

## PRESS RELEASE

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### SEA ISLE OUTSPENDS NEIGHBORING TOWNS' LEGAL COSTS

As part of our continuing research into how Sea Isle City spends its tax dollars, the SICTA research committee, using public records, has prepared a comparison to neighboring towns. Note that the budget dollars represent more than just lawsuit costs and also include costs for the City solicitor role in drafting ordinances, etc.

Regardless of how legal services needs differ, research shows that in 2010, Sea Isle's budgeted legal costs on a per household basis (the latest available that we could compare) were over 80% more than the average of our neighboring communities as shown below.



Further, combined actual 2009 and budgeted 2010 legal costs were higher than all surrounding communities, many of which are much larger.

| Community      | Spent/Budgeted 2009/2010 |
|----------------|--------------------------|
| Sea Isle City  | \$725,000                |
| Wildwood City  | \$694,675                |
| Ocean City     | \$672,770                |
| North Wildwood | \$415,000                |
| Cape May City  | \$385,000                |
| Avalon         | \$380,000                |
| Stone Harbor   | \$273,859                |
| Wildwood Crest | \$260,600                |

Since some of SIC's legal fees over the last two years have been spent to defend or settle lawsuits brought against the City or its employees, many of which are related to inappropriate conduct, taxpayers should be asking...

Is Sea Isle City...recruiting and hiring the right people?

Are they trained and monitored consistently?

Does the city conduct regular performance reviews?

Does the city have appropriate policies/standards of conduct?

Does the city apply discipline (even up to termination in the most egregious cases), etc?

These are basic things that all well-run organizations do to minimize lawsuits and avoid costly legal fees. In recent months the City has settled two lawsuits under which the payments by the City's insurance carrier (JIF), to the plaintiffs, totaled \$1,050,000. Additionally, the insurance carrier has incurred legal fees of \$210,000. just on the most recent settlement alone. Considering that the City's annual premium for liability insurance is only \$107,000, there is a possibility that the City may be at risk of losing coverage or having its premiums increased, which would not bode well for the future.

Links to copies of public records containing details of filings and resolutions, etc., have been posted on the Sea Isle City Taxpayer Association's website [www.sicta.org](http://www.sicta.org)