# 2014
# BOROUGH OF DUMONT
# RESOLUTION

| MEMBERS | AYE | NAY | ABSTAIN | ABSENT |
|---|---|---|---|---|
| BROPHY | | | | ✓ |
| CARRICK | ✓ | | | |
| CORREA | ✓ | | | |
| HAYES | ✓ | | | |
| RIQUELME | ✓ | | | |
| ZAMECHANSKY | ✓ | | | |
| MAYOR KELLY | | | | |
| TOTALS | 5 | | | 1 |

| | |
|---|---|
| **Resolution No.** | **93** |
| **Date:** | **March 18, 2014** |
| **Page:** | **1 of 58** |
| **Subject:** | **2014 Budget** |
| **Purpose:** | **Introduction** |
| **Dollar Amount:** | |
| **Prepared By:** | **Gary Vinci, Borough Auditor** |

**Offered by:** Riquelme
**Seconded by:** Correa

**Certified as a true copy of a Resolution adopted by the Borough of Dumont on above date at a Regular Meeting by:** Susan Connelly

**Susan Connelly, RMC, Municipal Clerk**
**Borough of Dumont, Bergen County, New Jersey**

## 2014 BUDGET INTRODUCTION

**BE IT RESOLVED**, that the following statements of revenues and appropriations attached hereto constitute the local Budget of the Borough of Dumont, Bergen County, New Jersey for the year 2014.

**BE IT FURTHER RESOLVED**, that the said budget summary shall be published in the Record in the April 4, 2014 issue, and that a hearing on the Budget will be held at Borough Hall on April 15, 2014 at 7:15 P.M. or as soon thereafter as the matter may be heard.

Attest: Susan Connelly
Susan Connelly, RMC
Municipal Clerk

James J. Kelly, Mayor

# 2014 MUNICIPAL DATA SHEET
(MUST ACCOMPANY 2014 BUDGET)

**MUNICIPALITY:** Borough of DUMONT **COUNTY:** BERGEN

| | |
|---|---|
| James J. Kelly<br>Mayor's Name | 12/31/2015<br>Term Expires |

**Municipal Officials**

| | |
|---|---|
| Susan Connelly<br>Municipal Clerk | 1/1/06<br>Date of Orig. Appt. |
| Barbara Kozay<br>Tax Collector | Cert No.<br>1412 |
| Rosemarie Giotis<br>Chief Financial Officer | Cert No.<br>N-0500 |
| Gary J. Vinci<br>Registered Municipal Accountant | Cert No.<br>CR00411 |
| Gregg Paster<br>Municipal Attorney | Lic No. |

**Governing Body Members**

| Name | Term Expires |
|---|---|
| William Brophy | 12/31/2014 |
| Matthew Hayes | 12/31/2014 |
| Matthew M. Carrick | 12/31/2015 |
| Rafael Riquelme | 12/31/2015 |
| Ellen Zamechansky | 12/31/2016 |
| Barbara Correa | 12/31/2016 |
| | |
| | |
| | |

**Official Mailing Address of Municipality**

Borough of Dumont
50 Washington Avenue
Dumont, New Jersey 07628
Fax #: 201-387-5065

**Please attach this to your 2014 Budget and Mail to:**

Director, Division of Local Government Services
Department of Community Affairs
P.O. Box 803
Trenton, NJ 08625

**Division Use Only**

Municode:
Public Hearing Date:

# 2014
# MUNICIPAL BUDGET

Municipal Budget of the Borough of Dumont, County of Bergen for the Fiscal Year 2014

It is hereby certified that the Budget and Capital Budget annexed hereto and hereby made a part hereof is a true copy of the Budget and Capital Budget approved by resolution of the Governing Body on the 18th day of March, 2014 and that public advertisement will be made in accordance with the provisions of N.J.S. 40A:4-6 and N.J.A.C. 5:30-4.4(d).

Susan Connelly
Clerk
50 Washington Avenue
Address
Dumont, New Jersey 07628
Address
201-387-5022
Phone Number

Certified by me, this 18th day of March, 2014

It is hereby certified that the approved Budget annexed hereto and hereby made a part is an exact copy of the original on file with the Clerk of the Governing Body, that all additions are correct, all statements contained herein are in proof, and the total of anticipated revenues equals the total of appropriations.

Certified by me, this 18th day of March, 2014

Gary J. Vinci
Registered Municipal Accountant
Gary J. Vinci
Name

17-17 Route 208N, Fair Lawn, NJ 07410
Address
(201) 791-7100
Phone Number

It is hereby certified that the approved Budget annexed hereto and hereby made a part is an exact copy of the original on file with the Clerk of the Governing Body, that all additions are correct, all statements contained herein are in proof, the total of anticipated revenues equals the total of appropriations and the budget is in full compliance with the Local Budget Law, N.J.S. 40A:4-1 et seq.

Certified by me, this 18th day of March, 2014

Rosemarie Gratis
Chief Financial Officer

**DO NOT USE THESE SPACES**

*(Do not advertise this Certification form)*

## CERTIFICATION OF ADOPTED BUDGET

**It is hereby certified that the amount to be raised by taxation for local purposes has been compared with the approved Budget previously certified by me and any changes required as a condition to such approval have been made. The adopted budget is certified with respect to the foregoing only.**

**STATE OF NEW JERSEY**
**Department of Community Affairs**
**Director of the Division of Local Government Services**

**Dated: _____, 2014** **By:_____**

## CERTIFICATION OF APPROVED BUDGET

**It is hereby certified that the Approved Budget made part hereof complies with the requirements of law, and approval is given pursuant to N.J.S. 40A:4-79.**

**STATE OF NEW JERSEY**
**Department of Community Affairs**
**Director of the Division of Local Government Services**

**Dated:_____, 2014** **By:_____**

COMMENTS OR CHANGES REQUIRED AS A CONDITION OF CERTIFICATION OF DIRECTOR OF LOCAL GOVERNMENT SERVICES

The changes or comments which follow must be considered in connection with further action on this budget.

BOROUGH OF DUMONT, COUNTY OF BERGEN

## MUNICIPAL BUDGET NOTICE

Section 1.

Municipal Budget of the Borough of Dumont, County of Bergen, for the Fiscal Year 2014

Be it Resolved, that the following statements of revenues and appropriations shall constitute the Municipal Budget for the year 2014;

Be it Further Resolved, that said Budget be published in the Record in the issue of April 4, 2014.

The Governing Body of the Borough of Dumont does hereby approve the following as the Budget for the year 2014:

| | | | | | |
|---|---|---|---|---|---|
| RECORDED VOTE (Insert last name) | Ayes | Correa<br>Carrick<br>Hayes<br>Riquelme<br>Zawadzansky | | Abstained | |
| | | | | Absent | Brophy |

Notice is hereby given that the Budget and Tax Resolution was approved by the Governing Body of the Borough of Dumont, County of Bergen, on March 18, 2014.

A hearing on the Budget and Tax Resolution will be held at the Borough Hall, on April 15, 2014 at 7:15 P.M. at which time and place

objections to said Budget and Tax Resolution for the year 2014 may be presented by taxpayers or other interested persons.

## EXPLANATORY STATEMENT
## SUMMARY OF CURRENT FUND SECTION OF APPROVED BUDGET

| | YEAR 2014 | |
|---|---|---|
| General Appropriations For: (Reference to item and sheet number should be omitted in advertised budget) | xxxxxxxxxx | xx |
| 1. Appropriations within "CAPS" | xxxxxxxxxx | xx |
| (a) Municipal Purposes {(Item H-1, Sheet 19) (N.J.S. 40A:4-45.2)} | 15,760,108 | |
| 2. Appropriations excluded from "CAPS" | xxxxxxxxxx | xx |
| (a) Municipal Purposes {(Item H-2, Sheet 28) (N.J.S. 40A:4-45.3 as amended)} | 4,449,243 | |
| (b) Local District School Purposes in Municipal Budget (Item K, Sheet 29) | | |
| Total General Appropriations excluded from "CAPS" (Item O, Sheet 29) | 4,449,243 | |
| 3. Reserve for Uncollected Taxes (Item M, Sheet 29) - Based on Estimated 98.00 Percent of Tax Collections | 1,130,000 | |
| 4. Total General Appropriations (Item 9, Sheet 29) — Building Aid Allowance for Schools-State Aid 2014 - $_____ 2013 - $_____ | 21,339,351 | |
| 5. Less: Anticipated Revenues Other Than Current Property Tax (Item 5, Sheet 11) (i.e. Surplus, Miscellaneous Revenues and Receipts from Delinquent Taxes) | 4,016,041 | |
| 6. Difference: Amount to be Raised by Taxes for Support of Municipal Budget (as follows) | xxxxxxxxxx | xx |
| (a) Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes (Item 6(a), Sheet 11) | 16,704,617 | |
| (b) Addition to Local District School Tax (Item 6(b), Sheet 11) | | |
| (c) Minimum Library Levy | 618,693 | |

## EXPLANATORY STATEMENT - (Continued)
### SUMMARY OF 2013 APPROPRIATIONS EXPENDED AND CANCELED

| | General Budget | | Water Utility | | Utility | | Utility | |
|---|---|---|---|---|---|---|---|---|
| Budget Appropriations - Adopted Budget | 20,728,823 | 00 | | | | | | |
| Budget Appropriations Added by N.J.S. 40A:4-87 | | 00 | | | | | | |
| Emergency Appropriations | 100,000 | 00 | | | | | | |
| Total Appropriations | 20,828,823 | 00 | | | | | | |
| Expenditures<br>Paid or Charged (Including Reserve for Uncollected Taxes) | 20,476,154 | 00 | | | | | | |
| Reserved | 352,666 | 00 | | | | | | |
| Unexpended Balances Cancelled | 3 | 00 | | | | | | |
| Total Expenditures and Unexpended Balances Cancelled | 20,828,823 | 00 | | | | | | |
| Overexpenditures* | - | 00 | | | | | | |

*See Budget Appropriation Items so marked to the right column "Expended 2013 Reserved."

**Explanations of Appropriations for "Other Expenses"**

The amounts appropriated under the title of "Other Expenses" are for operating costs other than "Salaries & Wages".

Some of the Items included in "Other Expenses" are:

Materials, supplies and non-bondable equipment;

Repairs and maintenance of buildings, equipment, roads, etc.,

Contractual services for garbage and trash removal, fire hydrant service, aid to volunteer fire companies, etc.;

Printing and advertising, utility services, Insurance and many other items essential to the services rendered by municipal government.

# EXPLANATORY STATEMENT - (Continued)
## BUDGET MESSAGE

I. General

To the Residents of the Borough of Dumont:

The 2014 Budget submitted herewith reflects the amount necessary for the support of the Municipal Operations.

Comparison of Tax Rates

At this time the Governing Body is unable to project with any accuracy the overall tax rate for the community. Both school and County tax requirements have not yet been finalized. The Mayor and Council has only the authority to approve the "Local Municipal Budget". Based on the preliminary budget, the average home currently assessed at $307,000, will increase $108 for the municipal tax portion of their tax bill.

The table below is a comparison of the projected 2014 municipal tax rate/dollars and the 2013 tax rate/dollars.

| | Tax Rate | | Tax Dollars | | |
|---|---|---|---|---|---|
| | 2013 | Estimated for 2014 | 2013 Tax on Average Home ($307,000) | 2014 Tax on Average Home ($307,000) | Increase (Decrease) |
| Municipal | | | | | |
| Operations | $ 0.952 | $ 0.989 | $ 2,923 | $ 3,036 | $ 113 |
| Free Public Library | 0.038 | 0.037 | 117 | 112 | (5) |
| | $ 0.990 | $ 1.026 | $ 3,039 | $ 3,148 | $ 108 |

II. Appropriations "CAP"

This year the Mayor and Council was confronted with a limit placed on Municipal expenditures. That limit is referred to as the "CAP" and provides that in the preparation of its annual budget a municipality shall limit any increase to the "Cost of Living Adjustment" ("COLA") or the index rate whichever is less, over the previous years final appropriation. A municipality may in any year in which the COLA is less than or equal to 2.0%, increase its allowable inside the "CAP" spending to 3.5% upon passage of a COLA rate ordinance. The governing body intends on adopting a COLA ordinance in order to increase the "CAP" to 3.5%.

Chapter 68, Public Laws of 1976 (see revised and amended by P.L. 2004, C. 74) places limits on municipal expenditures commonly referred to as the "CAP", which is actually calculated by a method established by the Law.

The actual calculation is somewhat complex, but in general it works as follows: Starting with the 2013 Budget for Total General Appropriations, the following figures are deducted; Reserve for Uncollected Taxes, Debt Service, Capital Improvements, Emergency Authorizations and State or Federal Aid. This gives you the basic "CAP" or the the increase in appropriations over the 2013 Total General Appropriations.

In addition to the increase allowed above, other increases are allowed

- o increases funded by the added valuation from new construction and improvements
- o amounts approved by referendum.
- o amounts available from prior year "CAP" banks



NOTE: **MANDATORY MINIMUM BUDGET MESSAGE MUST INCLUDE A SUMMARY OF:**

1. **HOW THE LEVY AND APPROPRIATION "CAP" WAS CALCULATED. (Explain in words what the "CAPS" mean and show the figures).**
2. **A SUMMARY BY FUNCTION OF THE APPROPRIATIONS THAT ARE SPREAD AMONG MORE THAN ONE OFFICIAL LINE ITEM**

(e.g. If Police S&W appears in the regular section and also under "Operations Excluded from "CAPS" section, combine the figures for purposes of citizen understanding. If you are requesting a "CAP Waiver", this should also be included in this section).

# EXPLANATORY STATEMENT - (Continued)
## BUDGET MESSAGE

II. Appropriation "CAP" (Continued)

The actual "CAP" for this municipality is subject to review and approval by the Division of Local Government Services in the State Department of Community Affairs. The calculation upon which this budget was prepared is as follows:

| | | |
|---|---|---|
| Total Appropriations for the 2013 Original Budget | | $20,728,823 |
| Modifications: | | |
| Less: | | |
| Reserve for Uncollected Taxes | $ 1,100,000 | |
| Municipal Debt Service | 1,640,336 | |
| Other Operations Excluded from "CAP" | 2,483,339 | |
| Capital Improvements | 55,000 | |
| Deferred Charges | 104,678 | |
| Total Modifications | | 5,383,353 |
| Amount Which "CAP" is Applied | | 15,345,470 |
| CAP Increase (.5%) | | 76,727 |
| Additional CAP (Increase to 3.5%) | | 460,364 |
| New Construction | | 13,395 |
| Total General Appropriations for Municipal Purposes Within "CAP" | | 15,895,956 |
| Total General Appropriations Subject to "CAP" Set forth in this Budget | | 15,760,108 |
| Amount Below Allowable Appropriations "CAP" | | $ 135,848 |

The Borough has an appropriation CAP Bank of $371,709 available from the 2012 and 2013 Municipal Budgets.

III. TAX LEVY CAP

Chapter 62 of the Laws of 2007 established a formula that limits increases in the municipal tax levy. The levy cap is in addition to the existing appropriation CAP for municipalities. The core of the formula is a 2.0% increase to the previous year's tax levy, which is then subject to various modifications, exclusions and waiver requests. The formula to calculate the 2014 tax levy CAP is as follows:

| | | |
|---|---|---|
| 2013 Amount to be Raised by Taxation - Municipal | | $ 16,076,060 |
| Less: Prior Year Deferred Charges | | (104,678) |
| Net Prior Year Tax Levy for Municipal Purpose | | 15,971,382 |
| Plus 2% Cap Increase | | 319,428 |
| | | 16,290,810 |
| Modifications | | |
| Allowable Pension Increases | $ 61,718 | |
| Allowable Health Insurance Cost Increases | 23,676 | |
| Allowable Debt Service Increases | 88,526 | |
| Deferred Charges | 173,903 | |
| Value of New Construction | 13,395 | |
| Cancelled Exclusions - Debt Service | (3) | |
| 2011 CAP Bank | 52,592 | |
| | | 413,807 |
| Maximum Allowable Amount to be Raised by Taxation - Municipal | | 16,704,617 |
| Amount to be Raised by Taxation - Municipal | | 16,704,617 |

The Borough has a tax levy CAP bank of $259,002 available from the 2011, 2012 and 2013 budgets.



**NO MANDATORY MINIMUM BUDGET MESSAGE MUST INCLUDE A SUMMARY OF:**

1. **HOW THE LEVY AND APPROPRIATION "CAP" WAS CALCULATED. (Explain in words what the "CAPS" mean and show the figures).**
2. **A SUMMARY BY FUNCTION OF THE APPROPRIATIONS THAT ARE SPREAD AMONG MORE THAN ONE OFFICIAL LINE ITEM**

(e.g. If Police S&W appears in the regular section and also under "Operations Excluded from "CAPS" section, combine the figures for purposes of citizen understanding. If you are requesting a "CAP Waiver", this should also be included in this section).

## EXPLANATORY STATEMENT - (Continued)
### BUDGET MESSAGE

IV. Employee Group Insurance

Pursuant to Chapter 78 of the Laws of 2012 local government shall begin collecting a percentage of employee salaries to offset employer health care costs. This law applies to all employees and will be effective upon the completion of any labor contracts that were in effect at the time the law was enacted. Setforth below is information required to be disclosed pertaining to employee group insurance:

| | |
|---|---|
| Total Anticipated Cost | $ 1,922,147 |
| Less: Employee Contributions | (233,968) |
| Total Required Budget Appropriation | $ 1,688,179 |

**********

The Governing Body will be ready to answer and discuss, at the public hearing any questions regarding items in this budget subject to its control and discretion.
On April 15, 2014 at 7:15 P.M., at the Borough Hall, Borough of Dumont, a hearing on the 2014 Municipal Budget will be held. The public has the right and is encouraged to provide oral and written comments, ask questions and otherwise participate in the budget adoption process.

Information on the 2014 Municipal Budget, together with a true copy of the entire proposed budget is available to the public for their inspection by contacting John Perkins, Borough Administrator at 50 Washington Ave. Dumont, NJ 07628, (201) 387-5060.

It is the intent of the Governing Body to not only scrutinize every request for spending but to pursue (within its legal powers) prompt collection of revenue and to find, if possible, new sources of income. It is our belief that, in preparing this budget, we have exercised prudence, good judgement and sound fiscal policies.

We wish also at this time to acknowledge the cooperation of all department heads and others who had a part in preparing this budget.

Your Governing Body



**NO MANDATORY MINIMUM BUDGET MESSAGE MUST INCLUDE A SUMMARY OF:**

1. **HOW THE LEVY AND APPROPRIATION "CAP" WAS CALCULATED. (Explain in words what the "CAPS" mean and show the figures).**
2. **A SUMMARY BY FUNCTION OF THE APPROPRIATIONS THAT ARE SPREAD AMONG MORE THAN ONE OFFICIAL LINE ITEM**

(e.g. If Police S&W appears in the regular section and also under "Operations Excluded from "CAPS" section, combine the figures for purposes of citizen understanding. If you are requesting a "CAP Waiver", this should also be included in this section).

## EXPLANATORY STATEMENT
## BUDGET MESSAGE - STRUCTURAL BUDGET IMBALANCES

| Revenues at Risk | Non-recurring current appropriations | Future Year Appropriation Increases | Structural Imbalance Offsets | **Line Item.** Put "X" in cell to the left that corresponds to the type of imbalance. | Amount | Comment/Explanation |
|---|---|---|---|---|---|---|
| X | | | | General Capital Surplus | $25,000.00 | |
| | | | | | | |
| | | | | | | |
| X | | | | Surplus Anticipated | $1,200,000.00 | |
| | | | | | | |
| | | | | | | |
| X | | | | Reserve for Payment of Debt | $25,000.00 | |
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## EXPLANATORY STATEMENT - (Continued)

### BUDGET MESSAGE

### ANALYSIS OF COMPENSATED ABSENCE LIABILITY

| Organization/Department Eligible for Benefit | Gross Days of Accumulated Absence | Value of Compensated Absences | Legal basis for benefit (check applicable items): Approved Labor Agreement | Local Ordinance | Individual Employment Agreements |
|---|---|---|---|---|---|
| Department of Public Works | 4,026 | 768,481 | X | | |
| Police Department | | Not Available | X | | |
| Other | 984 | 227,821 | | | X |
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| | | | | | |
| Totals | | $996,302 | | | |
| Total Funds Reserved as of end of 2013: | | $ -0- | | | |
| Total Funds Appropriated in 2014: | | $ -0- | | | |

## CURRENT FUND - ANTICIPATED REVENUES

BOROUGH OF DUMONT

| GENERAL REVENUES | FCOA | Anticipated 2014 | Anticipated 2013 | Realized In Cash in 2013 |
|---|---|---|---|---|
| 1. Surplus Anticipated | 08-101 | 1,200,000.00 | 1,178,971.00 | 1,178,971.00 |
| 2. Surplus Anticipated with Prior Written Consent of Director of Local Government Services | 08-102 | | | |
| Total Surplus Anticipated | 08-100 | 1,200,000.00 | 1,178,971.00 | 1,178,971.00 |
| 3. Miscellaneous Revenues - Section A: Local Revenues | xxxxxxxx | xxxxxxxxxx | xxxxxxxxxx | xxxxxxxxxx |
| Licenses | xxxxxxxx | | | |
| Alcoholic Beverages | 08-103 | 14,000.00 | 15,000.00 | 14,488.00 |
| Other | 08-104 | 5,000.00 | 5,000.00 | 6,259.00 |
| Fees and Permits | 08-105 | 50,000.00 | 50,000.00 | 54,550.00 |
| Fines and Costs: | xxxxxxxx | | | |
| Municipal Court | 08-110 | 165,000.00 | 165,000.00 | 168,679.00 |
| Other | 08-109 | | | |
| Interest and Costs on Taxes | 08-112 | 90,000.00 | 90,000.00 | 95,238.00 |
| Cable Television Franchise Fees | 08-107 | 200,000.00 | 200,000.00 | 217,943.00 |
| Parking Meters | 08-111 | | | |
| Interest on Investments and Deposits | 08-113 | 12,000.00 | 12,000.00 | 15,065.00 |
| Anticipated Utility Operating Surplus | 08-114 | | | |
| Interest and Costs on Assessments | 08-115 | | | |
| Recreation Fees | 08-105 | 40,000.00 | 40,000.00 | 46,954.00 |
| Fire Inspections | 08-105 | 20,000.00 | 20,000.00 | 27,700.00 |

## CURRENT FUND - ANTICIPATED REVENUES

BOROUGH OF DUMONT

| GENERAL REVENUES | FCOA | Anticipated 2014 | Anticipated 2013 | Realized In Cash in 2013 |
|---|---|---|---|---|
| 3. Miscellaneous Revenues - Section A: Local Revenues (continued): | | | | |
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| Total Section A: Local Revenues | 08-001 | 596,000.00 | 597,000.00 | 646,876.00 |

## CURRENT FUND - ANTICIPATED REVENUES

BOROUGH OF DUMONT

| GENERAL REVENUES | FCOA | Anticipated 2014 | Anticipated 2013 | Realized In Cash in 2013 |
|---|---|---|---|---|
| **3. Miscellaneous Revenues - Section B: State Aid Without Offsetting Appropriations** | | | | |
| Consolidated Municipal Property Tax Relief Aid | **09-200** | 91,826.00 | 126,301.00 | 126,301.00 |
| Energy Receipts Tax (P.L. 1997, Chapters 162 & 167) | **09-202** | 1,263,426.00 | 1,228,951.00 | 1,228,951.00 |
| **Total Section B: State Aid Without Offsetting Appropriations** | **09-001** | 1,355,252.00 | 1,355,252.00 | 1,355,252.00 |