

PERSONNEL & BUDGET COMMITTEE MEETING

This meeting was conducted both remotely and in-person.
The public could view/comment through the Pinelands Commission YouTube link:
<https://www.youtube.com/watch?v=gQk2m76uBGk&t=1s>

Richard J. Sullivan Center
15C Springfield Road
New Lisbon, New Jersey 08064 |
June 20, 2023 – 9:30 a.m.

MINUTES

Members Present

Chairman Alan W. Avery Jr., William Pikolycky, Mark Lohbauer, Nicholas Asselta, and
Commission Chair Laura E. Matos

Staff Present

Executive Director Susan R. Grogan, Jessica Lynch, April Field, Charleen Cruz, John Bunnell, and Gina Berg

Call to Order

Committee Chair Avery called the meeting to order at 9:40 a.m.

Minutes

Committee Chair Avery presented the minutes of the March 21, 2023, Personnel and Budget Committee meeting.

Commissioner Pikolycky moved the adoption of the minutes. Commissioner Lohbauer seconded the motion.

The minutes of the March 21, 2023 meeting were adopted by unanimous vote.

Financial Updates

Check Register – Business Services Manager Jessica Lynch highlighted the more noteworthy purchases/checks on the register. (March 2023- May 2023)

Electronic Disbursements – EFT, Direct Deposit, ACH (March 2023- May 2023)

Application Fees – Ms. Lynch stated that application fees have exceeded the anticipated amount and are currently at 165.74% of the budgeted amount for FY2023. She noted that application fees were received from 371 applications between July 2022 and June 2023, and 46 refunds were issued.

Fixed Asset Deletion Reinstatement

The Business Services Manager requested a reinstatement of a fixed assets deletion for an Electro Fisher Backpack, Battery & Case which was originally approved and marked for deletion on June 14, 2022. The equipment is still in use by the Science Department.

The motion for reinstatement was unanimously approved by the Committee.

Personnel Updates

Executive Director Susan R. Grogan and Human Resources (HR) Manager Charleen Cruz reviewed employee actions and recruitment efforts:

- The new Research Scientist started on April 10th and is excelling in the position.
- The HR Manager attended the New Jersey State Job Fair in efforts to recruit for current vacancies; and
- Recruitment for the Environmental Technologies Coordinator and MIS Specialist positions continues.

Fiscal Year 2024 Budget Discussion

The Executive Director made a presentation on application fees received during FY2023, including information on Pinelands Management Area and Development Type.

- Application Fees by Management Area - Most of the application fees are associated with applications for development in the Regional Growth Areas (RGAs). The Executive Director stated that this indicates the Comprehensive Management Plan is working, because it directs most new development to designated growth areas
- Fees received from Private Development Applications are larger than those received from Public Development Applications.
- Development Types – Commercial/Industrial development produced nearly half of FY23 application fee revenue, followed by residential development, institutional uses, and resource extraction.
- Non-Residential Application Fees – Fees from all types of nonresidential development applications make up 71% of net fees for FY23. The infrastructure category includes roads, water distribution, stormwater, and sewers. The institutional category includes parking, school artificial turf athletic fields, government facilities, and projects associated with hospitals. Water management includes wells and diversions. Fewer applications for solar and warehouse projects were received in FY23, as compared to FY22.

Fee Projections - Rolling five-year estimate is as follows:

- FY23 YTD fee revenue as of June 6th is \$1,077,325
- Average over five years from 2018 to 2023 is \$840,552
- Mean Net Annual since 2005 is \$579,059

There are also other factors to consider such as the slight decline in overall fee revenue below FY22 and market trends such as potential warehouse and cannabis facility saturation and stabilization of the residential development market.

The Executive Director recommended that \$700,000 in fee revenue be budgeted for FY2024, which reflects a slight increase in anticipated revenue, but is still well below what was received in FY2023.

The recommendation was fully supported by the Committee.

Commissioner Asselta suggested that the Commission consider increasing application fees and offering refunds of the unused portion of fees to applicants. The Executive Director noted that any fee increase or switch to the “escrow” approach suggested by Commissioner Asselta would require rulemaking and a significant investment of staff time to analyze potential fee increases and subsequently track time and dollars spent on the review of each individual development application.

Please click the [Fee Projections Presentation FY23](#) link to view the presentation slides.

The Executive Director also reviewed other key expenditures during FY2023 such as the Energy Conservation Reserve and Fenwick Manor Preservation Fund.

The Executive Director provided the Committee with preliminary revenue projections based on the anticipated state appropriation and grant funding:

- Anticipated State Appropriation \$3,549,000
- Requested Increase in State Appropriation \$375,000
- Anticipated State Supplemental Funding (Fringe Benefits) \$687,000

Please click the [Fiscal Year 2023 Budget Update](#) link to view the presentation slides.

General Public Comments

No public comments were made.

Closed Session

A closed session was not necessary.

Adjournment

Commissioner Lohbauer moved to adjourn the meeting. Commissioner Matos seconded the motion. The Committee agreed to adjourn at 10:36 a.m.

Minutes submitted as true and correct.

Charleen Cruz

Charleen Cruz
Human Resources Manager

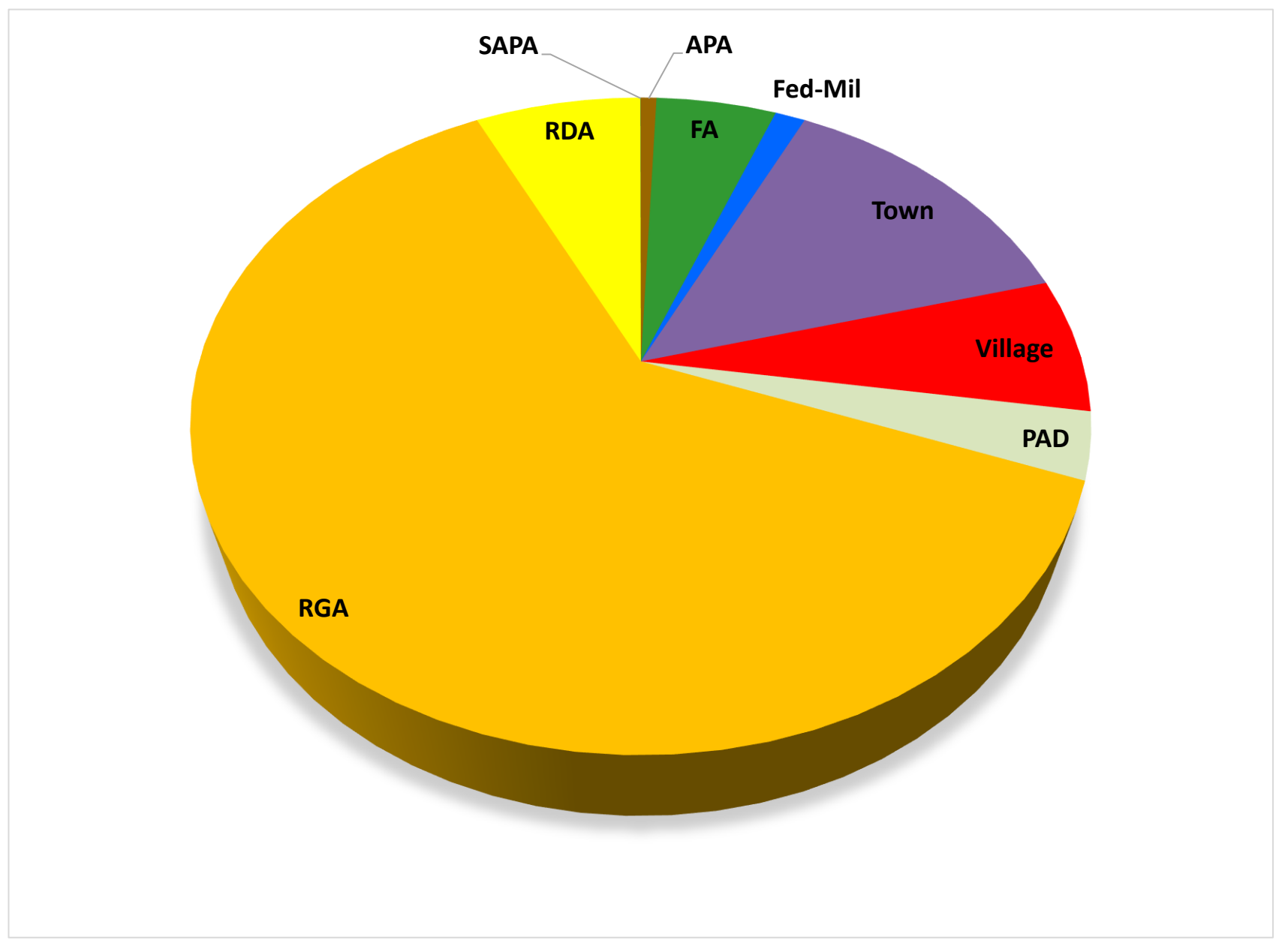
Date: August 7, 2023



Actual and Projected Fees

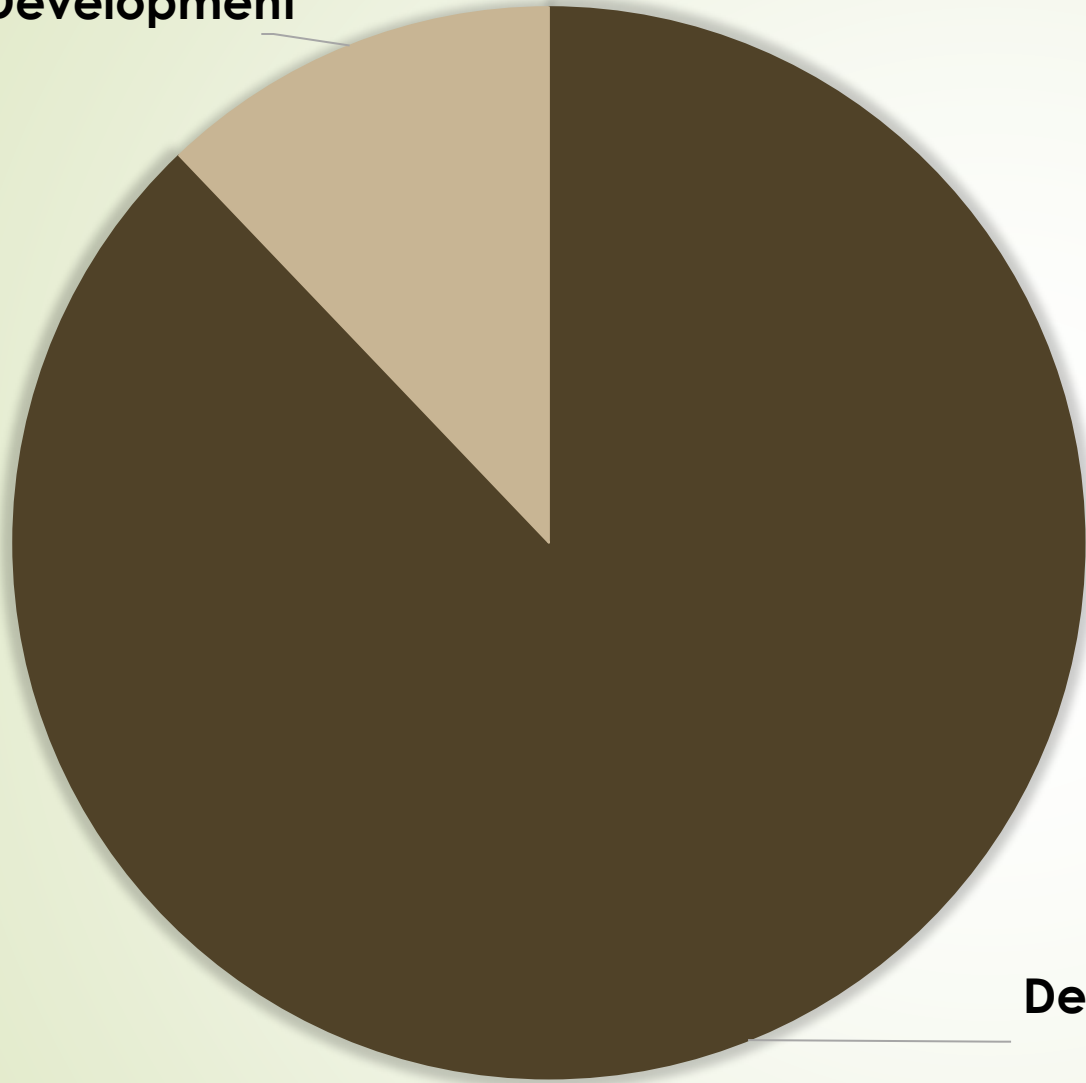
FY23 (7/1/22-6/6/23)

Application Fees by Management Area



Some project span multiple management areas:
proportions are approximate

**Public
Development**



**Private
Development**

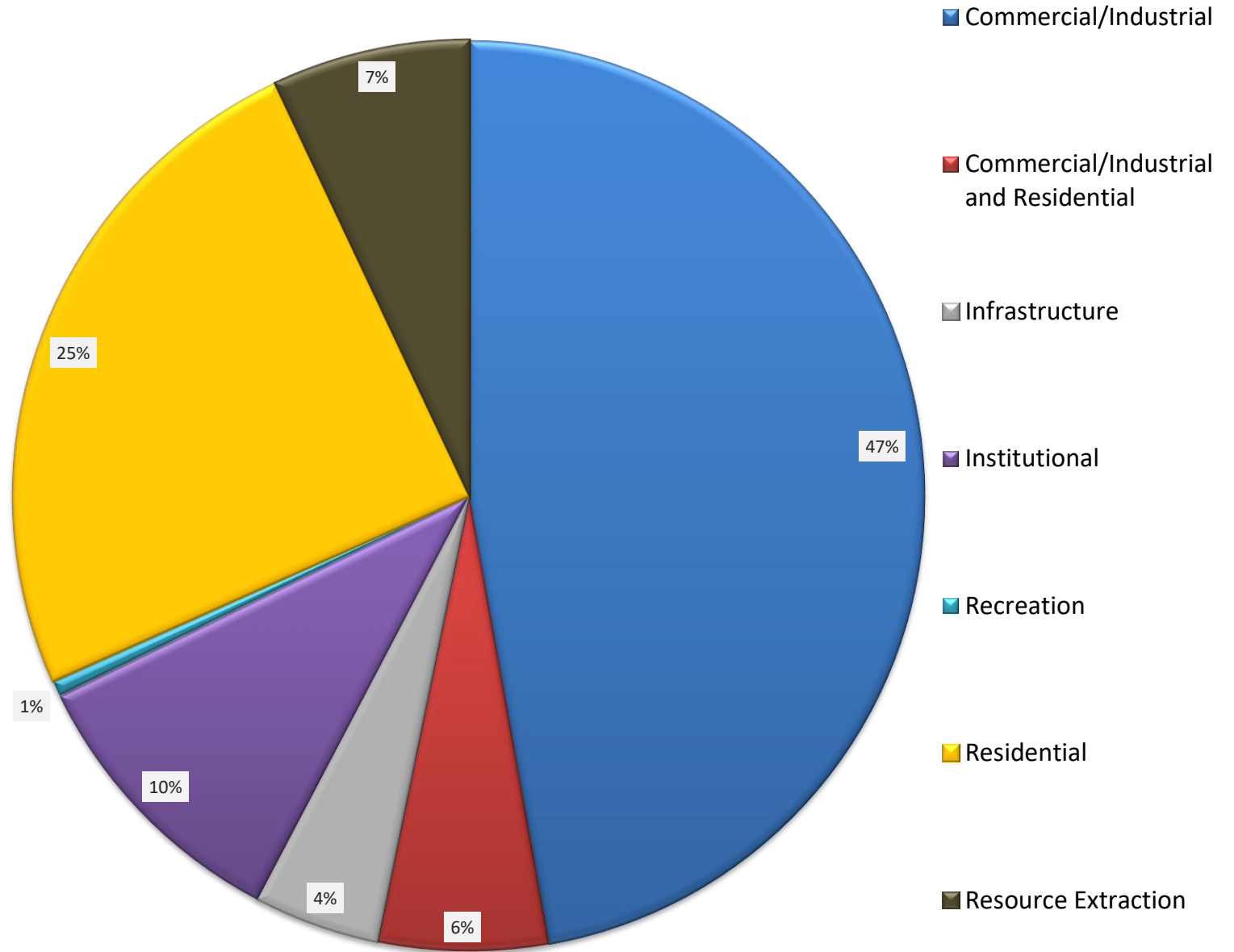


Proportions of
Net Fees from
Public
Development
and Private
Development
Applications

FY23

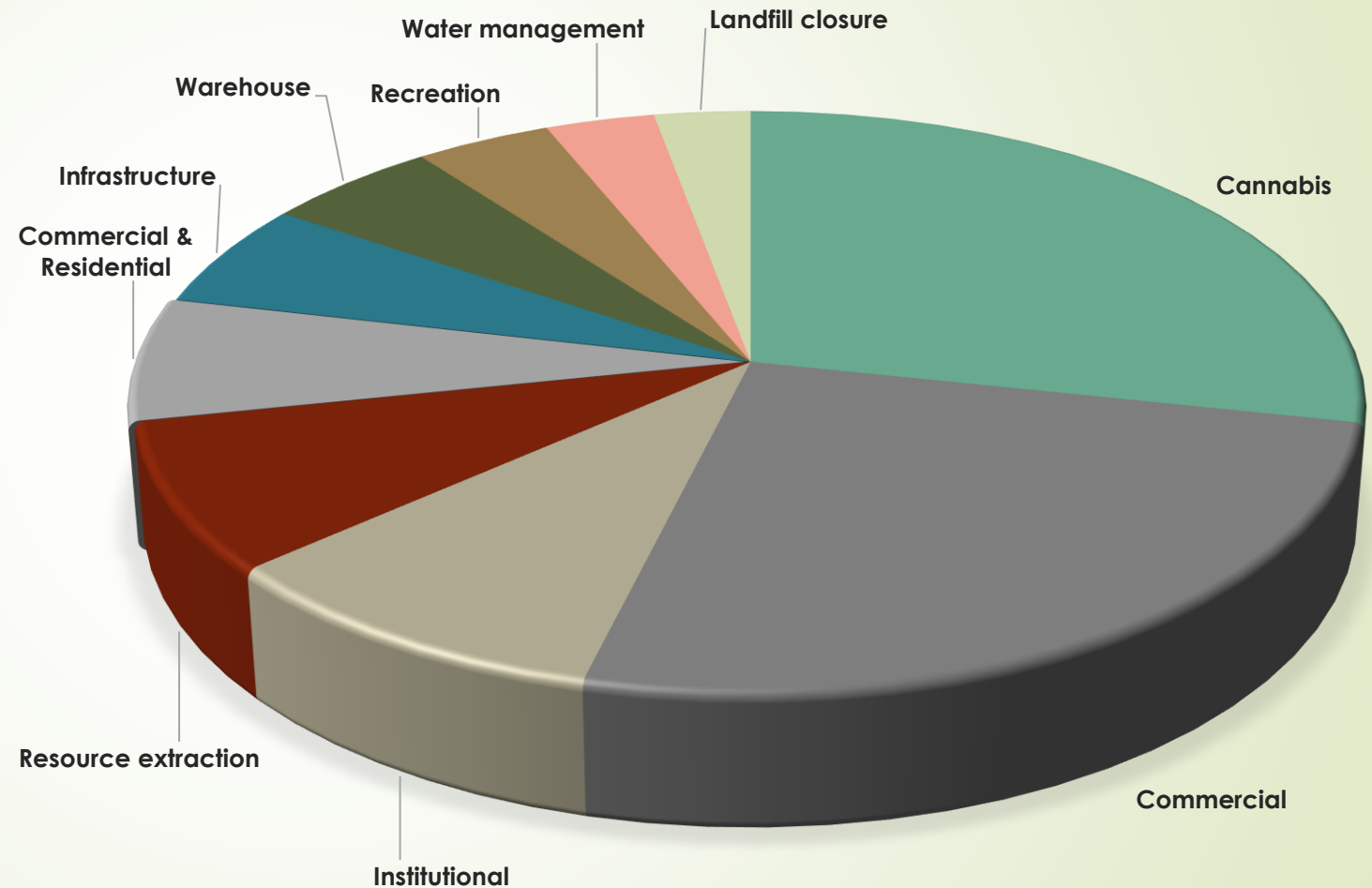
Proportion of All Net Fees Categorized by Development Type

- Net unrefunded fees
- Residential development includes subdivisions, demolition of 50-yr old or greater
- Commercial/Industrial includes retail, restaurant, home occupation, warehouse, cannabis, etc.
- Commercial/Industrial and Residential is a mixed-use development with residential component

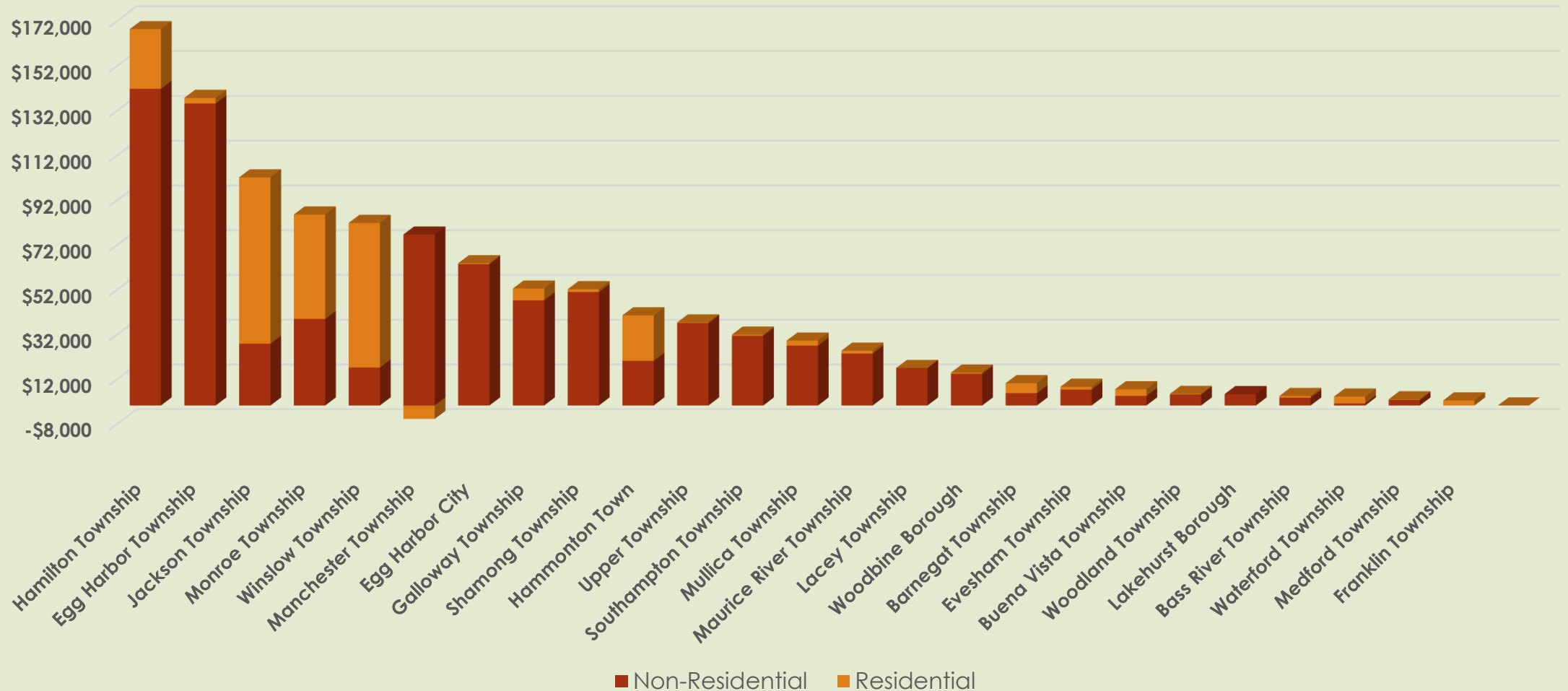


- Proportion by Application Fees
- Non-residential makes up 71% of net fees
- Infrastructure includes roads, water distribution, stormwater, sewers
- Institutional includes parking, artificial turf, & projects associated with hospitals, government facilities
- Water management is only wells & diversions
- Fewer solar and warehouse projects compared to FY22

FY 23 NON-RESIDENTIAL TOP TEN



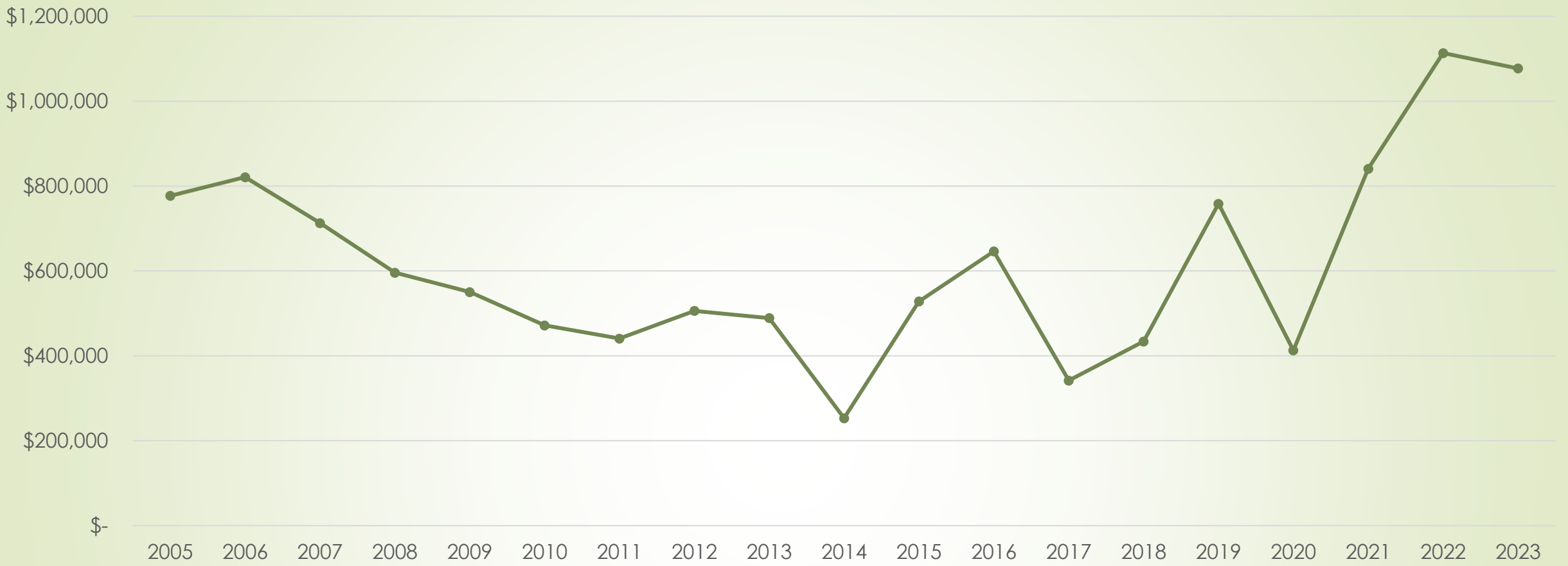
Top 25 Municipalities in Application Fees – FY23




Residential Development by Management Area

Management Area Residential Units	Sum of Units	Net Fees
Preservation Area District & Special Agricultural Production Area	0	\$0
Forest Area	12	\$3,250
Agricultural Production Area	11	\$3,340
Rural Development Area	24	\$7,859
Pinelands Village	5	\$1,500
Pinelands Town	68	\$11,153
Regional Growth Area	1,226	\$212,638
Grand Total	1,346	\$239,740

This table does not include subdivisions with no additional development, demolition of 50 years or older, or refunded fees. Mixed use developments or other development costs increase the net fees.



Annual Fee Revenues



Fee Projections – Rolling five-year estimate

- ▶ FY 23 Year-To-Date (June 6): \$1,077,325
- ▶ Average over five years (2018 to 2023): \$840,552
- ▶ Mean Net Annual since 2005: \$579,059
- ▶ Other considerations:
 - ▶ Slight decline in fees below FY22 at the same time
 - ▶ Markets and trends: warehouse saturation, cannabis industry cap, residential stabilizing
- ▶ No fool-proof method to predict fee revenue



FY2024 Fee Projection and Revenue Recommendation

Recommendation for slight increase in anticipated revenue, but below actual of FY23

Actual FY23 revenue slightly down, but still high

\$700,000

Recommendation is 16.7% below five-year average

Recommendation is 21% above mean net actual since 2005

Personnel & Budget Committee

Fiscal Year 2023 Budget Update



June 20, 2023

Energy Conservation Reserve – FY23

Projects	Status	Expenditures
Install electric vehicle charging station	Grant application submitted to BPU for rapid community charging station; need to evaluate electric grid and transformer identified	0
Purchase 2 electric or hybrid field vehicles	Complete	\$124,340
Purchase replacement, energy efficient lawn maintenance and office equipment	Purchased energy smart refrigerator and electric push mower, trimmer, backpack blower and sidewalk blower. Discontinued use of gas- powered mower. Purchased electric mower 6/19 and awaiting delivery.	\$16,684

Fenwick Manor Preservation Fund – FY23

Projects	Status	Expenditures
Retain consultant to prepare Preservation Plan	Contract with Connolly & Hickey executed in November 2022. Draft Preservation Plan presented to P&B Committee in March 2023. Second draft submitted to staff in June 2023. Contract extension through 9/30/23 executed. Final site visit by structural engineer scheduled for end of June 2023.	\$41,850 encumbered; will receive reimbursement of \$31,387 from NJHT grant
Submit capital grant application to the NJ Historic Trust	Grant application for \$575,000 submitted on 4/18/23. NJHT site visit conducted on 5/10/23. Notification expected by end of September 2023.	Future match of \$575,000

Anticipated State Funding: FY24

Anticipated State Appropriation	\$3,549,000
Requested Increase in State Appropriation	\$375,000
Anticipated State Supplemental Funding (Fringe Benefits)	\$687,000

New/Continued Grant Funding: FY24

Projects	
Long-Term Environmental and Economic Monitoring	\$298,000 from NPS for federal fiscal year 2023
King Snake study	\$92,500 in supplemental funding from EPA
Box Turtle study	\$90,000 from US Fish & Wildlife (through NJDEP)