

**BOROUGH OF FOLSOM
COUNCIL MEETING
MINUTES
December 12, 2012**

MEETING CALLED TO ORDER: 7:11 PM

SALUTE TO THE FLAG LED BY MAYOR TOM BALLISTRERI

OPENING STATEMENT: Adequate notice of this meeting has been given in accordance with the open public meeting act, pursuant to Public Law 1975, Chapter 231. Said meeting has been advertised in the Hammonton News and has been posted on the Borough Hall bulletin board showing the time and place of said meeting.

ROLL CALL: Councilpersons, Gazzara, Esposito, Kemmerer, Olive and Ferry

Also present: Mayor Tom Ballistreri, Attorney Mike Fitzgerald, Engineer Vince Polistina, and CFO Dawn Stollenwerk

APPROVAL OF SPECIAL MEETING MINUTES FROM October 24, 2012

A motion to approve the minutes was made by Councilman Olive and seconded by Councilman Kemmerer

There was a roll call vote with ayes all with the exception of Councilman Olive's abstention.

APPROVAL OF THE MINUTES FROM November 14, 2012

A motion to approve the minutes was made by Councilwoman Ferry and seconded by Councilman Gazzara

There was a roll call vote with ayes all with the exception of Councilman Kemmerer and Councilman Esposito's abstention.

MEETING OPEN TO PUBLIC: No comments

CLERK'S CORRESPONDENCE: Ms. Gatto reminded residents that Borough Hall Offices will be closed on December 24th, 25th and January 1, 2013 in observance of Christmas and New Year's.

ORDINANCES: (Second Reading/Adoption)

**BOROUGH OF FOLSOM
ORDINANCE #08-2012**

BOND ORDINANCE AUTHORIZING VARIOUS CAPITAL ACQUISITIONS AND IMPROVEMENTS INCLUDING ALL COSTS, APPURTENANCES AND IMPROVEMENTS RELATED THERETO, APPROPRIATING \$385,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$365,700 OF BONDS OR NOTES OF THE BOROUGH FOR FINANCING PART OF THE COST OF SAID

IMPROVEMENTS IN AND BY THE BOROUGH OF FOLSOM, IN THE COUNTY OF ATLANTIC, NEW JERSEY.

BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF FOLSOM, IN THE COUNTY OF ATLANTIC, NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), and AS FOLLOWS:

Section 1: The improvements and purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements to be made or acquired by the Borough of Folsom, County of Atlantic, New Jersey (hereinafter referred to as the “Borough”). For said improvements or purposes stated in Section 3 of this bond ordinance, there is hereby appropriated \$385,000, said sum being inclusive of all appropriations heretofore made therefore, amounting in the aggregate to \$385,000, including the sum of \$19,300 as the down payments for said purposes from the Capital Improvement Fund or from other legally available funds of the Borough; said down payment being now available by virtue of a provision in the current or previously adopted budgets of the Borough and currently available for down payment purposes or capital improvement purposes, as required by the Local Bond Law of New Jersey, N.J.S.A. 40A:2-1, et seq. (the “Local Bond Law”).

Section 2: For the financing of said improvements or purposes and to meet the part of said \$385,000 appropriation not otherwise provided hereunder, negotiable bonds of the Borough are hereby authorized to be issued in a principal amount not to exceed \$365,700 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds, negotiable notes of the Borough in a principal amount not to exceed \$365,700 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law. In the event that bonds are issued pursuant to this ordinance, the aggregate amount of notes hereby authorized to be issued shall be reduced by an amount equal to the principal amount of the bonds so issued. Each bond anticipation note issued pursuant to this ordinance shall be dated on or about the date of its issuance and shall be payable not more than one (1) year from its date, shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law and may be renewed from time to time pursuant to and within the limitations prescribed by the Local Bond Law. Each of said notes shall be signed and shall be under the seal of the Borough and attested as required by law. The appropriate Borough officers are hereby authorized to execute said notes and to issue said notes in such form as they may adopt in conformity with law. The power to determine all matters in connection with said note or notes and not determined by this ordinance and also the power to sell said notes, is hereby delegated to the Chief Financial Officer of the Borough (the “Financial Officer”), who is hereby authorized to sell said notes either at one time or from time to time in the manner provided by law and the Financial Officer’s signature upon the notes shall be conclusive evidence as to all such determinations. The Financial Officer is authorized and directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of notes pursuant to this ordinance is made, such report to include the principal amount, description, interest rate and maturity of the notes sold, the price obtained and the name of the purchaser.

Section 3: The improvements and acquisitions hereby authorized and the purposes of the financing for which said obligations are to be issued, the estimated cost of each purpose and the appropriation therefore, the estimated maximum amount of bonds or notes to be issued for each purpose and the period of usefulness of each purpose are as follows:

| Improvement/Acquisition | Appropriations and Estimated Cost | Down Payment from Capital Improvement Fund | Estimated Maximum Amount of Bonds or Notes | Period or Average Period of Usefulness |
|--------------------------|-----------------------------------|--|--|--|
| Purchase of computer and | | | | |

| | | | | |
|--|-----------|----------|-----------|----------|
| electronic equipment | \$15,000 | \$800 | \$14,200 | 7 years |
| Acquisition of Ford F550 and Ford F650 for Public Works Department | \$190,000 | \$9,500 | \$180,500 | 5 years |
| Municipal Building Roof Replacement | \$55,000 | \$2,750 | \$52,250 | 15 years |
| Acquisition of Public Works Equipment, including diesel mower and gas mower | \$25,000 | \$1,250 | \$23,750 | 15 years |
| Construction of Public Works Storage Building, including costs of planning, design, construction, preparation of plans and specifications, permits, bid documents and project inspection and administration. | \$100,000 | \$5,000 | \$95,000 | 20 years |
| | | | | |
| Total | \$385,000 | \$19,300 | \$365,700 | |

Section 4. The following additional matters are hereby determined, declared, recited and stated:

- (a) The purposes described in Section 3 of this bond ordinance are not current expenses and are property or improvements which the Borough may lawfully acquire or make as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.
- (b) The period of usefulness of said purposes is within the limitations of the Local Bond Law taking into consideration the amount of the said obligations authorized for said purposes, according to the reasonable life thereof, computed from the date of said bond authorized by this bond ordinance, and for all such purposes as set forth in Section 3 hereof, the average period of usefulness is 11.05 years.
- (c) The Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the office of the Borough Clerk and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey, and such Statement shows that the gross debt of the Borough, determined as provided in the Local Bond Law, is increased by this bond ordinance by \$365,700; and obligations authorized hereunder, will be within all debt limitations prescribed by said law.
- (d) The aggregate amount not exceeding \$15,000 for interest on said obligations, costs of issuing said obligations, engineering costs, legal fees and other items of expense listed and permitted under N.J.S.A. 40A:2-20 of the Local Bond Law is included as part of the estimated costs of said improvements and purposes.

Section 5. Any grant or other moneys received for the purposes described in Section 3 hereof, shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this ordinance and the amount of the obligations authorized herein for such purposes shall be reduced accordingly.

Section 6. The Borough Council of the Borough of Folsom hereby covenants on behalf of the Borough to take any action necessary or refrain from taking such action in order to preserve the tax-exempt status of the debt obligations authorized hereunder as is required under the Internal Revenue Code of 1986, as amended, and as the same may be amended from time to time, including, but not limited to, compliance with said Code with regard to the use, expenditure, investment, timely reporting and the rebate of investment earnings as may be required thereunder.

Section 7. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal and interest on the said obligations authorized by this bond ordinance. Said obligations shall be direct, unlimited obligations of the Borough, and, unless paid from other revenues of the Borough, the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Borough for the payment of said obligations and interest thereon without limitation as to rate or amount.

Section 8. The capital budget of the Borough is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency herewith. The resolution in the form promulgated by the Local Finance Board of the State of New Jersey, Department of Community Affairs, showing full detail of the amended capital budget and capital program as approved by the Director of the Division of Local Government Services, is on file with the Borough Clerk and is available there for public inspection.

Section 9. The Borough reasonably expects to reimburse any expenditure towards the costs of the improvements or purposes described in Section 3 of this ordinance and paid prior to the issuance of any bonds or notes authorized by this ordinance with the proceeds of such bonds or notes. No funds from sources other than the bonds or notes authorized herein have been or are reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the Borough, or by any member of the same "control group" as the Borough, within the meaning of Treasury Regulations Section 1.150-1, pursuant to their budget or financial policies with respect to any expenditures to be reimbursed. This Section is intended to be and hereby is a declaration of the Borough's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulations Section 1.150-2, and no action (or inaction) will be an artifice or device in accordance with Treasury Regulation 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

Section 10. To the extent that any previous ordinance or resolution is inconsistent with or contradictory hereto, said ordinance or resolution is hereby repealed or amended to the extent necessary to make it consistent herewith.

Section 11. The provisions of this bond ordinance are severable. To the extent any clause, phrase, sentence, paragraph or provision of this ordinance shall be declared invalid, illegal, or unconstitutional, the remaining provisions shall continue in full force and effect.

Section 12. This bond ordinance shall take effect twenty (20) days after the first publication hereof after final adoption, as provided by the Local Bond Law.

Introduction: October 10, 2012

Publication: October 17, 2012

Adoption: December 12, 2012

PUBLIC COMMENT:

Kyle Smith (17 Fenimore Dr.) asked how we are able to spend the roof money before the bond has passed.

CFO, Dawn Stollenwerk responded that as to date the roof has not been paid for.

A motion to approve was made by Councilman Olive and seconded by Councilman Kemmerer

There was a roll call vote with ayes all.

RESOLUTIONS:

2012-70 RESOLUTION AUTHORIZING THE TRANSFER OF APPROPRIATIONS IN THE 2012 LOCAL MUNICIPAL BUDGET PER N.J.S.A. 40A:4-58

A motion to approve Resolution 2012-70 was made by Councilman Schenker and seconded by Councilman Esposito.

There was a roll call vote with ayes all.

SOLICITOR'S REPORT: Mr. Fitzgerald updated Mayor and Council regarding the Gail Macera Unemployment Compensation Appeal. Appeal was in favor of the Borough and all money will be returned to Borough of Folsom.

FIRE CHIEF'S REPORT: Councilman Esposito read the Fire Report for Chief Donnelly. Chief Donnelly wished everyone a Happy Holiday and congratulated firefighter Kyle Smith as he prepares to enter into another facet of Public Service. Santa Claus will be coming through town on December 22nd and December 23rd. There were six (6) calls for assistance for the month of November.

ENGINEER'S REPORT: Mr. Polistina updated Mayor and Council on the following issues. We are waiting for a formal response from Pinelands regarding the Thirteenth St. Parking Lot and the Public Works Building. American Galvanizing has completed the final paving of Fifth Road. Only minor punch list items remain to be completed. The IBEW site work is continuing. There was a discussion over the sign ordinance which the Planning Board is in the process of reviewing.

MAYOR'S REPORT: Mayor Ballistreri thanked everyone involved with the Tree Lighting especially the Folsom School Choir. He thought that did a wonderful job this year. Mayor Ballistreri also thanked the Collings Lake Fire Department for bringing the Special Guest to Borough Hall with all the Fire trucks. Mayor Ballistreri wanted to thank Councilman Matt Olive and Councilman George Eckhardt for all their hard work, support and commitment they have given to the Borough of Folsom. Mayor Ballistreri also thanked Councilwoman Ferry for stepping in for the past couple of months.

COUNCIL MEMBER'S REPORTS:

Councilman Ron Esposito wished everyone Happy Holidays and thanked George, Matt and Debbie. Councilman Esposito stated that the tree lighting was very nice this year and he thanked everyone involved. Councilman Esposito informed residents that the IBEW project is moving forward. Councilman Esposito advised Mayor, Council and residents that the "Welcome to Folsom" sign project is now completed and there will be a ceremony in the near future. Councilman Esposito also updated everyone on the playground equipment status.

Councilman Greg Schenker advised Mayor and Council that all local authorities were contacted in regards to the Bridge closure. Councilman Schenker updated residents on the status of the Bus Shelter. Greg stated that more research is needed however at this time Mayor and Council are not receptive to the Bus Shelter due to the maintenance costs and liability issues. Greg also updated Mayor and Council on the roof project. Greg also thanked Councilwoman Ferry for stepping in. Greg also thanked George Eckhardt and Matt Olive for all their help. Greg also wished everyone Happy Holidays.

Councilman Matt Olive read a letter thanking the residents of Folsom for their support through the years. Councilman Olive thanked fellow Councilman and Borough employees for their support. Matt wished everyone the best of luck and a Merry Christmas and Happy New Year.

Councilman Gary Kemmerer thanked George, Matt and Debbie for all their hard work over the years. Councilman Kemmerer also informed residents that the last day of leaf pickup is December 17, 2012. Councilman Kemmerer advised residents that the Eighth St. Bridge will be closed for a long time and residents should find an alternate route. Gary wished everyone a Merry Christmas and a Happy New Year.

Councilman Butch Gazzara also thanked Matt, George and Debbie. Councilman Gazzara wished everyone a wonderful healthy holiday. Councilman Gazzara warned residents about speeding on Lake Avenue. He stated that the police will be patrolling the area.

Councilwoman Deborah Ferry thanked Mayor and Council for all their support. Councilwoman Ferry also wished everyone a beautiful holiday season.

MEETING OPEN TO PUBLIC:

Kyle Smith (17 Fenimore Drive) thanked Matt Olive and George Eckhardt for all their hard work here in Folsom and best of luck in the future.

Ben Pagano (2201 14th St.) thanked Matt Olive and George Eckhardt.

MEETING CLOSED

PAYMENT OF BILLS IN THE AMOUNT OF \$259,871.73

A motion to approve payment was made by Councilman Esposito and seconded by Councilman Kemmerer

There was a roll call vote with ayes all.

Mayor Ballistreri reminded the public that all other monthly reports are on file in the minute book.

The Borough of Folsom's re-organization meeting will be held on Wednesday, January 2, 2013 at 7:00pm at Borough Hall. The next regular meeting of Mayor and Council will be held on Wednesday, January 9, 2013 starting with a half hour workshop meeting at 6:30 pm and continuing with the regular meeting at 7:00 pm in Borough Hall, 1700 12th Street, Folsom, NJ

With no other discussion the meeting was adjourned at 7:55 PM with ayes all.

Respectfully submitted,

Patricia M. Gatto
Acting Municipal Clerk