



## *City of Lambertville*

### **Rating Surveillance Presentation**

# Introduction

## Issuer Contacts

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- Cynthia L. Ege, City Clerk & Registrar, (609) 397-0110, [cityclerk@lambertvillenj.org](mailto:cityclerk@lambertvillenj.org)
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## Auditor Contacts

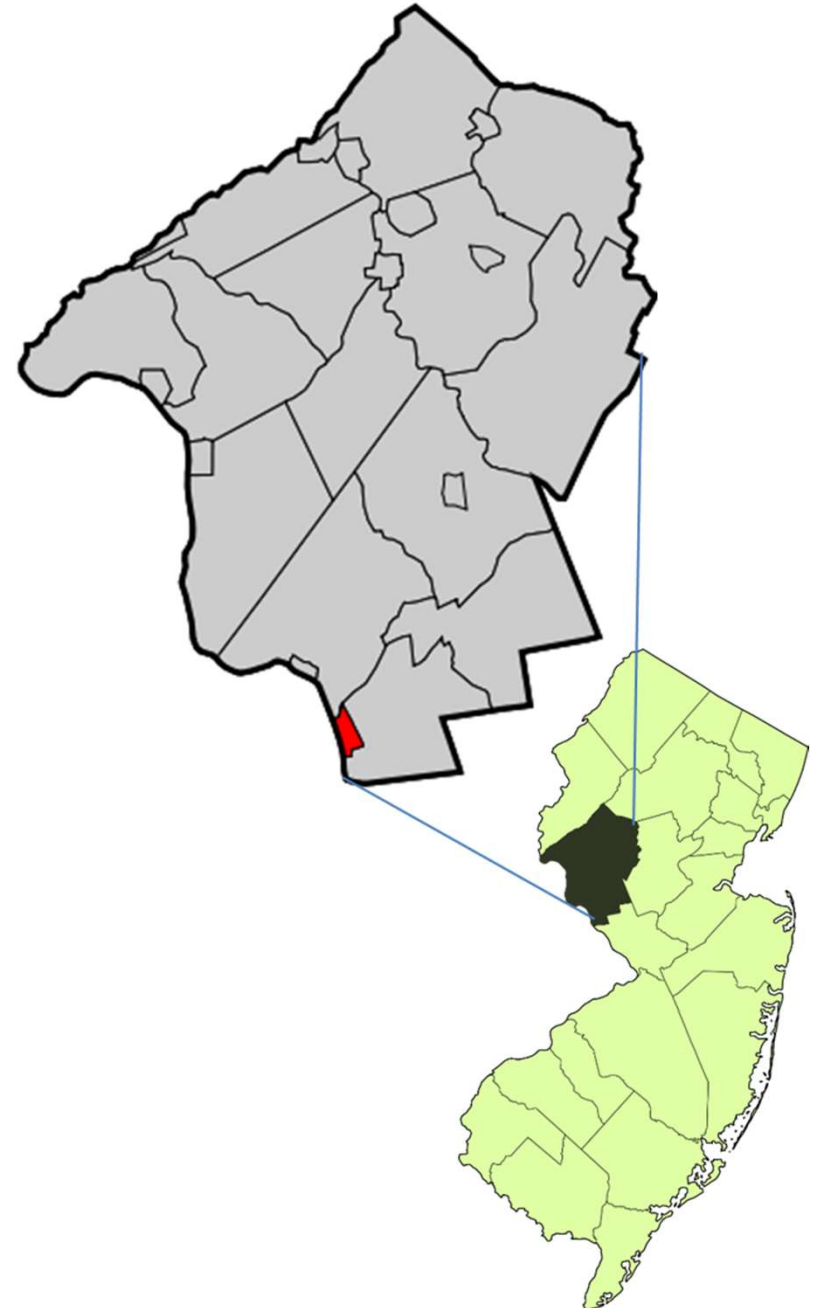
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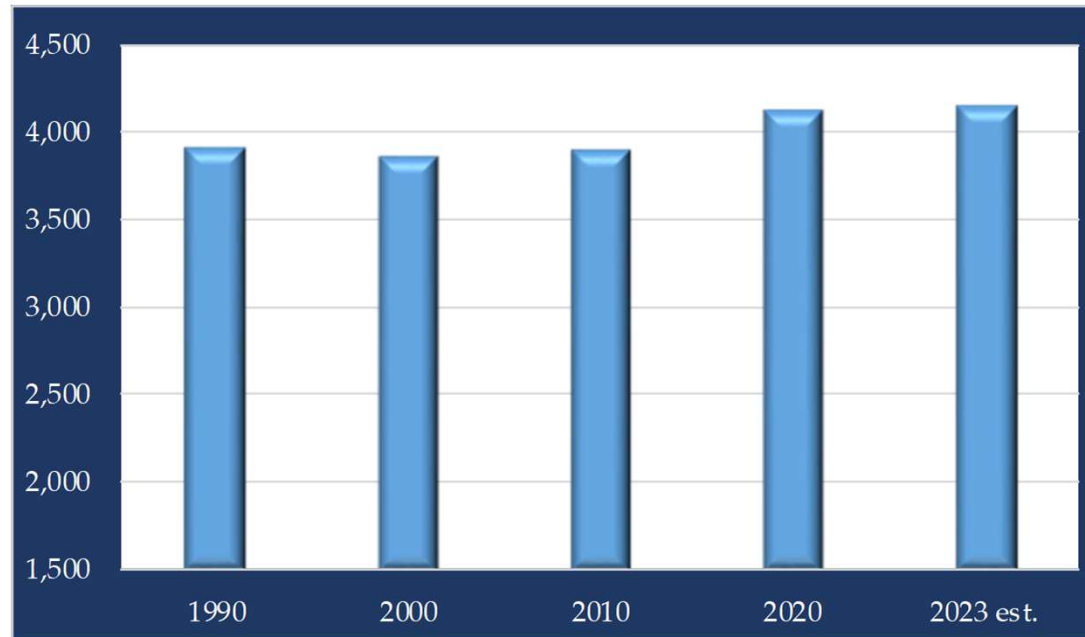
# Overview

- Located in Hunterdon County, New Jersey
- Approximately 1.25 square miles.
- Approximately 4,150 Residents
- Traversed by Route 29, Route 165, U.S. Route 202 and CR 518
- Located approximately 1 hour from Philadelphia and 1.5 hours from New York City



# Population

- The City's population has increased modestly since 2010.
- Population Density: 3,817 people per square mile\*.



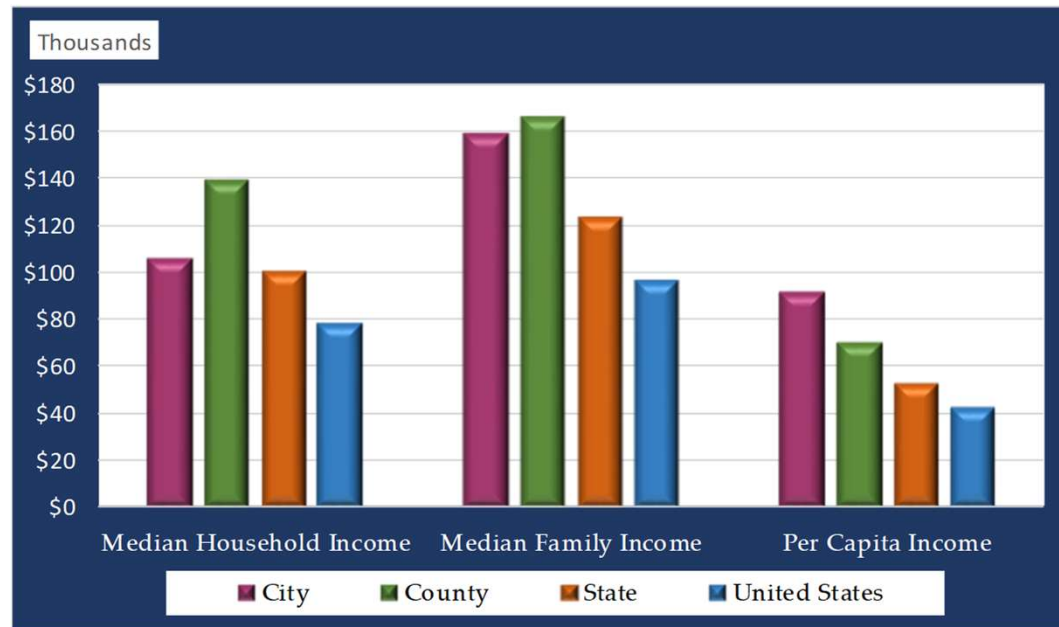
Year	Population	% Change
2023 est.	4,157	0.43%
2020	4,139	5.97
2010	3,906	0.98
2000	3,868	-1.50
1990	3,927	-2.89

Source: US Census Bureau

\*State of New Jersey average density is 1,263 people per square mile.

# Wealth and Income

- City wealth and income levels are greater than State and National averages.
- The City's per capita income is 213% of the National average.

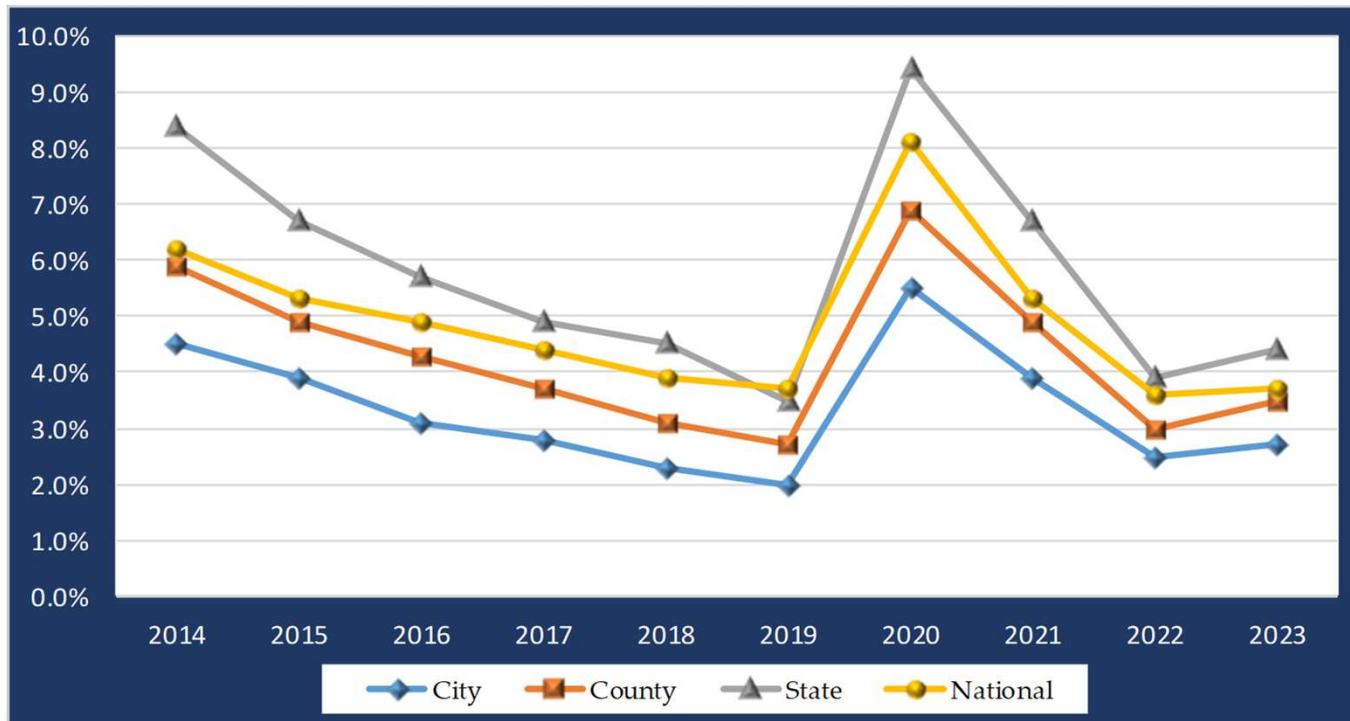


Wealth and Income			
	Median Household Income	Median Family Income	Per Capita Income
City	\$106,236	\$159,457	\$92,318
County	139,453	166,462	71,070
State	101,050	123,892	53,118
United States	78,538	96,922	43,289

Source: US Bureau of the Census, 2023 American Community Survey 5-Year Estimates

# Unemployment Rates

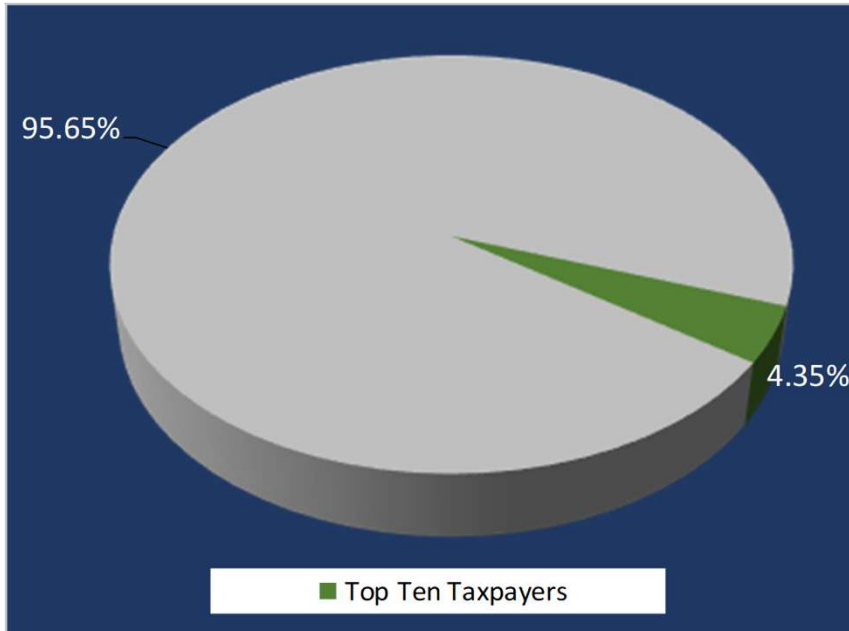
- The City's unemployment rate has consistently been lower than County, State and National levels.



Unemployment Rates										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>City</b>	4.5%	3.9%	3.1%	2.8%	2.3%	2.0%	5.5%	3.9%	2.5%	2.7%
<b>County</b>	5.9%	4.9%	4.3%	3.7%	3.1%	2.7%	6.9%	4.9%	3.0%	3.5%
<b>State</b>	8.4%	6.7%	5.7%	4.9%	4.5%	3.5%	9.4%	6.7%	3.9%	4.4%
<b>National</b>	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%	3.6%	3.7%

Source: New Jersey Department of Labor, Division of Labor Market and Demographic Research, Bureau of Labor Force Statistics

# Top Ten Taxpayers



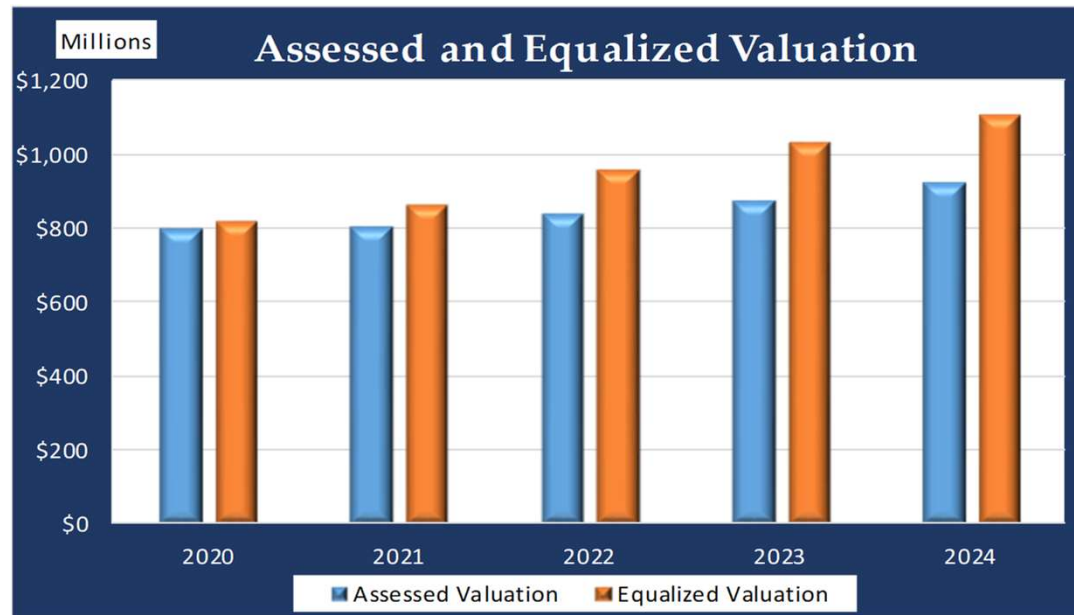
- Top Ten Taxpayers represent only 4.35% of total tax base.
- Among the top ten taxpayers are hotels and residential/retail properties.

2024 Top Ten Taxpayers		
Taxpayers	2024 Assessed Valuation	% of Total A.V.
Houston-MDL/LSRI Holdings LLC	\$11,364,900	1.23%
LV Hotel Property LLC	4,918,700	0.53%
LCP C/O Fedway Assoc.	3,541,000	0.38%
Centre Market Place Realty Inc	3,480,700	0.38%
Route 12-1 Properties LLC	3,218,000	0.35%
Promar Development Co LLC	3,138,300	0.34%
Lambertville VLG Realty	2,804,000	0.30%
Allied Village Square LLC	2,791,400	0.30%
Dorsa Partners LLC	2,529,500	0.27%
Individual Property Owner	2,380,700	0.26%
	<b>\$40,167,200</b>	<b>4.35%</b>

2019 Top Ten Taxpayers		
Taxpayers	2019 Assessed Valuation	% of Total A.V.
Heritage Village at Lambertville	\$10,150,400	1.30%
The Evangelist RC Church	9,875,200	1.27%
City of Lambertville	9,079,500	1.16%
Swan Creek Holding Company	5,947,200	0.76%
Woodrose Properties LLC	5,523,400	0.71%
LV Hotel Property LLC	4,898,700	0.63%
Lambertville Sewerage Authority	4,816,100	0.62%
Promar Development Co LLC	3,995,400	0.51%
BC Property Management	3,174,000	0.41%
North Union LLC	3,000,200	0.38%
	<b>\$60,460,100</b>	<b>7.75%</b>

# Tax Base

- The City maintains a sizeable tax base with very strong market value per capita and has continued to grow its assessed valuation.
- Assessed Valuations have increased 16% since 2020.
- Market Values have increased 35% since 2020.

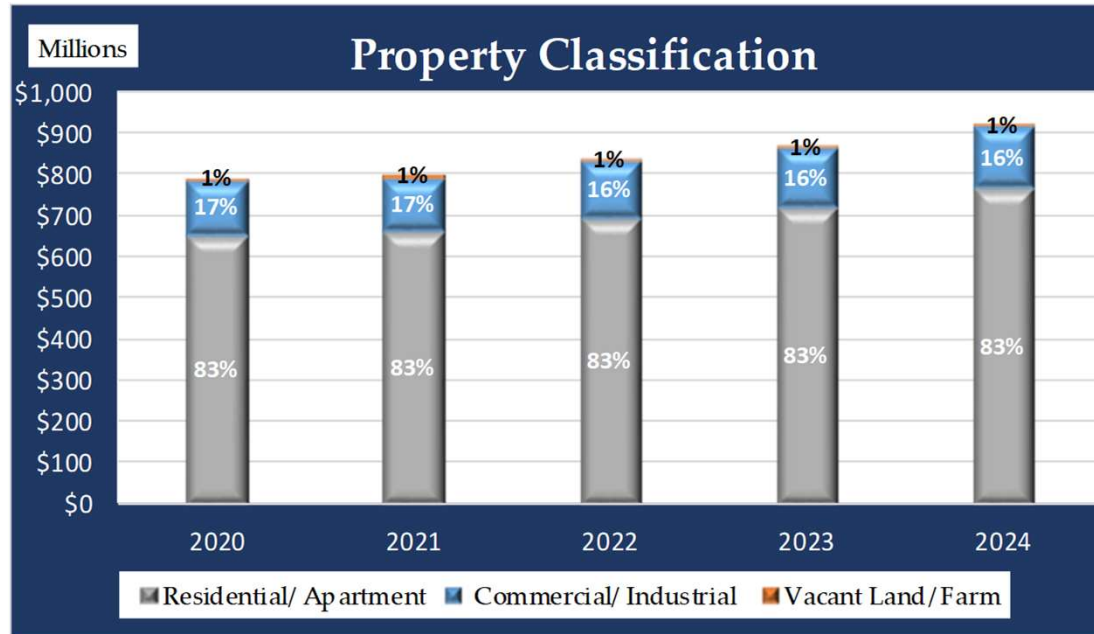


Assessed and Equalized Valuation					
	2020	2021	2022	2023	2024
<b>Assessed Valuation</b>	\$795,337,992	\$802,923,992	\$839,618,392	\$871,158,792	\$922,625,419
<b>Equalized Valuation</b>	818,922,974	864,288,474	954,871,366	1,032,423,314	1,104,279,376
<b>Market Value Per Capita*</b>	197,855	208,816	230,701	249,438	266,799

\*Based on the 2020 census population of 4,139

# Property Classification

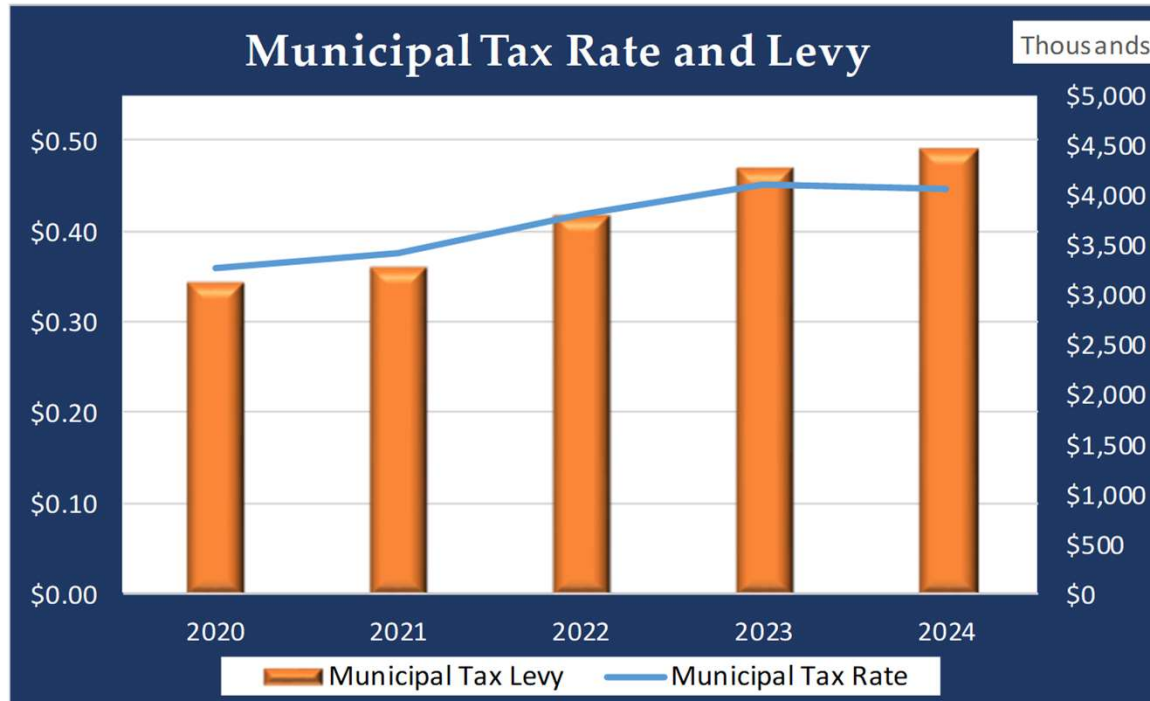
- The tax base is primarily residential, accounting for 83% of the total assessment.



Property Classification					
	2020	2021	2022	2023	2024
<b>Vacant Land</b>	\$4,544,283	\$4,245,183	\$5,022,883	\$5,251,983	\$4,278,000
<b>Residential</b>	631,429,200	638,712,900	667,878,100	691,773,600	734,584,900
<b>Farm</b>	1,526,416	1,681,016	464,616	469,616	486,919
<b>Commercial</b>	121,350,200	122,353,200	125,843,800	131,124,700	138,316,500
<b>Industrial</b>	11,542,000	11,542,000	12,255,000	12,434,000	13,162,900
<b>Apartments</b>	<u>24,945,893</u>	<u>24,389,693</u>	<u>28,153,993</u>	<u>30,104,893</u>	<u>31,796,200</u>
<b>Total</b>	<u>\$795,337,992</u>	<u>\$802,923,992</u>	<u>\$839,618,392</u>	<u>\$871,158,792</u>	<u>\$922,625,419</u>

# Tax Rates and Tax Levy

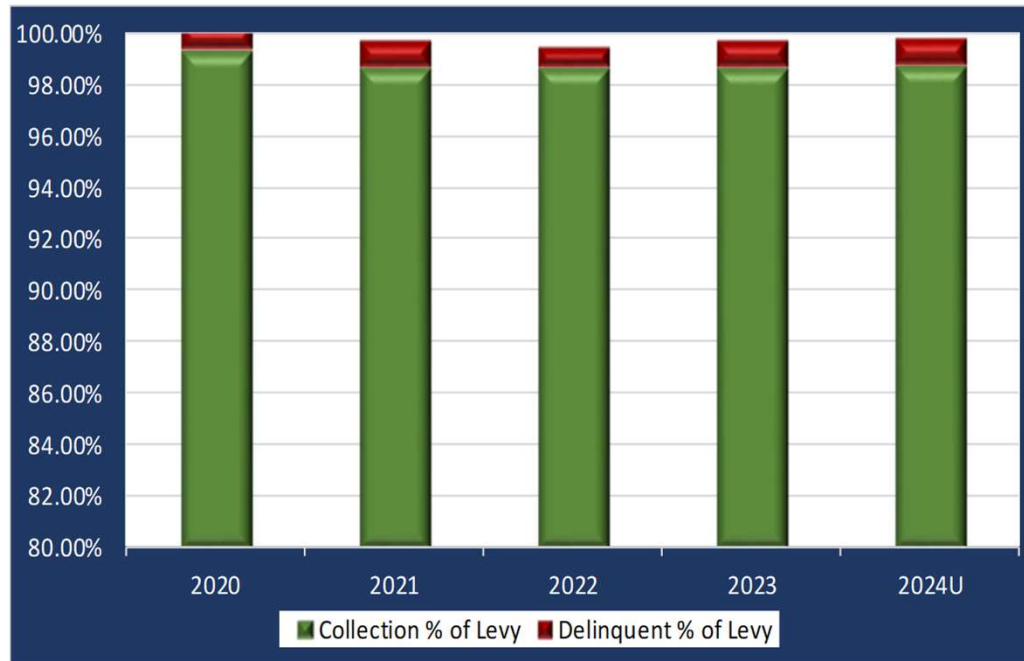
- The municipal tax levy has consistently grown since 2020.



Year	Municipal Municipal	Municipal Open Space	Municipal Library	Fire District	Regional School	County	Total	Municipal Tax Levy
2024	\$0.446	\$0.010	\$0.038	\$0.144	\$1.291	\$0.382	\$2.311	\$4,453,757
2023	0.451	0.010	0.037	0.148	1.319	0.377	2.342	4,260,131
2022	0.417	0.010	0.034	0.149	1.342	0.358	2.310	3,791,026
2021	0.375	0.010	0.034	0.151	1.345	0.353	2.268	3,277,274
2020	0.360	0.010	0.034	0.149	1.315	0.353	2.221	3,133,230

# Tax Levies and Collections

- The City's total tax collections averaged 98.8% over the past five years.



Tax Collections						
<u>Year</u>	<u>Tax Levy</u>	<u>Current Collections</u>	<u>Collection % of Levy</u>	<u>Delinquent Collections</u>	<u>Delinquent % of Levy</u>	<u>Total %</u>
2024U	\$21,384,194	\$21,128,291	98.80%	\$204,907	0.96%	99.76%
2023	20,437,730	20,177,059	98.72%	196,403	0.96%	99.69%
2022	19,416,382	19,162,179	98.69%	140,173	0.72%	99.41%
2021	18,212,878	17,967,879	98.65%	191,265	1.05%	99.70%
2020	17,667,273	17,551,111	99.34%	171,104	0.97%	100.31%

**U: Unaudited**

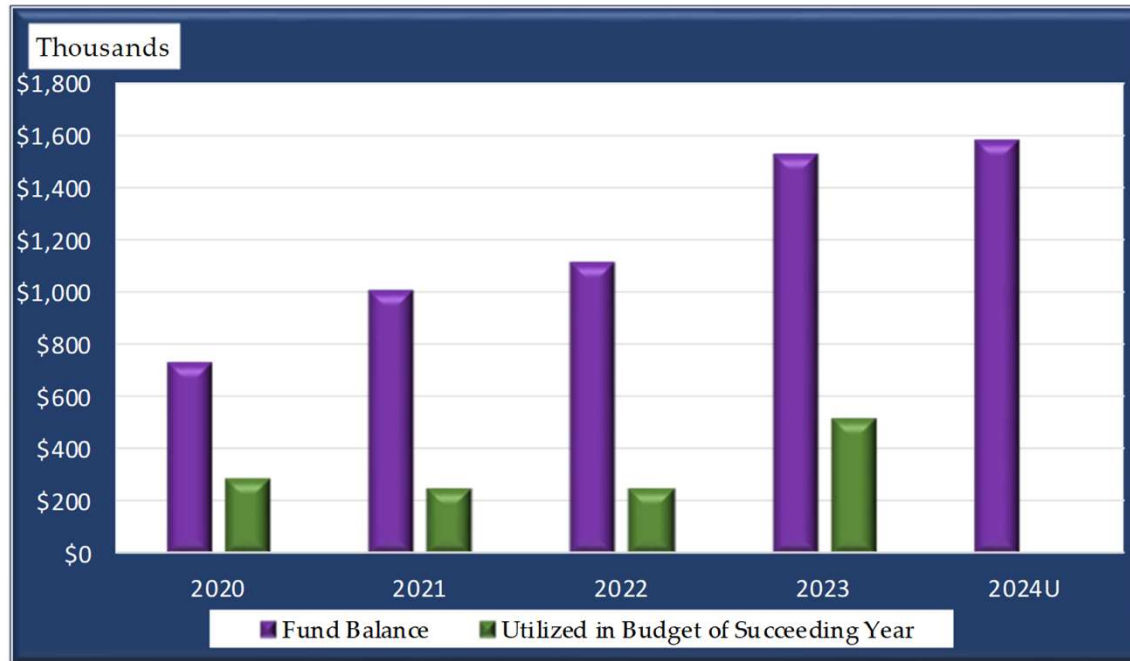
# Comparison of Budgets (2020-2024)

- Property taxes are the primary source of revenue, accounting for 53% of budget.
- The City has approximately \$700,000 in tax levy bank available for the 2025 Budget.
- The 2024 Budget assumed a 98.72% tax collection rate.
- \$397,845.18 of ARP funds were received (received in two tranches – 2021 & 2022).

Anticipated Revenues	2020	2021	2022	2023	2024
Fund Balance Utilized	\$400,000	\$292,810	\$250,000	\$250,000	\$523,000
Miscellaneous Revenues	2,516,336	2,314,203	2,238,899	2,773,594	3,323,171
Receipts from Delinquent Taxes	153,750	167,372	169,189	100,000	100,000
Amount to be Raised by Taxation	<u>3,133,230</u>	<u>3,277,274</u>	<u>3,791,026</u>	<u>4,260,131</u>	<u>4,453,757</u>
Total Revenue:	<u>\$6,203,316</u>	<u>\$6,051,660</u>	<u>\$6,449,114</u>	<u>\$7,383,725</u>	<u>\$8,399,928</u>
Appropriations	2020	2021	2022	2023	2024
General Appropriations	\$3,953,984	\$3,946,562	\$4,133,861	\$4,388,636	\$4,760,091
Operations (Excluded from CAPS)	414,773	397,950	405,479	806,251	580,718
Total Deferred Charges	0	0	84,338	256,701	962,064
Capital Improvement Fund	18,200	24,950	95,000	51,000	51,000
Municipal Debt Service	1,451,359	1,443,199	1,490,436	1,616,136	1,781,055
Reserve for Uncollected Taxes	<u>365,000</u>	<u>239,000</u>	<u>240,000</u>	<u>265,000</u>	<u>265,000</u>
Total Appropriations:	<u>\$6,203,316</u>	<u>\$6,051,660</u>	<u>\$6,449,114</u>	<u>\$7,383,725</u>	<u>\$8,399,928</u>

# Fund Balance – Current Fund

- Current Fund Balance has increased over the past five (5) years and is currently 19.3% of expenditures.



Fund Balance - Current Fund				
Year	Balance 12/31	Utilized in Budget of Succeeding Year	% Utilized	Fund Balance As % of Expenditures
2024U	\$1,584,673	N/A	N/A	19.30%
2023	1,533,261	523,000	34.11%	19.13%
2022	1,118,667	250,000	22.35%	16.35%
2021	1,015,528	250,000	24.62%	17.44%
2020	735,024	292,810	39.84%	11.42%

**U: Unaudited**

# Labor Contracts

- The status of City's two (2) labor contracts is shown below:

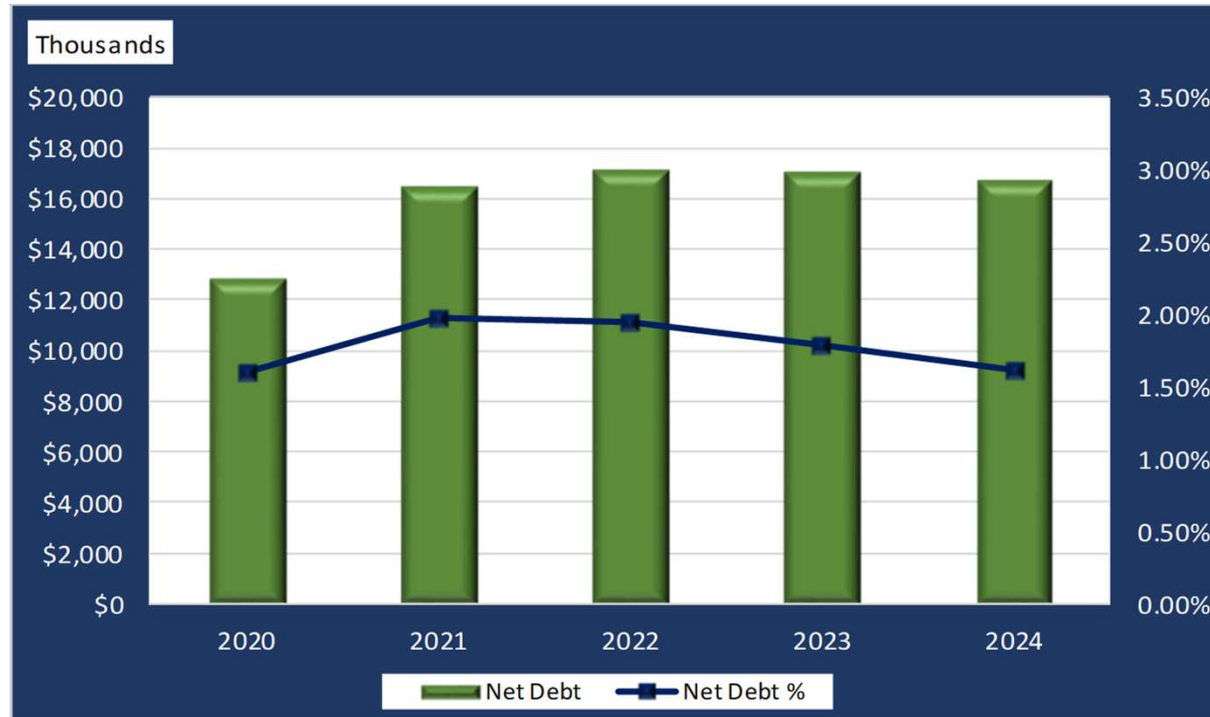
Type of Employee	Union	Contract Expiration
Police Lieutenant	City Police Lieutenant	12/31/25
Police Officers	PBA Local 188	12/31/25

# Policies and Practices

- Fund Balance Policy
  - No formal fund balance policy, but has set an informal target of keeping fund balance above \$1,000,000.
- Debt Policy
  - No formal or informal debt policy, the City has a practice of issuing Bond Anticipation Notes for annual capital and then selling Bonds every 5 - 6 years.
- Investment Policy
  - Adopted cash management plan that specifies permitted investments, which conforms to State guidelines.
- Budget Status Reports
  - Monthly budget status reports are provided to the governing body.
- Budget Forecasting
  - Historic information used to develop budgets.
- Capital Plan
  - Maintains a 3-year capital plan that is updated annually and included as part of the annual budget document. The City is currently working to expand their capital plan.
- Cyber Security
  - The City maintains an insurance plan through the Public Alliance Coverage Fund and the MEL JIF. Additionally, the City has implemented trainings and procedures to educate staff members about fraudulent emails.

# Net Debt

- No bank loans or variable rate debt.

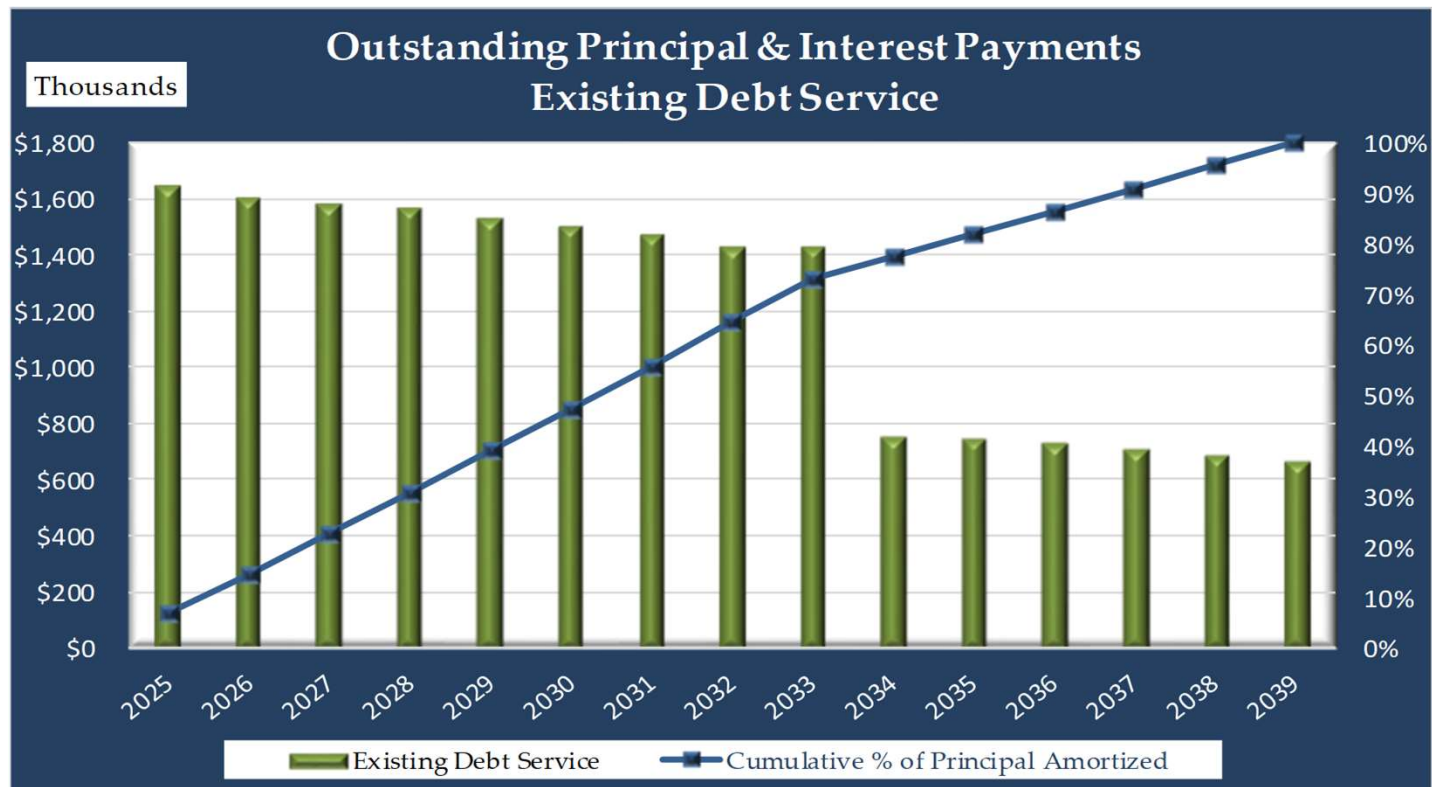


Net Debt %					
Year	2020	2021	2022	2023	2024
Average Equalized Valuation Basis	\$801,233,304	\$830,318,786	\$879,360,938	\$950,527,718	\$1,030,524,685
Net Debt	\$12,824,722	\$16,404,122	\$17,099,230	\$16,982,927	\$16,657,097
Net Debt %	1.601%	1.976%	1.945%	1.787%	1.616%
Remaining Borrowing Power	\$15,218,444	\$12,657,035	\$13,678,402	\$16,285,543	\$19,411,267
Net Debt per Capita*	\$3,099	\$3,963	\$4,131	\$4,103	\$4,024

\*Based on the 2020 census population of 4,139

# Debt Service (General Improvement Bonds)

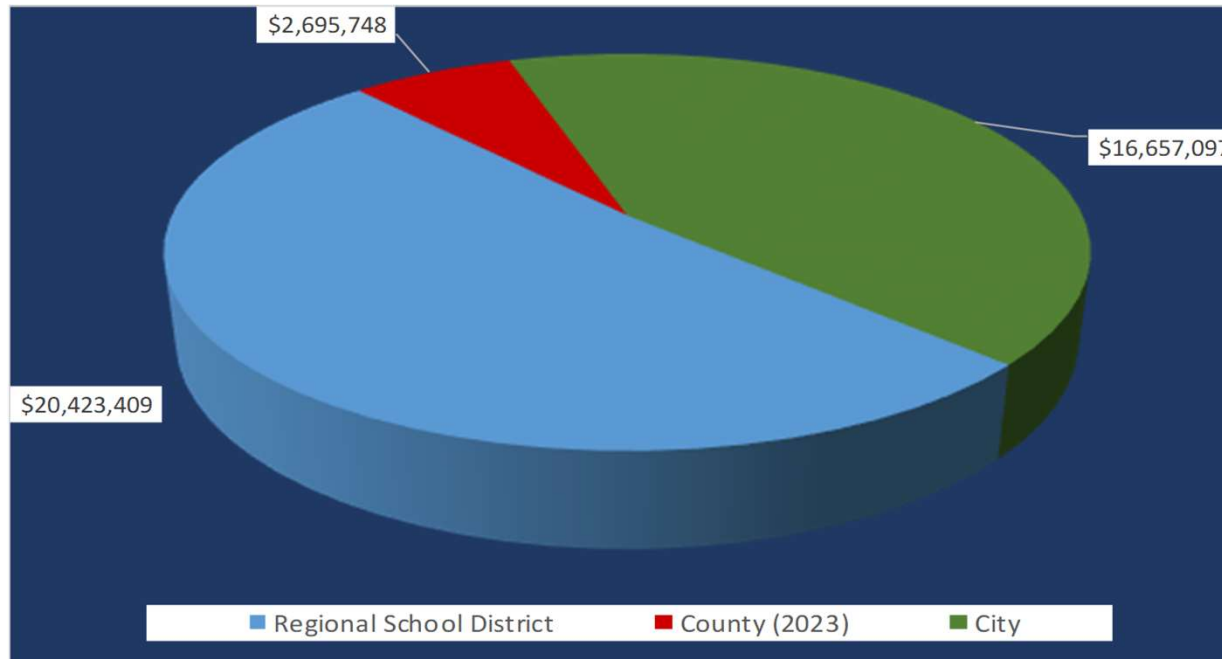
- 82% of principal will be paid over the next 10 years and 100% will be paid in less than 14 years.
- The City has no short-term debt outstanding.
- The City expects to authorize/issue approximately \$300,000 each year going forward for annual capital projects. As needed, additional capital projects may be authorized/issued.



\*Existing debt service consists of General Improvement Bonds and Green Acres Trust Loans.

# Net Direct and Overlapping Debt

- Total Net Direct and Overlapping Debt per capita is approximately \$9,600.

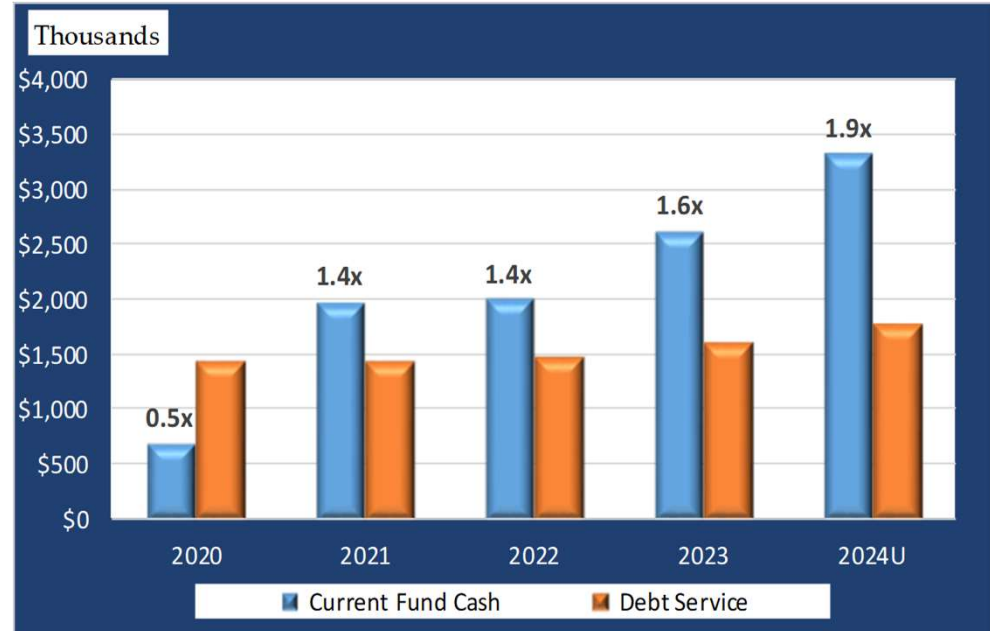
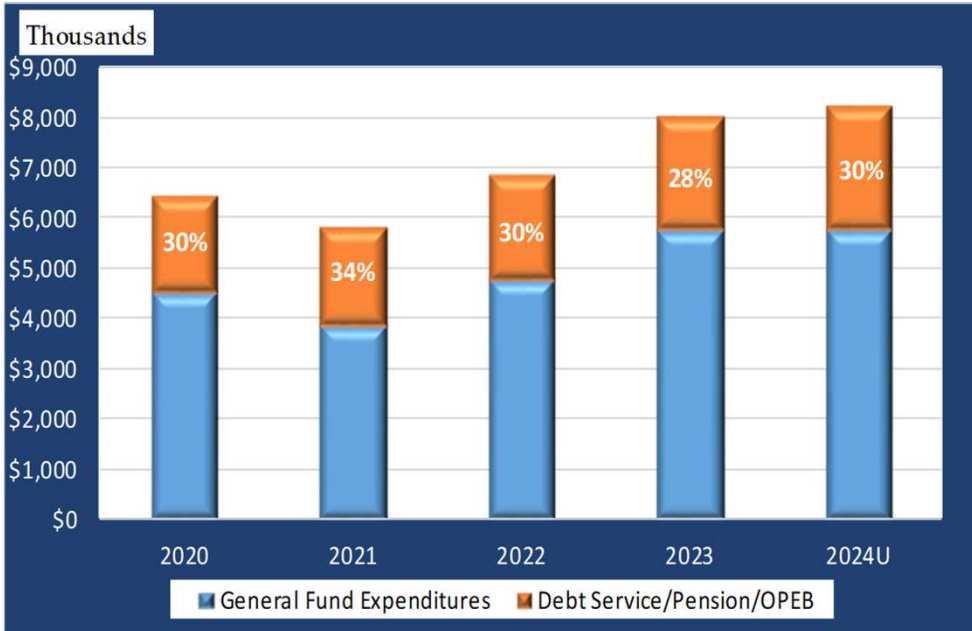


(As of 12/31/2024)	City's Share		
	Outstanding Amount	Percent	Amount
Regional School District	35,760,000	57.11%	20,423,409
County (2023)	71,347,396	3.78%	2,695,748
City	16,657,097	100.00%	16,657,097
<b>Total Net Direct and Overlapping Debt</b>			<b>\$39,776,254</b>

\*City's percentage of County debt is based on the City's share of total equalized valuation in the County.

# Financial Ratios

- The City has been improving its cash position in recent years.
- Debt Service represents 21.7% of the budget.



Year	General Fund Cash	Debt Service	Pension	OPEB	General Fund Expenditures	Cash to Debt Service	Cash as a % of Exp.	Debt Service as a % of Exp.	Debt Service/Pension/OPEB as a % of Exp.
2024U	\$3,325,081	\$1,781,055**	\$445,867	\$230,000*	\$8,211,756	1.9x	40.5%	21.69%	29.92%
2023	2,613,852	1,616,136	410,545	227,828	8,015,947	1.6x	32.6%	20.16%	28.13%
2022	2,013,421	1,483,612	364,343	213,172	6,842,839	1.4x	29.4%	21.68%	30.12%
2021	1,973,782	1,443,199	333,295	182,490	5,824,360	1.4x	33.9%	24.78%	33.63%
2020	701,720	1,451,359	301,024	147,573	6,435,919	0.5x	10.9%	22.55%	29.52%

U: Unaudited; \* Estimate based on prior year's contribution; \*\* Budgeted amount

# Summary

- Primarily residential community with a healthy commercial component, comprised of 83% residential and 16% commercial/industrial. The Top Ten Taxpayers represent 4.35% of the total assessment.
- Unemployment rate has consistently remained below with County, State and National averages.
- A history of strong total tax collection which has averaged 98.8% over the past five (5) years.
- Wealth and Income levels exceed State and National averages.
- Fund Balance has grown in recent years and currently represents 19.3% of expenditures.
- Strong financial management.



# City of Lambertville

18 York Street

Lambertville, NJ 08530