

TOWNSHIP OF WASHINGTON, WARREN COUNTY

Budget Meeting Minutes
February 9, 2013

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 10:05 a.m. by Mayor Robert Klingel.

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 has 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

Finke, present; Horensky, present; Klingel, present; Kovacs, present; Willan, present

STAFF PRESENT

Anna C. Godfrey, Township Clerk; Peter deBoer, Township Administrator/Certified Public Works Manager; Dave Evans and John Mooney, Municipal Auditors; Kevin McCarthy, Chief Financial Officer; Deputy Police Chief Thomas Cicerelle, and Jeff Cooper, Assistant Municipal Supervisor of Public Works

SALUTE TO THE FLAG

PUBLIC QUESTIONS AND CONCERNS

Mayor Klingel opened the meeting to the public.

Joel Schnetzer, 240 Cemetery Hill Road, asked how the budget process works. Mayor Klingel explained the Committee will discuss the budget and open it up to the public once it is completed. Mr. Kovacs further explained there will be a public hearing at the meeting when the budget is to be adopted.

Hearing no further comments, Mayor Klingel closed the public portion of the meeting.

NEW BUSINESS

Mayor Klingel appointed Len Artigliere to the Land Use Board as the Alternate 1 member effective today with a term expiration date of 12/31/2013.

2013 BUDGET DISCUSSION

Dave Evans provided the Committee with a summary synopsis of the revenues, expenses and projected tax rate for 2013. He stated the Township is in compliance with expenditure cap as well as the tax levy cap. The summary shows an increase of 3.22% for an impact of \$3.70 per household per month which is less of increase from last year. Per Mr. Finke's request, D. Evans explained the 2% cap increase is 2% plus exclusions which include increases to the pension, health insurance, debt service, and allowances for additional added assessments. The average increase in 2012 was 3-4% of the overall tax rate by the State. Mr. Finke discussed the expenditure cap and tax levy cap with D. Evans. D. Evans feels the Township is in excellent shape. The tax collection rate dropped a full percentage point in 2012 which had an impact on the budget. This was a loss to the Township of approximately \$250,000. J. Horensky discussed house assessments with D. Evans and the Committee. Mr. Willan asked if taxes are increased every year. D. Evans stated they are and feels municipalities with a yearly minimal tax rate have less financial problems. The Committee discussed. Mr. Kovacs spoke about the amount of Township students attending the regional schools and why the percentage of the regional schools tax increased. The school's budget was responsible for 2.9% of the Township's tax increase last year. D. Evans explained regional equalization. The Committee discussed.

J. Cooper provided the Committee with DPW capital purchase requests for 2013. He stated their current 1997 backhoe is need of major repairs totalling \$9,000. He would like to replace it with a 2013 backhoe for a lease/purchase price of \$17,000 for 5 years at 3% interest. K. McCarthy confirmed the funds are available. J. Cooper stated the current garage was built in 1967 with two bays added in the early 1970's. They have outgrown the current facility and would like to get estimates for a new building. Mr. Kovacs recommends J. Cooper obtain estimates and the Committee revisit this once the budget is adopted. Mr. Finke asked if the Borough could be charged for some of the building due to servicing the police vehicles. J. Cooper replied the Borough is charged a portion of the mechanic's salary and didn't feel the Township could charge them for the building. Mr. Horensky agrees the Township has outgrown the current facility. The Committee discussed the charges to the Borough due to the Police Shared Service Agreement with K. McCarthy. P. deBoer recommended J. Cooper obtain quotes at this time.

Mayor Klingel asked Joel Schnetzer if he had any comments. J. Schnetzer feels the Township needs to purchase what is needed not what is wanted. He suggested fixing the current backhoe and then keep it for another five years before purchasing a new one. J. Schnetzer asked about the projected increase of this year's budget. D. Evans replied there will be an approximate increase of \$70,000.

Deputy Chief Cicerelle stated the Police Department needs three vehicles and plans on getting rid of five vehicles.

M. Kovacs stated he asked that a salary resolution be prepared and recommends approving it at this meeting so as to not delay any retroactive pay any further. He explained the Police Department and DPW will be receiving a 3% increase as well as the three other statutory employees. He recommends the seven other full-time employees also receive a 3% increase and a 2% increase for part-time employees including crossing guards. The Borough will be paying half of the Police salary increases. The effect on the budget would be minimal. The Committee discussed with K. McCarthy. Mayor Klingel wished to continue the discussion in Executive Session.

Mayor Klingel discussed the need for a second budget meeting. D. Evans stated his only need would be if there was a dramatic change to state aid revenue for 2013. State aid will be released at the end of February. The introduction to the budget is currently scheduled for March 19th. Mr. Finke stated he would prefer to review the budget line by line before introducing it. Mr. Kovacs noted there is not much to reduce. A motion was made by Kovacs, seconded by Horensky, to schedule the next budget meeting for March 9, 2013 at 10:00 a.m. if needed. The meeting scheduled for February 23rd will be cancelled.

ROLL CALL: Kovacs, yes; Horensky, yes; Finke, yes; Willan, yes; Klingel, yes

D. Evans will advise Mr. deBoer of any changes and what action, if any, he feels is necessary.

EXECUTIVE SESSION

A motion was made by Horensky, seconded by Kovacs, to approve Resolution 13-51, Resolution Authorizing Executive Session for a Meeting Not Open to the Public in Accordance With the Provisions of the NJ Open Public Meeting Act, N.J.S.A. 10:4-12 at 11:25 a.m. All were in favor. Mayor Klingel explained the Committee will be discussing personnel matters.

A motion was made by Kovacs, seconded by Horensky, to come out of Executive Session at 11:43 a.m. All were in favor. Mayor Klingel stated the Committee discussed personnel matters. No official action was taken. Copies of these minutes will be available at such time the Committee determines there is no harm to the public interest.

A motion was made by Kovacs, seconded by Horensky, to approve Resolution 13-52, Resolution to Authorize and Approve Salaries and Wages for Certain Employees pending review of the Executive Session minutes of January 15, 2013. Mayor Klingel noted increases of those individuals being reviewed would not exceed 3% per person.

ROLL CALL: Kovacs, yes; Horensky, yes; Finke, no; Willan, yes; Klingel, yes

2013 BUDGET DISCUSSION (continued)

Mr. Finke questioned the reason and percentage increase in the Clerk's salary and wages. K. McCarthy stated the increase is due to the statutory 3% salary increase for the Township Clerk and a salary increase for the Deputy Clerk. Administrative Assistant Sean Brown has been added as well as the position of Website Coordinator for Ann Kilduff. Mr. deBoer stated the Township needs to concentrate on records retention and explained S. Brown's positions to Mr. Finke. Mr. Finke questioned the telephone bill. K. McCarthy stated the Township switched service providers and there were some months where the phone bills were running parallel. There was also a phone charge that was negotiated down as well as IT expenses being included. The Township will start to see a savings in 2013. Mr. Finke questioned the codification charge. The Clerk explained the various fees. Mr. Finke questioned the lack of an increase in Financial Administration due to the CFO going from part-time to full-time. K. McCarthy stated a portion of the Finance salary is being charged to the Borough. A portion of the savings from the retiring police secretary's salary will be used to cover the additional Finance salary as well.

Dave Evans and John Mooney left the meeting at this point.

Mr. Willan questioned the increase in Financial Administration O/E. K. McCarthy explained the number does not include the cost of the 2012 audits. Postage and computer software are also included. The Committee discussed. Mr. Finke questioned the Tax Assessor's salary. Mr. Kovacs explained part of the salary is for the Tax Assessor's assistant. Mr. Finke questioned the Tax Assessor's O/E. K. McCarthy explained there are anticipated legal expenses in reference to the A&P property. Mayor Klingel suggested Mr. Finke meet with K. McCarthy outside of the meeting to discuss each line item in greater detail. Mr. Willan questioned the \$15,000 for the Environmental Commission. Mr. deBoer explained this is for the Port Colden well monitoring. Mr. Horensky suggested moving this to a different line item to avoid confusion. Mr. Willan questioned group health insurance. K. McCarthy explained the three phases of coverage. The Committee discussed.

Mayor Klingel left the meeting at 12:10 p.m., turning the meeting over to Deputy Mayor Horensky.

Deputy Mayor Horensky and Mr. Kovacs discussed the budget planning process with Mr. Willan. Deputy Mayor Horensky spoke about the direction of Washington Township. He suggested developing a mission statement and discussed the benefits with the Committee.

ADJORNMENT

Hearing no further business to come before the Committee, a motion was made by Kovacs, seconded by Finke, to adjourn the meeting at 12:30 p.m. All were in favor.

Respectfully submitted,

Anna C. Godfrey
Township Clerk