

Colts Neck Township



Special Budget Edition April 2016

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TOWNSHIP COMMITTEE

Thomas Orgo, Mayor
 Michael D. Fitzgerald, Deputy Mayor
 Russell Macnow, Committeeman
 J.P. Bartolomeo, Committeeman
 Edward C. Eastman, Jr., Committeeman

This newsletter is intended to give Township residents a general overview of the 2016 Municipal Budget. A full public hearing on the 2016 Budget is scheduled for WEDNESDAY, APRIL 27, 2016, 7:30 P.M. at Town Hall. Residents are encouraged to attend and participate at this meeting. The total 2016 Budget is \$11,750,444.00 inclusive of the \$359,793.00 dedicated tax for farmland, open space and historic preservation.

PROPERTY TAXES

Property taxes for municipal purposes will have a minimal increase this year. The following chart is intended to provide an ESTIMATE of all taxes to be paid by a Colts Neck homeowner with a home assessed at \$800,000. It must be emphasized that all figures are estimates based on current information and are subject to modification. The Municipal purpose tax will increase 1.2 cent this year. This is a \$96.00 increase on a home with an assessed value of \$800,000.

HOME ASSESSED AT \$800,000.00					
PRELIMINARY FIGURES					
TAX ESTIMATES	2015 RATE PER \$100. VALUATION	2016 ESTIMATED RATE PER \$100. VALUATION	CHANGE INCREASE (DECREASE)	2015 AMOUNT OF TAX	ESTIMATED 2016 AMOUNT OF TAX
1. County of Monmouth	.311	.315	+.004	\$2,488.00	\$2,520.00
2. Regional Schools	.454	.459	+.005	\$3,632.00	\$3,672.00
3. Local Schools	.730	.737	+.007	\$5,840.00	\$5,896.00
4. Municipal Purposes	.228	.240	+.012	\$1,824.00	\$1,920.00
5. Municipal Open Space	.012	.012	----	\$ 96.00	\$ 96.00
TOTALS:	<u>1.735</u>	<u>1.763</u>	<u>±.028</u>	<u>\$13,880.00</u>	<u>\$14,104.00</u>

BUDGET PROCESS

Preparation of the Municipal Budget begins in October and ends the following Spring. Upon submission of a recommended budget by the Township Administrator, the Township Committee met on several occasions to review each of the individual departmental budgets. 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 budget review meetings are held at Town Hall and are open to the public. Once the review process is completed, the budget is finalized by the Township Auditor, formally introduced and, if required, forwarded to the State for review. A date is also set for a public hearing, and a 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 2016 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

2016 is the sixth year of the 2% property tax levy CAP. This law stipulates that the amount raised by taxation can only increase by 2% with certain exceptions. These exceptions include debt service, pensions, health insurance, capital and certain emergencies such as Superstorm Sandy. The 2016 budget is within the 2% property tax levy CAP limitations. The 2016 budget is also within the 3.5% appropriation CAP law that is still in effect for New Jersey municipalities.

YOUR TAX DOLLAR - 2016 MUNICIPAL BUDGET

2016 REVENUE AMOUNTS

1. Property Taxes	\$ 7,208,073.00
2. Surplus	\$ 1,126,000.00
3. Energy Receipts Tax	\$ 1,952,550.00
4. State Revenues/Grants/Storms	\$ 91,028.00
5. Interest on Taxes and Investments	\$ 125,000.00
6. Dedicated Open Space Tax	\$ 359,793.00
7. Fees, Permits, Recreation, etc.	\$ 280,000.00
8. Municipal Court	\$ 185,000.00
9. Delinquent Taxes	\$ <u>423,000.00</u>

TOTAL: \$11,750,444.00

2016 APPROPRIATION AMOUNTS

1. Public Safety, Court	\$ 2,496,973.00
2. General Government	\$ 2,522,607.00
3. Streets and Roads	\$ 1,872,335.00
4. Reserve for Uncollected Taxes	\$ 1,000,000.00
5. Debt Service	\$ 1,367,466.00
6. Recreation/Education/Health	\$ 596,297.00
7. Statutory Expenses	\$ 950,048.00
8. Capital Improvements	\$ 441,550.00
9. Dedicated Open Space Tax	\$ 359,793.00
10. Deferred/Unclassified	\$ <u>143,375.00</u>

\$11,750,444.00

REVENUES AND EXPENDITURES

The total 2016 budget is \$11,750,444, compared with a 2015 budget of \$12,173,643. All figures are inclusive of the 1.2 cents dedicated tax for farmland, open space, and historic preservation. The dedicated tax in 2016 will generate \$359,793.00. 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 2015 amounts to 2016.

REVENUES

<u>REVENUE SOURCE</u>	<u>2015 AMOUNT</u>	<u>2016 ANTICIPATED</u>
Property Taxes	\$ 6,784,534.00	\$ 7,208,073.00
Energy Receipts Tax	\$ 1,952,550.00	\$ 1,952,550.00
Surplus	\$ 1,126,226.00	\$ 1,126,000.00
State Revenues, Grants, Storms	\$ 794,769.00	\$ 91,028.00
Interest on Taxes/Investments	\$ 213,550.00	\$ 125,000.00
Dedicated Farmland, Open Space, Historic Preservation Tax	\$ 357,014.00	\$ 359,793.00
Fees, Permits, Recreation, etc.	\$ 335,000.00	\$ 280,000.00
Delinquent Taxes	\$ 420,000.00	\$ 423,000.00
Municipal Court	\$ <u>190,000.00</u>	\$ <u>185,000.00</u>
TOTALS:	<u>\$ 12,173,643.00</u>	<u>\$ 11,750,444.00</u>

EXPENDITURES

2015 AMOUNT

2016 AMOUNT

GENERAL GOVERNMENT (This function includes such departments as Administration, Elections, Finance, Tax Assessing, Tax Collection, Legal Services, Engineering, Planning, Zoning and Insurance.)

Salary and Wages \$ 617,289.00 \$ 596,838.00

Other Expenses \$ 1,652,810.00 \$ 1,925,769.00

PUBLIC SAFETY (This function includes such departments as Police, Fire, First Aid, Emergency Management, Code Enforcement, Court, and Fire Prevention)

Salary and Wages \$ 2,104,213.00 \$ 2,162,840.00

Other Expenses \$ 416,178.00 \$ 334,133.00

RECREATION AND EDUCATION (This function includes such departments as Recreation, Parks, Library and Public Events, such as the Memorial Day Parade, Veteran's Day, etc.)

Salary and Wages \$ 239,795.00 \$ 229,905.00

Other Expenses \$ 209,525.00 \$ 206,875.00

STREETS AND ROADS (This function includes such departments as Streets and Roads, Snow Removal, Street Lighting, Recycling and Buildings and Grounds.)

Salary and Wages \$ 957,247.00 \$ 911,900.00

Other Expenses \$ 959,795.00 \$ 960,435.00

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

Salary and Wages \$ 103,107.00 \$ 102,668.00

Other Expenses \$ 58,088.00 \$ 56,849.00

UNCLASSIFIED (This function includes costs for such areas as Contingencies, Farmland/Open Space Committee, Historic Preservation, Shade Tree Commission, Architectural Review, Grants, Affordable Housing and LOSAP.)

Salary and Wages \$ 3,500.00 \$ 3,500.00

Other Expenses \$ 135,174.00 \$ 135,875.00

STATUTORY EXPENDITURES (This function includes the costs for Employee Pensions and Social Security.)

Other Expenses \$ 951,384.00 \$ 950,048.00

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 \$ 374,795.00 \$ 441,550.00

DEBT SERVICE (This function includes the cost for payment of principal and interest on Township Bonds and Notes.)

Other Expenses \$ 2,039,729.00 \$ 1,367,466.00

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 \$ 4,000.00 \$ 4,000.00

RESERVE FOR UNCOLLECTED TAXES (This function includes a mandatory appropriation to reserve funds caused by any failure to collect property taxes.)

Other Expenses \$ 990,000.00 \$ 1,000,000.00

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 \$ 357,014.00 \$ 359,793.00

TOTAL - ALL FUNCTIONS: \$ 12,173,643.00 \$ 11,750,444.00

Township Committee
Colts Neck, New Jersey 07722

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Michael D. Fitzgerald, Deputy Mayor
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J.P. Bartolomeo, Committeeman
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PRSR STD
US POSTAGE
PAID
PERMIT #471
FREEHOLD, NJ
07728

Resident
Colts Neck, NJ 07722

BUDGET MESSAGE

Public Hearing: APRIL 27, 2016

7:30 p.m

Town Hall, 124 Cedar Drive

2016
Budget Hearing
April 27, 2016
7:30 p.m., Town Hall

Email: twpcn@optonline.net
Website: www.colts-neck.nj.us