

**BOROUGH OF CALDWELL
SPECIAL COUNCIL MEETING
MINUTES – December 8, 2009**

The council Business meeting of the Borough Council of the Borough of Caldwell was called to order in the Council Chambers at 6:12 P.M.

PRESENT: Councilman Lawshe, Slattery, Dassing, Curley, Norton,
and Mayor Gartland

ALSO PRESENT: Borough Administrator, Maureen Ruane, Borough Attorney, Stuart Koenig, Esq.

ABSENT ON ROLL CALL: Councilman Brennan

Adequate notice of this Council Business/Conference meeting was given on January 15, 2009. Notice was posted on the bulletin board on the first floor of the Borough Hall, One Provost Square, Caldwell, New Jersey on January 15, 2009. Four official newspapers of the Borough were notified of this meeting by mail on January 15, 2009. Notice was posted and all persons requesting notice were sent same.

PRESENTATIONS: None

INTRODUCTION OF ORDINANCES: None

PUBLIC HEARINGS: None

RECEIVING OF BIDS: None

NEW BUSINESS: 2009 Budget Status

Councilman Norton – Reported on the email that was received by the Borough Administrator in regards to the updated revenue numbers. According to this, we are at 91.65% of our revenues and an updated analysis sheet which shows an estimated total of variances and revenues projected in 26,371.00 in the red. Councilman Dassing had questions regarding the reserve for uncollected taxes that is in the appropriation as well. Ms. Ruane responded that is correct. Councilman Dassing questioned that we put the in the revenue. Ms. Ruane responded that is actually a statue you have to have a certain reserve on your tax levy. That is actually the lowest it can be by law. Councilman Dassing questioned why we bother putting it in if we are taking it out anyway. Ms. Ruane responded this is what you have to do. Councilman Norton questioned is it because it is listed as an asset as a fixed dollar amount. Ms. Ruane responded that it is a percentage of your tax collection. It stays consistent that's why we look at it every year to make sure it's within the range, it's at the lowest it can be. Councilman Norton questioned what's the lowest it can be. Ms. Ruane responded that she would have to get that information. Councilman Curley responded that the reason it is that low is that compared to other towns is the accelerated tax sale. Ms. Ruane responded that is the big reason we lower it every year to cut the taxes. Councilman Curley questioned Ms. Ruane if she can explain accelerated tax sale versus of what other towns. Ms. Ruane responded that there is monies that are do and owing of people that will not pay some municipal charges versus sewer, versus water or taxes they get behind for whatever reasons. Caldwell elected in 1999 the year the law changed to have an accelerated tax sale. Most towns wait until the next year. In the papers you will see that towns are doing tax sales but for the prior year of taxes. We do it so we come up with 99.99% collections in the current year. Councilman Norton questioned Ms. Ruane according to the variance and revenues from 12/7 our estimated short fall was reduced from \$461,086.89 down to \$426,704.50 where is the difference from the six days come from. Ms. Ruane responded we have gotten money in parking meters, Community Center, employee contributions and we just had a payroll. Councilman Norton responds these are over and above and different from the numbers we discussed in the budget meeting yesterday morning. Ms. Ruane responded yes I ran the revenue report again last night to be current as of yesterday. Councilman Norton responded so we had roughly 35,000.00. Ms. Ruane responded that she can get a break

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down for him. Councilman Norton responded when you presented the audit to show where we were in comparison from year over year, I was shocked at 12/31/08 we were running at a revenue lost of \$302,000.00 for the year. Can we get the information of 2007 to see which way this is trending? In 2008 the Borough ran out of a deficit of \$302, 00.00 on the revenue side. The question comes up where the cash is made up. We have done our diligence on the Budget committee and we have worked hard on a lot of different issues and avenues with you and we are still \$26,000.00 short. I would like to take a peak at the audit, I don't know how difficult that is to get. Councilman Norton states that Councilman Slattery and he had concerns about the \$150,000.00 do you have any hard dollars from the week. Mr. Ruane responded that she is working with Jim Nolan, different promotions that we are running he is doing estimations. Councilman Dassing also asked what numbers are coming in I should know in the next day or so I should have my best guess. Councilman Norton responded we will have a least one week of hard dollars. Ms. Ruane responded yes. Councilman Norton responds that he thinks Councilman Slattery's concern was that we don't have a lot of time left especially with the holiday that number was high. Councilman Slattery responded that the time was not such a concern. When you look at the audit we are in a comparable position to prior years at this time of the year in terms of revenue collected. The concern I had was in that specific line whether we would be able to accurately anticipate 150,000.00 in revenue in the Community Center now and December 31st, I thought it was a little high. Councilman Norton responded that he agrees. Councilman Slattery responded it wasn't an overall concern as far as the time. It's December 8th and I know Maureen has shown us on the audit from last year and has assured us that this is about where we are every year. Mayor Gartland responded that the actual books where courses and sign ups have gone out earlier this time then last year. It might be that the individuals that would be signing up for those courses will be signing up 2009 versus 2010. Ms. Ruane responded that we tried to time it that this last class for this session for swimming is when their parents will sign up there kids because they will graduate a level. Councilman Slattery responded maybe they would give it as a holiday gift. Ms. Ruane responded that they have blasted that out for gift certificates. Councilman Norton responded that we have talked a lot about re-marketing the Community Center moving forward in 2010. I had an individual conversation with Jim Nolan as well and Maureen as well about making the Community Center more attractive, different marketing ideas that you can put together as far as monthly rates but based on an annual membership. Mayor Gartland responded I think that is something that needs to be discussed on a council level. Councilman Norton responded it is an idea we have. Mayor Gartland responded any ideas that will help bring in more revenue are definitely ideas that we can certainly have discussions on at this point. Councilman Slattery wanted to clarify that her concern was that we were putting too many eggs in one basket if we were counting on \$150,000.00 from the Community Center from now until the end of December. It does seem like a lot. Ms. Ruane reported we are moving in the right direction the more that money moves up the less critical, the \$150,000 becomes would it be great if it stayed at the \$150,000 sure then that number would even go higher. Mayor Gartland questioned that she understands that construction is down a least 50% and I understand that people have not applied for permits but how about code enforcement have we done any code enforcement in the construction department. Ms. Ruane responded that she does not know about fines being issued. I can check in the court system to see. Councilman Curley questioned that by the end of the year we will be on the positive side for revenue. Ms. Ruane responded that it's December 8th, the way it is looking at the numbers that our coming in now yes, it is trending the right way. Councilman Curley questioned if we have anticipated surplus for next year. Ms. Ruane responded she has done rough numbers and is very confident that we will have approximately \$700,000 this year. Councilman Norton questioned that it is based on all the revenues that you have talked about across the board that we talked about at the budget committee. Ms. Ruane responded that it is based upon all the 08 year falling off and the reserve that we had from the surplus from last year. Councilman Slattery responded that it sounds like we will be all right. Ms. Ruane responded that I feel very confident. Councilman Norton talked about the sewer analysis. If for any reason that any given town

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did not have the ability to pay we have a total of 1,017,464.00. If those payments did not come in prior to 12/31. Councilman Norton asked what would this do to us as far as a Borough. Ms. Ruane responded that she would have to work with the auditor on this. Councilman Norton questioned about the Dept Service payment. Ms. Ruane responded that they have never held back on that. Councilman Dassing questioned are we going to have money to reimburse ourselves from the money that we took out to pay for the sewer so far. Ms. Ruane responded once we receive the 380 from all the towns' yes, I am working on reimbursing us now but we have the added funds from the sewer plant upgrade ongoing and that is a reimbursement basis. Councilman Norton questions the additional cancellation of appropriations of \$115,446.00 that we reviewed in the budget committee. There are some concerns and some issues and is there anyone on Council in your review of the budget worksheets have any concerns. Councilman Dassing responded that she relies on Maureen since she knows what needs to be paid. Councilman Norton responded do we want to cancel any appropriations. Ms. Ruane responded we might not but I am just keeping that column. Councilman Norton questioned the Community Center's receipts. He would like to have a discussion that moving forward in 2010 that there is another level added and that would be the head of the Community Center whether it be Jim Nolan or whomever it might be in the future and that individual would take the receipts and gather a report and it's just a check and balance thing. This way Jim Nolan would have constant sources of his revenue of were he is, of what he is collecting and were he is collecting it. I think putting that extra step in there would be nothing but positive. Councilman Dassing questioned on how much it costs us to do recycling. Ms. Ruane responded that it is about \$102,000 per year next years contract is about \$105,000 there is a line for advertising and disposal brush I want to say it is about \$120,000. I have enough data that we are trending about \$35 or \$36,000 a year back to us in trust. Mayor Gartland reported on a letter she received from the Mayor of Nutley regarding the Municipal Waste disposal agreement between Essex County utilities authority and Nutley has the ability to re-examine tonnage commitments. This was very interesting to me because of what we pay for the disposal of our garbage is a significant amount of what is paid. It says the agreement is null and void. I will give this to Stuart and I guess we will be kept abreast of whether this is in agreement. Councilman Brennan has arrived at 6:44pm. Councilman Norton reported there will be a Budget Committee Meeting for Monday at 1:30 P.M. We will be talking about the 2010 budget.

There being no additional business to be conducted a motion to adjourn the meeting was made by Councilman Slattery , seconded by Councilman Brennan, unanimously affirmed by all members present, the meeting was adjourned at 6:45 P.M.

Prepared by:

Maureen Ruane
Clerk

Date