BOROUGH OF SADDLE RIVER

2013

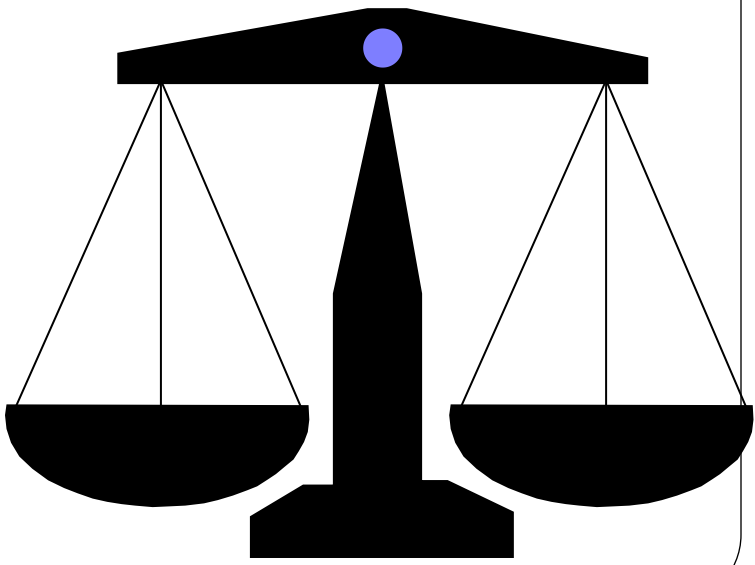
Budget Presentation

Overview

- Annual Budget Requirement
- Budget Calendar
- Budget Cap
- Revenues and Appropriations
- Transfers
- Emergencies
- Audit
- 2013 BUDGET

Annual Budget Requirement

- Each Year every New Jersey Municipality must Introduce and Adopt a Balanced Municipal Budget. N.J.S.A. 40A:4.
- Municipal Appropriations Only
- Tax Rate Established:
  - **Local**
  - **School**
  - **County.**



Statutory Requirements:

- Introduction and Approval
- Public Advertising
- Public Hearing
- Amendments at Public Hearing
  - **If Required**
- Adoption- 4 affirmative votes required to pass the Budget.

Budget Calendar 2013

- February 10, 2013 Introduction
- March 20, 2013 Adoption
- Tax information to the
  - County Board of Taxation
  - 15 days after Adoption

  NJ STATE EXTENDED DATES:
  - 2013 March 15 Introduction
  - 2013 April 26 Adoption

Budget Cap

- Established in 1977- Appropriations Cap
- 2013 Cap- 2.0%-with 1.5% addition by the Borough
- Established in 2010 Levy Cap
- 2013 levy Cap 2%
- With Exceptions for-Health Costs, Pension, Debt Service and Deferred Charges

LEVY CAP

- Levy Cap on Property Tax
    - Saddle River maintains current municipal expenditure cap
- 2013 BUDGET IS LESS BOTH THE ALLOWABLE CAPS
    - $383,570 under the Levy Cap
    - $573,239.07 under the Appropriations Cap

Revenues and Appropriations

- Revenues:
  - **Fund Balance**
  - **Miscellaneous Revenues**
  - **State and Federal Aid**
  - **Real Estate Taxes**

Rule:Cannot anticipate any revenue greater than what was received in the prior year, unless new revenue is supported by proper documentation and approved by the Division of Local Government services.

Appropriations

- Appropriations are the authorizations to expend budget dollars in support of government operations.

- **Rule: Expenditures can only be made through valid procedural process, authorized by the Department Heads and the Borough Administrator.**

Transfers

- Current Budget-November 1 to December 31 of the Budget Year

Emergencies

- Unanticipated events which require expenditures in support of the operation of government.
- Declared by the Mayor or Emergency Management Coordinator
- Funded by the Borough Council, through Emergency resolution-passed by 2/3 vote
- Raised in the subsequent years Budget

Audit

- Required by N.J.S.A 40A:5-9
- Annual Audit of each Municipality is conducted by an independent auditor who holds an un-canceled license as a Registered Municipal Accountant of the State of New Jersey.
- Borough Auditor- Tim Vrabel-RMA

2013 MUNICIPAL BUDGET

Borough of Saddle River

Finance Committee

Mayor Raia

Councilman Walenczyk

Councilman Mutter

Charles S. Cuccia CFO

Agenda

The Annual Municipal Budget provides the Spending Authority for all Borough Departments

This presentation provides an overview of our 2013 spending plan and estimates the Funding required to support that plan.

Only public information is presented herein, confidential information has been specifically excluded from this presentation.

- **Highlights**
- **Revenue**
- **Appropriations**
- **Debt**
- **Tax Rate**
- **Water Utility**

Balance Sheet

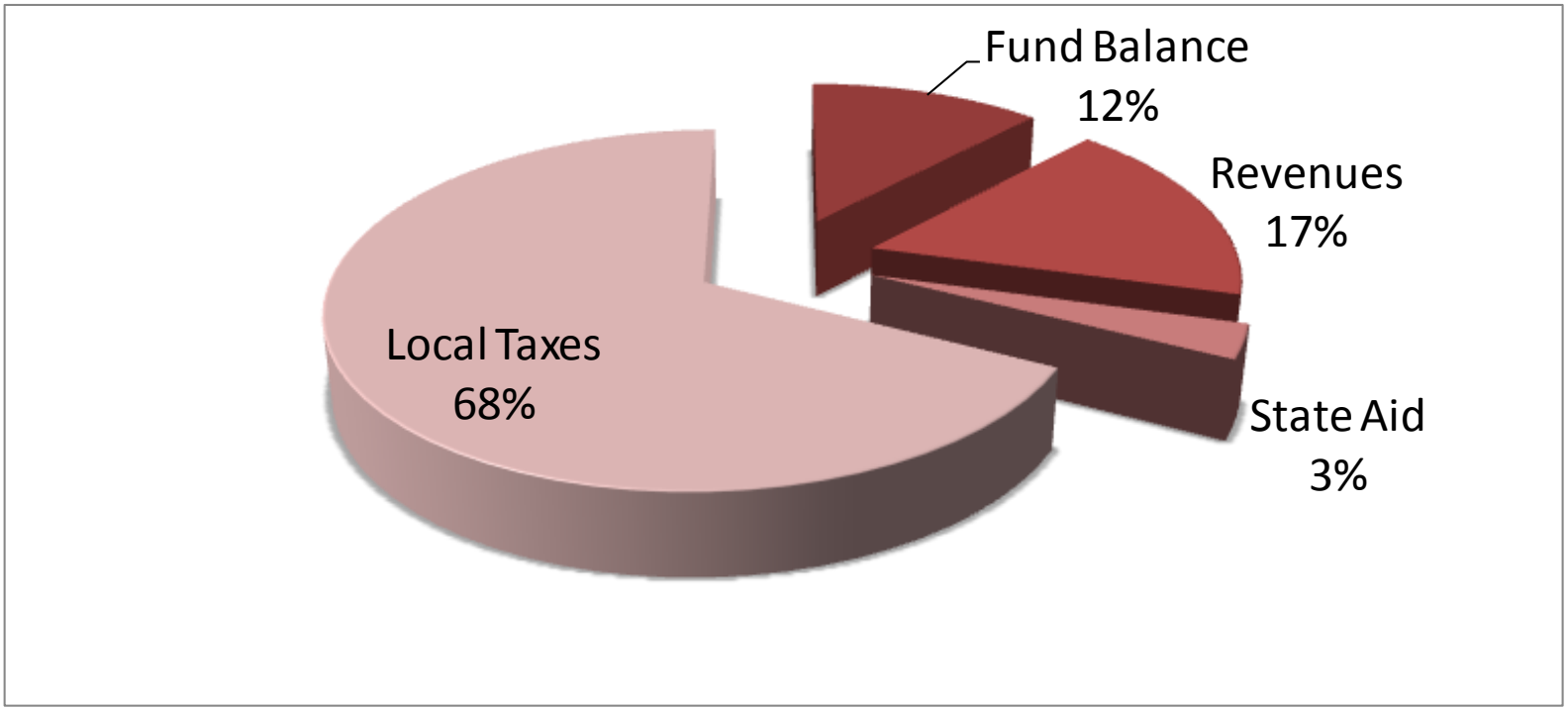
December 31, UNAUDITED

Current Fund (000)	2012	2011	
Assets			
–Cash	$7,039	$6,446	
–Taxes receivable	315	354	
–Interfunds	2,354	2,779	
–Other	277	121	
Total Assets	**9,985**	**9,700**	
Liabilities			
–Appropriation Reserves	$963	$443	
–Reserve for COAH	515	990	
–Reserve For Receivables	2,669	3,133	
–Other	552	534	
Total Liabilities	**$6,808**	**$5,100**	
Fund Balance	**$5,286**	**$4,600**	

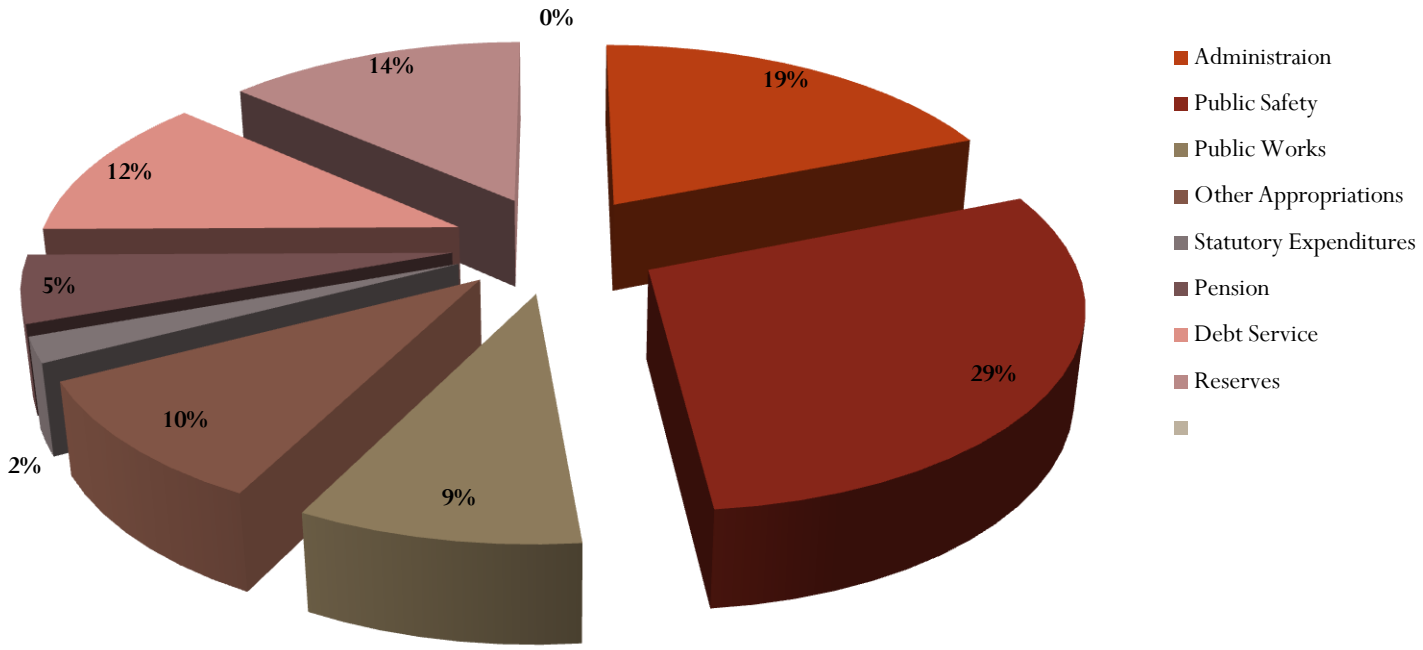
Budget Highlights

INTRODUCED BUDGET	2012	2013	
Fund Balance Utilized	$1,500,000	$1,600,000	
Anticipated Revenue	2,429,474	2,723,052	
Receipts From Delinquent Taxes	349,624	305,000	
Amount to be Raised by Taxes	8,628,546	8,693,655	
Total Budget	12,907,644	13,321,707	
In Cap Appropriations	9,189,042	9,408,852	
Out of Cap Appropriations	3,718,602	3,912,855	

2013 Revenue by Source

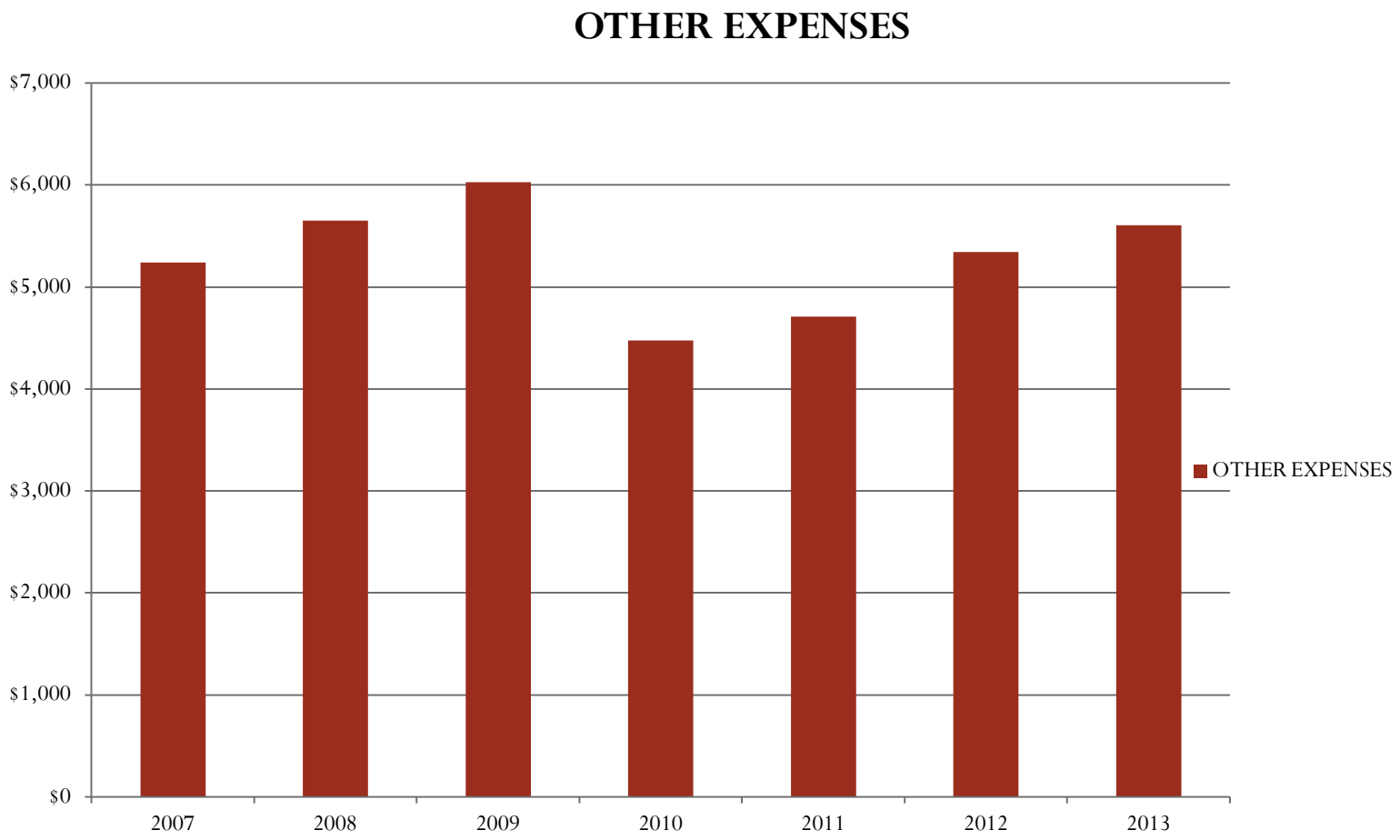


2013 Appropriations by Source



SALARY COMPARISON

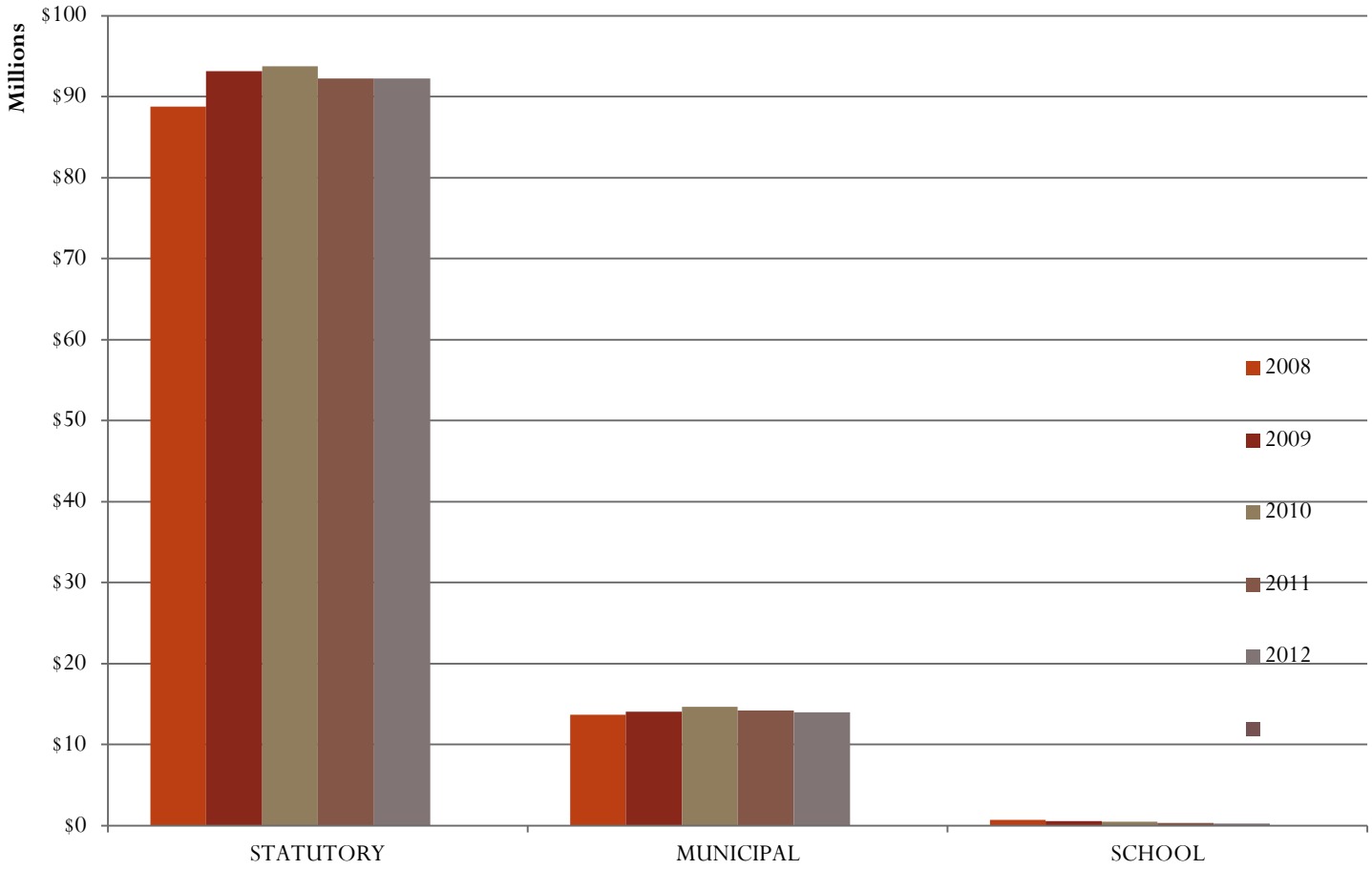
OTHER EXPENSE COMPARISON



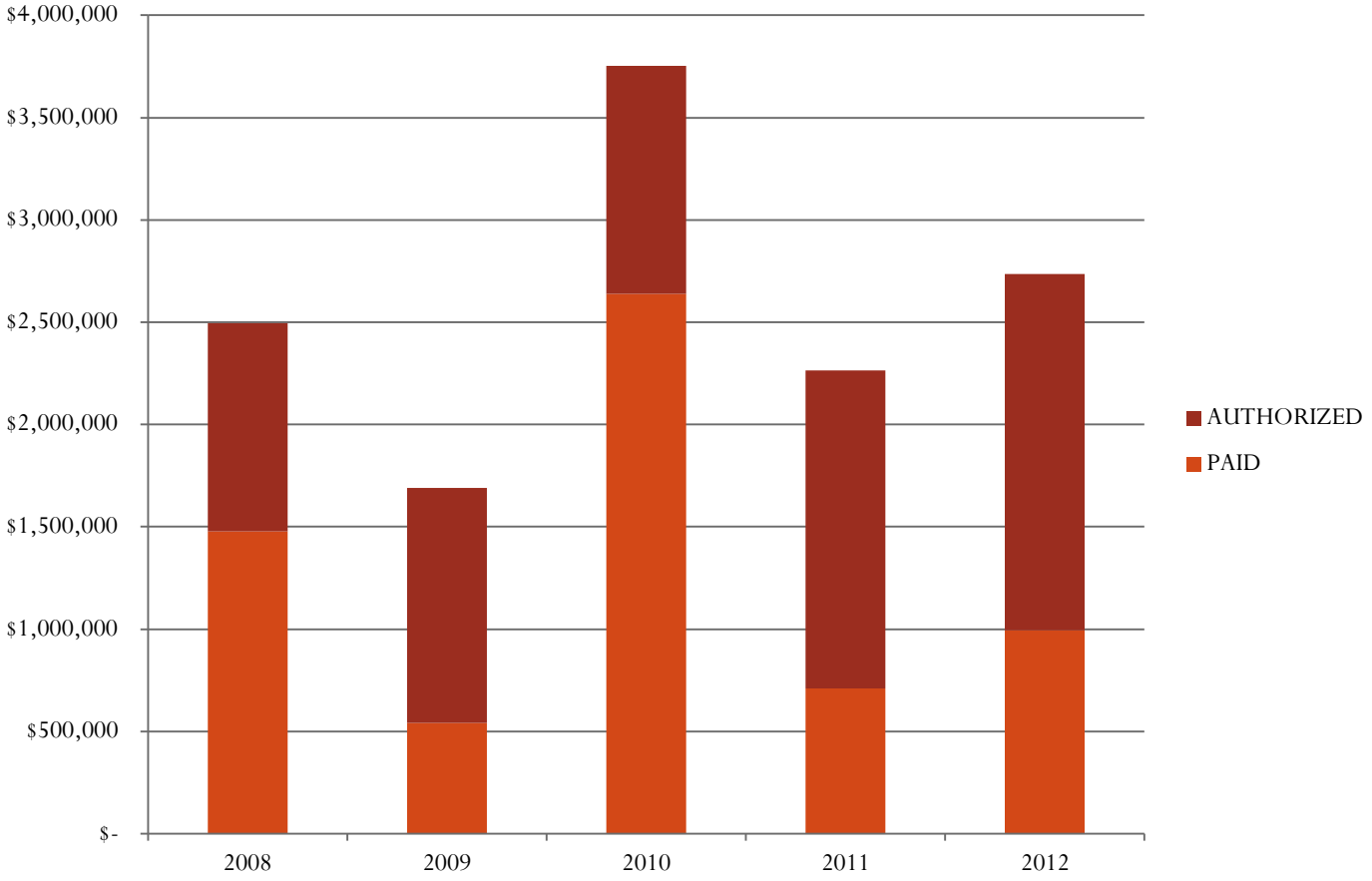
Cost in Support of Wandell School Operations- Included in the Municipal Budget

Snow Plowing	25,000
Garbage Collection	15,000
Recycling Collection	5,000
Grounds Maintenance	12,500
Field Maintenance	72,500
School Resource Officer	73,000
Fire Safety Officer	6,800
Parking Lot Maintenance	5,000
Potable Water	6,500
Total	$221,300

STATUTORY DEBT



DEBT SERVICE COMPARISON



DEBT SERVICE COMPARISON 2007 TO 2012

BOROUGH OF SADDLE RIVER					
DEBT ANALYSIS					
2007 TO 2012					
	2007	2012	VARIANCE	CAPITAL PROJECTS AUTRHORIZED AND COMPLETED	
BANS:				2008-2012	
ISSUED:				ROAD RESURFACING	
GENERAL	6,981,638.77	11,017,000.00		POLICE CAD SYSTEM	
				NEW FIRE SCBA UNITS	
WATER	430,000.00			RINDLAUB PARK IMPROVEMENTS	
				BAYBERRY CULVERT	
WATER LOANS NJIT		1,603,535.53		DENISON DR CULVERT	
SUB TOTAL ISSUED	7,411,638.77	12,620,535.53	5,208,896.76	TWIN BROOKS ROAD REPAVING	
				ACQUSITION OF LAND (BRAINYARD AND MARKER)	
				DPW VEHICLE PURCHASE	
AUTHORIZED				MUSEUM RENNOVATIONS	
NOT ISSUED:				RIVER CHANNEL CLEARING	
				WANDELL SCHOOL FIELD IMPROVEMENTS	
GENERAL	6,735,895.00	1,125,221.00			
				$ 6,615,100.00	AMOUNT AUTHORIZED
WATER	510,000.00	510,000.00		6,657,000.00	DEBT RETIRED
				(41,900.00)	
SUBTOTAL NOT ISSUED	7,245,895.00	1,635,221.00	(5,610,674.00)		
TOTAL					
AUTHORIZED AND					
ISSUED	14,657,533.77	14,255,756.53	(401,777.24)	NET DEBT REDUCTION	
NJ STATE ALLOWABLE DEBT	82,997,434.70	87,302,702.93			
% OF DEBT AUTHORIZED	0.57%	0.55%			
% OF DEBT ISSEUD	0.31%	0.50%			

2013 CAPITAL BUDGET

- N.J.S.A.40A:4-43- A capital budget shall be a plan for the expenditure of public funds for capital purposes, showing as income the revenues, special assessments, free surplus, and down payment appropriations to be applied to the cost of a capital project, expenses of issuance of obligations, engineering supervision, contracts and any other related expenditures

2013 CAPITAL BUDGET

- N.J.S.A.40A:4-45- Provides for the a separate capital budget to be adopted at the same time and as part of the annual budget.
- N.J.S.A.40A:4-44- Provides that the governing body shall expend or incur obligations for capital purposes only after the adoption of a capital budget and in accordance with such budget except for preliminary expense for plans, specifications and estimates.

2013 CAPITAL BUDGET

CAPITAL BUDGET (CURRENT YEAR)								
	2013					BOROUGH OF SADDLE RIVER		
			PLANNED FUNDING SERVICES FOR CURRENT YEAR			2013		
PROJECT TITLE	ESTIMATED TOTAL COST	AMOUNTS RESERVED PROR YEARS	2013 BUDGET APPROPRIATION	CAPITAL IMPVT FUND	CAPITAL SURPLUS	GRANTS IN AID	DEBT AUTHORIZED	TO BE FUNDED IN FUTURE YRS.
GENERAL CAPITAL:								
ROAD IMPROVEMENTS	375,000.00			10,000.00			115,000.00	250,000.00
VARIOUS IMPROVEMENTS TO RINDLAUB PARK	210,000.00							210,000.00
DRAINAGE IMPROVEMENTS	150,000.00			2,500.00			47,500.00	100,000.00
PUBLIC BUILDING IMPROVEMENTS	200,000.00							200,000.00
STREAM DREDGING	100,000.00							100,000.00
WATER INTERCONNECT	40,000.00			2,000.00			38,000.00	
MUNICIPAL BUILDING IMPROVEMENTS	1,500,000.00			25,000.00			475,000.00	1,000,000.00
DPW EQUIPMENT	150,000.00			5,000.00			70,000.00	75,000.00
TOTAL ALL PROJECTS	2,725,000.00	-	-	44,500.00	-	-	745,500.00	1,935,000.00

2013 CAPITAL BUDGET

3 YEAR CAPITAL PROGRAM
ANTICIPATED PROJECT SCHEDULE AND FUNDING REQUIREMENTS
2013-2015

PROJECT TITLE	ESTIMATED TOTAL COST	ESTIMATED COMPLETION TIME	FUNDING AMOUNTS PER BUDGET YEAR 2013	2014	2015
GENERAL CAPITAL:					
ROAD IMPROVEMENTS	375,000.00	2013-2015	125,000.00	125,000.00	125,000.00
VARIOUS IMPROVEMENTS TO RINDLAUB PARK	210,000.00	2014-2015		110,000.00	100,000.00
DRAINAGE IMPROVEMENTS	150,000.00	2014-2015	50,000.00	50,000.00	50,000.00
PUBLIC BUILDING IMPROVEMENTS	200,000.00	2013-2015		100,000.00	100,000.00
STREAM DREDGING	100,000.00	2015			100,000.00
WATER INTERCONNECT	40,000.00	2013	40,000.00		
MUNICIPAL BUILDING IMPROVEMENTS	1,500,000.00	2013-2015	500,000.00	1,000,000.00	
DPW EQUIPMENT	150,000.00	2013-2014	75,000.00	75,000.00	
TOTAL ALL PROJECTS	2,725,000.00		790,000.00	1,460,000.00	475,000.00

2013 CAPITAL BUDGET

3 YEAR CAPITAL PROGRAM								
ANTICIPATED FUNDING SOURCES AND AMOUNTS						**BOROUGH OF SADDLE RIVER**		
2013-2015								
		BUDGET				**BONDS AND NOTES**		
	ESTIMATED	**APPROPRIATION**	**CAPITAL**		**GRANTS**			
	TOTAL	**CURRENT**	**IMPROVEMENT**	**CAPITAL**	**IN**		**SELF**	
PROJECT TITLE	**COST**	**YEAR**	**FUND**	**SURPLUS**	**AID**	**GENERAL**	**LIQUIDATING**	
GENERAL CAPITAL:								
ROAD IMPROVEMENTS	375,000.00		30,000.00			345,000.00		
VARIOUS IMPROVEMENTS TO RINDLAUB PARK	210,000.00		10,000.00		100,000.00	100,000.00		
DRAINAGE IMPROVEMENTS	150,000.00		7,500.00			142,500.00		
PUBLIC BUILDING IMPROVEMENTS	200,000.00		10,000.00			190,000.00		
STREAM DREDGING	100,000.00		5,000.00			95,000.00		
WATER INTERCONNECT	40,000.00		2,000.00			38,000.00		
MUNICIPAL BUILDING IMPROVEMENTS	1,500,000.00		75,000.00			1,425,000.00		
DPW EQUIPMENT	150,000.00		15,000.00			135,000.00		
TOTAL ALL PROJECTS	2,725,000.00		154,500.00	-	100,000.00	2,470,500.00	-	-

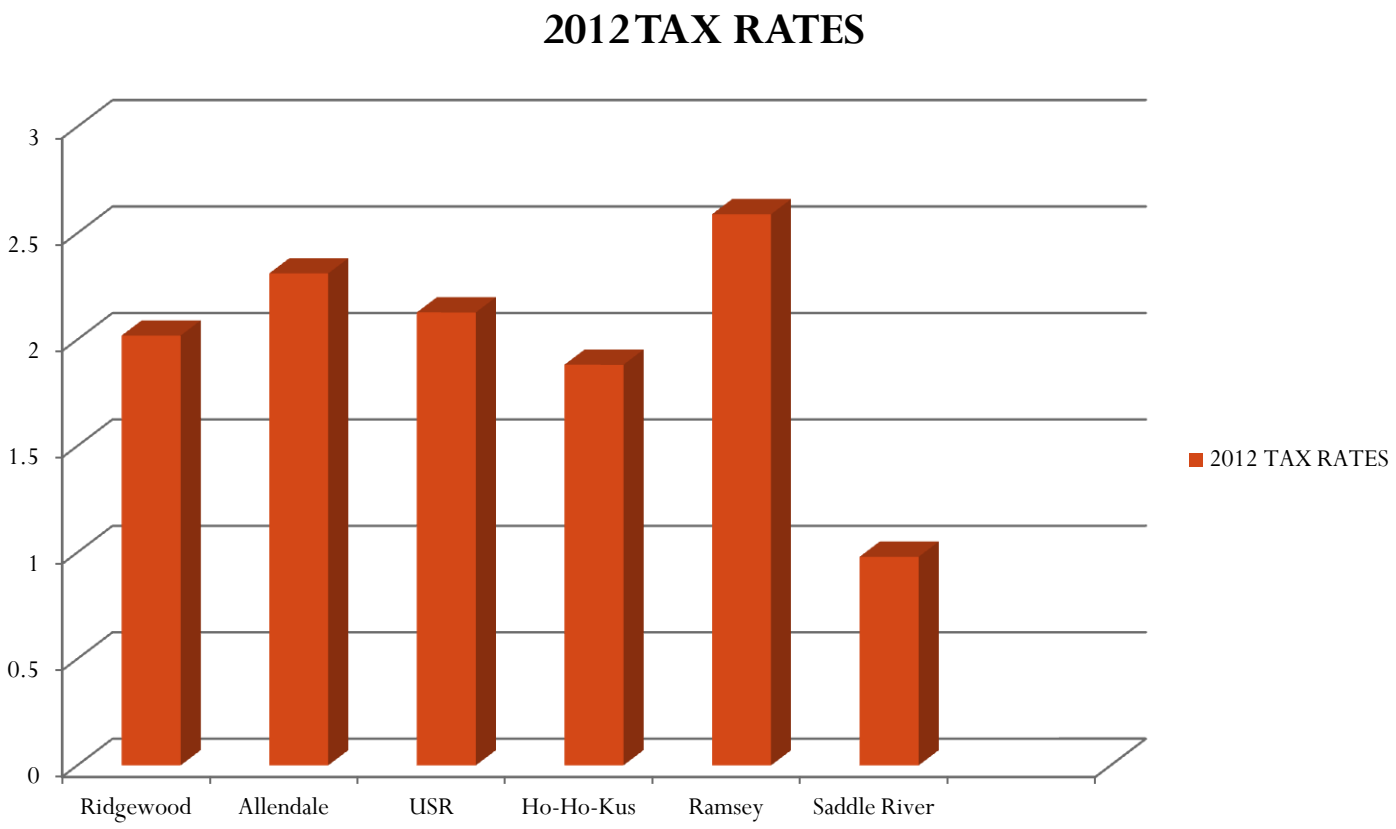
TOTAL TAX RATE

	2007	2008	2009	2010	2011	2012	2013
COUNTY	**.206**	**.221**	**.227**	**.245**	**.247**	**.244**	**.249**
SCHOOL	**.301**	**.302**	**.309**	**.318**	**.325**	**.334**	**.342**
LOCAL	**.333**	**.357**	**.370**	**.377**	**.377**	**.393**	**.397**
TOTAL	**.84**	**.88**	**.91**	**.94**	**.95**	**.98**	**.98***

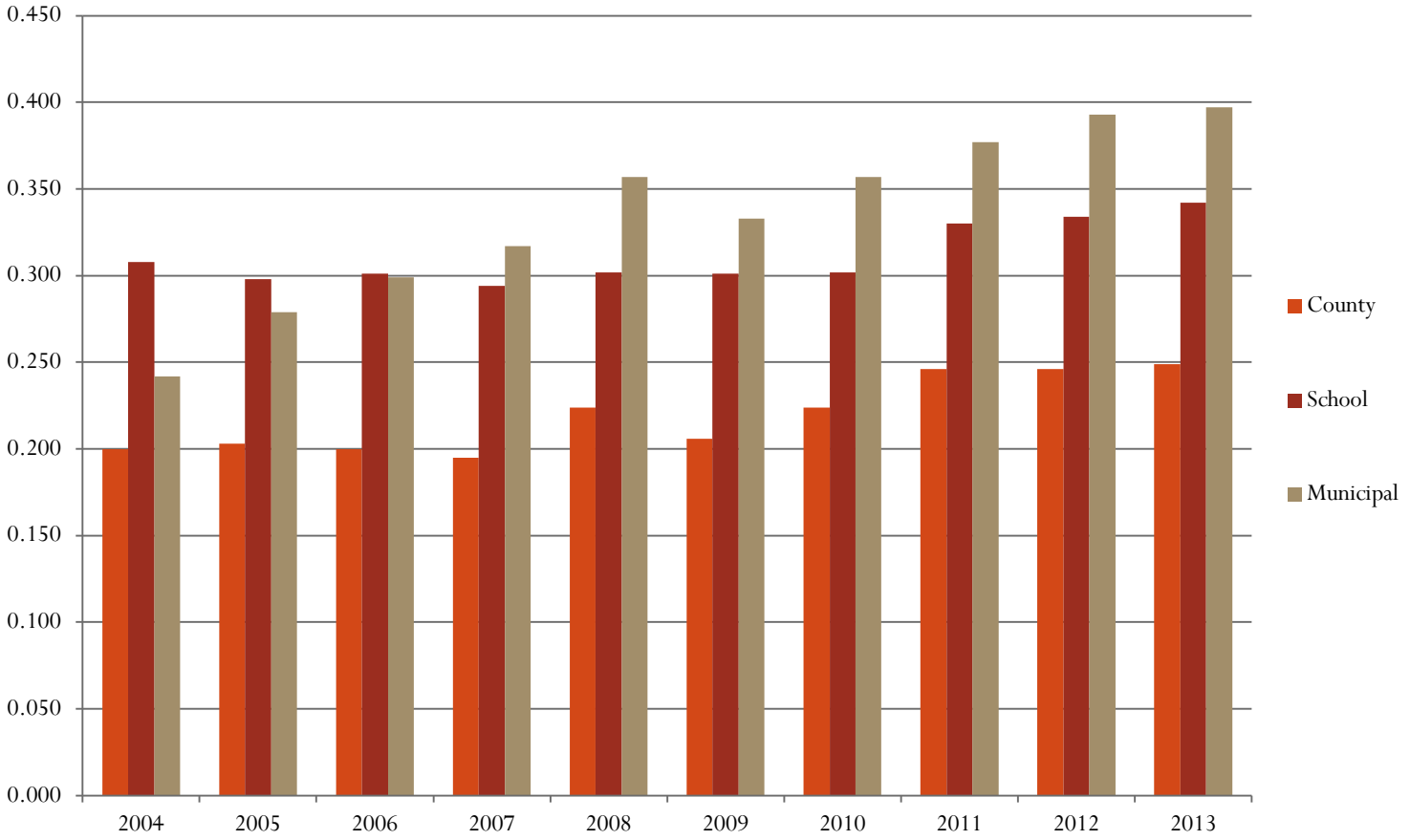
***Estimate**

Municipal Tax Rate

NORTHWEST BERGEN COMPARISON



TAX RATE


0.450
0.400
0.350
0.300
0.250
0.200
0.150
0.100
0.050
0.000
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
County
School
Municipal

How much do I pay?

	2007	2008	2009	2010	2011	2012	2013
LOCAL	**.333**	**.357**	**.360**	**.037**	**.037**	**.039**	**.39**
TOTAL	**.84**	**.84**	**.94**	**.94**	**.95**	**.98**	**.98**

***Estimate**

Assessed Value:	2009	2012	2013
1.7M	15,980	16,660	16,660
Municipal	*6,120*	*6,630*	*6,630*
3M	28,200	29,400	29,400
Municipal	*10,800*	*11,700*	*11,700*

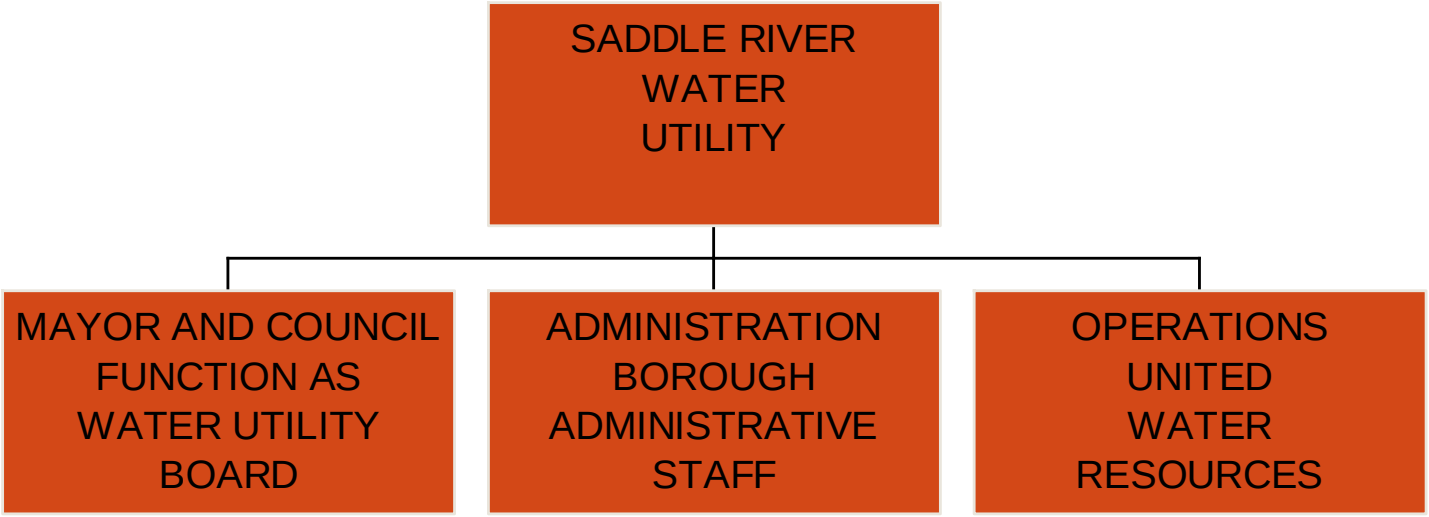
Saddle River Water Utility

ESTABLISHED BY

Ordinance 95-621-C

May 15, 1995

OPERATING STRUCTURE



Background

- To provide the Borough with Fire Hydrant Service
- Provide Potable Water

  as needed or requested
- Manager - C. Cuccia, Administrator Operations- M. Spence, Engineer
- Service Provider- United Water Technologies

Operational Ability

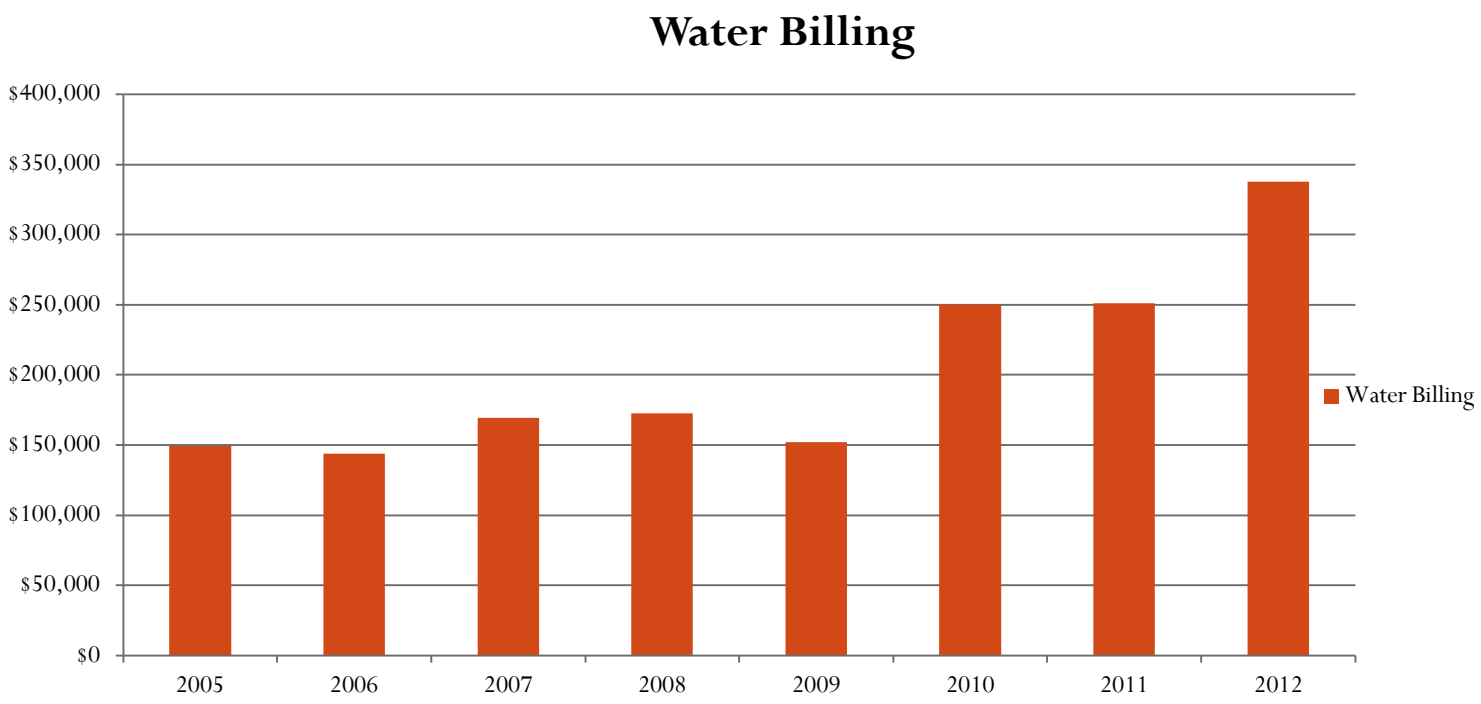
- The Unique Ability to provide cost effective approach to operate and control Fire Hydrant Service and Water Distribution
- The Utility Structure Allows the Borough to utilize a public/private partnership to Fund, Operate and Maintain a Water system in the Borough

2013
WATER PROJECT STATUS

- **Phase I through X** –Completed in 2010 (5years earlier than the original goal established)
- The plan for the installation of water mains for the remaining local streets is currently being developed. Preliminarily the areas include:
- Twin Brooks Rd. Charlden Dr. Fox Hedge Rd.
- High Ridge Ackerman Rd Woodcliff Lake Rd.

The Borough Council will make the final determination and authorizations for the timing of these projects.

WATER BILLING DATA



Water Utility Financials

	2010	2011	2012
ASSETS:			
CASH	**293,224**	**479,454**	**987,282**
USER RECEIVABLE	**122,092**	**112,177**	**127,422**
DEFFERED CHARGES	**15,482**		
	430,798	**591,631**	**1,114,704**
LIABILITIES, FUND BALANCE:			
LIABILITIES	**333,898**	**416,385**	**586,992**
FUND BALANCE	**96,900**	**175,246**	**527,712**
	430,798	**591,631**	**1,114,704**

2013 Water Utility Budget

	2009	2010	2011	2012	2013
REVENUES:					
FUND BALANCE	**20,000**	**20,000**	**50,983**	**50,983**	**175,500**
USER CHARGES	**158,000**	**158,000**	**145,000**	**145,000**	**275,000**
HYDRANT CHARGES	**125,000**	**125,000**	**125,000**	**125,000**	**315,000**
	303,000	**303,000**	**320,983**	**320,983**	**765,500**
APPROPRIATIONS:					
SALARIES AND WAGES	**-0-**	**-0-**	**-0-**	**-0-**	**-0-**
OTHER EXPENSES	**168,000**	**238,000**	**305,500**	**320,983**	**765,500**
DEFERRED CHARGES				**15,483**	**-0-**
DEBT SERVICE	**135,000**	**65,000**	**-0-**	**-0-**	**-0-**
	303,000	**303,000**	**320,983**	**320,983**	**765,500**

BOROUGH OF SADDLE RIVER

2013

BUDGET

QUESTIONS ?