

**MAYOR AND COUNCIL  
SPECIAL BUDGET MEETING  
February 21, 2019  
6:00 P.M.**

**CALL TO ORDER**

**SALUTE TO COLORS**

Mayor Maio invited all those present to stand in a salute to the colors.

**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 included in the Annual Meeting Notice sent to the New Jersey Herald and the Daily Record on February 12, 2018 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 Kuncken – present	Councilwoman Thistleton - present
Councilman Riccardi - present	Councilman Thornton - absent
Councilman Romano – present	Councilwoman Zdichocki - present

Mayor Maio – present

**2019 MUNICIPAL BUDGET**

Mayor Maio stated they will be reviewing the operating budget. Tonight's discussion will not include salary.

*3-a General Admin* – There is a 9.12% decrease in this budget. Grant writing should be \$15,000, not \$18,000. A question was raised about the large increase in postage. Administrator McNeilly stated they are not certain how much money is left in the postage machine. Administrator McNeilly agreed the amount is at best \$1,000 over what it should be. It was agreed the amount for postage will be marked for possible reduction, if needed, later in the budget process.

*3-b Mayor & Council* – This budget has a 0.16% reduction. No changes were made.

*3-c Municipal Clerk* – This budget has a 2.31% reduction. No changes were made.

*4-a Finance* – This budget has a 72.25% increase. Administrator McNeilly noted there are two new line items in this budget. The first being the shared service agreement with Sparta for a Qualified Purchasing Agent and the other being the Fixed Asset Program that is a State requirement. Other than those two new items, there is nothing unusual in this budget. No changes were made.

*4-b Computer Services* – A question was raised as to why out of a \$20,000 budget last year, only \$12,000 was expended and this year there is a request for \$21,000. Administrator McNeilly explained there are new line items: one is the Zoning Software and the other is for DocuScan, which total almost \$4,000 and was not in last year's budget. No changes were made to this budget.

*4-c Tax Collector* – Administrator McNeilly noted the line item for Training and Education indicates \$2,240. The CFO has recommended sending the current water/sewer cashier for training to become a Tax Collector. The program is contained in the backup material. It was noted training will take at least two years so it was agreed to budget half for this year and half in next year's budget. The line item amount was reduced from \$2,240 to \$1,150. Mayor Maio

questioned why the line item amount for tax sales is up to \$900. Administrator McNeilly will ask the CFO for an answer to the question.

40-d Tax Assessor – This budget remains flat. No changes were made.

5-a Legal Services & Engineering Services – Mayor Maio recommended reducing litigation line item from \$20,000 to \$10,000 and reducing labor attorney from \$26,000 to \$16,000, noting the Borough does not have some of the issues they had in the past year and also, this is not a contract renewal year. Council agreed to the reductions. It was also agreed to reduce Borough Engineer line item from \$18,000 to \$15,000.

5-b-1 Land Use Board – The line item for Planner has been increased to \$1,000 because this year they need to redo the Open Space Plan. No changes were made to the budget.

5-c Regional Planning Board – This budget has a 1.3% increase. No changes were made to the budget.

COAH – This budget remains the same. No changes were made.

5-d Construction - Mayor Maio noted there is the potential for a change in the plumbing sub-code official. The Administrator is looking into this. Office supplies was reduced from \$1,000 to \$850. The original request included funds for a new chair for the Secretary; however, the Borough was able to obtain two chairs through the efforts of Ward. There is now a chair for the Secretary and a spare.

5-e Zoning – This budget remained flat. No changes were made.

6-a Insurance – Insurance costs are reasonable in this budget.

7-a -2 Police Department – There is a \$4,000 increase due to new leases. The leases for two of the vehicles are up. Uniform purchases and new equipment were increased because they have to outfit a new police officer. No changes were made to this budget.

7-b Dispatch – The amount is per contract.

Communication Link – This is a requirement for the police department.

Emergency Management – This is a shared service agreement with Netcong Borough.

First Aid Squad – Mayor Maio noted last year the contribution was increased to \$15,000. The amount in this budget will remain at \$15,000.

7-c – Fire Department – The budget is flat with the prior year. No changes were made.

8-a – Road Maintenance – This budget has a 0.18% increase. Administrator McNeilly noted this budget has separate line items for the purchase of salt and purchase of brine. The line item for brine is new. There was a question about the amount for line item 030 Signs. The amount of \$3,500 is a large sum of money based on what was spent in the past. Administrator McNeilly will inquire on why the large amount. There was also a question about line item 039 Generator Maintenance. Administrator McNeilly noted the second page shows the breakdown; it is all contract and repairs. Line item 081 Professional Training/Education should have a budget amount of \$2,000, not \$1,000. This amount is to cover the cost of sending two DPW employees to school for their water license.

8-b - Solid Waste – These are contract items. Administrator McNeilly noted when they did the budget last year, they did not know what was going to happen with solid waste. The amount was increased last year from \$216,000 to \$222,000 and was only a six-month budget. The full increase is this year, which is why solid waste is up. Administrator McNeilly stated the governing body will need to hold a future discussion on recycling. There was a brief discussion on the future of recycling and the possibility of collecting every other week and remain single stream; separate recyclables as was done in the past or alternate weeks between cardboard and plastic/glass.

8-c -Building and Grounds – This budget remains flat with no increase. Mayor Maio questioned why the expenditure for mulch for the playgrounds was so low last year. Administrator McNeilly responded due to wet weather they did not do the mulch. There was a question about line item 034 Generator Maintenance and if this is a duplicate. Administrator McNeilly will inquire about this line item.

9-a – Shade Tree – This is a flat budget with last years. No changes were made.

9-b – Vehicle Maintenance – Police – Administrator McNeilly noted the 2009 Ford Explorer (the Chief's vehicle) is the costly vehicle and will be retired. One of the 2014 Ford Interceptors (2305) will also be retired. With the new lease there will be two 2020 Utility Vehicles and the two 2016 Utility Vehicles so there will be four rotating vehicles. Mayor Maio asked the Administrator to get details on the repair cost of the utility vehicles because the number seems extreme.

9-b – Vehicle Maintenance - Fire Department – Administrator McNeilly noted Engine #2 is the vehicle being retired. Mayor Maio noted the budget amount for that vehicle is \$5,500. The Borough will not spend \$5,500 on that vehicle this year. The vehicle will be taken out of service so if not going to be used, money should not be spent to repair it. Councilwoman Kuncken noted this was discussed with the fire department and if anything comes up with regard to this Pumper, they will ask the governing body because they know it is going. Administrator McNeilly noted the budgeted amount is part of vehicle operation and he suggested not removing \$5,500 from the budget. Councilwoman Kuncken noted last year they budgeted \$18,500 and spent \$38,437 and she questioned if they are budgeting enough because this year they are only asking for \$18,500. Councilwoman Kuncken also questioned where the additional money came from to pay the amount over budget. Administrator McNeilly will inquire and get further explanation on this issue.

9-b-4 – Vehicle Maintenance – DPW – Mayor Maio noted last year they budgeted \$15,000 and spent \$28,183. Administrator McNeilly noted the total on line item 10531540 is their pot of money to work with. Councilman Romano expressed his opinion that the number are incorrect. The \$14,488 budget was mistakenly added to the line items, giving a total of \$28,183 spent. Administrator McNeilly will have this corrected. Administrator McNeilly stated 541 the 2005 Ford will be offline and next year the 2005 Mason Dump will go out. Line item #547 is currently out of service. Mayor Maio asked when the auction will be held. Administrator McNeilly responded the auction will be held as soon as the vehicles are ready. The governing body agreed the auction should not wait for the fire truck and water truck as those two trucks should be auctioned on-line.

9-b-6 – Vehicle Maintenance – Administrative – No change was made to this budget.

9-c Board of Health – This budget is flat. No changes were made.

Animal Control Services – This is a contract.

10-a – Recreation – This is a flat budget. The only increase is \$50 for the holiday program.

Celebration of Public Events – There was a question on whether Miss Stanhope should be included in this budget or in Recreation or Mayor and Council's budget. It was included in the Mayor and Council budget. Councilwoman Kuncken noted in the past Miss Stanhope was out of the Borough so those coordinating the event could solicit donations. If the Borough was to outsource Miss Stanhope to an outside group it may entice more contestants and those involved would have the ability to raise more prize money for the contestants than the \$250 the Borough gives. The \$250 was charged to the Mayor and Council budget. It was agreed to have this discussed further.

10-c – Environmental Commission – This is a flat budget and no changes were made.

10-d – Electricity – No changes were made to this budget.

10-d – Telephone – The Tie Lines are coming out of the budget (\$1,200). Mayor Maio questioned \$4,800 for cell phones, noting they have never spent that low amount. Administrator McNeilly believes the CFO may have moved a portion of this to water/sewer (20% water and 20% sewer).

10-d-3 – Petroleum Products – Administrator McNeilly noted gas cost is down and diesel cost is up. This is all done through the Morris County Co-op.

11-a – Condo Services – Administrator McNeilly stated he will have final numbers prior to adoption of the budget.

11-a – Public Employee Retirement System – Mayor Maio noted the calculation is given directly from the State.

11-b – Stormwater Management – There is some question about the engineering and whether or not it can be capitalized. Administrator McNeilly explained this is based on new regulations. Each detention basin needs an owner's manual. Since the Borough did not receive any manuals when the basins were installed, they need to be created. In addition, the detention basins need to be inspected four times per year and cleaned out. After a storm with a certain amount of rain, the detention basins need to be inspected. Administrator McNeilly stated the CFO and Borough Auditor will need to answer if this can be a capital expense.

11-c – Municipal Court – The budgeted amount is as per contract.

13-a Capital Improvement Fund – Administrator McNeilly noted there will be changes in the capital improvement fund and the road repair capital improvement fund. The CFO is looking to run it down to \$70,000 and looking to restore the \$25,000 for road repair. This has not been done in the last few years because they were doing a lot of road projects.

Grant Expenditures - Administrator McNeilly stated this is a result of grants out and in.

Reserve for Uncollected Taxes – Budget is the same.

Debt Service – Changes made are due to the short term noted in anticipation of total overall bonding. The CFO will speak about this in greater detail at the next meeting.

Water Utility – The total requested amount is \$282,374.00 versus \$277,389 budgeted last year and an expenditure of \$211,007. There was a question about the large increase for supplies when only \$3,000 was spent and no back-up was provided. Administrator McNeilly will ask the CFO. It was questioned why tree trimming has such a large increase, with \$8,000 requested but only \$200 spent last year. Administrator McNeilly responded there is still tree issues that must be addressed which is the reason for the increase, but he will follow up on this line item. There was a question about the \$10,000 increase in electricity. Administrator McNeilly will ask the CFO why the increase. There was also a question about why Well #2 is called out on line 035 with a budget amount of \$1,300. Administrator McNeilly will inquire about this line item. There was a question why line item 045 Equipment Repair has a budget of \$7,000 and only \$751 was spent. Administrator McNeilly responded it is a cushion for the unknown. Something could fail and you need to have money to pay for the repairs. If the money does not get utilized, in two years it reverts back to the general fund. The same is for line item 047. Mayor Maio asked why there are “?” marks for the \$5,000 budget for engineering. Administrator McNeilly will ask the CFO for an answer. Councilwoman Kuncken noted line 081 Training/Education has \$2,000 and she asked if this is a duplication from the DPW budget. Administrator McNeilly will ask the CFO.

w-17 Capital Improvement Fund – Administrator McNeilly noted this is being left at \$5,000. The CFO will speak about this at the next meeting.

Administrator McNeilly stated revenue is going to show water is doing fine with a positive impact of the \$5.00 per quarterly and sewer is also doing well and is regenerating itself.

Sewer Utility – There was a question about why line item 021 Departmental Supplies has a \$9,000 budget request when only \$2,900 was spent last year and they have never spent that much in previous years. Also, no back-up was provided. Administrator McNeilly will ask the CFO for a breakdown. There was also a question about line 025 Billing Costs. Administrator McNeilly stated billing costs is producing and sending the bills. The cost is split 50/50 between water and sewer. Mayor Maio noted line item #030 Facility Repair and she asked what facilities. Administrator McNeilly responded it is the enclosures on the pump stations. There was a question about why the fuel cost for the generators (line 035) shows \$0 spent last year. Administrator McNeilly will ask why and will make sure it is not a duplicate. Computer

software and hardware budget amount of \$9,900 was questioned since there was no back-up provided. Administrator McNeilly explained it is the sensor system and data collection for the wireless. Administrator McNeilly directed the governing body to page s-11 that has the breakdown. The sensor inspection software accounts for a large amount of the money. Mayor Maio commented page s-11 including the police department under cablevision and expressed her opinion it is stretch to include it in water/sewer. Administrator McNeilly will check with the CFO. Mayor Maio questioned line item 041 New Jet Nozzles budget amount of \$4,000. Administrator McNeilly stated he will look into if this can be added to capital or would it be better to pay for it now. This is a “down” budget so it may not be in the Borough’s best interest to put it into a carryover. Councilwoman Kuncken agreed, stating if they have the money, they should pay for it now and not carry the cost. Mayor Maio noted the “?” marks under Engineering Services. Administrator McNeilly will ask the CFO why she put the “?” marks. Mayor Maio noted this budget also includes \$1,200 for Training/Education and she questioned if it is a duplicate. Administrator McNeilly will get an answer from the CFO.

*s-17 Sewer Capital Improvement Fund* – This is being left at \$5,000.

Mayor Maio noted the next meeting is February 26, 2019 and she scheduled a 6:00 p.m. start time for budget discussion. Mayor Maio also asked the Finance Committee to meet to discuss salary increases and bring their recommendation to the full Council. The Finance Committee will meet on Tuesday, February 26, 2019 at 10:00 a.m.

### **CITIZENS TO BE HEARD**

Mayor Maio amended the agenda for citizens to be heard and 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 motion by Councilwoman Kuncken, seconded by Councilman Riccardi and unanimously carried by voice vote the meeting was adjourned at 7:50 P.M.

Approved:

Ellen Horak, RMC  
Borough Clerk