



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

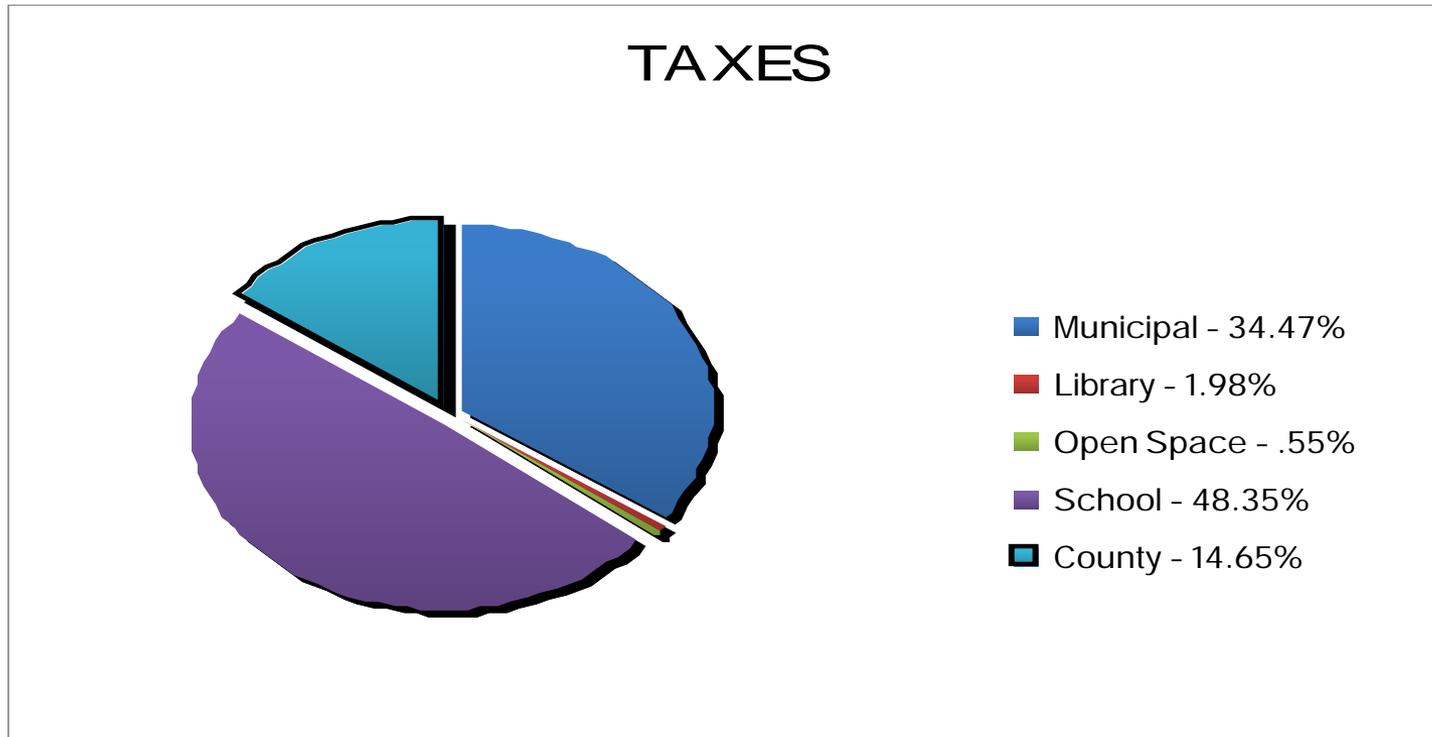
In cents per \$100 of Assessed Valuation

	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?

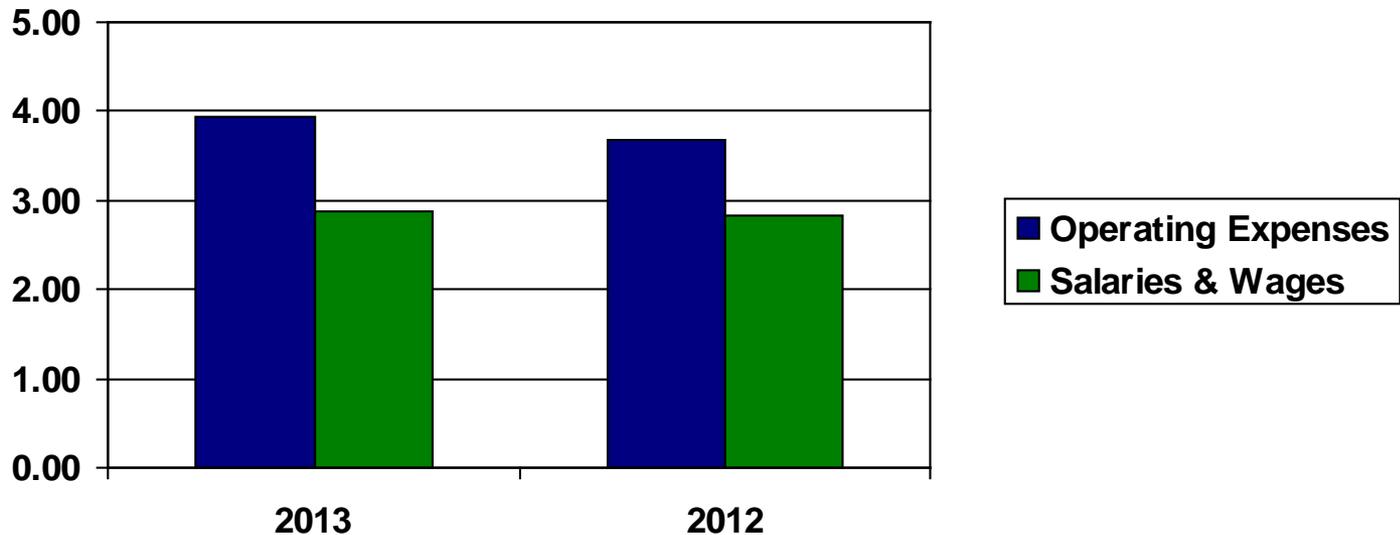
- **Police and Fire Departments**
- **Public works department :**
Maintain roadways, parks, storm water management, leaf collection and snow removal
- **Board of Health**
Animal control services
- **Emergency First Aid**
- **Recreational, cultural and senior citizen events and programs**
- **Garbage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

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL BUDGET</u>
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%

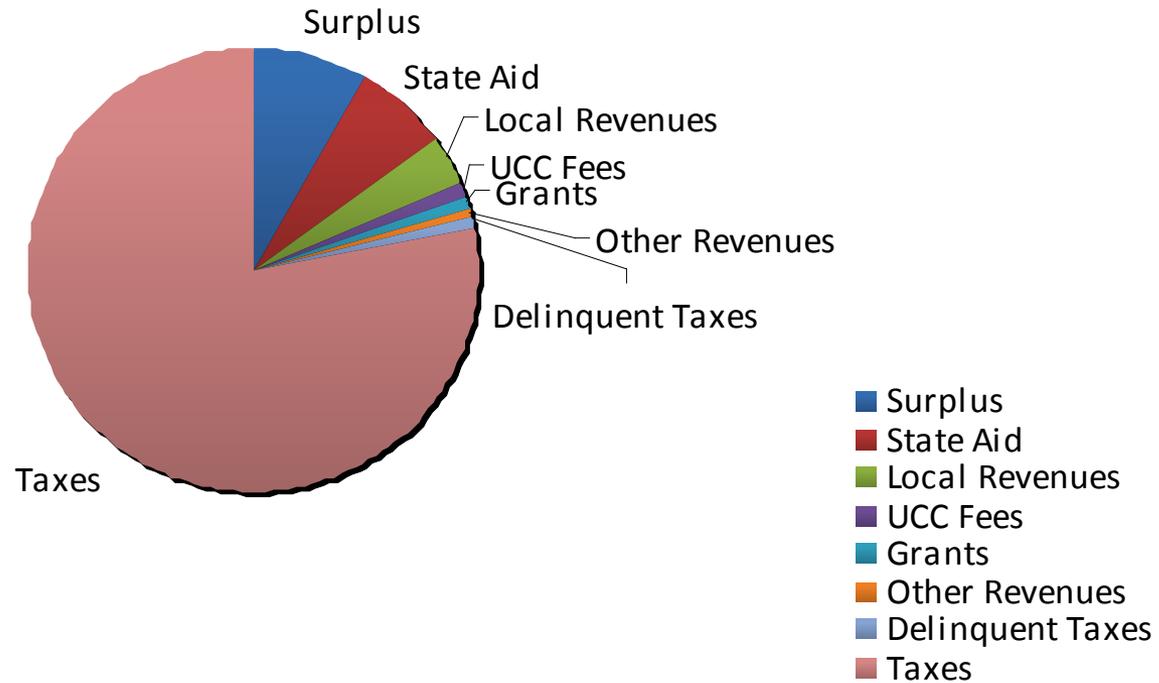
Proposed Changes in Appropriations

- **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>	2010	2011	INCREASE/ <DECREASE>	2011	2012	INCREASE/ <DECREASE>	2012	2013	INCREASE/ <DECREASE>	CUMULATIVE INCREASE/ <DECREASE>
			PERCENT			PERCENT			PERCENT			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	<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>4,821,889</u>	113,905 2.42%	<u>4,821,889</u>	<u>5,317,183</u>	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



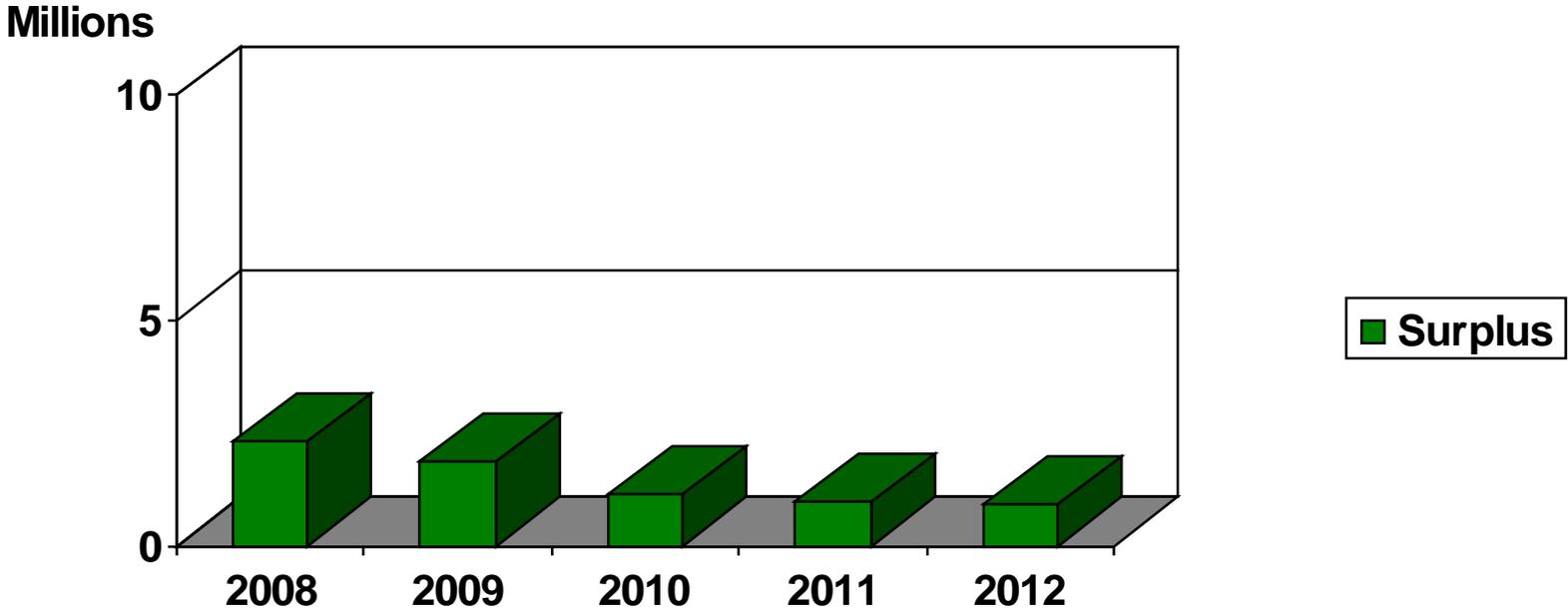
Surplus

- **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 <u>AUDITED</u>	2010 <u>AUDITED</u>	2011 <u>AUDITED</u>	2012 <u>ADOPTED/UNAUDITED</u>	2013 <u>PROPOSED/PROJECTED</u>	2014 <u>PROJECTED</u>
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
EXCESS REVENUES					\$5,134,617.0.529/	0.601
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		
	<u>\$8,594,483</u>	<u>\$8,622,525</u>	<u>\$7,757,923</u>	<u>\$7,005,977</u>	<u>\$7,329,841</u>	<u>\$7,317,771</u>
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
DEFERRED/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		
	<u>\$7,502,554</u>	<u>\$8,007,634</u>	<u>\$7,134,155</u>	<u>\$6,563,607</u>	<u>\$6,804,841</u>	<u>\$6,771,271</u>
ADJUSTMENTS	\$1,091,929	\$614,891	\$623,768	\$442,370	\$525,000	\$546,500
	<u>\$1,091,929</u>	<u>\$614,891</u>	<u>\$623,768</u>	<u>\$522,370</u>	<u>\$525,000</u>	<u>\$546,500</u>
SURPLUS 1/1	<u>\$2,278,087</u>	<u>\$1,870,016</u>	<u>\$1,159,907</u>	<u>\$983,675</u>	<u>\$931,045</u>	<u>\$883,545</u>
SURPLUS ANTIC	\$3,370,016	\$2,484,907	\$1,783,675	\$1,506,045	\$1,456,045	\$1,430,045
	<u>\$1,500,000</u>	<u>\$1,325,000</u>	<u>\$800,000</u>	<u>\$575,000</u>	<u>\$572,500</u>	<u>\$550,000</u>
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.