



Neptune
Township - NJ

Where Community, Business & Tourism Prosper

*2022 Municipal
Budget
Presentation*

Budget / Mission Statement

In order to serve the diverse needs of our community and to enrich the quality of life for all residents, the Township of Neptune is committed to providing a safe and healthy community for individuals of all ages through the offering of programs, services, information, and access.

- ❖ Fiscal Responsibility (significant inflation impacts in 2022)
- ❖ Maintain and Improve Quality of Life in every neighborhood
- ❖ Provision of services (No reduction in services to the community)
- ❖ Public Safety, Health & Welfare as priorities
- ❖ Maintaining a stable tax base and tax rate
- ❖ Providing services to 6000+ senior citizen residents
- ❖ Remain prepared for disaster response and recovery
- ❖ Debt for growth of community and distribution of costs to those who receive the benefit (not to borrow for items we can't afford)
- ❖ Dealing with continued loss of statutory state payments
- ❖ Sustainable budgeting
- ❖ Maintenance of strong financial ratings from Moody's and Standard & Poor's
- ❖ Continuing recovery from Global Pandemic



Impact of CoVID-19 Public Health Emergency

- ❖ State aid was not directly impacted
- ❖ Able to recover significant portion of costs through CARES Act
- ❖ Revenue losses
 - ❖ *Municipal Court closed*
 - ❖ *Business registration fees*
 - ❖ *Grant funded programs*
- ❖ Increased expenses for public safety
- ❖ Capitalized on low market rates for capital debt issuance with long term savings to Township
- ❖ Benefited from Monmouth County Health agreement – no budget impact
- ❖ American Rescue Plan and FEMA cost recovery offsetting many costs.

Total General Budget 2018-2022 (Includes Library)

2022 Budget: \$49,194,110.54

2021 Budget: \$48,128,710.66

2020 Budget: \$46,246,619.52

2019 Budget: \$45,204,827.17

2018 Budget: \$44,668,204.67

2.2% increase

\$1,065,399.88

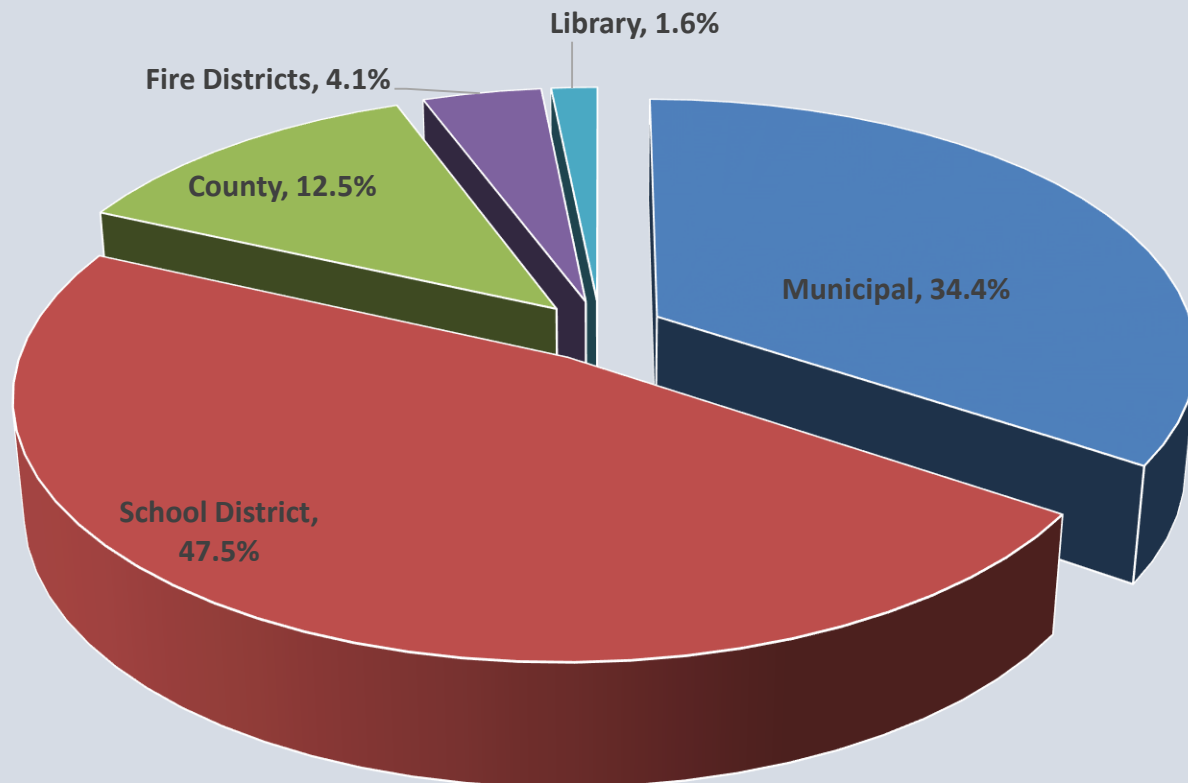
Impact of 2021 Budget

Tax Rate Projected to decrease by 8.0 cents per \$100 of value from .722 to .642 (11.15% decrease).

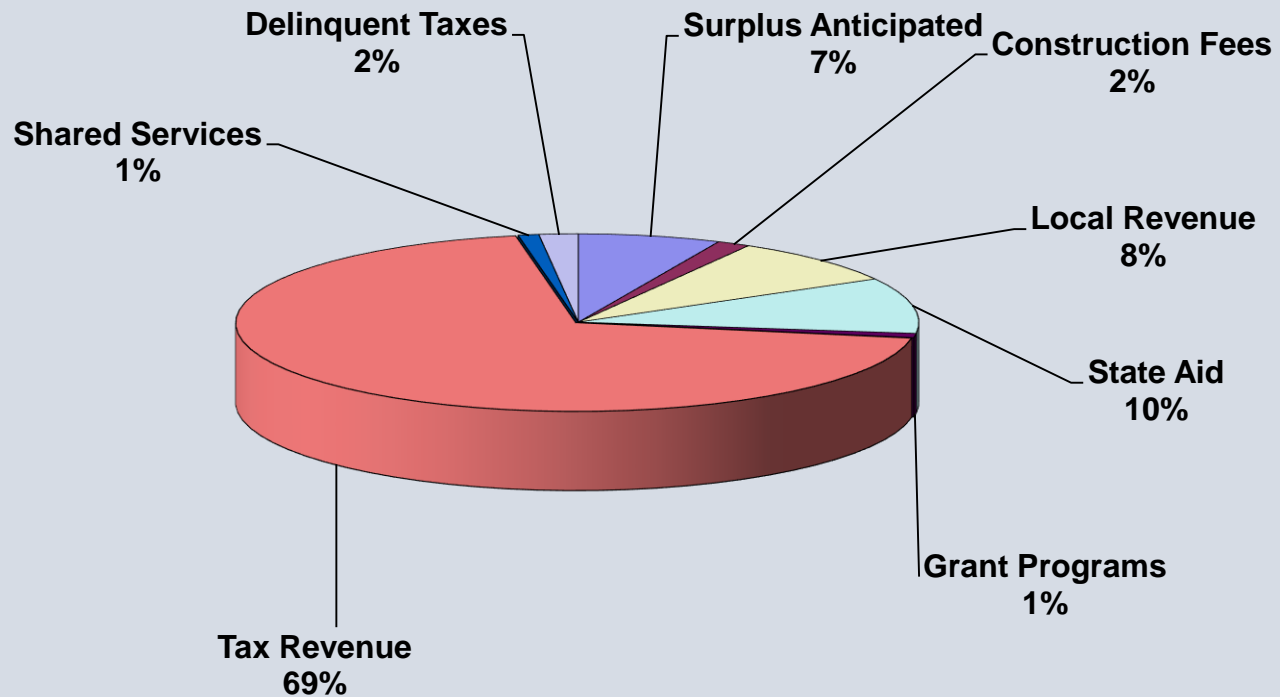
Tax on home assessed at \$400,000.00 is estimated at \$2,566.06, a decrease of \$321.94 as compared to 2021.

Tax Rate Decrease

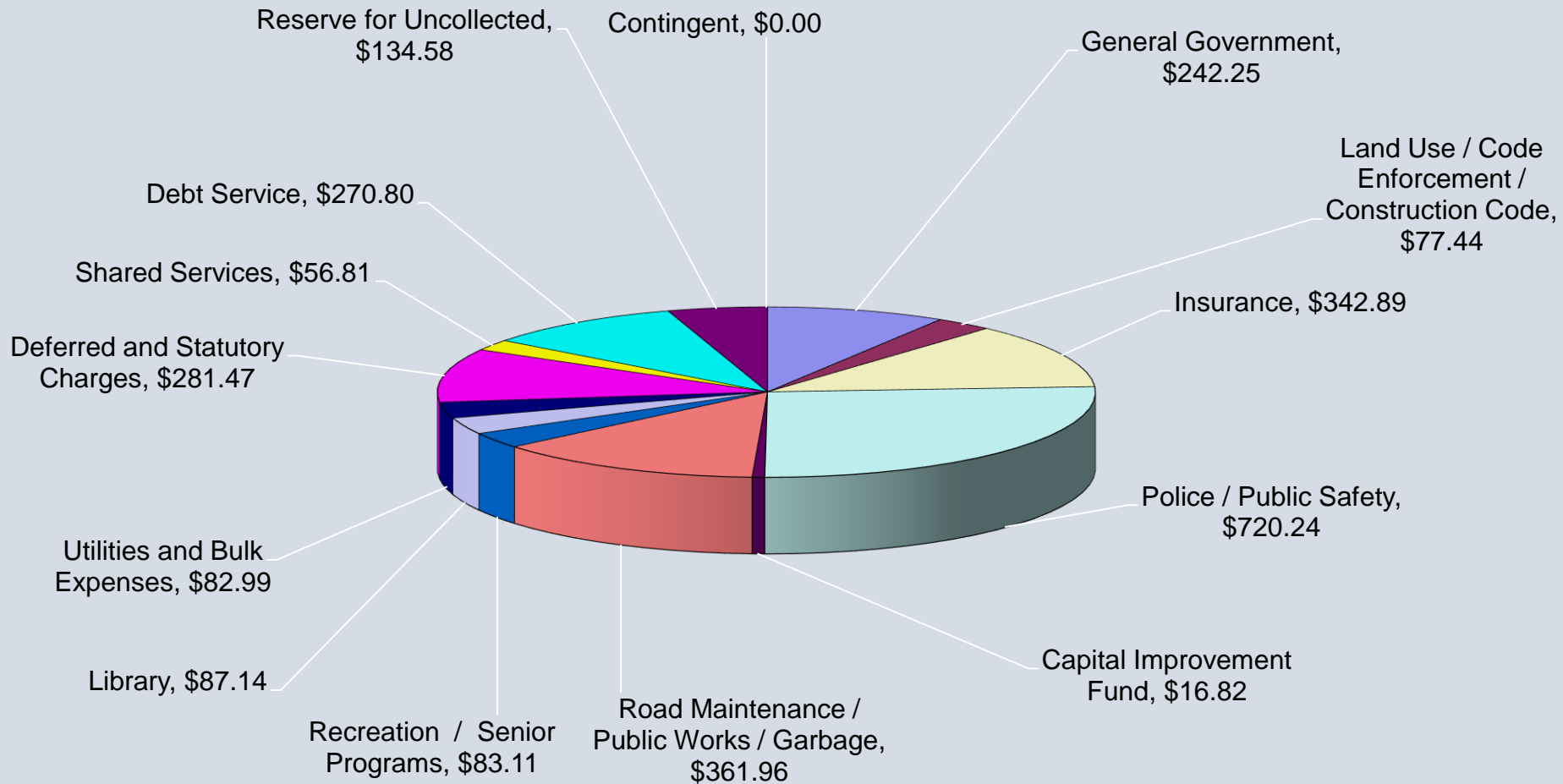
How Your Property Tax Dollar is Divided



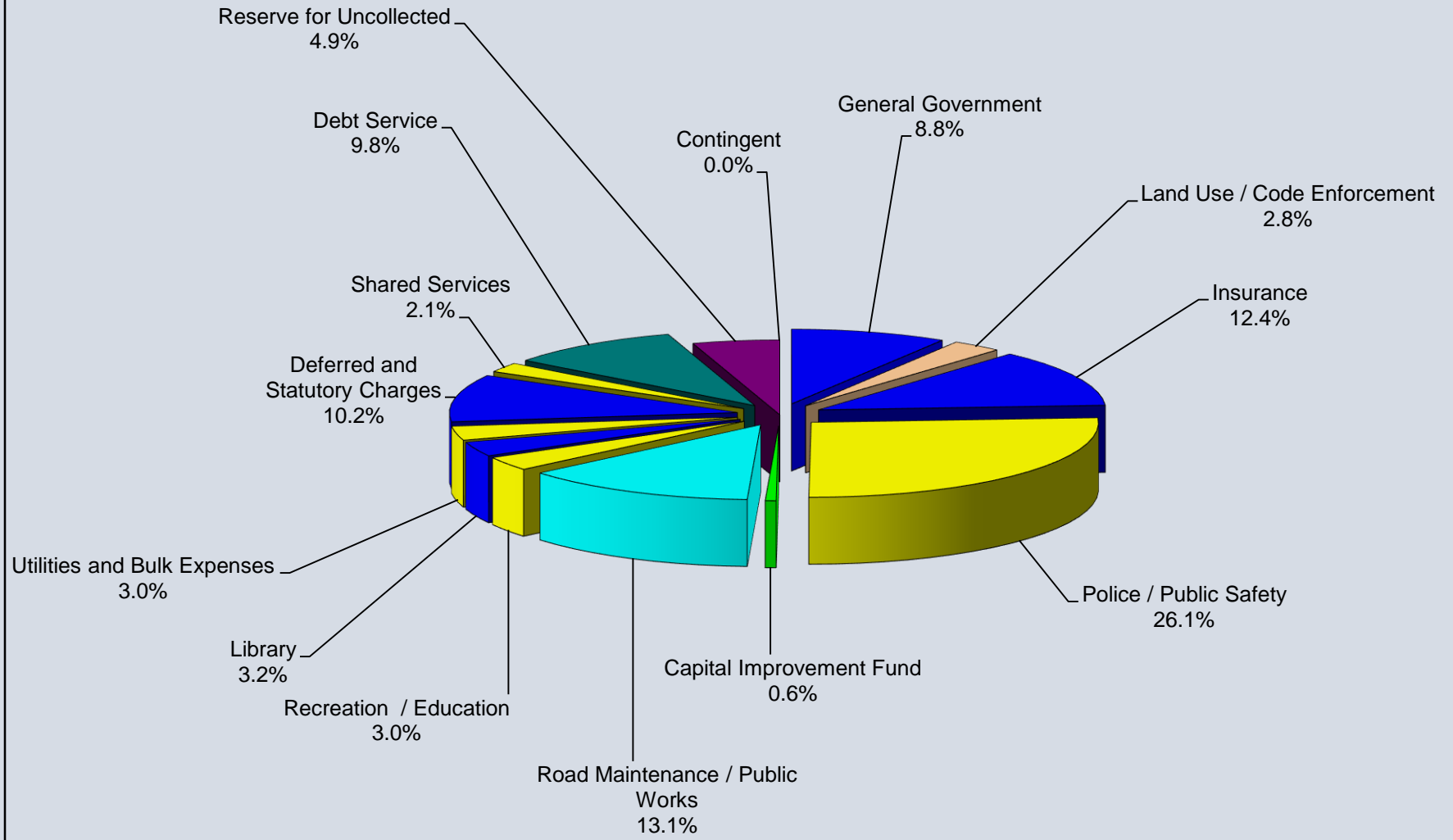
Sources of Revenue to Support Township Budget



How Municipal Tax Funding is Spent



How the 2022 Municipal Tax Dollar is Spent (%)



State impact on local budget

Appropriations CAP (3.5%)

Levy CAP (2%)

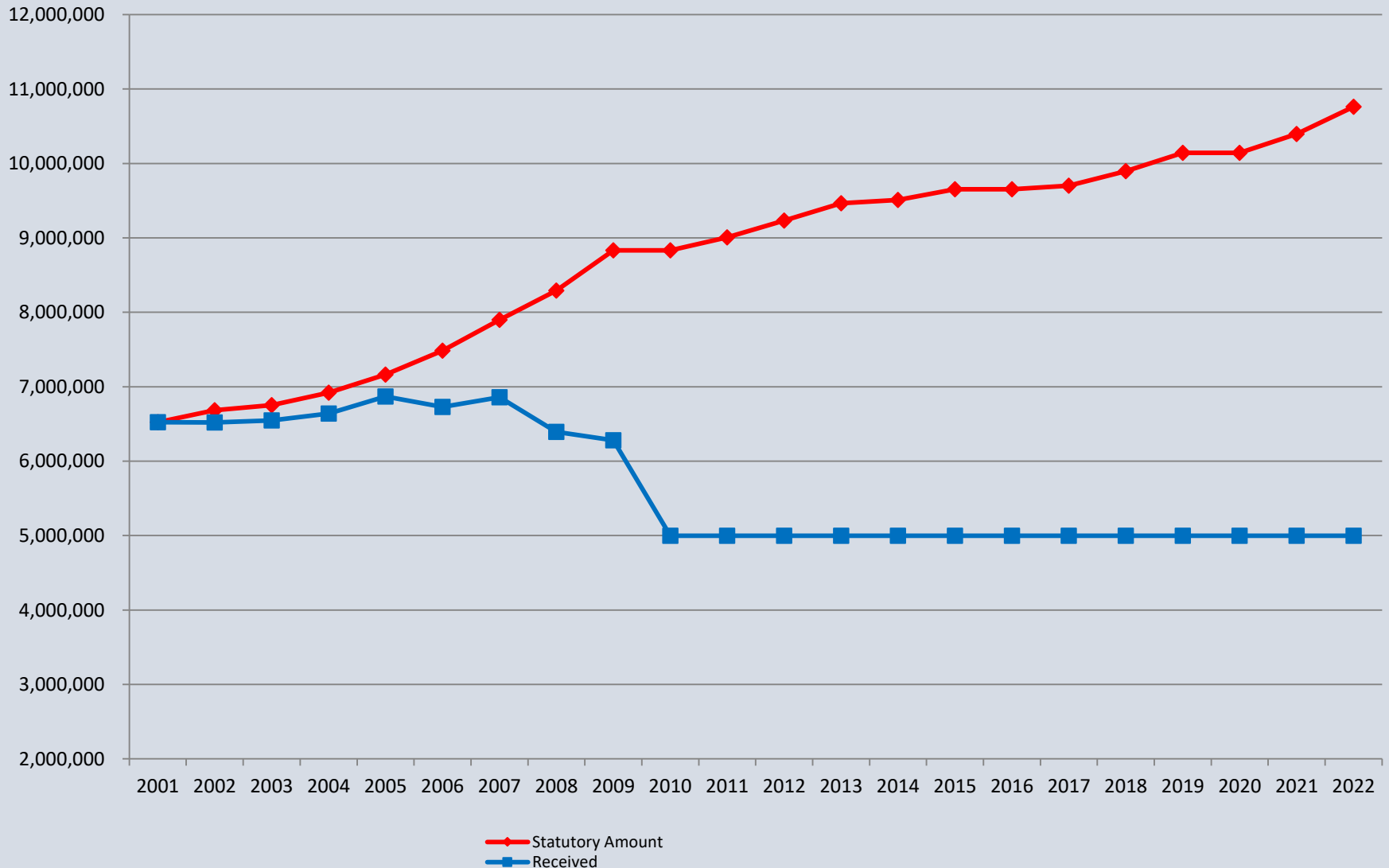
State Aid Loss (Local Property Tax Relief)

Impact will continue to grow in increments each year unless the State Aid program comes into compliance with the intent of the program

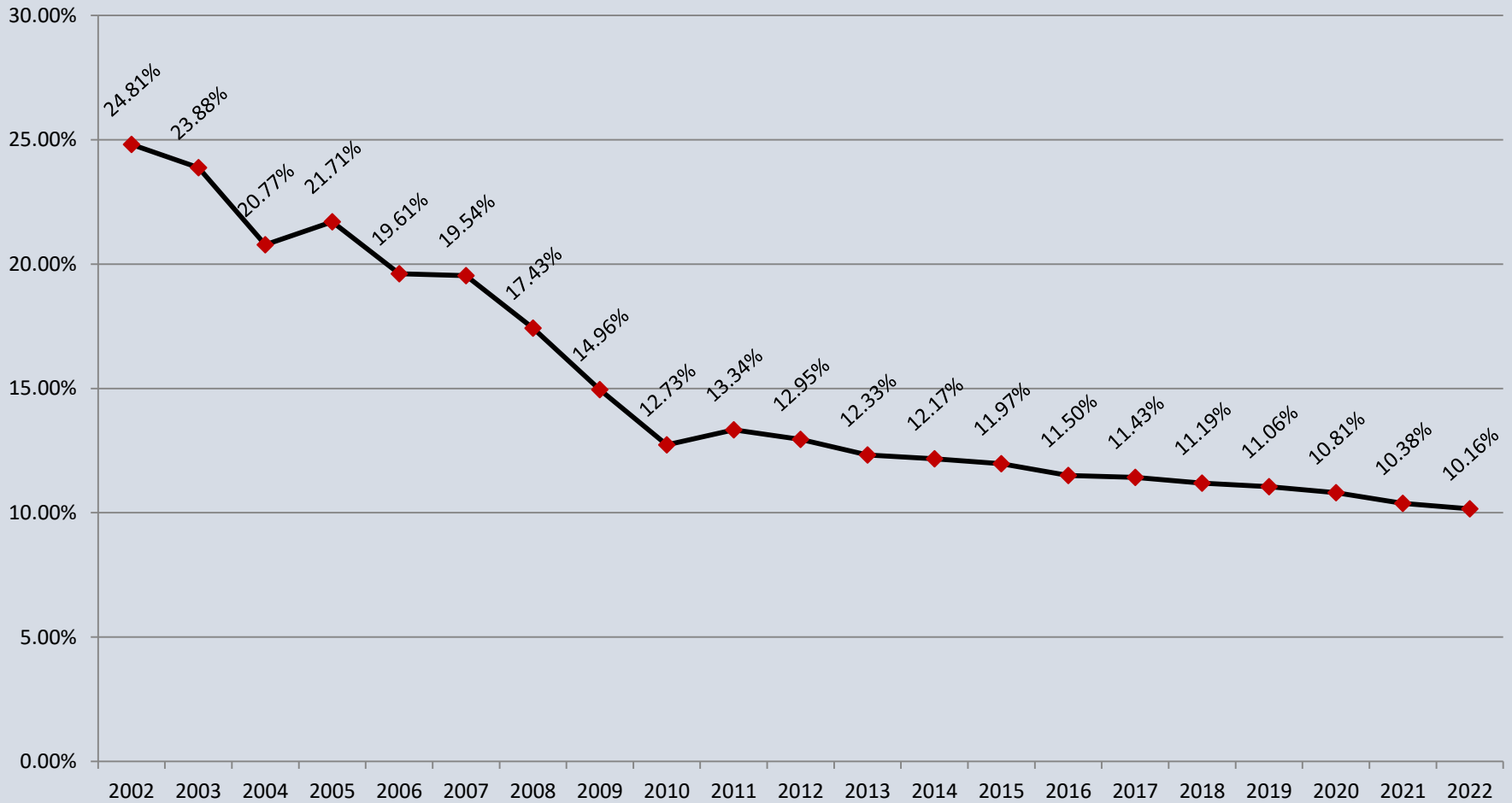


Underpayment of State Aid to Neptune by Year

(Totals more the \$68,416,432.00 since 2001 /
\$5,762,456.00 for 2022 Alone)



State Aid as a Percentage of Total Budget Revenues

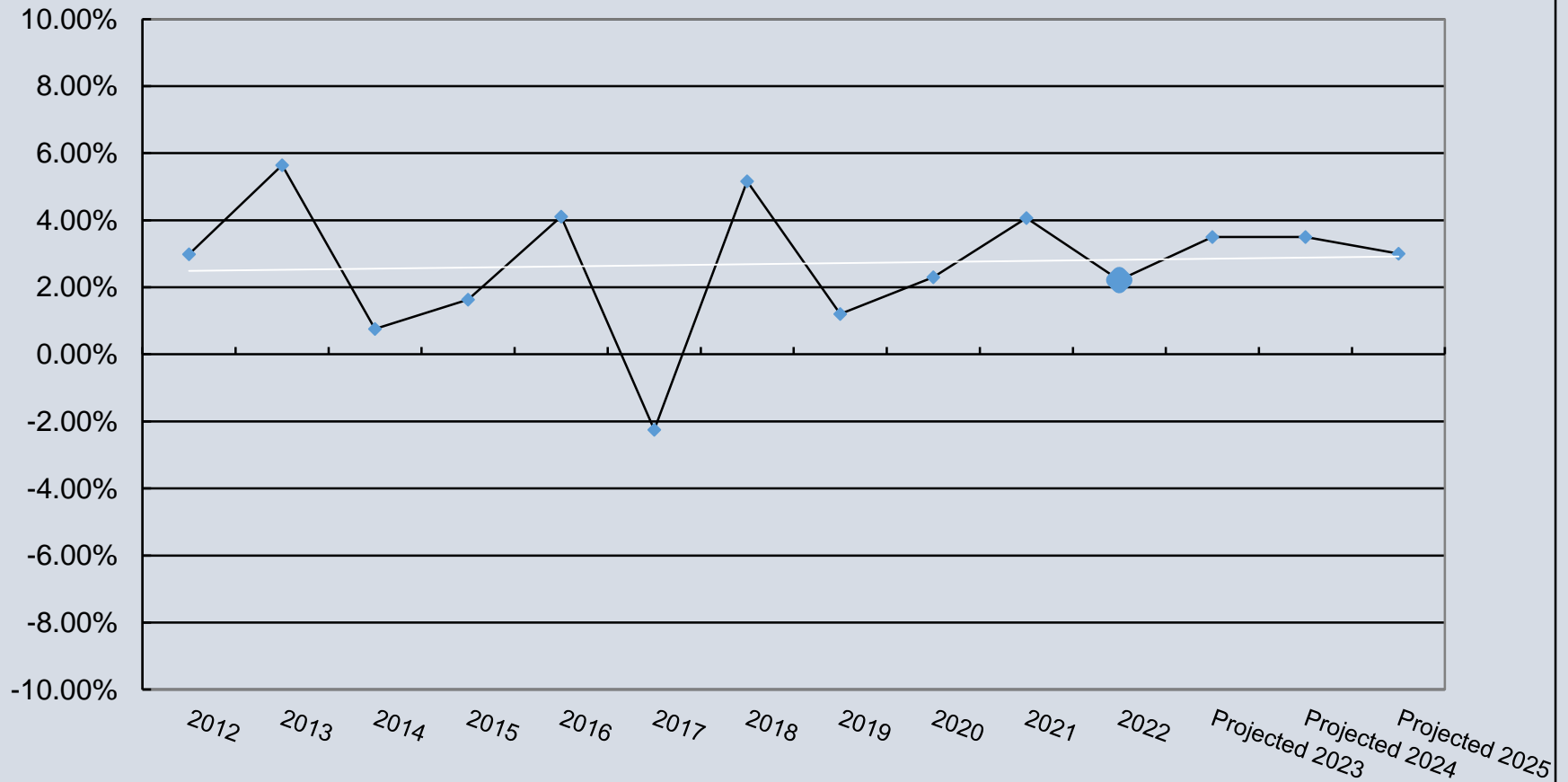


Percent of Budget Supported by Local Tax Revenue



Budget Stability

Percent Change in Municipal Appropriations



Budget Appropriations & Levy CAP

Allowable Operating Appropriations: \$ 38,357,641.33

Actual Appropriations in 2022 Budget: \$ 38,342,048.13

Under Maximum Permitted Appropriations CAP by: \$ 15,593.20

Appropriations Bank applied: \$ 0.00

Appropriations Bank Expiring: \$982,371.42

Appropriations Bank Remaining for 2023: \$911,454.75

Allowable Tax Levy:\$33,326,384.00

Actual Tax Levy: \$32,569,000.00

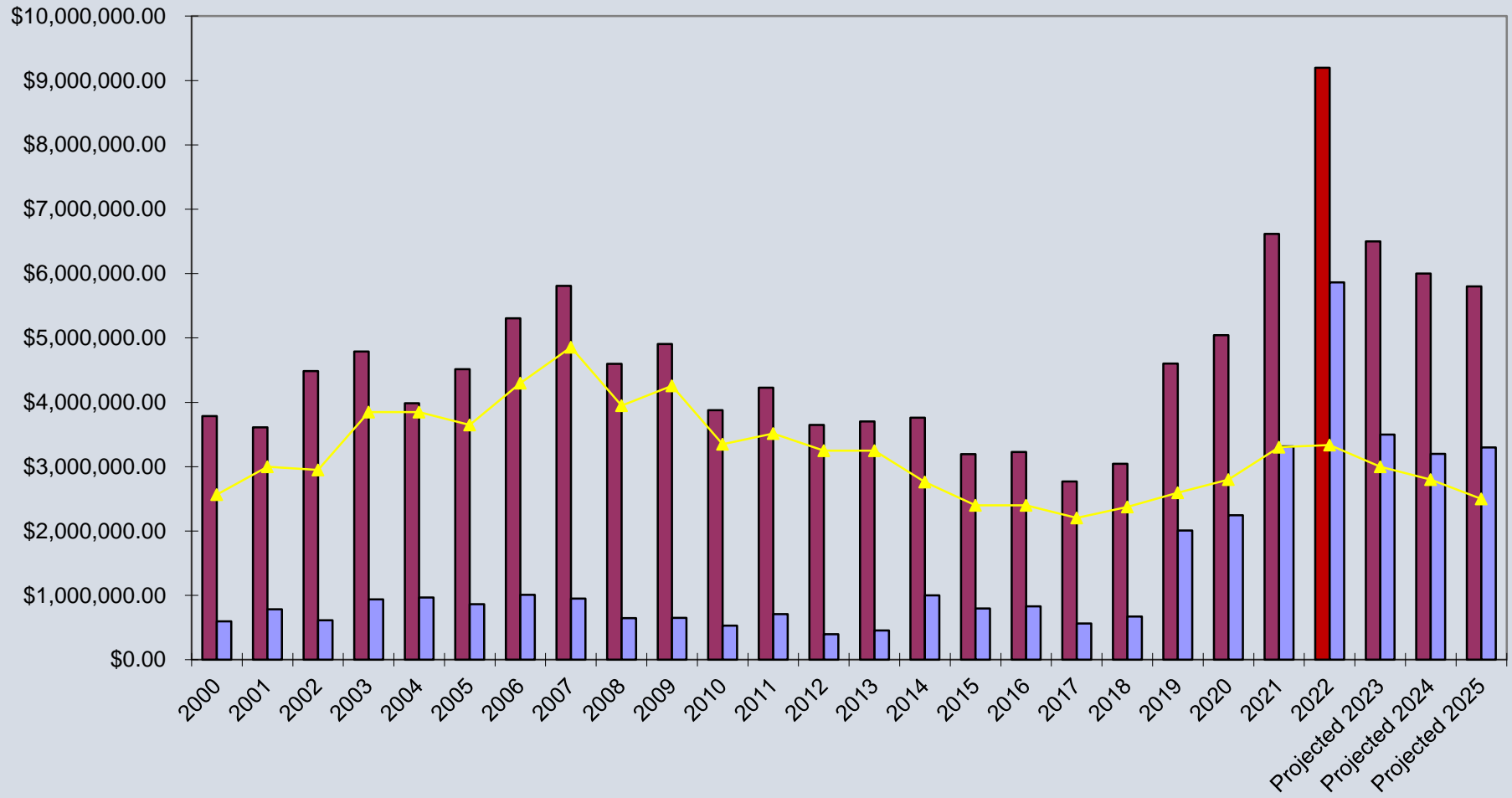
Under Maximum Permitted Levy CAP by: \$757,384.00

Levy Bank applied: \$ 0.00

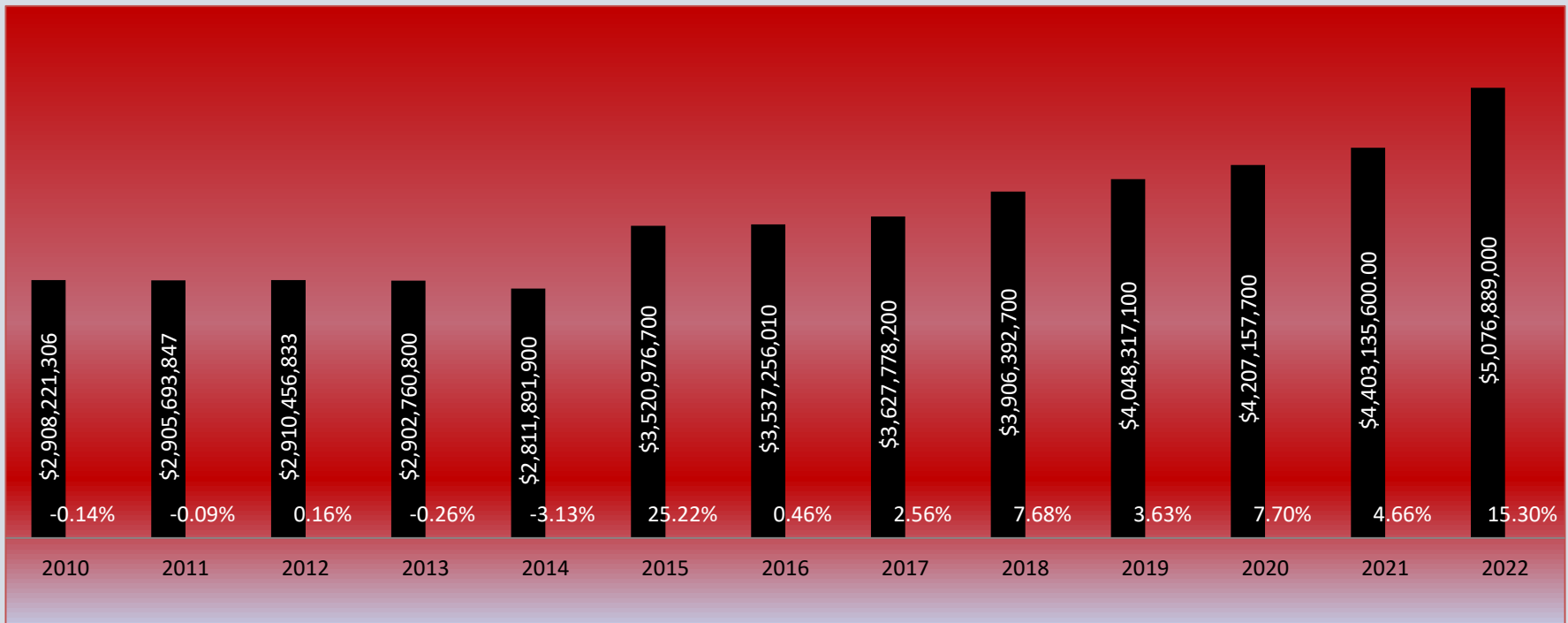
Levy Bank Expiring: \$ 246,562.00

Levy Bank Remaining for 2023: \$1,620,348.00

Surplus Analysis

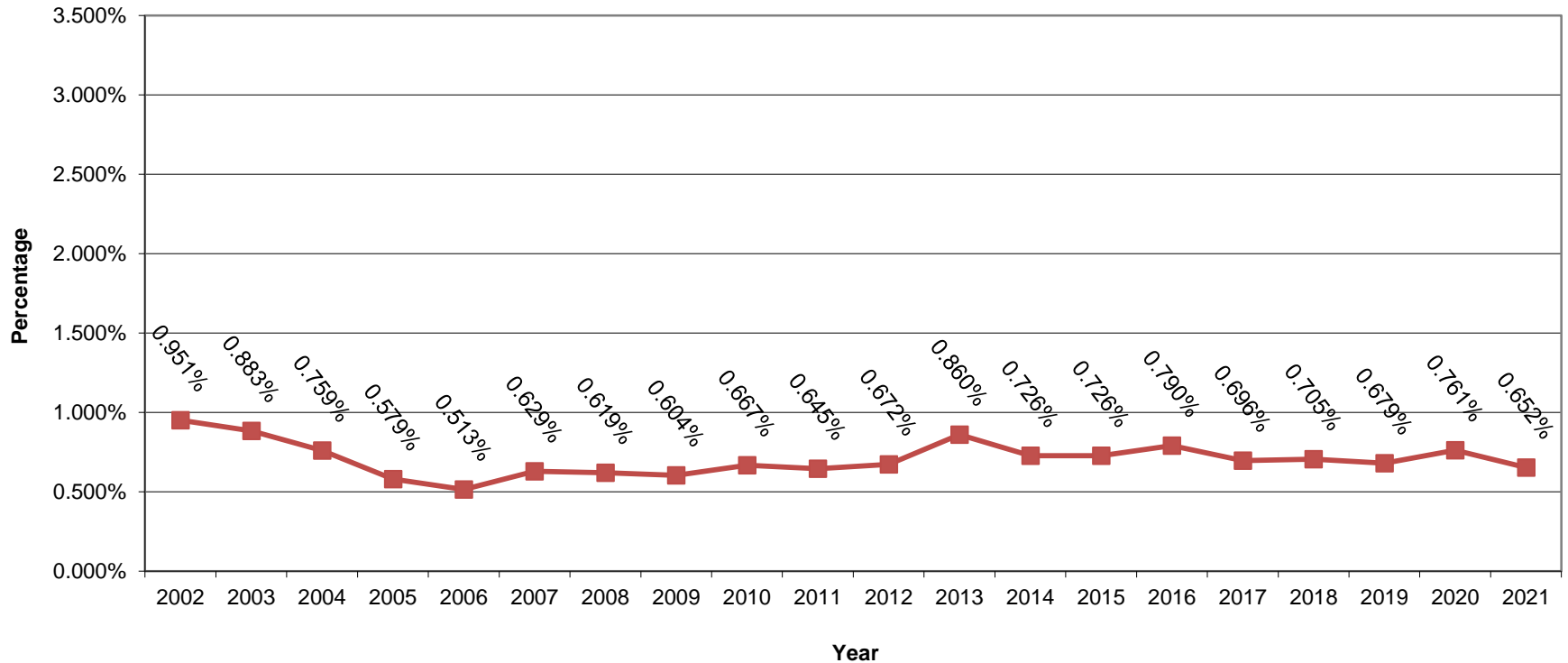


Net Valuation Taxable

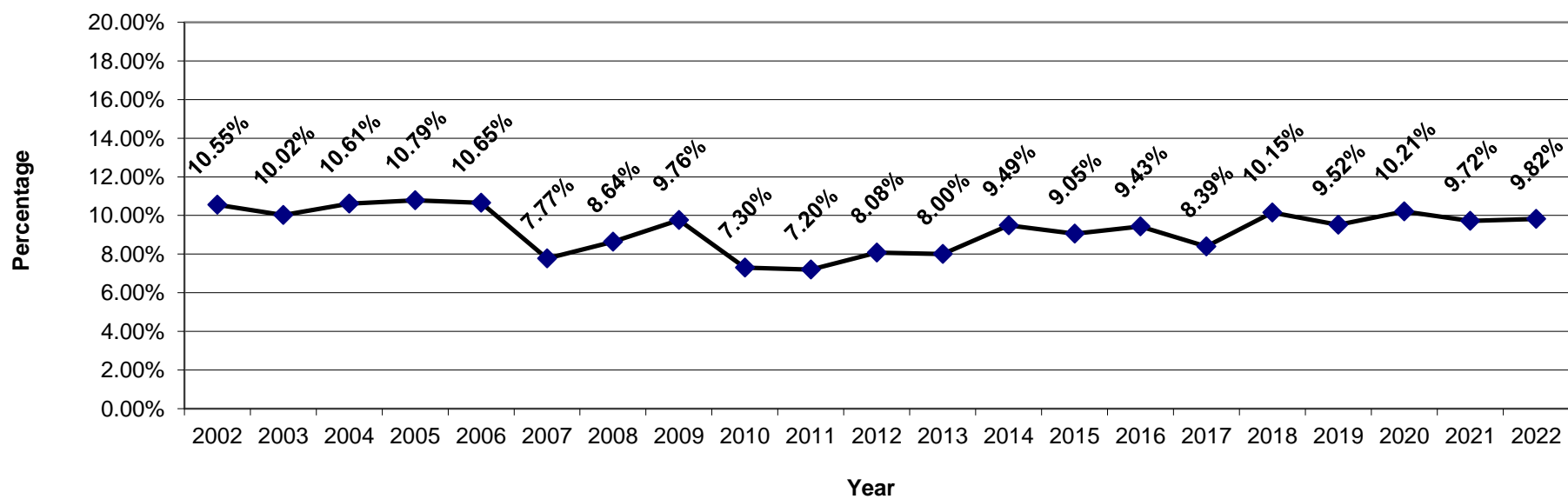


Net Debt for Capital Improvements

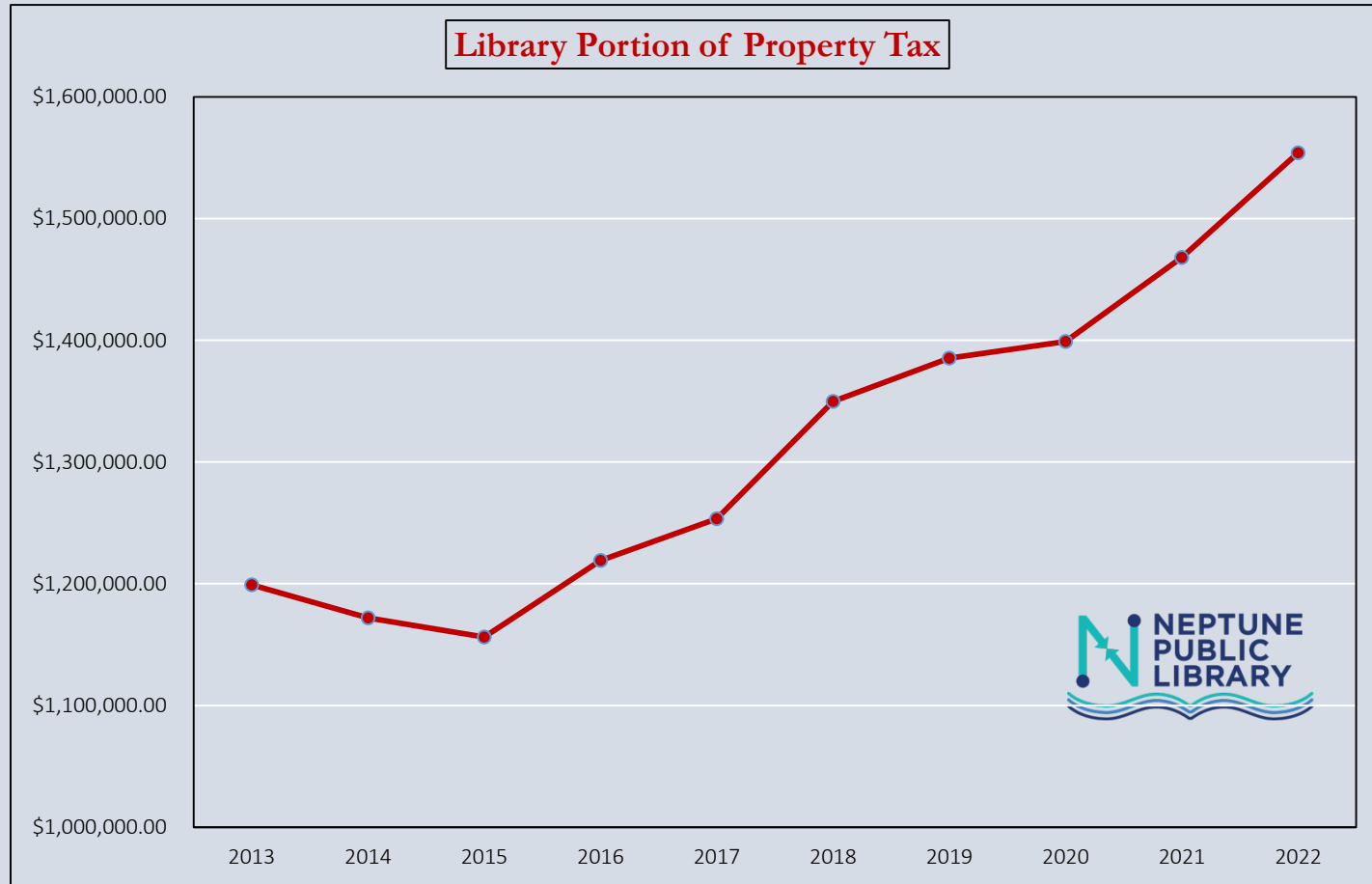
Net Debt as a Percentage of Equalized Valuation as of 12/31



Debt Service Expense as a Percentage of Total Budget

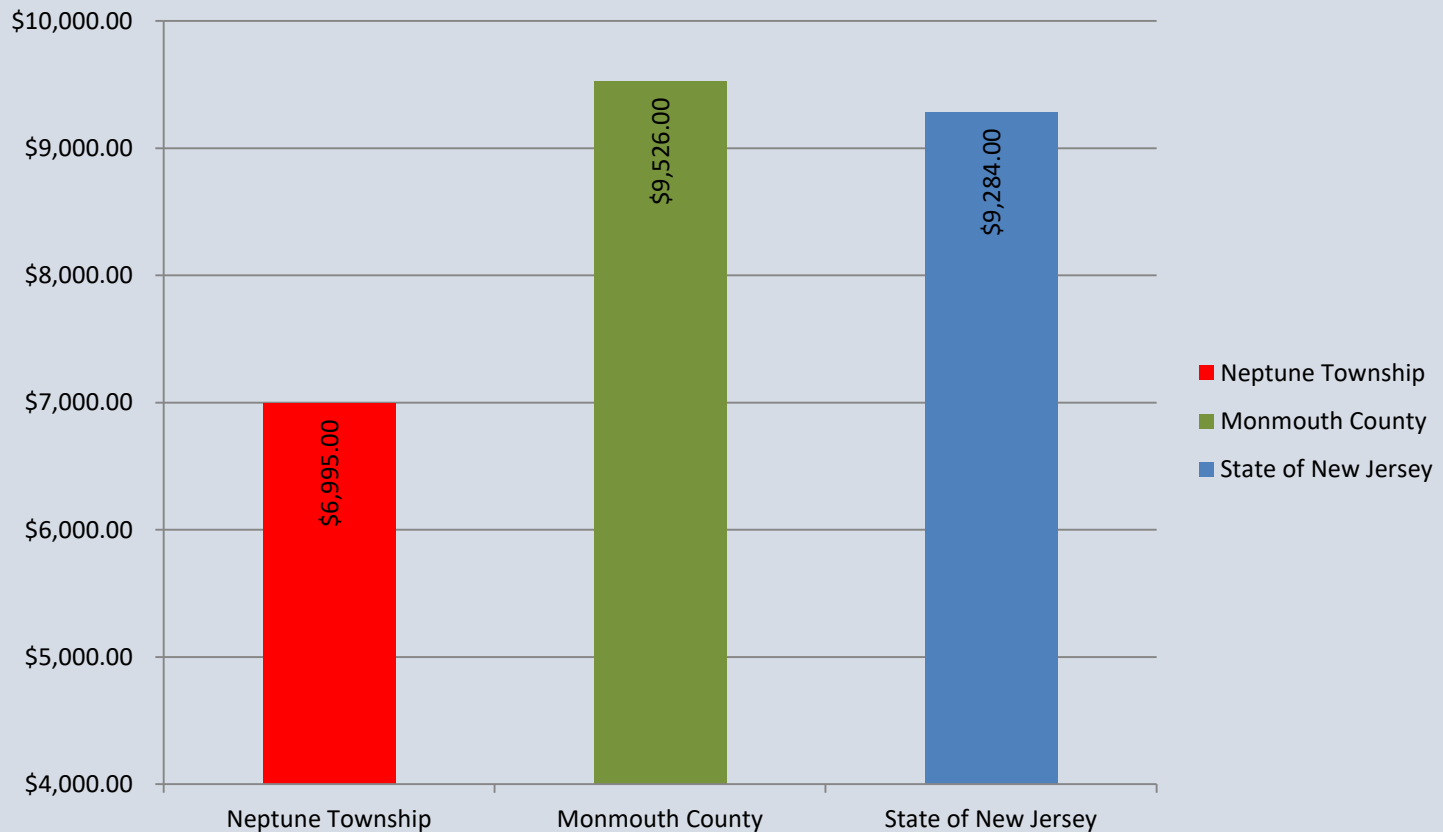


Taxes for Public Library



Neptune Taxes vs. County & State Averages (Based on 2021 Actual)

Average Tax Comparison - 2021
Includes Local, County, School, Library & Fire District Taxes



Ten Largest Taxpayers

	Owner of Record (2021)	Aggregate	% of Assessed	
		<u>Assessed Value</u>	<u>Value (Real Property)</u>	<u>2021 Taxes</u>
1	Neptune Partners LLC % BNE Real Estate	\$ 40,425,200	0.9181%	\$ 854,184.51
2	Neptune Plaza Shopping Center, LLC	\$ 34,135,600	0.7753%	\$ 721,285.25
3	Aspen 3600, LLC	\$ 26,175,600	0.5945%	\$ 553,090.45
4	JB Neptune Holdings, LLC	\$ 25,805,100	0.5861%	\$ 545,261.78
5	Woodlands Neptune, LLC	\$ 22,947,100	0.5212%	\$ 484,872.24
6	Wal-Mart Real Estate Business Trust	\$ 20,578,700	0.4674%	\$ 434,827.95
7	Ocean Grove NJ, LLC	\$ 15,155,000	0.3442%	\$ 320,719.60
8	HD Dev of Maryland Inc Property Tax	\$ 15,000,000	0.3407%	\$ 314,769.36
9	Ocean Grove Camp Meeting Assn	\$ 14,984,600	0.3403%	\$ 316,950.01
10	Meridian Hospitals Corp	\$ 14,231,000	0.3232%	\$ 311,230.15

No “Gimmicks”

No One Time Revenues

No Pension Deferral

No School Tax Deferral

No Appropriations CAP / CAP Waivers

No Fiscal Year Debt

No Extraordinary Aid

No Overuse of Surplus nor Reserves



Superior AA Rating / Standard & Poor's

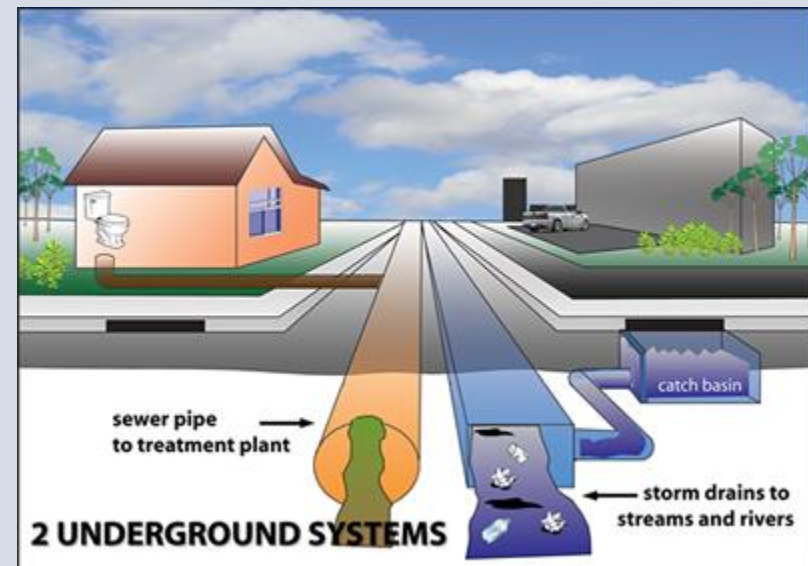
Credit Quality	DBRS		Moody's		S&P		
	Long Term	Short Term	Long Term	Short Term	Long Term	Global CP Scale	Canadian CP Scale
Superior	AAA AA high AA AA low	R-1 high R-1 high R-1 mid R-1 mid	Aaa Aa1 Aa2 Aa3	P-1 P-1 P-1 P-1	AAA AA+ AA AA-	A-1+ A-1+ A-1+ A-1+	A-1 (high) A-1 (high) A-1 (high) A-1 (high)
Good	A high A A low	R-1 low R-1 low R-1 low	A1 A2 A3	P-1 P-1 P-2	A+ A A-	A-1 A-1 A-2	A-1 (mid) A-1 (mid) A-1 (low)
Adequate	BBB high BBB BBB low	R-2 high R-2 mid R-2 low	Baa1 Baa2 Baa3	P-2 P-2 P-3	BBB+ BBB BBB-	A-2 A-2 A-3	A-1 (low) A-2 A-3
Speculative	BB high BB BB low	R-3 high R-3 high R-3 high	Ba1 Ba2 Ba3	Not Prime Not Prime Not Prime	BB+ BB BB-	B B B	B B B
Highly Speculative	B high B B low CCC	R-3 mid R-3 mid R-3 low R-3 low	B1 B2 B3 Caa	Not Prime Not Prime Not Prime Not Prime	B+ B B- CCC	C C C C	C C C C

Sewer Utility

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.



Marina Utility

Marina Utility is self-liquidating.

Future projects will include maintenance dredging which sustains marina operations and enhances environmental conditions.



Public Comment

