

SPECIAL WEST AMWELL TOWNSHIP COMMITTEE MEETING

January 7, 2009 – 6:00 p.m.

The West Amwell Township Committee met on the above date at 6:00 p.m. Present: Mayor Corboy, Committeemen Masterson and Molnar and CFO Luhrs. Also in attendance was Betty Jane Hunt with Cathy and Chester Urbanski, Hal Shute, Steve Bergenfeld and Ron Shapella joining the meeting at approximately 7 p.m.

Mayor Corboy announced that the Open Public Meetings Act has been complied with by special notice having been faxed to the Lambertville Beacon, the Hunterdon County Democrat and the Trenton Times and posted on the Township bulletin board on January 2, 2009. The Municipal Building is handicapped accessible but the Office should be contacted 24 hours in advance for any special accommodations.

The meeting was recorded via digital recording system and a copy of the CD is on file in the Office of the Municipal Clerk.

BUDGET WORKSHOP:

Mrs. Luhrs presented an overview of the 2008 budget with three particular areas of concern highlighted—legal, in particular. Attorney Cohen was contacted for a good number for his December billing and he estimated \$25,000. Although the budget was tight, it was anticipated that there would be enough money to cover the charges from all three attorneys. As a precaution, a freeze was placed on the purchase of gas, fuel oil and office supplies. However, the legal bill will run in excess of \$62,000 and there is no place from which to find \$40,000 for a transfer. Everything has been spent, so there's not enough money in any line item to pay the December bill. Auditor Case was contacted about how to proceed and a call was subsequently placed to the Division of Local Government Services. Mrs. Luhrs was advised that as the Township didn't have this number in December, whereby an emergency could have been declared, the difference will have to be raised in the 2009 budget. Therefore, whatever is determined to be this year's legal number, the unavailable amount from 2008 has to be raised in 2009. The total dollar figure needed will not be known until after the last payroll comes in with Police and Roads OT and there are still 2008 bills coming in. If the legal number for 2009 is determined to be \$250,000, it is possible that \$280,000 will need to be raised. This would be placed in a budget line called prior year bills—deferred charge, and would be an inside the cap expense.

The temporary budget was reviewed with Mrs. Luhrs noting that the legal number adds pressure here and the one adopted on January 1st will have to be amended to boost the legal line. There is also a question about whether the new judge will be Defined Comp or PERS. If the former, another line will need to be inserted.

A preliminary look at the 2009 revenues was undertaken. State aid numbers are just a guess at this point and the \$200,000 in extraordinary aid was taken out as this would have to be applied for with no guarantee of receipt. Construction revenues are down. A chart of wish-list budget appropriations showed a significant increase of over \$164,000. This would result in a 7 cent increase. Appropriations will need to be cut, just like in 2008. Big ticket items, such as garbage and trash and staffing, were noted as possible places for cuts.

An Appropriation Summary was presented and the Committee directed to review columns for 2008 Budget vs 2008 Encumbered vs 2009 Requested and to note the circled increases. Discussion points included:

- No salary increase for employees was included but the 4% contractual raise for police was factored in.

- The increase in General Administration reflects a requested office assistant. This position was deleted.

- The \$20,000 difference between budgeted and expended Police S&W was due to under-funding OT. As the upcoming payroll will include the holidays, there will be more OT.

- Legal is an estimate and the line includes the Combes settlement of \$52,000 as well as Attorneys Faherty, Tyler and Cohen. Mr. Corboy will take on the liaison role with Attorney Cohen and will request good numbers for this line item. An estimate will also be needed from Attorney Tyler

- The Planning Board line is up \$30,000 over 2008 due to anticipated Master Plan work. Whether some of this could be phased in needs to be determined.

- More money is needed for Police OT based on 2008 costs.

- The Fire Company's request for \$27,544 plus \$29,000 for kits that were deferred in 2008.

- Vehicle Maintenance includes both Roads and Police and leases. The request for a new purchase is likely to be delayed.

- Board of Health costs for salt mediation keeps increasing and is no longer a capital expense. DEP still requires ¼ reports.

- A portion of the PERS contribution can be deferred if the legislation passes. This pension system is under-funded already. The numbers used came from the State.

- PFRS could also be deferred as above. It's shown in the temporary budget as \$24,000 not the full \$40,613 that would normally be due.

- The Capital Improvement line was funded at \$40,000, the same as last year.

- Debt Service shows an increase in principal payments of \$10,000; \$70,300 for Fire truck bans, bond interest is down and other payments remain the same.

- The Deferred Charge is for a truck that was purchased; the pay back is to the Township.

- The Reserve for Uncollected Taxes is an estimate based on 2008 numbers.

Mrs. Luhrs informed the Committee that the challenge ahead is huge. In 2008, the Township had a cap on the operating budget of 3.5%; in 2009 there's a cap levy increase of 4% on the amount to be raised since the 2008 rate exceeded 10 cents. As legal costs are up over \$100,000, this exercise will be difficult. Mrs. Luhrs suggested that the big ticket items be looked at first—Police, Garbage & Trash, Roads—as other department increases are small. Mr. Corboy commented that Police OT needs to be corrected and will be explored. Mrs. Luhrs cautioned against under-funding lines going forward as there is then no place for needed transfers.

The possibility of applying for a waiver of the 4% cap levy can be explored but first there needs to be an attempt to get appropriations under the cap. Mrs. Luhrs will attend a seminar on Friday and will inquire about a waiver due to abnormal legal costs.

Mr. Corboy offered the following suggestions: a) reduce hours worked or institute a temporary lay off; b) check for good legal numbers from Attorney Cohen; c) look at Police OT; d) possible lay-offs; e) allocate dollars to meet letter of the law; f) limit expenditures; g) see if OT can be covered in another way, although it was thought that OT would have been eliminated with the addition of the new officer.

Mrs. Luhrs continued that there's a \$160,000 shortfall in appropriations and a gap of \$200,000 in revenues. It is imperative that appropriations be cut as much as possible. Discussion ensued over various items including reducing the Planning Board request and the fact that the Construction office is not covering its costs due to the down turn. A letter will be sent to the PBA to ask that they forego this year's 4% raise. The Fire Company requests were reviewed with the notation that the \$29,000 is in addition to the \$27,000 needed for operations. The request for two new leased police vehicles was eliminated, although the two 2003 Crown Vics they would replace are becoming costly due to breakdowns. The maintenance schedule for police vehicles will be discussed with Lt. Bartzak. The solid waste contract expires April 1st. The recycling dollar numbers are down and Lambertville is still to bill the Township for truck use. It was noted that a bill for use of court facilities was sent to Lambertville today. There is no agreement in place that would make the two items a wash.

It was agreed that another meeting is needed as soon as possible and was set for January 13th at 6 p.m. Lt. Bartzak's attendance will be requested to review the police budget.

Mr. Corboy requested a copy of the current Police contract. Copies will also be made for the other committeemen. Attorney Faherty was requested to look at the current contract concerning how OT is handled—especially if there's no officer to cover a shift if it has to be offered to another officer.

OPEN TO THE PUBLIC:

Hal Shute inquired about the possible impact of Governor Corzine's cuts. This is an unknown at this time.

Ron Shapella urged the Committee to write to the Governor and budget chairmen to remind them of the special situation found here and that West Amwell's CMPTRA is different.

ADJOURNMENT:

There being no further business, the meeting was unanimously adjourned at 7:06 p.m. on motion by Molnar, seconded by Masterson.

Respectfully submitted,

Lora L. Olsen, RMC
Township Clerk