

PINELANDS PERSONNEL & BUDGET COMMITTEE MEETING

This meeting was conducted in-person and available remotely.

The public could view/comment through Pinelands Commission YouTube link:

<https://www.youtube.com/c/PinelandsCommission>

June 18, 2024, 9:30 AM

MINUTES

MEMBERS IN ATTENDANCE (remotely): Chairman Alan W. Avery Jr., Mark Lohbauer, William Pikolycky, Nicholas Asselta, and Commission Chair Laura E. Matos. Also present was Governor's Authorities Unit representative Alexis Franklin.

MEMBERS ABSENT: none

STAFF PRESENT: Executive Director Susan R. Grogan, Jessica Lynch, Charleen Cruz.

1. Call to Order

Chairman Avery called the Pinelands Personnel & Budget Committee meeting to order at 9:35 a.m.

2. Adoption of the March 23, 2024, Personnel & Budget Committee meeting minutes

Commissioner Lohbauer moved the adoption of the minutes of the March 23, 2024 Personnel & Budget Committee meeting. Commission Chair Matos seconded the motion. All voted in favor, with the exception of Commissioner Asselta, who was not present for the vote.

3. Financial Updates:

- a. Check Register –Jessica Lynch, Business Services Manager, highlighted the more noteworthy purchases/checks on the register for March through May 2024.

More notable purchases mentioned were Science supplies and the renewal of the Commission's subscription to Survey Monkey, the Center for Learning and Improving Performance (CLIP) training platform, the annual renewal of Property Fax, partial payment of the Fiscal Year (FY) 2022 audit preparation; the replacement of the television in the Terrence D. Moore Conference Room, toners, personal computers and monitors for new employees, and laptops for new staff.

- b. Electronic Disbursements – EFT, Direct Deposit, ACH (January- March 2024)
- c. Application Fees – Ms. Lynch stated that application fees have exceeded the anticipated amount for FY 2024 by 39%. She added that application fees of \$977,727.60 were received from July through May from 410 applications. The Commission issued 65 refunds.

ED Grogan said that this amount does not include June 2024 application fees.

4. Personnel Matters

Charleen Cruz, Human Resource Manager, reviewed employee actions and recruitment efforts.

Departing employees (1) – Environmental Specialist 3, effective 05/01/24.

New Hires (3) - Amber Mallm, Planning Specialist 3, effective 05/06/24; Lori Fridell, Technical Assistant 2, effective 05/20/24; and Morgan Foley, MIS Specialist 4, effective 06/01/24.

Recruitment - Planning Specialist, interviews completed, currently in selection process; and Research Scientist 3, resumes being reviewed.

Suspension (1) – Research Scientist 3, effective 05/14/24

5. Fiscal Year 2025 Budget Discussion

ED Grogan delivered a presentation (see attached) on Application Fee Revenue and Projections for the projected FY25 budget.

ED Grogan recommended a \$750,000 budget for the FY25 Fee Projection and Revenue.

Commissioner Lohbauer said he thinks it is a very prudent number to use for budgeting.

Commissioner Avery said he agrees with the number and that it is much better to underestimate. He said it will be interesting in the long term, as the growth areas get depleted. He asked what happens to the fees after that.

ED Grogan said she agrees, and it's something the Commission will be looking at and continue to monitor. She said there are a lot of factors involved.

Commissioner Avery asked if the fee structure is being looked at by one of the Committees.

ED Grogan said there are amendments drafted that would address fee issues. She added it will probably be another year or two before a complete review of the application fees will be reviewed for revisions. Fees were increased significantly in 2018 and will be reviewed in the upcoming years.

ED Grogan delivered a presentation (see attached) on the Fiscal Year 2025 Budget Update. She said a draft of the budget is expected to be presented at the August P&B Meeting. In July, the Climate Committee and the P&I Committee will be meeting, and she will be talking with both committees about initiatives, work plan projects and budgetary impacts.

Commission Avery asked where the excess fee money from this budget year is going to be placed.

ED Grogan said the excess fee revenue allows the Commission to not pull monies out of the Commission's savings account to balance the budget. She said she is hopeful that the Commission can use some of the money to help fund the Fenwick Manor project.

Commissioner Avery said he thinks the Fenwick Manor account would be a wise place to put the monies, as construction costs have drastically increased.

Commissioner Lohbauer agreed.

Commissioner Pikolycky agreed.

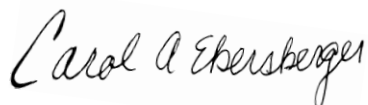
Commissioner Avery asked when the bids might go out.

Ed Grogan said progress has been made in the last month. The Scope of Services was drafted last month by the NJ Treasury, and the Commission has reviewed the draft and sent comments. She added that when the State Historic Preservation Office (SHPO) and the NJ Historic Trust (NJHT) return the Scope of Services, hopefully the Grant Agreement can be signed, and the NJ Treasury can put the Scope of Services out for bid.

6. Public comment - None

There being no further discussion, Commissioner Lohbauer moved to adjourn the meeting. Commissioner Pikolycky seconded the motion. The Committee agreed to adjourn at 10:20 a.m.

Certified as true and correct:

A handwritten signature in black ink that reads "Carol A. Ebersberger". The signature is written in a cursive, flowing style.

Carol A. Ebersberger
Business Specialist

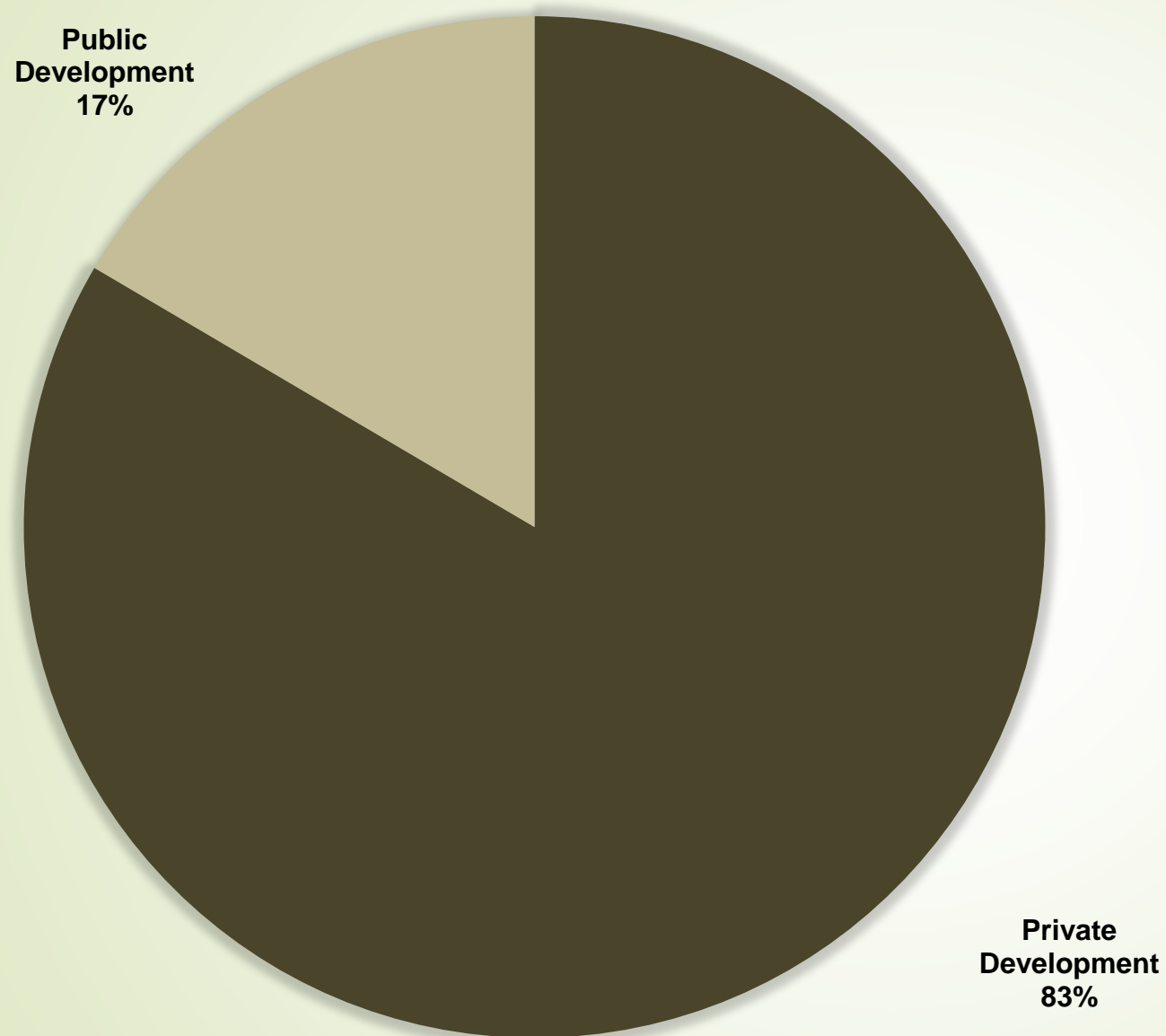
July 2, 2024



Application Fee Revenue and Projection

P&B Committee

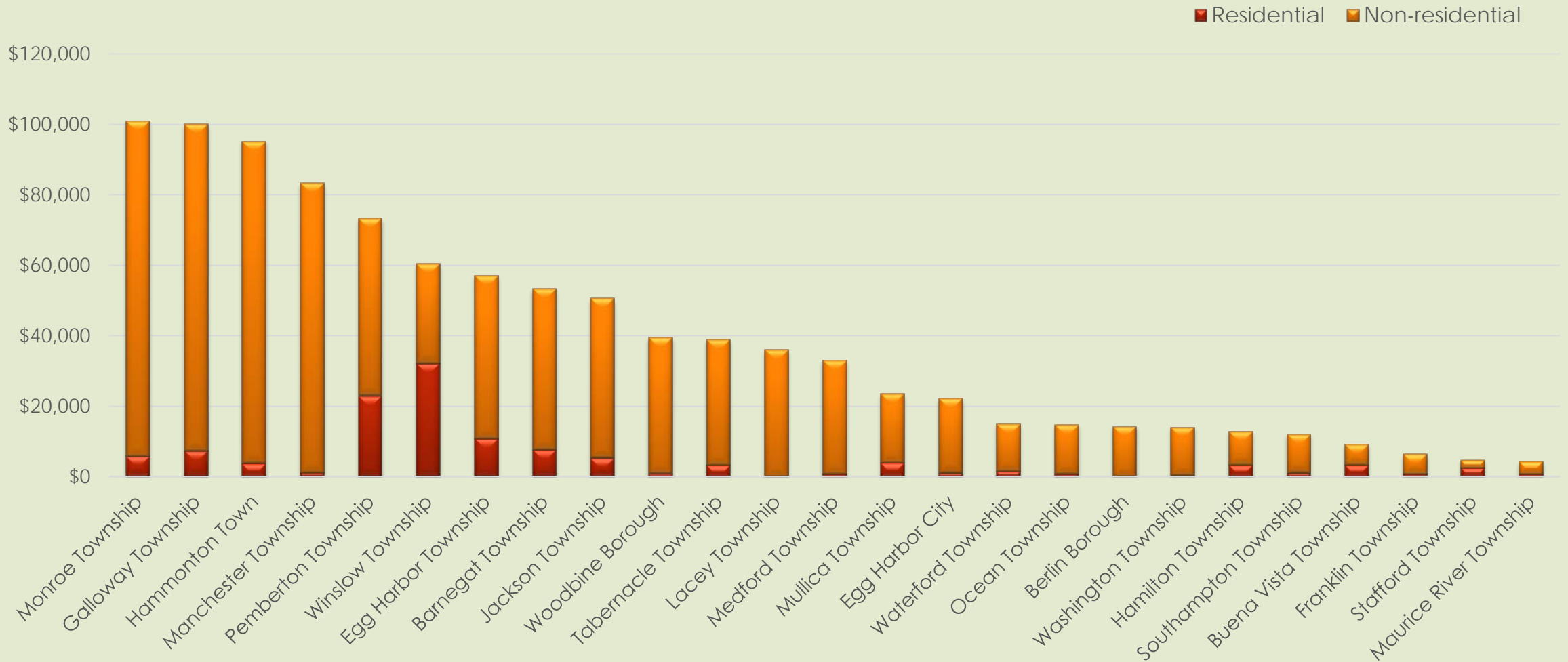
June 18, 2024



Proportions of
Net Fees from
Public
Development
and Private
Development
Applications

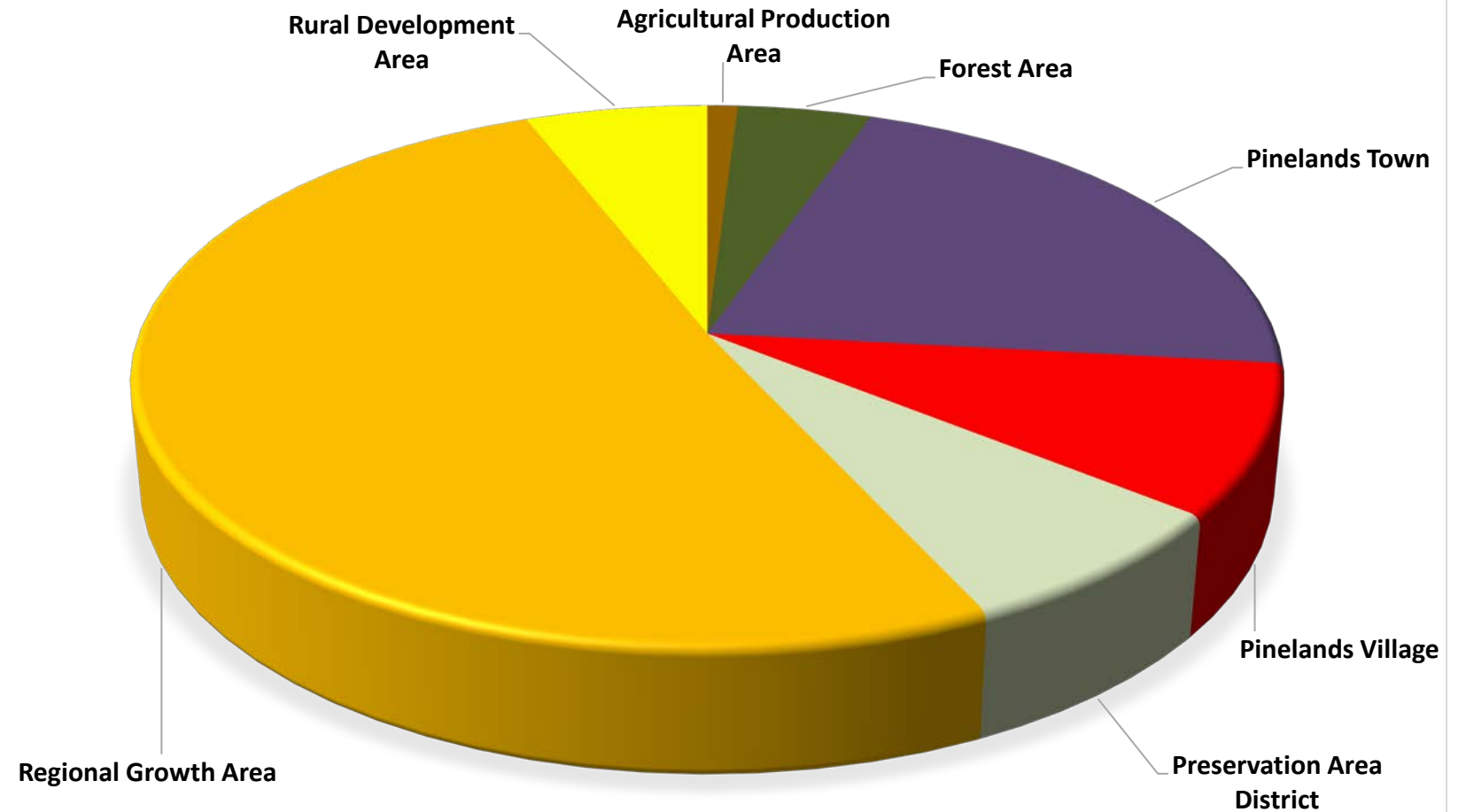
FY24

Top 25 Municipalities in Application Fees – FY24



Application Fees by Management Area

FY 24



Some projects span multiple management areas:
proportions are approximate



Maximum Fees FY2019 – FY2024

29 applications paid maximum fee

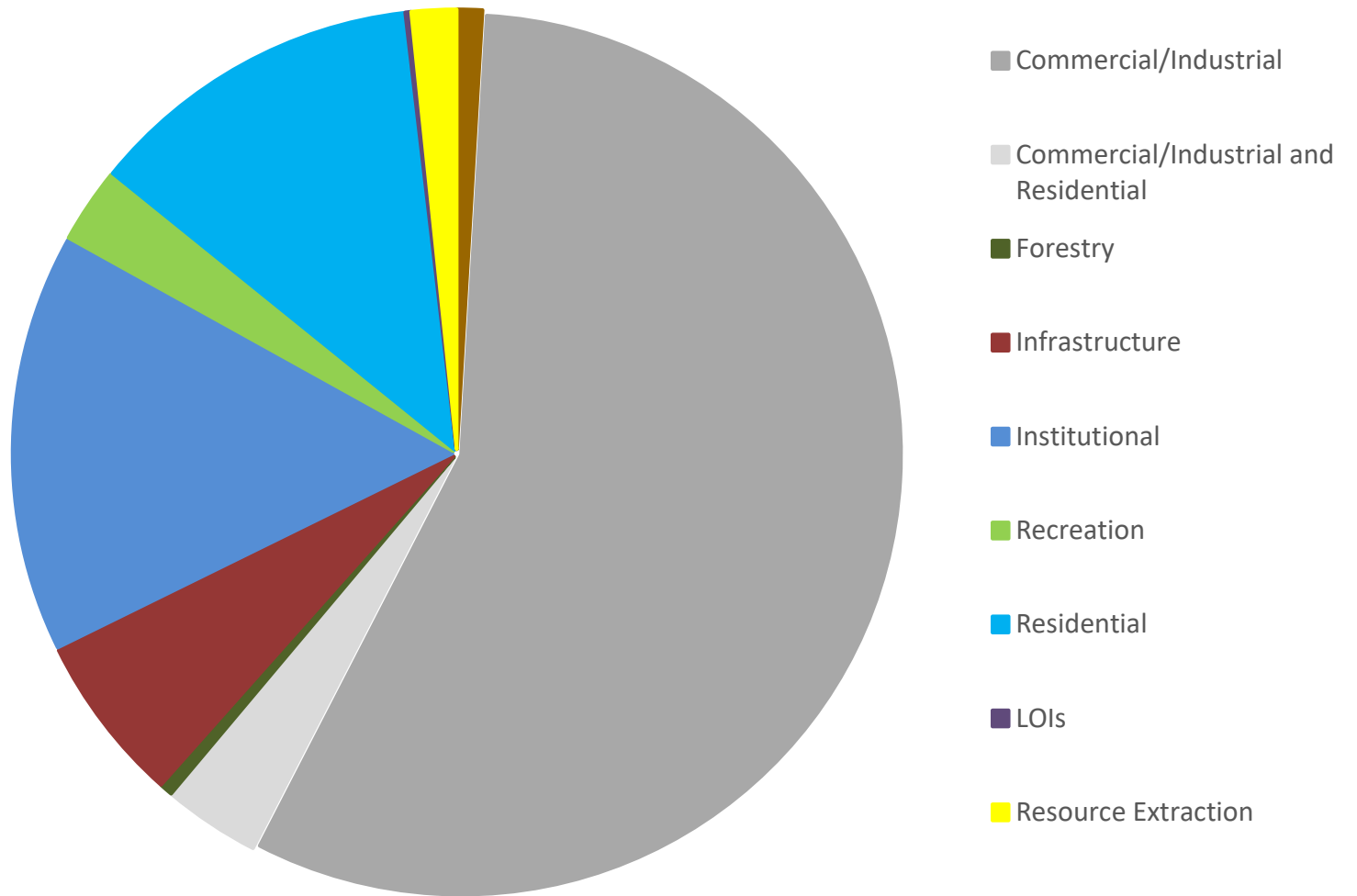
- Public (\$25,000) = 8
- Private (\$50,000) = 21

Character

- Public = municipal, county, and military facilities for offices, recreation, schools, storage and landfill capping
- Private = healthcare, major mixed-use projects, storage, parking, cannabis (4), and warehouses (6)

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
- Agriculture category includes agricultural resource extraction & ag employee housing



FY 24

Residential Development by Management Area

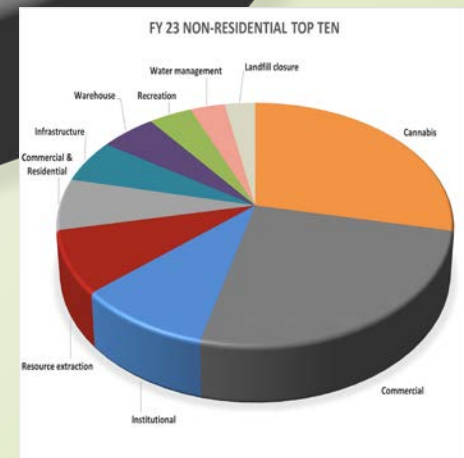
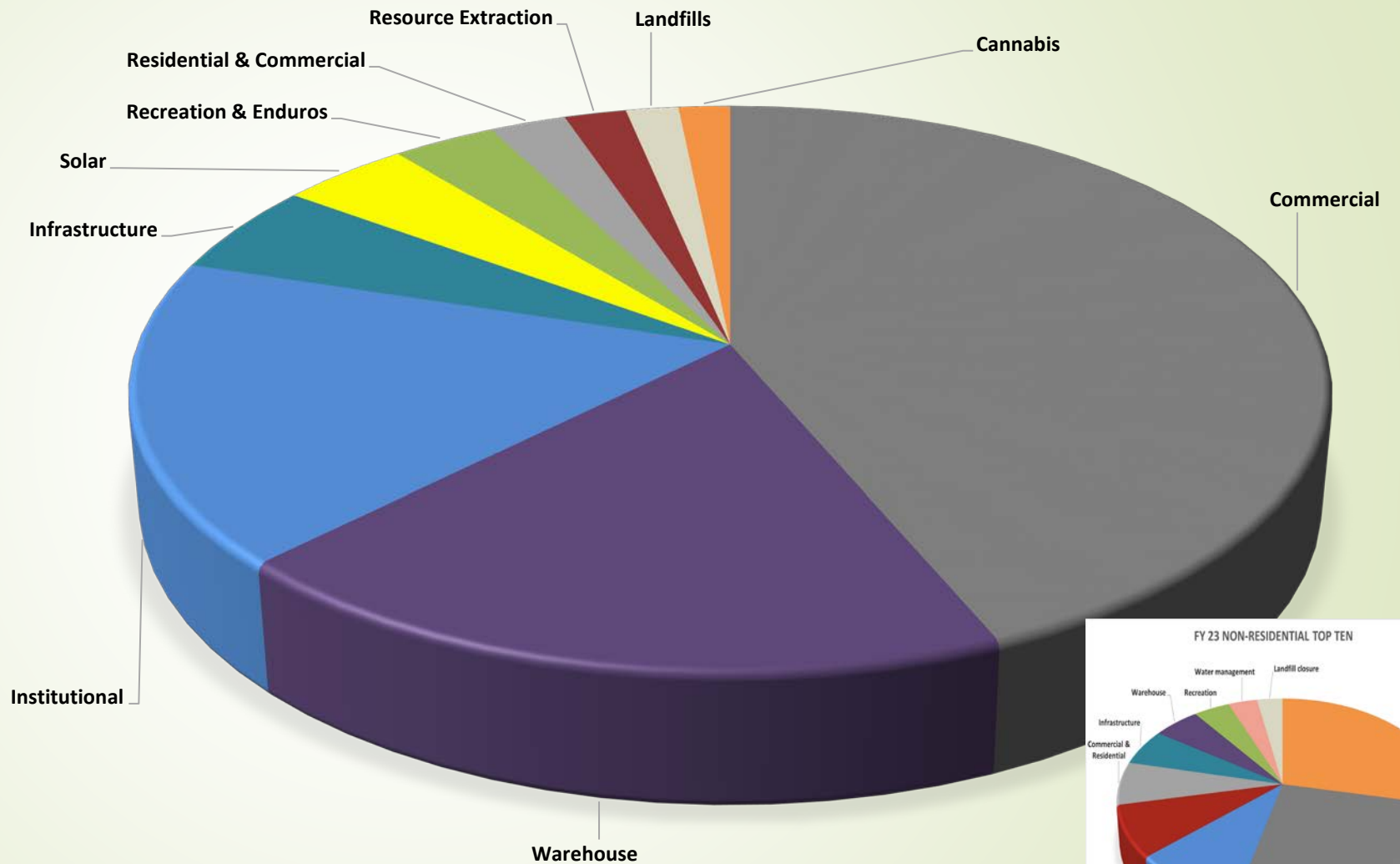
- Most residential is minor development
- Notable major residential developments in Manchester, Winslow, Pemberton, Hammonton, Egg Harbor Twp, Jackson, and Monroe
- Compare 1218 DUs to 1346 DUs around the same time in 2023 and 1358 DUs in 2022
- ~ 28% of the residential units were proposed in mixed use projects
- ~ 94% of residential units were proposed in RGA, Town, and Village (96% in FY2023)

FY24

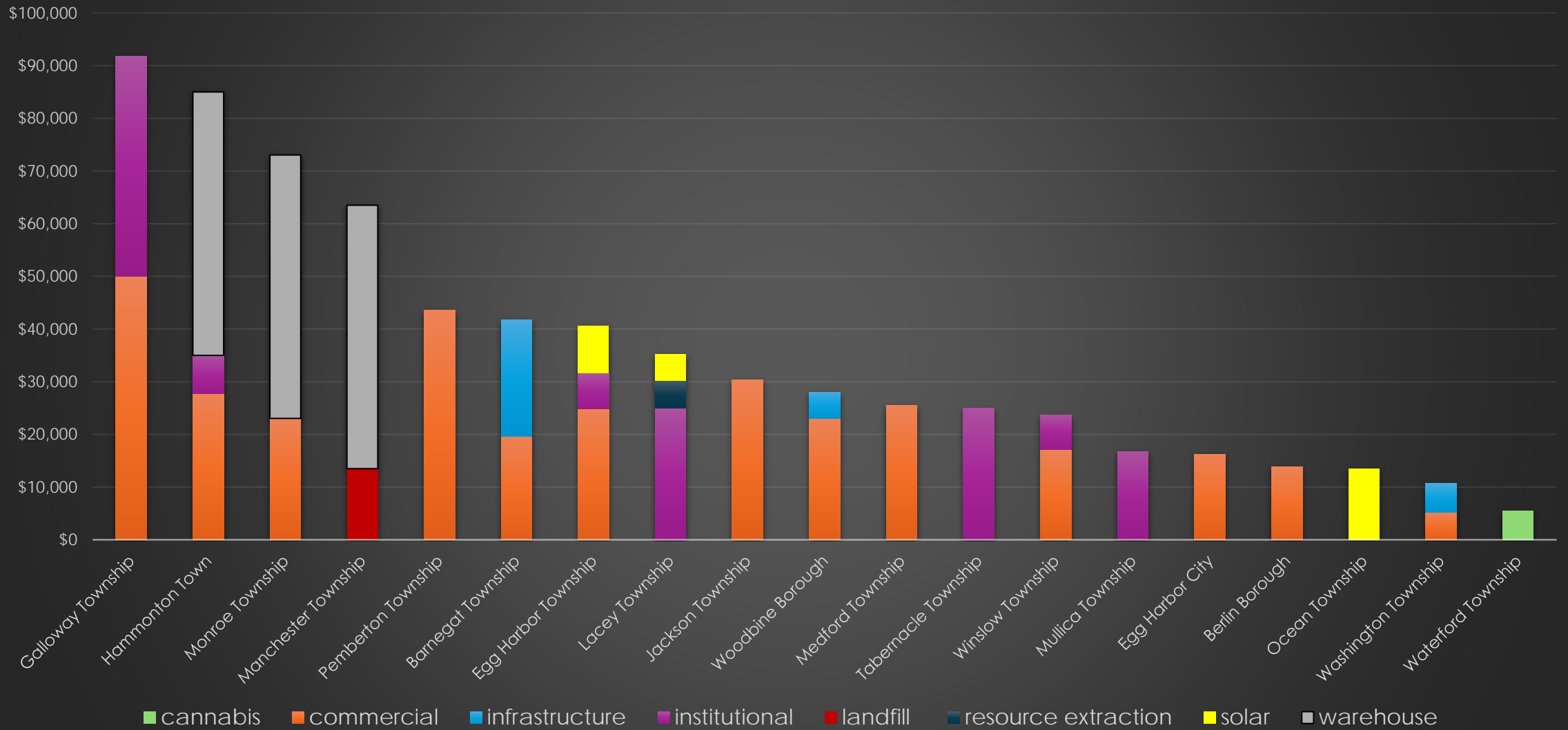
Management Area	# Dwelling Units	Net Fees
Preservation Area District	3	\$750
Forest Area	25	\$4,938
Agricultural Production Area	10	\$4,000
Rural Development Area	39	\$8,875
Regional Growth Area	903	\$101,009
Pinelands Town	217	\$6,490
Pinelands Village	21	\$7,306
Grand Total	1218	\$133,367

- Proportion of Application Fees
- Non-residential makes up 87% of net fees
- More warehouse, less cannabis apps compared to FY23
- Non-residential maximum fees:
 - Self storage & warehouses =4
 - Institutional (public)=1

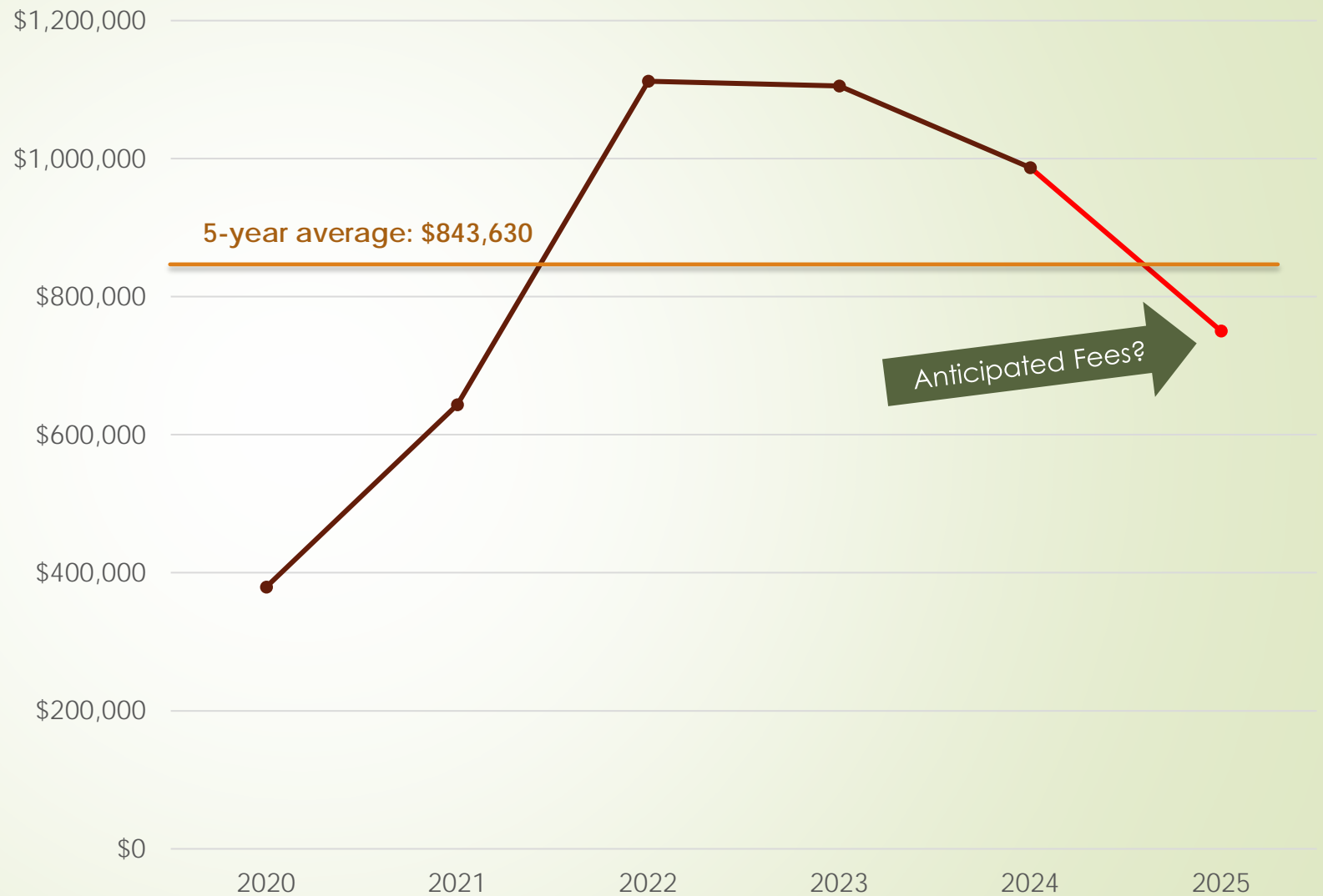
FY 24 NON-RESIDENTIAL TOP TEN

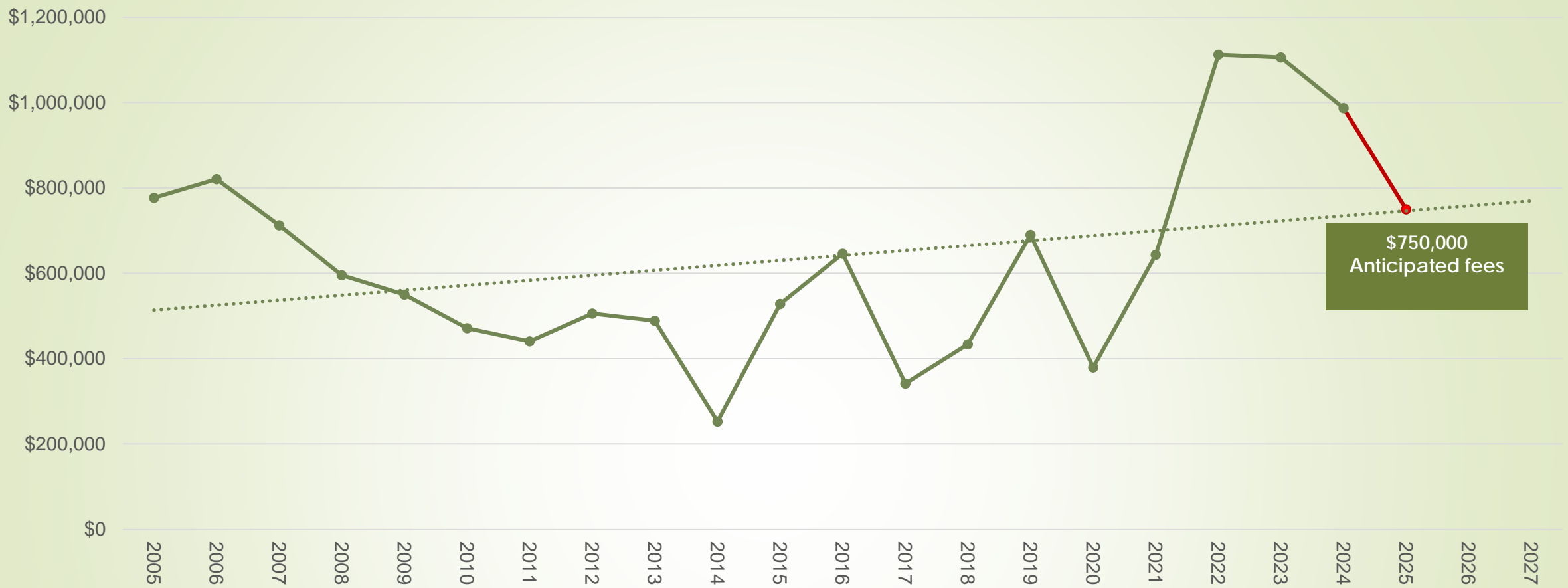


Greater than \$5,000 in Non-residential Fees in FY2024




Recent Fee Revenues & Five-Year Average





Annual Fee Revenues

& 20-year trend line



Fee Projections – Considerations

- FY 24 Year-To-Date (May 31): \$977,728
- Average over five years (2019 to 2024): \$843,630
- Mean Net Annual since 2005: \$582,023
- Other considerations:
 - Changing market for non-residential uses – warehouse and cannabis applications
 - Solar applications with new dual use rules
 - Continued decline in number of residential units proposed?
 - Better to underestimate fees than to overestimate



FY2025 Fee Projection and Revenue Recommendation

Recommendation for 7% higher projected, but below actual of FY24

FY24 fees slightly down for second consecutive year, but still higher than average

\$750,000

Recommended fee projection is 11.3% below five-year average

Recommendation is 29% above mean net actual since 2005

Questions/Discussion



Personnel & Budget Committee

Fiscal Year 2025 Budget Update



June 18, 2024

Anticipated State Funding: FY25

Anticipated State Appropriation	\$3,749,000
Increase in State Appropriation for additional staff	0
Anticipated State Supplemental Funding (Fringe Benefits)	\$687,000

New/Continued Grant Funding: FY25

Projects	
Fenwick Manor rehabilitation	\$575,000 from the NJHT
Long-Term Environmental and Economic Monitoring	\$298,000 from NPS for federal fiscal year 2024
King Snake study	\$92,500 in supplemental funding from EPA
Box Turtle study	\$90,000 from US Fish & Wildlife (through NJDEP)
Timber rattlesnake tracking and monitoring	\$32,500 from the Sanctuary settlement agreement