

**SPECIAL BUDGET/WORKSHOP MEETING
APRIL 22, 2008
BOROUGH COUNCIL**

Council President called regular meeting to order at 7:36 P.M.

Assistant to Borough Clerk read the following statement: "Pursuant to Section 5 of the Open Public Meetings Act, adequate notice of this meeting has been provided by posting on the bulletin board at Borough Hall and by notification to the Asbury Park Press, the Newark Star Ledger, and the New Coaster at least 48 hours prior to the meeting."

All present stood for Salute to Flag.

ROLL CALL

PRESENT: Mr. Baldwin, Mr. Ford, Mr. Morrill, Mr. Tobin, Mr. Skudera

ABSENT: None

ALSO PRESENT: Mayor Peter Maclearie
W. Bryan Dempsey, Administrator
James Berube, Director of Law
Maggie Pereira, Assistant to Borough Clerk
Stephen Pfeffer, Chief Financial Officer

PUBLIC DISCUSSION

Mr. Tobin offered a motion to open public discussion, seconded by Mr. Baldwin.

ROLL CALL

AYES: All in Favor

NAYS: None

ABSENT: None

ABSTAIN: None

PUBLIC DISCUSSION OPEN

There being no further comments from the public, Mr. Tobin offered a motion to close public discussion, seconded by Mr. Baldwin.

ROLL CALL

AYES: All in Favor

NAYS: None

ABSENT: None

ABSTAIN: None

PUBLIC DISCUSSION CLOSED

RESOLUTIONS

Mr. Baldwin offered the following Resolution and moved its adoption, seconded by Mr. Ford.

**R- 08-116 - RESOLUTION AUTHORIZING W. BRYAN DEMPSEY TO ACT IN THE
ABSENCE OF THE BOROUGH CLERK**

BE IT RESOLVED, that W. Bryan Dempsey is hereby authorized to act in the absence of the Borough Clerk as Deputy Borough Clerk for the Borough Council meetings to be held on April 22, 2008 and April 24, 2008.

ROLL CALL

AYES: Mr. Baldwin, Mr. Ford, Mr. Morrill, Mr. Tobin, Mr. Skudera

NAYS: None

ABSENT: None

ABSTAIN: None

Mr. Tobin offered the following Resolution and moved its adoption, seconded by Mr. Morrill.

**R-08-117 - RESOLUTION APPROVING RAFFLE LICENSE APPLICATION RA# 08-07 -
A CHILDS PLACE SCHOLARSHIP FUND ON PREMISES RAFFLE**

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WHEREAS, the Monmouth Regional High School PTSA has filed an application, which has been found to be complete, for a Raffle License which has been assigned number RA# 08-07, and

WHEREAS, said license has been forwarded to the Tinton Falls Police Department for their review and no objection was received, and

WHEREAS, the appropriate fees have been received and filed by the Borough Clerk's Office.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Tinton Falls that Raffle License No. RA# 08-07 be and the same is hereby approved as follows:

NAME: A Childs Place Scholarship Fund Inc. Identification No. : 303-5-37624
LOCATION: Mumfords 33 Apple St., Tinton Falls, NJ
DATE: April 28, 2008 11:30 – 2:30 pm

ROLL CALL

AYES: Mr. Baldwin, Mr. Ford, Mr. Morrill, Mr. Tobin, Mr. Skudera

NAYS: None

ABSENT: None

ABSTAIN: None

BUDGET WORKSHOP

Mayor's Goals – 2008 Municipal Budget

Mayor Maclearie stated our goal for the 2008 budget was to have a zero increase in municipal taxes. We knew that achieving such a lofty goal would be difficult, primarily due to the many costs that are beyond our control such as salaries, health insurance, fuel and energy charges. These are a few of the costs that increased significantly each year. Still, we believed our goal was possible and worked towards that end. Several initiatives were implemented to increase revenue such as the fee for collection of commercial garbage, the acceptance of credit cards to pay court fines and in addition, Borough fees were increased at a more aggressive approach for collecting inspection fees. One major impact that affected our budget was a reduction in State Aid of \$178,902.00 also affecting the anticipated revenues for the federal interest rate cuts that would greatly decrease the amount of interest earned in 2008. The expenditure side of the budget was also impacted. Fuel and energy costs increased dramatically as did health insurance and pension costs. Consequently, the 2008 budget will cause an increase of \$49 to the municipal portion of the tax bill on the average residential home which is valued at \$343,683.00. The municipal portion may also be affected by the recent property reevaluation.

A new committee will be formed to start working on the 2009 budget to identify cost savings measures that can be implemented immediately. This committee will review all operating expenses on a periodic basis and seek cost savings opportunities that may range from staff reductions to shared services with other municipalities.

Borough Council's Goals – 2008 Municipal Budget

Council stated their goal is to continue to find ways to save money.

Anticipated Revenues

Mayor Maclearie stated as the Federal Reserve is cutting their interest rates, all of our money that is in the bank normally pulls in a higher interest rate, however it has already dropped three (3) times the share which was several hundred thousand dollars that we were impacted.

Mr. Pfeffer advised Council that we are statutorily prevented from doing certain investments; however, we are not locked in from any normal investments that you could get at a bank such as a money market, CD, government securities, etc. We are not allowed to invest over a year in term; we can't buy stocks; we can't buy corporate bonds, etc. but we take a look at our interest rates all the time, especially in a situation where they are dropping and we do check out what other entities are paying in comparison to what we are getting. In 2007, we had a high of about 5.3 in one particular fund that we were invested in that was well above every place else that we could invest our money in, which was a money market fund. As opposed to around the same period of time, the standard rate on our checking account which is extremely high was 4.9. We get a much different deal from the banks than the average citizen would get. In January 2008 we are at 3.3. We are projecting that where we use to average \$71,000 a month on interest, we are going to average \$48,000 a month.

Mr. Pfeffer spoke about cut in State Aid and the articles that he has read. It appears for the towns under 5,000 they are going to receive some if not all of their aid restored. However, he is not sure what that means for other municipalities.

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One Time Revenues

Mr. Skudera stated that if next year we still have the 4% budget cap, he wants to make sure we aren't relying on the one time revenues since next year we will have to make it up.

Mr. Pfeffer stated the Pines II gave a contribution of approximately \$120,000.00 of which we have only used a small portion of it because one of the First Aid squads requested money for an ambulance. We still have the remaining balance, therefore, it wouldn't be considered a one time revenue since most of the money is still in the bank.

General Appropriations

Mr. Ford inquired if any cuts have been made in staff and if there is any new personnel or reductions in personnel in this budget.

Mr. Pfeffer stated we budgeted for a technology coordinator for approximately half the year in the salary account. We budgeted for other monies in the other expense account. In the prior conversation that they have had with the council, they added a position of legal assistant. In the police department – we have stayed consistent through the staff count of 2006. We lost an officer in 2007 and we lost one in 2008 of which we have replaced both but haven't added any new positions.

Department of Administration

Mr. Tobin asked about the administrator's position, under salary and wages, the increase of \$46,350.00 and under other, an increase of \$27,500.00. Mr. Tobin also asked if this is due to the technology coordinator, why there is \$25,000.00 for shared services going to the Board of Education.

Mr. Pfeffer stated the salary increase for administration is due to the technology coordinator. The Board of Education's contract is on a different cycle than the calendar cycle. That contract expires in August and we are committed to that \$25,000.00 for that contract through August because of the timing when it originally started.

Mr. Tobin spoke regarding the fact that we are spending all this money on technology and he is constantly hearing from Borough employees that the systems are having problems or not working correctly. He doesn't agree with spending a huge amount of money on hiring someone to come to work here before we start seeing some type of results on it. We are spending a whole lot of money in technology and he isn't seeing any results out of it.

Mr. Dempsey stated he feels a computer system and network that we have in a building this size with the amount of employees we have serviced on a part-time basis (2 days a week) with all the technology we have, it's unrealistic. With the consultant and the two other IT-Technicians we basically have someone in this building four (4) – five (5) days a week.

Stacy Slowinski spoke with council regarding the Crawford House. There is another round of New Jersey Historic Trust Grant money that is available in 2008. The applications are due to the Trust by June 26th. It will require a match from the Borough and it will require paying our architect to prepare the application. The architect stated he could prepare the application for about \$4,000.00. The architect has looked at the entire remaining work that we need to do on the house. The original preservation plan was four phases; we recently completed phase I and that was with roughly \$100,000.00 from the trust and about \$65,000.00 of our own money. Ms. Slowinski suggested we apply for it why the grant is available and try to finish this house up in one chunk rather than spreading it out. The architect advised Ms. Slowinski that the remaining three phases, to complete all the work that was included in the original preservation plan which gets the house completely operational and ready to use would require a maximum of \$640,000.00 which would mean the Borough would be paying \$320,000.00.

Department of Law

Mr. Morrill asked Mr. Berube about his legal assistant becoming a Borough employee.

Mr. Berube stated we changed the status from technically an employee who worked for him doing Borough business to an employee of the Borough. This is a wash for wash as the amount is coming out of the Director of Law's salary; there is no significant impact on the budget. Her appointment is contemporaneous with Mr. Berube's. If she were to terminate her position, it might be refilled with someone else. She is considered a part-time employee so health benefits are not an issue. This position became necessary because of a prohibition that was announced

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December 29, 2007 effective January 1, 2008 where the State would not allow continuation in both being an employee of the Borough and providing independent contract or services to the Borough.

Department of Audit, Accounts and Control

Mr. Tobin spoke with Mr. Pfeffer regarding accumulated leave and gave some suggestions of same.

Department of Building and Development

Mr. Skudera asked regarding the increase in the Department of Building which has an increase of about \$40,000.00.

Mr. Pfeffer stated originally we had a salary budgeted in housing, we moved that salary to Code Enforcement. We didn't increase any staff, we just moved where we had it in the budget.

Mr. Tobin inquired about the acquisition of SUV's.

Mr. Pfeffer answered that Code Enforcement recently came to him and advised that they can get vehicles they need for a lot less money than what we originally had estimated and their recommendation is that we increase their revenue line item in the budget by approximately \$80,000.00 and they would be able to get the vehicles for that. His answer to them was that would be a council decision down the road. From his standpoint, he suggested they go thru the budget process and see how the revenues develop over the course of that time and if their revenues appear to be increasing over and above what we originally estimated to that tune, then he would support that and bring it to council. Mr. Pfeffer added that regular cars are not a cap exception however; trucks or SUV's are a cap exception.

ADJOURNMENT

Mr. Tobin offered a motion to adjourn the meeting, seconded by Mr. Morrill.

ROLL CALL

AYES: All in favor
NAYS: None
ABSENT: None
ABSTAIN: None

TIME: 9:19 P.M.

Respectfully Submitted,

W. Bryan Dempsey, Borough Administrator
Acting in the absence of the Borough Clerk

APPROVED AT A MEETING HELD ON: MAY 20, 2008

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