

BOROUGH OF BRADLEY BEACH

BUDGET WORKSHOP MEETING MINUTES

MARCH 9, 2021 at 6:30 pm

A Budget Workshop Meeting of the Mayor and Council of the Borough of Bradley Beach was held by means of communication equipment, N.J.S.A. 10:4-8(b), to include streaming services and other online meeting platforms on the above date.

CALL TO ORDER

Mayor Fox 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: Bonnell, Gubitosi, Sexsmith, Weber, Mayor Fox
Borough Administrator, David G. Brown II
Chief Financial Officer, Sandra Rice
Municipal Clerk, Erica Kostyz

Mayor Fox opened the meeting with a presentation of tentative schedules for the 2021 Budget Workshops, the preliminary results, and predicates required to complete the 2021 Budget **(Presentation sheets attached are for reference only)**.

Chief Financial Officer, Sandra Rice, began her presentation with the statement **"this Workshop is not an introduction of the 2021 Beach Budget and meant solely for the purpose of public discussion"**. The overall Beach Utility Surplus at the end of 2020 was approximately \$1.2 million dollars. Ms. Rice stated the Borough was fortunate to have generated revenue in beach badge sales and have good weather as this caused people to visit beaches during the pandemic. Ms. Rice presented a preliminary Budget Worksheet created by herself and the Finance Committee and stated she has reviewed this with the Governing Body prior to this evening's meeting.

Ms. Rice presented PowerPoint sheets for the Beach Utility Account that showed the following:

- Appropriations left over from 2020 (Approximately \$29,000)
- Salary and Wages for Beach Employees for 2021 (an increase of \$100,000 due to the hiring of a Beach Manager and an increase in Minimum Wage for hourly seasonal employees)
- Operating expenses with a plan to lower this amount to \$450,000 which will include some of the smaller items requested by the Strategic Planning Committee.
- Statutory Expenditures (Social Security, Unemployment Insurance, Debt Service).
- Capital Outlay expenses that showed requests made last fall (a Kubota vehicle and Beach Rake).

Ms. Rice stated the Strategic Planning Committee's recommendations (ADA ramps, Horseshoe reconstruction, new playground, etc.) for Beach Improvements total approximately \$600,000.

Ms. Rice stated after previous conversations with the Finance Committee she feels the Borough should use caution in appropriating all of the money for the Strategic Planning Committee's recommendations to avoid spending most of the Beach Surplus in one year without knowing what the revenue will be for 2021 and in order to create a balanced budget, the Borough needs to have revenue to equal the appropriations.

Ms. Rice stated by law the Borough can anticipate up to \$2.4 million dollars in beach revenue, however as the CFO she does not recommend this as there may be unforeseen factors (COVID, the weather, etc.) and to avoid being left with a deficit, recommends deciding on a lower amount everyone is comfortable with.

Mayor Fox stated in previous discussions 1.9 million dollars is a possible amount that may be comfortable to anticipate.

Ms. Rice concurred and continued she is looking to the Governing Body for guidance on the amount and advised all departments for any other beach expenditures that may occur before presenting the introduced amount.

Conversation ensued between the CFO and the Governing Body regarding Revenues, Strategic Planning Committee expenditures, beach badge sales and the surplus. The Governing Body expressed the amounts they would be comfortable with and commended Ms. Rice for keeping the appropriations conservative for 2021.

Ms. Rice reminded the Governing Body appropriations not used can be cancelled at the end of the year.

Public Comment on the Beach Utility Budget Presentation:

Thomas J. Coan, 612 Third Avenue, thanked the Mayor for the workshop & Ms. Rice for the presentation.

Mr. Coan asked Ms. Rice how the surplus amount was figured out.

Ms. Rice explained the surplus amount figures.

Mr. Coan inquired the amount appropriated for the Public Safety.

Ms. Rice explained how salaries are appropriated when coming out of the Beach Operations account.

Nancy Meadow, 805 Beach Avenue, requested Handicapped Ramps.

Mayor Fox stated Handicapped Ramps are a Strategic Planning requests for this year.

Public comments and questions for the Beach Utility Budget Presentation:

Fox/Bonnell moved to adjourn
ADJOURN 7:30 P.M.



Erica Kostyz RMC, CMR
Municipal Clerk

Agenda- 9-March Finance Workshop

- 1) Tentative Overall Schedule-Subject to change/ adjustments**
 - a. Tentative agenda items- 9-March, 23-March**
 - i.13-April, 27- April, 11- May**
 - b. “predicates” required to complete 2021 budget**

- 2) 2020 Preliminary results**
 - a. Current**
 - b. Beach**
 - c. Sewer**

- 3) Beach Budget**
 - a. 3-year trend results**
 - b. Overall Assumptions**
 - i.General**
 - ii. Overall Surplus**
 - iii. Revenue/ Expense- Recommendation**
 - 1. Strategic Plan Team Beachfront included in recommendation above- hold detail schedule**
 - a. Talk to it if necessary**
 - c. Beach badge preliminary assumptions**
 - d. ALL ITEMS REVIEWED SUBJECT TO CHANGE**

#1 Overall Schedule (subject to change basis continuing work)

Today's Workshop

- **Predicates to complete 2021 Budget -AFS possible completion by the end of this week.**
- **2020 Preliminary Results see below**
- **2021 Beach Utility Budget see below**

Overall Schedule:

23-March Workshop

- **Progress on Predicates**
- **Sewer Utility**

13- April Workshop

- **Assumptions- Current Fund**
- **And.....**
- **And.....**

27-April Workshop

- **Final Draft Beach Utility Budget**
- **Final Draft Sewer Utility Budget**
- **Current Fund—**
- **And**

11- May Council Meeting

- **Adoption of 2021 Budget**
- **ALL DATES SUBJECT TO CHANGE**

2021 Budget Predicates:

- Annual Debt Statement submission**
- Supplemental Annual Debt Statement**
- 2019 Audit completion**
**2020 Year-end closing of books (near-completion- adjusting
for 2019 balances)**
- Preliminary Departmental appropriations submitted (work-in-
process)**
- 2020 Annual Financial Statement completed (anticipated
week-1 April)**

#2 -2020 Preliminary results

	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>2019 Actual</u>
<u>Current Fund:</u>			
Revenue-			
Expense-			
Surplus/ (Deficit):	=====	=====	=====

Beach Fund:

Revenue-	\$ 3,143,598.73	\$ 2,012,508.00	\$ 2,087,813.30
Expense-	\$ 1,884,201.42	\$ 2,012,508.00	\$ 1,798,516.57
Surplus/ (Defi)	\$ 212,000.00	\$212,000.00	\$ 168, 164.00

Revenues- \$1.1 million favorable, primarily Beach Badge Sales

Expenses- Salaries & Wages- \$30,000 favorable

Other Expenses- \$96,280 favorable

Sewer Fund:

Revenue-			
Expense-			
Surplus/ (Deficit):	=====	=====	=====

#3 Beach Budget

- a. 3-year trend results
- | | |
|---------------|------------------------------|
| | 2020=\$ 2,452,183.10 |
| badges | 2019= \$ 1,558,917.00 |
| | 2018=\$ 1,410,845.60 |
- b. Overall Assumptions
- i. General
 - ii. Overall Surplus= **\$1,200,000.00**
 - iii. Revenue/ Expense- options -anticipate a lower amount of beach revenue, if we exceed it then it adds to surplus for 2022. use more surplus, use less surplus
 - iv. Strategic Plan Team Beachfront Recommendations
 1. Proposed 2021, deferred to 2022 - for council to decide
- c. Beach badge preliminary assumptions **We have made \$ 710,655.00 so far in seasonal beach badges.**
- d. Items subject to change---**the weather... always a variable for the beach utility**

More Detailed Review showing Budget Sheets