

**BOROUGH OF INTERLAKEN
WORKSHOP MINUTES
MARCH 20, 2018
7:00 P.M. BOROUGH HALL**

The workshop meeting of the Borough of Interlaken was called to order at 7:06 p.m., by Mayor Nohilly. Sunshine Statement was read by Borough Clerk Reibrich. “The notice of the requirements of the Open Public Meetings Act has been satisfied by forwarding notice to the Coaster and Asbury Park Press. A copy of the notice is posted on the Borough bulletin board and is on file in the Borough Clerk’s office.”

Present: Mayor Nohilly, Council President White, Council members: Fama, Maloney and Watson

Absent: Councilwoman Horowitz

Also Present: Borough Attorney Richard Shaklee, Borough Tax Assessor Alex Worth and Borough Clerk/Administrator Lori Reibrich

1. **TAX ASSESSMENT PROGRAM** – Borough Tax Assessor reviewed the tax assessment process and the need for the request of proposal for inspection.

Tax Assessor Worth stated that taxes are the amounts of money needed to run the government, including the County and School. There are two functions. One that everyone is familiar which is the budget. It is taxes. The other is tax assessment which is a tool used to distribute to the amount of taxes to the residents. This is a constitutional referendum. The best way to check the accuracy test of this tool is the market value. The sales or recently closed/comparable sales. You have your budget and the tax levy as one function of taxation. The assessment is another function. Assessment is the tool used to proportion the taxes out to the residents. When talking about the demonstration program fundamentals, the most important thing is to evaluate how is tool working? Is the tool meeting the intention of what we are trying to do, which is to annually reassess market value?

Tax Assessor Worth explained that some big misconceptions were that this program was a pilot program and that it was going to end in five years. There was an evaluation portion of the program considered pilot that was an evaluation to give objective measurements of how well the program was working in five years’ time. This is a state law; it is not a pilot program. Monmouth County produced a 61-page report which talks about the internal inspection process, showing why it is so much cheaper on the long term basis, then if infrequent assessments are done.

Tax Assessor Worth stated that the request for proposal (RFP) is for the inspection portion of the process. Inspectors from the company that wins the RFP will be send out to inspect a portion of the properties in the Borough each year. Those inspectors are there each year to only collect information and take exterior photos to be used by the Tax Assessor in the valuation. The inspectors are not valuing the property.

Tax Assessor Worth reviewed the accuracy of the program. The assessment price is divided by the sale price. This is a mathematical expression. If the valuation is perfect, where the valuation is \$500,000 and it sells for \$500,000, it is 100. That mathematical expression is called the sales ratio study. The desire is to have a ratio of under 10. A high ratio would mean you are not hitting the average. The study shows that the program is doing something simple. It is making it so that the everyone pays there fair share.

Tax Assessor Worth stated that doing the annual assessments in the municipality along with the former company that does the inspections between 1991 and 2013 the Borough averaged a 11.55% coefficient of deviations from the average. When the study was done in 2017, the Borough averaged 7.8%. That basically means is that the Borough is 47% more accurate than history shows how the Borough distributed taxes in the past. The Borough is almost half more accurate in distributing the taxes than in the past. Statistically speaking, the program is working fantastically.

Tax Assessor Worth distributed a list of frequently asked questions to Council as a helpful tool to provide answers to some questions they may receive.

Council asked questions to Tax Assessor Worth to clarify specifics of the report.

Tax Assessor Worth stated that the County recently sent a letter to those that previously opted out of the County program. The letter basically said that municipalities were allowed to opt out of the program while their concerns were addressed. Now the concerns have been addressed there is no option to opt out.

Tax Assessor Worth noted that one of the benefits of this program was the ability to respond to adjustments to market value. If the values go down this can be adjusted, which would lower the municipal evaluation to the County. This would lower the responsibility to the County. If you cannot make these adjustments in valuation, you will pay a higher County tax portion year after year.

Tax Assessor Worth explained that he reassesses every year. An evaluation model is built. Every construction permit is inspected and 20% of the Borough is physically inspected. 100% of the Borough is valued. Other influences including home styles, market influences, recent sales, pending sale and expired listings.

Tax Assessor Worth stated that the County has a nationally recognized appeal system. The County site allows tax payers to lodge a complaint. The tax payer can submit an informal assessment review application. The site can be used to communicate with the Tax Assessor. If the tax payer does not agree, an appeal can be filed. It is done online.

Tax Assessor Worth noted that the cost of the RFP is not tremendous. The cost is relatively standard. In comparison to doing a full evaluation, it is pennies to the dollar. The RFP is being returned April 2, 2019. There are only a few companies that are qualified to do the work. The Borough is not a large load for whatever company gets the bid. Tax Assessor Worth develops a good relationship with the inspectors, since it is normally a smaller crew.

With no further questions from Council, Tax Assessor Worth thanked Council and left the meeting.

2. **BOROUGH NEWSLETTER** – Council discussed the details of what should be included in the newsletter. The goal was to have the newsletter out by mid to late April. Recreation event dates, Shade Tree information and a Recycling schedule were some of the things discussed for inclusion in the letter.
3. **NEW BUSINESS** – Councilman Watson asked that a discussion regarding park improvements be added to the next workshop.
4. **PUBLIC COMMENT:** Mayor Nohilly noted opened the floor for public comment.

Jim Page, 615 Grassmere Avenue, stated that he has a safety concern and believes there is a need for a crosswalk at the corner of Rona Street and Grassmere Avenue. It is a main thoroughfare in the Borough. Mr. Page's wife brought it to his attention that there are 14 children living in the area and he just had a new granddaughter. The traffic does not give anyone a chance to cross. When they get past the point of his house, it is full speed ahead.

Mayor Nohilly stated that Council will gather some data and look at the big picture of cross walks within the Borough and noted that crosswalk signs need to also include proper signage.

Mike Mulhaul, 101 Grassmere Avenue, agreed with Mr. Page. He walks three dogs and the cars do not stop. Mr. Mulhaul questioned what the law was regarding stopping for pedestrians in the crosswalk.

Peter Hughes, 512 Bendermere Avenue, stated that he was in attendance in the capacity of Shade Tree Commissioner and noted that the budget submitted needed correction and update will be provided. Borough Clerk/Administrator Reibrich stated that she had already pulled the budget document provided to her, when she noted the inconsistency.

With no further public comment, Mayor Nohilly closed the floor.

5. **ADJOURNMENT:** With no further comments from the Governing Body, Council President White made a motion to adjourn, seconded by Councilman Watson and unanimously carried.

	Mayor Nohilly	Council President White	Councilwoman Horowitz	Councilman Butler	Councilman Watson	Councilwoman Maloney	Councilman Fama
Motion to Approve		X					
Motion to Second					X		
Approved		X		X	X	X	X
Opposed							
Abstain/ Recuse							
Absent/ Excused			X				

Lori Reibrich, RMC
Borough Clerk/Administrator