



## 2023 Budget Address by Mayor Matthew Moench

*April 20<sup>th</sup>, 2023*

Council President Kirsh, Council members, and my fellow Bridgewater residents, today I am pleased to present to you the Administration's 2023 Budget. This budget plan reflects many, many hours of work by our municipal professionals, the Council Finance committee, and the Administrative staff. We owe all of them a great deal of thanks for their dedication and commitment to the financial security and stability of Bridgewater.

A budget is more than just a collection of **numbers**: it's a reflection of our **values**. It illustrates for all to see what we as a community consider important, where we want to allocate our resources, and how we intend to achieve our goals. When we create a budget, we make decisions that have an indelible impact on the lives of our residents. This evening I want to define and explore the values which laid the foundation for the Budget this year.

First – Bridgewater values **consistency**. Good municipal government should, at its core, be stable and consistent. For the third year in a row the Bridgewater budget **will not raise our tax rate – in fact, it will be slightly lower**. Our budget this year reflects stability and consistency, and I am so proud that we have produced a consistent tax rate over the last three years. This also means that Bridgewater boasts one of the lowest municipal property tax rates in Somerset County. The consistency with which we have approached the last several budgets has paid tangible dividends for our residents and taxpayers.

Now, consistency without context spells trouble, so let's make sure our context is clear. When you look at your individual property tax bill, it is important to remember that Bridgewater Township is responsible for only 11% of it. The remaining 89% is divided between the Bridgewater-Raritan Regional School District, Somerset County taxes, and a small portion goes to our local Fire Districts. Though we do collect the entire bill from you, we can only control our 11% of it. Consequently, it is possible for your **total** property tax bill to increase even though the municipal tax rate itself has decreased. An increase of your assessed home value can have a similar effect.

Second – Bridgewater values **reliability**. Consistency without reliability is only consistent chaos. Reliability means that you can depend on your government to deliver favorable results for you and your family. There are many ways to consider budgetary

reliability, but by far the most apparent is our surplus. Municipal budget surpluses help keep our financial backbone strong. We rely on our surplus to leverage credit, pay down debt, and respond to unforeseeable emergencies as the year progresses. I am pleased that once again our budget reflects our commitment to reliability – **our 2023 anticipated surplus tops \$7 million** and puts Bridgewater on a healthy, sustainable fiscal course.

Our ability to maintain a strong surplus has depended heavily on the recovery of our various revenue streams from the Covid-19 pandemic. The Bridgewater Commons revenue has been slowly regaining health after the pandemic devastated it, and our Hotel Occupancy tax has also almost returned to pre-pandemic levels. These two revenue streams alone are **expected to generate over \$2 million in revenue** for Bridgewater's budget. As these funding sources recover, we can continue delivering you and your family the reliable fiscal prudence you deserve from your municipal government.

But a Municipal budget has to do more than save – at some point we have to talk about spending, and the **rigor** with which we approach our spending levels every year. Our Financial team relentlessly combs through our spending commitments not just as a part of the annual budgetary process but as a matter of daily operation. We engage in this rigorous and demanding exercise to make sure that we are spending your tax dollars wisely. To that end, we have expanded our township workforce in order to ensure excellent service over a variety of departments:

- We've hired 4 additional police officers to support our groundbreaking Community Policing initiative in coordination with Chief Mitzak and his command team;
- We are in the process of hiring additional IT support for both the police department and the Township government in order to make sure they have the capabilities they need to fulfill their responsibilities;
- We've either already hired or are in the process of hiring additional staff to support the following offices: code enforcement, tax collector, surveyor, clerk, zoning and planning, senior center and fire.

These employees represent Bridgewater's commitment to rigor – when we invest in talented, knowledgeable and dedicated staff members, the level of excellence in service to our residents rises. We will continue to seek out highly motivated professionals to bring to Bridgewater Township; the quality of the personnel on our team directly impacts the quality of life of our residents.

As much as we are in a state of generally good financial health, no situation is perfect – and that is why this next value is one of incredible importance: **honesty**. Though we have made great strides since the early days of the pandemic, Bridgewater continues to face very real obstacles, and I will always be honest about them to our residents. Just as our home values have risen, Bridgewater faces rising costs across a variety of sectors. Our insurance costs have increased by 20%; fuel costs have increased as we have all seen filling up our own cars at the pump; and the \$2.3 million dollars of Covid-19 funding has faded into memory. These are financial difficulties that we must face with honesty, because any attempt to ignore or evade

those realities will only hurt all of us in the future. Fiscal responsibility starts with a balanced budget, and sometimes when faced with financial difficulties that responsibility means making difficult decisions.

We made a difficult decision last year to increase the sewer fee, and I am pleased to say that our **honesty** and **rigor** in dealing with that problem head-on has yielded progress this year. We began this year with a **\$350,000 utility operating surplus**, and we will not need to make any change to our sewer fees this year. I think it illustrates the point: a budget is more than just numbers, it reflects our values.

The last value I want to talk about today is **investment**. Bridgewater values investment because when we invest in our future without compromising our present, we end up crafting spending plans not just for residents right now, but the Bridgewater residents five, ten, and twenty years in the future. We continue to invest in many ways, but I'll highlight the one I'm continually proud of, our Five-Year Road Improvement program. We are now well into Year Three, and the budget allows for the investment of another \$8 million into improving our roads, specifically targeting the roads fallen most into disrepair and neglect. This five-year program has already yielded undeniable results: over 41 miles of roadway have already been reconstructed or preserved. By the time the 2023 program is concluded, over 200 individual Bridgewater roads will have been reconstructed or repaired. This unprecedented investment in Bridgewater's infrastructure will enhance our quality of life, strengthen our local economy, and pay dividends to the Bridgewater residents of the future.

In conclusion, I am confident that this budget reflects the consistency, reliability, rigor, honesty, and investment which our residents demand from us. Our budget is not just a set of numbers: it's a roadmap for the future of our town. As we move forward, we will continue to make thoughtful and responsible decisions that will benefit our community both now, and in the years to come. We must all work together to ensure that Bridgewater remains a great place to live, work, and raise a family.

Thank you for your attention, and let's continue to build a better Bridgewater together.

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