

**NEW HOPE BOROUGH COUNCIL  
182 WEST BRIDGE STREET  
NOVEMBER 4, 2009  
BUDGET WORK SESSION  
MINUTES  
6:55 PM-7:30 PM**

(An accident that closed Route 32 at Windy Bush Rd. caused the meeting to be delayed until 6:55 PM.)

**PRESENT:** Sharyn Keiser, Claire Shaw, Ed Duffy, Geri Delevich, Richard Hirschfield, Randall Flagger, Mayor Larry Keller, Borough Manager John Burke, Chief Cummings, and Tom Carroll, Director of Public Works. Councillor Rey Velasco arrived at 7:00 PM.

**John Burke** announced that the Borough has received a proof of publication from The Intelligencer, stating that the notice for the Budget Work Session was published on October 30, 2009.

**John Burke** stated that the total revenue for all budgets in 2010, except for the Capital Project Fund, is estimated \$4,071,965 compared to \$3,483,357 in the 2009 budget. The difference of about \$588,608 is attributable to an increase of projectable revenues from Act 511 taxes and grants.

**John Burke** stated while we have not received the latest total assessed value of real estate from the County, we are using the estimated value from 2009 of \$58, 521 for the discounted value of 1 mill. The real estate tax rate would remain at 11.725 mills next year, the same as this year, distributed among the General Fund, Fire Protection Fund, Street Lighting Fund, Library Fund, Ambulance and Rescue Fund, and the Debt Service Fund, which is a new fund this year. The average property owner in the Borough, one whose property is assessed by the County, at \$47,400 would continue to pay \$555.77 in real estate taxes next year to the Borough. School District and County real estate taxes are separately assessed.

**John Burke** stated that total budget expenditures for all funds, except the Capitol Project Fund, are estimated at \$4,021,235 in 2010 compared to \$3,463,765 in 2009, a difference of about \$557,470. The 2010 operating budget totals about \$3,280,340 compared to \$3,008,935 in

2009. The difference is attributable to the establishment of the Debt Service Fund in 2010.

**John Burke** stated that there are a couple of errors in the budget that have to be corrected. The Borough Engineer expense was inadvertently left out along with the Shade Tree Commission expense. There will be some adjustments made to accommodate these expenditures by trimming expenditures in other areas.

**John Burke** stated that the major issue in the budget is the Debt Service Fund because the Borough is carrying two loans on the New Street Capital Project. The Borough will be better off financially when the construction is completed on New Street and we can get the current building sold to pay down a portion of the 2007 loan and refinance the remaining balance of the 2007 loan and the 2009 bond.

**Ed Duffy** asked how critical is it that the Borough sells the North Main Street building?

**John Burke** answered that it is very critical the building be sold as soon as possible. The Borough does not want an empty building because we will continue to carry the debt service.

**Geri Delevich** asked if the Borough could control who purchases the building.

**Richard Hirschfield** stated that it would be sold to the highest bidder.

**Sharyn Keiser** announced that this is not the time to discuss the sale of the building; this is a budget work session, and added that Geri could bring the topic up at a future meeting.

**Geri Delevich** also mentioned that Council desires a better public address system at the new building.

**John Burke** stated that when T. J. Walsh finishes the bid specs for the building, this will be listed on a public meeting agenda, which will be the appropriate time to have a discussion on the sale of the building.

**Richard Hirschfield** thanked John Burke and Sharyn Keiser along with anyone else who worked on the budget and controlled it showing less money spent in 2009 verses 2008.

**Richard Hirschfield** stated that he feels that violations are under budgeted but that the Business Privilege Tax is over budgeted. This year in violations the Borough will do over \$415,000 and we budgeted for \$365,000 in 2010.

**Richard Hirschfield** stated that he has an issue with line item 436.201. This is the construction of a retaining wall at Dock Street, where the Borough owns 60 to 75 lineal feet and the homeowner owns the rest down to the river where there is a big tree. **Mr. Hirschfield** stated that the Borough is spending \$8,500 to maintain someone else's driveway and in the long run there is an added maintenance expense costing \$25,000 to \$30,000, which is equivalent to ½ mill. If the intent of maintaining this driveway is to keep any construction from occurring at this location, it cannot occur without Council's approval anyway. **Mr. Hirschfield** suggested that the Borough Manager sit down with the property owner and work out an arrangement giving back the driveway to the property owner to maintain, while preserving the interests of the Borough.

**Sharyn Keiser** stated that the reason the Borough obtained this part of Dock Street was to stop any future development to a streetscape that has already lost a lot of integrity with past construction. **Ms. Keiser** felt the \$8,500 was a good investment and was under the impression that the additional costs of \$20,000 to \$30,000 were still being researched.

**John Burke** stated that the \$8,500 is allocated to replace the retaining wall and does not include the pitch problem at the driveway entrance that causes low hanging vehicles to hit the road surface, paving the road or the installation of a timber guiderail at the end of the Borough portion of the road.

**Tom Carroll** stated that the vehicles frequently park beyond what the Borough owns anyway.

**Sharyn Keiser** stated that it would not be necessary to perform any work other than the retaining wall and routine pothole patching.

**Richard Hirschfield** suggested that the zoning officer should investigate what could happen here in terms of future development.

**John Burke** added that PennDOT does not consider this a local road because it does not meet any of their criteria, and, as a result, we must pay for this work out of the General Fund instead of the State Highway Aid Fund.

**Council** agreed that the manager should contact the property owner for negotiations and that the budget monies will not be spent until discussions are concluded. A deadline of January 31, 2010 was set for these discussions.

**Richard Hirschfield withdrew his objection.**

**Randall Flager** stated that the number for the Earned Income Tax for 2010 is \$675,000, but the number for this year, the actual was only \$600,000.

**John Burke** stated that the actual in 2008 was \$1,038,359 and that is skewed by one person's one time payment of about \$250,000. The current number that we have collected through Friday of this year is \$650,547 and the \$675,000 projected for 2010 reflects a realistic number.

**Geri Delevich** asked if credit card meters could be considered in the \$10,000 set aside for new parking meters.

**John Burke** stated that the consultant for the Parking Management Study will not recommend a credit card meter option because they are very expensive to install and maintain. Our current meters are electronic digital meters and you can use a smart card with them, but the cost of the card is \$10.50 each from the manufacturer. It would be difficult to sell a \$30.50 smart card worth \$20.00 for parking. Another option is personal meters that are displayed inside the car. There is no cost to the Borough, and once the meter expires a ticket can be issued.

The technology in meters changes daily and the Borough will continue to revisit cost effective options on a regular basis.

**Geri Delevich** asked if there would be other solutions suggested from the parking study.

**John Burke** answered that there will be a presentation on the working draft to Council at the December meeting.

**Claire Shaw** asked about line item 410.921. What is the \$14,000 look-up fee for?

**Chief Cummings** answered that the State of New Jersey requires us to give them a fee for every look up for a Jersey tag. It has gone up from \$5.00 to \$12.00 in the last year, and the Chief is currently researching other options to lower the look up cost.

**Mayor Keller/Chief Cummings** both added that the \$14,000 was not used in 2009 because ticket revenue would be reduced to \$8.00 from \$20.00, and that is not a guaranteed payment to begin with.

**Ed Duffy** asked what are the alternatives in the area of the Information Center that is budgeted for \$61,000 for next year.

**Sharyn Keiser** answered that there is still research going on with this cost center.

**Ed Duffy** asked about bundling the insurance premiums.

**John Burke** answered that the Borough is continuing to use the same broker that it has been using for 10 years for property and liability coverages. This coming year the Borough will work with the Delaware Valley Insurance Trust to secure a proposal for property and liability coverages. This is the same group that provides the Borough with medical benefits and Workman's Compensation insurance. By this summer we will have a little competition between the Borough's traditional broker and Delaware Valley Insurance Trust.

**Ed Duffy** asked is that the line item 486 Insurance?

**John Burke** answered yes, property, bonds, automobiles etc. The trust programs are amazingly successful; they have built up millions of dollars in surplus funds, which they offer back in the form of rate stabilization funds and dividends to individual municipalities each year.

**Sharyn Keiser** announced that Council would now convene an Executive Session to discuss wages and salaries.

**ADJOURNMENT**