPRIATION SUMMARY:		
Salary & Wage	\$	13,593
Other Expenses	\$	(27,561)
Chester Police Interlocal	\$	46,640
Chester Court Interlocal	\$	14,194
Chester Library	\$	10,575
Capital Improvement Fund	\$	5,000
Insurance/Benefits	\$	64,509
PERS Pension	\$	(19,678)
Debt Service	\$	28,980
Hydrant Rental	\$	5,000
Bernardsville Health Interlocal	\$	9,090
IT Services	\$	10,000
Utilities	\$	7,500
Total:	\$	167,842