



Borough of Riverdale
County of Morris
State of New Jersey



Budget Analysis
2012

Borough of Riverdale

Governing Body

- **Mayor William Budesheim**
- **Council President Theodore Guis**
- **Councilman Garrett Astarita**
- **Councilman Paul Carelli**
- **Councilman Joseph J. Falkoski**
- **Councilman Steven Loesner**
- **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 2012 is in compliance with the 2% Tax Levy CAP.**
- **The General Appropriations for 2012 are in compliance with the 3.5% Appropriation CAP.**

Steps Being Taken To Reduce Spending

- **Explore Additional Shared Services Agreements**
 - Reduce Borough's Work Force**
 - Alternate Electric Utility Provider**
 - Alternate Telephone Utility Provider**

Steps Being Considered To Reduce Spending

- **Continue to seek new cost-savings opportunities**
 - Restructure Health Insurance**
 - Positions Can Be Eliminated**
 - Offer to Share Riverdale Services with Neighboring Towns**

Tax Rate Comparison

In cents per \$100 of Assessed Valuation

	2012 (Projected/Estimated)	2011 (Actual)
School	.756	.734
County <i>(not finalized)</i>	.237	.232
Borough	.500	.484
Library	.031	.032
Municipal	.531	.516
Open Space	.010	.010
TOTAL	1.534	1.492

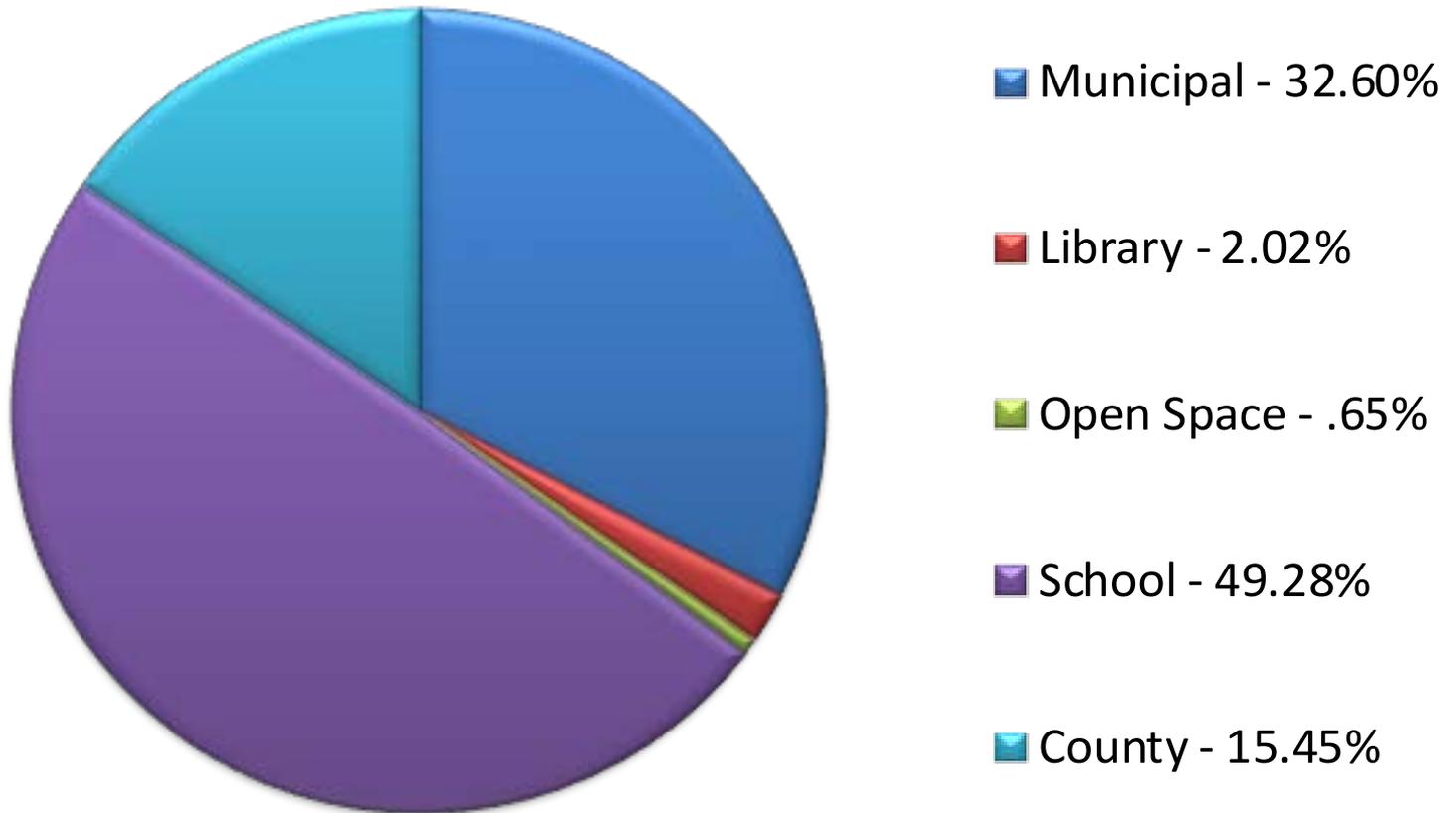


Overview Of Tax Increase

- The projected municipal tax increase is **1.5** points.
- This equates to **\$53.25** per year for a home assessed at the projected average of \$355,000.00.

2012 Projected Tax Rate Breakdown

TAXES





What Do You Get for Your Municipal Tax Dollar?

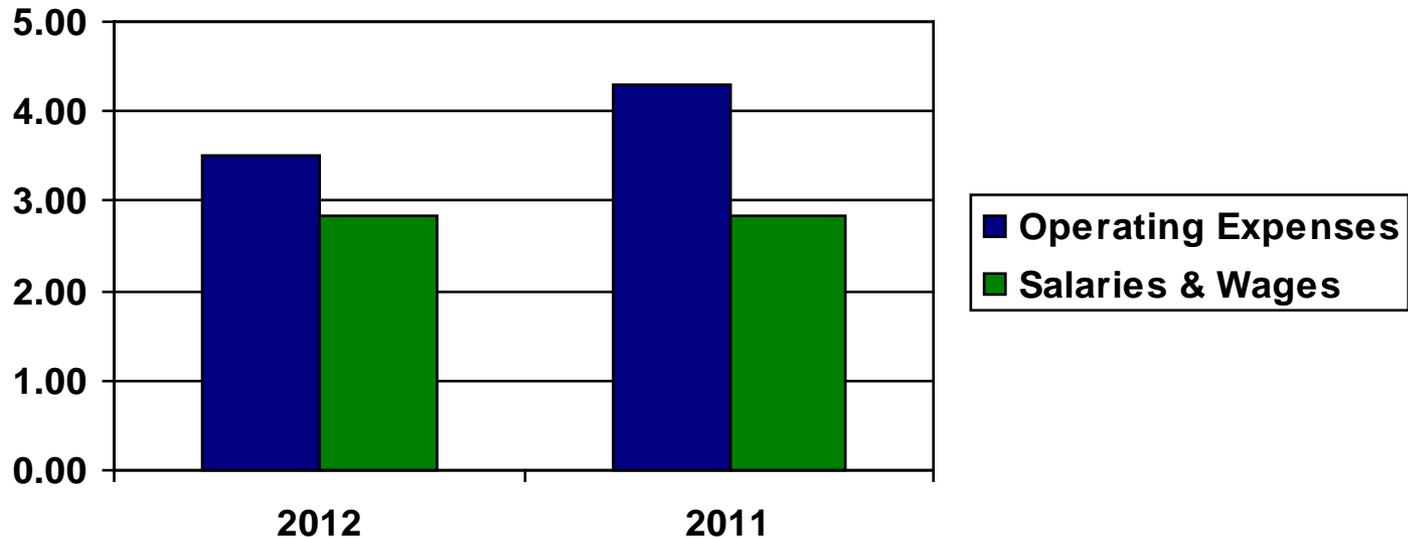
- **Police and Fire Departments**
- **Public works department**
Maintain roadways, parks, storm water management, leaf collection and snow removal
- **Board of Health**
Animal control services
- **Emergency First Aid**
- **Recreational, cultural and senior citizen events and programs**
- **Garbage Collection**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



Ratables

- The ratable base for 2012 is \$910,988,207.
- The Borough expects only minimal ratable growth in 2013.

Total Budget Comparison



	2012 (Proposed)	2011 (Final)	Change Increase/Decrease
Salaries & Wages	\$2,822,595	\$2,835,290	<0.45%>
Other Expenses	\$3,497,135	\$4,288,551	<18.45%>
Total	\$6,319,730	\$7,123,841	<11.29%>

2012 Proposed Budget

Fixed & Statutory Costs

Utilities / Sanitation	\$443,000
Insurance	\$574,850
Other – Tax Appeals, Pension, Library, LOSAP, Grants, etc.	\$408,059
Capital Improvement	\$5,000
Debt Service	\$339,266
Deferred Charges / Statutory	\$716,695
Reserve for Uncollected Taxes	\$454,175
Total	\$2,941,045

Department Expenses

Public Safety	2,009,475
Public Works	\$376,300
Government Services	\$643,420
Construction / Land Use	\$118,190
Recreation	\$9,000
Health / Human Services / Senior	\$98,400
Municipal Court	\$123,900
Total	\$3,378,685

Budget Appropriations by Category

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL BUDGET</u>
Salaries	\$2,822,595	44.66%
Insurance (including health)	\$574,850	9.09%
Garbage & Recycling	\$225,500	3.57%
Utilities	\$217,500	3.44%
Deferred Charges / Statutory Expenditures	\$716,695	11.34%
Library	\$283,071	4.48%
Debt Service/Capital Improvement	\$344,266	5.45%
Reserve for Uncollected Taxes	\$454,175	7.19%
Other	\$681,078	10.78%
TOTAL	\$6,319,730	100%

Budget Cost Drivers

Description	2012 (Proposed)	2011 (Adopted)	Dollar Increase/ <Decrease>	% Increase/ <Decrease>
Contributions to Retirement Systems	\$466,195	\$458,129	\$8,066	1.76%
Insurance (including Health)	\$574,850	\$549,500	\$25,350	4.61%
Garbage / Utilities	\$443,000	\$434,000	\$9,000	2.07%
Library	\$283,071	293,222	<\$10,151>	<3.46%>
Municipal Debt Service	\$339,266	\$648,200	<\$308,934>	<47.66%>
Reserve for Uncollected Tax	\$454,175	\$506,141	<\$51,966>	<10.27%>
Salaries and wages	\$2,822,595	\$2,839,855	<\$17,260>	<.61%>

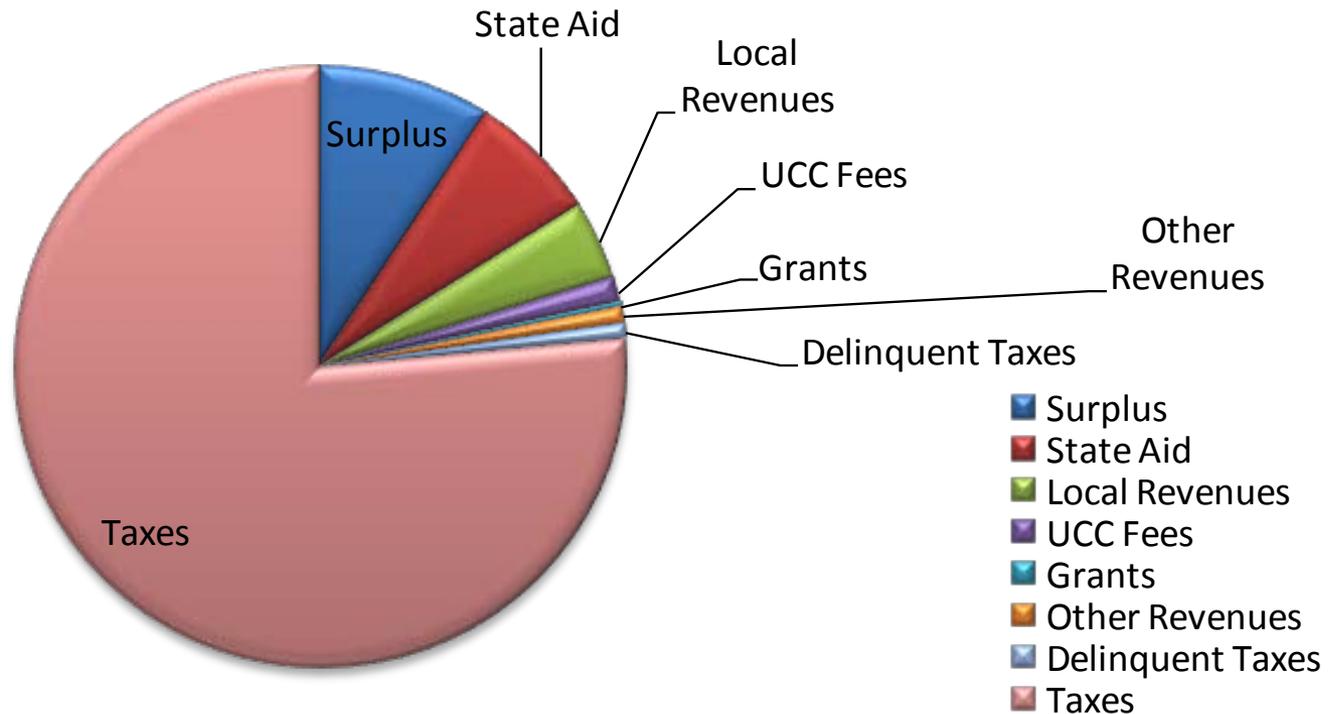
Proposed Changes in Appropriations

- **Salaries and Wages – Decreased \$17,260 due to attrition and terminations.**
- **Library – 1/3 mil requirement decreased \$10,151 caused by the reduction in the Borough's equalized value.**
- **Pension Contribution – Increased \$8,066 as mandated by the State.**
- **Reserve for Uncollected Taxes – Decreased \$51,966 as a result of the increased collection percentage utilized and the reduction of budget appropriations.**
- **Health Insurance - Increased \$25,350 due to the increase in premiums.**

Source of Revenues to Support Municipal Budget

	2012 (Proposed)	2011 (Adopted)	Increase/ <Decrease>
Surplus Utilization	\$575,000	\$800,000	<28.13%>
State Aid	\$439,515	\$439,515	—
Local Revenues	\$267,100	\$396,000	<32.55 %>
Other Revenues	\$55,000	\$155,500	<64.63%>
UCC Fees	\$84,075	\$85,000	<1.09%>
Grants	\$14,231	\$21,496	<33.80%>
Delinquent Taxes	\$50,000	\$70,000	<28.57%>
Amount to be Raised by Taxes	\$4,834,809	\$4,707,984	2.69%
Total	\$6,319,730	\$6,675,495	<5.33%>

2012 Municipal Revenue Sources



BOROUGH OF
RIVERDALE

ANALYSIS OF
BUDGET
REVENUES

2012

CATEGORY	2008	2009	INCREASE/ <DECREASE>	2009	2010	INCREASE/ <DECREASE>	2010	2011	INCREASE/ <DECREASE>	2011	2012	INCREASE/ <DECREASE>	CUMULATIVE INCREASE/ <DECREASE>
			PERCENT			PERCENT			PERCENT			PERCENT	
SURPLUS	1,500,000	1,500,000	0 0.00%	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%	(925,000) -61.67%
LOCAL REVENUE	515,000	669,767	154,767 30.05%	669,767	388,550	(281,217) -41.99%	388,550	396,000	7,450 1.92%	396,000	267,100	(128,900) -32.55%	(247,900) -48.14%
STATE AID	582,036	563,120	(18,916) -3.25%	563,120	439,515	(123,605) -21.95%	439,515	439,515	0 0.00%	439,515	439,515	0 0.00%	(142,521) -24.49%
UNIFORM CONSTRUCTION CODE	64,500	160,000	95,500 148.06%	160,000	375,000	215,000 134.38%	375,000	85,000	(290,000) -77.33%	85,000	84,075	(925) -1.09%	19,575 30.35%
INTERLOCAL SERVICE AGREEMENTS	30,000	30,000	0 0.00%	30,000	0	(30,000) -100.00%	0	0	0 0.00%	0	0	0 0.00%	(30,000) -100.00%
PUBLIC AND PRIVATE (GRANTS)	16,384	31,946	15,562 94.98%	31,946	70,059	38,113 119.30%	70,059	21,496	(48,563) -69.32%	21,496	14,231	(7,265) -33.80%	(2,153) -13.14%
OTHER SPECIAL ITEMS	19,000	270,405	251,405 1323.18%	270,405	21,000	(249,405) -92.23%	21,000	155,500	134,500 640.48%	155,500	55,000	(100,500) -64.63%	36,000 189.47%
DELINQUENT TAXES	65,000	71,500	6,500 10.00%	71,500	80,000	8,500 11.89%	80,000	70,000	(10,000) -12.50%	70,000	50,000	(20,000) -28.57%	(15,000) -23.08%
AMOUNT TO BE RAISED	<u>4,030,906</u>	<u>4,093,864</u>	62,958 1.56%	<u>4,093,864</u>	<u>4,512,789</u>	418,925 10.23%	<u>4,512,789</u>	<u>4,707,984</u>	195,195 4.33%	<u>4,707,984</u>	<u>4,834,809</u>	126,825 2.69%	803,903 19.94%
	6,822,826	7,390,602		7,390,602	7,211,913		7,211,913	6,675,495		6,675,495	6,319,730		



Resulting Changes In Revenue

- **Surplus Anticipated** **Decreased \$225,000**
- **Uniform Construction Code Fees** **Decreased \$925**
- **Interest on Investments** **Decreased \$900**
- **Municipal Court Fees** **Decreased \$125,000**
- **Utility Operating Surplus** **Decreased \$100,000**

Municipal Revenues versus Appropriations

	2008	2009	2010	2011	2012
Surplus Anticipated	\$1,500,000	\$1,500,000	\$1,325,000	\$800,000	\$575,000
Local Revenue	\$515,000	\$669,767	\$388,550	\$396,000	\$267,100
State Aid	\$582,036	\$563,120	\$439,515	\$439,515	\$439,515
UCC Fees	\$64,500	\$160,000	\$375,000	\$85,000	\$84,075
Grants with offsetting Appropriations	\$16,384	\$31,946	\$70,059	\$21,496	\$14,231
Other Revenue Sources	\$49,000	\$300,405	\$21,000	\$155,500	\$55,000
Delinquent Taxes	\$65,000	\$71,500	\$80,000	\$70,000	\$50,000
Amount to be Raised	\$4,030,906	4,093,864	\$4,512,789	\$4,707,984	\$4,834,809
Appropriations	\$6,822,826	\$7,390,602	\$7,211,913	\$6,675,495	\$6,319,730



Surplus

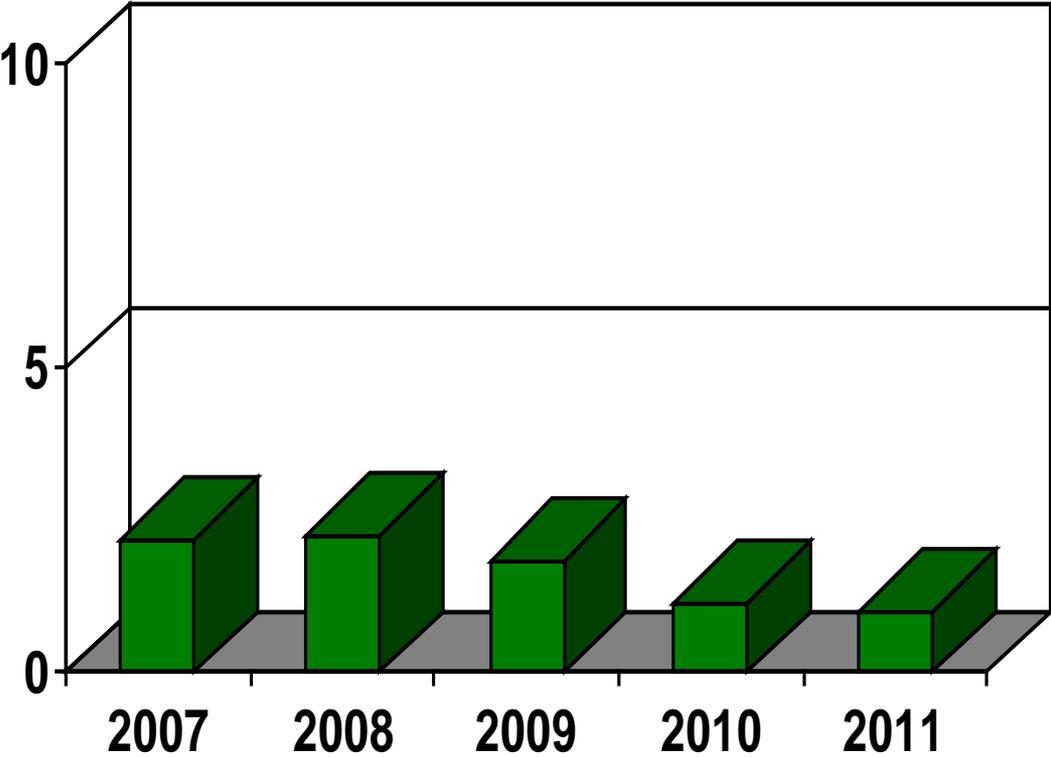
- **The Borough's surplus balance on 12/31/11 was \$983,484**
- **This is \$176,423 lower than it was on 12/31/10**
- **The decrease in the surplus was a result of the decrease in revenues realized, primarily from municipal court fees.**

Surplus

YEAR	AMOUNT
2007	\$2,174,516
2008	\$2,278,087
2009	\$1,870,016
2010	\$1,159,907
2011	\$983,484

Surplus Realized

Millions



■ Surplus

BOROUGH OF RIVERDALE

CURRENT FUND

ANALYSIS OF REVENUES
AND EXPENDITURES

2008-2013

	2008 AUDITED		2009 AUDITED		2010 AUDITED		2011 ADOPTED / UNAUDITED		2012 PROPOSED / PROJECTED		2013 PROJECTED
REVENUES											
SURPLUS	\$1,500,000		\$1,500,000		\$1,325,000		\$800,000		\$575,000		\$575,000
LOCAL REVENUES	\$469,980		\$394,197		\$407,509		\$278,993		\$267,100		\$265,000
STATE AID	\$582,036		\$563,120		\$439,515		\$439,515		\$439,515		\$439,515
UNIFORM CONSTRUCTION	\$160,982		\$559,038		\$90,772		\$151,485		\$84,075		\$75,000
PUBLIC AND PRIVATE	\$105,038		\$592,929		\$857,847		\$469,842		\$14,231		\$0
OTHER SPECIAL ITEMS	\$51,654		\$52,893		\$24,347		\$158,701		\$55,000		\$105,000
DELINQUENT TAX	\$71,434		\$102,792		\$126,570		\$45,109		\$50,000		\$50,000
AMOUNT TO BE RAISED	\$4,528,061	0.479	\$4,441,585	0.478	\$4,938,952	0.500	\$5,068,056	0.516	\$4,834,809	0.531	\$5,292,231
EXCESS REVENUES									\$350,000		\$350,000
MRNA	\$904,012		\$135,985		\$195,515		\$181,387		\$175,000		\$150,000
RESERVES LAPSED	\$110,609		\$206,627		\$207,058		\$154,541		\$150,000		\$125,000
OTHER	\$4,695		\$45,317		\$9,440		\$10,102				
	<u>\$8,488,501</u>		<u>\$8,594,483</u>		<u>\$8,622,525</u>		<u>\$7,757,731</u>		<u>\$6,994,730</u>		<u>\$7,426,746</u>
EXPENDITURES											
OPERATING WITHIN CAPS											
SALARIES	\$2,831,350		\$2,934,100		\$3,127,165		\$2,835,290		\$2,822,595		\$2,879,047
OTHER EXPENSE	\$1,632,175		\$1,608,975		\$1,609,225		\$1,529,590		\$1,568,140		\$1,556,425
OPERATING EXCLUDED											
SALARIES	\$30,000		\$30,000								
OTHER EXPENSE	\$786,236		\$613,449		\$859,682		\$667,023		\$387,603		\$400,000
CAPITAL	\$5,250		\$405,000		\$480,000		\$185,000		\$5,000		\$5,000
DEBT SERVICE	\$710,299		\$661,750		\$665,500		\$648,200		\$339,266		\$650,000
DEFERRED/STATUTORY	\$372,700		\$746,125		\$733,747		\$752,598		\$742,951		\$796,652
RESERVE FOR UNCOLLECTED	\$549,939		\$499,113		\$524,382		\$506,141		\$454,175		\$514,622
OTHER	\$3,155		\$4,042		\$7,933		\$10,312				
	<u>\$6,921,104</u>		<u>\$7,502,554</u>		<u>\$8,007,634</u>		<u>\$7,134,154</u>		<u>\$6,319,730</u>		<u>\$6,801,746</u>
	\$1,567,397		\$1,091,929		\$614,891		\$623,577		\$675,000		\$625,000
ADJUSTMENTS	<u>\$36,174</u>										
	\$1,603,571		\$1,091,929		\$614,891		\$623,577		\$675,000		\$625,000
SURPLUS 1/1	<u>\$2,174,516</u>		<u>\$2,278,087</u>		<u>\$1,870,016</u>		<u>\$1,159,907</u>		<u>\$983,484</u>		<u>\$1,083,484</u>
	\$3,778,087		\$3,370,016		\$2,484,907		\$1,783,484		\$1,658,484		\$1,708,484
SURPLUS ANTIC	<u>\$1,500,000</u>		<u>\$1,500,000</u>		<u>\$1,325,000</u>		<u>\$800,000</u>		<u>\$575,000</u>		<u>\$575,000</u>
SURPLUS 12/31	\$2,278,087		\$1,870,016		\$1,159,907		\$983,484		\$1,083,484		\$1,133,484



Other Items of Interest

- Future tax appeals pending
- Decrease in State Aid of \$230,107 from 2007 – 2010
- Decrease in Surplus of \$1,294,603 from 2008 - 2011



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.