

**BOROUGH OF MIDLAND PARK
280 GODWIN AVENUE
MIDLAND PARK, NJ 07432
December 17, 2020**

6:00 P.M. Budget Session Open Public Meeting Minutes

On December 17, 2020 at 6:00 p.m., the Mayor and Council of Midland Park conducted an Electronic Public Meeting in lieu of its in-person regular Public Meeting previously advertised. Members of the public had access the meeting by dialing this Toll-Free Dial in number (United States): [1 877 568 4106](tel:18775684106) Access Code: 736-552-733

Agenda items for the meeting are listed on the Borough website. The foregoing Electronic Public Meeting is recommended due to the current situation involving the COVID-19 Virus and directives of State and County governments.

Questions, Comments or Concerns were emailed in advance to the Borough Clerk at wmartin@midlandparknj.org no later than December 17, 2020 4:00 pm.

Mayor Shortway called the Meeting to Order at 6:00 P.M.

The Mayor read the Sunshine Law Statement: This meeting is being held in accordance with the Sunshine Law, notice having been published according to law with a copy on file in the Borough Clerk's Office and a copy posted on the bulletin board in the Municipal Building.

Roll Call:	Mayor Shortway	Present
	Councilman Kamp	Present
	Councilman Iannone	Absent
	Councilman Kruis	Present
	Councilman Sansone	Present
	Councilwoman Peet	Present
	Council President DeLuca	Present

ALSO PRESENT: Borough Administrator Seemon, Chief Financial Officer O'Hanlon and Borough Clerk Martin

Administrator Seemon took the roll call of the public
Lorenzo Damiano – Councilman Elect, 19 Walnut Street

OPEN TO THE PUBLIC:

This will be the only Open to the Public portion of the meeting. No further discussions will take place once the Budget portion of the meeting begins.

The **Mayor** opened the meeting to the public.

There being no response, the **Mayor** closed the meeting to the public

BUDGET DISCUSSION :

1. Budget Updates- Discussion

Administrator Seemon advised the governing body of the current status of the budget noting a good portion of the numbers are not available from the State. **CFO O’Hanlon** advised that everyone received the budget package and noted missing items.

CFO O’Hanlon asked if everyone understood the budget information that was previously provided and reiterated that she does not have any tax impact information at this time. **CFO O’Hanlon** advised the Governing Body that despite COVID, we are in very good standing.

Councilman Kamp expressed that he prefers this budget format and feels it is extremely helpful. **Councilman Kamp** inquired if the numbers relative to the head count for the Public Safety Salaries & Wages were current?

CFO O’Hanlon advised that the numbers are all based on contract. These figures include the “step” increases, hazardous duty increases and the percent increase, this is a fairly accurate estimate for the coming year. **Administrator Seemon** advised it was the year-end figures through November, so December’s payroll was not included.

Councilwoman DeLuca addressed an item under “Fire” about future apparatus. **Administrator Seemon** stated that this item will be getting reclassified.

Councilwoman Peet asked that the IT portion of the budget be discussed. **Administrator Seemon** stated that we had bonded for a significant amount of technology upgrades. The fiber upgrades are almost complete, the new phone system upgrade, the police department had various computer upgrades. He stated that the phone system upgrade was a lengthy process and took up most of the time. He also stated how impressed he was with the speed with which our new phone system was implemented. The costs will probably significantly decrease in the upcoming year. **Councilwoman Peet** stated our costs were significantly more than anticipated back in 2019. **Administrator Seemon** agreed. **Councilman Sansone** added that the IT closet consisting of servers, was moved from the Habben Building to the DePhillips Recreation Center.

Councilman Kamp inquired about how the bonding would impact our budget this year, is it possible to keep this budget flat? **Administrator Seemon** expressed that our challenge is grant money, particularly from the Erie project, we drained a lot of our Capital Reserve, we put it up and then we get reimbursed. The bond will impact 2022. The bonding helps with any large road projects, so the simple resurfacing projects are easier to handle in the budget. We will try to keep it as level as possible however at the present time it is early to make that determination.

Councilman Sansone inquired what is the anticipation time for finding out the full numbers. **CFO O’Hanlon** responded the numbers would be available in January. The end of year financial statements must be completed with the auditor and we need our numbers from the State. **Councilman Kamp** asked if the State has provided any guidance as to what we might be expecting from the state due to their weak financial situation. **CFO O’Hanlon** stated that she was not notified as of yet, the impact would be if we did not receive State Aid approximately \$540,000.00 and it would be a large burden if the state cuts it out completely, however she did not anticipate that situation arising. **Councilman Kamp** asked if that is the only funding the Borough receives from the State, the CFO stated yes.

Councilwoman Peet inquired if anyone was aware of the school’s State aid being cut. **Councilman Sansone** noted there has been not mention of a cut to the State aid.

Administrator Seemon advised that if State Aid is cut, we can look to the bonding to fund any projects necessary. The most important thing is not to jeopardize the grant funding.

Councilman Sansone asked Administrator Seemon if he had any knowledge of the State's current intent. **Administrator Seemon** reiterated has not.

CFO O'Hanlon stated that she would expect that State to look into Federal Funds in order to continue aid to municipalities. She also expressed how impressed she was that we did not lose as much revenue as she originally feared we would due to the pandemic.

Councilman Kamp explained there were two sources of revenue weakness, the Rec Department, and the Courts. Due to the pandemic, this is a completely understandable situation.

CFO O'Hanlon discussed passing a Resolution to allow us to use a three-year average, it will include the year 2020 so she would be able to appropriate funds for both of those departments. She also briefed the Governing Body relative to the items she is writing off by resolution.

Councilman Kamp asked Administrator Seemon if he had any concerns with this current budget.

Administrator Seemon reiterated that his only concern was the uncertainty of the State aid in the future.

Councilman Kamp noted that due to interest rates being historically low at this time, bonding appears to be a good solution to cover most of the Capital Projects just in case we do take a hit with State Aid or our revenue sources don't come back, such as Recreation, this budget will not be jeopardized. There is absolutely no issue with going out for a second bond giving how low the interest rate is, it may be prudent to consider doing this. **Administrator Seemon** agreed and stated this has been explored and discussed with our Bond Counsel. The earliest that we could go out again and start the process would be May. This gives us a little time to get general costs of some of the projects.

Councilman Sansone asked Councilman Kamp if he anticipated the interest rates changing, due to the new federal administration. **Councilman Kamp** stated he does not anticipate a rapid change, however once the economy opens there will be inflationary pressures and some rising of interest rates just back to normal growth. Covid19 could still have an impact on everything.

Councilman Kamp commended the team on their outstanding job with the budget. He also discussed the excellent job done by the DPW. All in attendance agreed.

Councilman Kruis asked Administrator Seemon a question regarding the LED sign under Buildings and Grounds why this was back in the budget.

Administrator Seemon stated that DPW Superintendent, Matt Tauber, found an exceptional deal on an upgraded sign with newer technology. However, it is definitely up for discussion.

Councilman Sansone stated how important that sign can be, especially for older residents who do not receive their information via e-mail.

Councilwoman DeLuca advised that the Library was actually looking into getting some type of sign as well. Perhaps that expense could be combined/shared. A discussion ensued regarding the positives/negatives of having two separate signs.

Councilman Kamp stated he feels that very few people in this day and age do not have access to e-mail, and how wonderfully informative our newsletter is.

Councilman Sansone stated that often people do not read the weekly update, therefore, the sign would be quite helpful. **Councilwoman DeLuca** suggested putting the newsletter signup information on the sign.

Councilman Sansone stated we cannot please everyone, but we try our best.

Everyone commended CFO O’Hanlon on an excellent job.

There being no response and no further business to address, at 6:32 P.M., on a Motion by **Council President DeLuca**, Seconded by **Councilman Kamp** and carried, **Mayor Shortway** adjourned the meeting.

Respectfully submitted,

Wendy Martin, R.M.C.
Borough Clerk