

# Burlington County Times

Winner of the New Jersey Press Association's General Excellence Award for five consecutive years (2011-2015)

\$1.50

TUESDAY, MARCH 7, 2017

BURLINGTONCOUNTYTIMES.COM



@BURLCOTIMES



FACEBOOK.COM/BURLINGTONCOUNTYTIMES



## Credit rating hike boosts savings

**Lumberton's mayor said the upgrade will extend borrowing capacity and will save taxpayers money.**

By DANIELLE DESISTO  
STAFF WRITER

LUMBERTON — When the township goes out to bid on a \$5 million public safety building later this month, officials hope to realize savings thanks to an upgraded credit rating.

Plans call for a building on Municipal Drive across from the municipal building to house the Fire Department, Bureau of Fire Protection, EMS squad and Office of Emergency Management. Plans for the public safety center will be finalized in April with the goal of breaking ground this summer, Township Administrator Brandon Umba said. The funds also will cover \$500,000 in proposed improvements to the firehouse on Main Street.

Standard & Poor's credit rating service raised the municipality's rating from AA- to AA, marking improvements in stability and budgetary performance, including implementing strong financial controls to help maintain its fund balance.

"They were impressed that we have definitely improved from a financial perspective, and that's why they gave us an upgrade," Umba said.

Mayor Sean Earlen said the credit rating upgrade will help extend the township's borrowing capacity for future projects. Lower borrowing costs also mean reduced costs to taxpayers. Township officials estimated that the stronger rating will save taxpayers tens of thousands of dollars over the life of the bonds, which is expected to be 25 years.

The financial improvement is years in the making and will also be reflecting in the new budget, officials said.

The township has reduced its overall spending budget by \$1.19 million over the past 10 years, according to Committeeman Mike Mansdoerfer, liaison to the Finance Department. The committee plans to introduce a \$8.78 million budget for 2017-18 at its March 14 meeting. Officials said they expect the local property tax rate will decrease by about a cent, translating to a \$30 tax break on the average residential bill.

"It's been an ongoing process, but now with the recession on its way out, it's finally come to fruition," Mansdoerfer said.

If approved with the decrease, the owner of a home assessed at the township average of \$292,917 will pay \$1,233 in local purpose taxes. The current tax rate is 42.1 cents per \$100 of assessed value.

The proposed tax levy, or the

amount to be raised by taxes, is \$5.69 million, to support the proposed budget.

Stabilizing the budget required determining a way to accommodate falling property values while growing the surplus, or "cash on hand," Mansdoerfer said. In 2012, taxpayers defeated a municipal referendum that would have raised taxes by 27 percent, which led to layoffs to compensate for the shortfall in the budget. The municipality is beginning to recoup its loss of employees, and now slows down the growth of contracts to limit spending, he said.

Mansdoerfer said officials were able to find areas to trim in the budget for programs that could exist with the help of outside funding rather than relying on the government. For example, the historical society has begun hosting fundraisers to pay rent to lease space in its building previously funded by the township, and the intramural leagues through the Recreation Department enlisted parent volunteers instead of municipal staff to schedule games and register players.

"Those using the programs are actually funding the programs," Mansdoerfer said.

Danielle DeSisto: 609-871-8050;  
email: ddesisto@calkins.com;  
Twitter: @DeSistoBCT