



Moody's Surveillance Presentation
February 15, 2024

City of Lambertville

Introduction

Issuer Contacts

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Municipal Advisor Contact

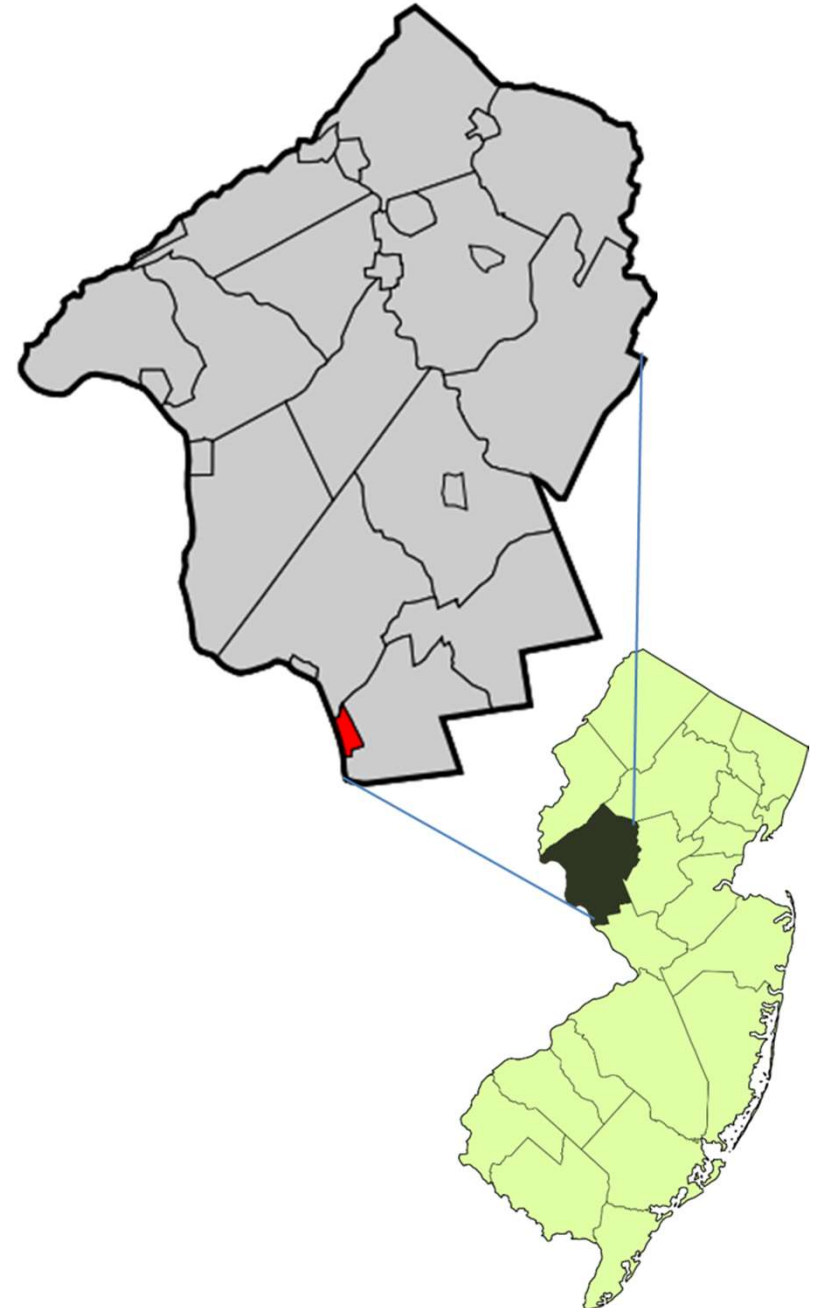
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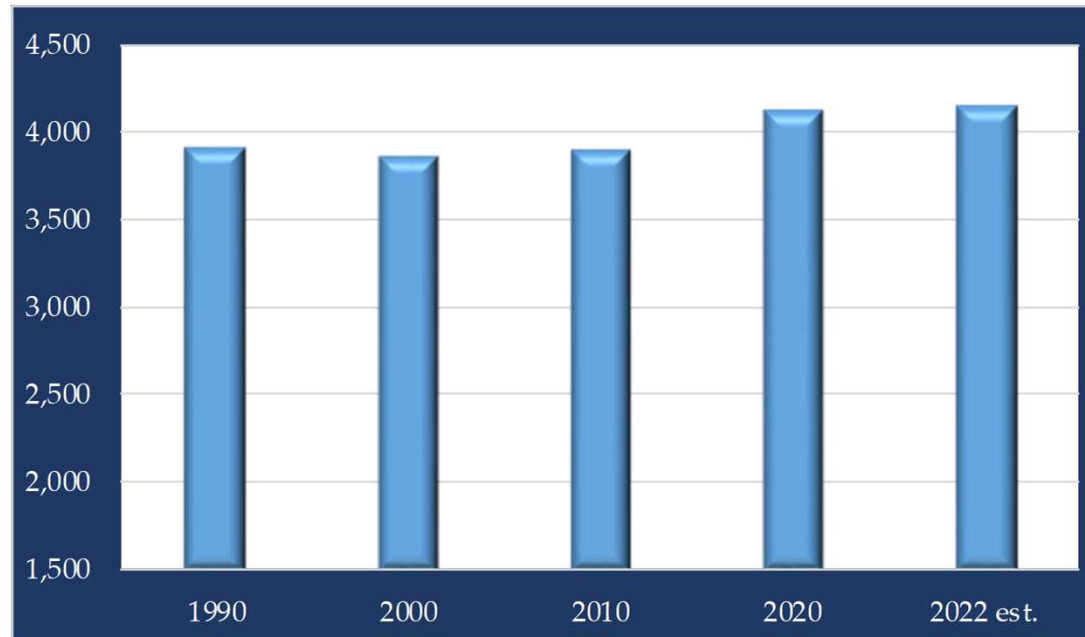
Overview

- 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*.



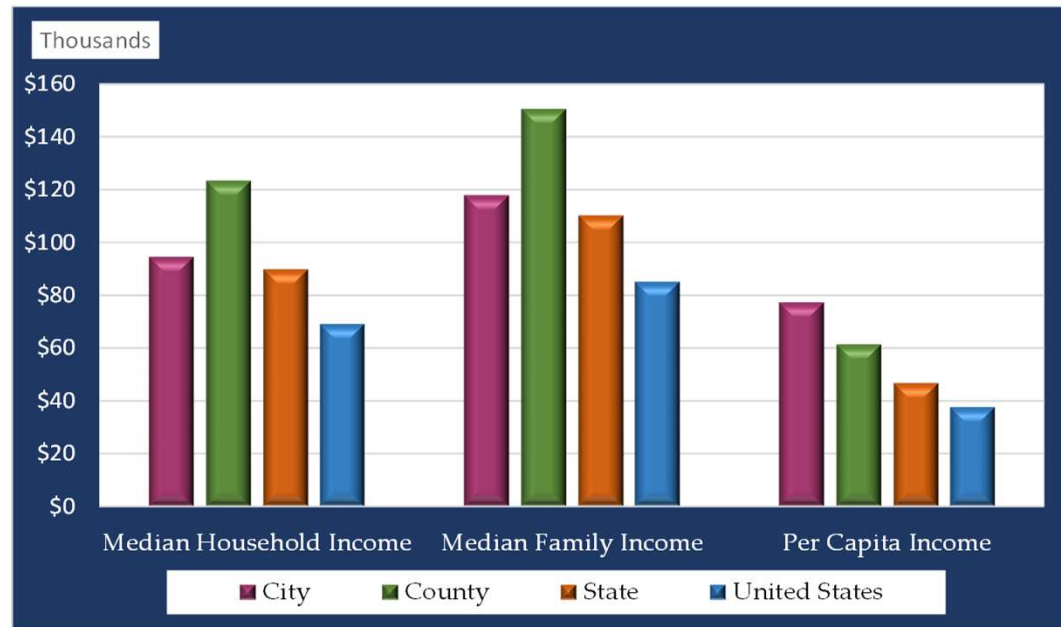
Year	Population	% Change
2022 est.	4,154	0.36%
2020	4,139	5.97
2010	3,906	0.98
2000	3,868	-1.50
1990	3,927	-2.89

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 205% of the National average.

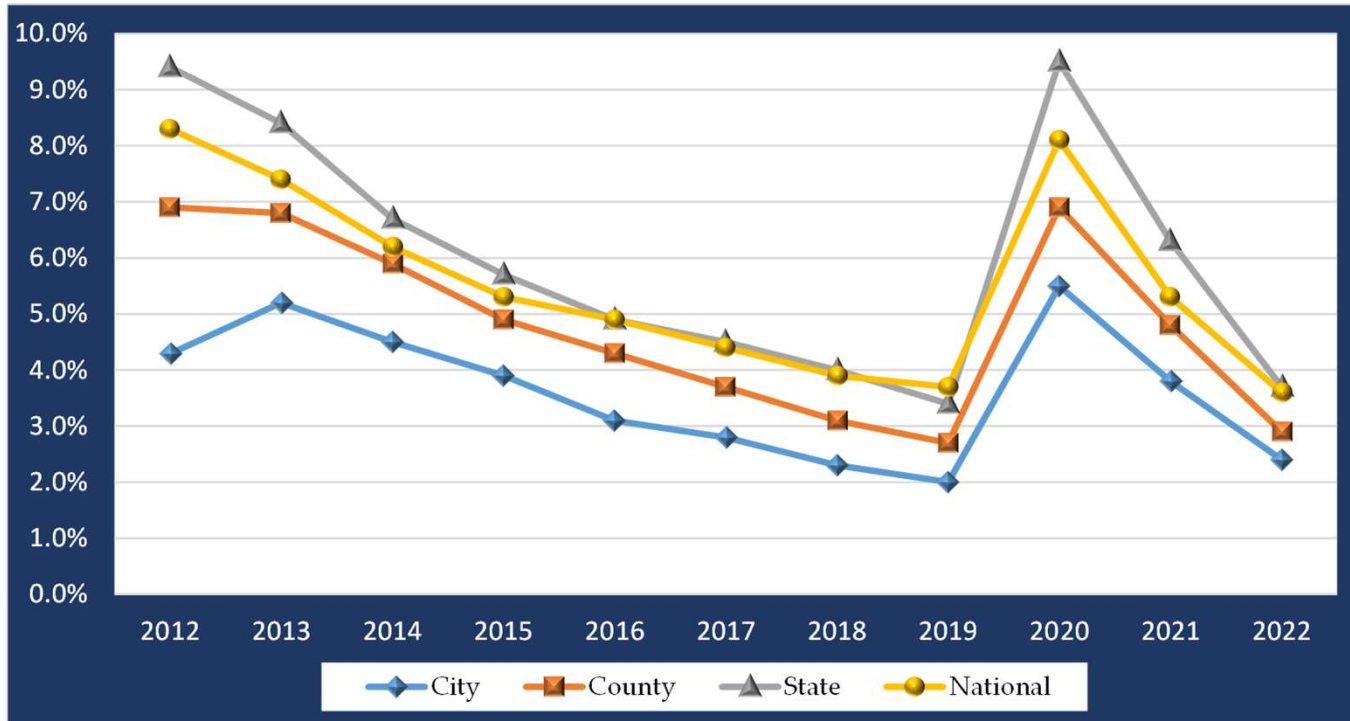


Wealth and Income			
	Median Household Income	Median Family Income	Per Capita Income
City	\$94,522	\$117,833	\$77,192
County	123,373	150,523	61,328
State	89,703	110,115	46,691
United States	69,021	85,028	37,638

Source: US Bureau of the Census, 2021 American Community Survey 5-Year Estimates

Unemployment Rates

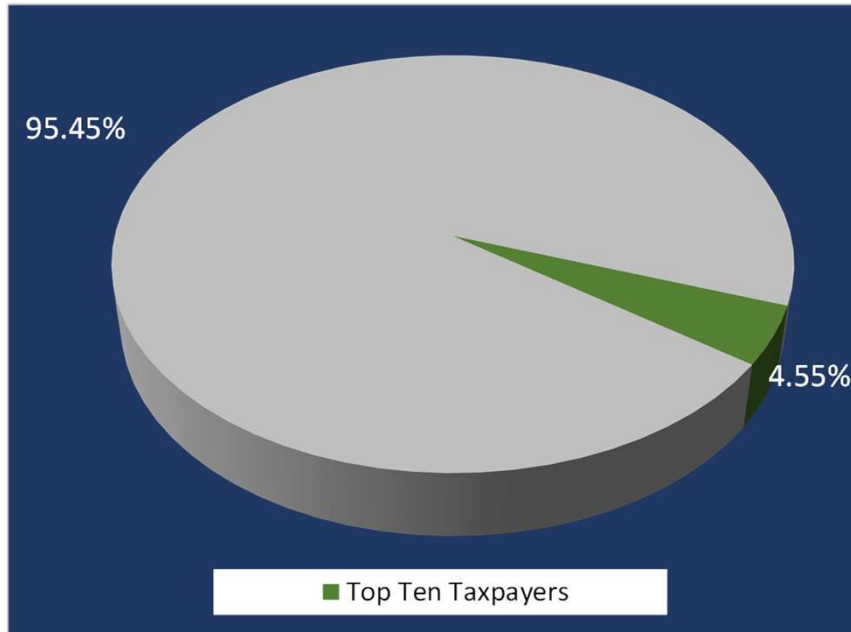
- The City's unemployment rate has consistently been lower than County, State and National levels.



Unemployment Rates											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City	4.3%	5.2%	4.5%	3.9%	3.1%	2.8%	2.3%	2.0%	5.5%	3.8%	2.4%
County	6.9%	6.8%	5.9%	4.9%	4.3%	3.7%	3.1%	2.7%	6.9%	4.8%	2.9%
State	9.4%	8.4%	6.7%	5.7%	4.9%	4.5%	4.0%	3.4%	9.5%	6.3%	3.7%
National	8.3%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%	3.6%

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

Top Ten Taxpayers



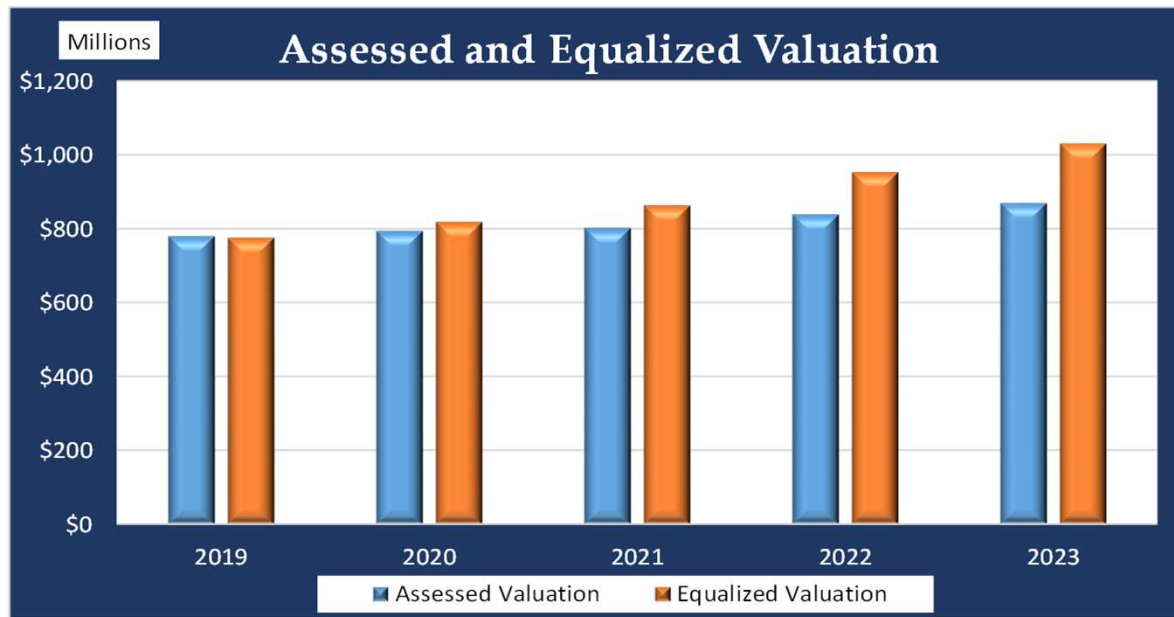
- Top Ten Taxpayers represent only 4.55% of total tax base.
- Among the top ten taxpayers are hotels and residential/retail properties.

2023 Top Ten Taxpayers		
Taxpayers	2023 Assessed Valuation	% of Total A.V.
Houston-MDL/LSRI Holdings LLC	\$10,940,800	1.26%
LV Hotel Property LLC	4,898,700	0.56%
LCP C/O Fedway Assoc.	3,409,000	0.39%
Individual Property Owner	3,145,500	0.36%
Route 12-1 Properties LLC	3,138,000	0.36%
Centre Market Place Realty Inc	3,057,900	0.35%
Promar Development Co LLC	3,031,100	0.35%
Lambertville VLG Realty	2,714,000	0.31%
Allied Village Square LLC	2,671,000	0.31%
74 North Main Street LLC	2,603,800	0.30%
	\$39,609,800	4.55%

2018 Top Ten Taxpayers		
Taxpayers	2018 Assessed Valuation	% of Total A.V.
Heritage Village at Lambertville	\$10,150,400	1.32%
Swan Creek Holding Co LP	5,947,200	0.77%
Woodrose Properties, LLC	5,463,500	0.71%
Lambertville Hotel Property LLC	4,898,700	0.64%
BC Property Management	3,174,000	0.41%
Individual Taxpayer	2,965,500	0.38%
Hart Venture Group LLC	2,936,800	0.38%
Econotech Development Company	2,793,300	0.36%
Route 12-1 Properties, LLC	2,733,000	0.35%
Dimarco Investment Group	2,623,500	0.34%
	\$43,685,900	5.67%

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 11.7% since 2019.
- Market Values have increased 32.9% since 2019.

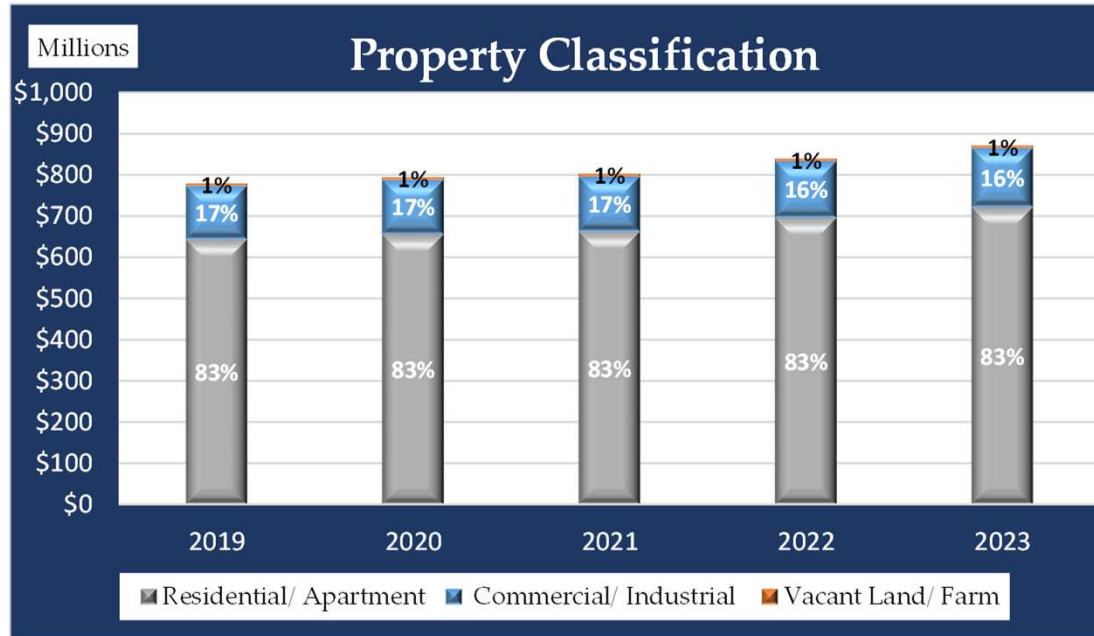


Assessed and Equalized Valuation					
	2019	2020	2021	2022	2023
Assessed Valuation	\$780,281,582	\$795,337,992	\$802,923,992	\$839,618,392	\$871,158,792
Equalized Valuation	777,032,029	818,922,974	864,288,474	954,871,366	1,032,423,314
Market Value Per Capita*	195,155	197,855	208,816	230,701	249,438

*Based on the 2020 census population of 4,139

Property Classification

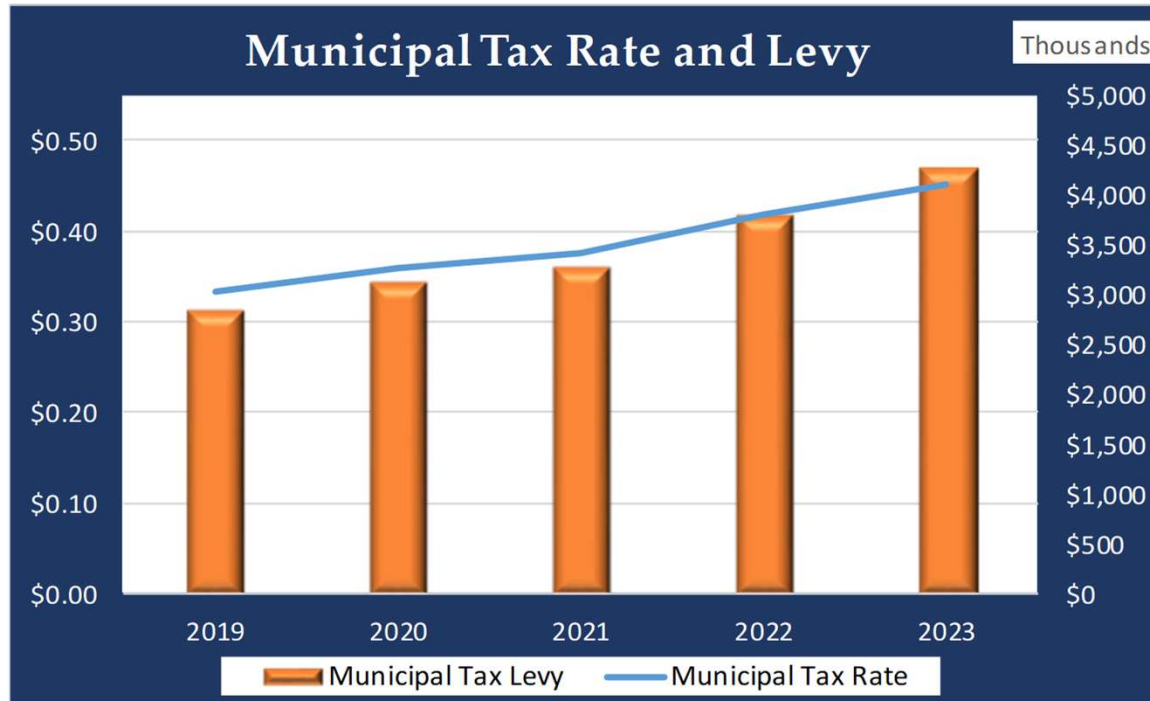
- The tax base is primarily residential, accounting for 83% of the total assessment.



Property Classification					
	2019	2020	2021	2022	2023
Vacant Land	\$4,440,083	\$4,544,283	\$4,245,183	\$5,022,883	\$5,251,983
Residential	619,195,900	631,429,200	638,712,900	667,878,100	691,773,600
Farm	1,506,006	1,526,416	1,681,016	464,616	469,616
Commercial	119,082,900	121,350,200	122,353,200	125,843,800	131,124,700
Industrial	11,409,700	11,542,000	11,542,000	12,255,000	12,434,000
Apartments	<u>24,646,993</u>	<u>24,945,893</u>	<u>24,389,693</u>	<u>28,153,993</u>	<u>30,104,893</u>
Total	<u>\$780,281,582</u>	<u>\$795,337,992</u>	<u>\$802,923,992</u>	<u>\$839,618,392</u>	<u>\$871,158,792</u>

Tax Rates and Tax Levy

- The municipal tax rate and tax levy have consistently grown since 2019.



Year	Municipal	Municipal	Municipal	Fire	Regional	County	Total	Municipal
	Municipal	Open Space	Library	District	School			Tax Levy
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
2019	0.332	0.010	0.033	0.083	1.312	0.347	2.117	2,849,805

Tax Levies and Collections

- The City's total tax collections averaged 98.9% over the past five years.



Tax Collections						
Year	Tax Levy	Current Collections	Collection % of Levy	Delinquent Collections	Delinquent % of Levy	Total %
2023U	\$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%
2019	16,558,317	16,406,506	99.08%	197,864	1.19%	100.28%

U: Unaudited

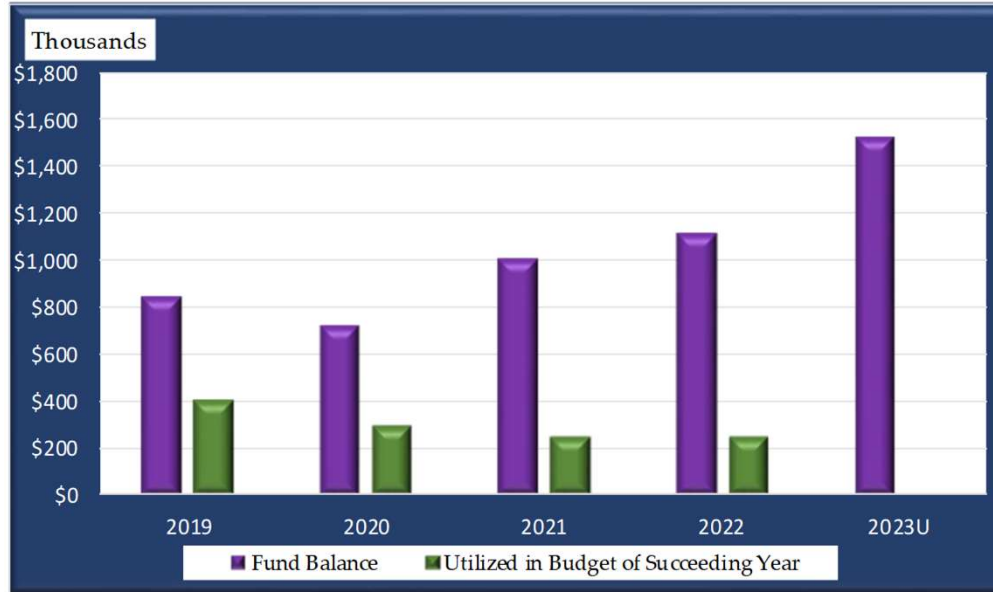
Comparison of Budgets (2019-2023)

- Property taxes are the primary source of revenue, accounting for 57.7% of budget.
- The 2023 Budget assumed a 98.68% tax collection rate.
- \$397,845.18 of ARP funds were received (received in two tranches – 2021 & 2022)

Anticipated Revenues	2019	2020	2021	2022	2023
Fund Balance Utilized	\$445,454	\$400,000	\$292,810	\$250,000	\$250,000
Miscellaneous Revenues	2,188,989	2,516,336	2,314,203	2,238,899	2,773,594
Receipts from Delinquent Taxes	153,750	153,750	167,372	169,189	100,000
Amount to be Raised by Taxation	<u>2,849,805</u>	<u>3,133,230</u>	<u>3,277,274</u>	<u>3,791,026</u>	<u>4,260,131</u>
Total Revenue:	<u>\$5,637,998</u>	<u>\$6,203,316</u>	<u>\$6,051,660</u>	<u>\$6,449,114</u>	<u>\$7,383,725</u>
Appropriations	2019	2020	2021	2022	2023
General Appropriations	\$3,629,681	\$3,953,984	\$3,946,562	\$4,133,861	\$4,388,636
Operations (Excluded from CAPS)	303,559	414,773	397,950	405,479	806,251
Total Deferred Charges	7,687	0	0	84,338	256,701
Capital Improvement Fund	17,500	18,200	24,950	95,000	51,000
Municipal Debt Service	1,328,571	1,451,359	1,443,199	1,490,436	1,616,136
Reserve for Uncollected Taxes	<u>351,000</u>	<u>365,000</u>	<u>239,000</u>	<u>240,000</u>	<u>265,000</u>
Total Appropriations:	<u>\$5,637,998</u>	<u>\$6,203,316</u>	<u>\$6,051,660</u>	<u>\$6,449,114</u>	<u>\$7,383,725</u>

Fund Balance – Current Fund

- Current Fund Balance has increased over the past four (4) years and is currently 19.1% of expenditures.



Fund Balance - Current Fund				
Year	Balance 12/31	Utilized in Budget of Succeeding Year	% Utilized	Fund Balance As % of Expenditures
2023U	\$1,533,261	N/A	N/A	19.13%
2022	1,118,667	250,000	22.35%	16.35%
2021	1,015,528	250,000	24.62%	17.44%
2020	725,881	292,810	40.34%	11.28%
2019	845,957	400,000	47.28%	15.64%

U: Unaudited

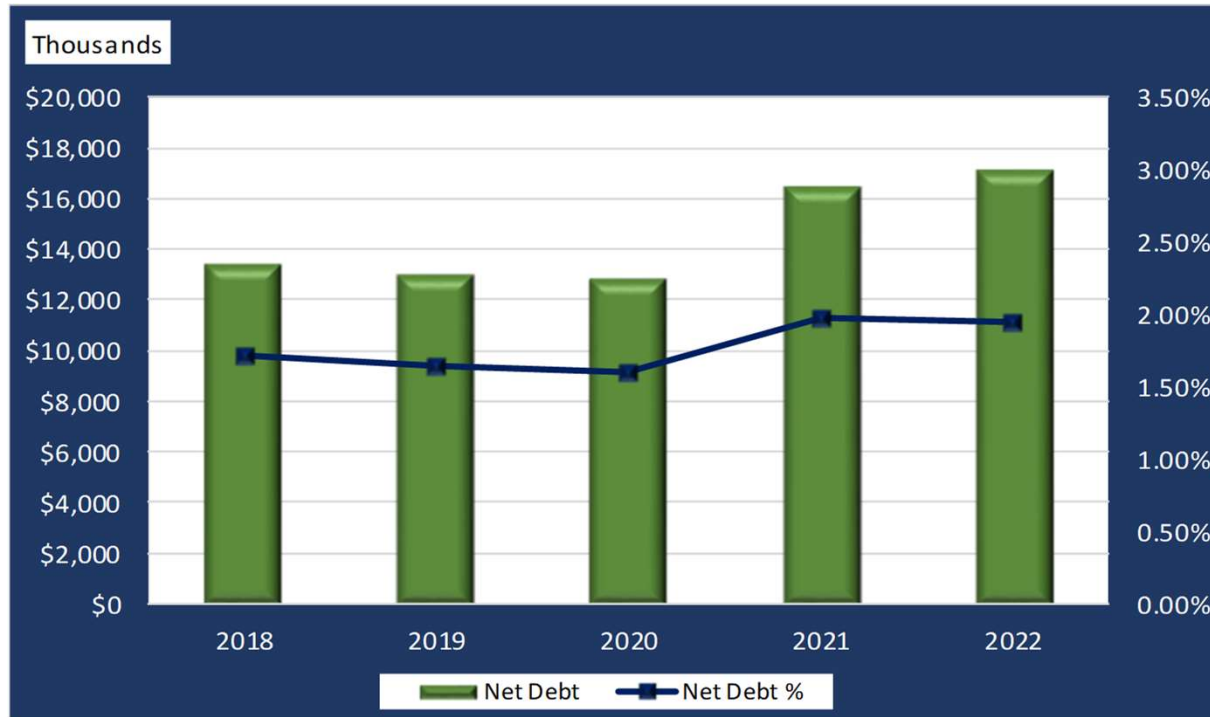
Labor Contracts

- 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

Net Debt

- No bank loans or variable rate debt.

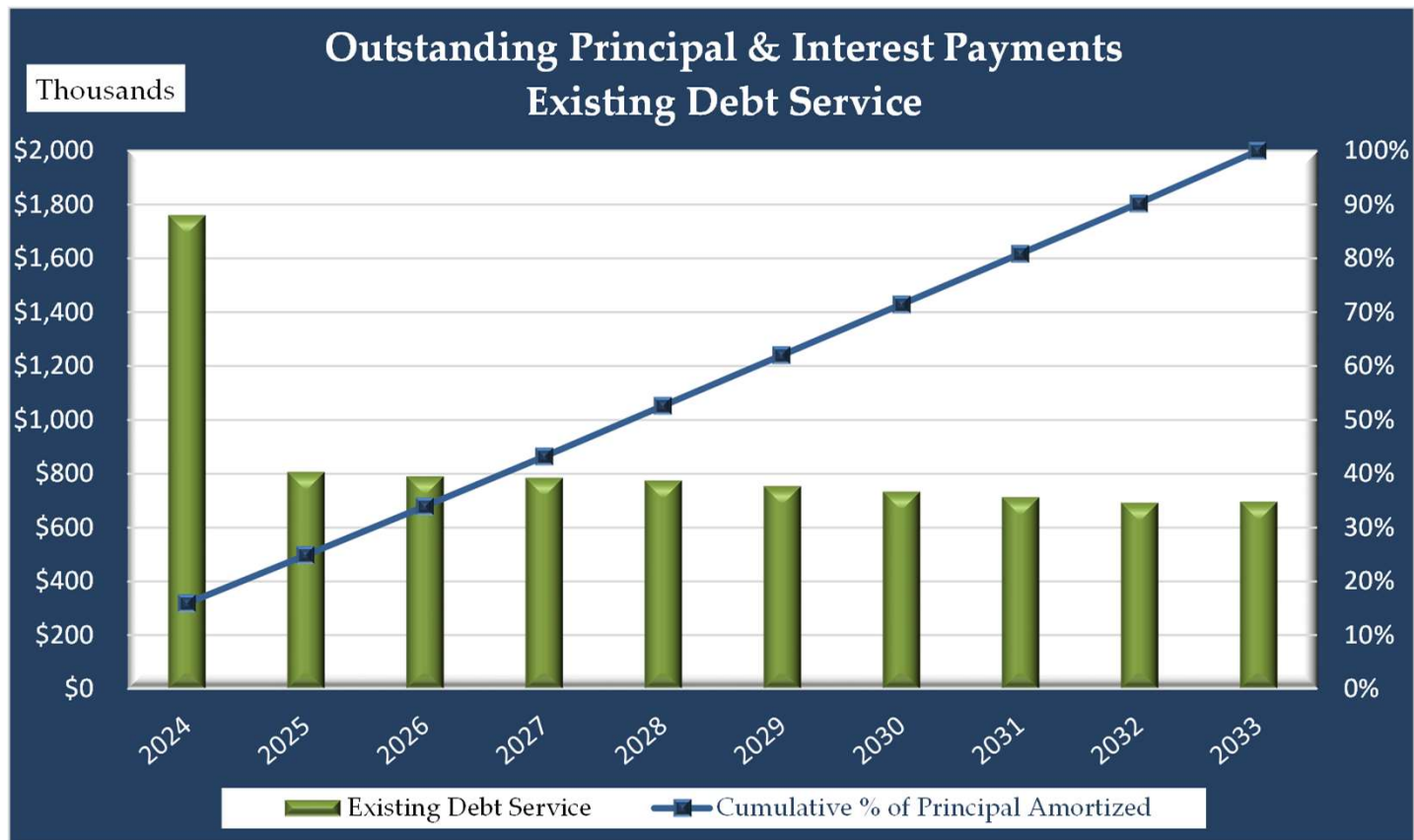


Net Debt %					
Year	2018	2019	2020	2021	2022
Average Equalized Valuation Basis	\$780,702,849	\$790,606,757	\$801,233,304	\$830,318,786	\$879,360,938
Net Debt	\$13,387,396	\$12,988,299	\$12,824,722	\$16,404,122	\$17,099,230
Net Debt %	1.715%	1.643%	1.601%	1.976%	1.945%
Remaining Borrowing Power	\$13,937,204	\$14,682,937	\$15,218,444	\$12,657,035	\$13,678,402
Net Debt per Capita*	\$3,234	\$3,138	\$3,099	\$3,963	\$4,131

*Based on the 2020 census population of 4,139

Debt Service (General Improvement Bonds)

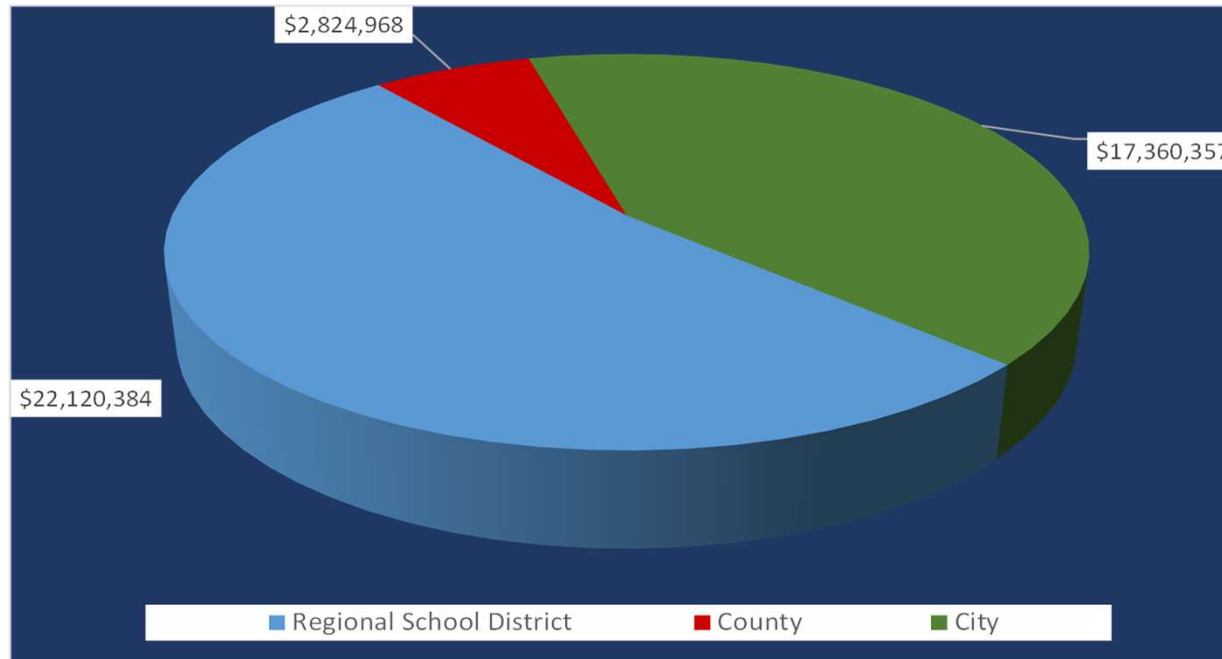
- 100% will be paid in less than 10 years.



*Existing debt service consists of General Improvement Bonds and Bond Anticipation Note debt service for 2024. Does not include the annual payment of \$17,886 for a Green Trust Loan through 2037.

Net Direct and Overlapping Debt

- Total Net Direct and Overlapping Debt per capita is \$10,160.

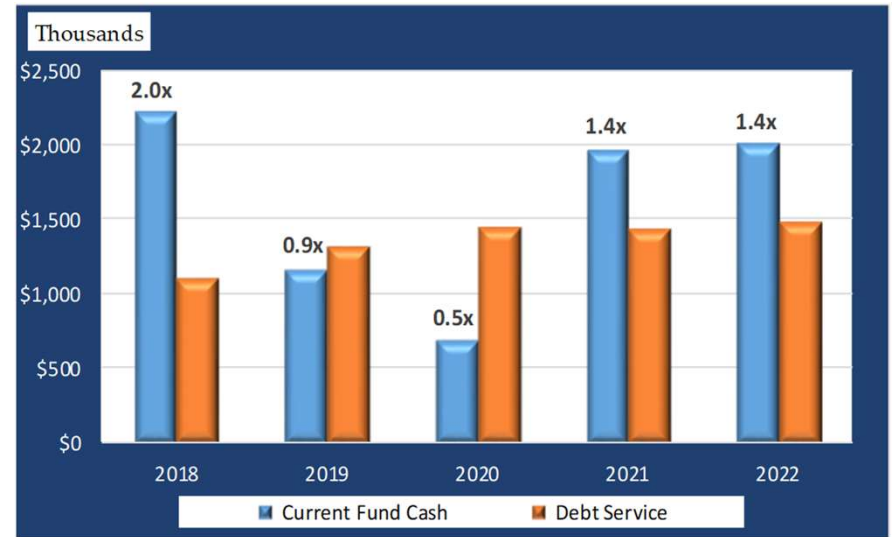
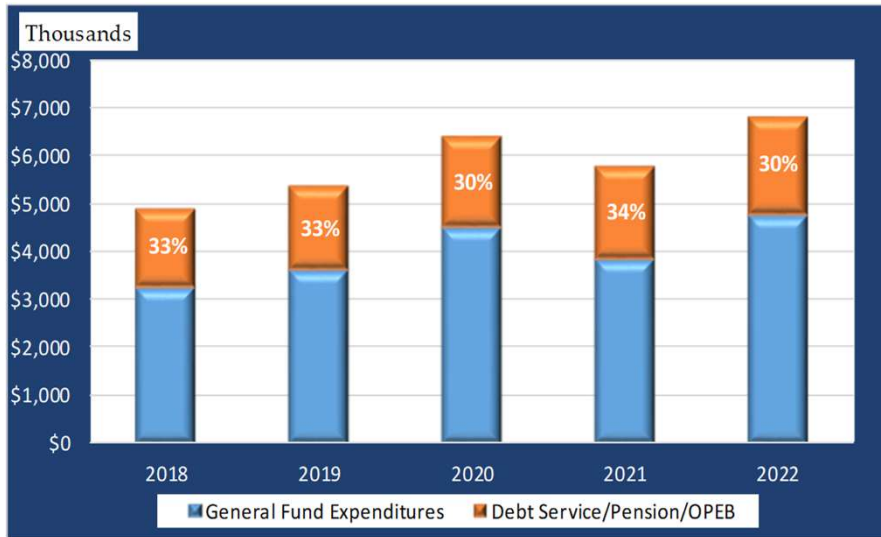


	(As of 12/31/2022)		
	Outstanding Amount	Percent	City's Share Amount
Regional School District	39,202,000	56.43%	22,120,384
County	74,164,045	3.81%	2,824,968
City	17,099,230	100.00%	17,099,230
Total Net Direct and Overlapping Debt			\$42,044,582

*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.
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%
2019	1,174,765	1,328,571	288,113	142,739	5,408,978	0.9x	21.7%	24.56%	32.53%
2018	2,226,056	1,106,016	276,464	235,706	4,911,070	2.0x	45.3%	22.52%	32.95%

Summary

- Primarily residential community with a healthy commercial component, comprised of 83% residential and 16% commercial/industrial. The Top Ten Taxpayers represent 4.55% 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 98.9% over the past five (5) years.
- Wealth and Income levels exceed State and National averages.
- Fund Balance has remained consistent in recent years and currently represents 19.1% of expenditures.
- Strong financial management.



City of Lambertville

18 York Street

Lambertville, NJ 08530