

BUDGET MEETING FEBRUARY 13, 2018

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FEBRUARY 13, 2018
6:00 P.M.**

Mayor Silva called the meeting to order at 6:10 p.m. read the following statement led the flag salute.

NOTICE OF THIS MEETING WAS GIVEN BY NOTICE PUBLISHED IN THE ATLANTIC CITY PRESS ON JANUARY 22, 2018, THE HAMMONTON GAZETTE, ON JANUARY 24, 2018 AND POSTED AT TOWN HALL

Roll Call:

Committee Present: Jim Brown, Barbara Rheault, Larry Riffle, Christopher Silva

Committee Absent: John Walther

Municipal Clerk: Kimberly Johnson

CFO: Dawn Stollenwerk

Police Department: Chief Thompson

Public Discussion: None.

New Business:

Budget Discussion: CFO reported that our surplus has diminished significantly over the past couple of years and gave the following summary: surplus is up \$22,000.00, due to \$43,000.00 in land sales, noting this helps by bringing in revenue and placing properties back on the tax rolls and from Community Champions. Tax collection projections from delinquent taxes was up approximately \$63,000.00. This preliminary budget has nothing unusual, it is basic operating expenses and three vehicles to be financed for the Police Department. Budget needs to be introduced by March 16th and adoption by April 29th. COLA Ordinance is on agenda for 1st reading to allow us to have a CAP Bank, noting appropriations is not our problem, however levy cap is. Added assessments was \$1,153,600 which equals \$14,000 revenue, based upon 2017 values due to our re-valuation. Committee discussed and expressed their concern with the progress of the re-valuation. CFO stated since their last report they were 62% complete. CFO will gather more information and report back on their status and a possible extension. Mr. Brown stated the current projections including the County and the schools will increase Mullica 10 cents. CFO referenced the Fund Balance History for Committee to compare surplus available, surplus utilized, total budget revenue and stated aid. Pensions costs are stable, health insurance decreased 1.3% and Medicare retirees 6.2%.

Mayor Silva asked the outcome of the Difference Card presentation to employees regarding health insurance. CFO stated we would need to take a vote, and she was waiting feedback from the Bargaining Units. Ms. Rheault asked what the savings would be to switch from Direct 15 to the Difference Card. CFO stated approximately \$42,000.00. CFO reported JIF Insurance decreased 4% which is based on our loss ratio and a dividend of \$29,000.00 which was applied to our premium. Mr. Silva asked about state insurance funds. CFO stated we have not received a quote in a while, however their financials indicate they are not as stable as the Atlantic County Municipal Joint Insurance Fund. Mayor Silva requested a quote. Ms. Stollenwerk stated that we currently have a contract with the JIF which expires in two years.

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CFO reported the following for debt service: paying the deferred charge for our tax maps over the next five years, of \$14,000, first year to fund our re-valuation \$50,000, \$40,000 in the Capital Improvement Fund (emergencies or to borrow money). CFO explained the on-going road projects are funded. Mayor Silva questioned the increase in UCC fees. It was noted that is due to our Construction Office handling conflict permits for the Town of Hammonton. CFO explained that is why she has is not anticipating the increase for 2018. Mayor Silva requested a breakdown of other expenses for each department on a monthly basis as well as a line by line breakdown of the budget. Mr. Brown suggested this budget include funding for foreclosures, noting we have approximately \$300,000 in municipal tax liens. Ms. Stollenwerk explained when we foreclose on properties that receivable goes away. CFO explained we would need to budget approximately \$50,000.00 for an In-Rem Foreclosure (40 properties). Mayor requested clarification on the health benefits waiver. CFO explained if any employee choses to opt out of the Township's health benefits and their spouse is not covered by NJ State Health Benefits Program we are required to compensate the employee \$5,000.00.

CFO reported in the Capital Improvement section instead of placing \$40,000 there she kept \$10,000 out to upgrade the Police Department server. Mayor Silva asked if there is a plan for the roof at municipal building where it is leaking. CFO stated it has been repaired numerous times and the newest inspection revealed moss, which is being removed. CFO stated we should discuss at capital meetings. Ms. Rheault indicated the fire departments are requesting apparatus from the capital funds. Mayor Silva indicated we need to address our roadways as well during capital planning and create a road maintenance plan. CFO stated this budget has a 2.8 cent increase, however; if our values go up our rate will go down. Committee continued to discuss foreclosures of properties and how the re-valuation will affect our tax rate.

Public Discussion: None.

Mayor Silva entertained a motion to set Budget Meetings on February 27th and March 13th at 6pm; so moved by Ms. Rheault seconded by Mr. Riffle. RCV: Yeas: All voted yes.

Mayor Silva entertained a motion to adjourn; so moved by Ms. Rheault seconded by Mr. Riffle. RCV: Yeas: All voted yes.

Respectfully submitted,

Kimberly Johnson,
Municipal Clerk