

**MAYOR AND COUNCIL
SPECIAL MEETING
February 7, 2012
7:00 P.M.**

MAYOR'S STATEMENT AS TO COMPLIANCE WITH P.L. 1975

Adequate Notice of this Meeting has been provided according to the Open Public Meetings Act, Assembly Bill 1030. Notice of this Meeting was sent to the NJ Herald and the Daily Record on January 26, 2012 and placed on the Official Bulletin Board in the Municipal Building.

In the event the Mayor and Council have not addressed all items on this Agenda by 11:00 PM and they are of the opinion that they cannot complete the Agenda in a reasonable time period, the Mayor and Council may exercise their option to continue this meeting at an agreed to date, time and place within ten (10) days of this meeting. Please turn off all cell phones for the duration of this Meeting.

ROLL CALL

Council Members:

Councilwoman Kuncken - present
Councilman Depew - present
Councilwoman Thistleton – present

Councilman Murphy – present
Councilman Graham - present
Councilman Benson - present

Mayor Maio – present

COUNCIL DISCUSSION

2012 Municipal Budget

Mayor Maio stated the purpose of this meeting is to begin discussions on the 2012 Municipal Budget which will be reviewed line item by line item for each department. Mayor Maio invited Dana Mooney, CFO to begin the review of the proposed budget.

3-1 General Administration – No Changes

3-2 Mayor and Council

The CFO stated that the Senior Citizen Group requested \$4,000 this year due to an increase in membership. After some discussion the Governing Body made the decision to keep the budget at \$3,000. The Senior Citizen's last report indicated a balance of \$7,200. The dues are \$10 per year, lunches are subsidized and there are plans to hold fund raisers.

Newsletter Funding – Mayor Maio asked if the newsletter could be moved to Clean Communities and the Recycling Grant. The newsletter, which is printed quarterly, can be included in Clean Communities or the Recycling Grant as long as recycling information is included in the publication. Administrator McNeilly reported that \$5,000 was used from Clean Communities for brush clean-up which will be reimbursed 75% from FEMA. The cost for the drain system caps is also included in the Clean Communities budget. The cost for the caps is approximately \$3,000. The newsletter will remain under Mayor and Council but the CFO will investigate further.

Memorial Day - The CFO stated that a correction was made under Memorial Day from \$30 to \$300. The total for that section is actually \$11,923 after revising the Senior Citizen amount to \$3,000 instead of \$4,000.

Pole Banners – Mayor Maio stated that additional pole banners need to be ordered. The CFO indicated that originally the pole banners were under the line item of Celebration of Public Events. Pole Banners will remain under that heading.

3-3 Municipal Clerk – No Changes

4-1 Finance - Mayor Maio requested that quotes be obtained from other payroll services. Currently the Borough is contracted with R&L. The CFO and Administrator stated that they are satisfied with the service that R&L provides.

Salaries – Much discussion took place regarding obtaining a Certified Purchasing Agent. The Mayor and Council determined that a Certified Purchasing Agent is not a necessary position at this time. The cost for the course is \$1,095. That expense has been removed from the Financial Education budget.

4-2 Computer Services – The CFO stated that a new printer is needed for the Finance Department that can hold purchase orders and regular paper. It is also used to print checks. Three people share this printer.

The estimate for the HP Laser Jet with the extra drawer is \$400. Mayor Maio asked if this item could be put under the Cablevision Grant. Councilman Murphy asked when negotiations will begin with Cablevision. Mayor Maio stated that preliminary discussion has taken place. The term expires in 2013. The amount of funding that Stanhope received previously was due to a clerical error and that amount will not be available this time. Preliminary talks for renewal of this grant indicate that the amount will be \$10,000. If the Borough agrees to contract for a 10 year period the amount could be \$15,000. The Cablevision Grant currently has a balance of \$1,709. The \$400 will be moved to the Cablevision Grant. The new total for the Computer Services will be \$12,000. The CFO stated that Municipal Software's proposal is exactly the same as last year. Mayor Maio stated the cost to purchase a secure wireless router is \$250. Councilman Benson asked if there is special antivirus software being used for the building. The CFO reported that the Police Department has a more secure program. The municipal building has a licensed antivirus program as well.

4-4 Tax Assessment – The CFO indicated there is a new maintenance charge for software. Administrator McNeilly reported that there is a cost for the software used to transfer deeds which is being charged to all of the municipalities. Councilman Graham asked if Tax Map updates are being done. The Borough has budgeted for this item for the past few years but there seems to be no activity. Councilman Graham asked the CFO to see if the Tax Map budget item is necessary.

4-3 Tax Collector – The CFO stated that the costs associated with the Homestead Rebates are reimbursed. The reimbursement amount is based on a set charge per the number of items. The Borough is not reimbursed on the actual costs. The finance committee has been told that there may be another rebate this year. The rebates cause confusion to the residents that receive them; additional mailings are required along with adding to the work load. \$100 has been budgeted to cover some of the cost.

5-1 Legal Services – The CFO stated that a change was made for litigation. The amount is \$20,000. The labor attorney is \$14,000 for a total budget of \$84,000. Mayor Maio stated there are 2 contracts and a potential litigation matter. Mayor Maio inquired about the costs to hire an engineer for the water tower project and where that should be allocated. The CFO stated that it would be budgeted under Water and Sewer. Councilman Graham asked why there is \$4,000 for COAH. The CFO reported that several bills have been received from Mr. Stein regarding COAH. Mayor Maio instructed the CFO to review the bills and contact Mr. Stein regarding COAH. This item will be revisited.

6-1 Land Use Board – The CFO indicated that there is a line item in this budget for Affordable Housing/COAH Planning. Councilman Graham stated there is still potential work to be done that runs in with the Highlands. There are two modules that make the Borough still eligible for grants. The money has to be included in the budget to cover the costs even though it is being brought in as a grant. After discussion it was determined that this issue falls under Code Enforcement not COAH. A determination was made that no funds needed to be budgeted for COAH. The \$5,000 was taken away from that line item. Mayor Maio stated that the Land Use Board spent \$2,800 last year and questioned why the budget continues to be set at \$7,675. Councilwoman Kuncken is of the opinion that the budget has just remained the same from year to year. The CFO stated the GRAMCO recorder appears under the title of Contracts, Permits, and Licenses. The \$463 is the GRAMCO contract but to make it clearer the title will be changed. Administrator McNeilly asked for clarification on the line item for money expended for attorneys and other professionals. This line item is for time spent for Land Use Board business that is not attached to a specific application. All other costs are covered by escrow. Councilman Graham stated that the last two years have been slow. Even if activity for the Land Use Board increases, spending more than \$5,000 does not seem plausible. Councilwoman Kuncken stated an increase in activity would be covered by escrow. Councilman Murphy asked if the Borough was currently involved with any phase of the Master Plan. Mayor Maio replied that the Master Plan does not need to be addressed for three years. Mayor Maio asked that the Land Use Board be instructed to reduce their budget to \$5,000.

Regional Planning Board - Administrator McNeilly asked if the Regional Planning Board request was acceptable. Councilman Murphy stated that the Regional Planning Board is a good investment to the community. Mayor Maio stated that the lake looks better than it has in a very long time. All of the harvesting last year was done by volunteers and all of the money went into chemicals for the weed control. Councilman Murphy stated that the weeds will be an issue again this year due to the mild winter. Council agreed to the budget request.

6-2 Construction Official – The CFO stated that the Construction Official has submitted the same budget request as last year for \$1,000. Mayor Maio asked how the salaries for the subcode officials for fire, plumbing and electric are determined and do the salaries automatically go up every year. The CFO stated that the salaries only increase if approval is given. Administrator McNeilly stated as an employee there is a place holder of 1 ½%. Mayor Maio stated that the Construction Official has a plumbing license. This issue will be revisited.

6.3 Zoning Officer – The CFO stated that this year’s budget request is the same as last year. Councilman Graham asked if there were any line items with regard to COAH which affect the Zoning Officer’s other position as Municipal Housing Liaison. The CFO stated that the previous COAH amounts that were removed do not affect this department.

7-1 Insurance – Morris County Joint Insurance Fund (JIF) increased this year. There are several workmen’s comp cases and other liability type cases. This is a residual fund that runs a few years behind similar to PERS or PFRS. Administrator McNeilly stated that the Borough is in an enrolling window catching years past and current problems. This fund has a drag over of 3 years. Workman’s comp and damage to physical assets are both issues now. Mayor Maio stated that a few years back the Borough had embarked on safety training programs such as driving and use of equipment. Administrator McNeilly has spoken with Wayne Dietz about getting the safety committee back and formalized this year. Councilwoman Kuncken asked Administrator McNeilly to contact Mr. Dietz and schedule more training. Mayor Maio stated last year several of the council members attended a presentation in Hopatcong that dealt mainly with safety issues for DPW. Administrator McNeilly has spoken with Frank Wolpert in Mt. Olive and they are going to coordinate the scheduling of classes. Mayor Maio and the Council want the employees to know that the Governing Body is concerned for their safety. The CFO reported that all of the JIF classes are free.

The CFO stated that Employee Group Health had an overall increase. Full implementation of the 1 ½% of salaries are coming back into the Borough. Employee Group Health Insurance is actually down \$5,000 because more money is coming back from the employees. Councilwoman Kuncken asked where they are with the ratio of 1.5 and the percentages. The CFO stated that a spreadsheet has been created for every employee. Any employee in a contract as of June 28th does not go into effect at this time. This includes the Police Department and DPW. Over the 4 year phasing period employees are going to be on different levels. Every employee’s information has to be calculated individually and the figures are dependent on what the health care costs are. The figures for next year cannot be predicted without knowing what the costs for health care will be. The \$270,000 is slightly rounded up because a new employee needs to be hired and it is unknown at this time what type of insurance he/she will choose. Mayor Maio asked why there is an increase of \$40,000 from what was actually expended in 2011 of \$230,000. The CFO reported that some of it is due to reimbursements, last year’s budget was done without the knowledge that the plan was going to change and there were several changes in personnel last year.

8-1 Police Department – The CFO reported that this year the Safe and Secure Grant amount has decreased significantly to \$20,956 from \$30,000. Councilman Benson asked if there would be a change seen in non-court overtime costs due to absences, doubling up on shifts or vacations. Administrator McNeilly stated that last year two officers were out for a period of time. Administrator McNeilly reported that Chief Pittigher is of the opinion that \$50,000 is a sufficient amount. The Police Department is approximately 28% of the overall budget.

8-3 Police Dispatch, Emergency Management & Contributions– The CFO stated that 5% has been added to Emergency Management at this time due to the fact that a contract has not been received to date. Administrator McNeilly stated that the contract should be finalized this month and the increase is approximately \$48.00. Councilman Benson asked if any changes are required for the contribution to the Ambulance Squad. Councilwoman Kuncken asked what the cost would be to add the Ambulance Squad to the “I Am Responding” program. The CFO stated that the cost for the Fire Department was \$350.00. Councilman Murphy is of the opinion that the budget should be increased by a few thousand dollars overall in addition to the amount needed for the “I Am Responding” program. The Governing Body decided that, if the numbers allow, the Ambulance Squad will be increased by \$2,500. At the next Public Safety Meeting Councilwoman Kuncken will speak with the Ambulance Squad to determine if they are interested in the new program.

8-4 Fire Department – Councilman Murphy suggested moving on to the next item and revisiting the Fire Department budget which is a more time consuming issue. Administrator McNeilly has met with Chief Card. Mayor Maio asked Administrator McNeill to inform Chief Card that the budget numbers need to be finalized before the next budget meeting. Administrator McNeilly asked what the Governing Body’s decision is with regard to the installation dinner. Mayor Maio stated that this was an issue last year. The Borough donated \$2,500 to the dinner and in turn the Fire Department was inviting the Governing Body, employees and spouses at no cost. Mayor Maio is of the opinion that the taxpayers should not be funding this event. The CFO stated that the cost of the dinner this year has been reduced. After a lengthy discussion, the Governing Body concluded that the line item of \$2,500 for the installation dinner will remain for this year. The issue will be revisited in a month to determine what course of action to take for next year.

9-1 Road Maintenance: S&W – The CFO stated that with the exception of Bill Storms everyone is budgeted according to contract. Councilman Graham stated that despite the storms that the Borough was confronted with the overtime hours were held to a minimum. Councilman Murphy commended the DPW for their time management.

9-2 Road Maintenance: OE – The CFO stated that no increase is needed for this budget. There is a re-adjustment across the board.

9-3 Solid Waste - 9-3b - The CFO explained the calculations used to arrive at the current figures.

Mayor Maio stated that the solid waste budget brings up two issues that need to be considered. The potential for creating a solid waste utility exists. The CFO stated that Ray Sarinelli explained that the seed costs would need to be allocated into the budget now for the start-up costs for a solid waste utility. All the costs for managing the utility need to be included in the initial set up. Currently those amounts are not included in the budget. Bills will be incurred the first month, someone will need to be in charge of the utility, costs of the hauler, cost of bills, envelopes and postage all need to be considered. Mayor Maio asked if the amount total comes to \$80,000 for seed costs. Mayor Maio stated that a decision has not been made to form a utility. If the decision is made to start this year it would not happen prior to July 1st. Councilman Murphy asked how the condominiums would be affected if a solid waste utility is created. Mayor Maio asked how this would affect the Kelly Act. Mayor Maio stated the second issue is how bulk pick up is handled. Councilwoman Kuncken suggested that the purchase of stickers be required for more items. Administrator McNeilly stated that stickers are currently required for white goods, tires, electronics and air conditioners. These are all categories that the garbage hauler currently does not provide. The other items the hauler will pick up. Adding more items to the sticker program would require the hauler to only pick up items with stickers.

Councilman Graham is of the opinion that the last quarter will not go as high as the CFO budgeted for. If no funding is received from the State and no surplus funding is allowed to be used from the capping, the number will be \$126. The State has said that no money will be funded. The fee is then estimated to go to \$109. This item was put on hold pending the outcome of the Sussex County League of Municipality meeting. Mayor Maio stated that information needs to be gathered from other townships as to how bulk pick up is handled. Councilman Murphy is of the opinion that seed money should be built into this budget. It is going to take a year to determine what direction the Borough should take and if the decision is made to create the utility the funding needs to be available. Councilman Graham asked what happens to the seed money once it is replenished. Can the surplus be moved out of the utility budget. The CFO stated that once the utility is created and it creates a surplus, that surplus amount can be anticipated and brought back into the current fund as revenue.

9-4 Buildings & Grounds – The CFO stated there were charges under groundskeeper. The amount of \$95.66 for chipper expenses was under Clean Communities however this is not allowed under Clean Communities. There is a Family Fun Day charge of \$689.76 in double time overtime for the DPW employees. The CFO stated that a provision needs to be made for these items because the DPW budget should not be charged for items that do not pertain to the department. In addition there was a charge of \$231.06 for the 911 Rededication and \$80.44 for the tree lighting. Because these are payroll items they could not be charged to the individual events. Councilman Murphy asked where the costs for Stanhope Day were charged. The CFO will check on the charge for Stanhope Day. The CFO requested that the costs for these activities be budgeted. Mayor Maio requested the category be listed as Buildings & Grounds Special Events instead of Groundskeeper. The CFO will put \$1,000 into this line item.

The CFO made a correction to storm related items. The amounts charged for 2011 were \$1,705.92. The budget figure stays at \$16,500 for this year.

10-1 Shade Tree – No changes

10-2 Vehicle Maintenance - No changes

10-3 Board of Health – No changes. The CFO estimated the amount of the Animal Control Contract because the contract has not been received to date.

11-1 Recreation - The CFO stated that the line item for Recreation Counselors was moved into the Summer Program. The original amount for the Summer Program was \$2,300 which has now been changed to \$3,700. Mayor Maio stated that if the Borough goes forward with the proposed summer program the entire salary and wages would be moved to the summer program. The payroll is currently paid from the registrations for the program.

Mayor Maio scheduled another budget meeting for Tuesday, February 21, 2012, at 7:00 P.M. The meeting will begin with the review of 11-2 Celebration of Public Events.

NEW BUSINESS

RESOLUTIONS

Mayor Maio offered the following resolution which was read by title:

Resolution 054-12

**RESOLUTION ESTABLISHING DONATED LEAVE
POLICY FOR STANHOPE BOROUGH EMPLOYEES**

WHEREAS, the State of New Jersey has adopted a program entitled “Donated Leave Program” pursuant to the provisions of N.J.A.C. 4A:6-1.22, which allows any employee to donate unused sick and vacation time to any other employee who has exhausted all of their accrued sick, vacation and administrative leave time and either suffers from a catastrophic health condition or is needed to provide care to a member of the employee’s immediate family who is suffering from a catastrophic health condition; and

WHEREAS, State law allows the Borough to adopt a similar policy for Borough Employees; and

WHEREAS, the Borough wishes to adopt a Donated Leave Policy for Borough employees by adopting a policy to be part of the Borough Employee Handbook; and

WHEREAS, a written Donated Leave Policy has been prepared and is attached to this Resolution.

NOW, THEREFORE, be it resolved by the Mayor and Council of the Borough of Stanhope as follows:

1. The Borough hereby adopts the attached Donated Leave Policy.
2. The Donated Leave Policy shall be incorporated into the Borough Employee Handbook.
3. The Borough shall review the attached Donated Leave Policy with all Borough bargaining units prior to its implementation.
4. The Donated Leave Policy shall be submitted to the Commission of the Department of Personnel, not less than thirty (30) days before its planned implementation. The proposal shall include a summary of consultations with affected negotiations representatives and shall specify that the Borough Administrator shall be the Donated Leave Program Administrator for the Borough. The Donated Leave Policy shall not take effect until approval by the Commissioner or thirty (30) days from submission to the Commissioner, whichever shall occur first.
5. The Borough shall retain all records concerning implementation of the approved Donated Leave Policy, subject to department of personnel audit.
6. The Borough may suspend or terminate the Donated Leave Policy at any time upon thirty (30) days advance written notice of such suspension or termination to the Commissioner and all affected employees and employee bargaining units.
7. This Policy shall automatically terminate on December 31, 2012, unless otherwise acted upon by the Governing Body prior to said date.

On motion by Councilwoman Kuncken, seconded by Councilman Graham and carried by the following unanimous roll call vote the foregoing resolution was duly adopted.

Administrator McNeilly stated he met with both of the bargaining collectives as directed by Mr. Stein. Both parties were apprised of the policy, they received copies of the policy, minutes of the meeting were kept which were signed by Administrator McNeilly and the bargaining collectives, all parties received copies of the minutes and the Clerk has a packet to send to the Secretary of the State. Councilman Murphy asked if the procedure has been put in place to return any unused days back to those that had donated. Councilman Graham asked if item 7 was allowed. Administrator McNeilly stated that Mr. Stein has approved the resolution as it is written.

Councilwoman Thistleton asked if the other issue that was discussed had been answered. The Clerk stated that the copy Mayor Maio was referring to was the original and that it had been amended in June 2010.

Seeing no one further from the public wishing to speak, Mayor Maio closed the public portion of the meeting.

Roll Call:

Councilwoman Kuncken - yes	Councilman Murphy – yes
Councilman Depew -yes	Councilman Graham - yes
Councilwoman Thistleton – yes	Councilman Benson – yes

OPEN TO THE PUBLIC

Mayor Maio opened the meeting to the public after advising attendees that there is a five (5) minute time limit for each speaker.

Seeing no one from the public wishing to speak, Mayor Maio closed the public portion of the meeting.

ADJOURNMENT

On a motion by Councilman Depew, seconded by Councilwoman Kuncken, and unanimously carried by voice vote the meeting was adjourned at 9:20 P.M.

Approved:

Linda Chirip,
Deputy Clerk for
Ellen Horak, RMC
Borough Clerk