



City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
CITY HALL, 18 YORK STREET
AGENDA

COMPLIANCE WITH THE OPEN PUBLIC MEETINGS ACT

Mayor Fahl called the meeting to order at 7:01 p.m. and asked the City Clerk to read the statement of compliance with the Open Public Meetings Act into the record.

"Adequate notice of this Meeting of the Governing Body of the City of Lambertville held on May 2, 2019 has been provided through the posting of the annual meeting schedule, by emailing notice to the Hunterdon County Democrat and the Trenton Times and to various individuals on the list serve in accordance with Section 13 of the Open Public Meetings Act."

ROLL CALL

The City Clerk called the roll as follows:

Present: Councilman Sanders, Councilwoman Taylor, Councilwoman Warner, Mayor Fahl.

Absent: Council President Asaro.

PLEDGE OF ALLEGIANCE

Mayor Fahl led the public in the Pledge of Allegiance.

MOMENT OF SILENCE

The City Clerk asked for a moment of silence in honor of those serving in the United States Armed Forces in country and abroad.

NEW BUSINESS/CONSTITUENT CONCERNS

RECREATION COMMISSION GRANT APPLICATION.

Mayor Fahl explained that the following resolution is time sensitive and needs to be submitted by May 6th for approval. It is a grant with the Lower Delaware Wild & Scenic Management Council in the amount of \$1,700. She asked for a motion to adopt the resolution.

RESOLUTION NUMBER 70-2019

Resolution of the City Council of the City of Lambertville Authorizing the Mayor to Sign the Memorandum of Understanding with the Lower Delaware Wild & Scenic Management Council for the 2019 Mini-Grant in the Amount of \$1,700.00

NOW THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Lambertville that Mayor Fahl and/or the City Clerk are hereby authorized to sign the Memorandum of Understanding with the Lower Delaware Wild & Scenic River Management Council for the 2019 Mini-grant in the amount of

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 2

\$1,700.00, provided by the National Park Service for the application filed by the Recreation Commission.

ADOPTED: May 2, 2019

Councilwoman Warner made a motion to adopt the resolution authorizing the Mayor and City Clerk to sign the Memorandum of Understanding with the Lower Delaware Wild & Scenic River Management Council. Councilwoman Taylor seconded the motion. An affirmative voice vote was taken in favor of the motion by all members present.

2019 BUDGET

Mayor Fahl addressed the members of the public present and stated that she will endeavor to keep this meeting to an hour but if we need additional time, we will give it. She thanked everyone for attending tonight; thanks to the council for careful review and to each of you for participation.

Mayor Fahl thanked the council and the members of the public for attending tonight's meeting on the budget. She thanked the Council for their careful review and to each of you for your participation.

Mayor Fahl said she was very proud to have the opportunity to be here tonight. At the beginning of my term, myself, as well as the council pledged to make bold changes in the process of our local government. At every working session is a fulfillment of this promise to engage, be more reality with community members, to generate ideas from one another. Tonight, is a new stop, we are going to provide a new level of transparency in our budgeting process as well as input. This is an opportunity to shed some light on the tough decisions myself and this council have to make. We want to hear from you on your priorities and hopefully to all walk together too, after we build consensus.

Transparency is never easy and I want to begin with some tough truths. Our debt spending over the course of the last 16 years has been out of control. Since 2003 we have often bonded debt erratically rather than as a part of an annual spending plan. Our previous budgets were not transparent. We previously relied on end of year transfers, robbing Peter to pay Paul and hiding costs in debt which kicks the can down the road, but also adds costs. Adding 23% of our budget to debt which is wildly out of whack with the DCA recommendation of 8%.

This is fixable. I hope each of you on the council and all of you present today will strive to work with me to begin the long process of budgeting differently. Lambertville deserves a budget that is not just a political tool but a real road map of our values and what we intend to accomplish that year.

Lambertville deserves a capital improvement plan that ensures we invest in the future of our town, not just react to each problem.

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 3

Lambertville deserves a council and mayor that is committed to maintenance as well as all new projects. And a council willing to invest in our boards.

This budget does not accomplish all of those goals. We have made big steps in this long process. The hiring of a Business Administrator will allow us to plan, to create improvement projects, it's a holistic budget (council, commission, department). We tried the budget, this budget move accurately reflects the real costs of the city operations. We found a new revenue sources, we all have to take some bitter medicine in the movement towards progress. I look forward to engage in this process with each of you, as we move towards consensus.

She introduced Warren Korecky, the City Auditor to the members of the public. Mr. Korecky reviewed the handouts with the members of the public present (attached to the minutes).

Mr. Korecky gave the following overview: the budget is up by \$390,000 and this is still below the spending cap. The appropriation cap limited the budget by 2.5%, if you want to exceed this limit you need to pass an ordinance to go to 3%. We are below that by \$145,000. The debt service is up substantially from 2018. We had a bond sale which will pay off the bond in increments. This is the first year of the principal payment. The reserve uncollected taxes, since the city has to collect taxes you have to collect enough cash to support the budget, including the county, school and fire taxes. The city is the conduit to pay.

Mayor Fahl asked Mr. Korecky to focus on debt service, on the budget advertisement. Mr. Korecky said that you can see that item 4, the huge difference between 2018 at 1.1 mil in 2019. That accounts for \$223,000 of new appropriations we had to find in the budget, this is required, there is no rainy-day fund from previous years budget to manage that debt service. Mr. Korecky said the city doesn't bond every year, you accumulate notes and then you go out to bond. The city bonds for road projects like Upper York Street, Clinton Street, and it evens out once you get into the budget process. The budget is prepared by function not by natural classification. The state wants to see it by department or functions. The pension bill due from the state, you have to pay it. The Library is state mandated and that's the minimum payment due, it is by state law and a 1/3 mil. The capital improvement fund is \$17,500, grants are \$20,000.

Mayor Fahl commented that beyond the process of truing the budget, to make it clearer how much each department costs in reality, the other thing we did was budget one-line item under the mayor and council line item for committees/commission spending, except Shade Tree Commission and Recreation Commission. The total in that line item is \$62,000.

Warren Korecky said the budget is prepared on a cash basis, raising the budget in cash, you can't anticipate receivables, you are limited by what your received in 2018. The

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 4

revenues from the prior year is what is based on. You need to have money in hand, the state won't let you anticipate it if you can't prove it.

Mayor Fahl commented that we are increasing revenue through the increased parking meter fees. The businesses are represented here tonight.

Mr. Korecky said the revenues must equal the expenses. The revenues are \$5.6 million and the expenses are \$5.6 million. It has to be balanced when you adopt. In 2018, we had Surplus (savings account) is \$987,000 and used \$435,000 to offset the budget. This year, we have \$892,000 in surplus and we are using \$435,000 to offset taxes in the budget. The fees, permits, parking meters, hotel fees, open space and we raised less than anticipated in the 2018 budget and only realized \$325,000. Therefore, we can only anticipate a revenue of \$325,000. Mayor Fahl said that is why we are increasing the meter fees by 50%. Mr. Korecky commented that they will not allow you to take a deficit. Mayor Fahl commented that we are forced by the State rule, that we are locked into 2018 number. In order to not cut services, we had to provide to the state that we could account for an increase in meter revenue by introducing an ordinance to increase fees.

A member of the public asked if they reject that income, and next year the deficit his higher, then the year after you would say to raise the parking meters another 50%? Mr. Korecky said the state will look at what you are giving them, you have to demonstrate to the state that you can raise that. You would have to do something else, that revenue source may be dead.

A member of the public asked if in the past, did we generate that revenue? Mr. Korecky responded that income never realized itself.

Mayor Fahl commented that \$60,000 in total for meter revenue is a fraction of the assumed increase. We didn't take the overall meter revenue, we cut that by a quarter, so we took only a small percentage to solve for that problem. We thought we could bring in much closer to \$125,000 if you did the math, we only put \$60,000 in the budget so we wouldn't find ourselves in a hole.

A member of the public asked if you don't make it what do you do the following year? Mayor Fahl responded that this is one of multiple sources of funding. The increased fund balance (surplus) so we have less money in the bank to ameliorate the debt issue. We are talking about raising taxes, increasing the number of meters in the city. We are taking a holistic approach; diversifying the types of revenue to the unpredictability of the city.

Ed Giambalvo of North Union Street commented that the city has a bunch of meters that no one parks at so the solution is to get more people to come into town, spread this out further when the meters we have now are not being used. More and More meters and no one is at the meters, we doing reverse logic. We need to drive people into the town because business is hurting enough. He appreciates the open and transparent but here is what is going on with the businesses. The amount of people coming is down by

City of Lambertville

WORK SESSION

THURSDAY, MAY 2, 2019, 7:00 PM

PHILLIP L. PITTORE JUSTICE CENTER

AGENDA

Page 5

30% and that's why parking meters are empty. The city would be making twice as much if they were filled. He feels that increasing the hourly rate will deter people from coming and with the tickets going up to \$55. New Hope charges \$20 and we are up to \$35, I could see if you go over time.

Mayor Fahl responded that she appreciates his comments. There is a commitment as a community to drive folks to Lambertville. That being said, we need to think long-term. If we cut cut cut now, to keep inline with how the State requires us to budget, it will rot away the exterior of the town. What she hopes to do, over the time of her term is to make a commitment to maintain the city. We have not created a capital improvement plan; we don't have a road improvement program. I believe that if we are willing to get through a tough beginning, tough medicine, re-invest into Lambertville. It's not a tomorrow promise but we can move our budget to maintain Lambertville.

Ed Giambalvo commented that he is worried about the next three years.

Mayor Fahl commented on the email sent out by the Delaware River Towns Chamber of Commerce. The \$55 ticket was incorrect. We aren't looking to raise tickets to \$55, we are looking at all of the fees. The tickets were just raised to \$35 last year.

Paul Madera, Madera Antiques presented the Mayor with photographs of the empty street which were taken last week. He said it is alarming when you have a shop and no one is there. Mayor Fahl responded that she understands that and we want to be responsive to the business community, we want to work with you, but I want to encourage this process beyond complaints, we are here to work with you to generate ideas to bring people into our town. We are also here to work on a budget.

Chris B, a business owner, not a resident, said he heard meters were going up and he felt that we should help the Mayor with solutions instead of complaints. He made the following suggestions: increasing the parking tickets, Jersey City pays \$50, New York pays \$65; permits for business owners, previously asked, you said no, but it may bring in revenue; quarterly events like Shad Fest; dog license, charge for false alarms for the fire calls; after hours fireworks, charge for premium seating; Farmers Market in the Wells Fargo parking lot; Red Bull events, big corporations invest half a mil; Easter Egg hunt in the park; and Kids events.

Mayor Fahl thanked Chris B. for his litany of ideas and she asked him to email them to her. We have community days planned, not as bold or big as Shad Fest. Megan Ruf, the chair of the Recreation Commission has been active in a new calendar for the Recreation Commission. Increasing the fee schedule at large in the city will help. We will take into account the recent increase but we have some that haven't been increased in decades. The landlord registration is \$50 regardless of the number of units. We are looking to diversify the type of revenue; we are limited by rules of the road. Meters are just one piece of the pie and it gives us a way to be revenue equal in the 2019 budget.

City of Lambertville

WORK SESSION

THURSDAY, MAY 2, 2019, 7:00 PM

PHILLIP L. PITTORE JUSTICE CENTER

AGENDA

Page 6

Melissa, Inn of the Hawke commented that the city should charge fees to people in the winter that don't shovel their sidewalk. Mayor Fahl said she didn't disagree with her. Melissa commented that she didn't expect to have parking meters at the south end of town, they tried to do it once and it didn't fly. This is a small town and \$55 for a parking ticket is unfair, I wouldn't come back. A long time ago, a person visiting their establishment parked the wrong way and received a ticket. They wouldn't come back. You can't make people angry because there are other towns to visit.

Mayor Fahl said she first wanted to stress the information about the increase in the parking ticket is false. Second the recreation commission made a recommendation to council to meter Cavallo Park and Ely Field. Melissa responded that it was tried by Ota-Ya and it didn't fly. There isn't enough parking in town for residents Mayor Fahl commented that she heard her and appreciated her comment. She said we needed to move forward to meter all of our lots because of the maintenance issue.

Elaine Warner, councilwoman, commented that the parks are technically closed on Sundays and I know we are talking about evenings and summer months. She asked if there was any way to look at those two lots to have different metered hours to accommodate use of the park by city residents as opposed to use of spots for coming in at night. Mayor Fahl agreed, and said it was a reasonable request. Instead of going to 9 pm, stop at 8 pm so residents who can't find parking can use those spaces. The other comment is on Sundays our meters don't start until after noon and given that St. John's has their own lot which they have sectioned off and the second Church on Bridge Street is no longer, and the Presbyterian Church has foot traffic, we may need to look at the impact if our meters started the same time as on other days, how could we utilize that revenue to offset the meter rate.

Mayor Fahl said they were all good questions. She said Councilwoman Warner's suggest to start meters at 9 am on Sundays, which would add 4 additional hours of revenue generation over the course of the weekend is a good one. She asked for Council comments.

Councilman Sanders commented that he had no objection to that. There is probably data on that, \$1 verses \$1.50, how does that change consumer behavior? We need to try to address concerns of the business community, if the chamber had interest in a free day, like a Tuesday, maybe this would drive traffic on a day we aren't collecting money.

Ed Giambalvo said a low meter day to bring people into town, he is just venting the down side, we the chamber and the business owner really need to communicate and work together. Councilman Sanders commented that the Sunday morning change is less of a change and they may not know, it's way less of a burden. The revenue has to be a part of this because of the situation we are in, maybe there is a way to sway the business community to help them as well. I do think the Mayor's point is a good one, we have to invest in the city.

City of Lambertville

WORK SESSION

THURSDAY, MAY 2, 2019, 7:00 PM

PHILLIP L. PITTORE JUSTICE CENTER

AGENDA

Page 7

Mayor Fahl informed the members of the public present that we are at 7:53 pm and we have not gotten through the revenues yet. I do want to flag the bagged meter day. Judy's idea, and she appreciates the thought generation. Unfortunately, we only collect weekly with 75% of the revenue in cash/coin. The rest is through Parkmobile. We can study the parking trends but it's too small and it isn't a cross section of our tourist. It is the younger age that is application affluent. I would love to be data driven; it isn't available. She is hoping to move to that longer term. She is willing to work with the chamber, spoke to Kendra and Nancy to host a round table with business leaders to make sure your concerns are heard and to generate ideas. We can't do them weekly but we can find times monthly or quarterly to generate excitement.

Judy Gleason, 86 North Union Street commented that some merchants were working to get data about the parking, your office was helpful, we have data that is useful between Parkmobile. What would be the final day to submit written information so you can see it before the 16th? We don't have a lot of time to give information. Mayor Fahl responded that they could give us information whenever you like and Cindy will make sure it gets to us. This has to be an ongoing conversation. The budget is one step in a long-term process. We should begin the next cycle as soon as this is finished. Unless your data is toward us not moving forward? Ms. Gleason responded that it was fair to say reducing line items and pilot program. The pilot program goes with the parklette. Regarding the \$60,000 budget; I think people want to know where that is going to. When is the time to be fair to council to look at numbers before the 16th?

Mayor Fahl responded, here is my concern, having a universal discussion with the business district is really a long-term project and I want to honor that to make sure we aren't just looking at numbers you email us but we are looking at a long-term process. We are shackled to a timeline and the style the state has decided we need to fit. My request is to work with us over the next year to implement these ideas, but holding the city's budget hostage, I don't think we would get to a place nor do I think it is a realistic possibility. Beyond parking meters, I think at some point we have to move forward and take bitter medicine and work together to implement good ideas.

Steve Stegman, former Councilman, resident of Studdiford Street asked at the end of the presentation, how much will the tax increase be without the meters or \$60,000? What the average tax will go up and even with that \$60,000 and how much would it have to go up if we didn't raise taxes? The City Auditor responded it would be another penny on top of the rate, average assessment would cost \$98, would add \$37 to a home average value of \$375,000 for a total increase of \$135 for the year. Mayor Fahl pointed out that this does not include the school board who is having a significant increase. Steve Stegman asked "what if we did half?" If you understand meter fees, he cited his 6 years of experience on North Union Street as a business owner, having the taxes go up \$18 in a way to support the business community by not doing a 50% increase may squash bad will, it would be something I wish the council and Mayor would consider as an

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 8

alternative to satisfy the DCA. \$18 for that average house, divided by 12 is not a huge increase and I don't think 25% instead of 50% is bad.

The City Auditor commented that some of the municipalities he works for saw an increase in parking revenue when they installed pay stations. The public can piggy back on meters but with a pay station, you cannot. Mr. Stegman commented that he and Councilman Sanders looked into that as a possibility and based on the information we received it wasn't as reliable and the fee was higher, but its not a bad idea to look at it again.

Mr. Stegman further commented that he understands the goal, the debt you said it will level off. Mr. Korecky said it was infusing for the first time and your taxes go up, so next year its already there. Mr. Stegman said to follow up on his bonding question, the bond was taken out to fund capital improvement projects, Mr. Korecky, the city auditor responded that it was the only way to do it. He said that bonding is very expensive, accumulative, one way is to limit projects. Mr. Stegman asked if the city was done bonding? Mayor Fahl said no, not true, we are changing the way we bond, most create a capital improvement and road improvement plan, an assets list and then over the course of the year, the Business Administrator will meet with staff to come up with a lump sum to bond for rather than a \$20,000 or a \$70,000 bond as needed which was the previous administrations way of bonding. We want longer-term maintenance and operations goals and the budget will be part of the process. Mr. Stegman asked how do you know you are getting road improvements? The city auditor responded that as the debt drops you replace it so it stays level in the budget.

Mayor Fahl commented that they were actually questions for her. We have to, over the next two decades slowly decrease debt service, none of this is going to be fixed in the next three years. This council, proud to say, did a lot of work to start to put Lambertville into better fiscal shape. It won't happen this year or next year, this job is for the Business Administrator to start to plan for the long-term.

Mr. Stegman asked if they would consider not a 50% increase and spread it out over the tax base. Mayor Fahl responded that it's not \$18 per year, it would be \$135 per year. We tried to create a diverse source of revenue so that it touches every one. Mr. Stegman commented that the thought throwing this entirely on the tax base is clearing that goal.

Ed Giambalvo commented that he would rather pay more in taxes.

Mr. Stegman commented that he is all for adding meters, the public parking lot by Cavallo Park not being used so we didn't want to impact residents who visit tot lots. He further commented that when he was on council, he never heard red flags from the city auditor.

Eric Kaplan, owns a store in town, when I first opened my store, I was amazed at how much my customers loved Lambertville. It's basically Mayberry; a small town, love we are open to everyone, we support each other, we know our neighbors, I am afraid that

City of Lambertville

WORK SESSION

THURSDAY, MAY 2, 2019, 7:00 PM

PHILLIP L. PITTORE JUSTICE CENTER

AGENDA

Page 9

when you raise the rates to \$1.50 per hour, it will send the wrong message. He went on the internet, so there is a report, Star Bucks, their meter fees they lost 30% of clientele when Princeton raised their meter rates. The parking plan wasn't well received by residents, customers or employees during the holiday season. Fewer people are coming to the central business district to shop and this could be detrimental to the positive feelings people have towards Lambertville.

Kathy Williams, 84 Coryell Street, loves the idea of increasing the meter time on Sunday. It seems that on Sunday, a lot of people do put money in the meters, should not be associated with religion. It is a great way to increase meter revenue. I understand the bitter pill but I think a 50% increase is a little shocking. If that were needed, I also think some kind of wave for business owners to alleviate would be to change the machines or more information about Parkmobile.

Mayor Fahl responded that they are planning to do a series of training videos on how to use Parkmobile to increase overall revenue.

Lisa Nichols, resident and business owner, said she thought if the city gave everyone a permit for parking, its something to consider that would help residents, pull in where ever and park. It's a bleed out, parking lot that's on Coryell Street, asked for years to have it lined, people dump cars for months. The city started cleaning the street and that helped hugely. Mayor Fahl said she appreciated the input and she thanked Ms. Nichols. She said if you live on a street with a meter, you can get a parking permit to park on the street you live. We have discussed this, we asked Parkmobile to reduce the total amount of time you are required to put in for your meter, instead of an hour, you can do 30 minutes or reoup for 30 minutes rather than a full hour.

A member of the public says she lives in town, the impact of Ely field, loss of parking spaces, families park there now and it would be nice to have the opportunity to pay for a permit.

Councilman Sanders commented that the \$60,000 measure is an incremental change, plus the expansion, both increase meters as well as meter fees.

Mayor Fahl addressed the members of the governing body and asked for a conversation regarding \$1.50 increase verses \$1.25 increase. This is an ongoing discussion, we have less room to consider not putting in meters, increasing the number does require some more community meetings and gives us less wiggle room. I would feel that instead of ongoing discussion, more likely meter lots at City Hall, Cavallo Park, and Ely Field.

Discussion ensued.

Allie, a member of the public commented that they have completed an analysis of 2017 and 2018. Mayor Fahl said yes, there was a decrease in revenue, 2013\$282,000; 2015 \$314,000; 2017 \$348,000 and in 2018 \$325,000, which is a discrepancy of \$4,800? The City Auditor said he would need to review the treasurer's report.

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 10

Mr. Stegman commented that \$348,000 divided by the number of meters doesn't add up.

Discussion ensued.

Dean Stephens commented that he felt the city should look at apartment rentals, they have 4 cars and they are surprised at how low the meter fee is. It would be interesting to get the number of tenants from the landlord registration forms, and he said he agreed with the Mayor, you won't see it in 2019 but you will in 2020.

Councilwoman Warner commented that to clarify, the problem with this budget cycle, in whatever fashion you raise the revenue you have to be able to show it is definitive and concrete, it can't be based upon we might write more tickets, it has to be concrete. So that's why the focus is either tax increase completely in conjunction with raising meter fees because we can definitively reflect what that cost would be.

Councilman Sanders commented that he thought the Sunday morning idea was a good one.

The City Auditor, Warren correctly commented that this budget calls for an increase of \$233,000 (levy increase) and it will cost the property owners \$233.

Councilwoman Taylor asked if we don't ask the business community to pay \$60,000, but ask the tax payers to take the full brunt of the unexpected debt payment what would that cost. The City Auditor commented it would be 33.2 cents, 5% increase, on the average assessment, \$98.00.

Mayor Fahl commented that it is a large increase, it will come as a shock because we had a flat tax rate in previous years. She pushed back at the thought of another \$18 because it doesn't include the schools, county or fire commission. We are a small part of quarter tax increases, not the end all be all of impact on Lambertville residents.

Ms. Gleason asked what other projects were completed, that debt service, what are the 5.5 million in bonds? Mr. Korecky, the City Auditor reviewed the bonds listed on the debt service with the members of the public. Mayor Fahl said the city would make this too available on the website.

Mayor Fahl commented that we were an hour passed the stop time for work sessions. Before you get up, part of the joy and purpose is to hear from you. The Open Public Meetings Act restricts us from having conversations. Start on where the council is at 25 cents versus 50 cents for an increase?

Councilman Sanders said he appreciated the comments. He said he was glad you came out; it was good for them to hear what people think. He thinks Sunday morning is a good change. He said he had enormous sympathy for the residents of Buttonwood Street, we have a parking problem, we have a shortage. He said we should look at technology solutions, has concerns for the street scape, may be other less intrusive technology, putting aside, he feels we need to have a larger discussion about parking.

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 11

The data collected by the residents was a thoughtful idea, but we didn't have good weather in March and it isn't a good representative of what that looks like. We could measure, collect data when things are hot, and that would be part of the ongoing dialogue. He is sensitive to losing parking spaces. The point is very good, 17 cents to a dollar, we are the bad guys, we do have residents who are low income, there are folks who think \$140 is not a big deal, but there are other people, at a certain point it becomes unlivable. He thinks the diversity of this town is important, assuring affordability for lower income residents, it's a balancing act. He doesn't want to meter Ely Field, and perhaps some other expenditures, increase meters, I don't think that a quarter will turn the tide for the Business Administrator, the increase may be too much.

Councilwoman Warner commented that she was amendable to splitting the difference, but the one thing we might be losing site of is \$18 of our budget increase on the average assessment, there is a school budget going up 2.5%, this is much larger than our budget. We need to look at every budget that affects the levy before we say we can absorb that 25 cents. It is \$135 for the municipal budget, but when you add the county, the school, at the end of the day it may be \$400 to \$500 increase for 2019. I think people need to know that.

Mayor Fahl said it was a beautiful and terrible part, being forced to do the budget at the same time. The board of Education will have a significant increase in taxes. We represent every homeowner and community member, and only a portion of that, cannot pass our budget knowing what the impact will be.

Mayor Fahl asked for a voice vote, to increase meters 25 center per hour rather than 50 cents per hour.

Councilwoman Taylor asked if there was a way to approve the budget without saying yes. She isn't in favor of meters at Ely field but that has to be put in the calculation. Decreasing revenue, then there will be no consequences. She would like to know the total potential earnings; additional meters are unknowable.

Councilman Sanders commented that we have teachers that use these spaces during school. He felt that giving them a free pass, like we do for the Library staff, would be good. The value goes down as a result.

Mayor Fahl stated that we need to recalibrate it. Ely Field and Cavallo Park are not in the budget. She said she agrees with him, but it is incumbent of us to have a longer-term discussion, take that out of the budget for this year but I would like to discuss it further. Council President Asaro has been working on improvements to the parking area at Ely Park.

Mayor Fahl asked for a vote in the affirmative to support a 50-cent hourly increase in meter fees.

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 12

Councilman Sanders – no, not go with 50 cents, willing to vote, nonbinding, haven't discussed the appropriations side of the budget yet. There may be a way to get to zero percent if we cut some cost, it may be more attractive. He said he is sensitive to the needs of tax payers. He is ok with 50 cents so long as we form a group to look at ways to offset that, like free Tuesdays, etc., economic development, with no adverse impact.

Councilwoman Taylor – no.

Councilwoman Warner – no.

Mayor Fahl – yes.

Mayor Fahl said she heard the comments made. I thank the council for their notes, this was really informative and thank you to the business community. We are moving forward now to the 16th. I will work with the CMFO to ensure that we look to see only 25 cents increase on meters with the caveat that if there are ways to find other means of revenue, we continue to look for those over the next two weeks.

Councilman Sanders commented that the budget includes \$62,000 under the Mayor's Operations cost, is there a sense of how this is to be divided up? Do we know what that looks like? Mayor Fahl commented that she hasn't had a full year to budget, we got a general sense of what the boards needed and decreased their request and worked with each committee to make their goals realistic. They were asked to search for grants and we already received some of those grants. As they come in, it will fluctuate in the Mayor's line item. We are looking for some flexibility with the help of the new Business Administrator.

Councilman Sanders asked if the council would have a role in evaluating the requests. Mayor Fahl responded that she would like to build a holistic budget, this was one place we didn't reach that highest goal. Moving forward, she would like to have each board and commission present their budget at a public meeting. We were unable to do that this year but she said she would like to make that part of the process. The goal is for an open and candid conversation, weighing pluses and minuses. For instance, the budget for the parks is \$1,000, but that isn't realistic because mulch cost \$3,000 and that was previously charged to the public works budget. The Mayor said she is working with the chair of the Recreation Commission, Megan Ruf, to create line item in the budget to fix the broken fence at Ely Field. This has been an ongoing issue and the Recreation Commission now has the discretion to bid out that fence project and attack that problem and it will come out of the Mayor's budget and next year we will have a line item for the Recreation Commission.

Councilman Sander expressed his concern for the lack of transparency because it is all lumped into one-line item.

Councilwoman Taylor requested additional information for the \$62,200-line item. Discussion ensued.

City of Lambertville

WORK SESSION

THURSDAY, MAY 2, 2019, 7:00 PM

PHILLIP L. PITTORE JUSTICE CENTER

AGENDA

Page 13

Mayor Fahl said the goal was to give weight to commission so they have the opportunity to fund projects. Councilwoman Taylor commented that it sounds like we are putting a lump sum into one item. She would like the breakdown of what goes to what commission. She loves the idea, but when she was on the Environmental Commission, they didn't have a budget. The order of operation was discussed.

Councilwoman Taylor asked if these numbers for the board and commissions assume the reality from May to December?

Councilman Sanders commented that the goal in the future years is to have each board and commission come to the governing body for their budget so that we can determine what it is going to cost before the budget process? Mayor Fahl responded that next year, in January, we will begin hearing at least two budgets a month. The Shade Tree Commission asked for \$10,000 and they will get \$10,000. The Environmental Commission will receive \$5,000.

Judy Gleason commented that it seems like a lot of money without the process. Are there projections on where the \$62,200 will be spent? We just heard from businesses about an increase in meters and they fear for their businesses. The goal is great but I question whether the town will be happy to find out that this is happening for the same amount of money for budget requests.

Councilwoman Warner commented that for those commissions responsible for beautifying the city, if we don't fund those things, mechanisms, parks clean, and some of the other things, then what happens? Mayor Fahl responded that a portion of this fund is going to stem the flow of bonded debt in this town so this is not just \$62,200. If we cross this out, we won't appropriate it, we have been appropriating money that we are paying interest on. This is a cost savings measure, a small step in insuring our future for Lambertville, long term fiscal future of Lambertville is not debt and interest heavy.

Councilwoman Taylor responded that she requested the information and she feels confident that the Mayor will deliver. Mayor Fahl commented that she cannot promise a full list of things the \$62,200-line item will support because some of it is unknown. We do know that it will fund \$7,500 for the re-examination report, \$3,000 for mulch for the playgrounds, ANJEC memberships, and other project specific items. Each board was asked to look for grant funds, if they come through, it will decrease that amount of funding for that particular board. In the past many items were funded through debt service and this is an attempt to fund it through the budget so that we don't pay interest. Mayor Fahl reminded everyone that because of the Open Public Meetings Act the council is prohibited from discussing this in any other forum, it has to be done at a public meeting, which is why it is being discussed tonight.

Steve Stegman commented that it was a great idea to give each board or commission a budget. Transparency will bring actual cost. He commended the Mayor, but said he just wanted to know the thought process to not include council. We know the downside,

City of Lambertville

WORK SESSION

THURSDAY, MAY 2, 2019, 7:00 PM

PHILLIP L. PITTORE JUSTICE CENTER

AGENDA

Page 14

what is the upside? Mayor Fahl responded that it was the goal to bring it to council, however, as it stands right now, the manner by which appropriations are approved does not go through council. She said she chose to use this work session to discuss with the entire council the budget. She said she felt it was onerous tasks to have only one meeting a month. Steve Stegman responded that this gives her two bites of the apple.

Mayor Fahl said she agreed with the comments and wants to get to a place where the council has more to say. As it stands, the council has very little to say in daily expenditures. In fact, the responsibilities, with the lack of a Business Administrator, falls on the clerk. Mayor Fahl said the goal for the work session is to garner ideas from council before the voting session. This was a huge issue in the former administration.

Kari Osmond, Elm Street, commented that this type of a forum has never happened before in our city. We never had the ability to go through our budget line by item with council and the auditor to talk about expenditures.

Steve Stegman commend that the City held public meetings where the auditor was present to discuss the budget but no one showed up. This year, you motivated people to be more of the process.

Councilman Sanders commented that the savings on professional expenses with the pencil sharpening didn't jump out to him in the documents provided. How much are we savings? Mayor Fahl responded that it was an important question. We are utilizing the legal firms at a much higher density this year with the issues experienced with Village Apartments. We consolidated legal services from various firms into one with some exceptions. Over the course of the last four months with each conference call we had several firms (city planner, three attorneys) billing the city for an update on COAH. If you condense it into one attorney, you get a different call. The city solicitor can't bill for both.

Councilman Sanders asked about the operating expenses for the police department. Mayor Fahl responded that this is the Police Director's budget, it was reviewed with Mayor DelVecchio, and explained at that time. It covers the transition in leadership, negotiations, a portion for building needs, software, etc.

Judy Gleason asked what the \$60,000 from the Library covers. The City Clerk responded that the city is tasked with their payroll and pension, it covers liability insurance for the building and professionals, workers compensation, etc.

PUBLIC PARTICIPATION

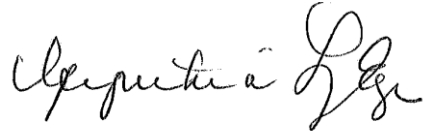
None.

ADJOURNMENT

City of Lambertville
WORK SESSION
THURSDAY, MAY 2, 2019, 7:00 PM
PHILLIP L. PITTORE JUSTICE CENTER
AGENDA
Page 15

The meeting adjourned at 9:52 p.m. with a motion made by Councilwoman Warner and seconded by Councilwoman Taylor. An affirmative voice vote was taken in favor of the motion by all members present. MOTION CARRIED.

Respectfully submitted,



Cynthia L. Ege, CMR, RMC, City Clerk



The May 2, 2019 meeting minutes were approved at the May 16, 2019 voting session.