

**MAYOR AND COUNCIL
SPECIAL MEETING
February 19, 2013
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 February 13, 2013 and was 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 Thornton - present
Councilwoman Kuncken - present
Councilman Depew – present

Councilwoman Thistleton – present
Councilman Graham - present
Councilman Benson - present

Mayor Maio – present

COUNCIL DISCUSSION

2013 Municipal Budget

Mayor Maio stated the purpose of this meeting is to discuss the 2013 Municipal Budget. Mayor Maio invited Dana Mooney, CFO to begin the review of the proposed budget.

Ms. Mooney stated that she has reviewed the payroll, health benefits and has reduced the amount in the current fund budget by \$17,000.

8-1 Police Department – The salary percentages have been calculated at 1.75%. The secretary's salary has been calculated at 1.75% but this percentage is still to be determined. Court overtime will remain the same.

8-2 Police Expenditures – Mayor Maio stated that the Public Safety Committee met with Chief Pittigher and reviewed several issues. Last year there was an increase due to extraordinary expenses for radio repair and extra locks but the expenses for this year have been brought back down.

Line 29 (Public Relations) provides the funds for the GREAT Program for Stanhope School.

Line 32 (Uniform Allowance) was decreased from \$14,850 to \$14,400, a decrease of \$450.

Line 85 (Vehicle Lease/Purchase) A lengthy discussion took place regarding the leasing of two new vehicles for the Police Department which will most likely be Ford Taurus' AWD and fully equipped. Most of the equipment in the current vehicles will not fit onto the new cars such as the cage and light bars. A special rack is needed for the rifle which can no longer be stored in the trunk. The vehicles that were purchased in the past are no longer available. In addition to these two vehicles, the detective car and the Durango SUV will need to be replaced soon. The 2005 Durango suffered an engine failure two weeks ago after the Public Safety meeting. If the AWD vehicles perform well in the winter, perhaps the Durango can be eliminated. But there is concern that the AWD may not work off road, in deep snow or on the paths near the school. The lease cost for the two vehicles is budgeted at \$26,000 which includes all of the new equipment that has to be purchased or moved from the existing vehicles to the new ones. Ms. Mooney provided a spreadsheet with the figures that were provided to her by Ford which total \$8,767 per vehicle. Mayor Maio is of the opinion that leasing is not the best practice at this time and asked if paying \$18,000 outright from the operating fund was an option. If the vehicles are purchased through the co-op, they only provide the vehicles that are available. The choice of color is not even an option. The State contract costs and the co-op costs are similar. Another option that was suggested would be to lease the car and then buy the equipment outright. The costs to equip the vehicles are unknown at this time.

Councilman Graham asked Administrator McNeilly for his opinion. Administrator McNeilly stated in his opinion the Borough should go ahead with the full package lease with the buy back at the end of three years which would be at a cost of \$1. The Governing Body agreed that purchasing one vehicle outright might be an option but not two. The AWD vehicle is \$1,000 more than leasing/purchasing the FWD option. The detective's car in the past was purchased as capital. That vehicle is now approximately 12 years old.

Line 85 (Vehicle Lease/Purchase) was decreased from \$26,000 to \$24,430 per year for 3 years, a decrease of \$1,570. The rotation schedule for the vehicles is two vehicles every three years. Mayor Maio polled the Council to determine if they were in favor of leasing the vehicles and equipment. The results of the poll are as follows: Councilwoman Kuncken –yes, Councilman Graham - yes, Councilman Depew - yes, Councilman Benson - yes, Councilman Thornton – yes, Councilwoman Thistleton – yes. This portion of the Police Department budget total has changed from \$61,000 to \$58,980, a decrease of \$2,020. However this is still more than last year's budget. Mayor Maio stated that additional information is needed regarding professional training. This budget may need to be revisited.

8-4 Police Dispatch & 911 Services / Emergency Management / Contribution to First Aid – No changes were made to these line items.

8-10 Fire Department – The Public Safety Commission met with Chief Card and is waiting for revisions. The Fire Department was asked to decrease their budget by \$3,450 in order to stay at 2%. The Public Safety Commission will contact Chief Card to check the availability of meeting on Monday, February 25th.

9-1 DPW – The salaries have been calculated at 1.75%. The overtime is budgeted at \$30,000. In the past four years this amount has not been necessary. During the Infrastructure Committee meeting Bill Storms had indicated that this line item could be reduced. Ms. Mooney stated there is a reserve in the event that the Borough runs into a problem and if there is a water main break the needed funds would come from the water budget. Line 12 (Road Maintenance – Overtime) has been changed from \$30,000 to \$25,000, a decrease of \$5,000.

9-2 Road Maintenance – A discussion took place regarding trees. Rusty Peterson charges the same rates as the co-op, even though he is not in co-op. The FEMA money that is reimbursed at 75% goes into the general fund and does not affect the budget. The rate for tree removal is \$1,200 per tree. There is \$5,000 budgeted for removal but if there are more than 3-4 trees to be removed this could pose a problem.

Line 29 (Tools & Equipment) was changed from \$500 to \$400, a decrease of \$100. Mayor Maio stated that a request was made for the DPW to provide a breakout for lines 21, 24 and 27.

Line 32 (Road Salt) The salt usage for this year has been high already. In December the DPW was using salt left over from 2011. The Borough has already had its' second delivery of 200 tons of salt. The dustings are using a lot of the supply. The Governing Body agreed that it may be time to look into the use of brine.

Line 35 (Oil, Antifreeze, Fluids) was increased from \$200 to \$500, an increase of \$300.

Line 45 (Equipment Repair) The issue of equipment repairs was discussed. Administrator McNeilly stated that the DPW is often able to make the repairs to the equipment in house. In those instances the only cost is for the parts that are needed. Line item 45 has been budgeted \$5,000 and the Governing Body agreed on this amount. There is additional equipment repair budgeted in water and sewer and buildings and grounds. The DPW budget has an increase of \$200 overall but this was acceptable.

9-5 Solid Waste – Line 26 (Recycling) This line item will remain at \$67,860. The Borough is going out to bid for the new recycling contract and will be changing over to single stream.

Line 25 (Garbage Contract) This line item will most likely increase. The Borough is going out to bid for the new garbage collection contract. Administrator McNeilly will check with the neighboring towns that have recently renewed their contracts to compare costs for estimation purposes.

Line 32 (Commercial Reimbursements) Line item 32 was reduced from \$5,000 to \$2,500, a decrease of \$2,500.

9-8 Buildings and Grounds – Ms. Mooney confirmed that Special Events is strictly the DPW salaries associated with hours for Stanhope Day, the tree lighting and Family Fun Day.

The Custodian's salary has been calculated at an increase of 1.75%.

The mulching costs for the playgrounds last year were covered by FEMA.

Line 29 (Parks Maintenance) This line item was reduced from \$3,000 to \$2,500, a decrease of \$500. This budget is now even with last year's.

10-1 Shade Tree – Line item 25 (Professional Services) was increased from \$425 to \$700, an increase of \$275. ANJEC no longer provides funds to pay the Forrester. The total for the Shade Tree budget is \$1,415.

10-3 Vehicle Maintenance – The Governing Body asked Administrator McNeilly if there is a regularly followed maintenance schedule. Administrator McNeilly replied that one of the officers is in charge of the maintenance and that it is followed. No changes were made for the police or fire vehicles.

10-5 DPW Vehicle Maintenance – No changes were made to the DPW vehicle maintenance budget.

10-6 Board of Health – The salary for the Secretary has been calculated at 1.75%.

10-6 Animal Control - Better directives regarding animal control have helped to lower costs. Line 61 (Cont/Permit/Lic) was reduced from \$10,000 to 8,000, a decrease of \$2,000. The spay/neuter program and funds for the animal census are in a trust. The trust has very specific guidelines for its use. Mayor Maio stated that a dog census needs to be done door to door. The point of doing the census is to make sure every person that has an animal gets a license. A meeting will be scheduled with the Board of Health to discuss the census.

11-1 Recreation – Line item 28 (Summer Program) was reduced from \$5,000 to \$4,000, a decrease of \$1,000. The actual costs for the summer program were calculated to be \$3,400 based on 5 camperships for a maximum amount of \$900 and 50 registration discounts at \$50 each which would amount to \$2,500.

Line 61 (Porta John Services) This line item was increased from \$400 to \$450, an increase of \$50.

11-4 Environmental Commission – No changes were made to the Environmental Commission budget.

12-1 Electricity & Street Lighting – The auction will be held in April and the results should be announced a few weeks after the auction. At the next JIF meeting electricity is going to be the topic of conversation.

Line 22 Street lighting – The line item for street lighting was changed from \$19,000 to \$21,000, an increase of \$2,000. The overall total for this budget was changed from \$44,000 to \$46,000, an increase of \$2,000.

12-1 Telephones – Cablevision increased by \$10.00 all around. Ms. Mooney is monitoring cell phone costs and recently changed plans for the police detective and sergeant. A discussion was held regarding the cell phone costs. Administrator McNeilly was asked to contact the Fire Chief to discuss the issue of the upgrade to a smart phone. Ms. Mooney will confirm the charges for the telephone system maintenance.

12-2 Petroleum Products – No changes were made to the Petroleum Products budget.

13-1 Condo Services – A lengthy discussion took place regarding the solid waste line items for Highpoint and Stonegate Condominiums.

Line 21 Highpoint Solid Waste – This line item was changed from \$60,000 to \$58,000, a decrease of \$2,000.

Line 22 Highpoint Kelly Act – This line item was changed from \$15,000 to \$14,000, a decrease of \$1,000.

13-1 Contingent / Public Employees Retirement System / Social Security / Police and Firemen's Retirement System - Ms. Mooney explained that Contingent costs are for such items as immunizations for the squads and physicals. No changes were made to this budget.

13-1 Stormwater Management – No changes were made to the budget for Stormwater Management.

13-12 Municipal Court – No changes were made to the Municipal Court budget.

14-1 Capital Improvement Fund & Road Repair – No changes were made to the Capital Improvement or Road Repair budget.

14-2 Grant Expenditures – Ms. Mooney stated that Line Item #21 for the Safe & Secure Communities Program has increased for 2013 to \$30,000.

Ms. Mooney stated at this point in the budgeting discussion both caps are under by quite a bit. The Borough is not using any of the reserves. There is a .17% levy increase, but this does not include anything that was decreased or added this evening. Without using any of our banking, the budget is \$18,000 under on the levy cap and \$24,000 on the spending cap.

Councilman Graham asked the CFO about the surplus and replenishment. Ms. Mooney stated that she has spoken with the auditor, Ray Sarinelli, regarding \$49,000 which has been sitting under payroll. These funds can be pulled over now before the audit or during the year and will then become surplus. Ms. Mooney stated that the Borough should try to use less of the surplus. Ms. Mooney is of the opinion that the Borough should break about even again next year but not year after that. Mayor Maio asked Ms. Mooney to make the changes from this meeting and then determine where we are. Ms. Mooney stated that Mr. Sarinelli has models to run also.

Updated pages were distributed for 5-1 Legal, 6-1 Land Use along with the Resolutions for the Land Use Board Secretary for the past two years, 6-3 Construction, 6-4a Construction Office Supplies and 6-5 Zoning Officer. The Housing Liaison stipend and sub codes for electrical, plumbing and fire are going to remain at the same rates as last year.

7-1 Insurance - Ms. Mooney stated that Line Item 21 (Employee Group Insurance) has decreased but these numbers were originally based on a change occurring in July for the Police Department. There is no change in July; the rates stay flat throughout the year.

6-3 Construction Official – Line item 21 (Construction Office Supplies) was changed from \$1,000 to \$750, a decrease of \$250.

Mayor Maio stated that the final salary increase for the remaining employees needs to be finalized this evening in order to allow the CFO to complete the figures necessary for the budget. Administrator McNeilly stated there are five full time employees that are not covered by contracts; the Administrator, Deputy Clerk, Finance Clerk, Construction Secretary, Clerk in the Police Department and Head of Public Works. There are several part time positions as well.

Mayor Maio polled the Council and asked if they wanted to handle the salary increases separately for full time and part time employees or if they should be treated in the same manner. The results of the poll are as follows: Councilman Graham – same, Councilwoman Thistleton – same, Councilwoman Kuncken – same, Councilman Depew - same, Councilman Benson – same, Councilman Thornton – same. The Governing Body approved to increase the full time and part time salaries by the same percentage.

Mayor Maio polled the Council and asked if the salary increase should be 1.5% or 1.75%. Ms. Mooney stated that the approximate difference between the two percentages is \$836.00. This figure does not include the Clerk, Tax Assessor, Tax Collector or CFO. The results of the poll are as follows: Councilman Depew - 1.5%, Councilman Benson – 1.75%, Councilman Thornton – 1.75%, Councilwoman Kuncken - 1.75%, Councilwoman Thistleton - 1.75%, Councilman Graham - 1.75%. The Governing Body approved a 1.75% salary increase for full and part time personnel.

Mayor Maio stated that the next budget meeting will address Water and Sewer. Once the numbers have been recalculated, a decision regarding surplus will need to be determined. Ms. Mooney will speak with Mr. Sarinelli regarding surplus. A meeting with the Fire Department needs to be scheduled prior to next week's budget meeting. Information needs to be obtained from Chief Pittigher regarding the line item for professional training. Additional information needs to be supplied by the DPW. Administrator McNeilly will gather information for the garbage contracts. Mayor Maio stated at that time the Governing Body will need to make a determination as to whether or not they are comfortable with the budget and if the budget will be an acceptable base for the following year. Ms. Mooney suggested that the payoff of debt should be increased even though it will not affect the 2%. Mayor Maio is of the opinion that increasing the payoff of debt is an issue to investigate.

A discussion was held regarding the population issues at Lenape Valley High School. No budget information has been received.

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 Councilwoman Kuncken, seconded by Councilman Depew, and unanimously carried by voice vote the meeting was adjourned at 9:35 P.M.

Approved:

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