

Mayor's Message – March 2010

The 2010 Budget for the Borough of Lincoln Park has been presented to the Borough Council and has been the subject of multiple hearings in front of Council. The budget is fully compliant with all state caps regarding appropriations and tax levy. We are currently in a hold while we await the Governor's presentation of the New Jersey State Budget. Barring any additional cuts to state aid, the budget that council has deliberated on is fully compliant with all state imposed caps regarding appropriations and tax levy.

This year's budget is the result of the commitment and effort of every department in the borough. I would like to thank the finance and administration departments for their dedication and assistance in preparing this budget. I would also like to thank the Borough Council for their attention to both the spending and revenue portions of the budget and more importantly how costs and services affect the quality of life in Lincoln Park for all of our residents. I would further like to thank the residents who turned out to witness the budget hearings. This year is the largest public turnout for budget procedures that I have seen in my 15 years as councilman or mayor.

I feel that this budget represents a truly fiscally and socially responsible provision of services to the residents of Lincoln Park.

Allow me to share some facts about this years budget. There is NO net spending increase over 2009. Currently, the 2010 budget is .22%, or \$40,338.00 less than last year's expenditures. Actually, considering the 2010 expenditures include a \$250,000.00 DOT grant that we received from the State for a road paving project this year (which means it is offset in revenues received), we actually have presented a budget that is nearly \$300,000.00 lower in spending than the year before.

Some of the significant ways costs were cut and savings provided in 2010:

- Overall Salary and Wage **Decrease** of 4.61%
- Changes to Borough Purchasing Policies
- Commitment to Debt Reduction
- Success of Recycling Program with Resultant Decrease of Trash Removal Costs

The success of the Recycling Program has provided a tremendous amount of savings that are reflected in this year's budget. The reduction of costs associated with debris removal from the recycling yard, trash collection and vegetative waste disposal (brush, leaves and grass), along with increased revenue from the sale of recyclable material has helped to offset items that are typically annual increases (insurance costs, pension contributions, sewerage costs, etc.). **The success of this program and the resultant savings and tax benefits are a direct effect of the undertaking by each and every individual in town that has participated in our new recycling initiative.** I would like to personally thank everyone for making the effort to support this program. This is one area where your efforts have a direct effect on the amount of taxes you pay. Please continue to support the recycling program and encourage your friends and neighbors to do so as well.

Last year, given the economic conditions in the world, I stated the importance of providing programs at home for our residents. The Recreation budget shows funding which will help to meet the needs and wants of our community. Conversely, the Recreation Department also shows an increase in revenues once again this year. Revenues of the Recreation Department are up over 500% in the last 3 years. Increased revenues (fees collected for attending programs) help to offset the costs of the programs the Recreation Department provides. The council members and I take our commitment to the well being, health and recreation needs of our community very seriously. We will continue to strive to provide new and affordable programs for the children and adults of our community, yet at the same time generate revenues where possible to help minimize the effect on taxes.

Other revenues, however, continue to be the weak part of our budget. Declining state aid, diminishing returns on investments and shrinking surplus and monies from sale of assets will be a hindrance in keeping the tax rate down. The decline in revenues, unfortunately, exceeds the amount of savings that has been worked into the 2010 budget. Currently, assuming no further reduction in state aid, we are looking at approximately a \$120 yearly increase in taxes for the average home in Lincoln Park.

A goal I had this year was to present the Borough Council with a 10 year capital spending plan which addresses the equipment and vehicle needs of the borough in a responsible way in relation to debt. Kerry Geisler, our CFO, and our Administrator Sean Canning have helped with the creation of a sound plan for the future equipment needs of the borough. Administration has provided different ways to match funding with needs and the council is currently reviewing several different scenarios to best handle the long term debt of the borough.

There may still be a long road ahead before adopting the final 2010 budget for the Borough of Lincoln Park. The Borough Council, Administration and I will continue to scrutinize the budget for further savings. We are exploring several areas where the Borough can either save costs or increase revenues by sharing services with another, or other, towns.

I will continue to provide you with updates as we go through the budget process. If you have any concerns, comments or questions, please feel free to contact me at mayorrunfeldt@bolp.org or (973) 270-2020. Contact information for members of the Borough Council, Administrator Sean Canning and CFO Kerry Geisler can be found on the borough's website www.lincolnpark.org. I am sure each of them would welcome your contact as well.

I would like to take this opportunity to thank Councilman Herman "Hy" Nadel for his 20+ years of dedicated service to the Borough of Lincoln Park. Hy steps down for personal reasons and will be missed. I would like to welcome Gary Gemian who will be serving the remainder of this year as the Ward 1 Council person.

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Dr. David A. Runfeldt
Mayor, Borough of Lincoln Park

