

2019 Municipal Budget

Borough of New Providence
May 6, 2019

B O R O U G H O F
NEW PROVIDENCE

SETTLED IN 1720

Overview

- Owners of real property in New Providence pay real estate taxes based upon the assessed valuation of their property.
- Municipal governments collect the property tax for the benefit of three taxing entities;
 - **The Municipality** - *The Mayor and Council control only this portion of your taxes.*
 - **Local Schools** - *The school tax is determined by the Board of Education .*
 - **Union County** - *The County budget is established by the County Freeholders.*

Overview Continued

- The estimated 2019 breakdown of the total tax bill between the Municipal, County and Board of Education, based on the property tax on the average home is as follows:

– Municipal	19.79%	\$2,737
– Municipal Open Space	.17%	\$ 23
– Library	1.35%	\$ 187
– Union County	20.98%	\$2,903
– Union County Open Space	.61%	\$ 85
– Board of Education	<u>57.10%</u>	<u>\$7,845</u>
	100.00%	\$13,835

Objectives

- ✓ Maintain essential municipal services.
- ✓ Continue to seek out efficiencies to contain operating costs and overhead.
- ✓ Keep municipal tax increases within affordable limits.
- ✓ Seek grants wherever possible to fund operations and capital improvements.
- ✓ Assure 2019 budget provides foundation for future budgets.
- ✓ Assure adequate funding levels of reserve accounts for Tax Appeals, Snow Removal & Insurance.

2018 - 2019 Savings & Revenue Enhancements

- ✓ Continuing revenues from Shared Services agreement with Summit for Wastewater services - \$150,000 +/-
- ✓ Continuing Revenues for Police Escrow Fees - \$100,000 +/-
- ✓ Continuing the savings from the Reverse Electricity Auction and Natural gas with recent auctions to assure continued savings for next year.
- ✓ Moved Interest on Investments \$100,000 and Hotel Occupancy Tax \$60,000 to Anticipated Revenues from Unanticipated Revenues

Shared Services

- ✓ Shared Dispatch Center operational providing high levels of efficiency and professionalism generating about \$65,000 in revenue.
- ✓ Continuing agreement with Berkeley Heights to provide all services related to their Municipal Court. \$92,000.
- ✓ Continuing agreement with Summit to provide all services related to their Municipal Court. \$220,000.
- ✓ Continued Agreement with Summit for wastewater pump station management services. \$150,000 +/-.

Municipal Tax Comparison

including Library & Open Space Tax

20 Year Impact On Average Assessed Value Home

Avg. Assessed Value	\$282,000
2019 Tax	\$ 2,947
1999 Tax	\$ 1,692
20 Year Tax Increase	\$ 1,255
20 Yr. Avg. Annual Increase	\$ 63

1 Year Impact On Average Assessed Value Home

Avg. Assessed Value	\$282,000
2019 Tax	\$ 2,947
2018 Tax	\$ 2,930
1 Year Tax Increase	\$ 17

County Tax Comparison

including Open Space Tax

20 Year Impact On Average Assessed Value

Home

Avg. Assessed Value	\$282,000
2019 Tax	\$ 2,988
1999 Tax	\$ 1,297
20 Year Tax Increase	\$ 1,691
20 Yr. Avg. Annual Increase	\$ 84

1 Year Impact On Average Assessed Value

Home

Avg. Assessed Value	\$282,000
2019 Tax	\$ 2,988
2018 Tax	\$ 2,989
1 Year Tax Decrease	\$ 1

School Tax Comparison

20 Year Impact On Average Assessed Value Home

Avg. Assessed Value	\$282,000
2019 Tax	\$ 7,900
1999 Tax	\$ 5,132
20 Year Tax Increase	\$ 2,768
20 Yr. Avg. Annual Increase	\$ 138

1 Year Impact On Average Assessed Value Home

Avg. Assessed Value	\$282,000
2019 Tax	\$ 7,900
2018 Tax	\$ 7,744
1 Year Tax Increase	\$ 101

Total Tax Comparison

20 Year Impact On Average Assessed Value

	Home	
Avg. Assessed Value		\$282,000
2019 Tax		\$ 13,835
1999 Tax		\$ 6,712
20 Year Tax Increase		\$ 7,123
20 Yr. Avg. Annual Increase		\$ 356

1 Year Impact On Average Assessed Value

	Home	
Avg. Assessed Value		\$282,00
2019 Tax		\$13,835
2018 Tax		\$13,663
1 Year Tax Increase		\$ 117

APPROPRIATIONS SUMMARY

Description	2018 Adopted Budget	2019 Proposed Budget	Increase or (Decrease) From 2018	Percentage
Public Safety	4,267,990	4,567,663	299,673	7.02%
Pension, Health Ins. & Employee Benefits	2,956,695	3,116,686	159,991	5.41%
Infrastructure	2,690,425	2,686,540	(3,885)	-0.14%
Tax Reserves	2,053,380	2,058,040	4,660	0.23%
Public Works	1,883,350	1,913,050	29,700	1.58%
General Government	2,009,000	2,084,150	75,150	3.74%
Garbage Collection & Recycling	1,010,000	1,089,000	79,000	7.82%
Sewer Treatment & Disposal	1,319,500	1,357,950	38,450	2.91%
Street Lights & Utilities	780,000	780,000	0	0.00%
Land Use & Regulatory	505,100	515,575	10,475	2.07%
Community Activities & Events	370,450	389,450	19,000	5.13%
Insurance	535,000	555,000	20,000	3.74%
Municipal Court	351,175	367,175	16,000	4.56%
Public Health	141,475	147,475	6,000	4.24%
Grants & Donations	549,729	94,117	(455,611)	-82.88%
Total Budget Appropriations	21,423,269	21,721,871	298,603	1.39%
Municipal Library	898,786	934,372	35,586	3.96%
Municipal Open Space	94,832	116,725	21,893	23.09%
Total Municipal Appropriations	22,416,887	22,772,968	356,082	1.59%

New Providence 2018 Taxes Among the Lowest When Compared to Union County Peer Communities

Average <i>Municipal</i> Taxes						Total
			Av Mun Txs	Garbage	Sewer	Municipal
1	Scotch Plains		1,848.00	520	250	2,618.00
2	Berkeley Heights		2,270.00	540	0	2,810.00
3	New Providence		2,851.00	0	0	2,851.00
4	Cranford		2,552.00	275	250	3,077.00
5	Westfield		2,775.00	360	0	3,135.00
6	Mountainside		3,005.00	180	0	3,185.00
7	Springfield		3,472.00	0	0	3,472.00
8	Summit		3,487.00	0	247	3,734.00

Future Investment

The Mayor and Council will continue to invest in the Borough's future through initiatives such as:

- ▶ **Recreation Improvements: Tennis Courts, Improvements to Harmony Park**
- ▶ **Road Paving Projects – Union/Kline and Fairview Avenue**
- ▶ **Sidewalk Repairs and Installation of missing links of sidewalks, Pedestrian Safety Enhancements**
- ▶ **Library Roof Replacement**
- ▶ **Fire Department Facilities Upgrades**
- ▶ **Additional Video Surveillance equipment**
- ▶ **Rescue Squad Building HVAC Upgrades**
- ▶ **Municipal Center Bathroom Renovations**

Capital Projects - 2019

Borough of New Providence						
2019 Capital Budget & 5 Year Forecast						
	2019	2020	2021	2022	2023	Total
DEPARTMENT SUMMARY:						
Public Works	1,700,000	450,000	500,000	1,020,000	450,000	4,120,000
Wastewater Treatment	0	200,000	200,000	200,000	100,000	700,000
Computers & Networking Equipment	46,000	28,000	28,000	43,000	12,000	157,000
Community Activities/Recreation	325,000	40,000	75,000	75,000	0	515,000
Borough Clerk	0		15,000	0	0	15,000
Fire	0	45,000	820,000	145,000	0	1,010,000
Rescue Squad	0	0	50,000	0	0	50,000
Emergency Management	10,000	75,000	10,000	15,000	50,000	160,000
Police	13,000	0	75,000	70,000	13,000	171,000
Total	2,094,000	838,000	1,773,000	1,568,000	625,000	6,898,000