

Borough of Palmyra
Regular Council Meeting Minutes, 6:30 PM
Monday April 20th, 2020

The Regular Council Meeting of the Borough Council of the Borough of Palmyra was called to order by Mayor Tait at 6:33 PM

ROLL CALL

At the call of the roll:

PRESENT: Brandon Allmond, Laura Cloud, Farrah Jenkins, Michelle McCann, Bernadette Russell, President Timothy Howard, Mayor Gina Ragomo Tait

The pledge of Allegiance was recited.

OPEN PUBLIC MEETINGS STATEMENT

Mayor Tait read the following into the record:

In accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq., and in consideration of Executive Order No. 103, issued by Governor Murphy on March 9, 2020, declaring a State of Emergency and a Public Health Emergency in the State of New Jersey, the Borough of Palmyra does hereby notify the public that to protect the health, safety and welfare of our citizens while ensuring the continued functioning of government, the meeting of the Mayor and Council will be a Virtual Council Meeting. Members of the public are invited to “attend” the Virtual Council Meeting but all members of the public participating in the meeting may be muted and their video image disabled. Notice of this meeting was published in the Burlington County Times on January 9th, 2020 and notification was sent to the Burlington County Times on April 15th, 2020. Notice was posted on the Municipal Door, Official Bulletin Board and the Borough of Palmyra Website and electronic signs on April 15th, 2020 and notice was given to all Council Members.

APPROVAL OF MINUTES

Mayor Tait requested a motion for approval of the, March 2nd, 2020 Council Caucus Meeting Minutes. Mrs. Russell made a motion to approve the minutes from the, March 2nd, 2020 Council Caucus Meeting. President Howard second the motion.

At the call of the roll the vote was:

INFAVOR: Mr. Allmond, Dr. Cloud, Mrs. Jenkins, Mrs. McCann, Mrs. Russell, President Howard

AGAINST: None

Motion Carried

PUBLIC COMMENT

Comments submitted for Public comment by the deadline required participants to email their questions or comments in advance to Borough Clerk, Rita Jackson and to include in the subject line "Meeting Question/Comment" and their name and full address.

Mayor Tait asked for a motion to open the Public Portion. Mrs. Russell made a motion to open the public portion for comments. Mr. Allmond second the motion.

Comments submitted are as follows:

Mrs. Veitenheimer- Rowland Street – Mrs. Veitenheimer wrote:

I am quite appalled during this time of so much uncertainty that Council would consider passing Resolution 2020-103 awarding the Intersection Landscaping Contract in the amount of \$24,940. Is landscaping the light rail intersections such a priority right now? The intersections have been in their present state for quite some time now. Would it hurt to put it off until times are better? With all the unknowns and so many residents out of work, Palmyra could use that money for something much more important. If the landscaping does go in, who is going to maintain it with NJ Transits rules on working on their property? I would hate to see this money spent and then it is not maintained like the Palmyra Promenade not being cared for the way it should. It's a shame so much money was spent on the Promenade, and it quickly became a weedy, overgrown mess. Secondly, the same goes for Resolution 2020-117 awarding the Artificial and Natural Turf Maintenance contract in the amount of \$27,541.98. That's a lot of money for the taxpayers of Palmyra to pay to maintain the soccer field for people coming in by Light Rail to use it. Do we really need to spend that money right now? Thirdly, is the grace period for Second Quarter taxes going to be extended? Lastly, I hope when formulating the 2020 Budget, Council keeps in mind that many, many people and businesses do not have any money coming in making it hard to come up with the money to pay their taxes at the current rate. It is important during this time to keep taxes stable and look for all possible ways to reduce expenses. Thank you for your consideration.

Mrs. Fusco- Lincoln Avenue – Mrs. Fusco wrote:

I may have missed the deadline for this comment to be read during the meeting on Monday, but I wanted to make sure Gina and all the council members receive my sincere appreciation for their swift and steady actions, starting in early March and continuing into the present, proactively managing through the Coronavirus pandemic. They have done a great job in promoting safety, preventing illness, and probably saving many lives in our town. My thanks go out to them, and I hope they and their families remain safe and healthy. I hope the same is true for you and your family. Thank you so much!

No other comments submitted, Mayor Tait asked for a motion to close the Public Portion. Mrs. Russell made a motion to close the public portion, President Howard second the motion.

All members present voted in favor of the motion. Motion Carried

ORDINANCE ON FIRST READING Public Hearing to be held May 18th, 2020 at 6:30 pm

Ordinance 2020-03 An Ordinance of the Borough of Palmyra Appropriating the Sum of \$25,000.00, from the Capital Improvement Fund, For the Intersection Landscaping Improvements in the Borough of Palmyra

Mayor Tait requested a motion to approve Ordinance 2020-03 An Ordinance of the Borough of Palmyra Appropriating the Sum of \$25,000.00, from the Capital Improvement Fund, For the Intersection Landscaping Improvements in the Borough of Palmyra. Public hearing to be held on May 18th, 2020.

Mrs. Russell made a motion to approve Ordinance 2020-03. President Howard second the motion.

At the call of the roll:

INFAVOR: Mr. Allmond, Dr. Cloud, Mrs. Jenkins, Mrs. McCann, Mrs. Russell, President Howard

AGAINST: None

Motion carried. Ordinance 2020-03 was approved on first reading.

ORDINANCE ON SECOND READING

Ordinance 2020-01 An Ordinance to Exceed Municipal Budget Appropriation Limits and To Establish A CAP Bank (N.J.S.A. 40A:4-45.14).

Mayor Tait asked for a motion to open Ordinance 2020-01 for public hearing. Mrs. Russell made a motion to open Ordinance 2020-01 for public comments. President Howard second the motion

All members present voted in favor of the motion.

Mr. Blair asked what is CAP Bank. Mr. Gural explained.

No other comments Mayor Tait requested a motion to close the public portion. Mrs. Russell made a motion to close the public hearing, President Howard second the motion.

All members present voted in favor of the motion.

Mayor Tait asked for a motion to approve Ordinance 2020-01. President Russell made a motion to approve Ordinance 2020-01. President Howard seconded the motion.

At the call of the roll, the vote was:

AYES: Mr. Allmond, Dr. Cloud, Mrs. Jenkins, Mrs. McCann, Mrs. Russell, President Howard

NAYES: None

Motion Carried, Ordinance 2020-01 was approved.

Ordinance 2020-02 An Ordinance of the Borough of Palmyra, County of Burlington, State of New Jersey, Authorizing the Sale of Real Property (Block 120 Lot 4 on the Tax Map of the Borough of Palmyra) Pursuant to N.J.S.A. 40:12-13(b) 1 Et seg.

Mayor Tait asked for a motion to open Ordinance 2020-02 for public hearing. Mrs. Russell made a motion to open Ordinance 2020-02 for public comments. President Howard second the motion

All members present voted in favor of the motion.

No comments, Mayor Tait requested a motion to close the public portion. Mrs. Russell made a motion to close the public hearing, President Howard second the motion.

All members present voted in favor of the motion.

Mayor Tait asked for a motion to approve Ordinance 2020-02. President Russell made a motion to approve Ordinance 2020-02. President Howard seconded the motion.

At the call of the roll, the vote was:

AYES: Mr. Allmond, Dr. Cloud, Mrs. Jenkins, Mrs. McCann, Mrs. Russell, President Howard

NAYES: None

Motion Carried, Ordinance 2020-02 was approved.

RESOLUTIONS Consent Agenda

Resolution **2020-100** to Resolution **2020-120** will be enacted as a single motion, if any resolution needs additional discussion it will be removed from the consent agenda and voted on separately.

Mayor Tait stated Resolution **2020-100** thru Resolution **2020-120** will be enacted as a single motion, if any resolution needs additional discussion it will be removed from the consent agenda and voted on separately.

Mayor Tait asked if any items needed to be removed from the consent agenda. Council indicated no.

Resolution 2020-100, Resolution amending The Veterans Affairs Council Committee Members for 2020.

Resolution 2020-101, Resolution of the Borough of Palmyra rejecting all bids received for the Sanitary Sewer Replacement- Public Road Pump Station Elimination Project as they significantly exceed the Engineer's Estimate per ERI's Recommendation Letter dated March 11th, 2020.

Resolution 2020-102, Resolution Refunding Street Opening Permit Fee to Tanya Hamlin in the amount of \$255.63.

Resolution 2020-103, Resolution Awarding the Intersection Landscaping Contract to Gower's Landscaping Inc. in the Amount of 24,940.00 per ERI's letter of Award Recommendation dated April 7th, 2020, Subject to Certification of Funds by CFO.

Resolution 2020-104, Resolution Refunding the Overpayment of Certificate of Occupancy/Resale Inspection Fees to Howard Lipton in the amount of \$80.00

Resolution 2020-105, Resolution Certifying Compliance of the Governing Body with the United States Equal Employment Opportunity Title VII of the Civil Rights Act of 1964

Resolution 2020-106, Resolution Authorizing the extension of Amendment to Conditional Redeveloper Designation and Interim Cost Agreement with Stock Development Group, Inc. Pursuant to the Local Redevelopment and Housing Law N.J.S.A. 40A:12A-1 ET, Seq.

Resolution 2020-107, Resolution Authorizing a Mutual Aid Agreement with the Borough of Riverton for Vital Statistics Services due to the COVID-19 Pandemic and shall be in force until terminated by both parties.

Resolution 2020-108, Resolution Authorizing the Palmyra Police Department COVID-19 Mutual Aid Agreement with several municipalities and shall be in force until terminated by all parties

Resolution 2020-109, Resolution Awarding Change Order #6 to Charles Marandino LLC for the 2018 Road Improvement Program Project resulting in a decrease of \$20,766.16 for a New Adjusted Contract Price of \$837,787.64 per ERI'S Letter Dated April 8th, 2020.

Resolution 2020-110, Resolution Appointing James Brett to a full time Public Works Driver/Laborer Position at the Hourly rate of \$17.50 Retroactive to April 6th, 2020.

Resolution 2020-111, Resolution Extending the Appointment of John Yansick as Part-time Public Works Driver/Laborer for 6 months until October 31th, 2020 with no increase in pay.

Resolution 2020-112, Resolution Authorizing Emergency Temporary Appropriations

Resolution 2020-113, Resolution Approving Participation with the State of New Jersey Federal Grant Program Administered by the Division of Criminal Justice, Department of Law and Public Safety

Resolution 2020-114, Resolution Approving LOSAP Eligible Volunteers for the 2019 in Accordance with Chapter 21: A1 of the Code of the Borough of Palmyra Entitled "Fire Department Length of Service Awards Point System"

Resolution 2020-115, Resolution Authorizing the Tax Collector to Process Third Quarter "Estimated" Tax Bills, Due August 1st, 2020

Resolution 2020-116, Resolution Approving the Issuance of Towing Contract Permit to Helmrich's/HEI Towing Effective April 20th, 2020 thru December 31st, 2022, in Accordance with Ordinance 2017-06 for the Borough of Palmyra

Resolution 2020-117, Resolution Authorizing the Award of a Contract to South Jersey Turf Consultants, LLC per their various proposals for artificial and natural turf maintenance in the total amount of \$27,541.98 subject to pay-to-play and other state bidding requirements and per the Chief Financial Officer's certification.

Resolution 2020-118, Resolution Approving Ronald Priest III as an Active Member of the Palmyra Fire Department

Resolution 2020-119, Resolution Authorizing the Payment of Bills for the Month of March 2020 in the Amount of \$1,882,695.68.

Resolution 2020-120, Resolution Authorizing the Payment of Bills for the Month of April 2020 in the Amount of \$1,817,010.81.

Mayor Tait read Resolutions 2020-100 thru 2020-120 and requested a motion for approval. Mrs. Russell made a motion to approve Resolutions 2020-100 thru 2020-120. President Howard seconded the motion.

At the call of the roll, the vote was:

INFAVOR: Mr. Allmond, Dr. Cloud, Mrs. Jenkins, Mrs. McCann, Mrs. Russell, President Howard

AGAINST: None

Motion Carried, Resolution 2020-100 thru 2020-120 were approved.

INTRODUCTION OF 2020 MUNICIPAL BUDGET

(Public Hearing to be held May 18th, 2020 at 6:30 pm)

Resolution 2020-121, Resolution Authorizing the Introducing of the 2020 Budget of the Borough of Palmyra.

Mayor Tait read Resolution 2020-121 and asked Mr. Gural to explain the introduced 2020 Budget of the Borough of Palmyra.

Mr. Gural read the **BUDGET MESSAGE:**

COVID-19 has severely impacted local, county and state budgets. Revenue projections in particular have been hardest hit: losses in interest income, construction fees and permits, municipal court fees and fines, and other sources are expected to substantially exceed the \$100,000.00 and significantly affect the Borough's 2020 Budget, and unfortunately result in a tax increase. Less anticipated revenue means an increased amount needs to be raised by taxes in order to support and balance the municipal budget.

As a result, the Borough has been forced to make significant cuts in spending. Some discretionary spending and non-discretionary spending in particular are up in a number of line items however. A reduction in the tax collection rate is also expected and included in the 2020 Budget calculations. More people are out of work unfortunately and some may be unable to pay their taxes on time, warranting the decrease. This decrease, or reduction in the tax collection rate of just .25% has an appreciable impact on the state-mandated "reserve for uncollected taxes" that is added to the Borough's total budget, thereby also resulting in an increase in the local purpose tax.

In addition, an increase of \$380,899 in the Palmyra School District's 2020 Tax levy will result in a significant school tax increase, which also triggers an increase in the above noted reserve for uncollected taxes. The reserve for uncollected taxes is that portion or percentage of the sum of all tax levy's the Borough is responsible to collect (The school district tax levy of \$10,914,744; the county's at \$2,397,000 (ESTIMATED); And the Borough's local purpose tax levy of \$6,174,697.45), That is not expected to be collected in a timely manner. The result is a reserve calculation for 2020 of \$682,025.45, which is then added to the Borough's total budget. This amount is an increase of \$71,530 OVER 2019'S Reserve for uncollected taxes.

Note: The Borough is responsible to pay the School District and the County their respective tax levies whether the Borough collects those taxes or not; the Reserve for Uncollected Taxes is essentially an "added tax" required by the state, and dictated by the Tax Collection Rate, to ensure those payments can be made.

Final State Aid Amounts are uncertain.

While the Borough presently maintains an appreciable surplus for a Municipality of our size (\$3,279,754 AS OF 12/31/2019), prudent financial planning demands deliberate use of this "fund balance" in a prescribed, responsible manner over the next several years in order to help keep taxes stable as possible while still delivering the services our residents and businesses require. This year we're using or "anticipating" use of \$1,314,800 of that fund balance (Current Fund Revenues) to offset the tax levy. It's also important to note that the Borough relies on surplus to pay down the debt service associated with capital and infrastructure improvements (primarily the recent increase in road improvement projects and the recent purchase of a new firetruck).

In order to counterbalance these budgetary challenges, the Borough has had to make a significant number of cuts in the 2020 Budget.

Cuts in the proposed 2020 Budget include:

- All 2% across-the-board increases have been eliminated for all staff saving \$16,700.
- Merit increases for part-time and several full-time staff members have been eliminated saving \$9,800.
- Exercise Facility Director Position to be eliminated effective May 7th saving \$621.
- Digital Evidence Technician position to be eliminated effective May 7th saving \$20,820.
- Proposed Police Dept. new hires – Parking Enforcement Officers — have been eliminated saving \$24,000.
- All donations to various non-profit organizations have been substantially reduced or eliminated. Those budgeted to receive \$2000 each include: War Memorial Committee (for park maintenance);

Palmyra Community Center Program Board (who we hope will be able to offer programs later this year); the Palmyra Senior Citizens Program; and the Halloween Parade Committee (hopefully this is over by then, hopefully...). Awards for two graduating Palmyra High School Seniors remains fully funded at \$500 (\$250 each for one boy and one girl), which is also the amount to be donated to the Riverton Library this year. Sadly, the Borough had to eliminate funding for the Post Prom Committee this year as we just can't be sure there will even be a Prom.

- Public Events line item has been slashed by \$8000 to just \$2000. (We're still hopeful to celebrate Santa Claus Coming to Town!)
- YMCA Summer Camp Program has been cancelled saving \$6,000 to \$10,000.
- Community Center Scheduling staff will stop receiving estimated hourly wages and be paid for hours worked only, or be furloughed/laid-off, effective May 7th. Affected staff is eligible for unemployment compensation and payments under the CARES Act.
- Crossing Guards will stop receiving full salary and be paid for shifts worked only effective May 7th. School is now closed at least through May 15th. Affected staff is eligible for unemployment compensation and payments under the CARES Act.
- Proposed Construction Office new hire – Technical Assistant to the Construction Official (to replace a former employee who left the Borough) – has been eliminated saving \$14,000.
- The Fire Company had requested an increase in their annual lease agreement totaling \$7,500 over three years – from \$15,000 to \$17,500 in 2020 — this increase has been delayed saving \$2,500.
- All proposed new vehicle purchases for Police, Fire and Sewer Departments have been eliminated saving \$216,500.
- Even though we're presently planning on moving ahead with over \$2,000,000 in capital projects at this time, mostly road improvements (Temple Blvd in particular at \$1.7M), no funding has been appropriated in the Capital Improvement Fund; we're relying on \$305,734 in reserves in this trust account to make the necessary 5% down payments on the larger capital projects and for payment in full for all smaller capital projects. This account will require additional funding in the next several years however, in order to complete planned capital improvement projects in the near future.
- And many more cuts to individual line items in every department have also been implemented.

Despite our best efforts to reduce costs, a number of discretionary and non-discretionary appropriations in the proposed 2020 Budget have increased. The following appropriations have increased the most over their respective 2019-line items:

- Police Salaries: up \$47,831
- Police Pension Contributions: up \$38,605

- Public Works Salaries: up \$23,615
- General Liability Insurance: up \$16,906
- Landfill and Solid Waste Disposal Costs: up \$13,000
- Public Employees' Pension Contributions (non-Police personnel): up \$10,738
- Unemployment Compensation: up \$10,000
- Utility costs are up varying amounts and various Debt Service Appropriations are up a total \$29,977

Mr. Gural noted a new line item has been added this year:

Office of Emergency Management, Reserve for Emergencies – Coronavirus Expenses, in the amount of \$25,000.

Note: The above line items alone added \$215,672 in additional spending to the 2020 Budget.

After careful and considerable deliberation, with the above-noted cuts and additions to the 2020 Budget the Borough's 2020 Appropriations — the Total Budget — stands at \$8,153,215, which is just \$10,990 over 2019 Appropriations of \$8,142,225.

The Grand Total, inclusive of the aforementioned Reserve for Uncollected Taxes, is \$8,835,240.45.

This results in a 2020 Local Tax Rate of \$1.29548/\$100 of Assessed Valuation, an increase of \$0.05235 (5.235¢) over 2019. For a home assessed at the Borough's 2020 average of \$147,783.00 this will result in an increase of \$79.89 – or 4.35%.

Note: The Borough's 2020 Appropriations are \$472,830 under the state's Maximum Appropriation Cap; AND, the Borough's Budget is \$443,822 under the state's Maximum Tax Levy Cap.

Mr. Rosenberg asked what the effect of the budget was on the Borough's surplus. Mr. Gural explained.

Mr. Allmond asked Mr. Gural to explain again the reserves for uncollected taxes. Mr. Gural explained.

Mr. Nehila indicated he, Ms. Condo and Mr. Gural spent a lot of time on the budget making sure that both on the revenue side and the appropriation side; the Borough is in compliance with state statutes.

Me. Nehila indicated the budget is under both the tax levy cap and appropriation cap. Mr. Allmond

asked Mr. Nehila how the Borough looks for the future. Mr. Nehila stated he is working with a

number of municipalities which will be hurting next year. He indicated the Borough used about 40% of our surplus/savings account leaving money for the future. Mr. Nehila indicated no one knows what

will happen in the future however Mr. Gural has given some consideration to the future so the

Borough will weather this storm perhaps better than other municipalities. Mr. Allmond thanked Mr.

Gural, Ms. Condo and Mr. Nehila for all their efforts on the 2020 budget.

Mayor Tait asked for a motion to approve Resolutions 2020-121 Resolution Authorizing the

Introducing of the 2020 Budget of the Borough of Palmyra. Mrs. Russell made a motion to approve

Resolutions 2020-121. President Howard seconded the motion.

At the call of the roll, the vote was:

AYES: Mr. Allmond, Dr. Cloud, Mrs. Jenkins, Mrs. McCann, Mrs. Russell, President Howard

NAYES: None

Resolution 2020-121 was approved on first reading; second reading and public hearing will be held on May 8th, 2020.

MOTION TO APPROVE TREASURERS REPORTS

Mayor Tait requested a motion to approve the Treasurer's Reports for February and March of 2020. Mrs. Russell made a motion to approve the Treasurer's Reports for February and March of 2020. President Howard second the motion.

At the call of the roll:

INFAVOR: Mr. Allmond, Dr. Cloud, Mrs. Jenkins, Mrs. McCann, Mrs. Russell, President Howard

AGAINST: None

Motion Carried. Treasurers Reports were approved.

DISCUSSION ITEMS

Mr. Gural noted that there had been some questions regarding extending the 2nd quarter property tax payments due to the coronavirus pandemic. Mr. Gural stated that the statutes are very clear and council could not change the due date or the grace period for those payments. Mr. Gural noted only the state could approve that. Mr. Gural noted that the potential reduction in the interest rate for 3rd and 4th quarter tax payments could be done by council but noted it is not recommended by the state. Mr. Gural stated we need to look at all measures to reduce expenses. Mr. Gural indicated that Council may wish to consider establishing an ordinance to limit/cap the vacation time payout upon retirement. Mr. Gural explained our sick time payout is capped at \$15,000.00 however there is no cap on vacation time payout. Mr. Gural stated these are liabilities on our books. Mayor Tait stated one thing we were considering is making sure vacation time is used in the year given or in the first three months of the upcoming year. Mr. Gural indicated we have done that in the past however we must do more.

MAYOR AND COUNCIL COMMENTS

President Howard noted a great job was done with the virtual meeting and Mr. Gural's budget presentation.

Mrs. Russell indicated the same.

Mrs. McCann thanked Mr. Gural and the staff for all their efforts.

Mayor Tait indicated the Lilly Act was passed which is offering help for those in need of insulin.

Mayor Tait also thanked President Howard for getting Virtua's pop-up pantries to Palmyra and Ms. Sykes for all her help with that effort.

ADJOURNMENT

Mayor Tait asked for a motion to adjourn.

Mr. Russell made a motion to adjourn the meeting. President Howard second the motion.

All voted in favor of the motion. Motion Carried

Meeting adjourned at 7:43 PM

Respectfully Submitted,

Doretha R Jackson, RMC

Municipal Clerk