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CITY COUNCIL

BUDGET MEETING

FEBRUARY 9TH, 2023 6:30 PM

MINUTES

FLAG SALUTE

ROLL CALL

PRESENT: Councilmembers Butch Burroughs, Sandy Cain, Richard DeRose, Betty Howell, Steve Light, Tommy Marrone, and Council President Nick LaRotonda

ABSENT: Councilwoman Betty Howell

ALSO PRESENT: Mayor Kim Horton, City Administrator/CFO Jessica Thompson, City Engineer Ed Dennis, City Clerk Carie Crone, Police Chief J.R. Laughlin, Police Lieutenant Ray Adams, and Fire Chief Roy Talley

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

BUDGET DISCUSSION

Jessica Thompson: Budget Meeting will begin with presentations from the two public safety departments (Police and Fire). Provided copies of the documentation received.

FIRE DEPARTMENT

Chief Talley: Broke down the budget according to costs throughout the year. Estimated that about \$35,000-\$38,000 is already designated for contracts, stipends, and recurring bills. Explained that goals for this year include maintenance. Last year the Firehouse completed their front doors, however, there remains an issue with the contractor, but he has provided the Fire Dept. good prices. Described how the Firehouse garage doors have pressure edges on the bottom. There is the lingering threat, that by the time the door makes direct contact with the fire truck, the truck will end up taking the \$35,000 door with it out of the building. Proposed installing a curtain the width of the doorway, so that if anything makes direct contact with the curtain, the doors will react and reverse back up. Last year the Fire Dept. submitted a \$3,500 purchase order for work on the front doors, so now the intention this year is to work on the rear doors. The pressure edges have been a constant issue. Briefly addressed several contracts for maintenance including in the budget, such as the HVAC systems, fire alarm system, cleaning supplies, and generator maintenance. Would like to straighten the Firehouse up with better shelving to get equipment off the floor, and simply overall have better

building maintenance. Maintenance equipment is mostly taken care of through contracts. The Fire Dept. is required to do certain testing, including that for SCBA airflow, the ladder truck, fire truck pumps, hosing pressure, extrication tools, ladders, CO meters, fire extinguishers, etc. Would like to upgrade lighting on rescue truck to LEDs, which are safer than current strobe lights.

Council President LaRotonda: Asked if that would be for scene lighting.

Chief Talley: Confirmed that the LED lights would be for scene lighting in addition to others.

Compared the lighting of 1 LED bulb being similar to that of 6 porch lights combined. Membership costs are \$21,000. Electrical communication costs include specific dispatch monitors.

Councilman Marrone: Asked how many they have at the moment.

Chief Talley: Four, however three are currently broken with same symptoms.

Councilman Marrone: Asked how are they.

Chief Talley: They were acquired when the new Firehouse was completed, so only about two years old. Continued on to state that the Dept. is planning on purchasing new upgraded pagers (current pagers are outdated – new pagers allow people to send crucial updates).

Council President LaRotonda: Asked if it was possible to acquire that feature by just updating the Dept.'s current pagers.

Chief Talley: The only way to do that would be to install a simulcast, which has been tried elsewhere in the county, however, problems emerged when people started to use it like a personal phone line. Unsure of whether it's possible to pursue that course of action again, but insists that it would make the pagers currently in their possession, a bit more useful.

Councilman Marrone: Asked if the Dept. had enough pagers to supply its new members.

Chief Talley: Confirmed that they have been dispersing their older (about 10 years old) pagers to new members. In the past, had received a grant for new pagers, but grants are few and far in-between. Continued on to discuss the cost of the Dept.'s Rover subscription and Atlantic Coast fire alarm monitoring.

Councilman Marrone: Asked whether the alerts and updates are directly sent to firefighter's phones via text messages.

Chief Talley: Indicated there is a significant delay with alerts sent/received via text message.

Indicated how an ideal system would allow the firefighters to press a button which would allow the dispatch monitors to show who was responding to a scene and their exact locations.

Councilwoman Cain: Asked how much the pagers cost.

Chief Talley: The pagers the Dept. has been purchasing cost about \$600 each, however the newer pager models cost about \$800 each. Stated that he wanted to purchase about 3-4 newer pagers. Discussed education and training which includes seminars and classes about blood pathogens, HAZMATs, etc. (Firefighter 101 class for new members is paid for by the county). Also addressed the need for fire safety and other equipment, such as turnout gear sets (bunker pants, coat, helmet, hood – altogether cost over \$5,000).

Councilman Marrone: Asked if the Dept. had enough proper attire to supply their new members.

Chief Talley: Indicated that very new members typically use older sets of attire that PEOSH still deem fit.

Councilman DeRose: Thanked Chief for answering all his questions when coming on board and for all his Dept.'s hard work. Commented that the Fire Dept.'s 2023 budget proposal is \$71,000 and asked what their 2022 budget was.

Chief Talley: The 2022 budget was \$70,000. Noted how the price of everything has increased.

Councilman DeRose: In reference to purchasing new gear for incoming firefighters, asked the average number of new firefighters that join Absecon per year.

Chief Talley: Clarified that the new outfits and gear would not be for newcomers, but rather for established members.

Council President LaRotonda: Informed Councilman DeRose that firefighter gear has a specific shelf life so replacements are prioritized for gear that is over 10 years old and/or damaged.

Councilman DeRose: Asked if records have been double checked to see if there is equipment or gear not being utilized as a result of certain members no longer actively participating in the Dept.

Chief Talley: Confirmed that he does and will continue to do so.

Councilman Light: Established that the firehouse has been in operation for about two years. Asked if there were any important major issues with the firehouse needing to be resolved.

Chief Talley: Indicated that there were several issues. The largest issue regards flooring. They have had several meetings to discuss getting the flooring, however they want their bond money, which they're not getting until everything that needs fixing is taken care of. Also having issues with the heating system tripping out. They are reluctant to fix the issue though, again, because of the payment requested. So Chief Talley has been constantly resetting the system.

Councilwoman Cain: Asked what a safe temperature is to store the trucks.

Chief Talley: Explained that diesel engines are safe in the 60F degrees temperature range. Said he sets the thermostat around 65F degrees.

Councilwoman Cain: Cautioned how keeping Firehouse's vast apparatus bay at a higher temperature (around 70-72F), rather than a temperature around >65F, results in exorbitant and excessive costs.

Chief Talley: Indicated that the contractors are responsible for building management controls and utilize their own system programs.

Council President LaRotonda: Asked if anyone from the Fire Dept. had access to the systems.

Chief Talley: Acknowledged that he has access to the systems, however lacks the knowledge required for its utilization. Clarified that he has been able to change the thermostat in certain locations, however some locations have their temperatures set via system program.

Councilwoman Cain: The company has a monitoring system and someone is responsible for managing the facilities temperatures while its still under the company's warranty. Suggested that once the warranty is up then they could look into learning how to control the system directly, as it could potentially save the City a significant amount of money.

J. Thompson: Shared that the Firehouse's electric bill is about \$4,000/month. Emphasized the importance of making active effort to reduce electric-use at the Firehouse. Challenged that the true costs do not fit into the proposed operating budget.

Councilman Marrone: Suggested that further discussion on this specific matter be considered more thoroughly at the next Public Safety Committee Meeting, as there are many items on the Agenda to be addressed at this Budget Meeting.

Councilman DeRose: Proposed that in the near future, he and Chief Talley sit down and go through the numbers (historical data vs. current data) in order to assess where the Dept. could be saving money.

Councilwoman Cain: Remarked how this meeting is held to discuss the budget and ways to save money. Because Firehouse operations cost the City about \$48,000/year, it's Council's duty to evaluate all cost-saving options.

Council President LaRotonda: Agreed, but acknowledged the need for the Fire Dept., Public Safety Chairperson, and Chief to be actively involved in making those cost-saving decisions

Councilman DeRose: Asked J. Thompson to provide him records and data pertaining to the current Firehouse (previous 2 years) and the former Firehouse (final 2 years of operation). Reiterated plans to reassess the current status and needs of the Fire Dept., in pursuit of cost-saving efficiencies and maintaining safety.

Chief Talley: Requested \$3,500 for the Fire Official budget. Last year's Fire Official budget was \$3,000, but they ran out of money earlier than anticipated, so they were unable to buy certain supplies (e.g. red helmets and coloring books for their visit to the local pre-school).

J. Thompson: Informed Council that last year there were nonrecurring software costs, so she kept their Fire Official budget at \$3,000.

Chief Talley: Lastly, recounted how in the prior year, the Fire Dept. completed a PO for turnout gear (totaling \$6,000), and although the order was anticipated to arrive this month, recently found out that the PO apparently no longer exists.

Police Chief Laughlin: Reminded Chief Talley that in October he had specifically advised him to reexamine all Fire Dept. POs with J. Thompson, in order ensure they were all accounted for. Recently reviewed POs, and while there were about 15 unpaid POs, never saw the PO in question. Suspects the PO for the turnout gear, like the other unpaid POs, were lost at some point on the Administrative side of City Hall. Emphasized that this is a recurring problem, so reminded Chief Talley to submit POs to him directly and he will ensure they are paid.

Chief Talley: Expressed his understanding but also frustration that the cost of last year's PO will not be taken out of this year's budget.

Chief Laughlin: In regard to planning for the future, noted how the equipment of more active firefighters wear out faster, and recommended the Fire Dept. purchase five sets of gear every year to ensure that, in theory, all gear will be replaced within the 10-year period. Warned that, unless they start buying at least 5 sets a year, the Dept. will fall behind. As liaison to the Fire Dept., emphasized the critical importance of amending the firehouse door sensors (safety hazard – huge liability).

Councilman Marrone: Asked if door sensors were included in the actual door purchase.

Chief Laughlin: No. Indicated that the goal was to get all doors taken care of in the previous year, however the project did not fit into their budget. In regard to Fire Dept. education and training, relevant discussion was held during the City's Public Safety Committee Meeting at the end of the year, and his recommendation is for the Fire Dept. to join the Police's Power DMS policy management system in order to complete required training in a way that's both simple and convenient. Echoed Chief Talley's warning that if there was an incident involving an improperly trained firefighter, it would result in major issues for the City with the Fire Commission, PEOSH, etc. Believes a specific intention of his regular meetings with the JIF is to inspect the Firehouse and verify that all firefighters have attained proper training. Last year air tanks were budgeted, but fortunately the City received a grant (thanks to Jeff Ciccone and 2 other municipalities) for brand-new air tanks, face masks, shields, etc., however the City must cover a cost percentage, ultimately amounting to \$18,000. Commended the Dept.'s care for their tools, but addressed the crucial need to upgrade the Fire Dept.'s current Jaws of Life equipment. Municipal Emergency Services provided a quote for new battery-operated machinery and accessories (currently includes items, both, unnecessary and excessive). Aims to get quote down to about \$42,000. The Fire Dept.'s regular budget request is \$71,000 (\$1,000 increase from last year). In both years he has been involved in overseeing the Fire Dept., by November, the Department had only spent about half their budget. Recommends approving the additional \$60,000 for the cost of both items just discussed. The Jaws of Life are imperative for public safety, and the cost of the air tanks, etc. are already mostly covered through grant funding.

Councilman Marrone: Pointed out, in Chief Talley's budget proposal, \$65,000 is budgeted solely for Jaw of Life equipment. Recognized Chief Laughlin's intention to reduce the number of batteries included in the quote (worth about \$4,000), but asked if there were other equipment/accessories that could also be removed in order to reduce the quote's cost to the preferred \$42,000.

Chief Laughlin: Listed several possible items to be removed (chargers, ram tools, etc). The essential items are the cutter and spreader. Speaking as a non-firefighter, if budget constraints absolutely demand it, surmised that certain items, such as the ram or combination tools, may be purchased at a later time. Emphasized the need to plan for the future. Suggested the Fire Dept. sell all idle equipment currently in their possession, rather than just keeping them until they completely lose their value. Considers these unutilized items assets which, once sold, could allow the Dept. to purchase equipment they are actually in need of.

J. Thompson: The City has invested a lot of money into the Fire Dept.'s equipment and new Firehouse, for several years, the Dept. has refused to provide the City a Fixed Asset List. Noted the difficulty in identifying potential items to sell without an inventory to even indicate possession.

Council President LaRotonda: Questioned whether the Dept. tags their assets.

Chief Laughlin: Police Dept. uses asset tagging, but, while they provide the Fire Dept. tags, the Fire Dept. must inform them of the assets (have been waiting for this information for over two years). The software Chief Talley previously mentioned only tracks the equipment on the firetrucks.

Councilwoman Cain: Echoed others in describing her own repeated efforts, and ultimate inability, to obtain an inventory list from the Fire Dept. during her time on the Public Safety Committee.

POLICE BUDGET – Police Chief J.R. Laughlin & Lieutenant Ray Adams

Chief Laughlin: Introduced 2023 police budget is \$3,000 less than last year's budget (includes adjustment to a couple line items). Community Programs budget increased this year. Community Programs encompasses everything the Police Department does (Hooked on Fishing, Movies in the Park, National Night Out, etc.). Events are very expensive (e.g. \$500 Licensing Fee for every Movie in the Park, etc.). Have been adding new community events each year. Other line item increases are a result of cost of living adjustment (COLA) increases. In regard to the Police Car budget, requesting two new police vehicles.

J. Thompson: stated they are actually requesting three vehicles.

Chief Laughlin: additional vehicle she was referring to, was included in last year's budget.

J. Thompson: they cannot use money in last year's budget for the vehicle because they were unable to order the vehicle until this year.

Chief Laughlin: in that case, the Police Vehicle budget includes three vehicles. Explained how the extra vehicle was originally included in last year's budget, but were unable to purchase it until just recently, due to a vehicle shortage. PD is switching vehicles from Ford Explorers to Chevrolet Tahoes for several reasons. Three years ago, he and Lt. Adams conducted an audit aimed to rid the Dept. of costly junk, ultimately cutting their maintenance costs almost in half. Emphasized how they now use the money, previously wasted maintaining insufficient equipment, to purchase vehicles that are critical in achieving their mission. He and Lt. Adams have been decommissioning the Dept.'s vehicles themselves, rather than paying a third party \$1,500-2,000 to do it. They have also been re-selling vehicles while they are still valuable. The PD is now requesting three new vehicles because they currently have three 10-year-old Chevrolet Caprices. Although the PD takes care of the vehicles, its parts are becoming obsolete, and thereby costing the City an excessive amount of money. Intention is to switch vehicles to newer SUVs. Ultimate goal of PD's fleet maintenance is to retire their vehicles once their mileage reaches 100,000, as opposed to 180,000mi, as previously done. Estimated the value of a Tahoe with about 100,000mi to be around \$20,000. Warned that the cost of vehicles has significantly spiked since 2019.

Lt. Ray Adams: PD bought a very basic Ford Explorer in 2019 for \$26,000. Due to model changes, the 2020 Ford Explorer's price increased to \$31,000. In 2022, the price of a Ford Explorer increased again to \$36,000. Ford now prevents the PD from uplifting vehicles themselves, requiring their company do at a high cost. At \$39,000, the Chevy Tahoe costs a bit more than the Ford Explorer, however they are, in his opinion, a better option (same gas mileage, better re-sale value, more reliable, larger sized, and safer overall). Within the past three years, upfitting costs have increased to about \$3,000 per vehicle. Pointed out that they have saved money on upfitting costs by recycling old radios from decommissioned vehicles (potential savings of up to \$3,500).

Council President LaRotonda: Asked if the new vehicles would be outfitted with License Plate Readers (LPRs).

Chief Laughlin: New vehicles will not be outfitted with LPRs. Recently worked on State LPR Grant, so anticipate receiving grant money for at least one LPR (requested 10).

Lt. Adams: For ProPheonix (new computer system), all vehicles must have corresponding systems (ticket system, GPS). Computer orders have been difficult due to delays and price increases. Looking to be purchase refurbished eTicket printers. Shared that the LPR requested in the grants are part of an interagency system and allow communication between PDs.

J. Thompson: Asked Chief Laughlin and Lt. Adams to go over their plans for radios and the courtroom audio system.

Lt. Adams: Beginning of last year he reached out to CourtSmart to update and fix the courtroom audio and recording system. The company made it clear that they would be unable to provide the City equipment until, earliest, the end of 2023. A different vendor was able to offer new products and to fix current issues. The Courts require use of the Liberty Court system, but the new vendor will be providing all equipment needed. The new vendor will be running all new wires, speakers, microphones, amplifier, computer, etc, for \$38,000.

J. Thompson: Does not want to sign contract and PO until given a more concrete plan and timeframe.

Chief Laughlin: Issues with CourtSmart were unexpected, as the system is popular throughout the state. Emphasized the importance of being in compliance with the State Court, especially in regard to recording systems.

J. Thompson: Asked Chief Laughlin and Lt. Adams to review the budget for Police radios.

Lt. Adams: Three Police radios are so old and outdated that their programs cannot be updated, so they need to be replaced. PD is against sharing radios, as all radios have emergency buttons and are programed for specific individual officers, so in the case of an emergency, it is known who exactly is sending an alert. Prefer to have about three extra radios in case there is a need.

AMBULANCE SQUAD BUDGET

J. Thompson: Received the Ambulance Squad budget requesting \$60,000, which is an increase from the \$50,000 that has been provided for many years. Was told that the Ambulance Squad would provide more background information regarding the budgetary items, however has yet to receive anything more.

Councilman DeRose: Agreed that the City was to expect more information from the Ambulance Squad. Believes the budget increase is a result of increases in insurance and fuel cost.

Chief Laughlin: Costs also include vehicle maintenance. Praised the Absecon Ambulance Squad's impressive work and cooperative relationships, teaming up with Galloway Ambulance Squad.

Councilman DeRose: Commented that the Absecon Volunteer Fire Dept.'s costs are slightly above the national average (per sq. footage), so there is work to do, but not of significant concern. Recommends benchmarking and other quick fixes to get the Dept. on par with the national average.

ENGINEER BUDGET – City Engineer Ed Dennis

E. Dennis: Provided Council a working list of projects to be conducted throughout the year. The list will be updated as new projects emerge. If projects are on the list, they are usually funded. Many projects are waiting on grant response, already have grants secured, or are waiting on grant opportunities. List begins with the annual Road Program, which is always budgeted for the following budget year. Road Program engineering budget remains \$90,000. While the Road Program

engineering/design budget is determined a year in advance, its construction is determined during the year in which it will be conducted. The construction budget consists of \$910,000 from the City, and with the additional \$235,000 DOT Grant, the overall sum equals \$1.1million. The list also includes the Shore Road Project. Had a meeting at the County Engineer's Office last week regarding inspections associated with the project. Fully expecting to go to construction this year, but all that's needed in this year's budget are the costs for all the inspections. When this project first began, the City already budgeted \$50,000 for inspections, so all that needs to be added to this budget is \$20,000 to fully cover the inspection costs. The construction costs for this project is being 100% funded by the County. The current construction estimate has increased from \$1million to \$1.5million due to price escalation and project expansion. The City will need to sign an inter-local agreement in the future to approve the County's new estimate for construction. For now, the City just needs to add the \$20,000 to the \$50,000 already budgeted for inspection costs. In regard to the 2023 Road Program, the \$235,000 DOT Grant is for Calderon Ave. (runs in-between New Jersey Ave. and Route 30). In 2011, a full assessment was completed of all Absecon City streets, and the detailed findings were compiled into an 800-page "Road Bible." At the time (2011), upon analyzation of the findings and numbers, it was determined that the City would pave and maintain the streets through different methods within a 50-year cycle for \$800,000 a year. Due to price increases, that budget has increased to \$1million, taking into consideration increased costs in construction. Continued on to discuss the New York Avenue Subdivision Project budget. Options for the next course of action are being reviewed and discussed. There remains roughly \$800,000 of unused funds from the 2022 Budget that were specifically allocated for the City to move forward with infrastructure related to the New York Ave. Project. Infrastructure costs include what the City would own and construct (roads, drainage, sanitary sewer, street lights), amounting to an estimated \$1.1million. Additional infrastructure costs not owned by the City (gas, cable, water, electric, Verizon coverage) are difficult to pinpoint, for a variety of reasons, but are estimated to amount to \$500,000. Moved on to discuss the next City project, being Phase 4 of the Central Business District Streetscape. The prior three phases pertained to the work completed on New Jersey Ave., Station Ave., and Church Street (includes pavers, decorative lighting/benches/trash receptacles, etc.). Applied to extend improvements down New Jersey Ave. in front of redevelopment site and were successful in receiving the 2022 DOT Safe Streets to Transit Grant (\$525,000). Timeline on that grant requires the City to award a contract within one year, but for the 2023 budget, no money needs to be allocated.

Councilman Light: asked pertaining to the redevelopment site, if there are any other locations connected to New Jersey Ave. that need to be addressed in order to help freshen the area up.

E. Dennis: Indicated that everything seems settled. Emphasized the importance of City coordination with the redeveloper so that they may properly plan and not inconvenience each other. Next addressed the Crestwood Ave. Pedestrian Safety Improvements (installation of new sidewalk on Crestview Ave. from Pitney Ave. to 10th Ave.). For the project, the City was awarded \$619,000 of the DOT's 2023 Safe Streets to Transit Grant. To close the gap of project costs, \$125,000 is included in the City's 2023 Capital Budget to move forward. Continued on to discuss the Faunce Landing Shared Use Path ("wish list item"). This is a \$1.2million project that involves connecting the City's downtown area to the Boat Ramp area. It is anticipated for this project to remain on the to-do list until the City receives a large grant to pay for it. There would be a lot involved in the project (e.g. DEP permits). Will continue to look for grant funding opportunities. Next, addressed the old gas station near Turner Cove Park. Made attempts to acquire gas station property using County Open Space Funding, however were unsuccessful at this time, due to environmental cleanup issues. Relevant now because \$75,000 of funds were included in the 2022 Budget for this project under "Recreation," so that money is still available for repurposing of other Recreational expenditures. Past conversations about general recreation include a potential restroom facility at Heritage Park, considering its usage and events (estimated \$350,000).

Council President LaRotonda: Asked for clarification about where they left off in prior conversations about the installation of utilities in place for the current snack stand.

E. Dennis: The money for Turner Ave. was budgeted as a flex item, so that if the Turner Ave. Project did not work out, the City could use the funds for utilities. Due to Turner Ave.'s prolonged negotiation efforts, the City was able to pursue any other course of action with the unused funds. Assured Council that using those funds for utilities was still an option. Discussed replacing the barrier netting at the Wagon Wheel baseball field, which is estimated for \$75,000. Although the City has been proactive and productive on the Road Program, the City hasn't addressed systematically its sanitary sewer system. Sewer bills go into a fund that is separate from the rest of the City's regular Capital Budget. Budgeted two items in relation to this need., including (1) cleaning and televising of sanitary sewer system to inspect pipes and use reports to (2) rehabilitate the pipes and manholes showing signs of aging. City has some old clay pipes in its system, showing signs they are nearing end of useful life. Urged City to be proactive in its maintenance to prevent more costs in the future.

Council President LaRotonda: Suggested that, depending on the Sewer budget, the City conduct this inspection and review before paving new streets.

E. Dennis: Shared that there are many different kinds of trenchless technologies that would allow them to slip line the pipe (low cost option in giving the piper structural integrity). Anticipates installing about 3,500 ft. per year (\$50,000), which would be in accordance with the corresponding 50-year cycle laid out for the City's Road Program. Suggested targeting sewer pipes most likely to soon suffer failures, in order to get ahead of potential infrastructure issues.

Council President LaRotonda: In regard to New York Ave., acknowledged the budgeted \$800,000 from last year. Expected to receive a total of around \$888,000 for the American Rescue Funds. Asked whether the City had received the remaining \$461,000.

J. Thompson: Confirmed. Explained that, because it's not a recurring revenue, took a lot of items from last year's Capital budget and chose not to borrow for them, paying for them directly out of the budget, using up a portion of the American Rescue Funds. Expecting another portion of American Rescue Funds to come in as revenue, however, does not recommend using them to pay for regular operating expenses. Instead, she plans to use those funds to cover Capital infrastructure expenses. Suggested that the City does a lot of proactive projects compared to other municipalities, while keeping it affordable. Continued to elaborate on the Capital Budget Plan, which includes the Road Program and the Shore Road Project, but does not include any additional money for the New York Subdivision Project.

Councilman DeRose: Asked, hypothetically, if the New York Ave. Subdivision Project was delayed/cancelled, does the \$800,000 have a time limit on when it may be spent.

J. Thompson: Informed him the money may be reallocated elsewhere.

E. Dennis: Capital is a contingency budget.

J. Thompson: Reiterated that no additional funds for the New York Ave. Subdivision are included in the Plan. Reminded Council that for Capital items, the City is only required to raise 5% of the item cost in the Capital Improvement Fund, as the remaining cost may be borrowed. Suggests maybe putting the 5% in for the New York Ave. Subdivision just to be safe. Did not need to include money for Streetscape, but included money for Crestview Ave., baseball barrier, televising of sewer system, and additional engineering studies. Did not include money in the Plan for Faunce Landing nor Turner Cove.

Council President LaRotonda: Referred to the \$75,000 budgeted for Turner Cover. Asked E. Dennis if that money could be used for even just a water line.

E. Dennis: Indicated that was a possibility.

Councilman Light: If Item #10 (Heritage Park Bathroom Building) is not supported due to costs and such, strongly encourages an alternative so that the building is handicap accessible through the back (e.g. handicap ramp).

Councilman DeRose: Suggested getting handicap portable toilets, in addition to regular portable toilets.

Council President LaRotonda: Asked if E. Dennis was considering installing modular restrooms. E. Dennis: Shared that even modular would be a costly endeavor because the cost extends beyond just the actual building.

Councilman Light: Spoke with Pete Higbee about increasing Concert in the Park band fees, as well as possibly bringing in higher-end portable toilet trailers for Concert in the Park season.

E. Dennis: Indicated that if utilities were put in Heritage Park, a pad could be set up for a seasonal restroom.

Council President LaRotonda: Emphasized the need for water access in the Concession Stand, as it is used by a variety of organizations.

2023 BUDGET – J. Thompson

J. Thompson: In her presentation information from the 2022 Budget is included for comparison purposes with the 2023 Budget numbers. For Admin O/E: Additional money is included in case there is a need for a study, additional professional services, etc.

Council DeRose: Questioned why, although 2022 operating costs were only \$17,000, the account is being budgeted for about \$30,000.

J. Thompson: Suggested that there are limited places to budget extra money as a placeholder in case there are unexpected costs throughout the year. This extra money is not restricted to specifically Administrative matters only. At the end of the year, if it hasn't been used, may be relocated to another budget account.

Councilman Marrone: Encouraged meeting in the middle by reducing that budget by \$5,000, so that the account is still budgeted for well over what was spent in 2022, but not so high.

Council President LaRotonda: Questioned the 2021 Admin O/E budget.

J. Thompson: Did not have that information with her at the time. Emphasized the general purpose of the extra money and the unexpected nature of things. Cautioned new Councilmembers that unanticipated costs emerge and it's best to have money saved for those circumstances.

Council President LaRotonda: Acknowledged his understanding, but indicated the amount of extra safety money in the budget was a bit excessive and could be reduced without any significant risk.

J. Thompson: Suggested they return to that discussion later. Next, described the All Dept. Budget" which includes postage, maintenance contract (copiers, software, etc.), etc. Price increases resulted in the budget increase.

Councilman DeRose: Pointed out that the budget increase is higher than the rate of inflation.

J. Thompson: Inflation was not the only factor in all the price increases. Also increased the Mayor and Council Budget, due to Atlantic County membership cost increases. Did not change the Clerk Budget. Has discouraged Dept. Heads from overestimating their costs just so that they have extra money to spend, so most budgets are remaining flat, as they have been. The Election Budget has increased, but the City has no control over that (billed by the County). The Planning Budget has remained the same, but the Audit Budget has increased by \$1,500.

Council President LaRotonda: Asked how the Finance Budget has changed as a result of the new hire.

J. Thompson: Indicated that she placed salaries in a different line. Previously discussed making market adjustments to salaries. In the 2022 Budget for Police Salaries, there were several positions that involved special considerations for uncertain circumstances, so had to overbudget in case

salary payments were required for all positions for the entire year, which did not end up being the case. Instead, several replacements were hired at much lower rates. There is a good difference between the 2022 and 2023 total Police Salary budget. So, combined all City-paid salaries in the overall budget, and netted it with the decrease in Police Salary budget decrease, marking the total adjustment, which shows an overall decrease in net salary costs from 2022 to 2023. So even with the new FT finance hire, Union increases, and a new FT position in the Tax Office to be discussed later, the Salary Budget will actually be less than in 2022. Informed Council that the PT employee in the Tax Office resigned and proposed to replace the PT position with a FT position, but with a lower salary than that of the new FT Financial Assist/HR Officer. Requests approval for that position.

Council President LaRotonda: Asks for clarification in how salary has been adjusted. Questioned why it's not separated by department.

J. Thompson: Claimed that she would clarify department separations at a later time, because the ultimate plan has not been determined. Suggested returning to that matter at a later time.

Council President LaRotonda: Asked how the Council was to review individual City positions.

J. Thompson: Urged for the matter to be addressed soon, but to first establish the FT position in the Tax Office so that they may advertise and fill their vacancy.

Council President LaRotonda: Established his opinion that the position should remain PT.

J. Thompson: Did not want to set specific numbers for departmental salaries, without discussing the Tax Office position first. The plan formulated in her mind, but was not put on the Budget Plan has considered all the possible action the City might take within the 2023 year. Has already incorporated the FT Tax position she is currently proposing into the salary budget being presented. This Salary Budget is feasible even with a flat tax. Suggested continuing on with discussions about departmental budgets. Infotech budget operations need to increase due to contract increases. The Shared Dispatch Budget consists of an already existing contract. In regard to the 2022 Legal Budget, about \$40,000 needed to be transferred in. So, there is an increase for the 2023 Legal Budget. Does not suggest that the City Solicitor overbills, but pointed out how their services are increasingly more required for a variety of reasons (e.g. OPRA Requests). There are budget increases for Insurances (Health Insurance \$98,000).

Councilman DeRose: In reference to the Planning Board O/E, not even half of its 2022 Budget was spent, so questioned why the budget remained flat.

J. Thompson: Reluctant to decrease the budget only to end up not having enough money to operate throughout the year.

Councilman DeRose: Reminded J. Thompson that they were told to tighten their budgets.

J. Thompson: Reiterated that there is no harm in establishing some room for comfort. Pointed out that even when there is extra money at the end of the year, the City departments do not simply spend the remaining money just because they have it, and rather, it goes into the next year's fund balance. Suggested that the only Department that spends a lot of money in December is the Fire Dept.

Councilman DeRose: Has experience working with budgets, so it stands out to him to see a budget account in which over 50% is not expected to be used.

J. Thompson: Reiterated the need for money in the case of unexpected costs. Returned to the discussion about insurance. Mentioned that she included percentage portions of health insurance, salaries, pensions, and other items to the Sewer Budget. The 2023 Police Budget decreased from its 2022 budget due to nonrecurring expenses incurred (e.g. Sergeants Test, Professional Services, etc.).

Councilman Light: Asked how long Chief Laughlin has been the Fire Dept. liaison.

Council President LaRotonda: Two years.

Councilman Light: Asked if Chief Laughlin has been properly compensated for that additional responsibility.

J. Thompson: Informed he has not been provided additional compensation for that duty.

Council President LaRotonda: Indicated it's a valid point that should be addressed in his upcoming contract renegotiation.

J. Thompson: Stated that the Ambulance Squad Budget includes the additional \$10,000. The Fire Dept. is kept at \$70,000. The Fire Hydrant Budget increased. The Prosecutor and Public Works budget is remaining flat.

Council President LaRotonda: Asked about the Seasonal Public Works Position that has yet to be filled.

J. Thompson: The Budget includes an extra \$20,000 in case the position is filled (was not used last year). Public Workers rarely receive OT pay (unless snowstorm).

Council President LaRotonda: In regard to the Vehicle Maintenance Budget, pointed out that because they were acquiring three new vehicles, maintenance spending should be expected to decrease. Suggested decreasing the budget.

J. Thompson: Other vehicles will still require maintenance, and the vehicle maintenance contract price has increased. Vehicle maintenance also covers Fire Dept. and Public Works Dept. equipment. Continued on to discuss a \$2,000 increase in the Recreation Budget, so that they may pay the Concert in the Park bands a little bit more than usual (\$1,000). The LOSAP Budget decreased a little bit. Reminded Council that the LOSAP payments are always one year behind. Compensated Absences money is held in a Trust Fund specifically dedicated for when a Police Officer retires and is owed money for PTO. There are caps regarding how time may be accrued and therefore how much money each officer may receive. Not expecting many payouts any time soon, so did not think more funding needed to be provided to the Account this year. Reiterated how total net salaries have decreased from 2022.

Councilman DeRose: Expressed confusion about how the salaries have been placed in the budget. Requested clarification about why all the salaried paid by the City were being placed in the Police Salary Budget.

J. Thompson: Did not want to separate salaries by department, claiming that there was no plan for her to base salaries on. Indicated that some departments would have minor increases and other departments would have decreases, so overall the 2023 net Salary Budget would be a decrease (even with new FT finance and police hires).

Councilman DeRose: Pointed out that Union salaries haven't even been negotiated yet this year.

J. Thompson: Wanted to have further discussion before separating salaries by departments.

Council President LaRotonda: Asked when the next Finance Meeting was.

J. Thompson: Next Thursday. Suggesting having a separate meeting for salary decisions.

Councilman DeRose: Agreed, criticizing how discussion went with the last FT hire. Future discussions regarding employee matters, such as salary, should entail written documentation with all involved stating their positions and signing their names.

Council President LaRotonda: Agreed.

Councilman DeRose: Asked, out of the \$35,000 decrease in calculation, how much is each employee salary increased by.

J. Thompson: Warned that all three union contract renegotiations were planned for this year, and according to Bill Blaney, salary increases are currently 3-5%, but that the City could do market adjustments beyond that. Indicated that it was not always best to do higher percentages, as that could hurt their PBA negotiation. So, used 3% in her calculations to get to her total estimation.

Mayor Horton: Suggested looking at individual qualifications.

J. Thompson: Agreed, elaborating the importance of also considering positions, length of service, etc. Discouraged getting salaries on just a blanket percentage.

Councilman DeRose: Expressed the need for further clarification, but acknowledged that discussion should be at a different time in another meeting.

J. Thompson: Supported having further discussion another time. But emphasized that her salary net is an accurate depiction. Mentioned possibly decreasing the IT salary (also portioned in the Sewer Budget). The Police Salary Budget is more or less acting as a placeholder.

Council President LaRotonda: Mentioned negative employee sentiment resulting from recent decisions by the City regarding employment.

Councilman DeRose: Established that he, Councilwomen Cain and Howell, and J. Thompson, ought to meet at 4PM to discuss the matter, and the rest of Council join them at 5:30PM for the Finance Meeting to go over things together before the official Meeting.

All in agreement that Councilmembers DeRose, Cain, and Howell, and J. Thompson will meet on Thursday at 4pm to discuss salaries, and then the remaining Councilmembers are welcome to join them at the 5:30pm Finance Meeting to go over their conversation.

J. Thompson: Explaining the Budget Plan. The Electricity Budget, Water Budget, and Gasoline Budget have all increased.

Council President LaRotonda: In regard to Tipping Fees, is aware that other municipalities are looking at pricing for outside trash pickup as a result of the excessive price increases inflicted by the ACUA. Questioned if that is an option for the City to consider.

J. Thompson: Unsure of the City's ability to look elsewhere for that service due to their contract with ACUA.

Council President LaRotonda: Questioned when the contract ends.

J. Thompson: It was recently renewed, so 5 years. Included information provided by the ACUA within their budget packets. Tipping includes trash and yard waste collection, actual tipping fee, and the cost of the new recycling containers. Recycling costs are separate.

J. Thompson: Discussed increases in the Pension Budget (also portioned into the Sewer Budget). Grants secured are identified (accumulated value of \$856,000). Addressed Capital Fund and the Capital Improvement Fund. Broke down items mentioned previously with regard to Engineering and Public Safety. Reminded Council that the Capital money is a contingency budget and may be reallocated if needed (money does not expire). In regard to COVID money (\$461,920), as previously mentioned, it has been earmarked for Capital. For Police Vehicles, budgeted \$170,000 (included anticipated profit from vehicle re-sell).

Councilman DeRose: Asked about extra money in the Engineering Budget.

J. Thompson: Explained extra money is designated for studies. Although studies are nonrecurring, they are not considered Capital. Expressed, again, her preference to have extra money available in case unexpected issues emerge. Briefly went over the Fire Dept. budget items included. Addressed the Debt Service. That budget increased to \$150,000 as a result of increased interest rates. Lastly, the Reserve for Uncollected Taxes is required because even if taxes are unpaid, the City is still required to pay the County and the State. Generally remains flat, but decreasing this budget a bit. The improvements in the New Jersey redevelopment area have resulted in more revenue for the

City. The tax breakdown is as follows: 52% School, 17% County, 31% City. As more business development occurs, the City will receive more recurring revenue (especially when cannabis-related operations begin).

Councilman DeRose: Asked City policy in regard to their Reserve Fund.

J. Thompson: Try to keep their Reserve Fund at 50%. Moved on to discuss the 10-year glimpse into their Fund balance. Balance has increased over the years; however, their spending has increased as well. Determined a balance of \$1.75million, which is a little more than last year. Pointed out that taxes now are 1/2 a cent less than they were 10 years ago, but also that the City has been able to get so much accomplished during that time. While City debt has increased, our credit remains good.

Councilman DeRose: Questioned what was the cause of a 50% increase of debt from 2018 to 2019.

E. Dennis: The new firehouse.

J. Thompson: The intention is that, while paying off City debt, revenue from New Jersey Ave. will offset the debt service increases. Anticipates that the whole project will be built out, hopefully enabling eventual profit.

J. Thompson: Provided a detailed tax breakdown to illustrate that Absecon's average tax bill is actually very reasonable in relation to other municipalities throughout the County. Gives good perspective in how to judge the City's efforts to provide affordable services.

Councilman DeRose: Thanked J. Thompson for all her time and hard work in compiling and explaining this information.

J. Thompson: Intentional with the details she chose to spend time on. Understands the importance of saving money and keeping taxes low. Goal is to offer efficient yet affordable services. Continue to use creative means in order to bring in revenue.

ADJOURNMENT

Motioned to adjourn: Councilman Light; Seconded: Councilman DeRose
All in Favor, None Opposed.

Respectfully submitted,



Carie A. Crone, City Clerk

Approved: 4-6-23