

March 2, 2021

This is a workshop meeting of the Mayor and Council of the Borough of Victory Gardens held on March 2, 2021.

Mayor Holeman called the meeting to order and declared a quorum present.

Pledge of Allegiance to the Flag of Our Country.

Please remain standing for a moment of silence for our military.

This meeting has been advertised in one newspaper, The Daily Record, in compliance with the New Jersey Open Public Meetings Act.

ATTENDANCE: Councilwoman Cheatham, Councilman Glass, Councilwoman Hedgepath, Councilwoman White, Councilman Lorenzo.

ABSENT: Councilwoman Garcia Montes.

Tonights meeting is for discussion on the 2021 Budget. At this time the Mayor turned the meeting over to the Chief Financial Officer.

Joe said that there are handouts for everyone. Councilwoman Montes, at the last meeting, asked to see what the difference would be on a 2%, 2.5% and 3% and 3.5% increase in taxes on an average home. I prepared those figures for you, that is what is on the handout.

As you can see, a 2% increase would be an increase of \$36.0 for the year. A 2.5% increase would be an increase of \$44.59 for the year and a 3.5% increase would be \$61.73. This is on the local portion of the budget. This is on an average house in the Borough that is assessed at \$171,481.

With the 2.0% increase that would come out to \$9 more a quarter, with the 2.5% increase that would come out to \$11 more a quarter and at 3.5% it would come out to \$15 more a quarter. A quarter is every 3 months so that breaks down to \$3 more per month, \$4 more per month and \$5 more per month breaking it down by every month.

Joe said that for sewer that would be for residential customers a cost of \$210 per year and for commercial it would come out to \$197.50 because they get billed quarterly for the sewer. That is about a \$12,000 increase in the base sewer charges. The increase for the gallonage is a little harder to figure out because right now the businesses have been closed due to covid. Once their businesses start picking up then we will see how that goes.

Your new estimated revenue for sewer would become \$138,450. Last year that base was \$126,350.

We received an email this morning saying that the State Aid figures are available. Ours has remained the same as last year, and that figure is \$73,706. State Aid has been flat for quite some time. We have received the same amount for the last 4 or 5 years.

Councilman Lorenzo asked about the average home assessed at \$171,481. Joe said this is an average home in town. So people that have a 2 family house compared to a single family house will have to pay more? Potentially. Everyones house is different. We have 2 family homes that are only 1 bedroom on each side. Others have 2 bedrooms on each side. There are some single family homes that have 2 bedrooms and some that have 3. So this is the basic home and the average assessed value. Everyones house is assessed differently. Won't that cost more? Yes. If your house is assessed at \$300,000 and your neighbor with a one family house is assessed at \$150,000 then you would be paying double. But you also have a two family home compared to the other person that has only a 1 family. Do you know how many single family homes we have compared to the 2 family houses? No, I did not go through the duplicate like that Joe said. Sizes of homes matter as well as the size of the lot that the house is on.

This is where we left off at the last meeting. Is there anything that anyone has questions on? The Mayor said that we are looking at cutting some trees down in the town. Where will that money come from? Joe said Deb already asked about this. We put \$12,000 in the budget last year for trees and we didn't use it. It is in Capital. If we need more money where would it come from? We have enough money in Capital for the trees.

The Mayor said we haven't settled the garbage contract yet. We don't have to introduce right away Joe said. Let's wait and see what the bids come in at. The Clerk said garbage bids will be received at the meeting of March 23.

The Mayor asked about the schools? We are factoring in 2%. We don't know what it will be. The County is coming in flat. No increase on their part. The Clerk asked if Joe needs to get some kind of input from the Council on what kind of increase they are looking at. Joe said that if the Council is comfortable with what is in front of them, which includes a 3½% increase in taxes, but you want to hold off until the 23rd to see what the garbage bids come in at, I can check to make sure we are not breaking any rules by not introducing on time. Then we would just table the conversation we are having now and say this looks good for now until we see what is going on with the garbage. If we do that then we can introduce in April. We can probably schedule another budget meeting between the last meeting in March and the first meeting in April.

If we wait and go into April then Joe will have to do another 25% of last year's budget to carry us over until we introduce and adopt. This way we will keep the doors open here and Karne would have to send out estimated tax bills. If she has to do that then the 3rd and 4th quarter bills will be higher.

Tax increase will be spent this year. The increase in sewer rates, I can't anticipate that this year, that will lapse into fund balance and then we will have it for next year.

We do not have a lot of new construction in town. The County's tax rate has remained flat for 2021 because the amount of their rateables change every year. As people build in the County, the property values go up, so they apply the current tax rate to the new rateables and it generates new revenue. We have no extra space.

Councilwoman Hedgepath asked if we do the 2.5% we are still getting another 2% hopefully, from the schools? Yes the school increase would be in addition to the increase on the local part. If we go with the 2.5% here instead of 3.5% I have to figure how we are going to make up money. If we only do the 2.5% instead of the 3.5% I have to figure out where we are going to make up that \$7,000. Or, I have to cut something by \$7,000. That is before we get the new garbage bid. Do we have to tell you tonight what we are thinking about the increase? Joe said let's wait for right now. Let's see what we can figure out with the garbage. Once those costs come in then we can schedule another budget meeting. Joe said that if the garbage bids come in just as high as the last time we went out to bid, then we may have no choice but to go to the 3½%.

The Mayor asked if there were any more questions from the Council? Hearing none, he asked for a motion to open the meeting to the public.

Motion to open the meeting to the public by Councilwoman Hedgepath, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Chris Trotsky - I have a question about the garbage. Would it be cheaper to have the residents pay individually for their own garbage? It would be a private contract between the homeowners and a garbage company. The Clerk said she asked this question a few times to Council. I thought it would cut that much from the budget. Most of the people in here are renters. It would be on the homeowner to pay the garbage bill. Their response at that time was that the town would like a mess if someone doesn't pay their bill. With a contract from the town, we have cleanup every pickup. The Clerk asked Joe what he spends on garbage a month? He said he pays about \$40 a month. When you do individual pickups thru your private hauler, they usually limit how much garbage you can put out and if you put out furniture, you are billed a separate amount for that.

Councilman Lorenzo asked if it is possible for us to charge people for larger items? The Clerk asked if you mean like Dover where if you put out a sofa or bed, or appliance, you have to pay extra? Yes. The Clerk said Council can do an Ordinance to that effect. You can start charging people for putting stuff out like sofas, chairs, bedding, appliances, etc. That would just be an act as the governing body, You would have to set fees.

Councilman Lorenzo said this would bring revenue into the town if we make the people pay for large items. That is something that the Council can look at. Joe said we currently budget \$135,000 in the budget for trash removal. Using the same 295 residential properties in town. If I divide the 295 properties in town by the 135,000 - this does not include the apartments or commercial - garbage removal costs would be \$457.00 a year which is \$38 per month. Again that doesn't include the apartments or commercial. It comes out to about what everyone pays on individual pickups. There is nothing saying you can't charge money for large items. Right now, the Clerk said we have them pay for stickers for air conditioners and refrigerators/freezers. Every thing else picked up is free. We can't ever really know how many things will be put out so we can't really say it will impact our budget.

Jim Janone - Jim said you may consider doing like Dover does, garbage is limited to 2 or 3 bags per household. If you limit it, then that is all the contractor will pick up. Why isn't the Council thinking about selling the property up on Washington that is the leaf dump? It would be a 1 time revenue but it would bring money into the town. The Clerk said she asked Leon to take a look at it and let her know if it was sellable to where someone could build on it. I am waiting to hear back from him. The Mayor said we would have to look at drainage issues because all that runoff could impact the neighbors and the apartments. That is all something that would have to go before the planning board. It would be the same as the way it was when the condos were built. Also, why don't we raise court fines, dog licenses and things like that? The Clerk said those fees are State fees. We can't do anything with them. Leon Hall charges us almost \$2,000 per year to fill out a form for the State which has to be done every month. The form takes only a few minutes to fill out but that is a lot of money he charges for that. The Mayor said he is a professional and that is in his contract. He does a lot for us at no charge. With the schools, we have no control over that, but they are saying we will have another costs to pay for busing. That will increase our taxes. Our busing bill has always been a part of our taxes we pay Dover. They always had it combined. We have 180 single houses in here and 120 double houses. From RVRSA the flow adjustment went down. It didn't go down much but something. It went down \$366. Another thing you may want to look out is opening our building restrictions. No one can build up in here. There is a lot to consider with that the Clerk said. Like dwarfing your neighbors. A lot of these homes don't have any land to them. Also, if you let people build on you are bringing more kids in here that will have to go to school. There go the school taxes. Those extra people would bring in more garbage.

Motion to close the meeting to the public by Councilwoman Hedgepath, seconded by Councilman Lorenzo and approved on verbal vote. None opposed.

Motion to adjourn the meeting by Councilwoman Hedgepath, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Submitted By:



Deborah Evans
Borough Clerk

