

BUDGET MEETING JANUARY 26, 2016

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Mayor Brown called the meeting to order at 6:00 p.m. read the following statement led the flag salute.

IN COMPLIANCE WITH CHAPTER 231 PUBLIC LAWS OF 1975, NOTICE OF THIS MEETING WAS GIVEN BY NOTICE PUBLISHED IN THE ATLANTIC CITY PRESS, THE HAMMONTON GAZETTE, EGG HARBOR AND HAMMONTON NEWS, ON JANUARY 20, 2016 AND POSTED AT TOWN HALL

Roll Call:

Committee Present: Edward Hagaman, Larry Riffle, Christopher Silva, John Walther, Mayor Brown

Municipal Clerk: Kimberly Johnson

CFO: Dawn Stollenwerk

Police Department: Chief John Thompson

Public Works: Steve Sperlak, Superintendent

Public Discussion: None.

Budget Discussion: CFO gave the following update regarding the Township's financial position: Currently we are well within our debt limit, we have 1.9 million dollars in bond anticipation notes outstanding (short term funding, that we renew every year up to ten years) and the 2007 Bond was paid off in 2015. Capital Improvement Fund has been depleted was replenished with decrease in debt service. In 2015, we generated \$673,000 mostly from increase in tax collection, due to foreclosures, \$65,000 in property sales of foreclosed properties and \$140,000 from the 2014 budget which was the majority of the funding in our surplus. Tax collection rate is up from 95.51% to 96.43%. Money generated for surplus can be utilized for revenue in our subsequent budget years.

Ms. Stollenwerk explained this preliminary budget as presented includes all Departments requests except for new employees and is just under 5 cent tax increase. She explained the summary as follows: net taxable valuation had a decrease of 935,000, mostly due to loss assessment of Verizon, which equals \$13,000 in revenue based upon last year's tax rate. She reported we ended the year with \$816,953.11 in surplus and last year was \$77,031.00, noting she is utilizing the same amount as last year to fund this budget, leaving the surplus at \$182,000. Mr. Silva asked how to get our surplus higher. Ms. Stollenwerk explained we would need to under budget our revenues, cut expenditures, play around with reserve for uncollected taxes, and sell more township property. Ms. Stollenwerk reminded the Governing Body we also will need to pay for a Revaluation which is a deferred charge, costing us close to \$400,000. She explained our ratio is raising which indicates we have a falling property market, so our total assessment value will go down, but we will still collect the same amount of money.

Ms. Stollenwerk explained the Budget Analysis as presented: Revenues: 1. Surplus, monies generated in the past from taxpayers utilized to offset our budget; 2. Local, court revenues, Uniform Construction Code Fees, interest on taxes and investments, liquor license fees, cell tower rent, etc.; 3. State Aid, aid from the State (which was kept flat); 4. Public & Private Revenues, grant monies; 5. Delinquent Tax, since rate went up, this goes down; 6. Local tax, what we raise by the taxpayers. Appropriations: 1. Salaries & Wages, increased slightly, noting we are currently negotiating all employee contracts; 2. OE & Statutory, pension, health benefits,

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grant expenditures, and operational expenses; 4. Deferred Charges, for update of tax maps; 4. Capital, capital items; 5. Reserve for Uncollected Taxes, allowance for doubtful accounts.

Mr. Silva asked what the County is predicting. Mayor stated the County should have a 2 cent increase, and Greater Egg Harbor Regional around to 2 – 3 cent increase. Committee briefly discussed the unknown increase from the County and schools and discussed what impact, if any, regarding Atlantic City's bankruptcy. Mayor noted revenue in the court is down approximately \$20,000.00. Mr. Silva suggested an Ordinance to allow downgrade of offenses, such as disorderly person, which would allow us to keep the entire fine locally. Mayor reported the Seniors Citizen Committee has requested an increase of \$500.00, noting their attendance has increased immensely. Committee agreed to increase.

Mayor Brown stated Committee had much discussion regarding road projects and suggested addressing the issue at the corner of 7th Avenue and Pleasant Mills. He added Sweetwater Casino has been recently purchased with plans to re-build and we should show an interest in the project. CFO noted the engineering and soft costs have been appropriated for these 2016 Road Projects. Mayor stated drainage at Elm and Anderson will also be addressed in 2016, noting funding is from the Community Development Block Grant. Mayor Brown stated Venice Avenue is slated to be addressed, because the integrity of the whole road is at stake. Committee discussed preserving the integrity of the roadways by installing oil and cinder. Mayor Brown stated North and South Black Oak Drive need to be addressed as the blacktop is crumbling. Mayor noted there is also an issue with the pipe at Musket Lane which will need to be addressed. Committee discussed the permitting fees and regulations that we need to adhere by from other agencies. Chief Thompson expressed his concern regarding the 7th Avenue Bridge, noting the roadway is dropping.

CFO reported the Police Department needs to replace their Alco-test and finger printing machine, which she has included in the Capital Budget. Chief Thompson stated the Alco-Test (breathalyzer) is nearing the end and will need to be replaced by 2017. He stated the Livescan Scanner they have tried to repair, but the scanner is not communicating with newer laptops, noting this equipment is a mandate. CFO reported there is funding for a police vehicle in the operating budget and 2 police 4-wheel drive vehicles were purchased. Ms. Stollenwerk reported the Fire Department received a grant for the upgraded radios and they will be purchasing this year. Chief Thompson stated the Police Department needs to update their radios as well; however, they cannot do so, until Hammonton does, because we share a tower. Ms. Stollenwerk noted the Police Department is also anticipating two retirements in 2016 which will increase post-retirement health benefits. CFO stated Public Works has also requested an additional full-time employee. Mr. Sperlak stated he currently has 3 full time employees and is requesting another to fill in the gap with vacation, sick, time, etc. Mr. Sperlak noted the Public Works is a seven day operation. Mayor entertained a motion to have a Budget Workshop Meeting on February 9th, 2016 at 6:30pm seconded by Mr. Silva. RCV: Yeas: All voted yes.

Public Discussion: None.

Mayor Brown so moved to adjourn seconded by Mr. Silva. RCV: Yeas: All voted yes.

Respectfully submitted,

Kimberly Johnson,
Municipal Clerk

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