

**TOWNSHIP OF EGG HARBOR
SPECIAL PLANNING BOARD MEETING**

September 30, 2015

Planning Board Professional(s):

Solicitor: Christopher Brown, Esq.: (Not in Attendance)

Engineer: James A. Mott, P.E., of Mott Associates: (Not in Attendance)

Planner: Vincent Polistina, P.P., of Polistina and Associates: (Not in Attendance)

Planning Board Deannexation Professional(s):

Special Counsel: Dean R. Marcolongo, Esq. (present)

Special Planner: Stuart B. Wiser, P.P., A.I.C.P., Remington, Vernick & Walberg Engineers (present)

A special meeting of the Planning Board of Egg Harbor Township was held on the above date, 5:00 p.m., prevailing time, Egg Harbor Township Hall, Egg Harbor Township, New Jersey. The Chairperson opened the meeting by reading the statement in compliance with the Open Public Meetings Act.

Roll Call Taken as Follow(s):

Manuel E. Aponte, V-Chair., arr. @ 6:15 p.m.

Charles Eykyn, present

James Garth, Sr., Chairperson, fam. illness

Frank Kearns, present,

Dennis Kleiner, Alt. #1, excused

Robert Levy, another engage.

Mayor James J. McCullough, Jr., * See below

Peter Miller, Township Administrator, recused

Committeewoman, Laura Pfrommer, present

Daniel Pittaro, Alt. #II, excused

Paul Rosenberg, 2nd V-Chairperson, present

***May the record reflect:** Mayor James J. McCullough has recused himself from these hearings. He has sent Atlantic County Freeholder, John Carman, in his place.

May the record reflect: 2nd Vice-Chairman Rosenberg opened the meeting.

Special Board Solicitor Marcolongo advised there will be two (2) witnesses this evening. He advised the first is Kathy Bechtel, the Business Administrator for the Egg Harbor Township Board of Education and Dr. Richard Perniciaro, Director of the Regional and Business Studies at Atlantic Cape Community College. He advised he has asked both these individuals to make a presentation.

Special Board Solicitor Marcolongo advised he has explained to them the duties the Planning Board has been charged with to determine the effects of deannexation on both the residents of Seaview Harbor and the remainder of Egg Harbor Township

Kateryna Bechtel, 115 Winnepeg Avenue, Egg Harbor Township, duly sworn. Ms. Bechtel advised she has been a resident of Egg Harbor Township for 29 years. She indicated she is the Business Administrator for the Egg Harbor Township School District. She advised she has a certificate in this area from the Department of Education, she is certified public and a registered municipal accountant. Ms. Bechtel advised she has been the School's Business Administrator within Egg Harbor Township for 13 years.

Ms. Bechtel advised before Egg Harbor Township she was the Business Administrator in Galloway and Ventnor for six (6) years and prior to this she was in public accounting in Cape May and Atlantic Counties and before this she did Real Estate accounting in North Jersey.

Ms. Bechtel advised she has been asked to present the impact of the Seaview Harbor deannexation on the school district. She indicated she has organized this information into six (6) different areas. Special Board Solicitor Marcolongo advised he is marking this information Exhibit B113 consisting of 18 pages.

Ms. Bechtel advised the first document she would like to discuss is the current over taxation of Egg Harbor Township residents in regards to school taxes. She advised the document she copied is from the budget document that they submit to the Department of Education annually. She advised it is the automatic minimum tax levy for the Egg Harbor Township Schools under the funding formula. Ms. Bechtel referred to Line D advising the \$52,339.929 dollars is what must be raised to be in compliance with the formula and the number of students we have.

Ms. Bechtel advised we are currently raising our 72 million dollars so the tax payers of Egg Harbor Township are paying 20 million dollars more than what require under the funding formula. She then referred to her next document within the packet which is a spread sheet she prepared. Ms. Bechtel advised this sheet shows Egg Harbor Township Schools have been underfunded annually between 20 to 33 million because the State Aid we do not receive has been passed on to the tax payers in the form of an increase levy and has been the case for every year for the last 13 years and prior.

Ms. Bechtel advised the problem is within the formula as well due to more caps. She indicated district revenue can grow every year and we were going through so much growth between 2002 and 2010 and then the Governor(s), not just one (1) froze State Aid over a number of years. She advised already before losing a 100 million dollar roughly in ratables our residents are over taxed and they are very angry at us and we feel it all in many ways. She advised many of the administrators, teachers and staff are tax payers as well in Egg Harbor Township.

Special Board Planner Wisner asked what is being considered underfunding the difference between the 71 million and the 52 million on the first page of Exhibit B113, conceptually. Ms. Bechtel stated yes. Ms. Bechtel stated she also has a few other documents including a footnote from the last audit (document A-3). Ms. Bechtel then referred to footnote #19 which discloses the District is heavily reliant on local property taxation and State Aid to fund the District operation and debt service. She indicated 94% of the district operations are funded through property taxes and State Aid with the remaining 6% being funded through Federal and miscellaneous revenue. Ms. Bechtel advised so it is also in the Districts audit the dependency of the taxes.

Ms. Bechtel stated she has also provided an article that was distributed recently by the Education Law Center. She advised they are the group of lawyers whom took the State to Court for the funding formula in the Abbott cases. She indicated they have done an analysis on Egg Harbor Township. Ms. Bechtel added they have petitioned this group a number of times to have them represent the District in their battles for more State Aid. However, they put together a report that also shows we are underfunded.

Ms. Bechtel advised the next topic is the impact of the school system if we were to reduce the tax levy as a result of the deannexation. She indicated Mr. Miller had explained to her that the Districts tax levy is about 65% of the total taxes collected from the individual tax payer and should Seaview Harbor secede we would be looking at a reduction of 1.88 million dollars in school taxes.

Ms. Bechtel advised she would like to discuss what would happen if the District had to cut another 1.88 million in school taxes. Ms. Bechtel advised she is the School Business Administrator and she puts together recommendations for the Board of Education. She explained what actually gets reduced or cut is not her decision it is the Board of Education's decision and it is heavily reliant on who sits on board.

Ms. Bechtel advised she is providing recommendations that have been repeated frequently over the years. Ms. Bechtel then referred to Page B1 of Exhibit B113 which reflects 1.9 million in cuts. She stated if someone were to ask her what would need to be cut this is what she would recommend. Ms. Bechtel further noted she normally gives the Board more to cut than the amount that would be needed, which is the 1.88 million so they will have a number of options.

Ms. Bechtel advised they always look at afterschool transportation so they would look at the elimination of the transportation runs at the middle school, high school, the detention runs and the field trips. She advised they would also consider eliminating the freshman sports programs, cut all the middle school sports and the freshman team would be eliminated, cut middle school sports, the supplies and assignor fees that go with this and the clubs so there would be no afterschool activities at the middle school.

Ms. Bechtel advised they would look at taking a 5 run driver that is eligible for benefits and try to reroute our route packages to make them 4 run drivers to eliminate their benefits. She indicated by doing so they would save approximate \$200,000.00. She advised she would recommend replacing the full time paraprofessionals with part time to save the benefits, which is almost \$250,000.00. Ms. Bechtel stated they would look at cutting guidance counselors at the two (2) middle schools and the high school, as well as, the gifted and talented programs from Pre-K to grade 3, the middle schools honors math and science programs, the attendance officers and Latin. Ms. Bechtel stated these cuts would get us to the 1.88 million dollars.

Ms. Bechtel stated she want to make to show the document she prepared (B1) was in line with other documents she has prepared for real so she provided the dreaded page B2a of Exhibit B113, which were the recommended cuts for the 2013 -2014 budget. She advised they were able to get to cap by cutting 2.7 million dollars and the second page B2b was the go to and many of these items were referenced on her first page (B1).

Special Board Planner Wisner asked on B2a the first page is not recommendations they were actual cuts made. Ms. Bechtel stated they are recommendations. Special Board Planner Wisner asked so 2.7 million was cut but may have been elsewhere not these recommendations. Ms. Bechtel stated this is correct. She stated the budget is fluid and they are able to do budget transfers throughout the year unlike municipalities doing it only in November and December. Special Board Planner Wisner asked if Ms. Bechtel could explain what is dreaded about page B2a. Ms. Bechtel stated she had just finished discussing all the programs that would be a part of that page which is eliminating programs for students.

Ms. Bechtel referred to page B3 of Exhibit B113 advising this shows 2010-2011 cuts that were made. She advised there was 2.7 million in cuts and this was done by eliminating a lot of staff. She advised it also list other items such as freshman sports and transportation that were not eliminated because they were able to bring some of the programs back due to breakage which is typically in salaries when a teacher retires at the end of the year that we do not expect and we hire a new teacher at the first step which is typically a \$30,000.00 breakage. Ms. Bechtel stated when you have ten (10) that you're not expecting you can have \$300,000.00.

Ms. Bechtel then referred to page B4 of Exhibit B113, which is a spread sheet noting the history of their tax levy for the last five (5) years. She advised this information starts with this most current year and is at almost 73 million dollars. She advised the increase for the year prior was 1.9 million dollars and was in increase from the prior year of 2.77%. Ms. Bechtel further noted from the information provided it shows an increase of more than 2% tax levy cap, however, there is one adjustment the school can take for school health benefits if they exceed the 2% limit if you are in the State Health Benefits Plan, which the District is.

Ms. Bechtel advised she also wanted to show via page B4 that just the employee benefit increases alone eat up the majority of the increase every year. She advised currently our teachers association is in Tier III of Chapter 78. She advised they have one (1) more year until making their full contributions to employee benefits. Ms. Bechtel advised their employees are contributing 2.2 million dollars to their benefits currently. Ms. Bechtel noted in 2011-2012 it shows the benefits were stable and they did not have to go above the cap, in fact, they were less than a 1% increase. She advised thereafter when health benefits increased higher than the cap. She indicated these benefits dilute any kind of increase that we can make in our budget.

Ms. Bechtel referred to page B5 explaining the information provided as the budget cuts that were recommended in 2015-2016, which is the most current budget. She indicated the -0- base budgeting request was for 123 million dollars and the budget cap was 120 million so they had 2.6 million dollars to get to cap and if the Board of Education wanted to reduce further they could. Ms. Bechtel explained that any new personnel requested, that was not a special education position, was eliminated. She indicated some of the special education positions were reduced to part time and they have not been filled yet because individuals whom have these certificates do not want to work part time, so they are still searching.

Ms. Bechtel stated they eliminated text books for students and there were tuition adjustments from Atlantic County Institute of Technology and Special Services where the District had pre-paid with surplus so they did not have to budget for it. She added we postponed purchasing new buses. She advised this is actually done by a lease purchase program. Ms. Bechtel advised any of the equipment that was instructional or technological that we needed to implement for the "Park Testing", that is now required, was opted to be financed over a five (5) year period.

Ms. Bechtel advised there were two (2) projects proposed for the Fernwood Middle School. She indicated the first was to upgrade the control system and replacing the lenti system. Ms. Bechtel advised the District opted to pay out of capital reserve rather than placing it in the budget. Ms. Bechtel stated even with what she had discussed they still needed to cut another \$743,000.00. She advised administration went back and looked at eliminate more staff which included aids with control system with Fernwood middle school and we opted to take out of capital then out of budget. Administration went back to eliminated staff which included more aids. She indicated they were going to look at outsourcing them which would eliminate the benefits. Ms. Bechtel stated they also looked at reducing all the individual school budgets by 5% but funding the real urgent projects that were safety related including a concrete sidewalk and asphalt projects. She advised these were cut and placed into funding through the reserve.

Ms. Bechtel advised after this they still had \$388,000.00 to cut so we reduced some more Special Education staff and found a way to get text books to the middle and high schools by purchasing classroom sets only and offering online versions of the books for home. Ms. Bechtel stated even after

this there was another \$36,000.00 that needed to be cut and she was able to find some more revenue to cut.

Ms. Bechtel stated this is what had to be cut last year just to get to cap. She stated this does not include another 1.88 million dollars that would have to be reduced if they had to. Special Board Planner Wiser asked if these recommendations were what was cut. Ms. Bechtel stated yes, however, the paraprofessional's were not cut.

Ms. Bechtel advised the next item she would like to discuss is the impact to the legal debt margin. She advised if the District loses a 100 million dollars in net valuation taxable the debt margin will go down 3.5% or 3.5 million dollars. She advised this is referenced in page C1 of Exhibit B113. Ms. Bechtel advised D1 is a calculation of the debt service tax rate whose levy cannot be reduced and that levy will be passed on to the remaining to the remaining tax payers if the secession is successful and would increase that tax rate by \$4.9 annually.

Ms. Bechtel presented page E1 of Exhibit B113 advising this document represents the enrollment history which is a summary of the Districts ASSA. She indicated ASSA is the Application for School State Aid and is the official count that school districts take every year on October 15th. She advised this document shows the history of the increases. She advised the largest class was in 2008 which was 7,936 and we are now down to 7,557 last October. Ms. Bechtel advised they have not taken a count yet for this October but the next page E2, Exhibit B113 from our registrar show our current enrollment of 7,637, which reflects it being up. She indicated a lot of families, they have found, are doubling up because of the economy. Board Member Eykyn asked if they are finding many coming back from the private and Christian schools. Ms. Bechtel stated yes they do. Board Member Rosenberg asked how does the district end up with 7638.5 students. Ms. Bechtel advised it is a part time student that is shared with the vocational school.

Ms. Bechtel advised the next document prepared is the impact to the transportation budget. She advised the students in Seaview Harbor typically attend private or parochial schools. Ms. Bechtel advised she went back to the into rolls for the past thirteen (13) years since she has been involved with the district and she could not find any Seaview Harbor children attending any Egg Harbor Township public schools. She advised they either attended choice schools, St. Joseph's or other religious or private schools. Ms. Bechtel advised what Egg Harbor Township is still responsible to do is to bus them or aid in lieu of. She advised should the students who reside in Egg Harbor Township go to Longport we would save some money in transportation cost. Ms. Bechtel advised there are currently five (5) students in Seaview Harbor and at \$884.00 per student is what our savings would be.

Special Board Planner Wiser asked how the \$884.00 is derived. Ms. Bechtel advised it is the State maximum. Board Member Kearns asked if it is more than \$884.00 and the bus cost more than this what happens. Ms. Bechtel advised the students cannot be bused and the parents are paid the \$884.00. Board Member Kearns asked they would pay the difference to someone. Ms. Bechtel advised they drive their own children or make some type of arrangements to get them to school.

Township Committeewoman Pfrommer asked if the funding for choice schools and parochial schools go to them. Ms. Bechtel advised only choice schools receive funding. She indicated they receive the full State funding share. Special Board Planner Wiser asked Ms. Bechtel to look at page A3 of exhibit B113 which is referenced footnotes. He indicated item #19 94% of the Districts operations were funded

through property taxes and State Aid. He asked what the other 6% is from. Ms. Bechtel advised through federal grants, IBEA and COB.

Attorney Doyle read onto the record the schools mission statement. He asked during Ms. Bechtel's 13 years as the business administrator if they have met this mission. Ms. Bechtel stated she believes they have to the best of their ability. Attorney Doyle stated the issue mentioned here concerning public school funding as difficult as it is for the most part, and perhaps for all but the 28 Abbott Districts, a problem throughout New Jersey. Ms. Bechtel stated correct it is a problem within New Jersey but not to the extent that it is for Egg Harbor Township. Attorney Doyle asked of the 600 school districts Egg Harbor Township is the worst.

Ms. Bechtel advised she believes Egg Harbor Township is within the top 10, which is why we were identified by the Education Law Center. Attorney Doyle asked if the Education Law Center identified Egg Harbor Township along. Ms. Bechtel advised no there were others Districts as well. Attorney Doyle then mentioned cases such as Robertson vs. Cahill and Abbott vs. Berk and continuing with the State's unwillingness to raise the revenues necessary to fund school aid has all been a part of this that has led to the 20+ million dollar a year loss for Egg Harbor Township. Ms. Bechtel stated yes. Attorney Doyle also noted the additional burden, which Ms. Bechtel hadn't noted but is within the readings the Pinelands Commission designating Egg Harbor Township as a growth, as well as, Hamilton Township and Galloway Township who had burdensome increases in school population.

Ms. Bechtel stated she was in Galloway before she came here. Galloway went into compliance with Pinelands earlier than Egg Harbor Township so they were funded at a higher level earlier because they did not have the same caps in State Aid. Attorney Doyle stated all of these issues as large as they are and the impact that they have is beyond the control of Township and the School Board to individually fix. It is also larger than the issue before the board presently. Ms. Bechtel stated it is larger than what is before the Board presently, absolutely. She added for the public that is here presently she wants them to know that they have went to Trenton a lot and they visit the Assemblymen, the Senator's, the Governor and Washington so they are trying.

Attorney Doyle stated from what he has read and researched Ms. Bechtel feels it is her duty to fight any loss of revenue from whatever source it may come. Ms. Bechtel questioned Attorney Doyle stating her duty. Attorney Doyle provided for example the newspaper article previously marked into evidence as Exhibit B1 dated October 21, 2014, headlined: Egg Harbor Township School Officials to take Financial Concerns to Governor Christie's Office. That was part of her duty in a sense to preserve the revenue. Ms. Bechtel stated yes.

Attorney Doyle this was the underfunding that Ms. Bechtel spoke of concerning the Aid monies anywhere from 20 million to 32 million dollars. Ms. Bechtel stated yes, sir. Attorney Doyle asked if they were in anyway successful. Ms. Bechtel stated they were not. Attorney Doyle stated Exhibit B1 also discussed the \$500,000.00 EDA Assessment. He asked if the District was successful with this. Ms. Bechtel stated it was included in the budget that was proposed to the Governor but he had line item vetoed that. Attorney Doyle stated of the article that came out indicated part of the issue was the effect of the Atlantic City job loss, but again, that is a regional issue more than just Egg Harbor Township. Ms. Bechtel stated yes it is an Atlantic County issue.

Attorney Doyle advised the statement indicated what the district needs to do now. Attorney Doyle than read these statements onto the record that are part of Exhibit B1. He then questioned Ms. Bechtel on

whose solution would these be. Ms. Bechtel advised all of these statements would be State solutions because our presentation was to the State Legislature.

Attorney Doyle stated going back to fighting for every dollar it is his understanding the Board of Education has come to Township Committee and has asked them not to adopt a pilot program. Ms. Bechtel stated yes. Attorney Doyle then read from an article noting Egg Harbor Township Committee moves affordable housing project forward despite School Board opposition. He advised this article indicates the various Board Officials were present and a statement was given by Superintendent McCartney. Ms. Bechtel stated yes and she believes they came to a resolution with Township Committee.

Attorney Doyle asked if this resolution was after this article. Ms. Bechtel stated after the article, perhaps. She advised she is not sure what is in the article. Attorney Doyle stated the resolution of adoption on September 17, 2014 indicates the pilot, by a split vote, was approved with some discussion that they would try to work out something in the future. Ms. Bechtel advised it was so that the payments in lieu would be split in the same proportion as the tax rate. Attorney Doyle stated as he understands the loss that was subsequently saved was in the nature of \$20,000.00. Ms. Bechtel stated she does not know.

Attorney Doyle stated suffice to say it was not in the million or hundreds of thousands it was in the tens of thousands. Ms. Bechtel stated she has not looked at the actual calculations so she does not know. Attorney Doyle stated in any event he believes the numbers would be in the tens of thousands. He asked so if it losing the tens of millions fought with the State or with the tens of thousands with pilot program you fight to keep the revenues where they are. Ms. Bechtel stated yes they do. Attorney Doyle stated so part of the effort tonight, though we do not fall into the tens of millions but 1.88 million, perhaps, or the tens of thousands, this is part of that consistent effort to fight the loss of revenues from once ever it comes. Ms. Bechtel stated yes sir.

Attorney Doyle stated he reviewed the budget cut sheets which are year by year. He indicated if he read them correctly he saw some on more than one year. He asked why. Attorney Doyle asked if it was cut and it came back and it was cut again. Ms. Bechtel gave an example. She stated the District's Superintendent is a lifelong resident of Egg Harbor Township and went to Egg Harbor Township High School and cannot fathom running a school district not having the programs he had when he was in High School. So any opportunity to bring back the programs to at least provide what he had, he takes. So if we know a teacher is going to retire we will bring back some transportation, if we know we are going to save money in electricity or diesel fuel than we will look at something else on the list and try to bring it back .

Attorney Doyle stated for instance the afternoon bus run was on the first year and then on the final year so back in 2010 it was cut and then in 2015 it was cut again. So somewhere it was cut, restored, cut. Ms. Bechtel stated yes sir. Attorney Doyle stated so when you were losing programs and when it was put back you were still cutting other programs. Ms. Bechtel stated yes. Attorney Doyle stated so there is flexibility as to what programs are kept and what is cut. Ms. Bechtel stated yes and the Board of Education has direct control over. Again, it depends upon who is sitting on the Board. Attorney Doyle state so when a list is provided for the cuts and these are the dreaded cuts those are flexible based on the Board Members. Ms. Bechtel stated yes.

Attorney Doyle asked Ms. Bechtel that to say this is going to happen and its effect on education is going to be that would be premature in any given year until it happens. Ms. Bechtel stated it is going to happen we just do not know where. Attorney Doyle stated the cutting process mentioned by Ms. Bechtel is something that has gone through other Districts throughout the State and this area. Ms. Bechtel stated yes.

Attorney Doyle stated he can recall when there were several municipalities or hospitals all within the same area and you would determine what was best practices by looking at your neighbors look at the other institutions can we do what they are or are not doing. He stated it is his understanding and asked Ms. Bechtel to correct him if he is wrong. Egg Harbor Township is the only School District in Atlantic County that has its own busing and has not contracted it out. Ms. Bechtel advised she believes Mainland has some buses, Hammonton has their own buses. She advised the Greater Egg Harbor Regional does not have their own buses and the Down Beach Communities do not, however, she believes Egg Harbor Township is one of three (3) to four (4).

Attorney Doyle asked if this has ever been considered. Ms. Bechtel stated it has not been looked at seriously. Attorney Doyle asked if busing beyond the review for the Board. Ms. Bechtel stated what we have found when we ask other School Districts that have outsources that they lose the control and when there is an emergency or snow closing they cannot get your people back and once you divested yourself of your assets, the buses and the drivers, the cost increase expedientially. Attorney Doyle asked when you say you looked at it but not seriously. He asked in the non-serious looks was there an estimate of what the savings would be. Ms. Bechtel indicated no.

Attorney Doyle asked when mentioning the health programs what percentage of salary is paid by the employee and the Board. Ms. Bechtel stated it depends upon the level of salary. She indicated there is a table put out by the State under Chapter 78. Ms. Bechtel stated for example with her salary she pays \$12,000.00 towards it which is 19% and the Board pays \$17,000.00. Attorney Doyle asked that her individual or family health benefits cost \$29,000.00 a year. Ms. Bechtel stated yes. She advised the District is in the State Employee Health Benefit Program and our utilization ratio is about 118% and it would cost more to be out on the regular market. Attorney Doyle stated he does not want to compare Ms. Bechtel as a chief to the Indians but what would a ten (10) year teacher, who has not hit their balloon year yet, making \$50,000.00 to \$55,000.00 have to pay. Ms. Bechtel advised a bus driver making \$10,000.00 a year would pay \$1,200.00. She indicated the example used for the teacher would be about \$56,000.00 and they would pay \$6,000. Attorney Doyle asked what would the District pay. Ms. Bechtel stated the difference of whatever that may be whether it is single, family, parent/child.

Attorney Doyle asked if this is a subject of negotiations with the union. Ms. Bechtel stated yes after Chapter 78 sunsets. Attorney Doyle asked if Ms. Bechtel could explain what she just referenced. Ms. Bechtel stated the Governor mandated public employees contribute towards their benefits. She indicated there was a four (4) year phase in and once you hit the 4th year the next contract that is negotiated can either make the contribution more or less again based upon the negotiations.

Attorney Doyle stated Ms. Bechtel mentioned briefly this evening, as well as, within the information he requested via an OPRA request. In 2010 when there was still a budget referendum it was defeated. He advised the original tax in 2010 was \$66,780,938.00 and the budget was cut by 3.4 million dollars, which was about 5%. He asked in 2010 was enrollment increasing in Egg Harbor Township. Ms. Bechtel stated it was stable. Attorney Doyle asked based upon the numbers we have seen, even though, they did go

through a decrease would Ms. Bechtel say they are still stable. Ms. Bechtel advised she would say they have stabilized.

Attorney Doyle referred to the document referenced as Page A1 Exhibit B113. He indicated on this document it references in terms of the Statute minimum tax levy and it is identified your 19 million over the minimum. He asked if there is a maximum. Ms. Bechtel advised there is no maximum levy just a maximum increase annually. Attorney Doyle stated the minimum means you have to raise at least that amount towards the 2% capped overall budget. Ms. Bechtel stated yes.

Attorney Doyle asked what line A mean (Page A1, Exhibit B113) the District Adequacy Budget. Ms. Bechtel stated the Adequacy formula is put together by the Department of Education and it is looked at periodically and it is supposed to look at the makeup of your student body. So if there are students that are limited English proficient or need basic skills assistance or special education there is a per pupil amount that you should be spending and then they look at our population and they apply those numbers and they come up with what we should be spending on our budget.

Attorney Doyle stated if he understands what has just been said they have advised you should be spending \$113,800,599 to provide an adequate budget. Ms. Bechtel stated this is what they are spending there is another calculation later that says what we should be spending. She advised they take all of the budget lines and add them up. Ms. Bechtel advised it does not include tuition, transportation, she advised there are other things that are excluded. She advised it is not the total budget, should Attorney Doyle be asking why it is a 113 million not 120 million. Attorney Doyle stated in part.

Board Member Rosenberg advised Board Member Aponte is now in attendance at 6:15 p.m.

Ms. Bechtel advised the total budget is never going to match the adequacy budget based on the differences within the calculation of each. Attorney Doyle asked if you made an apples to apples comparison is your budget greater than the adequacy budget. Ms. Bechtel stated it is. Attorney Doyle asked if this is a matter of discretion with the Board. The State says to give someone an efficient education you must spend at least that amount and the Board has chosen to spend more than that amount. Ms. Bechtel advised it is not that the Board has chosen to spend more than that amount it is the categories of spending that are not included in that adequacy calculations. She advised for example the tuition to Atlantic County Institute of Technology is not included in the adequacy calculation but is included in our total budget. Attorney Doyle asked if you took the items out that are not in the adequacy budget would you be great than that amount. Ms. Bechtel stated no, we would be below. She indicated we have been between 5 to 8 million dollars below depending upon the year. She advised there is a reference to this information in the School budget but that information is not with what has been provided (Exhibit B113). She indicated she can provide if the Board would like.

Attorney Doyle referred to Page A3, Exhibit B113 he indicated Ms. Bechtel's testimony referred to item #19 which advises the District is heavily reliant on local property taxation and State Aid to fund the Districts operations. Attorney Doyle asked if not every District in the State heavily reliant on local property taxes and State Aid. Ms. Bechtel stated yes most of them are but there are some Districts that receive federal program money. Attorney Doyle stated given that New Jersey is either the 1st or 2nd highest property taxes in the country schools are generally in the 2/3rd or 65% part of the property tax other than the few, this is going to be true for every other district. Ms. Bechtel stated that they are reliant upon property taxes and State Aid, yes. Attorney Doyle asked if the 94% is average. Ms. Bechtel stated is about the average.

Attorney Doyle stated without going through the cuts over the last several years and discussing what was cut and what was put back. This is the area where flexibility is shown. Ms. Bechtel stated this is correct.

Attorney Doyle stated with respect to the amount of the loss Ms. Bechtel has made reference to 100 million dollars. He asked where this number came from as the amount of the ratable loss. Ms. Bechtel stated that was a round number she received from Mr. Miller. Attorney Doyle asked independent of what he told her does she know what the number is. Ms. Bechtel stated no.

Attorney Doyle stated having submitted an OPRA for the assessed value of properties in Egg Harbor Township for the last five (5) years. In 2015 prior to tax appeals it was \$95,385,300.0. He advised after the tax appeals it reduced the Seaview Harbor area assessments by \$3,505,000.00, which if it were a reduction of the 95 million it would bring it down to about 91.8 million dollars and the assessor notes in the footnote 2015 tax appear total is not finalized. Final number is unknown at this time because tax appeals have not yet been resolved or settled.

Attorney Doyle asked if Ms. Bechtel's number of 1.88 million is based upon the 100 million. Ms. Bechtel stated yes. Attorney Doyle stated the true number will be the final amount of what Seaview Harbor's ratables would be and which have descended over the last three (3) years based upon tax appeals. Attorney Doyle advised it is more accurate to take the ratable amount and times by the actual tax rate for the schools. Ms. Bechtel stated yes.

Attorney Doyle then proceeded to discuss bond indebtedness advising this is noted on Page C1 of Exhibit B113. He advised Ms. Bechtel indicated it would be reduced by 3 ½ times whatever the ratable loss would be. So in round numbers if it were 100 million it would be 3.5 million dollars. Ms. Bechtel stated yes. Attorney Doyle asked the reference on Page C1 of Exhibit B113 references a debt limit of 173 million, which is what you are eligible to bond presently. Ms. Bechtel stated yes. Attorney Doyle stated if he is reading Page C1 correctly you could bond up to 173 million but you are currently bonded at 93 million so you have 80.5 million untapped. Ms. Bechtel stated yes.

Attorney Doyle asked what is their capital budget or what they are looking to spend. Ms. Bechtel stated this is an annual appropriation. She advised they do not have a capital budget as a municipality would for a long term plan. She indicated what has been provided is their budget for 2015/2016. She indicated if you are looking to see if there is any construction projects she advised they're currently undergoing a strategic planning process asking the residents and other stake holders to identify areas where they could improve and one of them involves around whether we should go to all day kindergarten. Ms. Bechtel advised she believes it is just Egg Harbor Township and Linwood that does not have an all-day Kindergarten program. Ms. Bechtel advised if we were to do this Kindergarten classrooms would have to be constructed.

Ms. Bechtel also noted there is a tract of area along Broadway that was considered when we were going through our growth for the construction of another middle school or high school, however, she noted they do not have any plans for it at this time. Attorney Doyle asked in Ms. Bechtel's 13 years has there been any bond issues. Ms. Bechtel noted was hired at the end of one and then there were two (2) bond referendums after that. She advised the last one was for 27 million which she believes was used for more additions to the high school and various solar projects.

Attorney Doyle stated to Ms. Bechtel that she does not foresee with the current stable population and the structures they currently have utilizing the 80 million. Ms. Bechtel stated with a stable population no, but if we receive affordable housing yes. Attorney Doyle asked if she has an idea of how many affordable housing units they would receive. Ms. Bechtel stated she does not have projections at this time. Attorney Doyle asked so a reduction of 80 million to 77 or 78 million would not put a crimp in your style. Ms. Bechtel stated not in their current plans.

Attorney Doyle advised he saw from the information provided an effect on the tax rate if you just shifted Seaview Harbor out and it was made up totally with an increase in the school tax. Ms. Bechtel stated it was not the school taxes it was only the debt service portion of the school taxes. Attorney Doyle stated when Mr. Ryan, CMFO testified he indicated it would be in the area of 5 cents. Ms. Bechtel stated she does not know how that is possible if the debt service portion is 4.9 cents. After some discussion between Attorney Doyle and Ms. Bechtel concerning the debt service. Special Board Planner Wisner asked that there is two (2) portions the debt service and the operations portion is the other. Ms. Bechtel stated yes but it is only referenced as this by the school district. She indicated the tax collector would only see one rate.

Special Board Planner Wisner stated for this section of the discussion Ms. Bechtel advises her calculation is 4.9 cents component which is the debt service and then some other component that would be the operational that would have to be made up if Seaview Harbor were to leave. Ms. Bechtel referred to Page D1 Exhibit B113. She indicated if you look at D1 you have the breakdown of every calendar year. She added we have a split year in Egg Harbor Township. Attorney Doyle stated as he reads this chart it is both general funding and debt service 1.908 mill's. Ms. Bechtel advised what she did after this was reduce it by 100 million dollars, which she was told in round numbers. Attorney Doyle asked on this page what does NVT mean. Ms. Bechtel advised Net Valuation Taxable. Attorney Doyle stated by doing this the general fund and the debt service would be 1.957. So the difference is a million less than 5 cents. Ms. Bechtel stated yes. She advised she agrees with this.

Special Board Planner Wisner asked if he could have his questioned answered. Ms. Bechtel stated the answer to his question is not correct. She advised the \$.049 was the combined rate. Special Board Planner Wisner stated the \$.049 is the combined rate that would have to be made up by the balance of the Township should Seaview Harbor be permitted deannexation, correct. Ms. Bechtel stated based on 100 million dollars.

Board Member Aponte stated this could be year one. He stated if there is an increase in students or a decrease students it could go higher or lower. Ms. Bechtel stated this is correct if the budget goes higher or lower. Attorney Doyle stated this is incorrect. He advised the only thing that would change the loss, if the loss is solely made up in replacement taxes, has to do with the budget times the ratable base. This is only have the equation. He indicated if the Seaview Harbor total equation starting after revaluation in 2013 was 101 million dollars and it is now down to the low to mid 90's and has sunk every year you can't say what it would be without knowing both parts. Ms. Bechtel stated this is correct. She advised she would need to know the reduction as to what the impact on the tax rate would be.

Attorney Doyle stated the overall budget for the Schools was 120 million dollars this year. Ms. Bechtel stated yes. Attorney Doyle asked what it was last year. Ms. Bechtel stated it was 119,391 million, she then noted it was adjusted. She advised it was 125 million which included debt service. Attorney Doyle asked what it was this year with debt service. Ms. Bechtel advised it was 132 million. Attorney Doyle

stated when we speak of tax levy is 132 million and maximum loss, if solely replaced by taxes is 1.8 million or about 1.48 % of the overall budget. Ms. Bechtel stated Attorney Doyle should be looking at 120 million not the 132 million because it include debt service and the levy does not include the debt service. Attorney Doyle stated yes, but the 1.8 million or how you proportion is a maximum loss because that is the ratable times tax rate and the tax rate of 1.908 includes debt service. Ms. Bechtel stated but the debt service has to be raised. She indicated this reduces the budget even further than then 1.8 million. Ms. Bechtel advised Attorney Doyle would have to provide her numbers.

Attorney Doyle stated he is looking at Page D1 of Exhibit B113 he advised 1,908 mill's include both general fund and debt service correct. Ms. Bechtel agreed. Attorney Doyle stated when you multiply 100 million dollars, which was Ms. Bechtel's estimate, then the next loss in takes would have been 1.98 million dollars. Ms. Bechtel stated yes. Attorney Doyle stated that 1.98 million would bring the tax rate to 1.957 and that 1.957 would pay both the general fund rate and the debt service rate. Ms. Bechtel stated correct. Attorney Doyle stated so therefore if it paying for both the debt service and the general fund and the general fund of 1.812 reflected 120 million dollar budget and the debt service of fund of .145 represented another 12 million for 132 million dollar total than the 1.957 arrived at with the 1.98 million based upon 100 million dollar ratable and a 1.908 tax rate paid for both the general fund and debt service.

Ms. Bechtel advised what she is trying to advise is that is a pot of money the 1.957. She indicated if we cannot reduce the debt service portion of this it is going to further reduce their ability and make them cut even more out of the general fund. Attorney Doyle asked Ms. Bechtel if she would agree the payment of the extra 4.9 cents pays for the current debt service fund and the general fund. Ms. Bechtel stated it is the 2015 Net Valuation Taxable less 100 million.

Attorney Doyle stated with respect to the percentage of the overall budget of 132 million what percentage, to make it a round number, is 1.9 million. Ms. Bechtel stated it is 1.4%. Attorney Doyle stated the take rate increase would be .49 divided by 1.908. Ms. Bechtel advised it is 2.56%. Special Board Solicitor Marcolongo asked what these numbers represent. Attorney Doyle advised they are the percentage of the tax increase if the ratable loss was replace solely by a tax change.

Board Member Aponte asked what is the actual debt. Ms. Bechtel stated 92 million. Board Member Aponte asked if we have 92 million debt and part of the debt service is that number. How long do these bond go out. Ms. Bechtel stated they go out 25 years. Board Member Aponte stated Ms. Bechtel spoke of re-funding/refinancing to try and get a lower rate. He asked what the bond rating is for the schools. Ms. Bechtel stated it just recently lowered. She believes they are an "A" because of the pension fund, not making a contribution to the pension fund. She advised this is applicable to the School District because our debt is guaranteed by the State of New Jersey.

Board Member Aponte stated we are speaking about a number for 2015 and what would happen. But the aggregate effect because the budget has went up on a 2% basis. Ms. Bechtel stated or more. Board Member Aponte stated it is 2% because it is capped. He advised not to take offense, but it is a school board matter, but if you do not go up to the cap than your compounding effect you would get less over the years. Board Member Aponte stated if you only go up 1% and you could have went up 2% than over the years you are really compounding taking less money.

Ms. Bechtel stated this was the case when School Districts were not permitted to "bank cap" but now we can "bank cap". Board Member Aponte stated regardless, today, we are talking about a number.

We do not know what the population will be one, two, three years from now but if you take on average he asked Ms. Bechtel that taxes would go up, therefore, it is not the delta we are speaking of now but future delta. Ms. Bechtel stated this is correct. She added percentages lie. She stated 2.5% does not sound like a lot but 1.8 or 1.6 is a lot and it is all the programs she discussed and is significant.

Attorney Doyle stated when Ms. Bechtel referenced the cap reserve this is different than surplus. Ms. Bechtel stated yes. Attorney Doyle asked during this discussion of what is being spent the School Board has managed to husband a surplus. Ms. Bechtel stated they are limited to 2%. She advised they cannot have more than 2% surplus of the prior year's appropriation. Attorney Doyle stated he believes he saw it was 2.4 million dollar appropriation from last year, however, he indicated he thought he also saw a surplus of 6.68 million. Ms. Bechtel advised what this surplus includes is the amount to be raised or the amount to be applied to the budget that year, the amount to be set aside for the next year and the 2%. She indicated this is three (3) years of surplus.

Attorney Doyle stated so there is over 6 million in surplus. Ms. Bechtel stated yes there is over 6 million in surplus with 4 million be allocated to this year or next year's budget. Board Member Aponte asked if the School District ever used the surplus to lower taxes. Ms. Bechtel stated she believes three years ago they went below the 2%. She indicated anything in excess of 2% that is identified in their audit at the end of the year and is automatically allocated for tax payers for taxes. She advised this surplus is going toward taxes.

Attorney Doyle referred to Page F1 Exhibit B113 he stated if the petition were granted and Longport accept there is a nominal savings reflected on Page F1. He further advised to the degree that someone from Seaview Harbor might determine to send their child school you would never be faced with that unlikelihood again. Ms. Bechtel stated if they were part of Longport, sure. Attorney Doyle and to be clear of your testimony and in the 13 years you have been there; there has not been a Seaview Harbor resident who sent their child to the public schools in Egg Harbor Township. Ms. Bechtel stated she has been corrected. She advised Township Committeewoman Pfrommer does recall one family. She advised since the children are no longer on the roles she cannot go back to review so she must go by the transportation records and the information before 2012 is on floppy disc and she could not go any further.

Attorney Doyle asked if the information she reviewed shows children from Anchorage Poynte. Ms. Bechtel sated yes. Attorney Doyle asked what is the nearest school to Seaview Harbor. May the record reflect after a brief discussion Ms. Bechtel stated she believes it is Slaybaugh. Attorney Doyle asked if Ms. Bechtel has known any Seaview Harbor parent participate in the PTA or interact with the school system in anyway. Ms. Bechtel stated she would not know how she would identify they were a Seaview Harbor parent or not. Attorney Doyle stated other than the dollars, 1.8 million, Ms. Bechtel does not know of any relationship between Seaview Harbor and the district in that there is no children there. Ms. Bechtel stated in her capacity she does not have any knowledge.

Attorney Doyle stated the bottom line is that the 1.8 million represents a subsidy from someone who is not using the educational system that they have the opportunity to use. Ms. Bechtel stated that is Attorney Doyle's opinion. She advised we all have an obligation to pay for public school students in the town in which we live.

May the record reflect: Attorney Doyle thanked Ms. Bechtel.

Special Board Planner Wisner stated in the early discussion between herself and Attorney Doyle there was a comment in terms of cuts, assuming deannexation is permitted, "it's going to happen we just don't know where". He advised Ms. Bechtel provided a number of years her recommendation or staff's she as to where the cuts are. He further noted Ms. Bechtel advised the actual cuts are made by the Board and where those cuts are made will be based on the wants, needs and desires of the Board at any particular time. Ms. Bechtel stated yes, sir.

Special Board Planner Wisner asked given what Ms. Bechtel has provided, typical how closely are her recommendations followed. Ms. Bechtel stated we have an election coming in November and there may be three 3 new members so there is no way of knowing.

Attorney Doyle what were the cuts that got the 3.4 million dollars in 2010. Ms. Bechtel stated 2010 when it was defeated we eliminated through attrition and reduction in force about 100 positions. In the District and changed our health benefit plan from a private plan to the State plan. Attorney Doyle asked since then how much staff has been cut. Health Benefits Plan Doyle: Kathy: what the cuts were that got 3.4 million to get down for the year defeated. Ms. Bechtel stated perhaps ten (10) certified staff through attrition and then we back-fill through special needs paraprofessionals, occupational therapist, sign language interpreters, etc..

Board Member Aponte asked if there is a referendum this year. Ms. Bechtel stated no, just an election that we must live through. Attorney Doyle asked taking advantage of the Legislation they will not have to go through a referendum again except for a bond issue. Ms. Bechtel stated if the strategic planning committee and the Board decide they want to pursue a full day kindergarten program she would imagine this would have to be a referendum question at a November election. Attorney Doyle asked because it would require a bond issue. Ms. Bechtel stated because it would exceed the 2% cap. Board Member Kearns asked if they were to approve a full day kindergarten how many classrooms would be required. Ms. Bechtel stated either 12 or 28. Board Member Kearns stated it would be as a whole new school. Ms. Bechtel stated obviously we cannot afford but it is always discussed.

Richard Perniciaro, PH.D, 13 Van Mar Avenue, Pleasantville, NJ, was duly sworn by Special Board Solicitor Marcolongo and whom asked Dr. Perniciaro to provide information about himself. Dr. Perniciaro advised he is the Executive Vice-President for Plan and Research at Atlantic Cape Community college, as well as, Director the Center for Regional and Business Research. Dr. Perniciaro then proceeded to provide the Board with his education background, provided information on published documents, current and previous commission and/or board positions on various governmental agencies, and advising that he is the demographer and forecaster for several school districts within Atlantic County and South Jersey and South Jersey Transportation Authority.

Dr. Perniciaro advised he comes here without being compensated. He has been asked to give facts about the economy and economics of this issue. He added he has not been asked to give an overall opinion on this question but rather what some of the economic issues are and what they mean.

Special Board Solicitor Marcolongo advised he is marking a four (4) page packet presented by Dr. Perniciaro as Exhibit B114 and for which Dr. Perniciaro will be testifying from. Attorney Doyle noted he has no objection to it being marked for identification and despite only that begin allowed to be seen but may have a subsequent comment about its admissibility.

Dr. Perniciaro advised the report he prepared is straight forward and he used data from the American Community Survey which is a Census Product. He advised it looks at Seaview Harbor with the general Egg Harbor Township economic and demographic variables looking at them in comparison to Margate to show Seaview Harbor is different in many respects than the rest of Egg Harbor Township and resembles a shore community. Dr. Perniciaro advised he used Margate versus Longport to be less contentious as a typical shore community.

Dr. Perniciaro advised the shore communities are usually older, they are wealthier, and the houses cost more. He indicated Seaview Harbor on its own is different than the rest of Egg Harbor Township he indicated as a community it is wealthier, the homes cost more, they have less mortgage and people make more money. He indicated most people would know this by just driving around, but he will go over this information for him to come to the conclusion he had come to.

Dr. Perniciaro stated Seaview Harbor brings a diversity to the tax base and residence of Egg Harbor Township. He indicated it is not unlike a portfolio for your investment where you want to have different pieces so you have hedges against good times and bad times. So you have parts of your community move in different directions and they are not all the same so when you have a situation you will have buffers against some of the economic conditions, especially like the ones we find ourselves in.

Dr. Perniciaro stated in addition to the tax ratable the commercial property (marina) also adds to the fiscal value of the community. Dr. Perniciaro then read an excerpt from Page 2 of Exhibit B114 titled Characteristics comparing Egg Harbor Township, Margate and Block Group 1, Tract 135 (Seaview Harbor). This information included percentage differences concerning educational attainment, median family income, families income in the past 12 months below the poverty level, housing occupancy including occupied/vacant units, mortgage status units including housing units with and without mortgages housing values related to the percentage of owner-occupied homes valued over \$500,000.00 and the median age.

Dr. Perniciaro advised based on plain demographic and economic demographics Seaview Harbor is different the rest of the Township. Dr. Perniciaro stated than what is its value to the rest of the Township. He advised everyone knows what is going on in the area. Dr. Perniciaro explained though the information is from February and a few months old the pattern would be the same. He indicated in February the Township's unemployment rate is 11.5%, Hamilton Township is 10.6% and Galloway is 11.4%. He noted the County is 12.4% and the State is about 5.8%. He advised unemployment is very high as we all know and Atlantic City is at 18.3%.

Dr. Perniciaro then provided the actual number of unemployed in Egg Harbor Township, Hamilton and Galloway as noted on Page 2 of Exhibit B114. He then referred to the mortgage delinquency rates in Egg Harbor Township, Hamilton Township and Galloway again referenced on Page 2 of Exhibit B114. He did note he believes the percentages for the mortgage delinquencies has risen since February. Dr. Perniciaro advised Atlantic County does have the highest percentage of foreclosures in the State and one of the highest Counties in the Country.

Dr. Perniciaro stated he used this data as a guide. He noted the direct inference is that any economic diversity in times of extreme economic stress serves to improve the current overall situation of the Township and more importantly, forms the basis for a quicker and sounder recovery. Dr. Perniciaro advised using the latest date from the Census Department it is easy to show that the Seaview Harbor section is significantly wealthier. He continued by saying in times of uncertainty and change, it is

advantageous to have a tax base as diversified as possible and Seaview Harbor does this for the Township.

Dr. Perniciaro stated the attraction of the waterfront adds a dimension to Egg Harbor Township that is more likely to keep that neighborhood and the housing stock stable as the data shows. He stated in addition, more residents are retired and probably not dependent on a current income. So unemployment does not affect that area as much. Dr. Perniciaro added that as we have seen many are retired and there is not as many school children as well.

Dr. Perniciaro stated most have some saved wealth and/or a second earner of near equal earning power, the residents in this section are more protected from the economic problems of the region. He noted as a commercial ratable the marina/restaurant also adds a more diverse dimension to Egg Harbor Township's rate base beyond retail. He stated he is aware there are other marinas up the river but this adds to it and more important is the fact that the clientele are less likely to be impacted with a less expensive commercial enterprise. He stated a lot of people that keep their boats at the marina are out of towners from outside the region.

Dr. Perniciaro stated all in all it is fairly straight forward. It is wealthier, the houses are worth more, and it is this way because of its location and for a lot of reasons it is not necessarily a bedroom community as the way the rest of Egg Harbor Township is to places, to retail, and to Atlantic City. He advised it has a different character and the simple conclusion is the more diversity of a Township the more it will weather bad economic times and the sooner it can recover having that diversity of economic and demographic conditions.

Board Member Aponte asked Dr. Perniciaro if the first column of his statistics referenced (page 2 exhibit B114) absence of Seaview Harbor or inclusive. Dr. Perniciaro stated it is inclusive. He advised it would be a greater diversity if you took out Seaview Harbor. He advised it was such a small population he did not do it.

Attorney Doyle asked Dr. Perniciaro to explain his educational background in regional economics. Dr. Perniciaro advised explained it was the specialties of his degree and what he has practiced most in professional life. He then referenced he performs forecast for companies such as Atlantic City Electric for demographics and economic variables. He advised he has been a forecaster for the Gas Company forecasting their customer accounts. Dr. Perniciaro advised he has prepared fiscal impact statements and was the only one to receive a distinction from the Department of State from the State of New Jersey for the Pleasantville UEZ and has prepared other fiscal impacts for school districts for consolidation districts as part of a team from Stockton.

Attorney Doyle stated Dr. Perniciaro advised he was not being compensated and he was not asked nor was he giving an overall conclusion. He asked how had he been approached to begin with. Dr. Perniciaro advised he was approached by Special Board Solicitor Marcolongo and Special Board Planner Wisner and was asked as an economist to look at this issue. He advised there are benefits and cost to both sides. Dr. Perniciaro stated it is up to the Board to decide by from an economist view point that Seaview Harbor is different is an advantage to the Township overall.

Attorney Doyle asked if Dr. Perniciaro ever spoke with Mr. Miller before testifying. Dr. Perniciaro stated no he had not. He advised he was on the Economic Advisory Board for a number of years and he does know Mr. Miller. Attorney Doyle asked when he was on the advisory Board. Dr. Perniciaro advised the

mid-1990's for three (3) to four (4) years. He noted he was the regional manager for economic development for Atlantic City Electric and he had worked on a number of economic development issues in the region and the reason why he was appointed. He added he did not live in Egg Harbor Township at the time.

Attorney Doyle stated he googled Dr. Perniciaro and he read articles he also noted Dr. Perniciaro had touched on a lot of regional groups he then referenced the groups. He asked Dr. Perniciaro that he looks at this area as a region. Dr. Perniciaro stated yes. Attorney Doyle stated the nexus to this region geographically Cape May, Atlantic, and parts of Cumberland are contiguous. He added that they are all around the Expressway and the Parkway. He stated they all have a natural relationship to the bay or the ocean and are a natural regional grouping. Dr. Perniciaro stated yes. Attorney Doyle then stated as a regional grouping it has been impacted by the ebb and flow of history. He then noted such as the Parkway and the Expressway being constructed helped the area and the casinos came in it helped the whole region. Casinos has had difficulties it hurts the whole region. Dr. Perniciaro stated absolutely.

Attorney Doyle stated he is impressed by the "region" in Dr. Perniciaro's background and to who he speaks to and how and what is said in the articles. He stated in 2006 the forecasting was more positive then what it turned out to be. Dr. Perniciaro stated yes. Attorney Doyle stated when we forecasted for the vote for casinos in 1978 and others had different forecast some were right and wrong. Dr. Perniciaro stated yes they were. Attorney Doyle stated and just like Dr. Perniciaro has made forecast he is sure they were not all correct. Dr. Perniciaro stated never 100% correct, no.

Attorney Doyle stated when you look at this as the region and Dr. Perniciaro speaks of foreclosure rates. Does not the casino difficulties impact the region not just Egg Harbor Township. Dr. Perniciaro stated yes. Attorney Doley asked Dr. Perniciaro that the impact is not to any great degree greater or lesser on Egg Harbor Township but a proportion because maybe they are closer and have more employees but in any event it is a regional impact. Dr. Perniciaro stated it is. Attorney Doyle stated there is not a specific, unique economy that Egg Harbor Township has irrespective of the region. Dr. Perniciaro stated no.

Attorney Doyle stated in preparing his report Dr. Perniciaro went to certain source material. Dr. Perniciaro stated yes. Attorney Doyle referred to the top of Page 2 Exhibit B114 (Dr. Perniciaro's report. He then referenced on the record ACS 2013 (5-Year) was mention. He asked what this is. Dr. Perniciaro stated the American Community Survey is the inter-censusal, which means it is in between the ten (10) year census. The census department puts out so that we have a picture of communities before the normal ten (10) year; 100% census is taken. He indicated the ACS is not a 100% sample. He advised there American Community Surveys are sample surveys they are mailed and people fill them out. He indicated they are less than 100% and is taken on a three (3) year and five (5) year basis with the five (5) year being more stable than the three (3) year.

Dr. Perniciaro indicated every ACS is published with standard deviation given the sample size and that they are not 100% and provides band widths because it is not 100% certain. He advised what is does is allows us to take a look, 2010 was a while ago, in between the census years at what some of the trends are since the last census taken in 2010. Attorney Doyle stated it is less broad than 2010 and does not reflect the changes from 2013 to 2015 either. Dr. Perniciaro stated no, the next one is for 2015 and is not out yet.

Attorney Doyle asked referring back to Page 2 of Exhibit B114 what does FFIEC mean. Dr. Perniciaro indicated it is from the Federal Reserve Bank and he cannot specific remember what it is but it is

published material from HUD. He advised it is mortgages that are taken in any area and it will give you information from the mortgagee information in any given census tract and tells you what the median income is and other data information. He advised it is just another source of data. Attorney Doyle stated this brings us back to Block Group 1, Census Tract 135. Dr. Perniciaro stated no it is not at that level. It is at a bigger census tract area for the mortgage data. Attorney Doyle asked if all of Egg Harbor Township in one (1) census tract. Dr. Perniciaro stated no. Attorney Doyle asked if Dr. Perniciaro had to use more census tract. Dr. Perniciaro stated the mortgage data itself is also reported in the ACS. He indicated the Mortgage Status that is referenced in his table (Page 2, Exhibit B114) comes from the American Communities Survey and not the FFIEC. He added there is really nothing on his table that comes from the FFIEC.

Attorney Doyle asked to the degree it is listed as a source it is not a source. Dr. Perniciaro advised it was a source used for a larger table, compilation and should have been taken out for this one. He apologized. Attorney Doyle asked with the ACS 2013 or to whatever degree the FFIEC was used was zip code used a way of location. Dr. Perniciaro stated with the FFIEC you can get zip code but he did not use. He stated he was trying to get down to the closest geographical entity he could to fit the description of Seaview Harbor. He indicated this comes better with the census tract and blocks which have been provided in groups. He indicated it is difficult. As he previously indicated Anchorage Poynte is included and goes to the Longport Bridge.

Attorney Doyle asked what the Freeholder District Data 2010 he asked what this is. Dr. Perniciaro stated this is census data from 2010 that was available when he did the districts. He advised the only reason he included, not that it is reported on the table (page 2, exhibit B114) this census tract, if you go back and look at them, Seaview Harbor is one of the two (2) highest tracts in the County. Attorney Doyle asked what was the other. Dr. Perniciaro stated he believes Longport and Longport is its own tract.

Attorney Doyle asked the only data used, as corrected, was from the data from ACS 2013. Dr. Perniciaro stated yes. Attorney Doyle stated the Freeholder District data was making it one person, one vote in statutory and judicial decisions. Dr. Perniciaro stated no. It was a demographic breakdown to get districts that are similar so some of the districts are not defined necessarily by municipal boundaries so we show how some of the districts go together. He gave for example of this districting and to show commonalities. Attorney Doyle asked Dr. Perniciaro that he was not a member but a consultant to the redistricting commission. Dr. Perniciaro stated he was brought in to testify he is not sure he was brought in as a member. He indicated a Judge made a decision for this and the evidence given to that committee that he provided the Judge found compelling for the districting that was done.

Attorney Doyle stated as a matter of fact, Seaview Harbor, by that commissions work was put in a Freeholder District that includes Longport and not almost all the rest of Egg Harbor Township. Dr. Perniciaro stated yes. Attorney Doyle asked if this was to the testament to the commonality between Longport and Seaview Harbor. Dr. Perniciaro stated yes it was and as he had said the table (page 2, exhibit B114) shows Seaview Harbor is similar to the barrier islands including Longport and Margate. He advised if you look at many of them they share characteristics and Seaview Harbor is very much like a barrier island community in terms of wealth, education, housing values, etc...

Attorney Doyle asked if there was other available data or in Dr. Perniciaro's judgement was the ACS the best to use. Dr. Perniciaro stated the ACS is the best to use and most up-to-date. Attorney Doyle asked what housing tenure means. Dr. Perniciaro stated it comes for the housing occupancy and how a house is used. He advised occupied houses units are year round housing units and the census is taken in April

1st so they considered year round. He advised if a home it is may be considered vacant and on market or just vacant, but many of them are seasonal. Attorney Doyle asked if there are other means of identifying a community other than income, education, housing status and age. Dr. Perniciaro stated yes. He advised there is probably about 15 pages of an Atlantic Community Survey that range from the type of plumbing available, how many rooms are in a house, to race, gender, religion, etc...

Attorney Doyle asked Dr. Perniciaro if he used anything involved with these hearings in the preparation of his report. Dr. Perniciaro stated no. Attorney Doyle asked if he reviewed the report presented by a professional planner with respect to these hearings. Dr. Perniciaro stated he assumed one was presented but did not review it. Attorney Doyle asked if Dr. Perniciaro was made aware that a survey was done by Seaview Harbor residents of themselves and was responded to by 76 of the 92 houses. Dr. Perniciaro stated only what was reported in the paper. Attorney Doyle asked knowing it was reported in the newspaper did he ask to see the survey. Dr. Perniciaro stated no he did not.

Attorney Doyle asked Dr. Perniciaro though it may be self-describe that the questions and answers would have been helpful to his conclusions. Dr. Perniciaro stated no he does not. He indicated it is up to the Board to listen to the testimony and he indicated there are certainly benefits for Seaview Harbor to go with whomever takes them, no necessarily Longport, because this decision has not been made yet, but there are certain benefit to the individuals but there are also cost. He indicated he cannot on his own decide what all those benefits and cost are. Dr. Perniciaro stated this why you have planners come here, school district, and others to come here. He advised he was asked from regional economics and knowing the region what he thought some of the economic concerns were and what the data said and that is within his report.

Attorney Doyle then read onto the record the other questions outlined within the residents survey that included such things as having school age children, where they attend church, etc.. he asked if the answer to these questions or a proportion of the answers been of assistance to him. Dr. Perniciaro stated not at all and he would suspect a survey done by the other residents of Egg Harbor Township would have different answers also. Attorney Doyle stated assuming the assumption is correct this would only sustain the judgement Dr. Perniciaro made that they are two (2) different areas. Dr. Perniciaro stated they have two (2) different characteristics, yes.

Attorney Doyle stated without giving testimony those that live there a full year was roughly 4 to 3, that they don't have minor children generally and the ones that do go to private school not Egg Harbor Township schools and they shop, associate, and go to restaurants and doctors in Longport for the most part would sustain your conclusions that they are different than the rest of Egg Harbor Township. Dr. Perniciaro indicated the conclusion is that difference is an advantage and benefit to the Township. Attorney Doyle stated that benefit sustained on Dr. Perniciaro's judgement by the facts on page 2, exhibit B114 which critical to them is the use of Block Group 1 of Census Tract 135. Dr. Perniciaro stated yes.

Attorney Doyle advised within Dr. Perniciaro's report he used the word disaggregated he asked what this means. Dr. Perniciaro stated the one standing by itself, disaggregated from other census data best describes that area. Attorney Doyle within his report it indicates this contains Seaview Harbor section and there is a map is included within the report. He further noted it stages Anchorage Poynte is included in this data. Attorney Doyle asked if the map attached to the report in the back a map of Block Group 1, Census Tract 135. Dr. Perniciaro stated yes it is.

Attorney Doyle stated Dr. Perniciaro advised within the text of the report it says Anchorage Poynte is included within the data but he asked if Anchorage Poynte is on map. Dr. Perniciaro stated it is further down Longport Boulevard and is not on the map. Attorney Doyle asked this map is therefore not a correct representation of Census Tract 135, Block Group 1. Dr. Perniciaro stated this map comes from the American Census Data he indicated it is just a piece of the map. He advised he had to have it enlarged to show the names on it to fit it in, but there is a map that is available. Attorney Doyle stated it is that map that lead you to the numbers on page 2, exhibit B114. He then asked what map lead Dr. Perniciaro to the conclusions on page 3, exhibit B114.

Dr. Perniciaro stated the numbers on page 2, exhibit B114 are not dictated by a map they are dictated by the census tract and group number as defined and this is how they show up on the tables in the census data and the conclusions come from the census data itself from that Block Group and Census Tract. He would add anyone who has ridden around Seaview Harbor or acquainted with the area the data is there to show characteristics that he thinks are most apparent to most people in terms of the wealth of area and the value of the houses. The whole idea of being, in fact, it is distinctive in a sense from the rest of the Township. He indicated he does not know how anybody that knows the area would find this different.

Dr. Perniciaro stated part of those differences are defined by the geography. He indicated part of the reason why those houses are worth more and wealthier people live there is because they pay for being near the water so the geography defines part of this and is the reason for part of those differences. Attorney Doyle stated that geography is not a matter of separating itself from Egg Harbor that it is on the water alone is not one of the things that generates that difference and it is roughly 5 to 6 miles along with Anchorage Poynte removed from mainland part of Egg Harbor Township. Dr. Perniciaro stated yes, he then stated well if the mainland part of Egg Harbor Township were on the water it would then not be removed, but yes it is removed from the mainland part of Egg Harbor Township. Attorney Doyle stated there are parts of Egg Township that are on water. Dr. Perniciaro stated yes, there are. Attorney Doyle stated so they are not the only water to the degree that they add to the diversity they share with other mainland parts, a waterfront. Dr. Perniciaro stated people find that much more valuable.

Attorney Doyle showed Dr. Perniciaro a map from Atlantic County showing Egg Harbor Township in the 2010 Census Tract and Block Groups. Dr. Perniciaro looked at the map, however, he could not find Seaview Harbor. Attorney Doyle stated it does not identify Seaview Harbor. Attorney Doyle stated these maps use a block group and then a tract. He asked which is bigger. Dr. Perniciaro stated the tract is bigger and then the block group is within the tract. Attorney Doyle stated he would like to present another map having the same seal as Longport 2010 Census Tract and Block Group. He asked Dr. Perniciaro if this is accurate. Dr. Perniciaro stated as far as he knows yes. He indicated there are two (2) block groups in that census tract.

Attorney Doyle asked if he could have this information marked. Special Board Solicitor Marcolongo marked Exhibit S-137 the Egg Harbor Township 2010 Census tracts and block groups and Exhibits S-138 is Longport 2010 Census tracts and block groups. Attorney Doyle referred to Exhibit S137 he advised if the Board will recall toward the end of Ms. CuvIELLO's testimony about Egg Harbor Township and there were averaging used and missed some of the fringe areas geographically in order to get a whole Township average. He stated given this dialogue on the Township mainland there is a number of tracts and within each there is a number of block groups. He asked how these are average when the have different numbers of people within them.

Dr. Perniciaro stated it depends on statistic you are trying to get. Attorney Doyle stated income. He advised if you have 8 or 9 smallest; most disaggregated areas and they have different numbers of people. He stated you just cannot add up the numbers and strike an average. Dr. Perniciaro stated the most disaggregated level is reported at the census level then the block level so those averages are done for you in the report from the census department. He indicated he does not have to do this.

Attorney Doyle stated Dr. Perniciaro indicated Block Group 1 Census Tract 135 included just Anchorage Poynte and Seaview Harbor and then stopped at the bridge. Dr. Perniciaro stated this is correct. Attorney Doyle asked Dr. Perniciaro to review Exhibit S138. Dr. Perniciaro looked at the Exhibit S138. He advised from what he saw and from what the map showed part of Longport was not included. He added the definitions for Longport in the census do not contain Census Tract 135 in them. Attorney Doyle stated in fact the map that you indicated is an official map of Atlantic County shows that Census Tract 135, Block Group 1 and used to base his statistics on and was solely in Egg Harbor Township does include a good portion of Longport.

Dr. Perniciaro stated not according to the written definition so he would have to go back and review this. He advised the census lays out the municipality and the census tract and blocks that are in it and this was not in the definition he was looking at. Attorney Doyle asked Dr. Perniciaro if he has the definition with him. Dr. Perniciaro stated no. Attorney Doyle stated if these maps are official the information contained from the southern portion of Longport was included in Seaview Harbor and Anchorage Poynte it would skew Dr. Perniciaro's numbers. Dr. Perniciaro stated it would. Attorney Doyle stated so we do not know if the numbers given and based conclusions on is accurate. Dr. Perniciaro stated he check them but it does not matter.

Attorney Doyle asked so the numbers do not matter you've concluded anyway. Dr. Perniciaro stated they might matter but again anyone in this room that knows the area knows it is wealthier and the houses are worth more. He indicated he can go back and look at this. He stated he was very careful to make sure Longport was not in it. But at the same time the conclusion is the same. Seaview Harbor is more like Longport or a barrier island community and economically, especially it is better shape by all of these standards than the rest of Egg Harbor Township. He indicated he does not believe the conclusion changes and he is fairly sure Longport is not defined by that census tract but he can check this.

Attorney Doyle stated within Dr. Perniciaro's report it states Margate was used to make a comparison rather than Longport. He asked why either town would be needed to determine the overall nature of Seaview Harbor. Dr. Perniciaro stated to show it is more unlike the rest of the mainland, to show it is something that is different, and again the same point it is not like the rest of Egg Harbor Township. It is different than the rest of Egg Harbor Township and that is its strength for the Township.

Attorney Doyle stated the nature of this petition is to go to Longport. He advised they cannot leave Egg Harbor Township and join Margate. Dr. Perniciaro stated he understands. Attorney Doyle stated if the comparisons made in these hearings of Longport to Egg Harbor Township why did he make comparisons to Margate and not Longport. He asked why not use the real town. Dr. Perniciaro stated the conclusion would be the same but the idea of the four (4) pages in front of them was to show board if is different than the mainland and more closely characteristic of a shore community rather than a mainland community. He stated the idea was to show it is different and those differences are to the advantage of the Township.

Attorney Doyle stated the ACS survey would have given Dr. Perniciaro all the data for Longport no different than what it gave him for Margate. Dr. Perniciaro stated correct and added probably Ocean City or any of the other barrier islands. Attorney Doyle stated but Dr. Perniciaro chose Margate. He asked if Dr. Perniciaro if he looked at the numbers for Longport. Dr. Perniciaro stated he has looked at Longport's numbers but he had not particularly did it for this study. Attorney Doyle with Dr. Perniciaro's report it states "As the data reports, Seaview arbor resembles a shore community in almost every category" he continued stating when Mr. Miller testified he indicated Seaview Harbor is an interracial part of Egg Harbor Township and testified the mainland in Egg Harbor Township had marina's. Attorney Doyle stated he believes Mr. Miller showed through an exhibit all the marina's that had licenses. As well as, having an employee count how many docks are in the Township. So why it is clearly different and more of a barrier island there are some commonalities. Dr. Perniciaro stated yes they are.

Attorney Doyle gave for an example when evidence was put in about the number of flood insurance policies in Egg Harbor Township. He stated the number was 880 flood insurance policies and by definition Seaview Harbor cannot be more than the 92 homes. So when Dr. Perniciaro states it is diverse there is still nearly 800 water front properties that have flood insurance in Egg Harbor Township. Dr. Perniciaro stated yes. Attorney Doyle stated we may be different but we are not unique. Dr. Perniciaro stated no they are not unique. Attorney Dolye stated in terms of water frontage there is diversification in Egg Harbor Township regardless of Seaview Harbor. Dr. Perniciaro stated yes there is.

Attorney Doyle stated in terms of value Dr. Perniciaro spoke of the number of homes worth over \$500,000.00. Again, if Longport is part of Block Group 1, Tract 135 would this not skew the numbers. Dr. Perniciaro stated if Longport were part it would, however, he does not believe Longport is, but the conclusion would be the same.

Attorney Doyle then referred back to Exhibit B114 stating Dr. Perniciaro noted within his report that the Seaview Harbor section of Egg Harbor Township brings a diversity to the tax base and residents of the Township. He indicated the tax base is over 4 billion dollars that has vacant properties, commercial, apartments, etc...already in Egg Harbor Township mainland. So is it not diverse to begin with. Dr. Perniciaro stated yes, but this has a unique diversionist in that there is a large cluster of these places together and they are all almost of high value, there is very few school children from there. He advised we could take pockets of any town in the County and come up with a number of places that are worth over \$500,000.00. This is a community on its own that is characterized by the economics and demographics that are in there. He stated the question is just whether or not something is worth to the Township and adds diversity to the Township if the Township values that diversity and that piece of property.

Dr. Perniciaro stated there are wealthy parts of Pleasantville and if they wanted to leave it would be harmful. He indicated there are wealthier parts of Margate and there is poverty in Margate. He indicated if you wanted to take those and they leave someone would benefit. The question is do you allow places that are different and hence they answer survey questions differently because they would like to go someplace for lower taxes and other advantages whether or not what harm that does to the Township. Dr. Perniciaro stated the conclusion is, at this time especially, or at any time when economics are changing or any fiscal times when more diversity more ways for the Township to buffer itself against single occurrences and single trends are beneficial to the Township.

Attorney Doyle stated he will get back to Dr. Perniciaro's conclusion, however, he stated with respect to the diversity of the tax base and the residential properties. Is he aware of the tax appeal history of the

residents in Seaview Harbor. Dr. Perniciaro stated no. Attorney Doyle to the degree since the re-assessment/revaluation in 2013, which is when Dr. Perniciaro indicated is where his numbers come from. Since then there has been a reduction in residential assessments of the 92 homes in Seaview Harbor of nearly 5 million dollars. So Dr. Perniciaro cannot be sure in 2015 that the number of properties worth more than \$500,000.00 is still at 56.5% can he. Dr. Perniciaro stated not since 2013. Attorney Doyle added this is also assuming it does not include Longport. Dr. Perniciaro stated this is based on his assumption and the rest of the housing has went down in value within Egg Harbor Township.

Attorney Doyle stated using round numbers if the 56.5% is actually 50% of the 92 homes in Seaview Harbor that means there are 46 homes worth more than \$500,000.00. Dr. Perniciaro stated this is correct. Attorney Doyle advised when you say worth more that is the assessment placed upon them by the assessor. Dr. Perniciaro stated no. He indicated it is as reported from the ACS and they get this information from the mortgage data that goes to the FFIC and some is self-reporting from the census form. Attorney Doyle stated so the homeowner puts down their home is \$600,000.00. Dr. Perniciaro stated yes. Attorney Doyle stated in a down market he is surprised they would not use some other certifiable number. Board Member Aponte asked if the ACS uses only the data from the homeowner. Dr. Perniciaro advised it is self-reported it includes your age, the number of children, how many rooms are in your house. This is the census department and this is how they conduct the census. Attorney Doyle indicated these items are objective specific facts. However, you could not go into a court and say you think your house is worth \$495,000.00. They will ask based upon what. Dr. Perniciaro it is based upon what the people in that area believe and what others believes and this goes for the rest of the Township.

Attorney Doyle advised there are 16,347 homes in the Township. He stated he believes this is based on a 2014 number. He indicated if he took 16,000 houses to make it even and he used the 4.8% figure he would get 760 homes in Egg Harbor Township that have a value more than \$500,000.00 compared to the 46 in Seaview Harbor. Attorney Doyle stated it is not uniquely diverse other than they are close together. He then added based on Dr. Perniciaro's numbers with whatever could or could not be in them there is roughly 17 times as many \$500,000.00 plus houses in the rest of Egg Harbor Township is there not. Dr. Perniciaro indicated yes. Attorney Doyle stated even with the house value it is not diverse. Dr. Perniciaro indicated it is diverse compared to the average for the rest of the Township. Not specific houses within the rest of the Township. Attorney Doyle to the degree that Dr. Perniciaro concludes these wealth homes in Seaview Harbor will float Egg Harbor Township's recovery. There are already nearly 800 homes around to float the recovery. Dr. Perniciaro stated this is correct

Board Member Eykyn asked if all these numbers include Anchorage Poynte. Dr. Perniciaro stated yes. Board Member Eykyn stated he believes this would skew the numbers also because he cannot picture some of the older homes in Anchorage Poynte being the same value as the ones in Seaview Harbor. Dr. Perniciaro stated there are some newer ones but yes. Board Member Eykyn then stated the 56% could even be higher in Seaview Harbor unless it includes Longport which we do not know. Dr. Perniciaro stated the point of the data is not that it is 56, 55, 54% it is the rest of the Township is 4.8%.

Attorney Doyle asked why percentages matter more than real numbers. He indicated if you have over 800 homes worth over \$500,000.00 this is 400 million dollar worth of housing versus a small fraction. Dr. Perniciaro stated he is sure Attorney Doyle had the Tax Assessor indicate what the percentage of the rate base in Seaview Harbor compared to the rest. He advised it is not a huge part but a smaller part. Attorney Doyle asked Dr. Perniciaro he knows it is about 5% or 6% of the total houses over \$500,000.00

and yes that would be substantial to him. Attorney Doyle asked the 5% would be substantial in comparison to the 95% that are on the mainland. Dr. Perniciaro stated yes. Attorney Doyle asked what would insubstantial be considered. Dr. Perniciaro stated a couple houses. He asked would any community want 5% of its wealthiest part of its community disappear.

Board Member Aponte asked if Egg Harbor Township differences our strengths. Dr. Perniciaro stated yes. Board Member Aponte asked in Dr. Perniciaro's conclusion whether it is 45, 48, etc... percent would he say it is like asset allocation. Dr. Perniciaro stated yes it is exactly that. Attorney Doyle asked they define asset allocation. Board Member Aponte stated asset allocation is the term for different asset classes. He indicated as your mother would say not having your eggs in one basket. Attorney Doyle stated ok. Board Member Aponte stated if we have asset allocation and Dr. Perniciaro is making a conclusion that our differences are our strength then it would seem to him this is part of the portion of the pie that helps, in Dr. Perniciaro's terms, help float us in times in bad economic times regardless of where the numbers lie. Dr. Perniciaro stated he liken it to portfolio analysis. He advised it is the same theory. He advised in different times other parts of the Township will be beneficial depending upon what the trends are. He indicated because of its characteristics it tends to be wealthier and is helpful in that way.

Board Member Aponte stated we spoke of region and we do not know how many people are from the casinos and he believes this data can be obtained and would ask Special Board Planner Wiser to provide. He stated he believes Attorney Doyle indicated the casinos were not a predominate industry. Attorney Doyle stated he indicated it has a regional effect but it could have a different proportionate effect on different towns based upon the proximity to the casinos and the number of employees. He stated the number of employees that work at the casinos, which are licensed, that are in Egg Harbor Township as whole has already been introduced into evidence.

Board Member Aponte stated it has been discussed concerning economies versus the census and what would people say when we are talking about the survey in Seaview Harbor versus someone near Somers Point, or Mays Landing. He indicated there will be differences regardless of where you are because of the proximity. Dr. Perniciaro stated yes and he believes the people in Seaview Harbor also understand the tax consequences or the perception of. He indicated it is not just based on where you are. Attorney Doyle asked what the perception of tax consequences means. Dr. Perniciaro stated when you ask someone in the survey would you like to go to Longport and have your taxes reduced. Who would say no or how many would say no to this question. He advised the question has an implication to it. He indicated this is all he is saying and all surveys do.

Attorney Doyle stated Dr. Perniciaro stated he did not know what the percentage of Egg Harbor Townships 4 billion dollar in ratables we area. He asked from the numbers going around he has figured it out. Dr. Perniciaro stated he does not know. Attorney Doyle stated when Seaview Harbor filed the petition it was 2.5% and now it is down around 2.2% or 2.3%. Attorney Doyle asked Dr. Perniciaro when he speaks of diversity does he mean any area that contained 2.3% of a towns ratable would be contributed to diversity just by dollars. Dr. Perniciaro stated yes. He indicated any percentage whether it is 1% or 75% contributes to it. He stated he did not say it contributes to it as much as 50% but it does contribute to diversity.

Attorney Doyle stated the 92 homes that Dr. Perniciaro indicated he feels are significant and contribute a diversity, forgetting the value, are 92 out of 16,347 or 6/10 of 1% and this makes Egg Harbor Township more diverse. Is it not diverse in the 99.4% of the homes they already have of which some are worth a

little and some are worth more than a million dollars. Dr. Perniciaro stated he is sure testimony has been given on what the percentages are. He stated he does not know if there is a way to say it is a little bit or a lot. It is what it is. He stated if it is 50 houses it is 50 houses but it adds to the diversity. Attorney Doyle stated Dr. Perniciaro indicated the commercial marina adds to the fiscal value. He asked Dr. Perniciaro knows what is worth more in Seaview Harbor the 92 homes or the 300 slip marina. Dr. Perniciaro stated he does not know.

Attorney Doyle stated he would like to discuss education attainment as noted on Page 2 of Exhibit B114, again assuming the 57% is just Seaview Harbor which we know it is not. It includes at least Anchorage Poynte and it may include parts of Longport. He indicated there has been testimony that there is 102 people who live year round Seaview Harbor this means 57 people have a Bachelor's degree or higher. He stated if we have 45,000 people who live in the rest of Egg Harbor Township so 30% of them have a Bachelor's degree this would mean 13,500 people have a Bachelor's degree or higher compared to the 57 in Seaview Harbor. Is there not significant diversity among those 13,500 people in Egg Harbor Township mainland. Dr. Perniciaro there is diversity.

Attorney Doyle stated the median family income and if Longport was in that \$86,000.00 number it would be skewed higher because of Longport's wealth. Dr. Perniciaro stated yes. Attorney Doyle stated the housing occupancy statistic when it says vacant housing unit. Is vacant taken from the ACS. Dr. Perniciaro stated yes. Attorney Doyle indicated from Dr. Perniciaro's testimony he translated vacant to mean seasonal or not occupied year round. Dr. Perniciaro stated this is correct. Attorney Doyle asked the housing occupancy is not paired with voting or anything else. Dr. Perniciaro stated no.

Attorney Doyle then referred to the mortgage status stating it is not much different then Block Group 1 in Egg Harbor Township. So it does not make them that much diverse. Dr. Perniciaro stated no. Attorney Doyle then discussed the median age. He indicated there is not much of a difference. Dr. Perniciaro stated no. He advised neither 39 years age or 47 years of age is old or young.

Attorney Doyle keeping on Page 2 of Exhibit B114 quoted "Other economic data adds to the value of economic and social diversity". He then asked what is this other economic data that was not provided. Dr. Perniciaro stated he previously explained. He advised the ACS comes in four sections economic, social, demographic and another which he cannot recall and it is roughly 15 pages of statistics. Attorney Doyle then read the next sentence in the paragraph he previously quoted. He asked Dr. Perniciaro what this information means to the health, welfare and future of Egg Harbor Township whether there are few rich people out on the island. Dr. Perniciaro stated it is far more economically resilient then the average for the rest of the Township and it adds to the diversity of the Township.

Attorney Doyle stated if those people pay nothing but pay taxes in Egg Harbor Township. They go to church in Longport, shop in Longport and socialize in Longport how other than money in taxes paid do they assist Egg Harbor Township in economic times. Dr. Perniciaro stated they are a part. They pay taxes and their housing values are more resilient against changes and they are a more desirable area in a lot of respects. He stated when the casinos are in trouble it has attractions that go beyond the fact that it is near places that work for people which includes the waterfront and being where it is at. He indicated it has its own attractions that the rest of the Township does not have that makes the property more valuable and those attractions do not go away. Dr. Perniciaro stated it makes the property more valuable and attracts a different type of person as demonstrated by the demographics and all of this adds to the differences.

Attorney Doyle stated they do not socialize with the rest of Egg Harbor Township. They do not send their children to the schools, etc.... not part of the PTA, the Rotary, the Knights of Columbus what does it matter other than money. Dr. Perniciaro stated there are 55+ communities that do not have school children. Dr. Perniciaro stated they are integrated in. They are part of the Township that has been there and the Township developed around them including debt and tax structure. He indicated everything has been put in place with the assumption that is a piece of the Township so it has been integrated into the Township in many ways. Some of which are fiscally and that Egg Harbor Township has a piece of property that is almost ocean front.

Attorney Doyle stated you are either ocean front or not. Dr. Perniciaro stated Seaview Harbor is close. Attorney Doyle asked when Dr. Perniciaro was last in Seaview Harbor. Dr. Perniciaro stated about a week ago. Attorney Doyle asked for the purpose of this testimony. Dr. Perniciaro stated no. He indicated he has a boat in Somers Point and he goes to Seaview Harbor for fuel. Attorney Doyle asked Dr. Perniciaro when he was there before that. Dr. Perniciaro stated he went to the bard/restaurant about a month before that.

Attorney Doyle stated there are a lot of restaurants in Egg Harbor Township but there is one in Seaview Harbor. Dr. Perniciaro stated yes. Attorney Doyle stated Dr. Perniciaro mentioned they can hold their value better. He then asked if Dr. Perniciaro has looked at the tax appeals, what was granted for both Seaview Harbor and the Township as a whole. Dr. Perniciaro stated he has not. He has looked at the dollar value of homes on barrier islands and water front and how they compare to the mainland. Attorney Doyle explained in round numbers the overall ratables in Egg Harbor Township is 4 billion dollars and over last three (3) years since the revaluation they have granted roughly 70 million dollars in tax reductions by appeal, which is 1.75% and in Seaview Harbor which is 80 million they have granted appeals of 5 million dollars or 6%. He stated it would seem the values are holding better on the mainland than in Seaview Harbor. Dr. Perniciaro stated over time water front property holds its value better than other areas. He indicated it is historical and if you live anywhere near the shore you know this is the case and all the barrier island homes have held up better and they are more expensive to begin with and even if they diminish they still remain far more highly valued.

Attorney Doyle stated Dr. Perniciaro stated water front holds its value and in Dr. Perniciaro's articles he has expertly talked about dredging, culinary institutes, and regional planning. Attorney Doyle asked if he is a real estate broker, MAI or a licensed appraiser. Dr. Perniciaro stated no but he is recognized as one of the housing market economist for the region. Attorney Doyle stated he may be able to understand this but he is trying to deal with hard facts about what is happening in this specific example. Dr. Perniciaro stated he would like to ask a question of Attorney Doyle. He stated if he were take the same house in Seaview Harbor and place it a block away from the high school where will it be worth more value. Attorney Doyle stated there is no question it would be worth more and it answers itself. He indicated this was not Dr. Perniciaro's statement. Attorney Doyle advised the statement was houses on the water front typically hold their value better. Attorney Doyle stated he then indicated over a three (3) year period by the assessors appealed decisions from the assessments the reverse is true. Dr. Perniciaro indicated he then said over the long term you will not find this to be the case. Attorney Doyle stated as Dr. Perniciaro has indicated about some of his prognostications that were not always correct.

Board Member Aponte asked if it were dollar amounts or percentages that went down on the mainland versus Seaview Harbor. He asked if this could be repeated. Attorney Doyle stated he has been questioning from two (2) sheets of paper that he has not placed into evidence and he is not sure if he has a clean copy but submitted an OPRA for the assessed values of Egg Harbor Township properties and

the appeal values of Egg Harbor Township properties which was divided from 2011 – 2015 and then going to Seaview Harbor separately for residential, marina and commercial. He stated the numbers he used is clearly the assessed value of Egg Harbor Township properties is over 4 billion dollars. The appeals over time were 30 million, 29 million in 2014, 10 million in 2015 for a total of 70 million out of 4 billion and this is 1.75%. Special Board Solicitor Marcolongo interjected and stated the board will be hearing a lot of this at their next meeting. Attorney Doyle stated he would like to answer Board Member Aponte's question. Attorney Doyle continued stating the year in revaluation in round numbers the residential was 81 million, the marina was 19 and the commercial was 1 million. He indicated the total added up to 101 million. He indicated tax appeals on the residential total 4.6 million and lessen the 81 million hence the 6% versus the 1.75%.

Board Member Aponte asked how many individuals submitted tax appeals. Attorney Doyle stated he did not ask for that information. He just asked for the assessed values. He indicated he does not believe the issue is who appealed or how many but what happen with the results commutatively of those appeals. Board Member Aponte stated he will leave this discussion for the auditor.

Freeholder Carman stated Attorney Doyle indicated he took the dollar figures since the revaluation with respect to the appeals. He asked Attorney Doyle if he went back before the revaluation and took those values and the post appeal values and see how they added up to each other. Because he stated that would more of a realistic comparison. Attorney Doyle stated he did not and he doubts it. He indicated a revaluation was done in Township because the ratio was at 40% and the homes in Seaview Harbor were assessed between \$200,000.00 and \$300,000.00 and they were worth clearly more than that. Attorney Doyle stated the assessor determine starting an assessment that was predetermined to be done before Sandy, before the various gasoline crisis that was described by Mr. Stuart, before issues in the marina and the boating industry, remember we have 300 slips, which took a significant tax reduction by way of appeals. So he stated he does not think looking at those numbers which the Township realized were wrong and needed a revaluation town wide and did it.

Attorney Doyle stated he respectfully appreciates the question. He stated Freeholder Carman can ask the assessor or the auditor to look at 30% ratio values as an indication of anything. Freeholder Carman stated he understands.

Attorney Doyle referred to Page 2, Exhibit B114 stating Dr. Perniciaro placed within his report the quote "While direct data is not available at the census tract level, the overall nature of the economic downturn on EHT residents can be demonstrated by the following" he stated the number of unemployed was noted. He asked how this can distinguish Seaview Harbor where Dr. Perniciaro has indicated more than half the residents do not live in here and according to the statistics a number of them are retired. Dr. Perniciaro stated it means they are just less likely to become unemployed and suffer financial instability.

Attorney Doyle asked if there are other ways to look at municipality's economic health other than a regional report that is geared to a specific town despite economics being regional. He provided the example Dr. Perniciaro discussed paying the mortgage, the ability to keep a job, the town's bread and butter is taxes. There is a measurable collection rate on taxes. He asked if this is not an appropriate measurement to look at that is hard, objective and goes to the heart of what makes a town able to function dollars and cents. Dr. Perniciaro stated yes, at one point in time it would be. Attorney Doyle asked if it is still. Dr. Perniciaro stated over a longer period of time the characteristics of the people there and their incomes would make it more stable.

Attorney Doyle stated no. He advised he is speaking of the Township on a whole. He indicated there is a collection rate. He advised the Township assesses the 18,000 properties owners and they are billed. The Township receives payment from a certain number of them and the State requires every year that the municipality require them to pay their bills. He asked if this is not an economic hard criteria that should be used. Dr. Perniciaro stated it would be over a longer term yes. He indicated one point in time that collection rate or the behavior of those people paying their taxes on time could reflect anything from this discussion to changes in the housing market so looking at it at one point in time does not do it. He indicated you would have to look at it multiple points in time.

Attorney Doyle so as an economist and giving a report here if you looked at it over a period of time it would be a useful measurement. Dr. Perniciaro stated yes. Attorney Doyle asked Dr. Perniciaro in terms of everyone paying their taxes, being 100%, and if half the people paid their taxes it would be 50% does he know what the collection rate is within Egg Harbor Township. Dr. Perniciaro stated he does not. Attorney Doyle stated over the last five (5) years it is generally over 99% would this not put a kibosh on all of this. A town by its measurement is running its government and is collecting all but less than a percent of its taxes due and owing be meaningful. Dr. Perniciaro stated it would be meaningful.

Board Member Aponte asked if homes are banked own do they not pay the taxes. Dr. Perniciaro stated yes they should pay. Attorney Doyle stated Board Member Aponte is in the banking business. Board Member Aponte stated he is not speaking of his field it is completely out of it. He indicated what he is asking Attorney Doyle whether or not in the 99% do the banks pay it if the house is in foreclosure. Attorney Doyle stated he does not know. Board Member Aponte asked Attorney Doyle how can he provided 99% with certainty. Attorney Doyle stated it has been reported on State documents and will place them into evidence with the Auditor.

Board Member Aponte stated someone has to be paying if the homeowner is not. Attorney Doyle stated as a hard fact this number is recorded as a matter of fact and the collection rate is for every municipality and it takes in every property but it does not segregate who pays the bill. May the record reflect Board Member Aponte and Attorney Doyle discussed the 99% collection rate and banter back and forth concerning the payment from homeowners, banks, the purchase of tax certificates. Board Member Aponte stated this line of discussion should be held when the Auditor is present and Attorney Doyle agreed.

Attorney Doyle asked if it matters who pays the bill in terms of the economic health for the Township. Dr. Perniciaro stated it does matter who is paying the bill on the taxes because Attorney Doyle is using this 99% as to reflect the stability of the tax payers not of the bank or the overall payments. Attorney Doyle stated the question here is if by granting the petition it would cause significant injury to the municipality. He stated there is criteria for this but one criteria when you speak of economic health and sustenance of the municipality is the tax bills getting paid.

Attorney Doyle referred to page 3, exhibit B114 discussing the conclusions. He then read from the first sentence on this page concerning the use of the data as a guide. He indicated some of this data has been challenged. Dr. Perniciaro stated the date is not for a whole picture, it is not meant to be exact. He stated it is meant to be a picture of Seaview Harbor versus the rest. He indicated it was provided to give examples as to how it is different from the rest. Attorney Doyle stated he appreciates how Seaview Harbor is different from other neighborhoods in Egg Harbor Township as they are from Seaview Harbor or from each other, correct. Dr. Perniciaro stated yes.

Attorney Doyle however stated this is not the direct inference of what this data is. May the record reflect he continue reading from paragraph 1 on page 3, exhibit B114. He then asked Dr. Perniciaro if the current overall situation of the Township if graded what would it be, A-F. Dr. Perniciaro stated probably a C-. Attorney Doyle asked if the things that make it a C- regional such as the casinos, the national malaise, unemployment rate. Dr. Perniciaro stated any of those, however, he added Seaview Harbor is not as effect to these because of the characteristics of the population which is the reason for given the characteristics of the population. Attorney Doyle noted the people living within Seaview Harbor are personally less affected does not change the overall future of Egg Harbor Township does it. Dr. Perniciaro stated if Seaview Harbor shared the same characteristics as the rest of the Township, the averages, than the Township would be more affected by negative regional economic forces, yes.

Attorney Doyle asked when Dr. Perniciaro speaks of regional forces what is the region we are in. Dr. Perniciaro stated it is Southern New Jersey. Attorney Doyle stated if Seaview Harbor was a part of Longport or a part of Egg Harbor Township it would be in Southern New Jersey regardless. Dr. Perniciaro stated correct. Attorney Doyle stated so the economic health and future of Southern New Jersey, that change would be irrelevant would it not. Dr. Perniciaro stated this is correct. Attorney Doyle asked whether or not the people who live in Seaview Harbor are, whatever they are, of a certain, age, certain income, their homes are of a certain value, those 92 houses work to be the spring board forming a basis, again as noted by Dr. Perniciaro, for a quicker and sounder recovery.

Dr. Perniciaro indicated they are one more advantage to the diversity that is there. It is one more advantage to the Township out of many that help distinguish itself, buffer itself from the economic conditions of the region. Attorney Doyle asked Dr. Perniciaro if he can show him a fact, a report, anything other than his opinion that one neighborhood can add to the recovery of a municipality of which its part is, and by most criteria, houses, ratables anywhere from .0004 to 2%. Dr. Perniciaro stated the loss of that from the Township would take out the taxes that are paid that is the amount that is lost. He indicated it is a number and whether you find this amount significant or insignificant he cannot tell him. He stated all he can tell him is that there is a number the loss would be and you know what the fiscal impact would be and what the dollar values would be but you would also know with the loss of Seaview Harbor the Township would be losing one more piece that has not suffered as much as the rest of it.

Attorney Doyle stated and if it adds a Wal-Mart it adds one more piece correct. Dr. Perniciaro stated this is correct. Attorney Doyle asked if they keep addition pieces do they level out. Dr. Perniciaro stated they would never replace no because you would also have Seaview Harbor there. So if you are adding you are adding to the total. It would always be a loss. Attorney Doyle stated on this basis there should not be a right to secede. Dr. Perniciaro stated he has no idea of what the legal implications are what the laws are nor has he said whether he favors seceding or not seceding.

Attorney Doyle then read from bullet item #3 on page 3, exhibit B114. He then stated to Dr. Perniciaro that he noted within his report it adds a dimension to this section of Egg Harbor Township. Attorney Doyle stated the fact is this section of Egg Harbor Township that is Seaview Harbor other than Route 152 does not touch any other inhabited part of Egg Harbor Township does it. Dr. Perniciaro stated he apologizes the word sir. He indicated he made the point here that it adds diversity to the entire Township. Attorney Doyle stated so the reference that "this section of EHT" is a mistake. Dr. Perniciaro stated no. He indicated it means the waterfront itself adds a dimension to that section. He indicated it was one dimension of the section that is responsible for its higher property values, etc..

Attorney Doyle asked Dr. Perniciaro how does he know that just because the residents are retired are not depending upon current income defining current income as pension and investment income. Dr. Perniciaro stated he does not know this. He would not call pension income. He advised they are not as dependent on the economic portions of the region as demonstrated by the high unemployment rates, etc... Attorney Doyle asked Dr. Perniciaro that he does not have a factual basis for saying they are dependent on current income. Dr. Perniciaro stated he does not know how those particular people derive their income.

Attorney Doyle then referred to bullet point 4, page 3, Exhibit B114 by reading the statement onto the record. Attorney Doyle then stated Dr. Perniciaro does not know if most have saved wealth. Dr. Perniciaro stated he indicated the fact they are retired, he assumes and living in those houses, he assumes they have some saved wealth, yes. He added many do not have a mortgage as the data shows. Attorney Doyle asked Dr. Perniciaro if he knows the last house sale, albeit it was a short sale, was in the \$300,000.00's. Dr. Perniciaro stated he does not. He added if this is bad or good. Attorney Doyle asked Dr. Perniciaro if it bad or good. Dr. Perniciaro stated it depends upon the home owner and how much they want for their home. Attorney Doyle asked if this is bad or good for Egg Harbor Township. Dr. Perniciaro stated he does not know what the house was worth or previously worth. He has no idea.

Attorney Doyle then asked Dr. Perniciaro how does he have the facts to say and/or a second earner of near equal earning power, as referenced in bullet 3, page 3, Exhibit B114. Dr. Perniciaro stated by the education attainment. Attorney Doyle asked if Dr. Perniciaro has ever seen a group of residence from Seaview Harbor before tonight. Dr. Perniciaro stated just the ones he sees on the street when he goes through it. He indicated he would have no other way of knowing if they were from Seaview Harbor.

Attorney Doyle stated when you see the people from Seaview Harbor in the audience can you tell by looking at them that they are wealthy, based on the words Dr. Perniciaro used, does he know that they are wealthy. Dr. Perniciaro stated no, but this is what they reported on the census. Attorney Doyle stated the report on the census, if accurate, as discussed, advises their average income is \$86,000.00 does this make them wealthy. Dr. Perniciaro stated it makes them wealthier than the average for the rest of the Township, yes. Attorney Doyle stated the average for the rest of Egg Harbor Township is \$71,000.00. Dr. Perniciaro stated \$86,000.00 is wealthier.

Attorney Doyle stated \$86,000.00 is wealthy and \$71,000.00 is not wealthy. Dr. Perniciaro stated this is not what he said. He indicated one is wealthier than the other. He stated what level do you have to get to be wealthy. Attorney Doyle stated Dr. Perniciaro needs to tell him because he used the wording. Dr. Perniciaro stated it is relatively wealthier and wealth is not all defined by income but we will leave that for another day. Attorney Doyle stated he believes it is based upon a lot of other things other than money or the quality of the house you live in and he agrees with Dr. Perniciaro of what he is thinking on that score. Dr. Perniciaro stated thank you.

Attorney Doyle stated what he is suggesting is the conclusions made based upon the house they live in Dr. Perniciaro does not know if they are scraping by or whether they purchased years ago and paid off the mortgage and living on the cheap and they just happen to have a house that is in a nice place. Dr. Perniciaro stated but he knows for the reported income they are doing better than the rest of the Township. Attorney Doyle stated that is the \$15,000.00 difference and this is only the difference if it does not include Longport. Dr. Perniciaro stated yes.

Board Member Aponte asked if Dr. Perniciaro knows what the average use income is. Dr. Perniciaro stated no. He indicated \$56,000.00 comes to mind. Board Member Aponte stated he believes it is between \$51,000.00 - \$56,000.00. Dr. Perniciaro stated New Jersey is the second or third wealthiest State in the Country. Attorney Doyle asked Dr. Perniciaro if he can point to him any criteria recognized by the Government, statistician, or economist that separates the wealthy versus the non-wealthy at a dollar number between \$71,000.00 and \$86,000.00. Dr. Perniciaro stated no. Board Member Aponte stated this statistic may exist. He believes he read it in the Wall Street Journal. Special Board Solicitor Marcolongo stated we also have information from the Council on Affordable Housing who suggest what a low to moderate income house would earn. He asked if this would not be correct. Dr. Perniciaro stated that is one way of doing it. He indicated we have one percenters, but it would depend on definition.

Attorney Doyle stated he appreciates the information concerning the average income on the federal level. He asked if Dr. Perniciaro knows what the average household income is within the State of New Jersey. Dr. Perniciaro stated he does not off hand, no. He advised he has nothing further. Dr. Perniciaro stated it is easy to look up in the ACS. Attorney Doyle stated he knows it is but he is not the economist nor the witness.

Special Board Planner Wisner stated his question is almost a procedural one. He advised we have had a lot of questions raised about Dr. Perniciaro's statistics based on whether or not a portion of Longport is included. He asked how do we get to a resolution on this. Board Member Aponte suggested Dr. Perniciaro submit something on how he got his numbers. He indicated one of these has to be wrong. He indicated it either has to be Atlantic County or Dr. Perniciaro is wrong. Maybe something should be provided that tells us this. Attorney Doyle stated his concern and he is not in the position to address the question of Chief Cumone testifying but there have been a number of times where I have heard you had your shot. Attorney Doyle stated he had his shot at cross examination and the witness spoke. He indicated there has to be a finality. Board Member Aponte stated than whatever Special Board Solicitor Marcolongo and Attorney Doyle decide.

Special Board Solicitor Marcolongo stated Exhibit B114 should be admitted into evidence. He advised counsel has questioned the witness and raised certain issues. He advised that matter can be considered by the Board and give the evidence the appropriate weight based upon the questions that have been raised. Board Member Aponte stated fair enough. Special Board Solicitor Marcolongo stated so he will move Exhibit B114.

Attorney Doyle stated he would suggest that what we have here, based upon the questioning clearly is a net conclusion. He indicated it is not a fact based conclusion. It is opinions based upon perhaps erroneous information, at least based upon the public record, it is erroneous. He advised it is based upon no solid foundation drawn between the data which itself is questionable and the conclusions drawn from it. Attorney Doyle indicated it is drawn, the conclusions, from what is acknowledge not to be information that is known that is the assumptions of wealth based upon the values of the houses. So he would say that it should be stricken and not admitted. He indicated he appreciates what Special Board Solicitor Marcolongo said, but has made his point.

Special Board Solicitor Marcolongo stated he accepts Attorney Doyle's argument and certainly the Board can consider it but he would suggest the report be moved into evidence and the Board just give it the appropriate weight. Freeholder Carman stated we have heard this and our recommendation. He for one thinks the Board should take it into evidence bearing in mind Exhibit S137, Exhibit S138, and

Attorney Doyle objections and weight it appropriately. Board Member Aponte stated he would agree. Attorney Doyle stated understood. Township Committeewoman Pfrommer stated she agrees.

Board Member Rosenberg asked if the members had any questions for Dr. Perniciaro. May the record reflect seeing none, Special Board Solicitor Marcolongo thanked Dr. Perniciaro for his time.

Motion Eykyn/Carman to carry public hearing to Tuesday, October 6, 2015, 5:00 p.m., prevailing time.
VOTE 6 Yes: Aponte, Carman, Eykyn, Kearns, Pfrommer, Rosenberg

SUMMARY MATTER(S):

SECTION I: Discussions of matters pertaining to the Board:

A: General public discussion: Motion Carman/Aponte to open public portion

May the record reflect no one came forward.

Motion Pfrommer/Eykyn to close public portion

The Planning Board will conduct two (2) special meeting(s):

Scheduled for: **Tuesday, October 6, 2015, 5:00 p.m., prevailing time**
Wednesday, October 7, 2015, 7:00 p.m., prevailing time

Motion Pfrommer/Aponte to adjourn at 9:18 p.m. VOTE 6 Yes: Aponte, Carman, Eykyn, Kearns, Pfrommer, Rosenberg

Respectfully submitted by,

Theresa Wilbert
Secretary