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FINANCE AND CAPITAL PROJECTS COMMITTEE MEETING
MEETING MINUTES

Thursday, February 24, 2022 - 9:00 AM
Virtual Webex Meeting

Call to Order and Roll Call

Trustee Hartshorn Hilton
Trustee Haskin
Trustee Zuckerman
Adam Loehner, Village Administrator- Absent
Ellen Malgieri, Tax Assesor
Irma Weir, Tax Collector
Chris Battaglia, Village CFO
Greg Bock,Village Treasurer
Howard Levison, Water Administrator
Joycelyn White, Recording Secretary

Approval of Minutes

Regular meeting held on December 16, 2021-9:00 AM-9:05 AM

All members present approved the Regular Meeting minutes held on December 16, 2021.

Public Comments

Chair opens the meeting for public comment: 9:05 AM- 9:15 AM

New Business

Environmental Initiatives/Environmental Protection/Sustainability Funding- 9:15 AM-9:30 AM

Trustee Haskins and Trustee Hartshorn Hilton have discussed how to capture in our budget document what the village spends on the environment. This would help publicly highlight the village's priorities. Trustee Haskins added that when becoming a trustee, his priority was how to help protect the environment. In the pie chart document in the budget there wasn't any representation of environmental protection, initiatives or sustainability. Trustee Haskins would like to pull out what environmental initiatives the village already has and review the financials. Ask if it is an appropriate amount and if we are spending it on the right things. In speaking with President Collum, it was discussed about possibly raising the Open Space Penny Tax to support environmental initiatives. Lastly, Trustee Haskins is very excited about starting to track environmental spending specifically.

Sewer Fee

Mrs. Weir stated that the sewer fee has not been raised in three years, the rate is currently $300. The Village Administrator has suggested the rate of $325. Before the Tax Collector moves forward, Ms. Weir would like to hear feedback from the committee or confirmation to use this rate. In response to Trustee Hartshor Hilton, Mrs. Weir stated that she sent out a bill in March. Or have to be delayed. Before finalizing a rate, Trustee Haskins would like to understand the difference between the Joint Meeting bill and the sewer tax and review how this relates to our sewer system. Mr. Battaglia explained sewer revenue, and tax increases. Mr. Levison asked the Trustees to consider new development units that will affect the village's collection of sewer fees, about 300 units within the next three years.

In taking a poll from the trustees, Trustee Hartshorn Hilton recommended further discussion at the next finance meeting and making a recommendation next month. Ms.Malgieri and Mr. Battaglia commented that holding off the decision could affect the budget and delay the tax collector's billing. Ms. Weir added that the Joint Meeting payment is due. Before making a recommendation, Trustee Hartshorn Hilton asked for a memo sent out from the administration detailing why the increase is needed.

Senate 330: Energy Tax Receipt

Mr Battaglia stated he didn't have a lot of information on this bill. Only when he received an implementation letter from the Local Finance Board would he know more. In response to Trustee Hartshorn Hilton, Mr. Battaglia explained that the Energy Tax Bill is one of the pieces of our state aid. From his understanding, it is a percentage of the tax collected from gas. This hasn't changed in a very long time and arguably should have been adjusted with the tax every year. Reviewing the spreadsheet sent by President Collum, who is looking for 20 years worth of information to try to populate and see where the number will be. The issue is that the municipalities are looking for their share and what this proposed bill will help with. Trustee Hartshorn Hilton added that she wanted the committee to know about it and the BOT would be discussing it soon.

Trust Funds

In response to Trustee Hartshorn Hilton, Mr. Battaglia explained that the Trust Fund is a separate account for expenditures and receipts. The Trust Funds are approved by the Division of Local Government Services. The correct term for trust funds is called Dedication by Rider. This is reflected in the resolution. There is a list of commonly approved trust funds, such as snow removal, accumulated absences, certain donation accounts, and recycling. The revenue has to support the program it is dedicated to.

In response to Ms. Maini, Mr. Battaglia stated that the public can track the funds through the bills list included on the BOT meeting agenda packet.

Open Space Tax

As detailed in the Environmental Initiatives/Environmental Protection, Sustainability Funding Item, Trustee Haskins explained that currently the open space tax is one penny and in the state of New Jersey, it can be raised up to three pennies. The committee discussed the process of adopting the ordinance and the timeline of a referendum submission. Ms. White added it must be submitted to the County Clerk eighty days before the election.

Michael Parlapiano, S.O. Resident asked if this tax applies to new development with a pilot and how would they contribute? Mr. Battaglia stated that any development with a pilot would pay land taxes, which is based on the value of the land and the pilot is based on the improvement.The short answer is that their pilot would not increase.Mr. Parlapiano asked the committee to move forward to think about how to have the new developments contribute to the open space.

Annemarie Maini, S.O. Resident asked how this would impact the villages'ability to bond?

Old Business

Department Updates

- **Finance Department- 9:30 AM-9:45 AM**
- **Tax Collector- 9:45 AM-10:00 AM**
- **Water Department- 10:00 AM-10:15 AM**
- **Tax Assessor/QPA- 10:15 AM-10:30 AM**

Finance Department

Mr. Battaglia stated that the department finished up the year-end and is currently working with auditors to get the financial statements completed. It is due March 4th. These statements are needed to introduce and adopt the budget. In response to Trustee Harshorn Hilton, Mr.Battaglia gave a brief explanation of the new software. This software allows for access anywhere and information is stored in the cloud rather than locally. Mr. Battaglia added that this program combines everything the finance department does in one program. As of now, there are multiple programs being used. Discussion ensued regarding annual fees. Lastly, Mr. Battaglia explained that if approved there isn't an instant change, there is an implementation process. Likely fully running in 2023.

Tax Collector's Department
Ms. Weir has completed the end of the year report and submitted it to the BOT. Ms. Weir discussed the $10,000 premium due to foreclosure. The department is working with the auditors. The next task would be the sewer bill, once a rate is confirmed.

Water Department
Mr. Levison shared and discussed the proposed capital budget. It will be presented next Monday at the BOT meeting. It is broken down by project and current ordinances. Mr. Levison detailed the proposed appropriation for various projects. Mr. Battaglia clarified to the committee that Mr. Levsion would need to bond for these projects and is currently looking for new appropriation. In response to Truste Hartshor Hilton, Mr. Levsion confirmed that the BOT would approve this separately from the larger capital budget.

Tax Assesor
In speaking with the County Tax Board Administrator, Ms. Malgieri stated that South Orange/ Maplwood would receive a letter regarding reevaluation and be discussed at the next meeting on March 11th. The Tax Assessor believes the village will be ordered to do a reevaluation and discuss a possible bid date. Lastly, Mr. Malgieri discussed merging Govpilot and the tax assessor software.

Budget Planning Overview- 10:30 AM-10:45 AM

There were no reports.

FY'22 Capital Budget- 10:45 AM-11:00 AM

The Committee discussed the document sent to the BOT by the Village Administrator. It is up-to-date work on the budget. In the absence of Mr. Loehner, Trustee Hartshorn Hilton stated this budget is still up for review and is up to the BOT to authorize. First, it will be publically examined by the residents and the CBAC. Mr. Battaglia explained the 2% cap.

Operating Budget Calendar- 11:00 AM-11:15 AM

There were no reports.

Next Meeting Date

March 17, 2022;10 AM

Adjournment