

Clifton Journal

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Budget tricks in Clifton?

At the Jan. 20 Council meeting, the CFO provided a final 2014 budget summary, which showed the city has a \$6.3 million surplus (just from the 2014 budget). This is in addition to the \$6.9 million surplus we started the year with.

Here is why - the City understated the amount of revenues to be received and overstated expenses. Revenues were understated by \$3.8 million and expenses were overstated by \$2.5 million. Remember last year when this budget was prepared by the former city manager who claimed this was "a bare bones budget?" and argued when I lobbied for a zero percent tax increase that nothing more could be cut from the budget. In actuality, there was \$2.5 million more that could have been cut so that taxpayers would have had a zero percent tax increase instead of the 2 percent increase.

Why then does the CFO state "there is not enough budget monies left over to replenish the \$750,000 in the reserve for accumulated absences" which the city had to borrow against for the \$1.3 million shortfall in 2014's health care costs? With over \$2.5 million in overstated expenses, there is more than enough to replenish this account rather than through taxation.

Understating revenues and overstating expenses is the oldest budgeting trick in the book. I hope our new city manager doesn't fall prey to this tactic.

Mary Sadrakula

Former Clifton Councilwoman

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