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A Budget Meeting of the Manasquan Mayor and Council was held on March 29, 2010 at 7:00 p.m., in Council Chambers of Borough Hall.

Mayor Dempsey 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 on March 26, 2010.

ROLL CALL: Present: Council Members Bossone, Connolly, Grasso, Lee, Lucas.

Absent: Council Member Donovan.

Also present was Borough Administrator John Trengrove

ITEM #1 2010 Budget Review.

Mr. Trengrove related that at the last budget meeting the Governing Body learned that the State had cut the State aid to the Borough by \$128,700.00. He also related that it is his understanding that there will be some changes from the State in the medical and opt-out program. He related that the money generated from the change will be a revenue source but will not help the Borough with the CAP calculation. He stated that prior to the reduction of \$128,700.00 the budget figures were below the CAP. He related that at that point the Borough was \$85,000 above the CAP and at the last meeting he was instructed to reduce the tipping fees by \$25,000 and \$60,000 out of surplus totaling \$85,000.00 leaving the Borough with approximately \$80.00 taxes on a \$500,000.00 home – less than 2 cents per hundred. He related that there was some discussion about making reductions in the amount to be raised by taxation from 4 percent to 3 percent which according to the Borough Auditor's calculation is \$98,000.00 more.

Council Member Lee asked if there is a revenue side that may offset the reduction in tipping fees.

Mr. Trengrove related that there is a grant that is based on tonnage but that it must be dedicated for recycling and cannot be put in the general revenues.

Council Member Connolly asked if the increase in assessed property could be a revenue source.

Mr. Trengrove related that Mr. Shechter mentioned at the last meeting that he has factored something in for that in hopes to replenish some surplus.

Mayor Dempsey asked each member of the Governing Body for their thoughts on the budget.

Council Member Lee related that his goal is to drill down to 2 or 3 percent.

Council Member Lee made a motion to reduce Line Item #0-01-20-165-028/Professional Engineering Services from \$19,000.00 to \$9,160.00.

There was some discussion regarding this proposal.

The motion was seconded by Council Member Donovan. Roll Call was taken and the motion was unanimously approved.

Council Member Lee asked if the distribution of the insurance costs is a straight split between the three budgets.

Mr. Trengrove related that he has provided a breakdown to the members of the Governing Body. He related that the breakdown preceded him and that he just followed the format. He related that the workers compensation insurance is based on salary and wages and the property insurance is based on a property schedule. He related that the flood insurance is in the beach budget.

Council Member Lee proposed raising Line Item #0-01-25-240-014/Police Overtime only \$5,000.00 over last year's line item amount rather than \$20,000.00 which would bring it to \$148,500.00.

Council Member Lucas related that the shifts will have to be filled for the one officer who is

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out on sick leave and noted that it is unknown when he will return. He related that other officers could get injured and that it is important to maintain the overtime budget to be prepared for any unforeseen injuries.

Mr. Trengrove noted that one officer is out due to an injury that is covered by workers compensation.

There was no second to the motion.

Council Member Lee proposed reducing Line Item #0-01-26-290-119/Traffic Signs by \$5,000.00.

Mayor Dempsey related that he would not support that motion. He related that he believes that due to liability the Borough has to get the stop signs and speed limits done.

Mr. Trengrove related that the DPW Superintendent is planning to change the safety signs first. He noted that the pedestrian crossing signs have already been removed from the budget.

DPW Superintendent Thomas Nicastro related that the \$10,000.00 budget amount represents \$2,000.00 for poles and bolts and that \$8,000.00 will pay for the signs. He related that all of the signs have to be changed by 2012.

Council Member Lee asked if Mr. Nicastro has a project estimate.

Mr. Nicastro related that he estimated the project will cost about \$15,000.00.

Council Member Lee related that he didn't hear a second so he will proceed.

Council Member Lee suggested reducing Line Item #0-01-31-430-073/Coast Guard Station Electric from \$5,000.00 because the borough will not begin to use the electric until the Fall.

Council Member Lee made a motion to reduce Line Item #0-01-31-430-073/Coast Guard Station Electric from \$5,000.00 to \$3,000.00, seconded by Council Member Connolly. Roll Call was taken and the motion was unanimously approved.

Council Member Lee asked Mr. Trengrove how much did the Borough pay in 2009 to the M.C. Library System.

Mr. Trengrove related that the cost in 2009 was \$306,340.28 and that the last he was told Manasquan would be giving the Manasquan Public (Private) Library \$129,087.90 in 2010.

Council Member Lee related that the Borough has cut back the Financial Department by reducing a full-time position to a part-time position, the DPW is down one person, the Code Department was right-sized when their hours were adjusted and the vacancy created by the retirement of a patrolman will not be filled all due to budget cuts. He related that the Library (staff and volunteers) do a great job and should not take any reductions personally. He made a motion to reduce the contribution by an additional \$17,000.00 to try to tighten this budget up and bring the percentage closer to a two or three percent.

Council Member Connolly asked if Council Member Lee is proposing to take more away or adding to it.

Mayor Dempsey related that he is proposing a reduction of \$17,000.00.

Council Member Connolly related that it is not 5 percent then but will be reduced.

Council Member Lee related that he thought their budget was already reduced by 5 percent. He related that he is asking to reduce the contribution by another \$17,000.00.

The motion was seconded by Council Member Bossone. The motion was approved by the following vote: "yes" Council Member Bossone, Connolly, Lee, Lucas. "No" Council Member Grasso.

Council Member Lee related that he is open to reducing surplus more.

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Mayor Dempsey related that he disagrees with reducing surplus any more because the Borough has to look at 2011 and 2012. He related that if the recommended reductions are made this year the Borough may run short and have to borrow money. He also related that all of the Borough's surplus may have to be used next year if there is a 2.5 CAP. He related that if all the surplus is used in 2011 then there will have to be layoffs in 2012. He related that he believes the Borough has to be conservative.

Council Member Lucas related that he is concerned with the amount of money spent on the items in the beach budget. He related that he does not object to the purchase of a Gator for Recycling because it is needed to comply with the recycling mandates. He related that he is concerned that a police vehicle is being removed from the budget but the Beach Department is purchasing a \$35,000.00 truck. He related that the Borough should only purchase equipment that will impact the environment and the health and welfare of the beachgoers as well as to comply with NJ DEP mandates.

Mayor Dempsey asked if safety should be included.

Council Member Lucas agreed that safety should be included.

Mayor Dempsey related that the fuel transportation should be included for safety reasons.

Council Member Lucas suggested monitoring the beach revenue then reevaluate whether or not to purchase the truck.

Mr. Trengrove related that it will have to be put in the budget as a line item in order to spend the money.

Council Member Lucas asked if the funding can be put in the budget with the stipulation that it will be purchased if the beach revenues are good. He related that he does not support the purchase of the shower towers, storage bins and playground equipment at this time.

Council Member Bossone asked what will justify whether or not sales are good. He related that the purchase of the truck is one of the top concerns because of safety reasons.

Mayor Dempsey related that whether or not revenues are up can be determined after July 4<sup>th</sup> and that the Governing Body can then vote on the purchase of the truck.

Council Member Lee asked if it is realistic that the truck can be purchased for this summer's season.

Council Member Lee pointed out that if the Borough doesn't purchase the Gator then it will have to hire labor to shuttle the recyclables up and down the beach.

Beach Manager Wally Wall related that the number of containers on the beach has been increased and will be increased again by an additional 30. He noted that they will be moved to the beach area instead of the walkway. He related that it cost an additional \$1.00 per gallon to have it delivered and noted that there will be a delivery charge may be \$25.00. He related that the Borough's insurance said that the Borough can no longer transport gasoline in cans, as it did in the past, because it is unsafe. He noted that the cans cannot be stored in the beach buildings.

Mr. Trengrove related that the JIF is basing their opinion on the PEOSHA requirements.

Council Member Lee asked where the Borough takes care of refueling its vehicles.

Mr. Wall related that they were refueling the smaller vehicles with the fuel from the cans but will have to be refueled in Brielle.

There was a great deal of discussion about how the vehicles are currently fueled and how they will be fueled if the truck isn't purchased.

Council Member Grasso asked Mr. Wall who he is following up with on the regulation.

Mr. Wall related that the Borough was inspected by its insurance carrier who made the recommendations.

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Council Member Grasso related that he is not asking about insurance but is asking who is doing the regulation inspection on the vehicle.

Mr. Wall related that he does not understand what Council Member Grasso is asking.

He related that he is looking at a statute that came from OSHA stating that the DOT has to have certain regulations on this (vehicle) as far as who is going to drive it, where it will be parked and if the building where it is stored will have ventilation.

Mayor Dempsey related that the vehicle that the Borough is going to buy is not a tank truck which is what Council Member Grasso is referring to.

Mr. Wall described the truck to Mr. Grasso.

Council Member Grasso related that he will give a copy of the regulations that list who can drive the vehicle, what it contains, what kind of lettering has to be on the truck, size of the lettering, etc.

Mr. Wall related that the vehicle is not a gasoline tank. He noted that the Beach Department can go through 100 gallons of gas in one week and that currently the Borough is picking up and transporting this gas around town.

Council Member Grasso asked where the vehicle is going to be stored and if the Beach Department has prepared to have proper ventilation for the truck.

Mr. Wall related that there is plenty of ventilation in the garage.

Council Member Grasso asked what kind of ventilation is there.

Mayor Dempsey related that it is the same as parking a car in the garage.

Council Member Grasso stated: "no it's not Mr. Mayor, no it's not – you are talking about 100 gallons worth of gas sitting in a closed building and if you want to check the State regulations – I would suggest that you do that but don't go off half-assed now saying that it is just a regular, like parking your car in a garage."

Mayor Dempsey commented about the nice language that Council Member Grasso had used at this public meeting.

Council Member Grasso apologized.

Mr. Wall related that currently about 25 gallons of gasoline is being stored there in different cans which is more dangerous than having the truck there.

Council Member Grasso related that he wants a little more information on the truck.

Mr. Wall related that when they begin the process to purchase it he will have all the information.

Council Member Lucas made a motion to purchase the Gator and Fuel Carrier Truck in 2010 and hold the remaining items (shower tower, storage bins & playground equipment) until 2011.

The motion failed for the lack of a second.

There was continued discussion about the purchase of these items.

Council Member Bossone related that he would hate to get more money from the increase of the badge fee and not replacing items that were already on the beach. He related that the Borough is anticipating an additional \$100,000.00 from the badge fee increase which should more than cover the items that he is proposing to purchase.

Mr. Wall related that the increase could net as much as \$180,000.00 to \$200,000.00.

Council Member Lucas related that he is concerned because badge sales are weather dependent.

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Mr. Wall related that the pre-season sales figures aren't weather dependent and noted that this year's December sales were the highest ever.

There was continued discussion regarding this matter.

Council Member Lucas made a motion to include an additional \$18,000.00 in the line item but that it will be removed if the Borough doesn't get enough revenues, seconded by Council Member Bossone.

Mayor Dempsey clarified that the motion will allow the purchase of the truck, the Gator and 1 piece of playground equipment if there are enough revenues to buy them.

The motion was carried by the following vote: "yes" Council Member Bossone, Lee, Lucas. "No" Council Members Connolly, Grasso.

Council Member Connolly suggested charging the beach department rent for using the beach garages as a way to get \$24,000.00 into the general budget. She related that the bottled water that is delivered to the Borough is \$2,000.00 and that the \$2,000.00 could be better spent to reduce the Borough's taxes. She related that 43 percent of the Borough's employees make over a \$70,000.00 base and asked what are we going to do about it. She related that the managers are not subject to collective bargaining and that their salaries should be frozen, opt-out benefits should be eliminated for supervisors and managers and longevity benefits should be eliminated.

Mayor Dempsey related that the last two items mentioned by Council Member Connolly should be discussed in closed session.

Council Member Connolly related that it is the public's money that is paying for it.

Mr. Trengrove related that it involves the terms and conditions of contracts, therefore, it should be discussed in closed session and that the affected employees should be given Rice notices.

Council Member Connolly related that she agrees with Council Member Lee that more surplus should be used.

Mayor Dempsey related that over \$500,000 is brought into the current budget now and that taking more could affect the operation of the beach.

There was continued discussion regarding this matter.

Council Member Bossone related that it was decided not to purchase the showers that are a necessity but now it is expected that the beach pay rent. He suggested purchasing what the beach department needs first before adding anything to its budget.

Council Member Connolly related that it is essential that these taxes are reduced – essential. She related that it is great to have playground equipment but the whole beach is a playground and that this year we sacrifice and do without the Gator and playground equipment.

Council Member Lee related that he agrees with the principle that the Borough is using that asset for beach operations and that the suggestion has some merit. He also related that property could be used for paid parking.

Council Member Connolly made a motion to charge the beach utility \$2,000.00 rent per month for the use of the garages, seconded by Council Member Grasso.

Council Member Bossone related that the revenue from the storage bins would eventually offset the charges for the garages.

Council Member Connolly related that the taxpayers are not affected by the beach utility.

Council Member Bossone asked why then is Council Member Connolly turning down the items that he has proposed to purchase.

Council Member Connolly related that the rent money will reduce the taxes.

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Council Member Lucas related that the DPW stores vehicles in the garages. He asked if the Borough is going to charge them also.

The motion was approved by the following vote: "yes" Council Member Connolly, Grasso, Lee. "No" Council Member Bossone, Lucas.

Council Member Connolly suggested removing the \$2,000.00 for bottled water.

Mr. Trengrove related that if that is done he would suggest increasing the frequency of cleaning the Borough Hall restrooms since that is where employees will have to get their water from.

Council Member Connolly related that she drinks Manasquan water.

Mr. Trengrove related that it is different getting water from a residential sink then from a public bathroom on Court day. He related that he believes it is a health issue.

Council Member Grasso asked Mr. Trengrove if he was a doctor.

Mr. Trengrove reiterated his previous comments that he felt it was a health issue. .

Council Member Connolly related that she goes to a meeting she brings her own water. She related that she does not buy that purchasing water for the Borough employees is because of the volume of people using the fountains and restroom on the two court days.

Mr. Trengrove related that he is a taxpayer and that he doesn't think it is unreasonable and that it is a health issue and it could increase sick time.

Council Member Connolly made a motion to eliminate the purchase of bottled water for the Borough employees, seconded by Council Member Grasso. Motion failed by the following vote: "yes" Council Member Connolly, Grasso. "No" Council Member Bossone, Lee, Lucas.

Council Member Grasso related that we have been doing this process since January 9<sup>th</sup> and a lot of this has been hashed, rehashed and rehashed again and we are still hashing this over. He related that a lot of things that we are talking about could have been done on January 9<sup>th</sup>, 16<sup>th</sup>, 22<sup>nd</sup> or whenever we had our meeting. He related that spending time with Allen, holding up all these people – looking at stuff that should have been done already.

Mayor Dempsey asked Council Member Grasso if he had any suggestions.

Council Member Grasso related that two meetings ago you (Mayor Dempsey) asked the department heads to reduce their budgets by 5 percent and I've seen nothing.

Mayor Dempsey asked Council Member Grasso if he had any suggestions.

Council Member Grasso related that he is looking at revenues. He related that the reductions that were suggested by the department heads were never discussed. He related that an ordinance increasing fees in the Building & Construction Department will be introduced and a taxi fee ordinance is going to be proposed which will generate fees and fines. He related that it is the department head's job to make cuts in their budgets. He related that if Mr. Mayor had any suggestions than it is his turn.

Mayor Dempsey related that \$49,000 in reduction has been made this evening.

Council Member Bossone asked Council Member Grasso if he would like to discuss any of the recommendation that were submitted by the department heads.

Council Member Grasso related that the department heads were asked to reduce their budgets by 5 percent but that he only received emails to reduce the budgets.

Council Member Bossone related that the department heads were not instructed to reduce their budgets by 5 percent but that the committees and commissions were asked to.

Mr. Trengrove related that the Governing Body voted to instruct the committees and commissions to reduce their budgets by 5 percent but that the department heads were asked to make reductions. He related that the Governing Body did get feedback from the department

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heads.

Council Member Connolly asked for a summary of the reductions that were made this evening.

Mr. Trengrove listed the reductions as follows:

- Professional Engineering - \$5,000.00
- Coast Guard Station – Electric - \$5,000.00
- Library - \$17,000.00
- Additional Revenue from Beach Budget for Garage Rental - \$24,000.00

Council Member Lee made a motion to use an additional \$50,000.00 from surplus to offset the tax increase.

Mr. Trengrove related that there is about \$500,000.00 remaining in surplus. He related that the Borough Auditor is not confident that the Borough will replace the \$1,000,000.00 that it is being used from surplus.

The Motion was seconded by Council Member Connolly. Roll call was taken and the motion was unanimously approved.

#### AUDIENCE PARTICIPATION

Renee Cauliett, Treasurer of the Manasquan Public (Private) Library related that the Borough reduced their contribution by \$23,794.00. She related that the referendum that was voted on November of 2002 and passed by 76 percent of the municipality gave the Library full funding starting at \$122,880.00 in 2003 to be increased annually by the CPI. She asked if we are just throwing out the referendum.

Mayor Dempsey related that referendum was permissive legislation.

Mrs. Cauliett asked if that is what the voters thought.

Mayor Dempsey related that he cannot answer that.

Mrs. Cauliett related that they figured out how to reduce their budget by \$6,794.00. She related that if they reduce by an additional \$17,000.00 they will have to close their doors for an additional day.

Mayor Dempsey asked if they have any fund raising events.

Mrs. Cauliett related that you don't fund raise to run a business and that they do our annual appeal for capital item. She related that you don't run a business on fund raising. She related that none of the other departments in this town run their budgets on fund raising. She related that the annual appeals raises between \$8,000.00 and \$12,000.00 which is used for improvements. She related that the whole idea of the referendum was so that they don't have to fund raise. She related that you don't have a bake sale to run the library and that they cannot run it with \$17,000 less. Period.

Mary Kotsopulos, Ocean Ave commended Council Member Connolly for thinking out side of the box. She related that the Federal Government has taken away all bottled water and that they have found that faucet water is as good, as if not better, than bottled water. She can't imagine a town without a library and that she finds it incomprehensible and that we want playground equipment, recreation and we need a Library. She related that she cannot even find words to express it. She related that we have people who are not cultured or cultivated without a library.

John Tischio, 17 Meadow Avenue asked how much the Borough pays Atlantic Farms to compost the Borough's leaves.

Mr. Trengrove related that he believes that \$11,000 is in budget for that.

Mr. Tischio related that perhaps the Library can donate their land to be used for composting.

Mayor Dempsey related that is not enough land for that purpose.

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Mr. Trengrove related that it not only has to be dumped but it has to be treated.

Mr. Nicastro related that the Borough would have to get a permit from the DEP also.

Nancy Tischio, 17 Meadow Ave related that she is surprised at the large decrease in the Library budget since many children use it.

Karen Bauer, 18 Allen Ave related that it is shocking to see the \$17,000.00 was removed from the Library budget and that she is disappointed.

Wally Wall, Manasquan Beach Department Manager related that the property deed should be looked at to see if leasing the garages is permissible.

Marilyn Jacobson, 59 McLean said not to harp on the \$2,000.00 for water but, come-on, if there are water fountains and people can bring their own bottled water if they want it. She related that the \$2,000.00 could be better spent by using it for the Library. She stated that she doesn't get it and can't imagine why the three of you voted to keep bottled water - that's just insane to me. She asked Council Member Lee to repeat his recommendation for overtime reduction.

Council Member Lee reiterated his comments about the regular police overtime.

Council Member Lucas explained why it is anticipated that the overtime budget will increase this year due to the retirement of a patrolman. He also noted that the overtime budget will be affected by the Sergeant who is out due to a work related injury.

Mrs. Jacobson asked if the overtime figure has increased by four percent along with the police salaries.

Mayor Dempsey related that the Manasquan Police Department has not received a salary increase.

Council Member Connolly made a motion to adjourn the budget meeting at 8:35 p.m., seconded by Council Member Lee. Motion carried unanimously.

Respectfully submitted,



Colleen Scimeca  
Municipal Clerk

DATE APPROVED 5/17/10