

Budget Meeting December 14, 2010

**BUDGET MEETING
DECEMBER 14, 2010
5:00 P.M.**

Mayor St. Amour called the meeting to order at 5:00 p.m. read the following statement and requested CFO, Dawn Stollenwerk, to lead the flag salute.

IN COMPLIANCE WITH CHAPTER 231 OF THE PUBLIC LAWS OF 1975, NOTICE OF THIS MEETING WAS GIVEN BY WAY OF NOTICE PUBLISHED IN THE ATLANTIC CITY PRESS, THE EGG HARBOR AND HAMMONTON NEWS ON NOVEMBER 24, 2010 AND POSTED AT TOWNHALL.

Roll Call:

Committee Present: Anthony Gabris, Bernard Graebener, William Kennedy, Susan Polk, Mayor St. Amour

Committee Elect: Jim Brown, Larry Riffle

Municipal Clerk: Kimberly Johnson

CFO: Dawn Stollenwerk

Police Department: John Thompson, Captain

Superintendent of Public Works: Peter Berenato

Budget Discussion: CFO reported the following: eligible for self-examination review for this year; COLA (cost of living adjustment) is 2%, can adopt a CAP Waiver Ordinance to raise to 3.5%; \$1.5 million in added assessments with a loss of \$122,000 in tax appeals net taxable valuation of \$293 million; this budget projects 15.76 cent increase; PERS Funding 29% increase; PEFRS Funding increase 16%; health insurance increase of 17%, tax collection rate as of today is 94.45. Mayor questioned the number of Police Officers budgeted in this budget noting before the retirements we have 14 officers, CFO stated we are paying for 12 officers. Captain Thompson stated only 11 officers are currently working. CFO stated she is projecting the fund balance will be \$925,000, reported our interest earnings are down as well as court revenues. Committee discussed the 2% CAP set by the Governor. Mr. Brown questioned the utility revenues. CFO the State continues to collect the revenue, and disburse it to the municipalities. The State keeps a larger portion of the revenues each year.

CFO noted the Tax Office recently sent out approximately 900 delinquent notices, which is almost 20% of our taxpayers. Ms. Stollenwerk stated it was confirmed we are receiving \$25,000 for the Safe and Secure Grant which is not included in this proposal. CFO reported the following in regards to appropriations; ongoing engineering projects include master plan and Fifth Avenue; JIF insurance increased 1.78%, Mid-Atlantic Communications is estimated at 8% increase; fourth bond installment payment of \$220,000 and the principal payment on 2008 bond anticipation note of \$20,000 is due. CFO noted she kept funding for the Recreation Association and the Fire Companies the same. Mayor St. Amour opened this section to comments from Police Department and Public Works.

Captain noted Chief Register is unavailable due to a pre-scheduled vacation. Captain Thompson stated they have 5 vehicles which will have over 100,000 miles which are more expensive to repair, therefore funding for 2 vehicles are warranted. Captain Thompson stated a car travels approximately 110 – 140 miles per 8 hour shift. In regards to personnel Captain Thompson stated overtime has increased disastrously due to staffing shortage and allowable days off under the collective bargaining units. Captain Thompson stated the Police Department is aware of the shortfalls; however, his Department

cannot bear the burden of the \$270,000 budget shortage. Captain Thompson urged Committee to address time off in the upcoming negotiations.

Mr. Berenato stated there is nothing additional in his budget request, noting however he cannot reduce his line items for salt and stormwater management. Mr. Berenato stated if there is a major snow event, his staff can do it, however, he stated it can become demanding. Mr. Berenato stated outside of the F350 truck, the other equipment is well maintained; however the trucks are taking a beating with snow events. Mr. Berenato reported he is investigating switching from calcium chloride to salt brine, noting some funding will be needed for the change, but future savings would be realized because the salt brine is 55 cents a gallon versus \$1.25 for calcium chloride. CFO noted we are still awaiting FEMA reimbursement from the previous storms. Mr. Gabris questioned repairing the chipper and suggested eliminating roadside chipping to reduce costs. Mr. Berenato stated tub grinding is approximately \$15,000 a year and stated if we eliminate roadside chipping tub grinding will be increased to approximately \$45,000. Mayor noted the municipality needs to maintain a chipper for everyday operations.

Mr. Ron Lischak (public) suggested making it revenue neutral and charge for mulch. Mr. Berenato stated he is investigating bidding rows of leaves and mulch on GovDeals, noting selling it to individuals would be a logistical nightmare. Mr. Thompson stated speaking as a resident there are many opportunities offered at the transfer station which may need to be addressed. Mr. Berenato stated he is diligently working on reducing the bulky waste and urged Committee to adopt the changes to the Trash Ordinance. Mr. Berenato suggested also to Committee that residents receiving property maintenance citations should not be utilizing the transfer station. Committee and Mr. Berenato briefly discussed the abuse of outsiders as well as residents utilizing the transfer station and the cost of bulky waste and ways to reduce that as well. CFO noted the bulky waste program is funded substantially through the Clean Communities Grant.

Mr. Brown questioned the labor contracts. CFO stated they all expire this year, and they are negotiated by two members of the Governing Body and herself. Mayor St. Amour stated prior to himself taking office, contracts were awarded, and he and Mr. Graebener felt it best to wait for Committee Elect to negotiate. Captain Thompson requested Committee move forward with addressing the dispatch issues, noting County dispatch is again in the works. Committee discussed the possibilities of County dispatch. Committee briefly discussed raising taxes versus lessening services. Mr. Ron Lischak stated eliminating services that are not utilized by the entire community, ie, mulch, bulky waste, chipping, etc. and or generate revenue.

CFO and Department heads will meet to review areas that can be cut from general operating expenses. CFO will update the preliminary budget to reflect actual spending, revenue and tax collection percentages prior to the next budget meeting.

Public Discussion: None.

Ms. Polk made a motion to adjourn the meeting seconded by Mr. Kennedy. RCV: Yeas: All voted yes.

Respectfully submitted,

Kimberly Johnson,
Municipal Clerk