

Deirdre Dillon
Mayor

Vanessa Jachzel
Council President
Finance & Administration

William Jones
Councilman
Public & Governmental Relations

Peter Kilman
Councilman
Health, Education & Social Services



Ken Tyburczy
Councilman
Utilities, Building & Grounds

Joseph Verdone
Councilman
Building, Planning & Zoning

Harry Weber
Councilman
Public Safety

A MESSAGE FROM THE MAYOR AND COUNCIL

Dear Resident:

Your 2016 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 2016 TAX BILL IS DIVIDED AS FOLLOWS:

1% RAMSEY PUBLIC LIBRARY

67% SCHOOL SYSTEM

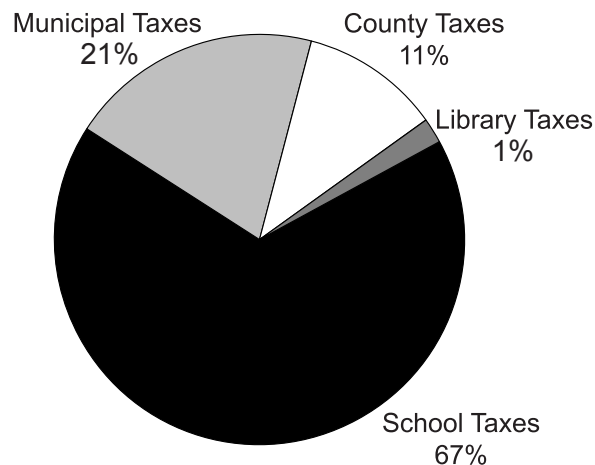
RAMSEY BOARD OF EDUCATION

21% 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 2016 includes a modest tax increase over 2015 of 1.79% which is below the State cap of 2%. Although the State provides municipalities the ability to budget above the 2% cap for increases in such items as pension costs, health insurance, debt service or capital improvements, this budget increases Ramsey's debt pay-down and capital investment, while remaining under the 2% cap, through other budget reductions, and does not utilize any State-authorized exceptions. On a home assessed at \$434,992 (the average Ramsey assessment), the 2016 annual increase would amount to approximately \$43 for the municipal services portion of your tax bill, or about \$3.50 a month. This does not include school taxes or county taxes; the Ramsey Board of Education and Bergen County Board of Chosen Freeholders, respectively, control those budgets and tax rates.

Of note this year is the County-mandated Borough wide revaluation, which is now in its final stages. The revaluation, as a whole, will raise the Borough's Net Valuation Taxable, and lower the tax rates accordingly, so that the total property tax dollars raised (new tax rate times new assessed value) will not be affected by the revaluation process. Appraisal Systems, Inc., which is conducting the revaluation for the Borough, recently mailed new assessed property valuations to all property owners. After meetings with owners are completed, the new assessments will be finalized. The tax rates will then be finalized by the County and new rates and adjustments for the revaluation will be reflected in the 3rd and 4th quarter property tax bills for 2016. In general, if the change in your assessed value due to the revaluation is below

the Borough's average change (estimated at 21%), your property taxes will be lower. Conversely, if your assessed value change is higher than the Borough average, your property taxes will be higher.

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.

While State aid remains flat at \$1,414,471, we continue to seek ways to increase revenue without impacting residents. For example, we are now capturing new revenue from life hazard inspection fees, which we took over from the State; we are collecting rent from the cell tower at the DPW; and we are anticipating a \$75,000 contribution from the municipal pool, which is 50% more than last year. The contribution from the municipal pool will be used to pay down the debt the Borough incurred to renovate the pool.

We also continue investing in the Borough's infrastructure. Prior to 2015, we had invested on average \$688,000 per year over a three-year period for the resurfacing of our roads around town. In 2015, we provided significantly more funding to the program to accelerate the re-paving cycle around the community. For 2016, the budget anticipates a similar level of investment and over \$1,000,000 will be allocated to the road resurfacing program, reflected in multiple budget line items. This increased investment in road resurfacing is offset in other areas of the budget to remain under the 2% cap. Although increased road funding will increase the number of roads we resurface in 2016, please note that with approximately 280 roads and/or segments, a full community cycle takes many years. As in previous years, we will use grants to offset costs whenever possible.

We continue funding our capital and infrastructure projects conservatively, so as to minimize the impact upon taxpayers while providing necessary replacement and upgrades of equipment and facilities. We have kept our long-term debt position low, and far below what the State allows for a community our size. We are taking advantage of historically low interest rates for new long-lived assets on projects and equipment purchases spreading the cost out over the useful life of the asset. Other items will be included in our budgeted capital improvement line each year to pay currently. Capital funding is up \$100,000 from last year, to \$1,250,000, and a significant portion of this is anticipated for road resurfacing. This year we are electing to pay-down an increased portion of principal on our long term debt, approximately twice the amount paid down in 2015, ahead of capital improvements that will require new debt issuance in 2016. Anticipated large equipment (ladder fire truck) and infrastructure investments (senior/community center and pool house) will increase overall Borough debt in 2016, mitigated in part by increased debt pay-down in the budget. We will continue the effective management needed to balance the municipal budget and the Borough's overall debt level, and anticipate that in 2017, the debt position will be dropping back down to 2015 levels.

As your elected officials, we are highly cognizant of our obligation to wisely manage residents' tax dollars, and we maintain our focus upon managing these expenditures as conservatively as possible without sacrificing long-term value. Through our careful long-term planning, Ramsey continues to be in significantly better financial shape than some of our neighboring communities. Your Mayor and Council have worked diligently to produce a leaner, more efficient municipal government, which is able to deliver the essential municipal services which our residents have come to expect. Much of this credit belongs 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

	2015 Actual Total Tax Amount	2015 Actual Tax Rate	2016 Total Tax Amount	2016 Proposed Tax Rate
PUBLIC LIBRARY	\$1,104,007	\$0.039	\$1,131,584	\$0.039
MUNICIPAL SERVICES	\$15,922,860	\$0.558	\$16,293,596	\$0.568
TOTAL	\$17,026,867	\$0.597	\$17,245,180	\$0.607

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

MUNICIPAL REVENUE COMPARISON

	<u>2016</u>	<u>2015</u>
Alcoholic Beverage Licenses.....	\$34,000	\$34,000
Other Administrative Licenses.....	\$41,000	\$41,000
Construction Code Official Permits.....	\$510,000	\$525,000
Other Permits & Fees.....	\$35,000	\$24,000
Municipal Court Fines.....	\$150,000	\$130,000
Interest and Cost on Taxes.....	\$110,000	\$120,000
Energy Receipts Tax.....	\$1,474,471	\$1,474,471
Utility Operating Surplus.....	\$75,000	\$50,000
Interest on Investments and Deposits.....	\$10,000	\$10,000
Cable Franchise Fee.....	\$230,000	\$230,000
Municipal Occupancy Tax.....	\$184,000	\$184,000
Cell Tower Revenue.....	\$30,000	0
Life Hazard Use Fees.....	\$155,000	\$115,000
Clean Communities Grant Program.....	\$30,544	\$25,093
Various Grants.....	\$27,456	\$21,016
Recycling Tonnage Grants.....	\$43,732	\$60,580
Governor's Council on Alcoholism & Drug Abuse Grant.....	\$9,876	\$9,876
Alcohol Education & Rehabilitation Fund.....	\$4,538	\$3,486
Recycling Revenue.....	\$10,000	\$5,000
Receipts from Delinquent Taxes.....	\$510,000	\$539,000
Utilization of Contingency Reserve (1).....	\$3,050,000	\$3,050,000
Reserve to Pay Bonds & Notes.....	\$150,000	0
Amount of be Raised by Taxes for Support of Municipal Budget.....	\$16,293,596	\$15,922,860
Amount to be Raised by Taxes for Free Public Library.....	\$1,131,584	\$1,104,007
TOTAL GENERAL REVENUES.....	\$24,299,797	\$23,678,388

1. CONTINGENCY RESERVE - We anticipate utilizing \$3,050,000.00 of anticipated revenue in the 2016 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

	2016	2015
GENERAL GOVERNMENT		
Administrative & Executive	\$418,000	\$389,000
Mayor & Council	\$52,000	\$52,000
Borough Clerk	\$266,000	\$262,000
Finance & Administration	\$235,000	\$265,000
Audit Services	\$47,000	\$47,000
Computer Maintenance & Data Services	\$112,000	\$92,000
Collection & Assessment of Taxes	\$602,500	\$720,500
Legal Services	\$175,000	\$175,000
Engineering	\$210,000	\$220,000
LAND USE ADMINISTRATION		
Planning Board	\$107,000	\$81,000
Zoning Board	\$15,000	\$15,000
INSURANCE	\$2,615,000	\$2,605,000
PUBLIC SAFETY		
Police, Prosecutor and Courts, and 911	\$5,135,000	\$4,987,000
Emergency Management	\$133,500	\$133,500
Fire and Fire Protection	\$419,250	\$415,750
First Aid Contribution	\$115,000	\$97,000
Construction Official	\$422,000	\$415,000
PUBLIC WORKS		
Road Maintenance, Resurfacing and Sidewalks	\$1,647,000	\$1,633,000
Shade Tree Commission	\$190,000	\$150,000
Recycling	\$331,000	\$331,000
Garbage & Trash Removal	\$525,000	\$540,000
Building & Grounds	\$723,500	\$715,000
Vehicle Maintenance	\$508,500	\$503,500
HEALTH SERVICES		
Board of Health	\$125,500	\$125,500
Visiting Nurses	\$17,000	\$17,000
Environmental Commission	\$8,000	\$8,000
Dog & Cat Regulation	\$20,000	\$20,000
Drug Abuse Program and Other Human Services	\$31,450	\$31,450
PARKS & RECREATION		
Board of Recreation Commission	\$136,800	\$132,000
Other Programs	\$193,000	\$188,000
PURCHASE VARIOUS DEPARTMENT EQUIPMENT	\$325,000	\$300,000
UTILITIES AND LANDFILL FEES	\$1,402,200	\$1,440,000
CONTINGENCY	\$5,000	\$5,000
DEFERRED CHARGES AND STATUTORY	\$2,162,867	\$2,274,631
LIBRARY	\$1,131,584	\$1,104,007
GRANTS OFFSET BY REVENUES	\$116,146	\$120,050
CAPITAL IMPROVEMENT FUND	\$1,250,000	\$1,150,000
DEBT SERVICE AND DEFERRED CHARGES	\$1,321,000	\$768,500
RESERVE FOR UNCOLLECTED TAXES	\$1,050,000	\$1,150,000
TOTAL GENERAL APPROPRIATIONS	\$24,299,797	\$23,678,388

Borough of Ramsey

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Ramsey, NJ 07446

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