

Arthur Nalbandian
Council President
Public Safety

Andrew Siemsen
Councilman
Building & Zoning

Deirdre Dillon
Councilwoman
Health, Education, & Social Services

Christopher Botta
Mayor



INCORPORATED 1908

Jeffrey Heller
Councilman
Utilities, Buildings & Grounds

Bruce Vozeh
Councilman
Finance & Administration

William Jones
Councilman
Public & Governmental Relations

A MESSAGE FROM THE MAYOR AND COUNCIL

Dear Resident:

Your 2007 tax bill is comprised of three separate parts: Ramsey schools, 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 2007 TAX BILL IS DIVIDED AS FOLLOWS:

67.82% SCHOOL SYSTEM

RAMSEY BOARD OF EDUCATION

22.08% MUNICIPAL SERVICES

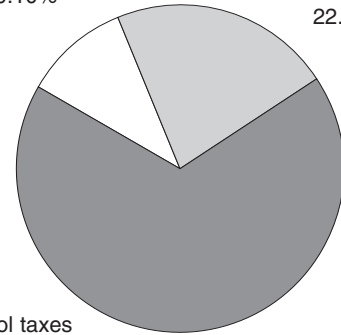
RAMSEY POLICE, LOCAL ROADS, SANITATION, RECYCLING, LIBRARY, RECREATION, TOWN ADMINISTRATION, VOLUNTEER FIRE AND RESCUE SERVICES, HEALTH SERVICES, ETC.

10.10% BERGEN COUNTY GOVERNMENT

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

County taxes
10.10%

Municipal
taxes
22.08%



School taxes
67.82%

The Mayor and Council continue working hard to hold down expenses. This year, the proposed municipal budget contains a moderate 2.9% increase over 2006. While we realize this overall budget increase is below inflation and well below some of the state mandated increases (which are outside our control) that are seen in certain portions of the budget, we continuously strive to do more. This proposed municipal budget includes a modest tax increase of under two cents per hundred dollars of property valuation. The municipal tax rate would go from .477 to .495. On a home assessed at \$428,000 (the average Ramsey assessment), the 2007 annual increase would amount to only \$77 for the municipal services portion of your tax bill. This does not include school taxes or county taxes. The Ramsey Board of Education and the Bergen County Board of Chosen Freeholders, respectively, control those budgets.

Borough expenses, including those specific items over which we have little or no control, continue to rise. For example, State mandated employee pension and retirement costs went up \$312,000 or a 70.0% increase over 2006. This State mandated increase alone represents approximately 53% of our total municipal budget increase for 2007, and will continue to cost Ramsey and other towns hundreds of thousands of dollars in the next few years to cover shortfalls in the State pension system. For the first time in several years, State aid to Ramsey has increased, but by only \$40,071. This increase, while better than nothing, only represents about .2% of the total budget and is far outweighed by the State mandated pension contribution increases.

Some of the other appropriation items in the budget include the cost of the 2002-2003 revaluation process, which was spread over five years, at \$85,000 per year, so this is the final year for that expense.

Other expenses over which we have more control, like the \$1.90 million cost of employee health insurance benefits, are being contained through the union negotiation process where the Mayor and Council are working to, among other things, obtain employee contributions towards these and other costs. These efforts, along with prudent fiscal management, have resulted in flat to modest inflationary cost increases.

As our costs go up, our tax base is not expanding at a similar pace. The total value of real property in Ramsey is about \$2.770 billion. Because Ramsey is almost fully developed, our tax base will expand by less than one percent a year -- mostly as a result of residents replacing older homes with newer, more expensive ones, or residents putting on additions. The burden, then, falls on us as your elected representatives to make difficult choices in an attempt to continue to keep the cost of municipal government under control, while still maintaining the level and quality of municipal services the community enjoys.

To that end, we have also set aside \$1,184,000 this year for capital projects. These projects include continuation of our road-resurfacing program, more curb and sidewalk improvements, various drainage projects throughout the Borough, and equipment purchases. These capital expenditures are part of an ongoing plan, as is the entire budget, to spread the cost of preventively maintaining or replacing capital items over time, instead of waiting for infrastructure to deteriorate or equipment to fail, and then having to make repairs or purchase replacements on an emergency basis. Also, by paying cash for a large part of our capital expenditures, we keep our debt low, far below what the State allows for a community our size.

The full budget is available for your inspection in several places. You may view the budget in its entirety on our borough web site (www.ramseynj.com). In addition, five 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 cooperation and support,

Mayor and Council

PROPOSED TAX DATA COMPARISON

	2006 Actual Total Tax Amount	2006 Actual Tax Rate	2007 Total Tax Amount	2007 Proposed Tax Rate
MUNICIPAL SERVICES	\$12,881,489.11	\$.477	\$13,692,585.00	\$.495
BOARD OF EDUCATION	\$39,740,678.97	\$1.445	\$42,061,181.00	\$1.518
COUNTY GOVERNMENT	\$ 6,050,252.01	\$.218	\$ 6,262,000.00	\$.223
TOTAL	\$58,672,420.09	\$2.14	\$62,015,766.00	\$2.24

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

MUNICIPAL REVENUE COMPARISON

	<u>2007</u>	<u>2006</u>
Alcoholic Beverage Licenses	25,000.00	25,000.00
Other Administrative Licenses	33,000.00	34,000.00
Construction Code Official Permits.....	500,000.00	600,000.00
Other Permits and Fees.....	65,000.00	75,000.00
Municipal Court Fines.....	180,000.00	175,000.00
Interest and Cost on Taxes.....	90,000.00	80,000.00
Energy Receipts Tax	(1) 1,380,841.00	1,292,774.00
Supplemental Energy Receipt Tax	308,437.00	308,437.00
Interest on Investments and Deposits.....	450,000.00	300,000.00
Cable Franchise Fee	45,000.00	45,000.00
Municipal Occupancy Tax.....	150,000.00	150,000.00
Consolidated Municipal Property Tax Relief Act.....	(2) 306,834.00	394,901.00
Bergen County Municipal Recycling Assistance Program.....	16,698.23	-0-
Life Hazard Use Fees.....	90,000.00	90,000.00
Clean Communities Grant Program.....	13,908.30	13,265.42
Various Police Grants.....	6,756.50	17,361.84
Recycling Tonnage Grant.....	30,860.32	23,291.68
New Jersey Nonpublic Nursing Services	63,474.00	62,890.00
Governor's Council on Alcoholism and Drug Abuse Grant.....	11,500.00	15,500.00
Alcohol Education & Rehabilitation Fund.....	3,772.93	3,520.56
F.E.M.A. Emergency Management Assistance	5,000.00	5,000.00
Receipts from Delinquent Taxes.....	(3) 350,000.00	300,000.00
Utilization of Contingency Reserve.....	(4) 3,090,000.00	3,343,000.00
Legislative Initiative Municipal Block Grant.....	57,882.00	57,882.00
OEM Grant	4,023.16	-0-
Blue Cross/ Blue Shield Excess.....	-0-	128,150.00
Municipal Tax Assistance.....	40,071.00	-0-
Homeland Security Aid.....	70,000.00	70,000.00
Amount to be Raised by Taxes for Support of Municipal Budget.....	13,692,585.00	12,881,489.11
TOTAL GENERAL REVENUES	<u>21,080,643.44</u>	<u>20,491,462.61</u>

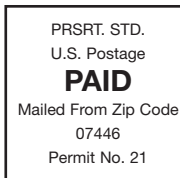
1. ENERGY RECEIPTS TAX - A State tax on utility companies of which a portion of monies is distributed by the State to local governments. The Borough of Ramsey expects to utilize \$1,380,841.00 in the 2007 Municipal Budget.
2. CONSOLIDATED MUNICIPAL PROPERTY TAX RELIEF ACT - This year the Borough of Ramsey received \$306,834.00 from the State of New Jersey.
3. RECEIPTS FROM DELINQUENT TAXES - The Borough of Ramsey should receive 98.0% of all taxes billed. It is very important and beneficial that all taxes be paid on a timely basis.
4. CONTINGENCY RESERVE - We anticipate utilizing \$3,090,000.00 of anticipated revenue in the 2007 Municipal Budget. Contingency Reserve is generated by unused appropriations and unanticipated revenues through last year's Municipal Budget. This reserve is utilized to offset municipal taxes on a year-to-year basis.

MUNICIPAL EXPENSE COMPARISON

	2007	2006
GENERAL GOVERNMENT		
Administrative and Executive	489,000.00	478,000.00
Mayor and Council	54,000.00	54,000.00
Borough Clerk	256,000.00	256,000.00
Finance and Administration	220,000.00	210,000.00
Audit Services	34,500.00	34,500.00
Computer Maintenance	20,000.00	20,000.00
Collection and Assessment of Taxes	327,000.00	327,000.00
Legal Services	190,000.00	190,000.00
Engineering	256,000.00	244,000.00
LAND USE ADMINISTRATION		
Planning Board	92,500.00	90,000.00
Zoning Board	10,000.00	10,000.00
INSURANCE	2,561,500.00	2,430,000.00
PUBLIC SAFETY		
Police, Prosecutor and Courts, and 911	4,890,325.00	4,642,825.00
Emergency Management	121,850.00	121,350.00
Fire and Fire Protection	348,000.00	342,500.00
First Aid Contribution	93,000.00	93,000.00
Construction Official	339,500.00	301,000.00
PUBLIC WORKS		
Road Maintenance, Resurfacing and Sidewalks	1,345,000.00	1,287,500.00
Shade Tree Commission	59,000.00	59,000.00
Recycling	380,500.00	380,500.00
Garbage and Trash Removal	615,000.00	585,000.00
Building and Grounds	677,000.00	655,000.00
Vehicle Maintenance	420,000.00	390,000.00
HEALTH SERVICES		
Board of Health	152,250.00	146,500.00
Visiting Nurses	33,000.00	33,000.00
Environmental Commission	7,000.00	7,000.00
Dog and Cat Regulation	20,000.00	20,000.00
Drug Abuse Program and Other Human Services	37,000.00	35,000.00
PARK AND RECREATION		
Board of Recreation Commissioners	140,100.00	116,500.00
Other Programs	256,500.00	224,000.00
PURCHASE VARIOUS DEPARTMENT EQUIPMENT	215,000.00	-0-
UTILITIES AND LANDFILL FEES	1,626,000.00	1,440,000.00
CONTINGENCY	90,000.00	230,000.00
DEFERRED CHARGES AND STATUTORY	1,348,000.00	1,032,904.75
LIBRARY	1,190,000.00	1,071,500.00
GRANTS OFFSET BY REVENUES	155,993.44	140,829.50
CAPITAL IMPROVEMENT FUND	600,000.00	1,100,000.00
DEBT SERVICE AND DEFERRED CHARGES	175,832.00	521,610.00
RESERVE FOR UNCOLLECTED TAXES	1,234,293.00	1,171,443.36
TOTAL GENERAL APPROPRIATIONS	<u>21,080,643.44</u>	<u>20,491,462.61</u>

BOROUGH OF RAMSEY

Ramsey, NJ 07446



POSTAL PATRON
Ramsey, NJ 07446