



Borough of Riverdale
County of Morris
State of New Jersey



Budget Analysis
2015

Borough of Riverdale

Governing Body

- **Mayor William Budesheim**
- **Council President Gary Mastrangelo**
- **Councilman Garrett Astarita**
- **Councilman Paul Carelli**
- **Councilman Bradley Clinton**
- **Councilman Vincent Pellegrini**
- **Councilman Stephen Revis**



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 2015 is in compliance with the 2% Tax Levy CAP.**
- **The General Appropriations for 2015 are in compliance with the 3.5% Appropriation CAP.**



Steps 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

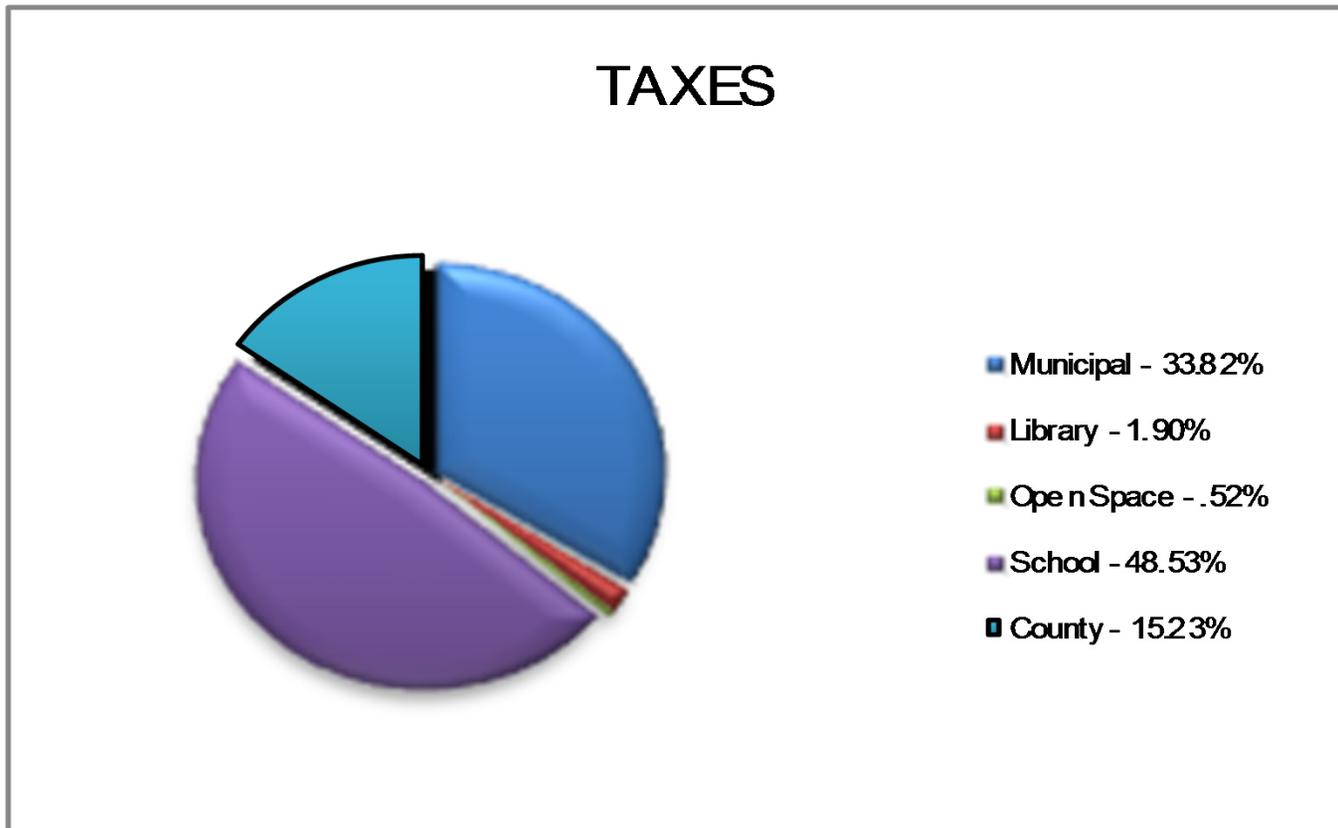
	2015 (Projected/Estimated)	2014 (Actual)
School	.917	.881
County	.287	.277
Borough	.639	.639
Library	.036	.036
Municipal	.675	.675
Open Space	.010	.010
TOTAL	1.889	1.843



Overview Of Tax Increase

- The 2015 proposed budget reflects a zero increase in the municipal tax rate.
- The average assessment for a residential home for 2015 is \$288,782.01.

2015 Projected Tax Rate Breakdown





What Do You Get for Your Municipal Tax Dollar?

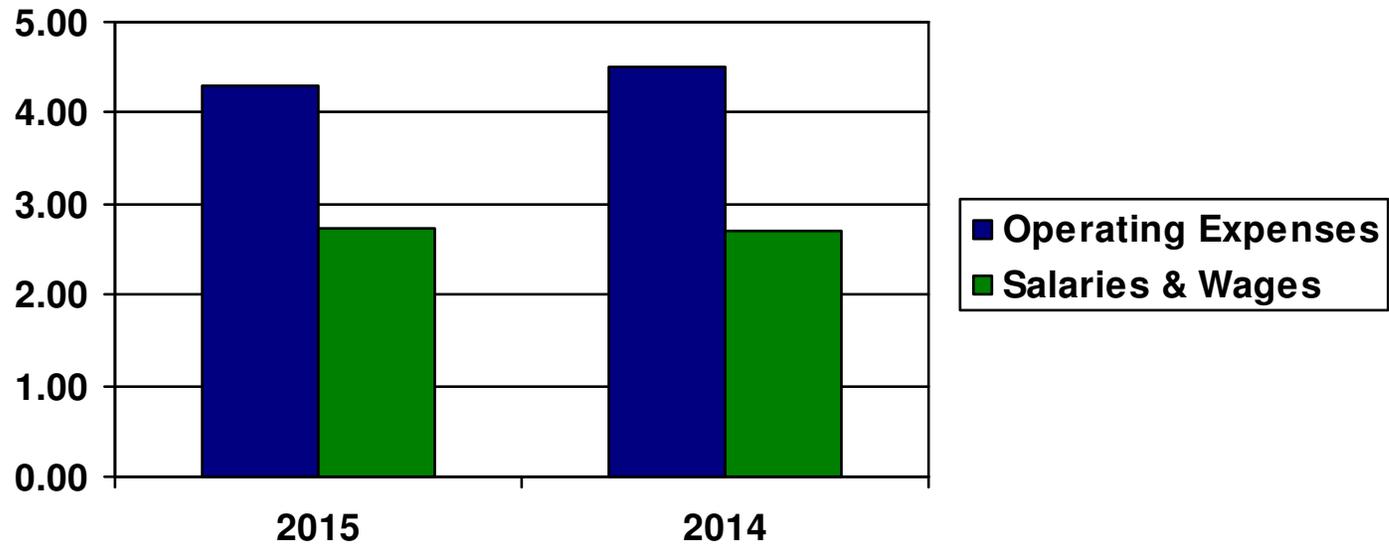
- **Police and Fire Departments – Public Safety**
- **Public Works Department :**
Maintain roadways, parks, storm water management, leaf collection and snow removal
- **Board of Health / Animal control services**
- **Emergency First Aid**
- **Recreational, cultural and senior citizen events and programs**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



Ratables

- The ratable base for 2015 is \$795,591,500.
- The Borough expects only minimal ratable growth in 2016.

Total Budget Comparison



	2015 (Proposed)	2014 (Final)	Change Increase/ <Decrease>
Salaries & Wages	\$2,719,990	\$2,690,190	1.11%
Other Expenses	\$4,295,784	\$4,505,284	<4.65%>
Total	\$7,015,774	\$7,195,474	<2.50%>

2015 Proposed Budget

Fixed & Statutory Costs

Utilities / Sanitation	\$485,000
Insurance	\$688,000
Other – Tax Appeals, Library, LOSAP, Grants, Shared Service	\$516,131
Capital Improvement	\$227,500
Debt Service	\$567,105
Deferred Charges / Statutory	\$729,237
Reserve for Uncollected Taxes	\$488,436
Total	\$3,701,409

Department Expenses

Public Safety	2,094,705
Public Works	\$471,785
Government Services	\$480,105
Construction / Land Use	\$37,685
Recreation / Celebration	\$13,000
Health / Human Services / Senior / Facilities	\$100,310
Municipal Court	\$116,775
Total	\$3,314,365

Budget Appropriations by Category

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL BUDGET</u>
Salaries	\$2,719,990	38.77%
Insurance (including health)	\$688,000	9.81%
Garbage & Recycling	\$265,000	3.78%
Utilities	\$205,000	2.92%
Deferred Charges / Statutory Expenditures	\$729,237	10.39%
Library	\$285,526	4.07%
Interlocal (Shared) Service Agreements	\$98,000	1.40%
Grants	\$29,587	.42%
Debt Service/Capital Improvement	\$795,605	11.34%
Reserve for Uncollected Taxes	\$488,436	6.96%
Other	\$711,393	10.14%
TOTAL	\$7,015,774	100%

Budget Cost Drivers

Description	2015 (Proposed)	2014 (Adopted)	Dollar Increase/ <Decrease>	% Increase/ <Decrease>
Contributions to Retirement Systems	\$460,736	\$448,678	\$12,058	2.69%
Insurance (including Health)	\$688,000	\$646,525	\$41,475	6.41%
Garbage / Utilities	\$485,000	\$448,500	\$36,500	8.14%
Library	\$285,526	\$288,338	<\$2,812>	<.97%>
Municipal Debt Service	\$567,105	\$578,115	<\$11,010>	<1.90%>
Reserve for Uncollected Tax	\$488,436	\$485,220	\$3,216	.66%
Salaries and Wages	\$2,719,990	\$2,715,190	\$4,800	.18%



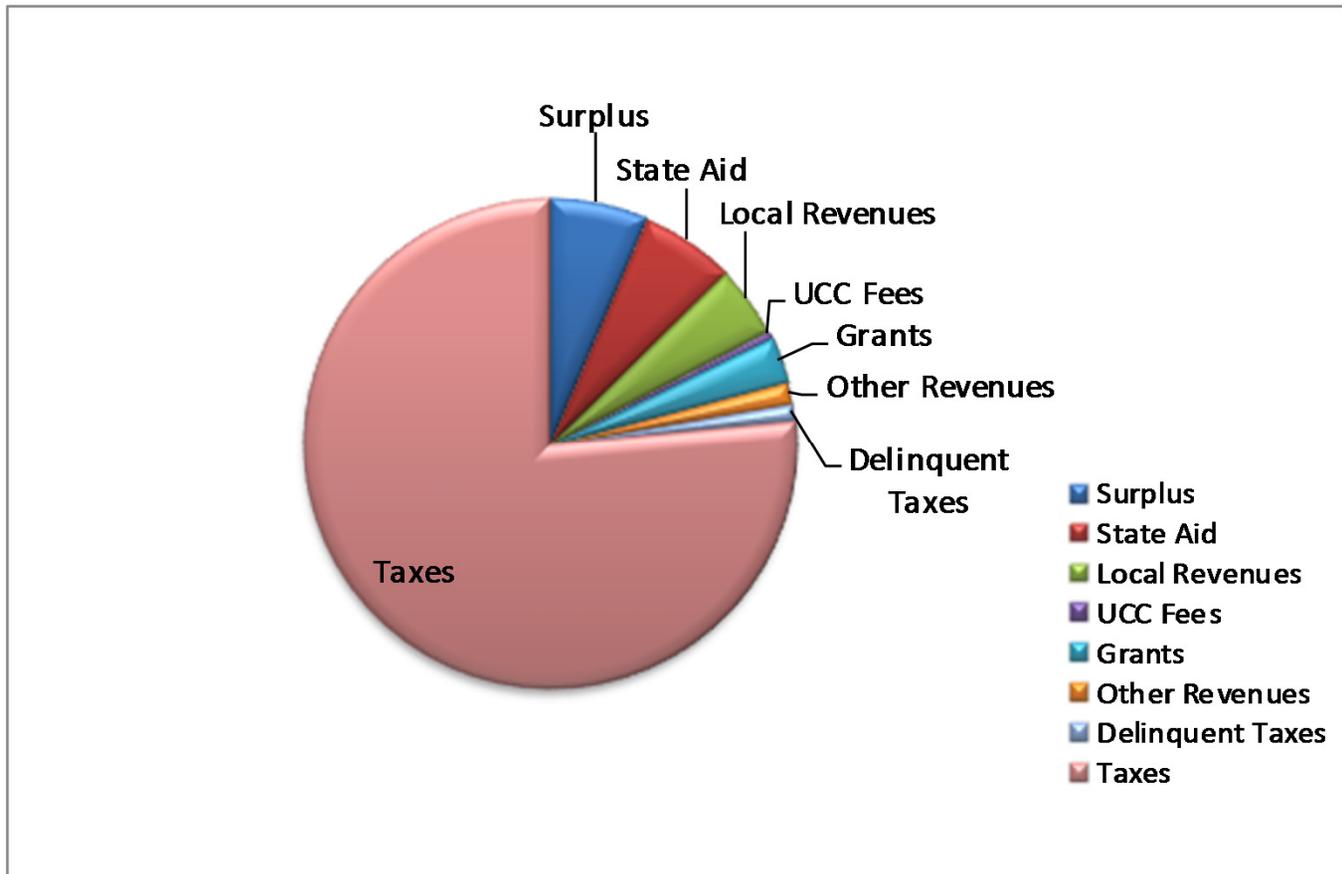
Proposed Changes in Appropriations

- **Salaries and Wages – Increased \$4,800 as a result of the net change between the contractual and approved increases in salaries and the reduction in salaries due to attrition.**
- **Library – Decreased \$2,812 caused by the decrease in the Borough's equalized value.**
- **Pension Contribution – Increased \$12,058 based on the annual employer appropriation invoices received from the State.**
- **Reserve for Uncollected Taxes – Increased \$3,216 as a result of the increase in the estimate of school and county taxes.**
- **Health Insurance - Increased \$41,475 due to the increase in premiums.**

Source of Revenues to Support Municipal Budget

	2015 (Proposed)	2014 (Adopted)	Increase/ <Decrease>
Surplus Utilization	\$450,000	\$475,000	<5.26%>
State Aid – Energy Receipts Tax	\$439,515	\$436,618	.66%
State Aid – CMPTRA	\$0	\$2,897	<100%>
Local Revenues	\$329,000	\$261,750	25.69%
Other Revenues	\$99,180	\$53,000	87.13%
Uniform Construction Code Fees	\$40,000	\$36,000	11.11%
Grants	\$214,587	\$454,701	<52.81%>
>Delinquent Taxes	\$75,000	\$75,000	0%
Amount to be Raised by Taxes	\$5,368,492	\$5,400,508	<.59%>
Total	\$7,015,774	\$7,195,474	<2.50%>

2015 Municipal Revenue Sources



BOROUGH OF RIVERDALE
ANALYSIS OF BUDGET REVENUES

2015

CATEGORY	2011	2012	INCREASE/ <DECREASE>	2012	2013	INCREASE/ <DECREASE>	2013	2014	INCREASE/ <DECREASE>	2014	PROPOSED 2015	INCREASE/ <DECREASE>	CUMULATIVE INCREASE/ <DECREASE>
			PERCENT			PERCENT			PERCENT			PERCENT	
SURPLUS	800,000	575,000	(225,000) -28.13%	575,000	572,500	(2,500) -0.43%	572,500	475,000	(97,500) -17.03%	475,000	450,000	(25,000) -5.26%	(350,000) -43.75%
LOCAL REVENUE	396,000	271,700	(124,300) -31.39%	271,700	248,100	(23,600) -8.69%	248,100	261,750	13,650 5.50%	261,750	329,000	67,250 25.69%	(67,000) -16.92%
STATE AID	439,515	439,515	0 0.00%	439,515	439,515	0 0.00%	439,515	439,515	0 0.00%	439,515	439,515	0 0.00%	0 0.00%
UNIFORM CONSTRUCTION CODE	85,000	89,475	4,475 5.26%	89,475	88,500	(975) -1.09%	88,500	36,000	(52,500) -59.32%	36,000	40,000	4,000 11.11%	(45,000) -52.94%
INTERLOCAL SERVICE AGREEMENTS	0	0	0 0.00%	0	0	0 0.00%	0	0	0 0.00%	0	0	0 0.00%	0 0.00%
PUBLIC AND PRIVATE (GRANTS)	21,496	14,231	(7,265) -33.80%	14,231	46,543	32,312 227.05%	46,543	275,080	228,537 491.02%	275,080	214,587	(60,493) -21.99%	193,091 898.27%
OTHER SPECIAL ITEMS	155,500	57,500	(98,000) -63.02%	57,500	42,500	(15,000) -26.09%	42,500	53,000	10,500 24.71%	53,000	99,180	46,180 87.13%	(56,320) -36.22%
DELINQUENT TAXES	70,000	50,000	(20,000) -28.57%	50,000	50,000	0 0.00%	50,000	75,000	25,000 50.00%	75,000	75,000	0 0.00%	5,000 7.14%
AMOUNT TO BE RAISED	4,707,984	4,821,889	113,905 2.42%	4,821,889	5,317,183	495,294 10.27%	5,317,183	5,400,507	83,324 1.57%	5,400,507	5,368,492	(32,015) -0.59%	660,508 14.03%
	6,675,495	6,319,310		6,319,310	6,804,841		6,804,841	7,015,852		7,015,852	7,015,774		



Resulting Changes In Revenue

- **Surplus Anticipated** **Decreased \$25,000**
- **Fees and Permits** **Increased \$12,000**
- **Municipal Court Fees** **Increased \$68,500**
- **Interest and Costs on Taxes** **Decreased \$13,250**
- **Uniform Construction Code Fees** **Increased \$4,000**
- **Facility Usage Fees** **Increased \$19,000**
- **Donation – Newsletter** **Decreased \$3,320**

Municipal Revenues versus Appropriations (Adopted)

	2011	2012	2013	2014	2015 (Proposed)
Surplus Anticipated	\$800,000	\$575,000	\$572,500	\$475,000	\$450,000
Local Revenue	\$396,000	\$271,700	\$248,100	\$261,750	\$329,000
Energy Receipts Tax	\$410,727	\$425,759	\$434,424	\$436,618	\$439,515
Consolidated Municipal Property Tax Relief	\$28,788	\$13,756	\$5,091	\$2,897	\$0
Building Department (UCC Fees)	\$85,000	\$89,475	\$88,500	\$36,000	\$40,000
Grants with offsetting Appropriations	\$21,496	\$14,231	\$46,543	\$275,080	\$214,587
Other Revenue Sources	\$155,500	\$57,500	\$42,500	\$53,000	\$99,180
Delinquent Taxes	\$70,000	\$50,000	\$50,000	\$75,000	\$75,000
Amount to be Raised by Taxes	\$4,707,984	\$4,821,889	\$5,317,183	\$5,400,507	\$5,368,492
Appropriations	\$6,675,495	\$6,319,310	\$6,804,841	\$7,015,852	\$7,015,774



Surplus

- **The Borough's unaudited surplus balance on 12/31/14 was \$1,185,284.**
- **The surplus balance is \$167,419 higher than it was on 12/31/13.**
- **The increase in surplus was aided by the receipt of non recurring revenues realized, including but not limited to, an old escrow account balance closed, a collection of an outstanding balance for the rental of municipal owned property and a large health insurance reimbursement . Also, revenues realized exceeded the amounts anticipated.**

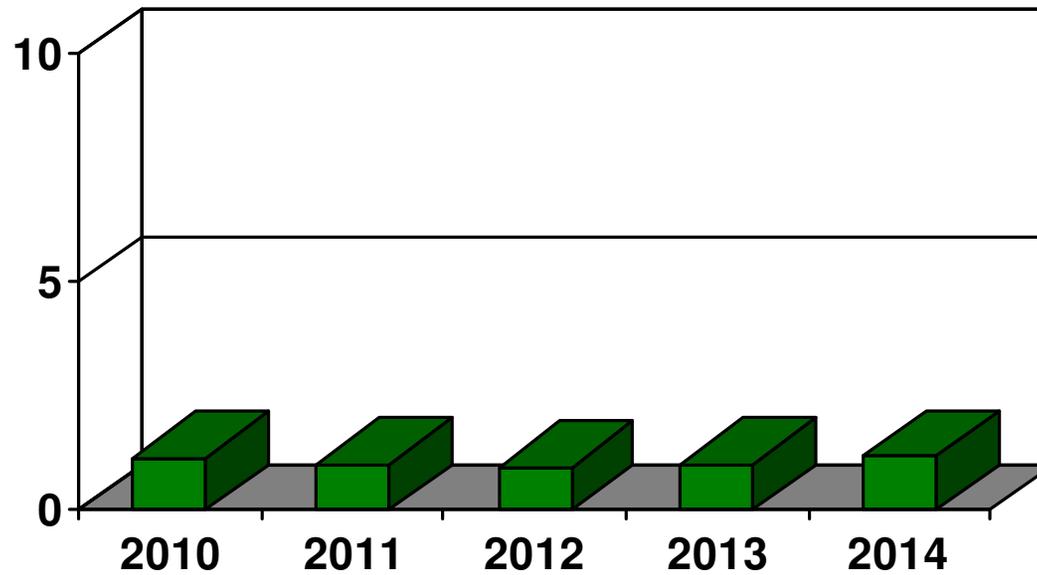


Surplus

YEAR	AMOUNT
2010	\$1,159,907
2011	\$983,675
2012	\$931,045
2013	\$1,017,865
2014 (Unaudited)	\$1,185,284

Surplus Realized

Millions



BOROUGH OF RIVERDALE
CURRENT FUND

ANALYSIS OF REVENUES AND EXPENDITURES

2011-2016

	<u>2011</u> <u>AUDITED</u>		<u>2012</u> <u>AUDITED</u>		<u>2013</u> <u>AUDITED</u>		<u>2014</u> <u>ADOPTED/UNAUDITED</u>		<u>2015</u> <u>PROPOSED/PROJECTED</u>		<u>2016</u> <u>PROJECTED</u>	
REVENUES												
SURPLUS	\$800,000		\$575,000		\$572,500		\$475,000		\$450,000		\$500,000	
LOCAL REVENUES	\$278,993		\$266,845		\$281,436		\$345,734		\$329,000		\$329,000	
STATE AID	\$439,515		\$439,515		\$439,515		\$439,515		\$439,515		\$439,515	
UNIFORM CONSTRUCTION	\$151,485		\$101,437		\$36,802		\$45,495		\$40,000		\$40,000	
PUBLIC AND PRIVATE	\$469,842		\$113,066		\$278,593		\$454,702		\$214,587		\$0	
OTHER SPECIAL ITEMS	\$158,701		\$63,256		\$54,011		\$83,174		\$99,180		\$74,500	
DELINQUENT TAX	\$45,109		\$53,582		\$62,809		\$155,745		\$75,000		\$75,000	
AMOUNT TO BE RAISED	\$5,068,056	0.516	\$5,134,617	0.529/ 0.601	\$5,408,169	0.663	\$5,520,335	0.675	\$5,368,492	0.675	\$5,657,611	0.711
EXCESS REVENUES							\$225,000		\$225,000		\$225,000	
MRNA	\$182,535		\$135,182		\$280,949		\$318,485		\$125,000		\$125,000	
RESERVES LAPSED	\$154,541		\$111,205		\$181,155		\$92,862		\$150,000		\$125,000	
OTHER	\$9,146		\$12,272		\$162,081		\$28,339					
	<u>\$7,757,923</u>		<u>\$7,005,977</u>		<u>\$7,758,019</u>		<u>\$7,959,384</u>		<u>\$7,515,774</u>		<u>\$7,590,626</u>	
EXPENDITURES												
OPERATING WITHIN CAPS												
SALARIES	\$2,835,290		\$2,822,595		\$2,868,060		\$2,675,190		\$2,719,990		\$2,845,285	
OTHER EXPENSE	\$1,529,590		\$1,653,940		\$1,640,065		\$1,712,350		\$1,747,772		\$1,863,350	
OPERATING EXCLUDED												
SALARIES							\$15,000					
OTHER EXPENSE	\$692,967		\$506,895		\$479,192		\$985,921		\$535,734		\$491,543	
CAPITAL	\$185,000		\$5,000		\$220,000		\$25,000		\$227,500		\$25,000	
DEBT SERVICE	\$648,200		\$339,266		\$631,715		\$578,115		\$567,105		\$625,000	
DEFERRED/STATUTORY	\$726,654		\$716,695		\$723,434		\$718,678		\$729,237		\$758,274	
RESERVE FOR UNCOLLECT	\$506,141		\$453,755		\$474,426		\$485,220		\$488,437		\$507,174	
OTHER	\$10,313		\$65,461		\$61,808		\$121,491					
	<u>\$7,134,155</u>		<u>\$6,563,607</u>		<u>\$7,098,699</u>		<u>\$7,316,965</u>		<u>\$7,015,774</u>		<u>\$7,115,626</u>	
	\$623,768		\$442,370		\$659,320		\$642,419		\$500,000		\$475,000	
ADJUSTMENTS												
	<u>\$623,768</u>		<u>\$80,000</u>									
	\$623,768		\$522,370		\$659,320		\$642,419		\$500,000		\$475,000	
SURPLUS 1/1	<u>\$1,159,907</u>		<u>\$983,675</u>		<u>\$931,045</u>		<u>\$1,017,865</u>		<u>\$1,185,284</u>		<u>\$1,235,284</u>	
	\$1,783,675		\$1,506,045		\$1,590,365		\$1,660,284		\$1,685,284		\$1,710,284	
SURPLUS ANTIC	<u>\$800,000</u>		<u>\$575,000</u>		<u>\$572,500</u>		<u>\$475,000</u>		<u>\$450,000</u>		<u>\$500,000</u>	
SURPLUS 12/31	\$983,675		\$931,045		\$1,017,865		\$1,185,284		\$1,235,284		\$1,210,284	



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 \$254,239 from 2012 to 2014



In Summary

- This budget provides for the same level of services that are expected by the citizens of the Borough of Riverdale, with no tax increase.
- Thanks to everyone for their input and assistance.