

MILLSTONE TOWNSHIP COMMITTEE BUDGET WORKSHOP MEETING MINUTES FOR MAY 9, 2024

Mayor Ferro calls the meeting to order 3:01 p.m. followed by a flag salute and a moment of silence.

STATEMENT OF NOTICE AS REQUIRED BY P.L. 1975, C231 IS READ.

I hereby announce that pursuant to the Open Public Meeting Act, adequate notice of this meeting has been provided in the Annual Meeting Notice which was transmitted to the Asbury Park Press and the Trenton Times, posted on the public announcements bulletin board in Town Hall and filed in the Office of the Township Clerk on May 1, 2024.

ROLL CALL: Committeeperson Eric Davis – present, Deputy Mayor Chris Morris – absent, Committeeperson Jeff Ziner – absent, Committeeperson Tara Zabrosky – present and Mayor Al Ferro - present. Also, in attendance: Kevin Abernethy - Township Administrator; Kathleen Hart - Municipal Clerk, and Melissa Peerboom, Deputy CFO.

All attendees and participants agree to conduct themselves in a manner appropriate for public gathering. Individual speakers should be advised that no right of privacy protects a person's public comments made in a public forum. Accordingly, all participants bear responsibility for their own statements and commentary.

NEW BUSINESS:

1. Review of the Draft 2024 Municipal Budget:

Melissa Peerboom, Deputy CFO stated that the draft 2024 Municipal Budget was emailed to the Township Committee. The budget contains a one penny increase; debt payoff of \$1.7 million in principle towards the three serial bonds; \$100,000.00 in principle to a BAN that the Township borrowed from itself; \$621,725.00 in interest of bonds. The budget does not include \$235,000.00 in principle and \$190,000.00 in interest which is paid out of the Open Space Trust. Millstone Township will be completely debt free in 2038. This budget is under the appropriate cap by \$158,208, which is the most we have had in excess in over 10 years. The warehouse was partly due to that, approximately \$400,000. We are under the tax levy cap by \$48,000, which we do have a levy cap of \$1.3 million that we have access to that we are not using. The 2021 cap bank of \$739,000 could be used if needed. The cap bank is for three years and year 2021 expires at the end of 2024. Inside cap is your operating expenses and outside cap is the capital improvement funds, debt service and shared service agreements. Summary of Revenues are as follows: We are using \$2.6 million in surplus this year; total miscellaneous revenue is \$2,330,846.95; receipt for delinquent taxes is \$400,000; the tax collection is 98.82%; local tax for municipal purposes is \$4,961,876.58; with total general revenues of \$10,292,723.53. Summary of Appropriations is as follows: Operating expenses, salaries and wages are \$2,163,600.00; Other Expenses is \$3,179,057.65; Deferred Charges & Other Appropriations is \$408,868.00; Capital Improvements (fully funded Capital Improvement Ordinance) is \$1,269,118.90; Debt Service is \$2,421,725.00 (including bond payments, interest and \$100,000.00 payoff of the BAN; Reserve for Uncollected Taxes is \$850,353.98 with a total General Appropriations of \$10,292,723.53. The interest on debt is \$4,677,600.00 and principal at \$17,985,000.00 with a total outstanding debt of \$22,662,600.00, which includes \$4.5 million for Open Space. M/Ferro stated that the Township's objective is to continue to pay down the debt and take on little debt that is more controlled. The Township Administrator stated that a few years ago with the interest being historically low, we consolidated bonds and refinanced at 1.6% fixed interest rate and concentrates on paying principle. Last payment is scheduled for 2038.

The Deputy CFO states that the Township has available surplus of \$4.7 million and using \$2.6 million with a remaining balance of \$2.1 million. The Township is anticipating another warehouse coming on the added/omitted rolls this year and will be getting 10 months of 2023 and all of 2024 taxes. The Township will receive about 90% of the added/omitted (approximately \$650,000.00), which will increase fund balance. The Township anticipates residents to see a decrease in taxes, however, all the final numbers are not in yet.

M/Ferro would like to include in the next tax bills a pie chart that shows the breakdown of the taxes paid, which includes County Tax, County Library Tax, District School Tax, Local Municipal Tax, Municipal Open Space Tax, County Open Space Tax, County Health Tax and Fire District 1.

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The Deputy CFO reviewed the special items of general revenue anticipated and discussed the decline in funds for the recycling tonnage grant and will follow up with the Recycling Coordinator as to why this is so low. The Stormwater Assistance Grant received was \$15,000.00 in 2023 and the additional \$10,000.00 will be received once a completed plan is submitted to the DEP. The last of the American Rescue Plan is being utilized in this budget and any funds left over must be sent back. The fund is being utilized for the capital road program. Legal services have increased due to the JIF forensic audit and additional funds for the environmental counsel. Engineering services increased due to the stormwater mapping that is required and due in 2026. Additional funds have been added in Other Expenses for the Planning Board in anticipation of starting the preparation of the review of the Master Plan (due in 2027). Affordable Housing (COAH Admin) includes the legal costs which are not permitted to be charged to the COAH trust. Health insurance has increased due to two additional employees being added and rate increases. This is the last year for the recycling contract and will need to go out to bid. Buildings and Grounds increased in other expenses due to unforeseen heating issues at some of the buildings. Currently we have a interlocal shared services for EMS and have added \$200,000.00 in the budget but will need an amendment to the shared service agreement to include this amount. The Capital Budget and Capital Improvement Program must be planned out for six years and includes public works equipment, road improvement program and improvements to municipal building.

The Township Administrator stated that the budget will be introduced at the May 15, 2024 Township Committee meeting and thanked Melissa for doing a great job on preparing the budget. The overall budget the resident should see a decrease in their taxes.

PRIVILEGE OF THE FLOOR: (Limited to ½ Hour)

Mayor Ferro opens the meeting to the public at 4:32 p.m.
No public comment.
Mayor Ferro closes the meeting to the public at 4:32 p.m.

ADJOURNMENT:

Motion to adjourn was moved by C/Zabrosky; second by C/Davis. All in Favor.

Time Out: 4:32 p.m.

Audio of the meeting is available in the Municipal Clerks Office.

May 9, 2024 Township Committee Budget Workshop Meeting Minutes approved at a Township Committee meeting held on June 5, 2024.

Kathleen Hart, RMC
Municipal Clerk