

Budget Meeting March 29, 2010

**BUDGET MEETING
MARCH 29, 2010
5:00 P.M.**

Mayor St. Amour called the meeting to order at 5:00 pm read the following statement and requested Police Chief Joseph Barbera 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 ON MARCH 26, 2010, SENT TO THE EGG HARBOR AND HAMMONTON NEWS, AND POSTED AT TOWNHALL.

Roll Call:

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

Municipal Clerk: Kimberly Johnson

CFO: Dawn Stollenwerk

Police Department: Chief Joseph Barbera, Detective/Sergeant John Thompson

Superintendent of Public Works: Peter Berenato

Fire Department: Frank Esposito, Elwood Fire Department

Budget Discussion: CFO reported our State Aid was decreased by 18.94 percent. Since the last meeting she adjusted the Mid-Atlantic Budget, added \$500.00 for the Senior Citizens Advisory Commission, made adjustments for the Safe and Secure Grant, deleted the part-time receptionist, removed the computer software upgrade in the amount of \$6,000, cut approximately \$75,000.00 from Other Expense line items, and adjusted personnel changes which were discussed at the last Township meeting (removal of Class II Officer). CFO stated she needed to add \$23,000.00 due to the collapsing roads from the winter and rain storms and will be utilizing FEMA funding to offset those amounts. CFO reported as to the appropriations cap we are \$175,000 under \$144,000 for the tax levy cap. Ms. Stollenwerk stated this proposed budget is utilizing one million in fund balance as revenue. Net result is a 2.5 cent tax increase.

Mr. Graebener asked what amount we are spending. CFO explained the budget is 5.8 million and was increased approximately \$100,000.00, excluding increases in grants received. Mr. Graebener stated he does not want any increase, suggested cutting more or taking additional money from the surplus, noting he was concerned the Governor will take our surplus next year as was done with the schools. CFO stated she did not see that occurring because the municipality is the collecting and disbursing authority for other agencies; therefore, if our tax collection rate drops we will still have to pay the county and schools. Mayor St. Amour stated he is fearful of having no increase because potentially we will have the 2.5% levy cap limit next year without any exclusion, which means will be starting from an even lower number. Mr. Gabris stated the media is allowing us to have a slight increase. Mr. Graebener stated it is not a slight increase when you consider the schools and county increases. Mayor stated getting to 2.5 cents has impacted personnel and to impact more personnel for a penny is not a good environment. Mr. Graebener stated we need to do our best because many Mullica residents are hurting. Mr. Kennedy suggested selling lands to help increase the fund balance for 2011. Mr. Gabris stated if we are to sell land the minimum bid prices should be increased. Mayor stated on the average home in Mullica, this increase is approximately \$27.00 and he is very uncomfortable with taking more surplus and noted there are not many services we can take away. Mayor added we are being penalized for being careful by running our Departments as thinly as we can. CFO stated this year has not helped with all the natural disasters. Another problem is

the State keeps cutting our funding, however we are still required to meet all the mandates and provide all the services. CFO gave a brief synopsis of what fees we pay to the State. Mr. Graebener suggested delaying capital improvements. Ms. Stollenwerk stated we are committed to the following projects: Jackson Road and Fifth Avenue. Committee discussed the Township's infrastructure, and associated fees and maintenance. Mr. Berenato informed Committee we have purchased the same amount of asphalt from January 1st to today that we purchased last year. Mr. Kennedy commended Ms. Stollenwerk for a great job. Mr. Graebener suggested revisiting personnel costs. Mayor stated for a municipality who does not employ many employees the increase would impact two or more employees. Mr. Gabris stated from the benefit of being a past employee we are not over staffed as a municipality. Mayor stated he has worked on the budget immensely with the CFO and has researched the cost of furloughs and other personnel issues. Mayor St. Amour stated this budget is acceptable and noted we need to educate the taxpayers that we are delivering value. Mr. Graebener expressed his dissatisfaction with any increase. Committee discussed services, personnel, cap levies, and the economy. Ms. Polk stated there is no fat in this budget and commended Ms. Stollenwerk. Mr. Gabris felt this budget was acceptable. Ms. Polk made a motion to move this budget for introduction seconded by Mr. Gabris. RCV: Yeas: Mr. Gabris, Mr. Kennedy, Ms. Polk, Mayor St. Amour. Nays: Mr. Graebener.

Public Discussion:

Mr. Francis Paulsgraf asked how the surplus funds are invested. Mayor replied any municipal funds need to be in interest bearing accounts; however, the interest has been very nominal. CFO explained we are required by Statute to only invest municipal funds in government backed securities.

Mrs. Louisa Mazetis stated we should advertise the amount of State Aid that was lost. Mayor agreed the taxpayer's need to be educated regarding the budget.

Ms. Susan Polk stated our Township is very fortunate to have Ms. Stollenwerk and thanked her for her dedication to her job.

Mrs. Rita Triola, Senior Citizens Advisory Commission, asked what budget appropriation they were given. Mayor stated they budgeted \$500.00 which was the only new budgetary line item, as most departments were lowered. Ms. Triola asked about the homestead rebate. CFO explained the Governor is proposing a credit on your tax bill, which will be difficult to administer. Mrs. Triola suggested the Township should be selling vacant land.

Mr. Frank Esposito questioned the Greater Egg Harbor Regional School Budget in regards to Committee's involvement and Mullica's portion. Mayor stated Committee becomes involved if it is defeated. Ms. Stollenwerk stated there are many variables, such as economic status, student population, and assessed valuation. CFO explained all the sending municipalities ratios are increased to 100% and based upon the variables the appropriations are apportioned. Mullica is apportioned 8 percent of the share.

Mrs. Mazetis asked if the new high school will have an impact on our Police Department. Detective/Sergeant Thompson stated there will be some impact. Mrs. Mazetis commended Committee for only raising the taxes 2.5 cents.

Mayor closed public portion and entertained a motion to adjourn; so moved by Mr. Graebener seconded by Ms. Polk. RCV: Yeas: All voted yes.

Respectfully submitted,

Kimberly Johnson,
Municipal Clerk