

CITY OF PORT REPUBLIC
6:00 p.m. JANUARY 26, 2021
SPECIAL CITY COUNCIL VIRTUAL (ZOOM) MEETING/BUDGET WORKSHOP

Adequate notice of this meeting was given as required by the Open Public Meetings Act.

COUNCILMEMBERS PRESENT: Steve Allgeyer, Doris Bugdon, Thomas Kurtz, Stanley Kozlowski, Jacob Nass, Donna Riegel

COUNCILMEMBERS ABSENT: Roger Giberson, Jacob Nass

MAYOR: Gary B. Giberson

MUNICIPAL CLERK: Kimberly A. Campellone, RMC

MUNICIPAL AUDITOR: Nancy Sbrolla, CPA, RMA

CHIEF FINANCIAL OFFICER: Jenna Kelly, CMFO

Council President Stanley Kozlowski called the meeting to order and lead the flag salute. This is to advise the general public and to instruct that it be recorded in the minutes, in compliance with Chapter 231 of the Public Laws of 1975, entitled the "Open Public Meetings Act". The Municipal Clerk of the City of Port Republic posted at City Hall, 143 Main Street, Port Republic and mailed and/or faxed to the Atlantic City Press and the Mainland Journal, a meeting notice setting for the time, date and locations of this meeting.

MOTION TO APPROVE JANUARY 2021 BILL LIST

On the motion of Councilmember Bugdon, seconded of Councilmember Allgeyer and carried.

YES: Allgeyer, Bugdon, Kozlowski, Kurtz, Nass, Riegel

NO:

ABSENT: Giberson

ABSTAIN:

MOTION TO PAY ALL SIGNED BILLS

On the motion of Councilmember Allgeyer, seconded of Councilmember Bugdon and carried.

YES: Allgeyer, Bugdon, Kozlowski, Kurtz, Nass, Riegel

NO:

ABSENT: Giberson

ABSTAIN:

BUDGET WORKSHOP

Auditor Sbrolla stated that the budget presented to Council tonight is at a zero percent tax increase.

Councilmember Riegel questioned if a line item was added to the budget for the grant writer. Chief Financial Officer Kelly stated that it had not yet been added and to add it she will need at least an approximate cost. Council agreed to add the line item with an

estimated amount of \$5,000. Auditor Sbrolla added that with this insertion to the budget we will now be at 4/10th of a cent tax increase. A penny for the City is \$11,500. After further discussion, they agreed to hold the line with an amount of \$100, and transfers can be made as necessary as needed.

Chief Financial Officer Kelly stated that we are using a little bit less in our fund balance than we did last yet. We are using \$260,000 instead of \$278,000. Auditor Sbrolla added that the fund balance is going to fall at about \$545,000. In 2020 we used \$278,000 and we brought back in \$237,500. At the end of 2020 we ended at about \$545,000. Court fees and court costs are down everywhere due to COVID. If we use \$260,000, we will have about \$285,000 left and she is comfortable with that. We will make at least most of that back this year like we did last year. CFO Kelly added that the Court revenue was down about \$5,000 from the previous year.

CFO Kelly shared that interest on taxes was also down from the previous year. Interests on investments increased because she had negotiated the interest rate with the bank. As far as we know now the energy receipts tax should remain the same, but we should know more later in February or in March.

Auditor Sbrolla pointed out that the receipts from delinquent taxes went down due to the Tax Collector doing such a good job bringing all the money in.

At this point, the only variable we are dealing with is the school. How the school effects the City's budget is our reserve for uncollected taxes. This is because the school gets all their money. If they do go up to the 22 cents that was discussed, that will hit the City's reserve. As of now, we have factored in an increase for the school of 4.7 cents.

Councilmember Allgeyer stated that if the school's tax increased significantly, that should be put before the public. Auditor Sbrolla explained that if the school goes above the 2% cap, the County will have to approve it first. Thereafter, the Board of School Estimates will have to approve it. This is because we are a Type 1 school district.

Councilmember Allgeyer added that Council needs to look further than just one year ahead with the school's budget issues. He questioned if we know yet how the City could benefit from the marijuana legislation. Council agreed to discuss this further once more information is released.

Councilmember Kozlowski asked Auditor Sbrolla that if there are revenue opportunities for the City and funds were raised in other ways other than increased taxes, how or can that money flow to the school. Auditor Sbrolla answered that we can budget money in our Capital budget, similar to how the City used to purchase technology needs for the school. She does not believe there is a way to directly give it to the school, but she will look further into that. She would feel more comfortable going this route if it is a consistent revenue source versus a one-time revenue (such as a land sale).

Councilmember Bugdon questioned if the school has recently done an evaluation on the costs to join another district, i.e. Galloway Township Schools. She feels that if an evaluation is done and presented to the State showing that it will cost the taxpayers more money to go with another district versus keeping our school, perhaps we may be able to get the funds needed from them. Auditor Sbrolla is unsure of the last time that the evaluation was done, and she will speak with the school to do the evaluation again and find out the last time it was done.

Councilmember Allgeyer would like to look further into the possibility of revenue from the storage of dredging material at the gravel pit as discussed previously. He thinks it would also add value for when the City sells off the property/properties.

Auditor Sbrolla added that the leasing of the gravel pit was how the City was able to fund the building of the new City Hall. This could be done again, and the money could be set aside for capital projects, payoff the ordinance for the truck and put some aside for the possible school project in the future. Mayor Giberson would like to discuss this further at next month's meeting. Council President Kozlowski agreed.

Council President Kozlowski would like to put together a Revenue Committee in the future to start looking into possible revenue possibilities for the City. He would like to start with the Land Use Committee. Council President Kozlowski added that we need to do what we can do to help support our school.

OPEN TO PUBLIC PORTION

On the motion of Councilmember Bugdon, seconded by Councilmember Allgeyer and carried.

CLOSED TO THE FLOOR FOR TOPICS FOR PUBLIC PORTION:

Hearing nothing from the public, Councilmember Allgeyer moved, seconded of Councilmember Bugdon and carried to close the public portion.

ADJOURNMENT

On the motion of Councilmember Allgeyer, seconded of Councilmember Bugdon and carried to adjourn at 6:34 p.m.

Respectfully submitted,

Kimberly A. Campellone RMC
Municipal Clerk