

NEWS

TOWNSHIP OF WOODBRIDGE

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Mayor John E. McCormac SFY 2023 Budget Message Municipal Council September, 2022

We are very happy to ask for the Township Council's support for our Fiscal Year 2023 Municipal Budget.

The most important aspect of this budget is that it holds the line on municipal property taxes in Woodbridge for the next year. **THERE IS A ZERO MUNICIPAL PROPERTY TAX INCREASE IN THIS BUDGET FOR THE FIRST TIME IN MANY YEARS.**

Quite simply, now is not the time to be raising taxes on our residents given the significant inflation of recent months. People are struggling to make ends meet and are forced to make very difficult decisions about spending money – often choosing between food and medications.

We are very fortunate to be in a strong financial position with a surplus balance of over \$29 million, our highest ever. We have been fiscally prudent as evidenced by our AA+ bond rating from Standard & Poor's. We have watched our spending and kept our increases within State limits, despite growing pension costs over which we have no control.

Perhaps the biggest reason for our strong financial picture however, has been our aggressive economic development efforts led by Caroline Ehrlich, Marta Lefsky and Heather LaMotta. Our new power plants, warehouse projects, office buildings and downtown apartment complexes have provided millions and millions of dollars into our municipal budgets for many years.

In this budget, we have anticipated over \$22 million from PILOT agreements – Payments In Lieu Of Taxes. Hardly a Council meeting goes by when someone is not complaining about PILOTs and deliberately trying to mislead the public into thinking that these projects pay no property taxes. They most certainly do and that is why everyday taxpayers are not seeing a tax increase this year.

The \$22 million in PILOT revenue in the fiscal 2023 budget covers the \$8 million in debt service on our 2017 and 2020 school district referendum projects and our previous athletic field improvements paid for by Township bonds. The balance of the PILOT revenue goes toward everything else in the budget like Police, Public Works, Health and Recreation.

It is important to note that the \$22 million in PILOT revenue is the equivalent of \$525 to every home in Woodbridge Township using the average assessments. That is \$525 that does not come out of the pockets of our hard working residents because the money is paid mostly by power plants and warehouses. And, within a few years, our PILOT number will be over \$30,000,000 and provide over \$700 of tax relief to every home in Woodbridge every year for the next 20 plus years.

This budget also plans for our future by providing funding for over \$10 million in capital projects so that we do not have to finance these improvements and also provides for pay downs of another \$20 million in debt including over \$9 million that is optional. This will provide further financial relief in future budgets by eliminating costly interest charges. We also have over \$4 million in grants for specific Township projects with the promise of many more millions in the coming months.

Having been directly involved in 28 different municipal budgets in Woodbridge Township as Chief Financial Officer and Mayor is enough experience to say that this is the best budget during those years. The work that went into its preparation was amazing and we have a terrific team to thank for that effort.

Our current Chief Financial Officer, Manny Fernandez, along with Deputy CFO Mike Klepchick and Accountant Kate Mullen, spent hundreds of hours starting in the spring and finishing to put together this fabulous document. They now start the process of managing the budget – trying not to spend money we have authorized while making sure we collect the revenue we have anticipated while searching for more.

Our Business Administrator Vito Cimilluca and his Deputy Casey Wagner oversaw the creation of this budget by holding dozens of meetings with the best government leaders in the State of New Jersey – our Department and Division heads right here in Woodbridge. This great group of men and women each have dozens of years working in Woodbridge and they know what they are doing and it is reflected in this zero tax increase budget. Vito and Casey's hard work should not go unrecognized.

We also thank each of you on the dais for your continued support of our financial plans and our economic development efforts. There is little that we can do as an administration in the Executive branch of government without the cooperation of our Legislative branch - the Township Council – and you have always provided that support.

Finally, we thank the members of the public because we asked you to trust us that we were making prudent decisions about the future of Woodbridge Township and you did. Tonight you see why.

You trusted that we could manage the Township's finances and bring in more projects to ease the tax burden you face.

You trusted us that we could deliver the best sanitation and recycling pickups and best road maintenance and reconstruction around with snow plowing that is the envy of every town around us.

You trusted us to build a nationally accredited police force and see the benefits of new recreational facilities like The Club at Woodbridge, the Acacia Youth Center, the Cypress Recreation Center and the Oak Tree and Maple Tree Senior Centers.

You especially trusted us during the last 30 months of the COVID pandemic and you watched our Health Department shine like no other. You got your shots and your boosters in an incredibly friendly and professional environment. You were informed of everything we knew about COVID daily at first and now weekly and you consistently thanked our team and offered words of encouragement. You grieved with us at our ceremony for victims of COVID who could not have proper funerals and you celebrated with us as college seniors had a graduation ceremony which their schools could not offer.

You are the reason we work so hard and we are immensely proud to deliver a municipal budget with no tax increase to you tonight. When people disparage us and don't tell the truth about our motives and our actions it is very disappointing. But, this is about more than just a handful of people repeating the same nonsense meeting after meeting. Now you all know that what we have said all along is true.

This budget improves your quality of life within Woodbridge Township and offers more programs and services to our seniors, our children and our families while holding the line on property taxes.

Thank you once again for your support as we continue to strive to make Woodbridge "THE BEST TOWN AROUND."

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