

**MARCH 1, 2014**

**BUDGET MEETING OF MAYOR AND COUNCIL, MARCH 1, 2014 AT 9:07 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 December 30, 2013.

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

Absent: Council Member Donovan

Also present was Municipal Administrator/CMFO Joseph DeIorio.

Council Member Mangan thanked everyone that was involved with the beach department budget meetings. He went over what is going to be followed up on and discussed. He stated that there will be one more meeting to wrap up the budget discussion.

Mr. DeIorio stated that the generator grant for the DCI building through the Hazard Mitigation Program is for \$25,000 and the grant requires the Borough to put out a request for quotes as a condition of receiving funds. He advised that the quotes came in \$7,000 more than the grant would allow and the OEM Coordinator is looking for direction from the governing body as to how they would like to proceed with the grant.

There was discussion on the quotes that were submitted and how the extra \$7,000 would be financed and the placement of the generator at the DCI Building.

Mr. DeIorio went over the Community Disaster Loan (CDL) Program cancellation, information and summary.

There was discussion on the summary and the regulations that will be set up for the CDL Program. There was also discussion on the conversion of the loan to a grant and how the CDL will be paid down.

**Beach Utility Budget**

Also present was Walter Wall, Beach Manager.

Mr. DeIorio stated that he took a rough analysis of what the surplus position will be in the beach budget and after taking into consideration beach operations the amount that was realized was \$1.418 million. He went over the way the surplus is calculated for the beach which uses an accrual basis which is different from the current budget. He stated that the unaudited balance is \$581,000 which is close to what the balance was for the prior year.

There was discussion on surplus and unemployment compensation for beach employees. There was also discussion on accrual of interest on notes.

Mr. DeIorio went over the schedule of beach revenues from 2008 to 2013 where the unaudited revenue is calculated for 2013 and he stated that this is how the accrual basis is used for revenues.

Council Member Mangan stated that Mr. DeIorio should give an overall of the budget instead of going line by line.

Mr. DeIorio stated that the beach budget was adjusted in July, 2013 and that was the base line for this year.

Mr. Wall went over the reductions and where the budget would be reduced.

Mr. Wall and Mr. DeIorio went over the beach salary and wages.

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There was discussion on the beach budget and the amount of people that were at the beach last year. There was discussion on the number of beach openings that are required through a court order in 1994.

Mr. DeIorio continued with an overview of the other expense budget. He stated that overall the budget is \$5,000 over what was budgeted last year. He pointed out that last year there was a lengthy discussion about appropriating one of the vehicles for the police department in the beach budget under shared police new vehicles. He stated that this did not happen because the money was put into the Beach Sandy Bond to pay for an SUV. He stated that the allotment for the \$30,000 was always there but last year it wasn't and this year it needs to be put back in if the program is going to be considered again and that drove up the cost \$30,000 more than normal. He stated that the net affect overall is a \$25,000 reduction because the vehicle was not in the budget last year.

There was discussion on group health insurance and the health care opt out line item.

Mr. Wall advised that a stage is needed at the beach to replace the one that was damaged by the storm. He stated that it is not in the beach budget and it is something that will be needed for the concerts and tourism uses it all of the time. He stated that he is looking to go back and ask Tourism to help pay to replace or fix the old one.

There was discussion on the replacement of or fixing of the stage that was damaged by the storm.

Council Member Mangan stated that Tourism can get together and talk about this and between 125<sup>th</sup> Celebration funds, Tourism, Beach contribution it can be worked out. He stated that the beach should not be budgeting for a stage as the beach has a contribution to Tourism already.

There was discussion on the stage and where the money should be budgeted.

Council Member McCarthy suggested talking to other groups to see if they are interested and helping replace or repair the stage.

Mr. DeIorio went over the current debt schedule and where the Borough stands. He also went over the Sandy Bond and how insurance payments might reduce the amount. He also went over the Sea Watch revenues and where they are deposited. He went over a worksheet that shows a 6 year look back of all appropriations for the beach.

Mr. Wall went over the capital requests for the Beach Department which included a compact track loader (bobcat), power washer, equipment lift, and walk behind power broom.

Mr. DeIorio went over the process that can be used to purchase these items.

There was discussion on the capital requests and the process to pay for some of them. There was also discussion on the County Shared Program for vehicle repairs.

It was recommended that the power washer and walk behind power broom be put into the capital budget.

There was discussion on the inventory of tools and equipment that needs to be completed for insurance purposes. There was also discussion on getting the beach department automated.

There was a 5 minute break.

Mr. DeIorio went over part of the CDL application which was what he had to put together to fulfill the Borough's requirement to apply for the CDL money. He went over three years worth of data which included budgeted revenues, what was actually realized and the difference between the two. He stated that he compared actual hard revenues over the years.

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There was discussion on the revenues which are anticipated and what is realized.  
There was discussion on the construction department revenues and recovering from the storm and there was discussion on the Municipal Court fines drop in revenues.  
There was also discussion on the Verizon and Cablevision franchise fees.

Mr. DeLorio went over the capital list that he put together with the input of the council. He stated that he is looking for direction on which streets the council would like to modify. He advised that he would like to get the projects priced out as some of the estimates are old.

There was discussion on the streets and the possibility of putting streets together as one project and the pricing out of Willow Way area.

Council Member Mangan stated that he believes that the March 15, 2014 scheduled budget meeting be cancelled to give more time to get answers from the State for the budget introduction.

There was discussion on what date the budget would have to be introduced.

Mr. DeLorio stated that he also prepared a capital budget plan of other items that was given to him over the years. He stated that he is looking for direction from the council for the bulkheading projects.

There was discussion on capital for Borough Hall, DCI improvements, DPW, and other items.

It was recommended that money be put into capital for technology upgrades and replacements.

It was recommended to keep the 3 vehicles in the plan and council will decide whether it will be two or three vehicles when the bond ordinance is prepared.

There was discussion on the tree replacement program and the water sewer utility capital request.

It was recommended that the Community Center be removed from the Capital Budget Plan.

#### **AUDIENCE PARTICIPATION**

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

There being no comment from the audience, Council Member Olivera made a motion to close the public portion, seconded by Council Member Sinneck. Motion carried unanimously.

Council Member Mangan made a motion to adjourn the meeting at 11:31 a.m., seconded by Council Member McCarthy. Motion carried unanimously.

Respectfully submitted,



Barbara Ilaria  
Municipal Clerk

**DATE APPROVED** 4-7-14