



Montclair residents to see no municipal taxes increase



Mayor Robert Jackson announced a zero municipal tax increase for 2020.

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For the second year in a row, residents will see no tax increase on the municipal portion of their property tax bill, Mayor Robert Jackson announced at the Jan. 21 council meeting.

Property tax bills consist of three taxes: municipality, school and county. The school board and county still need to introduce their respective 2020 budgets. Last year school taxes rose by 2 percent, or \$206 on the average home valued at \$626,135.

Montclair's 2020 budget will be officially introduced for consideration by the town council next month.

"These back-to-back zero tax increases are a first in township history and I want to make sure that this milestone is noted," he said. "In the 15 years prior to this council, the average annual tax increase was 5 percent."

Last year, the \$91,112,587 municipal budget carried a tax levy of \$58,379,393 with a tax rate of \$0.783 per \$100 of assessed property value. A home assessed at \$600,000 carried a \$4,698 municipal tax bill.

According to Jackson, the eight budgets delivered by the current council, which was elected in 2012 and re-elected in 2016, resulted on average in a little more than 1 percent increase annually on municipal taxes.

During the same period, residential property values have increased by 24 percent, from \$507,000 to \$627,000 for the average assessed home, while municipal taxes increased less than 10 percent.

The township debt has also decreased by 27 percent in eight years, from \$223 million to \$163 million.

The town's prior AA- credit rating was raised in 2016 to AAA, the highest rate.

"A ton of projects were completed and investments made simultaneously. We'll go into more detail next month, but a modernized municipal fleet, 60-plus miles of paving and curbing, miles of utility main replacement, and park renovations are all completed," Jackson said.

The town entered 2019 with a fund balance of \$14 million, of which \$7 million in surplus will be applied to the budget and to reduce debt, according to township financial advisor Bob Benecke. The town also carries the school district's capital improvement debt, which includes the newly approved \$6,890,950 bond for school repairs, including the stairwells at the high school.

Last year, Benecke credited "the clearance of developments" with increasing the tax base by \$20 million. Last year, PILOT agreements — what developers pay in lieu of taxes — exceeded \$3 million with most from nonresidential developments.