

TOWNSHIP OF MARLBORO

1979 TOWNSHIP DRIVE
MARLBORO, NJ 07746-2299

Mayor

Jonathan L. Hornik

July, 2015

SUBJECT: ANNUAL HURRICANE SEASON-TOWNSHIP UPDATE

Dear Marlboro Resident:

Let me begin by extending my best wishes for the remainder of your summer. I hope you and your family have had the opportunity to enjoy the warm weather and have found some time in the midst of your hectic schedules to relax a bit and enjoy these summer months. As we begin a new hurricane season, it is important to reflect back on the nearly three years since Superstorm Sandy brought us prolonged power outages and weeks of tremendous inconvenience. While we were relatively fortunate in the aftermath of Superstorm Sandy in comparison to our neighbors to the east as it relates to mass destruction and dislocation, Sandy continues to serve as an important reminder of our vulnerability in the face of the forces of nature.

Unfortunately, severe weather conditions have become the "new normal". In addition to Sandy, in the past five (5) years Hurricane Irene visited Marlboro along with Halloween and Christmas snowstorms that shut down parts of the State for days. Hurricanes and severe winter weather events cause real and permanent damage to our roadways and infrastructure, disrupt our quality of life, and adversely impact our municipal budget. That said, we have worked hard to minimize the impact that these events have on local government spending while, at the same time, continuing to prepare for future weather events and address weather emergencies. Despite \$1.0 million in one-time expenditures for Superstorm Sandy, \$800,000 for the winter of 2013/2014, and \$390,000 for the winter of 2014/2015 relating to States of Emergency declared by the Governor, the Township's 2015 operating budget for 2015 is only 3.6% more than it was *nine years ago* in 2007. This is especially notable because our budgets have had to absorb snow removal costs that have increased by 388% over that same time period.

In these "new normal" times, in addition to ensuring that we can reach you in times of emergency as explained below (see "Opening Up Government"), **we are pleased to announce that the Township's new "Surviving the Snow" brochure is available on-line at <http://www.marlborno-nj.gov/storm/Surviving-the-Snow-Brochure.pdf>** This update to our 'Plan and Prepare Brochure' (also available on-line <http://www.marlborno-nj.gov/storm/PLAN AND PREPARE 2014.pdf>) focuses on winter weather concerns and how to stay safe and in touch.

As we approach the three year anniversary of Sandy, I would like to once again take the opportunity to remind you and your family to be prepared for weather-related emergencies, and recap how we as a community, together, continue to "Weather the Storms".

MARLBORO TOWNSHIP DOES MORE WITH LESS

The tax rate and the value of your property determine the amount of your property tax bill.

TAXES

Taxes for Local Town Services under the control of the Mayor and Council (e.g., police, public works, administration, etc.) are decreasing while taxes for County, School, and Fire Districts are increasing in 2015.

PROPERTY ASSESSMENT

In 2013, Governor Christie signed into law the "Assessment Demonstration Program" and the Monmouth County Board of Taxation ordered Marlboro to participate. New assessments set as a result of this County-mandated program are included in the tax bill mailed to your home in July. More information regarding this program can be found in the Tax Assessor section of the Township website.

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Where Do Your Local Tax Dollars go? Marlboro Township is charged with the responsibility of collecting property taxes each quarter from all property owners and distributing them to the School Districts, Monmouth County and Fire Districts. In other words, the Township serves as a conduit for collecting taxes from residents and remitting them to the entities that establish the taxes. It is very important to be aware that local Town Services (described below in 'Reducing Spending') is **the only portion of the tax bill** under the purview of Mayor and Council and accounts for just 17% of your total tax bill. This includes the cost of preparing for and responding to emergencies. Stated otherwise, 83% of your total taxes are assessed without any input of your Mayor and Council.

An explanation of the local tax bill is included for your reference on the last page of this letter.

Reducing Spending For every dollar paid in property taxes, approximately 17 cents comes back to your local government to fund services such as police, parks and recreation, snow removal, curbside brush and leaf pickup and capital improvements. From a historical perspective, the costs for State-mandated items such as pensions and benefits have increased by \$3.0 million or 55% since 2007. Yet, absent one-time hurricane response and snow removal expenditures, the Township's 2015 budget is only 3.6% more than the 2007 budget from nine years ago.

Cooperative Purchasing The Township continues to seek out cooperative and bulk purchasing arrangements to reduce costs. For example, we continue bidding jointly for energy supply between the Township and the Board of Education. This has saved taxpayers more than \$1.0 million after the first four years of the partnership. In addition to purchasing, we share service costs with both State and other local governments to reduce duplication and provide services at the lowest possible cost.

Reducing Personnel Costs Labor costs including salaries, health benefits and State-mandated pension payments represent more than 10 of the 17 cents of every tax dollar retained by the Township for local Town Services. **Personnel costs remain essentially unchanged since 2007, even when factoring State-mandated increases in benefit costs of 55%.** This was achieved by reducing the number of full-time employees by more than 11.5%. In addition, all employees continue to be subject to mandatory health insurance contributions, and are offered an 'in lieu of' health insurance incentive payment to opt out of the Town's program. The Township has reduced the number of paid municipal holidays and vacation time. New employees wages and paid time off have been reduced, and the practice of paying for accumulated sick time at the time of retirement has been curtailed or eliminated.

As a result of these efforts taken to cut costs, the Construction Code Office (Building Department), the Department of Public Works and the Recreation Department are now back open to the public on Fridays. At the same time, services provided by the registrar, tax and water offices are available during certain evening hours, and inspections are scheduled up to 6 days per week in order to better serve the public. Details are on the Township website.

BOLSTERING REVENUES THROUGH ECONOMIC DEVELOPMENT

We have made a strong, concerted effort to pursue smart development that brings businesses our residents can use along with the new revenue they provide. Along those lines, we formed the Economic Development Committee (EDC) in 2008 and provided them with a mandate to make Marlboro business friendly and to market Marlboro for new businesses. Since then, we have attracted over 716,000 square feet of new businesses which have brought in more than \$1.4 million in new revenue to the Township. In the last several years, we have welcomed Whole Foods, Orange Theory Fitness, Osteria, Anthony's Coal Fired Pizza, and a number of other commercial and retail establishments that chose Marlboro over other geographic options.

In 2012, we launched the "Shop Marlboro Property Tax Reward Program". Residents receive a direct credit against their property taxes simply by keeping their purchasing dollars for goods or services in Marlboro. The premise is simple – support local businesses here in Marlboro, and save money on your property taxes. The program is modeled after private-sector reward programs, but the difference is that these rewards directly offset your property taxes! Marlboro is proud to be an innovator and was the first municipality in the country

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to introduce this type of tax-incentive program, which has now been duplicated in towns throughout New Jersey.

We have just completed our third fiscal year with this program and it continues to be a great success. Since inception, participating merchants realized more than \$2.5 million in *Shop Marlboro!* sales and Marlboro residents saved over \$155,000 on their property taxes. Residents are choosing to make their purchases in town, driving more customers to local merchants, thereby further enhancing our ability to attract new businesses to take root in Marlboro. With over 50 participating businesses, almost every resident should be able to benefit from this free program.

At the same time, it is important to note that our focus is on **clean** ratables. Some may recall that when a tree recycling facility threatened to locate in our Town in 2014, we successfully fought it off. **We will not compromise public safety and our quality of life just for the sake of bringing in a new business.** Our mantra continues to be 'Smart Growth' as we continue to generate new, clean, and smart commercial ratables and support our local businesses, knowing that this directly reduces the property tax burden on our residents.

INVESTING IN OUR INFRASTRUCTURE

At the same time as we reduce the size of our government, we continue to plan for the future. During a period when many municipalities and even the State of New Jersey have received credit downgrades, the Township has maintained its Aa2 bond rating. A strong rating, low interest rates, and the aggressive pursuit of alternative revenue sources has enabled the Township to invest in important roadway, drainage and recreation improvements throughout town while maintaining a debt level less than one-fifth the statutory limit established by the State. Additionally, budgeted debt service remains at its lowest level since prior to 2003. Still we continue to invest in capital projects which improve our infrastructure and quality of life. In a time of historically low interest rates, it just makes good financial sense. It is also a necessity if we wish to maintain our competitiveness, preparedness and our reputation as the premier place to raise a family and locate a business.

ROADS AND SIDEWALKS

The extreme weather of the past several years has taken a heavy toll on roadways throughout the state, including Marlboro's. Road reconstruction remains the #1 priority in our capital program and, while we normally budget \$1 million, the 2015 capital program calls for \$3 million in road improvements. In the last several years, numerous critical road projects have been completed, including Union Hill Road, Hartman Road at Route 18 and 520, School Road East, Vanderburg Road, Amboy Road, Robertsville Road from Topanemus to the Freehold border and County Route 520 from the Township border west to Tennent as well as a number of secondary roadways. We are now beginning the 2nd phase of the Texas Road resurfacing project.

Potholes following any winter are expected, but severe winters mean more potholes. In 2014, we launched our online Pothole Portal, allowing the residents who drive our streets every day to provide information and help to direct our resources to those areas most in need. Widely utilized, the link to report potholes is permanently on the Township homepage. To date, well over 1,000 potholes have been reported on line and thousands have been filled throughout Marlboro.

DOWNTOWN MARLBORO

In 2013, the Council authorized walkway and lighting improvements for Route 79 (Main Street) from School Road West to Buck Lane, laying the groundwork for a pedestrian and business-friendly town center. "Marlboro Town Center" features period style lampposts decorated with Township banners. During the past several years, we have made progress in other areas of town, including on Texas and Wyncrest Roads in order to make the Town more accessible to those who wish to bike or walk.

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TRAFFIC INTERSECTIONS

In 2013, I convened a committee of citizen volunteers, engineering and traffic safety professionals to identify local traffic issues and explore potential solutions. The committee reported back, as expected, that most of our biggest challenges existed at intersections under the jurisdiction of either the County or the State.

We reached out to the County and State, and I am pleased to report that the County has just completed roadway and traffic flow improvements to the intersection of Route 520 and Gordons Corner Road. In addition, the State will update traffic striping at Route 79 and Ryan Road. The County is in the process of completing its analysis of Route 520 and Wyncrest Road and I look forward to its recommendations to improve the intersection with a dedicated turn lane. We are also in the process of finalizing an agreement with the State and the County for improvements at the intersection of Routes 79 and 520.

WATER, POWER, FUEL AND SHELTER

As we learned all too well with Superstorm Sandy, the Township cannot rely on outside agencies for power, water, fuel and shelter for our citizens during times of emergency. We immediately recognized the need to have emergency sheltering capabilities, and obtained a \$250,000 grant from FEMA for full backup generator capabilities at the Recreation Center. We continue to implement upgrades to our water supply and distribution infrastructure. In 2015, with a 75% grant from the New Jersey Department of Transportation, several traffic intersections will be upgraded so that lights can continue to operate without expending public safety resources during outages. At the end of this year all gas stations in the Township will be required to have backup generators on site, allowing vehicles access to gasoline even when the power is out.

The Marlboro Township Water Utility continues its commitment to maintain a safe, reliable and affordable water supply for its customers. As a utility, we are able to obtain very favorable financing for capital projects. The Tennent Road treatment plant which will treat up to 1.5 million gallons per day (and have full emergency generation capabilities) is nearly complete and an existing facility on Harbor Road will be reconstructed in 2016, all with 75% interest free financing. This represents a substantial savings to customers. These improvements will help reduce reliance on outside water purveyors and ensure the continuity of operations during periods of power disruption.

And while the Township continues to invest in the water infrastructure to ensure a safe and reliable water supply, Marlboro Water customers still pay 10% to 45% less than surrounding water suppliers.

OPEN SPACE, FARMLAND PRESERVATION & THE MARLBORO HOSPITAL PROPERTY

We have also continued to fight to preserve more acres of open space and farmland in order to prevent these parcels from ever becoming residential developments. This past year was truly a banner year for open space and farmland preservation. We protected 87 new acres of open space with the Smith, Penksa and Baydock parcels, and preserved the 29-acre Baymar property on Harbor Road as a farm forever. **Recently, we were the recipient of an \$825,000 open space grant, the largest grant given to any single municipality in the State and the largest open space grant in Marlboro's history.**

At the old State Psychiatric Hospital property, the State's environmental cleanup is nearly complete. Ultimately, the property will be turned over to the County, affording Marlboro residents 411 acres of open space which will be preserved for generations to come.

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AFFORDABLE HOUSING

The issue of Affordable Housing in Marlboro and around the State remains unsettled. In March of this year the New Jersey Supreme Court ruled that the Council on Affordable Housing (COAH), the State Agency designated by law to administer affordable housing laws, was no longer a viable entity as a result of the fact that they have failed to meet and adopt rules for more than two years. The result is that Marlboro and every one of New Jersey's 565 municipalities have been directed by the Supreme Court to file actions in the Superior Court for a determination of their affordable housing obligations. Marlboro filed with the Court in June and will continue to aggressively challenge any attempts to impose unreasonable zoning measures on the Township which will result in overdevelopment and negatively affect the quality of life we have grown accustomed to enjoying.

BRUSH AND LEAVES

Changing weather patterns and extreme weather conditions over the past few years have had a significant effect on our leaf and brush removal programs, resulting in delays and raising public safety, storm water and even snow removal concerns. With yard waste in the street nearly all year, we have also noted that landscapers and others are taking advantage of Marlboro's robust program, leaving material which may not even originate here to be removed on our taxpayers' dime. On a side note, I will add that seeing yard waste in our streets all year really diminishes the appearance of our neighborhoods. Last year, as promised, I addressed these issues and updated the program. The recycling calendar mailed to your home, as well as email updates, detailed the changes and provided reminders and suspension of pick-ups due to inclement weather notices. This is another example of the importance of signing up for our Township email updates.

I remain committed to delivering the quality of services that residents deserve in the most cost effective manner possible, and keeping our community safe and beautiful.

OPENING UP GOVERNMENT

We continue to open up government and increase communication with our residents. The town website, Facebook, Twitter, channel 77, and email blasts are all utilized to publicize town programs, meetings and events. All township committee meetings and budget workshops are publicized and open to the public. In times of emergency these communication methods, in conjunction with "reverse 911" calls, alert and inform residents.

It is during these times, when power failures cause communication disruptions, in which it is most important that we have as many ways to contact you as possible. We urge every resident to please visit the "Communications for Residents" section of our website and register for any and all of the available communications options.

Our Teen Advisory Committee (TAC) is the largest committee in town, with over 1,700 registered teenage members who are committed to "***Do Good!***" in our community. This outstanding group gives back to our community by volunteering at town events, from Marlboro Day to Blood Drives, and by assisting various non-profit and commercial organizations in town. TAC members work one-on-one with members of our senior community to help provide instruction on everything from how to use the internet to how to program their phones. Membership is open to all teens ages 13 to 18; simply visit the TAC page on the town website to register.

Our growing senior citizen population is an important part of our Township and we have worked very hard to keep programs free or at a low cost for our seniors. Our senior programs fill the calendar with special events, classes and activities. Our Senior Advisory Committee (SAC) meets on a monthly basis with a representative from my office to provide feedback and engage in discussions about how to improve our community.

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FINAL THOUGHTS

For the year ending December 31, 2014, we have again received a perfect independent audit, a testament to the Township's financial house being in order. While the audit highlights the progress we have made on the financial side, it is my practice to try and look "beyond the numbers". Without question, this document also sheds light on our track record of "Weathering the Storms", along with our continued commitment to planning for the future while delivering high quality services in the most cost effective manner possible.

I attribute our success in "Weathering the Storms" to consolidating government, attracting new clean commercial rates and outside revenue sources, investing in our infrastructure and opening up government to the family of talented and committed volunteers who live here. If you have the best interests of all Marlboro residents at heart and wish to volunteer, we have a spot for you. Please visit the 'Volunteer' link on the Town home page for information about the many opportunities to get involved and join the hundreds of residents who take time away from their businesses and families to join us in moving Marlboro forward.

If you are new to Marlboro, you should have received a welcome packet with a wealth of information about the Township. If for any reason you have not, please let us know right away! Even longtime residents have told us that the 'Welcome New Residents' link on the Township homepage is a great resource. The opportunity to welcome new residents to our town always reminds me of how proud I am to be a lifelong resident of Marlboro. Our great community still continues to attract not only new businesses, but new families, in large part due to the outstanding schools and quality of life we offer.

I know that I repeat this same message over and over, but it continues to prove itself year after year and, candidly, it gives me a great sense of pride. Our community's response to difficult circumstances highlights how we, as a town, come together and even excel in times of adversity. I thank you for all that you do as residents and for continuing to make Marlboro not just your home, but also a premier destination for families and businesses.

And, remember during this coming hurricane season—the key to staying safe is to be prepared and to stay in touch!

Sincerely,

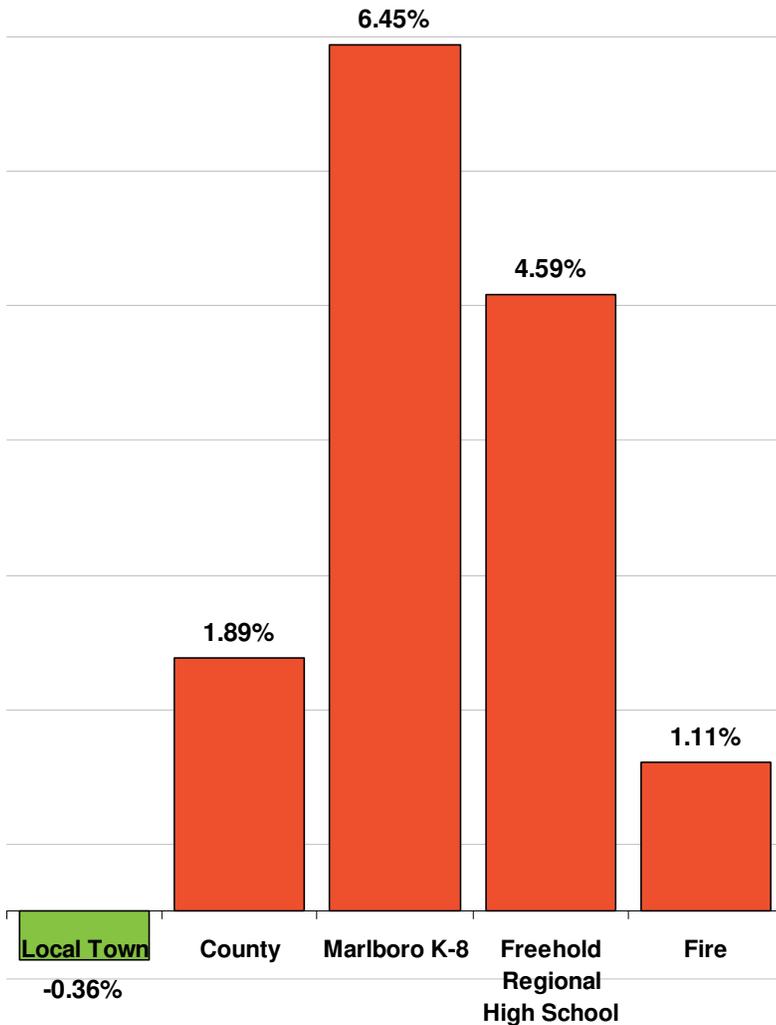
A handwritten signature in black ink, appearing to read "Jonathan Hornik". The signature is fluid and cursive, with a large initial "J" and "H".

Jonathan Hornik
Mayor

Your 2015 Tax Bill Explained

2015 Tax Analysis

In 2015, taxes for Local Town services under the control of Mayor Hornik and the Council are decreasing while taxes for County, School and Fire District services are increasing.



Where do your local tax dollars go?

Local Town Services

The share of the tax bill under the purview of Mayor Hornik and the Council consists of only 17% of the total tax bill. This funds services such as police, park and road maintenance, snow, brush and leaf removal. In 2015, Mayor Hornik submitted and the Township Council approved a budget which reduced taxes by .36% over 2014.

Schools

Independent from Mayor Hornik and the Council, separately elected Board of Education members govern each of the Marlboro K-8 and Freehold Regional High School districts. The taxes raised in support of the K-8 and Regional districts together make up 67% of the total tax bill. In 2015, the K-8 Board approved a budget which increased taxes by 6.45% as compared to 2014. The Regional Board approved a budget which increased taxes by 4.59% over 2014.

Monmouth County

Governed by a separately elected Board of Freeholders, Monmouth County operates parks, maintains roadways and provides health and library services. This makes up 15% of the total tax bill. The County approved a budget which increased taxes by 1.89% over 2014.

Fire Districts

Governed by separately elected Boards of Commissioners, the three Fire Districts in Marlboro collectively provide fire services to the Township. Fire services make up approximately 1% of the total tax bill. On average, the Fire Districts approved budgets which increased taxes by 1.11% over 2014.

Your Assessment. In 2013, Governor Christie signed into law P.L. 2013, Chapter 15 known as the "Assessment Demonstration Program". Subsequently, the Monmouth County Board of Taxation ordered Marlboro to participate. New assessments set as a result of this County-mandated program are included in this tax bill. Please refer to http://www.marlborno-nj.gov/tax_assessment_division_main.html for additional information regarding this mandatory Reassessment Program.

