

BUDGET WORKSHOP
MEETING MINUTES
January 23, 2018

A budget workshop meeting of the Mayor and Council of the Borough of Bradley Beach was held in the Meeting Room, 701 Main Street, Bradley Beach, New Jersey on the above date.

CALL TO ORDER

Mayor Gary Englestad opened the meeting with a salute to the flag.

Sunshine Law

The meeting has been noticed publicly according to the Open Public Meetings Act requirement for the “Annual Notice”, and posted on the official bulletin board.

ROLL CALL 6:35 pm

Present: Council: Weber, Bonnell, Cotler
Mayor Engelstad
Borough Attorney Michael DuPont
Borough Clerk/Administrator, Kelly Barrett
Chief Financial Officer, Gail Krzyzczuk
Deputy Municipal Clerk, Erica Kostyz

Mayor Engelstad began the Budget Workshop Session by requesting Ms. Krzyzczuk, Chief Financial Officer walk us through the 2018 proposed sewer budget.

Ms. Krzyzczuk stated, this is a preliminary review of the sewer budget as the borough is waiting for final expenditure figures. She continued by providing an overview of the line items that had increased or decreased from the 2017 budget:

677- Business Administrator line reduced by \$16,856. (Savings from combing the Municipal Clerk and Administrator into one position)

683- CDL Drivers line reduced by \$11,000. (Replaced one employee for two lower paid employees)

690 – Uncompensated Absences line increased by \$5,000. (Preparing for employees close to retirement)

691- Foreman- line decreased by \$2,100. (Position not filled for 2018)

747 – Service Agreement with Township of Neptune Sewer Authority estimated figure of \$781,778. (Awaiting final figure from TNSA)

759- Sewer Infrastructure Upgrades line zero versus \$114K in 2017 budget as a result of scheduled sewer improvements (NJEIT).

Ms. Krzyzczuk continued that the sewer budget surplus was \$700K in 2017 and will not have a firm number of 2018 surplus until all final figures are in, but anticipates a surplus very close to 2017 figures

A discussion ensued regarding the sewer budget and surplus: Councilman Bonnell estimated the surplus to be 40% of the sewer budget. Councilman Cotler stated that it is closer to 10-15% as you compare the difference from the prior year to the current year to obtain the correct surplus amount. He continued, the importance of the surplus is to cover the borough for needed sewer

improvements and surplus allows the borough to have money available without having to depend on loans. In reference to the I & I report the sewer rehab project should reduce our flow rates but it is wise to maintain our rates where they currently are. Councilman Bonnell stated that our sewer rates are 30% higher than towns similar to Bradley Beach and we should consider reducing the salary percentages out of the sewer budget. Mayor Engelstad stated standard practice allows for salary percentages in the sewer budget and pointed out that when salary percentages are reduced in the sewer budget will have to be made up in the current fund budget. Councilman Bonnell responded that there is a large savings in the current fund resulting from in house trash collection.

Ms. Krzyzczuk stated that 25% of the fifteen employee salaries are listed in the sewer budget with the following exceptions: the assistance sewer collector's annual stipend of \$1,250. The Sewer Collector and Sewer Operator C-2 is 100 % of the salary. A total reduction of \$23,000. In the sewer budget salary line items from 2017 to 2018. This reduction includes the contractual 2% increase and step increases and allowing for a yet to be hired additional CDL Laborer.

Mayor Engelstad questioned the Borough Engineer on the impact on the sewer budget with change orders in the sewer rehab project. Mr. Freda, Borough Engineer responded that a buffer had been built into the specifications to accommodate for change orders. Councilman Bonnell requested an update on the project after 25-30% completion. Mr. Freda responded that he would provide an update but it may be closer to 50% complete.

PUBLIC COMMENT

Thomas Coan, 612 Third Avenue, questioned if the CDL Laborer position previously mentioned is currently filled. Ms. Krzyzczuk responded, No that line is for a future hire. Mr. Coan commented that according to his calculations there was not a large savings in the sewer budget.

A resident questioned line 715 Sewer Plant Maintenance (\$14,500.) and line 736 Maintenance Contract Sewer Plant (\$10,000.) "What was the difference in the line items"? Ms. Krzyzczuk responded that 736 represented a previous maintenance contract with Rapid Pump a company overseeing the sewer maintenance. 715 allows for needed Sewer Plant upgrades. Councilman Weber questioned if we are able to remove one of the lines.

Ms. Krzyzczuk stated that the next Budget Workshop will be for the Beach Budget scheduled for February 13, 2018.

ON MOTION by Engelstad/Bonnell moved to adjourn

ADJOURN 7:00 PM

KELLY BARRETT
Municipal Clerk