

June 2, 2008

Dear Lopatcong Resident:

In the nearly nine years now that I've been honored and privileged to serve as Lopatcong Mayor, I've written twice each year on the state of the Township. And over those same nearly nine years, I was confident each time to report that Lopatcong was strong. We shared services with our neighbors in Phillipsburg, Harmony and Franklin Townships long before it was in vogue. We aggressively marketed our banking and municipal accounts, which last year resulted in our highest return ever on your tax dollars. We sought out new purchasing cooperatives. We forged procurement alliances with the local school district. While our neighbors' insurance premiums rose, we even found savings in our insurance costs by rebundling our coverages and reshuffling our providers. In every instance, we made the conscious decision to run Lopatcong Township like a thriving business instead of an over-burdened bureaucracy. It is, therefore, with the same degree of confidence, and no small amount of pride, that I report that despite the looming economic challenges we face as a state and nation, Lopatcong Township is strong.

Let me recognize at the outset, that when I began my tenure in Lopatcong nearly a decade ago, I was much more naïve and far less knowledgeable than I am today of local, county and state governmental issues. But with each new challenge there were new lessons to learn and new avenues to pursue. For eight of the last nearly nine years I've been humbled and blessed to serve with four colleagues whom I respect and admire both personally and professionally for the selfless commitment and singular dedication they

bring to the Township. My thanks and gratitude go to Councilmen Bill Baker, Victor Camporine, Matt Curry, and Jim Mengucci for their service, insight and initiatives.

I commented earlier that my approach to municipal government has always been what I refer to as “best business”, not “best government”, practice. It means forgetting everything we’ve come to expect from elected government, like bloated budgets, disenfranchised leadership, and thoughtless spending. Instead, it means focusing on fundamental economic principles, like the simple laws of supply and demand and understanding your municipality’s position in a complicated marketplace. More than anything, it means opening a compassionate eye to all of us who, through taxes, carry the weight of those practices.

With that in mind, Council has repeatedly set its goal as providing the best possible government for the least possible cost. After two years of actually reduced spending and reduced municipal budgets, we were forced to increase the municipal budget by some \$250,000.00 in 2008. Despite smart planning and flexible fiscal policies, a \$120,000.00 loss in state aid, coupled with increased fuel, utility and pension contribution costs, left us with no choice but to increase the municipal tax rate by 2½ cents. Still, we continue to provide police, fire, and emergency services, a road crew, roadways, infrastructure, parks, pool, and pavilion, and countless other programs for about \$584.00 per year, per home.¹ I am pleased and proud to report that this places Lopatcong among the lowest per capita costs in the County.

Several years ago, in keeping with our best business mentality and after discovering that the Township’s interest rates on deposits were below and finance and other charges above market rates, I recommended to Council that we break from our

¹ The \$584.00 per home figure is based on an average \$300,000.00 home.

long-time banking relationships and request proposals from other financial institutions to make them compete for your tax dollars and the Township's business. Under the expert guidance of our municipal Chief Financial Officer Betty Dobes, we did that several times over the past several years with good results. Last year alone we earned some \$275,000.00 in interest on your municipal dollars.

Similarly, I went back to Randy May, our municipal insurance broker, and worked with him to rebundle our insurance coverages and readvertise our needs. In doing so, while many of our neighbors faced double-digit insurance increases, Lopatcong actually reduced its insurance costs by more than \$40,000.00 this year.

Despite state impediments to shared services between municipalities and school districts, I met several times with Lopatcong School Superintendent Dr. Mike Rossi and Business Administrator Theresa Barna as we explored new ways to save dollars within the Township. Many of those programs have already been implemented to the benefit of the entire Township.

Where historically we participated in just one or two municipal purchasing cooperatives to increase buying power and reduce costs, we have since sought out and enrolled in no fewer than five such enterprises, and I have directed that every municipal department participate in these cooperatives to keep costs down.

Taking advantage of the below market rates available to municipal entities and our excellent credit rating, we refinanced the few loans we have associated with our infrastructure and municipal improvements, which will result in a savings of more than \$2,000,000.00 over the life of the loan.

Recognizing that there are only so many cooperatives and so many services to share, in February 2008 CFO Dobes, Clerk/Administrator Dilts, Councilman Mengucci and I visited the nation's first, net-zero energy facility: a Readington, New Jersey corporate plant that produces, through alternative means, all of the energy it requires to operate its physical plant. With an eye toward reducing our long-term energy costs and taking advantage of the grants and incentives available to municipalities willing to make those investments, we are exploring the pros and cons of installing photovoltaic cells at and around the municipal building in effort to reduce and ultimately eliminate our ever-increasing utility costs.

June 14, 2008 is Lopatcong Community Day. The enclosed flyer showcases this year's events. Special thanks to our Clerk/Administrator Beth Dilts for organizing and overseeing this year's events.

Council President Victor Camporine's "Movies at the Pool" begins Tuesday, July 8 and continues every Tuesday through August 26. The lineup for this year is as follows: Shrek the Third, Happy Feet, Martian Child, The Last Mimzy, Daddy Day Camp, Nanny McPhee, Bee Movie and All Dogs Go to Heaven. "Movies at the Pool" is a safe, free and fun-filled way to relax and unwind with your family and friends. Prizes are given away each night to a lucky girl or boy in attendance.

Whether for "Movies at the Pool" or a weekday or weekend swim, I hope you will notice the significant improvements made to our municipal pool and surrounding property. Again with a mind toward business over bureaucracy, while neighboring pools failed from lack of funding and interest, through sound management, aggressive

marketing, and year round use of the pool and pavilion properties², I am pleased and proud to report that the Lopatcong Municipal Pool has been an economic boon for the Township, returning a profit each year, since we took over management eight years ago. Accordingly and in addition to simply remaining open, we have built up capital reserves that enable us to make capital improvements without dipping into the municipal budget.

In 2004 the Township purchased a new, 100' ladder truck for use at the Delaware Park Chemical Fire Company. It is presently housed in the new, two bay building built adjacent to the existing Delaware Park fire house.

This year Council authorized and purchased a new fire truck for use at Lopatcong Fire Company No. 2; a Pierce Custom Contender Pumper at a cost of \$329,879.00. Again, in keeping with sound business practice, Council and I maintain a running line item in the municipal budget that allows us to build up capital for these purchases so they are made with cash when acquired and not credit.

As I encourage all of us to do each letter, please support our local fire and emergency squads. These dedicated groups of volunteers give selflessly of their time, energy and expertise for little more than the personal satisfaction that comes from saving lives and property. Please be equally selfless in your support of their organizations.

To combat the skyrocketing cost of living, please remember that veterans and senior citizens are entitled to certain tax breaks, refunds, freezes and incentives. To find out whether you are eligible and for what benefits, please call the municipal building, (908) 859-3355 and ask for the tax or assessor's office. All of your municipal employees will be happy to help you.

² The various dances, concessions, pavilion rentals, and private parties coupled with our winter use of the pavilion as a rental source for boats, trailers, campers and other storage have all contributed to our ability to maintain a positive cash flow at these properties.

Congratulations to Fred France, Harold Parry, Carol Weeks and Frank & Kathy Wismer recognized at this year's Volunteer Recognition Dinner for their exemplary dedication to the best interests of this community.

The Township's official website www.lopatcongtp.com was redesigned in January, 2008 by our Computer Engineer Brad Decker providing up-to-date information on an on-going basis. Recent updates make it an informative, user-friendly place to find important dates, forms, and other Township information. Congratulations and many thanks to Brad for his creative efforts in redesigning our website.

Sadly, the Lopatcong community lost several of its volunteer leaders since my October 2007 letter. Former Open Space Chairman Dave Balsbaugh, Brakeley Garden Tenants' Association President Pearl DeLucia, Zoning Board of Adjustment member Joan Slack, and Shade Tree Commission member Dave Porcelli all passed away recently. Our heartfelt condolences go out to their family and friends and we mourn the loss of these pillars of our community.

It is clear that challenges await all of us in these uncertain times, but I am confident we have built a strong foundation upon which to manage them. We will continue to find new and innovative ways to face these challenges, since the only limits on our ability to do so are the limits of our own imaginations.

I thank you again for the privilege of serving as your Mayor. Council meets on the first Wednesday of every month with every effort being made to start promptly at 7:30 p.m. I hope you will come out and join us. Until then, I am,

