

BOROUGH OF MEDFORD LAKES, NJ
SPECIAL MEETING
BUDGET WORKSHOP
October 20, 2009

A Special Meeting (Budget Workshop) of the Borough Council of the Borough of Medford Lakes, New Jersey, was held on the above date in Oaks Hall at Municipal Cabin, 1 Cabin Circle, Medford Lakes, NJ 08055 beginning at 7:00pm. Following the pledge of allegiance and moment of silence (Council and the public observed a moment of silence to honor service men and women defending our country), Clerk McIntosh read the Statement of Compliance with the Open Public Meetings Act: this is to announce that adequate notice had been provided to allow publication 48hours in advance and was (1) posted on the Administration Building bulletin board, (2) emailed to The Central Record, Medford, NJ, (3) posted on the Borough Web Site and (4) filed with the Municipal Clerk. Advance written notice of this meeting was mailed or emailed to all persons who requested such notice according to the Clerk of the Municipality. Publication of notice was made on October 15, 2009 in the Central Record.

ROLL CALL

Acting Clerk McIntosh called roll. Mayor Paul G. Weiss, Esq., Councilman Timothy S. Casey and Councilman Gregory C. Lackey answered in attendance. Also present were Manager Geoffrey D. Urbanik, CMFO Donna Condo, Police Chief Frank Martine and Deputy Manager/Acting Clerk Mark J. McIntosh.

MANAGER & CMFO BUDGET PRESENTATION

Borough Manager Geoff Urbanik provided council with a packet of information to follow along with tonight's overview of the 2010 Municipal Budget. He began with the first page which detailed the 2010 budget obstacles to include the pending taxable valuations due to the revaluation process.

Council asked what impact the current revaluation process will have on the 2010 budget.

CMFO Condo explains that it won't impact the revenues but the Borough won't be able to set a tax rate until later, preferably after the appeal deadlines so that the Borough isn't accountable for funds if appeals are granted to homeowners. Normally the budget projections would include a rate for the average homeowner but with the revaluation ongoing that will be difficult. Another concern is that residents reassessed higher than their current assessment will have to pay the new rates in the last two quarters of 2010 vs. spreading it out across four quarters. Communication to the residents would be very helpful with their planning for potential tax increases.

Council agreed that communication to the residents will help to prepare them for any changes. The reval won't necessarily impact every homeowner negatively since it just redistributes the tax burden fairly. We can use the current average since properties assessed in the middle now won't see much change. They asked if the manager can check with the revaluation company to see if we can get some preliminary projections so that residents aren't surprised.

Manager Urbanik agreed and continued detailing the 2010 budget obstacles to include; unsettled collective bargaining contracts with both the Medford Lakes Police Officers Association and the Wastewater Teamsters, no confirmation of State Aid figures, pension obligations, trash truck bond ordinance, increases in pension and health care benefits and finally the declining revenues from interest on income, construction code and municipal court.

Mayor Weiss asked if the data requested from the State regarding our claim history had been received.

Manager Urbanik stated that it had been requested and paid for but not received yet. He would follow up with them.

Mayor Weiss asked if we are anticipating any costs to cover legal expenses related to revaluation appeals.

Manager Urbanik stated that \$20,000 was available currently for legal expenses.

Council asked the Manager to ascertain from the revaluation company an average amount that should be set aside for legal expenses in a comparable municipality.

Manager Urbanik stated that operationally the borough budget is in pretty good shape. He reviewed the second page of the presentation which covered revenue history and revenue amounts to date.

Councilman Casey asked that a sub-total be placed above the local purpose tax line.

CMFO Condo stated that she would include that on the next revenue update provided at the next budget workshop.

Manager Urbanik reviewed the third page regarding 2010 Capital requests. He also stated that some 2009 Capital items had not yet been addressed.

Council asked if wastewater projects were going to be discussed.

Manager Urbanik stated that he would have the wastewater budget overview at the next workshop and he was waiting for input from the engineers regarding improvements and maintenance issues.

Manager Urbanik asked council for guidance on how they would like to proceed on reviewing departmental budget requests. Council can review them collectively or each liaison can review their respective departments. The manager plans to have a meeting with each department head and the CMFO to review their requests.

Council asked that after the Manager and CMFO conduct the departmental review a final request copy is provided to council prior to the next workshop.

Council requested that the Manager and CMFO provide them with true departmental costs. The information provided should include salary, health benefits, pension, social security, etc.

Manager Urbanik stated that it can be done but would not appear on any Edmunds program reports but instead on its own spreadsheet.

Council asked if the manager wanted to highlight any of the department budget requests.

Manager Urbanik stated that he was requesting a 2% cost of living adjustment (COLA) for all non-union and non-managerial employees, contractually a 4% increase for the police and operationally no major changes. He does expect an increase in health benefits and potentially higher tipping fees at the landfill.

Councilman Casey states that the tipping fee increase may be negligible due to less tonnage going to the landfill with the start of our enhanced paper/cardboard recycling toter program.

Clerk McIntosh states that a drop in general trash tonnage and an increase in recycling tonnage is the expected result.

Mayor Weiss asked if the intent of management was to maintain the contingency line items first implemented in the 2009 budget.

Manager Urbanik stated that was his intent. He believed that Councils desired results were realized in 2009 and would be providing council with a synopsis of the results of the 2009 contingency line items at a later date.

Council asked if there were any thoughts regarding surplus.

CMFO Condo stated surplus could be calculated on the revenue side but it was still an unknown on the tax side.

Manager Urbanik stated that in his conversations with the borough Tax Collector it was believed that our collection rate will remain at 98% or better since most delinquent mortgages were still serviced by the banks.

Manager Urbanik concluded the presentation and asked for council to set a date for the next budget workshop.

Council chose Tuesday, December 1, 2009, at 7:00pm to be the date for another budget workshop meeting and asked that the Manager provide them with an advance copy of the budget packets on Friday, November 20th.

Council asked that the November 25, 2009 scheduled meeting be listed as a discussion item on the October 28th meeting agenda for possible cancellation.

PUBLIC COMMENT (in bullets)

Mayor Weiss opened the meeting for public comment

Joe Aromando, 285 Shingowack Trail:

- With the borough's recent update to the Edmunds financial software program we should encourage and fund any additional or advanced training for our employees to maximize the use of the software thus enhancing the reports provided to council and the departments.
- Regarding wastewater collection-line cameraing, we should review the proposals already on file from a few years back when this was firsted looked at.
- Regarding capital expenditures this place is a money pit. Capital should be shown in the budget with a full life expectancy showing payments of year #1, 2, 3 etc.
- The public works department is requesting another leaf machine. We survived in the past with only three machines and now we need four or five.
- Council should not fund any of the Christmas wish-list items for Oaks Hall until the building has been paid off. The residents have already spent enough money on this complex.
- Stop funding capital requests for vehicles until these departments provide management and council with a documented fleet maintenance program. All departments should be using one to enable them to better plan for these capital purchases.

Robert Hanold, 45 Natchez Trail:

- What is the disposition on the Lion's Club request for use of the corner property at Lenape Trail and Stokes Road.

Manager Urbanik stated that an update would be provided at the next meeting, October 28th.

- The request for a 50 kilowatt generator seems excessive.
- Maximum needed to power the police side and a couple lights and computers on the administration side is closer to 32 kilowatts.
- The borough should solicit local electricians to install the generator rather than pay \$45,000 as requested.

Manager Urbanik stated that local electricians have been involved in identifying the size generator needed and that council will have the ultimate say on whether none, some or the entire municipal complex has backup power.

Walt Lyons, 164 Cheyenne Trail:

- The current schedule for the Code Enforcement Officer provides for six days a month and with the need to attend court each month the actual borough inspections are less than six days.
- Concerned that council fully funds this department since enforcement of property maintenance is a very important quality of life issue.

Mayor Weiss closed public comment

Mayor Weiss motioned for meeting adjournment, seconded by Councilman Casey

VOTE TO ADJOURN SPECIAL MEETING

Ayes: Weiss, Casey, Lackey

Nays: None

Motion carries, meeting adjourned.