



# Borough of Madison

## 2016 Budget Summary

This document was created to better inform Madison residents about the 2016 Municipal Budget. Earlier in the year, the Mayor and Council voted and/or deliberated on the 2016 budget at ten Council meetings. Residents are welcome to attend these meetings. Detailed budget information can also be found on the "[Annual Budget Process](#)" page on [www.rosenet.org](http://www.rosenet.org).

### BOROUGH PROPERTY TAX INCREASE OF .2% SINCE 2013

This is not a typo. From 2013 to 2016 the Borough portion of your property tax bill has only increased by .2%. The table to the right shows the change in property taxes for a home valued at \$667,200.

**The Borough portion of the tax bill has only increased \$6.67 from 2013 to 2016.**

### TAX BILL CALCULATOR

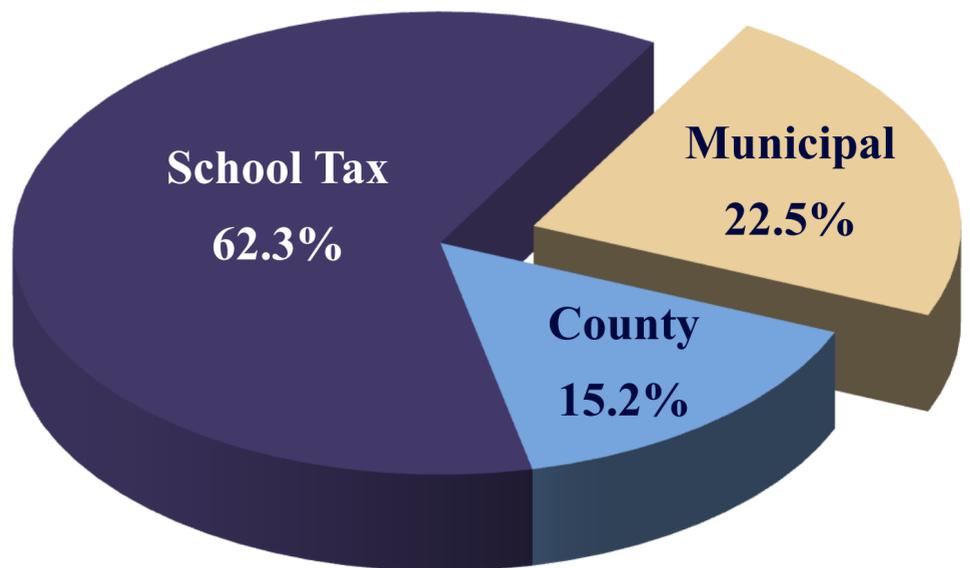
Want to know how your tax bill breaks down? Visit <http://www.rosenet.org/884/calculator> where you will find a tax calculator that will generate the same 2013 to 2016 tax information that is on the table to the right for YOUR home.

### TOP 50 UTILITY CUSTOMERS

Did you know....The top 50 electric utility customers represent 40% of the total revenue for the utility and 17 of those users do not pay property taxes. The largest customers are Drew the corporate offices and the grocery stores in the Borough. By contrast, the top 50 property tax payers only represent 13.1% of the total tax levy. The Borough is able to maintain a AAA bond rating in part because recent capital projects been funded using utility surplus instead of borrowing. Only 17 towns in NJ out of 565 are rated AAA.

### MADISON TAX BILL BREAKDOWN

This chart illustrates the breakdown of property taxes for each component of your property tax bill.



	2013	2016	3 Year Increase
County	1,781.42	1,901.52	\$120.10
School	7,119.02	7,799.57	\$680.55
Borough	2,802.24	2,808.91	<b>\$6.67</b>
Total	11,702.68	12,510.00	\$807.32

This table shows all of the parts of a tax bill for a homeowner's property assessed at \$667,200.

### HOW PROPERTY TAXES AND SERVICES COMPARE TO OUR NEIGHBORS

Town	2015 Per Person Municipal Tax	Garbage included in taxes?	Curbside Yard Waste?	Sewer included in taxes?	Fall Curbside Leaf Pickup?	Paid, Professional Fire Dept?	Municipal Electric Utility?	Senior Center and Van?
<b>Madison</b>	<b>\$794</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes and Yes</b>
Chatham Boro	\$847	No	Yes	No	Yes	No	No	Yes and Yes
Chatham Twp	\$802	No	No	No	No	No	No	Yes and Yes
Morris Twp	\$1,010	Yes	Yes	No	Yes	Yes	No	No
Florham Park	\$1,037	No	Yes	No	Yes	No	No	Yes but no van
Harding	\$1,408	No	No	No	No	No	No	No

A home valued at \$667,200, received a 2016 property tax bill of \$12,510. The municipal portion of this property tax bill is \$2,809. For this amount, the residents of that home will receive the following municipal services and capital programs:

#### Municipal Services

Garbage & Recycling Pickup  
Yard Waste & Fall Leaf Pickup  
Road Plowing & Maintenance  
Recreation & Parks Maintenance  
Senior Citizen Services  
Water Utility including 525+ hydrants  
Library

Police Department & Crossing Guards  
Fire Department & Fire Safety  
Sewage Treatment  
Health Department  
Administration/Elections/Records  
Construction/Planning/Zoning  
Electric Utility including 1200 street lights

#### Capital and Infrastructure

Road Maintenance and Reconstruction  
Electric & Water Utility Infrastructure  
Sewage & Storm Water Systems  
Hartley Dodge, Library other Buildings  
Parks and Recreation Fields  
Fire Trucks and Large Apparatus  
Public Works Equipment and Vehicles

# Borough of Madison 2016 Budget Summary

## CAPITAL SPENDING

The Borough has invested over \$25 million in capital items over the last four years. Important capital purchases for 2016 include:

- \$1.46 million for reconstruction of Prospect St, Kinney St, West St, Cross St, Cottage Pl, Crescent and Loantaka Terr.
- \$800,000 for improvements including repaving Parkside Ave, Court Pl, Hillcrest Rd, Highview Terr, Seven Oaks Circ, Union Ave and Sinclair Terr.



## DID YOU KNOW?

- Over 50 miles of town roads are maintained and plowed by the Department of Public Works.
- Over 300 acres of parks & fields and over 50 properties are maintained by Department of Public Works.
- Over 500 fire hydrants and over 5,200 service connections are maintained by the Water Department.
- Over 2,000 street lights and over 6,600 service connections are maintained by the Electric Department.
- Close to 1 million gallons of sewage and waste water are transported and processed every day.
- Madison pumps and distributes over 3 million gallons of water on a single hot summer day.

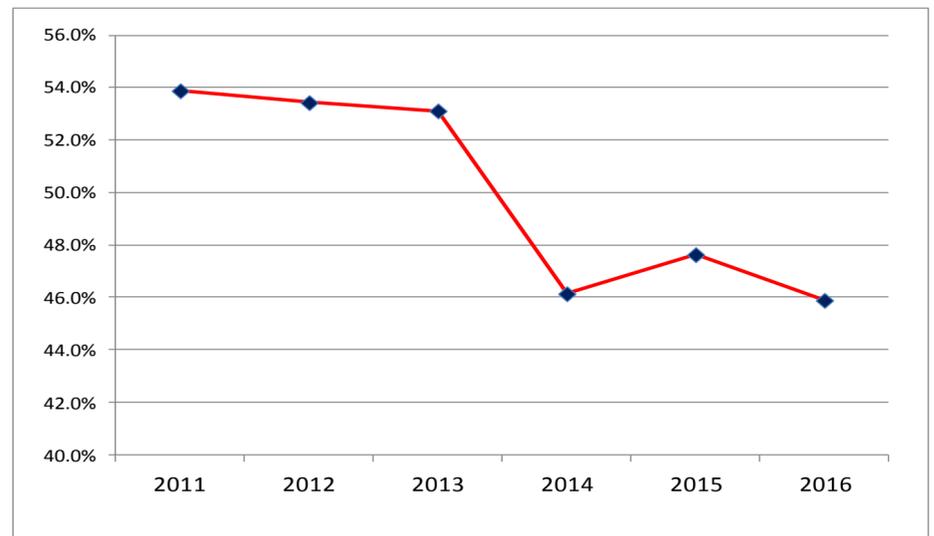
## 2016 MUNICIPAL BUDGET

APPROPRIATIONS		2016
Salaries, Wages, Benefits		\$ 13,926,862
Operating & Reserves		10,489,315
Capital Improvement & Debt Service		6,201,841
	<b>TOTAL</b>	<b>\$ 30,618,018</b>
REVENUES		2016
Municipal Fees & Revenues		\$ 4,668,778
Utility Revenues (Surplus)		7,699,444
Property Taxes		14,049,796
Municipal Surplus		4,200,000
	<b>TOTAL</b>	<b>\$ 30,618,018</b>

### The six largest operating expenses in the 2016 Budget are:

Police Department.....	\$5.1 Million
Public Works Department.....	\$3.8 Million
Fire Department.....	\$2.3 Million
Garbage/Recycling/Yard Waste.....	\$1.6 million
Library.....	\$1.4 million
Sewage Treatment.....	\$1.2 million

## TAXES AS A PERCENT OF BUDGET



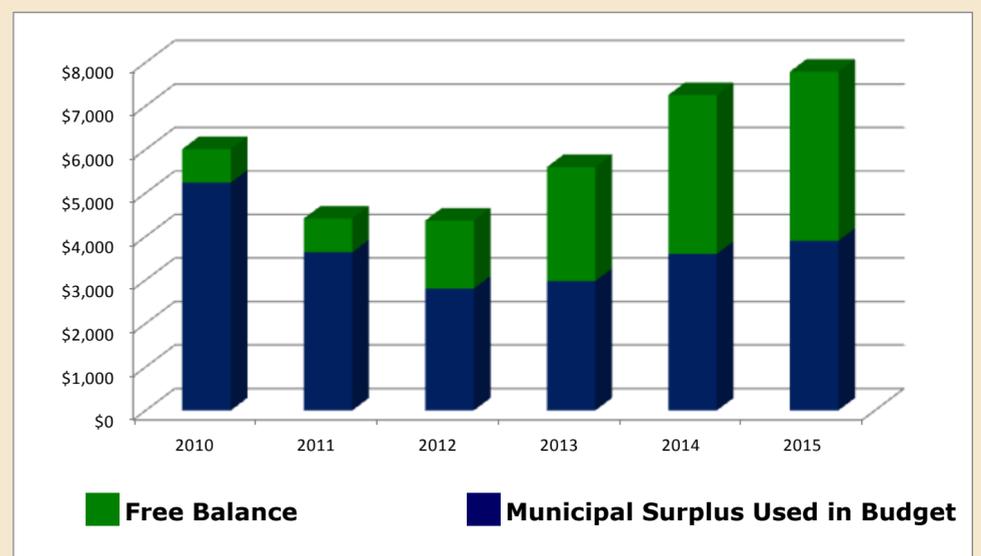
Since 2011, the municipal property tax as a percentage of the Borough budget has dropped by over 8%. This has been accomplished by a) limiting tax increases, b) identifying alternate sources of revenue, c) containing costs, and d) increasing shared service revenues by contracting our Borough staff to other municipalities. Over 54% of the Borough Budget is now funded by non-tax revenue.

## SALARIES & BENEFITS

	2011	2016	5 Yr % Incr.
<b>Salaries &amp; Benefits*</b>	\$13,724,000	\$13,927,000	1.48%

The Borough has worked to reduce staff and staff related expenses. Budgeted employee costs have increased just 1.48% over the past five years.

## FISCAL STRENGTH



The bars above show total Municipal Surplus as of January 1st, split between the amount used in that year's budget and the remaining 'Free Balance'.

**Historical Surplus Analysis:** Over time, the Borough generates surplus when revenues exceed expenditures. Adequate surplus and 'Free Balance' protect the Borough from unforeseen circumstances including extreme storm damage and sudden infrastructure failure. The Borough has a long standing policy of using prior year's surplus to offset property tax increases.