

**BOROUGH OF LAKEHURST  
WORK SESSION/REGULAR MEETING  
APRIL 21, 2011  
MINUTES**

MEETING OPENED AT 7:30 P.M. BY MAYOR TIMOTHY J. BORSETTI.

ALL STOOD FOR THE PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE.

PUBLIC MEETINGS STATEMENT READ INTO RECORD BY MUNICIPAL CLERK DUGAN:

“IN COMPLIANCE WITH N.J.S.A. 10:4, OPEN PUBLIC MEETINGS ACT, NOTICE WAS GIVEN TO TWO NEWSPAPERS, AND POSTED, THAT A WORK SESSION AND REGULAR MEETING OF THE MAYOR AND COUNCIL IS SCHEDULED FOR THE TWENTY-FIRST DAY OF APRIL, 2011, WITH THE WORK SESSION TO BEGIN AT THE HOUR OF 7:30 P.M. AND THE REGULAR MEETING TO BEGIN IMMEDIATELY FOLLOWING AT THE LAKEHURST COMMUNITY CENTER, CORNER OF PINE AND CENTER STREETS, LAKEHURST, NEW JERSEY, AT WHICH TIME, THE BUSINESS OF THE BOROUGH WILL BE CONDUCTED.”

ROLL CALL:

JAMES DAVIS: PRESENT	GLENN MCCOMAS: PRESENT
PAT FORD: PRESENT (via telephone)	STEVEN OGLESBY: PRESENT
SIDNEY HOOPER: PRESENT	HARRY ROBBINS: ABSENT
MAYOR TIMOTHY J. BORSETTI: PRESENT	

WORK SESSION:

REVIEW OF REGULAR MEETING AGENDA:

Municipal Clerk Dugan reviewed regular meeting agenda.

PUBLIC COMMENTS ON AGENDA ITEMS:

Time opened: 7:35 p.m.

NO PUBLIC COMMENTS

Time closed: 7:35 p.m.

ADJOURNMENT OF WORK SESSION:

Motion by: James Davis	Seconded by: Glenn McComas
To adjourn work session. Roll call vote held. All votes affirmative.	



Administrator MacLean stated that a cap exists on vacation time and added that there is no cap on accumulation of sick time. Mr. MacLean added that “everything has been changed that can be changed.”

Mr. Seaman suggested that the administrator position be changed from full time to part time. Mr. Seaman gave examples from other towns with part-time or combined administrator positions.

Mayor Borsetti stated that the administrator position is a “full time position.”

Sue Barker, 409 Cedar Street, stated that the amount to be raised by taxes is “more than 2%.”

Chief Financial Officer Thorne stated that there are exceptions to the 2% cap which include pension costs, insurance costs, and debt payments.

Borough auditor William Antonides, Jr. explained the exceptions.

Mrs. Barker commented on the decrease in revenue.

Mrs. Thorne explained that revenues have decreased due to decrease in interest rates and the increase in the reserve for uncollected taxes.

Mrs. Barker stated that expenditures were “down.”

Mrs. Thorne stated that expenditures were cut by 10%.

Mrs. Barker asked about amount listed for sick time for the Chief of Police.

Mrs. Thorne stated that she “will check on that.”

Mrs. Barker asked why revenue from licenses was not anticipated in the amount received in 2010.

Mrs. Thorne replied that the amount “was listed down to assist in accumulating surplus.”

Mrs. Thorne cautioned that the Borough “has to be conservative” in budget preparation as interest income has been lost and not much surplus can be accumulated.

Mr. Antonides stated that budget preparation should be “looked at as a long-term plan—if there is no fund balance” then “we would have to borrow to collect taxes for the school and county.”

Mr. MacLean stated that during the 1990’s taxes were cut approximately five cents per year for three years by utilizing surplus which left the Borough experiencing a \$.47 tax

increase in one year to make up for the previous three years' loss of funds. Mr. MacLean stated that tax appeals have increased and added that the cost of an appraisal for a commercial appeal averages between \$12,000 and \$15,000. Mr. MacLean further added that two years ago one cent on the tax rate generated \$19,300 and due to tax appeals one cent presently generates \$19,000. Mr. MacLean stated that "we have to prepare for emergencies."

Mrs. Barker stated that it appears that the revenues have been understated.

Mr. Antonides replied that the Borough is "allowed" to understate revenues to allow for a surplus to be created as part of "planning for the future." Mr. Antonides added that between 2008 and 2011 the surplus has been cut in half.

Mrs. Barker stated that transfers were made from police salaries and wages totaling \$95,000 and asked if the police budget is inflated since the department doesn't have a "full complement of officers."

Mayor Borsetti stated that he wanted to correct Mrs. Barker statement concerning a lack of a full complement of officers and indicated that the "there is no mandate" concerning the numbers of police officers for the Borough.

Janie Baranyay, 408 Cedar Street, asked why the amount of revenue anticipated from Northeast Housing (Pinehurst Estates) was reduced.

Mayor Borsetti replied that the number of units in the complex has decreased.

Mr. MacLean elaborated that there were previously 158 units where there are presently 83 units.

Mrs. Baranyay asked about an increase in administrative and executive salaries and wages.

Chief Financial Officer Thorne explained that "sometimes salaries are split" where they are charged and added that the clerk's salary and wages and half of the deputy clerk's salary are now charged to clerk and finance in the administrative and executive line items.

Ms. Baranyay asked about audit services line item.

Mrs. Thorne replied that reserves would be utilized then budget money for audit services.

Sue Barker asked about grant revenues.

Mrs. Thorne replied that grant funding is often received after the budget has been adopted and are included later by following procedures and are adopted by resolution of the governing body.

Borough auditor William Antonides explained that the state follows a fiscal year and funding is often not known until after July 1<sup>st</sup> after which time the grants can be included in the budget.

Ms. Barker suggested utilization of cell tower revenue to offset the proposed tax increase.

Mrs. Thorne stated that cell tower revenue is listed in the budget as miscellaneous revenue not anticipated.

Administrator MacLean stated that "Pinehurst" revenue has decreased due to a discount of the municipal service fee as the housing allowance received from the federal government to residents of the complex has been decreased.

Karl Maurer, 404 Manapaqua Avenue, asked about the 2010 police salaries and wages amount.

Mr. Antonides stated that cancellation of police salaries and wages "does not show up on the state form" (budget document).

Mr. Maurer asked about increase in police salaries and wages.

Mrs. Thorne replied that "officers all had step jumps" in wages.

Mr. Maurer stated that "it appears that a slush fund" has been created.

Mrs. Thorne stated that all transfers indicated where funds have been transferred and have been approved by resolution of the governing body and added that the information is forwarded to the Division of Local Government Services.

Mayor Borsetti suggested that questions concerning the school budget which contains a \$200,000 increase should be directed to the Board of Education for an explanation.

Councilman McComas stated that the "school is in a unique position" in that it is mostly funded with state funds.

Mr. Maurer asked about increase in public works salaries and wages line item.

Mrs. Thorne replied that "salaries are now (charged) where they should be."

Ms. Barker stated that \$95,000 increase in the overall budget "would pay for an officer."

Mayor Borsetti stated that if the Borough "hired someone" and "then lay them off" the Borough would be "open to a lawsuit."

Councilman Davis expressed his concern that “people think we are operating a slush fund.”

Borough attorney Sean Gertner stated that “every action of the governing body is backed up by resolutions.”

Chief Financial Officer Thorne stated that the “term slush fund is a horrible word to use” and added that by having emergency funds the Borough was able to perform snow plowing operations without having to “do an emergency appropriation.”

Mayor Borsetti stated “if we could anticipate everything, we would.”

Mr. Antonides stated that the budget is a “planning document which is introduced in March” and added “things change” throughout the course of a year.

Time closed: 8:29 p.m.

Motion by: James Davis

Seconded by: Glenn McComas

To close public hearing on 2011 Municipal Budget. Roll call vote held. All votes affirmative.

#### ADOPTION OF 2011 MUNICIPAL BUDGET:

Motion by: James Davis

Seconded by: Glenn McComas

To approve resolution #11-081 adopting 2011 Municipal Budget. Roll call vote held. All votes affirmative with the exception of Councilman Hooper who voted no.

#### COMMITTEE/COUNCIL REPORTS:

Councilwoman Ford reported that the annual Easter Egg Hunt experienced a “good turnout” despite the cold weather and thanked all those who helped make the event a success.

Councilman Oglesby reported that the monthly Local Emergency Planning Committee meeting was held on April 20, 2011 and added that although sparsely attended, a survey of the Emergency Operations Center yielded mostly small “items that needed to be rectified.” Mr. Oglesby added that the committee is “ready to go for the May 18, 2011 staged drill with a scheduled start time of 6:00 p.m.

#### MAYOR COMMENTS:

Mayor Borsetti reported that the project to convert Well #16 into a production well should begin next week.

Administrator MacLean added that a “holdup” of the project occurred when the New Jersey Department of Environmental Protection and the New Jersey Environmental Infrastructure Trust Fund did not approve the required funding sign and will not “allow

the contractor to proceed.” Mr. MacLean added that work should commence on April 25, 2011 with equipment being in place since April 11, 2011.

Mayor Borsetti urged everyone to vote at the annual school budget election scheduled for April 27, 2011 and added that he “would not be sad to see it voted down.” Mayor Borsetti further added that “we tried to work with” the Board of Education without success.

#### COMMENTS FROM PUBLIC:

Time opened: 8:35 p.m.

Ed Seaman, 5 Locust Street, stated that he “can’t see giving 3 ½% raises with an increase in property taxes.

Mayor Borsetti stated that non-contractual employees experienced a wage freeze last year and added that the cost for those raises would be approximately \$5,000.

Danny Barker, 409 Cedar Street, stated that “he went seven years without a raise or a bonus.”

Chris Gibson, 27 Longbow Avenue, Barnegat asked if a response had been received from the Civil Service Commission regarding employment of special police officers.

Councilman Davis replied that he has not “heard anything or not gotten any feedback” regarding the matter.

Luigi Bove, 21 Union Avenue, stated that the pear trees along Union Avenue “need to be groomed” and added “wires are growing into the trees.

Councilman Davis stated that he had discussed the matter with Council President Robbins and learned that a Shade Tree Commission is required for grants to be obtained.

Mr. Bove stated that a “professional” should be hired to trim the trees and added that he would contact arborists to obtain estimates. Mr. Bove also stated that the metal grates at the roots of the trees need to be cut to allow the roots to grow.

Karl Maurer, 404 Manapaqua Avenue, expressed concern over speeding and parking issues on Manapaqua Avenue.

Administrator MacLean stated that Manapaqua Avenue “is a county road” but added that the Borough can enforce speeding and parking regulations.

Mayor Borsetti stated that he will contact Chief of Police Higgins tomorrow to discuss the matter.

Time closed: 8:47 p.m.

