

Deirdre Dillon
Mayor

Michael Gutwetter
Councilman
Health, Education & Social Services

Vanessa Jachzel
Councilwoman
Finance & Administration

William Jones
Councilman
Public & Governmental Relations



Peter Kilman
Council President
Utilities, Building & Grounds

Joseph Verdone
Councilman
Building, Planning & Zoning

Harry Weber
Councilman
Public Safety

A MESSAGE FROM THE MAYOR AND COUNCIL

Budget hearing will be March 28, 2018, 8:30PM at Ramsey Borough Hall

Dear Resident:

Your 2018 tax bill is comprised of four separate parts: Ramsey Schools, Ramsey Public Library, Ramsey Municipal Services and Bergen County government. While we, the elected officials of the Borough, receive the majority of comments about taxes, it should be noted that **only the municipal services portion is administered by your Mayor and Council.**

YOUR PROPOSED 2018 TAX BILL IS DIVIDED AS FOLLOWS:

1% RAMSEY PUBLIC LIBRARY

68% SCHOOL SYSTEM

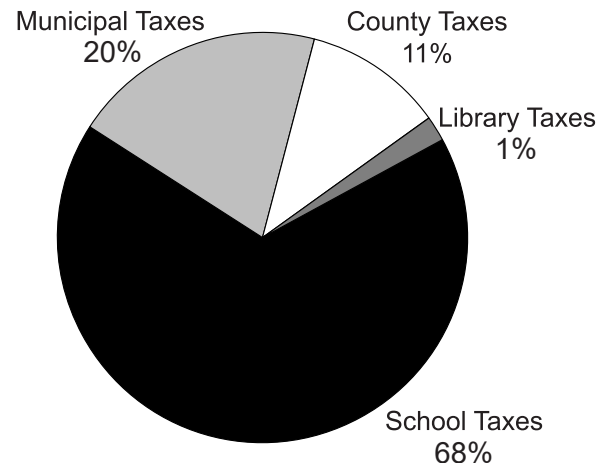
RAMSEY BOARD OF EDUCATION

20% MUNICIPAL SERVICES

RAMSEY POLICE, LOCAL ROADS, SANITATION, RECYCLING, RECREATION, TOWN ADMINISTRATION, VOLUNTEER EMERGENCY SERVICES, HEALTH SERVICES, ETC.

11% BERGEN COUNTY GOVERNMENT

COUNTY HIGHWAYS, HOSPITALS, LAW ENFORCEMENT, COUNTY ADMINISTRATION, PARKS & RECREATIONAL FACILITIES



The municipal budget for 2018 includes a modest tax increase over 2017 of 1.68%, which is below the State cap of 2%. The State provides municipalities with the ability to budget above the 2% cap for increases in certain items such as pension costs, health insurance, debt service or capital improvements. While this budget increases Ramsey's debt pay-down, through other budget reductions it does not utilize any State-authorized exceptions and remains under the cap. This year marks the eighth consecutive year the municipal budget increase has remained under 2%, despite state aid remaining flat at \$1,414,471 during that same time period.

On a home assessed at \$522,942 (the average Ramsey assessment), the 2018 annual increase would amount to approximately \$42 for the municipal services portion of your tax bill, or about \$3.50 per month. This does not include school taxes or county taxes as the Ramsey Board of Education and Bergen County Board of Chosen Freeholders, respectively, control those budgets and tax rates.

Of the 70 Bergen County towns, Ramsey has the 12th lowest municipal property tax rate. Nine of the eleven municipalities with lower rates also have significantly higher average residential assessments while the

remaining two have significantly more commercial property than does Ramsey. We are utilizing \$2,925,000 in regenerated surplus in this budget, reflecting lower actual spending than budgeted in prior years, which is then recycled back into the budget as a credit towards 2018. Having an appropriate amount of surplus in the budget each year helps keep tax rate increases stable.

As your elected representatives, we face the ongoing challenge of making difficult choices in the provision of municipal services to ensure municipal government costs remain under control, while still maintaining a high level and quality of municipal services for our community. In order to provide budget stability with only minimal increases, we continually seek new revenue sources such as grants for various borough projects (future work on Island Road), income from use of Borough facilities (municipal pool contribution; cell tower rent) while controlling costs by finding efficiencies where feasible (participating in joint purchasing agreements with nearby towns). We also continue, at Borough Hall and throughout our points of service to residents, to use new technology, where applicable, to streamline and enhance our services in a cost effective way. For example, we launched a new Borough website which is more user-friendly and comprehensive.

We also put a high priority on investing in the Borough's infrastructure. We dedicated over \$1 million annually for the last three years towards much-needed road resurfacing, and allocated \$900,000 in 2018. This investment has resulted in better overall conditions on our local roads. Debt levels are lower than they were prior to 2010, and after the budgeted nearly \$1 million pay down of debt in 2018, without any additional borrowing, the borough is projected to have \$6.6 million in debt at year's end. Thus, even with significant anticipated infrastructure investments such as the new pool house/community center/senior center project and drainage upgrades to the pool property, overall debt will remain in a fiscally strong position and less than 10% of the level the State allows for a community our size. Our debt is the fourth lowest of the 13 Northwest Bergen County towns, and the third lowest when considered as a percentage of the overall budget. This holds true even with new borrowing for anticipated projects. Down payments for such projects will be paid for via the Capital Improvement Fund line of \$1,400,000.

This budget also includes increased state-mandated pension funding for police and other employees, and increased retirement trust funding in anticipation of the borough's buy-back of previously-accrued banked sick time, which was negotiated with the Ramsey PBA in exchange for the elimination of this benefit moving forward. The remaining five labor union agreements are still under negotiation.

As your elected officials, we remain highly cognizant of our obligation to wisely manage residents' tax dollars. We maintain our focus upon managing these expenditures as conservatively as possible without sacrificing long-term value. Through our careful long-term planning, which includes a history of stable budgeting and low debt levels, Ramsey is financially healthy and strong. Your Mayor and Council have worked diligently to produce a leaner, more efficient municipal government, yet one which remains able to deliver the essential municipal services which our residents expect. Much credit continues to be due to our dedicated and hard-working municipal employees, who have worked with the governing body to reduce operational costs and improve efficiencies, while maintaining high standards of performance.

The full budget is available for your inspection in several places. You may view the budget in its entirety on our borough website (www.ramseynj.com). In addition, copies of the budget are on reserve at the Ramsey Free Public Library. Residents are invited to comment on any aspect of the budget at Mayor and Council meetings, or by letter or e-mail.

Thank you for your continued cooperation and support,

Mayor and Council

PROPOSED MUNICIPAL TAX DATA COMPARISON

	2017 Actual Total Tax Amount	2017 Actual Tax Rate	2018 Total Tax Amount	2018 Proposed Tax Rate
PUBLIC LIBRARY	\$1,173,999	\$0.034	\$1,216,854	\$0.035
MUNICIPAL SERVICES	\$16,559,837	\$0.476	\$16,832,839	\$0.484
TOTAL	\$17,733,836	\$0.510	\$18,049,693	\$0.519

The following information is a more detailed overview of the municipal budget:

MUNICIPAL REVENUE COMPARISON

	<u>2017</u>	<u>2018</u>
Alcoholic Beverage Licenses.....	\$34,000	\$34,000
Other Administrative Licenses.....	\$45,000	\$45,000
Construction Code Official Permits.....	\$535,000	\$525,000
Other Permits & Fees.....	\$50,000	\$50,000
Municipal Court Fines.....	\$134,000	\$125,000
Interest and Cost on Taxes.....	\$120,000	\$110,000
Energy Receipts Tax.....	\$1,474,471	\$1,474,471
Utility Operating Surplus.....	\$100,000	\$100,000
Interest on Investments and Deposits.....	\$20,000	\$50,000
Cable Franchise Fee.....	\$235,000	\$245,000
Municipal Occupancy Tax.....	\$175,000	\$175,000
Cell Tower Revenue.....	\$30,000	\$30,000
Life Hazard Use Fees.....	\$165,000	\$170,000
Clean Communities Grant Program.....	\$34,923	\$29,670
Various Grants.....	\$22,538	\$48,943
Recycling Tonnage Grants.....	\$45,143	\$45,097
Governor's Council on Alcoholism & Drug Abuse Grant.....	\$9,876	\$9,876
Alcohol Education & Rehabilitation Fund.....	\$7,379	\$4,439
Recycling Revenue.....	\$15,000	\$25,000
Receipts from Delinquent Taxes.....	\$530,000	\$500,000
Utilization of Contingency Reserve (1).....	\$2,650,000	\$2,925,000
Reserve to Pay Bonds & Notes.....	\$298,000	-----
Amount of be Raised by Taxes for Support of Municipal Budget.....	\$16,559,837	\$16,832,839
Amount to be Raised by Taxes for Free Public Library.....	\$1,173,999	\$1,216,854
TOTAL GENERAL REVENUES.....	\$24,464,166.....	\$24,771,189

1. CONTINGENCY RESERVE – We anticipate utilizing \$2,925,000 of reserve/fund balance in the 2018 Municipal Budget. Fund Balance is generated by unused appropriations and unanticipated revenues through last year's Municipal Budget. This is then utilized to offset municipal taxes on a year-to-year basis.

MUNICIPAL EXPENSE COMPARISON

	2017	2018
GENERAL GOVERNMENT		
Administrative & Executive	\$421,000	\$425,000
Mayor & Council	\$51,000	\$51,000
Borough Clerk	\$272,000	\$280,000
Finance & Administration	\$240,000	\$249,000
Audit Services	\$50,000	\$50,000
Computer Maintenance & Data Services	\$120,000	\$126,000
Collection & Assessment of Taxes	\$527,800	\$380,000
Legal Services	\$175,000	\$180,000
Engineering	\$163,000	\$145,000
LAND USE ADMINISTRATION		
Planning Board	\$99,000	\$101,000
Zoning Board	\$15,000	\$12,000
INSURANCE	\$2,640,000	\$2,645,000
PUBLIC SAFETY		
Police, Prosecutor and Courts, and 911	\$5,249,500	\$5,484,500
Emergency Management	\$133,500	\$155,500
Fire and Fire Protection	\$430,250	\$435,500
First Aid Contribution	\$115,000	\$115,000
Construction Official	\$422,000	\$405,000
PUBLIC WORKS		
Road Maintenance, Resurfacing and Sidewalks	\$1,655,000	\$1,425,000
Shade Tree Commission	\$205,000	\$220,000
Recycling	\$382,500	\$519,500
Garbage & Trash Removal	\$537,000	\$620,000
Building & Grounds	\$740,000	\$740,000
Vehicle Maintenance	\$513,000	\$513,000
HEALTH SERVICES		
Board of Health	\$122,500	\$123,500
Visiting Nurses	\$17,000	\$17,500
Environmental Commission	\$8,000	\$8,000
Dog & Cat Regulation	\$20,500	\$20,500
Drug Abuse Program and Other Human Services	\$31,450	\$31,450
PARKS & RECREATION		
Board of Recreation Commission	\$136,800	\$137,800
Other Programs	\$189,000	\$189,500
PURCHASE VARIOUS DEPARTMENT EQUIPMENT	\$275,000	\$250,000
UTILITIES AND LANDFILL FEES	\$1,415,000	\$1,440,000
CONTINGENCY	\$5,000	\$5,000
DEFERRED CHARGES AND STATUTORY	\$2,121,508	\$2,349,060
LIBRARY	\$1,173,999	\$1,216,854
GRANTS OFFSET BY REVENUES	\$119,859	\$138,025
CAPITAL IMPROVEMENT FUND	\$1,250,000	\$1,400,000
DEBT SERVICE AND DEFERRED CHARGES	\$1,372,000	\$1,117,000
RESERVE FOR UNCOLLECTED TAXES	\$1,050,000	\$1,050,000
TOTAL GENERAL APPROPRIATIONS	\$24,464,166	\$24,771,189

Borough of Ramsey

33 N. Central Avenue
Ramsey, NJ 07446

PRSR STD
US POST AGE
PAID
RAMSEY, NJ
PERMIT NO. 239

*****ECR WSS*****

Residential Customer
Ramsey, NJ 07446