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Manasquan loses \$124,000 in state aid

Municipal tax rate could increase slightly

By ALEX BIESE
COASTAL MONMOUTH BUREAU

State budget cuts will mean more than \$124,000 in lost aid to the borough for the coming fiscal year, Borough Auditor Allen Shechter said Tuesday.

Borough Administrator John T. Trengrove had braced the mayor and Borough Council for the potential loss in state aid at their Monday night meeting; state officials released the aid figures on Tuesday.

The loss in \$124,144 in state aid could increase the municipal tax rate by an additional eight-tenths of a cent, bringing the municipal tax rate to 33.62 cents for every \$100 of assessed valuation, or \$1,681 on a \$500,000 home, officials said.

A new tax rate had not yet been finalized, Shechter said.

"They're going to cut, so we're going to have to recalculate everything," he explained.

Prior to Tuesday's state aid numbers, the annual municipal tax rate under the proposed budget was originally 32.82 cents for every \$100 of assessed home valuation, or \$1,641 for a home assessed at \$500,000, an increase of \$61, or 1.23 cents per \$100 assessed valuation, over last year.

Meeting over the past several Saturdays, Trengrove said, the mayor and council were able to work out a proposed budget of more than \$7 million, with \$261,000 in increased spending that included \$155,000 in state-mandated pension programs.

Shechter said the preliminary budget for the coming year was \$7,596,000, but that figure does not reflect recently received grants and other reductions that Shechter has not figured into the budget.

Last year's budget, Shechter said, was \$7,336,000, and most of this year's increase was from rising pension costs.

However, following Gov. Corzine's recent plan to cut state aid to municipalities, Trengrove said Monday that Manasquan feared its state aid could be cut by as much as half, increasing the financial burden on local taxpayers.

Prior to Tuesday's state aid release, the borough had been anticipating \$640,000 in state aid.

While the borough was set to introduce its budget at a special meeting next Monday, Shechter said the budget would now be introduced later, because the state had extended the deadline for budget introductions to March 20.

Councilman Joseph Lucas asked Monday, "The state themselves don't know what they're doing, so

how can they expect us to make a decision regarding the budget?"

Mayor George Dempsey said on Friday he sent an e-mail to municipal department heads asking them to come back to him by the end of this week with 10 percent, 20 percent and 30 percent cuts in their budgets. Ten percent cuts could mean full-time jobs being made part-time, while 20 and 30 percent cuts could result in the number of municipal employees being reduced.

The effects on the budget already were being felt Monday night. While the borough was set to appoint a temporary laborer at a salary of \$10 per hour effective Monday, that appointment was placed on hold.

"There's not much sense putting somebody on, then not giving them hours or letting them go," Dempsey said.
