

**CITY OF SEA ISLE CITY, NEW JERSEY
COUNCIL WORKSHOP MINUTES
2013 BUDGET – REVENUES & APPROPRIATIONS
THURSDAY, JANUARY 24, 2013 - 9:00 A.M.
COUNCIL CHAMBERS**

ATTENDANCE: Mr. Divney, Mr. McHale, Ms. Tighe and Mr. Kehner. Also attending was Administrator Mr. Savastano and CFO Mrs. Doll. **ABSENT:** Mr. Edwardi.

Council President Kehner called the workshop to order and asked everyone to rise for a flag salute. He announced that the meeting had been advertised in accordance with public law 1975, chapter 231.

The meeting was then turned over to CFO Mrs. Doll who began by stating that the 2013 budget is the City's plan. She went on to say that in 2013, one penny will equal \$480,000, and the average assessment is \$730,000.00.

REVENUES:

Mrs. Doll began by stating that the City had a \$3.3 million surplus at the end of 2012; however about 60% will be used due to the emergency appropriations from Super Storm Sandy. Utilizing the State form budget presented by the Mayor, each revenue page was reviewed and discussed.

APPROPRIATIONS:

Beginning on page 12 of the budget, there was discussion regarding liability and health insurances; the number of active and retiree employees on the health benefit plan. Questions confirming the public defender amount being a not-to-exceed; S&W increases greater than the 2.9%, explained by Mr. Savastano as changes in duties creating contractual adjustments; O&E increase in beach tags to replace the "golf cart" ruined in the storm and another new beach patrol vehicle. Much discussion occurred regarding public works S&W and possible reductions when the MUA goes to the single-stream recycling method and Mr. Savastano explained that much of the workers on the trucks are part-time and or seasonal vs. full-time. All agreed that the \$650,000 budgeted vs. privatization gives the City better service and that much less was spent on storm clean-up using staff vs. contracted services. Continuing discussions on S&W, Ms. Tighe and Mr. Divney expressed concern that the manager's increase in the construction office is significantly above the 2.9% and that further discussion will occur. Mr. Divney added that the employment contracts expire 2014 and consideration maybe should be given to another salary study. Ms. Tighe added that over the past 3 years arbitration and contract negotiations have changed significantly as well. Mr. Savastano agreed that further discussion should occur. Mr. Divney questioned the increase in PERS and PFRS and Mrs. Doll said she would provide an explanation.

The Utility Budget was next discussed. Mrs. Doll explained there is no increase at this time.

Mrs. Doll stated that the plan is to introduce on 2/13/13 and schedule public hearing/adoption for 3/26/13; however, adoption date will be influenced by the State. Mr. Kehner added that additional workshops may be added if the Council so wishes.

CITIZEN COMMENT:

Steve Hansbury-5712 Central Ave: Expressed concern that residents will continue to move out due to the FEMA regulations and that shore communities will become ghost towns. He also suggested too much money is spent on tourism promotion and not even to make the City a better place to live year round.

Joe McDevitt-25 66th St: Had several questions regarding the 2% CAP and the amount in reserves as he feels the budget is ultra conservative and more surplus should be used. Mrs. Doll explained there is a

2% spending CAP and a 3.5% levy cap adding that while more surplus could be utilized, she cautioned that it could compromise our bond rating. In conclusion he complimented the City for keeping the hiring freeze going through attrition and with a base full time employee count of 94.

Dan Tumolo-7407 Pleasure Ave: Stated he was impressed with the amount of detail and work presented at the workshop. He added that consideration should be given in the budget to fund a lobbying effort to fight the proposed FEMA regulations and that tax appeals should also be a concern.

Dave Helfrich-21 36th St: Asked how decreasing ratable will affect the City and Mrs. Doll responded that while no final numbers have been received, a decline could result in a revaluation.

Mr. Kehner then asked for a motion to adjourn. Motion moved by Ms. Tighe and seconded by Mr. Divney. All ayes followed and the meeting adjourned into closed session at 10:57 a.m.

Cindy Griffith, City Clerk