

**BOROUGH OF MOUNT ARLINGTON
SPECIAL COUNCIL BUDGET MEETING MINUTES
JANUARY 22, 2007**

1. Call to Order

- 2. Adequate notice** of this Special Meeting of the Borough Council of the Borough of Mount Arlington was given as required by the Open Meetings Act as follows: Notice was published in the Daily Record and the Roxbury Register on January 4, 2007; notice was posted on the bulletin board in the main hallway of the Municipal Building on December 27, 2006 and said notice is on file in the office of the Borough Clerk.

3. Flag Salute

The Mayor asked for a moment of silence to pray for the safe return of our soldiers and troops.

4. Roll Call

Councilwoman Mulligan, Councilman Doran, Councilman Sorge, Councilwoman Cerasoli, Council President Driscoll, Councilman Stone, Mayor Ondish. JoAnne Sendler, Borough Administrator, and Allan Dickinson, CFO, were also present.

5. Open to Public

None.

6. Budget Discussion

- JoAnne Sendler stated that this is going to be a difficult budget year, indicating that this is due to the fact that we did not receive about \$150,000 in taxes from Kara, which of course impacts on what we can anticipate in this year. We also did not receive water and sewer connection fees which also impacts our reserve monies to pay down the debt. Ms. Sendler stated that the budget presented tonight has gone up \$.8 and we are looking to Council to advise what is an acceptable increase. Jack Marchione prepared a chart of the amounts of increase from \$.1 to \$.8 and what that means per dollar amount based on the average home of \$291,700, and Mr. Dickinson prepared same in percentages (distributed handout). Ms. Sendler further stated that dispatching has gone up, our wastewater management certification is expiring (which is \$30,000), the state plan endorsement (which is not yet reflected in this budget but we need to include it), court security measures have gone up, but if Council advises as to guidelines, we will begin to make the cuts. The Mayor stated that due to the circumstances with Kara right now, we are looking at 2 tax points due to the lack of revenue. Mr. Dickinson explained that when you don't realize the full amount of revenue, it has a double impact on you; all the current surplus is down and you have less that you can anticipate next year, so it hits two ways, it is truly 4 tax points. Ms. Sendler and Mr. Dickinson discussed the water and sewer payments, actual and appropriated. Mr. Dickinson stated that due to Kara, our ratables did not increase as much either; with the increase, the projected tax rate is \$.1-1/2 less than it would be under the old valuation. Ms. Sendler stated that she feels that we need to proceed as if Kara is not going to happen and asked for Council guidance.

Ms. Sendler discussed some of the options for this budget:

1. Capital Budget:

- The public dock replacement has been deleted.
- Mr. Dickinson said that the Capital Budget calls for \$140,000 and we have \$16,000 on hand.
- the only large item on the capital improvements list is the engineering that Daren Phil will be doing for the Howard Boulevard reconstruction; the county is going to do the construction.
- Allan Dickinson stated that he has already eliminated many capital items; the Mayor stated that many of our capital projects utilize grant money that we would be foolish not to use.

2. Caps: Mr. Dickinson stated that he had to reduce the appropriations \$149,000 to get inside the caps; the caps are 3.5%. but there is the cap carry-over from 2005 and 2006. Mr. Dickinson stated that an additional complication this year is that insurance was outside the cap last year and this year it is inside the cap; we do get a cap adjustment for last year but this year is more than last year.
3. Other options discussed:
- We had set aside \$11,000 to implement the electronic code which we might want to put off for another year. Ms. Sendler stated they will meet with the Code Committee, move forward with the balance of the code, but reduce that budget by moving forward herself, bring it to the committee and then maybe bring it to the attorney, thus saving a lot of money.
 - Fire Marshall (as an additional employee), not imperative to do right now.
 - Fire Chief's car and the fire engine truck
 - Overtime –Ms. Sendler has already spoken to Paul Nelson about emergency overtime only. We had appropriated for 2007: \$7,000 water, \$8,000 sewer, \$20,000 roads, which was originally \$30,000. Overtime for DPW in 2006 was \$41,000. Council discussed comp time versus overtime pay.
 - Ms. Sendler stated the events line was reduced by \$7,000; we did have excess money in it last year and we need to discuss what events should remain. Council discussed the Winter Carnival, the Fourth of July Beach Bash, the October Bash, National Night Out, Memorial Day, the 911 Ceremony, the Easter Egg Hunt and the Veteran's Day ceremony. The Mayor stated that some of these items should be maintained in the Borough and was hoping there were big-ticket items Council could discuss
 - The state plan endorsement will be \$15,000.
 - Raritan Compact will cost \$1,500.
 - The Mayor stated that we can cut back by eliminating the Atlantic City League Convention; Council agreed.
 - Rescue Squad volunteers submitted a budget of \$14,035, the original budget was \$16,000 and we asked them to cut it.
 - Police Department: Council discussed their own supply procedures.
 - Council discussed the listings on the 2007 Capital Budget worksheet.
 - JoAnne Sender stated that the Police Chief did ask for another officer.
 - JoAnne Sendler stated that the lights at the playground could be taken from the money in the Recreation trust fund.
 - Council discussed the demolition of buildings.
 - Council discussed the cost/expense of the water meter.
 - JoAnne Sendler stated that we were hoping to put the building up at DPW, replacing the old trailers and providing a bin for gently used items; we can put it off and look at it again mid-year.
 - Ms. Sendler stated that we can also put off changing the keys to the magnetic system at the Civic Center; but the Mayor stated we should move forward with this as it has already been decided and there are other places we can cut from.

The Mayor briefly reviewed the listed items on the 2007 Capital Budget hand-out:

- Fire Truck: Councilman Stone abstained. Councilwoman Mulligan – not sure, Councilman Doran – prefer to put the truck off for at least another year, Councilwoman Cerasoli – put it off another year, Council President Driscoll – put it off, buy the Chief's car this year.
- Dock & Dock Lane Repairs: this is the big dock.
- Computers: we have cut it back.
- Back-Hoe: vitally important.
- Fire Chief Car: okay.
- Police/Library Building:
- Howard Boulevard Sidewalks: the County is paying/doing the work, the Borough is only supplying the engineering design.
- Orben Drive Reconstruction: just received a grant, so we have to move forward.

- Parker/Circle/Southard Improvements: The Mayor stated that he spoke with Senator Bucco's office and Lisa Jackson from the State and they are pushing this through; we will move forward with the sub-base work using the grant money in 2007.
 - Windermere Avenue Flood Control: must move forward.
 - Lake Rogerene Firehouse: already in progress.
 - Demolition of 526 Howard Boulevard:
 - Misc. Road and Drainage: must do.
 - Streetscape:
 - Construction of Morton Building:
 - Install Master Water Meter:
 - Rooney/Dunlap:
- Mr. Dickinson stated that the State had promised to lower our taxes by 20% which would lower our tax rate 7.5 points, but this seems improbable. Mr. Dickinson stated we have one other option, applying for Extraordinary State Aid, to assist because the tax rate is rising an unusual amount; the application would not be decided until July so we could not adopt our budget until that time. Bud Jones indicated that Morris County does not get many of these type grants.
- Mr. Dickinson stated that if the budget appropriations stayed flat, we would still be looking at a 3 point increase because we do not have the revenues available. Mr. Dickinson stated that Police salaries went up, but they are contractual, as well as contracts on pensions and social security.

There will be another Special Budget Meeting at 5:45 p.m. on February 12, 2007, prior to the regular Council meeting; the Clerk will advertise.

7. Adjourn

Motion to Adjourn: Councilwoman Cerasoli.
 Second: Councilman Sorge.
 All in Favor – Aye; None Opposed.
 Motion Approved.

Linda DeSantis, RMC
 Borough Clerk

Minutes Approved at Council Meeting of February 12, 2007.