

BUDGET REVIEW COMMITTEE - Continued

and spending for the last 8 years and total compound effect of the last 8 years.

YEAR	TAXATION	SPENDING	RATE OF INFLATION	PERCENTAGE	PERCENTAGE
	% INCREASE	% INCREASE	% INCREASE	TAXATION OVER RATE OF INFLATION	SPENDING OVER RATE OF INFLATION
2003	14.07%	7.75%	2.28%		
2004	3.32%	3.41%	2.66%		
2005	6.75%	7.80%	3.39%		
2006	5.67%	1.60%	3.23%		
2007	7.94%	8.08%	2.85%		
2008	10.53%	7.07%	3.84%		
2009	5.76%	2.24%	-0.36%		
2010	3.14%	2.69%	1.62%		
TOTAL COMPOUNDED	73.01%	48%	21.18%	245%	127%

Taxation and spending have increased dramatically over the last eight years with taxation increasing by 245% over the rate of inflation and spending increasing by 127% over the rate of inflation, exceeding the cost increases that an average working family can absorb.

The following information* reflects the economic and financial environment that Ocean City has found itself in:

- ◆ Ocean City population is 15,035 people.
- ◆ Since 2000, Ocean City has had a population growth of -2.07 percent.
- ◆ The median home cost in Ocean City is \$475,930.
- ◆ Home appreciation the last year has been -6.60 percent.
- ◆ Compared to the rest of the country, Ocean City cost of living is 66.63% higher than the U.S. average.
- ◆ Ocean City public schools spend \$9,503 per student.
- ◆ The average school expenditure in the U. S. is \$6,058.
- ◆ There are about 11 students per teacher in Ocean City.
- ◆ The unemployment rate in Ocean City is 16.10 percent (U.S. avg. is 8.50%).
- ◆ Recent job growth is negative. Ocean City jobs have decreased by 6.20 percent.

*Source: http://www.bestplaces.net/zip-code/Ocean_City-New_Jersey-08226.aspx

This information is a clear indication that the average taxpayer has been severely impacted and is in need of a government that is more willing to be more cost effective and affordable.

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As you can see from the chart below, the process of controlling our budgets can be accomplished by aligning our employee salaries and benefits with the private sector. City workers should not have salaries and benefits that exceed the private sector.

Average Worker (full time)	Total compensation	Salary & wages	Benefits
Private industry*	\$27.42	\$19.41	\$ 8.01
Public workers*	\$39.60	\$26.11	\$13.49
Ocean City employees**	\$59.81	\$39.04	\$20.77

*per Bureau of Labor Statistics <http://www.bls.gov/news.release/ecec.t03.htm>

**calculated from 2009 employee payroll file.

As an example of the imbalance with the private sector, an analysis by Hewitt & Associates, a global human resource consulting company, the amount private employees will be asked to contribute toward their health care premium is twenty-three (23) percent, while under the new state directive our city employees will be contributing an average of seven and one half (7.5) percent of their premium.

Ocean City voters should no longer accept out of control budgets while families are forced to cut back or are losing their homes during this recession. It is now time to chart a new course. Good economic decision making requires our elected officials to enact common sense fiscal solutions.

POLICE & FIRE - Jim Tweed

It was recently reported that pension reform may prompt up to seven (7) retirements from the Ocean City Fire Department. The burden is upon us all to find solutions that will maintain the high level of public safety we enjoy. Chief Foglio and FMBA union rep Brad Wiltshire have alerted us that increased overtime expenditures and rolling closures are the short term solutions that will be applied to this situation. We don't question their judgment on what's needed now. But we do ask: what are our options for the future?

Throwing more tax dollars at the problem only delays finding more creative solutions, and using fear to justify the money is a tactic that should be beneath us. Fortunately, Ocean City is blessed with leaders and public servants who are both reasonable and genuinely care about our community. We use the fact that our public employee unions were the first in this state to agree to make any contributions towards their health care as evidence of this.

We agree with the President of the local Police Union, Tom Finnegan, that savings should be sought by reducing fraudulent injury claims and imposing "one person, one pension" regulations. But that just may not be enough to solve the problem. Asking union members to share more of the burden of their health care costs is not "blaming" rank and file union members for the unsustainable contracts negotiated by their bar

POLICE & FIRE - *Continued*

gaining units in the past. The blame belongs on those in our government who were supposed to be watching out for the long term interests of the taxpayers. The Unions just proved to be better negotiators than past Administrations. Past Councils just went along.

But sixty (\$60) dollars per month for health insurance that includes dental, and vision along with medical is more of a steal than a bargain. Taxpayers who pay hundreds to a couple thousand dollars per month (depending on the level of coverage, deductibles and co-pays) are also bearing the health cost burden of people who are paid enough to bear that burden themselves. If you doubt this just compare our public employee salary levels to other communities in the County.

Public safety employees will argue that their job involves special risks. Yes, just as our military veterans who have for generations put themselves in harm's way for the good of others. Today every one of them is a volunteer. No one forced our police and firemen into public service. For those whose primary motivation is the money and the benefits maybe they should consider a career change to open up opportunities for others who would be willing to take those risks and feel grateful for the pay, not just entitled to it.

EDUCATIONAL REVIEW - *Vic Staniec*

Ocean City School District elections were held on April 20, 2010. Residents elected Raymond Clark and re-elected board members Henry Lloyd Hayes III and Brenda Moiso.

Voters approved a \$40,516,927 budget for the 2010-2011 school year, compared to last year's \$42,144,095 budget. While it might appear that there was decrease in spending, in reality state aid was cut \$1,900,00 and the school district was capped in increasing their spending to four (4) percent over last year's level after the state reductions were taken into consideration. We now receive a total of \$100,000 in state aid. (The School District makes more than that from our bank interest account).

This will result in an increase in the tax rate from 0.1770 cents per \$100 of assessed value to 0.1857 cents per \$100 of assessed value. The 0.9 cent increase represents a 4.0 % tax rise.

In order to balance it's budget, the School District will cut 17.5 positions, all community education programs, all primary and intermediate school trips, some coaches clinics, some staff development, some busing, some after school tutoring, and some clubs. All capital improvements, except for repairing the leak in the auditorium and the voter approved new roof and HVAC system at the Intermediate School, have been canceled. The Superintendent (\$182,000 + \$40,000) and business administrator (\$130,000 + \$15,000) agreed to have their salaries frozen and to contribute to their health insurance plans. The teachers' union has refused to negotiate any give-backs to their three (3) year contract, and still do not contribute to their health insurance plans.

ZONING & PLANNING - *Jim Tweed*

It's been almost two years since the Planning Board started to address issues left by the prior Council when it passed a new Residential Zoning Ordinance in its final days before the newly elected Ward Councilpersons took their seats in July of 2008. Contrary to the Planning Board's recommendation, the Council removed porches and decks from the Floor Area Ration (FAR) calculation which had been intended to prevent the

ZONING & PLANNING - Continued

massing effect of multiple stacked porches. It also doubled the allowed size of secondary building elements and dormers. This was allegedly to give architects “flexibility” to design more attractive buildings. It remains an open question whether that will be the effect, or is just a loophole for more mass.

Following passage of the above ordinance a focus group was formed to propose revisions to the Ordinance with the intent encouraging outdoor porches and while still controlling building mass. The committee included local architects, professionals and community leaders. As of this writing the proposed ordinance has been approved by the Planning Board but has not been acted upon by city Council.

Also on the zoning front a new ordinance which has been working its way through the Planning Board and City Council with the objective of preserving Ocean City’s second downtown on the 34th St. corridor has been stalled. Right now the Sunoco Gas Station, Sturdy Bank, Bank of America and the Bacharach Rehabilitation Center are all nonconforming uses. The current designation of “Neighborhood Business Zone” does not protect them. Before Sunoco closed it had spent a couple hundred thousand dollars trying to get a variance to add a convenience store but was turned down by the Zoning Board. If you want Sunoco or any other gas station to exist there, you don’t encourage that by making it more costly for them. Under current law if the Acme lot were sold it could be subdivided into forty 30 foot residential lots. Some say that won’t happen. Maybe. But how many places do you remember in Ocean City that were once stores, marinas, restaurants, or businesses, that are now condos or duplexes?

Zoning is not supposed to be about advancing anyone’s particular interest. It is supposed to be about planning the future of our community. Yes, businesses are closing now. But it won’t always be that way. Let’s just hope that when they come back, they will have a space to come back to.

MISCELLANEOUS INFORMATION

VOLUNTEERS NEEDED

We have mentioned in our newsletter many times that we need help. Well, we still do. We continue to work very hard and you could be of great assistance to us. We can’t do it all!!! There are many opportunities for your involvement. Attend a school board, planning, zoning and /or a council meeting. Help with our newsletter. Join our Board!! Fact-finding! Get involved. There is a lot going on in the city and YOU are vital to our continued success.

Attend our meetings. We are reviewing our meeting dates to try to find a good time for you! Let us know what time of the day is good for you. Presently, we are scheduled to meet every First Friday in the winter @ 2PM in the Headley Room of the Ocean City Library. Please join us!!!

DUES REMINDER

If you have not already forwarded your dues please send to: Fairness In Taxes, P.O. Box 565, Ocean City NJ 08226. Please help us to continue to provide you with information relative to “YOU” the taxpayers of Ocean City.

PLEASE REMEMBER DUES ARE \$15.

DID YOU KNOW?

We have a website!!! Check us out @ www.fairnessintaxes.com. You can view our newsletters, send us messages or ask us questions, view letters and information that we think you should know about.

You can also contact us by calling 609-398-6411. Leave us a message and we will contact you if necessary.

SURVEY CARDS

Thanks to all of you who returned our survey cards. Members still consider taxes the number one (1) concern. The infrastructure (roads and drainage) have become a close second. We have tabulated the results and have forwarded your opinions to City officials.

FAIRNESS IN TAXES

P.O. Box 565

Ocean City, NJ 08226-0565

FAIRNESS IN TAXES

Is organized for the purpose of serving the taxpayers and residents of Ocean City, NJ as an advisory and fact finding group in areas such as city budget, school board budget, taxes and other related civic activity in the interests of owners of real estate in Ocean City.

Hotline 609 398-6411

Email www.fairnessintaxes.com and select Contact Us.

Please notify us of any address changes

FAIRNESS IN TAXES WEBSITE

www.fairnessintaxes.com
CHECK FOR UPDATED INFORMATION!!

A list of phone numbers of Council Members and the Mayor is as follows: (area code 609)

1st Ward	John Kemenosh	312 North Street	399-6088	jkemenoshocc@aol.com
At-Large	Scott Ping	5415 Haven Avenue	399-0413	Scottping2006@yahoo.com
At-Large	Michael Allegretto	1423 Simpson Avenue	432-8739	Mike@michaelallegretto.com
2nd Ward	Karen Bergman	637 Asbury Avenue	703-7817	karenconnects@msn.com
Mayor	Sal Perillo	8 Brittany Drive	399-0646	sal6767@yahoo.com
At-Large	Keith Hartzell	720 Asbury Avenue	399-5324	keithhartzell@hotmail.com
3rd Ward	Susan Sheppard	39 Spruce Road	425-7710	susansheppardocnj@yahoo.com
4th Ward	Roy Wagner	2824 Wesley Avenue	399-4429	edwinaroyoc@yahoo.com

Regular council meetings are held the 2nd & 4th Thursday of every month @ 7PM in Council Chambers @ City Hall.