

From the President... Continued

through civic groups as well. We need more and more of YOU to come to the plate and bat for the sake of the community, for its future, for its reform.

It is constantly frustrating to have folks in the community JUST point out the problems and ask the few active members what THEY are going to do about the problems. I have taken to reversing the question right back – what are YOU willing to do to help?

We have seen the fading of at least one great civic organization in OC for want of new leadership. And I know from talking to leaders in other organizations or movements, as well as from my own experience in FIT, that the need for active volunteers is our greatest challenge. Yes, I am the “broken record” again – we need YOU, this community needs YOU! And, most of all, YOU WILL make a difference!

Again my friend Kim speaks of those whose “voices aren’t being sufficiently heard or heeded” and “insufficient development of new reform leadership” and I say he is right on the money! The solution? Organizations like Fairness In Taxes can give YOU the vehicle for your voice and insight to be heard and respected, and we can, with other civic groups, provide the foundation for developing new leaders BUT ONLY if YOU give us the opportunity.

Someone has said we get the government we deserve. We demonstrate what we deserve in government by our willingness to sacrifice at least a little for the sake of how the community is governed.

Step up, step out! Contact any one of our Board Members or just call the Hotline and say you want to help. Thanks to Kim Baker for making us think again and thank you for your ongoing support of FIT.

DAVID McGETTIGAN

BUDGET REVIEW COMMITTEE...

	2007	2006	Chg	% of Chg
Local municipal tax:	.465	.444	.021	4.7%
County tax:	.259	.251	.008	3.1%
County open space tax:	.020	.017	.003	17.6%
District school:	.256	.258	(.002)	(.008%)
Totals:	1.00	.97	.03	3%

The Ocean City Municipal Budget for 2007 was adopted at \$56.1 million. This represents an increase of \$3.3 million over the 2006 budget of \$52.9 million. The amount to be raised by taxation in 2007 will be \$38.2 million, an increase of \$2.8 million or a 7.94% increase over the 2006 budget. Ratables for 2007 were \$8,249,356,764, which represents an increase of 3.10 %

This years’ increase is the third (3rd) largest increase in the last thirty (30) year history of the city's budgets. The budgets in 1989 and 2003 followed a re-evaluation of the Ocean City tax base. The city is currently completing a reevaluation (reassessment) of the properties in Ocean City and the reassessment should be completed by October 2007. This reassessment will be the basis for the 2008 budget. If 1989 and 2003 are any indication of how our city budget will be affected you might consider holding onto your wallet, it might be a wild ride in 2008.

BUDGET REVIEW ... Continued

The projected budget for 2008 is \$58.9 million or an increase of 5% over the 2007 budget. The amount to be raised by property taxes was projected to be \$40.9 million. This is a projected increase of \$2.7 million, or an increase of 7% over the 2007 budget. This would mean property taxes will have increased \$5.5 million or 15.5% since 2006 if the 2008 budget is approved as projected.

It actually could get worse and here are a couple of reasons to be very concerned. First, the city is doing a hybrid reval to be finished as of October 1, 2007. It's a hybrid because it is only based on properties that sold in the last 3 years (October 1, 2004 thru October 1, 2007) and residents that the assessors were unable to review during the 2003 reval. If you've been following the real estate markets, subprime and national credit and debt markets, it does not take long to be concerned that your local comparison for reassessment may be that very over priced sale that took place near you in 2005. Yes, very good chance you may receive a reval on your home this time that is not realistic to the current downturn, dead in the water, over inventoried Ocean City market. They don't have to consider these things when putting a value on your property, just the sales that took place within the 3-year period. Given the local government's uncontrolled spending the need to raise taxes is ever present. Don't expect any equitable consideration on you property values.

Besides being concerned about the local taxes and the reassessment, Ocean City taxpayers should also be concerned about the spending and taxes incurred by Cape May County. Ocean City taxpayers continue to fund over twenty-eight percent (28%) of the county's budget including an increase in the Open Space tax. Currently Ocean City's taxpayers contribute over \$1.6 million annually to the Open Space Program.

Additionally, the city has other issues that were not part of the 2008 budget projections done in March. These 2008 Budget topics include:

- Solid Waste & Recycling Collection Services (We maybe going into the business).
- Restructuring Health Benefits.
- Implementation of the Fire Assessment (This was based on 48,000 year round residents when actually there are barely 15,000. The report has lots of bells & whistles, from adding more full time firemen over the current 66 on the job to building 2 new fire houses).
- Regional Dispatch System (This is directly out of the Fire Assessment report. It suggests Ocean City should try to become the Regional Call Center. The report seems not to consider Ocean City is a barrier island nor that this is more of a responsibility of Cape May County).
- An operational study of the Aquatic & Fitness Center is being conducted. (This a study projected to cost about \$12,000 to determine how to stop or reduce the \$204,470 plus loss currently taking place by the city's own numbers).
- Privatization of Lawn Care Services
- Police Assessment (This assessment will be done by an outside consultant, bid yet to be awarded. The Fire assessment cost \$42,000 and based its self on a year round population number that was inflated by 300%. Let's hope the consultant for police assessment works with real numbers).
- Snow Removal Services (The city's trucks are very old and not very pretty. Snow services could turn into outsourcing or buying new trucks).

So, depending on how all of these issues are resolved in the upcoming months, the 2008 budget might be increasing quite a bit from the March projections. Oh, did we say hold onto your wallet? It may be more like your empty wallet. Stay tuned.....

EDUCATION REVIEW COMMITTEE...

This past school year has brought many changes to the Ocean City, NJ, school district: School Board elections were a disappointment as there was no opposition and all candidates who ran were elected.

EDUCATION REVIEW COMMITTEE continued

Lloyd Hayes, a retired teacher and past president of the Ocean City Education Association, and Gregory Donahue, retired principal of the Ocean City Primary School replaced Richard Holahan and David Winslow both of whom chose not to run for re-election to the School Board. Tiffany Prettyman, who is a teacher at Mainland Regional High School replaced Scott Halliday. Mr. Halliday resigned from the board when Mr. Matthew Jamison, his brother-in-law, was appointed as Principal of the High School. The School Board is currently accepting applications to fill a vacancy created when Bart Russell resigned from the School Board.

Joanne Walls transferred to the Primary School as Principal. Steve Terhune was hired as the new Business Manager and Director of Technology replacing Doris Issacs who resigned as Business Manager and Walt Whitaker who resigned as Director of Technology.

The mean average salary for Ocean City teachers still remains the highest in the state of New Jersey despite the buyout, of 31 teachers. Currently the mean average salary for our teachers is \$79,600.00 per year. Prior to the buyout the mean average salary for our teachers was \$84,400. The administration continues to hire new teachers albeit at a lower salary.

The Ocean City teacher contract expires at the end of the 2007-2008 school year. It is the position of the Fairness In Taxes Education Committee that the School Board should not approve raises until our scale is more in line with the rest of the teachers in New Jersey. Our neighboring community of Upper Township, whose students attend Ocean City High School and make up almost 70% of the high school population, has a mean average teach salary of \$56,000.00.

We need your help - school board meetings are held the 3rd and 4th Wednesday of each month. They start at 7:00 PM. If you have a chance, plan to attend, and get a first hand account on how your tax dollars are being spent.

TAXPAYER PROTECTION INITIATIVE...

On August 29, 2007, the Appellate Division of the Superior Court of New Jersey reviewed the appeal by the Committee of Petitioners of Judge Joseph Visalli's November 30, 2006 ruling that the Taxpayer Protection Ordinance was invalid and beyond the power of the City to enact.

If our appeal is successful the opportunity will be open for either City Council, or the voters (should the Council fail to act), to approve the Taxpayer Protection Ordinance. If passed it will do the following:

- ◆ limit future annual increases in City Budgets to the rate of inflation,
- ◆ restrict debt increases to the amount paid off from the base year in which the ordinance is passed, and
- ◆ limit salary & benefit increases of public employees to the rate of inflation. These restrictions could be over-ridden if approved by a majority of the voters.

Fairness In Taxes thanks all of you who made this fight possible by your membership and financial support. Although we are hopeful that our appeal will prevail, we will not surrender our struggle to bring fairness to the taxpayers of this City. Remember General George Washington lost most of his battles before finally winning the war.

FIRE ASSESSMENT...

In 2002, the State of New Jersey's Local Government Budget Review completed a review of all departments of Ocean City. The committee reviewed the fire department and recommended a reorganization of the department and the closing of the 46th Street station during the bulk of the year (winter) and reopening the building during the summer months. They also encouraged the use of volunteer firemen and the outsourcing of the Emergency Medical Services.

FIRE ASSESSMENT continued

In 2006, the current administration called for a review of the Fire Department in response to the retirement of two firemen and City Council's wishes to develop a new model for the Fire Department. Tri Data completed a review of the Ocean City Fire and Rescue Services in March 2007. The assessment was to be used to address policy issues concerning Fire Department personnel and building requirements.

Because of the many flaws and omissions that were found in the Tri Data report we felt compelled to focus on the Tri Data assessment. The following is a summary of facts and omissions that we feel made the assessment by Tri Data useless in developing policy and procedures.

INACCURACIES IN TRI DATA REPORT

POPULATION – The numbers used by Tri Data indicates that Ocean City has a population of 47,903 year round residents. Clearly 47,903 population figure, as stated in the Tri Data report, is an inaccurate number. The 2006 U.S. Census for Ocean City (reference - US Bureau of the Census, Population Division 6/18/07) indicates that we have a year round population figure of 15,124. In assessing or comparing different municipalities with Ocean City, the New Jersey State Department of Community Affairs uses a population figure of 15,330 and the New Jersey State Police uses a population figure of 15,506.

FIRE FIGHTERS STAFFING CALCULATION - In Tri Data's report for Ocean City, a benchmark of 1.5 staffing per thousand population is used as outlined in their national guidelines. This benchmark is used and has been observed in many previous Tri Data organizational assessments.

Using Tri Data's population number of 47,903 and the current staff of sixty-six (66) in the Fire Department, Tri Data indicates that Ocean City has 1.38 firefighters per thousand. Using the **U.S. Census population number of 15,124** and the current staffing in the Fire Department of sixty-six (66) that figure changes to 4.37 firefighters per thousand population. Using Tri Data's guidelines of 1.5 firefighters per thousand population and the correct U.S. Census population number of 15,124, we need approximately **23 firefighters**. ($1.5 \times 15,124$).

Even though the 2006 U.S. Census reports a population of 15,124 we all know that the population of Ocean City fluctuates depending on the season of the year. During the winter months, this number, some say, may be as low as 8,000 to 10,000 people. During the summer months the day-trippers, part time residents and visitors on any given day could increase our population to between 110,000 and 130,000. Given the differences in seasonal population we would expect a policy or a course of action that would be more adaptable or flexible in its organizational structure.

AVERAGE SPEED of an apparatus for a four (4) minute response reach – (Response time: The time that begins when units are en route to the emergency incident and ends when units arrive on the scene.)

Tri Data used 25, 20 and 15 mph as the average speed of a fire apparatus in the Ocean City assessment to determine a four (4) minute response reach.

However, The Insurance Service Office (ISO), in determining the average speed for a fire apparatus, uses a study by the RAND Corporation, which has conducted extensive studies of fire department response times. They concluded that the average speed for a fire apparatus responding with emergency lights and siren is 35mph. That speed considers average terrain, average traffic, weather and slowing down for intersections". "ISO, working with several fire departments, recently conducted its own review of the formula and found the earlier RAND work still valid as a predictive tool". (ISO Mitigation Online is a source for up-to-date information on community efforts to mitigate the risk of losses from fire and natural hazards.)

Using 35mph as an average speed would increase the area of coverage within four (4) minutes response time.

FIRE ASSESSMENT continued...

Missing from the report

Response time – 90% factor

As reported in Tri Data assessment for Louisville KY (November 2005) but not reported in the Ocean City assessment – Response time is one of the most common performance measures used by the fire service because it is understood by citizens, easy to compute, and useful in the evaluation of end results. Since many departments set response time goals as recommended by the *National Fire Protection Association, response times become one of the tools used to determine where to place resources to meet those goals, which then impacts how many resources are needed. Total response time is measured from when an individual calls 911 and stops when emergency personnel arrive at the location of the fire or at the patient's side. Response time can also be broken down into four major segments: call processing/dispatch, turnout, travel, and "vertical" response. Different goals can be set for each component of response time as well as total response time. NFPA 1710 recommends a 5-minute dispatch-to-arrival response time to be met **90 percent of the time** on fire and basic life support (BLS) calls. This 5-minute period includes 1 minute for turnout and 4 minutes for travel.

Further clarification of response time comes from the www.firechief.com. This web site states that "another element of National Fire Protection Association 1710 being taken as an absolute is a four-minute response time. Actually, NFPA 1710 allows 60 seconds for turnout and calls for the first engine company to arrive at a fire-suppression incident in four minutes (240 seconds) and/or eight minutes (480 seconds) for the first full-alarm assignment, 90% of the time. In other words, a department can miss the four-minute mark on occasion, but it must make the eight-minute mark to comply. With turnout time included, fire departments effectively have five-minute and nine-minute response requirements. There's no such "and/or" construction for EMS calls".

As stated above, the new standard of NFPA decreases the response travel time from five (5) minutes to four (4) minutes. This guideline can directly affect the evaluation of a fire department and also have adverse consequences on the costs involved in maintaining buildings, equipment and fire personnel. The 90% factor gives us some latitude in response time and therefore allows us to consider other ways to respond to the needs of our taxpayers. This leads us to our next issue which is fire suppression and the lack of emphasis on Sprinkler Protection.

MORE EMPHASIS NEEDED ON SPRINKLER PROTECTION

The National Fire Protection Association has stated on their web site (www.nfsa.org) that critics of the new NFPA standard questioned the need for a four (4) minute response time to a structure fire where all of the buildings were fully sprinklered. The critics also wanted the option of providing sprinklers for all of the buildings outside of the 4-minute response area from a fire station.

The NFPA Standards Council agreed that the critics' arguments had merit. Rather than place language in the standard directly addressing sprinklers, the Standards Council added a statement of equivalency as follows:

1.3 Equivalency. Nothing in this standard is intended to prohibit the use of systems, methods, or approaches of equivalent or superior performance to those prescribed in this standard. Technical documentation shall be submitted to the Authority Having Jurisdiction to demonstrate equivalency.

With this equivalency statement and technical documentation on the status of sprinklered buildings in a community, a municipal planner can meet the NFPA standard without having to have most of their buildings within four (4) minutes of a fire station. This additional flexibility in the standard can save a community millions of dollars in building and maintenance costs of additional fire stations.

During the testimony on this issue municipal managers from around the country testified that they would rather provide low interest loans to building owners from city funds to retrofit existing buildings with sprinklers than pay for additional fire stations to cut response times down from 5 to 4 minutes. As an industry, we would certainly applaud this forward-looking view of municipal master planning.

Fire assessment continued...

While the assessment completed by Tri Data briefly mentions the need for sprinkler protection we feel much more emphasis should be placed on Sprinkler Protection as a mean of greatly reducing the risk of loss of life and property. Fairness In Taxes would certainly support and encourage sprinkler protection in all buildings.

As stated in our opening remarks, the many flaws and omissions that were contained in the Tri Data report make the assessment by Tri Data useless in developing policy and procedures. We feel it is imperative for the administration to re-assess the conclusions reached by the Tri Data report. We also suggest they revisit the State of New Jersey's Local Government Budget Review of 2002.

***(The mission of the international nonprofit NFPA is to reduce the worldwide burden of fire and other hazards on the quality of life by providing and advocating consensus codes and standards, research, training, and education....**

Established in 1896, NFPA serves as the world's leading advocate of fire prevention and is an authoritative source on public safety...)

PROPERTIES REASSESSMENTS AND APPEALS

The City of Ocean City has contracted with Vital Communications, Inc. of Trenton NJ, to perform a complete reassessment of all real property within Ocean City, N.J. (based on the inspection of 4,250 properties.) All employees of Vital Communications, Inc have a photo identification badge and letter of introduction signed by Ocean City officials.

The reassessment program results in the estimation of the fair market value of all of the properties in Ocean City. The sole purpose is to estimate a fair market value of each property, thereby equitably distributing real estate taxes.

The estimate of the current fair market value of all property will be as of October 1, 2007, and will become the tax assessment for the 2008 tax year. In accordance with New Jersey State guidelines, only certain properties will be inspected for this reassessment, however, all properties in the City will be reassessed. If a property meets inspection criteria, a separate notice is mailed to individual property owners in the City, prior to a field representative visiting their neighborhood, to allow access to the property for the inspection of the interior.

Note, as indicated in the budget review report, that the reassessments need to be scrutinized by the property owners and below is the process for appeal.

Property inspections will continue through the fall of 2007. Vital Communications, Inc will mail to each taxpayer, a notice advising them of their new assessed value. That notice will also explain how to arrange for a personal informal review to discuss the proposed assessment. Information regarding the reassessment will be posted on the Ocean City website, www.ocnj.us and click "resident" for more information.

Ocean City property taxpayers who decide to formally appeal the new property assessment can appeal to the Cape May County Board of Taxation. An appeal must be received (not postmarked) by the County Board of Taxation on or before April 1, 2008 or 45 days from the date the bulk mailing of Notification of Assessment is completed, whichever is later. A taxpayer will have 45 days to file an appeal upon issuance of Notification of Change of Assessment.

Should the assessor fail for any reason to mail or deliver a Notification of Assessment or a Notice of Change of Assessment, the Cape May County Board of Taxation may, upon the written application of the taxpayer and with the approval of the Director of the Division of Taxation, grant a reasonable extension of time to file an appeal. Interested taxpayers should contact the Cape May County Board of Taxation regarding appeal-filing procedures, filing fees, representation, etc. at 609-465-1030.

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

Please notify us of any address changes

COMING SOON - FAIRNESS IN TAXES WEBSITE IS PRESENTLY UNDER CONSTRUCTION AND SHOULD BE COMPLETED SOON....

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	Jodi Alessandrine	42 West Avenue	391-8598
At-Large	Scott Ping	5415 Haven Avenue	399-0413
At-Large	Michael Allegretto	1423 Simpson Avenue	432-8739
2nd Ward	Gregory Johnson	403 Haven Avenue	457-4764
Mayor	Sal Perillo	8 Brittany Drive	703-7675
At-Large	Keith Hartzell	720 Asbury Avenue, Apt. 3	399-5324
3rd Ward	Jack Thomas	16 Grenada Lane	399-9586
4th Ward	Roy Wagner	2824 Wesley Avenue	399-4429

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