



Budget / Mission Statement

- Fiscal Responsibility
- Quality of Life
- Provision of services
- Public Safety, Health & Welfare as priorities
- Stabilization of tax base
- Senior services
- Recovery from 2008/2009 recession / Super Storm Sandy 2012
- Financial stability
- 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

Impact of 2013 Budget

- Increase: 2.8 cents per \$100 of assessed value
- 2013 Tax Rate: .878 / 2012 Tax Rate: .850
- Equivalent to \$28.00 per \$100,000 of value
- Average Tax per House in 2012: \$2,036.28
- Increase of Average home (Assessed at \$239,000.00 / Market Value of \$341,000.00): \$66.92 for the year

2013 Budget Totals

- 2013 Budget: \$40,065,753.68
- 2012 Budget: \$38,578,430.75
- 2011 Budget: \$37,460,673.56
- 2010 Budget: \$39,245,346.73
- 2009 Budget \$42,002,987.68
- 2013 remains \$1,937,294.00 below the 2009 Budget

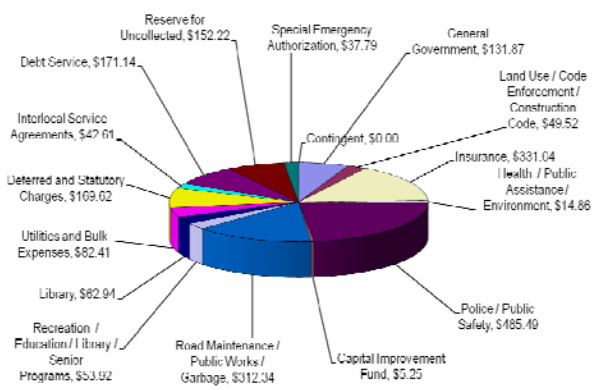
2013 Budget Information

- Amount to be Raised by Taxation (including Library Tax) has increased by \$770,111.48 as compared to 2012
- Attributable primarily to lack of CPI increases in Consolidate Municipal Property Tax Relief Funding and loss of Verizon Taxes.

Super Storm Sandy

- Budget Impact: \$770,000.00, completely offset by FEMA revenue.
- Unreimbursed costs
- Out years: matching funds, Capital projects, debt service, Special Emergency Notes

How the 2013 Municipal Tax Dollar is Spent



State Impacts

- Appropriations CAP (3.5%)
- Levy CAP (2%)
- Unfunded Mandates
- Pension Contributions
- State Aid (Local Property Tax Relief)
- 2013 & Beyond (Levy Cap, Cap Limitations, Pension Costs, economic recovery, inflation)

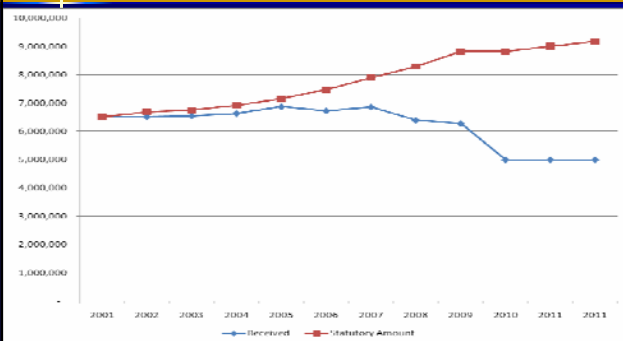
State mandates (unfunded)

- Binding Arbitration for Police
- Training mandates
- Master Plan / COAH / Storm water Management timelines.
- Purchasing regulations that prohibitively cause municipalities to pay a premium for services.
- Many more.....

The Numbers Game: "State Aid"

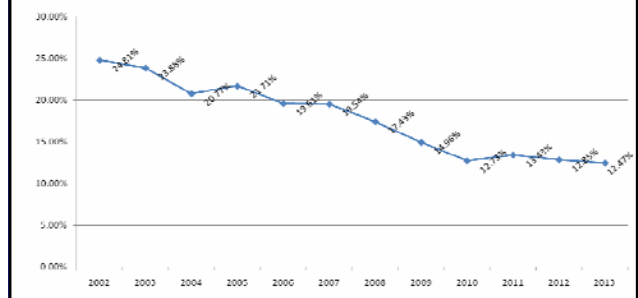
- Intent of law has not been met for at least ten years, inflation continues to grow, while State Aid continues to decline, leaving more and more of the burden on the local property taxpayer.
- In most cases, what is described as "State Aid" is actually property tax relief funding that has been diverted away from local government to the state treasury for redistribution.

Underpayment of State Aid to Neptune by Year
(Totals more the \$19,000,000.00 since 2001 / Over \$4,000,000.00 for 2013 Alone)



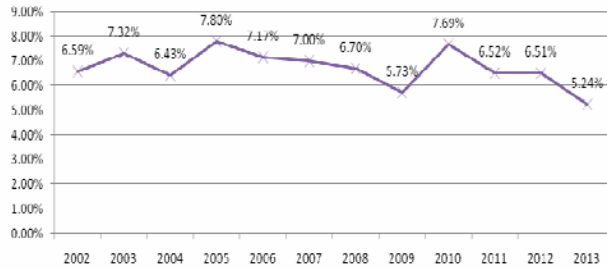
State Aid as a Pct. Of Operating Revenue

State Aid as a Percentage of Total Budget Revenues



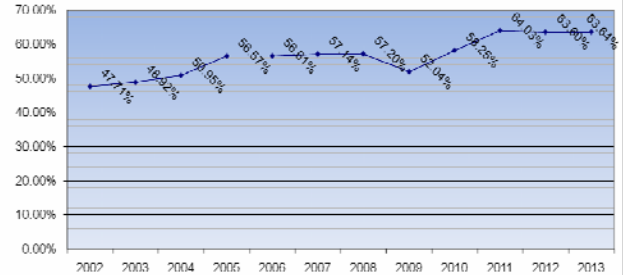
Local Revenue as a Pct. Of Operating Revenue

Percent of Local Revenue in Budget



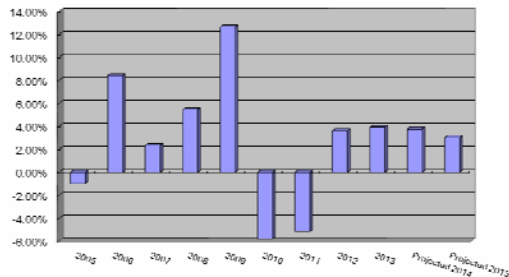
Property Tax as a Pct. Of Operating Revenue

Percent of Total

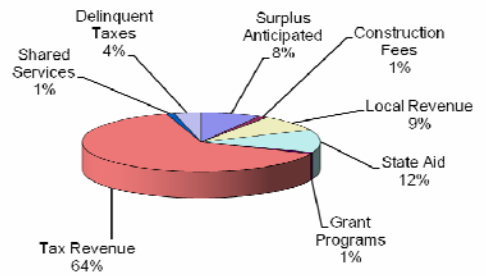


Pct. Change of Annual Budget Appropriations

Percent Change in Municipal Appropriations



2013 Sources of Revenue



Budget Appropriations CAP Calculation

Amount upon which CAP is applied: \$29,814,971.00
 2% Appropriations CAP: \$596,299.42
 Allowable Appropriations: \$30,411,270.42
 ADD:
 CAP Bank 2011: \$ 502,959.92
 CAP Bank 2012: \$ 619,554.45
 CAP Rate Index Ordinance: \$448,559.47
 New Construction: \$105,809.00

Allowable Operating Appropriations: \$32,088,153.26
 Actual Appropriations in 2013 Budget: \$30,384,540.00

Amount Below Appropriations CAP: \$1,703,613.26

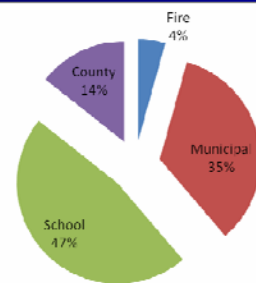
Tax Levy CAP Calculation

Net Prior Year Tax: \$23,459,082.(No Library)
 2% Increase: \$469,182.
 Exclusions: \$905,930.
 Less Unexpended Exclusions: <\$12,274>
 Adjusted Levy: \$24,821,920.
 New Construction Adjustment: \$105,809.
 Maximum Allowable Levy: \$24,927,729.00
 Amount of 2013 Tax Levy; \$24,298,856.47
 Amount of Tax Levy Cap "Banked": \$926,357.00
 (includes current and prior years Bank)

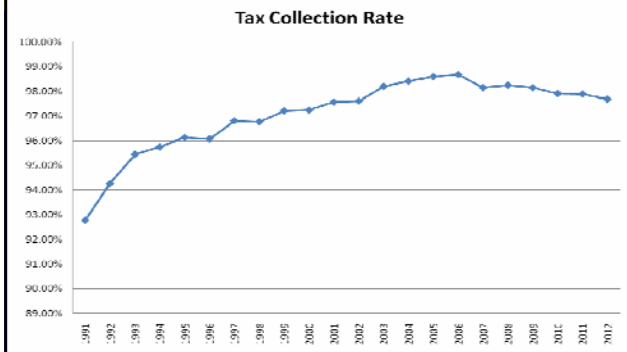
Levy CAP

- The Levy CAP results in a drain on surplus that has been built over the years through prudent professional management to sustain local government through times such as this.
- Forced depletion of the Reserve for Uncollected imperils our ability to regenerate surplus.
- Takes local decisions away from the governing body.
- Forcing layoffs and benefit reduction while Washington is pouring billions into programs to do just the opposite.
- Will result in reductions in bond ratings and higher interest costs.

How Your Property Tax Dollar is Divided



Tax Collection Rate



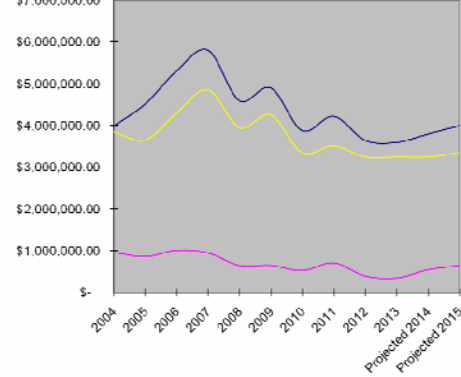
Where Surplus is Generated

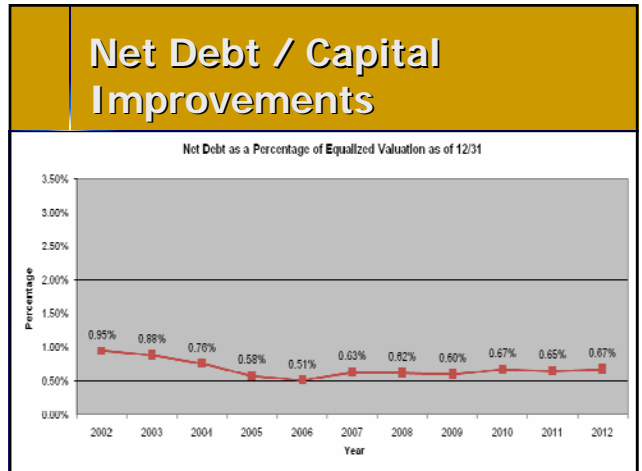
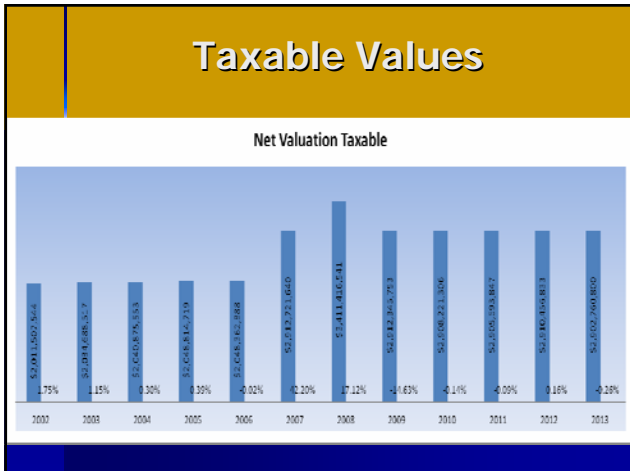
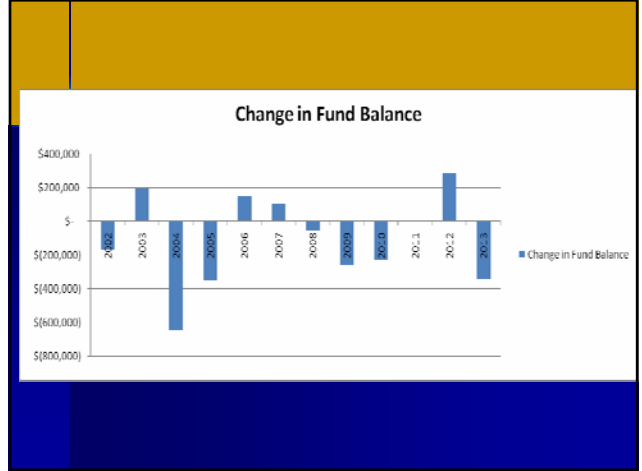
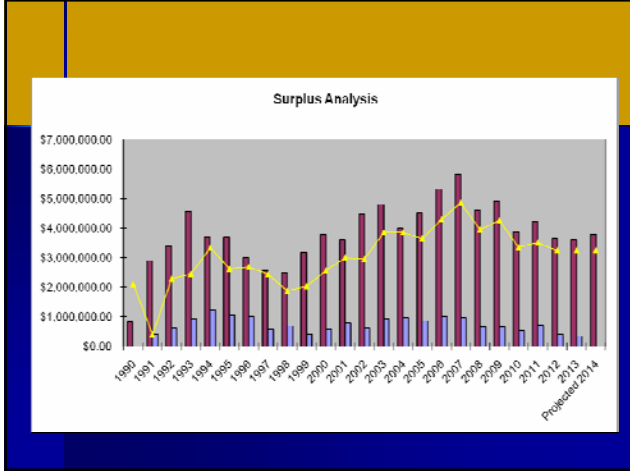
- Budget Revenue: \$<34,125.13>
- Delinquent Tax Collections: \$77,498.70
- Current Tax Collections: \$1,444,596.55
- Unexpended 2012 Approps: \$12,274.29
- MRNA: \$604,775.65
- PILOT's: \$216,892.74
- Grants Cancelled: \$1,024.77
- Unexpended 2011 Reserves: \$583,944.81
- Interfunds Returned: \$128,827.38
- (Tax Refunds)/ Appeals: \$42,263.12
- Other Sources: \$<55,722.99>
- TOTAL SURPLUS GENERATED IN 2012: \$2,937,723.65 *(Down \$800,000.00 from 2011)

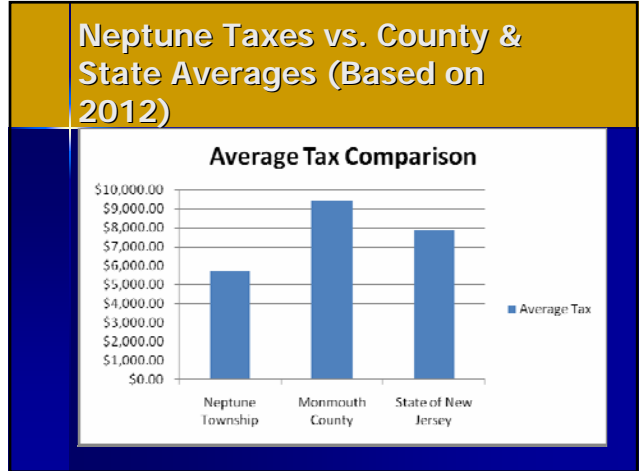
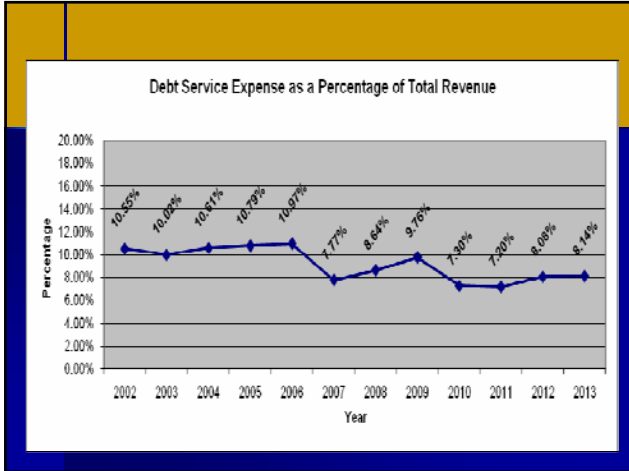
Surplus Change in 2012

- Balance 1/1/12: \$4,226,718.96
- Utilized to offset taxes: \$3,516,000.00
- Generated in 2012: \$2,937,723.65
- Balance 12/31/2012: \$3,648,442.61

Surplus History







Top Ten Taxpayers (2012)

	Taxpayer	Value	Taxes
1	Neptune Plaza Shopping Ctr	\$ 27,692,100	\$695,071.71
2	Jumping Brook Realty	\$ 20,596,200	\$516,964.62
3	Wal-Mart Real Estate	\$ 17,228,400	\$432,432.84
4	Woodlands at Neptune, LLC	\$ 16,800,000	\$421,680.00
5	Lighthouse Neptune/Orbach	\$ 15,400,000	\$386,540.00
6	HD Dev of Maryland, Inc	\$ 11,816,400	\$296,591.64
7	Gannett Partnership	\$ 10,200,000	\$256,020.00
8	Neptune Park for Industry	\$ 9,804,600	\$246,095.46
9	Ocean Grove Camp Meeting	\$ 9,416,900	\$233,162.44
10	West Grove Square	\$ 9,146,000	\$229,564.60

What is working:

- Attrition
- Part-time employees
- Innovation in service delivery
- Contractual changes

"Gimmicks" Avoided

- One Time Revenues
- Pension Deferral
- School Tax Deferral
- Appropriations CAP / CAP Waivers
- Fiscal Year Debt
- Extraordinary Aid

Tax Stabilization Plan

- Neighborhood Revitalization
- Interlocal Services Agreements
- Innovative Service Delivery
- School Tax Reform (State)
- Labor Agreements

Tax Stabilization Plan Sharing

- Shared Services
- Consolidation
- Regionalization
- Energy Conservation
- Appropriate Growth

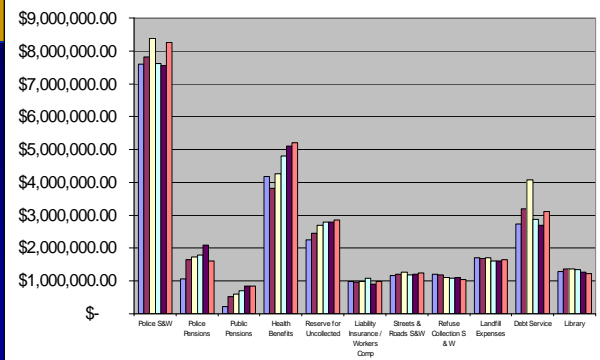
Tax Stabilization Plan

- Invest in the Community
 - UDAG
 - Economic Development
 - Paint
 - Housing
 - NPP
 - CDBG
 - Infrastructure

Revitalization Impact on Taxes

- Neptune Township does not have an abundance of land available for growth
- Neptune Township does have a strong infrastructure system that would support redevelopment of existing areas
- The Neptune Township investment is studying and designing appropriate redevelopment
- Private investment is then solicited in redevelopment areas
- Results: growth in tax base, limited impact on residential neighborhoods, redistribution of the tax base

Major Cost Centers



2014-2015 Projection

- Stable Budget, could be impacted by pension increases and PBA arbitration decision
- Surplus Regeneration is difficult
- 2% Levy Compliance
- Restoration of Property Tax Relief?
- Recovery from Super Storm Sandy

Sewer Utility

- No rate increase for 2013.
- Sewer utility is self-liquidating.
- Sewer is regenerating surplus.
- Major Sewer infrastructure projects will continue in efforts to reduce I & I.

Marina Utility

- Reduced Budget for 2013.
- Marina Destroyed by Super Storm Sandy.
- Continuing to focus on recovery and rebuilding.
- Will be open for business within 8 weeks.
- Marina Utility is self-liquidating.

Public Comment

