Borough of Riverdale

County of Morris

State of New Jersey

Budget Analysis

2013

Borough of Riverdale

Governing Body

- **Mayor William Budesheim**
- **Council President Paul Carelli**
- **Councilman Garrett Astarita**
- **Councilman Theodore Guis**
- **Councilman Joseph J. Falkoski**
- **Councilman Gary Mastrangelo**
- **Councilwoman Elaine Wetzel**
- **Borough Clerk Carol Talerico**

Budget Overview

- Chapter 44 of P.L. 2010 (2010 CAP) imposes a 2% cap on local tax levies.
- The levy cap is in addition to the existing appropriation cap.
- The cap calculation is subject to various adjustments, including but not limited to the value of increased assessments and other modifications.
- The Amount to be Raised by Taxation for 2013 is in compliance with the 2% Tax Levy CAP.
- The General Appropriations for 2013 are in compliance with the 3.5% Appropriation CAP.

Steps Being Taken To Reduce Spending

- Explore Additional Shared Services Agreements
- Alternate Electric Utility Provider
- Alternate Telephone Utility Provider

Steps Being Considered To Reduce Spending

- Continue to seek new cost-savings opportunities
- Reduce Borough's payroll through attrition
- Restructure Health Insurance
- Offer to Share Riverdale Services with Neighboring Towns

Tax Rate Comparison

In cents per $100 of Assessed Valuation

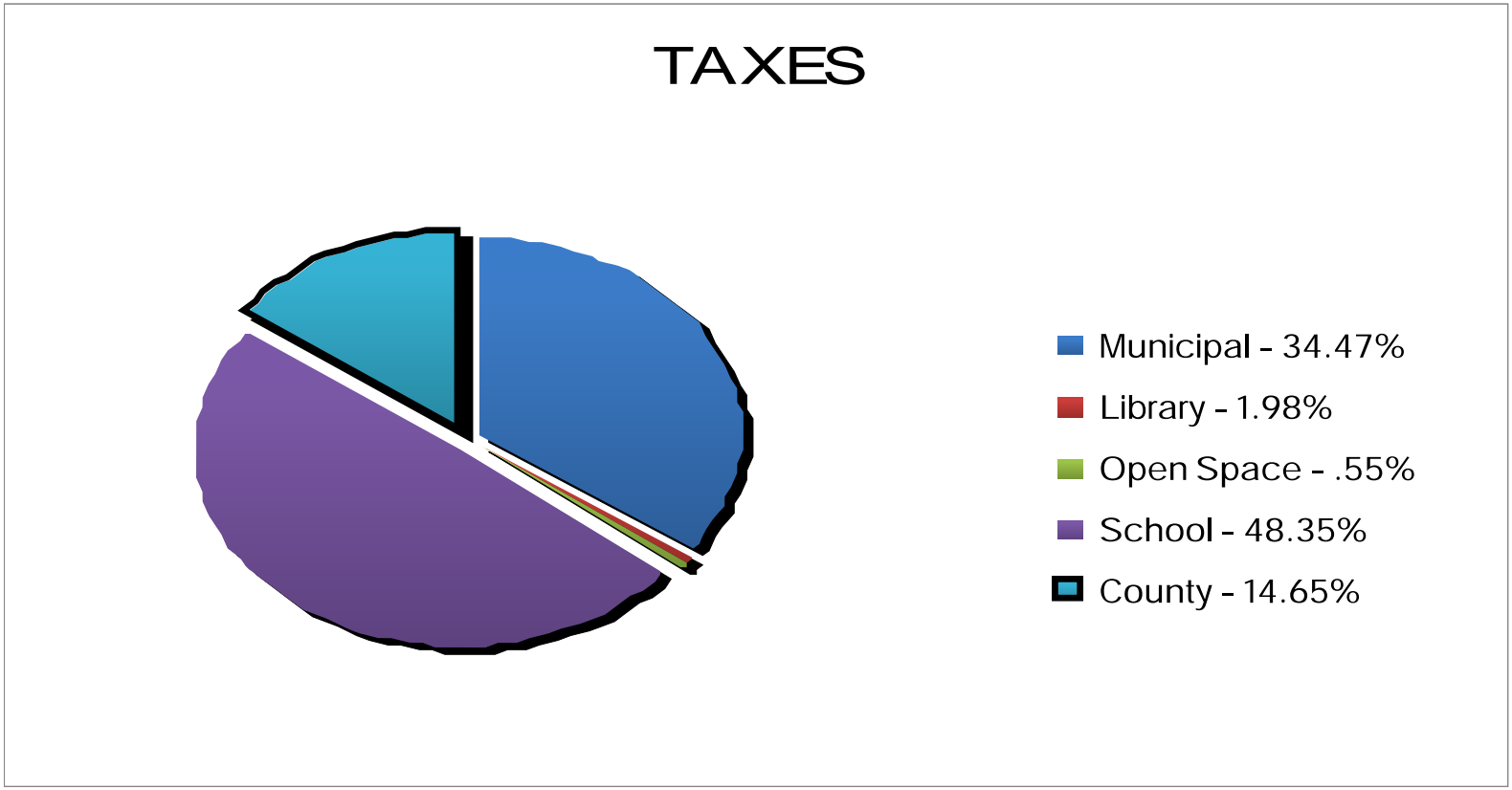
	2013 (Projected/Estimated)	2012 (Actual / Equivalent)
School	.881	.749/.855
County	.267	.229/.259
Borough	.628	.498/.566
Library	.036	.031/.035
Municipal	.664	.529/.601
Open Space	.010	.010/.010
TOTAL	1.822	1.517/1.725

Overview Of Tax Increase

- The projected municipal tax increase for 2013 is approximately $42.70 for a residential home assessed at the projected average assessment of $288,845.20.

- The projected increase equates to approximately 2.41% of the amount paid for municipal taxes for an average residential home in 2012.

2013 Projected Tax Rate Breakdown



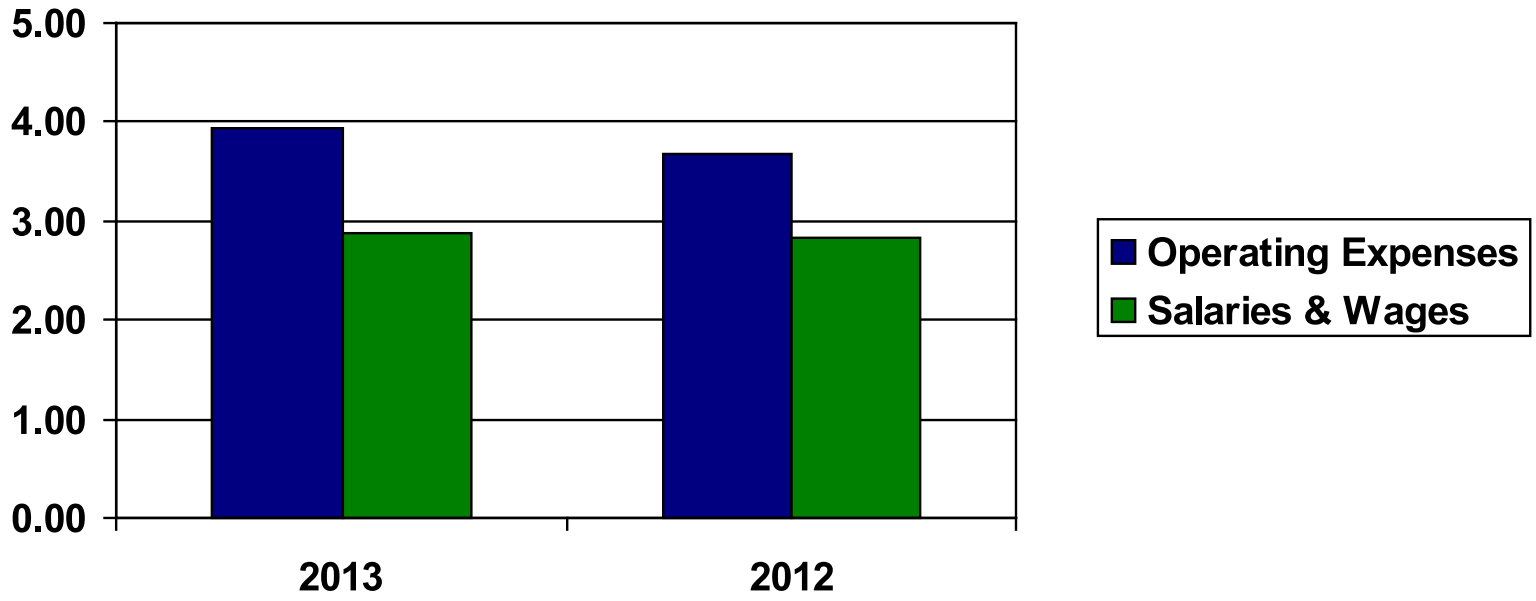
What Do You Get for Your Municipal Tax Dollar?

- **Police and Fire Departments**
- **Public works department :**
  Maintain roadways, parks, storm water management, leaf collection and snow removal
- **Board of Health**
  Animal control services
- **Emergency First Aid**
- **Recreational, cultural and senior citizen events and programs**
- **Garbage Collection**
  Recycling Program
- **Open Space acquisition and maintenance**

Ratables

- The ratable base for 2013 is $801,110,100.
- The Borough expects only minimal ratable growth in 2014.

Total Budget Comparison



	2013 (Proposed)	2012 (Final)	Change Increase/<Decrease>
Salaries & Wages	$2,873,705	$2,825,595	**1.70%**
Other Expenses	$3,931,136	$3,672,550	**7.04%**
Total	$6,804,841	$6,498,145	**4.72%**

2013 Proposed Budget

Fixed & Statutory Costs

Utilities / Sanitation	$443,000
Insurance	$609,000
Other – Tax Appeals, Library, LOSAP, Grants, etc.	$438,642
Capital Improvement	$5,000
Debt Service	$631,715
Deferred Charges / Statutory	$726,288
Reserve for Uncollected Taxes	$474,426
Total	$3,328,071

Department Expenses

Public Safety	2,025,945
Public Works	$388,210
Government Services	$707,460
Construction / Land Use	$108,820
Recreation	$5,500
Health / Human Services / Senior	$118,810
Municipal Court	$122,025
Total	$3,476,770

Budget Appropriations by Category

CATEGORY	AMOUNT	PERCENT OF TOTAL BUDGET
Salaries	$2,873,705	42.23%
Insurance (including health)	$609,000	8.95%
Garbage & Recycling	$237,000	3.48%
Utilities	$206,000	3.03%
Deferred Charges / Statutory Expenditures	$726,288	10.68%
Library	$290,115	4.26%
Debt Service/Capital Improvement	$631,715	9.28%
Reserve for Uncollected Taxes	$474,426	6.97%
Other	$756,592	11.12%
TOTAL	$6,804,841	100%

Budget Cost Drivers

Description	2013 (Proposed)	2012 (Adopted)	Dollar Increase/ <Decrease>	% Increase/ <Decrease>
Contributions to Retirement Systems	$460,788	$466,195	<$5,407>	<1.16%>
Insurance (including Health)	$609,000	$574,850	$34,150	5.94%
Garbage / Utilities	$443,000	$448,000	<$5,000>	<1.12%>
Library	$290,115	283,071	$7,044	2.49%
Municipal Debt Service	$631,715	$339,266	$292,449	86.20%
Reserve for Uncollected Tax	$474,426	$453,755	$20,671	4.56%
Salaries and wages	$2,873,705	$2,822,595	$51,110	1.81%

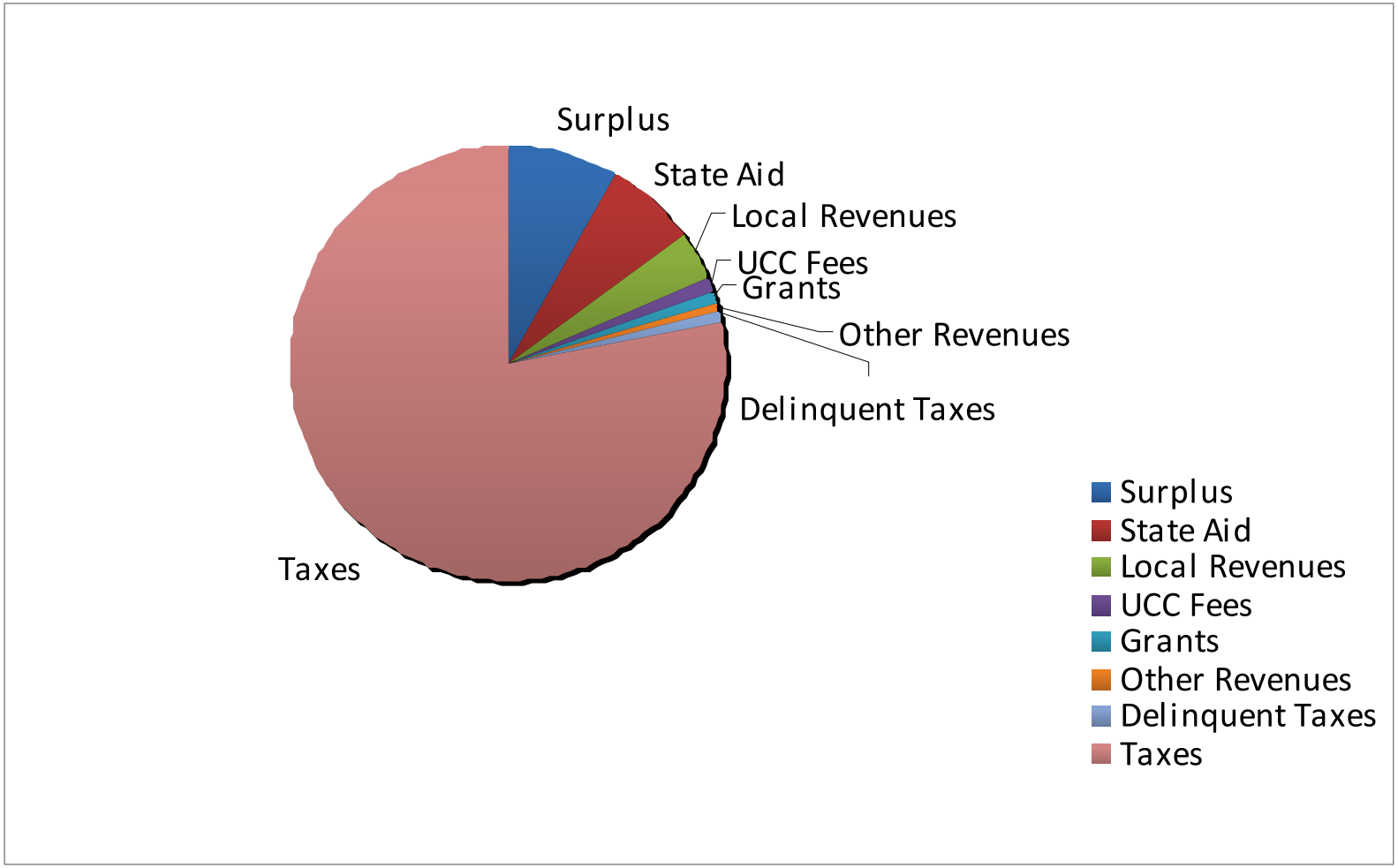
Proposed Changes in Appropriations

- **Salaries and Wages – Increased $51,110 due to the increase of the amount proposed for new hires and termination pay.**
- **Library – 1/3 mil requirement increased $7,044 caused by the increase in the Borough's equalized value.**
- **Pension Contribution – Decreased $5,407 as mandated by the State.**
- **Reserve for Uncollected Taxes – Increased $20,671 as a result of the increase of budget appropriations.**
- **Health Insurance - Increased $34,650 due to the increase in premiums and proposed new hires.**

Source of Revenues to Support Municipal Budget

	2013 (Proposed)	2012 (Adopted)	Increase/ <Decrease>
Surplus Utilization	$572,500	$575,000	<.43%>
State Aid	$439,515	$439,515	0%
Local Revenues	$248,100	$271,700	<8.69%>
Other Revenues	$42,500	$57,500	<26.09%>
UCC Fees	$88,500	$89,475	<1.09%>
Grants	$46,543	$14,231	227.05%
Delinquent Taxes	$50,000	$50,000	0%
Amount to be Raised by Taxes	$5,317,183	$4,821,889	10.27%
Total	$6,804,841	$6,319,310	7.68%

2013 Municipal Revenue Sources



BOROUGH OF
RIVERDALE
ANALYSIS OF
BUDGET
REVENUES

2013

CATEGORY	2009	2010	INCREASE/ <DECREASE> PERCENT	2010	2011	INCREASE/ <DECREASE> PERCENT	2011	2012	INCREASE/ <DECREASE> PERCENT	2012	2013	INCREASE/ <DECREASE> PERCENT	CUMULATIVE INCREASE/ <DECREASE> PERCENT
SURPLUS	1,500,000	1,325,000	(175,000) -11.67%	1,325,000	800,000	(525,000) -39.62%	800,000	575,000	(225,000) -28.13%	575,000	572,500	(2,500) -0.43%	(927,500) -61.83%
LOCAL REVENUE	669,767	388,550	(281,217) -41.99%	388,550	396,000	7,450 1.92%	396,000	271,700	(124,300) -31.39%	271,700	248,100	(23,600) -8.69%	(421,667) -62.96%
STATE AID	563,120	439,515	(123,605) -21.95%	439,515	439,515	0 0.00%	439,515	439,515	0 0.00%	439,515	439,515	0 0.00%	(123,605) -21.95%
UNIFORM CONSTRUCTION CODE	160,000	375,000	215,000 134.38%	375,000	85,000	(290,000) -77.33%	85,000	89,475	4,475 5.26%	89,475	88,500	(975) -1.09%	(71,500) -44.69%
INTERLOCAL SERVICE AGREEMENTS	30,000	0	(30,000) 0.00%	0	0	0 0.00%	0	0	0 0.00%	0	0	0 0.00%	(30,000) -100.00%
PUBLIC AND PRIVATE (GRANTS)	31,946	70,059	38,113 119.30%	70,059	21,496	(48,563) -69.32%	21,496	14,231	(7,265) -33.80%	14,231	46,543	32,312 227.05%	14,597 45.69%
OTHER SPECIAL ITEMS	270,405	21,000	(249,405) -92.23%	21,000	155,500	134,500 640.48%	155,500	57,500	(98,000) -63.02%	57,500	42,500	(15,000) -26.09%	(227,905) -84.28%
DELINQUENT TAXES	71,500	80,000	8,500 11.89%	80,000	70,000	(10,000) -12.50%	70,000	50,000	(20,000) -28.57%	50,000	50,000	0 0.00%	(21,500) -30.07%
AMOUNT TO BE RAISED	4,093,864	4,512,789	418,925 10.23%	4,512,789	4,707,984	195,195 4.33%	4,707,984	4,821,889	113,905 2.42%	4,821,889	5,317,183	495,294 10.27%	1,223,319 29.88%
	7,390,602	7,211,913		7,211,913	6,675,495		6,675,495	6,319,310		6,319,310	6,804,841		

Resulting Changes In Revenue

• **Surplus Anticipated**	**Decreased $2,500**
• **Uniform Construction Code Fees**	**Decreased $975**
• **Reserve for Payment of Debt**	**Decreased $25,000**
• **Municipal Court Fees**	**Decreased $23,000**

Municipal Revenues versus Appropriations

	2009	2010	2011	2012	2013 (Proposed)
Surplus Anticipated	$1,500,000	$1,325,000	$800,000	$575,000	$572,500
Local Revenue	$669,767	$388,550	$396,000	$271,700	$248,100
State Aid	$563,120	$439,515	$439,515	$439,515	$439,515
UCC Fees	$160,000	$375,000	$85,000	$89,475	$88,500
Grants with offsetting Appropriations	$31,946	$70,059	$21,496	$14,231	$46,543
Other Revenue Sources	$300,405	$21,000	$155,500	$57,500	$42,500
Delinquent Taxes	$71,500	$80,000	$70,000	$50,000	$50,000
Amount to be Raised	4,093,864	$4,512,789	$4,707,984	$4,821,889	$5,317,183
Appropriations	$7,390,602	$7,211,913	$6,675,495	$6,319,310	$6,804,841

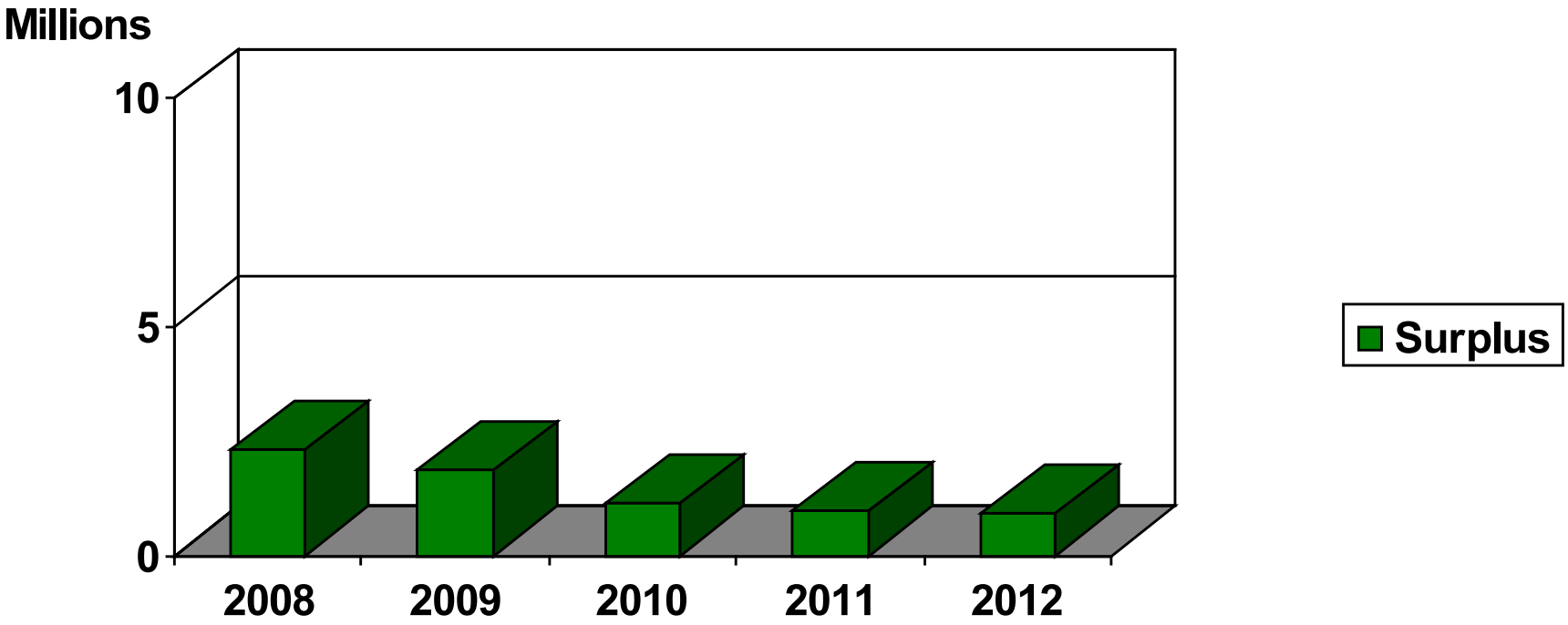
Surplus

- **The Borough's projected surplus balance on 12/31/12 was $931,045**
- **This is $52,630 lower than it was on 12/31/11**
- **The decrease in the surplus was a result of the decrease in revenues realized.**

Surplus

YEAR	AMOUNT
2008	$2,278,087
2009	$1,870,016
2010	$1,159,907
2011	$983,675
2012 (Unaudited)	$931,045

Surplus Realized



BOROUGH OF RIVERDALE
CURRENT FUND

ANALYSIS OF REVENUES
AND EXPENDITURES

2009-2014

	2009 AUDITED		2010 AUDITED		2011 AUDITED		2012 ADOPTED/UNAUDITED		2013 PROPOSED/PROJECTED		2014 PROJECTED	
REVENUES												
SURPLUS	$1,500,000		$1,325,000		$800,000		$575,000		$572,500		$550,000	
LOCAL REVENUES	$394,197		$407,509		$278,993		$266,844		$248,100		$243,100	
STATE AID	$563,120		$439,515		$439,515		$439,515		$439,515		$439,515	
UNIFORM CONSTRUCTION	$559,038		$90,772		$151,485		$101,437		$88,500		$40,000	
PUBLIC AND PRIVATE	$592,929		$857,847		$469,842		$113,066		$46,543		$0	
OTHER SPECIAL ITEMS	$52,893		$24,347		$158,701		$63,256		$42,500		$46,500	
DELINQUENT TAX	$102,792		$126,570		$45,109		$53,582		$50,000		$50,000	
AMOUNT TO BE RAISED	$4,441,585	0.478	$4,938,952	0.500	$5,068,056	0.516	$5,134,617	0.529/	$5,317,183	0.664	$5,383,656	0.672
EXCESS REVENUES								0.601	$275,000		$315,000	
MRNA	$135,985		$195,515		$182,535		$133,876		$135,000		$135,000	
RESERVES LAPSED	$206,627		$207,058		$154,541		$111,205		$115,000		$115,000	
OTHER	$45,317		$9,440		$9,146		$13,579					
	$8,594,483		$8,622,525		$7,757,923		$7,005,977		$7,329,841		$7,317,771	
EXPENDITURES												
OPERATING WITHIN CAPS												
SALARIES	$2,934,100		$3,127,165		$2,835,290		$2,825,595		$2,873,705		$2,859,420	
OTHER EXPENSE	$1,608,975		$1,609,225		$1,529,590		$1,650,940		$1,631,565		$1,665,625	
OPERATING EXCLUDED												
SALARIES	$30,000											
OTHER EXPENSE	$613,449		$859,682		$692,967		$506,895		$462,142		$394,474	
CAPITAL	$405,000		$480,000		$185,000		$5,000		$5,000		$5,000	
DEBT SERVICE	$661,750		$665,500		$648,200		$339,266		$631,715		$631,715	
DEFEERED/STATUTORY	$746,125		$733,747		$726,654		$716,695		$726,288		$733,288	
RESERVE FOR UNCOLLECT	$499,113		$524,382		$506,141		$453,755		$474,426		$481,749	
OTHER	$4,042		$7,933		$10,313		$65,460					
	$7,502,554		$8,007,634		$7,134,155		$6,563,607		$6,804,841		$6,771,271	
	$1,091,929		$614,891		$623,768		$442,370		$525,000		$546,500	
ADJUSTMENTS							$80,000					
	$1,091,929		$614,891		$623,768		$522,370		$525,000		$546,500	
SURPLUS 1/1	$2,278,087		$1,870,016		$1,159,907		$983,675		$931,045		$883,545	
	$3,370,016		$2,484,907		$1,783,675		$1,506,045		$1,456,045		$1,430,045	
SURPLUS ANTIC	$1,500,000		$1,325,000		$800,000		$575,000		$572,500		$550,000	
SURPLUS 12/31	$1,870,016		$1,159,907		$983,675		$931,045		$883,545		$880,045	

Other Items of Interest

- Future tax appeals pending
- Decrease in State Aid of $230,107 from 2007 – 2010
- Decrease in Surplus of $1,347,042 from 2008 - 2012

In Summary

- This budget provides for the same level of services that are expected by the citizens of the Borough of Riverdale, with a minimal tax increase.
- Thanks to everyone for their input and assistance.