

**MAYOR JOHN E. McCORMAC**  
**SFY 2012 BUDGET PRESENTATION TO COUNCIL**  
**August 9, 2011**

Thank you Council President for the opportunity to appear before the Township Council and present our recommended Fiscal 2012 annual budget for the Township of Woodbridge.

Every budget is made up of costs that are controllable and costs that are uncontrollable. We are proud to present a budget that spends less on controllable costs than the SFY 2011 budget. However, costs such as health insurance contributions and pension payments are beyond our control and, when coupled with a decline in surplus balances, result in a tax increase in the 2012 budget of \$91... an increase that is less than any of the past five budgets presented to Council.

The majority of our budget is made up of employee salaries and direct expenses related to employees. We have made significant strides in reducing the number of public workers... we are down 120 positions from just five years ago, not counting the increase due to the custodians and due to taking over the skating operations from our Community Center. That is 120 less salaries and health and pension contributions that we do not need to make.

Our Police Department salaries are down over \$600,000 yet we have more uniformed police officers on the street. I am very pleased to announce that crime is down in Woodbridge by 12.6% during the first six months of this year compared to the same period last year. We are clearly doing more with less.

Our Sanitation salaries are down over \$1.5 million as the new garbage and recycling system has been fully implemented. We are sending less tonnage to the landfill, 45,000 tons last year versus 51,000 tons five years ago, because of our convenience center, our free annual bulk trash pickups, and our aggressive recycling program – all of which have been embraced by Township residents.

We expect to make \$100,000 more in recycling revenue this year and we expect to use 25,000 less gallons of fuel in our vehicles than five years ago because of the larger and more efficient trucks which make less trips to the landfill.

I should take this opportunity to remind residents that we will have a free special bulk pickup this fall because of the severe weather we experienced in March and April which prevented many people from having garage sales and putting out their items.

Councilman Anderson will outline the details of the September Special Pick-Up later in tonight's meeting. You can also refer to the latest Woodbridge News or log-on to the Township Web page at: [www.twp.woodbridge.nj.us](http://www.twp.woodbridge.nj.us).

Our insurance bill increase of \$1 million makes up all of the increase in our operating costs in 2012. We are taking steps in employee negotiations to move employees to less expensive health and medical plans. Our pension increase is nearly \$1 million also, though future growth should be limited due to the reductions in our workforce. We remain one of only a few large towns in the State that did not defer its pension payment to future years.

Our debt service is up over \$500,000 but this is largely due to an aggressive plan to pay down our debt, including in many cases, paying deferred charges before bonds or notes are ever issued, thus saving significant interest charges.

Our debt level remains very low compared to allowable levels by the State. We are under 1% of our property values when the State regulations allow for up to 3.5%.

Simply put, we match new borrowings with debt paid down and our annual debt service is roughly the same than it was many, many years ago.

Our tax collection rate is an astonishing 99.92% and our surplus is at nearly 2% of our budget which is very appropriate for a town of our size.

Spending is also below State allowable levels. This year we are \$5.3 million below what Trenton says we can spend. That's \$5.3 million, all because of the workforce reductions of the last five years.

We are below the amount allowable as a tax levy increase by an amount that is not significant, though it is very significant that we are below that limit.

Our property values have remained stable and our revenue from new projects has increased, including the FedEx and Wakefern warehouse expansions. A recent grant from the State will give us up to \$5 million annually to clean-up our Brownfields in Keasbey and restore them to tax paying ratables and make more than 100 acres of wetlands and passive recreational areas accessible to the public for the first time in Woodbridge history.

We continue to expand our in-house paving operation and are putting walking paths around parks and schools all over town. In a down economy we still received over \$1.5 million in construction code fees last year and we expect more this year. Our illegal housing crackdown is getting the message out and, although we had 4,200 violations last year, it is more than 1,000 violation notices less than the year before.

Our Interlocal agreements continue to help alleviate taxes, providing revenue to the Township and savings to our municipal neighbors. Whether it's our animal shelter, public works services, or our agreements with our Board of Education and Library, Woodbridge continues to be a State leader in shared services. Additional Interlocal agreements are expected now that our new police communications system is up and running and available to other towns to utilize.

Our solar panel project has been cash positive for the Township since the beginning and, in fact, the panels will more than pay for themselves within six years at the next sale of our renewable energy credits. We collected \$2.4 million in grants, \$1.6 million in the first credit sale and hundreds of thousands of dollars in savings against an investment of just over \$5 million. Working with Councilman Jim Major, we have made the solar panel program and “Sustainable Jersey” a priority... and we have proven that we can absolutely save “green” by going “green.”

We are literally on the verge of major economic development announcements, particularly along our Route One corridor that will turn dilapidated and underutilized properties into attractive tax-paying ratables in the very near term. Councilwoman Michele Charmello has worked diligently on the Route 1 development projects and has been key in the success of the “Buy Local” program which is geared to stimulate small businesses while providing value discounts to Avenel and Township shoppers.

The bottom line is that we have controlled our budget as much as we possibly could have done. Our programs and services have never been better, and our workforce has not been smaller in dozens of years. Our public employees deliver public services better than any town around and they are working longer and harder than ever before. The only increase in our tax levy, as noted earlier, has been because of items outside of our control.

Tonight begins a process whereby the Council will review the budget and offer suggestions on where it can be changed. I would be remiss if I did not thank the Council budget committee of Council President Jim Carroll and Councilmen Rick Dalina and Charlie Kenny who have met with us and who have already offered suggestions that have been implemented in this document. We look forward to more discussions with the entire Council...

In fact, this Council provides more to the residents of Woodbridge than any other town around. Just ask Councilwoman Brenda Velasco about the initiative to secure grant and independent funding to build the long-anticipated Woodbridge history museum at Parker Press...

or Councilman Greg Ficarra about the Mayor's Wellness Campaign that has brought 5K runs, a bike tour, Mayor's Healthy Cook-off, and other Wellness initiatives to Township residents – all at no expense to the taxpayer. Just don't ask me how much weight I've lost in the Township-wide "Drop-A-Ton" challenge... we have till Oct. 31 to reach that goal...

or Councilman Robert Luban's annual effort to coordinate the Colonia Pride Day parade... scheduled for Oct. 2 this Fall.

To the public, I repeat an annual charge that budgets are operational documents and not political documents. We encourage feedback and questions and recommendations as to where the budget can be reduced without harming the programs and services that Woodbridge residents have come to expect. We do not encourage political statements and attacks filled with rhetoric and nonsense that do not serve to advance the debate about our finances.

We know property taxes are a burden for people throughout Woodbridge Township which is why we have kept our increase to a minimum. It's also why we have the lowest municipal tax burden of all of the towns that border us.

In fact, our average tax on a home in Woodbridge is over \$1,000 lower than the average burden of the five towns around us.

It is not enough to just say that property taxes are too high. Public documents spell out in great detail all of the places where we have spent or expect to spend money. They also spell out all of the revenues the Township has received and what we expect to receive in the future.

Tell us what we are doing that you don't think we should do. Tell us what money we should be generating if not from property taxes. Tell us what programs you would cut, what services you would eliminate and what employees you think are not necessary. We are very open to suggestions and recommendations and look forward to input from everyone impacted by this budget.

The proposed FY 2012 budget document is posted on the Township Web Page.

Thank you again for the opportunity to appear before the Township Council. We look forward to our continued dialogue as we all work toward our common goal of improving the quality of life for all residents of Woodbridge Township.