

**June 15, 2020**

**2020 Budget Address**

Council President Norgalis, Council members, Bridgewater residents, today I present to you the Administration's spending plan for 2020. I present this plan in a time of unprecedented uncertainty in our community as the COVID-19 virus has changed our way of life. Our community has felt, acutely, the pain that this disease has wrought the entire country. As of today, we have lost 63 souls due to complications from COVID-19 and while the curve has flattened and the suffering is beginning to wane, we will never get those precious lives back. In addition to the public health consequences, schools have closed across the country, government services have been curtailed at every level, and businesses of all kinds have shuttered.

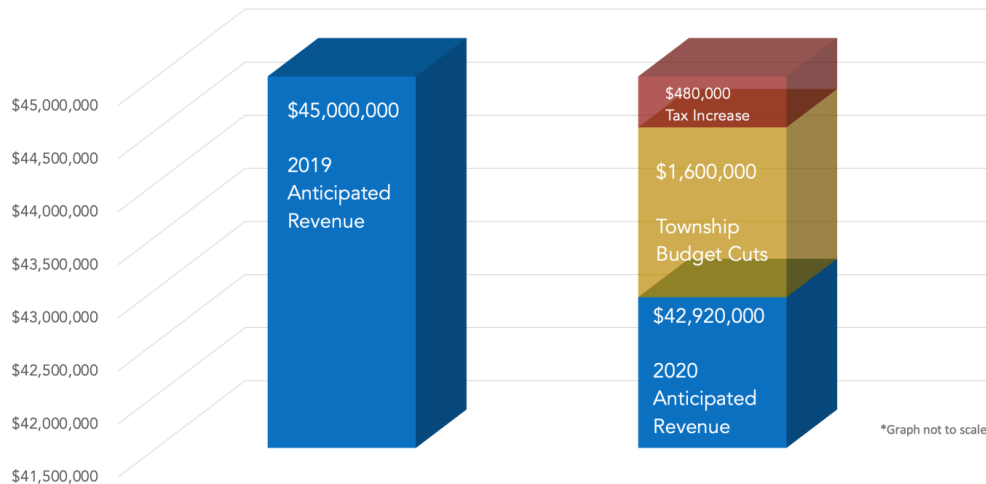
The long-term economic impact of this crisis on our community is as yet unknown, but it may alter the way in which every sector, including municipal governments will operate in the future. We need not only to adjust for these short-term disruptions, but also plan for future crises of any magnitude, and to take the necessary steps to protect our community today, tomorrow, and for years to come. We must also continue to provide the municipal services our residents expect and deserve, and to which we have committed – such as infrastructure improvements and bold steps to protect our community from overdevelopment. The challenges before us are greater than we could ever have imagined just a few short months ago, but the resolve of our community and your municipal government remain steadfast and unbroken.

The budget I present to you today is one of shared sacrifice, and the result of months of hard work and collaboration between the Township Administration and the Council Finance Committee. This pandemic has affected every individual and institution in this country and municipal governments are no exception. The Township has seen drastic revenue reductions including hotel taxes, Bridgewater Commons Mall fees, and drops in permits fees, interest revenue, and other miscellaneous sources of revenue. Currently, Bridgewater finds itself with a \$2.1 million deficit directly related to loss of COVID-19, without including the additional expenses and normal increases in operating costs. The only thing that was clear about this budget was that we knew that we could not make up our lost revenue solely on the backs of our residents and taxpayers. This would have led to a double digit tax increase that was a non-starter for this Administration and this Council. We needed to make deep, significant cuts in order to spread the pain in a reasonable and responsible way.

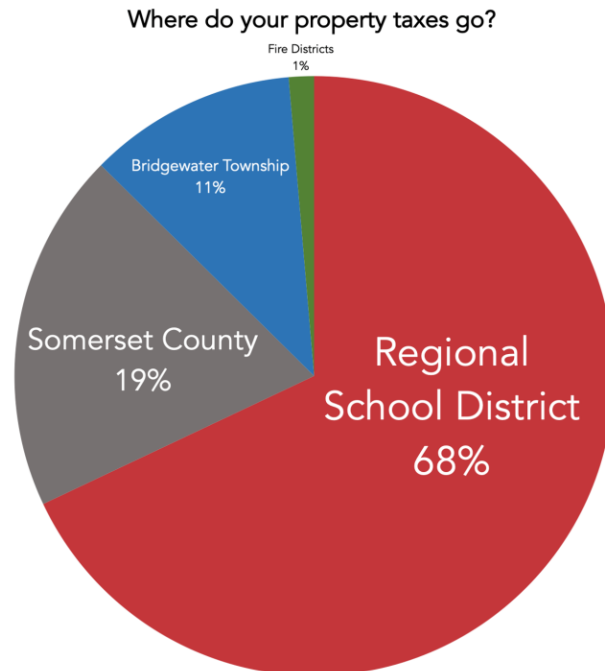
This budget will show a 4% decrease in municipal spending from 2019. That reduction was not easy to reach. It required a lot of very difficult decisions that will have ramifications on how our government will operate. We started with discretionary spending. We went line by line to cut every dollar we possibly could, but there is only so much you can do without drastically reducing the services Bridgewater residents have come to expect. We had to include a significant reduction in our workforce. These cuts include layoffs of 14 employees, the elimination of 10 positions and unpaid furlough days for many of our employees. All of these actions will have an impact on our government, and it is never easy to lose members of our Bridgewater family, but just like many of our residents, we need to do more with less in this extraordinary time. The cuts made this year will total over \$1.5 million.

We made these difficult decisions so that we pass along the very minimum of difficulty to our community while keeping the Township fiscally solvent. We are proposing a modest 1.94% increase in the municipal portion of the property tax levy for this year. Based on the average assessed home value in Bridgewater, the average tax bill will go up approximately \$3 this year. We know that every dollar is important to our residents, especially now, but I am confident that we have minimized their exposure to the Township’s fiscal shortfalls.

Bridgewater Township Anticipated Revenue Comparison, 2019 vs 2020



It is important that our residents understand that while Bridgewater Township collects the entirety of the property tax bill, the Township is only responsible for approximately 11% of their total bill. The Bridgewater Raritan Regional School District accounts for about 68% and Somerset County 19%. We have no control over how much these institutions tax residents.



While we must remain focused on and vigilant toward the public health emergency that our community faces, we must still meet our promises to our residents in areas like development and infrastructure. In all my twelve years on Council and now, as Mayor, there is one issue that I hear about everyday from our residents; the conditions of our roadways. When I took office, I outlined a plan to take a different, decisive approach to tackling this challenge. It starts with a universal road assessment, done by independent professional engineers taking into account both objective criteria and input from the residents who drive these roads every day. We expect to have a clear and concise document to share with the public this fall, with the work to be done by the consultant over the summer. While we await this road assessment plan, the Township continues to try to move much needed new road projects while pushing forward old projects that were funded in previous budget years but have languished. The condition of our roads should reflect the quality of our community and I will be tireless in my effort to lay an aggressive yet sustainable path forward on this issue.

In addition, we have invested resources in hiring a traffic consultant to review the Route 202-206 corridor to address traffic not just stemming from the Center of Excellence development project, but also other current and potential future generators of traffic on that corridor. We also continue to fight against a needless lawsuit by Advance Realty as they attempt to end-run the land use system that they manipulated so easily under the previous Administration. We will continue to stand up and fight for the kind of development on the former Sanofi site that fits the needs of our community. Finally, we will begin the process of updating our master plan to responsibly direct the development in Bridgewater into the future.

In addition to our work to improve Bridgewater's infrastructure, it was among my top priorities to ensure that Bridgewater developed the capabilities to deliver responsive, transparent, and modern solutions to our residents everyday problems and concerns. Towards this end, we have created a new Office of Constituent Relations with the sole purpose of ensuring that the resident concerns, questions, and suggestions are addressed in an efficient and comprehensive manner. OCR's dedicated staff is ready and able to guide residents through the pathways of their municipal government and deliver solutions for our residents across a wide array of potential issues.

Despite the current situation in which we find ourselves, we must continue to improve and adapt as a government. We must learn from the challenges that this pandemic has brought us while still moving forward on several of the initiatives that brought me to this office. We know that the problems we face now will require modern, dynamic solutions, and will require local government to achieve a level of technological integration that would have seemed unrealistic just a few short months ago. We must modernize the Township's virtual presence. This will require a continued investment in our website and will also require a commitment to upgrade our streaming capabilities. This commitment must go beyond simply "streaming" meetings for public viewing. We want the ability to provide for true virtual meetings, along with public access and interaction, as well as updated websites and e-services. These are the tools necessary to provide services our residents need, and they are long overdue.

The budget that I am presenting shows the vision of this Administration and represents an investment in the needs of a new era of government preparedness. In times like these, we need to remember that we are all part of the Bridgewater family. With that in mind, I am committed to a government that is highly responsive to the needs and safety of our residents and one that is forward thinking about the challenges all governments face today and in years to come.

I would like to thank the Council, especially the Council Finance Committee, for being a dedicated partner throughout this process, and I look forward to continuing our collaboration on this budget to best serve the Bridgewater community in 2020 and beyond.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Moench', with a long horizontal flourish extending to the right.

Matthew C. Moench  
Mayor