

# *Neptune*

*Township - NJ*

*Where Community, Business & Tourism Prosper*



April 21, 2025

## **2025 Municipal Budget**

# NEPTUNE TOWNSHIP MUNICIPAL BUDGET TEAM

- Michael J. Bascom – Chief Financial Officer
  - Nicole Schnurr- Assistant Chief Financial Officer
  - Melissa Zucconi - Purchasing Agent
  - Stephanie Oppegaard - Director of Human Resources / Acting Business Administrator
  - Courtney Langer – Departmental Secretary
  - Lisa Mansfield – Administrative Assistant to the CFO
  - Lisa Graves – Accountant - Payroll
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- Mayor Robert Lane, Jr.
  - Committeeman Jason Jones
  - Committeeman Kevin McMillan
  - Committeeman Derel Stroud
  - Committeewoman Rev. Tassie York
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- Neptune Township Municipal Department Heads





# BUDGET / MISSION STATEMENT

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Fiscal Responsibility (significant inflation impacts 2022-2025)

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Maintain and Improve Quality of Life in every neighborhood

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Provision of services (No reduction in services to the community)

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Public Safety, Health & Welfare as priorities

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Maintaining a stable tax base and tax rate

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Providing services to 6000+ senior citizen residents

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Remain prepared for disaster response and recovery

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Debt for growth of community and distribution of costs to those who receive the benefit

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Sustainable budgeting

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Maintenance of strong financial ratings from Moody's and Standard & Poor's

# 2024 ANALYSIS

Re-generated surplus utilized in budget and increased the overall municipal surplus balance by \$2.8 M as part of plan to offset new capital debt service without causing a tax rate spike and to maintain sustainable municipal tax levy stability.

Revenue from interest on investments, a strong tax collection rate, and Payments In Lieu of Taxes were significant elements of surplus regeneration.

Continued significant investment in improvement to roadways, drainage, and sanitary sewer infrastructure, parks, playgrounds, public facilities, and public safety equipment.

Continued to financially weather difficult economic times through strong financial practices and the support of the community. Record tax collection rates, new revenues, careful spending, and enhanced methods of service delivery and revenue collection are the primary drivers of continued fiscal health.





# 2025 Budget Process & Timeline

1

## Long Term Capital Investment Plan

- 6 Year Capital Plan formulation
- Annual Update with input from Department Heads and other professionals

2

## Department Budgets

- Department heads prepared & submitted proposals for review Nov./Dec.
- Close out previous year in January & Prepare Annual Financial Statement / Draft budget

3

## Internal Financial Review

- Insertion of grant and aid programs.
- Adjusting budgets based upon available revenues and governing body goals regarding services and tax rate.

4

## Township Committee Review

- Public Budget / Financial Condition workshop
- Budget Introduction
- Budget Hearing / Adoption



# BUDGET PRIORITIES

## Manage Spending Challenges

- Health benefits are increased by \$550,000.00 as compared to 2024. (1.2M over past 2 years)
- Liability and Workers Comp Insurance costs have increases by \$530,000.00.
- Operating expenditures in general are impacted by the economy as reflected in virtually every operating element of the budget.
- Contractual Salary increases.

## Conserve Surplus

- 2025 budget utilizes \$5M lower the tax rate, and to offset the loss of \$521,000 in State Aid. This is in line with fiscal planning goals.
- \$12M surplus balance left to absorb continued marketplace disruptions and goal to replenish to \$10M or 15% of total budget to maintain fiscal stability and tax rate stability.

## Manage Tax Impact

- Total appropriations up 1%
- Library appropriations increased 8.7%.
- Budget no longer supported by American Rescue Plan Funding.
- State Aid has been reduced by \$521,000.00.
- Delivered 7.18% decrease in tax rate.



# 2025 BUDGET CHALLENGES

- **Market driven increased cost of expenses including health benefits, insurance, solid waste removal, and utilities.**
- **Increasing costs of residential services (Public Safety, Leaf Collection, Trash / Recycling)**
- **Cost of statutory compliance programs (storm water management, hazard remediation, program fees and associated requirements)**
- **Lack of availability of replacement vehicles and equipment, and increased cost related to same.**
- **Although outside of our control– we must be cognizant of state aid loss to schools and the impact on overall property taxes**



# 2025 TAXATION CHALLENGES



The school district has lost more than \$20M in state aid. This has led of a tax increase of over \$20M since the enactment of the new State Aid funding legislation.



The Township has maintained a stable tax rate (an increase of 1% last year and 1.8% this year.



The Township cannot control the School nor County tax impacts, which together make-up 72% of the total tax.



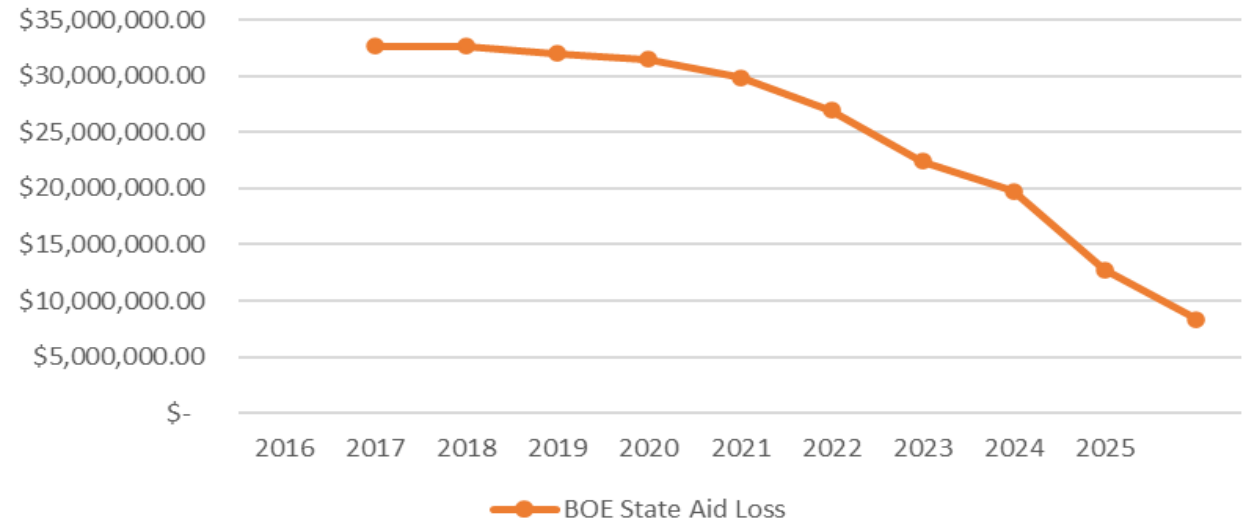
The Township's budget is impacted by the school and county taxes as we must increase the Reserve for Uncollected based upon their increases.



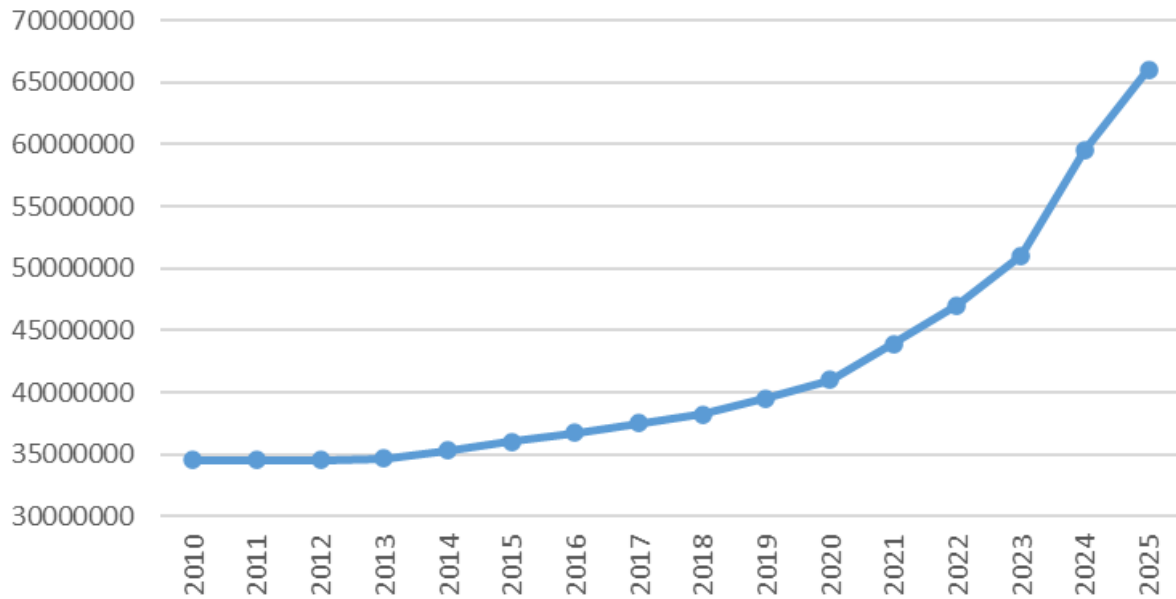


# BOARD OF EDUCATION IMPACTS

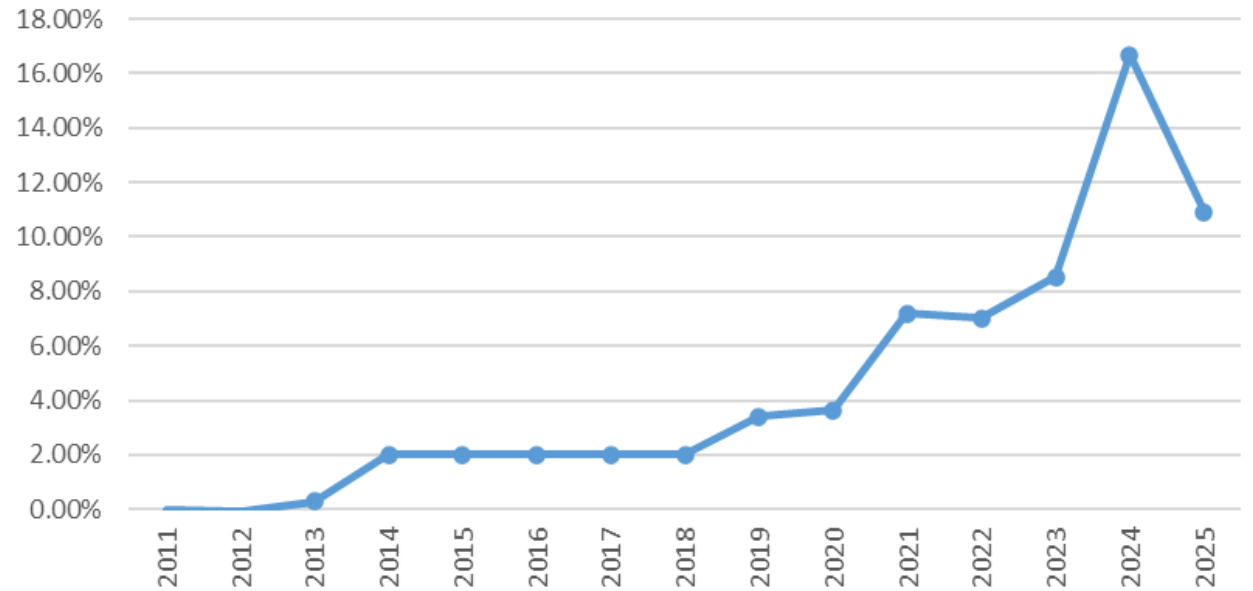
### BOE State Aid Loss



### Amount to be Raised for BOE

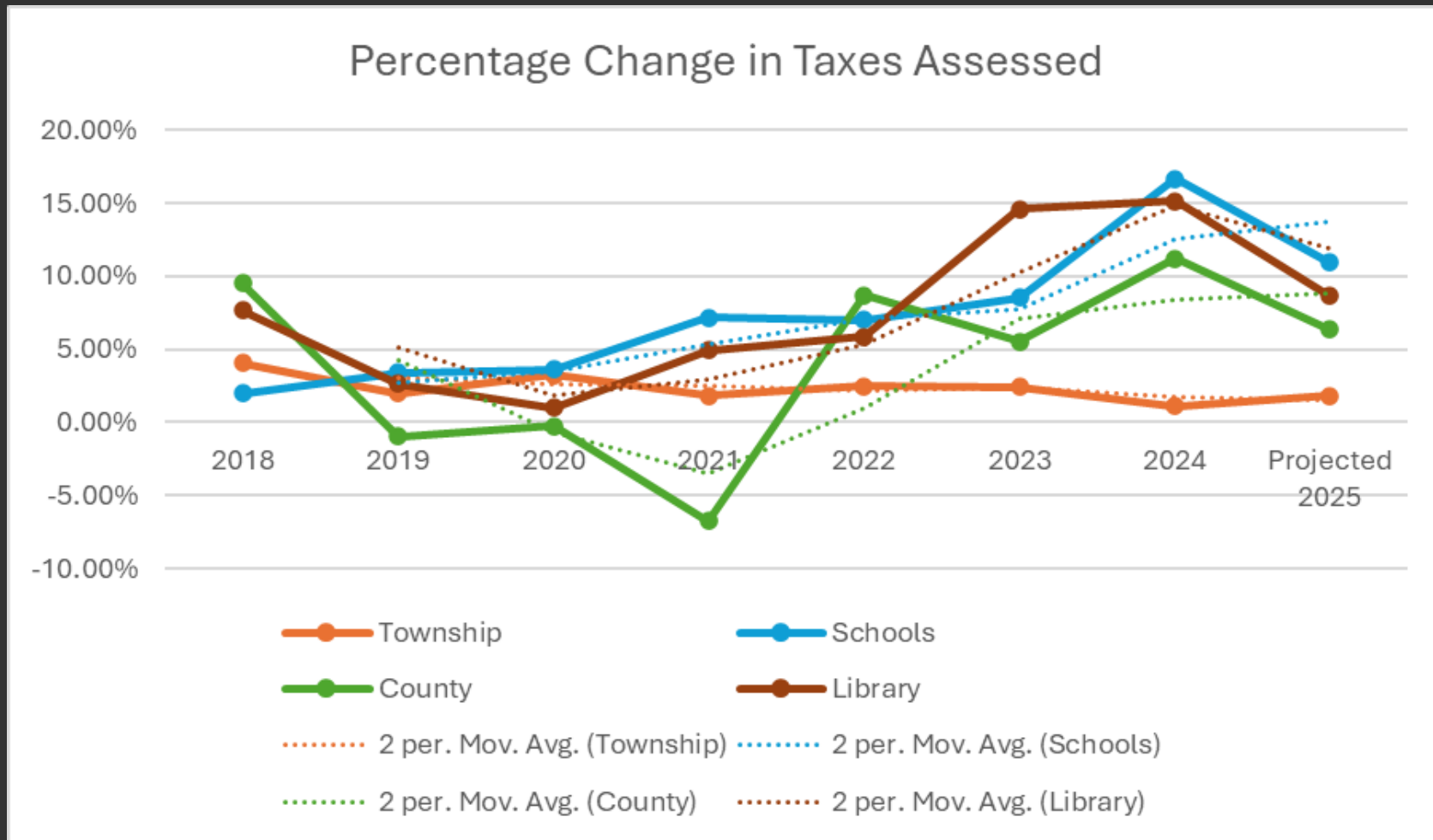


### Pct Increase in BOE Tax Levy





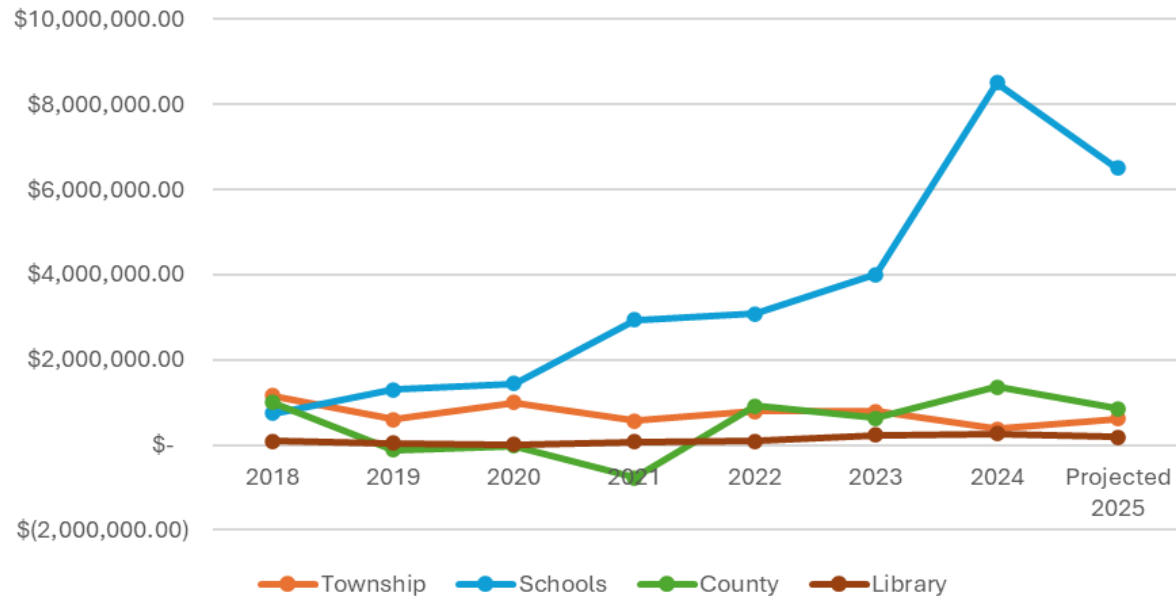
# TREND BY TAXING DISTRICT



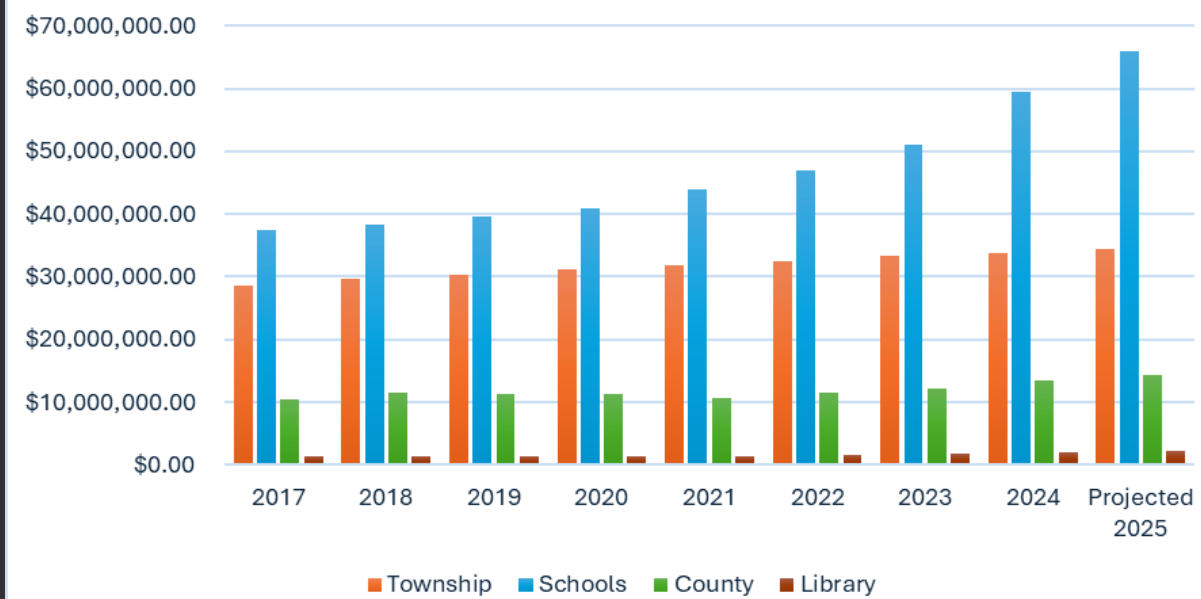


# TREND BY TAXING DISTRICT

### Change in Taxes Assessed



### Taxes Assessed



# 2025 BUDGET GOALS



Responsible Fiscal Management



Maintain appropriate staffing levels



Continue to aggressively control spending and identify revenues to maintain tax stability and fiscal strength



Continue to diversify the tax base through redevelopment.



Prioritize economic recovery, infrastructure, and public amenities such as roads, parks, recreation, and the arts, and identify creative sources of funding



# 2025 BUDGET ACCOMPLISHMENTS



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**Tax Rate Decrease: 7.18%**

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**Projected Tax Rate: 0.483 as compared to 0.520 in 2024**

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**(reduction of 3.7 cents per \$100 of value)**

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**No loss of services**

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**Continued growth of key programs – recreation / public safety / public works**

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**Investment of cannabis funds in parks and public safety**

# Well Managed Debt Service Provides Capital Flexibility

Continuing with Ambitious 2025 Capital Plan

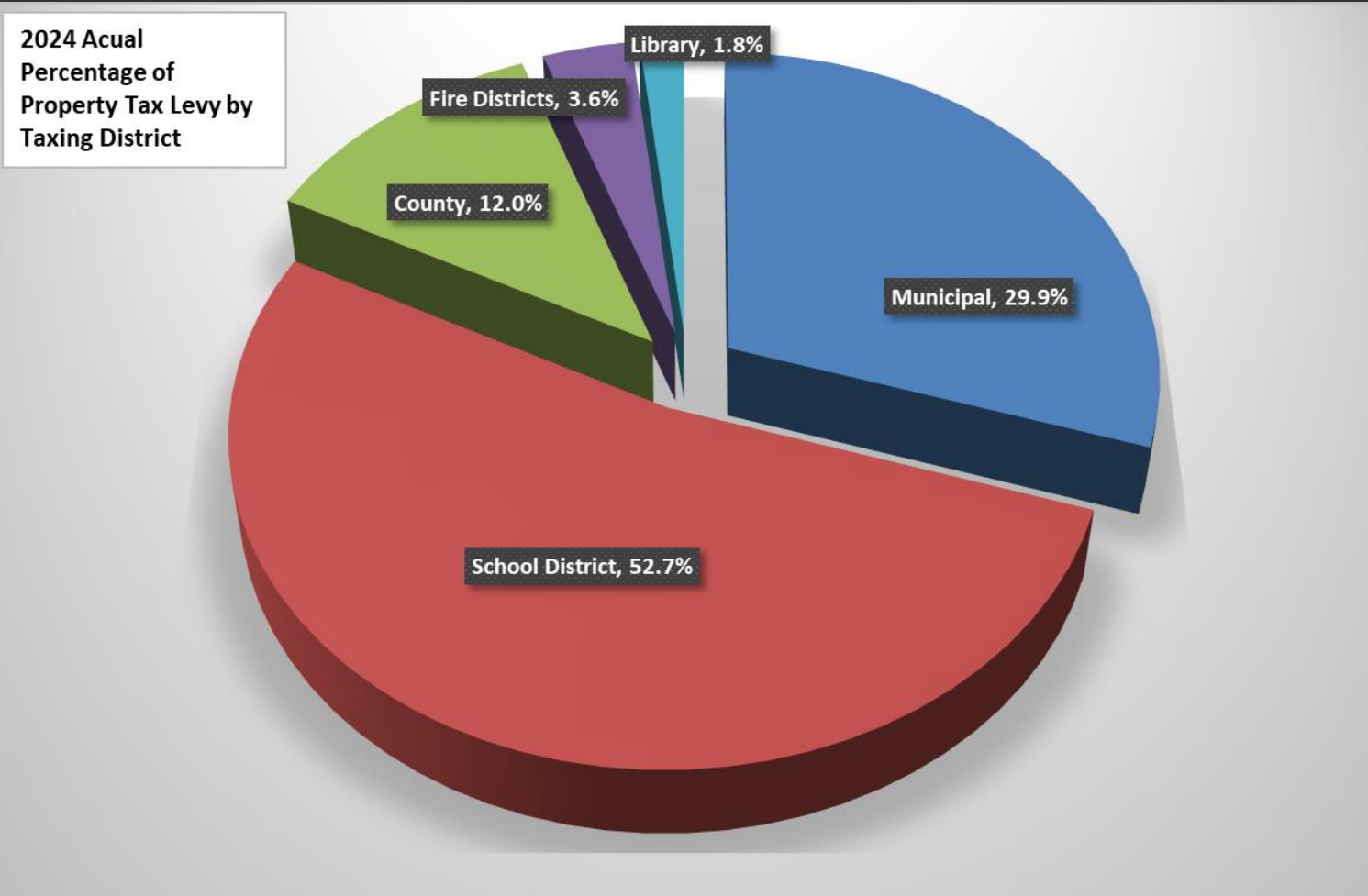


## Planned Capital Projects—enabled by sound planning:

- Continued significant road paving scheduled in partnership with utility companies, to share costs.
- Drainage improvements
- Recreation/Park improvements
- Public Safety improvements & equipment
- Technology enhancements
- Improvements to lakes
- Environmentally friendly flood reduction projects

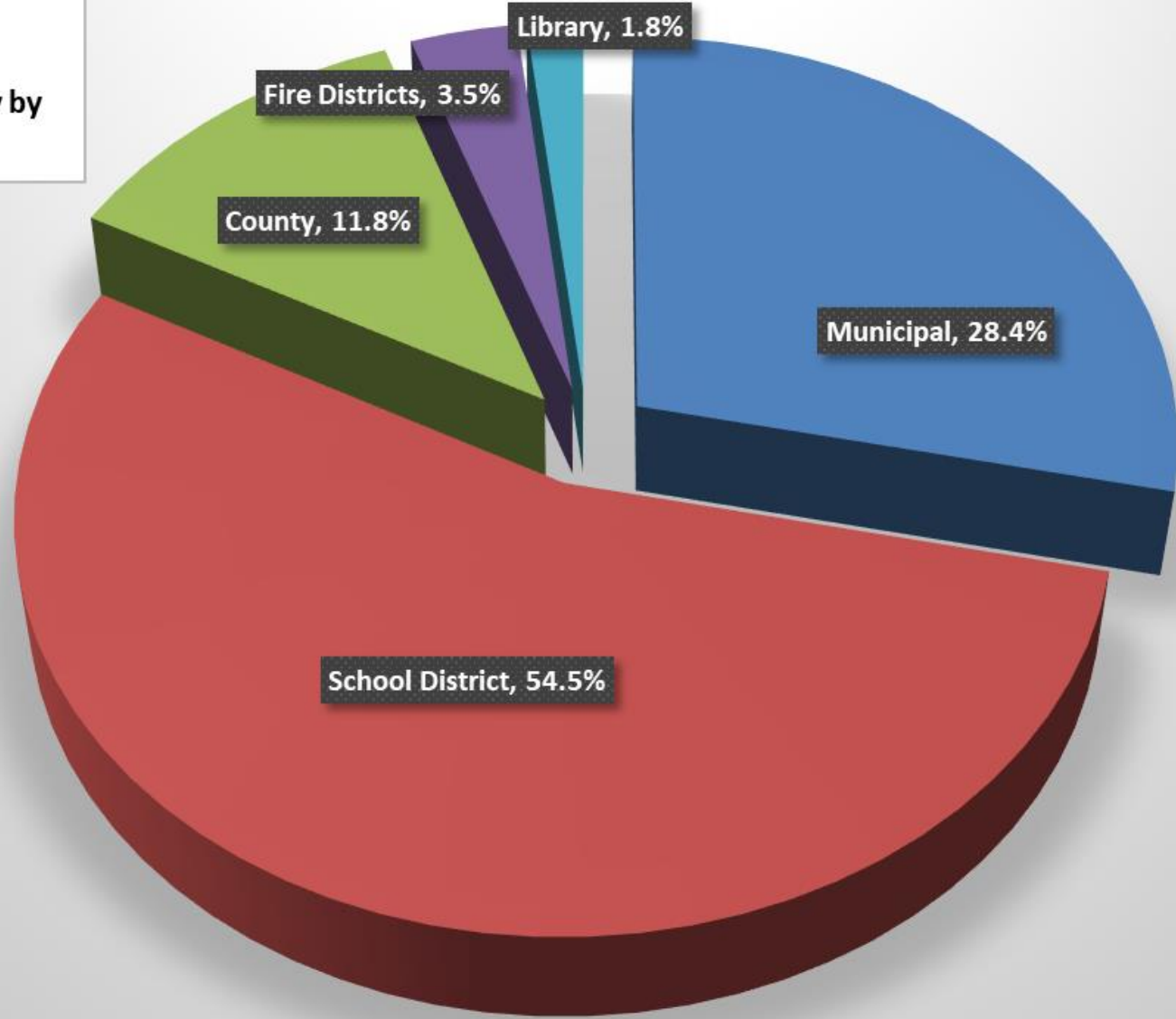


# 2024 TAX APPORTIONMENT





2025 Estimated Percentage of Property Tax Levy by Taxing District

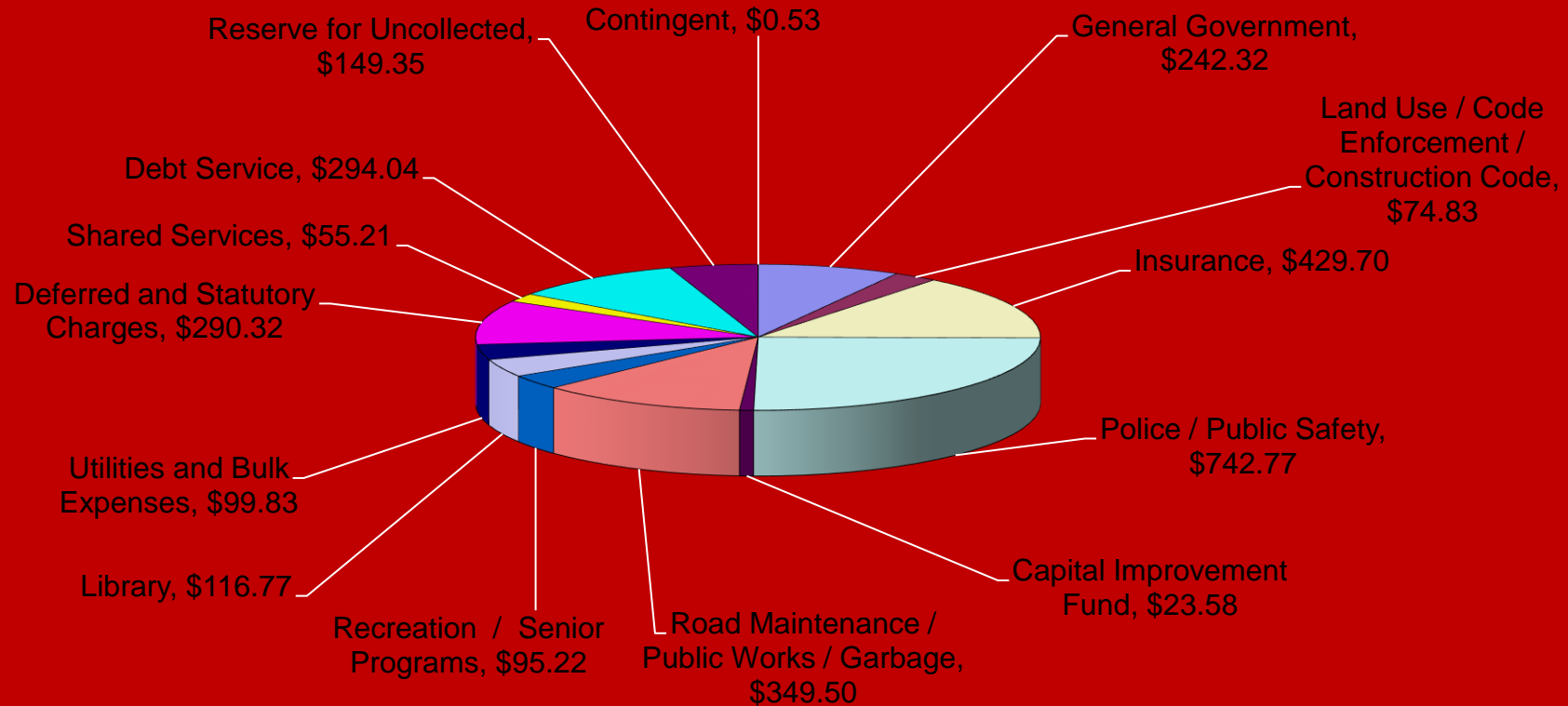




# 2025 GENERAL BUDGET APPROPRIATIONS



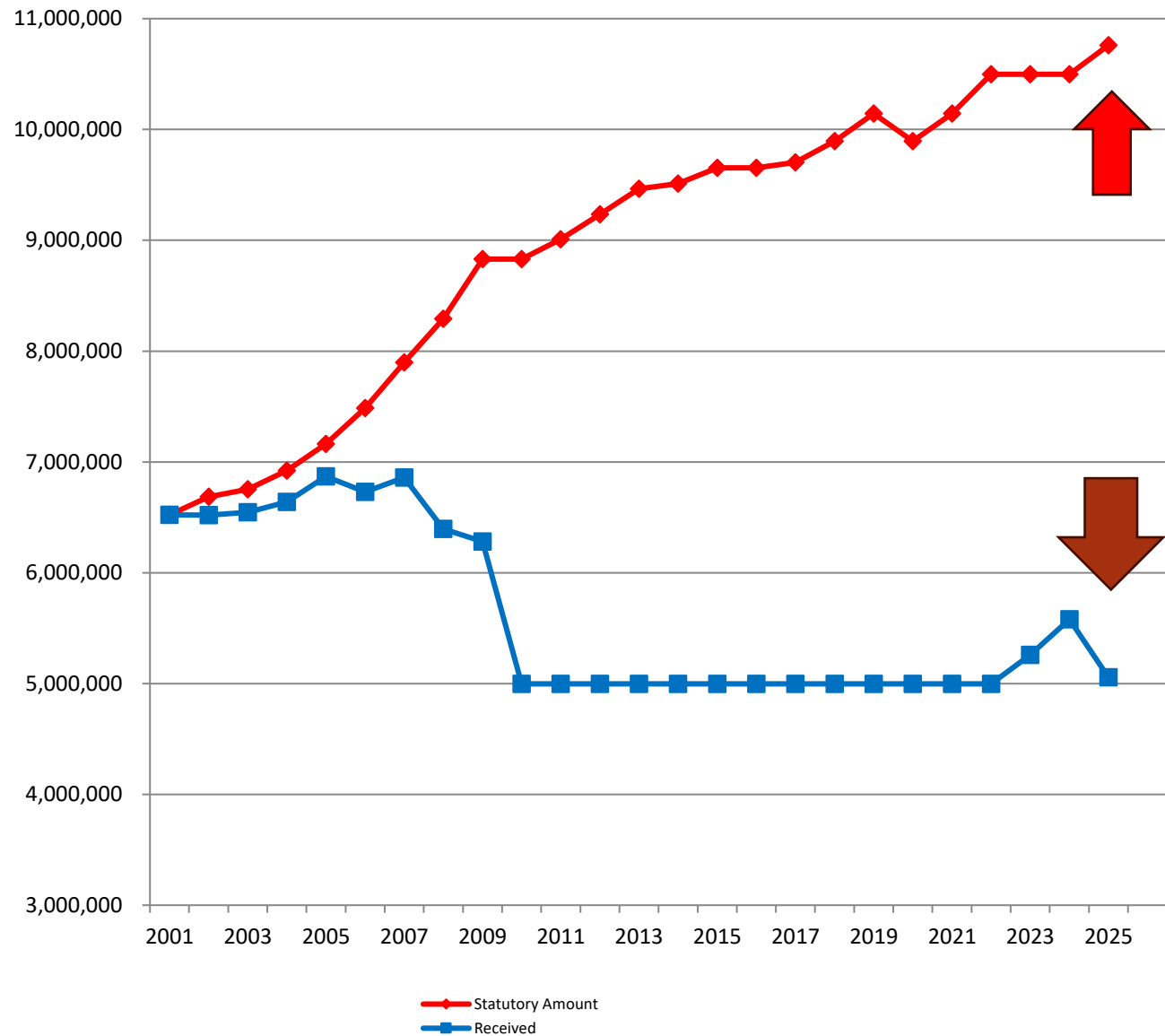
## How The Average Residential Tax is Spent



**TOTAL APPROPRIATIONS – INCLUDING LIBRARY: \$56,561,000.00**

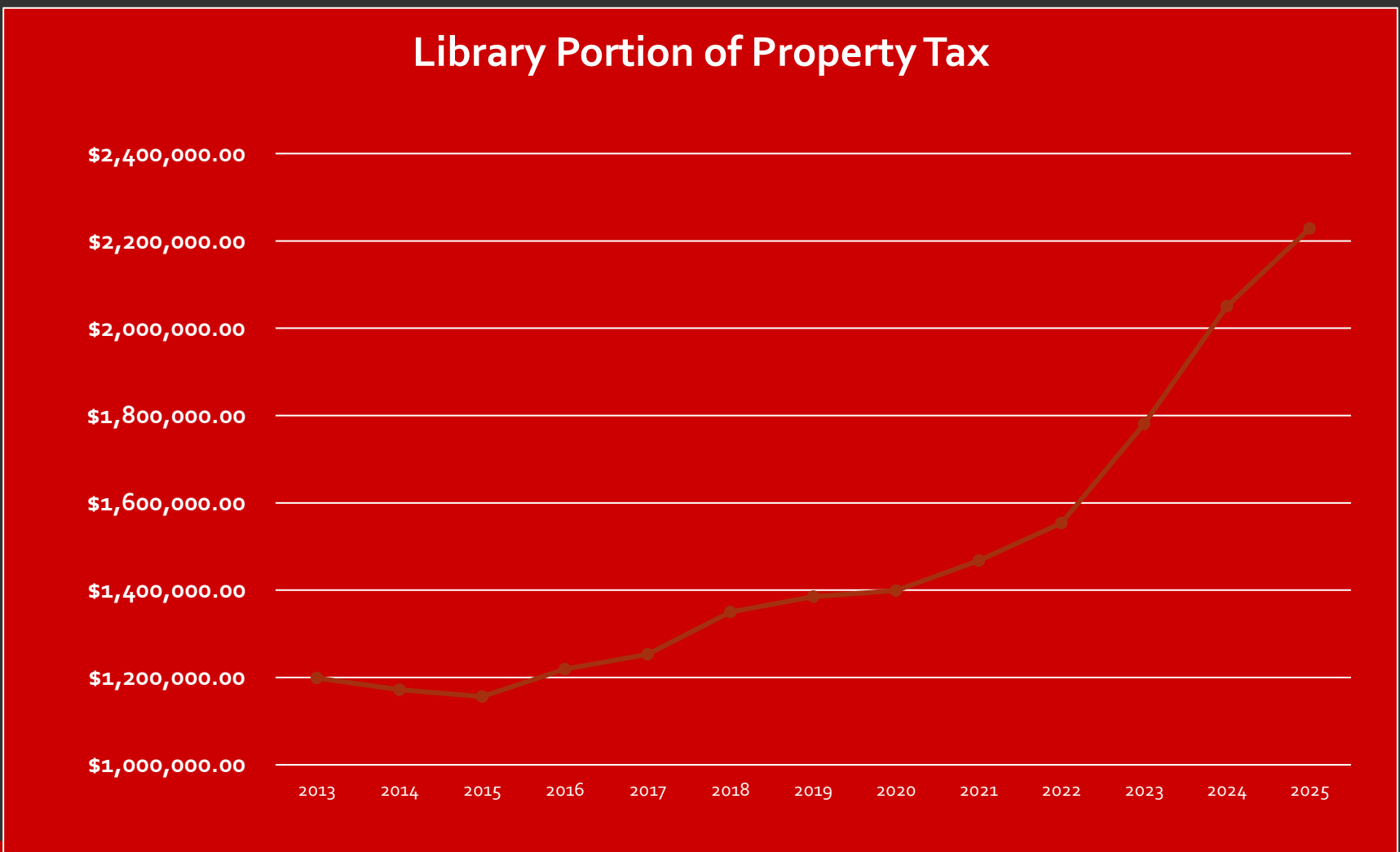


▪ **UNDERPAYMENT  
OF STATE AID TO  
NEPTUNE BY YEAR  
(TOTALS MORE THE  
\$83,514,306.00  
SINCE 2001  
& \$5,702,864.00  
FOR 2025 ALONE)**





# Municipal Library Tax





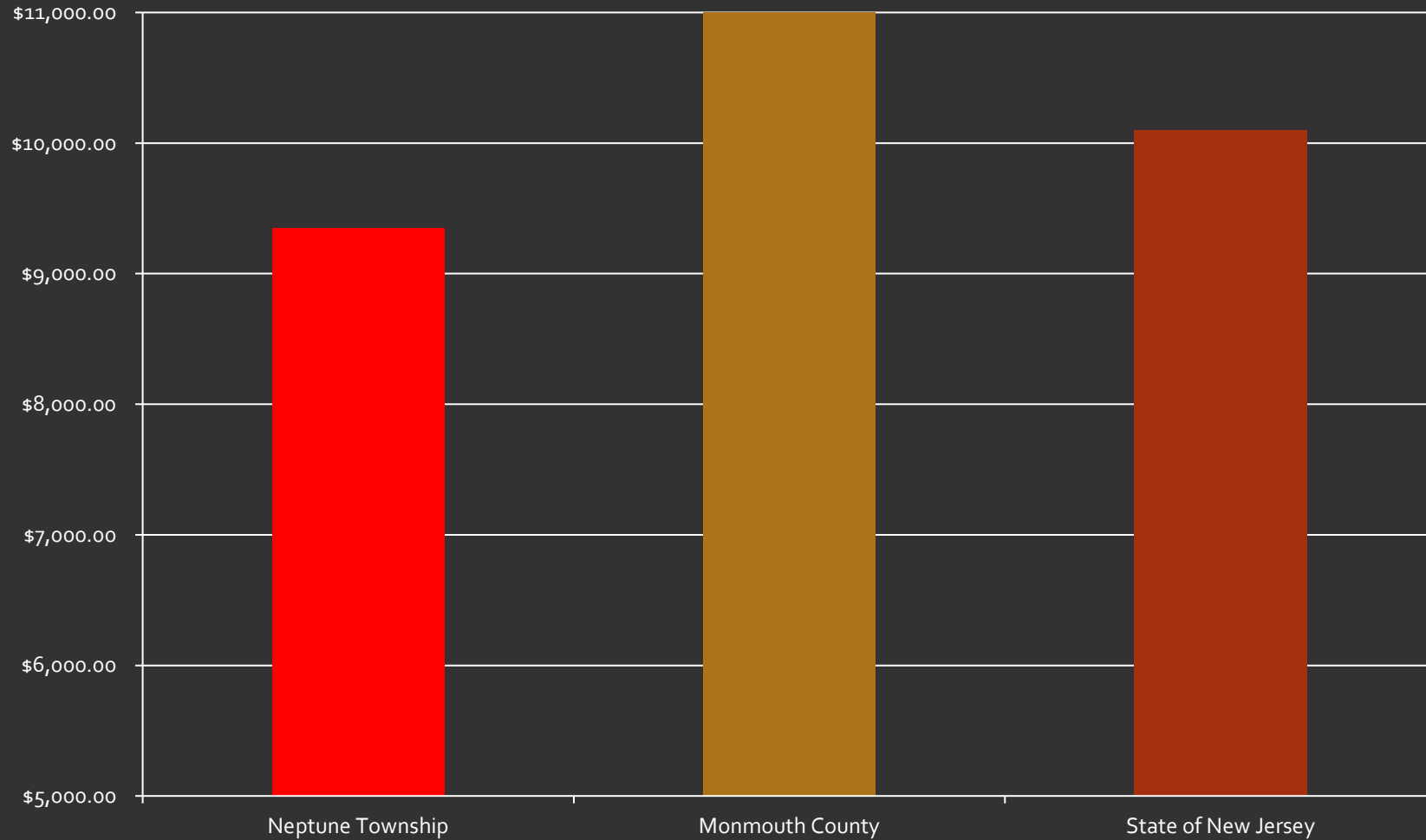
## Ten Largest Taxpayers - 2024

2024 Owner of Record	Aggregate Assessed Value	% of Assessed Value (Real Property)	2024 Net Tax
NEPTUNE PARTNERS LLC % BNE REAL EST	\$ 40,829,400	0.6295%	\$ 714,922.79
ASPEN3600 LLC	\$ 29,293,800	0.4517%	\$ 512,934.44
DOWNING JB TIC I,II,III,IV LLC	\$ 29,147,400	0.4494%	\$ 510,370.97
NEPTUNE PLAZA SHOPPING CENTER, LLC	\$ 27,036,200	0.4169%	\$ 473,403.86
WOODLANDS NEPTUNE LLC	\$ 23,406,100	0.3609%	\$ 409,840.81
WAL-MART REAL ESTATE BUSINESS TRUST	\$ 23,098,700	0.3562%	\$ 404,458.24
HD DEV. OF MARYLAND,INC.%PROP TAX	\$ 16,423,200	0.2532%	\$ 287,570.23
OCEAN GROVE CAMP MEETING ASSN	\$ 16,127,200	0.2487%	\$ 277,226.57
NEPTUNE DEVELOPERS, LLC	\$ 15,127,500	0.2332%	\$ 264,882.53
MERIDIAN HOSPITALS CORP	\$ 15,103,200	0.2329%	\$ 264,457.03



## Average Tax Comparison - 2024

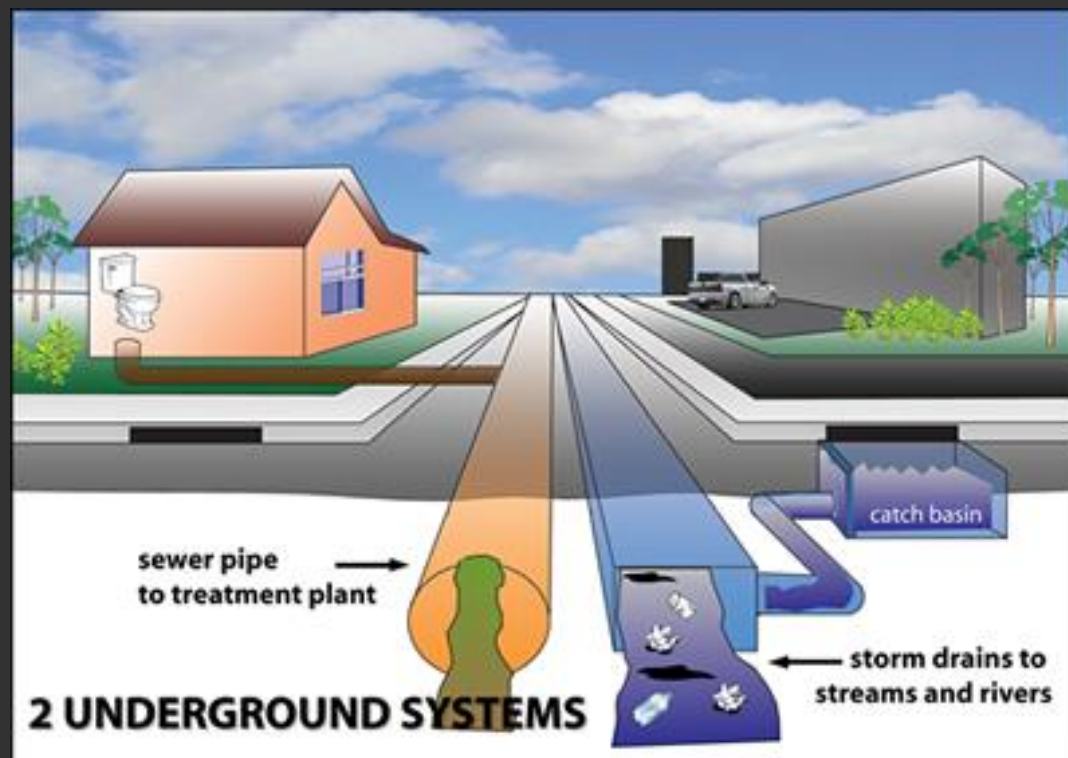
Includes Local, County, School, Library & Fire District Taxes





# SEWER UTILITY (SANITARY)

- Sewer utility is self-liquidating.
- Sewer is regenerating surplus.
- Major Sewer infrastructure projects will continue in efforts to reduce Infiltration & Inflow and prevent pollution of our waterways.
- Sewer treatment costs remain stable due to reduced flow, benefiting Neptune and the Sewer Authority
- Maintaining strong surplus position to prepare for long term infrastructure improvements.





# MARINA UTILITY

- Marina utility is self-liquidating.
- Marina is regenerating surplus.
- Marina rates remain stable due to increased revenue from dockage, winter storage, and kayak storage (marina user fees).
- Additional revenue is expected from increased storage capacity and sold-out dock space.



# 2025 BUDGET OPPORTUNITIES



- **Projected revenues and controlled spending should result in maintaining a level of surplus that assures that the Township remains prepared for emergencies and economic downturns without the typically associated tax spikes.**
- **Expected growth through new construction and redevelopment should increase overall taxable valuation, allowing for continued tax rate stability and reductions.**





# SUMMARY

- **2025 will remain fiscally challenging, but we are in a good financial position and will continue with the projects and initiatives the community wants and needs while maintaining our fiscal strength.**

# PUBLIC COMMENT / QUESTIONS

