

TOWNSHIP OF WASHINGTON, WARREN COUNTY

Budget Meeting
January 23, 2010

The budget meeting of the Washington Township Committee was held this date in the Washington Township Municipal Building located at 211 Route 31 North, Washington, N.J. The meeting was called to order at 10:00 a.m. by Mayor Samir Elbassiouny.

SUNSHINE LAW COMPLIANCE - The Mayor noted that this meeting was being held in compliance with the Open Public Meeting Law of 1975 in as much as a notice had been published in the Star Gazette, transmitted to the Express Times, posted at the Municipal Building and a copy is on file in the Clerks Office. This agenda is subject to change by order of the Washington Township Committee before and/or during the scheduled meeting.

ROLL CALL: Elbassiouny, present; Klingel, present; Kovacs, present; Marks, present; Strunk, present. Mary Ann O'Neil, Township Clerk and Peter de Boer, Certified Public Works Manager/Township Administrator; Barbara Emery, CFO; Suzanne Heerwagen, Deputy Treasurer; Dave Evans and John Mooney, Auditors and Jeff Cooper, Assistant Municipal Supervisor of Public Works were also present.

SALUTE THE FLAG

The CFO said she received budgets from most of the departments and plugged them in. She does not have all the numbers yet. She did not get a chance to meet with Chief Mc Donald on Washington Borough and Oxford Township, so that is not plugged in yet.

Evans said he is not sure he has all the Oxford Township expenditures. He cannot do much without all the information. He said, by the next meeting he should have a tax rate. The only thing subject to change is State Aid, which the Township may or may not get. Kovacs asked when they would get the surplus number, Evans said at the next meeting.

There was discussion of administration budget. There is no real break down, much is under miscellaneous. The Mayor questioned the telephone bill. He did not think it should be running between \$25,000 and \$35,000. The Mayor asked de Boer to check with three other companies. de Boer said we may have a contract. de Boer said that Malanga warned the Committee when they went with this plan that there would be problems, he cautioned them against it. de Boer asked Klingel to look into the existing system. Hopefully by the next meeting they will have an answer.

There was discussion on the copy machine, which is also under contract. The Mayor wanted it set up, by department, so they would know where all the paper is being used. The Mayor also wanted codes put on the postage machine. Both pieces of equipment are in conference room and anybody could use them.

The codification will be left in the budget for 2009, because many ordinances were changed.

There was discussion on election costs. The Mayor asked the CFO or de Boer to call the County to find out what the election costs may be for 2010.

Under Finance, the only change will be the auditor's expense. Marks questioned miscellaneous, what is this? Heerwagen said some if was office supplies. Marks said it should say office supplies, not miscellaneous. Miscellaneous must be broken down more. The Mayor said they should be more itemized. Kovacs said when miscellaneous is high, it should be broken down, that is Finance's job. Emery said as bills come in, she will add accounts. Strunk said this should be done at the time of purchase. Marks said there should be better record keeping done on the accounts.

Tax Assessor Budget has increased a lot because she needs to update the tax map. It would probably run around \$10,000, then there could be yearly maintenance at maybe \$2000 or \$2500. There was discussion on file maintenance. The CFO will call Vital to see if this can be reduced.

de Boer said that Building and Grounds and Park Maintenance should be separated. Strunk asked if the old Administration Building has been broken out with separate costs, it has not. Strunk said the major complex should be broken out and separated, Committee agreed. The CFO will keep in Building and Grounds, but will separate it.

Chief Mc Donald came into meeting. Evans said they are not sure if they have collected the total costs for the Township, Borough and Oxford. It would be premature to discuss numbers at this time. Evans will sit down with the Chief and CFO to discuss this. Kovacs stated, the Borough deferred pensions, the Township did not, how does this affect things. Evans said the agreement should state that the Borough is paying it.

There was discussion on Borough Payments and they would be February, May, August and November. The first installment will be February 15th. Evans said this could be a problem, because this causes a cash flow problem, we are out of money until they decide to pay us. Klingel said they should go back to the table with them on the 45 days that has not been paid. Strunk agreed, the Township should go back and have the first 45 days of the year adjusted. Evans said the 45 days is an expense to the Township and should be addressed in the police budget. de Boer will call and address the issue. Evans said interest costs could run around \$1200. Chief Mc Donald said the Township is not out the 45 days, it will be recouped. Nothing further could be discussed at this time, Chief Mc Donald left the meeting at 11:45 a.m.

Jeff Cooper, Assistant Municipal Supervisor of Public Works was next. Marks again questioned miscellaneous, what exactly are they? The Mayor said they will be breaking them down into line items. Strunk said, around December the DPW went to the mixture, which justifies going back to it all the time and they would save money. de Boer said he provided a detailed report on this and the Township Committee adopted a policy - sensible use of salt. When they were tight on the budget, they went to the grit mixture, grit will not melt the snow, only salt. Cooper said when they cleaned up 2 retention ponds, they took out two feet of grit that washed through the drain into the pond. Strunk said this does not justify the reason why they went to mix when it was cost savings. The Mayor said there is no issue, no complaints, why mess with it?

(Verbatim) The Mayor said there was never an issue with the roads or complaints, we have never had any fatal accidents because the roads were not maintained properly, so why mess with it. Strunk said this reinforces his point, they have never had accidents by the previous systems that was less expensive to do. de Boer said they did have a fatality on Kayhart's Lane, O.K., if you must know. It still bothers me until this day. O.k. De Boer said, lets look at it this way, there is snow, he could simplify it, real simple. Take Essex Drive, what is his goal in a snow event, it is to remove the snow and ice from street. If he goes out with a mixture 50% salt an 50% Grit and spread it, O.K.. and has not removed the snow and ice - what is he going to do, go out and reapply. The grit has not removed the snow and ice from the street, the salt is helping to remove snow and ice in street. Yes, it is correct that years ago when he started in Bethlehem Township in 1984, they used 75% grit and 25% salt, we were not clearing roads off. When he came here 13 years ago to save money, they did not even put snow plow blades on ground, they cranked blades up 2" so they would ride on wheels, we were trying to save money. However, you were not clearing the road off and were the laughing stock of Warren County.

Marks said that de Boer must use his discretion, the safest way for that particular event, snow, ice, etc., it is a judgement call. Strunk said the Township needs to conserve money, here is a way. The Mayor said it is different times. Marks said there are pros and cons, let move on.

de Boer said Finelli has cheaper alternatives on the DPW salt shed, estimated cost \$60,000. Cooper said the DPW can do all the work, except cover. Strunk said when the salt shed was damaged, it looked as somebody had hit it with loader, ths could happen again, correct. The shed was not damaged with wear and tear, somebody did it. de Boer said the walls have been hit many times. Cooper, de Boer and Klingel will look into this further.

There was a brief discussion on the pro and cons of using liquid calcium chloride. The system would cost \$21,300.

Cooper went over the vehicle capital purchase requests. Evans said the capital expenses would be limited.

There was a brief discussion on bonding. Evans said they should wait until they know about the capital, the budget and debt issues.

There was a brief discussion on installing a fuel tank, which could be multi shared. After discussion, the Mayor said it was not practical and not a good investment.

The Mayor said they cannot really discuss anything further, they have no numbers to go by. They will be holding an Executive Session at this time.

Strunk made a motion to go into Executive Session at 1:10 p.m., to discuss inter local services, Marks seconded. All were in favor.

The doors were opened. Strunk made a motion to come out of Executive Session at 1:33 p.m., Klingel seconded. All were in favor. The Mayor said they discussed a possible shared service agreement with Washington Borough. No action was taken.

de Boer requested authorization to apply for a grant for a Feasability Study for the merging of the Department of Public Works Departments. Kovacs made a motion to approve de Boer applying for a grant

to do a Feasibility Study on the merging of the Department of Public Works, pending Washington Borough approval, Klingel seconded.

ROLL CALL: Kovacs, yes; Klingel, yes; Marks, yes. Strunk, yes; Elbassiouny, yes.

The Mayor asked for authorization to respond to the correspondence from Washington Borough, detailed as discussed in Executive Session. Klingel made a motion to authorize the Mayor to respond to Washington Borough, as discussed in Executive Session, Marks seconded.

ROLL CALL: Klingel, yes; Marks, yes; Kovacs, yes; Strunk, yes; Elbassiouny, yes.

Kovacs said it would be to the Township's advantage, with the Old Administration Building, that they get preapproval for sewerage on it. de Boer has approached the Borough Manager and there are two facilities, American Can and BASF that had extra capacity when they first when in. They are sitting on capacity they never used. BASF will be closing within five years. He felt de Boer should be authorized to go and speak with BASF to see if they will allow the Township to utilize some of the capacity so they can tie it into the old Administration Building. Kovacs made a motion to authorize de Boer to approach BASF about using some of their capacity, Strunk seconded.

ROLL CALL: Kovacs, yes; Strunk, yes; Klingel, yes; Marks, yes; Elbassiouny, yes.

There being nothing further to come before the Township Committee, Strunk made a motion to adjourn at 1:42 p.m., with the next budget meeting scheduled for Saturday, February 13, 2010, Klingel seconded. All were in favor.

Respectfully submitted,

Mary Ann O'Neil RMC/CMC/MMC
Township Clerk