

Asbury Park Proposes \$37.4M Budget for '09

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ASBURY PARK -- The City Council on Wednesday night introduced a 2009 municipal budget of \$37.4 million that is expected to require a 9-cent tax rate increase, or about \$76 more a year on a home assessed at \$87,000, the residential average.

The city was able to avert employee cuts by introducing a \$37,461,272 budget that will again receive funding from the state Department of Community Affairs' special municipal aid and will hold the line on employee raises over a two-year period.

The city will use \$1.2 million in a reserve fund that was to pay those salary raises or for positions that the city is leaving open, City Manager Terence Reidy said at Wednesday night's City Council meeting.

"During the last three years, very intentionally, we have not been filling open positions," Reidy said.

For example, when the sewer plant chief operator retired, they filled that job, "but any position we felt we could leave unfilled, we did," Reidy said.

The state reduced the special municipal aid it gave Asbury Park last year from \$12 million to \$10.5 million. But the city can pick up that \$1.5 million by deferring \$1.5 million in pension payments, or half the \$3 million due to the state for the city employees' pensions.

The city must start repaying that \$1.5 million in pension money by 2012, but not all at once. Rather, the payments can be spread over 15 years.

The budget introduction comes as all five council members are running for new four-year terms. As the economy soured, especially last fall, the city's chances of getting significant help from the state as it has in past years dimmed.

But in the end, the state, which works closely with the city on many levels, gave additional funding to Asbury Park, as it also did for other urban centers.

Reidy said the city will be reducing its health benefit costs this year by \$400,000 by switching to a different insurer, and resolutions were passed at the meeting to get that savings going.

The amount to be raised by taxes will go up from \$11,160,000 to \$11,560,000, or a little less than \$400,000, Reidy said. The 2008 municipal tax rate was \$2.60 per \$100 of assessed valuation.

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