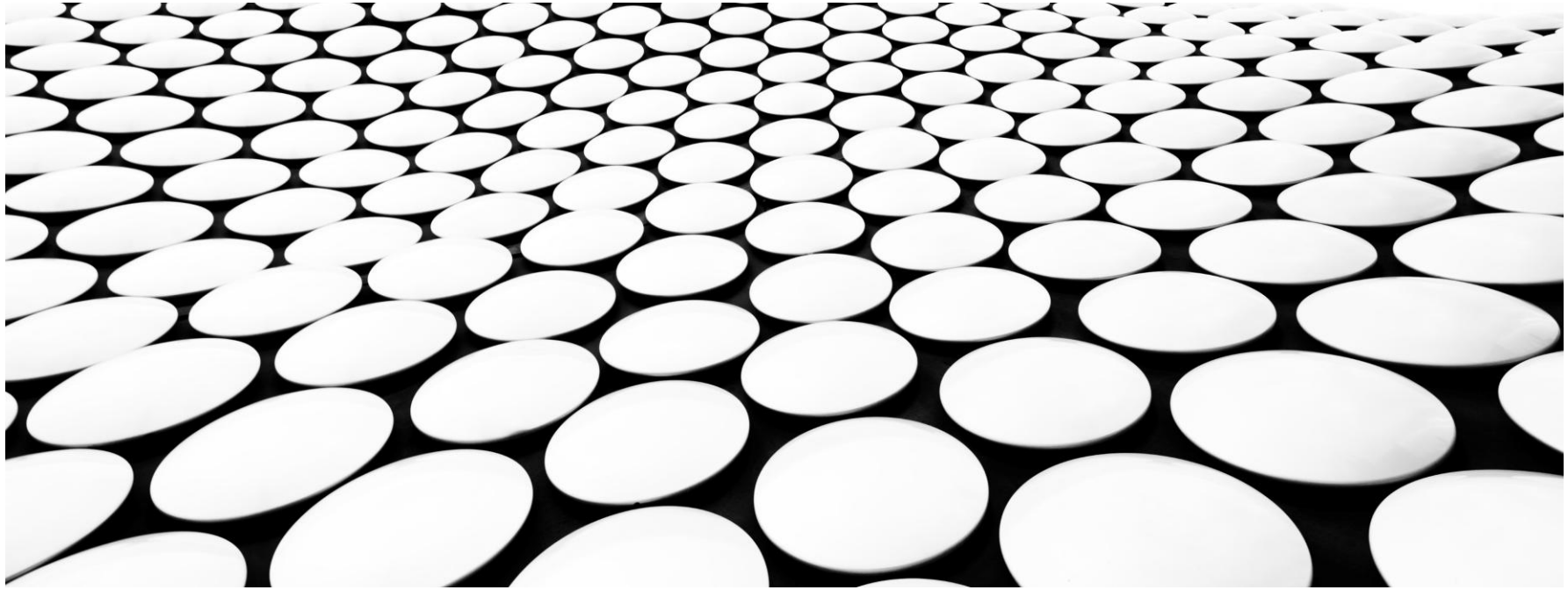
BOROUGH OF NEPTUNE CITY – FINANCE COMMITTEE REPORT

GOVERNING BODY UPDATE AUGUST 13, 2026

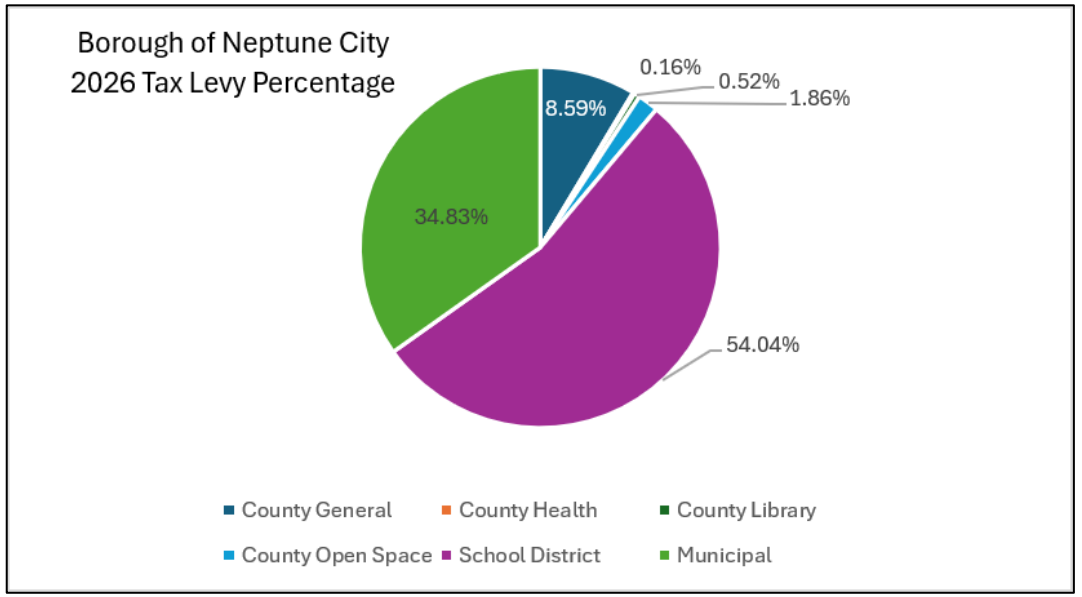


KEY DISCUSSION POINTS

- Breakdown of 2026 Tax Levy by County, School and Municipality
- 2025 and 2026 Tax Levy Comparison
- General Information - School Budget Process
- What has the Municipality done to minimize rising expenses within the budget?
  What are the benefits?
- Supporting education to our students while addressing an unstainable tax burden to our residents
  What can the municipality do to address these issues?

BOROUGH OF NEPTUNE CITY SUMMARY - TAX LEVY 2026

	Tax Levy 2026	Pct of Tax Levy
County General	$ 1,809,113	8.59%
County Health	$ 30,359	0.16%
County Library	$ 111,660	0.52%
County Open Space	$ 387,601	1.86%
School District	$ 11,379,906	54.04%
Municipal	$ 7,341,333	34.83%
Total	**$ 21,059,971**	**100.00%**

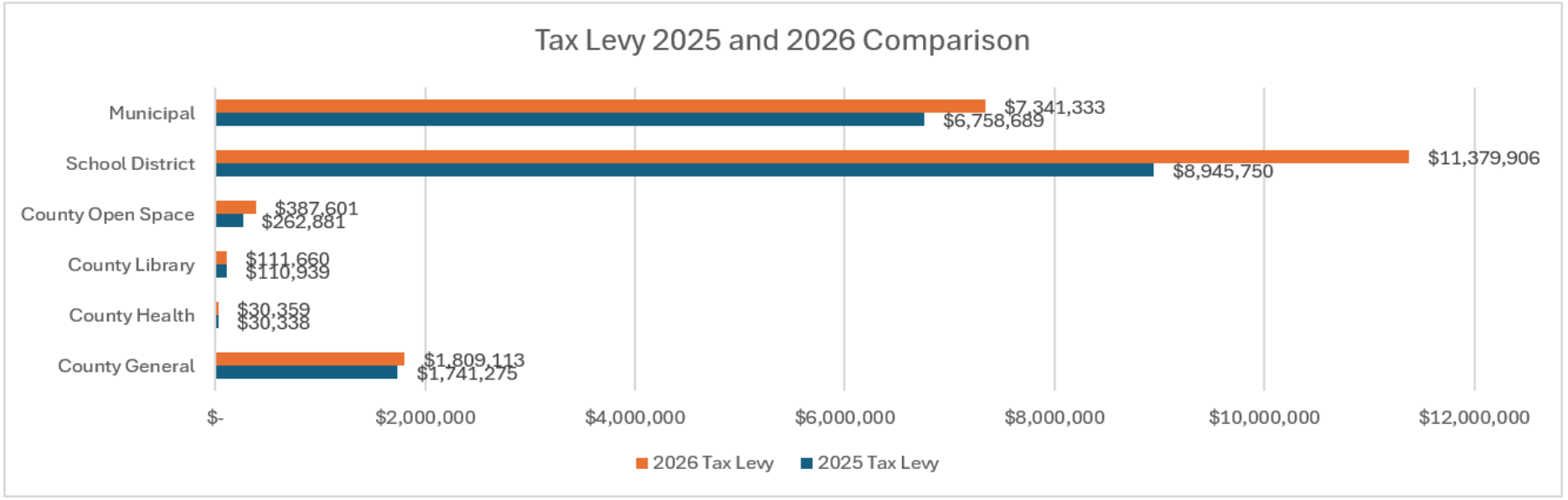


- The municipality controls ~ 35% of the community's property tax bill. School and county account for the other 65%

BOROUGH OF NEPTUNE CITY SUMMARY
TAX LEVY 2025 AND 2026 COMPARISON

	2025 Tax Levy	2026 Tax Levy	Increase over PY ($)	Increase over PY (%)
County General	$ 1,741,275	$ 1,809,113	$ 67,838	3.90%
County Health	$ 30,338	$ 30,359	$ 20	0.07%
County Library	$ 110,939	$ 111,660	$ 721	0.65%
County Open Space	$ 262,881	$ 387,601	$ 124,720	47.44%
School District	$ 8,945,750	$ 11,379,906	$ 2,434,156	27.21%
Municipal	$ 6,758,689	$ 7,341,333	$ 582,643	8.62%

School District Increase over PY ~$2.4M
Municipal Increase over PY ~ $582K



GENERAL INFORMATION REGARDING THE NJ SCHOOL BUDGET PROCESS

The Board of Education controls the budget.
Each district has an elected **Board of Education**, which develops, adopts, and holds public hearings on the budget — this is the body that decides what to spend on staff, programs, facilities, etc.
The town council/governing body has **no vote** on the substance of the school budget.

But the town has one specific role: collects the taxes on behalf of the school district.
Once the school budget is adopted, the county board of taxation certifies the district's tax levy, which then gets added to the municipality's overall property tax bill.
The town collects the school tax as part of your combined property tax bill and turns it over to the district — but it doesn't get to change or veto the number.

Oversight comes from the state, not the town
The county's executive superintendent must approve the budget before it can be advertised or go to public hearing — this is a state-level check (NJ Department of Education), not a municipal one.

BOROUGH OF NEPTUNE CITY – WHAT HAVE WE DONE TO MINIMIZE RISING EXPENSES WITHIN THE MUNICIPALITY?
BUDGET PROCESS AND FISCAL MANAGEMENT

Developed transparent budgeting process, incorporating departmental feedback and measurable data

- Grounds budget decisions in actual operational input and evidence leading to more accurate, defensible allocations and fewer surprises mid-year.

Implemented regular financial reporting to the finance committee

- Gives the committee real-time visibility into the borough's financial position, allowing problems to be caught and addressed early — before they grow into larger budget issues

Financial planning to rebuild surplus and stabilize tax levy

- Creates a financial cushion that protects the borough from emergency expenses and helps prevent sharp, unpredictable tax hikes year to year.

Strengthened debt management and reduction

- Lowers interest costs and frees up future budget capacity that would otherwise go toward debt service.

Enhanced collection of outstanding revenues and fees

- Recovers money already owed to the borough, reducing pressure to raise taxes to cover shortfalls that shouldn't exist in the first place.

Improved grant reporting and reimbursement process

- Ensures the borough actually collects money it's already entitled to, turning available outside funding into real budget relief instead of leaving it on the table.

BOROUGH OF NEPTUNE CITY – WHAT HAVE WE DONE TO MINIMIZE RISING EXPENSES WITHIN THE MUNICIPALITY?
OPERATIONAL PROCEDURES

In-depth review of insurance coverages under the Joint Insurance Fund

- Identifies coverage gaps or redundancies ensuring the borough isn't underinsured or paying for overlapping protection.

Transition to new health insurance fund

- Positions the borough to secure better rates and/or benefits for employees, helping control one of the largest recurring costs in the municipal budget.

Evaluation of list of insured and insurance payment obligations

- Confirms the borough is only paying for coverage it actually owes, catching billing errors or outdated enrollments that quietly drain the budget.

Evaluation of staffing levels and assignments

- Ensures departments are appropriately staffed for actual workload, supporting efficient service delivery without over or under resourcing any area.

Review of vehicle and equipment inventory and insurance coverage

- Verifies the borough isn't insuring retired or unused assets, and that active vehicles/equipment are properly covered, reducing unnecessary premium costs and coverage risk.

BOROUGH OF NEPTUNE CITY–SUPPORTING EDUCATION FOR OUR STUDENTS WHILE ADDRESSING AN UNSUSTAINABLE TAX BURDEN ON OUR RESIDENTS.WHAT CAN BE DONE AT THE BOROUGH COUNCIL LEVEL?

- Host annual meeting between Board of Education and Borough Council to enhance transparency and communications
- Support efforts of Board of Education to improve schools and seek funding to reduce tax burden
- Compel Department of Education to provide guidance regarding options to enhance education and reduce tax burden



NEW JERSEY PROPERTY TAX RELIEF

- Senior Freeze
- Anchor
- Stay NJ