

Borough of Jamesburg

Special Council Meeting

February 16, 2005 - 7:00PM

CALL TO ORDER: 7:01pm - Mayor LaMantia called the meeting to order and announced that the same is being held pursuant to the Open Public Meetings Act of 1974 and all provisions of the Act have been met. Any contracts awarded tonight or between tonight and the next meeting require the contractor to comply with P.L. 1975. Also announced, in the event of a fire and pursuant to the N.J. Uniform Fire Code, members of the audience were requested to take notice of the exits at the front and rear of the Council Chambers as well as in the main hallway.

FLAG SALUTE: Led by Mayor LaMantia

ROLL CALL: Those Present: Mayor LaMantia
Council President Kostbar
Council member Carpenter
Council member Jennings
Council member Longo
Council member Maloney
Council member Morales
Denise Jawdzik, Business Administrator

Those Absent: None

DISCUSSION: 2005 Local Municipal Budget

Finance Officer, Denise Jawdzik gave the following presentation with regard to the 2005 Local Municipal Budget:

"This year's municipal budget is being introduced with an 18.5 cent increase. All discretionary department Other Expense budgets have remained at the 2003 level. This does not account for Extraordinary Aid, Municipal Homeland Security Aid or any increase in Municipal Aid. These items will reduce the tax increase. We have not had a tax increase for 3 years and have held off as long as we could, so this increase is not unexpected.

If we receive the same amount of Aid that we received in 2004, the tax increase will be reduced to 9.9 cents.

Appropriations have increased \$270,276 including the following **mandatory** expenditures:

• Stormwater Mgmt (including DPW new employee)	\$36,000
• UST Remediation	\$ 5,000
• Liability Insurance	\$16,760
• Health Insurance	\$28,700
• Fire Prevention (Offsetting Revenue)	\$ 4,795
• Condo Services	\$10,000
• Animal Control Vehicle	\$ 5,000
• Library	\$16,520
• Pension	\$36,038
• Recycling	\$31,000
• Third Party Billing (Offsetting Revenue)	\$44,550
• Landlord Trash Reimbursement	\$ 9,000
	<u>\$243,363</u>

Positive Outlook

The Borough has been aggressively paying down our outstanding debt. We paid off our General Serial Bond last year (\$155,150). Out of that excess for this year, I have appropriated \$140,000 to pay down our outstanding Bond Anticipation Notes. By the close of 2005, we will have a balance of \$710,225. At this rate of pay down, we will not have to seek permanent financing (at a much higher rate!). We can pay down all of our debt by 2009. This will save us \$209,000 annually!! For a point of reference, in 1999, the Borough owed \$2,500,000.

** Be advised that up until the date of Introduction of the Budget, revenues and appropriations will be adjusted by any new revenues from grants or other sources.

2005 Estimated Tax Rate

We had an increase in assessed value this year in the amount of \$443,319.

Sheet 3b

We will have a CAP Bank this year to utilize in next years budget if necessary. It is extremely important to have a CAP Bank to use when the State keeps changing those items placed inside and outside CAP. This allows the Mayor and Council to make budgetary decisions instead of having the State dictate our budget.

Sheet 4

Increase in revenues from Court, due to the increase in Police Tickets and increase in collections by Court Personnel.

Interest on Investments was up in the last quarter of 2004 with rising interest rates. I expect revenue to be even higher in 2005. We are still no where near the 2000 amounts earned. Hopefully the economy will continue to improve and the rates will rise.

Sheet 5

Waiting for State figures. We will apply for Extraordinary Aid.

Sheet 7

Third Party Billing is based on prior year revenues, it has an offsetting appropriation.

Sheet 8

Fire Prevention – same as above

Sheets 12 – 19

See above comment regarding Appropriations.

Sheets 20 – 26

For 2005, the State has changed those items that are exceptions to CAP. The following items have been changed:

From Outside CAP to Inside:

- Municipal Court
- Public Defender
- COPS Fast Grant Salaries

From Inside CAP to Outside:

- Stormwater Management
- MCUA Debt Service
- MCIA Energy Aggregation
- MCIA Recycling
- MCUA Solid Waste

Sheet 27

See above "Positive Outlook"

Sheet 30

Due to the fact that the Tax Office increased the percentage of collections this year to an all-time high of 97.77%, we are able to reduce our appropriation for the Reserve for Uncollected Taxes by \$37,927.

Increase in Sewer Rate will cover increases in appropriations. Denise Jawidzik explained that Council could opt to use more surplus, but that would affect next year's budget, and result in a 1 cent decrease in this year's tax rate. Council discussed where any budget cuts could possibly be made. Council member Maloney suggested looking at what services are provided by the Borough, that might have to be surrendered for the sake of the budget. Council also discussed the necessity of a new roof for the Municipal Building that will require financing by way of a bond. Council also discussed the request from the Historical Association for a \$2,500 increase to their \$1,000 annual appropriation. Consensus of Council was to leave the Historical Association's appropriation at \$1,000. Another consensus of Council determined to leave the budget surplus as proposed.

Members of the public wishing to address the Mayor and Borough Council must approach the podium and state their name and address for the record. There is a five (5) minute time limit for all comments and questions.

MOTION TO OPEN TO PUBLIC COMMENT:

PROPOSED BY: Jennings

SECONDED BY: Kostbar

ALL IN FAVOR: Carpenter, Jennings, Kostbar, Longo, Maloney, Morales.

None Opposed, None Abstaining.

PUBLIC COMMENT

No members of the public wished to be heard at this time.

MOTION TO CLOSE TO PUBLIC COMMENT:

PROPOSED BY: Jennings

SECONDED BY: Longo

ALL IN FAVOR: Carpenter, Jennings, Kostbar, Longo, Maloney, Morales.

None Opposed, None Abstaining

MOTION TO ADJOURN:

Proposed by: Kostbar

Seconded by: Longo

All In Favor: Carpenter, Jennings, Kostbar, Longo, Maloney, Morales.

None Opposed, None Abstaining

TIME OF ADJOURNMENT: 7:53 pm