

2020 BUDGET SUMMARY

This document was created to better inform Madison residents about the 2020 Municipal Budget. Earlier in the year, the Mayor and Council voted and/or deliberated on the 2020 budget at nine Council meetings. The Council unanimously approved the budget on April 27. Detailed information can be found on the "Annual Budget Process" page on www.rosenet.org.

\$2 MILLION ELECTRIC DIVIDEND EXTENDED

During the 2020 budget process, Council approved a \$2 million electric dividend to be distributed to all customers. This dividend will automatically appear on your utility bill through December 2020. For residential customers, the credit is approximately a 10% reduction in your bill.

STRONG FINANCIAL POSITION HELPS BOROUGH DEAL WITH COVID-19

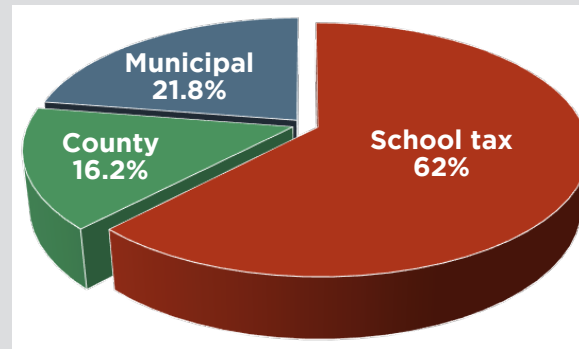
Since 2012, the governing body has intentionally maintained strong surplus balances to protect the borough from a significant financial event. As such, the Council was able to act quickly and take immediate budgetary action to deal with the pandemic, including adding \$200,000 to the budget to help cover possible COVID-19 related costs.

The Council also took action to financially help residents and businesses during the pandemic, including:

- Reducing the Municipal property tax increase;
- Offering a \$200 utility rebate to furloughed residents and \$400 to small businesses.

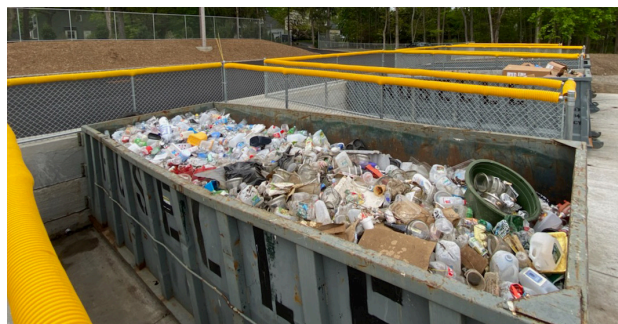
MADISON TAX BILL BREAKDOWN

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



	2013	2020	8 Year \$ Inc.	8 Year % Inc.
County	\$1,781.42	\$2,168.40	\$386.98	21.7%
School	\$7,119.02	\$8,293.30	\$1,174.28	16.5%
Borough	\$2,802.24	\$2,915.66	\$113.42	4.0%
Total	\$11,702.68	\$13,377.36	\$1,674.68	

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



The Borough's new Recycling Center is now open, with extended hours, on Station Road.

WHAT DO YOU GET?

An average home valued at \$667,200, received a property tax bill of \$13,377.36. The municipal portion of this tax bill is \$2,915.66. For this amount, the residents of that home will receive the following services & programs:

MUNICIPAL SERVICES

- Garbage & Recycling Pickup
- Yard Waste & Fall Leaf Pickup
- Road Plowing & Maintenance
- Recreation & Parks Maintenance
- Senior Citizen Services
- Library
- Police Department & Crossing Guards
- Fire Department & Fire Safety
- Sewage Treatment
- Health Department
- Administration/Elections/Records
- Construction/Planning/Zoning

CAPITAL

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

HOW PROPERTY TAXES AND SERVICES COMPARE TO OUR NEIGHBORS

Town	2018 Per Person Municipal Tax	Garbage included in taxes?	Curbside Yard Waste?	Sewer included in taxes?	Fall Curbside Leaf Pickup?	Paid, Professional Fire Dept.?	Senior Center & Van?
Madison	\$845	Yes	Yes	Yes	Yes	Yes	Yes & Yes
Chatham Twp	\$845	No	No	No	No	No	Yes & Yes
Chatham Boro	\$882	No	Yes	No	Yes	No	Yes & Yes
Morris Twp	\$993	Yes	Yes	No	Yes	Yes	Yes, but no van
Florham Park	\$1,104	No	Yes	No	Yes	No	Yes, but no van
Harding	\$1,479	No	No	No	No	No	No

CAPITAL SPENDING

The Borough has budgeted over \$6.9 million in Capital in 2020 & over \$30 million in capital over the next five years. Important capital projects for 2020 include:

- \$1,610,000 for reconstruction of Burnet, Glenwild, Albright & Beverly.
- \$1,065,000 for road improvements to Cross Gates, East & West Lane, Grove, Highland, Woodland (West) and Kings Road & Prospect Street Parking Lots



2020 MUNICIPAL BUDGET

Appropriations	2020
Salaries, Wages, Benefits	\$14,956,115
Operating & Reserves	\$12,107,450
Capital Improvement & Debt Service	\$5,753,400
TOTAL	\$32,816,965

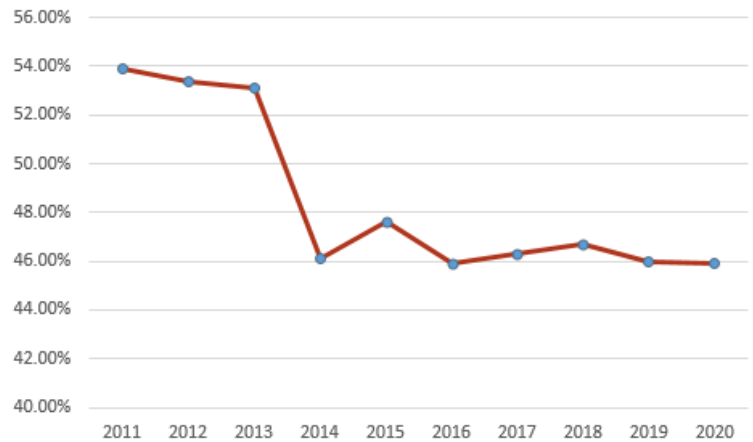
Revenues	2020
Municipal Fees & Revenues	\$5,424,401
Utility Revenues (Surplus)	\$6,913,200
Property Taxes	\$15,065,967
Municipal Surplus	\$5,413,397
TOTAL	\$32,816,965

The six largest operating appropriations are:	
1. Police Department	\$6.7 Million
2. Public Works Department	\$4.4 Million
3. Fire Department	\$2.7 Million
4. Garbage/Recycling/Yard Waste	\$2.0 Million
5. Library	\$1.6 Million
6. Sewage Treatment	\$1.1 Million

DID YOU KNOW...?

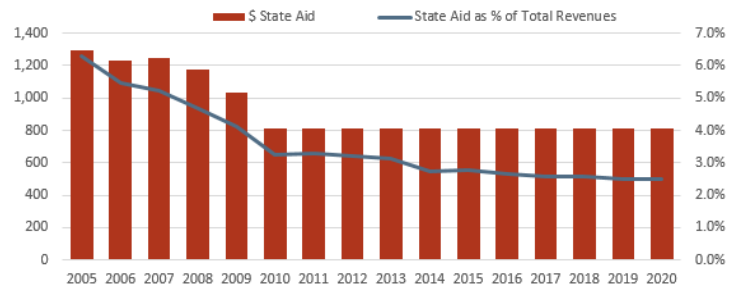
- Over 50 miles of town roads are maintained & plowed by the Department of Public Works (DPW).
- Over 300 acres of parks & fields & over 50 different properties (parks, fields, buildings) are maintained by DPW.
- Over 500 fire hydrants & over 5,200 service connections are maintained by the Water Department.

TAXES AS A PERCENT OF BUDGET



Since 2011, the property tax as a percentage of the Borough budget has dropped by almost 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. Almost 54% of the Borough Budget is now funded by non-tax revenue.

SHRINKING STATE AID



The red bars above show total dollar amount of Municipal Aid received from the State of NJ. The blue line show the % of state aid to the total budget.

Shrinking State Aid: Madison receives \$808,529 in State Aid annually and used it as revenue to offset property taxes. Aid to Madison dropped from 2005 to 2010 and has remained flat since then. As the blue line shows, State Aid used to fund 6.3% of the municipal budget. Now it funds less than 2.6% of the budget.

- Over 1,200 street lights & over 6,600 service connections are maintained by the Electric Department.
- Close to 1 million gallons of sewage & waste water are transported and processed every day.
- Madison pumps & distributes over 3 million gallons of water on a single hot summer day.