

Borough of Tenafly

Date of Introduction: March 12, 2013

2013 Municipal Budget Presentation

Date of Budget Hearing:

Tuesday, April 30, 2013



2013 Budget Overview: Goals

- The 2013 introduced municipal budget submitted to and reviewed by the governing body is scheduled for adoption along with a public hearing on Tuesday, April 30 at 8 PM. The budget has been prepared based on the following set of goals:
- Maintain critical services at current levels;
- Seek operating efficiencies where possible and take advantages of opportunities to save money for the Borough's taxpayers;
- Do so without diminishing services any more than necessary, and if possible, enhance municipal services to residents through improved coordination and technology; and
- Maintain a long-term view that assures stability of the municipal budget and tax rates over future years.

2013 BUDGET OVERVIEW: Tax Levy & Rate

The proposed tax levy for 2013, based on the attached budget has increased by \$307,277 from \$21,686,302 in 2012 to \$21,993,579 which equates to 1.4%. This is substantially lower than the 2% maximum allowable levy increase permitted by the state based on the local tax levy cap law. This change in the levy includes a decrease in revenue (\$44,208) and an increase in appropriations (\$263,069).

The borough wide property assessment valuation for 2013 is \$3,850,491,900; an increase of \$12,098,915 over 2012. The average assessment per home is \$804,028. Based on this assessed valuation, the \$307,277 tax levy increase equates to a municipal tax rate of .571 which is an increase from .565 in 2012. This would result in an increase of \$65 in taxes on the average home, based on the 2013 average assessed valuation listed in the chart below.

Description	2013	2012	% Change
Total Assessment Valuation	\$3,850,491,900	\$3,838,392,985	<1%
Municipal Tax Rate	0.571	0.565	1.1%
Average Per Home (\$804,028)	\$4,593	\$4,528	1.4%

2013 BUDGET OVERVIEW: Finances

REVENUE

- Total anticipated revenue decreased by \$44,208 from 2012 or .9%
- State aid anticipated is \$1,119,801; the same as 2012.
- Surplus appropriated is \$1,500,000; \$44,000 lower than the amount utilized in 2012.
- Grants anticipated have decreased by \$50,030.
- A net increase of approximately \$49,822 in fees & miscellaneous revenue is anticipated from municipal sources.

APPROPRIATIONS

- **Total appropriations of \$26,806,747 in 2013 compares to \$26,543,678 budgeted in 2012; an increase of \$263,069 or 1%.**

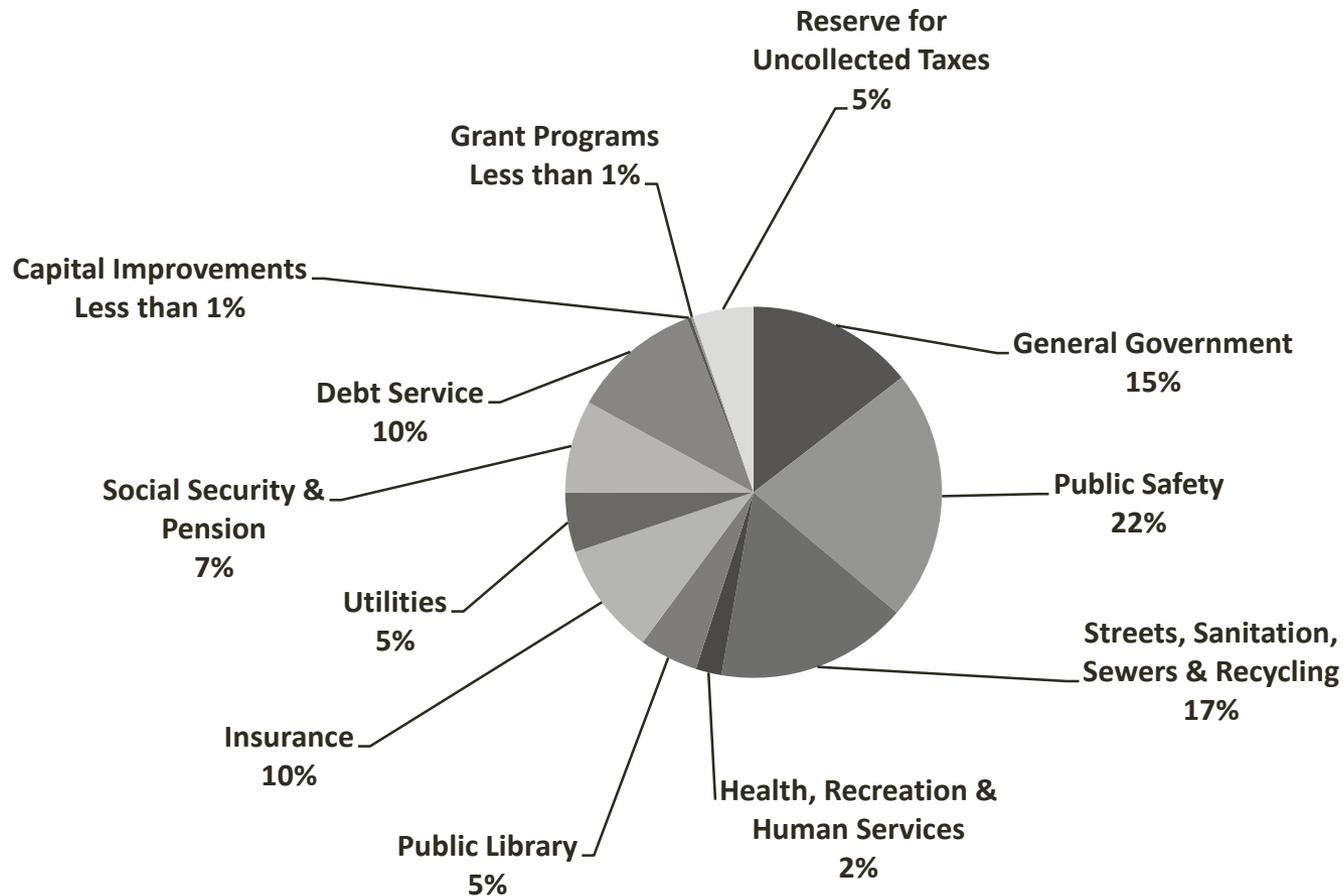
2013 BUDGET OVERVIEW: Increases

- **Municipal Debt Service** - \$420,472 attributable to new debt included in 2012 bond sale.
- **Payroll Adjustment** - \$90,000 new line item for deferred police wage increments and longevity increases not included in the police S&W budget.
- **Buildings and Grounds** other expenses- \$41,300 due to additional maintenance attributable to the police HQ expansion.
- **Police / OEM** other expenses - \$63,574 or 25.9% due to an additional police vehicle and increases in contractual vehicle maintenance, clothing and uniforms, education/training/examination expenses for new hires, and OEM other contractual.
- **Volunteer Fire** - \$17,500 for additional incentive payments anticipated.
- **Public Events** - \$25,000 for the cost of fireworks and concerts to supplement private donations in order to improve planning.
- **Utility Expenses** - \$9,520 based on 2012 electricity usage.
- **Reserve for Uncollected Taxes** - \$60,000 based on a decrease in the collection rate.
- **Capital Improvements** - \$30,000 due to an increase in the total capital projects approved for 2013 in the amount of \$1.8 million compared to \$1.2 million in 2012.
- **Deferred Charges** - \$55,000 offset by \$30,993 in revenue for uncollected grants anticipated for previous capital projects funded by bond ordinances.

2013 BUDGET OVERVIEW: Decreases

- **Salaries & Wages** reflect a net decrease of \$176,982 or 1.8% primarily due to police officer retirements in 2012 and 2013 (\$369,530). This decrease is partially offset by contractual wage increases to non-uniformed staff of 2.25%, part-time schedule changes in the Finance and Building departments, and wage adjustments for certain staff in Administration, Municipal Clerk and Finance departments.
- **BCUA Sewer Service Charges** decreased \$148,122 based on the 2013 assessment by the Authority that reflects a reduction in usage readings in 2012.
- **Reserve for Terminal leave** has been reduced by \$31,000 due to the availability of sufficient funds required for 2013 retirements.
- **Pension** contributions assessed by the State for PERS and PFRS have decreased a total of \$72,597 or 4.5% attributable to pension reform at the state level.
- **Matching Funds for Grants** decreased \$81,054 based on a preliminary estimate of anticipated grants.
- **Public Works Roads and Recycling other expense** decreased \$45,475 due to reductions in the equipment rental and snow plow equipment line items.
- **Garbage Disposal Fees** decreased \$15,000 based on reported tonnage in 2012.

2013 Introduced Budget Breakdown



2013 Budget Summary: Sources & Uses of Funds

HOW IT'S GENERATED

Surplus from Prior Year	\$1,500,000
Local Revenues	\$680,000
State Aid	\$1,119,801
Uniform Construction Fees	\$475,000
Public & Private Grant Programs	\$51,616
Special Items of Revenue	\$353,491
Receipts from Delinquent Taxes	\$675,000
Local Property Taxes	\$21,993,579
TOTAL	<u>\$26,848,487</u>

HOW IT'S ALLOCATED

General Government	\$3,867,108
Public Safety	\$5,862,997
Streets, Sanitation, Sewers & Recycling	\$4,429,059
Health, Recreation & Human Services	\$596,657
Free Public Library	\$1,360,668
Municipal & Employee Insurance	\$2,621,139
Unclassified Expenses	\$1,392,046
Social Security & Retirement Programs	\$2,166,721
Municipal Debt Service	\$3,010,476
Capital Improvements & Major Equipment	\$90,000
Public & Private Grant Programs	\$51,616
Reserve for Uncollected Taxes	\$1,400,000
TOTAL	<u>\$26,848,487</u>

2013 – 2012 SALARY COMPARISON

DEPARTMENT	2013	2012	CHANGE	%
GENERAL GOVERNMENT	809,959	807,505	2,454	0.3%
FINANCIAL ADMINISTRATION	621,810	617,781	4,029	0.7%
BUILDING & LAND USE	447,134	444,226	2,909	0.7%
PUBLIC WORKS	3,826,970	3,714,994	111,976	3.0%
PUBLIC SAFETY	7,103,910	7,622,525	(518,615)	-6.8%
LEISURE SERVICES	559,304	559,087	217	0.0%
LIBRARY	1,063,144	1,058,307	4,836	0.5%
GRAND TOTAL	\$ 14,432,231	\$ 14,824,425	\$(392,194)	-2.6%

2013 Total Salaries Are Lower Than Last Year

Total Salary Includes: Wages, Insurance, FICA & Pension

HISTORICAL OVERVIEW: Tax Rates 2010-2013

TAXATION: 2013 Municipal Budget			
Municipal			
2013 Amount to be Raised by Taxation	\$ 21,993,579		
2012 Amount to be Raised by Taxation	<u>\$ 21,686,302</u>		
Increase	<u>\$ 307,277</u>	1.4%	
2013 Municipal Tax Rate (per \$100)	0.571		
2012 Municipal Tax Rate (per \$100)	<u>0.564</u>		
Increase	0.007	1.2%	
TAX IMPACT ON AVERAGE HOUSE			
	2012	2013	Increase
2013 Assessed @ \$804,028	<u>\$ 4,520</u>	<u>\$ 4,591</u>	<u>\$ 71</u>
2012 Assessed @ \$801,502			
ASSESSED VALUE			
2013	\$ 3,850,491,900		
2012	\$ 3,838,392,985		

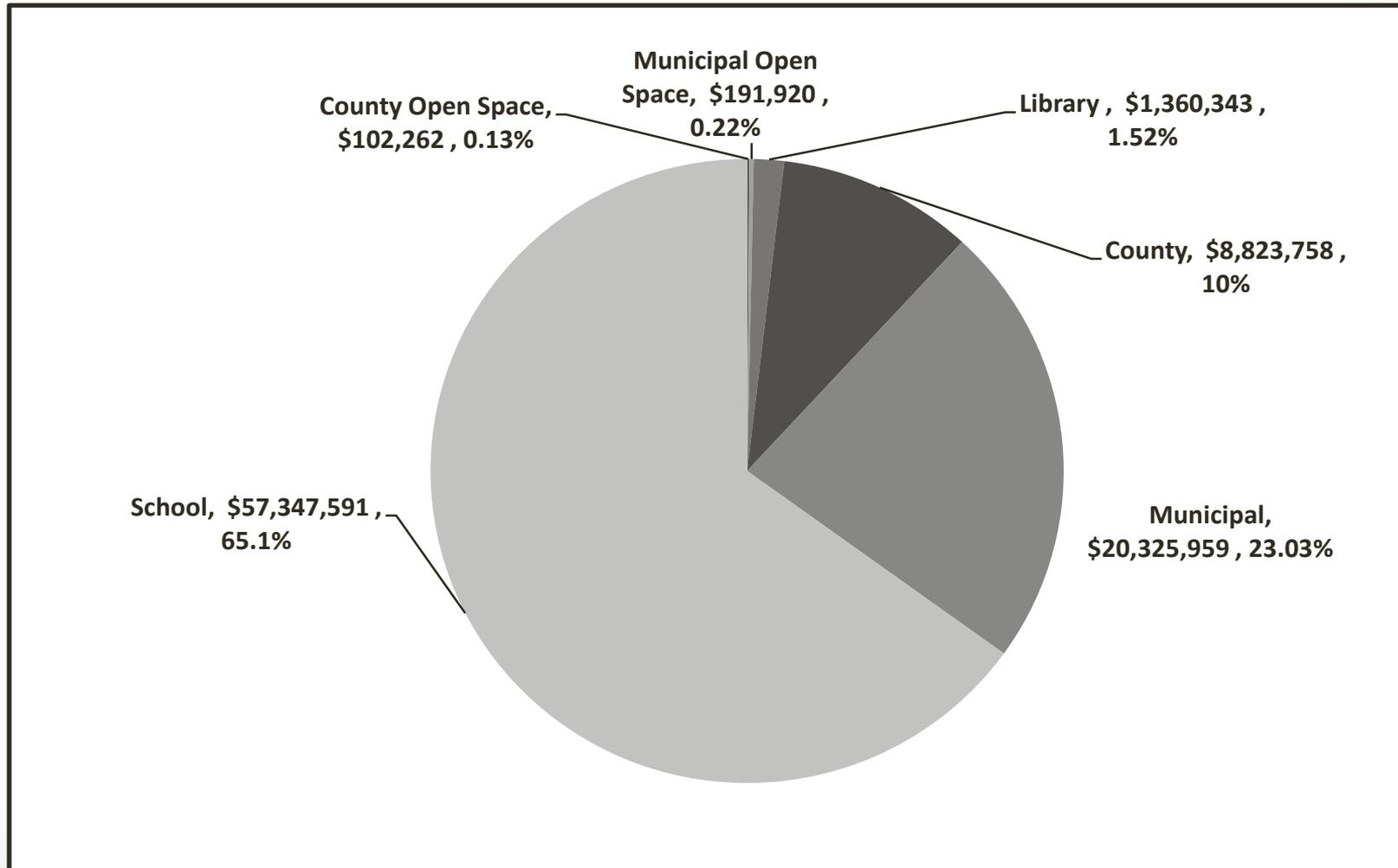
TAXATION: 2012 Municipal Budget			
Municipal			
2012 Amount to be Raised by Taxation	\$ 21,686,302		
2011 Amount to be Raised by Taxation	<u>\$ 21,482,052</u>		
Increase	<u>\$ 204,250</u>	1.0%	
2012 Municipal Tax Rate (per \$100)	0.564		
2011 Municipal Tax Rate (per \$100)	<u>0.559</u>		
Increase	0.005	0.9%	
TAX IMPACT ON AVERAGE HOUSE			
	2011	2012	Increase
2012 Assessed @ \$804,028	<u>\$ 4,382</u>	<u>\$ 4,520</u>	<u>\$ 138</u>
2011 Assessed @ \$801,502			
ASSESSED VALUE			
2012	\$ 3,838,392,985		
2011	\$ 3,835,849,156		

TAXATION: 2011 Municipal Budget			
Municipal			
2011 Amount to be Raised by Taxation	\$ 21,482,052		
2010 Amount to be Raised by Taxation	<u>\$ 21,374,225</u>		
Increase	<u>\$ 107,827</u>	0.5%	
2011 Municipal Tax Rate (per \$100)	0.559		
2010 Municipal Tax Rate (per \$100)	<u>0.694</u>		
Increase	-0.135	1.2%	
TAX IMPACT ON AVERAGE HOUSE			
	2010	2011	Increase
2011 Assessed @ \$804,028	<u>\$ 4,408</u>	<u>\$ 4,382</u>	<u>\$ (26)</u>
2010 Assessed @ \$801,502			
ASSESSED VALUE			
2011	\$ 3,835,849,156		
2010	\$ 3,079,560,394		

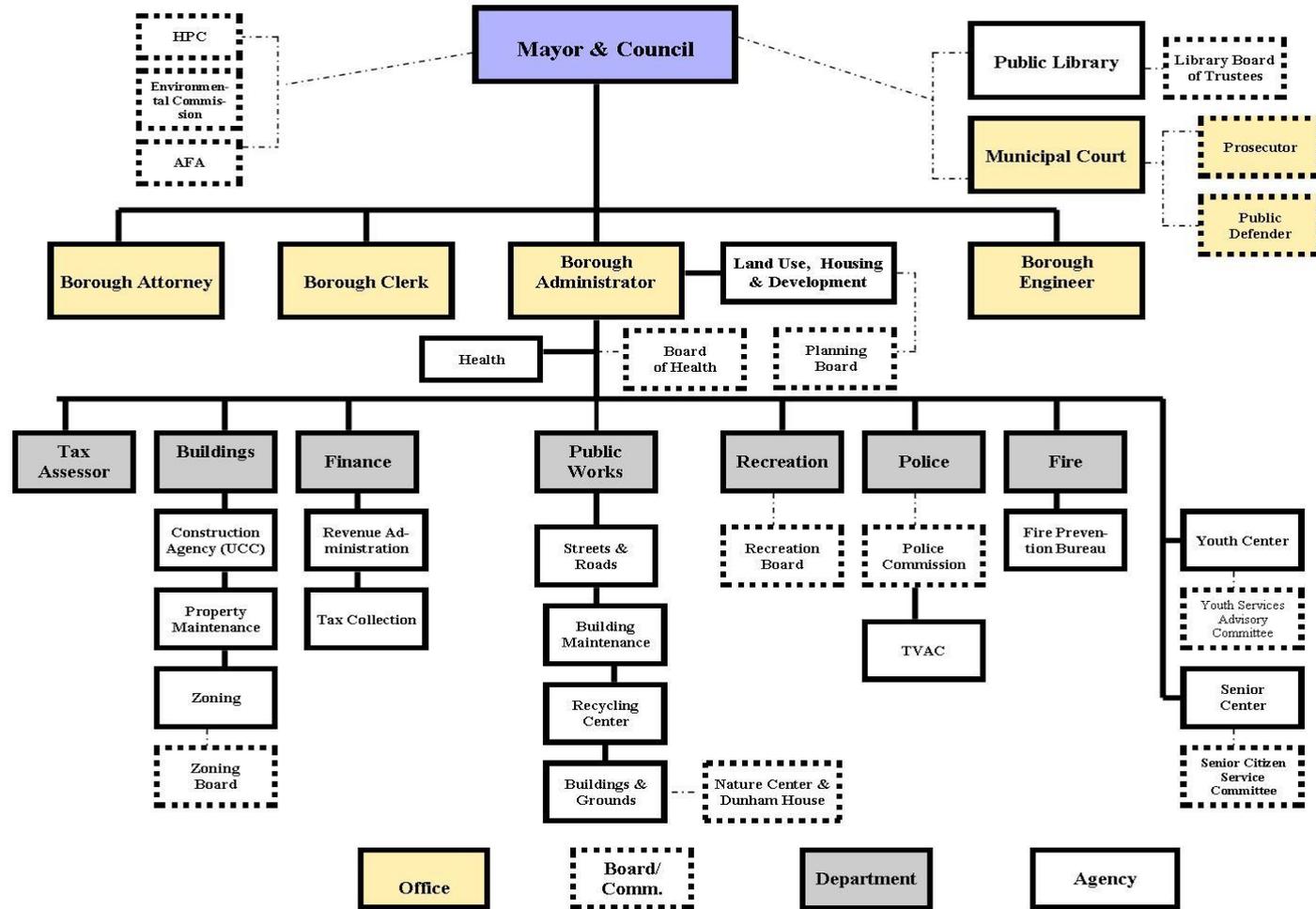
TAXATION: 2010 Municipal Budget			
Municipal			
2010 Amount to be Raised by Taxation	\$ 21,374,225		
2009 Amount to be Raised by Taxation	<u>\$ 19,601,197</u>		
Increase	<u>\$ 1,773,028</u>	9.0%	
2010 Municipal Tax Rate (per \$100)	0.694		
2009 Municipal Tax Rate (per \$100)	<u>0.645</u>		
Increase	0.049	7.6%	
TAX IMPACT ON AVERAGE HOUSE			
	2012	2013	Increase
2010 Assessed @ \$804,028	<u>\$ 4,191</u>	<u>\$ 4,408</u>	<u>\$ 217</u>
2009 Assessed @ \$801,502			
ASSESSED VALUE			
2010	\$ 3,079,560,394		
2009	\$ 3,037,827,811		

HISTORICAL OVERVIEW: 2012 Total Tax Levy

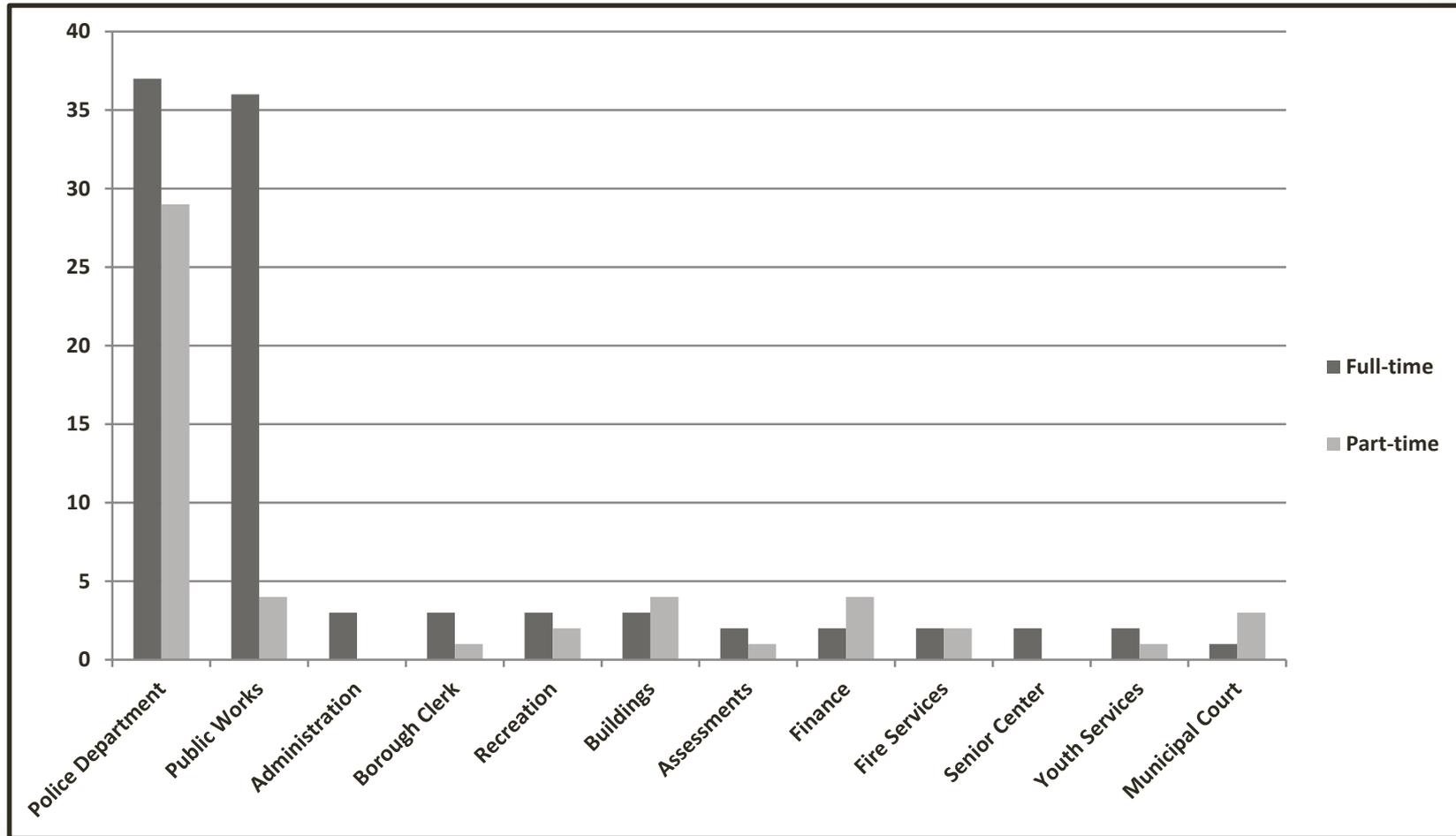
Sample Year for Illustrative Purposes Only



TENAFLY ORGANIZATIONAL CHART



Employees by Department: 147 Total



Employees by Bargaining Unit: 147 Total

