

TOWNSHIP OF MOORESTOWN
TOWNSHIP COUNCIL
BUDGET WORKSHOP
April 18, 2022

(This meeting was held virtually/telephonically only)

The Budget Workshop of the Moorestown Township Council was called to order by Mayor Gillespie at 6:02 p.m. The location of this meeting was held via all members' homes in Moorestown, New Jersey. Attendance was as follows:

Nicole Gillespie, Mayor
Sue Mammarella, Deputy Mayor
Quinton Law, Councilmember
Jake Van Dyken, Councilmember
David Zipin, Councilmember (absent)

Kevin E. Aberant, Township Manager
Patricia L. Hunt, Township Clerk
Thomas J. Merchel, Deputy Manager/Director of Finance

CALL TO ORDER: At 6:02 p.m., Mayor Gillespie read the Open Public Meetings Act statement in full, as printed on the agenda.

MAYOR'S STATEMENT

"Notice of this meeting has been provided in accordance with the Open Public Meetings Act" by:

- a. Posting a copy of the amended meeting notice and agenda on the bulletin board at the Municipal Complex.
- b. Filing a copy of the amended meeting notice and agenda in the office of the Township Clerk at the Municipal Complex.
- c. Forwarding a copy of the amended meeting notice and agenda to the Burlington County Times and Courier Post.
- d. Forwarding written notice to each person who has requested copies of the regular meeting schedule.

All of the above posting, filing and mailing have taken place on the 14th day of April 2022.

Mayor Gillespie advised of the protocol and called upon Mr. Aberant to begin.

Mr. Aberant advised that the budget process started in the Fall with the department heads' presenting their budgetary requests to the Manager and Chief Finance Officer, who reviewed same. Thereafter, the budget book was created and distributed (approximately three weeks ago) to Council.

Mr. Aberant advised that from an operations perspective, the budget proposes to maintain operations substantially as approved in 2021. The capital budget has not been finalized as of yet; a draft will be submitted to Council for discussion in more detail during budget meetings.

As written in the budget message, Mr. Aberant advised, overall, the proposed 2022 municipal purpose tax rate remains at \$0.382 (same as in 2021). Based upon the formula dictated by state law, the minimum levy for the library is increasing by approximately \$90,000, which requires a \$0.002 increase in the tax rate (from \$0.040 to \$0.042), which will result in an overall local purpose tax rate of \$0.424 compared to \$0.422 in 2021. For the average assessed home (\$460,730), this represents an increase of \$9.22 over 2021 taxes of \$1,944.28. The amount to be raised by local taxation is rising by \$168,066, approximately \$90,000 of which relates to the increase in the minimum library levy.

Compared to 2021, this budget anticipates the use of less surplus (\$2,750,000 compared to \$2,900,000). On the revenue side, the Township is benefitting from utilizing federal ARP Local Fiscal Recovery funds in the amount of \$1,073,690 as a general revenue. The original guidance from the federal government required these funds be directed towards specific (largely COVID related) expenses. However, the most recent regulations now permit these funds to be utilized as a revenue for municipalities that received less than \$10 million. In consultation with CFO Tom Merchel, this was the most appropriate manner to utilize these funds.

Mr. Aberant advised that there are a few areas of increased appropriations, such as fuel and chemicals used in the water treatment process. Mr. Aberant advised that subsequent to the budget book being distributed there was a staffing change recommendation. Specifically, based upon the number of construction permits filed to date, an additional inspector will need to be added to the staff. This addition does not change the proposed budget as the cost will be offset by the revenues received to date. Mr. Aberant turned the meeting over to Mr. Merchel.

Mr. Merchel reviewed the revenues. He explained the American Rescue Plan (ARP) monies and how same are allowed to be spent. He advised that municipalities that received under \$10 million in ARP monies were permitted to bring the amount in as a loss in revenues with an offsetting expenditure(s). Staff proposes to use police salaries as the offsetting expenditure. Mr. Merchel advised that salaries and wages have increased five percent due to the full impact of the salaries of the Manager and Public Information Officer, an additional police officer and UCC inspector and additional temporary staffing that will be needed in connection with the Lockheed Martin permitting and affordable housing development. The latter will be offset by revenues generated by the construction office. He reviewed rising costs such as, janitorial, sanitation, gas and utilities operations and products. Mr. Merchel reviewed the surplus, noting the revenues received from the sale of the liquor distribution license and added/omitted assessments. He noted that the surplus to be generated from the cannabis license and PILOT revenues is yet to be seen. Mr. Merchel reviewed the Utilities budget noting an increase in surplus due to the maximizing of rents and connection fees collected in connection with an increase in development. He advised that the open space tax levy will sunset in 2028 and Council will have to pass a referendum if it wishes to continue with the open space tax.

Mayor Gillespie thanked Mr. Aberant and Mr. Merchel for the budget presented (services maintained and no tax increase).

Mr. Merchel advised that the gap (for police salaries) that will exist next year due to the non-replacement of ARP funds will have to be filled. However, some of the mall tax appeals will have dropped off helping to fill the gap. In addition, there may be a consumption license (depending on the results of the 2020 Census), as well as, the second distribution license that will be for sale. The Township is fully-staffed under this budget. Interviews for an additional IT person will begin next week and other positions that are in the budget will also be filled.

A brief discussion was held on the Parks and Recreation Department budget.

Various questions were had on various line items. Mr. Merchel responded. Council asked that Theresa Miller, Director of Recreation, attend the next budget workshop.

The next meeting date and time to be decided.

PUBLIC COMMENT: None.

COUNCIL COMMENT: None

ADJOURNMENT: At 6:56 p.m., there being no further business, a motion was made to adjourn.

MOTIONED BY: Ms. Mammarella
SECONDED BY: Mr. Law
ABSENT: Mr. Zipin
VOTE: All in favor

PATRICIA L. HUNT, RMC
Township Clerk