



Borough of Riverdale

County of Morris
State of New Jersey



Budget Analysis 2019



Borough of Riverdale

2019 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

2019 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

Tom Boorady
Borough Engineer

William Ryden
Sewer Engineer



Borough of Riverdale

2018 Tax Analysis and Review

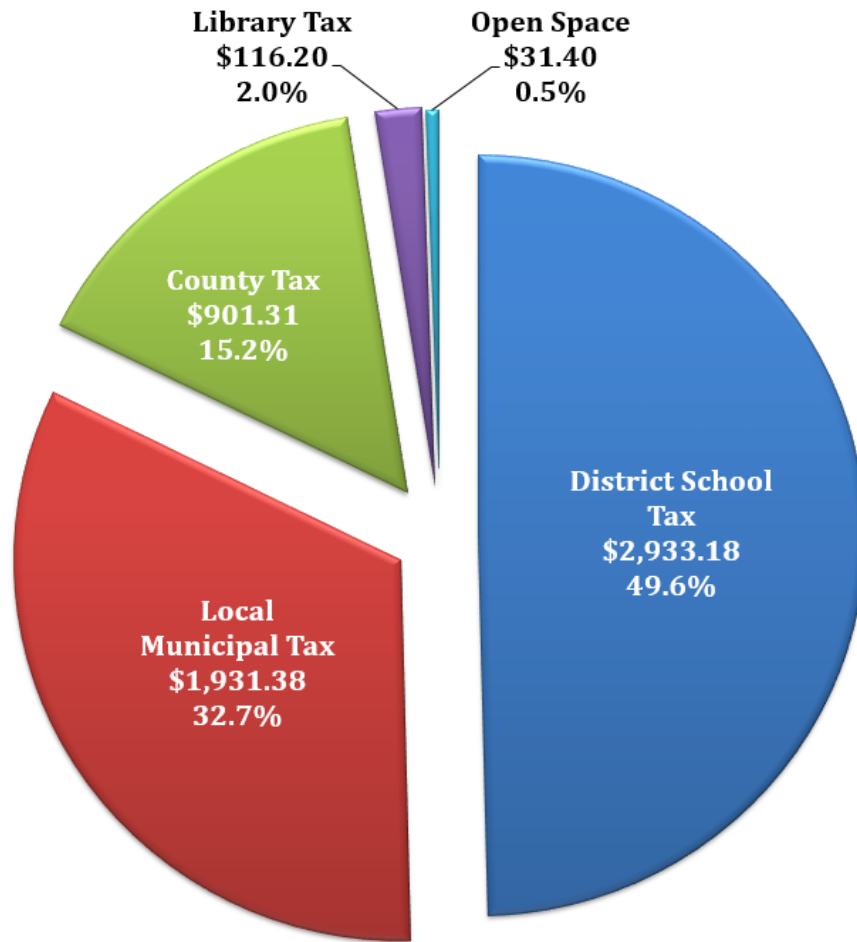


2018 Tax Analysis And Review



Borough of Riverdale

2018 Tax Bill Breakdown



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

2019 Tax Analysis and Review



2019 Assessment Summary



Borough of Riverdale

2019 Assessment Summary



Type of Property	Properties	Total Assessment	Average	Percent
Vacant Land	65	\$20,005,700	\$307,780	2.2%
Residential	1666	\$536,368,900	\$321,950	59.5%
Farm	10	\$520,500	\$52,050	0.1%
Commercial	137	\$307,638,900	\$2,245,539	34.1%
Personal Property Telephone	1	\$7,255,500	\$7,255,500	0.8%
Exempt	47	\$30,062,900	\$639,636	3.3%
SUB-TOTAL	1926	\$901,852,400	\$468,252	100.0%
(Less Exempt)	47	\$30,062,900	\$639,636	
NET VALUATION TAXABLE (2019)	1879	\$871,789,500	\$463,965	



Borough of Riverdale

2019 Assessment Result



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

2019 Net Valuation Taxable = \$871,789,500

Percentage Increase in 2019 = 2.2%

Ratable Net Change in 2019

+

\$18,872,600



Borough of Riverdale

2019 Tax Analysis and Review



Tax Rate Calculations



Borough of Riverdale

How was my 2018 Tax Rate calculated?



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

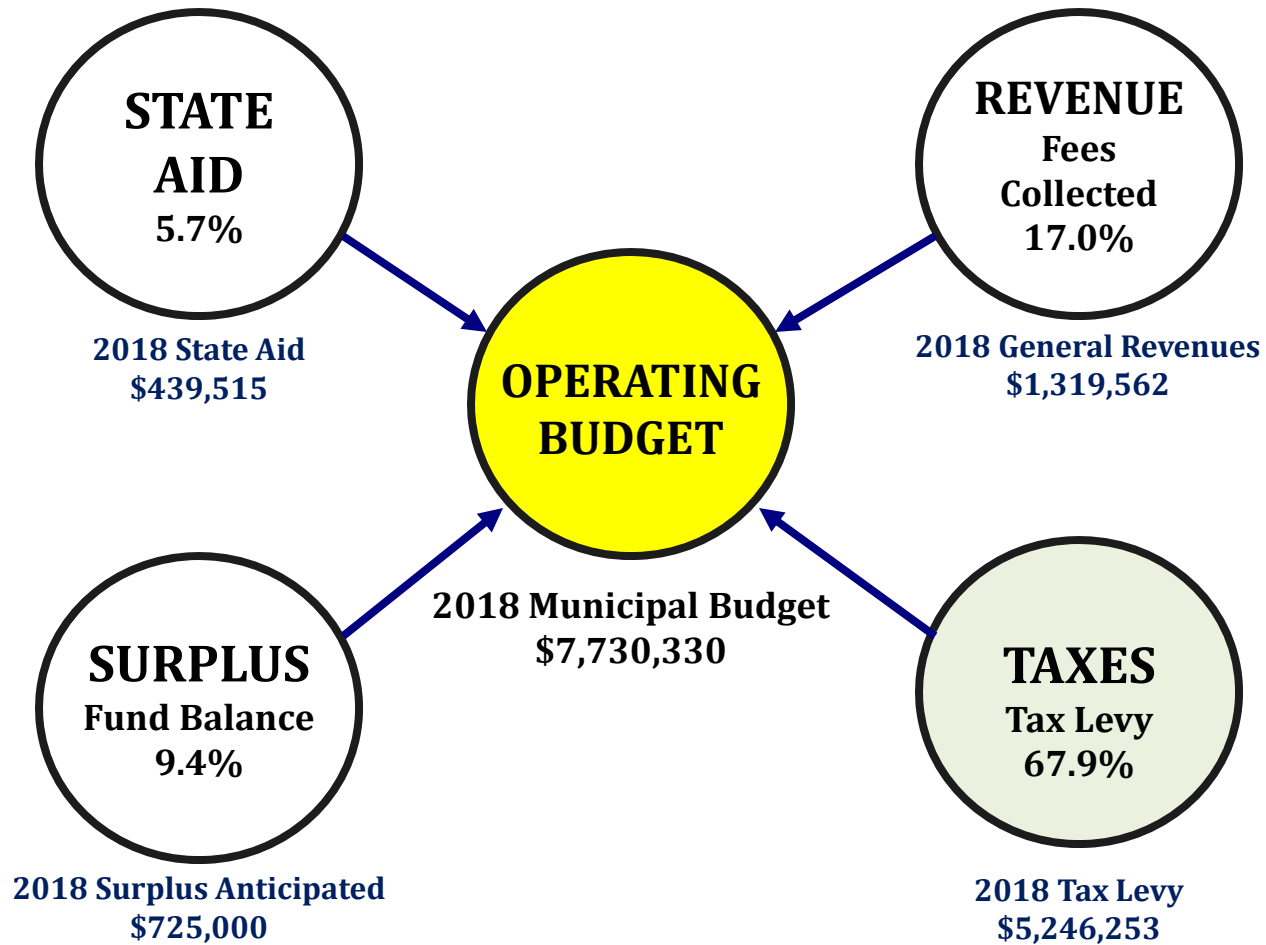
$$\text{TAX RATE} = \frac{\$5,246,253}{\$852,917,500} \times 100$$

2018 Municipal TAX RATE = 0.615



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

2018 Tax Analysis and Review



Fund Balance
“Surplus”



Borough of Riverdale

2018 Fund Balance - Surplus



- The Borough's unaudited fund balance on 12/31/18 = \$1,615,817
- The Borough's fund balance on 12/31/17 = \$1,845,292
- The surplus balance is \$229,475 lower than it was on 12/31/17
- The decrease in surplus was attributed to:
 - NJ DOT grant of \$320,000 was not received by 12/31/2018
 - This grant will be received in 2019.
 - All other revenues were received as planned.



Borough of Riverdale

8 Year – Fund Balance History



YEAR	AMOUNT	NET CHANGE
2011	\$983,675	
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	\$249,774
2017	\$1,845,292	\$638,901
2018 (unaudited)	\$1,615,817	(\$229,475)



Borough of Riverdale

2018 Tax Analysis and Review



Revenues



Borough of Riverdale

2018 – 2019 Budget Summary



Budget Item	2018 (FINAL)	2019 (Budget)	Net Change
State Aid	\$439,515	\$439,515	0.0%
Revenues	\$1,319,562	\$1,036,865	-21.4%
Surplus Utilized	\$725,000	\$725,000	0.0%
Tax Levy	\$5,246,253	\$5,365,747	2.3%
Total Budget	\$7,730,330	\$7,567,127	-2.1%



Borough of Riverdale

2019 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 2019 is in compliance with the 2% Tax Levy CAP.**
- **The General Appropriations for 2019 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

2018 Notable Accomplishments



- **Nearing the completion of the 3 Year Sewer Expansion project**
- **Continued our new Street Improvement infrastructure plan**
- **6 more streets were milled and paved in 2018 as part of the plan**
- **Repaved the Fire Department and School Parking Lots**
- **Hartung Ave, Upper Cotluss Road, and Wesley Street are underway**
- **Continued our annual Reassessment program to stabilize taxes**
- **Received a 2019 NJDOT Grant for \$499,000 for Street Improvements**
- **Continue our "Summer Concerts" for 2019 / 5k Run-Walk, Riverdale Day**
- **Purchase 2 new scoreboards for Independence Park**
- **Started design the new retaining wall at the park**
- **Purchased 2 SUV vehicles (Police Department / Fire Department)**
- **Final approval for Riverdale's Fair Share Housing Plan**



Borough of Riverdale

2019 Tax Analysis and Review



2019 Budget Numbers “How much”



Borough of Riverdale

2019 Tax Summary



2019 Proposed Budget:	\$ 7,567,127
2019 Tax Levy	\$ 5,365,747
Surplus Anticipated:	\$ 725,000
2018 Municipal Tax Rate:	\$ 0.615
2018 Average Home Assessment:	\$ 314,045
2019 Average Home Assessment:	\$ 321,881
2019 Municipal Tax Rate:	\$ 0.615

2019 Municipal Tax Rate Increase
\$50.00



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 increase in the municipal tax rate.**
- **We have taken steps to minimize future ratable swings by continuing our annual reassessment program by our Tax Assessor.**
- **This is the 4th-year out of the last 5 years that the Borough of Riverdale did not have a municipal tax increase.**



Borough of Riverdale

Funding Projects – 2019 Average Residential



MUNICIPAL BUDGET

- Salaries / Benefits / Pension / Services / Police / Fire
- 2019 Annual Tax Bill = \$1,980

CAPITAL PROJECTS

- Road Improvements / Buildings / Vehicles / Equipment
- 2019 Debt Service Payment = \$487,400.00
- Annual Payment in Municipal Budget = \$186 (9.4%)

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) = \$32.20

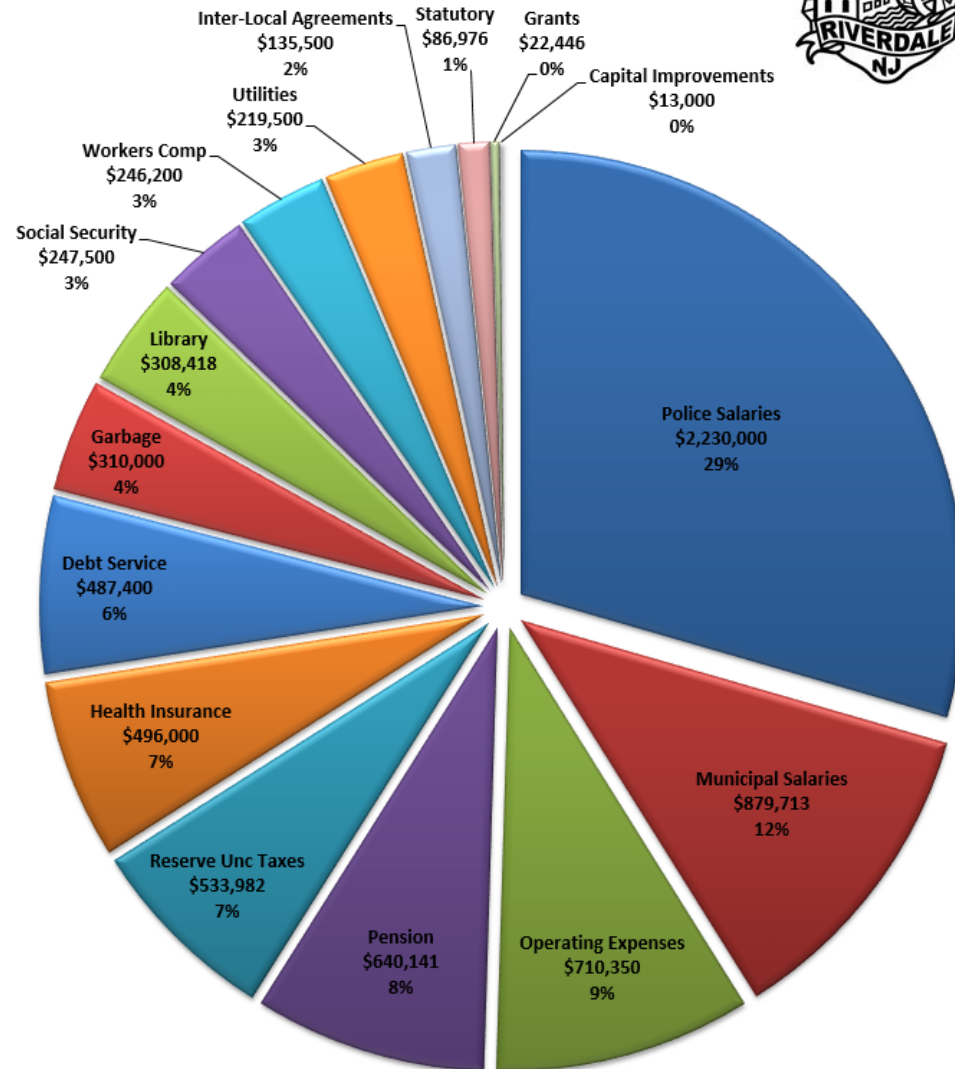


Borough of Riverdale



2019 Municipal Budget \$7,567,126.64

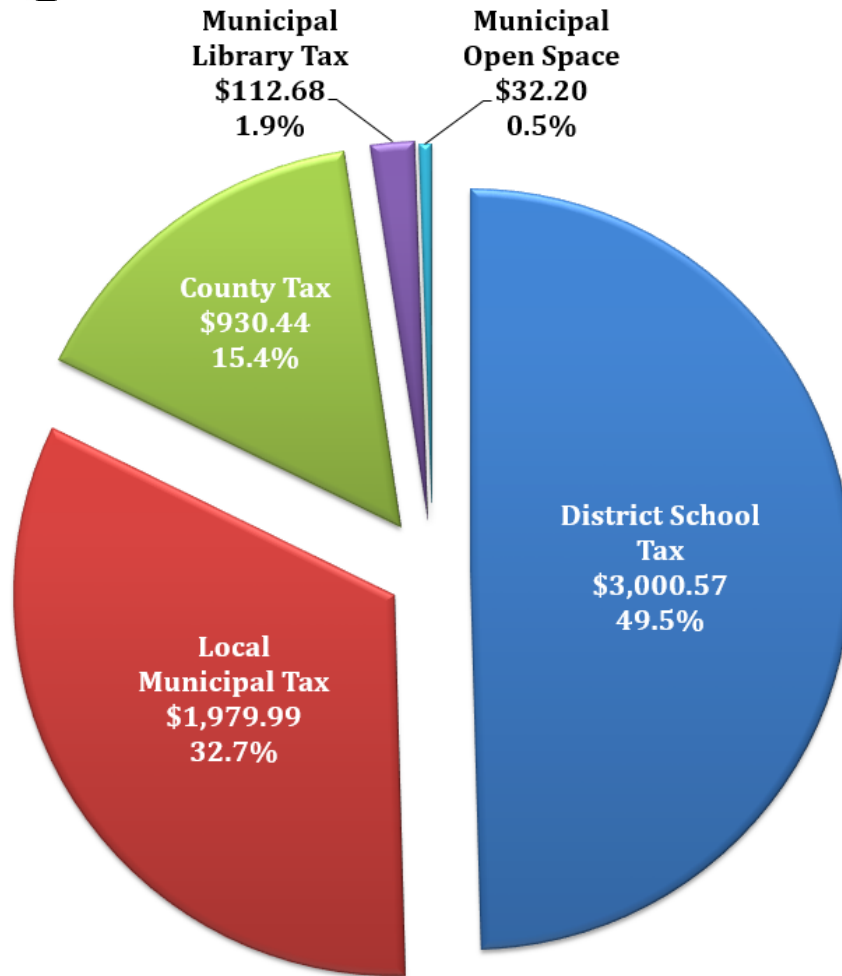
DESCRIPTION	2019
Police Salaries	\$2,230,000
Municipal Salaries	\$879,713
Operating Expenses	\$710,350
Pension	\$640,141
Reserve Uncollected Taxes	\$533,982
Health Insurance	\$496,000
Debt Service	\$487,400
Garbage	\$310,000
Library	\$308,418
Social Security	\$247,500
Workers Comp	\$246,200
Utilities	\$219,500
Inter-Local Agreements	\$135,500
Statutory	\$86,976
Grants	\$22,446
Capital Improvements	\$13,000





Borough of Riverdale

2019 Tax Bill Breakdown Projected



DESCRIPTION	AMOUNT
District School Tax	\$3,000.57
Local Municipal Tax	\$1,979.99
County Tax	\$930.44
Municipal Library Tax	\$112.68
Municipal Open Space	\$32.20
TOTALS	\$6,055.88



Borough of Riverdale

2011 - 2019 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
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	0.036	0.010	0.935	0.287	1.883	\$314,045	\$5,913	\$1,931	\$852,917,500	\$5,246,252
2019	0.615	0.035	0.010	0.932	0.289	1.881	\$321,950	\$6,056	\$1,980	\$871,789,500	\$5,365,747
2019 Net Change (%)	0.0%							2.4%	2.5%	2.2%	2.3%
2019 Net Change (\$)								\$142	\$49	\$18,872,000	\$119,495



Borough of Riverdale

2019 Tax Analysis and Review



CFO Addendums



Borough of Riverdale

BOROUGH OF RIVERDALE ANALYSIS OF BUDGET REVENUES



2015 - 2019

CATEGORY	2015	2016	INCREASE/ <DECREASE>	2016	2017	INCREASE/ <DECREASE>	2017	2018	INCREASE/ <DECREASE>	2018	PROPOSED	INCREASE/ <DECREASE>	CUMULATIVE
			PERCENT			PERCENT			PERCENT		2019	PERCENT	INCREASE/ <DECREASE>
SURPLUS	450,000	525,000	75,000 16.67%	525,000	530,000	5,000 0.95%	530,000	725,000	195,000 36.79%	725,000	725,000	0 0.00%	275,000 61.11%
LOCAL REVENUE	329,000	345,500	16,500 5.02%	345,500	364,000	18,500 5.35%	364,000	349,100	(14,900) -4.09%	349,100	394,000	44,900 12.86%	65,000 19.76%
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	40,000	50,000	10,000 25.00%	50,000	45,000	(5,000) -10.00%	45,000	50,000	5,000 11.11%	50,000	45,000	(5,000) -10.00%	5,000 12.50%
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)	214,587	26,370	(188,217) -87.71%	26,370	192,359	165,989 629.46%	192,359	344,582	152,223 79.13%	344,582	22,446	(322,135) -93.49%	(192,141) -89.54%
OTHER SPECIAL ITEMS	99,180	115,500	16,320 16.45%	115,500	114,000	(1,500) -1.30%	114,000	136,315	22,315 19.57%	136,315	127,000	(9,315) -6.83%	27,820 28.05%
DELINQUENT TAXES	75,000	100,000	25,000 33.33%	100,000	125,000	25,000 25.00%	125,000	127,500	2,500 2.00%	127,500	140,000	12,500 9.80%	65,000 86.67%
AMOUNT TO BE RAISED	<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%	<u>5,558,318</u>	<u>5,674,165</u>	115,847 2.08%	305,673 5.69%
	7,015,774	7,101,638		7,101,638	7,344,709		7,344,709	7,730,330		7,730,330	7,567,127		



Borough of Riverdale

BOROUGH OF RIVERDALE
CURRENT FUND



ANALYSIS OF REVENUES AND EXPENDITURES

2015-2020

	2015 AUDITED		2016 AUDITED		2017 AUDITED		2018 ADOPTED/UNAUDITED		2019 PROPOSED/PROJECTED		2020 PROJECTED	
REVENUES												
SURPLUS	\$450,000		\$525,000		\$530,000		\$725,000		\$725,000		\$725,000	
LOCAL REVENUES	\$352,158		\$367,989		\$349,142		\$396,678		\$397,100		\$394,000	
STATE AID	\$439,515		\$439,515		\$439,515		\$439,515		\$439,515		\$439,515	
UNIFORM CONSTRUCTION	\$54,517		\$67,666		\$58,549		\$40,177		\$47,500		\$45,000	
PUBLIC AND PRIVATE	\$227,526		\$35,542		\$445,151		\$352,038		\$22,446		\$0	
OTHER SPECIAL ITEMS	\$125,861		\$120,025		\$103,318		\$144,462		\$128,000		\$88,500	
DELINQUENT TAX	\$88,641		\$126,465		\$113,191		\$112,759		\$145,000		\$140,000	
AMOUNT TO BE RAISED	\$5,417,786	0.673	\$5,615,460	0.712	\$5,961,915	0.711	\$5,838,394	0.651	\$5,949,166	0.650	\$5,956,299	0.676
EXCESS REVENUES											\$285,000	
MRNA	\$226,811		\$255,576		\$301,493		\$285,703		\$250,000		\$250,000	
RESERVES LAPSED	\$169,489		\$107,072		\$196,904		\$203,471		\$165,000		\$175,000	
OTHER	\$16,471		\$228,123		\$53,129		\$60,773		\$0		\$0	
	<u>\$7,568,775</u>		<u>\$7,888,433</u>		<u>\$8,552,307</u>		<u>\$8,598,970</u>		<u>\$8,268,727</u>		<u>\$8,498,314</u>	
EXPENDITURES												
OPERATING WITHIN CAPS												
SALARIES	\$2,868,060		\$2,825,596		\$2,856,967		\$3,007,273		\$3,109,713		\$3,221,918	
OTHER EXPENSE	\$1,599,202		\$1,841,800		\$1,897,925		\$1,931,425		\$1,982,050		\$2,004,800	
OPERATING EXCLUDED												
SALARIES												
OTHER EXPENSE	\$549,172		\$577,901		\$623,445		\$571,666		\$553,341		\$530,894	
CAPITAL	\$227,500		\$85,000		\$385,000		\$351,500		\$13,000		\$25,000	
DEBT SERVICE	\$567,105		\$565,440		\$571,785		\$538,735		\$487,400		\$500,000	
DEFERRED/STATUTORY	\$729,237		\$720,784		\$756,873		\$817,966		\$887,641		\$952,116	
RESERVE FOR UNCOLLECTED	\$488,437		\$494,289		\$505,506		\$519,221		\$533,982		\$553,586	
OTHER	\$68,955		\$23,957		\$14,571		\$365,659		\$0		\$0	
	<u>\$7,097,668</u>		<u>\$7,134,767</u>		<u>\$7,612,072</u>		<u>\$8,103,445</u>		<u>\$7,567,127</u>		<u>\$7,788,314</u>	
ADJUSTMENTS	\$471,107		\$753,666		\$940,235		\$495,525		\$701,600		\$710,000	
SURPLUS 1/1	<u>\$471,107</u>		<u>\$753,666</u>		<u>\$940,235</u>		<u>\$495,525</u>		<u>\$701,600</u>		<u>\$710,000</u>	
	<u>\$1,185,284</u>		<u>\$1,206,391</u>		<u>\$1,435,057</u>		<u>\$1,845,292</u>		<u>\$1,615,817</u>		<u>\$1,592,417</u>	
SURPLUS ANTICIPATED	\$1,656,391		\$1,960,057		\$2,375,292		\$2,340,817		\$2,317,417		\$2,302,417	
	<u>\$450,000</u>		<u>\$525,000</u>		<u>\$530,000</u>		<u>\$725,000</u>		<u>\$725,000</u>		<u>\$725,000</u>	
SURPLUS 12/31	<u>\$1,206,391</u>		<u>\$1,435,057</u>		<u>\$1,845,292</u>		<u>\$1,615,817</u>		<u>\$1,592,417</u>		<u>\$1,577,417</u>	



Borough of Riverdale

County of Morris
State of New Jersey



Thank You
Questions / Comments