

SOUTH AMBOY REDEVELOPMENT AGENCY

March 02, 2023

6:30 p.m.

140 North Broadway
N.J.

South Amboy,

1. Call to Order by Chairperson
2. Chairperson's Statement of Compliance with Open Public Meetings Act (R.S.10:4-6, et seq.)

The Notice requirements provided in the Open Public Meetings Act have been satisfied. Notice of this meeting was published in The Home News & Tribune on **December 09, 2022**, provided to the Star Ledger, filed with the City Clerk and posted in the City Municipal Building on December 09, 2022.

3. Salute to the Flag and Prayer
4. ROLL CALL:

| Commissioner | Present | Absent |
|-----------------------------|---------|--------|
| Kevin Meszaros (Chair) | | |
| Camille Tooker (Vice Chair) | | |
| Zusetta Dato | | |
| Rachael Draudt | | |
| Tony Gonsalves | | |
| Frank Milatta | | |
| Christine Noble | | |

Also in Attendance:

Eric Chubenko, Executive Director _____

C.J. Coughlin, Esq., General Counsel _____

5. Correspondence:
6. Grant Activity:
7. Consent Agenda:
 - A. Professional Appointments/Agency Resolutions:
(Resolution to be distributed at meeting.)
 1. Governing Body Certification of the Annual Audit (M:03-02-2023 :01)

B. Payment of Invoices:
(Bill lists to be distributed at meeting.)

1. Bill List payable 03/02/2023 – SARA Accounts
2. Bill List payable 03/02/2023 – Escrow Accounts

8. Executive Director's Report:

9. Planning Report:

10. Legal Report:

11. Old Business:

12. New Business:
(Minutes to be distributed at meeting.)

A. Approval of February 02, 2023 Agency Meeting Minutes

13. Project updates:

14. Discussion:

15. Executive Session:

16. General Comments by Commissioners:

17. General Comments by Public:

18. Adjournment

LFN 2005-1

January 11, 2005

Local Finance Notice

Richard J. Codey
Acting Governor

Susan Bass Levin
Commissioner

Susan Jacobucci
Director

Contact Information

Director's Office

V. 609.292.6613
F. 609.292.9073

Local Government Research

V. 609.292.6110
F. 609.292.9073

Financial Regulation and Assistance

V. 609.292.4806
F. 609.984.7388

Local Finance Board

V. 609.292.0479
F. 609.633.6243

Local Management Services

V. 609.292.7842
F. 609.633.6243

Authority Regulation

V. 609.984.0132
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Distribution

Municipal and County Chief
Financial Officers
Municipal and Freeholder
Board Clerks

Municipal and County Annual Audit Affidavit and Publication Procedures

The Division has recently updated forms and procedures concerning filing of Annual Audit documents. This Notice reviews those changes and provides direction on implementation.

The Governing Body Certification of the Annual Audit, Group Affidavit Form and the model "form of resolution" of the Audit Certification for the governing body to adopt and submit to the Division with the Affidavit have been updated and posted online as Microsoft Word files.

The revised forms are included with this Notice and are posted for viewing and downloading in the GovConnect Municipal Clerk and Chief Financial Office Document Libraries. **With the files available online, the Division will no longer send the Group Affidavit to Municipal Clerks upon receipt of the annual audit report.**

The forms can now be prepared locally upon receipt of the audit from the auditor and submitted to the Division in accordance with the following instructions:

- The Group Affidavit **must** be signed by all members of the governing body holding office at the time of passage of the above referenced resolution. The signature certifies that the member reviewed the "Comments and Recommendations" section of the report.
- Within 45 days after receiving the annual audit report from the Auditor, the governing body **must** adopt the Resolution certifying that all governing body members have received and reviewed the report, as evidenced by the Group Affidavit.
- All signatures of the governing body on the Group Affidavit must be original; a copy is not acceptable.

The Municipal Clerk must publish a Synopsis of Audit as required by N.J.S.A. 40A: 5-7. This requires that a synopsis of **all** audits, together with the recommendations made by the registered municipal accountant shall be published at least once in the official newspaper of the local unit within 30 days of the receipt of the audit. The law requires the Clerk be personally fined for failure to comply with this requirement.

- The published Synopsis must note that a Corrective Action Plan will be placed on file for public inspection with the Clerk. The following is suggested language reflecting this requirement.

“A Corrective Action Plan outlining actions to be taken by the *(insert name of local unit)* to correct the above findings will be prepared in accordance with federal and state guidelines. A copy of the plan will be on file and available for public inspection with the *(title of Clerk)* no later than *(insert the date of 60 days from when the audit was received)* in compliance with directives from the Division of Local Government Services.”

- A sealed and certified copy of the Resolution, the signed Group Affidavit, and Proof of Publication of the Synopsis must be sent to:

Bureau of Financial Regulation and Assistance
Division of Local Government Services
P. O. Box 803
Trenton, New Jersey 08625

- The “Comments and Recommendations” should be referred to the appropriate officials with direction that a Corrective Action Plan be submitted to the governing body on action taken, or to be taken, to address any recommendations made by the auditor.
- The Corrective Action Plan must be completed and filed with the Clerk no later than 60 days from the date the audit was received by the local unit. The Plan shall also be filed with the Division at the same time.

Please be sure the local unit’s Registered Municipal Accountant is aware of this Notice. RMA’s may want to obtain the files from a Clerk or CFO to assist in their preparation.

Please contact the Bureau of Financial Regulation at 609.292.4806 or e-mail to DLGS@dca.state.nj.us with any questions concerning this Notice.

Approved: Susan Jacobucci, Acting Director

**GOVERNING BODY CERTIFICATION OF THE ANNUAL AUDIT
FORM OF RESOLUTION**

WHEREAS, N.J.S.A. 40A: 5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions, and

WHEREAS, the Annual Report of Audit for the year (*insert fiscal year*) has been filed by a Registered Municipal Accountant with the (*insert "Clerk of the Board of Freeholders" or "Municipal Clerk"*) pursuant to N.J.S.A. 40A: 5-6, and a copy has been received by each member of the governing body; and

WHEREAS, R.S. 52:27BB-34 authorizes the Local Finance Board of the State of New Jersey to prescribe reports pertaining to the local fiscal affairs; and

WHEREAS, the Local Finance Board has promulgated N.J.A.C. 5:30-6.5, a regulation requiring that the governing body of each municipality shall, by resolution, certify to the Local Finance Board of the State of New Jersey that all members of the governing body have reviewed, as a minimum, the sections of the annual audit entitled "Comments and Recommendations; and

WHEREAS, the members of the governing body have personally reviewed, as a minimum, the Annual Report of Audit, and specifically the sections of the Annual Audit entitled "Comments and Recommendations, as evidenced by the group affidavit form of the governing body attached hereto; and

WHEREAS, such resolution of certification shall be adopted by the Governing Body no later than forty-five days after the receipt of the annual audit, pursuant to N.J.A.C. 5:30-6.5; and

WHEREAS, all members of the governing body have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board; and

WHEREAS, failure to comply with the regulations of the Local Finance Board of the State of New Jersey may subject the members of the local governing body to the penalty provisions of R.S. 52:27BB-52, to wit:

R.S. 52:27BB-52: A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office.

NOW, THEREFORE BE IT RESOLVED, That the *South Amboy Redevelopment Agency* of the *City of South Amboy*, hereby states that it has complied with N.J.A.C. 5:30-6.5 and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

I HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON March 2, 2023

Kevin F. Meszaros, Chairman

Attested to:

Kelly Wolff, Secretary

Meeting Date: March 2, 2023

| Member: | Moved | Seconded | Ayes | Nays | Abstain | Absent |
|-----------------|--------------|-----------------|-------------|-------------|----------------|---------------|
| Kevin Meszaros | | | | | | |
| Camille Tooker | | | | | | |
| Zusette Dato | | | | | | |
| Racheal Draudt | | | | | | |
| Tony Gonsalves | | | | | | |
| Frank Milatta | | | | | | |
| Christine Noble | | | | | | |

**SOUTH AMBOY REDEVELOPMENT AGENCY
SYNOPSIS OF AUDIT
FOR THE FISCAL YEARS ENDED
JUNE 30, 2022 AND 2021**

**SOUTH AMBOY REDEVELOPMENT AGENCY
COMPARATIVE STATEMENTS OF NET POSITION
AS OF JUNE 30, 2022 AND 2021.**

| | <u>2022</u> | <u>2021</u> |
|-----------------------------------|--------------------|--------------------|
| ASSETS | | |
| Unrestricted Current Assets | | |
| Cash and Cash Equivalents | \$ 1,591,177 | \$ 1,220,291 |
| Accounts Receivable | 10,000 | 70,000 |
| NJEDA Grants Receivable | <u>83,228</u> | <u>83,228</u> |
| Total Unrestricted Current Assets | <u>1,684,405</u> | <u>1,373,519</u> |
| Restricted Current Assets | | |
| Redevelopers Escrow Account | | |
| Cash and Cash Equivalents | <u>232,244</u> | <u>224,702</u> |
| Total Restricted Current Assets | <u>232,244</u> | <u>224,702</u> |
| Total Current Assets | <u>1,916,649</u> | <u>1,598,221</u> |
| Noncurrent Assets | | |
| Capital Assets | | |
| Buildings | 11,605,505 | 11,605,505 |
| Land | 290,400 | 290,400 |
| Property Held for Redevelopment | 943,120 | 943,120 |
| Construction In Progress | 1,927,720 | 1,927,720 |
| Accumulated Depreciation | <u>(3,336,583)</u> | <u>(3,046,445)</u> |
| Total Noncurrent Assets | <u>11,430,162</u> | <u>11,720,300</u> |
| Total Assets | <u>13,346,811</u> | <u>13,318,521</u> |

The Notes to the Financial Statements are an Integral Part of this Statement

**SOUTH AMBOY REDEVELOPMENT AGENCY
COMPARATIVE STATEMENTS OF NET POSITION
AS OF JUNE 30, 2022 AND 2021**

| | <u>2022</u> | <u>2021</u> |
|--|--------------------------|--------------------------|
| LIABILITIES | | |
| Current Liabilities Payable from Unrestricted Assets | | |
| Accounts Payable | \$ 45,473 | \$ 40,209 |
| Accrued Interest on Bonds | 33,928 | 35,109 |
| Unearned Revenue | <u>83,228</u> | <u>83,228</u> |
| Total Current Liabilities Payable from Unrestricted Assets | <u>162,629</u> | <u>158,546</u> |
| Current Liabilities Payable from Restricted Assets | | |
| Revenue Bonds Payable | 100,000 | 90,000 |
| Escrow Deposits Payable | <u>232,244</u> | <u>224,702</u> |
| Total Current Liabilities Payable from Restricted Assets | <u>332,244</u> | <u>314,702</u> |
| Total Current Liabilities | <u>494,873</u> | <u>473,248</u> |
| Non-Current Liabilities | | |
| Revenue Bonds Payable | <u>2,485,000</u> | <u>2,585,000</u> |
| Total Non-Current Liabilities | <u>2,485,000</u> | <u>2,585,000</u> |
| Total Liabilities | <u>2,979,873</u> | <u>3,058,248</u> |
| NET POSITION | | |
| Investment in Capital Assets | 8,845,162 | 9,045,300 |
| Unrestricted | <u>1,521,776</u> | <u>1,214,973</u> |
| Total Net Position | <u>\$ 10,366,938</u> | <u>\$ 10,260,273</u> |

The Notes to the Financial Statements are an Integral Part of this Statement

**SOUTH AMBOY REDEVELOPMENT AGENCY
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
AS OF JUNE 30, 2022 AND 2021**

| | <u>2022</u> | <u>2021</u> |
|--|----------------------|----------------------|
| OPERATING REVENUES | | |
| Redeveloper Fees and Contributions | \$ 847,500 | \$ 238,538 |
| Rent | <u>126,000</u> | <u>91,524</u> |
| Total Operating Revenues | <u>973,500</u> | <u>330,062</u> |
| OPERATING EXPENSES | | |
| City of South Amboy - Interlocal Agreement | 361,029 | 147,698 |
| Other Expenses | 126,708 | 239,493 |
| Depreciation | <u>290,138</u> | <u>290,138</u> |
| Total Operating Expenses | <u>777,875</u> | <u>677,329</u> |
| OPERATING GAIN / (LOSS) | <u>195,625</u> | <u>(347,267)</u> |
| NON-OPERATING REVENUE (EXPENSES) | | |
| Interest Income | 1,909 | 2,627 |
| Interest Expense | <u>(90,869)</u> | <u>(94,988)</u> |
| Total Non-Operating Revenue (Expenses) | <u>(88,960)</u> | <u>(92,361)</u> |
| CHANGE IN NET POSITION | 106,665 | (439,628) |
| Total Net Position, Beginning of year | <u>10,260,273</u> | <u>10,699,901</u> |
| Total Net Position, End of year | <u>\$ 10,366,938</u> | <u>\$ 10,260,273</u> |

The Notes to the Financial Statements are an Integral Part of this Statement

SOUTH AMBOY REDEVELOPMENT AGENCY

**SYNOPSIS OF AUDIT
(continued)**

COMMENTS/RECOMMENDATIONS

General Comments

There are none.

Recommendations

There are none.

The above synopsis was prepared from the report of audit of the South Amboy Redevelopment Agency for the fiscal years ended June 30, 2022 and 2021.

This report of audit, submitted by Gary W. Higgins, Registered Municipal Accountant, is on file with the Board of Commissioners, 140 North Broadway, South Amboy, New Jersey 08879 and may be inspected by any interested person.

Secretary

10:21 AM

02/27/23

Accrual Basis

South Amboy Redevelopment Agency

BILL LIST

February 3 through March 2, 2023

| Date | Num | Name | Memo | Account | Amount |
|--------------------------|------|---------------------------------|---|------------------|------------------|
| Feb 3 - Mar 2, 23 | | | | | |
| 03/02/2023 | 2751 | City of South Amboy | Reimburse City-Phone/Internet FEBRUARY | 432 · Telepho... | 74.94 |
| 03/02/2023 | 2752 | PSEG CO | Natural Gas 1/04 to 2/01 ARTS Office | 560 · Utilities | 250.70 |
| 03/02/2023 | 2753 | PSEG CO | Natural Gas 1/04 to 2/01 HISTORY & OFFICE | 560 · Utilities | 200.86 |
| 03/02/2023 | 2754 | PKF O'Connor Davies, LLP | Preperation of Annual SARA Audit | 404 · Other P... | 9,335.00 |
| 03/02/2023 | 2755 | JCP&L | Electric for 141 North Broadway 1/20 to 2/16 | 560 · Utilities | 151.53 |
| 03/02/2023 | 2756 | Historic Downtown Property M... | APRIL RENT- ARTS & SARA OFFICE (141 N Broadway) | 540 · Rent | 2,538.00 |
| 03/02/2023 | 2757 | Historic Downtown Property M... | APRIL Rent-HISTORY 141 N Broadway | 540 · Rent | 1,185.00 |
| Feb 3 - Mar 2, 23 | | | | | 13,736.03 |

South Amboy Redevelopment Agency

ESCROW BILL LIST

March 2, 2023

| <u>Invoice Date</u> | <u>Check #</u> | <u>Name</u> | <u>Memo</u> | <u>Escrow Account</u> | <u>Amount</u> |
|---------------------|----------------|------------------------------|---|-------------------------------------|---------------|
| 03/02/23 | 1618 | McManimon, Scotland, Baumann | Prof Svcs - through 1/31/23 inv #203586 | 5045-March Dev/Clairemont Redevelop | \$207.00 |

TOTAL

\$ 207.00

SOUTH AMBOY REDEVELOPMENT AGENCY

MINUTES OF THE February 02, 2023 MEETING

Public Session

Kevin Meszaros called the meeting to order and led the Agency Commissioners, professionals and attending public in the Salute to the Flag. He then certified that this meeting had been advertised as prescribed by law.

ROLL CALL: Kevin Meszaros, Camille Tooker, Zusette Dato, Tony Gonsalves, Christine Noble

ABSENT: Rachael Draudt, Frank Milatta

Also, in attendance: Eric Chubenko, Executive Director
Craig Coughlin, Esq., General Counsel
Dan Balka, CFO

Kevin Meszaros introduced the evening's bill list and said the general bill list contained fees for monthly legal services, rent and utilities. (*Agenda Items no. 7.B.1.*)

Eric Chubenko stated this is a standard bill list with one reimbursement listed on the escrow list.

A motion to approve this evening's bill list was made by Camille Tooker. Tony Gonsalves seconded the motion.

ROLL CALL: Meszaros – Yes, Tooker – Yes; Dato – Yes, Gonsalves – Yes, Noble – Yes

Kevin Meszaros called for a motion to approve the January 05, 2022, Agency Meeting Minutes (*Agenda item no. 12. A.*)

A motion to approve the January 05, 2022, Agency Meeting Minutes as presented was made by Tony Gonsalves. Zusette Dato seconded the motion.

ROLL CALL: Meszaros – Yes, Tooker – Yes; Dato – Yes, Gonsalves – Yes, Noble – Yes

Eric Chubenko updated on several ongoing projects. Zusette Data asked about the Roswell supermarket/apartment site. Eric Chubenko stated that is a zoning issue and the property owner is speaking with Claremont, but it is privately owned. We are hopeful they can incorporate the property.

Anthony Conrad questioned if the second phase was going to begin at Manhattan Beach, Eric Chubenko stated nothing yet, but they are currently working on making sure all the PILOT payments are current. After the first 6 months to the first year, it will be a true PILOT. The professionals are working on it. The Mayor questioned if it is not paid on time, are we able to collect interest. CFO Dan Balka stated he projected the PILOT payments and sent them to his contact. Camille Tooker questioned was there a provision the city had to bill for payment, or was it something that was expected? They are to pay after the first year. Land use tax only. Do they have to be billed to get the PILOT funds?

They will be billed quarterly. We got nothing last year, because you are not to pay until after the first full year, but we will receive that money.

Zusette Dato wanted to welcome Rachael Draudt to our board, she will be an asset

Kevin Meszaros opened the meeting to the public.

Kevin Meszaros closed the public portion of the meeting.

Kevin Meszaros then requested a Motion to adjourn.

A Motion to adjourn was made by Zusette Dato. Camille Tooker seconded the Motion.

Voice vote taken: all in favor.

Meeting adjourned.

Submitted by:

Kelly Wolff