

March 23, 2010

The Township Committee met on the above date for a special meeting. Mayor Kelly called the meeting to order at 6:30 PM and opened with the flag salute and a moment of silence. Roll call was taken showing present: Mayor Brian J. Kelly, Deputy Mayor Lawrence H. Durr and Township Committeeman Michael J. Hlubik. The Open Public Meetings Act Statement was read and compliance noted.

Police Department present: Sgt. Michael Davison, Brian Schoen, Mike Fraas, Chief Wilson, Ken Gerber, John Stefani, Garry Church, Kevin Pypcznski, Jeff Joy, Mike DeRosa

Mayor Kelly explained the budget process to the police officers. Revenues are down and more surplus is being used to eliminate the need to raise taxes. The next part of the process is an application to the Local Finance Board to get approval to exceed the allowable budget appropriation CAP. The Township has gotten credit over the years for the way the Township manages and balances our budget. We are concerned about the attitude at the Local Finance Board this year after the budget message by the Governor. If the CAP waiver is not approved, the entire budget process is opened up again and cuts would need to be made in all areas.

Mr. Durr explained the appropriation CAP, how it came about and what it means to Chesterfield. The options of the Local Finance Board and a referendum question were explained. It's a tough decision on what the best option is.

Mr. Hlubik stated that the Committee has worked over the last few years to bring the Police salaries up to par with surrounding communities. With the step raises and the 3% request, some officers would receive a 10% raise. It's hard to justify that to residents who are having serious financial difficulties. Large increases are hard to sell to the Local Finance Board as part of a CAP waiver application.

Chief Wilson asked what the procedure is if the LFB does not approve the CAP waiver application. Mr. Durr answered that he believes it becomes a budget cut and does not believe there is any negotiation. The Chief questioned the CAP waiver amount, and the amount of surplus being used in this year's budget. Mayor Kelly explained that the revenue stream of permits and added assessments from Old York Village is almost gone. Chief Wilson asked if there is a projection of what will happen in a few years when the surplus has been depleted. Mr. Hlubik answered that the Committee has had that discussion with Jack Maley but there are no definitive answers yet.

The Governor has stated that municipalities are expected to start getting their budgets and property taxes under control. The Township is in a different place than we have been in the past. The Committee wanted the Police Officers to understand that.

Sgt. Stefani asked what was being done this year to make cuts. Mr. Durr explained that all department budgets are being taken down to the amount spent last year, not what was requested. All outside organizations allocations are flat from 2009 and the Historical Society allocation was cut completely. A full time employee has been cut back to part time. We have cut everywhere we can.

Mike Fraas asked what the Committee foresees in 4 or 5 years. Will the Committee be considering layoffs or merging departments with another town. Mayor Kelly stated that it's premature to answer that question, there is no way the Committee could foresee what the budget will be in 4 years and what decisions would need to be made.

Mayor Kelly explained that most residents don't have a refined idea of taxes and how the tax rate is driven by all of the other entities such as the school, county, etc. The Township gets the blame for everything.

Mr. Durr explained that the situation that currently exists with the budget is not anyone's fault. He truly believes that this is a question that needs to go to the voters, but is not sure of the correct timing to present that question.

Mike Fraas stated that he has heard the Governor mention mergers. He believes the Township runs lean already and does not believe a merger would benefit anyone. Mr. Durr stated that he would consider a merger if the idea were presented, but from everything he has heard, there is no economic benefit in merging Police Departments.

Kevin Pypcznski asked if cutting salary increases in the future really make that big a difference in the budget or the CAP allowance? Mr. Durr stated that it would not make that big a difference in the overall budget, but it would be much easier to present to the Local Finance Board without having to say that everyone got a raise. Would the elimination of salary increases by all Township employees in the future be something that needed to be considered? Mr. Durr explained that the Committee considered not giving employee raises this year, but after negotiating 2.5% for the Police, did not feel it was fair to eliminate raises for the remainder of the employees.

Sgt. Stefani stated that the Police Department as a whole was not aware of this situation during salary negotiations.

Mayor Kelly responded that the situation is not dire at this time but will be a constant struggle over the next few years to manage the surplus and the tax rate. This is the beginning of a period of different times.

Mr. Durr stated that the Police Department has and is doing a great job and the community involvement should continue.

Sgt. Davison asked about the referendum question, if it happens, and what will be put on the table at that time.

Mr. Durr explained that \$600,000, which has been the amount of the CAP waiver request over the past couple of years could only come from a few places, i.e. Police Department or Public Works. They are the two largest budget items. Sgt. Davison stated that the taxpayers should be made more aware of the break down of the tax bill so they are aware of the small percentage of their overall bill that the Township actually receives to run all of the departments. Mayor Kelly is hesitant to place blame on anyone's portion of the tax bill.

Kevin Pypcznski stated that the Officers are more than willing to work with the Committee to set things on the right path for future budgets and maintain the close relationship that we have always had.

Chief Wilson asked about the off-duty increase in pay and whether the Committee has considered it. The item is on the agenda for Thursday night's meeting.

7:20 PM the Police officers left the meeting and the Committee took a brief recess. Jack Maley and Caryn Hoyer joined the meeting.

Department budgets were taken back to the 2009 expended number for a savings of \$22,000.

Mr. Durr suggested a \$1,000 increase in salary for Bonnie, Caryn and Glenn as they will all have additional responsibilities with the Land Use office being cut to part time. \$1,000 additional salary for all three to be added to their positions.

The Committee reviewed the appropriation line items with Jack Maley.

Mr. Maley stated that this is a good time to be bonding so it may be a good idea to work on a list of capital projects.

The Committee reviewed the 2003 Ordinance to establish the annual appropriation required by Green Acres and what those monies could be spent on.

\$2,513,000 of surplus being used to keep the tax rate at 4.1 cents. State aid dropped by \$157,000.

There is, at the end of 2009; \$692,000 in recreation fund, \$304,700 in Open Space, \$22,000 in Transportation Trust

There is \$3,046,000 in the sewer fund and the Township owes \$ 3,953,000 on EIT loans.

A calculation of the sewer connection fee needs to be done.

\$ 1.5 million for sewer upgrade is in a separate fund reserved for that purpose, payable to the capital account from the current account when it is paid.

The 2010 Budget uses 2.5 million of surplus

\$400,000 from Green Acres received last year - reimbursement of money already spent for the purchase of the Wilkinson property.

The Capital budget contains \$ 180,000 for various road improvements and \$250,000 for Recreation improvements.

There is enough down payment money in the capital budget to borrow 2.5 million.

According to the Tax Assessor's Office, the Township should generate approximately 480,000 in added assessments in 2010 and could get back \$1.5 million in surplus. At the end of 2010 we would have \$4.2 in surplus. If we use \$2.5 of surplus in 2011 to balance budget, 2012 will be questionable.

Mr. Durr stated that we may need money to finance the turnpike re-forestation program for contractors and equipment rental. The Turnpike will pay \$300.00 per tree, we should be able to buy and plant for no more than \$200 per tree. The program will not happen before fall, and maybe not until next Spring. Jack explained the remedy that would be available to fund the project in the fall if not budgeted.

The Clerk stated that the Committee was invited to the public hearing for the Elementary School budget on Wednesday, March 31 at 7:30 PM.

The Clerk brought to the attention of the Committee the request by Bordentown LL to use the field at Charlotte Rogers Park on Saturdays at 4:30 from the end of March to the beginning of June. The CTAA has stated that it will not interfere with any of their games which raises the question of perhaps charging for the use of the fields. Also in question is if the CTAA does not need that field during those times, and will not have access to the newly constructed fields, are the new fields really needed. Mayor Kelly explained that there are some Chesterfield residents who play in Bordentown Little League because it's Little League and Chesterfield is Cal Ripken League. The Committee asked the Clerk to find out why CTAA does not need the fields and find out what the PW Dept. does to ready the fields. We need a contact person for clean-up issues.

The meeting was adjourned at 8:45 PM on a motion by Mr. Durr and second by Mr. Hlubik. All agreed.

Respectfully submitted,

Bonnie J. Haines, RMC
Township Clerk