A Work Session of the Mayor and Council was called to order at 7:30 p.m. by Mayor Barra who announced that the requirements of the Open Public Meetings Act were met by the required posting and notice to publications.

The following individuals answered roll call: Council members Bernstein, LaMonica, McSwiggan, Strauch, Wilczynski, White and Mayor Barra. Mrs. McCarthy and Mr. Bole were also present.

Public Comments

Mayor Barra opened the meeting to the public for comments.

There were no comments from the public.

Administration

Farmers Market

Mayor Barra introduced Ms. Nickie Lisella, President of the Chamber of Commerce.

Ms. Lisella explained that the Chamber of Commerce would like to start a Farmers Market in the Borough of Allendale.

The Chamber has selected a location behind the Allendale Hotel in the shoppers parking area for the Farmers Market. Hours of operation will be 10 a.m. to 2 p.m. on Saturdays from mid-June through mid-November. Setup and cleanup will be handled by the Department of Public Works and the Board of Health will review the plan and offer recommendations after their meeting on May 2, 2013.

Restroom facilities for the vendors and the participants will be provided by Caldwell Banker, the Allendale Bar and Grill, Allendale Eats, Terrie O’Connor Realtors and the Woof Gang Bakery.

Ms. Lisella said the Chamber has joined the New Jersey Farmers Market Council of Farmers and Communities which helps to promote the development of farmers markets throughout northern and central New Jersey.

At this time there are eight vendors who have indicated an interest in participating in the Farmers Market. The Board of Health will be discussing the type of permit that the vendors must obtain from the Borough in order to participate.
Mr. Bernstein raised concerns about the location of the Farmers Market with regard to safety. After discussion it was decided that Chief Scherb and Director of Operations Mr. Yakimik will meet to review other options for the location of the Market.

Mayor Barra stated that he felt the best traffic pattern would be to come in by the A&P and exit by Allendale Eats.

Mr. Yakimik said he is also concerned about large trucks making deliveries on Saturdays and that issue needs to be addressed also.

Mr. Barra said the Council will wait to hear from Chief Scherb, Mr. Yakimik and the Board of Health in hopes of passing a resolution to approve the Farmers Market at the May 9th meeting of the Council.

2013 Municipal Budget

Mr. Charles Ferraioli was present to review the 2013 budget with the Mayor and Council.

Mr. Ferraioli began by commenting on the Annual Debt Statement which he said is a statutory requirement for all towns in New Jersey.

Allendale’s net debt is $13,916,252.16. That is the amount of bonds, notes and bond ordinances that have been passed and have been borrowed on as of December 31, 2012. In order to determine the Borough’s outstanding net debt percentage, that number must be divided by the average true real estate value for the last three years. In Allendale’s case it is divided by $1,707,031,834 which makes the Borough’s net debt outstanding under one percent, at 0.815%. It was slightly lower last year at 0.78%. By New Jersey law a municipality is allowed to have 3½% debt which Mr. Ferraioli does not recommend. He stated that Allendale’s debt is in a safe range.

Mr. Ferraioli said $690,000 was budgeted for surplus last year and that amount has increased to $1,085,000 this year.

Mr. Ferraioli said the number for State Aid will remain the same in 2013 as it was in 2012. He reported that thirty-five towns were taken over by the State due to Hurricane Sandy. Federal Aid is being used to help stabilize the tax rate in those towns. He is hopeful that Federal Aid will also be available to those towns next year.

Mr. Ferraioli noted that there is a new source of revenue this year anticipated in the amount of $80,000 due to Engineering fees. Those fees that are collected will help to offset the Engineer’s salary.

According to Mr. Ferraioli, the levy cap allowable for Allendale is $8,470,029.69 and last year it was $8,488,755.49. It is down approximately $18,000. The amount is lower because real estate values have declined.
Mr. Ferraioli recommended that the Borough adopt a surplus policy. That policy can be changed at any time. It is an item on the State Best Practices checklist, but more importantly, the rating agencies are looking for a surplus policy. A surplus policy is used as a tool to indicate the amount of dollars that the municipality wants to maintain in surplus. Surplus is needed when the municipality needs to pay the County or the schools. If the cash isn’t available in surplus to pay such items, the municipality would have to borrow. Mr. Ferraioli submitted a sample surplus policy to the Council.

Mr. Ferraioli noted that the $1,163,597.87 was put back into surplus in 2012. The amount of surplus at the end of 2012 was $2,384,889.92 which is $470,585 more than last year. More surplus was used in the past year, but there was more money in surplus to use and the Borough paid down its liabilities more aggressively.

Mr. Ferraioli noted that the equalized valuation of real property in Allendale has decreased. That downward trend is seen in all fifty-five municipalities that Mr. Ferraioli works with. Realtors are now telling him that they are seeing multiple bids on properties which they have not seen for several years. At some point true real estate values will start to increase.

Mr. Barra thanked Mrs. Mayer, the CFO and the Finance Committee for their outstanding work on the 2013 Budget. He noted that not only did Allendale have to pay a $600,000 tax appeal in 2012, but the Borough also increased its surplus. The Department Heads and other employees have also contributed to making this Budget possible.

Mayor Barra said he would like the public to be aware that when a tax appeal has to be paid out, it is paid totally out of the municipal budget and does not affect the school budget. He hopes this is a situation that will be addressed by the legislature.

Mr. Ferraioli said the Borough is $456,019 under the levy cap. That will be added to the levy cap bank from 2011 in the amount of $168,363 and from 2012 in the amount of $601,240.

In conclusion Mr. Ferraioli said the said projected tax rate for the average home assessed at $619,492 will show a decrease of $10.12.

Mr. Ferraioli said debt was reissued at a lower interest rate in 2012. For bonds this cannot be done until the bond is called, in order to protect the people who buy the bonds. Almost $220,000 of bond anticipation notes was also paid off in 2012.

Mr. Barra said he would be remiss if he didn’t thank Laura Granger who is the President of the Library Board of Trustees who used her professional expertise to get the best possible deal on refinancing the bond. She dealt with the underwriters and her skills were “incredible.”

Ms. LaMonica said it is phenomenal that over the last three years there has been no tax increase which isn’t the case for the surrounding towns. Expenses in Allendale have also been keep low and the process has worked like “clockwork”.

The Mayor and Council thanked Mrs. Mayer again for her help.
**Agenda Review**

**Ordinance 13-10    Rezoning of Properties and Amendment of Zoning Map**

Mr. Barra said this ordinance will bring our zoning into compliance with our COAH Plan and our Housing Element. This will eliminate the Episcopal Church property from the plan as well as the Hillside School property and will change the former farm property on Arlton Road from multi-family to single family zoning.

Mayor Barra thanked Mr. Bole, Mr. Yakimik and Mr. Snieckus for getting this ordinance ready for tonight’s introduction.

Mr. Strauch added that the Planning Board will have a special meeting on May 2\(^{nd}\) to offer a review and recommendation on this ordinance.

Mr. Barra said the Council will have a public hearing on this ordinance on May 9\(^{th}\).

**Ordinance 13-11    Procedure to Utilize Off-Duty Police Officers**

Mr. Bole explained this ordinance is for people who need to utilize the services of our off duty Police officers will deposit money in an escrow account for their services.

On a motion by Mr. Strauch, seconded by Mrs. White, the Council voted unanimously to adjourn from Work Session at 8:25 p.m.

Respectfully submitted,

Gwen McCarthy
Municipal Clerk