

CITY OF ASBURY PARK

2019 ANNUAL FINANCIAL REPORT



Photo: Heather Anderson

CITY DEPARTMENT ORGANIZATION

Charting City Council,
Administration,
Public Safety, Health and
Human Services, Infrastructure
Maintenance,
and More

WHERE MONEY CAME FROM

A Breakdown of State Aid, Taxes,
Grants, Fees and Permits, and Other
Sources of Revenue Coming into
City Hall.

HOW MONEY WAS SPENT

How Our Revenue Was Spent,
Including Public Safety, Capital
Improvements, Social Services,
and More

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019

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A MESSAGE FROM CITY MANAGER DONNA M. VIEIRO

We are proud of the financial progress the City has made over recent years.

The 2019 Annual Financial Report was created in order to share information with our residents about Asbury Park's financial status, and to spread awareness of where the City's money comes from, and how it is spent.

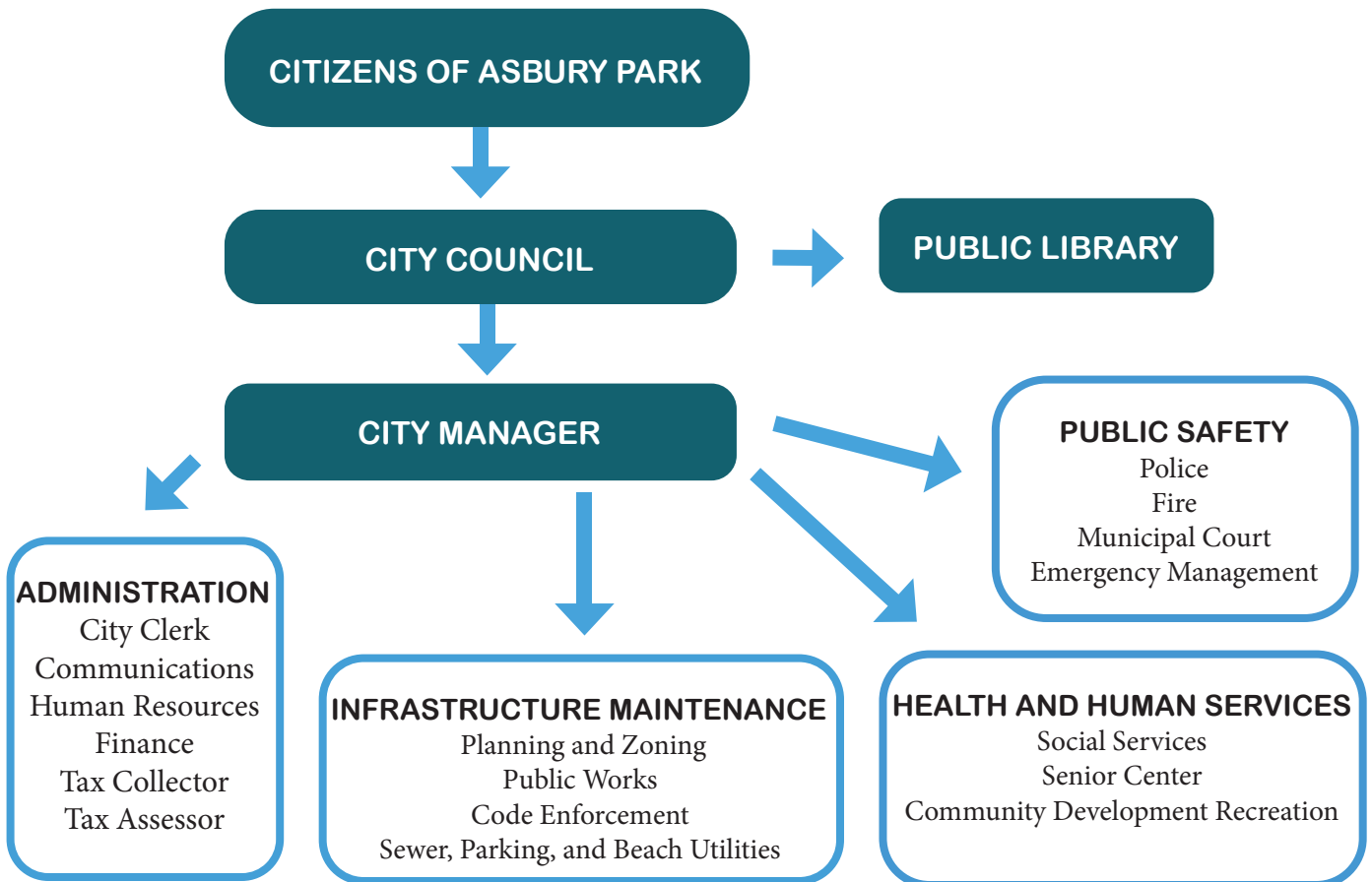
The information in this report was drawn from our Finance, Tax Collection, and Tax Assessment departments. More detailed financial and budget information can be found on our website at www.cityofasburypark.com/finance.



2019 Financial Summary



2019 ASBURY PARK CITY COUNCIL
From left to right: Councilperson Jesse Kendle, Councilperson Eileen Chapman, Mayor John Moor, Deputy Mayor Amy Quinn and Councilperson Yvonne Clayton



2019 Financial Summary

Where the Money Came From

REVENUES 2019 PERCENT

Property Taxes	\$ 18,103,972	31.60 %
State Aid	13,492,844	23.55 %
Parking Fees	6,150,136	10.74 %
Sewer Rents	4,403,897	7.69 %
Pilot Programs	3,958,427	6.91 %
Beach Fees	2,655,265	4.63 %
Anticipated Surplus Other Funds	1,876,000	3.27 %
Municipal Court	1,310,076	2.70 %
Grants	1,876,000	2.29 %
Other Budget Revenues	944,976	1.65 %
Fees, Permits, and Licenses	906,666	1.58 %
Construction Code Fees	585,266	1.02 %
Hotel Occupancy Tax	492,518	0.86 %
Developers Contribution for Debt Service	484,453	0.85 %
Cable Franchise Fees	198,455	0.35 %
Sewer Connection Fees	101,288	0.18 %
Interest on Taxes	80,325	0.14 %

Property Taxes

are billed based on the amount of tax revenue anticipated in the annual budget, and apportioned according to individual property assessments established by the Tax Assessor.

Sewer Rents, Parking Fees, and Beach Fees

fund the operating costs of the City's utility funds, which are required to be self-supporting and do not rely on revenues from the Current Fund.

Construction Code Fees

include building permits and other charges paid directly by individuals to offset the costs associated with reviewing applications and performing inspections.

Fees, Permits, and Licenses

are charges for services that are paid directly by individuals who use those services.

Hotel Occupancy Tax

is a sales tax levied on hotel room fees that is collected by the State of New Jersey and remitted to the City on a monthly basis.

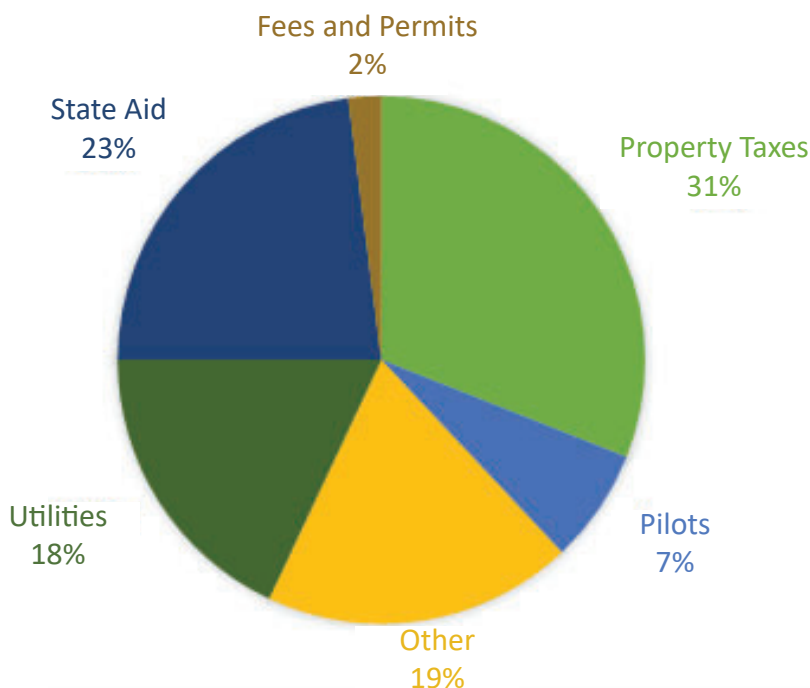
Cable Franchise Fees

are payments from Optimum Online and Verizon for the use of city right-of-ways to provide their services.

Interest on Taxes

are interest amounts assessed for overdue payments of property taxes.

TOTAL REVENUES \$ 57,289,014



2019 Financial Summary

How the Money was Spent

EXPENDITURES	2019	PERCENT
Public Safety	16,965,830	28.59 %
Group Insurance	6,310,000	10.63 %
Debt Service	5,612,905	9.46 %
Retirement Contributions	5,502,803	9.27 %
Infrastructure Maintenance	4,509,475	7.60 %
Other Insurance	3,054,620	5.15 %
General Admission	2,961,350	4.99 %
Sewer System Maintenance	1,852,000	3.14 %
Parking Maintenance	1,699,165	2.86 %
Energy and Utilities	1,676,600	2.82 %
Miscellaneous	1,632,830	2.75 %
Grants	1,568,745	2.64 %
Beach Maintenance	1,412,750	2.38 %
Capital Improvements	793,038	1.34 %
Interlocal Agreements	650,852	1.10 %
Free Public Library	581,643	0.98 %
Code Enforcement	550,150	0.93 %
Construction Code	533,000	0.90 %
Municipal Court	421,860	0.71 %
Health and Human Services	377,700	0.64 %
Parks and Recreation Re-serve for Uncollected Taxes	331,000	0.56 %
Deferred Charges	254,024	0.43 %
	89,000	0.15 %

TOTAL EXPENDITURES \$ 59,351,340

Public Safety

includes amounts expended for Police, Fire, emergency dispatch, and Municipal Court.

Group Insurance

is the employer's share of premiums for medical, prescription, and disability insurance programs.

Infrastructure Maintenance

includes amounts expended for Engineering, Planning and Zoning, streets and roads, and buildings and grounds. This encompasses street maintenance, snow removal, leaf collection, garbage collection, shade tree management, building and vehicle maintenance, parks maintenance, and stormwater maintenance.

Parking Maintenance

is costs contained within the City's self-supporting Parking Utility fund and is fully supported by users fees collected for parking in the City.

Sewer System Maintenance

is costs contained within the City's self-supporting utility fund and is fully supported by sewer charges.

General Administration

includes budget appropriations for the City Manager, public communications, human resources, information technology, City Council, City Clerk, Finance Department, and legal services.

Beach Maintenance

is costs contained within the City's self-supported Beach Utility fund and is fully supported by user fees collected for use of the beach and other amenities related to the beach.

The Reserve for Uncollected Taxes

is the equivalent of bad debts expenses in a commercial business organization.

Health and Human Services

includes expenses related to public health programs and senior citizens programs.

2019 Financial Summary

Operating Results

BUDGET FUNDS STATEMENT OF OPERATIONS	GENERAL FUND	SEWER UTILITY	BEACH UTILITY	PARKING UTILITY
Revenues and Credits				
Property Tax Receipts	\$ 18,103,972	\$	\$	\$
User Charges		4,504,669	2,783,090	6,149,992
State Payments	13,492,844			
Local Revenues	10,420,281	587,550	160,587	73,194
Grants	1,310,076			
Unexpected Budget of Prior Year	5,209,958	213,574	341,441	294,974
Miscellaneous	1,519,610	523,431	138,280	140,224
Total Revenue and Credits	\$ 50,056,740	\$ 5,241,674	\$ 3,262,811	\$ 6,586,190
Expenditures and Other Charges				
Budget Appropriations	49,069,098	5,388,446	1,734,000	3,106,900
Other Charges	166,978			872,000
Total Expenditures and Charges	\$ 49,236,076	\$ 5,388,446	\$ 1,734,000	\$ 3,978,900
Net Excess in Revenue	\$ 820,664	\$ -146,772	\$ 1,528,811	\$ 2,607,290
Beginning Fund Balance	12,013,799	614,135	2,916,631	6,163,161
Ending Fund Balance	\$ 12,834,463	\$ 467,363	\$ 4,445,442	\$ 8,770,451

General Fund

The General Fund includes revenues and expenses relating to the general functions of government. These functions include public safety, capital improvements, infrastructure maintenance, the Asbury Park Public Library, general administration, senior citizen programs, solid waste management, code enforcement, and health and human services. Budgeting and accounting for the General Fund, which is called the Current Fund in New Jersey, is regulated by OCBOA (other comprehensive basis of accounting) regulatory guidelines.

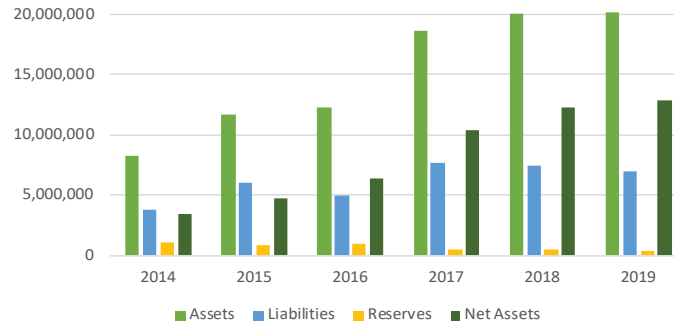
Utility Funds

The City's Sewer, Parking, and Beach Utility funds are "enterprise" funds and are accounted for in a manner that is similar to that of commercial organizations. Utility funds are expected to be self-supporting with total costs funded through utility charges and fees.

2019 Financial Summary

Net Assets

GENERAL FUND

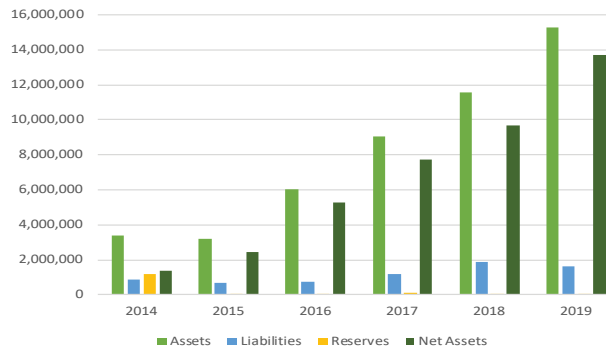


	2014	2015	2016	2017	2018	2019
Assets	8,271,013	11,681,529	12,281,251	18,625,429	20,100,183	20,191,958
Liabilities	3,817,182	6,071,415	4,977,763	7,695,470	7,423,310	6,966,775
Reserves	1,041,031	851,840	933,004	510,765	433,746	390,720
Net Assets	3,412,800	4,758,274	6,370,484	10,419,194	12,243,127	12,834,463

Net assets of the General Fund are the equivalent of unassigned fund balance, or surplus. Fund balance is necessary for adequate cash flow, and to provide funds for emergencies and unforeseen events.

In the State of New Jersey, certain amounts of the fund balance must be restricted for receivables such as taxes, interfunds, and other revenues that have not been collected. Unassigned fund balance increases when these receivables are realized in cash.

ENTERPRISE FUNDS



	2014	2015	2016	2017	2018	2019
Assets	3,413,771	3,185,656	6,054,550	9,066,688	11,593,779	15,309,070
Liabilities	866,698	688,870	750,510	1,213,043	1,901,457	1,614,402
Reserves	1,171,579	26,575	48,365	126,561	11,155	11,410
Net Assets	1,375,494	2,470,211	5,255,675	7,727,084	9,681,166	13,683,255

The Sewer, Parking, and Beach Utilities are enterprise funds. Accounting in enterprise funds incorporates certain principles that are similar to commercial enterprises, such as accruing expenses.

The most important feature of enterprise funds is that they are required to be self-supporting. Each utility fund must realize sufficient revenues to cover the costs of its operations.

2019 Financial Summary

Property Taxes

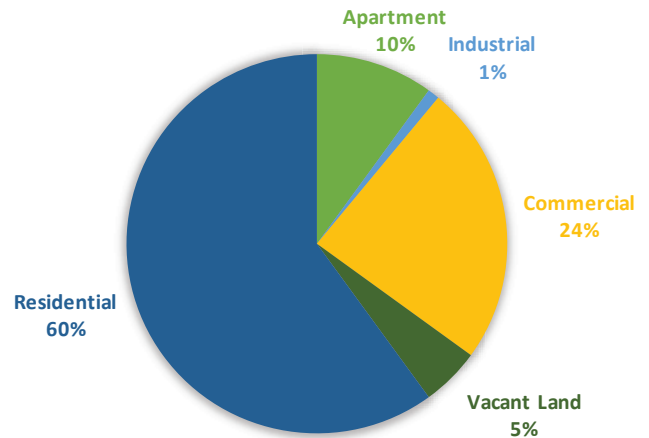
Property taxes are apportioned based on the assessed values of all residential, commercial, and industrial property within the City.

Individual property assessments are established by the Tax Assessor. Individual assessments annually increase or decrease depending on market conditions and physical changes on properties.

In 2019, the net valuation of taxable property in the city increased by 6.06%.

2018 Net Valuation	\$ 1,744,926,806
2019 Net Valuation	1,857,559,600
Change	112,632,794
Percent Increase	6.06%

2019 PROPERTY ASSESSMENTS



2019 PROPERTY TAX BILLING AND COLLECTION

County Taxes	\$ 4,856,168
School District Taxes	8,094,166
Municipal Taxes	17,530,895

Total Taxes Billed \$ 30,481,229

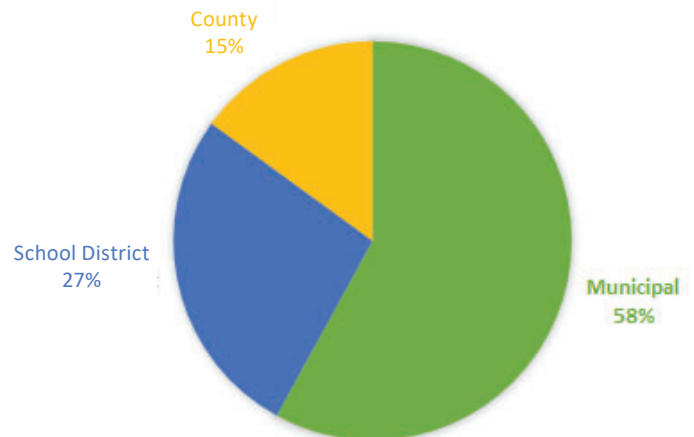
TAX COLLECTIONS

Collected in 2019	\$ 30,335,136
Prepaid in 2018	438,857
Senior and Veteran Deductions	17,500

Total Taxes Collected \$ 30,791,493

Percentage of Taxes Collected 99.96%

WHERE YOUR TAX DOLLAR GOES



2019 Financial Summary

Capital Planning and Debt

OUTSTANDING DEBT DECEMBER 31, 2019

GENERAL DEBT (Tax Supported)

Bonds and State Loans	\$ 15,049,682
Capital Leases	26,000
Short Term Notes	13,439,072
Debt Authorized and Not Issued	8,952,390

Total General Debt \$ 37,467,146

SEWER UTILITY DEBT

Bonds and State Loans	\$ 13,063,094
Capital Leases	1,185,000
Short Term Notes	2,280,000
Debt Authorized and Not Issued	1,185,000

Total Sewer Utility Debt \$ 17,713,094
Amount of Self-Supporting Debt (15,791,734)

Net Sewer Utility Debt \$ 1,921,360

TRANSPORTATION UTILITY DEBT

Short Term Notes	\$ 900,000
Debt Authorized and Not Issued	\$ 490,000

Total Transportation Utility Debt \$ 1,390,000
Amount of Self-Supporting Debt \$ (1,390,000)

Net Transportation Utility Debt \$ -

BEACH UTILITY DEBT

Short Term Notes	\$ 9,000,000
Debt Authorized and Not Issued	10,000,000

Total Beach Utility Debt 19,000,000
Amount of Self-Supporting (19,000,000)

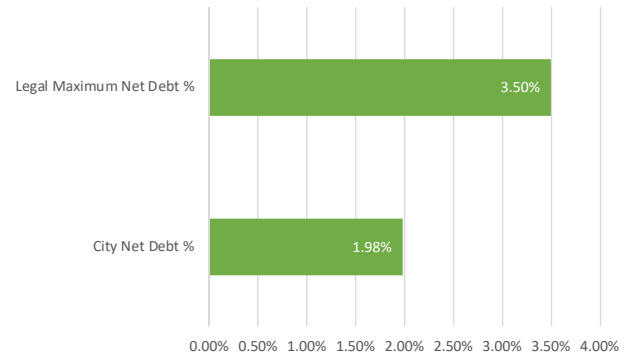
Net Beach Utility Debt \$ -

TOTAL DEBT \$ 75,570,240

Less: Self-Supporting Debt (36,181,734)

TOTAL NET DIRECT DEBT \$ 39,388,506

LEGAL DEBT CAPACITY



2019 CAPITAL IMPROVEMENT PROGRAM

CAPITAL EQUIPMENT

Police Vehicles	\$ 175,000
Sewer Plant Boiler	150,000
Code Enforcement Vehicle	35,000
Police / Fire Preemption	200,000
DPW Vehicle	75,000
Fire Truck	1,000,000
Building Dept. Vehicle	45,000
IT Cameras	100,000
Fire Gear	50,000

MUNICIPAL PROPERTY

Administration Sun Shade	\$
Administration General Plant	20,000
Administration IT Upgrades	130,000
Administration Garbage Cans	35,000

INFRASTRUCTURE

DPW Door	\$ 50,000
DPW Lighting	350,000
Administration Road Repaving	1,150,000

ADMINISTRATIVE AND DESIGN

Soft Cost Fees	\$ 745,000
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TOTAL \$ 4,310,000



August 2020
Asbury Park City Hall
1 Municipal Plaza
Asbury Park, NJ 07712

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