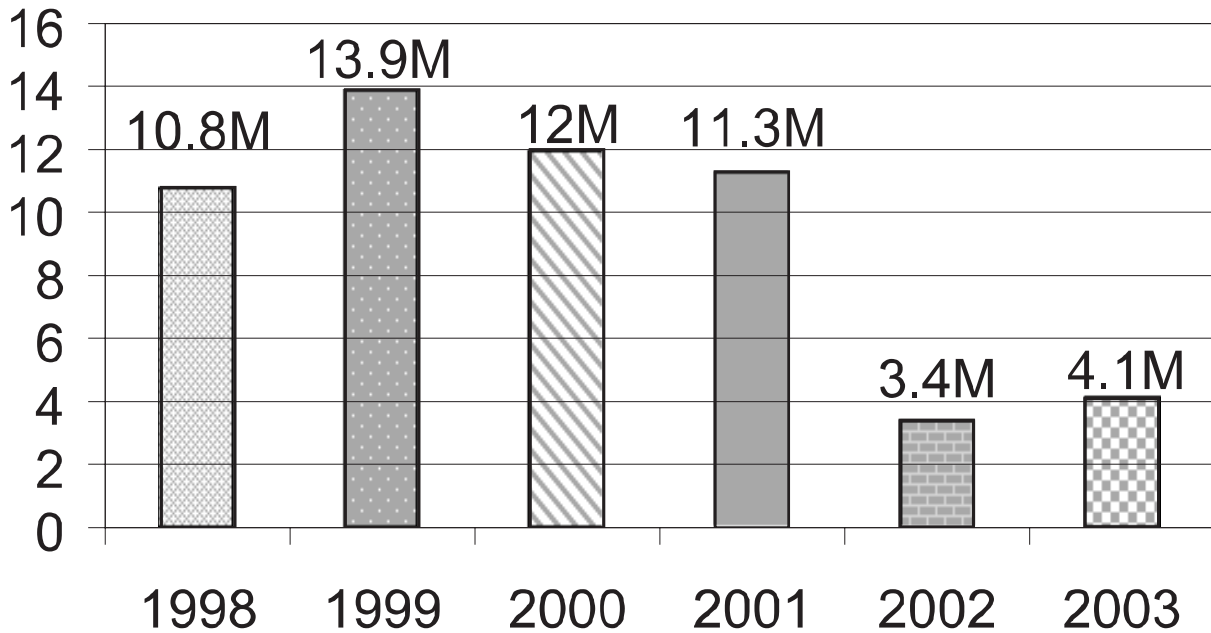


GROWTH IN TAX BASE 1998 - 2003

Million \$



BOROUGH OF MONTVALE
NEWSLETTER

www.montvale.org

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March 2004

Mayor George B. Zeller

COUNCIL

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Richard H. Hiltner
Arthur E. Lavis

Clinton B. Miller
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Richard R. Voorhees

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Borough of Montvale

BUDGET NEWSLETTER

MONTVALE, NEW JERSEY

www.montvale.org

MARCH 2004

MUNICIPAL TAX RATE INCREASES 2.9 CENTS

UPWARD PRESSURES ON TAX RATE

This year the Borough is faced with inflationary pressures in many of its expenditure categories while at the same time the increase in State aid to municipalities this year is well below the rate of inflation. Large percentage increases in the budget include employee health benefits up 19% or \$144,000; gasoline, electricity and natural gas costs; police pension costs are up \$41,951; waste removal up 16% or \$85,000 because of a five year contract renewal at a fixed rate for the life of the contract; snow removal expenses; and salary and wage increases tied to contractual obligations.

QUALITY OF LIFE

The Borough strives to maintain a high quality of life for its residents. The new municipal complex and the Fieldstone field improvements, both completed in 2003, are major examples of this commitment. In response to public concerns over diminishing open space and over-development, the budget provides for two major land acquisitions in 2004. The Borough will continue to maintain and improve its infrastructure including the ongoing road paving program. The Mayor and Council are committed to prudently managing the community's fiscal resources, while providing excellent municipal services and an exceptional quality of life. The Borough has been able to do this because of sound fiscal planning, the aggressive pursuit of grant funding, and a growing tax base. Relatively low property taxes compared to neighboring communities, and an outstanding quality of life have had a very positive impact on residential property values, which have risen dramatically in recent years. Montvale continues to deserve its reputation as the Pride of Pascack Valley.

FEDERAL, STATE AND COUNTY GRANTS

The Borough has been very successful in obtaining outside sources of funding for infrastructure improvements and land acquisition programs. The Borough was awarded \$70,000 in State funds for the resurfacing of Maple Avenue. The Borough also was awarded a grant of \$400,000 by the State Green Acres Program towards

the acquisition of approximately 20 acres of land bordering Summit Avenue. The Borough has been awarded over \$3,285,000 in grant funds for acquisition of land in the past few years. The Borough has acquired a five acre lot adjacent to the municipal complex, financed primarily with State and County grants.

Senior Citizen Center Project Moves Forward

Last year the Borough was awarded a Federal Community Development Grant in the amount of \$190,865 for the conversion of the former Borough Hall to a Senior Citizen's Center. The Borough was awarded \$230,500 this year from this same source, bringing the total for the two grants to \$421,365. Substantial grants such as these leverage the Borough's ability to move forward with major programs without overburdening the municipal taxpayer.

HISTORICAL PERSPECTIVE

OVERALL TAX RATE

From the 1994 Budget through the 2003 Budget, the total tax rate, which includes Municipal, Local and Regional Schools, and County assessments, increased by 3% per year on average. This has been one of the lowest rates of increase in Bergen County.

THE MUNICIPAL TAX RATE

The total 2004 Municipal Budget is \$12,851,158 as compared to the 2003 budget of \$12,014,632. The average annual Municipal tax increase from 1998 through 2004 has been only 2.9%. In 2004 the Municipal Tax Rate will increase 2.9 cents to \$.677 from \$.648 in 2003. This 4.5% increase is a result of the upward pressures noted earlier balanced by restraint in other areas, substantial Federal, State and County grants, and a very favorable rate of 3.59% on the recent bonding used to finance the new municipal complex and other capital improvements. Complete details of the 2004 Municipal Budget are on the following pages of the newsletter for your review.

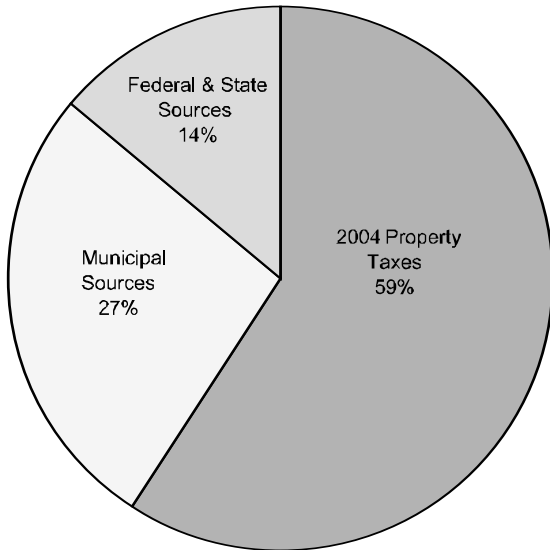
	<i>Proposed 2004</i>	<i>Actual 2003</i>	<i>Actual 2002</i>	<i>Actual 2001</i>	<i>Actual 2000</i>	<i>Actual 1999</i>	<i>Actual 1998</i>
Municipal Tax Rate	\$.677	\$.639	\$.629	\$.571	\$.566	\$.566	\$.570
Cost to Average Homeowner	\$1,908*	\$1,826*	\$1,749**	\$1,587**	\$1,573**	\$1,584**	\$1,584**

*Based Upon 2004 Average Residence Assessed Valuation of \$281,841.

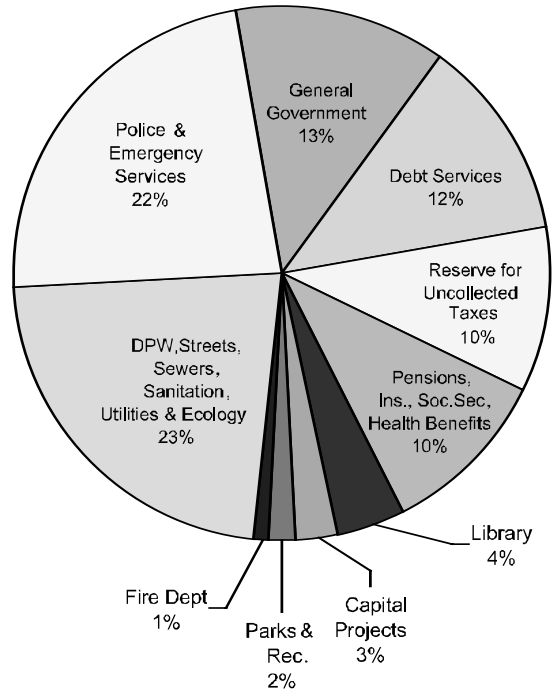
**Prior years based on the average assessed value in each year.

SUMMARY OF 2004 MUNICIPAL BUDGET

**Total Revenue Sources for
Municipal Budget**



**How Your Municipal Tax
Dollar is Spent**



The financial data on the accompanying pages provide a detailed breakdown of both anticipated revenues and planned appropriations for 2004. All information is in a comparative format with the prior year's budget.

The Mayor and Council have completed preparation of the 2004 Budget and we invite all interested residents to attend **A PUBLIC HEARING ON THE PROPOSED MUNICIPAL BUDGET TO BE HELD AT BOROUGH HALL ON TUESDAY MARCH 30, 2004 AT 7:30 P.M.**

If you have any questions, thoughts and/or comments on the budget, please share them with us at the Budget Hearing. Copies of the full municipal budget are available for your review at Borough Hall and can also be viewed online at www.montvale.org.

George B. Zeller, Mayor

Council Members

Roger Fyfe
Clinton B. Miller

Richard. H. Hiltner
Karl J. Rohrbacher

Arthur E. Lavis
Richard R. Voorhees

General Appropriations

	Proposed 2004	Budgeted 2003	\$ Incr/Decr	% Incr/Decr
Rock Roof- Emergency Lights		\$9,000.00	(\$9,000.00)	-100.00%
Hydraulic Tools		\$10,000.00	(\$10,000.00)	-100.00%
Municipal Complex Signage	\$11,000.00		\$11,000.00	N/A
Police Technology Upgrades	\$20,000.00		\$20,000.00	N/A
Fire- Washer/Dryer, Turn out Gear	\$15,000.00		\$15,000.00	N/A
Sink Holes- 25 Highland	\$10,000.00		\$10,000.00	N/A
Fieldstone Sweeping Machine	\$25,000.00		\$25,000.00	N/A
Airavator	\$5,300.00		\$5,300.00	N/A
Chip Box Body	\$9,000.00		\$9,000.00	N/A
Calcium Chloride Tanks	\$10,000.00		\$10,000.00	N/A
Art Work - Municipal Complex	\$9,700.00		\$9,700.00	N/A
Municipal Debt Service				
Payment of Bond Principal	\$860,000.00	\$930,000.00	(\$70,000.00)	-7.53%
Interest on Bonds	\$707,942.00	\$479,566.00	\$228,376.00	47.62%
Deferred Charges				
Special Emergencies	\$112,000.00	\$112,000.00	\$0.00	0%
Emergency Authorizations	\$49,351.00		\$49,351.00	N/A
Deferred Charges to Future Taxation Unfunded - Ordinance #95-1009				
Total General Appropriations	\$11,551,158.00	\$10,739,572.00	\$811,586.00	7.56%
Reserve for Uncollected Taxes	\$1,300,000.00	\$1,248,575.00	\$51,425.00	4.12%
Total General Appropriations	\$12,851,158.00	\$11,988,147.00	\$863,011.00	7.20%
Total S&W	\$4,210,716.00	\$4,007,026.00	\$203,690.00	5.08%
Total OE	\$8,640,442.00	\$7,981,121.00	\$659,321.00	8.26%
Grand Total	\$12,851,158.00	\$11,988,147.00	\$863,011.00	7.20%
Inside Caps	\$7,879,523.00	\$7,322,634.00	\$556,889.00	7.61%
Outside caps	\$4,971,635.00	\$4,665,513.00	\$306,122.00	6.56%
Grand Total	\$12,851,158.00	\$11,988,147.00	\$863,011.00	7.20%

**A PUBLIC HEARING ON THE PROPOSED MUNICIPAL BUDGET
TO BE HELD AT BOROUGH HALL
ON TUESDAY MARCH 30, 2004 AT 7:30 P.M.**

General Appropriations

	Proposed 2004	Budgeted 2003	\$ Incr/Decr	% Incr/Decr
Unclassified				
Municipal Services Act	\$7,500.00	\$5,000.00	\$2,500.00	50.00%
Prior Year Bills				
Salary Adjustment Account	\$20,000.00	\$20,000.00	\$0.00	0%
Utilities				
Electricity	\$151,980.00	\$174,000.00	(\$22,020.00)	-12.66%
Street Lighting	\$70,000.00	\$85,000.00	(\$15,000.00)	-17.65%
Telephone	\$66,000.00	\$57,000.00	\$9,000.00	15.79%
Natural Gas	\$53,990.00	\$38,461.00	\$15,529.00	40.38%
Gasoline	\$57,000.00	\$40,000.00	\$17,000.00	42.50%
Fire Hydrant Service	\$135,000.00	\$130,000.00	\$5,000.00	3.85%
Contingent	\$1,000.00	\$7,000.00	(\$6,000.00)	-85.71%
Statutory Expenditures				
Contribution to PERS		\$500.00	(\$500.00)	-100.00%
Contribution to Social Security	\$154,580.00	\$155,000.00	(\$420.00)	-0.27%
Contribution to PFRS	\$41,951.00	\$1,000.00	\$40,951.00	4095.10%
Operations - Excluded from "CAPS"				
Fair Housing Compliance Act				
Other Expenses	\$35,000.00	\$20,000.00	\$15,000.00	75.00%
PEOSHA Compliance - Hepatitis B	\$2,000.00	\$3,000.00	(\$1,000.00)	-33.33%
Reserve for Tax Appeals	\$5,000.00	\$50,000.00	(\$45,000.00)	-90.00%
Maintenance of Free Public Library	\$525,661.00	\$506,989.00	\$18,672.00	3.68%
Sewer Contract BCUA	\$591,786.00	\$542,300.00	\$49,486.00	9.13%
LOSAP	\$40,000.00	\$40,000.00	\$0.00	0%
Police Dispatch				
Salaries and Wages	\$172,788.00	\$169,000.00	\$3,788.00	2.24%
Municipal Court				
Salaries and Wages	\$130,750.00	\$126,300.00	\$4,450.00	3.52%
Other Expenses	\$45,820.00	\$45,820.00	\$0.00	0%
Public Defender				
Other Expenses	\$4,000.00	\$3,500.00	\$500.00	14.29%
Public and Private Programs				
Municipal Alliance	\$11,500.00	\$10,025.00	\$1,475.00	14.71%
Clean Communities Program - Other Expenses	\$7,203.00	\$0.00	\$7,203.00	N/A
Recycling Tonnage	\$0.00			
Alcohol Ed/Rehabilitation	\$0.00			
Drunk Driving Enforcement	\$3,368.00	\$10,671.00	(\$7,303.00)	-68.44%
BCCD Senior Citizen Program - Other Expenses	\$3,000.00	\$3,000.00	\$0.00	0%
Body Armor Fund	\$2,440.00	\$3,767.00	(\$1,327.00)	-35.23%
BCCD Senior Citizen Van- Salaries and Wages	\$14,620.00	\$0.00	\$14,620.00	N/A
State - DOT Mun'l Aid	\$70,000.00		\$70,000.00	N/A
State (SLAHEOP) Prog	\$2,406.00		\$2,406.00	N/A
Capital Improvements				
Capitial Improvement Fund	\$50,000.00	\$35,000.00	\$15,000.00	42.86%
Road Improvement Fund	\$75,000.00	\$250,000.00	(\$175,000.00)	-70.00%
SCBA Air Bottles		\$15,000.00	(\$15,000.00)	-100.00%
South Park Beautification - County	\$35,000.00	\$0.00	\$35,000.00	N/A
CISComputer-LAN System Server		\$23,000.00	(\$23,000.00)	-100.00%
Black Top Roller		\$9,000.00	(\$9,000.00)	-100.00%
County of Bergen - Middletown Road Bridge		\$10,000.00	(\$10,000.00)	-100.00%

General Revenues

	Proposed 2004	Anticipated 2003	\$ Incr/Decr	% Incr/Decr
Surplus Anticipated	\$2,300,000.00	\$2,300,000.00	\$0.00	0%
Total Surplus Anticipated	\$2,300,000.00	\$2,300,000.00	\$0.00	0%
Miscellaneous Revenues				
Licenses				
Alcoholic Beverages	\$10,000.00	\$8,500.00	\$1,500.00	17.65%
Other	\$26,500.00	\$25,000.00	\$1,500.00	6.00%
Fees and Permits	\$145,000.00	\$110,000.00	\$35,000.00	31.82%
Fines and Costs				
Municipal Court	\$119,500.00	\$135,000.00	(\$15,500.00)	-11.48%
Other				
Interest/Costs on Taxes	\$25,000.00	\$25,000.00	\$0.00	0%
Interest on Investments/Deposits	\$75,000.00	\$125,000.00	(\$50,000.00)	-40.00%
Funds from Local School Dist/Fstone Flds	\$150,000.00	\$0.00	\$150,000.00	N/A
BOE Fieldstone Fields Annual Pymt	\$25,000.00	\$0.00	\$25,000.00	N/A
Reserve for Payment of Debt	\$144,110.00	\$0.00	\$144,110.00	N/A
Total Section A:	\$720,110.00	\$428,500.00	\$291,610.00	68.05%
Energy Receipts	\$1,158,669.00	\$1,136,025.00	\$22,644.00	1.99%
Supplemental Energy Receipts Tax	\$170,852.00	\$170,852.00	\$0.00	0%
Consol. Mun. Prop Tax Relief Aid	\$275,107.00	\$275,107.00	\$0.00	0%
Legislative Block Grant	\$30,393.00	\$30,393.00	\$0.00	0%
Total Section B:	\$1,635,021.00	\$1,612,377.00	\$22,644.00	1.40%
Section C: UCC Fees	\$171,153.00	\$200,000.00	(\$28,847.00)	-14.42%
Total Section C:	\$171,153.00	\$200,000.00	(\$28,847.00)	-14.42%
Total Section D:	\$0.00	\$0.00	\$0.00	0%
Uniform Fire Safe Act-Law Enforcement	\$38,357.00	\$36,000.00	\$2,357.00	6.55%
Total Section E:	\$38,357.00	\$36,000.00	\$2,357.00	6.55%
Municipal Alliance Grant	\$11,500.00	\$10,025.00	\$1,475.00	14.71%
Drunk Driving Enforcement Grant	\$3,368.00	\$10,671.00	(\$7,303.00)	-68.44%
State - DOT 2004 Municipal Aid	\$70,000.00	\$0.00	\$70,000.00	N/A
State (SLAHEOP) Program	\$2,406.00	\$0.00	\$2,406.00	N/A
Clean Community Grant	\$7,203.00	\$0.00	\$7,203.00	N/A
Senior Citizens	\$3,000.00	\$3,000.00	\$0.00	0%
Body Armor - Federal	\$2,440.00	\$1,680.00	\$760.00	45.24%
Body Armor - State		\$2,087.00	(\$2,087.00)	-100.00%
BCCD Senior Citizens Van Grant	\$14,620.00	\$0.00	\$14,620.00	N/A
CDBG South Park Beautification	\$35,000.00	\$0.00	\$35,000.00	N/A
County of Bergen - Flood Relief		\$0.00	\$0.00	N/A
Total Section F:	\$149,537.00	\$27,463.00	\$122,074.00	444.50%
Uniform Fire Safety Act	\$5,144.00	\$4,000.00	\$1,144.00	28.60%
Police Dispatch	\$172,778.00	\$169,000.00	\$3,778.00	2.24%
Cable TV Franch. Fee	\$20,288.00	\$18,000.00	\$2,288.00	12.71%
Sewer Agreement-Marriott Corp.	\$49,018.00	\$49,018.00	\$0.00	0%
Total Section G:	\$247,228.00	\$240,018.00	\$7,210.00	3.00%
Total Miscellaneous Revenue	\$5,261,406.00	\$4,844,358.00	\$417,048.00	8.61%
Receipt from Delinquent taxes	\$150,000.00	\$150,000.00	\$0.00	0%
Amount to be Raised by Taxes	\$7,439,752.00	\$6,993,789.00	\$445,963.00	6.38%
Grand Total:	\$12,851,158.00	\$11,988,147.00	\$863,011.00	7.20%

General Appropriations

		Proposed 2004	Budgeted 2003	\$ Incr/Decr	% Incr/Decr
Operations - Within "CAPS"					
General Government					
Administrative/Executive	Salaries and Wages	\$227,201.00	\$228,812.00	(\$1,611.00)	-0.70%
	Other Expenses	\$100,850.00	\$100,850.00	\$0.00	0%
Election	Salaries and Wages	\$2,000.00	\$2,000.00	\$0.00	0%
	Other Expenses	\$3,750.00	\$3,750.00	\$0.00	0%
Mayor & Council	Salaries and Wages	\$44,360.00	\$42,650.00	\$1,710.00	4.01%
	Other Expenses	\$23,850.00	\$23,850.00	\$0.00	0%
Borough Clerk	Salaries and Wages	\$101,123.00	\$98,380.00	\$2,743.00	2.79%
	Other Expenses	\$25,100.00	\$26,600.00	(\$1,500.00)	-5.64%
Financial Administration	Salaries and Wages	\$88,520.00	\$25,500.00	\$63,020.00	247.14%
	Other Expenses	\$10,900.00	\$10,900.00	\$0.00	0%
Audit Services	Other Expenses	\$30,300.00	\$27,800.00	\$2,500.00	8.99%
Collection of Taxes	Salaries and Wages	\$53,620.00	\$88,900.00	(\$35,280.00)	-39.69%
	Other Expenses	\$11,250.00	\$11,250.00	\$0.00	0%
Assessment of Taxes	Salaries and Wages	\$20,000.00	\$25,290.00	(\$5,290.00)	-20.92%
	Other Expenses	\$28,800.00	\$28,800.00	\$0.00	0%
Legal Services and Costs	Salaries and Wages	\$37,738.00		\$37,738.00	N/A
	Other Expenses	\$90,000.00	\$124,250.00	(\$34,250.00)	-27.57%
Prosecutor	Other Expenses	\$18,000.00	\$18,000.00	\$0.00	0%
Historian	Other Expenses	\$750.00	\$750.00	\$0.00	0%
Engineering Services & Costs	Other Expenses	\$49,181.00	\$49,181.00	\$0.00	0%
Cable TV Committee	Salaries and Wages	\$9,000.00	\$6,000.00	\$3,000.00	50.00%
	Other Expenses	\$4,950.00	\$4,950.00	\$0.00	0%
Public Employees Award Program	Other Expenses	\$1,000.00	\$2,000.00	(\$1,000.00)	-50.00%
Environmental Commission	Salaries and Wages	\$1,500.00	\$1,440.00	\$60.00	4.17%
	Other Expenses	\$800.00	\$800.00	\$0.00	0%
Historic Preservation Comm.	Salaries and Wages	\$1,000.00	\$1,000.00	\$0.00	0%
	Other Expenses	\$1,950.00	\$1,950.00	\$0.00	0%
Municipal Land Use Law					
Planning Board	Salaries and Wages	\$24,536.00	\$23,140.00	\$1,396.00	6.03%
	Other Expenses	\$32,725.00	\$32,725.00	\$0.00	0%
Zoning Board of Adjustment	Salaries and Wages	\$11,900.00	\$11,556.00	\$344.00	2.98%
	Other Expenses	\$9,050.00	\$9,050.00	\$0.00	0%
Zoning Official	Salaries and Wages	\$9,910.00	\$9,568.00	\$342.00	3.57%
Code Enforcement and Administration					
Property Maintenance	Salaries and Wages	\$9,360.00	\$9,000.00	\$360.00	4.00%
State Uniform Construction Code					
Construction Code Official	Salaries and Wages	\$102,083.00	\$78,000.00	\$24,083.00	30.88%
	Other Expenses	\$11,000.00	\$8,000.00	\$3,000.00	37.50%
Building	Salaries and Wages	\$29,100.00	\$28,080.00	\$1,020.00	3.63%
Plumbing	Salaries and Wages	\$11,240.00	\$10,800.00	\$440.00	4.07%
Electrical	Salaries and Wages	\$8,000.00	\$8,600.00	(\$600.00)	-6.98%
Elevator	Salaries and Wages	\$7,800.00	\$7,600.00	\$200.00	2.63%

General Appropriations

		Proposed 2004	Budgeted 2003	\$ Incr/Decr	% Incr/Decr
Insurance					
Liability Insurance		\$107,809.00	\$116,300.00	(\$8,491.00)	-7.30%
Workers' Compensation		\$122,774.00	\$68,000.00	\$54,774.00	80.55%
Group Insurance		\$890,015.00	\$745,656.00	\$144,359.00	19.36%
Life Insurance		\$5,300.00	\$5,200.00	\$100.00	1.92%
Public Safety					
Police Department	Salaries and Wages	\$2,149,912.00	\$2,100,132.00	\$49,780.00	2.37%
	Other Expenses	\$98,700.00	\$92,200.00	\$6,500.00	7.05%
Police Radio Communications	Salaries and Wages	\$105,000.00	\$109,500.00	(\$4,500.00)	-4.11%
	Other Expenses	\$35,000.00	\$40,000.00	(\$5,000.00)	-12.50%
Emergency Management	Salaries and Wages	\$2,100.00	\$2,000.00	\$100.00	5.00%
	Other Expenses	\$9,745.00	\$7,900.00	\$1,845.00	23.35%
First Aid Organization	Other Expenses	\$22,500.00	\$23,000.00	(\$500.00)	-2.17%
Fire Department	Salaries and Wages	\$5,420.00	\$5,200.00	\$220.00	4.23%
	Other Expenses	\$116,750.00	\$116,250.00	\$500.00	0.43%
Uniform Fire Safety Act	Salaries and Wages	\$37,170.00	\$35,000.00	\$2,170.00	6.20%
	Other Expenses	\$8,900.00	\$9,200.00	(\$300.00)	-3.26%
Fire Subcode Official	Salaries and Wages	\$9,650.00	\$9,400.00	\$250.00	2.66%
Vehicles	Other Expenses	\$60,000.00	\$62,000.00	(\$2,000.00)	-3.23%
Public Works					
Road Repair & Maintenance	Salaries and Wages	\$508,500.00	\$534,178.00	(\$25,678.00)	-4.81%
	Other Expenses	\$163,525.00	\$142,775.00	\$20,750.00	14.53%
Maintenance of All Vehicles	Other Expenses	\$99,500.00	\$72,000.00	\$27,500.00	38.19%
Sewer System	Other Expenses	\$57,300.00	\$43,300.00	\$14,000.00	32.33%
Garbage & Trash Removal	Other Expenses	\$619,675.00	\$535,000.00	\$84,675.00	15.83%
Public Buildings & Grounds	Salaries and Wages	\$124,760.00	\$70,000.00	\$54,760.00	78.23%
	Other Expenses	\$57,912.00	\$69,200.00	(\$11,288.00)	-16.31%
Recycling	Salaries and Wages	\$14,560.00	\$14,560.00	\$0.00	0%
	Other Expenses	\$89,850.00	\$88,700.00	\$1,150.00	1.30%
Solid Waste Fees		\$35,000.00	\$35,000.00	\$0.00	0%
Health and Human Services					
Board of Health	Salaries and Wages	\$2,960.00	\$2,960.00	\$0.00	0%
	Other Expenses	\$61,868.00	\$58,600.00	\$3,268.00	5.58%
Animal Regulation	Other Expenses	\$8,500.00	\$8,500.00	\$0.00	0%
Administration Public Assistance	Salaries and Wages	\$5,200.00	\$5,000.00	\$200.00	4.00%
	Other Expenses	\$55.00	\$55.00	\$0.00	0%
Senior Citizens Van	Salaries and Wages	\$18,000.00	\$18,000.00	\$0.00	0%
	Other Expenses	\$0.00	\$0.00	\$0.00	
Park and Recreation					
Recreation	Salaries and Wages	\$89,335.00	\$79,480.00	\$9,855.00	12.40%
	Other Expenses	\$39,825.00	\$32,805.00	\$7,020.00	21.40%
Parks and Playgrounds	Other Expenses	\$51,155.00	\$32,250.00	\$18,905.00	58.62%
Celebration of Public Events	Other Expenses	\$29,500.00	\$26,000.00	\$3,500.00	13.46%
Youth Guidance/DARE	Other Expenses	\$2,600.00	\$2,600.00	\$0.00	0%