

6/3 Finance Advisory Committee Minutes

In attendance: John Kaplan, Lauren Barnett, Dan Happer, Audrey Lane (minutes), Mitchell Stern, Wilson Mitchell, Bob Dewing, Mitchell Stern, Bob Oostdyk, Rick Delguercio (Tax Assessor), Monica Goscicki
Absent: James Murphy

- I. COVID related questions:
 - a. Question raised about DOT funding for our road repaving: Will grants be adjusted amidst state budget shortfalls due to COVID-19: no indication yet. Morris Ave bid award expected by mid-June. Condit, tbd. Upon award of a contract we can apply for 75% of the grant amount. We will receive the other 25% upon completion of the job.
 - b. Question raised about any change to receipts for taxes and, water/sewer: Not at this time.
- II. BAN funding requirements for 2020 as of 6/5/20 - \$2,259,884.71:
 - a. 2019 Capital Ordinance - \$815,049.27
 - b. 2019 Morris Avenue - \$105,000.00
 - c. 2020 Capital Ordinance - \$639,855.19
 - d. October 1, 2020 BAN refinancing - \$699,980.25
- III. Water Meter Replacement Plan
 - a. Meters in town are old, unreliable, and need replacement. New meters can be read remotely - improving current labor-intense process
 - b. Estimated cost is \$500,000: on agenda for August
- IV. Update of Tax Appeal Situation and Risk
 - a. Don't know complete picture with regard to tax appeals in ML. State delayed deadline to July 1. Likely increase in residential appeals.
- V. Tax Assessor: referred to document dated 1/16/2020 Reevaluate vs. Reassess
 - a. Three options
 - i. Full Revaluation: Bid out to 3rd party. From scratch, soup to nuts tax evaluation. \$140,000 - \$150,000 + \$25,000 - \$50,000 for a new tax map. 18 mos. to complete.
 - ii. Full Reassessment: Executed in-house by tax assessor and staff. Use existing data, no tax map update. Includes inspections. Accomplishes the same as a full revalue. County Board of Tax allows as an alternative to full revalue. \$125,000 - \$135,000. Possible to complete for 2021.
 - iii. Full Reassessment followed by annual maintenance: Full reassessment with all properties updated annually. \$125,000 year 1 then \$20,000 annually thereafter. Eliminates future need for full revaluation or full reassessment.
 - b. Last full revaluation was done in 2007/8. Partial reassessment done in 2012 at a cost of roughly \$75-80,000
 - c. Recommendation: Full Reassessment with Annual Maintenance
 - i. Reduces risk – savings on appeals and refunds
 - ii. More accurate valuation than current
 - iii. Moving forward with timely and accurate valuations
 - d. After discussion about timing, recommended moving forward with a fall full reassessment and annual maintenance.

- e. Next steps: B. Oostdyk to talk to Bill Ryden about tax maps
- f. Timing considerations:
 - i. Potential acceleration of appeals for refunds in the face of a reassessment
 - ii. Resident comfort level with interior inspections due to COVID-19
 - iii. Timing could cause hardship amidst COVID-19. Actual tax impact for each property owner will not be available until second half of 2021.
 - iv. Cost paid over 1 year and deferred over 5 years for budget.
- VI. Question raised about railroad property/zoning/value: MS & BO to follow-up
- VII. Review of Capital Projects
 - a. \$4.54 Borough Hall (2020)
 - b. \$1.95 Sunset Dam (2019)
- VIII. Review of Ratings: Aa1/AA+
 - a. Factors: size, pension liability, exposure, predominantly residential (lack of ratables)
 - b. No economic benefit to move ratings to Aaa/AAA
- IX. Discussion of possible Municipal Endowment Fund
 - a. Trust fund with a dedication by rider (specific purpose by statute and approved by state).
No comingled funds
 - b. Local donations/grants for specific purpose
 - c. Citizens could create a 501(c)3 (similar to Laker Sports Club)
- X. Automatic Payment Systems for Tax, Water, Sewer Collection:
 - a. Discussed vendor used by Madison. Cutting edge technology but cost prohibitive.
- XI. Next Meeting – July 1, 5 pm. Zoom call.