

Budget Analysis 2014

Borough of Riverdale
County of Morris
State of New Jersey



Borough of Riverdale

Governing Body

- Mayor William Budenheim
- 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

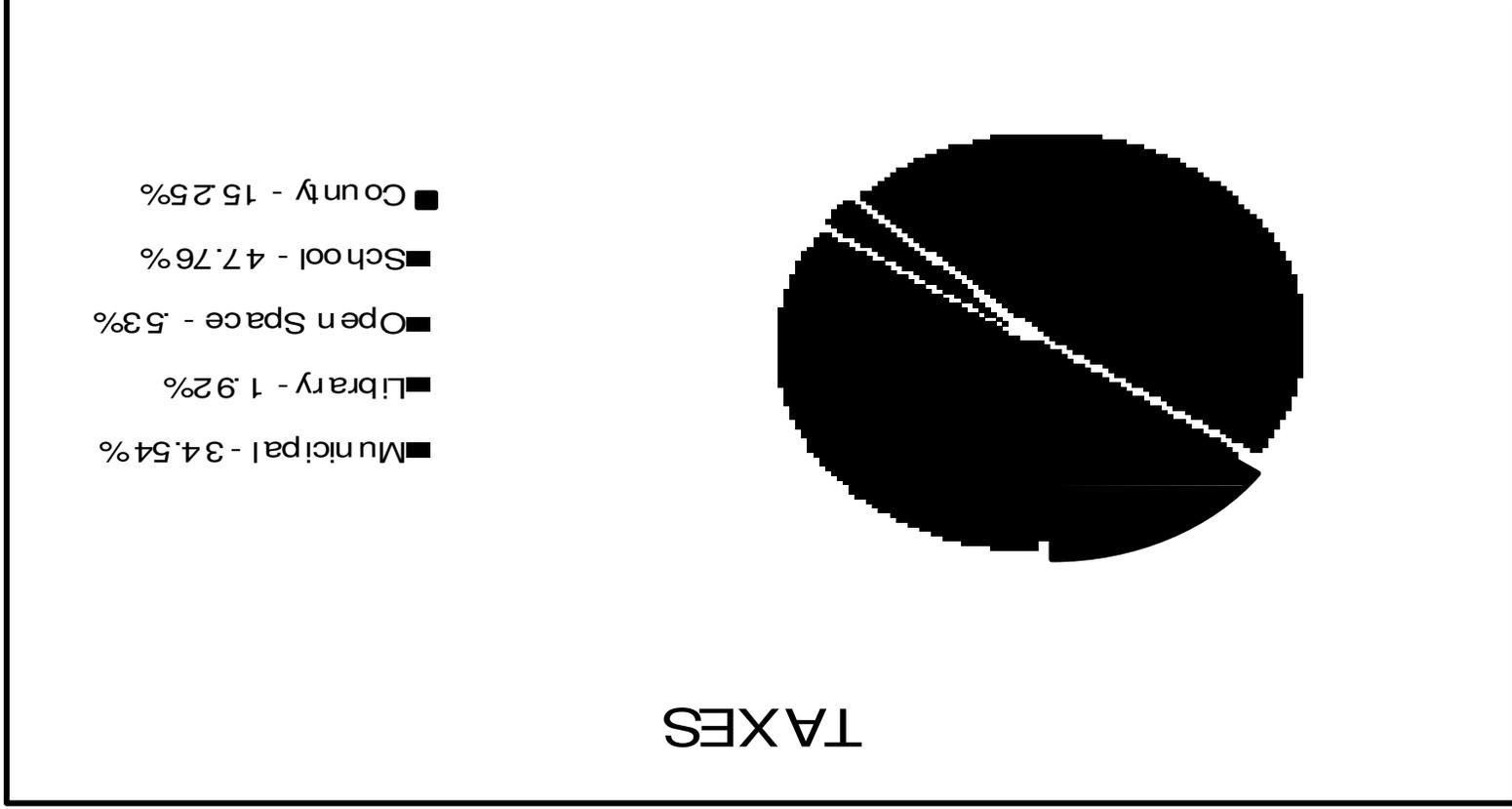
In cents per \$100 of Assessed Valuation

2013 (Actual)	2014 (Projected/Estimated)	

Overview Of Tax Increase

- The projected municipal tax increase for 2014 is approximately \$60.65 (\$5.05 per month) for a residential home assessed at the projected average assessment of \$288,816.25.
- The projected increase equates to approximately 3.35% of the amount paid for municipal taxes for an average residential home in 2013.

2014 Projected Tax Rate Breakdown



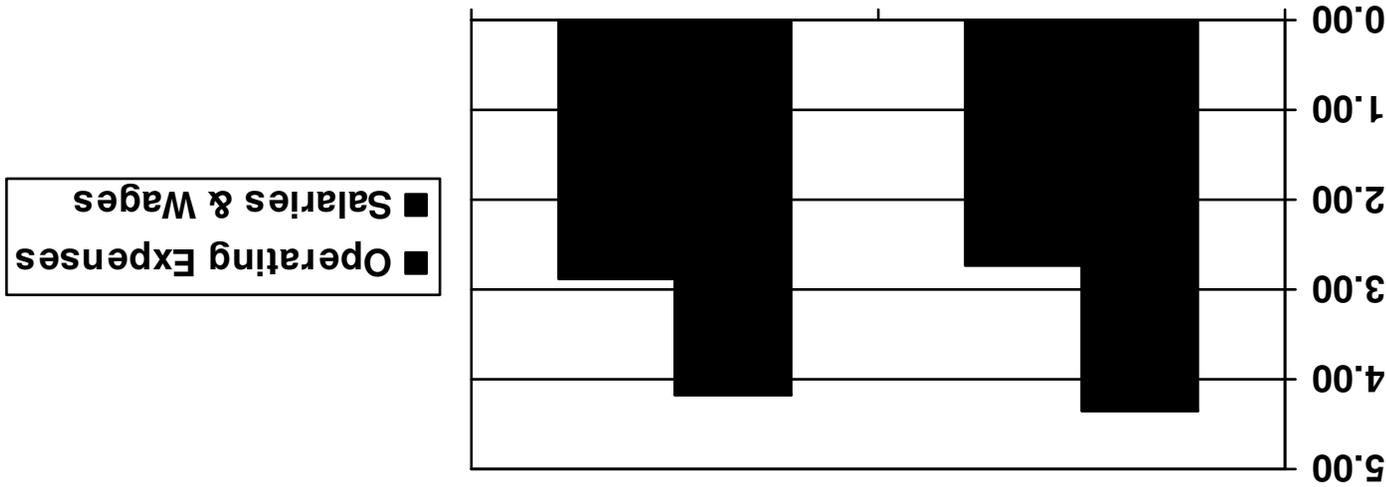
What Do You Get for Your Municipal Tax Dollar?

- 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



Change	2014 (Proposed)	2013 (Final)	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

Fixed & Statutory Costs

Utilities / Sanitation	\$473,500
Insurance	\$646,525
Other – Tax Appeals, Library, LOSAP, Grants, Shared Service	\$783,200
Capital Improvement	\$25,000
Debt Service	\$628,115
Deferred Charges / Statutory	\$724,678
Reserve for Uncollected Taxes	\$487,403
Total	\$3,768,421

Department Expenses

Public Safety	2,049,655
Public Works	\$377,905
Government Services	\$604,080
Construction / Land Use	\$41,525
Recreation / Celebration	\$5,500
Health / Human Services / Senior / Facilities	\$120,675
Municipal Court	\$115,275
Total	\$3,314,615

Budget Appropriations by Category

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL BUDGET</u>
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
Contributions to Retirement Systems	\$448,678	\$460,788	<\$12,110>	<2.63%>
Insurance (including Health)	\$646,525	\$609,000	\$37,525	6.16%
Garbage / Utilities	\$448,500	\$443,000	\$5,500	1.24%
Library	\$288,338	\$290,115	<\$1,777>	<.61%>
Municipal Debt Service	\$628,115	\$631,715	<\$3,600>	<.57%>
Reserve for Uncollected Tax	\$487,403	\$474,426	\$12,977	2.74%
Salaries and Wages	\$2,735,190	\$2,873,705	<\$138,515>	<4.82%>

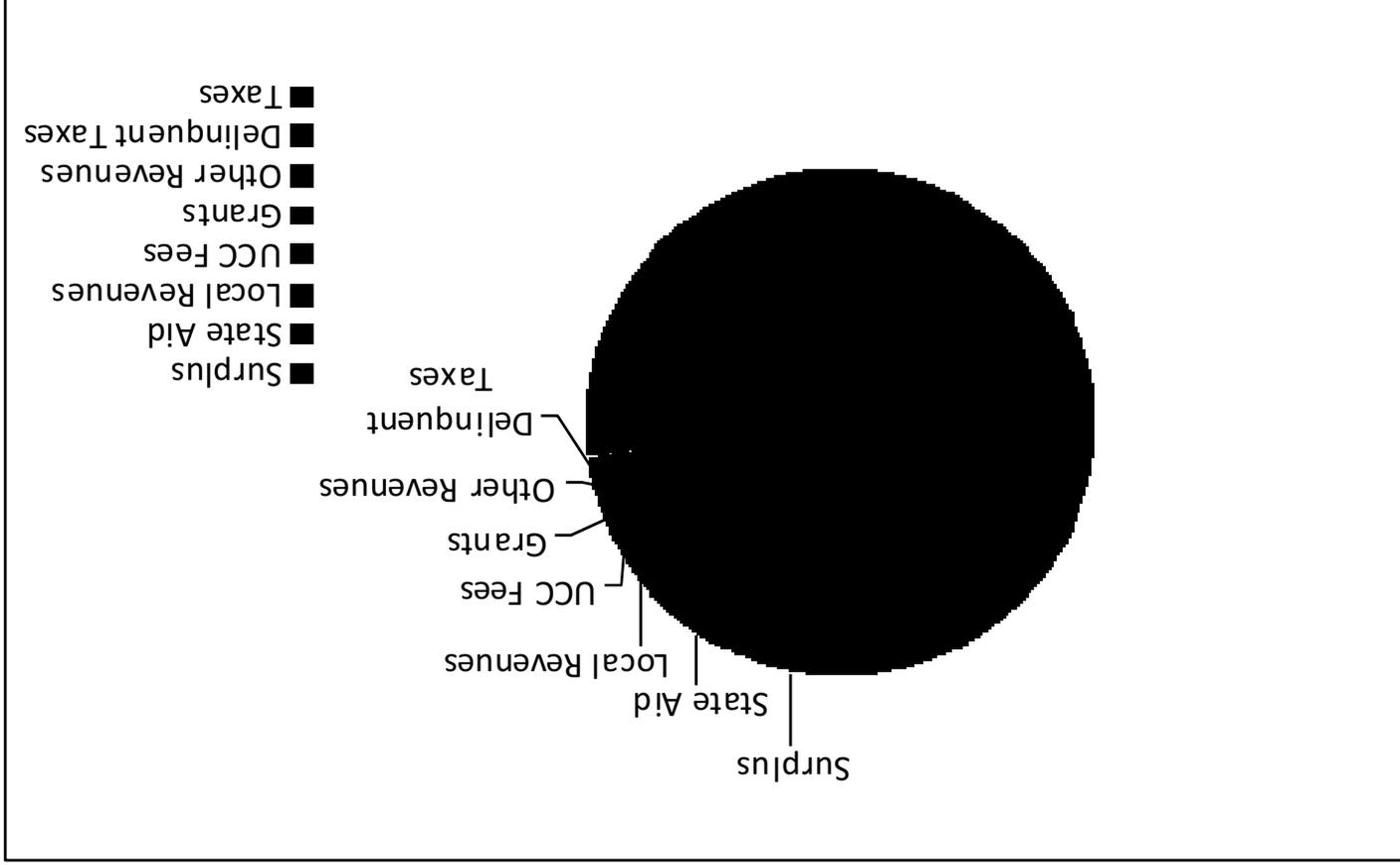
Proposed Changes in Appropriations

- 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 actuarial 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 premiums.

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



Resulting Changes In Revenue

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

Municipal Revenues versus Appropriations

2014 (Proposed)	2013	2012	2011	2010	
\$475,000	\$572,500	\$575,000	\$800,000	\$1,325,000	Surplus Anticipated
\$261,750	\$248,100	\$271,700	\$396,000	\$388,550	Local Revenue
\$436,618	\$434,424	\$425,759	\$410,727	\$402,147	Energy Receipts Tax
\$2,897	\$5,091	\$13,756	\$28,788	\$37,368	Consolidated Municipal Property Tax Relief
\$36,000	\$88,500	\$89,475	\$85,000	\$375,000	Building Department (UCC Fees)
\$275,080	\$46,543	\$14,231	\$21,496	\$70,059	Grants with offsetting Appropriations
\$53,000	\$42,500	\$57,500	\$155,500	\$21,000	Other Revenue Sources
\$75,000	\$50,000	\$50,000	\$70,000	\$80,000	Delinquent Taxes
\$5,467,691	\$5,317,183	\$4,821,889	\$4,707,984	\$4,512,789	Amount to be Raised by Taxes
\$7,083,036	\$6,804,841	\$6,319,310	\$6,675,495	\$7,211,913	Appropriations

Surplus

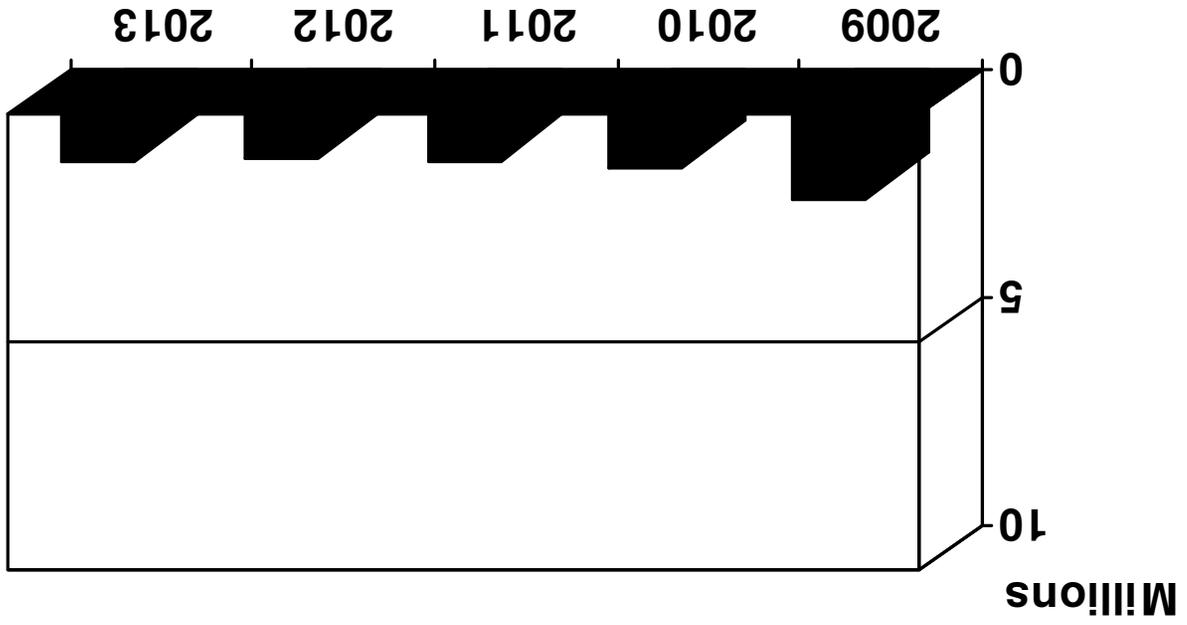
- The Borough's unaudited surplus balance on 12/31/13 was \$1,017,865
- The surplus balance is \$86,820 higher than it was on 12/31/12
- The increase in the surplus was a result of non recurring revenues realized, including but not limited to, the sale of assets, FEMA and grant reimbursements.

Surplus

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

Surplus Realized

■ Surplus



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.