

Mayor's Message

March 2009

The Borough Council, Administration and I have been working on the 2009 budget for several months. The process begins in the fall of the previous year when all departments are asked to submit their budget requests. Many weeks of discussion and meeting with the various department heads, leads to a working budget that I submit to Council. Myself, Council, Administration and various department heads then meet for several weeks on Saturday mornings to make the final cuts and/or additions to budget. These meetings are open to the public (thank you, Mr. Moeller).

Compounding the predicament of this year's budget is the situation that we find ourselves in with regards to the national and global economic crisis that plagues all aspects of our society. The spending of our state government is grossly out of control and seems to look to solve its problem by forcing further financial strains on the municipal level. As we found out so harshly last year, this thwarts our ability to budget fairly and appropriately. Even though, my initial budget proposal included a total spending increase of less than 2 ¾%. Upon further study of our budget, I felt that we were in danger of falling short in our accountability to the residents and taxpayers of Lincoln Park.

Given a true understanding of the dire financial picture that is currently being painted in our town and throughout New Jersey, I am compelled to voice the phrase "Drastic times lead to drastic measures." It is with this understanding and comments from Council that I presented the following 10 point suggestions. The members of the Borough Council voted unanimously to support each point.

- 1) An immediate pay freeze to all administrative personnel and personnel not covered by contractual obligations.
- 2) Capping the amount of "longevity" compensation paid to employees.
- 3) There should be no new full time hires in the 2009 budget for any administrative department.
- 4) No new Police hire in the 2009 budget.
- 5) A 10% to the O&E budget of our Police, Fire, First Aid and Health Departments in addition to my initial cuts.
- 6) An additional 5-10% cut of the O&E budget of all other departments. The only exception is to our Department of Public Works. DPW stands to be asked to do more with repairs and maintenance to vehicles, equipment and infrastructure in response to these additional cuts. As such, there should be no decrease to DPW budget, and in fact, a slight increase may be warranted.
- 7) No additional motor vehicles purchased for the borough this year. In unproblematic economic times, a schedule of vehicle replacement may be warranted. In times such as these, we may need to make due with at least an additional year of vehicle use prior to replacement.
- 8) There should be no consideration for capital improvement projects this year. We must consider not incurring any more debt this year as we continue to pay down debt which has previously accumulated.
- 9) Explore contract revisions with all employees in the hope that small changes to contracted benefits and/or salaries may result in significant cost savings and prevent the need for staff reductions.
- 10) Continue to look for ways to increase revenue and decrease spending by exploring the sharing of services with other municipalities.

I realize the above points represent drastic cuts to our budget and correspond to doing things very differently than that which has been done in the past here in the Borough of Lincoln Park. By following these points, we have been able to present a budget that shows nearly a zero net spending increase over the 2008 budget. These suggestions are only presented after much thought and deliberation and awareness of the consequences they may incur. I hope that this is the only time that we may have to consider such action, but non-the-less, feel that it is action that must be taken.

Dave Runfeldt