



Borough of Riverdale

County of Morris
State of New Jersey



Budget Analysis

2018



Borough of Riverdale

2018 Governing Body



- **Mayor Paul Carelli**
- **Council President Vincent Pellegrini**
Public Works
- **Councilman Stephen Revis**
Public Safety
- **Councilman Dave Desai**
Finance
- **Councilman Matthew Oswald**
Utilities
- **Councilman Paul Purcell**
Communications
- **Councilman Michael Kheyfets**
Personnel



Borough of Riverdale

2018 Municipal Officials



AJ Jalloh
Borough Clerk

Steve Schotanus
Public Works Superintendent

Kenneth Sesholtz
Chief Financial Officer

Kevin Smith
Chief of Police

James Regeling Jr.
Fire Chief

Robert Oostdyk
Borough Attorney

Paul Darmofalski
Borough Engineer

William Ryden
Sewer Engineer



Borough of Riverdale

2017 Tax Analysis and Review

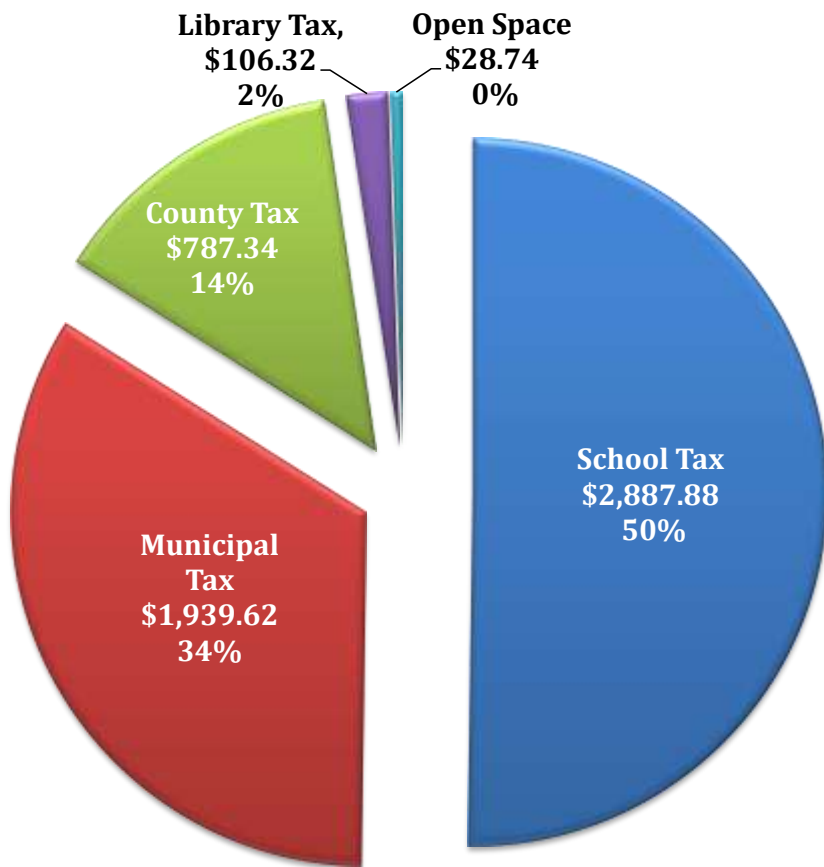


2017 Tax Analysis And Review



Borough of Riverdale

2017 Tax Bill Breakdown



DESCRIPTION	AMOUNT
District School Tax	\$2,887.88
Local Municipal Tax	\$1,939.62
County Tax	\$787.34
Municipal Library Tax	\$106.32
Municipal Open Space	\$28.74
TOTALS	\$5,749.89



Borough of Riverdale

2018 Tax Analysis and Review



2018 Assessment Summary



Borough of Riverdale

2018 Assessment Summary



Type of Property	Properties	Total Assessment	Average	Percent
Vacant Land	65	\$20,161,900	\$310,183	2.3%
Residential	1666	\$523,199,500	\$314,045	59.2%
Farm	10	\$506,500	\$50,650	0.1%
Commercial	135	\$301,794,100	\$2,235,512	34.1%
Personal Property Telephone	1	\$7,255,500	\$7,255,500	0.8%
Exempt	47	\$31,353,700	\$667,100	3.5%
SUB-TOTAL	1924	\$884,271,200	\$459,600	100.0%
(Less Exempt)	47	\$31,353,700	\$667,100	
NET VALUATION TAXABLE (2018)	1877	\$852,917,500	\$454,405	



Borough of Riverdale

2018 Assessment Result



2017 Net Valuation Taxable = \$777,254,900

2018 Net Valuation Taxable = \$852,917,500

Percentage Increase in 2018 = 9.73%

Ratable Net Change in 2018

+

\$75,662,600



Borough of Riverdale

2018 Tax Analysis and Review



Tax Rate Calculations



Borough of Riverdale

How was my 2017 Tax Rate calculated?



$$\text{TAX RATE} = \frac{\text{Municipal Tax Levy}}{\text{Net Valuation Taxable}} \times 100$$

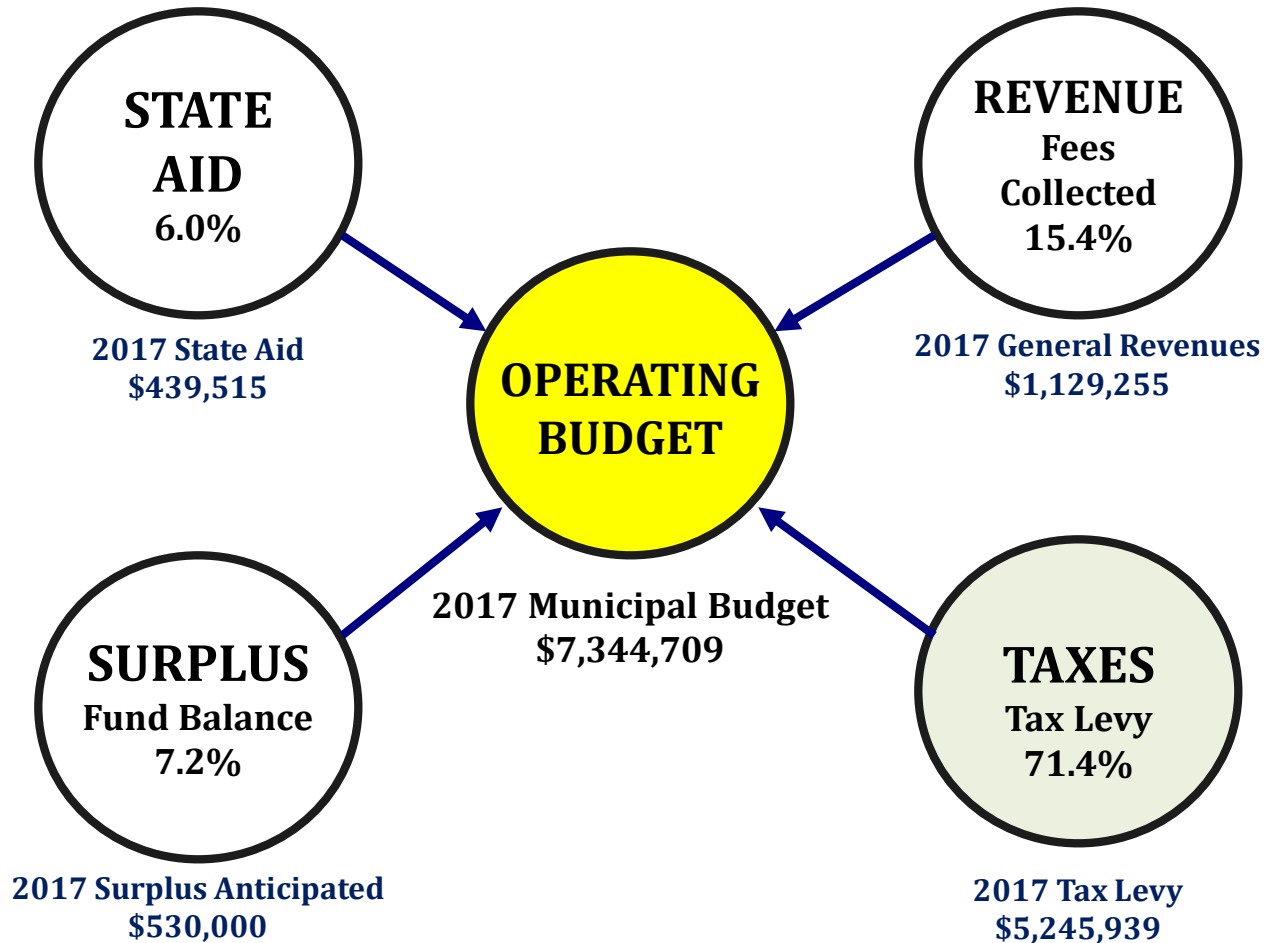
$$\text{TAX RATE} = \frac{\$5,245,939}{\$777,254,900} \times 100$$

2017 Municipal TAX RATE = 0.674



Borough of Riverdale

Where does the money come from?





Borough of Riverdale

How do we keep the tax levy stable?



1. Increase Revenues
2. Utilize More Surplus
3. Reduce The Budget
4. Increase State Aid



Borough of Riverdale

Impact of 2018 Annual Revaluation



	2017 Tax Levy	2017 Actual Tax	2018 Reval Tax
Tax Breakdown:	Amount	Tax Rate	Equal Tax Rate
School District:	\$7,812,887	1.006	0.916
Municipal Tax:	\$5,245,939	0.674	0.615
County Tax	\$2,189,165	0.282	0.257
Library Tax:	\$288,896	0.037	0.034
County Open Space:	\$76,561	0.010	0.010
Municipal Open Space:	\$77,725	0.010	0.010
TAX TOTALS:	\$15,691,174	2.019	1.842
NET VALUATION:	\$777,254,900		\$852,917,500
AVERAGE HOME:	\$287,351		\$314,045



Borough of Riverdale

2018 Tax Analysis and Review



Fund Balance

“Surplus”



Borough of Riverdale

2018 Fund Balance - Surplus



- The Borough's unaudited fund balance on 12/31/17 = **\$1,877,918**
- The surplus balance is **\$442,860** higher than it was on 12/31/16
- The increase in surplus was aided by:
 - Receipt of miscellaneous revenue not anticipated
 - Rental of municipal owned property
 - Increase in rental rates for Glenburn Estate
 - Unexpended balance of 2016 appropriation reserves
 - Revenues realized exceeded the amounts anticipated



Borough of Riverdale

7 Year – Fund Balance History



YEAR	AMOUNT	NET CHANGE
2011	\$983,675	n/a
2012	\$931,045	(\$52,630)
2013	\$1,017,865	\$86,820
2014	\$1,185,284	\$167,419
2015	\$1,206,391	\$21,107
2016	\$1,435,058	\$228,667
2017 (unaudited)	\$1,877,918	\$442,860



Borough of Riverdale

2018 Tax Analysis and Review



Revenues



Borough of Riverdale

2017 – 2018 Budget Summary



Budget Item	2017 (Final)	2018 (Budget)	Net Change
State Aid	\$439,515	\$439,515	0.0%
Revenues	\$1,129,255	\$1,319,563	16.9%
Surplus Utilized	\$530,000	\$725,000	36.8%
Tax Levy	\$5,245,939	\$5,246,253	0.0%
Total Budget	\$7,344,709	\$7,730,331	5.3%



Borough of Riverdale

2018 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 2018 is in compliance with the 2% Tax Levy CAP.**
- **The General Appropriations for 2018 are in compliance with the 3.5% Appropriation CAP.**



Borough of Riverdale

Summary of Municipal Services



- **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**



Borough of Riverdale

Notable Accomplishments



- **Started the Riverdale 3 Year Sewer Expansion project**
- **Initiated our new Street Improvement infrastructure plan**
- **5 Streets were milled and paved in 2017 as part of the plan**
- **Installed the new Digital Sign for Borough Hall / Social Media**
- **Started to broadcast Council Meetings on Facebook Live.**
- **Continued our annual Reassessment program to stabilize taxes**
- **Received a NJDOT Grant for \$320,000 for Street Improvements**
- **Authorized the complete upgrade of the Police Dispatch Room**
- **Revamped our “Summer Concerts” for 2018 / 5k Run-Walk**
- **Purchase 4 vehicles for the Riverdale Police Department**
- **Initiated our “Community Development Advisory Committee”**



Borough of Riverdale

2018 Tax Analysis and Review



Annual Revaluation

Net Valuation

“Assessed Value”



Borough of Riverdale

Impact of 2018 Annual Revaluation

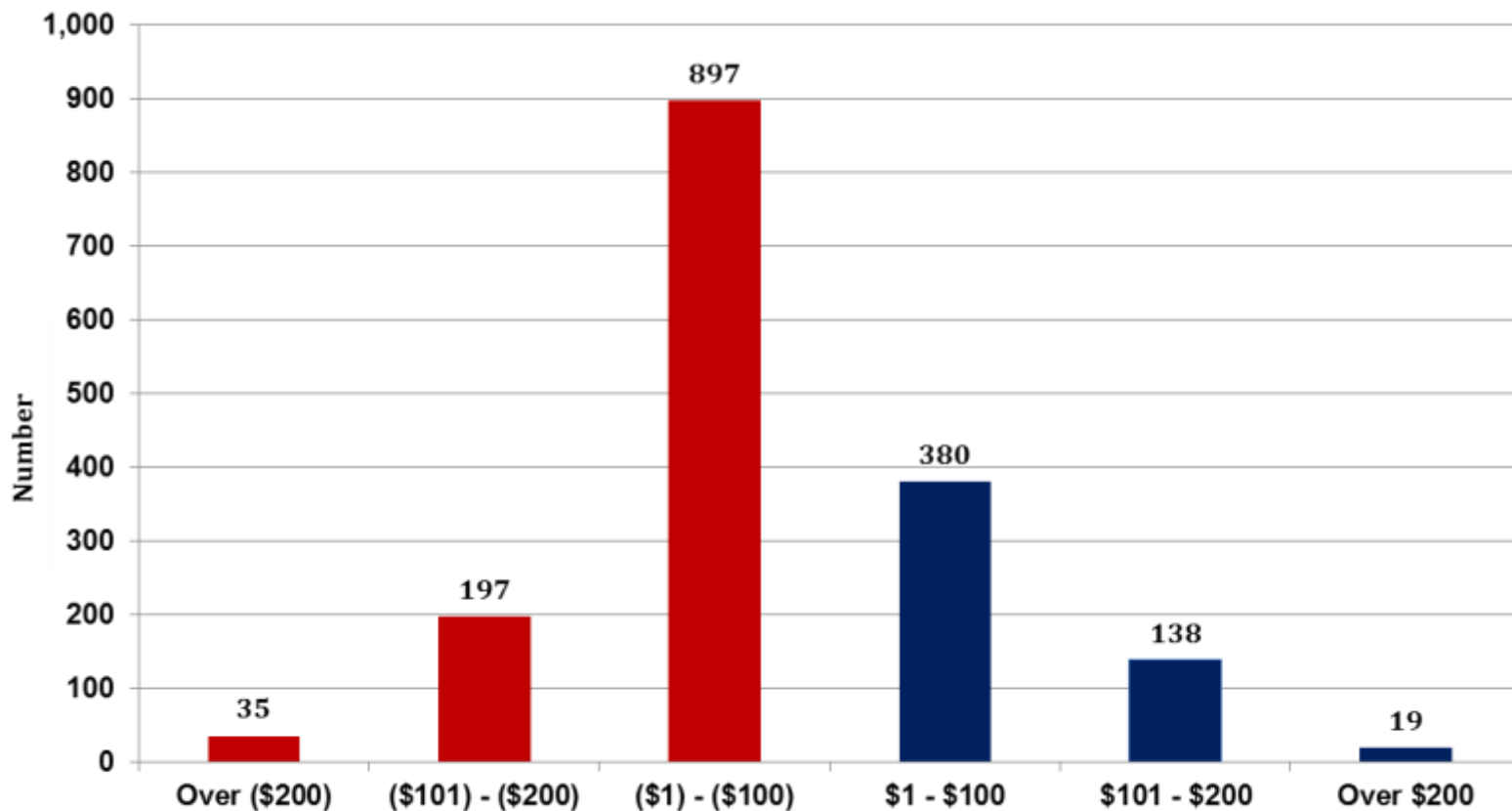


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NET VALUATION:	\$777,254,900		\$852,917,500
AVERAGE HOME:	\$287,351		\$314,045



Borough of Riverdale

2018 Revaluation Impact – Before Budgets



Tax Decrease = 1,129 properties (67.8%)

Tax Increase = 537 properties (32.2%)



Borough of Riverdale

2018 Tax Analysis and Review



2018 Budget Numbers “How much”



Borough of Riverdale

2018 Tax Summary



2018 Proposed Budget:	\$ 7,730,331
2018 Tax Levy (0.0% Increase)	\$ 5,246,253
Surplus Anticipated:	\$ 725,000
2017 Municipal Tax Rate:	\$ 0.674
2017 Municipal Tax Rate (reval):	\$ 0.615
Average Home Assessment:	\$ 314,045
2018 Municipal Tax Rate:	\$ 0.615

2018 Average Municipal Tax Rate Increase
\$ 0.00



Borough of Riverdale

In Summary



- **This budget provides for the same level of services that are expected by the citizens of the Borough of Riverdale, with an NO annual municipal tax rate increase .**
- **We have taken steps to minimize future ratable swings by establishing an annual reassessment program that will be conducted by our Tax Assessor.**
- **This is the 3rd year out of the last 4 years that the Borough of Riverdale did not have a municipal tax increase.**



Borough of Riverdale

Funding Projects – 2018 Average Residential



MUNICIPAL BUDGET

- Salaries / Benefits / Pension / Services / Police / Fire
- 2018 Annual Tax Bill = \$1,931.38

CAPITAL PROJECTS

- Road Improvements / Buildings / Vehicles / Equipment
- 2018 Debt Service Payment = \$538,735.00
- Annual Payment in Municipal Budget = \$205 (10.6%)

OPEN SPACE TRUST FUND

- Purchase and Maintenance of Borough's Open Space
- Enables grant opportunities
- Glenburn / Parks / Playgrounds / Recreation Fields
- Municipal Open Space Tax (1 point) = \$31.40

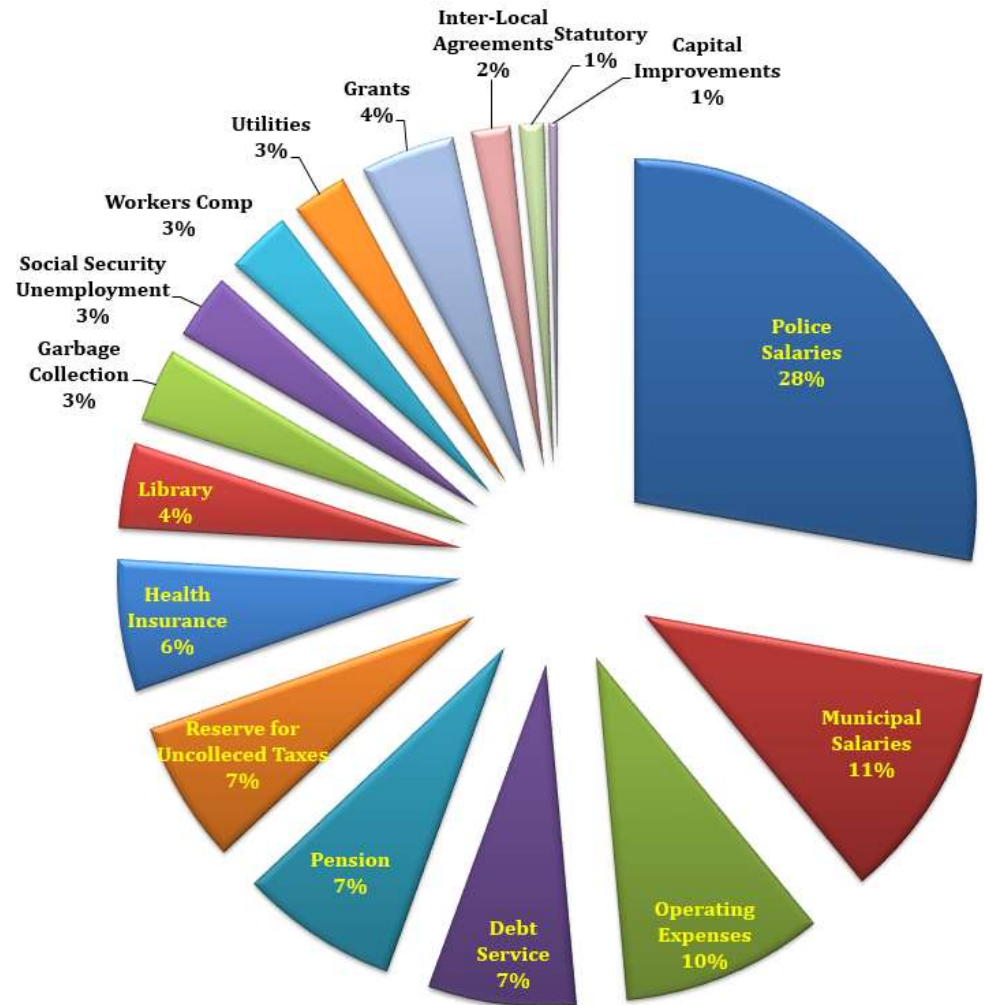


Borough of Riverdale



2018 Municipal Budget \$7,730,330.60

DESCRIPTION	2018
Police Salaries	\$2,145,000.00
Municipal Salaries	\$873,273.00
Operating Expenses	\$736,694.04
Debt Service	\$538,735.00
Pension	\$576,948.00
Reserve for Uncollected Taxes	\$519,220.90
Health Insurance	\$478,750.00
Library	\$312,066.00
Garbage Collection	\$270,000.00
Social Security / UI	\$240,000.00
Workers Comp	\$236,000.00
Utilities	\$200,000.00
Grants	\$344,581.66
Inter-Local Agreements	\$140,500.00
Statutory	\$87,062.00
Capital Improvements	\$31,500.00





Borough of Riverdale

2018 Tax Analysis and Review



What about the School and Morris County “The Projections”



Borough of Riverdale

Impact of 2018 Annual Revaluation

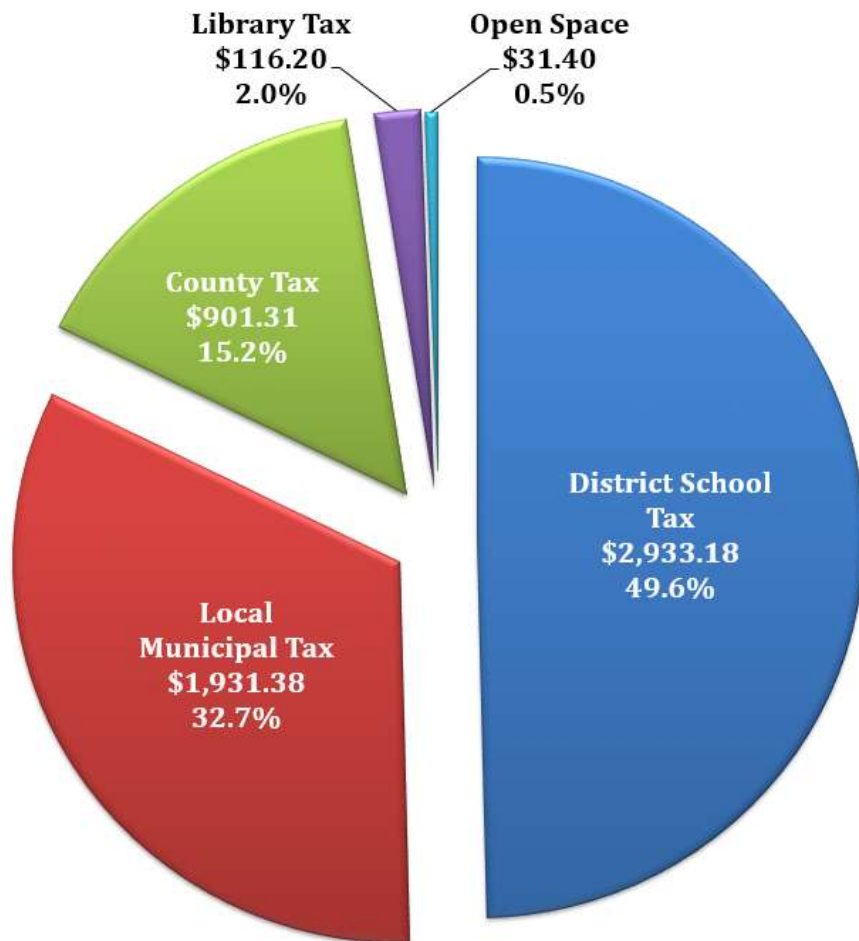


	2017 Tax Levy	2017 Actual Tax	2018 Reval Tax	2018 Projected	NET CHANGE
Tax Breakdown:	Amount	Tax Rate	Equal Tax Rate	Tax Rate	Average Residential
School District:	\$7,812,887	1.006	0.916	0.934	\$58
Municipal Tax:	\$5,245,939	0.674	0.615	0.615	\$0
County Tax	\$2,189,165	0.282	0.257	0.277	\$64
Library Tax:	\$288,896	0.037	0.034	0.037	\$10
County Open Space:	\$76,561	0.010	0.010	0.010	\$0
Municipal Open Space:	\$77,725	0.010	0.010	0.010	\$0
TAX TOTALS:	\$15,691,174	2.019	1.842	1.883	\$132
NET VALUATION:	\$777,254,900		\$852,917,500		
AVERAGE HOME:	\$287,351		\$314,045		



Borough of Riverdale

2018 Tax Bill Breakdown Projected



DESCRIPTION	AMOUNT
District School Tax	\$2,933.18
Local Municipal Tax	\$1,931.38
County Tax	\$901.31
Municipal Library Tax	\$116.20
Municipal Open Space	\$31.40
TOTALS	\$5,913.47



Borough of Riverdale

2015 - 2018 Tax History



Year	Municipal	Library 2011	Municipal O/S	School	County	TOTAL TAX RATE	AVG Home Assessment	AVG Tax TOTAL	AVG Tax MUNICIPAL	Assessed Value	Municipal Tax Levy
2005	0.341		0.012	0.692	0.215	1.260	\$354,811	\$4,471	\$1,210	663,440,749	2,256,847
2006	0.341		0.012	0.707	0.240	1.300	\$315,401	\$4,100	\$1,076	\$692,435,299	\$2,360,495
2007	0.463		0.011	0.696	0.250	1.420	\$359,700	\$5,108	\$1,665	\$782,494,435	\$3,624,148
2008	0.479		0.010	0.702	0.247	1.438	\$359,161	\$5,165	\$1,720	\$841,435,797	\$4,030,906
2009	0.478		0.010	0.715	0.239	1.442	\$353,516	\$5,098	\$1,690	\$854,835,316	\$4,093,864
2010	0.500		0.010	0.713	0.244	1.467	\$338,375	\$4,964	\$1,692	\$901,837,736	\$4,512,789
2011	0.484	0.032	0.010	0.734	0.232	1.492	\$355,154	\$5,299	\$1,719	\$910,749,527	\$4,414,761
2012	0.498	0.031	0.010	0.749	0.229	1.517	\$355,840	\$5,398	\$1,772	\$910,988,207	\$4,538,818
2013*	0.627	0.036	0.010	0.864	0.277	1.814	\$288,845	\$5,240	\$1,811	\$801,110,100	\$5,027,069
2014	0.639	0.036	0.010	0.881	0.277	1.843	\$288,816	\$5,323	\$1,846	\$799,674,100	\$5,112,170
2015	0.638	0.035	0.010	0.904	0.270	1.857	\$288,782	\$5,363	\$1,842	\$795,591,500	\$5,082,966
2016	0.675	0.037	0.010	0.969	0.285	1.977	\$283,103	\$5,597	\$1,911	\$772,322,000	\$5,215,952
2017	0.674	0.037	0.010	1.006	0.292	2.019	\$287,351	\$5,802	\$1,937	\$777,254,900	\$5,245,939
2018*	0.615	0.037	0.010	0.934	0.287	1.883	\$314,045	\$5,914	\$1,932	\$852,917,500	\$5,246,253



Borough of Riverdale

2018 Tax Analysis and Review

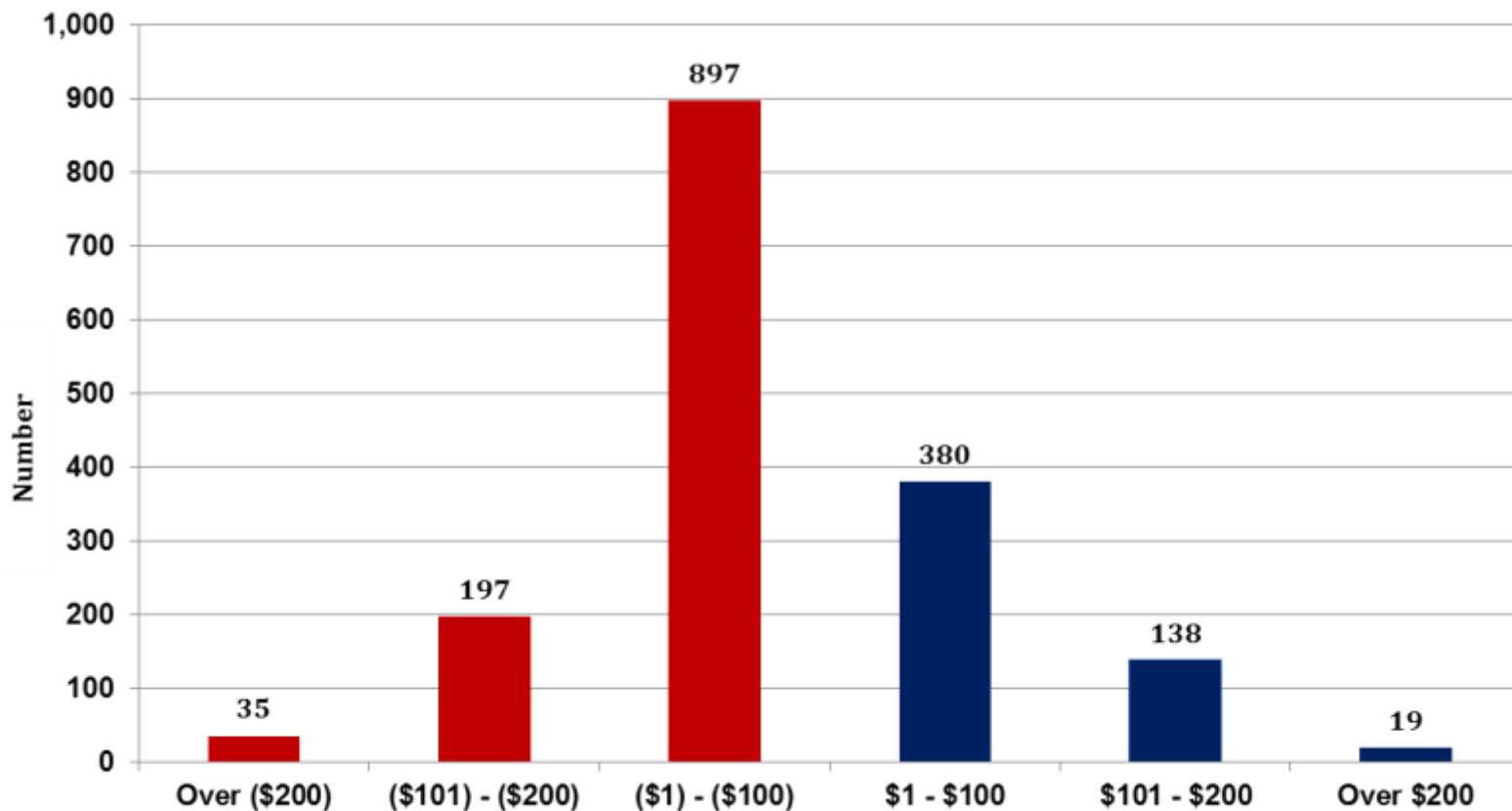


Before and After “Projected Impact”



Borough of Riverdale

2018 Revaluation Impact – Before Budgets



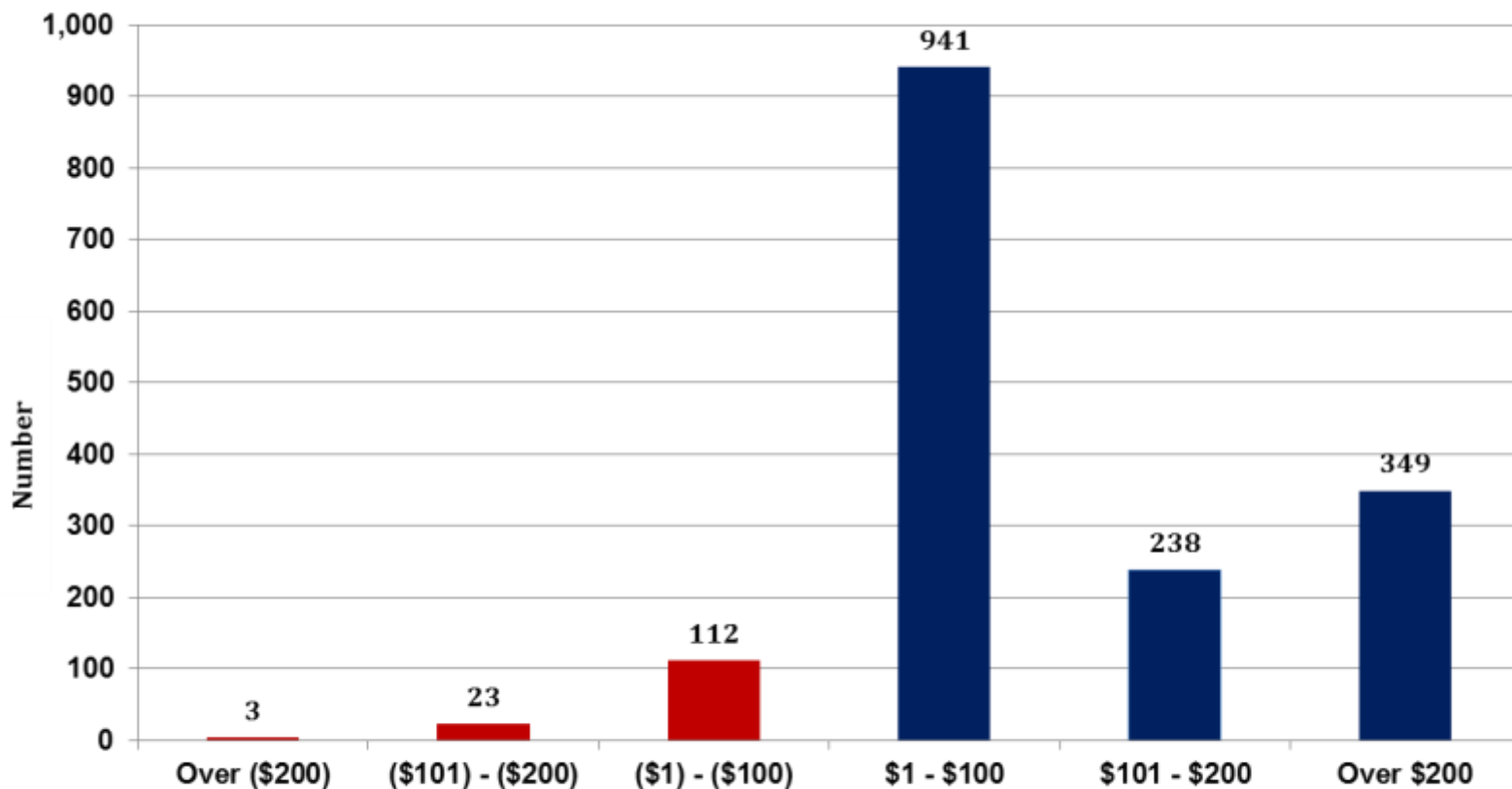
Tax Decrease = 1,129 properties (67.8%)

Tax Increase = 537 properties (32.2%)



Borough of Riverdale

2018 Revaluation Impact – After Budgets



Tax Decrease = 138 properties (8.3%)

Tax Increase = 1,528 properties (91.7%)



Borough of Riverdale

2018 Tax Analysis and Review



CFO Addendums



Borough of Riverdale



BOROUGH OF RIVERDALE
CURRENT FUND

ANALYSIS OF REVENUES AND EXPENDITURES

2014-2019

	2014 AUDITED	2015 AUDITED	2016 AUDITED	2017 ADOPTED/UNAUDITED	2018 PROPOSED/PROJECTED	2019 PROJECTED
REVENUES						
SURPLUS	\$475,000	\$450,000	\$525,000	\$530,000	\$725,000	\$725,000
LOCAL REVENUES	\$345,734	\$352,158	\$367,989	\$349,319	\$324,120	\$324,100
STATE AID	\$439,515	\$439,515	\$439,515	\$439,515	\$439,515	\$439,515
UNIFORM CONSTRUCTION	\$45,495	\$54,517	\$67,666	\$58,549	\$55,000	\$50,000
PUBLIC AND PRIVATE	\$454,702	\$227,526	\$35,542	\$445,151	\$344,582	\$0
OTHER SPECIAL ITEMS	\$83,174	\$125,861	\$120,025	\$103,318	\$136,315	\$80,815
DELINQUENT TAX	\$155,745	\$88,641	\$126,465	\$146,547	\$127,500	\$125,000
AMOUNT TO BE RAISED	\$5,520,335	0.675 \$5,417,786	0.673 \$5,615,460	0.712 \$5,929,132	0.711 \$5,883,318	0.652 \$5,899,374
EXCESS REVENUES						\$325,000
MRNA	\$318,485	\$226,811	\$255,576	\$296,187	\$125,000	\$125,000
RESERVES LAPSED	\$92,862	\$169,489	\$107,072	\$196,904	\$200,000	\$175,000
OTHER	\$28,339	\$16,471	\$228,123	\$52,378	\$0	\$0
	<u>\$7,959,384</u>	<u>\$7,568,775</u>	<u>\$7,888,434</u>	<u>\$8,547,002</u>	<u>\$8,360,350</u>	<u>\$8,268,804</u>
EXPENDITURES						
OPERATING WITHIN CAPS						
SALARIES	\$2,675,190	\$2,868,060	\$2,825,596	\$2,856,967	\$3,007,273	\$3,127,671
OTHER EXPENSE	\$1,712,350	\$1,599,202	\$1,841,800	\$1,897,925	\$1,931,425	\$1,969,200
OPERATING EXCLUDED						
SALARIES	\$15,000					
OTHER EXPENSE	\$985,921	\$549,172	\$577,901	\$623,445	\$564,210	\$590,231
CAPITAL	\$25,000	\$227,500	\$85,000	\$385,000	\$351,500	\$12,500
DEBT SERVICE	\$578,115	\$567,105	\$565,440	\$571,785	\$538,735	\$535,000
DEFERRED/STATUTORY	\$718,678	\$729,237	\$720,784	\$756,873	\$817,966	\$868,748
RESERVE FOR UNCOLLECT	\$485,220	\$488,437	\$494,289	\$505,506	\$519,221	\$540,454
OTHER	\$121,491	\$68,955	\$23,957	\$9,266	\$0	\$0
	<u>\$7,316,965</u>	<u>\$7,097,668</u>	<u>\$7,134,767</u>	<u>\$7,606,767</u>	<u>\$7,730,330</u>	<u>\$7,643,804</u>
	\$642,419	\$471,107	\$753,667	\$940,235	\$630,020	\$625,000
ADJUSTMENTS						
	\$642,419	\$471,107	\$753,667	\$940,235	\$630,020	\$625,000
SURPLUS 1/1	<u>\$1,017,865</u>	<u>\$1,185,284</u>	<u>\$1,206,391</u>	<u>\$1,435,058</u>	<u>\$1,845,293</u>	<u>\$1,750,313</u>
	\$1,660,284	\$1,656,391	\$1,960,058	\$2,375,293	\$2,475,313	\$2,375,313
SURPLUS ANTICIPATED	<u>\$475,000</u>	<u>\$450,000</u>	<u>\$525,000</u>	<u>\$530,000</u>	<u>\$725,000</u>	<u>\$725,000</u>
SURPLUS 12/31	\$1,185,284	\$1,206,391	\$1,435,058	\$1,845,293	\$1,750,313	\$1,650,313



Borough of Riverdale



BOROUGH OF RIVERDALE ANALYSIS OF BUDGET REVENUES

2014 - 2018

CATEGORY	2014	2015	INCREASE/ <DECREASE>	2015	2016	INCREASE/ <DECREASE>	2016	2017	INCREASE/ <DECREASE>	2017	PROPOSED	INCREASE/ <DECREASE>	CUMULATIVE
			PERCENT			PERCENT			PERCENT		2018	PERCENT	<DECREASE>
SURPLUS	475,000	450,000	(25,000) -5.26%	450,000	525,000	75,000 16.67%	525,000	530,000	5,000 0.95%	530,000	725,000	195,000 36.79%	250,000 52.63%
LOCAL REVENUE	261,750	329,000	67,250 25.69%	329,000	345,500	16,500 5.02%	345,500	364,000	18,500 5.35%	364,000	349,100	(14,900) -4.09%	87,350 33.37%
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	36,000	40,000	4,000 11.11%	40,000	50,000	10,000 25.00%	50,000	45,000	(5,000) -10.00%	45,000	50,000	5,000 11.11%	14,000 38.89%
SHARED 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)	275,080	214,587	(60,493) -21.99%	214,587	26,370	(188,217) -87.71%	26,370	192,359	165,989 629.46%	192,359	344,582	152,223 79.13%	69,502 25.27%
OTHER SPECIAL ITEMS	53,000	99,180	46,180 87.13%	99,180	115,500	16,320 16.45%	115,500	114,000	(1,500) -1.30%	114,000	136,315	22,315 19.57%	83,315 157.20%
DELINQUENT TAXES	75,000	75,000	0 0.00%	75,000	100,000	25,000 33.33%	100,000	125,000	25,000 25.00%	125,000	127,500	2,500 2.00%	52,500 70.00%
AMOUNT TO BE RAISED	<u>5,400,507</u>	<u>5,368,492</u>	(32,015) -0.59%	<u>5,368,492</u>	<u>5,499,753</u>	131,261 2.45%	<u>5,499,753</u>	<u>5,534,835</u>	35,082 0.64%	<u>5,534,835</u>	<u>5,558,318</u>	23,483 0.42%	157,811 2.92%
	7,015,852	7,015,774		7,015,774	7,101,638		7,101,638	7,344,709		7,344,709	7,730,330		



Borough of Riverdale

County of Morris
State of New Jersey



Thank You
Questions / Comments