

2017 Cape May County Budget Message



Freeholder Director Gerald M. Thornton

I would like to make a few comments before introducing the 2017 Cape May County Budget. Preparing a budget that meets the diverse needs and services of the citizens of Cape May County is demanding, and the task is not taken lightly by this Board of Chosen Freeholders. The process involves months of work by a team of dedicated administrative professionals. They comb through every detail and track every expenditure to produce a document that stays within the statutory 2% cap, provides needed services, and continues to deliver on our promise to streamline spending while providing efficient and effective County Government programs.

This budget reflects a 3.6% decrease from 2016, and will allow us to provide the same high level of services to our citizens to maintain the quality of life we all expect, as well as foster economic growth. It is our obligation to maintain government services and remain within the parameters of the approved budget. This document will meet that demand.

County Government is responsible for a wide range of services mandated by the State of New Jersey. Human Services is one of the largest and most important services provided by County Government. Over the past two years we have worked to redefine how we manage social services to better address the issues facing many families in this County.

Last year the Board of Social Services was moved to become a County department. The second phase of this plan was reorganizing the structure of the departments that support

social services, and that plan is being implemented in 2017. The Social Services Department with Aging and Disability Services as a Division within it, is now called the Department of Human Services. The purpose was to group similar services to ensure residents were getting assistance in one location for convenience and to ensure no resident fell through the cracks. This also served to better utilize employee skills and talents and has provided a more efficient cost saving management of programs.

As we move into 2017, we find ourselves facing many new challenges in providing health and public safety to our citizens. Security of our public buildings has become a necessity. Bolstering our law enforcement agencies is critical, and building a new correctional facility was a mandate that will meet state and federal codes, reduce operating costs, and protect the safety of our corrections officers.

Infrastructure improvements are ongoing. Currently, nearly \$20 million in state and federal funding is being spent to repair and maintain the 210 miles of county roads and 27 bridges.

Again in 2016, we saw an increase in fees collected through the County Clerk, Surrogate and Sheriff's Offices. Interest on investments continue to grow, and these fees keep the tax rate stable. Our 2016 Bond sale resulted in low interest rates due to our reaffirmed Aa1 rating from Moody's.

Tax ratables are showing an increase for the third consecutive year. This is a favorable indicator for Cape May County. This year's budget has a tax rate increase of less than ½ cent tax levy.

The specific overview breakdown of this year's budget in rounded-off dollars is as follows:

1. The Total County Budget for the Year 2017 is \$146.3 million compared to the adopted 2016 Budget of \$151.2 million.

Total operating expenses are \$69.6 million reflecting a decrease of approximately 8% overall due to an accounting change. Total Salaries and Wages increased to 51.5 million.

2. The amount of money to be raised by property taxes to support the 2017 budget is \$106 million compared to \$103 million for the year 2016. The amount of revenue other than property tax used to support the budget is \$39.3million.
3. The budget uses approximately 50% of our surplus. Specifically - \$9.5 million of the available \$18.6 million.
4. The County equalized tax rate for 2017 will be .218 cents per \$100 of assessed value. Although it will vary depending on the ratio of assessed value to true value in each of the County's sixteen municipalities, an average taxpayer will pay \$218 for \$100,000 of property assessment. Cape May County's tax rate remains one of the lowest in the State of New Jersey.

The Budget that will be introduced today is less than the statutory cap on the tax levy, acknowledges the mandates of the taxpayers, and offers all of our citizens quality programs and unique opportunities that other counties are struggling to provide.

Public Hearing on the Budget will be held at 4:30p.m., on February 28, 2017 in the Freeholders' Meeting Room at the County Administration Building. Public comment and recommendations are welcome. In addition to being available at the Office of the Clerk of the Board at the Administration Building – this proposed budget will be accessible on the county website at www.capemaycountynj.gov .