

Approved 4/19/06

May 16, 2006

Keyport, New Jersey

Minutes of a Special Meeting of the Mayor and Council, held on the above date in the Council Chambers, Municipal Complex, 70 W. Front Street, Keyport, N.J. pursuant to being called by the Mayor and Borough Council. Notice is on file with the Borough Clerk, forwarded to the Asbury Park Press, Courier, Independent, the Newark Star Ledger and Two River Times and posted on the Bulletin Board in accordance with the Open Public Meetings Act, P.L. 1975, Ch. 231.

Mayor Merla called the meeting to order at 6:04 P.M. and read the Sunshine Law Notice.

ROLL CALL

On Roll Call the following were present: Councilmembers Hassmiller, Walling, Wedick, Bergen, Sheridan, Ortman (arrived 6:05 P.M.). Others present: Mr. Antonucci, Borough Administrator (arrived 6:06 P.M.) and Thomas P. Fallon, Chief Financial Officer.

RESOLUTION

1. Resolution No. 167-06, Authorize the Borough Clerk to Read the Budget by Title

WHEREAS, the Borough Clerk heretofore posted a complete copy of the approved Budget in accordance with R.S. 40A:4-8(1a,1b); and

WHEREAS, copies of said Budget were available to each and every person requesting the same during the week prior to this Hearing and at the time of this Hearing; and

WHEREAS, a Budget Summary was advertised in the Courier on April 13, 2006, said Budget Summary was published in accordance with N.J.S.A. 40A:4-6.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Keyport that the Budget, as advertised, posted and distributed, be read at the Public Hearing by Title.

Offered for adoption by Mr. Wedick, second by Mr. Sheridan

Roll Call Vote: Ayes: Councilmembers Hassmiller, Walling, Wedick, Bergen, Sheridan, Ortman

Nays: None

Abstain: None

Absent: None

2006 BUDGET

Mr. Fallon said the Introduction was done on March 28th. The Budget is \$7,980,000.00 which is up from \$7,285,000.00. There will be a \$.24 increase on the tax rate. The Borough has applied for \$750,000.00 in Extraordinary Aid and we will probably hear back in July. We are working from a Temporary Budget.

Mr. Bergen presented a tax bill of his own. He had visual aid to explain the increase in the Budget and described the PBA Arbitration. Pension costs were increased by the State; there was an explanation on how that works (the Borough is billed by the State). There was a new garbage contract at the end of last year; we are looking into options. Insurance costs are increasing, but not as much as it could have. The legal Budget has been increased for this year; Century Land Group (# of units at the Aeromarine) hopes to access the Aeromarine, the new Municipal Building litigation (we may get reimbursement through this case) and Magic Touch vs. Keyport (last part of the case is being litigated).

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Offered for adoption by Mr. Wedick, second by Mr. Sheridan

Roll Call Vote: Ayes: Councilmembers Hassmiller, Walling, Wedick,
Bergen, Sheridan, Ortman

Nays: None
Abstain: None
Absent: None

2006 BUDGET

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Aeromarine project; it doesn't matter how many units come in, it would be expensive. Mr. Bergen said a redevelopment plan is involved with zoning requirements. Mayor Merla said Council cannot control what goes on; the project must go through State regulations. Mr. Burlew said the Planning Board was involved and Council should stay out! Mr. Bergen said the buildings we have now are less ratables.

Chief Theodore Gajewski, Jackson Street, asked when the revaluation would take place. Mr. Bergen said tax maps need to be revised; the revaluation will take place in 2008. Chief Gajewski asked if the assessment goes up will the rate go down? Yes. Chief Gajewski asked if the same applied to houses for sale. They can't reassess a house. Mayor Merla said it would only be for new construction. The last revaluation was in 1990.

John Kennedy said he reviewed the 2006 Budget and the Debt Statements and there is room in the Budget. The collection should be 98% and the Borough should stop bonding! The Capital Improvement Fund should be taken out of the Budget. The projects need to be permanently financed. Mr. Bergen said Mr. Kennedy is misleading the public. Mr. Kennedy said more people are moving into the town and the Governing body is talking about laying off Police Officers. The Borough is \$3.7 Million in debt. Mr. Bergen asked Mr. Kennedy what projects should be canceled. Mr. Burlew asked if we pay back the Grants; no. Mr. Bergen said Mayor and Council made the decision and the projects have been done. Mr. Fallon said the Borough borrows on a temporary basis and cancels what is not needed. Mr. Kennedy asked if there were any layoffs this year? Mr. Bergen said the Borough pays higher salaries for more experienced Personnel. The Offices are being operated with less Personnel.

Mike Lane, First Street, said this is a tough issue and a crisis situation for the Borough; we need a process change. He suggested every Council Meeting be started with discussion on Capital projects and the Budget (The Capital Project and Budget should be the first 20 minutes of each meeting and a half hour each month on the Budget). There are many possibilities for State Aid and they are not done. Some time should also be spent on the Pool Fills, Bingos, and Raffles. Terry Park was never discussed. Council shouldn't focus on the hold ups on projects. Mr. Lane suggested citizens be involved in projects. Mr. Bergen said there is a project delay with the Bulkhead and he had spoken with the Army Corps of Engineers on a proposal. Mr. Lane said the Bulkhead should be completed and projects should be attacked. The Department of Public Works bond is just sitting there (\$850,000). There should be a list of all Capital Projects and block them out each month; the agenda should be changed to reflect this. If the Borough is not moving forward, then it is just smoke and mirrors. Mr. Bergen said Mayor and Council work on a daily basis on the Budget, follow projects daily and work as a Council. The Annual Audit shows the status of the projects. Mayor Merla said Bond Ordinances are to qualify for the funding through State and Federal Government. Mr. Bergen said a better system should be put in place; each day there is progress. Mr. Lane said he has reviewed the Ordinances and asked questions. The Bulkhead will cost another \$1 Million.

Fran Tango, 132 Washington Street, has been a resident for twenty years. Mrs. Tango said Council is naïve and not financially savvy. Mrs. Tango said she attended Council meetings for the last month due to rumors in the town and was encouraged to attend this meeting at the last meeting to hear about the budget. Everything is technical which creates halts. She said she does not want to move; Keyport has good schools and a good Police Department. The

Keyport Police Department responds in two minutes and has saved her family members (husband and daughter). Budget cuts should be looked at administratively because some salaries were doubled from last year for the same position. The Police Department is needed and other cuts could provide for the Officers. Our children need to feel safe here. Mrs. Tango asked Council to consider what she has said. Mr. Bergen said we have a better Administrator and interlocals have been entered into. Mrs. Tango said everything becomes so big and overwhelming. The Bulkhead has been discussed for years; politics and issues get in the way. Mrs. Tango said she can't imagine all the work that goes into being on the Governing Body.

Sam Minor asked Council to cut fat on the School Budget. There is a Special Meeting on May 18th to discuss this matter.

Jack Jeandron, 80 Main Street, said Capital Improvements cost money whether there is a Grant or not. The Gazebo was not needed. With regard to the Municipal Complex, furnishings were purchased when they didn't have to be. There is old furniture in the old Borough Hall. The Borough did not need to spend \$1 million; it was irresponsible and will be reflected on the 2006 Budget. Mr. Jeandron asked if this was necessary when doing a project to spend what we don't have. Mayor Merla said the Borough took what it could for this building and not everything is new. The items in the old Borough Hall are being auctioned off. We worked with less in the old Borough Hall; we used a lot of donated items. The Keyport Police Department and others brought things with them. Mr. Bergen said the Governing Body listened to everyone. The Gazebo cost is shared with the KBA; we need to make a change to enjoy.

Angel Matos, Chandler Avenue, said the Police Chief asked if we are in the middle of the reassessment. Mayor Merla said Monmouth County gave a one year extension. It was asked if the Borough spoke with other communities to share revaluation costs. Mr. Bergen said the tax maps need to be updated and sent to the County for review. Mr. Matos said he is concerned about revaluation and how it would affect the Borough. Mr. Bergen said it will affect us in the 2008 tax year. Mr. Matos said less money is coming in and expenses have increased and if the revenue is down then the expenses go down. There is a lot in Mayor and Council's control. If the Borough runs the Budget like a household, the expenses won't be as much. Mr. Bergen said cuts have been made and the next step is layoffs or we will have to live with a 24 cent increase.

Artie Bambrich, Broadway, said crime rate is down and the Police Department personnel shouldn't be cut. The young and old are vulnerable and no one will move to Keyport; don't cut the Keyport Police Department.

Glenn Eastmond, Atlantic Street, said he is on a fixed income; his house is up for sale and can't sell it because of the negativity. Revaluation should have been done five years ago and everyone is paying for the deals that were made.

Joanne Staeger, Main Street, said there is no time limit on this meeting it should have been at 7:00 P.M. and not at 6:00 P.M. Mr. Wedick said he missed Saturday's meeting and asked if he could have the minutes.

Bob Ludwig, Beers Street, asked about the memorialization of the Extraordinary Aid Plan; Mr. Bergen read the plan. Mr. Ludwig said the wording in the Application should be changed.

Michelle Rivera, Main Street, said she moved here 11 years ago for a better life; she met the Police Department first. The

Administrator's salary should be cut, not the Police. The town needs protection.

Jennifer Henning, Main Street, said she was here to learn about the Budget. She asked if there have been studies on increases in population and Police presence. She asked how much fire protection there is and how many firehouses we have. She asked if there were any studies on this matter. Mr. Wedick said the statement is firm in the Aid Application. On March 25th there were minutes on a Special Budget meeting; there was a sentiment for points in the Application. Mr. Wedick said he couldn't attend the meeting. Mr. Bergen said discussions took place in Closed Session.

Raymond Lee, Division Street, commented on the Keyport Police Department. He said he was employed in the department for 27 years. He is upset by the newspaper articles and this matter. Mr. Lee said John Dayback retired as Police Captain and asked why Thomas Mitchell has not been promoted. He said Mayor Merla has 20 years of public service and comments have been made at meetings. Mayor Merla said he was not on Council when the Director was appointed. Mr. Lee said not to blame the Keyport Police Department for the problems; Lieutenant Mitchell does a great job and should be promoted. Mr. Wedick said he asked for the test to be waived. Mr. Bergen said a promotion could be made and a waiver requested. A motion was made to promote Thomas Mitchell provisionally as Captain by Mr. Wedick, seconded by Mr. Walling. Mr. Bergen this will be discussed and acted on at 8:00 P.M. Mr. Lee said Council is being intimidated by the Mayor.

Mr. Bergen made a motion to table Mr. Wedick's motion for another time, seconded by Mr. Ortman.

Roll Call Vote: Ayes: Councilmembers Hassmiller, Bergen, Sheridan
Ortman

Nays: Councilmembers Walling and Wedick

Abstain: None

Absent: None

ADJOURNMENT

Motion to Adjourn the meeting by Mr. Sheridan, second by Mr. Ortman with Ayes by all present.

Time of Adjournment: 7:44 P.M.

Respectfully submitted,

Allyson M. Cinquegrana, RMC
Borough Clerk

