

2015 Municipal Budget City of Paterson

MAY 24, 2015



Mayor Jose “joey” Torres



What about today?

BUDGET ACTIONS



The Environment

Some Things Never Change

- ✓ Fiscal Crisis and Recession
- ✓ Depressed Real Estate Market, *Over 6,000 Tax Appeals*
- ✓ Unfunded State & Federal Environmental Mandates
- ✓ Employee Medical Costs



The Environment

Some Things DO Change

Some Things DO Change ...

- ✓ Budgetary Cap of 2.0%
- ✓ Contractual Agreements



Some Budget Basics

- Active Negotiations with All Labor Unions

- Superior Officers Association (SOA)
- Fire Battalion Chiefs
- Paterson Firefighters Association
- Local 2903
- Local 430
- Council 52
- Local 76B
- Teamsters
- Police Benevolent Association (PBA)
- Fire Captains Association
- Emergency Medical Services (EMS)
- Local 2272
- Local 74
- Local 3724
- Local 3474; 3474A; 3474B
- United Public Service Employees Union (UPSEU)

- No Layoffs to Affect Services

Some Budget Basics (cont'd)

- Temporary Budget Started Budget Expenditure Control on July 1st 2014.

Maximum Allowable Appropriation:	\$61,998,805.09
Temporary Budget Adopted:	<u>\$52,350,200.32</u>
Balance Un-Appropriated:	\$ 9,648,604.77

Budget Math

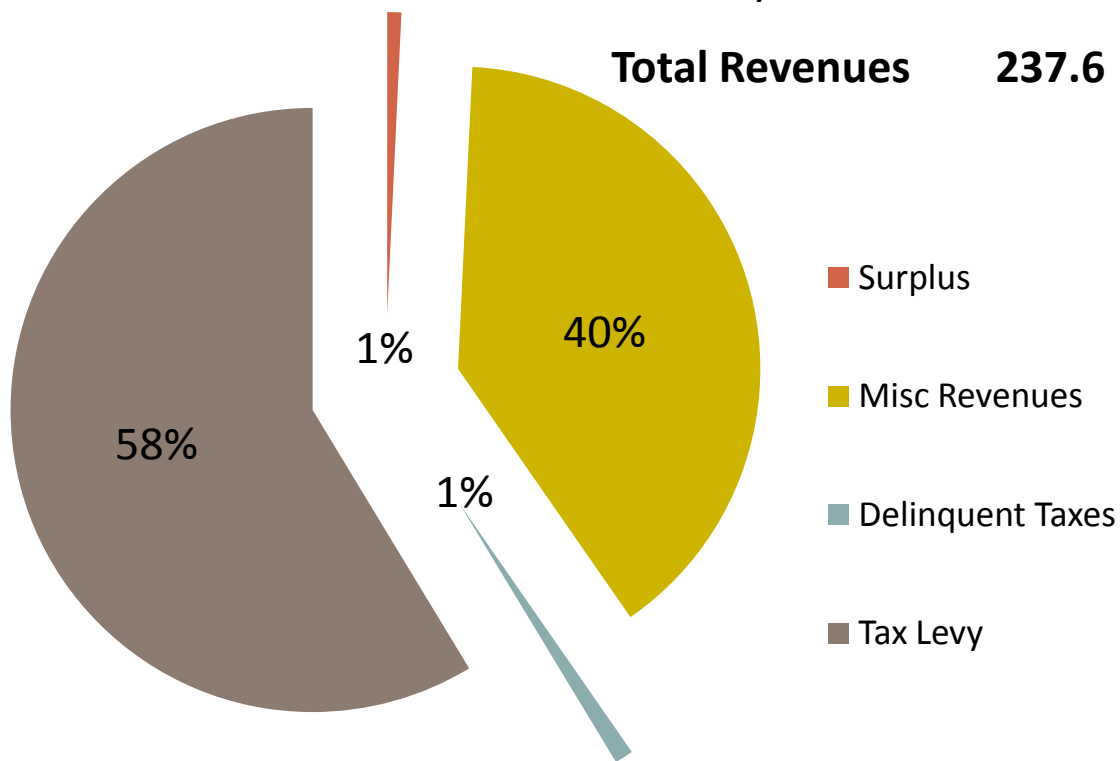
Revenues – Expenses = Tax Levy



Revenues

(\$ in Millions)

	REALIZED <u>2012</u>	REALIZED <u>2013</u>	REALIZED <u>2014</u>	ANTICIPATED <u>2015</u>
Surplus	0	0	0	1.9
Misc Revenues	101.6	97.4	100.2	100.0
Delinquent Taxes	1.5	2.5	2.1	2.5
Tax Levy	134.5	139.6	147.2	148.2
Total Revenues	237.6	239.5	249.5	252.6



2015 Anticipated

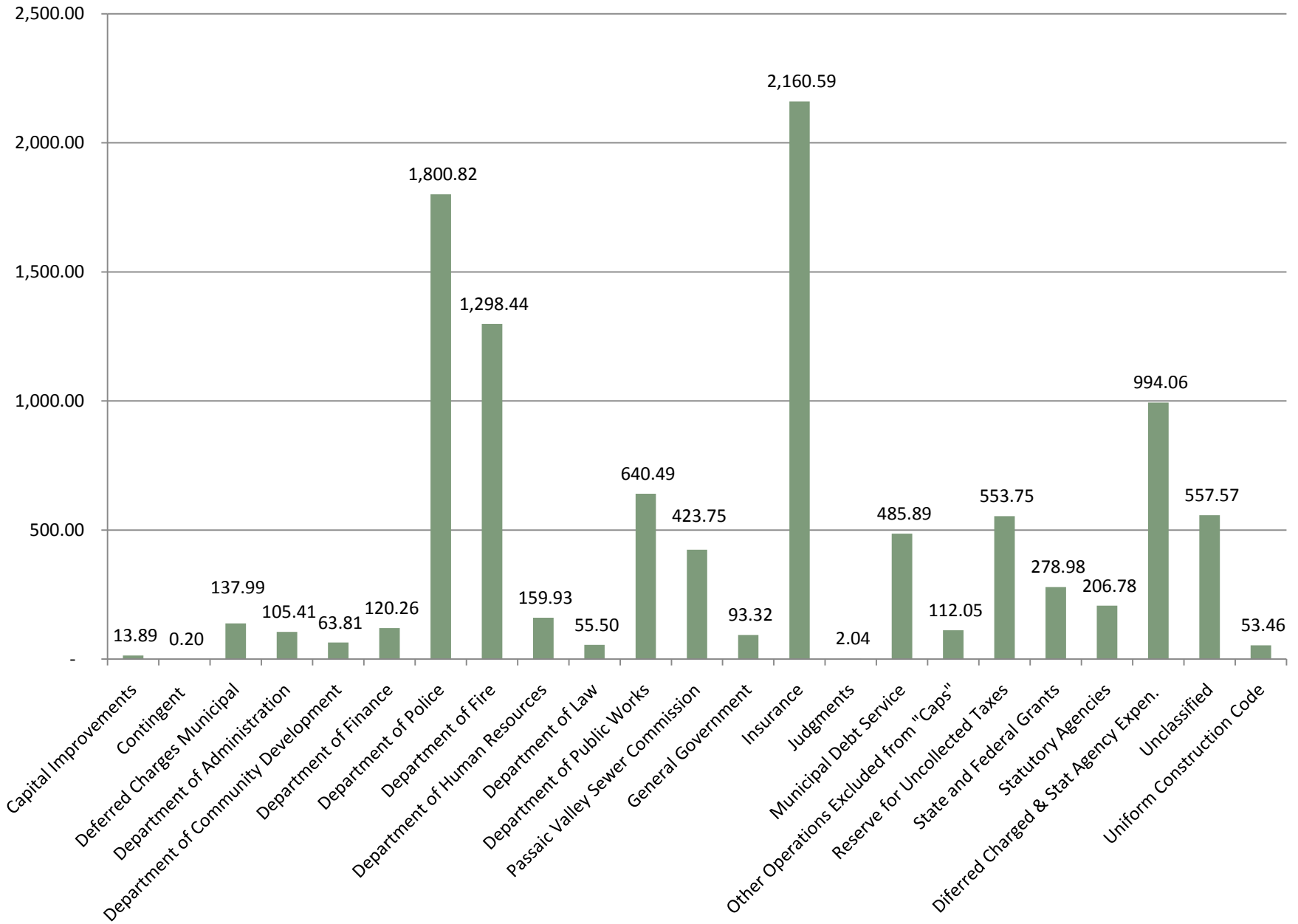
Miscellaneous Revenues

(\$ in Millions)

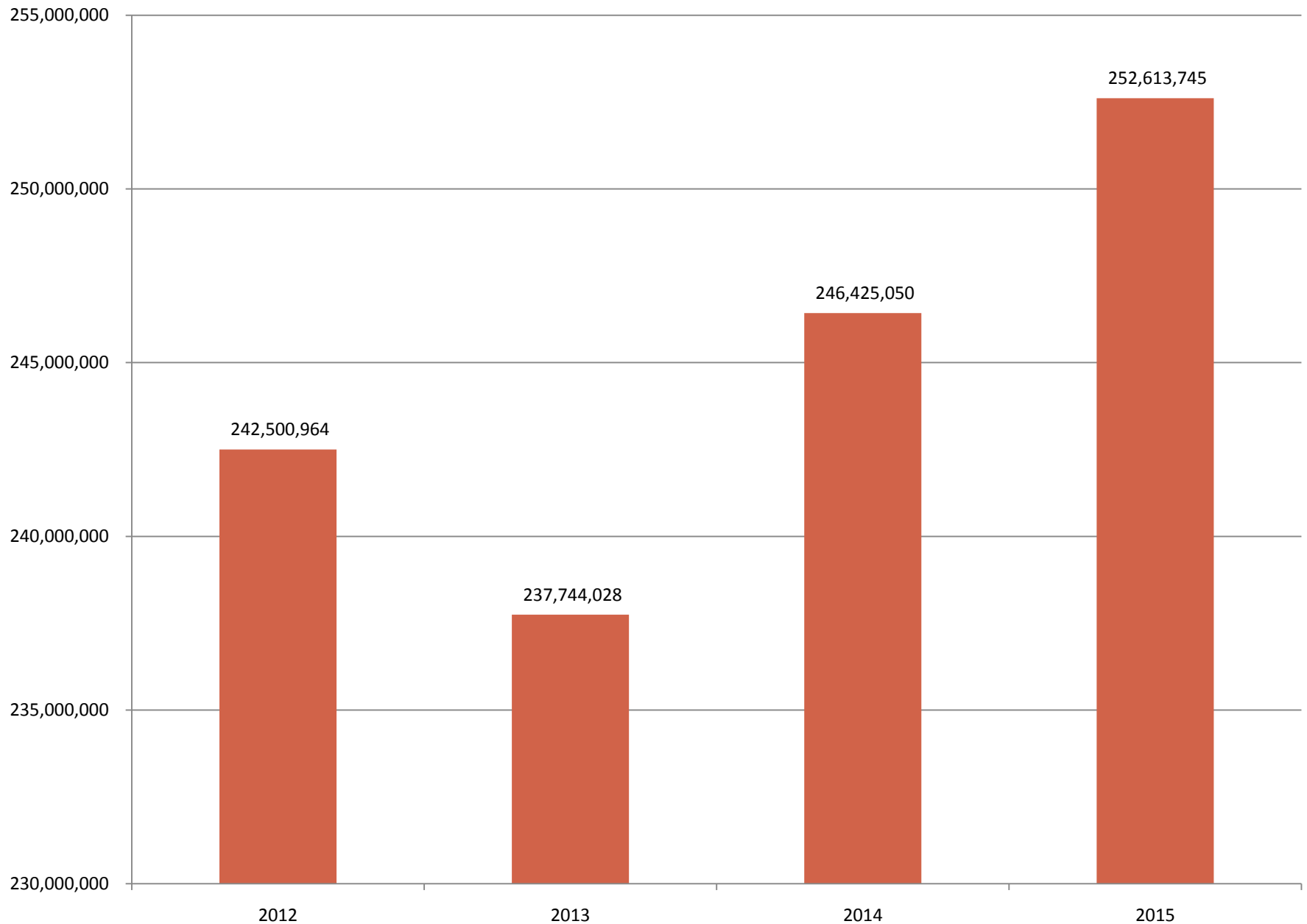
	REALIZED	REALIZED	REALIZED	ANTICIPATED
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Local Revenue	19.1	18.0	19.1	22.3
State Aid	54.4	55.8	56.4	58.4
Shared Services	0	0.3	0.3	0.3
UCC	1.0	1.0	1.3	1.7
Public & Private	11.4	13.4	10.0	6.8 * *
Other Special	10.0	8.4	11.0	10.5
Total Revenues	95.9	96.9	98.1	100.0

* * City has not been notified of all FY 2015 Grant Awards as of today, March 17, 2015.

Appropriations



Total General Appropriations



Other Expenses

- Recreation Program
- Parades & Special Events
- Consumables
- Inter-Local Shared Services Agreements
- Training
- Grants In-kind Administrative Costs
- Reserved for Uncollected Taxes - Increase is 24.11%



Budget Math

Revenues – Expenses = Tax Levy

\$104.4M – \$252.6M = \$148.2M



Summary of Revenues

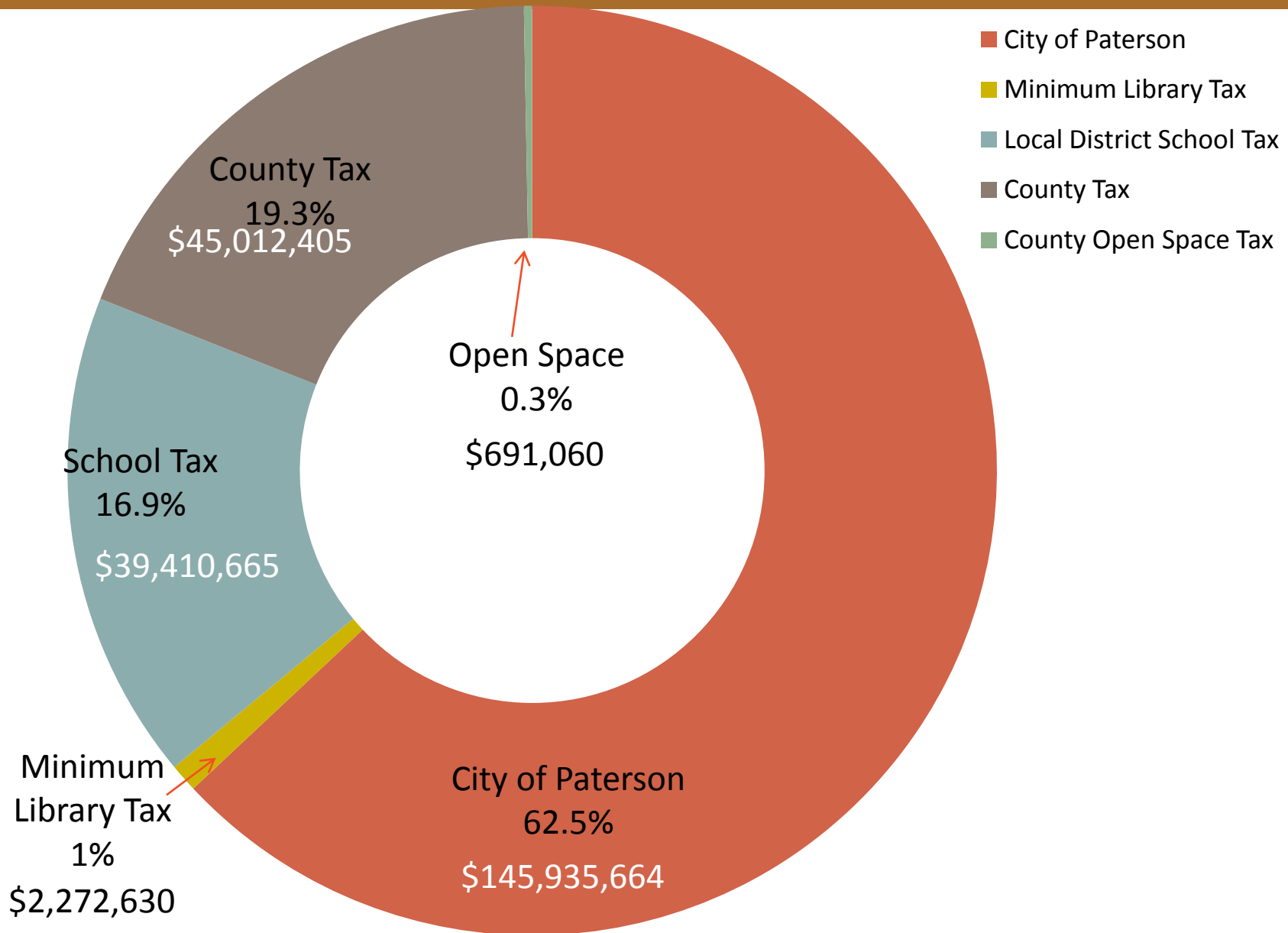
2015

<u>Summary of Revenues</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
1. Surplus Anticipated	0	0	0	1,900,000
2. Total Miscellaneous Revenues	103,419,264	95,877,870	98,757,801	99,992,351
3. Receipts from Delinquent Taxes	4,081,700	1,979,700	2,365,000	2,513,100
4. (A) Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	132,170,841	137,335,758	142,929,070	145,935,664
(B) Minimum Library Budget	2,829,159	2,550,700	2,382,179	2,272,630
Total Amount to be Raised by Taxation for Support of Municipal Budget	135,000,000	139,886,458	145,302,249	148,208,294
Total General Revenues	242,500,964	237,744,028	246,425,050	252,613,745

Summary of Appropriations 2015

<u>Summary of Appropriations</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Expenses: (A) Salaries and Wages	98,394,453	96,250,840	100,949,003	101,375,564
(B) Other Expenses	127,368,491	120,797,298	122,698,853	122,019,271
Deferred Charges and Other Appropriations	2,845,668	3,767,592	2,314,917	3,428,000
Capital Improvements	340,000	340,000	340,000	340,000
Debt Service (Include for School Purpose)	7,354,215	8,020,820	9,199,810	11,894,877
Reserve for Uncollected Taxes	6,038,137	8,567,478	10,922,467	13,556,033
Total General Appropriations	242,500,964	237,744,028	246,425,050	252,613,745

City of Paterson 2015 Taxes



How Your Tax Dollar is Spent



County Open
Space Tax
0.3%

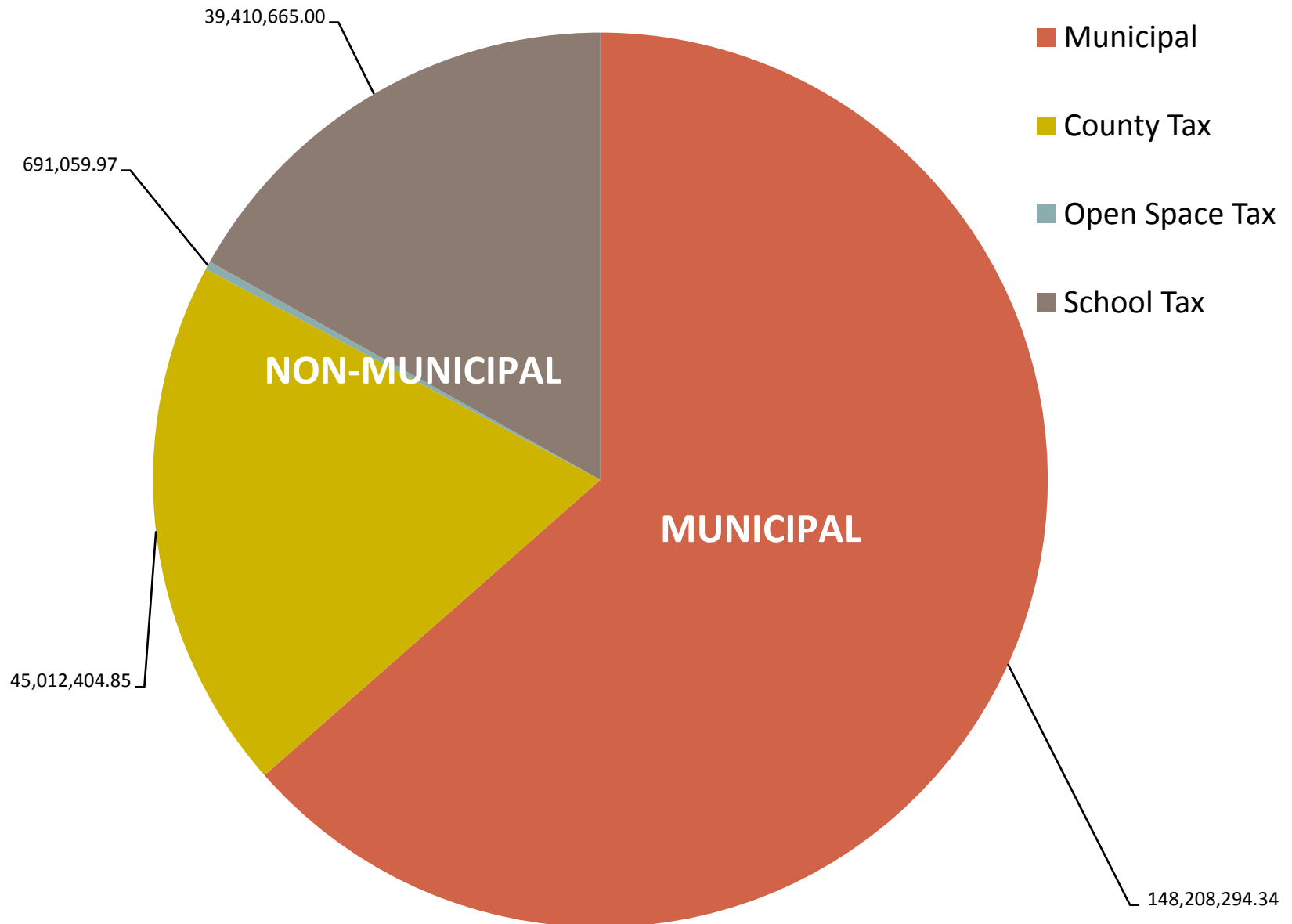
County Tax
19.3%

Local School
Tax
16.9%

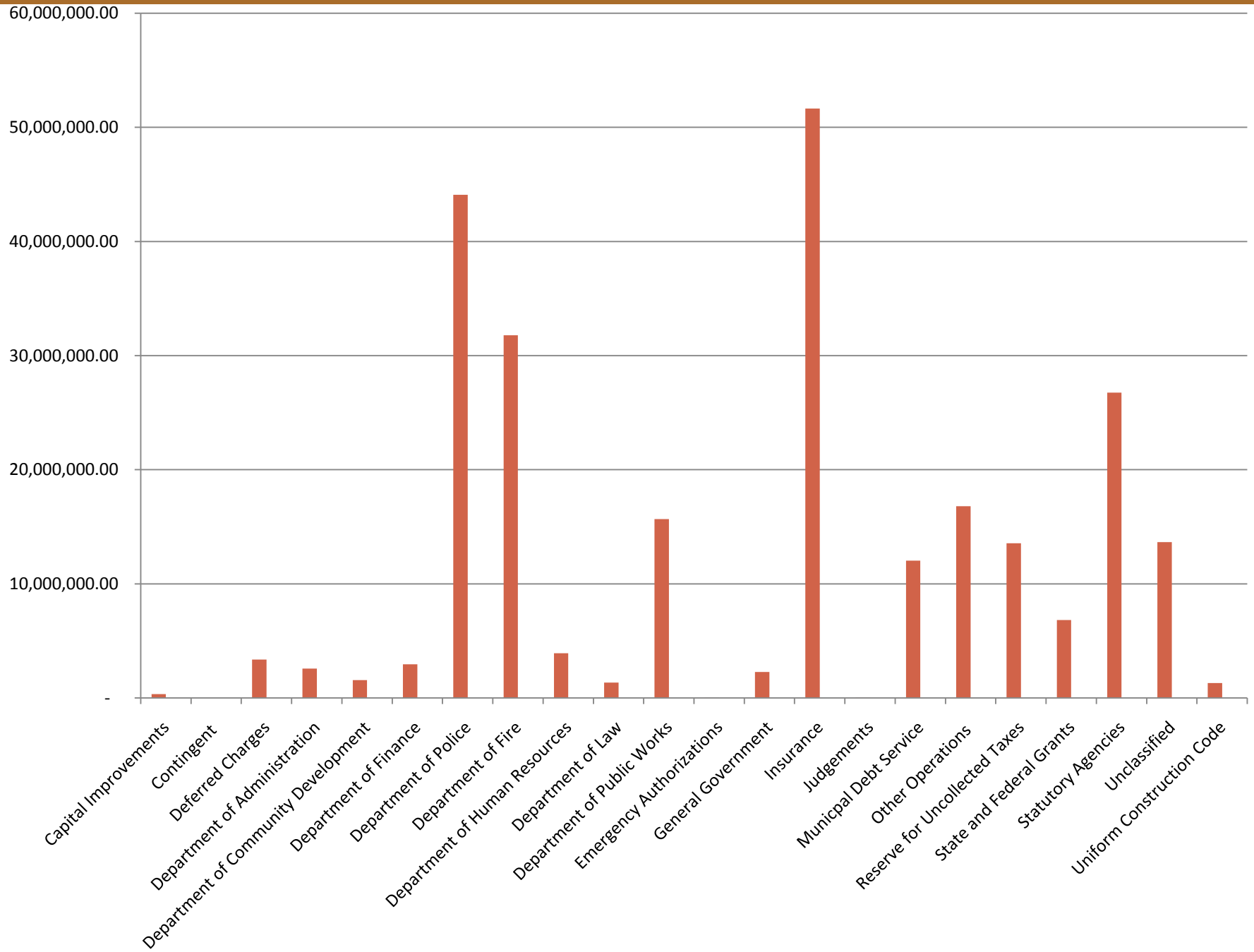
Municipal Tax
62.5%

Minimum
Library Tax
1%

Municipal v. Non-Municipal



2015 Budget Allocation by Department



Property Taxes

2015 PROPOSED PROPERTY TAXES:

Property Assessment:	<u>150,000</u>	<u>250,000</u>	<u>350,000</u>
Municipal Property Taxes:	2,867.84	4,779.73	6,691.62
Non-Municipal Property Taxes:	<u>1,554.50</u>	<u>2,590.83</u>	<u>3,627.16</u>
Total Property Taxes:	4,422.34	7,370.56	10,319.08

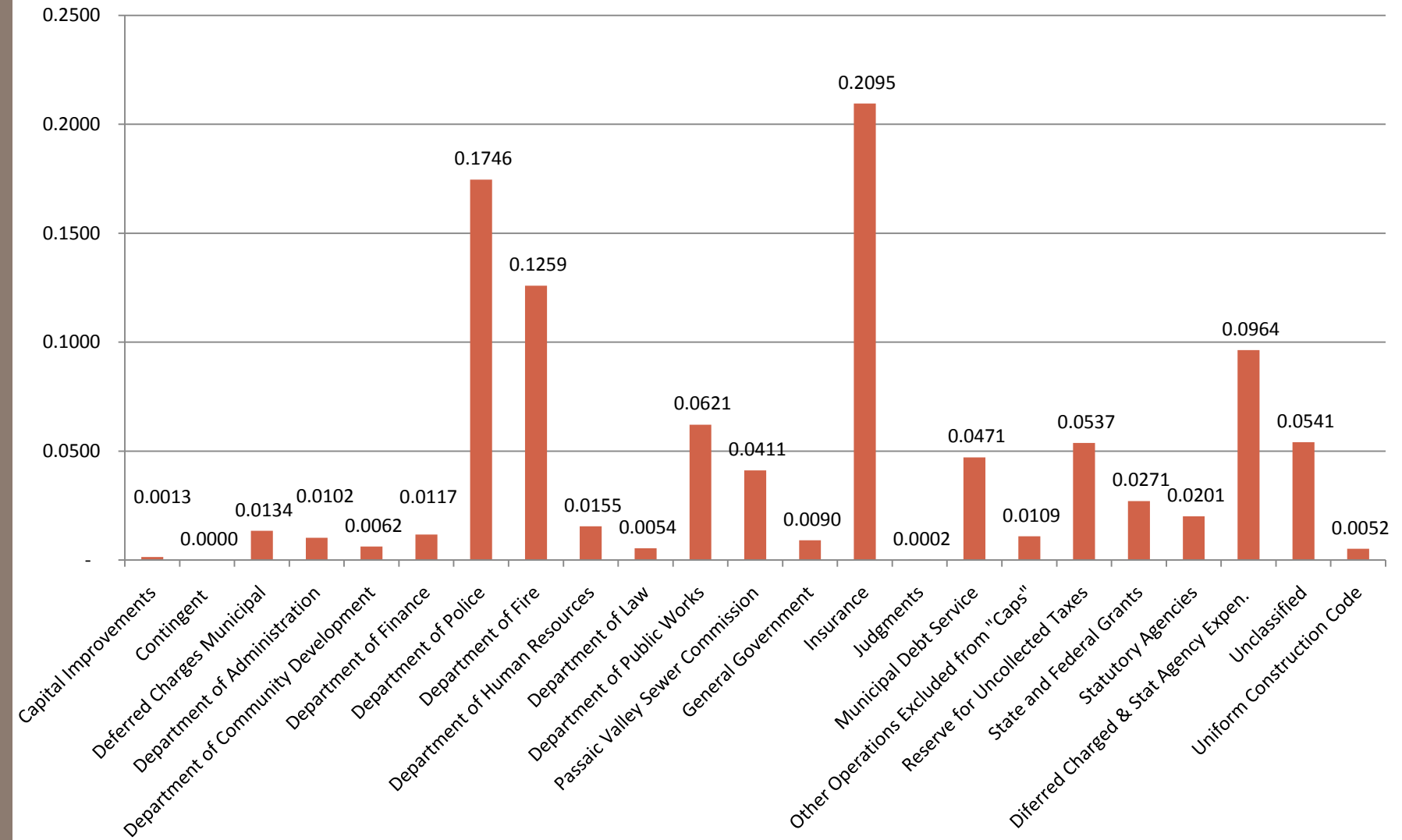
2014 PROPERTY TAXES:

Property Assessment:	<u>150,000</u>	<u>250,000</u>	<u>350,000</u>
Municipal Property Taxes:	2,676.66	4,461.10	6,245.54
Non-Municipal Property Taxes:	<u>1,604.64</u>	<u>2,674.39</u>	<u>3,744.15</u>
Total Property Taxes:	4,281.30	7,135.49	9,989.69

Increase over Prior Year: \$141.04 \$235.07 \$329.39

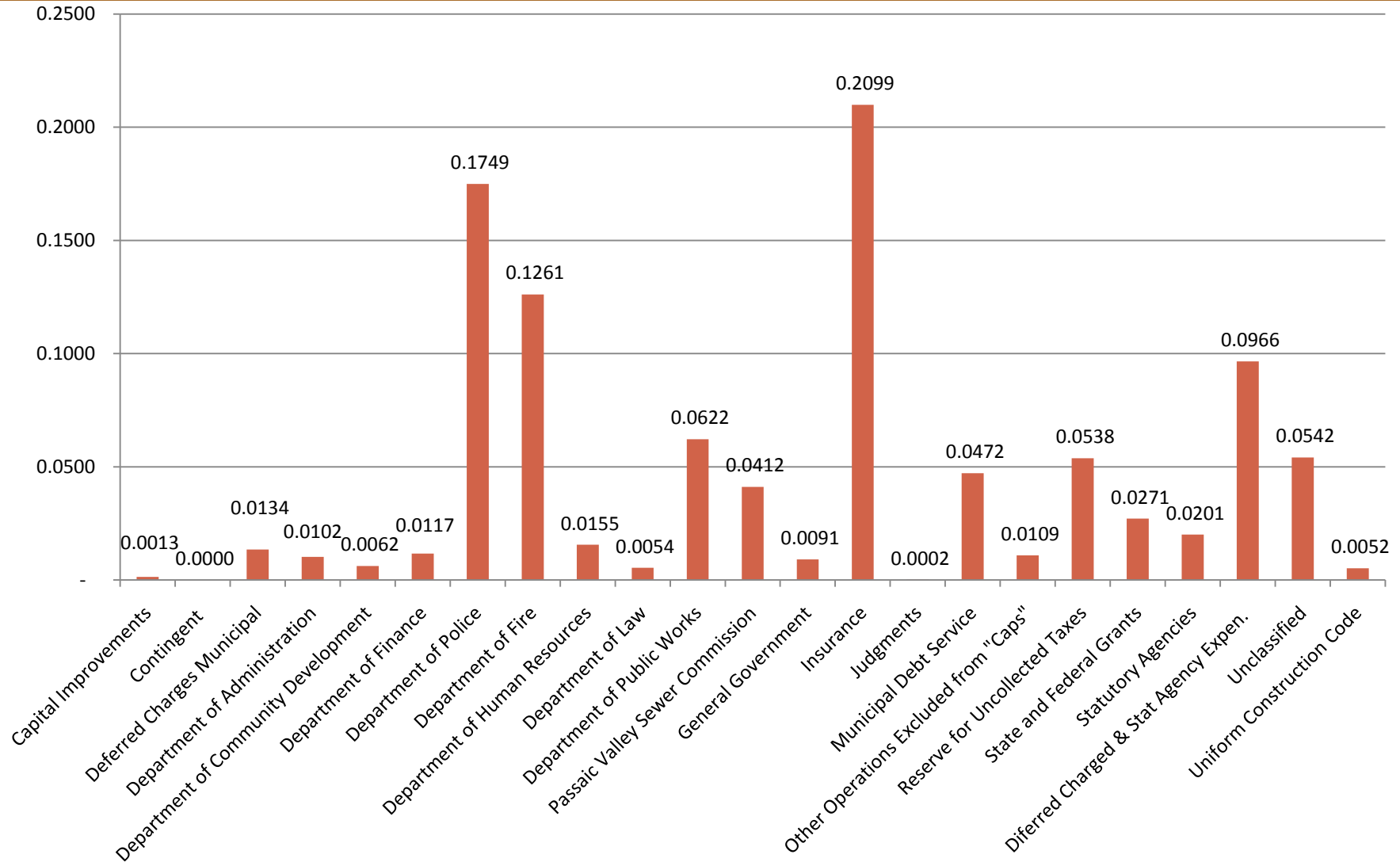
Assessed Value of \$350,000

How Much Do You Pay Per Dollar?



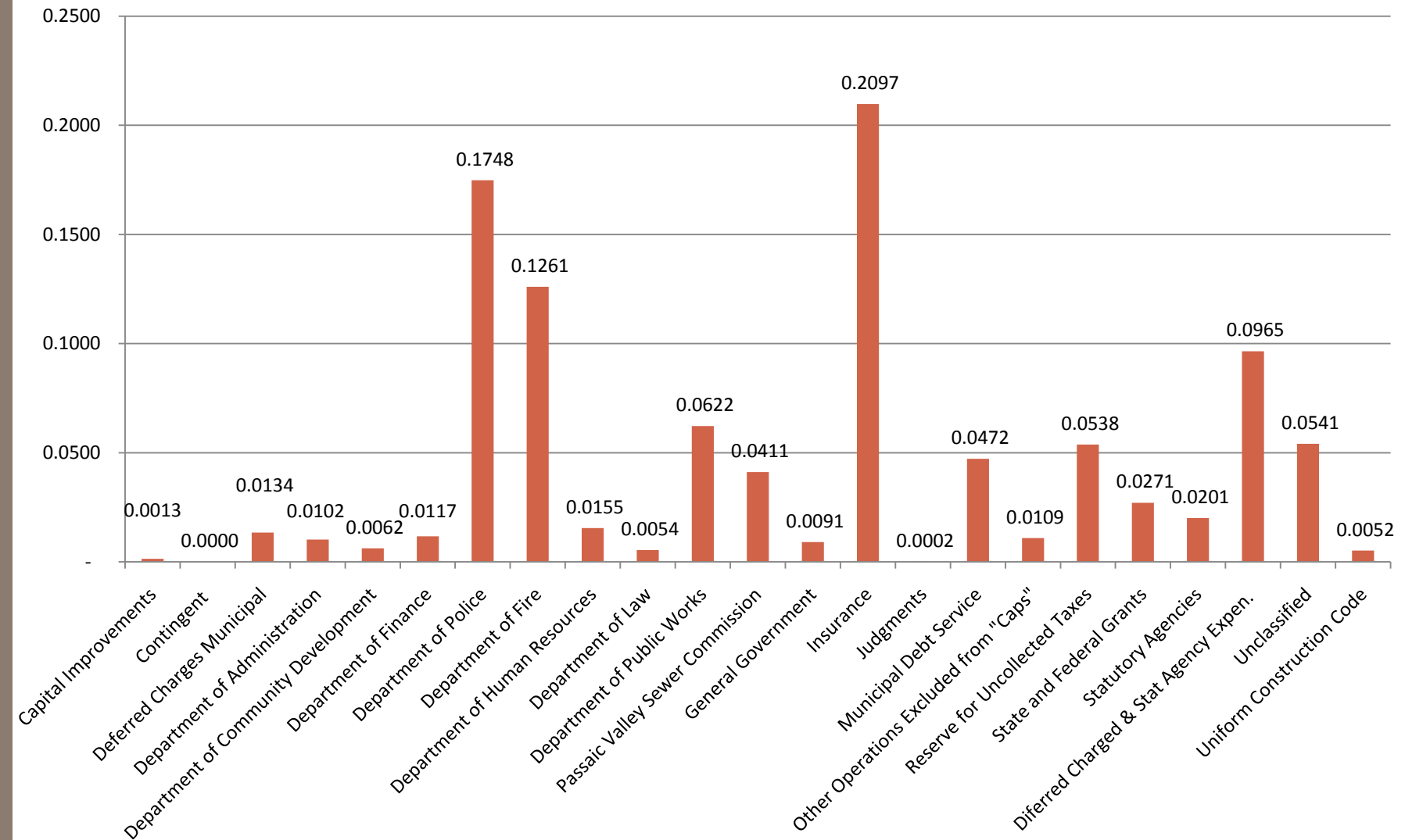
Assessed Value of \$250,000

How Much Do You Pay Per Dollar?



Assessed Value of \$150,000

How Much Do You Pay Per Dollar?



Tax Rate

per \$100 Assessed Value

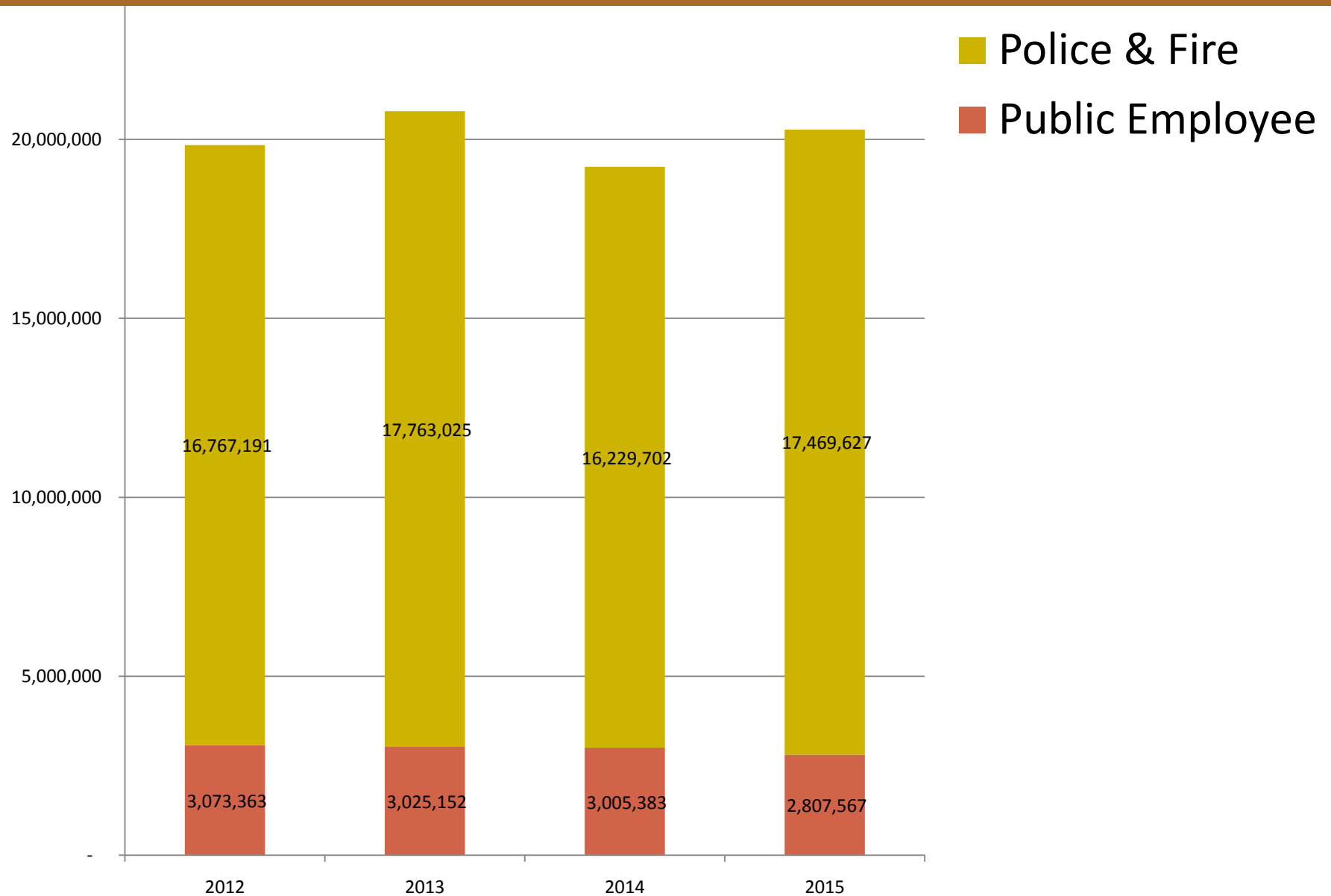
	Actual 2014	Introduced 2015	Increase/ Decrease
Municipal Taxes	1.714	1.853	0.139
Local School District	0.463	0.482	0.019
Municipal Library	0.028	0.028	0.00
Total County Tax (Estimated)	0.530	0.528	0.002
County Open Space	0.009	0.009	0.00
Total Tax Rate	2.744	2.90	0.160

A Historical Perspective

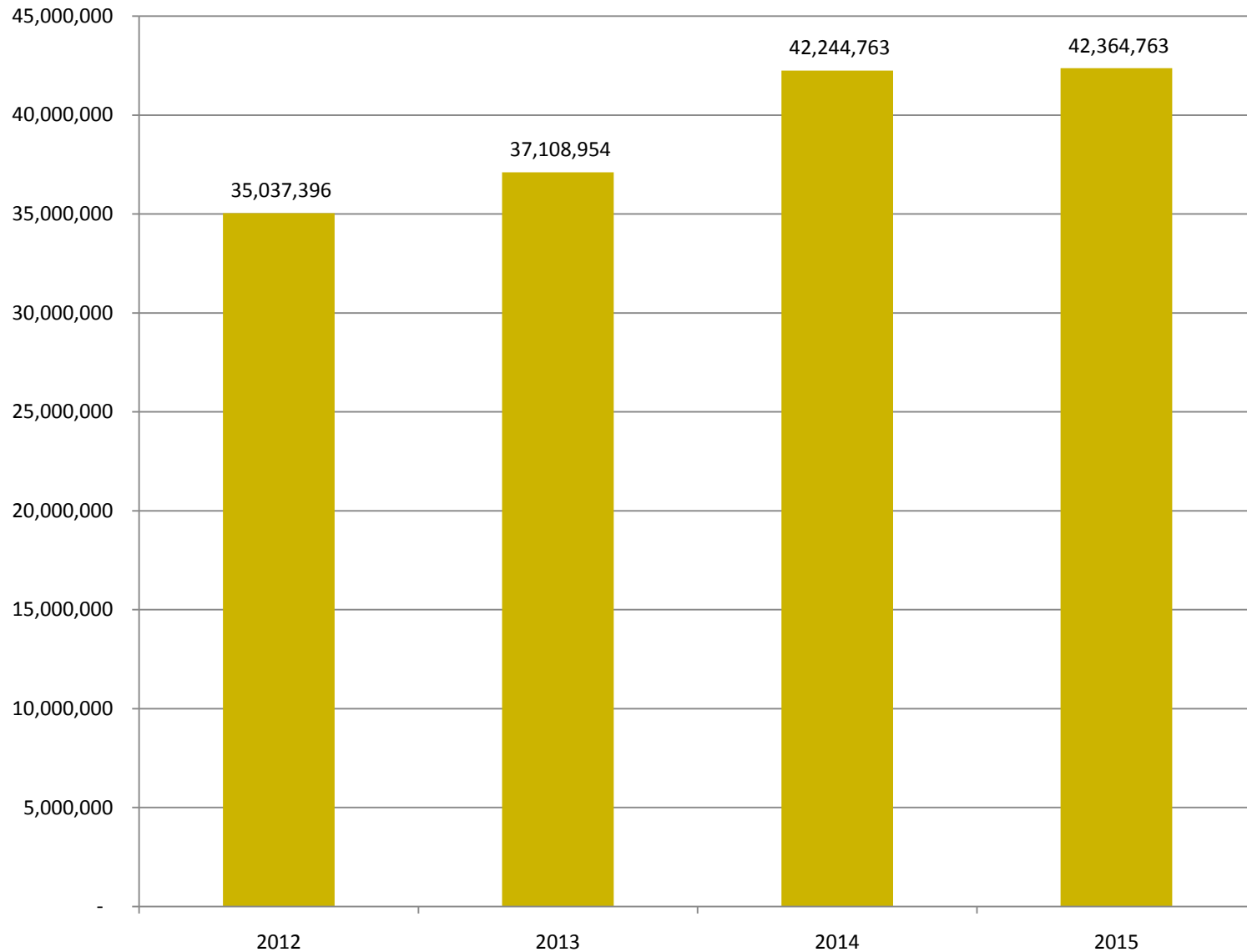
Unfunded Mandates and Escalating Costs



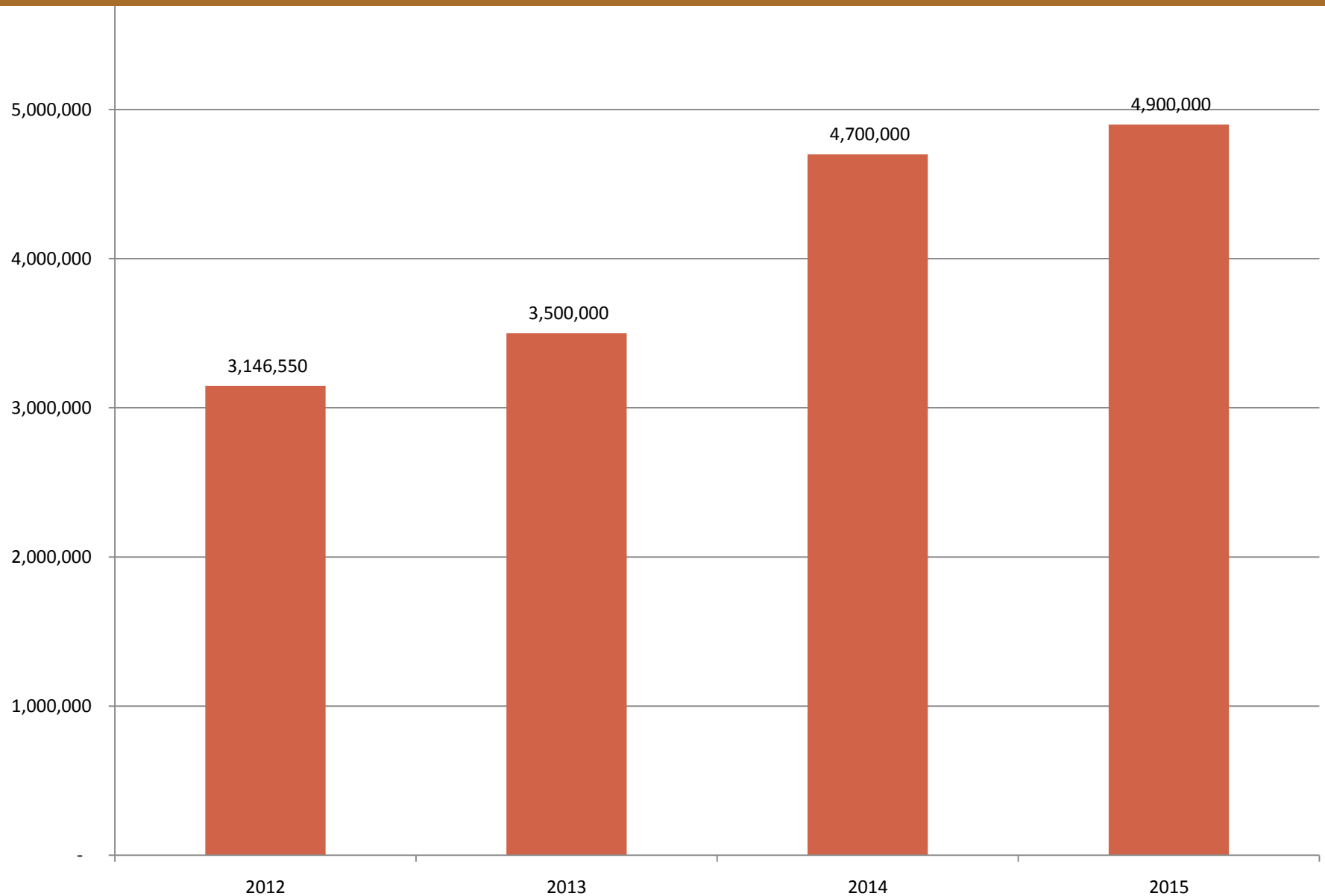
Pensions



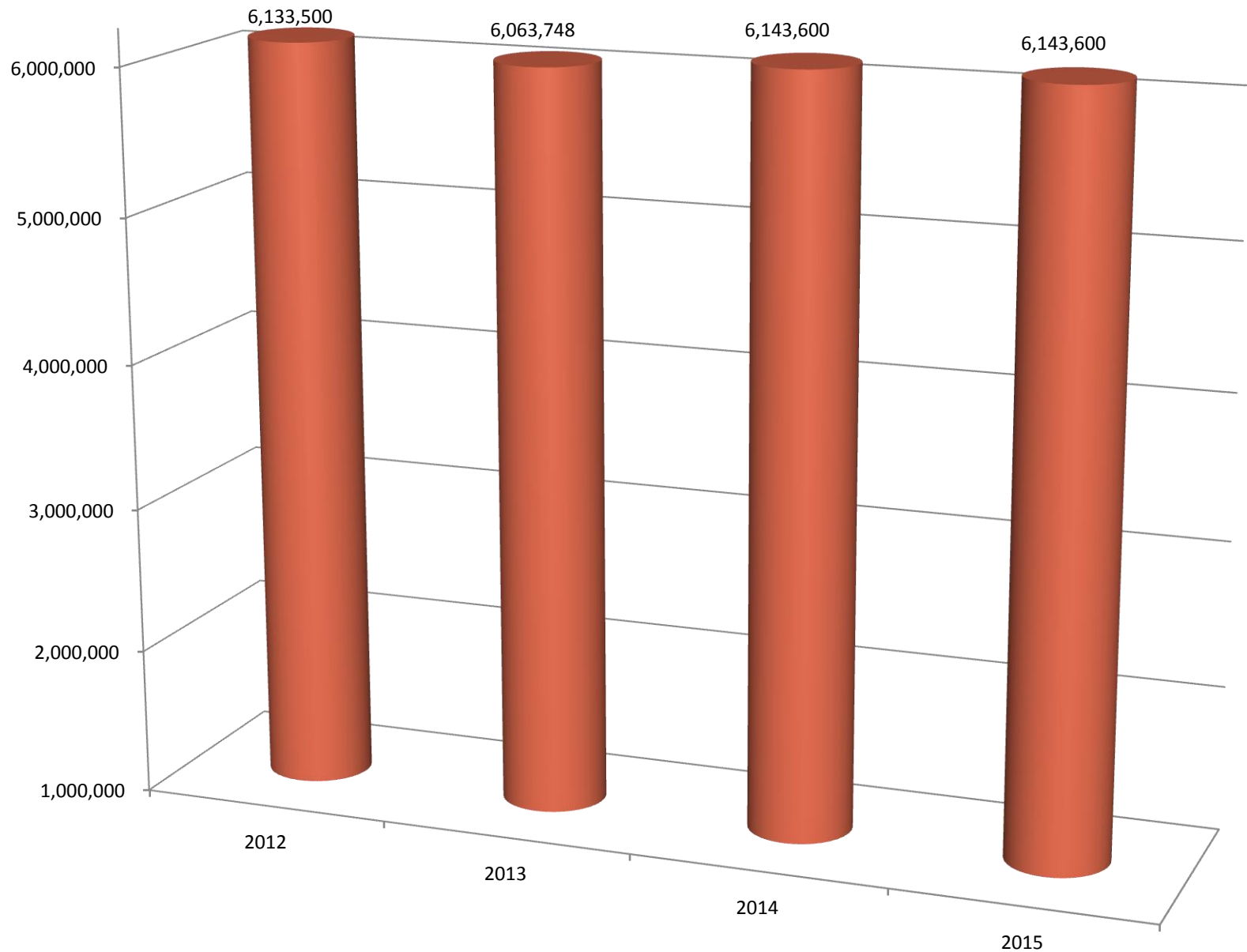
Health Benefits



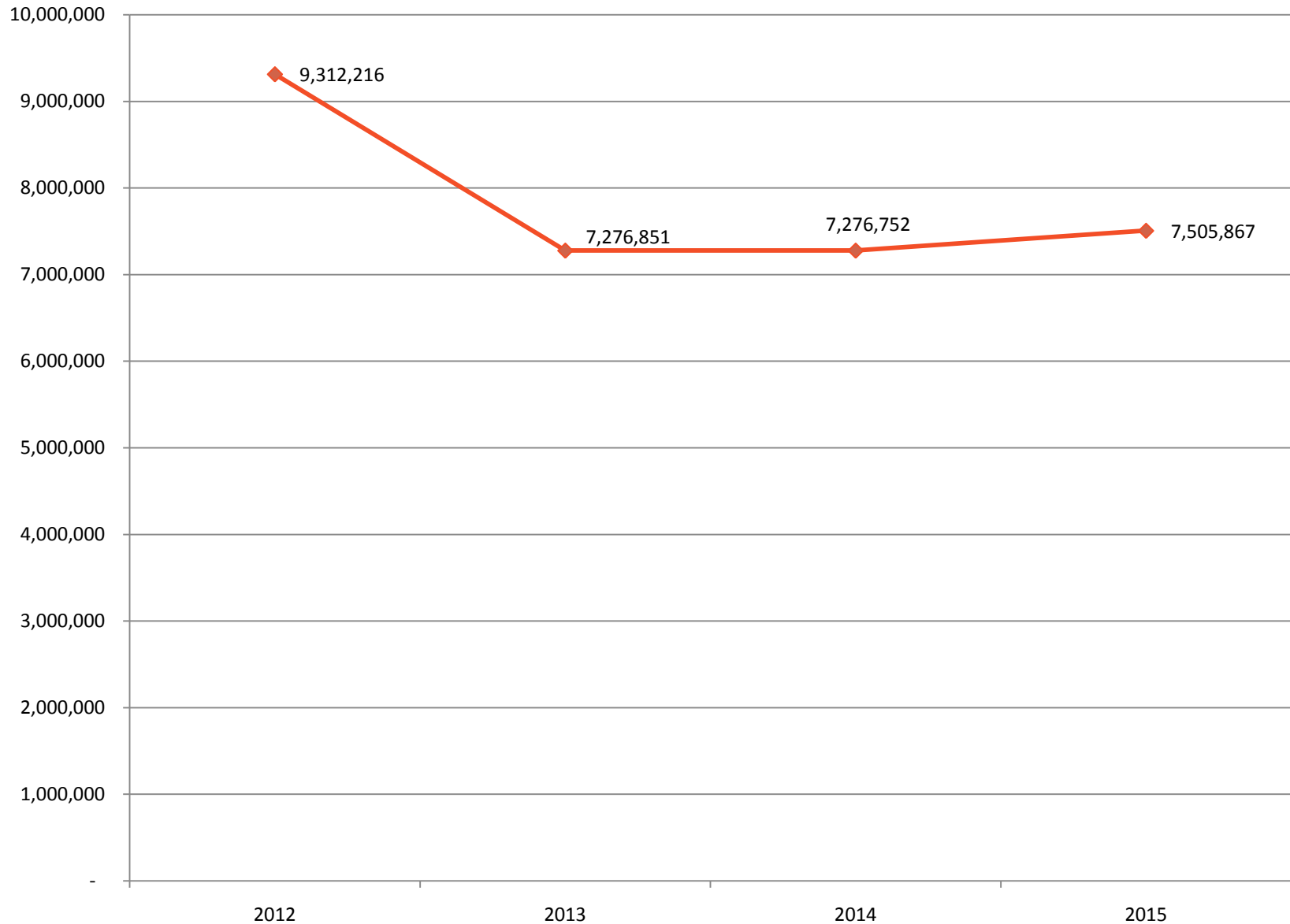
Workmen's Compensation



Utilities & Bulk Purchases



Solid Waste Collection



2015 Municipal Budget Information

City of Paterson

Detailed budget information is available for public inspection (free of charge) at the Office of the City Clerk in the City of Paterson during regular business hours.

MAY 2015



For additional information, please contact the *Director of Finance or Budget Officer*.

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Russell Forenza, Budget Officer x 2372

