

Thank you Mayor. I wanted to take a minute or two to provide some public comment on the budget we are about to introduce and the process by which we arrived where we are tonight. Before I get too far I very much wanted to thank you, ALL of my fellow Council members and the Borough Administrator for the effort put forth this past month. We have indeed started earlier in the day and most definitely stayed late. While no doubt challenging at times, I for one have appreciated the debate and am certain that we have done a good job of ensuring that all interests in the Borough are represented.

While I am proud of the good job we have done, this process has left me with one very strong impression, we can and we must do better. As we proceed through 2009 it is important that we don't allow the efficiencies discussed, the programs reviewed and the belt tightening suggested to just fade to memory as we take up the next orders of business. As has been said many times during our conversations here, while this year seems really tough it is next year that gives us all pause. The facts on the table for 2009 are clear. There is no alternative than to take the pension deferral and apply for extra ordinary aid without laying off employees and drastically reducing services. I don't like this choice, I wish there was another way but we weren't elected to wish, we were elected to act.

In the short term that action means a confirming vote to introduce the budget tonight but in the long term we must continue to act to look for ways to improve our budgeting and operating practices. We did not get to this point over night and we are certainly not going to get it back on track in one month of review and debate. I believe it is incumbent upon us to free ourselves of the shackles of using the State coffers and extraordinary aid as a way to save for the rainy day. It is a risky practice that is completely outside of our control. It is a pursuit that has had dramatic consequences on our budget. To quote our own CFO, "the Borough has used available surplus for many years to reduce the tax rate, which leaves the municipality in a precarious position should extraordinary circumstances arise. From 2002 through 2007 the Borough has utilized \$5.3 million of surplus to reduce the tax rate". Compounding the challenge is that all the while we were spending down surplus we were further indebting future generations of Metuchenites with our capital spending which saw our debt rise from \$7.7 million to nearly \$21 million over the same period. The net leverage on our town wide tax basis has risen by 22% and we spend 3 more cents of every tax dollar than we used to on old debt which thereby reduces money available for operations.

In conclusion I believe it is necessary for this legislative body to consider and act on the creation of a mechanism by which we proceed through the year to continue to review our spending

and programs and seek long term solutions to the challenges we face. By code of the Borough it is the responsibility of the Council to work with the Administrator to draft a budget and I think that we must continue our work in a full year fashion rather than try to review policy, priority and make budget decisions under the time pressures of filing deadlines. If we have worked together set our priorities in advance and if we have worked together to look for unnecessary or stale programs than together we can put Metuchen back on a path towards long term fiscal stability and health.

Thank you.