

# Avalon Home and Land Owners Association—State of the Borough

Presented by Avalon Mayor Martin Pagliughi

August 13 2022



# Inflation highest in 40 years

**CHRISTOPHER RUGABER**  
Associated Press

WASHINGTON — Inflation soared over the past year at its highest rate in four decades, hammering American consumers, wiping out pay raises and reinforcing the Federal Reserve's decision to begin raising borrowing rates across the economy.

The Labor Department said Thursday that consumer prices jumped 7.5% last month compared with a year earlier, the steepest year-over-year increase since

February 1982.

When measured from December to January, inflation was 0.6%, the same as the previous month and more than economists had expected. Prices rose 0.7% from October to November and 0.9% from September to October.

Shortages of supplies and workers, heavy doses of federal aid, ultra-low interest rates and robust consumer spending combined to send inflation leaping in the past year. And there are few signs that it will slow significantly anytime

soon.

Wages are rising at the fastest pace in at least 20 years, which can pressure companies to raise prices to cover higher labor costs. Ports and warehouses are overwhelmed, with hundreds of workers at the ports of Los Angeles and Long Beach, the nation's busiest, out sick last month. Many products and parts remain in short supply as a result.

The latest inflation data suggested to some economists that the Fed could raise its key rate in

March by one-half a percentage point, rather than its typical quarter-point hike.

James Bullard, the president of the St. Louis Federal Reserve Bank, told Bloomberg News that he supported a sharp increase of a full percentage point in the benchmark short-term interest rate by July.

Over time, higher rates will raise the costs for a wide range of borrowing, from mortgages and credit cards to auto and business loans. That could cool spending

and inflation, but for the Fed, the decision to steadily tighten credit could also trigger another recession.

Federal Reserve Chair Jerome Powell signaled two weeks ago that the central bank would likely raise its benchmark short-term rate multiple times this year.

Stock prices declined after the inflation report was released and fell further after Bullard's remarks. The broad S&P 500 index closed

Please see INFLATION, Page A11

Municipal government is not immune to inflationary pressures. Your tax dollars pay for fuel, equipment, capital projects, salaries, natural gas and electric, and a host of other products and services that have increased in price due to the lack of a federal response on inflation. We are aware that inflation impacts our seniors and those on fixed incomes in our community. The 2022 municipal budget was drafted with these considerations in mind.



# Avalon's 5 Priority Budget Items

1. Maintain the tax rate to help seniors/fixed income have some relief from inflationary pressures
2. Capital spending plan uses no long term debt to finance any projects
3. \$14 million payment towards short term debt over two budget cycles
4. Creation of an annual, \$600,000 budget line item for emergency dredging/beach projects
5. Investments in public safety to sustain and recruit talented individuals for police, beach patrol, rescue



# 2022 Avalon Municipal Budget



- Despite inflationary pressures, Avalon maintains a 19.9 cent municipal tax rate, the lowest of any developed community in the State of New Jersey.
- Budget includes investments in resiliency, bulkheads, flood mitigation, street repairs, water service improvements, beach maintenance
- Avalon maintains AAA bond rating from Standard and Poor's.
- Budget audit has "no recommendation for improvement"



# Here Are the Actual Numbers for 2022



- Avalon ended 2021 with \$8.76 million in surplus; will have \$4.494 million in surplus when the budget is adopted. We expect to end the year with close to 2021 surplus (\$8.76 million)
- \$14 million in short term debt eliminated in 2021 and 2022 budgets
- Avalon continues with zero long term general debt obligations. **It remains all paid off**



# Avalon Water/Sewer/Stormwater Management



Borough has agreed to a new ten-year management contract with Middlesex Water Company who manages our water/sewer/stormwater system. Avalon saves money by privatizing this service while providing elevated services from a professional company.

Avalon now has assumed water and sewer bill payment by expanding services to offer direct debit and online bill payment options. This new service is added to our online tax payment, beach tag, and shared municipal court online payment options.



# YOUR JIF PAYS DIVIDENDS

- Since Inception: \$48,047,988 Returned
- 2021: \$3,750,000 Returned
- 2022: Similar Return Under Consideration

## Avalon's History

Total of \$1,260,834 Returned

2021: \$75,246 Returned



Dividends help offset current budget increases!

# Current Solid Waste Challenges

- ▶ Attracting competitive bids for solid waste, recycling, and bulk trash (QUALIFIED BIDS OPENED TUESDAY, AUGUST 9, 2022)
- ▶ Recognizing future market conditions relating to solid waste and recycling haulers to keep the service level high provided by private companies
- ▶ Maintaining the overall goal of keeping the Borough as clean as possible while protecting our marine environment
- ▶ Reducing the Borough's exposure to the greatest extent possible to rising costs affiliated with solid waste/recycling, including time spent by crews in the community, tipping fees, and workman's compensation paid by trash haulers





# Rehrig Product Line Available

- Rehrig Pacific provides the exact product line Avalon requires for solid waste, recycling, and two yard containers
- Products are consistent with the collection capabilities of many if not all trash haulers
- Options available for smaller cans if requested by some property owners



## LEADERS IN WASTE & RECYCLING PRODUCTS

From our first industry changing blue recycling bin to the first cart made of ocean waste, we are leading the way in design and innovation for the waste industry.



# How the Program Would Work

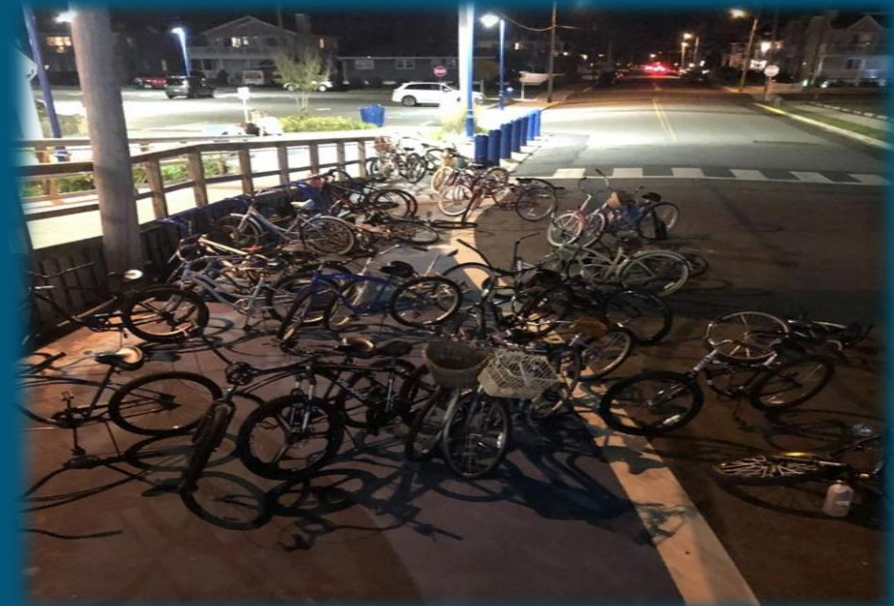
- ▶ Every property owner gets one solid waste, and one recycling container
- ▶ If more containers are requested, they are sold to the property owner at cost
- ▶ All containers have a ten-year warranty
- ▶ All containers prevent water from contaminating the product, reducing tipping fees
- ▶ All containers are coded and assigned to a specific address, if a storm should disperse them
- ▶ On an established date, only these containers would be accepted for pick up curbside
- ▶ Rehrig Pacific is responsible for distributing containers to properties
- ▶ Borough provides one two yard container for businesses; current practice remains additional containers may be rented by businesses for additional removal at their costs
- ▶ Borough provided a program to track can assignments to properties

# Avalon Police Chief Jeffrey Christopher



# JUVENILE COMPLAINTS

- 1. Juveniles and young adults congregating in large groups
- 2. Yelling profanity, creating noise and mischief, Jumping from bridges, underage drinking, marijuana, vandalism, blocking traffic, littering, fighting, Thefts of bikes.



# WHAT IS BEING DONE ABOUT IT

- **Mayor** closed the beach by executive order in 2020 to provide the police the authority to disperse them from the beach, boardwalk, and parks.
- **Borough Council** codified this by ordinance to make it permanent.
- **Police** have 230 instances of dispersing groups of juveniles.
- **Police:** Created a juvenile unit that specifically, and proactively addresses juvenile issues before they occur, and responds to complaints.



# WHAT AUTHORITY DO THE POLICE HAVE?

- As per New Jersey Attorney General Juvenile Justice Reform directives
- 1. For Borough ordinance violations AND “activity that is DANGEROUS / DISRUPTIVE”: Jumping from bridges, creating loud noise, littering, disregarding orders of lifeguards and police officers:
- **THE POLICE OFFICER MUST ONLY:** Provide a brief, informal counseling, advising the juvenile of their actions, and immediately release without obtaining name, taking into custody, or documenting the incident other than estimate age and race.
- Question:
- If your child or grandchild was jumping from bridges, disregarding orders from a lifeguard or police officer, would you want them to be required to provide name, and taken home so you could be advised of their actions?

# FOR MARIJUANA AND ALCOHOL OFFENSES

- Bill created by New Jersey Legislature and signed into law by the Governor
- THE AUTHORITY AND RESPONSIBILITY OF THE POLICE OFFICER
  - 1. Juveniles up to 17 years old: Provide a warning for the first, and ALL subsequent offenses.
  - DO NOT Take into custody.
  - Notify parents, (if they provide their name and correct information)
  - DO NOT search backpacks, pockets, bags, etc
- Minors 18-20. Provide warning only for first and all subsequent offenses.
- 21 years of age, Nothing for marijuana, can possibly issue Borough ordinance summons for open alcohol.
- Question: If you child or grandchild, was in possession of marijuana and alcohol, intoxicated, would you want them to have the right to refuse to provide name, refuse to turn over marijuana and alcohol, or would you want them taken home so that the police can advise you of their actions.

# CONSEQUENCES FOR POLICE

## MARIJUANA AND ALCOHOL

- IF a juvenile, or minor is:
  - 1. Asked to search, (even if the police officer observes marijuana and alcohol
  - 2. Detained for too long to investigate, ( even if JV refuses to provide name)
  - 3. Taken into custody
- The police officer can be charged with a third degree crime which would result in immediately suspended from duty without pay pending outcome. If found guilty, they would be immediately fired and can never hold public office again.
- THIS IS THE REALITY
- ANY QUESTIONS PLEASE SEE ME AFTER THE MEETING OR CALL ANYTIME



# ACCREDITATION



The A.P.D received it's 4<sup>th</sup> consecutive accreditation in June 2022, There are 110 standards The A.P.D passed with 100% compliance. Only 5% of NJ departments are in this elite group.



# Project History

## Corps/State Beach Nourishment- Avalon

- 1992 Feasibility Study Initiated
- 1997 Feasibility Study Completed
- 1999 Project Authorized
- 2002 Project Cooperation Agreement between USACE and NJDEP
- 2002 Initial Construction (1,501,414 cy)
- 2009 Truckfill (232,000 cy)
- 2011 FCCE (2009 Norida – 450,000 cy)
- 2014 FCCE (Hurricane Sandy – 336,359 cy)
- 2017 Periodic Nourishment (395,000 cy)
- 2017 FCCE (2015/2016 Nor'easter – 526,643 cy)
- 2019 Periodic Nourishment (653,561 cy)
  
- **Total: 3,699,977 cy**



Avalon was the first to back pass sand to provide resiliency between Corps/State sponsored hydraulic projects



**BUILDING STRONG®**

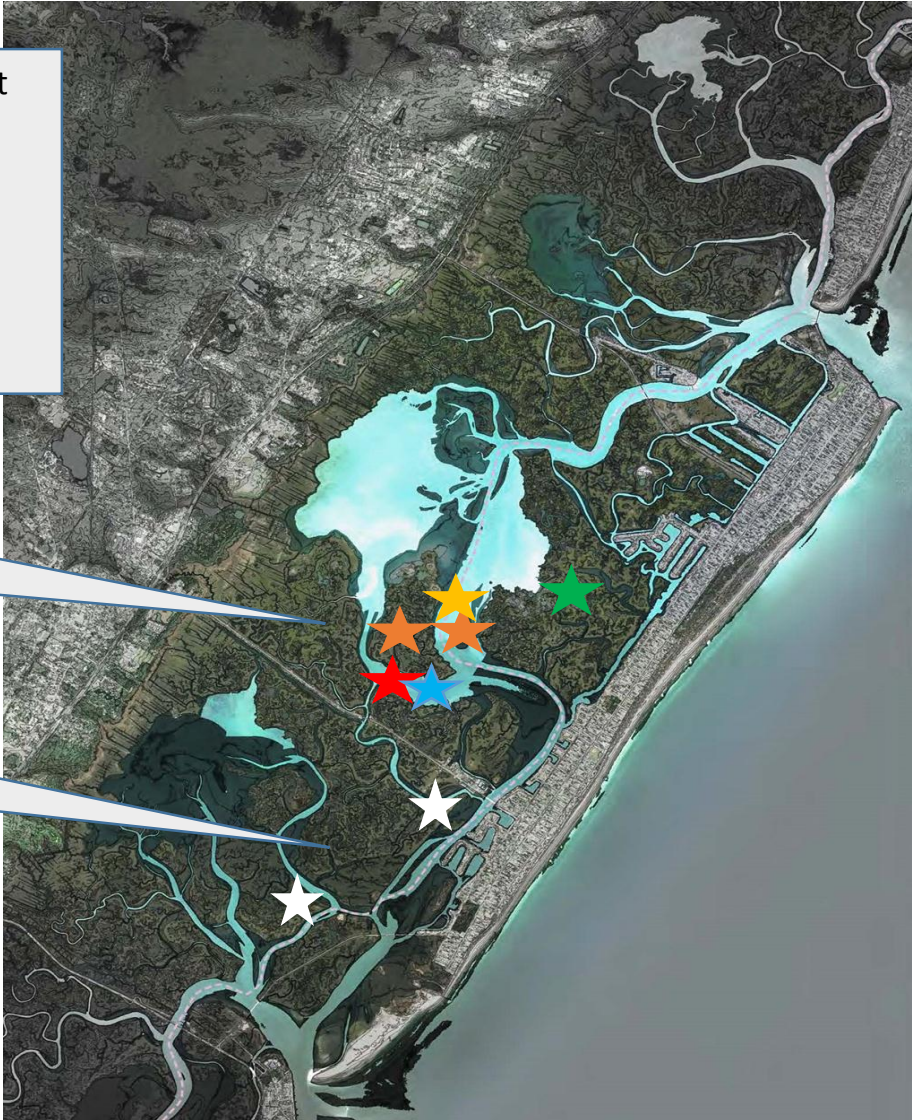
# Application for Town-Wide Dredging Permit

- ★ Marsh Elevation Enhancement/Wading Bird Nesting Habitat
- ★ Sandy Marsh Edge Protection
- ★ Intertidal Shallows and Tidal Deltas
- ★ Edge Protection and Tidal Flat Enhancement
- ★ Marsh Enhancement
- ★ Elevated Nesting Habitat

Sediment Type Mixed Fine Sand and Mud  
Hydraulic Dredging and Transport  
Nearby Placement Sites for Constructability/Cost

Sediment Type: Fine to Medium Sand  
Hydraulic Dredging and Transport

- Encompassing 24 mi<sup>2</sup>, and 15,000 acres of Back Bay Tidal Marshes, Shallow Bays, and Inlets
- Bisected by the NJ Intracoastal Waterway
- Part of the Cape May Wetlands Wildlife Management Area
- Home of The Wetlands Institute



# Avalon Flood Mitigation Efforts



- Avalon maintains Class 3 designation in Community Rating System, one of 13 towns in the United States. 35% discount on flood insurance premiums
- Study to be conducted on flood risk and solutions in the Dune Drive business district
- 78<sup>th</sup> Street Pump Station contract awarded, construction begins after Labor Day
- County will install improved drainage along Ocean Drive 62<sup>nd</sup>-80<sup>th</sup> Streets, after Labor Day
- Community meeting on Thursday, August 18<sup>th</sup>, 7:00pm at Borough Hall to discuss importance of flood insurance for property owners



# Facts: Business District Hotel Discussion



- Master Plan approved in 2017, and lasts ten years; per state statute, Board may amend Master Plan at any time; Board meets second Tuesday of every month at 6:00pm at Borough Hall
- Board approved an amendment Tuesday 8/9/22 that would permit a boutique hotel in the B1 downtown business district (20<sup>th</sup> to 32<sup>nd</sup> streets, along Dune Drive; amendment available at [avalonboro.net](http://avalonboro.net).
- Process: Proposed amendment receives review/approval by Council. Then, Board must work through a creation of a draft ordinance of what would be allowable/not allowable; following Board approval, ordinance comes to Borough Council.



# Thank You!



I want to thank AHLOA for their exceptional work and volunteerism in our community and we are always open to suggestions and ideas on how to improve the best seaside community on the East Coast!