

## BUDGET WORKSHOP MEETING MINUTES

February 26, 2019 at 6:30 pm

A regular 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 Engelstad 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 6:30 pm**

Present: Council: Weber, Goldfarb, Bonnell (via phone) Cotler (arrived at 6:40 pm)  
Mayor Engelstad  
Acting Borough Attorney Greg Pasquale  
Gerard Stankewicz, Borough Auditor  
Municipal Clerk/Administrator Kelly Barrett  
Gail Krzyzczuk, Chief Financial Officer/Tax Collector  
Erica Kostyz, Deputy Municipal Clerk

Mayor Engelstad began the Budget Workshop discussion and referred to the draft budget work sheets provided by the Chief Financial Officer. He requested an explanation from Ms. Krzyzczuk on various line items, "2019 Recommended Appropriations" which reflect an increase from the "2018 Actual" and various decreases in anticipated revenues for 2019. Ms. Krzyzczuk stated that the majority of the 2019 Recommended Appropriation mentioned were contractual obligations and state dictated funding. The remaining line item appropriation figures were requested by department heads for 2019 operations. She continued that reduction in anticipated revenues lines related to was 2018 tax receivables, building permit fees and monies not received (Grants).

Councilman Weber questioned the difference in the fire truck payment from 2017 versus 2018 and how the maintenance of trees, line item is utilized?

Ms. Krzyzczuk responded that the fire truck was paid off in early 2018 so the sheet reflects three payments in 2018. The maintenance of trees is utilized for tree trimming, etc.

A conversation ensued regarding appropriations, actuals and surplus. Mayor Engelstad stated that the majority of increases were out of the borough's control based on contractual agreements and state dictated funding. He continued that the utilization of surplus to balance the budgets is common practice for municipalities. He provided a list of municipalities which used surplus last year to balance their budgets. In 2018 the surplus utilized was 11% of the total Bradley Beach budget. He commented our debt limit is low compared to neighboring municipalities.

Councilman Weber commented that there is a \$300K difference in 2018 actuals and 2019 appropriations and questioned if this is normal.

Mr. Stankewicz responded that the 2019 appropriations is not unreasonable.

Councilman Cotler expressed concerns regarding the significant increase in the Borough Attorney salary line. He stated that this increase will set a salary precedent for future Borough Attorneys. He recommended that a base salary be established and an allowance for billable hours.

Ms. Barrett stated that the Borough Attorney has dedicated numerous hours to address past errors, etc. A base salary with billable hours was discussed, however, the borough would still be required to budget for a base salary with billable hours resulting in even more significant increase in the line item.

#### **PUBLIC COMMENT**

Heidi Modjeski, 614 Newark Avenue, questioned the decrease in anticipated concession revenues.

Mayor Engelstad stated that the Newark Avenue Food Truck concession contract was not renewed, therefore a revenue figure was not included but we are currently in negotiations for the concession.

George Goldberg, 218 Evergreen Avenue, requested clarification regarding revenues and expenditures.

Mt. Stankewicz explained that the draft budget worksheets did not include all revenues, surplus and 2019 tax receivable. The sheets will be adjusted in the next few days to include all figures.

Thomas Copan, 612 Third Avenue, expressed concerns regarding the beach budget and if tax payers would be on the hook if anticipated revenues were not reached in 2019. He suggested charging more for the beach fees and to set the fees after the budget finalized. He continued that the actuals versus anticipated revenue on the budget worksheets are confusing. He recommended using less surplus to balance the budget.

Al Gubitosi, 605 Fourth Avenue expressed concerns regarding the exorbitant amount of total surplus in the three budgets (current, sewer and beach). He continued that he was concerned about the amount of appropriation reserves being moved back into the surplus.

Councilman Cotler stated that surplus is tax payer's money as it comes from taxes collected. Municipalities historically utilize surplus to balance budgets. The surplus utilized is replenished when revenues exceed the amount anticipated and when departments do not deplete their budgets.

Engelstad/Goldfarb moved to adjourn

ADJOURN 7:45 PM

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KELLY BARRETT RMC, CMR  
Municipal Clerk/Administrator