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**SPECIAL BUDGET EDITION**

**APRIL 2003**

**TOWNSHIP COMMITTEE**

Mayor Thomas E. Hennessy, Jr.  
Deputy Mayor Lillian G. Burry  
Committeeman Kenneth F. Florek  
Committeeman Benjamin Forester  
Committeeman James Stuart

**COLTS NECK TOWNSHIP BUDGET NEWSLETTER**

This Newsletter is intended to give Township residents a general overview of the 2003 Municipal Budget. A full public hearing relative to the 2002 Budget is scheduled for WEDNESDAY, APRIL 30, 2003, 7:30 P.M. at Town Hall, Cedar Drive. Residents are encouraged to attend and participate at this meeting. The total 2003 Budget is \$8,842,957., inclusive of the \$331,250. dedicated tax for farmland, open space and historic preservation overwhelmingly approved by voter referendums.

**PROPERTY TAXES**

**Property taxes for municipal purposes will not increase this year.** The following chart is intended to provide an ESTIMATE of all taxes to be paid by an average Colts Neck homeowner in 2003. It must be emphasized that all figures are estimates based on current information, and are subject to modification.

**HOME ASSESSED AT \$400,000.**

TAX ESTIMATES	2002 RATE	2003	CHANGE	2002	ESTIMATED 2003
	PER \$100.	ESTIMATED		AMOUNT	
	VALUATION	RATE PER \$100.	(DECREASE)	OF TAX	AMOUNT OF TAX
1. County of Monmouth	.634	.669	+.035	\$2,536.00	\$2,676.00
2. Regional Schools	.624	.691	+.067	\$2,496.00	\$2,764.00
3. Local Schools	1.166	1.218	+.052	\$4,664.00	\$4,872.00
4. Municipal Purposes	.241	.241	.000	\$ 964.00	\$ 964.00
5. Municipal Open Space	.025	.025	.000	\$ 100.00	\$ 100.00
<b>TOTALS:</b>	<b>2.69</b>	<b>2.844</b>	<b>+.154</b>	<b>\$10,760.00</b>	<b>\$11,376.00</b>

### BUDGET PROCESS

Preparation of the Municipal Budget is a time consuming process that begins in September and ends in the following Spring of any given year. Upon submission of a recommended Budget by the Township Administrator, the Township Committee met on several occasions to review every line item of each Departmental Budget. These reviews are intended to ensure that appropriation requests are justified, and to make any modifications to such requests as may be deemed necessary. All meetings are held at Town Hall and open to the public. Once these sessions are completed, the Budget is finalized by the Township Auditor, formally introduced and forwarded to the State for review if required. A date is also set for a public hearing and summary of the Budget must be published in the Asbury Park Press.

### BUDGET FORMAT

The Township utilized a zero-based budgeting format for preparation of the 2003 Budget. In general, this format requires Department Heads to justify and itemize in detail all funding requests from zero dollars to the amount requested. Simply expecting automatic increases from prior years funding is not permitted. A zero-based budget should ensure more accurate budgeting and eliminate increased spending without detailed justification.

### THE CAP LAW

State Law mandates that local governments cannot increase their total appropriations by more than 5 percent each year, with certain exceptions. Such exceptions include Capital Improvements, Debt Service, and the cost for operating the Municipal Court. In fact, the actual CAP can be less than 5 percent based on the cost of living index for the prior year. Thus, the actual 2003 CAP was 1.0 percent, based on the “Implicit Price Deflator” determined by the United States Department of Commerce. The 2003 Municipal Budget is under the CAP limitations.

### REVENUES AND EXPENDITURES

The total 2003 Budget is \$8,842,957., compared with a 2002 Budget of \$8,498,105. This represents an increase of \$344,852. All figures are inclusive of the .025 dedicated tax for farmland, open space, and historic preservation. The dedicated tax in 2003 will be \$331,250. State Law mandates that municipal budgets must be balanced, with revenues equaling appropriations. The following charts illustrate the main sources of revenue for the Township and, conversely, how the money is appropriated to operate the Municipality. Each chart also compares 2002 amounts to 2003.

#### REVENUES

<u>REVENUE SOURCE</u>	<u>2002 AMOUNT</u>	<u>2003 ANTICIPATED</u>
Property Tax	\$ 3,081,542.00	\$ 3,176,064.00
Dedicated Farmland, Open Space, Historic Preservation Tax	\$ 319,255.00	\$ 331,250.00
Energy Receipts Tax	\$ 1,854,828.00	\$ 2,021,377.00
Surplus	\$ 1,855,000.00	\$ 2,024,000.00
Interest on Taxes/Investments	\$ 370,000.00	\$ 340,000.00
Delinquent Taxes	\$ 230,000.00	\$ 310,000.00
Municipal Court	\$ 132,500.00	\$ 170,000.00
Fees, Permits, Recreation, etc.	\$ 209,250.00	\$ 203,250.00
State Revenues, Grants, Misc.	\$ 445,730.00	\$ 267,016.00
<b>TOTALS:</b>	<b>\$ 8,498,105.00</b>	<b>\$ 8,842,957.00</b>

#### EXPENDITURES

**2002 AMOUNT**

**2003 AMOUNT**

**General Government** (This function includes such departments as Administration, Elections, Finance, Tax Assessing, Tax Collection, Legal Services, Engineering, Planning, Zoning, Insurance, and Buildings and Grounds.)

Salary and Wages	\$ 460,645.00	\$
481,972.00		
Other Expenses	\$ 1,373,419.00	\$
1,514,800.00		

**Public Safety** (This function includes such departments as Police, Fire, First Aid, Construction, Emergency Management, Code Enforcement, Court, and Fire Prevention)

Salary and Wages	\$ 1,393,705.00	\$
1,420,485.00		
Other Expenses	\$ 426,417.00	\$
423,553.00		

**Recreation and Education** ( This function includes such departments as Recreation, Library, Parks, and Public Events such as the July 4th fireworks, Memorial Day Parade, etc.)

Salary and Wages	\$ 143,142.00	\$
161,004.00		
Other Expenses	\$ 214,805.00	\$
232,605.00		

**Streets and Roads** ( This function includes such departments as Streets and Roads, Snow Removal, Street Lighting and Recycling)

Salary and Wages	\$ 817,917.00	\$ 850,004.00
Other Expenses	\$ 561,671.00	\$ 740,033.00

**Health and Welfare** ( This function includes costs for the Health Department, Environmental Commission, Drug and Alcohol Alliance, Animal Control and Welfare.)

Salary and Wages	\$ 74,730.00	\$ 77,040.00
Other Expenses	\$ 33,141.00	\$ 48,060.00

**Unclassified** ( This function includes costs for such areas as Contingencies, Farmland/Open Space Committee, Historic Preservation, Shade Tree Commission, Business Advisory, Architectural Review, Clean Communities and Affordable Housing.)

Salary and Wages	\$ 4,500.00	\$ 4,500.00
Other Expenses	\$ 54,200.00	\$ 49,940.00

**Statutory Expenditures** (This function includes the costs for Employee Pensions and Social Security.)

Other Expenses	\$ 210,000.00	\$ 228,187.00
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**Capital Expenses** ( This function includes the costs for the purchase of equipment, vehicles, property, road improvements, etc., with a minimum life span of five years and down-payments for future bonds.)

Other Expenses	\$ 832,641.00	\$ 579,000.00
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**Debt Service** ( This function includes the cost for payment of principal and interest on Township Bonds and Notes.)

Other Expenses	\$ 441,980.00	\$ 468,991.00
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**Deferred Charges** ( This function includes the cost for payment of special projects, such as property revaluation over a five year period, and emergencies.)

Other Expenses	\$ 6,000.00	\$ 59,900.00
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**Reserve for Uncollected Taxes** ( This function includes a mandatory appropriation to reserve funds caused by any failure to collect property taxes.)

Other Expenses	\$1,129,937.00	\$1,171,633.00
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**Dedicated Farmland, Open Space, and Historic Preservation Tax** ( This function includes dedicated taxes approved by voter referendum for the exclusive use of farmland, open space, and historic preservation.)

Other Expenses	\$ 319,255.00	\$ 331,250.00
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<b>TOTAL ALL FUNCTIONS:</b>	<b>\$ 8,498,105.00</b>	<b>\$8,842,957.00</b>
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**YOUR TAX DOLLAR**  
**2003 MUNICIPAL BUDGET**

**WHERE THE MONEY COMES FROM**

**2003 REVENUE AMOUNTS**

1. Dedicated Open Space Tax	\$ 331,250.00
2. Property Taxes	\$ 3,176,064.00
3. Energy Receipts Tax	\$ 2,021,377.00
4. Surplus	\$ 2,024,000.00
5. Interest on Taxes and Investments	\$ 340,000.00
6. Delinquent Taxes	\$ 310,000.00
7. Municipal Court	\$ 170,000.00
8. Fees, Permits, Recreation, etc.	\$ 203,250.00
9. State Revenues/Grants/Misc.	\$ 267,016.00
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<b>TOTAL:</b>	<b>\$ 8,842,957.00</b>

**WHERE THE MONEY GOES**

**2003 APPROPRIATION AMOUNTS**

1. General Government	\$ 1,996,772.00
2. Public Safety/Court	\$ 1,844,038.00
3. Streets and Roads	\$ 1,590,037.00
4. Reserve for Uncollected Taxes	\$ 1,171,633.00
5. Capital Improvements	\$ 579,000.00
6. Recreation/Education/Health	\$ 518,709.00
7. Debt Service	\$ 468,991.00
8. Statutory Expenses	\$ 228,187.00
9. Deferred/Unclassified	\$ 114,340.00
10. Dedicated Open Space Tax	\$ 331,250.00
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<b>TOTAL:</b>	<b>\$ 8,842,957.00</b>

**BUDGET MESSAGE**

**Public Hearing: April 30, 2003**

***7:30 p.m., Town Hall***

The Township Committee is pleased to present the 2003 Municipal Budget that **does not increase property taxes for municipal operations this year.**

The Township was able to maintain a stable tax rate despite significant increases in certain areas; particularly snow removal costs, medical and liability insurance, curbside recycling and gasoline. These costs were off-set by the use of additional surplus funds, increases in other revenues, reductions in department budgets, and reduced capital expenditures.

The 2003 Budget does not contain funds for any new personnel or expanded services. Existing services will remain unchanged.

Highlights of the 2003 Budget include \$35,000. for safety modifications at the curve on Five Points Road, \$142,500. for paving, curbing and drainage projects, \$125,000. for the purchase of a dump truck, brush chipper and roadside mower for the Public Works Department, \$89,000. to replace two marked cars and a 4WD vehicle for the Police Department and \$60,000. for improvements to Town Hall.

The Township Committee also intends to take advantage of low interest rates and adopt a Bond Ordinance to pave and reconstruct major Township roads such as Laird Road, Cedar Drive, Hillsdale Road, and Clover Hill Road.

**Township Committee  
Colts Neck, New Jersey**

**Postage Paid**

**Resident  
Colts Neck, NJ 07722**

**2003  
Budget Hearing  
April 30, 2003  
7:30 p.m., Town Hall**

Email: [twpcn@optonline.net](mailto:twpcn@optonline.net)  
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