

BOROUGH OF WATCHUNG

COUNCIL MINUTES

WORKSHOP MEETING OF APRIL 23, 2015

7:00 PM

MAYOR'S STATEMENT: Mayor Pote called the meeting to order at 7:02 P.M. and read the following statement: Under the provisions of N.J.S.A. 10:4-6 et seq., notice of the time and place of this meeting was given by way of annual notice to the Courier News, Echoes Sentinel, and Star Ledger, and posted at Borough Hall.

SALUTE TO THE FLAG, SILENT PRAYER, AND ROLL CALL

Nehls [P] Black [A] Franklin [P] Joren [P] Gibbs [P] Beck-Clemens [P]

Also present were Administrator Tom Atkins, Police Chief Joe Cina, Public Works Supervisor Bob Burns, Fire Chief Jonathan Erber, CFO Bill Hance, and Clerk Michelle DeRocco.

There were two people from the public present.

PUBLIC PORTION – AGENDA ITEMS ONLY

No one desired to be heard.

WORKSHOP DISCUSSION:

Review of 2015 Budget Requests

7:00 PM - Volunteer Fire Department

Administrator Atkins provided an overview of the Fire Department's budget, and discussed his and CFO Bill Hance's recommendation. He explained that while we await the report from the Rodgers' Group, it is anticipated that as each year passes, repairs and maintenance will be needed. He noted that if the budget appears to have a large increase, it is because of the 2 studies by the Rodgers' Group. Bill noted a sheet he just distributed which shows \$79,149. from FEMA for Super Storm Sandy which is an unanticipated revenue and means the Borough will only owe \$14,889.08 against the Emergency Appropriation adopted in 2012.

Chief Erber talked about the stipend request, noting that the Department put together a Review Committee, and are implementing some safeguards and to work out some details. In regard to the Capital request, much depends on the Rodgers Group report. He said this request is the same as the previous year's, and they are still in need of a Chief's vehicle, the current vehicle is a 2007 and has 90,000. miles on it. Chief Erber questioned the 2014 bond ordinance which included the vehicle, and asked what he can do to move this along? Mayor Pote asked for documentation for the need of another vehicle. Chief Erber said if needed, he can provide a written report, explaining that they had lost the Explorer. Chief Erber said he is looking forward to working with the Council on moving forward with the building renovations, and Council President Nehls said the renovations will be discussed with the Buildings and Grounds Committee. Councilman Gibbs said that recommendations might be made to "phase in" improvements. Chief Erber said he and the Department are appreciative of the recent upgrades.

Councilman Nehls referred to an email he sent earlier in the day, recommending some changes in budget line items, and he is recommending under "210" – "maintenance contracts" a reduction to \$1,000. and under "239" – "uniforms, clothing expenses" a reduction to \$4,000. Chief Erber explained there are 9 guys that will need uniforms. Under "276" – "training aids and programs" and Chief Erber explained that he intends to increase training, in particular live fire training, saying that while fortunate Watchung does not have a lot of real fires, the personnel really need to be trained in the event there ever is a fire. Councilman Nehls said he would like to see this

line item expended. Councilman Nehls questioned the “community relations” line item reduced to \$1,000. and Chief Erber said the Department plans on attending more community events and would like items to hand out to the children.

7:30 PM (Actual – 7:40 PM) - Police Department

Administrator Atkins referred to the summary narrative and said that one of the goals and objectives that Bill Hance and he recommended was to keep the staffing for Police, Dispatch, Office Staff and the Chief, the same. Mr. Atkins said they reviewed every line item coming up with only very minor cuts, and discussed with Chief Cina, the option of moving the purchase of an SUV be moved to Capital and removed from Operating Expenses.

Chief Cina provided an overview of his Department’s \$263,483. request, prior to moving the SUV. He explained that their operating budget is broken up into 4 basic categories: contractual obligations and maintenance agreements; necessary but not contractual items such as tires; variable costs such as training; and all other expenses such as vehicles. Councilwoman Beck-Clemens asked why all the vehicles could not be moved from operating expense and put into capital and Bill Hance explained that SUV’s can be capital because of a longer life span. Councilwoman Beck-Clemens suggested all the vehicles to be SUVs and Administrator Atkins said it does increase the bonded-indebtedness. Chief Cina clarified that a total of 3 vehicles were requested, 2 in operating and 1 in capital. Now, two will be in capital and one from operating. Councilman Gibbs questioned several line items including copier expenses and training aids and programs. Mayor Pote emphasized the need for crises management training, in particular, for Borough employees. Also discussed was ammunition, body cameras, and radar training. While Mayor Pote said he supports the full staff of 30 members, he asked the Chief to documents a few bullet points to justify the number of officers needed. Councilwoman Joren asked Chief Cina to confer with the Chief of Green Brook’s Police Department as they just went to the County dispatch system. Chief Cina said they are in the process of turning the system over, so once its implemented, he can get more input. Councilwoman Joren said this can be discussed at a Committee meeting.

8:00 PM (Actual – 8:30 PM) - Public Works Department

Administrator Atkins explained Public Works consists of several budgets: Buildings and Grounds, Roads, and Sewers. He said the first review was for staffing and said this budget can support the current staff, plus the step program as implemented last year, and overtime. In regard to Streets and Roads, which include salt purchases, he explained the budget in 2014 had monies outside cap because of the emergency declarations (5) by Governor Christie. He added that the amount appears lower this year, it wasn’t really cut because the (2) emergencies were declared.

Bob Burns answered many questions from the Council in regard to particular line items. Councilman Nehls questioned the amount for overtime, and said the 5 year average has been \$28,000. Bill Hance explained we have already spent \$29,000. and it is only April. Councilman Nehls suggests a reduction of \$5,000. for overtime. Councilman Nehls said the prediction is for a milder storm season, and anyway you look at it, this raises taxes. Councilwoman Beck-Clemens feels the entire Public Works budget is very conservative. Councilman Gibbs said the last two years we have spent about 98% of the budget, which means to him that we have spent what was in the budget. Councilman Nehls said it is simple to spend a budget. Administrator Atkins explained there is a 2% levy cap which mandates what can be done. Every month the Council reviews the expenditures and signs off on them, there is no money wasted. If there is no need for overtime, that money will not be spent. He said you can’t lose sight of the extremely small amount that is carried over at the end of the year, explaining that in 2012, $\frac{3}{4}$ of a percent was carried; in 2013 1.97% was carried to the fund balance. Mr. Atkins said we budget very tightly, we don’t always try to budget to cap. Councilman Gibbs said the cost of living goes up 3 $\frac{1}{2}$ % and we give employees 2% raises. Councilman Nehls said many residents haven’t seen a raise in years. Councilman Franklin explained that if you budget \$50,000. less this year, next year’s budget starts off at \$50,000. less and in the meantime expenses go up. To budget under cap will come back to bite you in the future. Councilman Nehls said he disagrees. Councilwoman Beck-Clemens questioned an increase in the motor oil line item, which all agreed was a typo, due to an increase from \$500. To \$5,000. Councilman Gibbs questioned machinery and equipment, and Bob explained we had rental equipment in 2013, due to Sandy, and the back-hoe needs re-

pairs, most likely about \$5,000. Bob said he cannot predict repairs. Councilwoman Beck-Clemens referred to the control line total, where the budget is only \$10,000. more this year which is why she felt it was too conservative. Moving on to Buildings and Grounds, Councilwoman Beck-Clemens said she feels \$13,000. budget is not enough to cover the maintenance of all the Borough's buildings and grounds, and recommends a five-year plan. In addition to the cleaning supplies, the HVAC system at the Police Department was discussed. In regard to the maintenance costs of the pump station, Councilman Gibbs suggested a pro-active approach with public messages in regard to what should not be flushed. In regard to capital, Councilman Nehls said some of the proposed improvements have not yet come before the Committee, so we don't have an idea of any costs. Mayor Pote said he would like to move forward with a new security system at the Texier House as there are valuables now that need to be protected and said he would like to move forward with a "card" entry vs. a key, for the Texier House and Borough Hall. Bob distributed photos of a 2008 truck that is used for plowing, that is in need of repairs, due to rust deterioration. Bob also talked about a replacement for the 2005 truck that was lost last year, and a minimum replacement cost would be at least \$130,000., using the \$41,000. Insurance money to offset the cost of purchase. Bob said he also needs to replace the 2003 pick-up truck, it has 77,000 miles on it and is falling apart. This may cost approximately \$52,000. Bob discussed the replacement of the sweeper box, which is less than the cost of its repair.

Mayor Pote thanked the Finance Committee, and also Administrator Atkins and CFO Bill Hance for their diligence in putting together this budget.

Administrator Atkins said a schedule to introduce the budget must be set, noting our next Council meeting is May 7th. He said there is a minimum of one policy question that needs to be addressed and that is dealing with the tax rate for local government purposes, and the recommendation would be cancelling \$100,000. from the 2001 Ordinance to off-set your debt service payments. He said the Administrative and Finance Committee discussed this and support this recommendation. Mr. Atkins added that if we move forward with this recommendation, the tax rate will change by 3%. If you don't have this to offset the debt payment than our tax rate increase will be 4.09%. Council President Nehls asked the Administration & Finance Committee what they thought and Councilman Gibbs said he supports it, however, next years' budget will be very difficult. He said this years' budget was a way to mitigate some drastic decisions, but they will have to be made next year. Councilman Nehls said he came up with \$63,000. in cuts, and he is done "kicking the can," and said he will go with the \$100,000. this year but this is the last year, and if this is not taken care of by next year, he will not vote for the budget. Councilwoman Joren said she will support the recommendation but is disappointed that they did not try to "pare" down this budget and next year we need to think of bigger ways to save money and that may means going to the County for dispatch or Bd. of Health, since our County tax dollars are paying those salaries for services they provide to other towns. Councilwoman Beck-Clemens said we still need to discuss salaries, and it was agreed that an Administration and Finance Committee would meet to discuss salaries.

PUBLIC PORTION

No one desired to be heard.

ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned to the call of the Chair at 10:15 P.M. and to the next regularly scheduled meeting to be held at 7:30 PM on Thursday, May 7, 2015.

Respectfully submitted,

Michelle DeRocco, RMC
Clerk