

FEBRUARY 25, 2012

BUDGET MEETING OF MAYOR AND COUNCIL, FEBRUARY 25, 2012 AT 9:03 A.M. IN COUNCIL CHAMBERS OF BOROUGH HALL.

Mayor Dempsey's statement re: Open Public Meetings Act of 1975 and that notice was given to the Coast Star and the Asbury Park Press on February 10, 2012.

ROLL CALL: Present: Council Members Bossone, Connolly, Donovan, Grasso, Mangan, and McCarthy

Absent: None

Also present was Administrator/CMFO Joseph DeLorio

BUDGET UPDATE

Mr. DeLorio advised Council that this is the final scheduled budget meeting and he believes that there will be a follow up budget meeting at a later date.

Beach Budget

Mr. DeLorio went over the Beach Budget worksheets that he handed out. He stated that \$1.764 million in beach revenues was generated last year. He stated that the salary is the same amount that was requested last year. He went over the lifeguard pay scale for the beach employees.

There was discussion on the beach employees and the salaries and the allocation of monies to the police department.

Mr. DeLorio went over the options of hiring a part time person to help out with the beach finances.

Mr. DeLorio stated that the utilities and office supplies are the same amount that was requested last year. He advised that there is only \$1,425.09 difference from last year's budget.

Mr. Wall went over the damage to the walkway at the Inlet from Hurricane Irene and Mr. DeLorio went over the amount that might be received from FEMA.

Mr. DeLorio continued with the Beach Budget.

There was discussion on the uniforms for the Beach Department.

Mr. DeLorio continued with the Beach Budget.

There was discussion on beach lockers as revenue for the beach.

Mr. DeLorio went over the new requests of showers, Inlet walkway, and bathroom at the garage on 2nd Avenue.

There was discussion on the bathroom request at the garage on 2nd Avenue.

There was discussion on the Cushman and that this is an item that will be looked at next year.

DISCUSSION OF BUDGET STATUS

Mr. DeLorio stated that if there are any changes or suggestions he needs them before the introduction of the Budget at the second meeting in March.

AUDIENCE PARTICIPATION

Council Member Bossone made a motion to open the meeting up to the public, seconded by Council Member Connolly. Motion carried unanimously.

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Lou Coccozza, 45 N. Potter Avenue stated that the bathroom in the garage should not be renovated by the renter. He stated that he spoke to Mr. Wall several times regarding the signs about staying off the dunes and he has seen several people on the dunes or going over the dunes. He stated that if there are tickets given out for being on the dunes maybe this would deter others from going on or over the dunes.

Mary Ryan, 113 Beachfront inquired about the amount of the beach lockers.

Mr. DeIorio stated that it would be \$19,440 for the beach lockers.

Ms. Ryan stated that she was not aware of the consideration of the beach lockers and she has some concerns about them. She stated that some of her concerns are available space, vandalism, and maintenance of the lockers. She made comments on the dog signs that are not being followed.

Pam Lewis, 40 First Avenue stated that the badge seller is the first person that the people that come to the beach see. She stated that she believes that the badge sellers are very important and for it to be diminished because it is just a seasonal job, she finds very disturbing. She stated that it is a seasonal job with great responsibility.

Council Member Donovan made a motion to close the public portion, seconded by Council Member Connolly. Motion carried unanimously.

Council Member Donovan made a motion to take a 5 minutes recess, seconded by Council Member Mangan. Motion carried unanimously.

Meeting resumed at 11:09 a.m.

DISCUSSION ON BUDGET STATUS

Mr. DeIorio stated that Allen Shechter and he have put together the current portion of the Municipal Budget. He went over the current budget status and stated that the financial stability of the Borough is strong. He stated that with the 2% mandated property tax levy cap, the current budget is \$92,354 over the State mandated 2% levy cap formula. He stated that the \$92,354 includes exemptions allowed by law. He stated that the 2% cap can be misleading in that the 2% cap formula allows for certain exemptions. He stated that the increase is \$116 to an average assessed residential property value of \$501,000. He stated that the reason that the increase is at this level is in the group insurance budget of \$126,022 of which \$65,250 is excluded from the levy cap. He went over the health care costs, debt service, PFRS pension increase, and court revenues being down. He also went over the decrease in the use of anticipated surplus and the Reserved for Uncollected Taxes (RUT). He stated that the \$1 million that is anticipated will not be regenerated. He also stated that if the Borough continues to use the same amount of surplus that was used last year that in 2014 the Borough will be at a point where it will be forced to use less surplus because the money will not be available.

There was discussion on the surplus account and how much the council would like to reduce the \$92,354.

It was recommended that the council review the budget and return at another meeting to go over the areas that they can cut to bring down the rate.

Mr. DeIorio stated that he will give the council some options to bring down the tax burden.

Council agreed to have a meeting on March 1, 2012 at 7:00 p.m. as the next scheduled Budget meeting.

AUDIENCE PARTICIPATION

Council Member McCarthy made a motion to open the meeting to the public, seconded by Council Member Donovan. Motion carried unanimously.

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Kathy Lindemer, 321 Pine Avenue inquired about the surplus being used for the tax rate and wanted to know if the State money is for the tax.

Mr. DeLorio stated that it has been taken into account with the figures that have been presented.

Mr. Lindemer inquired about the debt service.

Mr. Shechter stated that the impact is from 2009 ordinances that were done and the Borough is paying for now.

Mr. Lindemer stated that she has received numerous letters from attorneys advising her that she could go for a revaluation and wanted to know how that would impact the Borough.

Mr. Shechter went over the figures that are needed for the budget and advised that revaluation would not impact the Borough and the total never changes it is just redistributed.

Council Member Mangan made a motion to close the public portion, seconded by Council Member Bossone. Motion carried unanimously.

The closed session portion of the minutes begins on the next page. The signature and approval date are located on the last page following the closed session meeting minutes.

Council Member Bossone made a motion to adjourn the meeting at 12:10 p.m., seconded by Council Member McCarthy. Motion carried unanimously.