



Borough of Madison

2017 Budget Summary

This document was created to better inform Madison residents about the 2017 Municipal Budget. Earlier in the year, the Mayor and Council voted and/or deliberated on the 2017 budget at ten Council meetings. The Council unanimously approved the budget on April 12th.. Detailed information can be found on the "[Annual Budget Process](#)" page on www.rosenet.org.

\$1.5 MILLION ELECTRIC UTILITY DIVIDEND ANNOUNCED

During the 2017 budget process, Council approved a \$1.5 million electric utility dividend to be distributed to all customers. This dividend will automatically appear on your bill from May 2017 to April 2018. For residential customers, the credit is approximately 7.5% based on your current kWh consumption.

TAX BILL CALCULATOR

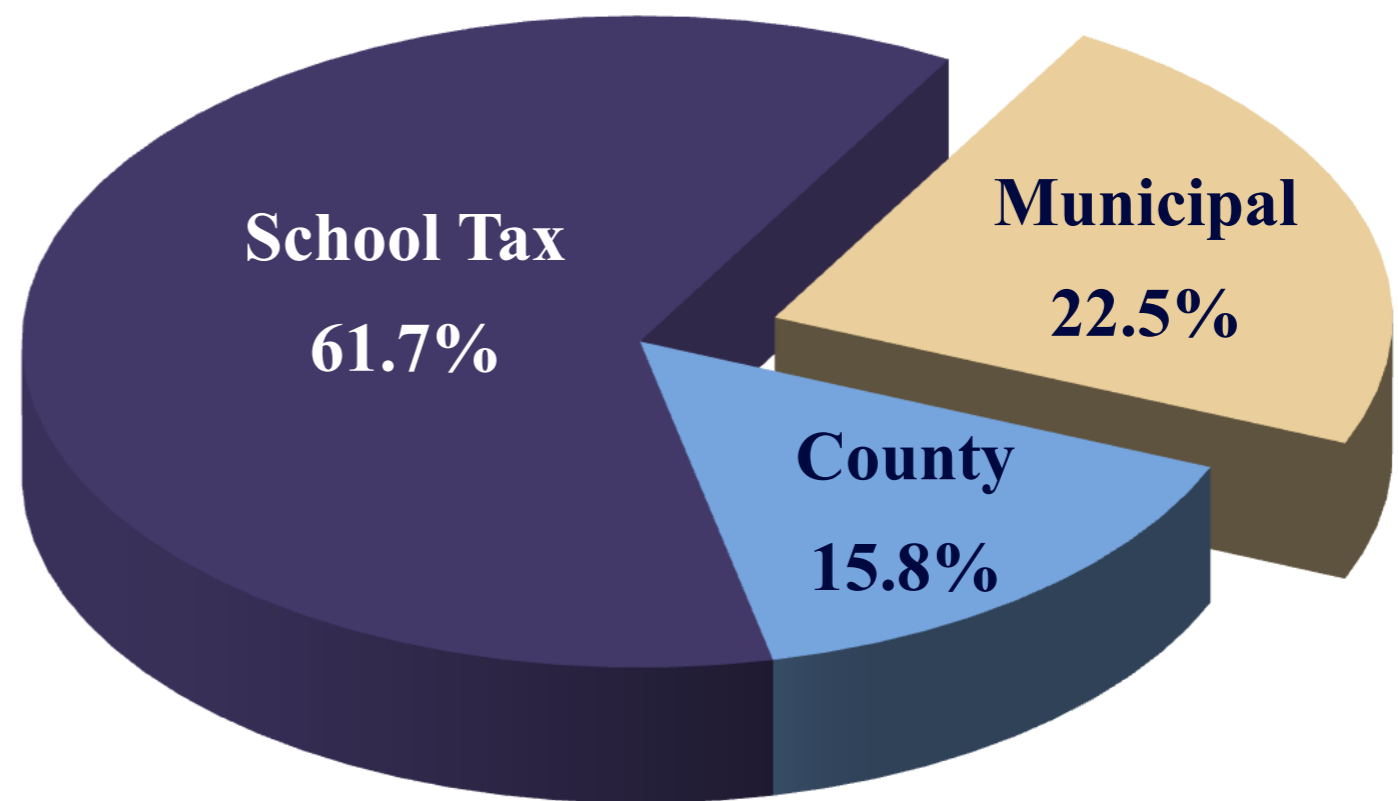
Want to know how your tax bill breaks down? Visit <http://www.rosenet.org/884/calculator> where you will find a tax calculator that will generate the same 2013 to 2017 tax information that is on the table to the right for YOUR home.

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. By contrast, the top 50 property tax payers only represent 13.1% of the total tax levy. The largest customers are Drew, the corporate offices and the grocery stores in the Borough. Instead of borrowing, utility surplus is used to fund road repairs, equipment purchases and other capital projects. This helps the Borough maintain a AAA bond rating, the highest possible rating. Only 40 towns in NJ out of 565 are rated AAA.

MADISON TAX BILL BREAKDOWN

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



	2013	2017	4 Year \$ Increase	4 year % Inc
County	1,781.42	2,008.27	\$226.85	12.7%
School	7,119.02	7,859.62	\$740.60	10.4%
Borough	2,802.24	2,862.29	\$60.05	2.1%
Total	11,702.68	12,730.18	\$1,027.50	

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	2016 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?
Madison	\$806	Yes	Yes	Yes	Yes	Yes	Yes	Yes and Yes
Chatham Boro	\$869	No	Yes	No	Yes	No	No	Yes and Yes
Chatham Twp	\$781	No	No	No	No	No	No	Yes and Yes
Morris Twp	\$1,009	Yes	Yes	No	Yes	Yes	No	Yes but no van
Florham Park	\$1,057	No	Yes	No	Yes	No	No	Yes but no van
Harding	\$1,428	No	No	No	No	No	No	No

A home valued at \$667,200, received a 2017 property tax bill of \$12,730.18. The municipal portion of this tax bill is \$2,862.29. 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

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CAPITAL SPENDING

The Borough has invested over \$32 million in capital items over the last five years. Important capital investments for 2017 include:

- \$1.83 million for reconstruction of Lathrop, Howell, Locust, Tracy, Valevue, Gibbons, Park Lane and Central Ave.
- \$1.13 million for road improvements including repaving Kings Rd, Fairwood, Maple, Redmond, Oxford, Prospect Place, Brittin, Lorraine, Dean & West End.



DID YOU KNOW?

- Over 50 miles of town roads are maintained and plowed by the Department of Public Works (DPW).
- Over 300 acres of parks & fields and over 50 different properties (parks, fields, buildings) are maintained by DPW.
- Over 500 fire hydrants and over 5,200 service connections are maintained by the Water Department.
- Over 1,200 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.

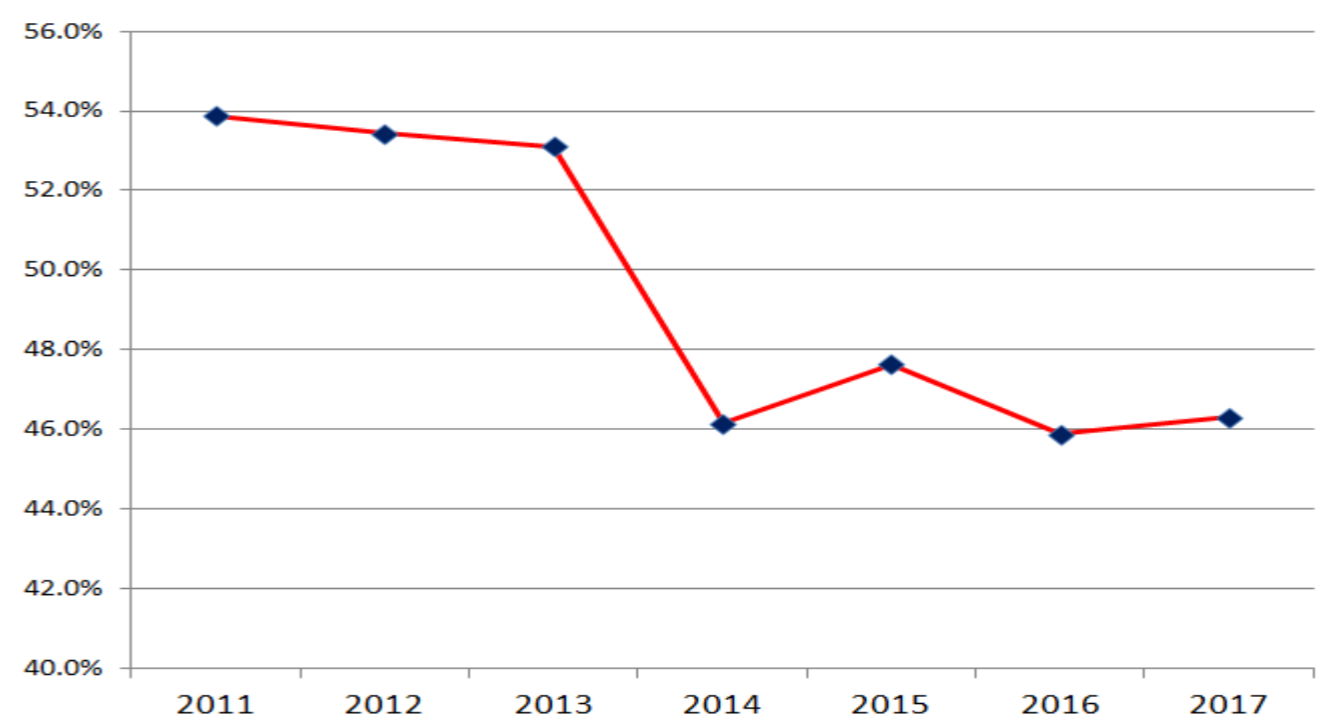
2017 MUNICIPAL BUDGET

APPROPRIATIONS	2017
Salaries, Wages, Benefits	\$ 14,041,104
Operating & Reserves	11,055,171
Capital Improvement & Debt Service	6,123,000
TOTAL	\$ 31,219,275
REVENUES	2017
Municipal Fees & Revenues	\$ 4,645,825
Utility Revenues (Surplus)	7,534,450
Property Taxes	14,451,800
Municipal Surplus	4,587,200
TOTAL	\$ 31,219,275

The six largest expenses in the 2017 Budget are:

Police Department.....	\$5.3 Million
Public Works Department.....	\$3.9 Million
Fire Department.....	\$2.3 Million
Garbage/Recycling/Yard Waste.....	\$1.7 million
Library.....	\$1.4 million
Sewage Treatment.....	\$1.2 million

TAXES AS A PERCENT OF BUDGET



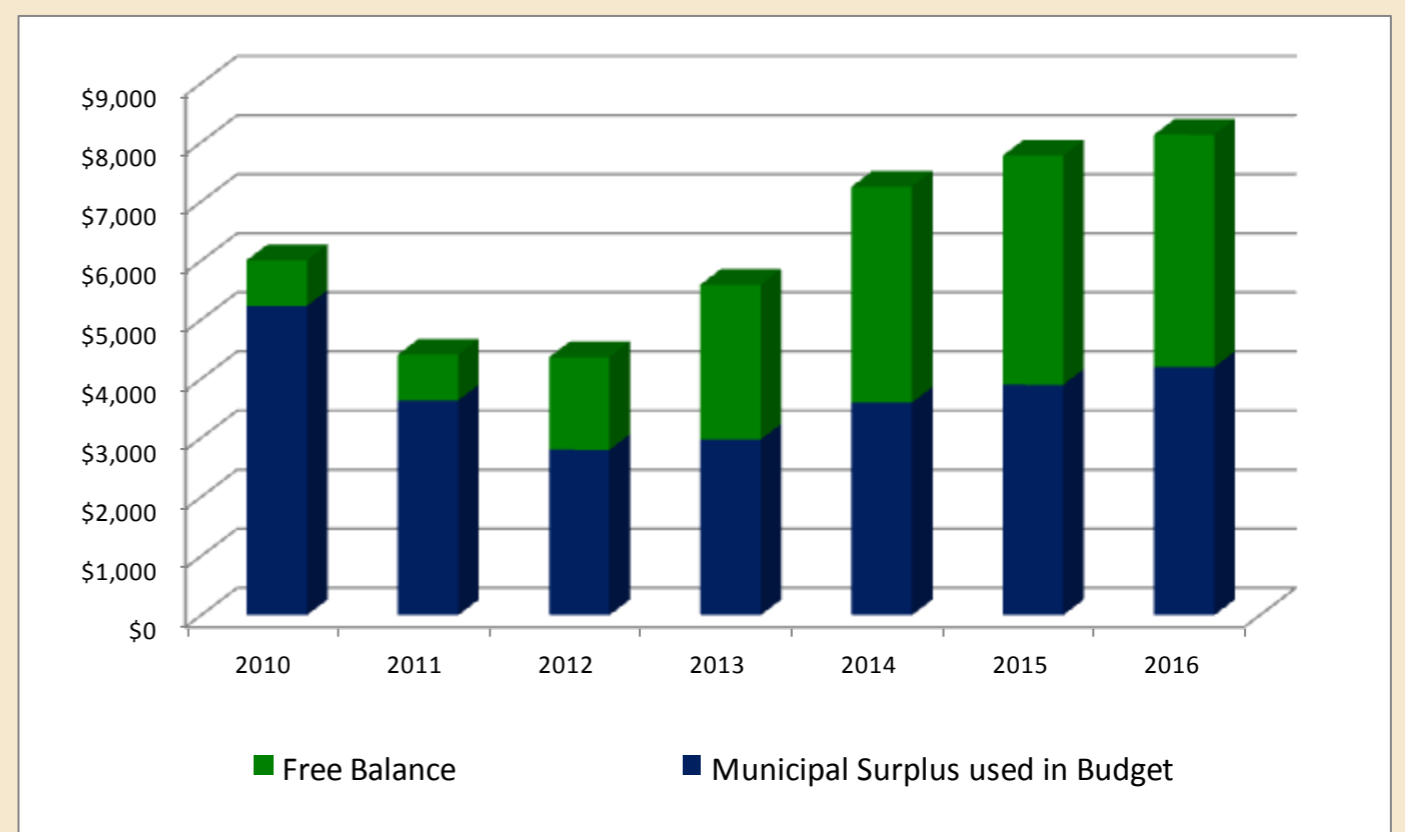
Since 2011, the municipal property tax as a percentage of the Borough budget has dropped by nearly 8%. This has been accomplished by a) limiting tax increases, b) identifying alternate sources of revenue, c) containing costs, and d) increasing shared service revenues by contracting our Borough staff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

SALARIES & BENEFITS

	2011	2017	6 Yr % Incr.
Salaries & Benefits*	\$13,724,000	\$14,041,000	2.28%

The Borough has worked to reduce staff and staff related expenses. Budgeted employee costs have increased just 2.28% over the past six 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.