

Village of Loch Arbour Charter Study Commission

Minutes - Regular Meeting January 3, 2011

The regular meeting of the Village of Loch Arbour Charter Commission was held in the Village Municipal Building on January 3, 2011. It was called to order at 7:00p by Chairman Fernicola.

Following the salute to the flag, Chairman Fernicola called the roll. Present were all members of the Commission; Mr. Cummings, Mr. Fernicola, Mr. Loushine, Mr. Reng, and Mrs. Virks-Lee.

The notice requirements of C.231, P.L. 1975, have been satisfied by transmitting the notice of the Organizational Meeting to the Village's two official newspapers on November 15, 2010, posting the notice on the Village Office bulletin board on the same date, and filing a copy of the notice in the Village Clerk's office.

Resolution #1: Approve Minutes of December 20, 2010 Regular Meeting

- Upon Motion with second, Meeting Minutes were unanimously **Approved**.

Discussion Items

1. **Mission Statement**: Mr. Loushine led off the discussion asserting it is important to have a clearly defined mission statement in order for residents to understand the Commission's task. To do otherwise he contends could raise expectations regarding the recommendations coming from the CSC. Mr. Loushine cited the question on the ballot as establishing/defining a mission for the CSC. Mr. Fernicola took issue with limiting the CSC's mission to that set forth on the ballot citing a article in the November 2010 'Village Tidings' stating the Commission could include "...merging with a neighboring community." He also cited phraseology in the recently signed police contract indicating the CSC may recommend merging with another municipality. Mr. Cummings raised the point that the CSC's main task was to review the VLA charter not to concentrate its' efforts on examining the possibility of merging with another entity.

Public Comment:

- **Al Cheswick**: Doesn't feel a mission statement is important, however the bottom is property taxes and this is where the effort needs to be concentrated. He would be happy to contribute a portion of any property tax reduction to an education fund to ensure Village children would receive a good education.

Chairman Fernicola proposed a motion on dropping the need for a mission statement. Mr. Reng agreed which was seconded by Mrs. Virks-Lee. The motion to drop the mission statement was not carried by a vote of 3 No and 2 Yes; The recorded vote: Mr. Cummings 'No', Mr. Fernicola 'Yes'. Mr. Loushine 'No', Mr. Reng 'No', Mrs. Virks-Lee 'No'.

2. **Meeting with Monmouth County Executive Superintendent of Schools:** A meeting with Carole Morris on December 22, 2010 was attended by Chairman Fernicola and Commissioner Loushine. The purpose of the meeting was to ascertain the Superintendent's position regarding the treatment of the surviving municipality regarding schools, i.e., if VLA merged with a contiguous municipality such as Allenhurst. . After the meeting, Mr. Fernicola sent a letter memorializing the request that Ms. Morris provide a written opinion as to the effect consolidation with a contiguous municipality would have on VLA's existing consolidated school district with Ocean Twp. Each Commissioner reported their impressions of the meeting. A summary of their respective meeting notes provided by Mr. Fernicola and Mr. Loushine are attached. Mr. Fernicola also informed the Commission that he had just received information that Carole Morris had not been reappointed to her Superintendent position with her final day being December 31, 2010.

Public Comment: None

3. **Comparison of 2010 Municipal Property Tax Rates:** Mr. Fernicola presented two charts summarizing property tax rates for 2010 for Loch Arbour, Allenhurst, Asbury Park, Interlake, Deal and Ocean Twp. The charts were organized to provide an easy comparison of the tax rates and what the tax would be on a VLA \$1.4M assessed home in each of the municipalities based on the 2010 tax rates. The purpose was to show the effect on taxes paid on such a property based on a specific municipal tax rate if there was consolidation into any of these municipalities. A copy of these charts is attached.

Public Comment:

- John Zazzarino: Stated he has reviewed a lot of figures and these charts do not provide an accurate picture. Such comparisons need to be made on an equalized valuation and they do not reflect the true property values when applying the municipal rates. Need to compare apples to apples.
- Frank Romeldeli: We need to save on taxes. He provided a handout to each of the Commissioners reflecting the effect that merging with another municipality would have on their taxes. He based his calculations on their respective properties. He further stated people will move to save on taxes but will have difficulty selling their property because of the high property tax. Further, he indicated the only people making money on Loch Arbour properties will be individuals who buy municipal tax liens on VLA properties.
- Joanne Romeldeli: VLA needs the best charter possible. Feels the Village the size of Loch Arbour doesn't require a 5 member board. Perhaps a 3 member commission form of governance such as exists in a borough with a non-operating school district would be best.

4. **Deal School as Choice School:** Mr. Fernicola provided some details regarding Deal school's application to be designated a Choice School. Deal expects the application to be approved. This would be significant to Loch Arbour resident's if they merged with a non-operating school district such as exists in both Interlaken and Allenhurst. Under the Choice School designation for Deal School, 7 to 14 percent of Loch Arbour students currently attending Ocean Twp schools could apply for and be accepted into the program. For Loch Arbour based on 22 students, 2 or 3 students could enter the Deal program on a lottery basis. The students not attending Deal would be schooled in accordance with the non-op arrangements.

Public Comment: None

5. **Municipal Merger and Effect on Deal Police Contract:** The recently signed and effective contract with Deal for police services contains provisions for VLA's potential merger with another municipality. There is both a time and dollar terms set forth in the 5 year contract.
6. **Meeting with Commissioner's of Education and Community Affairs:** Chairman Fernicola has requested NJ Senator Kean's assistance in setting a meeting with both the NJ Commissioner of Education and Commissioner of Community Affairs. The purpose would be to ascertain their possible positions regarding Loch Arbour's school arrangements and consolidation. This knowledge would be useful to VLA while exploring a potential merger with a neighboring municipality.

Mr. Cummings raised the issue of meeting with these entities to ferret out this information was not a primary task of the CSC in reviewing the charter. Such concentration on merging was a distracter from the Commission's primary task and such contact could also lead to confusion among entities in Trenton as to who was really speaking for Loch Arbour. He felt it was appropriate for the Trustees to meet with officials in Trenton as only the Trustees could make decisions regarding Loch Arbour not the CSC. He was further concerned such contact would inadvertently conflict with Trustee activities. Mr. Reng spoke to the good of having such a meeting but was concerned with establishing a mindset in Trenton that would snowball into something that was not in the best interest of VLA or desired by the Trustees. An attendee of the CSC meeting suggested that the Trustees be invited to attend any meeting. Mr. Cummings indicated this was a good idea as the Trustees interests could be protected through such participation plus the Trustees would begin to establish relationships with specific individuals in Trenton. Mrs. Virks-Lee indicated she was on a steep learning curve in this matter and asked if it was appropriate for a Commission member to attend a meeting without the approval of the CSC. Mr. Fernicola stated he considered it appropriate to set up and attend such meetings without Commission approval.

Public Comment: None.

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7. **Lorraine Carafa Memo of November 19, 2010**: Chairman Fernicola suggested a letter to the Trustees asking for release of the information marked as Confidential contained in the memo prepared by the Special Counsels which was attached to the subject memo. Mr. Cummings indicated he felt it was not a productive use of the CSC's time in this matter as the information contained in the memo could be developed independently with similar conclusions being drawn. He also felt there was not a need for this info to be considered as Confidential. There was a consensus among the Commissioner's for the Chairman send a letter with such a request.

Public Comment: None.

Meeting Adjourned: By consensus, the meeting concluded at 1005p.

Attachment – Reference Item 2;

Mr. Loushine's notes on the 12/22/10 meeting.

The report written by Paul Fernicola captures most of the highlights of the meeting with Ms. Carole Morris. Here are additional highlights that I would add to his report.

Ms. Morris stated that the effect of the 2009 legislation, requiring the elimination of non-operating school districts, would likely result in the consolidation of Allenhurst school district with one of the following school districts:

- Asbury Park
- Long Branch
- Ocean Township

Ms. Morris said that the No Child Left Behind Law may not preclude the merger of a "Failing" school district with a "Passing" school district.

**MONMOUTH COUNTY GENERAL TAX RATES
2010**

		Loch Arbour	Allenhurst	Asbury Park	Interlake n	Deal	Ocean Twp.
	COUNTY						
A.	Purposes	0.229	0.244	0.757	0.361	0.256	0.312
B.	Library	0.013	0.014		0.021	0.015	0.018
C.	Health	--	--	0.014	--		--
D.	Open Space	0.014	0.015	0.047	0.022	0.016	0.020
	SCHOOL						
E.	Local	--	0.004	1.501	0.253	0.072	--
F.	Regional	0.871					1.263
	MUNICIPAL						
G.	Budget	0.276	0.373	2.902	0.938	0.168	0.428
H.	Open Space	0.005					--
E+F +G+ H	LOCAL RATE	1.152	0.377	4.403	1.191	0.240	1.691
A+B +C+ D	COUNTY RATE	0.256	0.273	0.818	0.404	0.287	0.350
	TOTAL TAX RATE	1.408	0.650	5.221	1.595	0.527	2.041

**AMOUNT OF REAL ESTATE TAXES
BASED ON AVERAGE ASSESSMENT FOR LOCH ARBOUR HOME OF
\$1,400,000 in 2010**

		Loch Arbour	Allenhurst	Asbury Park	Interlaken	Deal	Ocean Twp.
	COUNTY						
A.	Purposes	\$3,206	\$3,416	\$10,598	\$5,054	\$ 3,584	\$4,368
B.	Library	\$182	\$196		\$294	\$210	\$252
C.	Health	--	--	\$196	--		--
D.	Open Space	\$196	\$210	\$658	\$308	\$224	\$280
	SCHOOL						
E.	Local	--	\$56	\$21,014	\$3,542	\$1,008	--
F.	Regional	\$12,194					\$17,682
	MUNICIPAL						
G.	Budget	\$3,864	\$5,122	\$40,628	\$13,132	\$2,352	\$5,992
H.	Open Space	\$7					--
E+	LOCAL RATE	\$16,128	\$5,278	\$61,642	\$16,674	\$3,360	\$23,674
F+							
G+							
H							
A+	COUNTY RATE	\$3,584	\$3,822	\$11,452	\$5,650	\$ 4,018	\$4,900
B+							
C+							
D							
	TOTAL TAX RATE	\$19,712	\$8,596	\$73,094	\$22,330	\$7,378	\$28,574