

TOWNSHIP OF MONROE – 2019 BUDGET MESSAGE

Mayor Gerald W. Tamburro

I am pleased to present a budget with no municipal tax rate increase for our residents.

This is the result of many things including our 4th year of AA+ bond rating by Standard and Poor's, our very stable surplus, and our successful collective bargaining agreements with our dedicated employees.

Most importantly, we are careful guardians of your tax dollars to provide the highest quality services in a fiscally responsible manner. This is my charge and I work each day to make sure we manage your resources wisely.

Here are some of the ways I have worked with the Council to deliver a budget with no tax increase this year.

Our largest area of savings was in employee healthcare. With costs of healthcare rising, we were able to negotiate with employees to redesign our health care program. With our changes, we saved over \$700,000 or more than 10% of our healthcare costs. Almost 30% of employees chose our new Omnia plan from Horizon BCBS, which has been well received. And, all new employees will only be enrolled in Omnia, which is a significantly lower cost. This effort was not an easy road – but it a fair solution for our employees and our taxpayers.

We have also been able to take advantage of rising interest rates and increased our interest revenue by over \$300,000.

Another factor that helps us avoid a tax increase, and this is important, is that our tax collection rate was over 99% in 2018.

In addition, our professional emergency medical services brought in more dollars than anticipated by \$300,000 and we never bill the balance after insurance to township residents. EMS responded to more than 10,000 calls in 2018.

Long term planning also allowed us to keep our tax rate flat. In 2019, our surplus is \$12 Million, a healthy level that has been consistent for many years. Additionally, our utility surplus has grown by \$700,000 this past year. These efforts help contribute to a stable tax rate and will keep us the 2nd lowest overall tax rate in the County.

Importantly, our budget success also comes from our manageable and flat debt service. Together with the Council, we have carefully managed our debt for long-term stability. I am pleased to report today that Monroe Township uses only 20% of State Department of Community affairs debt capacity. Our percentage has gone down over the past 3 years and that continued effort helps us keep your taxes low.

Regarding taxes, I want to thank our residents. Monroe is a desirable community with amazing services and terrific people. We are the safest city in Middlesex County and 3rd safest community in the state. We have the most professional police department and first responders. We have the most impressive and active library in Central Jersey. I am always excited to see our kids, teenagers, parents, and seniors using this magnificent facility.

Speaking of services, for the 28th consecutive year, there will be no increase in basic residential water & sewer rates, which are the lowest in Middlesex County and among the lowest in all of central New Jersey.

I am also proud that Monroe delivers the best value for our kids with our affordable summer recreation camp. And this year, for the first time, we have been able to expand senior programming at the senior center to nights and the weekend to serve our working seniors.

Unfortunately, for the tenth consecutive year, municipal aid remains flat with no increase from the State of New Jersey. Last year, I helped lead the fight with Assembly Speaker Craig Coughlin to reverse the cuts on the homestead tax credit for seniors and the disabled. We succeeded and our residents received \$3.3 million in 2018. I am also pleased to announce that our state school funding budget has increased \$3 Million annually since 2017. While this is not nearly what we deserve, we all fought hard, including our Board of Education, and we must continue that fight alongside our legislators.

I am pleased to learn that the County will keep their tax rate flat in 2019 as well. All of these combined efforts, will help to allow us maintain our spot as the second lowest overall effective tax rate in Middlesex County.

As I close -- let me give you a breakout of your total property tax bill. The municipal portion, which is the only portion of property taxes that are under the direct control of the Mayor & Council, is 20% of your total property taxes. The Board of Education makes up the largest portion of property taxes at 56%; the County at 18%; and the Fire Districts at 6%. For the average taxpayer, all of your municipal services **cost less than \$1,500 a year.**

I would like to thank the Council for being a good partner and joining me in being good stewards of the public trust. I want to thank our municipal employees, who are dedicated to ensuring the excellent quality of life our residents deserve.

Finally, I want to close with the same pledge I made last year. I commit that we will continue to work together with Middlesex County, our Fire Districts, and the Board of Education for the betterment of our residents and our community. I know we will achieve more by working together and I pledge to continue that effort in 2019.