

**BOROUGH OF MIDLAND PARK**  
**BUDGET WORKBOOK**  
**FOR THE CALENDAR YEAR 2020**

*Updated 2/26/2020*

**1.6%    \$47.43 tax increase**  
*This is with using \$1,500,000 surplus*

**2.3%    \$67.29 tax increase**  
*If we only use \$1,450,000 surplus*

**PORTION OF AN E-MAIL RECEIVED FROM OUR AUDITOR:**

There is a serious operational situation developing. Fund Balance is as follows:

1/1/2019 - \$1,796,721.38  
Used in 2019 Budget - \$1,500,000  
Generated in 2019 - \$1,024,552.84  
12/31/19 Balance - **\$1,321,274.22**

You planned on using \$1,750,000 in your 2020 budget, shortfall of close to \$450,000.

The amount you generated was less than the amount generated in the prior year (\$1,311,966), a difference of \$287,413.

You generated about \$200,000 less in budget revenue and \$100,000 less in the amount to be raised by taxes.

The problem is you keep using more than you're generating.

**Illustration:**

2019 used \$1,500,000, only generated \$1,024,553 – reduction of \$475,447 in surplus.

2018 used \$1,500,000, only generated \$1,311,966 – reduction of \$188,034

2017 used \$1,675,000, only generated \$1,184,108 – reduction of \$490,892.

That is a reduction in surplus of \$1,154,373 in 3 years.

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**Comparison of 2020 Budget DRAFT to 2019 Adopted Budget**

	2019 Adopted <u>Budget*</u>	2020 Draft <u>Budget</u>	Increase/(Decrease) from Prior Year <u>Dollar</u>	<u>Percentage</u>
Total Appropriations .....	\$ 11,650,811	\$ 11,868,152	\$ 217,342	1.9%
Less: Total Revenues (excluding tax in support of budget) .....	\$ 3,599,308	\$ 3,684,773	\$ 85,464	2.4%
Local Tax for Municipal and Library Purposes .....	<u>\$ 8,051,502</u>	<u>\$ 8,183,380</u>	<u>\$ 131,877</u>	<u>1.6%</u>
Net Assessed Valuations .....	\$ 1,071,625,500	\$ 1,074,803,100	\$ 3,177,600	0.3%
Municipal Tax Rate (per \$100 of Assessed Valuation) .....	\$ 0.751	\$ 0.761	\$ 0.010	1.3%
Average Assessed Value Per Home .....	\$ 396,174	\$ 397,200	\$ 1,026.00	0.3%
Average Municipal Tax Bill .....	\$ 2,975	\$ 3,023	\$ 47.43	1.6%
			Average Increase from Prior Year	

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The 2020 municipal tax rate increases \$0.01 for every \$107,480 of assessed value, which is equivalent to an increase in the municipal tax bill by \$39.72 on a home of average assessed value.

(1) The local tax for municipal purposes is increased through either increases in appropriations or decreases in anticipated revenues.

\* Includes chapter 159's.

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**"2010 CAP" Levy Cap Calculation**

This cap allows for a 2% increase in the tax levy from the prior year +/- allowable adjustments, exclusions and additions.

2019 Amount to be Raised by Taxation for Municipal Purposes	7,635,124
Less: Prior Year Deferred Charges to Future Taxation Unfunded	-
Net Prior Year Tax Levy for Municipal Purposes for Cap Calculation	7,635,124
Plus: 2% Cap Increase	152,702
	7,787,826
 Add Exclusions:	
Allowable Shared Service Agreements Increase	-
Allowable Health Insurance Cost Increase	-
Allowable Pension Obligations Increase	93,229
Allowable LOSAP Increase	-
Allowable Capital Improvements Increase	-
Allowable Debt Service and Capital Leases Increase	-
Recycling Tax Appropriation	-
Deferred Charges to Future Taxation Unfunded	-
Current Year Deferred Charges: Emergencies	-
	93,229
Less: Canceled or unexpended exclusions	-
	7,881,055
 Other Additions:	
New Ratables - Increase in valuations (new construction and additions)	3,779,100
Prior Year's Local Municipal Purpose Tax Rate (per \$100)	0.713
New Ratable Adjustment to Levy (1)	26,945
	26,945
<b>Maximum allowable Amount to be Raised by Taxation</b>	<b>7,908,000</b>
Amount to be Raised by Taxation for Municipal Purposes - 2020 Draft Budget	7,756,965
Unused Levy Cap Space (Banking allowed for use in 2015-2017 Budgets).	151,036
	In compliance with levy cap.
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<b><u>Explanation of Levy Cap Bank (can be carried forward 3 years)</u></b>	
2017 Budget Bank (Expires 2020)	95,232
2018 Budget Bank (Expires 2020-2021)	59,849
2019 Budget Bank (Expires 2020-2022)	55,180
	210,261
Available for Use in 2020 Budget	210,261
Used in 2020 DRAFT Budget	-
Unused 2016 Cap Bank Expiring Based on 2020 DRAFT Budget	(95,232)
Prior Years' Banking Available for Future Use	115,029
2019 DRAFT Levy Cap Bank (Expires 2021)	151,036
	115,029
Budget in Compliance - Levy Cap Bank Available for Future Budgets	<b>\$ 266,065</b>

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**1977 Appropriation "CAP" Calculation**

This cap allows for a 2.5% increase in appropriations from the prior year +/- allowable adjustments, exceptions, modifications. An additional 1.0% is allowed through adoption of a COLA rate ordinance.

Total General Appropriations for 2019 (as adopted) \$ 11,650,811

**Less Exceptions:**

Total Other Operations	\$ 1,650,172	
Total Interlocal Service Agreement	279,486	
Total Additional Appropriations	59,000	
Total Public-Private Offset	136,977	
Total Capital Improvement	755,000	
Total Debt Service	103,261	
Total Deferred Charges	-	
Judgements	5,000	
Reserve for Uncollected Taxes	549,203	
<b>Total Exceptions</b>		<b>3,538,099</b>

Amount on Which 2.5% CAP is Applied	8,112,712
2.5% CAP	202,818

8,315,529

**Additional Modifications to CAP:**

New Construction (1)	26,945	
2018 Cap Bank Utilized	74,732	
Additional 1.0% - COLA Rate Ordinance	81,127	
		182,804

**Total Allowable Appropriations within "CAP" \$ 8,498,333**

Appropriations in 2020 DRAFT Budget within "CAP" \$ 8,523,703

Over Appropriation Cap. Requires Use of Banking. See below. \$ (25,369)  
Use of Cap Bank  
Required. See below.

**Explanation of Appropriation Cap Bank (can be carried forward 2 years)**

2018 Appropriation Cap Bank (Expires 2020)	\$ 74,732	
2019 Appropriation Cap Bank (Expires 2021)	77,559	
Available for Use in 2020 Budget	152,291	
Used in 2020 DRAFT Budget	(25,369)	
Unused 2018 Cap Bank Which Will Expire	(49,363)	
2019 Appropriation Cap Bank (Expires 2021)		\$ 77,559
2020 DRAFT Appropriation Cap Bank (Expires 2022)		-
Budget in Compliance - Appropriation Cap Bank Available for Future Budgets		\$ 77,559

**BOROUGH OF MIDLAND PARK  
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**Budgeted Revenues: Current Year Draft Budget v. Prior Year Actual**

	<u>2019</u>		2020
	<u>Adopted</u>	<u>Realized</u>	<u>Draft Budget</u>
Surplus Anticipated	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,500,000.00
Miscellaneous Revenues			
Licenses			
Alcoholic Beverages	6,000.00	6,300.00	6,000.00
Other	7,000.00	10,000.00	8,000.00
Fees and Permits	80,000.00	36,058.00 *	36,000.00
Municipal Court Fines & Costs	78,601.00	80,418.78	75,000.00
Interest and Costs on Taxes	50,000.00	56,861.54	50,000.00
Interest on Investments and Deposits	250,000.00	328,736.27	175,000.00
Cable Franchise Fee	112,476.29	117,691.03	112,367.31
Cell Tower	225,000.00	243,806.49	230,000.00
State Aid			
Consolidated Muni. Property Tax Relief	-	-	-
Energy Receipts Tax	528,440.00	528,440.00	528,440.00
Supplemental Energy Receipts Tax	18,266.00	18,266.00	18,266.00
Uniform Construction Code Fees	170,000.00	130,570.00	125,000.00
HoHoKus - Bldg Dept	80,000.00	91,680.78	80,000.00
Uniform Fire Safety Local Inspection Fees	8,000.00	10,232.00	8,000.00
Recreation Programs	51,000.00	57,118.00	55,000.00
Federal and State Grants	136,977.44	175,067.74	68,337.43
Uniform Fire Safety Act	15,000.00	16,606.85	15,000.00
Available reserve monies - Private Duty	28,992.96	28,992.96	30,000.00
Available reserve monies - Dispatch			84,361.85
Available reserve monies - Tax Appeals			150,000.00
Receipts from Delinquent Taxes	253,554.52	294,471.92	330,000.00
Subtotal General Revenues	3,599,308.21	3,731,318.36	3,684,772.59
Amount to be Raised by Taxes			
Municipal	7,635,123.38	7,797,210.74	7,756,964.55
Library Minimum Tax	416,379.00	416,379.00	426,415.00
	<u>\$ 11,650,810.59</u>	<u>\$ 11,944,908.10</u>	<u>\$ 11,868,152.14</u>

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**Budgeted Appropriations: Current Year vs. Prior Year**

	2019 Adopted <u>Budget</u>	2019 Actual/Encumbered <u>Budget</u>	2020 Draft <u>Budget</u>	Percent <u>Change</u>
<b>The following line items are subject to the 1977 Appropriation Cap</b>				
<b>GENERAL GOVERNMENT</b>				
General Administration				
Salaries and Wages	\$ 184,000.00	\$ 183,497.77	\$ 228,000.00	23.9%
Other Expense	84,469.00	72,670.56	150,375.25	78.0%
Mayor and Council				
Salaries and Wages	25,000.00	23,838.21	25,000.00	0.0%
Other Expense	6,000.00	4,154.42	6,000.00	0.0%
Municipal Clerk				
Salaries and Wages	75,000.00	69,922.37	78,500.00	4.7%
Other Expense	27,200.00	17,755.13	40,200.00	47.8%
Financial Administration				
Salaries and Wages	84,000.00	82,916.92	86,000.00	2.4%
Other Expense	8,050.00	5,367.22	6,400.00	-20.5%
Audit Services	26,000.00	-	27,000.00	3.8%
Information Technology				
Salaries and Wages	75,000.00	63,962.50	75,000.00	0.0%
Other Expense	500.00	18,184.35	25,000.00	4900.0%
Tax Collection				
Salaries and Wages	75,000.00	74,042.87	72,000.00	-4.0%
Other Expense	8,150.00	7,891.55	6,350.00	-22.1%
Tax Assessment Administration				
Salaries and Wages	42,000.00	41,200.03	42,500.00	1.2%
Other Expense	24,100.00	2,132.27	19,650.00	-18.5%
Legal Services and Costs				
Salaries and Wages	2,000.00	-	2,000.00	0.0%
Other Expense	120,000.00	53,468.50	120,000.00	0.0%
Engineering				
Other Expense	10,000.00	3,825.00	10,000.00	0.0%
<b>LAND USE ADMINISTRATION</b>				
Planning Board				
Salaries and Wages	18,000.00	17,382.75	18,100.00	0.6%
Other Expense	22,000.00	3,093.29	24,500.00	11.4%
Board of Adjustment				
Salaries and Wages	18,000.00	17,382.75	18,100.00	0.6%
Other Expense	16,850.00	5,069.15	16,850.00	0.0%
Master Plan and COAH				
Other Expense	25,000.00	2,000.00	20,000.00	-20.0%

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	2019 Adopted <u>Budget</u>	2019 Actual/Encumbered <u>Budget</u>	2020 Draft <u>Budget</u>	Percent <u>Change</u>
<b>PUBLIC SAFETY</b>				
<b>Police</b>				
Salaries and Wages	2,319,000.00	2,296,462.91	2,499,600.00	7.8%
Other Expense	114,750.00	105,294.26	112,550.00	-1.9%
<b>Emergency Management Services</b>				
Salaries and Wages	30,000.00	28,671.82	30,000.00	0.0%
Other Expense	5,000.00	2,568.57	5,000.00	0.0%
<b>Fire Department</b>				
Contribution - Aid to Volunteer Dept.	57,350.00	54,967.88	58,600.00	2.2%
Other Expense - Hydrant Services	21,000.00	19,749.40	21,000.00	0.0%
<b>First Aid Services</b>				
Other Expense	3,000.00	-		-100.0%
Contribution - Volunteer First Aid Org'n.	42,000.00	42,000.00	60,000.00	42.9%
<b>Uniform Fire Safety Act</b>				
Salaries and Wages	26,000.00	22,638.57	18,000.00	-30.8%
Other Expense	-		-	
<b>Municipal Prosecutor</b>				
Salaries and Wages	8,500.00	7,268.00	8,500.00	0.0%
<b>PUBLIC WORKS</b>				
<b>Road Repair and Maintenance</b>				
Salaries and Wages	474,701.34	468,568.95	442,000.00	-6.9%
Other Expense	65,250.00	60,535.81	68,050.00	4.3%
Snow Storm Expense	100,000.00	71,071.86	100,000.00	0.0%
<b>Sewer System</b>				
Other Expense	3,500.00	4,485.78	4,500.00	28.6%
<b>Solid Waste Collectin and Recycling</b>				
Salaries and Wages	30,906.76	23,517.85	25,000.00	-19.1%
Other Expense	428,620.50	435,894.41	460,020.50	7.3%
<b>Public Buildings and Grounds</b>				
Salaries and Wages	82,646.26	84,461.57	87,100.00	5.4%
Other Expense	83,500.00	92,078.13	91,700.00	9.8%
<b>Vehicle Maintenance</b>				
Other Expense	85,000.00	76,465.35	83,000.00	-2.4%
<b>HEALTH AND HUMAN SERVICES</b>				
<b>Board of Health</b>				
Northwest Bergen Regional				
Other Expense	55,400.00	55,377.80	55,400.00	0.0%
<b>Animal Control</b>				
Other Expense	10,050.00	9,900.00	10,100.00	0.5%
<b>Public Assistance</b>				
Other Expense	200.00	-	200.00	0.0%

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	2019 Adopted <u>Budget</u>	2019 Actual/Encumbered <u>Budget</u>	2020 Draft <u>Budget</u>	Percent <u>Change</u>
<b>PARKS AND RECREATION</b>				
<b>Recreation</b>				
Salaries and Wages	78,000.00	73,638.83	76,000.00	-2.6%
Other Expense	40,400.00	34,971.56	40,400.00	0.0%
<b>Parks Maintenance</b>				
Other Expense	20,500.00	19,769.41	20,500.00	0.0%
<b>OTHER COMMON OPERATING FUNCTIONS</b>				
<b>Celebration of Public Events</b>				
Other Expense	5,000.00	3,628.03	7,500.00	50.0%
Awards and Adjustments	1,000.00	-	1,000.00	0.0%
Reserve for Tax Appeals	40,000.00	-	40,000.00	0.0%
<b>Municipal Court</b>				
Salaries and Wages	104,000.00	102,352.34	106,500.00	2.4%
Other Expense	10,100.00	7,494.73	10,100.00	0.0%
<b>Public Defender</b>				
Other Expense	6,000.00	2,500.00	6,000.00	0.0%
<b>Insurance</b>				
General Liability	296,000.00	254,821.00	294,000.00	-0.7%
Employee Group Health	800,700.00	786,318.23	773,650.00	-3.4%
<b>Property Maintenance Control</b>				
Salaries and Wages	30,000.00	28,679.30	30,000.00	0.0%
Other Expense	4,000.00	450.00	4,000.00	0.0%
<b>Construction Code Officials</b>				
Salaries and Wages	184,000.00	175,237.85	180,000.00	-2.2%
Other Expense	12,200.00	6,575.96	11,300.00	-7.4%
<b>Utility Expenses and Bulk Purchases</b>				
Electricity	60,000.00	53,470.04	58,000.00	-3.3%
Street Lighting	95,000.00	85,432.85	90,000.00	-5.3%
Telephone	30,000.00	19,828.42	25,000.00	-16.7%
Water	15,000.00	11,162.85	13,000.00	-13.3%
Natural Gas	18,000.00	14,925.20	15,000.00	-16.7%
Gasoline	60,000.00	38,956.86	60,000.00	0.0%
Landfill / Solid Waste Disposal	225,000.00	199,361.90	220,000.00	-2.2%
<b>Statutory Expenditures</b>				
Public Employees Retirement System	199,430.00	199,430.00	193,456.00	-3.0%
Social Security	307,000.00	292,315.72	330,000.00	7.5%
Police and Fireman's Retirement System	426,688.00	426,688.00	528,451.00	23.8%
Unemployment Insurance	20,000.00	20,000.00	20,000.00	0.0%
Defined Contribution Retirement Program	2,000.00	1,512.62	12,000.00	500.0%



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**Budgeted Appropriations: Current Year vs. Prior Year**

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<b>The following line items are NOT subject to the 1977 Appropriation Cap</b>				
Maintenance of Free Public Library	445,371.96	444,328.43	455,000.00	2.2%
Sewer Authority				
NWBCUA Contractual Service Charges	1,100,000.00	1,073,815.25	1,100,000.00	0.0%
Borough of Waldwick	14,000.00	14,003.03	14,100.00	0.7%
Village of Ridgewood	28,800.00	28,800.00	28,800.00	0.0%
Length of Service Awards Program	62,000.00	-	62,000.00	0.0%
Insurance				
Employee Group Health (over 2% increase)				
<b>SHARED SERVICE AGREEMENTS</b>				
Consolidated Dispatch - County Svcs				
Other Expense	180,000.00	172,504.98	140,000.00	-22.2%
Pistol Range - Waldwick				
Salaries and Wages	5,835.00	5,835.00	5,835.00	0.0%
Other Expense	5,651.00	5,651.00	5,764.00	2.0%
Building Dept - HoHoKus				
Salaries and Wages	80,000.00	77,595.31	80,000.00	0.0%
Well Child	500.00	145.00	500.00	0.0%
Financial Services - Glen Rock				
Tax Collector	7,500.00	7,500.00	7,500.00	0.0%
<b>OFFSET BY REVENUES</b>				
Uniform Fire Safety Act	8,000.00	5,397.12	8,000.00	0.0%
Recreation Program				
Salaries and Wages	51,000.00	47,958.50	51,000.00	0.0%
Federal and State Grants	136,977.44	164,835.74	68,337.43	-50.1%
<b>CAPITAL IMPROVEMENTS</b>	<b>755,000.00</b>	<b>755,000.00</b>	<b>660,000.00</b>	<b>-12.6%</b>
<b>DEBT SERVICE</b>				
NJ Environmental Infrastructure Trust	24,270.00	24,267.38	24,267.16	0.0%
BCIA Capital Lease	52,975.80	52,975.80	52,975.80	0.0%
Building Acquisition	26,015.00	26,015.00	25,370.00	-2.5%
<b>JUDGMENTS</b>	<b>5,000.00</b>	<b>-</b>	<b>5,000.00</b>	<b>0.0%</b>
<b>RESERVE FOR UNCOLLECTED TAX</b>	<b>549,202.53</b>	<b>549,202.53</b>	<b>550,000.00</b>	<b>0.1%</b>
			* Waiting for auditor wt final numbers	
	<u><u>\$ 11,650,810.59</u></u>	<u><u>\$ 11,047,088.30</u></u>	<u><u>\$ 11,868,152.14</u></u>	<b>1.9%</b>