



Borough of Lincoln Park

County of Morris

973-270-2021

Dr. David A. Runfeldt, Mayor

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The enclosed tax bills are the result of the 2020 Lincoln Park Borough Municipal Budget. This budget is the culmination of keen dedication by my administration, each of the borough's department heads and the members of the Borough Council to contain costs while continuing to provide the highest level of services to our community. Each deserves recognition for their efforts to make Lincoln Park a viable for our residents and businesses. Special gratitude from me goes to our CFO Fabiana Mello and Administrator Perry Mayers for their attention to compiling this budget.

I am happy to report that for the 12th consecutive year, the total budget expenditures have remained relatively stable and minimal. Cost containment continues to be a primary goal of mine and has likewise been an aim of the Borough Council. Once again, with this direction, we have attained a very positive result and I commend Council for their steadfastness to this objective. Another annual goal has been to present a fully compliant budget to Council with regards to the State's financial regulations. This budget is, in fact, a fully compliant budget without any cuts in services.

This budget contains an average increase of 2.26% in municipal taxes to a property in Lincoln Park. The total amount to be raised in taxes is \$193,190 below the allowable levy cap. It is also essential to note that this budget was achieved in the face of the continued loss of tax ratables due to flood buy outs and successful tax appeals, primarily in the commercial and industrial sector. On a positive note, however, it appears Lincoln Park is about to turn the corner and begin to reverse these negative trends. As you know, two significant residential development projects are about to commence in the downtown area. Another residential development, Dovetail Commons, is expected to break ground later this year. Additionally, the former gas station and the corner of Boonton Turnpike and Comly Road is being redeveloped as an upscale multi-unit retail center.

The end result, and more importantly, is what this means to the taxpayers of Lincoln Park. As proposed, this budget will increase the average household's (assessed value of \$320,569) taxes by \$75.15 or just \$18.79 per quarter.

I am also pleased to inform you that we remain on course with Lincoln Park's plan to become completely debt free by 2030. The plan is to "pay as you go" for all capital improvements and reserve for future foreseeable projects. The Borough plans to maintain a capital budget of approximately 1 million dollars per year by issuing ordinances and fully funding them in the following year. During the 2020 budget, the Borough will fully fund the 2019 bond ordinances. In addition, as the Borough's debt service continues to decrease, the reduction will be budgeted to a capital improvement fund. The 10 year capital plan that I started, and council has continually backed, provides us with a sound foundation for being able to move forward with this plan.

To recap these points and a few additional items that I would like to bring specifically to your attention to regarding the 2020 budget...

- Total amount to be raised by taxes for the municipal budget is \$13,757,455.50 in 2020 which is 193K below the allowable Levy Cap and 344K below the Appropriations Cap.
- Impact to the average household in Lincoln Park is less than \$75.15 for the year or \$18.79 per quarter.
- The Borough continues to be on track to be debt free by 2030.
- Fund remains very stable at 5.7 million.
 - A healthy Fund Balance provides tax stability and contributes to the orderly provision of services from year to year.

- A healthy Fund Balance also protects taxpayers from unexpected changes in financial conditions due to cuts in state aid and/or a natural disaster or pandemic emergency, for instance.
- Tax Collection rate for 2019 (98.72%) was excellent.
- The new state-of-the-art Synthetic Turf Field was recently completed at the Lincoln Park Municipal Complex. In keeping with the “pay as you go” mindset, no bonds were sold to fund the project and, consequently, no interest will be paid by taxpayers.

Due to the diligent budgeting and responsible spending of all departments, and the attentive adherence to procurement procedures the Fund Balance now stands at approximately 27% of the overall budget, an outstanding number. As mentioned above, a healthy fund balance provides us with both stability and safety in future budgets.

As in the past, a large portion of the increase to this year’s budget is due to statutory, contractual, or insurance obligations. There are minimal discretionary spending increases. The budget as presented provides a balance that takes into consideration the fiscal realities of the time while also maintaining the resources necessary to provide the services to our residents and businesses that have made Lincoln Park such an attractive place to live and do business.

As previously noted, the budget is well below the maximum allowable level for 2020. I and the administration fully anticipate that watchful oversight of spending will continue, and we will continue to find areas within the budget which will present opportunities for savings. The relatively small increase to our residents this year is the result of your confidence and support in the elected officials of our town.

I have constantly prided myself on making decisions that are in the best interests of our town at present and also to ensure that we remain a vibrant and thriving community in the future. This budget is good for our residents now and the goal to become debt free sets us up for success in the future, and does so in a relatively short amount of time.



Mayor David Runfeldt