



CITY OF ABSECON
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CITY COUNCIL

BUDGET MEETING

FEBRUARY 8th, 2024 6:30 PM

MINUTES

FLAG SALUTE – Mayor

ROLL CALL

PRESENT: Councilmembers Sandy Cain, Alex Clark, Steve Light, Tommy Marrone, Christine Parker and Council President Nick LaRotonda

ABSENT: Councilman Rich DeRose

ALSO PRESENT: Mayor Kim Horton, City Administrator/CFO Jessica Thompson, City Clerk Carie Crone, Police Chief J.R. Laughlin

STATEMENT OF THE SUNSHINE LAW & NOTIFICATION THAT THIS MEETING IS ELECTRONICALLY RECORDED

BUDGET DISCUSSION

Jessica Thompson: Provided a revised project list from the Engineer. And a sheet of what I think is possible for the final outcome of what we may want to do. We start with a wish list, which is what we heard at the last meeting and now we need to start pairing down to what we really want to put in this budget. As a possible solution, there's about \$700,000 remaining in Capital funding that we put aside for potential infrastructure on New York Ave. Not to say we won't go down that path in the future, but currently there are some funds to do Capital items without having to borrow for. We could do all or some of the things on the list from last meeting with reallocating the Capital Funds that are available.

Council President LaRotonda – Why do those funds have to be allocated to Capital Funds?

J. Thompson – Because it is already Capital. We borrowed for Capital spending, so it's supposed to be used for items that have a life of at least more than five years. I still left the million dollars to do the Road Program and that we would need to raise the 5% to put into the budget. Again, this is just a scenario of what I thought were of most importance and what you may want to have in there.

Road Program – Ed Dennis provided a list of Roads. Starts with DOT roads that we have a grant for, but the grant doesn't pay for all of it so would still have to add some funding to finish those.

A. Clark – How much does the \$950,000 cover.

J. Thompson – Depends on what roads you choose. We need at least \$400,000 to complete the DOT roads. Franklin, which is a big road, but one of the worse on the list, that's about \$320,000.

Little piece of Nevada is about another \$400,000. Lloyds list of most needed are Franklin, Delaware, Richmond Circle and Earlview.

N. LaRotonda – Agrees with Franklin. And then once Ed gives us a cost list maybe we can see what else we can do.

J. Thompson – Currently just need to decide if we want to do a million-dollar road program, and then the specifics can come later.

A. Clark – All its going to cost us is \$50,000 in the budget. Do we have to use it for the Road Program?

J. Thompson – We have to use it for Capital.

T. Marrone – Read list from Eddie ranking projects and gave description of high-ranking road problems.

J. Thompson – Put Crestview, phase I - \$75,000 and that's just to finish, so definitely needed. Phase II – didn't put for amount, hopeful for some grant if not possibly can go into next year. Did not include 5-8 off Eddie's list. Included the ADA Compliance in the back of City Hall, already have Grant \$80,000 so will cost \$20,000. Included baseball netting.

A. Clark – Will inspect the netting again, if there is a way to just patch he's all for it, but the netting is from 2005 and has been patched repeatedly. Will meet with someone and get back to council.

J. Thompson – Put \$25,000 in for resurfacing of Tennis Courts in hopes of getting the \$100,000 Grant. Also put in \$130,000 for Meadowview, found to be in really bad shape after doing the video pipe inspection. Some will come out of sewer, but not sure we have enough for all of it. We have no sewer debt and one of the reasons we agreed to raise sewer rates was to make these types of repairs.

A. Clark –What do we have in Sewer Budget? **J. Thompson** – Didn't bring that number with me, but it's not a large number, we took a big hit with Pleasantville pulling out last year.

J. Thompson – Other items from Eddie's list would go under engineering, not Capital, funds would have to be put into regular budget. Fire House solar panels, \$10,000 for preparing and RFP, but if successful the successful bidder reimburses the engineering fees. Listed other projects by priority.

S. Cain – What does the \$10,000 get us. **J. Thompson** – Just the RFP.

Discussion regarding, options, savings and pricing of solar panels.

T. Marrone – Thinks we can hold off the inventory and study of the City's infrastructure for \$40,000 in a year when we're going to be tight. Agrees it needs to be done, but can wait till next year.

S. Cain – Has a study been done for the Solar Panel Pedestrian sign to make sure it's the best place for spending \$40,000 for one flashing crossing sign.

A. Clark – It's the best spot. There has been a child hit there. It's a bad design.

N. LaRotonda – We should reach out to the County, it's a County road.

S. Cain – At the least the County should split it with us.

J. Thompson – Police Vehicles. I put in for the exact amount requested. Not sure if we can actually get any vehicles. Put in for three Vehicles and outfitting and the drone for Capital.

N. LaRotonda – asked for inventory of Public Works Vehicles. **J. Thompson** – Read list from

Lloyd. **N. LaRotonda** – In my opinion we can wait till next year.

J. Thompson – Playground Equipment. \$46,000. To replace smaller section in Heritage Park.

A. Clark – Steve and I went and took a look at it. Main problem is ladder. Possible can band aide it and try to go out for a grant to replace the whole thing.

N. LaRotonda – asked Jessica to ask Lloyd to reach out to a fabrication company to see if anything can be done in the meantime.

J. Thompson – Fire Department. Repairs to poll barn doors and extraction equipment, if you want to do those things, suggest putting in Capital and not to increase their regular operating budget.
T. Marrone – Asked why budgeting \$10,000 when they're only asking for \$8,700.
J. Thompson – Just trying to use round numbers, but can definitely decrease it.
N. LaRotonda – Agrees shouldn't come out of their operating expenses.
T. Marrone – Other two request from them -Tahoe we all agree is something we can't due this year.
Apparatus – wants more information and has some questions.

DISCUSSION – which will be forwarded to Public Safety, regarding consolidating trucks.

J. Thompson – Handed out spreadsheet that has all the items that make up the budget. Did not include salary lines, still have negotiations going on and no decisions made for non-union staff. A lot of items are the same as last year. Reduced Clerk and Elections. Shared Dispatch is by contract and the last year of the contract. Legal and Engineering lines – last year Engineering was increased due to studies, so brought that down.

N. LaRotonda – Why did Tax Collector go up, when they didn't expend all from last year?

J. Thompson – One of the Staff is going to be taking classes.

N. LaRotonda – Do you know how much class is going to be, they still have \$2,300 in the budget and then adding an additional \$1,000.

J. Thompson - \$1,000 each and there's two of them, thought it was prudent to make sure there was enough.

J. Thompson – Tax Assessor – there is a software program with maintenance system goes up a little each year, so that increase is to cover that.

Legal – We've had a lot of OPRA and also Contract Negotiations. Cost still coming in pretty high so don't want to go too low there but thinks a \$30,000 reduction will be ok.

Engineering – had a lot of studies we hoped to do last year, but didn't get to, brought it down from \$150,000 to \$100,000, but still feel there are some of those items we may still want to do plus grant applications and various other type things we'll have enough.

Planning and Zoning – we haven't been utilizing some of the budgeted items the last few years so brought that down a little. Same for Construction.

Insurance – we have no choice on these items.

Health Insurance – new company so a decrease.

Police – asked for an additional \$4,000, I put that in.

Ambulance – Currently just a general figure, RFP is done, we just have to pass the Resolution for competitive bidding first. Will have a definite number before we introduce the budget but feel its where we're likely to be.

Fire Department – Recommend leaving the total Operating Budget the same as last year and add extra items into the Capital line. Fire Inspectors that do the inspections for our businesses are asking for an additional \$500.00 in their budget.

Fire Hydrants – Charged by the N.J. American Water Co., gets more expensive every year and it's not per usage it's a flat rate.

Public Works – Last year got pretty tight with their budget, has been at \$215,000 for many years. Recommend that be moved up to \$225,000 this year.

Vehicle Maintenance – This covers Public Works, Police Cars, Fire Vehicles and Code and Construction. Fleet in fairly good shape so can bring down a little bit. Contract with Ed & Gene's at a really good rate and some routine services they do for free.

Recreation – Numbers have been the same for many years. A lot of the budget is the amounts we give to the sports organizations to help offset some of their costs. \$7,250 for ASAC and Blue Devils. \$5,000 for Basketball and Lacrosse and \$2,800 for the Cheerleaders. Then some in miscellaneous in case some beatification or anything came up, we really didn't use much of it, so brought that amount down.

A. Clark – Where did we come up with who gets what number. One Organization is getting the same amount as the other when it has seven sports and three to four times the amount of kids.

J. Thompson – This came out of Parks and Playgrounds Committee years ago.

N. LaRotonda – And we have \$17,000 still left over.

J. Thompson – Last year we talked about signs and some other things so I added \$10,000. Leaves a couple thousand dollars if you want to do something like helping with fencing or something.

A. Clark – Asked again about how divided up. Are we paying for insurance, what are we paying for?

J. Thompson – The numbers have been that for ten years now. They put in for insurance on a reimbursement basis.

N. LaRotonda – With inflation, being for the kids and the fact there was so much left over from last year things we can raise it.

A. Clark – I'm more concerned on how the amounts get divvied up.

C. Parker – Why are the Cheerleaders not included with the Blue Devils.

S. Cain – Blue Devils last year came to the Finance Committee asking and looking for ways to raise more money.

N. LaRotonda – They all deserve an increase. And how it gets divvied up can be figured out later.

A. Clark – Just asked the before we give out the money either Finance or Parks and Playgrounds Committee can review how its distributed.

J. Thompson – Public Events – Largest amount in this is the Senior Services they receive \$35,000 also on a reimbursement basis. This amount hasn't changed in fifteen years. CDBG money we allow them to use some of this funding for the Senior Bus. The rest is \$10,000 for Summer Concerts, \$2,000 in for Memorial Day. \$3,000 in for ABTV and that just covers the cost to get the stuff posted on there. \$1,000 for Green Team and \$2,500 for Community Affairs. \$2,000 for Miscellaneous.

N. LaRotonda – Is Creekfest in there too?

J. Thompson – No we don't budget for Creekfest the funds from Creekfest rolls over. But if you want to budget fund in addition to what we have we can. Supposed to replenish itself but with the Police overtime and some other expenses last year it did not.

J. Thompson – LOSAP – that was kept the same.

Utilities – really tight, so increased electric a little bit. Telephone – saving a bit, Jen did some revamping and auditing of phone lines to get rid of what's not getting used. Water – we're fine. Gas – we used it all so need to increase that. Tipping Fees – we had a 4% increase plus depends on volume, so did a modest increase. Recycling Collection – they literally just give us a number so we have to cover that.

Pension – PERS a little lower due to shared service with Dispatch and County taking over Library, we have less employees in the system. PFRS – is up almost \$30,000 from last year. DCRP – for those not in the Pension System have less people in that system so brought that down. Social Security – will depend on where that salaries are.

Municipal Court - \$7,000. Requested \$2,100 for Conflict Judge gave \$1,000. We are not getting revenues, the Court is supposed to cover its own expenses and it hasn't for many years in the amount of .01½, we are well over \$100,000 over and above what they're bringing in.

A. Clark – Met with the Chief. Changed due to Zoom calls take away the \$33 court cost. They can't ticket for Marijuana anymore. No recourse if fines aren't paid and after so many years it just dropped off.

J. Thompson – Capital Improvement Fund - \$50,000 that would be the 5% of the Road Program. Last two years had the American Rescue Plan Funds the we put in to pay some of the Capital Items. And now those Funds are gone.

Debt Service – that has gone up a lot. \$371,000. Had to do the Bond last year and got good interest rates, but now we have to start paying down on some of the Capital Projects we've done – principle not interest and that's a fixed cost. Some offset we have is the Redevelopment Project. For the last two years we have been getting money from Firestone. And now Whitehorse is open and we got our first check.

A. Clark – Cell Tower, we're getting money on that too.

J. Thompson – Yes, we did the RFP and received the bid. And part of the bid was a \$50,000 sign on bonus. So as soon as we get that Agreement we will get that money.

J. Thompson – Reserves for Uncollected Taxes – put in basically about what we got last year. We used to have another \$100,000, and even tough we have an amazing collection rate and can bring this down lower, problem is when you bring it down you have a harder time building it back up. Another option is we have some money that's called Differed School Tax, several years ago we used \$800,000 to help boost the Fund Balance. The reason it exists is because we're on the Calendar Year and the school operates on Fiscal Year, so we're taxing a little ahead of when the money is due – we still have to pay the school, it's just more of a timing issue. Once you use it, there's no way to build it back up.

CLOSED SESSION - #50 – Contract Negotiations/Possible Litigation

N. LaRotonda: In accordance with the Open Records Act N.J.S.A. 10:4-6, the City Council went into Closed Session. Closed Session is to discuss possible litigation, no action will be taken after.

Motioned to enter Closed Session: Councilman Light; Seconded: Councilman DeRose
All in Favor, None Opposed.

(Closed Session)

Motioned to adjourn Closed Session and re-enter the meeting: Councilman Light; Seconded: Councilman DeRose
All in Favor, None Opposed.

ADJOURNMENT

Motioned to adjourn: Councilman Marrone; Seconded: Councilman Clark
All in Favor, None Opposed.

Respectfully submitted,



Carie A. Crone, City Clerk

Approved: 4-4-21