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Municipal Budget Presentation

Budget / Mission Statement

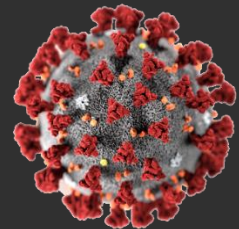
In order to serve the diverse needs of our community and to enrich the quality of life for all residents, the Township of Neptune is committed to providing a safe and healthy community for individuals of all ages through the offering of programs, services, information, and access.

- ❖ Fiscal Responsibility
- ❖ 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 underway for 2021 expenses.



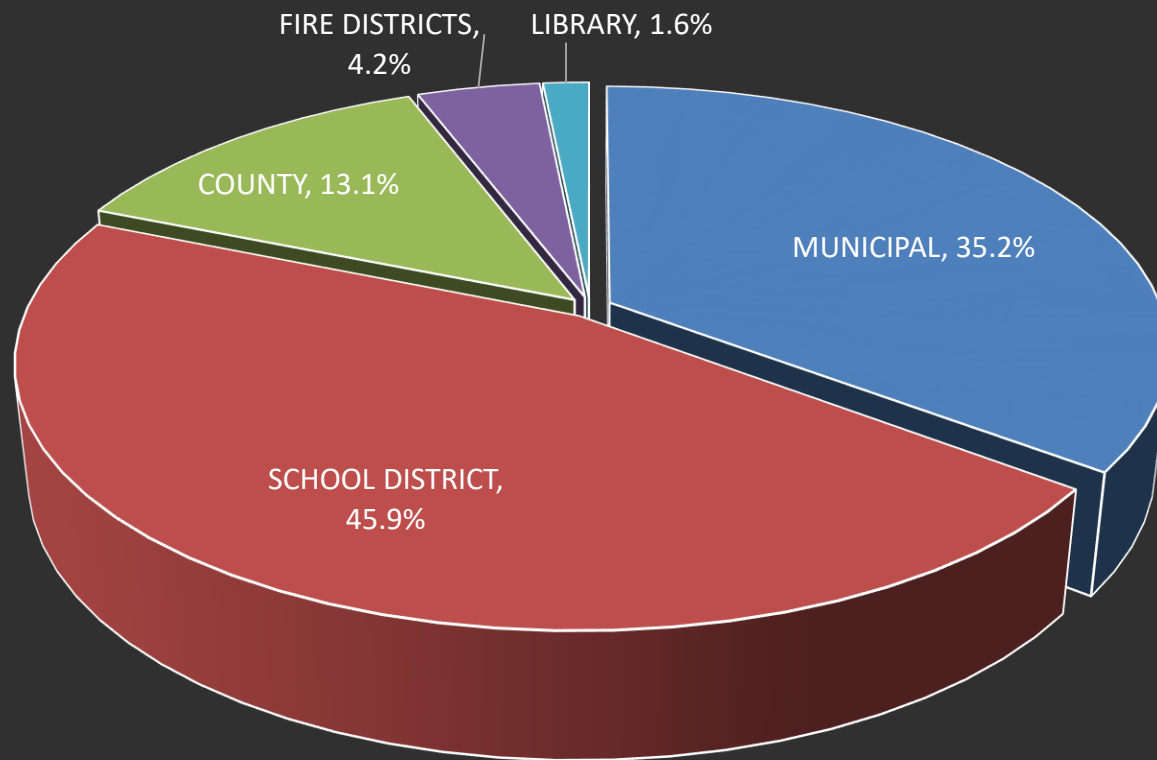
Impact of 2020 Budget

Tax Rate Projected to decrease by 1.2 cents per \$100 of value from .742 to .721 (2.8% decrease).

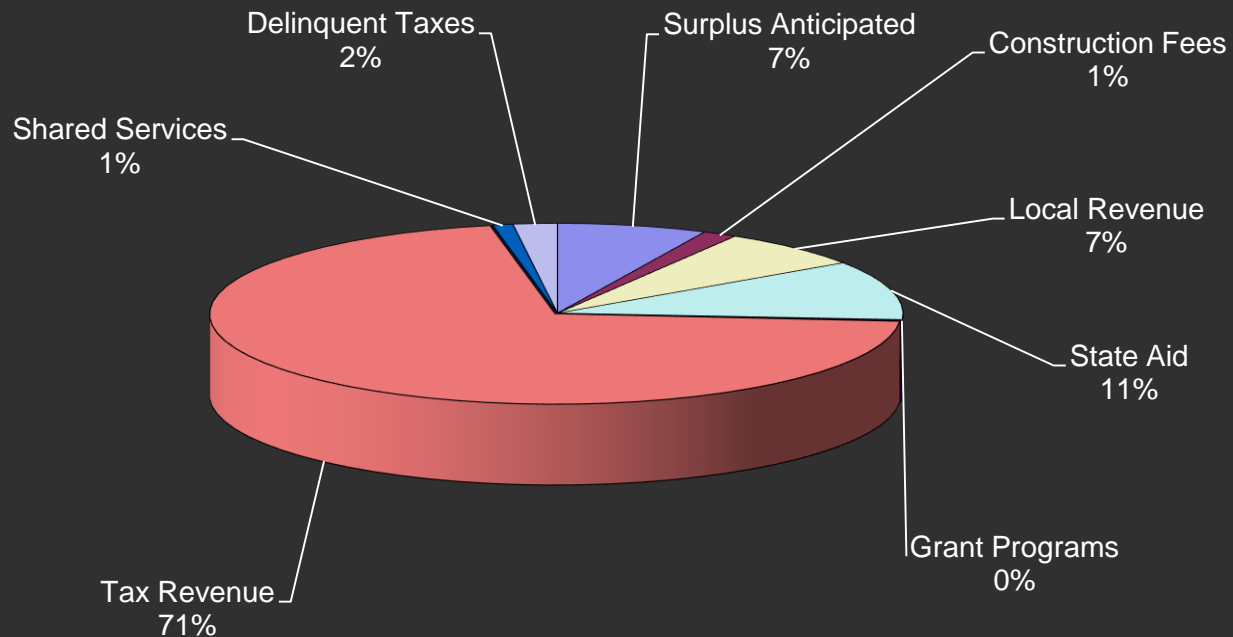
Tax on home assessed at \$365,770.00 (average home) are estimated at \$2,633.19, a decrease of \$80.83 as compared to 2020.

Tax Rate Decrease

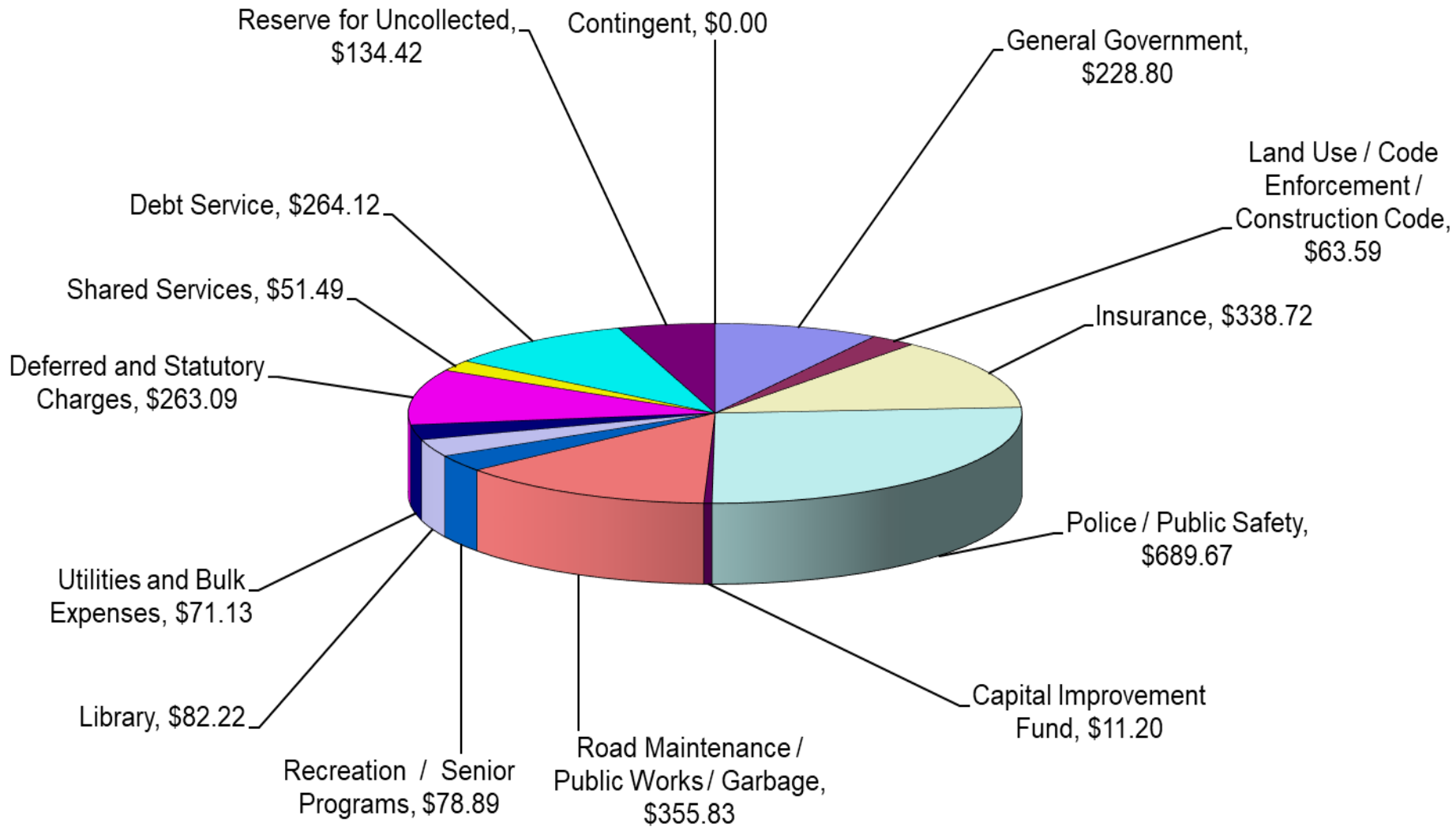
How Your Property Tax Dollar is Divided (2020)



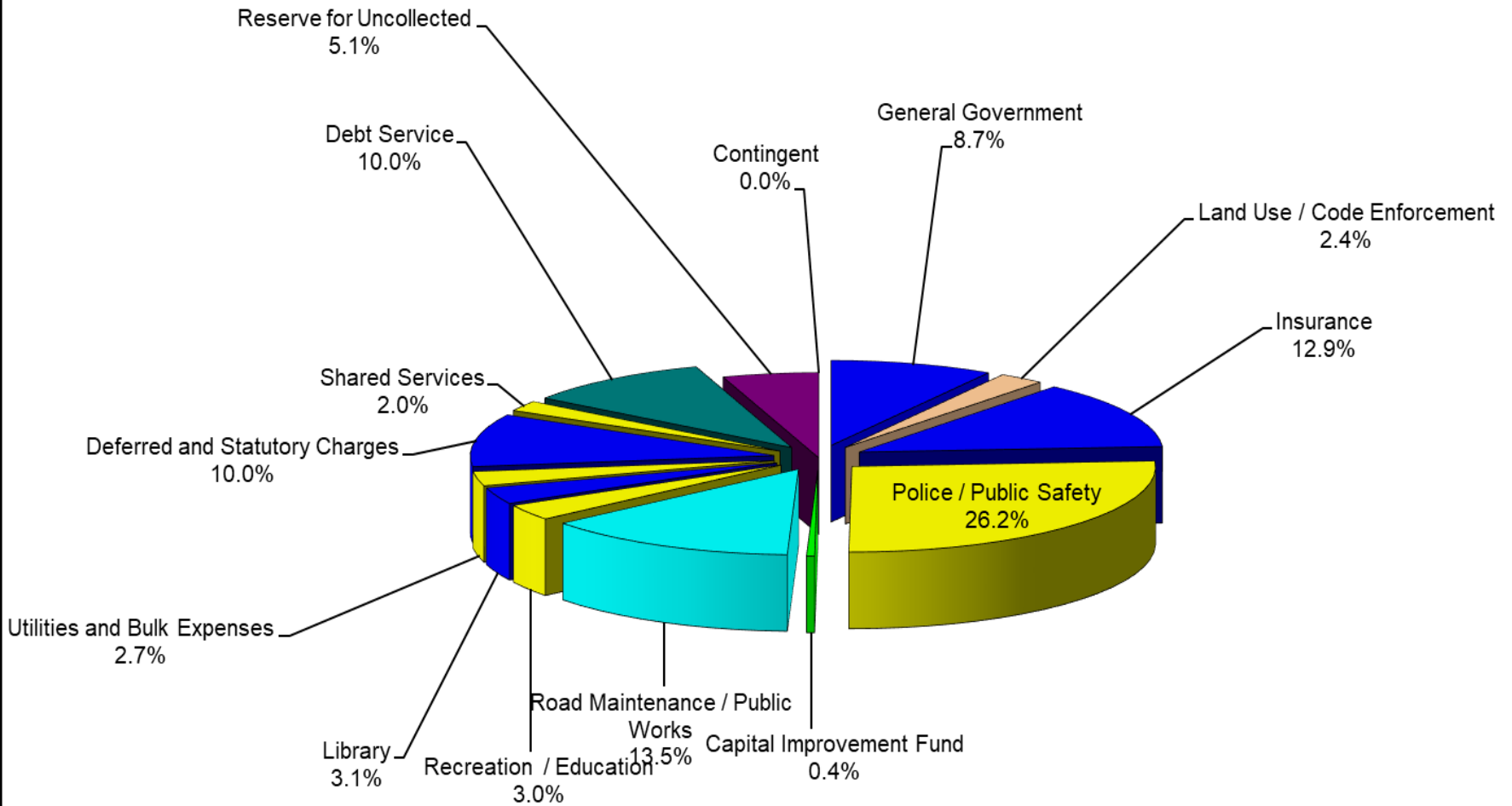
Sources of Revenue to Support Township Budget



How Municipal Tax Funding is Spent



How the 2021 Municipal Tax Dollar is Spent (%)



State Impact on local budget

Appropriations CAP (3.5%)

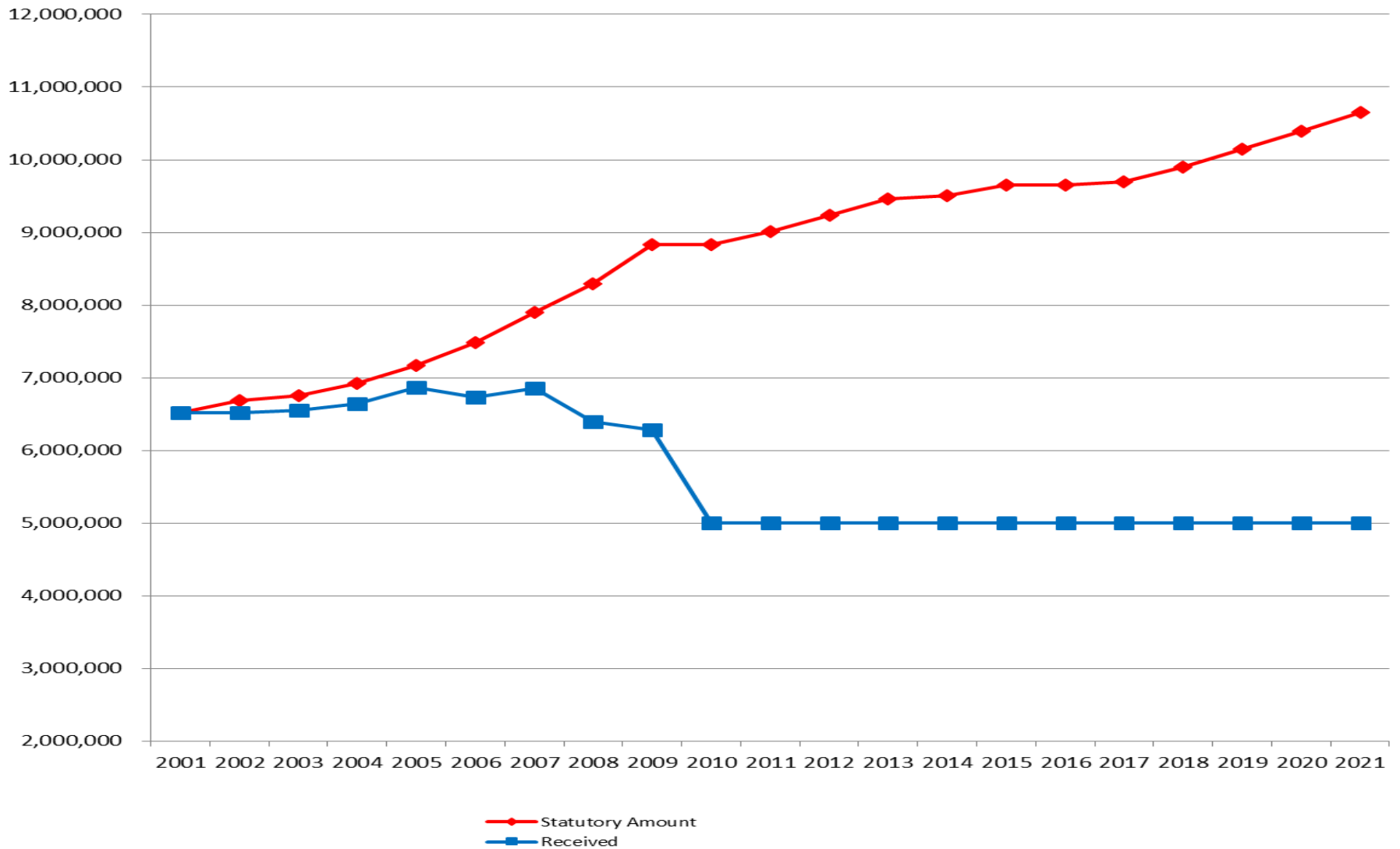
Levy CAP (2%)

State Aid Loss (Local Property Tax Relief)

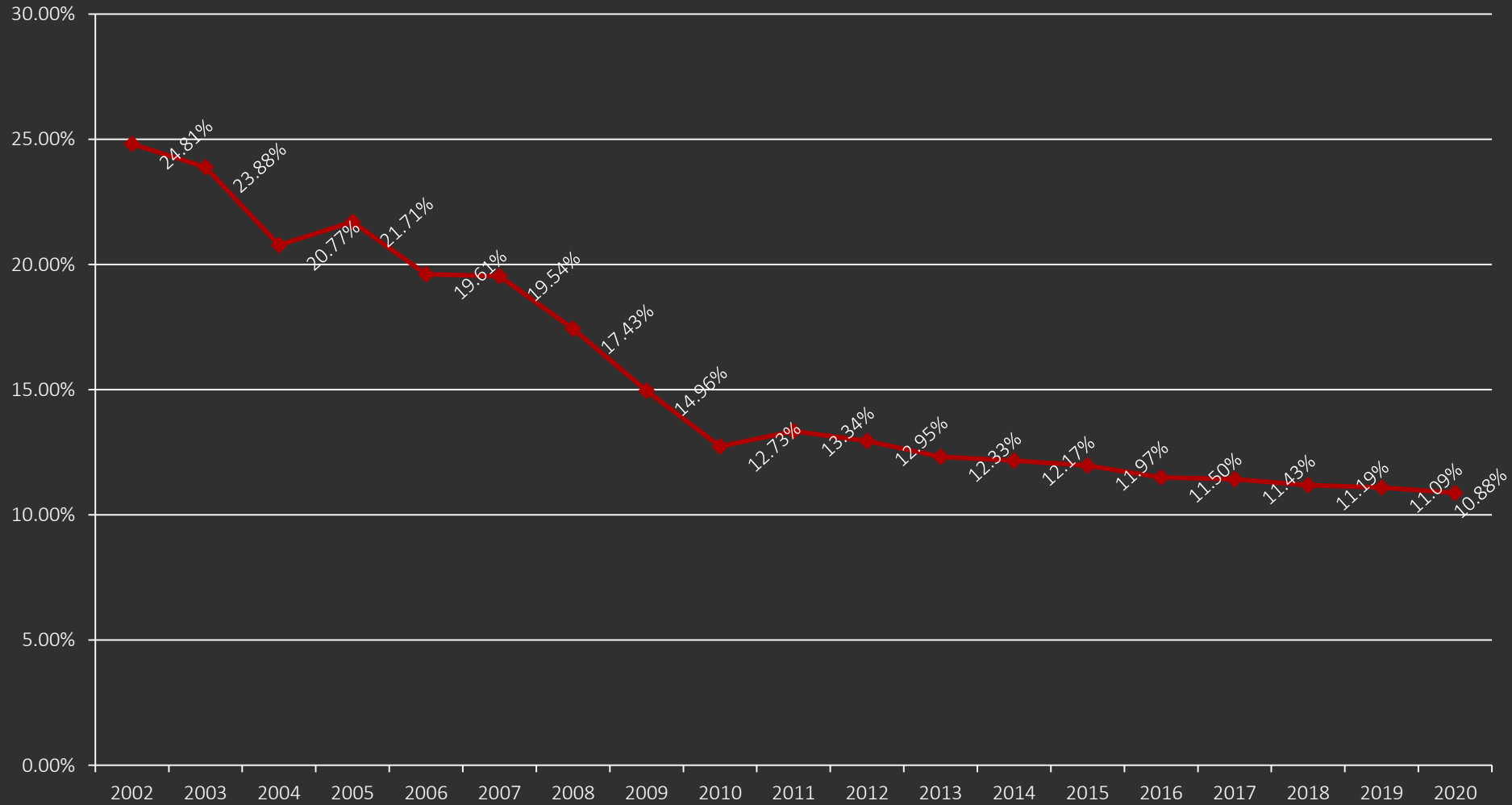
Impact will continue to grow in increments each year unless the State Aid program comes into compliance with the intent of the program



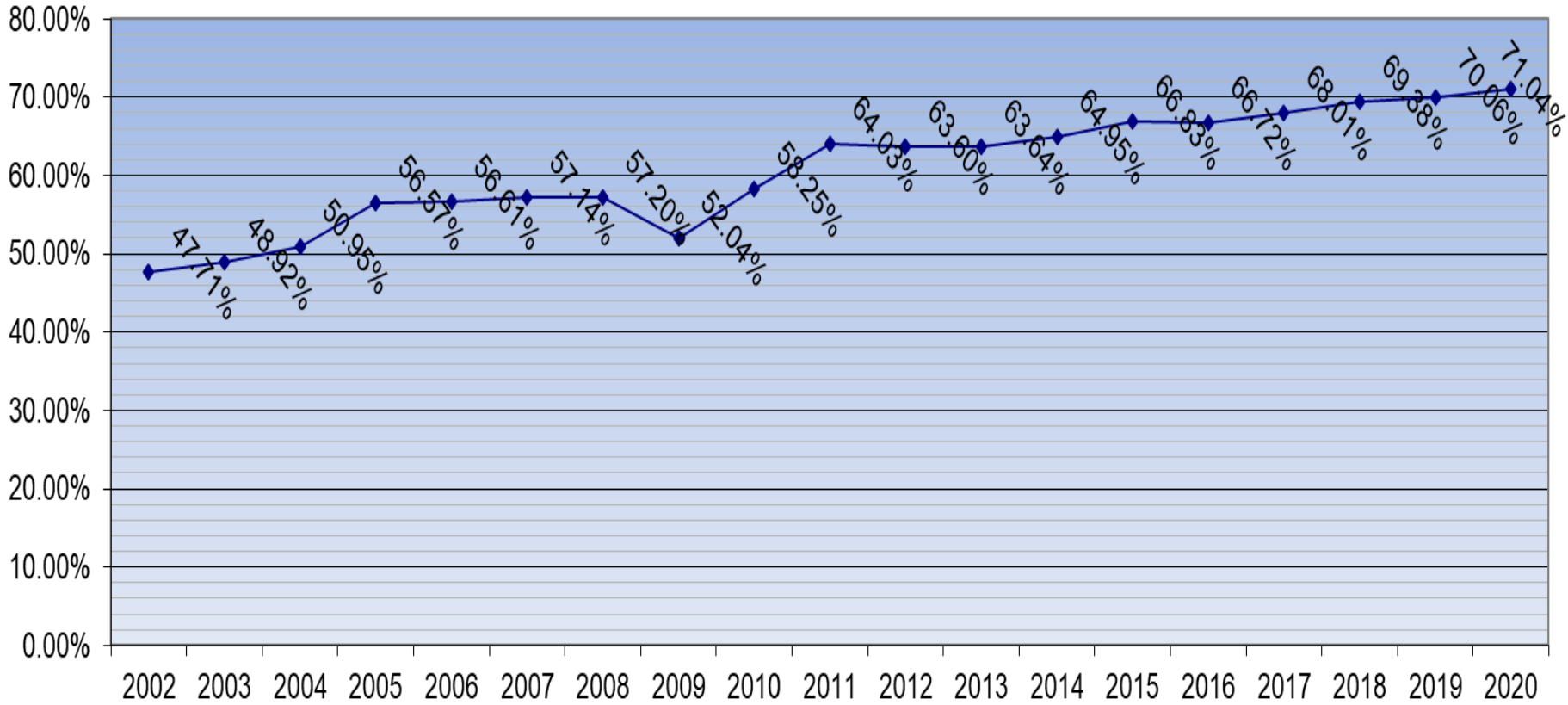
Underpayment of State Aid to Neptune by Year (Totals more the \$63,167,439.00 since 2001 / \$5,658,495.00 for 2021 Alone)



State Aid as a Percentage of Total Budget Revenues

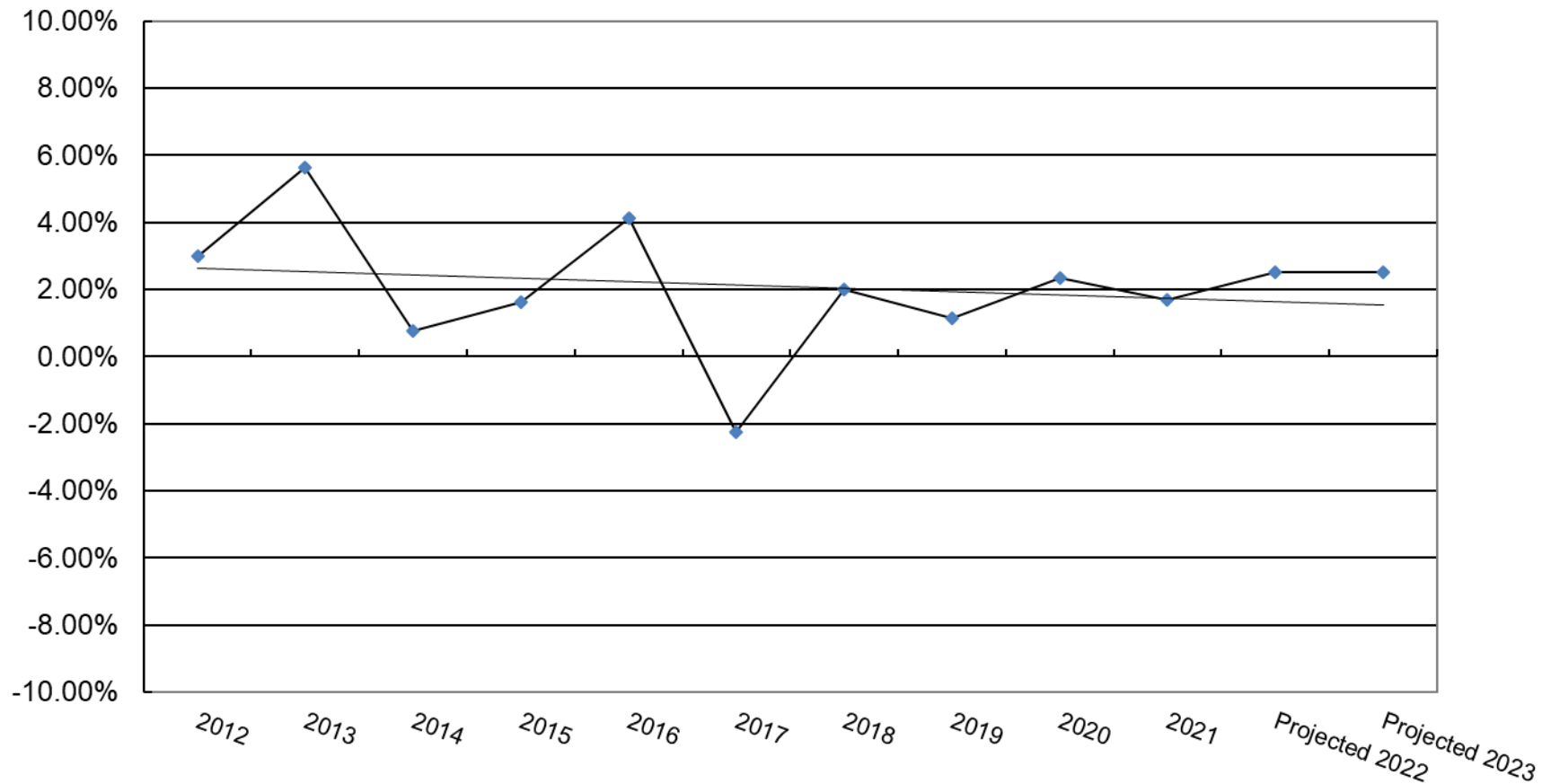


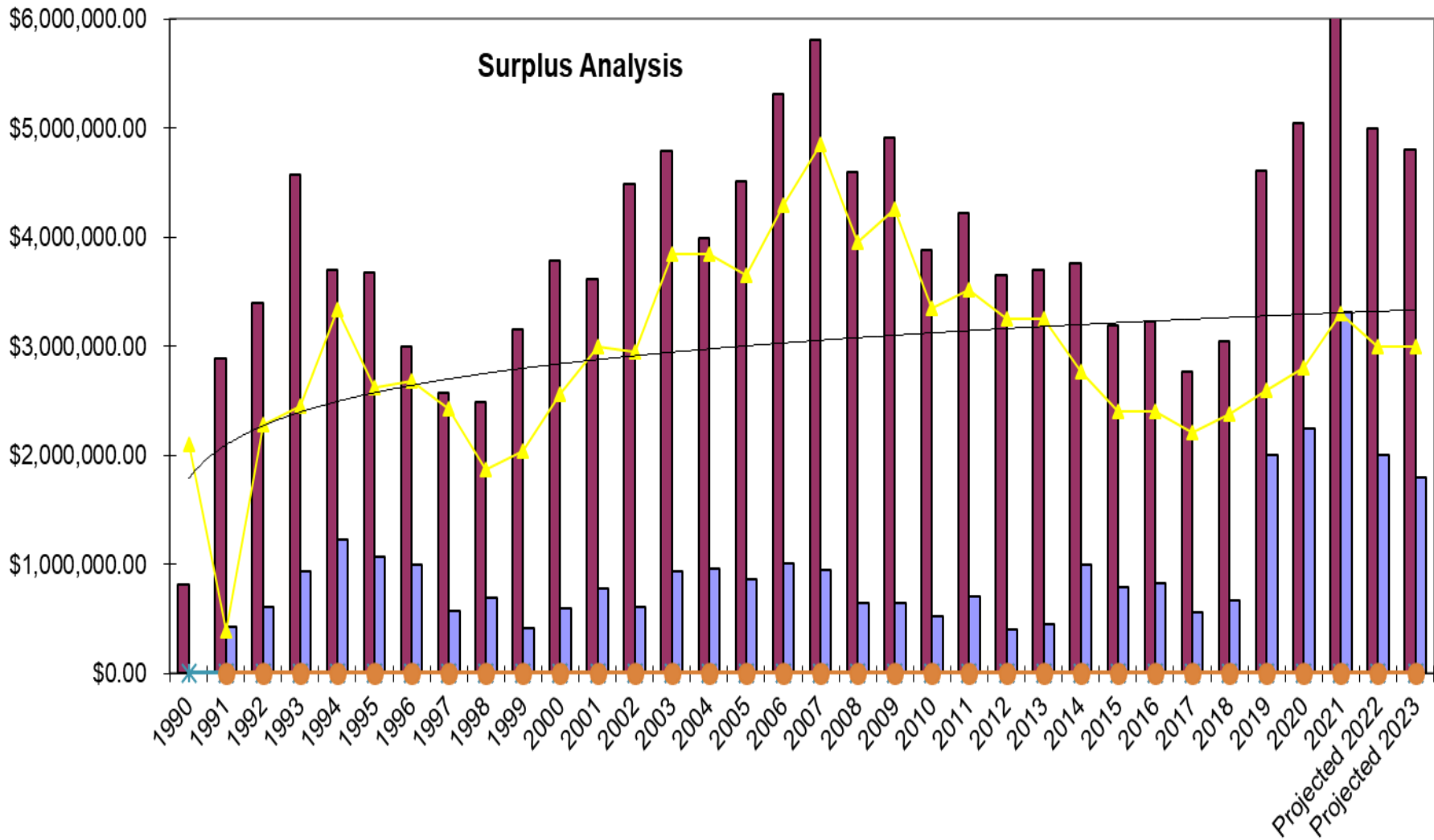
Percent of Budget Supported by Local Tax Revenue



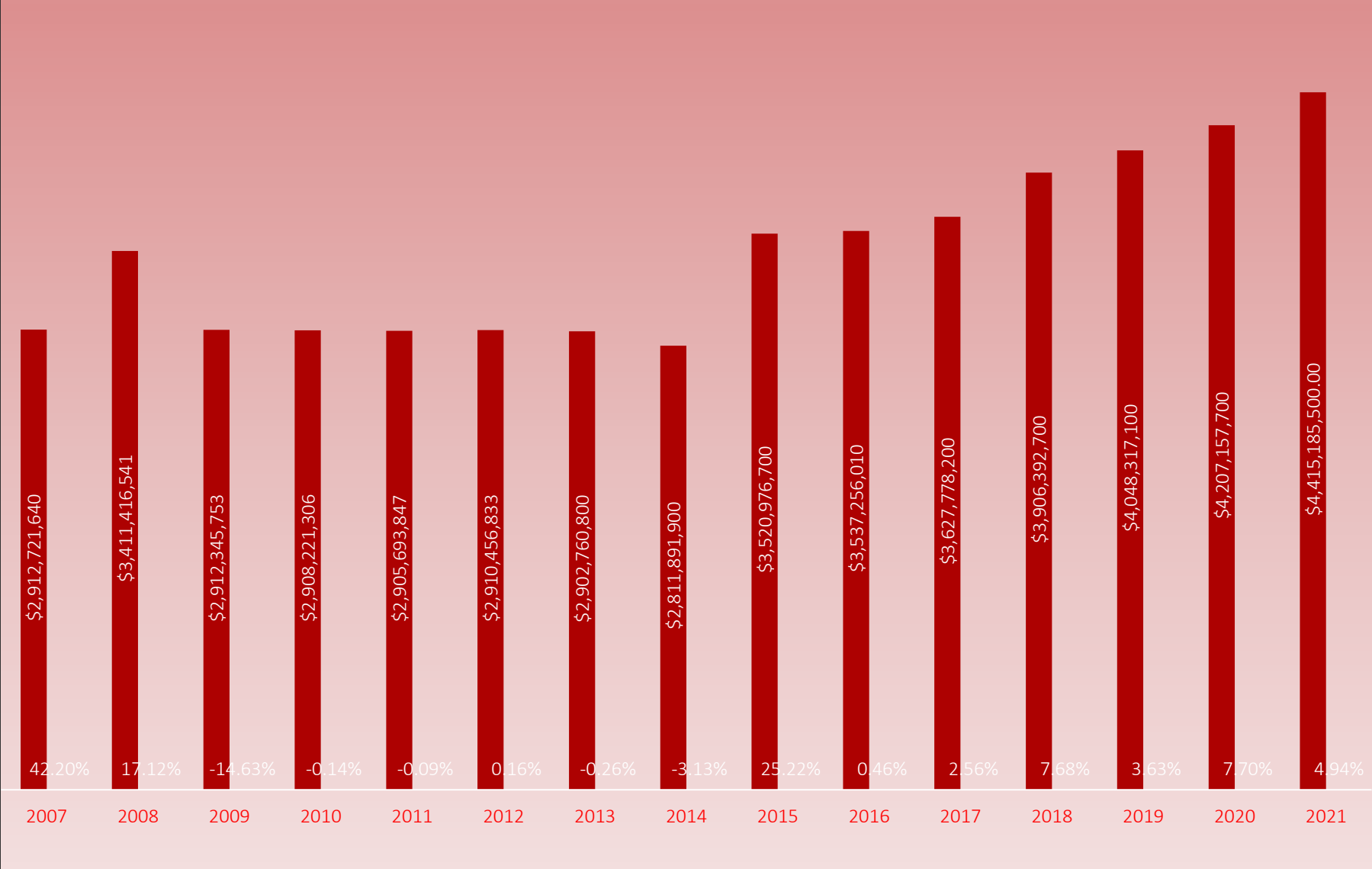
Budget Stability

Percent Change in Municipal Appropriations



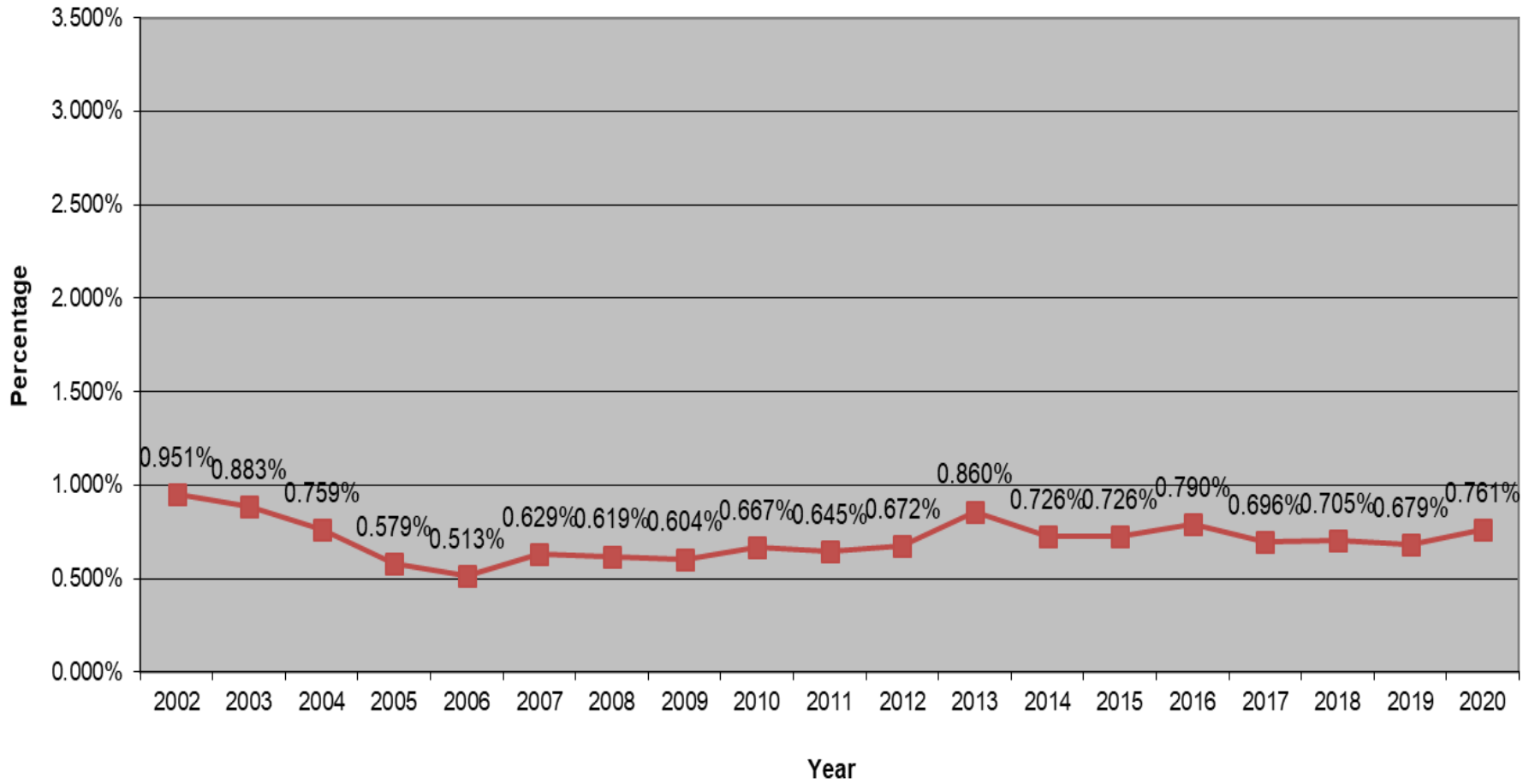


Net Valuation Taxable

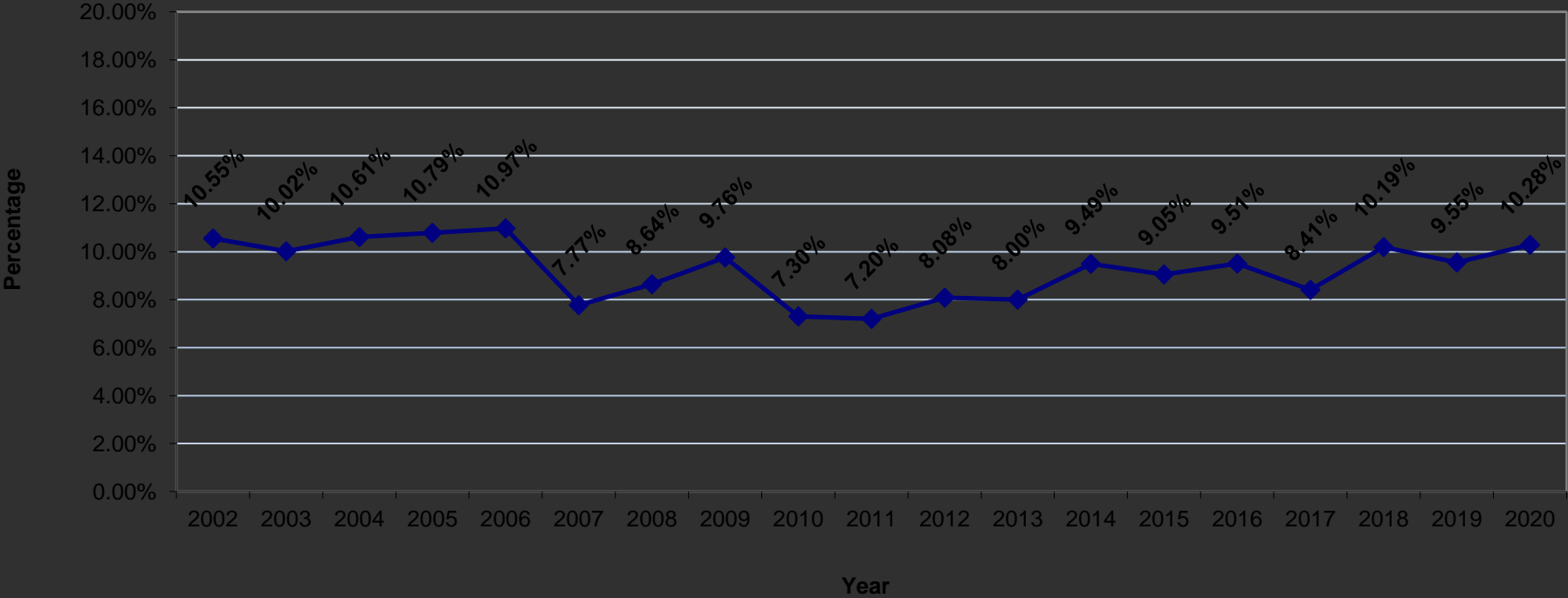


Net Debt for Capital Improvements

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

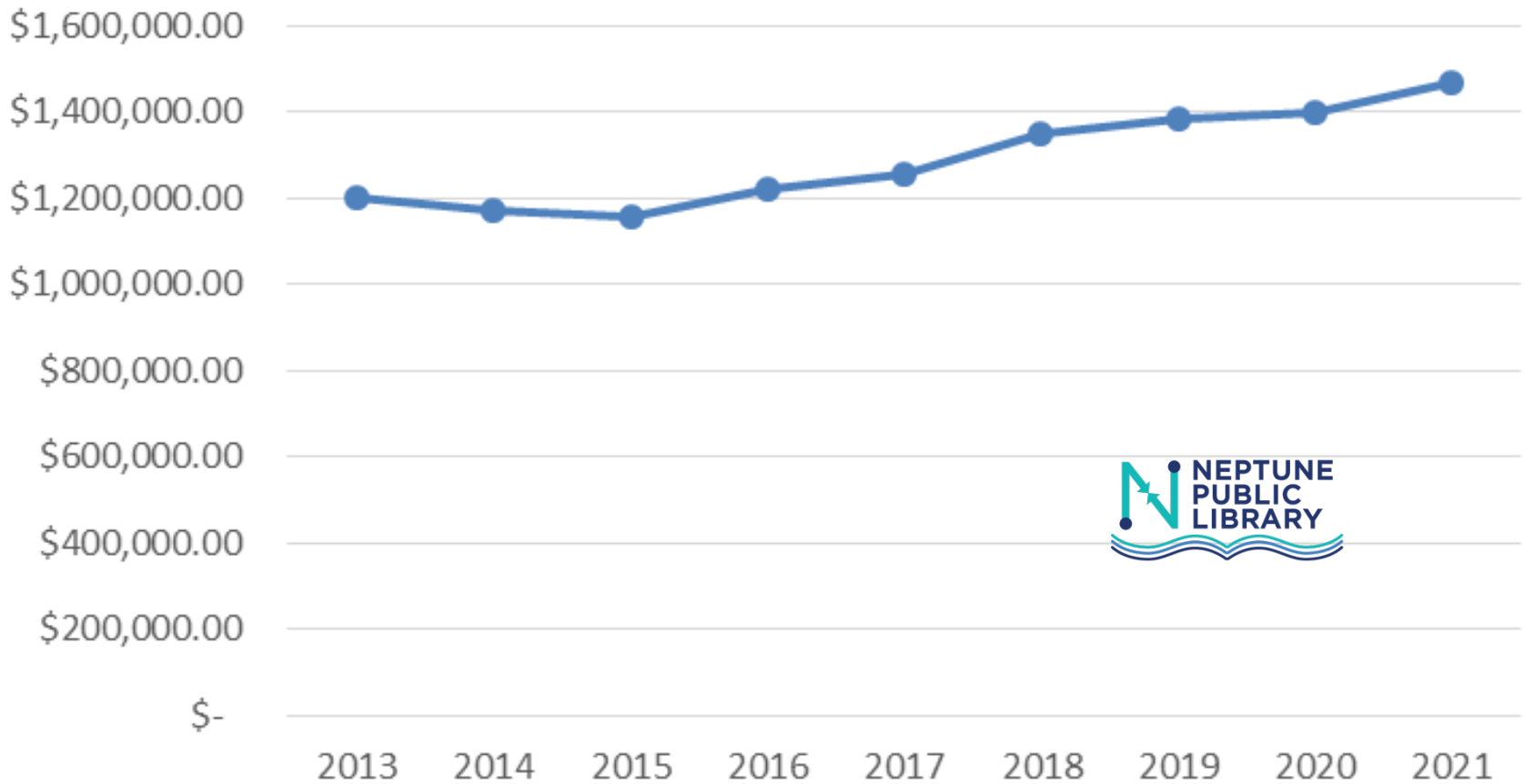


Debt Service Expense as a Percentage of Total Revenue

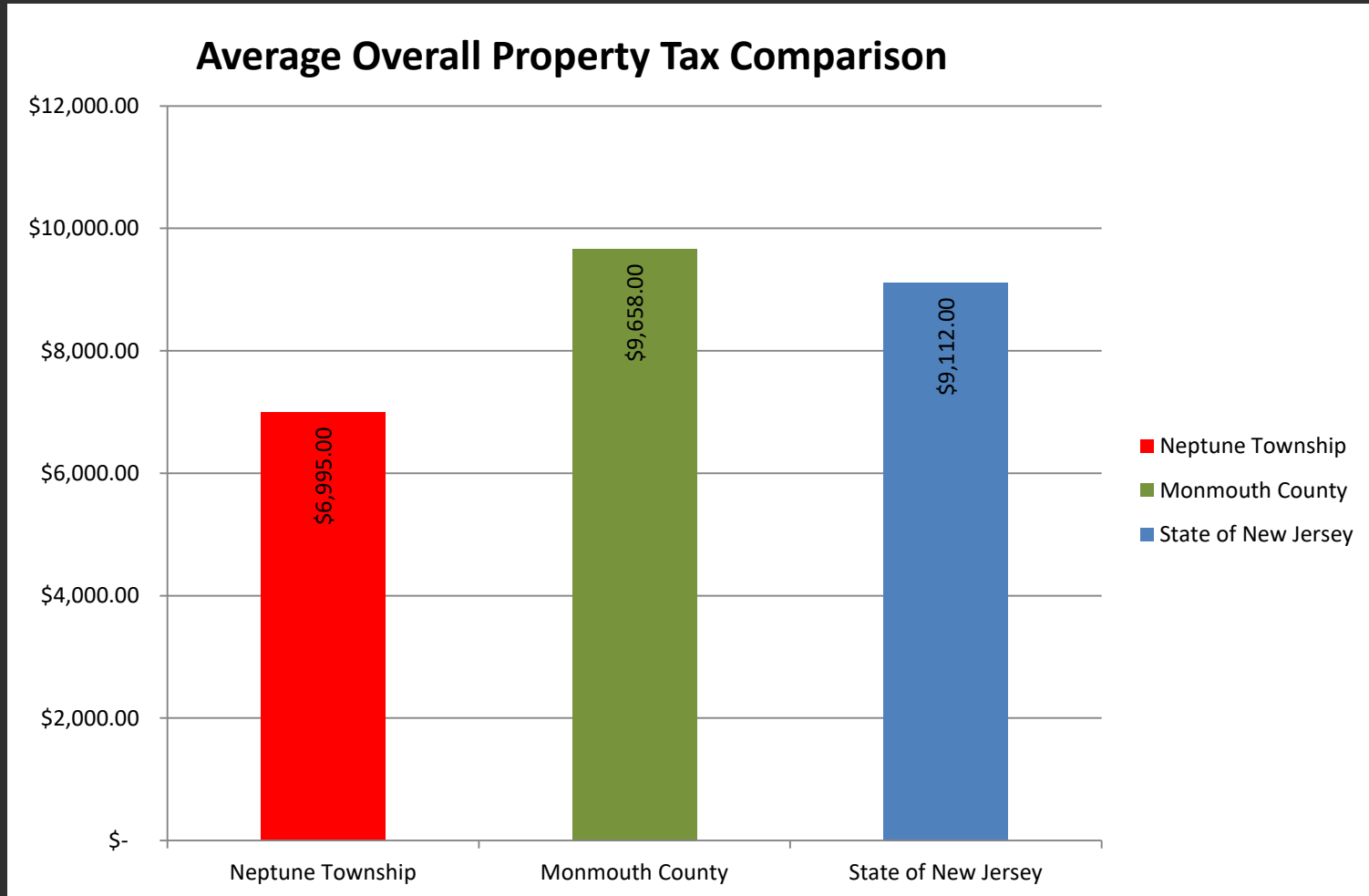


Free Public Library contribution

Library Portion of Property Tax



Neptune Taxes vs. County & State Averages (Based on 2020 Actual)



Ten Largest Taxpayers

	<u>Owner of Record (2020)</u>	<u>Aggregate Assessed Value</u>	As a Percentage of Assessed Value of <u>Real Property</u>	Total Tax Bill
1.	Neptune Partners LLC/ BNE Real Estate	40,425,200	0.96%	\$856,205.76
2.	Neptune Plaza Shopping Center LLC	34,135,600	0.81%	\$722,992.03
3.	ASPN3600, LLC	26,175,600	0.62%	\$554,399.22
4.	JB Neptune Holdings	24,805,100	0.59%	\$525,372.03
5.	Woodlands Neptune LLC	22,947,100	0.55%	\$486,019.59
6.	Wal-mart Real Estate Business Trust	20,578,700	0.49%	\$435,856.88
7.	HD of Maryland, Inc Property Tax	16,037,300	0.38%	\$339,670.02
8.	Meridian Hospital Corp.	15,178,400	0.36%	\$321,478.52
9.	Ocean Grove NJ, LLC.	15,155,000	0.36%	\$315,981.76
10.	Ocean Grove Camp Meeting Association	14,647,300	0.35%	\$305,396.25

“Gimmicks” Avoided

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



AA Rating / Standard & Poor's

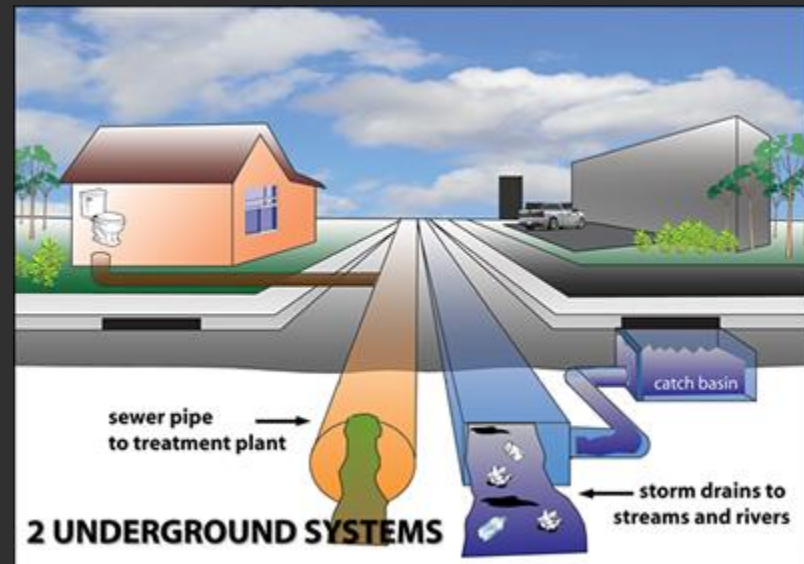
Credit Quality	DBRS		Moody's		S&P		
	Long Term	Short Term	Long Term	Short Term	Long Term	Global CP Scale	Canadian CP Scale
Superior 	AAA	R-1 high	Aaa	P-1	AAA	A-1+	A-1 (high)
	AA high	R-1 high	Aa1	P-1	AA+	A-1+	A-1 (high)
	AA	R-1 mid	Aa2	P-1	AA	A-1+	A-1 (high)
	AA low	R-1 mid	Aa3	P-1 	AA-	A-1+	A-1 (high)
Good	A high	R-1 low	A1	P-1	A+	A-1	A-1 (mid)
	A	R-1 low	A2	P-1	A	A-1	A-1 (mid)
	A low	R-1 low	A3	P-2	A-	A-2	A-1 (low)
Adequate	BBB high	R-2 high	Baa1	P-2	BBB+	A-2	A-1 (low)
	BBB	R-2 mid	Baa2	P-2	BBB	A-2	A-2
	BBB low	R-2 low	Baa3	P-3	BBB-	A-3	A-3
Speculative	BB high	R-3 high	Ba1	Not Prime	BB+	B	B
	BB	R-3 high	Ba2	Not Prime	BB	B	B
	BB low	R-3 high	Ba3	Not Prime	BB-	B	B
Highly Speculative	B high	R-3 mid	B1	Not Prime	B+	C	C
	B	R-3 mid	B2	Not Prime	B	C	C
	B low	R-3 low	B3	Not Prime	B-	C	C
	CCC	R-3 low	Caa	Not Prime	CCC	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 2020 Operations

Marina Utility is self-liquidating.

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



Public Comment

