Borough of Riverdale

County of Morris

State of New Jersey

Budget Analysis

2014

Borough of Riverdale

Governing Body

- **Mayor William Budesheim**
- **Council President Theodore Guis**
- **Councilman Garrett Astarita**
- **Councilman Paul Carelli**
- **Councilman Gary Mastrangelo**
- **Councilman Stephen Revis**
- **Councilwoman Elaine Wetzel**

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 2014 is in compliance with the 2% Tax Levy CAP.

The General Appropriations for 2014 are in compliance with the 3.5% Appropriation CAP.

Steps Being Taken To Reduce Spending

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

Tax Rate Comparison

In cents per $100 of Assessed Valuation

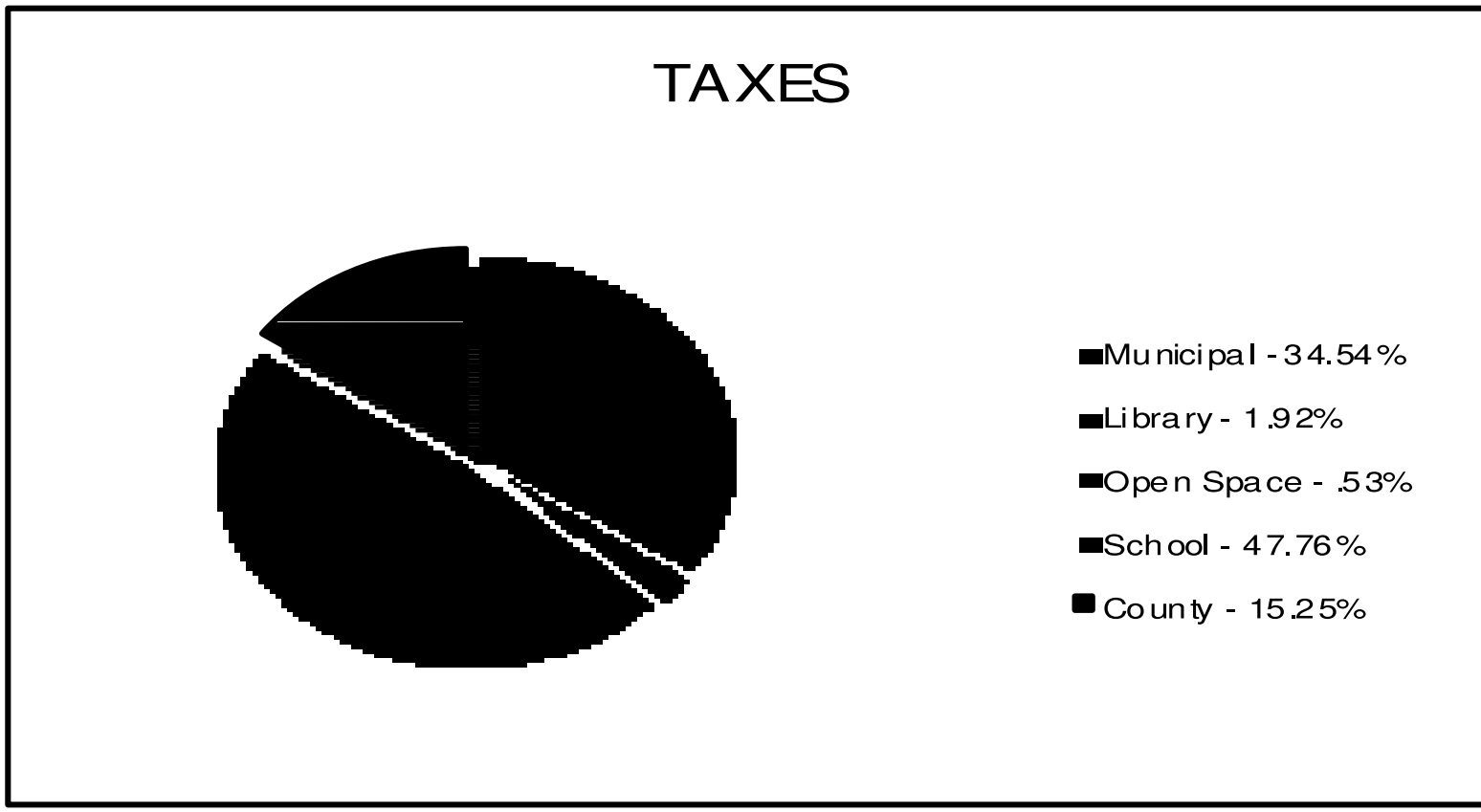
	2014 (Projected/Estimated)	2013 (Actual)

Overview Of Tax Increase

The projected municipal tax increase for 2014 i
approximately $60.65 ($5.05 per month) for a residentia
home assessed at the projected average assessment o
$288,816.25.

The projected increase equates to approximately 3.35%
of the amount paid for municipal taxes for an averag
residential home in 2013.

2014 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

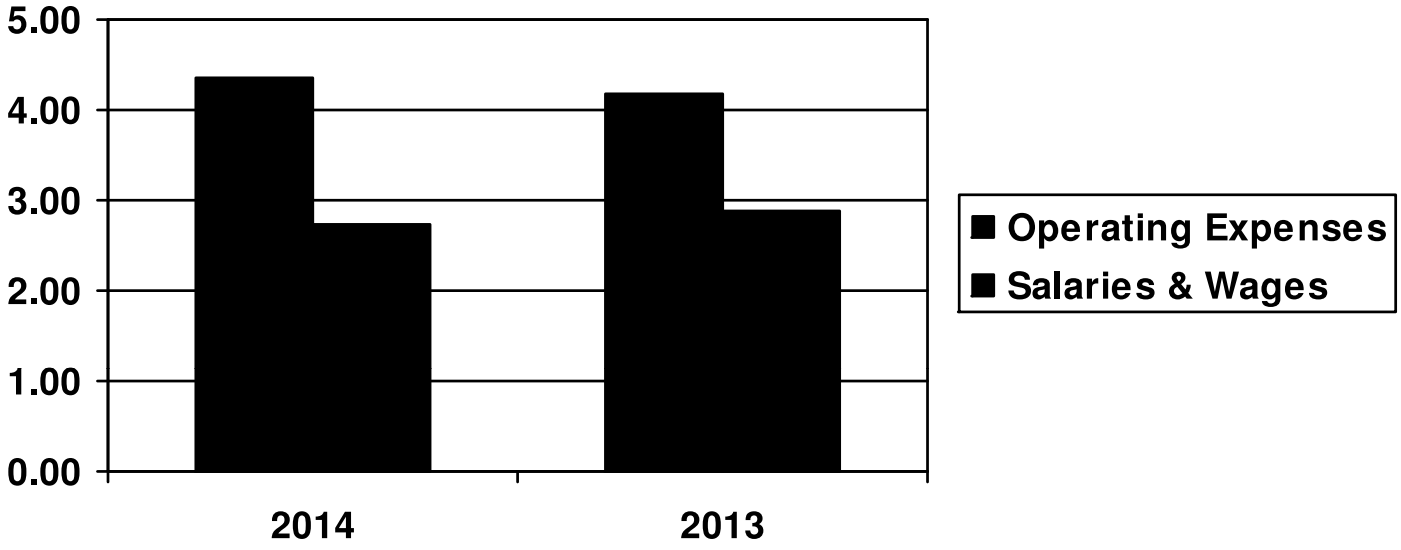
Garbage Collection / Recycling Program

Open Space acquisition and maintenance

Ratables

- The ratable base for 2014 is $799,674,100.
- The Borough expects only minimal ratable growth in 2015.

Total Budget Comparison



	2014 (Proposed)	2013 (Final)	Change Increase/**<Decrease>**
Salaries & Wages	$2,735,190	$2,868,060	**<4.63%>**
Other Expenses	$4,347,846	$4,168,831	**4.29%**
Total	$7,083,036	$7,036,891	**.66%**

2014 Proposed Budget

ed & Statutory Costs

ties / Sanitation	$473,500
rance	$646,525
er – Tax Appeals, Library, AP, Grants, Shared Service	$783,200
tal Improvement	$25,000
Service	$628,115
rred Charges / Statutory	$724,678
erve for Uncollected Taxes	$487,403
l	$3,768,421

Department Expenses

Public Safety	2,049
Public Works	$377
Government Services	$604
Construction / Land Use	$41
Recreation / Celebration	$5
Health / Human Services / Senior / Facilities	$120
Municipal Court	$115
Total	$3,314

Budget Appropriations by Category

CATEGORY	AMOUNT	PERCENT OF TOTAL BUDGET
Salaries	$2,735,190	38.62%
Insurance (including health)	$641,525	9.06%
Garbage & Recycling	$240,000	3.39%
Utilities	$208,500	2.94%
Deferred Charges / Statutory Expenditures	$724,678	10.23%
Library	$288,338	4.07%
Interlocal (Shared) Service Agreements	$108,500	1.53%
Grants	$275,080	3.88%
Debt Service/Capital Improvement	$628,115	8.87%
Reserve for Uncollected Taxes	$487,403	6.88%
Other	$745,707	10.53%
TOTAL	$7,083,036	100%

Budget Cost Drivers

Description	2014 (Proposed)	2013 (Adopted)	Dollar Increase/ <Decrease>	% Increase/ <Decrease>
ontributions to Retirement Systems	$448,678	$460,788	<$12,110>	<2.63%>
nsurance (including Health)	$646,525	$609,000	$37,525	6.16%
arbage / Utilities	$448,500	$443,000	$5,500	1.24%
ibrary	$288,338	$290,115	<$1,777>	<.61%>
lunicipal Debt Service	$628,115	$631,715	<$3,600>	<.57%>
eserve for Uncollected Tax	$487,403	$474,426	$12,977	2.74%
alaries and Wages	$2,735,190	$2,873,705	<$138,515>	<4.82%>

Proposed Changes in Appropriations

Salaries and Wages – Decreased $138,515 as a result of the shared service agreements entered into in 2013/2014.

Library – 1/3 mil requirement decreased $1,777 caused by the decrease in the Borough's equalized value.

Pension Contribution – Decreased $12,110 based on the new actuaria assumptions approved by the State.

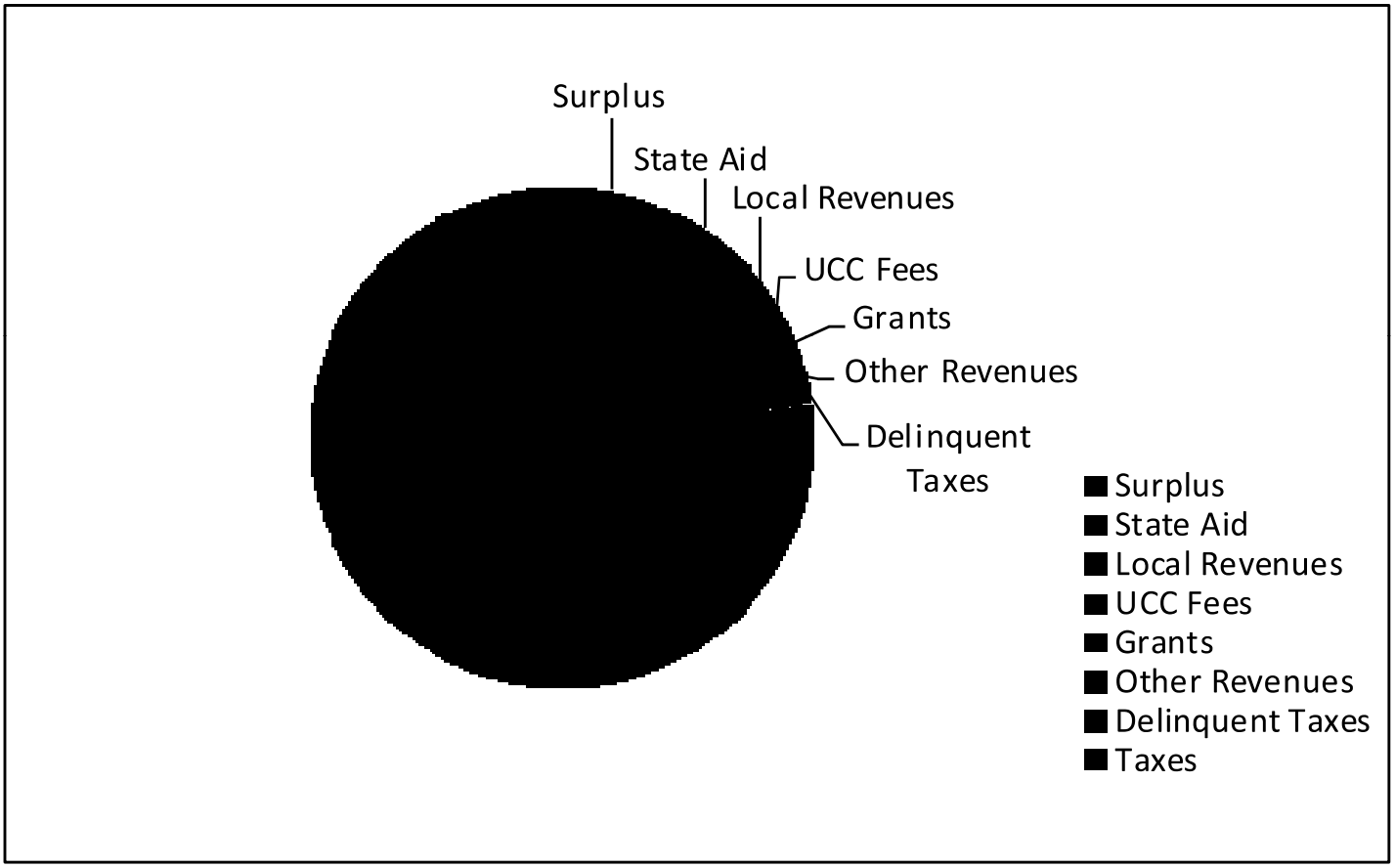
Reserve for Uncollected Taxes – Increased $12,977 as a result of the decrease in revenues available to offset taxes.

Health Insurance - Increased $37,525 due to the increase in premium

Source of Revenues to Support Municipal Budget

	2014 (Proposed)	2013 (Adopted)	Increase/ <Decrease>
Surplus Utilization	$475,000	$572,500	<17.03%>
State Aid – Energy Receipts Tax	$436,618	$434,424	.51%
State Aid – CMPTRA	$2,897	$5,091	<43.10%>
Local Revenues	$261,750	$248,100	5.50%
Other Revenues	$53,000	$42,500	24.71%
Uniform Construction Code Fees	$36,000	$88,500	<59.32%>
Grants	$275,080	$46,543	491.02%
Delinquent Taxes	$75,000	$50,000	50.00%
Amount to be Raised by Taxes	$5,467,691	$5,317,183	2.83%
Total	$7,083,036	$6,804,841	4.09%

2014 Municipal Revenue Sources



BOROUGH OF RIVERDALE

ANALYSIS OF BUDGET REVENUES

2014

	2010	2011	INCREASE/ <DECREASE> PERCENT	2011	2012	INCREASE/ <DECREASE> PERCENT	2012	2013	INCREASE/ <DECREASE> PERCENT	2013	2014	INCREASE/ <DECREASE> PERCENT
	1,325,000	800,000	(525,000)	800,000	575,000	(225,000)	575,000	572,500	(2,500)	572,500	475,000	(97,500)
			-39.62%			-28.13%			-0.43%			-17.03%
NUE	388,550	396,000	7,450	396,000	271,700	(124,300)	271,700	248,100	(23,600)	248,100	261,750	13,650
			1.92%			-31.39%			-8.69%			5.50%
	439,515	439,515	0	439,515	439,515	0	439,515	439,515	0	439,515	439,515	0
			0.00%			0.00%			0.00%			0.00%
NSTRUCTION CODE	375,000	85,000	(290,000)	85,000	89,475	4,475	89,475	88,500	(975)	88,500	36,000	(52,500)
			-77.33%			5.26%			-1.09%			-59.32%
SERVICE AGREEMENTS	0	0	0	0	0	0	0	0	0	0	0	0
			0.00%			0.00%			0.00%			0.00%
PRIVATE (GRANTS)	70,059	21,496	(48,563)	21,496	14,231	(7,265)	14,231	46,543	32,312	46,543	275,080	228,537
			-69.32%			-33.80%			227.05%			491.02%
IAL ITEMS	21,000	155,500	134,500	155,500	57,500	(98,000)	57,500	42,500	(15,000)	42,500	53,000	10,500
			640.48%			-63.02%			-26.09%			24.71%
TAXES	80,000	70,000	(10,000)	70,000	50,000	(20,000)	50,000	50,000	0	50,000	75,000	25,000
			-12.50%			-28.57%			0.00%			50.00%
BE RAISED	4,512,789	4,707,984	195,195	4,707,984	4,821,889	113,905	4,821,889	5,317,183	495,294	5,317,183	5,467,691	150,508
			4.33%			2.42%			10.27%			2.83%
	7,211,913	6,675,495		6,675,495	6,319,310		6,319,310	6,804,841		6,804,841	7,083,036	

Resulting Changes In Revenue

• **Surplus Anticipated**	**Decreased $97,500**
• **Fees and Permits**	**Decreased $10,000**
• **Municipal Court Fees**	**Increased $6,500**
• **Interest and Costs on Taxes**	**Increased $14,250**
• **Uniform Construction Code Fees**	**Decreased $52,500**
• **Facility Usage Fees**	**Increased $6,000**
• **Donation – Newsletter**	**Increased $5,500**

Municipal Revenues versus Appropriations

	2010	2011	2012	2013	2014 (Propose
plus Anticipated	$1,325,000	$800,000	$575,000	$572,500	$475,0
cal Revenue	$388,550	$396,000	$271,700	$248,100	$261,7
ergy Receipts Tax	$402,147	$410,727	$425,759	$434,424	$436,6
nsolidated Municipal Property Tax Relief	$37,368	$28,788	$13,756	$5,091	$2,8
lding Department (UCC Fees)	$375,000	$85,000	$89,475	$88,500	$36,0
nts with offsetting Appropriations	$70,059	$21,496	$14,231	$46,543	$275,0
er Revenue Sources	$21,000	$155,500	$57,500	$42,500	$53,0
inquent Taxes	$80,000	$70,000	$50,000	$50,000	$75,0
ount to be Raised by Taxes	$4,512,789	$4,707,984	$4,821,889	$5,317,183	$5,467,6
propriations	$7,211,913	$6,675,495	$6,319,310	$6,804,841	$7,083,0

Surplus

he Borough's unaudited surplus balance on 12/31/13 was
1,017,865

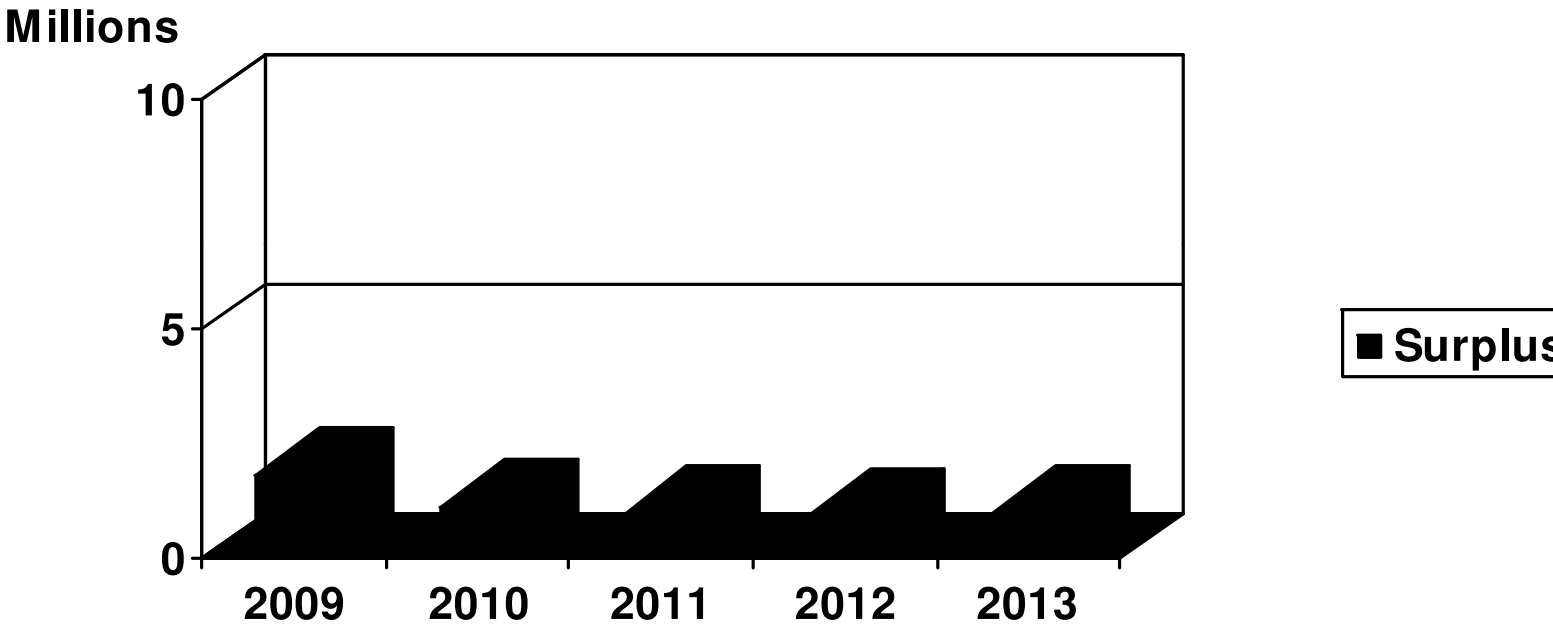
The surplus balance is $86,820 higher than it was on 12/31/12

he increase in the surplus was a result of non recurring revenues
ealized, including but not limited to, the sale of assets, FEMA and
rant reimbursements.

Surplus

YEAR	AMOUNT
2009	$1,870,016
2010	$1,159,907
2011	$983,675
2012	$931,045
2013 (Unaudited)	$1,017,865

Surplus Realized



BOROUGH OF RIVERDALE
CURRENT FUND

ANALYSIS OF REVENUES AND EXPENDITURES

2010-2015

	2010 AUDITED		2011 AUDITED		2012 AUDITED		2013 ADOPTED/UNAUDITED		2014 PROPOSED/PROJECTED		2015 PROJECT
	$1,325,000		$800,000		$575,000		$572,500		$475,000		$475,0
VENUES	$407,509		$278,993		$266,845		$281,436		$261,750		$256,0
D	$439,515		$439,515		$439,515		$439,515		$439,515		$439,5
CONSTRUCTION	$90,772		$151,485		$101,437		$36,802		$36,000		$28,0
ND PRIVATE	$857,847		$469,842		$113,066		$278,593		$275,080		
ECIAL ITEMS	$24,347		$158,701		$63,256		$54,011		$53,000		$48,5
NT TAX	$126,570		$45,109		$53,582		$62,809		$75,000		$50,0
D BE RAISED	$4,938,952	0.500	$5,068,056	0.516	$5,134,617	0.529/ 0.601	$5,408,169	0.663	$5,467,691	0.684	$5,529,5
EVENUES									$211,250		$225,0
	$195,515		$182,535		$135,182		$280,949		$175,000		$150,0
LAPSED	$207,058		$154,541		$111,205		$181,155		$110,000		$110,0
	$9,440		$9,146		$12,272		$162,081				
	$8,622,525		$7,757,923		$7,005,977		$7,758,019		$7,579,286		$7,311,6
ES											
WITHIN CAPS											
ES	$3,127,165		$2,835,290		$2,822,595		$2,868,060		$2,720,190		$2,662,0
EXPENSE	$1,609,225		$1,529,590		$1,653,940		$1,640,065		$1,671,350		$1,725,3
EXCLUDED											
S									$15,000		
XPENSE	$859,682		$692,967		$506,895		$479,192		$811,299		$516,4
	$480,000		$185,000		$5,000		$220,000		$25,000		$25,0
ICE	$665,500		$648,200		$339,266		$631,715		$628,115		$628,1
STATUTORY	$733,747		$726,654		$716,695		$723,434		$724,678		$771,0
OR UNCOLLECT	$524,382		$506,141		$453,755		$474,426		$487,403		$498,6
	$7,933		$10,313		$65,461		$61,808				
	$8,007,634		$7,134,155		$6,563,607		$7,098,699		$7,083,036		$6,826,6
	$614,891		$623,768		$442,370		$659,320		$496,250		$485,0
S					$80,000						
	$614,891		$623,768		$522,370		$659,320		$496,250		$485,0
	$1,870,016		$1,159,907		$983,675		$931,045		$1,017,865		$1,039,1
	$2,484,907		$1,783,675		$1,506,045		$1,590,365		$1,514,115		$1,524,1
TIC	$1,325,000		$800,000		$575,000		$572,500		$475,000		$475,0
/31	$1,159,907		$983,675		$931,045		$1,017,865		$1,039,115		$1,049,1

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
- Increase in Surplus of $86,820 from 2012 to 2013

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.