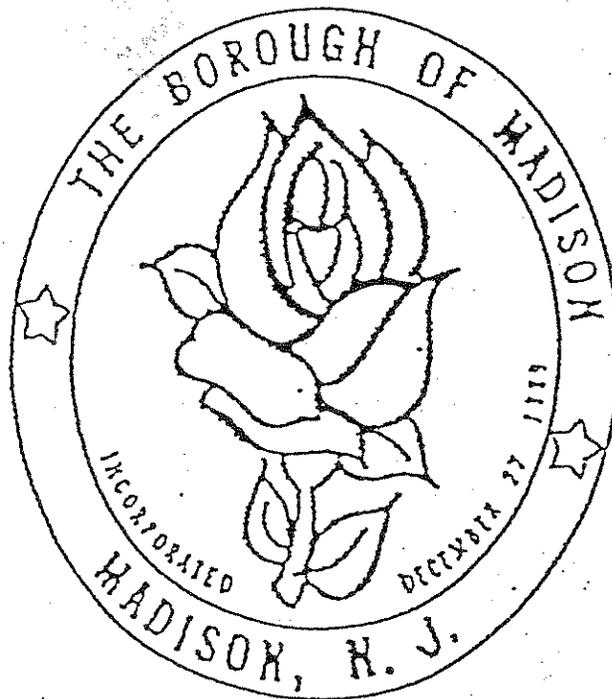


1998 BUDGET IN BRIEF



MAYOR

GARY E. RUCKELSHAUS

COUNCIL MEMBERS

DENNIS G. MULLINS

MARTIN F. BARBATO

BRUCE C. GALTON

JOHN J. DUNNE
COUNCIL PRESIDENT

NINO A. COVIELLO

MARY-ANNA HOLDEN



HARTLEY DODGE MEMORIAL
BOROUGH OF MADISON
MADISON, NEW JERSEY

07940

March 9, 1998

Dear Madison Residents:

Enclosed for your review is the 1998 Municipal Budget. This year will require a tax rate increase of 3.3% over 1997. This is the first year since 1990 that the tax rate has increased by more than 1.0%. As you may remember, the municipal rate did not increase at all from 1992 through 1996 or five full years!

During 1998 the Borough will continue to deliver all the services that our residents expect. The Borough plans to spend \$1,698,000 for capital improvements and equipment that will be financed by our "pay as you go" policy. This will continue the eight year trend of reducing our outstanding bonded debt from \$23,000,000 in 1990 to \$12,000,000 at the end of 1997 and will provide significant financial flexibility in future years.

This "Budget In Brief" summarizes the appropriations and services that support municipal services and the revenue sources that fund these services. It also describes the accomplishments of 1997 and the goals for 1998. The Council and I will conduct a budget hearing on Monday, April 13th at 8:00 pm. We welcome your questions and suggestions.

Sincerely,


Gary E. Ruckelshaus,
Mayor,
Borough of Madison

The following Borough Officials are responsible for preparing and expending their budgets in accordance with the Limitations imposed by the Governing Body:

Borough Administrator	James R. Allison
Director of Finance	Robert F. Kalafut
Tax Collector	Francine DeAngelis
Borough Clerk	Marilyn Schaefer
Deputy Borough Clerk	Patricia Graham
Purchasing/Personnel Officer	Patricia Walsh
Chief of Police	Edward Kluck
Fire Chief	Douglas O. Atchison
Health Officer	John Theese
Borough Engineer	Stanley J. Schrek
Superintendent, Public Works	Vincent Falcone
Municipal Court Administrator	Emily Traversi
Recreation Director	Douglas L. Smith
Library Director	Nancy Vernon
Borough Attorney	Joseph Mezzacca, Jr.
Director of Welfare	Linda B. Durney
Senior Citizen Coordinator	Joan Holmes

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BUDGET RESPONSIBILITIES

Most municipal functions are under the direct policy making control of the Mayor and Council. In a few cases, such as the Public Library, the Board of Health and the Local Assistance Board, control lies with an autonomous appointed board which administers their functions within the limitations of the appropriation set by the Mayor and Council. The Madison-Chatham Joint Meeting is an autonomous board comprised of the Mayor and Council members from both communities. The Joint Meeting relies on appropriations made by each of the towns in the municipal budgets.

The operation of the public schools is the responsibility of the elected Board of Education and is completely independent of the Mayor and Council. The Board of Education prepares its own budget and submits it directly to the citizens of Madison for approval by popular vote. This report, therefore, does not contain any details of the school budget.

The Governing Body of the Borough of Madison consists of the Mayor and Council, elected by the Borough as a whole. The Mayor's term is four years. There are six Council Members, each elected for three years, with the terms arranged so that two are elected each year. The Mayor and Council serve without compensation.

Although the Council is primarily a legislative body, it also exercises some managerial functions through the Borough Administrator who coordinates the operations of the departments of the Borough. The Council has six standing committees appointed by the Mayor, who is an ex-officio member of each committee. Each Council Member is the chairperson of one committee and a member of one other. The standing committees for 1998 are as follows:

<u>Standing Committee</u>	<u>Chairperson</u>	<u>Other Member</u>
Utilities	Nino A. Coviello	John J. Dunne
Public Safety	Bruce C. Galton	Martin F. Barbato
Public Works & Engineering	Dennis G. Mullins	Nino A. Coviello
Health & Public Assistance	Mary-Anna Holden	Dennis G. Mullins
Finance & Borough Clerk	Martin F. Barbato	Bruce C. Galton
Community Affairs	John J. Dunne	Mary-Anna Holden

THE 1998 BUDGET PROCESS

The budget process begins early in September of the year preceding the budget year. Department Heads, using expenditure reports, forecast their needs and draft detailed Budget requests encompassing their department's goals and objectives. In addition, each Department Head reports on the extent to which they have met their proposals of the preceding year.

Each Budget request is reviewed by the Borough Administrator and the Department Head. The goals for the year are established. The Administrator makes adjustments during December and early January and submits a recommended budget to the Mayor and Council by the end of the month. For the next three weeks Mayor and Council review the budget with the Administrator and Department Heads.

This year the budget will be introduced on March 9th and will be published in the MADISON EAGLE on March 19th. At the introduction of the Budget, the Council sets April 13th as the date for the public hearing.

THE BUDGET IN BRIEF

The following pages provide the taxpayer with an overview of the Municipal Budget and what impact it will have on taxes. Information has also been provided on the County and School levy so that you can determine your total tax bill. The Board of Education will hold a public hearing on the school budget on March 24th. The School Board election will be held on April 21st.

BOROUGH OF MADISON
1998 BUDGET
TOTAL TAX RATE

2/25/

ITEM	1998	1997	DIFFERENCE	% CHANG
REVENUES AND APPROPRIATIONS				
APPROPRIATIONS-WITHOUT RESERVE	\$17,577,053	\$17,053,558	\$523,495	3.
LESS: ANTICIPATED REVENUES	\$10,129,676	\$9,843,015	\$286,661	2.
NET APPROPRIATIONS	\$7,447,377	\$7,210,543	\$236,834	3.
PLUS: SCHOOL LEVY	\$18,778,490	\$17,833,324	\$945,166	5.
COUNTY LEVY	\$5,265,446	\$5,062,929	\$202,517	4.
APPROPRIATIONS AND OTHER TAXES	\$31,491,313	\$30,106,796	\$1,384,517	4.
COLLECTION RATE	97%	97%		
AMOUNT TO BE RAISED BY TAXATION	\$32,487,019	\$31,073,501	\$1,413,518	4.
RESERVE FOR UNCOLLECTED TAXES	\$995,706	\$966,705	\$29,001	3.
ASSESSED VALUATION	\$886,451,850	\$886,888,250	(\$436,400)	-0.
TOTAL RATABLES	\$903,515,351	\$904,183,608	(\$668,257)	-0.
TOTAL APPROPRIATIONS- with Reserve	\$18,572,759	\$18,020,263	\$552,496	3.
LESS ANTICIPATED REVENUES	\$10,129,676	\$9,843,015	\$286,661	2.
LOCAL TAX LEVY	\$8,443,083	\$8,177,248	\$265,835	3.
TAX RATE				
LOCAL TAX RATE	\$0.934	\$0.904	0.030	3.
SCHOOL TAX RATE	\$2.078	\$1.972	0.106	5.
COUNTY TAX RATE	\$0.583	\$0.560	0.023	4.
TOTAL TAX RATE	\$3.596	\$3.437	0.159	4.
ONE POINT EQUALS	\$90,352	\$90,418	(\$66)	-0.
AVG. RESIDENTIAL ASSESSED VALUE	\$159,000	\$159,000		
TAXES ON AVERAGE HOME				
BOROUGH TAXES	\$1,485.81	\$1,437.96	\$47.85	3
SCHOOL TAXES	\$3,304.63	\$3,135.98	\$168.65	5

M U N I C I P A L B U D G E T

2/25/98

REVENUE AND APPROPRIATIONS ESTIMATE
1998 VS. 1997

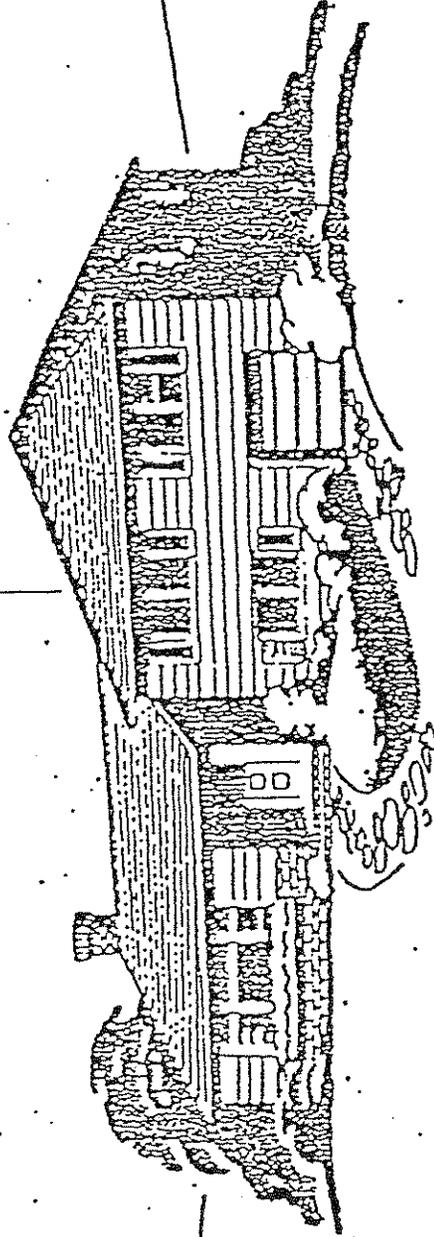
REVENUE	1998	1997	INCREASE (DECREASE)	PERCENTAGE CHANGE
PRIOR YR. SURPLUS-RECURRING	2,390,685	2,355,000	35,685	1.5%
PRIOR YR. SURPLUS-NON RECUR	214,000	0	214,000	100.0%
MUNICIPAL SOURCES	1,386,362	1,345,714	40,648	3.0%
STATE CONSOLIDATED AID	494,024	494,024	0	0.0%
STATE AID - ALL OTHER	644,605	648,277	(3,672)	-0.6%
ELECTRIC SURPLUS - OPER.	3,000,000	3,000,000	0	0.0%
ELECTRIC SURPLUS - CAPITAL	2,000,000	2,000,000	0	0.0%
TOTAL MUNICIPAL REVENUES	10,129,676	9,843,015	286,661	2.9%
PROPERTY TAXES	8,443,083	8,177,248	265,835	3.3%
TOTAL REVENUES	18,572,759	18,020,263	552,496	3.1%
<hr/>				
APPROPRIATIONS				
SALARIES & WAGES	6,335,075	6,133,425	201,650	3.3%
HEALTH INSURANCE	778,000	775,815	2,185	0.3%
PENSION & SOCIAL SECURITY	819,000	809,000	10,000	1.2%
SUB-TOTAL	7,932,075	7,718,240	213,835	2.8%
REVALUATION	100,000	0	100,000	NA
OPERATING EXPENSES	2,061,242	1,973,753	87,489	4.4%
WASTE REMOVAL	1,397,444	1,420,606	(23,162)	-1.6%
LIABILITY INSURANCE	315,273	307,905	7,368	2.4%
SUB-TOTAL	3,873,959	3,702,264	171,695	4.6%
CAPITAL - ELEC. SURPLUS	2,000,000	2,000,000	0	0.0%
CAPITAL IMPROVEMENT FUND	100,000	0	100,000	NA
DEBT SERVICE	1,963,615	1,950,524	13,091	0.7%
SUB-TOTAL	4,063,615	3,950,524	113,091	2.9%
MADISON-CHATHAM JOINT MTG.	895,198	882,164	13,034	1.5%
PUBLIC LIBRARY	812,206	800,366	11,840	1.5%
TOTAL SPENDING	17,577,053	17,053,558	523,495	3.1%
RESERVE FOR UNCOLL. TAXES	995,706	966,705	29,001	3.0%
TOTAL APPROPRIATIONS	18,572,759	18,020,263	552,496	3.1%

1998 Average Property Tax Distribution

Taxes on Home Assessed at \$159,000

Schools

\$3,304.63



Borough

\$1,485.81

Average Property Taxes and Tax Rate Per \$100 of Assessment

Borough	\$1,485.81	\$.934
School	3,304.63	2.078
County	<u>926.60</u>	<u>.584</u>
Total	<u>\$5,717.04</u>	<u>\$3.596</u>

A Home Assessed at \$159,000 Has an Estimated Fair Market Value of \$307,000 in 1998

1997 ACCOMPLISHMENTS

I. PUBLIC SAFETY

COURT:

- Staff was trained in the ATS/ACS (New Jersey state-mandated) computer court tracking system.
- Over 10,000 motor vehicle summonses and 480 criminal summonses were processed.
- The Court collected over \$460,000 in fines; of this amount, over \$275,000 was payable to the Borough of Madison.

FIRE:

- Implemented a new accountability system which better monitors staff at the scene of a fire.
- All fire staff (volunteers and paid staff) were trained in Trench Collapse rescue.
- Responded to over 450 resident and commercial calls for assistance.

POLICE:

- The crime rate estimate released (for the years 1995 to 1996) decreased to 3 per cent.
- An Office of Emergency Management exercise was completed with the cooperation of numerous community organizations via an hurricane emergency simulation in September.
- The Traffic Safety Unit increased its level of expertise with forecasting and researching traffic-related matters through the acquisition of new technology and training of additional staff.

II. PUBLIC IMPROVEMENTS

ELECTRIC:

- Created management information system database which tracks inventory, truck testing, rubber goods, and training information.
- Installed approximately 25 new poles including overhead cable and transformers.
- Introduced an education program for staff which entails installation techniques and safety methods.

ENGINEERING:

- The following special projects were completed: Morris Place Road Improvements, Kings Road (Phase I) Road Improvements, Samson Avenue/Kings Road Improvements, and Improvements to Memorial Park Soccer Field.
- Zoning Officer addressed approximately 200 complaints regarding zoning violations and issued approximately 100 zoning permits.
- Construction Code Official inspected capital improvement projects and site development projects throughout the Borough (over 1,000 hours inspection hours logged.)
- About 400 deeds were analyzed for comparison with the current Borough tax map corresponding measurements. In addition, approximately 90 Maps were prepared (certified lists.)
- Serving as a Borough liaison and counsel, over 80 Planning Board, Council and Committee meetings were attended.
- Recorded approximately 900 property transactions; processed over 1000 property record modifications.
- Assessed new properties and added assessments for approximately 250 lots.

PUBLIC WORKS:

- Constructed/improved Delbarton Park and Rosedale playing fields and courts.
- Constructed parking lot for Health Center as well as Public Works leaf machine storage area.
- Installed new storm sewer line for Highview and Hillcrest Avenues.
- Planted over 75 trees throughout the Borough (for the Shade Tree Authority)
- Maintained over 56 miles of Borough streets.

WATER:

- Voluntary summer month conservation measures were enacted
- Completed water main project at Kings Road.

III. PUBLIC SERVICES

CLERK:

- Provided administrative support for approximately 27 council meetings which included preparing and distributing agendas, processing, recording, filing and when necessary, advertised 30 ordinances, over 175 resolutions and the

- municipal budget.
- Served as the chief administrative officer in all elections held in the Borough; served as the chief registrar of resident voters.
 - Responsible for acceptance of applications for licenses and permits and the issuance of licenses and permits for 2 amusement device premises, 16 amusement device machine permits, 1 bowling alley, 1 theater, 9 sidewalk dining, 31 raffles, 3 taxicab drivers, 14 livery drivers, 33 livery licenses, 2 towing and storage, and 21 liquor licenses.
 - Served as the recipient of all bid documents.
 - Served as the custodian of the Municipal seal, all minutes, books, deeds, bonds, contracts and archival records of the municipal corporation. Attested to signatures of municipal officers and officials. Maintained receipt of service of legal documents.
 - Served as "first point of contact" for many residents providing information and services, e.g., notary services, how and where to vote, garbage collection dates and times, white goods pick-up information and payment.

DOWNTOWN DEVELOPMENT:

- Installed a Downtown Development Commission hotline. This hotline allows residents and merchants to record questions and comments all day, every day.
- Successfully appealed for a crosswalk at the intersection of Prospect and Lincoln Place.
- Oversaw the move of the Farmer's Market to the High School/Pool parking lots.
- Joined "Downtown New Jersey." This statewide organization is concerned with the economic and cultural well-being of New Jersey's commercial districts, and is an excellent resource for ideas, facts and professional advice.

HEALTH:

- Added servicing Long Hill Township's mandated sanitarian requirements to Madison's roster of inter-municipal contractual relationships (now serve nine communities.)
- Introduced new public health programs and services to Madison residents such as adult tetanus vaccinations, pneumococcal pneumonia vaccinations, blood lead testing for children under age six and CPR training..
- The Multiple Dwelling Inspection Program was expanded: ten buildings were Inspected and re-inspected

LIBRARY:

- The Children's department sponsored its annual summer reading program. This year's theme was "Bugs, Books and Beyond. Over 2,000 books were read by over 300 participants.
- Acting as a co-sponsor with the Madison Senior Center, the Library hosted a

- Summer Seminar lecture series. Over 800 people attended the lectures.
- The Library continued to lead the community's Rosenet project with the installation of a server, recabbling the Library with a structured cabling system, outfitting a training room and upgrading the Library's CD-ROM reference services.

PURCHASING/PERSONNEL:

- Over 1,500 purchase orders and 1,500 Receiving and Inspections (R&Is) were Processed and paid.
- A Direct Paycheck Deposit program was implemented for Borough employees.
- The transition of employee health insurance providers (from CIGNA to Aetna/U.S.HealthCare) was administered.
- A "Right to Know" (occupational health) compliance program was initiated and monitored.

RECYCLING/RECREATION:

- Madison was one of 14 Morris County towns to receive an award for meeting New Jersey State's recycling targets.
- Provided administrative and managerial support for numerous resident recreational programs including youth basketball, youth wrestling, the ski program, ice skating, lacrosse, little league baseball, girls softball, youth track, men's softball, women's softball, tennis court supervision, tennis clinics, women's tennis team and a playground program.
- Provide administrative and managerial support for resident cultural programs including youth drama, the summer nature program, and the summer musical.

SENIOR CITIZENS:

- Upgraded physical plant with the installation of smoke alarms; replaced air conditioners, redecorated kitchen, and renovated computer room.
- Served over 800 Senior Citizens with the sponsoring of a number of educational and life management events (with frequent co-sponsorship with other Madison organizations) such as summer seminar series, Dial-a-ride, photo I.D. day, Medicare counseling, tax preparation and cultural and leisure trips, e.g., Cape May, Tarrytown and New York City.

TAX COLLECTOR:

- The Tax collection rate for current year taxes was 99.03 per cent.
- Overhauled the administration of the office, which entailed filing and organizing tax records from the mid-1960s to current.

- Implemented an operations schedule for the office delineating jobs, responsibilities and schedules for each duty of the Tax office.

WELFARE:

- Computer link to Trenton's Department of Human Services was installed (state-mandated). Director was trained in computing environment.
- Served 30 clients (SSI pending and Social Services) on an ongoing basis.
- Served as a liaison for various low income community projects, including the Thanksgiving and Holiday drives.
- Department became certified by the Department of Health and Senior Services as an approved New Jersey EASE site. This program is part of a statewide initiative by the Department to provide information, referral, and advocacy services to seniors and/or their families in an early accessible environment on the local level.

1998 GOALS

I. PUBLIC SAFETY

COURT:

- Continue Staff training with the ATS/ACS (New Jersey state-mandated) Computer system.
- Implement new state-mandated Public Defender fees (dependent on defendant's salary and charge.)
- Implement revised court "Rule 7" changes. These state-mandated revisions refer to administrative court procedures.

FIRE:

- Purchase a 1250 GPM pumper (fire truck) to replace a 1973 Hahn 1000 GPM pumper.
- Install a fire prevention information software package which will track all aspects of fire code operations, e.g., inspection dates and fee schedules.
- Install a new radio communication system. Such system will improve communication at emergency scenes.
- Continue efforts to recruit and retain volunteers.

POLICE:

- Expand traffic enforcement and awareness with the new stalker system.
- Expand cross training with Morris County Prosecutor's Office in various specialized fields such as sex crimes, white collar crimes, fugitive and all Major crimes.
- Refine the emergency management routing system for alternate emergency routing for the Borough of Madison.
- Survey and upgrade traffic control devices and signage within the Borough.
- Purchase 40 Glock calibers. Train staff in the use of such weapons.

II. PUBLIC IMPROVEMENTS

ELECTRIC:

- Install new circuit breakers and reconfigure circuits at Kings Road Substation
- Prepare poles for Rosenet installation; RoseNet Phase I: link AT&T, High School and Library; RoseNet Phase II: link all schools and other Targeted buildings
- Relocate and reconstruct the pole corner of Main Street and Prospect Street.
- Begin 3-phase conversion for the Lorraine Sewer Station.

ENGINEERING:

- Oversee the completion of these reconstruction and/or repaving projects: Alexander Avenue and East Street, Greenhill Road, Highview Terrace and Hillcrest Road, Crestview Avenue and Broadview Avenue, Park Lane, Lathrop Avenue, Glenwild Road, Roscoe Avenue, Leigh Drive and the Skating Rink.
- Begin construction phase of American Disability Act (ADA) improvements to the Hartley Dodge Memorial Building.
- Complete development of the Geographic Information Systems Network (a software program which will help track Madison's road improvements.)
- Prepare for the property revaluation program (slated to kick off in January 2000.) Such program requires obtaining state approval and planning for staff deployment and the administration of new files and tax maps.

PUBLIC WORKS:

- Plant 100 trees throughout the Borough.
- Repair catch basins and manholes for all 1998 Borough road projects (see list in Engineering section.)
- Fill/Reconstruct potholes and cracks throughout Borough streets.

WATER:

- Install water meters and remote reading services to eliminate confined space meters and large group meters at Drew University and condominiums.
- Oversee the completion of projects for these streets: Greenwood Avenue, Edgewood Road, Greenhill Road and Highview Terrace, Loantaka Way (portion), Howard Street.

III. PUBLIC SERVICES

CLERK:

- Continue the "lead" in the organization and implementation of records management for all Borough departments.
- Become more technically proficient with the implementation of a dedicated telephone line for New Jersey State Internet access, upgrade office computers to the Windows environment, obtain new telephones for staff, and replace record transcription machines.
- Produce procedures book detailing each activity and required steps performed in the Clerk's office.

DOWNTOWN DEVELOPMENT:

- Sponsor a Madison May Day event. This event will take place on the first Saturday in May and entails coordinating merchants, realtors and environmental groups to "spruce up" the business district with clean up tools and flower plantings.
- With the assistance of consultants from "Downtown New Jersey," analyze the East end marketability of the business district.

HEALTH:

- Augment the number of inter-municipal contractual relationships.
- Seek additional health programs from other health organizations, such as Morristown Memorial Hospital, the American Heart Association, and the American Cancer Society.
- Increase the number of Madison residents who access the department's services.

LIBRARY:

- Property improvements will be undertaken, specifically the completion of the retaining wall, installation of new exterior signs and tree landscaping.
- Another phase in the RoseNet project will be completed as an internal LAN is developed and the Library completes its web page.
- Specific collections will be enhanced, e.g., materials in Spanish, reference services, materials on technology, media for language instruction, circulating CD ROMs, education videos, compact discs, and children's multimedia Materials.

PURCHASING/PERSONNEL:

- Oversee the installation of Voice Mail for all Borough departments.
- Prepare for solid waste bid opening (Fall 1998).

SENIOR CITIZENS:

- Continue physical plant improvements with 1)the installation of nine replacement windows and 2) paint and wallpaper the first floor activity rooms.
- Continue to offer an exciting and interesting array of programs including the addition of computer training for the Senior residents.
- Promoted intergenerational programs in cooperation with the Madison Public Schools, scout groups and the Teen Center.
- Host education opportunities regarding the prevention of alcohol and medicine abuse.

RECREATION and RECYCLING:

- Working with the Board of Education, resurface four tennis courts at Madison High School.

TAX COLLECTOR:

- Augment the filing and administrative system implemented in 1997.
- Cross train staff in all duties of the office.

WELFARE:

- Electronic transmission of client data to New Jersey's Department of Human Services will commence.
- Secure alternate funding for social service needs in Madison.

MADISON MUNICIPAL BUDGET
1998 " CAP CALCULATION "

2/25/98

Below are the calculations for the 1998 CAP appropriation limit utilizing the index rate ordinance of 2.5%

Total adopted appropriations for 1997..... 18,020,263.00

Deductions :

Reserve for Uncollected Taxes	966,705.00
Other Operations	1,193,427.00
Capital Improvement Fund	1,842,590.00
Public Library	800,366.00
Debt Service	1,950,524.00
Municipal Court	148,231.00

Total Modifications..... 6,901,843.00

Amount on which Cap is Applied..... 11,118,420.00

2.5% "Cap" Authorized by Ordinance..... 277,960.50

Additions to "Cap" Assessed Value of
New Construction \$1,687,500 at the
Local Purpose Tax Rate of \$0.905 per \$100..... 15,271.00

Other Adjustments to "Cap" 0.00

Total General Appropriations "Cap"
Limitation for 1998 11,411,651.50

Less 1998 Appropriations Within "Cap" (11,291,382.00)

Unused "Cap" Amount 120,269.50

	Inside Cap	Outside Cap
Salaries & Wages	5,947,705.00	387,370.00
Other Expenses	4,524,677.00	1,806,986.00
Statutory Expenditures	819,000.00	0.00
Deferred Charges	0.00	100,000.00
Capital Improvement Fund	0.00	2,027,700.00
Debt Service	0.00	1,963,615.00
Reserve For Uncollected Taxes	0.00	995,706.00
Total Inside & Outside	11,291,382.00	7,281,377.00
Total Appropriations for 1998		18,572,759.00

M U N I C I P A L B U D G E T

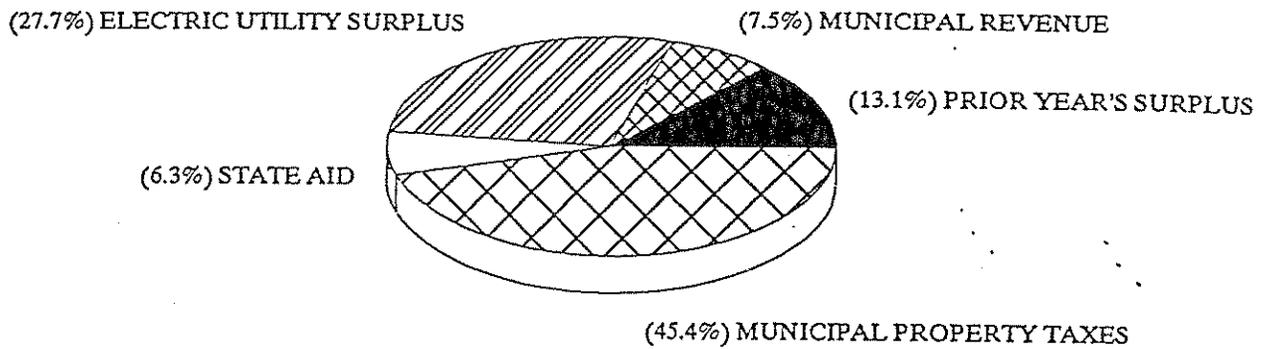
REVENUE AND APPROPRIATIONS
BY MAJOR CATEGORY
1998 vs. 1997

2/25/98

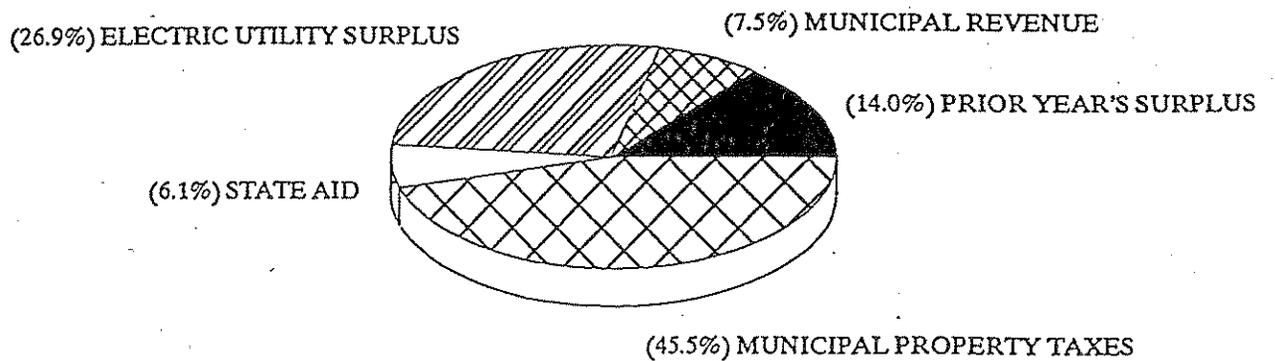
REVENUE	1998	%	1997	%
PRIOR YEAR'S SURPLUS	\$2,604,685	14.0%	\$2,355,000	13.1%
MUNICIPAL REVENUE	\$1,261,362	6.8%	\$1,220,714	6.8%
STATE CONSOLIDATED AID	\$494,024	2.7%	\$494,024	2.7%
STATE AID - ALL OTHER	\$644,605	3.5%	\$648,277	3.6%
ELECTRIC SURPLUS - OPER.	\$3,000,000	16.2%	\$3,000,000	16.6%
ELECTRIC SURPLUS - CAPITAL	\$2,000,000	10.8%	\$2,000,000	11.1%
DELINQUENT TAXES	\$125,000	0.7%	\$125,000	0.7%
MUNICIPAL PROPERTY TAXES	\$8,443,083	45.5%	\$8,177,248	45.4%
TOTAL REVENUE	\$18,572,759	100.0%	\$18,020,263	100.0%

APPROPRIATIONS	1998	%	1997	%
SALARIES & WAGES	\$6,335,075	34.1%	\$6,133,425	34.0%
OTHER EXPENSES & REVALUATION	\$2,162,242	11.6%	\$1,973,753	11.0%
WASTE REMOVAL	\$1,397,444	7.5%	\$1,420,606	7.9%
MADISON-CHATHAM JOINT MTG.	\$895,198	4.8%	\$882,164	4.9%
HEALTH & LIAB. INSURANCE	\$1,093,273	5.9%	\$1,083,720	6.0%
PENSION & SOCIAL SECURITY	\$819,000	4.4%	\$809,000	4.5%
CAPITAL IMPROVEMENTS	\$1,686,800	9.1%	\$1,717,000	9.5%
RESERVE FOR CAPITAL PROJECTS	\$413,200	2.2%	\$283,000	1.6%
DEBT SERVICE	\$1,963,615	10.6%	\$1,950,524	10.8%
PUBLIC LIBRARY	\$812,206	4.4%	\$800,366	4.4%
TOTAL SPENDING	\$17,578,053	94.6%	\$17,053,558	94.6%
RESERVE FOR UNCOLL. TAXES	\$995,706	5.4%	\$966,705	5.4%
TOTAL APPROPRIATIONS	\$18,573,759	100.0%	\$18,020,263	100.0%

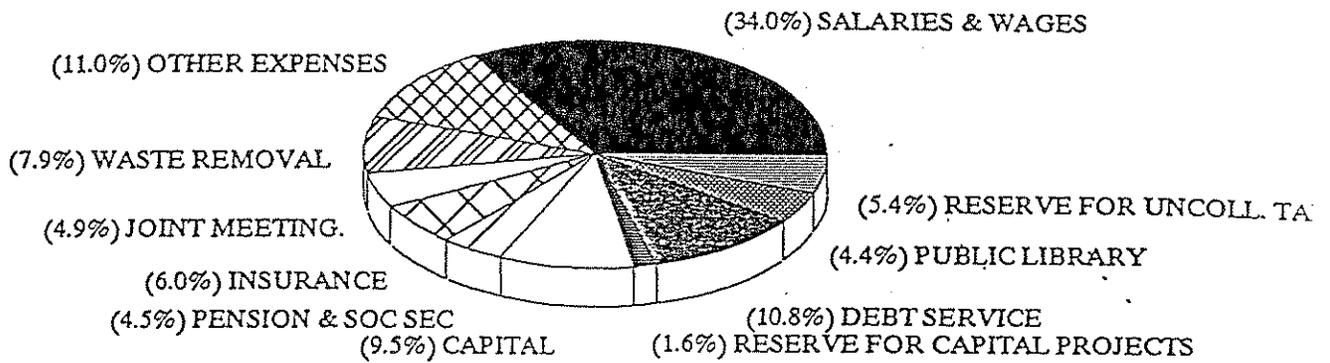
MUNICIPAL REVENUES 1997



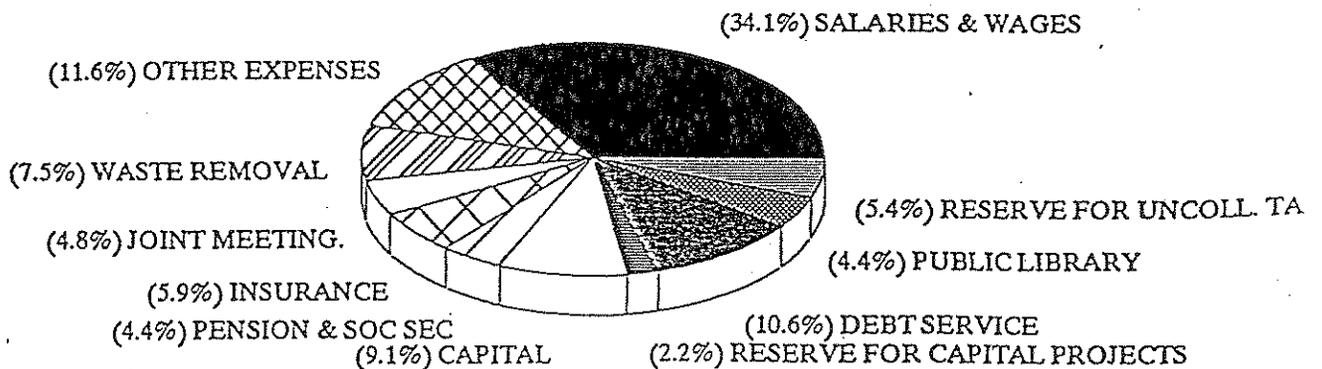
MUNICIPAL REVENUES 1998



MUNICIPAL APPROPRIATIONS 1997



MUNICIPAL APPROPRIATIONS 1998



2/25/98

TAX COLLECTION RESULTS

	1997	1996
TAX LEVY	\$31,103,691	\$30,595,567
ADDED TAXES	36,316	45,597
<u>TOTAL TAX LEVY</u>	<u>31,140,007</u>	<u>30,641,164</u>
CURRENT YEAR TAX COLLECTIONS	30,764,378	30,015,289
SR. CITIZENS & VETERAN DEDUCT	74,275	78,700
TRANSFERS & CANCELLATIONS	46,124	15,873
<u>TOTAL COLLECTIONS</u>	<u>30,884,777</u>	<u>30,109,862</u>
OUTSTANDING BALANCE	<u>\$255,230</u>	<u>\$531,302</u>
PERCENTAGE OF COLLECTIONS	99.03%	98.21%
<u>BALANCE OF DELINQUENT TAXES & TAX TITLE LIENS-JAN. 1</u>	<u>\$737,912</u>	<u>\$483,228</u>
ADDED TAXES	15,458	1,800
INTEREST, COSTS, & TRANSFERS	5,435	5,214
<u>TOTAL OUTSTANDING</u>	<u>758,805</u>	<u>490,242</u>
DELINQUENT COLLECTIONS	607,961	283,632
CANCELLATIONS	100,001	0
<u>TOTAL COLLECTIONS</u>	<u>707,962</u>	<u>283,632</u>
OUTSTANDING BALANCE	<u>\$50,843</u>	<u>\$206,610</u>
PERCENTAGE OF COLLECTIONS	80.12%	57.86%

 ANALYSIS OF CURRENT AND DELINQUENT TAXES RECEIVABLE

CURRENT YEAR	\$255,230	\$531,302
DELINQUENT TAXES & TAX TITLE LIENS	50,843	206,610
<u>TOTAL</u>	<u>\$306,073</u>	<u>\$737,912</u>

SUMMARY OF LEVIES AND TAX RATES

2/25/98

	1998 ESTIMATED			1997 ACTUAL			
	TAX LEVY	TAX RATE	TAX DOLLAR	TAX LEVY	TAX RATE	TAX DOLLAR	INCREASE
SCHOOL	\$18,778,490	2.078	\$0.58	\$17,833,324	1.972	\$0.57	\$945,166
COUNTY	\$5,265,446	0.583	\$0.16	\$5,062,929	0.560	\$0.16	\$202,517
BOROUGH	\$8,443,083	0.934	\$0.26	\$8,177,248	0.904	\$0.26	\$265,835
TOTAL LEVY	\$32,487,019	3.596	\$1.00	\$31,073,501	3.436	\$1.00	\$1,413,518

	1997 ACTUAL			1996 ACTUAL			
	TAX LEVY	TAX RATE	TAX DOLLAR	TAX LEVY	TAX RATE	TAX DOLLAR	INCREASE
SCHOOL PURPOSE	\$17,833,324	1.972	\$0.57	\$17,359,059	1.873	\$0.57	\$474,265
COUNTY PURPOSE	\$5,062,929	0.560	\$0.16	\$4,865,640	0.525	\$0.16	\$197,289
BOROUGH PURPOSE	\$8,177,248	0.904	\$0.26	\$8,300,987	0.895	\$0.27	(\$123,739)
TOTAL LEVY	\$31,073,501	3.436	\$1.00	\$30,525,686	3.293	\$1.00	\$547,815

SUMMARY OF NET VALUATION TAXABLE 1998 ACTUAL 1997 ACTUAL 1996 ACTUAL

TAX RATABLES:

REAL PROPERTY (LAND AND IMPROVEMENTS)	886,451,850	\$886,888,250	\$887,926,450
TELEPHONE & TELEGRAPH (BUSINESS PERSONAL PROPERTY)	17,063,501	\$17,295,358	\$39,077,368
TOTAL VALUATION TAXABLE	903,515,351	\$904,183,608	\$927,003,818

Where Your 1998 Tax Dollar Goes:



Madison Schools

57.8%



Morris
County

16.2%



Borough of
Madison

26.0%

COMPARATIVE STATEMENT OF OPERATIONS
WATER UTILITY
FOR THE YEARS 1997 & 1996

REVENUES	1997	1996	DIFFERENCE	%
WATER RENTS	\$1,270,704	\$1,213,839	\$56,865	4.5%
FIRE HYDRANT SERVICE	58,600	\$61,648	(\$3,048)	-5.2%
INTEREST INCOME & OTHER CREDITS	141,175	\$81,358	\$59,817	42.4%
TOTAL REVENUES	1,470,479	1,356,845	113,634	7.7%

EXPENDITURES	1997	1996	DIFFERENCE	%
SALARIES & WAGES	344,506	350,284	(\$5,778)	-1.6%
CAPITAL IMPROVEMENT	277,000	300,000	(\$23,000)	-7.7%
DEBT SERVICE	50,916	52,806	(\$1,890)	-3.6%
PENSION & SOCIAL SECURITY	66,284	67,236	(\$952)	-1.4%
OPERATING EXPENSES	445,546	405,174	\$40,372	10.0%
TOTAL EXPENSES	1,184,252	1,175,500	\$8,752	0.7%
TOTAL OPERATING SURPLUS	\$286,227	\$181,345	\$104,882	57.8%

COMPARATIVE DISTRIBUTION OF REVENUES
AND APPROPRIATIONS FOR 1998 AND 1997
FOR THE WATER UTILITY

2/25/98

REVENUES	1998	%	1997	%
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PRIOR YEAR'S SURPLUS	190,081	14.1%	91,889	7.3%
WATER RENTS	1,050,000	77.9%	1,050,000	84.0%
FIRE HYDRANT SERVICE	58,600	4.3%	58,600	4.7%
INTEREST INCOME	50,000	3.7%	50,000	4.0%
TOTAL	----- 1,348,681	----- 100.0%	----- 1,250,489	----- 100.0%
	=====	=====	=====	=====

APPROPRIATIONS	1998	%	1997	%
	-----	---	-----	---
SALARIES & WAGES	355,186	26.3%	374,954	30.0%
OTHER EXPENSES	481,269	35.7%	475,619	38.0%
CAPITAL IMPROVEMENT FUND	390,000	28.9%	277,000	22.2%
DEBT SERVICE	50,026	3.7%	51,916	4.2%
DEFERRED CHARGES	0	0.0%	0	0.0%
PENSION & SOCIAL SECURITY	72,200	5.4%	71,000	5.7%
TOTAL	----- 1,348,681	----- 100.0%	----- 1,250,489	----- 100.0%
	=====	=====	=====	=====

ELECTRIC UTILITY BUDGET
REVENUES & APPROPRIATIONS
1998 AND 1997

27-Feb-98

REVENUES	1998	%	1997	%
ELECTRIC TARIFFS	8,355,152	97.7%	8,360,373	97.7%
STREET LIGHTING	132,500	1.5%	132,500	1.5%
INTEREST INCOME	67,500	0.8%	67,500	0.8%
TOTAL REVENUES	8,555,152	100.0%	8,560,373	100.0%

APPROPRIATIONS	1998	%	1997	%
SALARIES & WAGES	882,089	10.3%	883,282	10.3%
OTHER EXPENSES	821,063	9.6%	806,391	9.4%
PURCHASED POWER	5,000,000	58.4%	5,020,000	58.6%
CAPITAL IMPROVEMENT FUND	500,000	5.8%	500,000	5.8%
DEBT SERVICE	0	0.0%	0	0.0%
PENSION & SOCIAL SECURITY	152,000	1.8%	150,700	1.8%
SURPLUS (MUNICIPAL)	1,200,000	14.0%	1,200,000	14.0%
TOTAL APPROPRIATIONS	8,555,152	100.0%	8,560,373	100.0%

COMPARATIVE STATEMENT OF OPERATIONS
ELECTRIC UTILITY
FOR THE YEARS 1997 & 1996

REVENUE	1997	1996	DIFFERENCE	%
RESIDENTIAL & SMALL COMMERCIAL	7,234,646	7,202,885	31,761	0.4%
LARGE COMMERCIAL	3,622,398	3,884,778	(262,380)	-6.8%
STREET LIGHTING	132,500	132,500	0	0.0%
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SUBTOTAL-ELECTRIC TARIFFS	10,989,544	11,220,163	(230,619)	-2.1%
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INTEREST INCOME & OTHER CREDITS	604,658	486,440	118,218	24.3%
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TOTAL REVENUE	11,594,202	11,706,603	(112,401)	-1.0%

EXPENDITURES & RESERVES	1997	1996	DIFFERENCE	%
SALARIES & WAGES	840,203	816,587	23,616	2.9%
PURCHASED POWER	4,400,755	4,703,903	(303,148)	-6.4%
CAPITAL IMPROVEMENTS	500,000	500,000	0	0.0%
DEBT SERVICE	0	0	0	
OPERATING EXPENSES	834,391	748,907	85,484	11.4%
PENSION & SOCIAL SECURITY	142,930	144,533	(1,603)	-1.1%
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TOTAL EXPENSES	6,718,279	6,913,930	(195,651)	-2.8%
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TOTAL OPERATING SURPLUS	4,875,923	4,792,673	83,250	1.7%

THE 1998 CAPITAL BUDGET AND PROGRAM

A Capital Budget for the Borough is prepared in accordance with regulations promulgated by the Division of Local Government Services and the Local Finance Board.

Every year department heads and boards submit proposed Capital Budgets to the Borough Administrator with their Operating Budget. After careful review, the Capital Budget is submitted to the Council separately to determine the priorities for the year.

There is one important difference between the Operating and Capital Budget. Unlike the Operating Budget, the Capital Budget does not give the authority to spend. The Capital Budget is a plan, not the actual appropriation of funds. Each project listed must be reviewed again, introduced by ordinance and a public hearing held before any spending can take place. Once the ordinance is adopted, the means of financing will be determined.

The Housing Authority and Board of Education are the only two local agencies that have separate bonding authority and can adopt their own bonding ordinances without the approval of the Mayor and Council.

The following projects will be reviewed by the Mayor and Council in 1998.

<u>MUNICIPAL</u>	<u>AMOUNT</u>
Road Reconstruction	\$1,025,000
Public Works Equipment	361,000
Fire Department UHF Radio	43,000
Green Village Road Ballfields	45,000
Little League Backstops & Fencing	30,000
Resurface Tennis Courts	44,000
Library - Various Projects	31,000
 <u>WATER UTILITY</u>	
Water Main Replacements	\$ 190,000
Reserve for Water Filtration	170,000
Pilot Study on Well D	30,000
 <u>ELECTRIC UTILITY</u>	
Fiber Installation	\$ 150,000
Bucket Truck	100,000
Communication System	20,000
Pole Trailer	10,000