

TOWNSHIP OF WASHINGTON, WARREN COUNTY

Budget Meeting Minutes
January 29, 2011

The budget meeting of the Township Committee was held on this date at the Washington Township Municipal Building, 211 Route 31 North, Washington, N.J. The meeting was called to order at 10:12 a.m. by Mayor Samir Elbassiouny.

SUNSHINE LAW COMPLIANCE – The Mayor noted this meeting is being held in compliance with the Open Public Meetings Law of 1975 in as much as a notice had been published in the Star-Gazette and transmitted to the Express-Times, posted at the Municipal Building and a copy is on file in the Clerk's 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; Finke, present; Klingel, present; Kovacs, present; Marks, present. Anna C. Godfrey, Acting Township Clerk; Peter deBoer, Township Administrator/Certified Public Works Manager; James McDonald, Police Chief, Dave Evans and John Mooney, Municipal Auditors; Barbara Emery, Chief Financial Officer; Suzanne Heerwagen, Deputy Treasurer; and Jeff Cooper, Assistant Municipal Supervisor of Public Works were also present.

SALUTE TO THE FLAG

2011 BUDGET DISCUSSION

Mayor Elbassiouny stated Mr. Kovacs is our budget liaison and asked D. Evans to give the Committee an overview of our budget as well as the 2% CAP and the effect it has on municipalities. D. Evans explained he doesn't have any surplus numbers as of today, but is hoping to have them for the next meeting in order to discuss revenues. The 2% is on the tax levy, the amount of dollars you can raise. Without exclusions, levy can only go up \$64,000 this year. Problems will arise because we are still subject to the 1977 expenditure cap as well as the tax levy cap. If the Township can't meet the levy cap, a referendum is required or services will need to be cut. As we stand, a preliminary review shows we are \$37,000 above expenditure. The numbers may vary slightly with assessor's information. \$28,000 needs to be cut from the budget to be in compliance with tax levy cap. In all, we are looking at approximately \$60,000 that needs to be cut. D. Evans recommends working with the expenditures at this meeting and then work on the revenue numbers at the next meeting. He explained the budget process to Mr. Finke. D. Evans noted the budget cannot be finalized until we receive state aid numbers.

Mr. Kovacs stated he spoke with D. Evans and they discussed the numbers. They should be working with the budget sheet that was prepared by D. Evans and recommends working with the bigger items first and then go back to make smaller changes.

Mayor and Committee – Mr. Kovacs feels the other expenses should be left as is. The salary is locked in. Mayor Elbassiouny noted the State's Best Practices needs to be adhered to and would therefore like to increase the number to \$2,000 so all Committee members can attend training.

Telephone Service – Mr. Kovacs recommends cutting \$3,500, bringing it down to \$26,000. Mrs. Marks noted telephone service is for the hard line phones and does not include cell phones. Mr. deBoer stated we are locked into a contract with Broadview until August 2011. The penalties would outweigh the benefits of changing. Cell phones are charged to each individual department. Mr. Klingel stated a portion of the phones are voice over internet and some are regular service where charges are more expensive. Mayor Elbassiouny requested Mr. deBoer, Mrs. Marks and Mr. Klingel work on a new telephone plan for August. Mr. Kovacs confirmed with B. Emery that two months worth of phone bills were charged to Code & Construction last year. Mr. deBoer stated we are no longer able to do this. Per Mr. deBoer's recommendation, Mr. Kovacs agreed to leave the phone budget as is.

Elections - Mr. Kovacs asked why this line item is going from \$0 to \$4,000. B. Emery stated the Elections line item was under Administration Salary & Wages last year. It is now on its own line where it should be. Last year, \$2,000 was spent. It was decided to cut \$2,000 from this line item leaving \$2,000.

Finance – Mr. Kovacs asked if there were any banks that would not charge \$8,000 to do payroll this year. Mr. deBoer stated the banking industry has been changed drastically by the federal government. Assistance made available to municipalities is no longer available.

Tax Assessor – The salary is locked in. Under other expenses, since they will have a special mailing this year, it was decided to leave this line item as is.

Legal – Mr. Kovacs recommended cutting \$7,000 from this line item. Mrs. Marks recommends leaving as is because of pending matters. Mayor Elbassiouny feels it should be kept at \$70,000. This line item was cut to \$70,000.

Court - B. Emery explained this number is from the contract and is locked in. Mr. deBoer noted the number decreased due to another municipality coming in. It was decided to cut \$1,000 from the court's other expenses.

Municipal Engineer – It was decided to take \$5,000 from this line item, keeping it the same as 2010 at \$15,000.

Well Monitoring – Mr. Kovacs noted this is being kept at \$0. The project started in 1991 but there haven't been any bills lately.

Storm Water Management – It was decided to cut \$1,000 from this line item making the budget \$2,000.

Building and Grounds – Mr. Kovacs noted these line items are the same as last year and recommends leaving them as is. Mrs. Marks noted the only company under utilities is American Water. All other utilities come out of Public Works. Mr. Finke recommends cutting this budget item by the \$18,000 that was spent for the new municipal building if it was a one-time expense. Mr. deBoer stated the building costs more than originally thought. After a brief discussion, it was decided to leave Buildings and Grounds as is.

Tax Collector – Mr. Kovacs recommends taking \$1,000 from the computer expenses line item, leaving \$500. B. Emery stated there will be a special mailing in regards to the Homestead Rebate. The Committee feels the increase should then be under postage, rather than computer expenses. It was decided to take \$1,000 out of the computer expenses line item. Per Mr. Kovacs's request, B. Emery will be speaking to each department letting them know the decisions of the Committee.

Mrs. Marks questioned why nothing was cut from Building and Grounds and recommends cutting at least \$1,000 from repairs and maintenance as well as \$1,000 from park maintenance. The Committee decided to cut \$1,000 from Buildings and Grounds. Mrs. Marks feels there are many line items that we are spending money on that are not explained. Mr. Klingel feels the cost of all things we use will be increased. We cannot arbitrarily cut money from the budget.

Land Use Board – Mr. Kovacs recommended \$1,000 be taken out of other expenses. The Committee agreed.

Land Use Board Professionals – B. Emery noted this line item is used to pay the Attorney and Engineer for expenses not covered by escrow and stated \$7,900 was spent last year. The Committee questioned why the worksheets show \$4,833 as being spent. The Committee and CFO discussed the budget figures as they are not up to date. Mr. Kovacs stated \$10,000 should be taken from this line item.

Environmental Commission – Mr. deBoer stated there may be some expenses because of Sustainable Jersey. Mayor Elbassiouny asked him to work with Mr. Finke and Mr. Ivany to discuss this. It was decided to leave the requested \$250.

Police - Salary and Wages is locked in. Mr. Kovacs is not recommending any cuts under other expenses. Mr. deBoer stated we are getting \$7,000 from Oxford for administration. D. Evans explained the shared services contract. The Committee discussed the Oxford contract. D. Evans strongly recommends not reducing local police salary and wages. Mrs. Marks questioned why college education reimbursement is under Dues, Convention & Travel.

The committee took a short recess at 11:04 a.m. returning at 11:21 a.m.

Police – Other Expenses – Mr. Kovacs noted what was budgeted last year is the amount that was spent and asked the chief what he was planning in regards to the vehicles. Chief McDonald stated they had budgeted \$42,000 for a police vehicle and bought the Tahoe with that money. They have 21 cars now, 6 of them have over 100,000 miles. D. Evans stated he doesn't have a problem appropriating the net if we will be getting insurance money back from a totaled police vehicle. The Committee discussed how to budget for a police vehicle. The amount could be split with shared service partners where half would be in the Township budget and half in the Boro's budget. D. Evans stated there is \$42,000 in the capital budget that could be used for a specialized police vehicle. Mayor Elbassiouny feels that money could also be used for the street sweeper. Mr. Kovacs recommends seeing where we stand in CAP before discussing a police vehicle. There was a discussion of how and who gets charged for the vehicles.

Mayor Elbassiouny feels there is enough money there for two cars as long as Washington Boro pays half. Mr. Kovacs and D. Evans agree. D. Evans said he needs a breakdown from the Lieutenant to see the breakdown between the Boro, Township and Oxford for police cars.

Aid to Washington Township Fire Company – Mr. Kovacs stated this stays at \$0 because of the fire district. He asked B. Emery to take out the \$0 line items next year as they are no longer needed. Mayor Elbassiouny questioned where the fees charged for fire and smoke alarm inspections go. That money goes to the fire district. The fire district also pays the inspector's salary.

Aid to Emergency Squad – Mr. Kovacs would like this to remain the same at \$25,000.

Zoning Officer – Mr. Kovacs stated \$250 was added to other expenses in the event it's needed.

Emergency Management – Mayor Elbassiouny asked Chief McDonald to check with T. Cicerelle to see what needs to be done this year and suggested leaving the other expenses budget at \$1,000 for now. It was agreed to leave as is.

Road Department - Salary and Wages – Employees have been taking comp time instead of overtime, but some are at the point where they are ready to be paid now. B. Emery stated \$3,400 spent in overtime to date. Chief McDonald said that if someone takes comp time, they can come back and change their mind and take overtime. They have a year to decide.

Road Department - Other Expenses – J. Cooper stated he and the Chief would like to share the cost of the mechanic's pay and provided the Committee with figures. Mayor Elbassiouny suggested 20% WTPD, 20% Boro, 10% Oxford and 50% Road Department Salary and Wages. Mr. Kovacs noted if split, we'd be taking approximately \$12,500 out of the CAP. Mr. Klingel asked what the seasonal part-time amount of \$20,000 is for. B. Emery explained there were seasonal part-time employees brought in last year to plow the snow, replace an employee on disability and those hired in the summer. There was a lengthy discussion regarding Road Department Salary & Wages and part-time employees. Mrs. Marks noted the 3.5% increase in DPW worker's salaries amounts to approximately \$13,000 for eight employees. Mayor Elbassiouny asked where we are in regards to the CAP. D. Evans replied we have already covered the \$37,000.

Salt – J. Cooper stated salt is \$59.35 per ton which is about \$2.00 less per ton than last year. Mr. deBoer stated we need to submit to Somerset Co-op how much salt we are expecting to use. Since we haven't done that, we are not listed with them. Mayor Elbassiouny asked that something be submitted to them to get on the list for next year.

Fuel – B. Emery stated fuel costs are expected to increase and estimates this line item at \$84,500.

Electricity – B. Emery stated we spent all of the money we budgeted last year. Two months was charged to Code & Construction. We should see some savings due to the rates going down and the Direct Install Program. Mr. Kovacs recommends leaving as is.

Code & Construction - Mayor Elbassiouny feels Code & Construction should be billed for the utilities they use and then reimburse us. B. Emery is afraid they won't have enough money coming in to pay the salaries. J. Rossi has to cut back on the hours because their salaries come to approximately \$114,000 not including social security, pension, etc. Right now they have approximately \$25,341. Mansfield is out as of February 1st so we will only be getting one more payment of approximately \$8,000 from them for January. Mr. deBoer is hopeful the Boro will vote Tuesday regarding shared services with them. Mayor Elbassiouny asked B. Emery to provide him with a full salary report so he may meet with J. Rossi to discuss.

B. Emery explained the condo association reimbursements to Mr. Finke. Mayor Elbassiouny asked B. Emery to place Hawk Pointe under the condominium services line item.

Animal Control Census – M. Kovacs stated per the State, a census is done every other year. Nothing was spent last year so we will be incurring the cost this year.

Recreation – Salary & Wages - Mayor Elbassiouny questioned why the administrator salary doesn't come from the fees collected. B. Emery stated it has always come out of the current account, but it can be changed by the Committee. N. Godfrey stated when the Commission came to the Committee with the need for a secretary, it was done by resolution with a payment not to exceed \$10,000 per year. Mayor Elbassiouny stated the money would still be paid out, just not coming from us. Mr. Kovacs feels there is not enough money coming in to cover the salary. N. Godfrey noted use fees are only to be used for park

maintenance. Mayor Elbassiouny noted we also benefit other towns. If there is not enough money coming in, fees need to be reassessed.

Recreation – Other Expenses - Mrs. Marks questioned the \$7,500 requested for miscellaneous expenses. N. Godfrey stated some of the things paid for by the Commission are the kiosks around the park, park improvements, netting, poles, security cameras, broken and/or damaged playground equipment, and State mandated mulching around playground equipment. She noted she did not ask for the increase. Mayor Elbassiouny recommended eliminating the salary line item and removing \$2,500 from other expenses, leaving a budget of \$5,000, same as last year. The Committee agreed.

Washington Celebrates America – Mr. Kovacs stated there is a payment made by the Township to Washington Celebrates America and another to the Summer Recreation Program. Per Mrs. Mark's suggestion, Mayor Elbassiouny asked B. Emery to remove the word "contribution" from both of these line items. The budget was kept the same.

Historical Society – Mr. deBoer noted \$250 was previously removed from this line item. Therefore, when they need something, they come to him and he takes care of it under a Public Works or Buildings and Grounds miscellaneous line item. The cost is minimal.

General Insurance – D. Evans stated this is all in the CAP this year. The numbers were given to us by the carrier.

D. Evans stated we are \$8,000 below where we need to be for the expenditure CAP.

PUBLIC COMMENTS

Mayor Elbassiouny entertained any comments from the public. Hearing none, the public portion of the meeting was closed.

ADJORNMENT

Hearing no further business to come before the Committee, a motion was made by Klingel, seconded by Finke, to adjourn the meeting at 12:39 pm. All were in favor.

Respectfully submitted,

Anna C. Godfrey
Acting Township Clerk