

March 29, 2014

A Special Meeting of the Manasquan Mayor and Council was held on March 29, 2014 at 9:05 a.m., in the Conference Room of Borough Hall with Council President Mangan presiding.

Council President Mangan related that this meeting is being held in accordance with the Open Public Meetings Act of 1975 and that notice was given to the Coast Star and the Asbury Park Press and forwarded to the website on March 27, 2014.

ROLL CALL: Present: Council Members Sinneck, Donovan, Mangan, Olivera, and McCarthy

Absent: Council Member Bossone

Mayor Dempsey arrived at 9:17 a.m.

Also present was Borough Administrator/CFO Joseph DeIorio and Allen Shechter, Borough Auditor.

### **DISCUSSION - 2014 Budget Information**

Mr. DeIorio presented to council the current fund section of the budget and today will be the focus of the current fund as it relates to property tax increase and where the Borough stands as it relates to the budget. He stated that the documents handed out are the reserve for uncollected taxes and based on the discussion today that this number will be filled in. He went over the surplus position of the Borough and he stated that the CDL money of \$875,000 that was used last year helped regenerator more than what is normal in prior years. He stated that last year the Borough used \$800,000 in surplus and as of 12/31/13 \$1,556,000 was regenerated and that means \$755,000 more in surplus that the Borough would normally regenerate.

Mr. Shechter reiterated to Council that the \$875,000 is probably going to be a loan and will need to be paid back. He went over the process that the DLGS wants these types of loans put into the budget.

Mr. DeIorio stated that he has been in discussion with the auditor going over if the CDL would allow the Borough to use additional funds for this year. He stated that the Borough received an additional \$2.7 million in CDL money and about half of that was used. He stated that last year the Borough withdrew \$1.4 million out of all three budgets with \$875,000 going to the current budget, \$420,000 went to water sewer, and \$131,000 was beach. He stated that \$1.3 million is available to the Borough and the CDL needed to do a financial analysis of revenues this year before they will allow the use of any of the money for this year's budget. Based upon their review the Borough performed better than the projected losses. He went over the process of the CDL analysis and that he spoke to and received an e-mail from CDL which states that they will allow the Borough to use the CDL money but the likelihood is that it will be a loan rather than a grant or a combination of both but the Borough should look forward as using this as a loan.

Mr. Shechter went over the process of the CDL money being put into the budget and how it can be used.

Council Member Sinneck asked what assumption of recovery for ratables was used.

Mr. DeIorio stated that actual was used with what ratables are on the books now which is up from 2013.

There was discussion on the ratable.

Mr. DeIorio went over code and court budgets and revenues. He went over how he figured the budget numbers for each budget. He stated that he used an amount of \$400,000 of CDL funds which is half of the CDL funds and with the budgeted amounts that were discussed at prior council meetings that would bring the budget to a 1.27 increase in property tax rate which would amount to a \$60.00 per household increase and that would amount to a rate increase of 3.209%.

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Council Member Mangan asked what the increase would represent in real dollars in the budget.

Mr. Shechter stated that it would represent about \$185,000. He went over how FEMA money needs to be marked as it is received.

Mr. DeLorio stated that he budgeted for employee group health and that he budgeted this based on the current plan but this will be changing to a new health plan for the employees and this number will change.

Mayor Dempsey stated that the new plan should take affect at the earliest either August or September.

Council Member McCarthy stated that the timeframe would be 75 days after all contracts are signed.

Mr. Shechter went over the Sea Watch debt and two bond ordinances that the Borough has started paying back. He also went over Green Acres Grant and the amount of money that the Borough receives for the Sea Watch property.

Mr. DeLorio stated that increases were added this year which would be the 2% contractual, OEM salary increase, overtime for streets, street salt, cold/hot patch, a little increase in pension, and debt service went up.

There was discussion on the CDL money and what and when it can be used, water/sewer as it relates to the CDL money and there was discussion on the school budget. There was also a discussion on the money that the Borough sends to the School. There was also discussion on how many homes are not fixed or occupied in the Borough and a new program from the State that will help towns demolish homes that are still standing after the storm that have been damaged.

Mr. DeLorio stated that the budget will be on the agenda for introduction on April 21, 2014 with adoption on May 19, 2014.

Mr. Shechter stated that any changes to the budget can be done up until the day before the meeting if necessary.

Mr. DeLorio stated that he has a list of follow ups and new items that he needs council to advise him on. He stated that on the operating side he has the library amount as \$100,000 which was last year's amount. He advised that the Clerk's office has requested restoration of documents which would amount of \$3,068.50.

Council Member Mangan inquired about the mechanism used for these items.

Mr. DeLorio stated that there are a few options. He advised that one of the options would be to increase the budget amount currently presented or the other option is to wait until the end of the year and if there are funds available to use those funds.

Mayor Dempsey stated that he would like to hold off on the Govonline, scanning and restoration of documents.

There was discussion on raising the anticipated revenue for code to cover the requested document scanning.

Mr. DeLorio went over items that were not previously presented to council. He stated that the police is requesting a PD Antenna which there share would be around \$7,000.

There was discussion on the antenna and how much they will cost and where the money would come from.

Mr. DeLorio stated that the server for the police department would be a capital project.

There was discussion on the dollar amount for the antenna and the server and the installation costs.

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Mr. DeLorio stated that there is a request for MDTs in the amount of \$17,420 from the police department which is the computers in the patrol cars.

Mayor Dempsey stated that this should be done and that the Chief of Police should be told that he needs to fit it into his budget. He also stated that there might be a credit for part of this purchase from the County.

Mr. DeLorio went over the list of streets for the capital projects.

Mayor Dempsey stated that a number should be picked and then each street will be looked at and the capital project will be picked from that.

Mr. DeLorio stated that the council needs to pay attention to the worksheets that were handed out as the soft costs are combined for certain streets. He also stated that the amount the council was looking to use was \$300,000 for capital improvement.

There was discussion on the streets that are on the capital improvement list.

Mr. DeLorio stated that the Technology Bond only has \$7,000 in it.

Mayor Dempsey stated that another \$100,000 should be put in it.

Council Member Mangan stated that the original amount was \$250,000 in 2008.

It was recommended that \$150,000 be put into the Technology bond.

Mr. DeLorio stated that the same amount will be put in for bulk heading. He went over the playground equipment at Mac's Pond that was destroyed by the storm. He advised that he would like to get the bond ordinance on the agenda for April 7, 2014 with second reading on April 21, 2014 in order to get the equipment ordered as there is a deadline to get this purchased per FEMA deadline.

There was discussion on the lift stations, Hancock Park Gazebo damage, and Fourth Avenue Garage damage.

Mr. DeLorio stated that the Police Gate is an ongoing project and he would like to move this to the police department.

Mayor Dempsey advised council that this is a gate that would not allow access to the locker area if someone uses the door near the court offices to exit.

Mr. DeLorio stated that he spoke to the Superintendent of Public Works and there is a way to add a new laborer to the payroll on July 1.

Council Member Mangan stated that he would like to look at this information and the budget before making a decision on the laborer.

#### **AUDIENCE PARTICIPATION**

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

Lou Coccozza, 45 N. Potter Avenue, complimented the council on the way they handled themselves during the budget process.

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

Council Member Donovan made a motion to close the special meeting at 10:13 a.m. seconded by Council Member Bossone. Motion carried unanimously.