

December 19, 2011
Municipal Building
121 Evergreen Road
New Egypt, NJ 08533

The Budget Workshop Meeting was called to order by Mayor Dancer at 7:00 P.M.

STATEMENT: “This meeting is being held in compliance with the Open Public Meetings Act. It was presented for publication to in the Trenton Times and the Asbury Park Press and posted on the bulletin board”.

THOSE OFFICIALS PRESENT WERE:

COMMITTEEMAN TROTTA	COMMITTEEMAN SORCHIK	MAYOR DANCER
COMMITTEEMAN MARINARI	DEPUTY MAYOR LEUTWYLER	CFO MADDEN
MUNICIPAL CLERK HENDRICKSON		

Committeeman Elect Mike Wysong was also in attendance.

Mayor Dancer explained there would be a Budget Workshop Meeting and an Executive Session.

New numbers are being presented tonight that were discussed at the last Budget meeting. Dancer gave a brief overview, as far as the Executive Session Collective Bargaining in regard to the Police Contract will be discussed, there will be some impact to the budget. He continued by saying at the last Budget Workshop anticipated revenues and projected appropriations were estimated, it did not include Police increases in light of interest binding arbitration. Administrative employee salaries are also not included for the restoration of pre-furloughs at this time. CFO Madden will present pre-furlough salaries tonight.

Dancer said since the last Budget Workshop the \$436,000 deficit which did not include any salaries is now \$572,284.02 with salaries. Dancer explained in regard to pensions, there is a reduction in PERS and increase in PFRS amounts. The Township has gotten approval for Tax Refunding Notes. When the Local Finance Board was informed the Township had approximately \$300,000.00 in taxes that were successfully appealed and absorbed the Township was informed to send the Local Finance Board all of their information. It was determined that it was an accurate reflection of Plumsted’s current financial status and the refunding notes, it would be reasonable to give Plumsted Township authorization to sell the Bond notes. Dancer said when the Township did the refunding bond ordinance the Township had requested \$240,000.00. Dancer said the Township has no serial bonded indebtedness the Township has never sold a Bond, but they do have BANS (Bond Anticipation Notes). The \$240,000.00 was reduced to \$218,000.00 and the number that goes to the fund balance stays at \$210,000.00 difference will reduce the \$572,284.02 to \$362,284.02, this is the deficit the Committee is looking at tonight.

Dancer gave a time line of where the Township is in regard to the Budget process and Budget workshop. A Budget workshop will be scheduled in January at that time there will be printouts of what has exactly been budgeted and what the actual amount available at the end 2011.

Mayor Dancer explained municipalities have a two year appropriation cycle, what isn’t spent in one year will go in the next year’s appropriation reserve. At the end of that next year the balance left (cancellation of appropriations reserves) goes into the available surplus, this is used to help balance the budget. Revenues do not have a two year reserve. If there is any excess anticipated revenues it is available at year end. The deadline to file the Annual Financial Statement (AFS) is February 10th, every effort is made to have this done. The Township is given points towards their Best Practice Management to get 100% of State Aid. In 2011 Plumsted got 100% of their State Aid because all State requirements were met.

Dancer reviewed Sheet 19 of the AFS this summarizes excess revenues, cancelled appropriations and the dollar amount available. The AFS is an unaudited document more information will be available after the audit. Shortly after February 10th there will be another Budget Workshop meeting Dancer reviewed the new timeline for introducing the budget. It is anticipated that Plumsted Township’s budget will be introduced at the March 7th meeting.

Mayor Dancer asked CFO June Madden to update the Committee as to where they are today compared to the August 31st Budget Workshop meeting. Dancer said in regard to the budget worksheets, the anticipated amount to be raised by taxation for 2012 is \$1,430,483.39 a straight 2% increase this does not include the 10.3% for the health increase. The “Revenue to Support 2012 Budget” was reviewed. Madden said surplus anticipated will change from \$235,817.00 to \$445,817.00 if the Township is successful in selling the notes. Madden said there would be no

change to Misc. Revenues – Section A, however she is watching some of the dollar amounts. She explained you cannot anticipate any more revenue in the new year than what you received in the previous year. Mike Wysong, newly elected Committeeman asked how fees are set. Mayor Dancer explained a lot of the fees are set by State Statute others are set by the Township. Dancer explained the fees have been reviewed in the last few years. The Township is at the max. Individual mobile homeowners and mobile homes in parks don't pay property taxes, however the parks collect pad fees from mobile homes owners, the parks in turn pays pad fees to the Township according to the size of the trailer as does the individual mobile homeowner. This is to provide emergency services to the parks and individual trailers. Cable Franchise Fees were briefly discussed.

Mayor Dancer informed the Committee that CFO Madden would be contacting the State to inquire if a dedication by rider trust fund could be approved for the police impound site. The trust fund could only be used for certain things, but not salaries and only for the Police Department. Mike Wysong asked if previous years impounds dollar amounts could be anticipated for this year, Madden said you couldn't do that this would be a trust account. Sorchik said there is no way to guarantee the number of impounds.

CFO Madden said the Township has been informed State Aid would remain flat.

Dedicated Uniform Construction Code, Construction Code Official Glenn Riccardi has informed CFO Madden that \$80,000.00 is a good number of what is to be anticipated in 2012 and Roger Fort feels that \$18,000.00 is also a good number to be anticipated in 2012 for Rental/Smoke Detector Inspections.

The School Resource Officer amount will change to \$22,620.00. The School has been given a revised bill and has been informed it is subject to further revision depending on Police negotiations.

Mayor Dancer said unless the Committee has a problem with anything new sheets will be given out to reflect the changes that are discussed at this meeting.

Madden said she has put in the revenue amounts of the Grants that she has received notification on. The others are still outstanding at the time of introduction of the budget the CFO has to certify that the Township has been notified of the amount of anticipated Grants if they aren't they cannot be included. Once the Grants come in the Township can do what is referred to as a Chapter 159.

In regard to Receipts from Delinquent Taxes Madden has put in the same amount as 2011 until the Annual Financial Statement is completed. Dancer read from N.J.S.A. 40A:4-40.1. (Deduction of Reserve for Uncollected Taxes), Dancer said he believes the Township will qualify for this. He went on to say that the Reserve for Uncollected Taxes is a non-spending appropriation, it guarantees a 100% to the school, the County and Fire District. If there is a good tax sale on the 20th the receipts for uncollected taxes should be about the same.

CFO Madden reviewed Appropriations and explained the line items. In regard to the Municipal Clerk's Office salary and wage line item will increase to \$96,450 since furlough days will no longer be in effect, this includes money for a clerk typist. Dancer said that he hopes that both Dorothy (Hendrickson), himself and Nancy (Hendrickson) would be here forever. However there is a possibility they won't be here forever. Dancer went on to say that the \$5,000 is a very good investment to train a temp/substitute to prepare for the future. Wysong asked what was included in other expenses. Not knowing where police negotiations will come in or where State Aid numbers come in for budgeting purposes the Levy Cap Referendum Costs are included with the Clerk's line items. The Clerk reduced her budget from \$25,650.00 to \$23,950.00, the referendum was reduced to \$4,400.00, the referendum expenses are shared with the school.

Financial Administration salaries were reduced CFO Madden has reduced her hours to two days a week instead of three, salaries and wages are now \$73,200.00, operating expenses have been reduced down to \$10,000.00. Collection of Taxes salaries have increased because furlough days are gone, other expenses have been reduced by \$50.00. Dancer explained the Township implements a \$0 based budgeting and further explained each O&E line item must have a justification if there is an increase it has to be provided to the CFO.

Assessment of Taxes salary and wages stay the same, O&E has been increased by \$50. for subscriptions plus some new office equipment. Legal and Engineering is the same. Main Street salary and wage is up \$100. SOS, Land Use Board, Zoning Officer, Uniform Construction remains the same. Code Enforcement is covered under either the Police or Zoning Officer. Mobile Home Inspections remains the same, Rental Housing Inspections is increased to cover Joan Gruca's salary. Other Insurance remains the same at \$15,000.00, General Liability is now

\$56,303.15, Worker's Compensation is now \$75,713.35. Mayor Dancer explained the Township receives reports from the JIF and the MEL and has noticed that in the Township reports, the fire districts incidents are being reported on the Township's reports. The Township pays for the volunteer first aiders workmen's comp. Dancer explained the Fire District can go under the Townships insurance to save money, however, they should be paying for their share of workers comp. The Township is currently paying for the Fire District and BLS workers comp. The Township is working on getting this straightened out. Madden explained if the Township Committee members take the Employee Practices Liability training, there will be a reduction in the premiums, it also recommended that at least one commanding officer of Police Department does this training. It is also mandatory for supervisory and managerial employees.

Health Insurance amount for a total of \$330,500, this year it is all inside CAP. Madden cautioned the Committee this represents no change in coverage for any employee. Dancer explained in the event there needs more money put into an account transfers can be done in November. Dancer explained the Township's health waiver policy, this is spelled out in the ordinance. Unemployment/disability will increase \$500 to \$8,500.

The Public Safety Director's salary will remain \$1.00. Crossing Guard salary will remain the same. Emergency Management's O & E will increase \$250.00 going to \$4,050. The increase will be for a new computer. The First Aid contribution is being moved outside the CAP, Dancer explained the First Aid is now receiving their operating expenses from the Fire District. It was suggested since the Township owns the First Aid building the Township is responsible for various capital expenditures.

Road Repair Maintenance will remain at \$90,000.00 and it is hoped there will be no snow this year. Mayor Dancer said one of the great cost savers that the Township has had is not having a public works department. Plumsted is the only municipality in Ocean County that has this. The new Ocean County Road Department Supervisor is working with the Township better than the previous supervisor. Sanitation there is a savings of \$20,000.00 due to changes. Deputy Mayor Leutwyler added that the Township is working closely with the School for sharing equipment and services.

Recycling – Operating Expenses will go from \$4,000 to \$3,200, Salaries and Wages will go down to \$5,000.00. Sanitary Landfill will stay at \$950.00 Dancer explained the Township's landfill was closed prior to the 1982 Landfill Closure Act. The only requirement the Township has is fairly minor, there are monitoring wells. During inspections it may be recommended that the Township may need to repair fences or replace signs, this amount would cover these expenses.

Public Building and Grounds Salaries and Wages can be reduced by \$4,000.00. Dancer said going to the two part-time people in this department is one of the best moves the Township has made. O & E stays the same, Demolition will remain in the event something comes up and it is needed. Board of Health other expenses will be reduced to \$5,000 this helps to fund the Dog Trust Fund. Soil Water Testing will remain the same.

Environmental Commission was reduced last year, Bill Lewis, Chairman thought that was a mistake. Lewis informed Madden that the Commission needs new marketing materials Lewis is asking to go back to the \$1,650.00 instead of the \$1,100. proposed for this year. Madden explained to Lewis that he could use some of the Clean Communities Grant money. Dancer suggested that Madden explain to Lewis that he could use the Clean Communities money, Madden cautioned how this money can be used. Money from the Dedicated Trust Fund for Natural Lands could also be used.

Hepatitis B. Immunization remains the same. Public Assistance – Catholic Charities remains the same. Generally the amount requested is exceeded. CFO Madden will inform the Catholic Charities there is no more money in the line item once it gets to a point when there is no money. Relocation costs remain the same.

Council for the Arts is requesting \$1,500 for salaries and wages however, they did not exceed the \$1,250 that was requested for 2011. Committeeman Trotta informed the Committee that it was the intent of the Council to open the gallery every week for art exhibits but it hasn't been opened at all. Salaries and wages will remain the same. O & E will remain the same.

Recreation Department: No budgets have been submitted. Deputy Mayor Leutwyler will inform the Rec Chairman that no budgets were submitted. Ballfield lighting was briefly discussed. Celebration of Public Events and Public Employees remains the same. This covers the sick time buy-back program.

There was a brief discussion on civil service and non-civil service municipalities.

Municipal Utilities Authority Other Expenses will be removed. The MUA through their solid waste recycling program is generating enough revenue they no longer need to be subsidized by the Township.

Utilities will remain the same. A new heating system has been installed at 31 Main Street. CFO Madden asked that Contingent be raised \$2,000 from \$1,000 to defray costs such as police car repairs.

Statutory Expenditures: PFRS is an exact amount with an increase of \$28,033.00, PERS has a decrease of \$17,706.00. CFO Madden briefly reviewed the DCRP, the laborers will be going into this program in 2013.

CFO Madden said she had lowered the Municipal Court Budget by \$150, but due to changes in the court personnel is isn't sure where that budget is going. Mayor Dancer said to bring the Committee up to date the Municipal Court hiring process is over seen by the Administrative Offices of the Court (AOC). There is a court rule that the assignment Judge is required to be very much involved in the interviewing and hiring process of the Court Administrator. The AOC did the advertising for the Court Administrator position on their Judiciary website. Interviews will be conducted this week for the Court Administrator position. The committee will get a report on the final recommendations from the AOC and the committee will make the final decision on who is appointed. It was recommended to leave the budgeted amount where it is until after the appointment is made. Madden said the Public Defender amount will remain the same, there is a trust fund set up for public defender, defendants pay a small amount to pay the Public Defender. The Judge sets the amount paid.

CFO Madden said at this time in budgeting process it doesn't appear the Township will have to do a special Ordinance to go over the CAP.

Uniform Construction: Madden said she looked at this budget and was able to reduce it to \$50,000.00, O&E stays the same. The Recycling Tax will be removed since it is no longer needed.

Interlocal Services Agreement with the School Board – the School Resource Officer salary has been increased from \$20,000.00 to \$22,620.00; Courtesy Busing remains the same, Mayor Dancer recommended that the payment to the school be put on the Reorganization Meeting Bill List. The Committee was in agreement. Group Health Insurance goes into the Fund CAP; Local Matching Funds for Grants stays at \$2,000.00. It is anticipated that the Township will receive the Municipal Alliance Drug Awareness and Safe & Secure Grants so they have been added to the budget. Fire Services remains the same. The other grants listed will come in after the introduction and adoption of the budget and will be inserted into the Budget as Chapter 159's.

CFO Madden said to remove Debt Service because it has changed and will be reflected in the next budget worksheets. Madden went on to say last year there was \$165,000 this year it is going to be \$297,218.00. The Downtown Business Loan will end at the end of this year. Dancer further explained debt service. Madden finished reviewing Debt Service projections.

Deferred Charges: Madden reviewed Special Emergency Authorizations, there is one year left on the Preservation Plan/Stormwater.

Reserve for Uncollected Taxes: Will be about the same.

Capital Improvements: \$10,000.00 will be added in 2012 for repairs to the First Aid Building and \$35,000.00 for a 4WD police vehicle.

CFO Madden reviewed the Trust Fund revenues and appropriations.

Mayor Dancer asked for public comments.

Resident Patty Wysong commented on the frequent absence of the School Resource Officer at the school. Committeeman Sorchik said that it was his understanding that the SRO isn't always there, the SRO is the second person on in the event of emergencies. Mayor Dancer said the commitment to the school is both entities paying 50% of the SRO, if he isn't there, there may need to be an adjustment in the amount of money the school contributes. Sorchik said the school is well aware of what is happening. Sorchik went on to say the Police Department gets over 700 calls a month and they have to be answered. Sorchik said last year the Township asked for additional police officers and the voters turned it down. On many calls two officers must respond, example, domestic violence. Committeeman Sorchik commented that when the anti-bullying law went into effect 83 issues were reported that week. Deputy Mayor Leutwyler said

anything that is said by a child has to be reported or the teacher is liable. Dancer asked if a municipality doesn't have a SRO and there are complaints who handles the anti-bullying complaint. Dancer said he was curious as to what happens, is there a requirement to report this to the police and have them do an investigation. Sorchik said it has to be documented and reported, whether or not the school does it and hands it over to a police department, they do not have the power under the State law to deal with it.

Dancer asked Ms. Wysong if she had any other questions. Wysong commented on the First Aid going out on out of town calls. Mayor Dancer explained that the Township Committee is not involved with the Basic Life Support, it is now under the Fire District. He further explained it was his understanding other municipalities had been giving contributions but due to financial situations, this has stopped. The Fire District discussed billing the insurance of the patients they responded to in other municipalities. For Township residents, the Fire District takes what the insurance company pays there is no balance to Plumsted residents. Mayor Dancer said to specifically answer Wysong's question, there is no Shared Service Agreement between the Township, the First Aid and/or the Fire District that is strictly under the Fire District. Dancer explained the Township does not give the Fire District anything. Deputy Mayor Leutwyler explained the Township does collect the Fire District taxes and turns it over to the District but the Township does not have control over the rate.

Luisa Erich-Carr questioned salary increases. Mayor Dancer explained with the return of the furlough days this line item will increase over all to reinstate FICA, Social Security, etc. Ms. Erich-Carr said this meeting was very educational.

ON MOTION OF COMMITTEEMAN SORCHIK, SECONDED BY COMMITTEEMAN TROTTA, RESOLUTION NO. 2011-299, A RESOLUTION OF THE TOWNSHIP OF PLUMSTED, COUNTY OF OCEAN, STATE OF NEW JERSEY AUTHORIZING THE CONVENING OF AN EXECUTIVE SESSION IN ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT. ROLL CALL VOTE: ALL AYES.

The Committee adjourned from Executive Session and returned to open session.

There was no further business from the Committee.

There were no comments from the public.

ON MOTION OF COMMITTEEMAN TROTTA, SECONDED BY COMMITTEEMAN SORCHIK, THE MEETING WAS ADJOURNED. ROLL CALL VOTE: ALL AYES.

Respectfully submitted,

Dorothy J. Hendrickson, RMC
Municipal Clerk