

2017 Budget Presentation



Budget Goals

- ∞ Transparent Process
- ∞ Minimize increases in operational costs
- ∞ Maintain service levels
- ∞ Identify further operational improvements
- ∞ Identify cost savings /revenue enhancements
- ∞ Stimulate growth in surplus balance.

BUDGET

Municipal budget has two components

- ∞ Operating Budget
- ∞ Capital Budget

The budget is organized into two expense categories;

- ∞ Salary & Wages
- ∞ Other Expenses
- ∞ Budget must balance revenues and expenses

BUDGET

∞ The budget is divided into three sections:

A– General Administration and Services including Sewer

B– Water

C– Community Pool

∞ Water and the Community Pool are utilities

∞ – All costs associated with utilities are paid by user fees. Utilities are not subsidized with property taxes.

BUDGET

- ∞ The Borough collects taxes for the board of education, county and municipality.
- ∞ Borough must guaranteed payment of 100% of board of education and county taxes.
- ∞ Borough covers any shortfall by budgeting a “Reserve for Uncollected Taxes”.

TAX COMPONENTS

- ☞ Glen Ridge's property taxes are distributed as follows:
- ☞ – Board of Education – 60.04 percent
- ☞ – County of Essex – 16.89 percent
- ☞ – Borough of Glen Ridge & Library- 23.07 percent

BUDGET

- ∞ The proposed 2017 municipal budget is \$13,971,281.23
- ∞ The reserve for uncollected taxes is \$649,015.03
- ∞ The amount to be raised by taxes is \$11,423,637.98
- ∞ Taxation covers 82% percent of the total budget

BUDGET DRIVERS

PERSONNEL COSTS

Organization / Individuals Eligible for Benefit	# of Full-Time Employees	# of Part-Time Employees	Total Personnel Cost	Base Pay	Overtime and other Compensation	Pension (Estimate)	Health Benefits Net of Cost Share	Employment Taxes and Other Benefits
Governing Body	0.00	7.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supervisory Staff (Department Heads & Managers)	7.00	0.00	842,000.66	\$586,000.00		\$75,658.46	\$135,513.20	\$44,829.00
Police Officers (Including Superior Officers)	23.00	0.00	3,499,193.70	\$2,300,283.36	\$99,716.64	\$586,802.29	\$328,791.41	\$183,600.00
Fire Fighters (Including Superior Officers)	0.00	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
All Other Union Employees not listed above	21.00	3.00	1,712,788.72	\$1,085,313.47	\$65,000.00	\$140,113.97	\$334,362.30	\$87,998.98
All Other Non-Union Employees not listed above	3.00	111.00	649,524.83	\$499,229.17		\$64,450.49	\$47,654.14	\$38,191.03
Totals	54.00	121.00	6,703,507.90	\$4,470,826.00	\$164,716.64	\$867,025.20	\$846,321.05	\$354,619.01

BUDGET DRIVERS

- ☞ Two principal pension systems:
 - ☞ – Public Employee Retirement System (PERS)
 - ☞ – Police and Fire Retirement System (PFRS)
- ☞ The Township contributes to two funds:
 - ☞ – PERS - - down \$17,291.00
 - ☞ – PFRS - - down \$36,120.36
- ☞ PFRS is more costly than PERS when calculated on a per-capita basis (25.51% vs. 12.91%). Local pension plans are approximately 75% funded.

BUDGET DRIVERS

- ☞ Glen Ridge's membership in the New Jersey State Health Benefit Plan helps contain the cost
- ☞ – 2017 health benefit costs are \$885,000
- ☞ – SHBP is up 2.4 percent from 2016
- ☞ Annually, the decision to continue as a member of the SHBP is reviewed
- ☞ – Health insurance funds (HIFs)
- ☞ – Private insurers

BUDGET DRIVERS

☞ State aid is flat since 2010 as shown in the following table:

☞ STATE AID TO GLEN RIDGE

☞ 2007 \$685,000.00

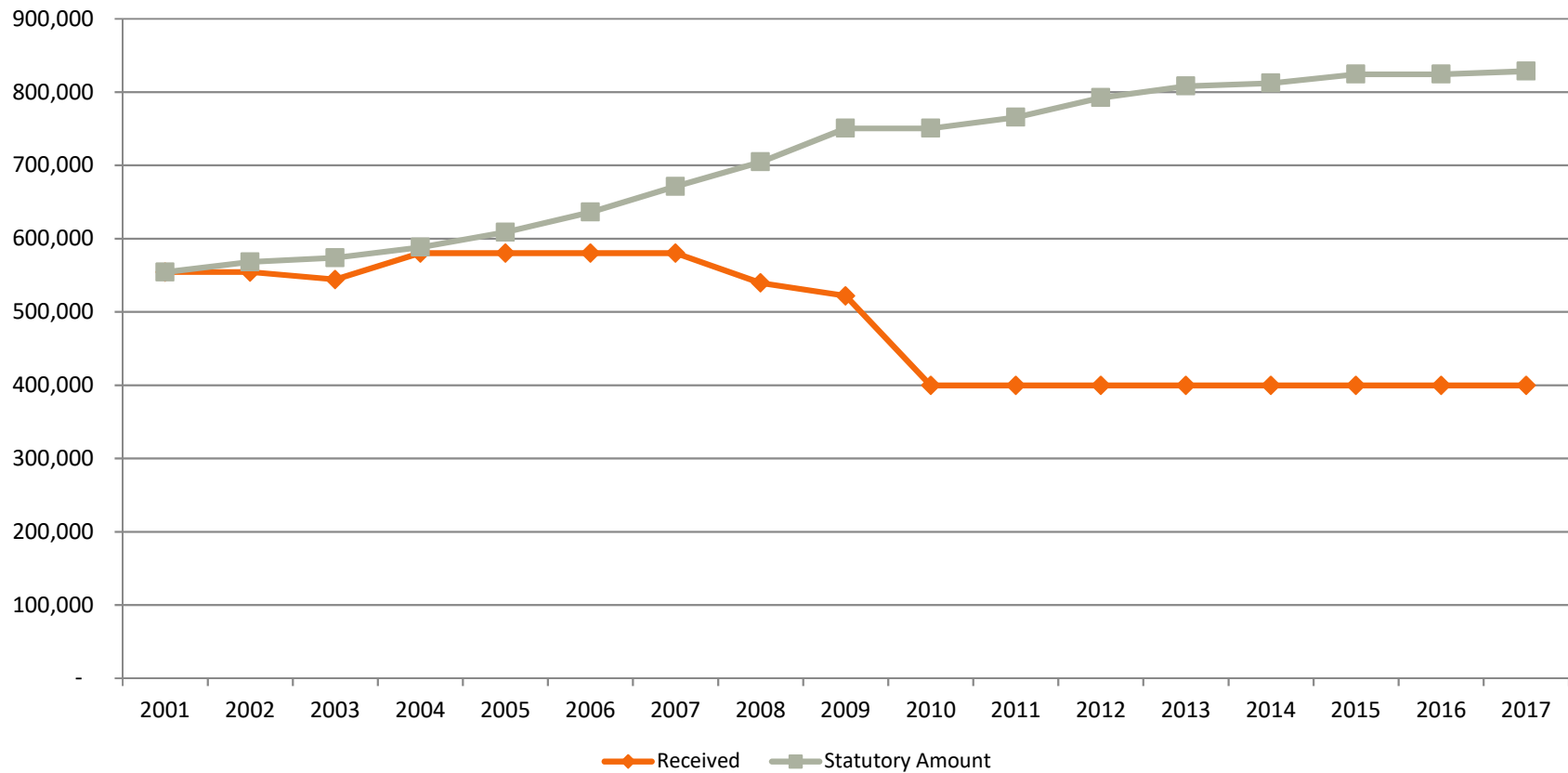
☞ 2008 \$689,508.00

☞ 2009 \$521,935.00

☞ 2010 – 2017 \$399,541.00

BUDGET DRIVERS

Calculation of State Aid Obligation



BUDGET DRIVERS

State Aid Impact Calculation – Consolidated Aid & Energy Receipts				
Year	Actual Amount Received	Implicit Price Deflator	State Aid Formula	Excess/ (Deficit)
2001	554,377		554,377	-
2002	554,377	2.50%	568,236	(13,859)
2003	544,327	1.00%	573,919	(29,592)
2004	580,328	2.50%	588,267	(7,939)
2005	580,328	3.50%	608,856	(28,528)
2006	580,328	4.50%	636,255	(55,927)
2007	580,328	5.50%	671,249	(90,921)
2008	539,508	5.00%	704,811	(165,303)
2009	521,935	6.50%	750,624	(228,689)
2010	399,541	0.00%	750,624	(351,083)
2011	399,541	2.00%	765,636	(366,095)
2012	399,541	3.50%	792,434	(392,893)
2013	399,541	2.00%	808,282	(408,741)
2014	399,541	0.50%	812,324	(412,783)
2015	399,541	1.50%	824,508	(424,967)
2016	399,541	0.00%	824,508	(424,967)
2017	399,541	0.50%	828,631	(429,090)
	8,232,164		12,063,540	(3,831,376)

CAP LAWS

TAX LEVY/REVENUE “CAP”

- ∞ 2% CAP – Based on Prior Year Amount to be Raised by Taxation
- ∞ Exceptions: Increases in Health Insurance, Debt Service, Capital Expenses & Declared Emergencies
- ∞ Borough has a CAP Bank of \$473,742.00

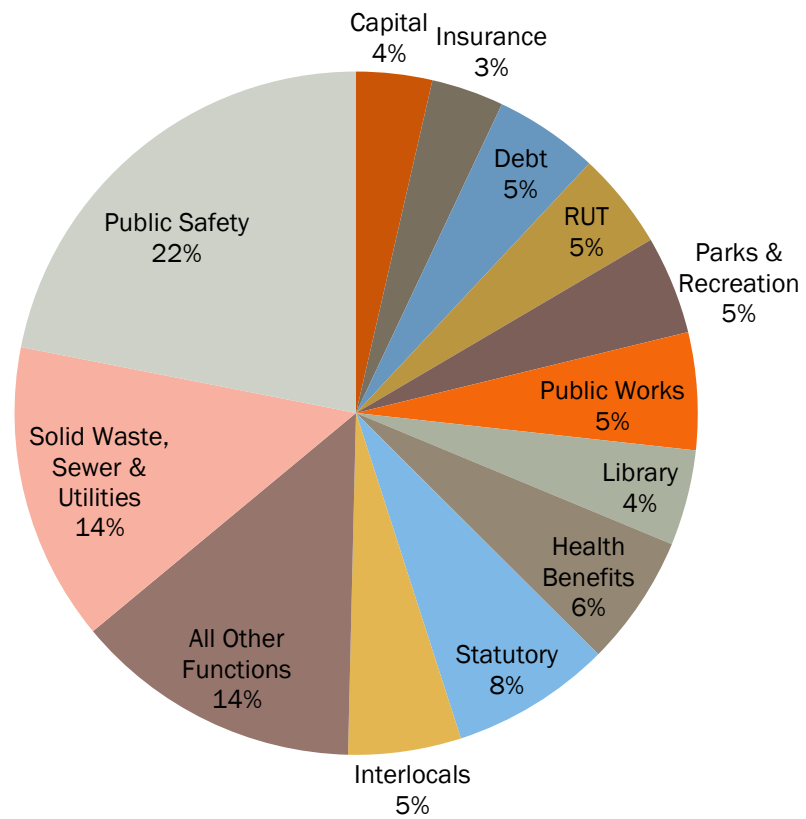
APPROPRIATION/EXPENDITURE “CAP”

- ∞ Maximum 3.5% by Ordinance
- ∞ Borough has Appropriation Bank of \$516,630.81
- ∞ The banks are the result of cost containment measures from previous years.

TAX IMPACT

- 2016 Average Home Assessment - \$545,100.00
- 2016 Average Home Assessment - \$543,553.00
- 2016 Municipal Tax - \$4,202.72
- 2017 Municipal - \$4,267.64
- 2017 Tax Increase - \$64.92 per year (1.54% increase)

FUNCTIONS



OUTSTANDING DEBT

- ☞ Water Utility Fund Debt - \$3,411,131.33
- ☞ Pool Utility - \$700,000
- ☞ Municipal Purposes -\$4,654,000.00
- ☞ Total Debt - \$8,765,131.33
- ☞ Net Debt as % of 3 Year Avg. Property Valuation – 0.33%
- ☞ Allowable Debt as % of 3 Year Avg. Property Valuation – 3.5%

SHARED SERVICES

Providing or Receiving Services?	Providing Services To/Receiving Services From	Type of Shared Service Provided	Notes (Enter more specifics if needed)	Begin Date	End Date	Amount to be Received/Paid
Receiving	Township of Montclair	Fire Suppression Contract		1/1/1990	12/31/2022	\$650,000.00
Providing	Essex County	Leaf Collection		8/1/2010	12/31/2018	\$10,000.00
Receiving	Township of Bloomfield	Health & Social Services		1/1/2012	12/31/2019	\$26,551.00
Receiving	Township of Bloomfield	Animal Control		1/1/2012	12/31/2019	\$16,000.00
Providing	Township of Montclair	Snow Plowing		1/30/2014	12/31/2017	
Receiving	Township of Montclair	Water & Sewer Maintenance		8/18/2009	12/31/2018	\$70,385.00
Providing	Township of Verona	Qualified Purchasing Services		7/1/2015	12/31/2017	\$5,000.00
Receiving	Woodland Park	Construction & Sub-Code Officials		3/28/2016	12/31/2017	\$15,000.00
Receiving	Township of Bloomfield	Street Sweeping		1/1/2010	12/31/17	\$8,000.00
	Township of Montclair	Athletic Field	George Washington Field	1/1/2015		

2016 PROJECTS

- ☞ Road Projects - Wildwood Terrace
- ☞ Parks – Hurrell Field Infield Reconstruction, Carteret Park Playground, Dog Park & Drainage/Regrading Project
- ☞ Buildings- Municipal Complex & Public Works Generators & Site Work
- ☞ Shade Trees - Planted 200 trees & working toward a comprehensive pruning schedule
- ☞ Planning -Designated Mountainside Redevelopment Zone
- ☞ Police - Body Camera Program
- ☞ Finance - Implement Online Payment System

2017 PROJECTS

- ∞ Road Projects -Douglas Road, Marsten Place, Washington Street (RWA to Montclair Border), Cambridge Road, Avon Place, Herman Street & Edgewood Road
- ∞ Public Safety – Continue Community Outreach Program
- ∞ Renew Train Station Lease & begin Train Station Renovation Work
- ∞ Energy Conservation Improvements – Municipal Building & Library
- ∞ Resurface Pool & Replace Sand Filter
- ∞ Complete Asset Management Documentation of Water & Sewer System
- ∞ Continue Water Service Replacement Program
- ∞ Initiate Revaluation Program
- ∞ Central Air Conditioning for Municipal Complex
- ∞ Complete War Memorial & David Ginsburg Plaza Projects
- ∞ Expand Online Payment System
- ∞ Continue planting of 200 trees per year/address Emerald Ash Borer infestation

BUDGET

- ☞ More information on the 2017 budget is available at www.glenridgenj.org
- ☞ Please contact the Borough Administrator at mjrohal@glenridgenj.org or 973-748-8400, ext. 226 if you have questions or require additional information.
- ☞ Thank You and your input is welcome.