

TOWNSHIP OF WASHINGTON  
BERGEN COUNTY, NEW JERSEY  
SPECIAL MEETING-BUDGET MINUTES  
Tuesday, April 28, 2020-7:00 P.M.

**☞PLEASE NOTE THIS IS A VIRTUAL MEETING  
WITH REMOTE PUBLIC COMMENT☞  
DUE TO CORONAVIRUS PANDEMIC**

CALL TO ORDER: Council President Feeney

STATEMENT:

Welcome to the Special Public Meeting of April 28, 2020 of the Township of Washington Township Council. Adequate notice of the meeting was given in accordance with the Open Public Meetings Act by the Township Clerk to at least two (2) newspapers on April 17, 2020, and this notice has been posted on the Township Bulletin Board and on the Township Web Site.

Proper notice having been given; the Township Clerk is directed to include this statement in the minutes of this meeting.

The purpose of this meeting is to conduct the following business and any other items that may be on the agenda.

2020 Budget Meeting

Formal Action may or may not be taken at this meeting.

SALUTE TO FLAG: Council President Feeney

ROLL CALL: Via Conference Call

Councilmen Cascio, Cumming, DeSena, Councilwoman Morgan, Council President Feeney. Let the record reflect also participating via conference call Peter Calamari, Mayor, Robert Tovo, Administrator and Township Clerk Witkowski.

APPROVAL OF MINUTES: None.

**\*\*TO PARTICIPATE IN THE GENERAL PUBLIC DISCUSSION PORTION OF THE MEETING, PLEASE DIAL IN ON 201-664-4659. YOU WILL BE ASKED TO STATE YOUR NAME AND ADDRESS FOR THE RECORD, AND WE ASK THAT ONLY ONE PERSON SPEAK AT A TIME. PLEASE NOTE THAT AT THE END OF THE GENERAL PUBLIC DISCUSSION, NO MORE CALLS WILL BE ACCEPTED\*\***

## GENERAL PUBLIC DISCUSSION

Council President Feeney advised there is a five-minute-time limit.

A motion was made by Councilman Cumming, seconded by Council President Feeney, to open the general public discussion.

Ayes: Councilmen Cascio, Cumming, DeSena, Councilwoman Morgan,  
Council President Feeney.

Nays: None.

Michael Ullman, 2 Clark Avenue – Mr. Ullman asked is there a Council meeting tomorrow evening? Council President Feeney replied there is an additional budget meeting tomorrow (April 29<sup>th</sup>) at 7:30 p.m. Mr. Ullman asked does the Township have statistics in terms of dollar amount and percentages past due regarding taxes for the prior four or five quarters? Council President Feeney replied she will ask the Tax Collector and get back to Mr. Ullman on that. Councilman DeSena stated as per my request, we did receive that information and we are above the collection rate from last year for the same time period. Mr. Ullman asked do you have the information for quarter two of 2019. Councilman DeSena stated as per the information received from the Tax Collector the 2020 collection rates as of April 19<sup>th</sup> were higher than the 2019 rates. Mr. Ullman stated is he to understand based on the discussion at the last meeting that the pension benefit was not in the budget that was presented to the Council. Administrator Tovo stated there was a glitch when we went from the workbook to the actual Edmunds document, the numbers were put in into the same lines as previous years, but it didn't carry over, when the numbers were put into the same category in the same section, they number did then capture, but that was after the Council received copies of the budget. Mr. Ullman asked so the budget that Council has been working with for the past month, month and a half did not include this? Administrator Tovo replied that is correct. Mr. Ullman asked whose responsibility is it to make sure the workbook makes its way from excel into Edmunds? Administrator Tovo replied that was him. Mr. Ullman asked is there a possibility that other items did not come across? Administrator Tovo replied he has gone through this numerous times, there is nothing that has not gone from the workbook to the current document. Mr. Ullman stated there was also a discussion on Capital Improvements, \$550,000 initially proposed then reduced to \$150,000, is that correct? Council President Feeney replied the amount was originally \$500,000, the department heads made a recommendation of \$150,000. When the budget was originally prepared and submitted to Council the \$500,000 was used as a placeholder, since the two pieces of equipment, the Class 2 Pick-up and the wheel loader are not going to be purchased, as it is cheaper to rent the wheel loader. Based on some other information from the department head, it was determined the \$500,000 would not be required.

Administrator Tovo stated there were some bills that were not received yet, from some of our insurances and BCUA so those numbers were elevated to try and absorb what increases if any we would see in those areas. Council President Feeney stated thank you Administrator Tovo, Mr. Ullman your five minutes is up. Mr. Ullman replied thank you.

A motion was made by Councilman Cumming, seconded Councilwoman Morgan, to close the general public discussion.

Ayes: Councilmen Cascio, Cumming, DeSena, Councilwoman Morgan,  
Council President Feeney.

Nays: None.

## DISCUSSION

### 2020 Budget

Council President Feeney stated the new budget that was sent out, it is not as though the Mayor is adjusting/changing his numbers, it was agreed the Council would like to see what the report would look like, there are several items that need to be voted on. She stated we agreed to have the temporary numbers be put through so we could have an overall percentage, overall number to the budget. Councilman Cumming stated he would like to add something to Capital, if appropriate, that is the Energy Management System/Installation for \$25,000. Council President Feeney asked which line is that? Councilman Cumming replied Capital Equipment, under DMF, Access Control. Administrator Tovo stated that would be Capital Projections, it is in the spreadsheet provided. Councilman Cumming stated it is the last line, under Building/Parks Improvements, could it be put there, Energy Management System. Councilman DeSena stated at the first meeting, \$20,000 was added, making the total Capital for this year \$2,722,999. Council President Feeney asked is the amount \$20,000 or \$25,000? Councilman Cumming replied \$25,000 including the library building. The building has six large roof top units that are gas fired heat in addition to a large boiler. We will be able to contact on the Internet it will be a separate unit from Town Hall with a separate Internet address so that the Library Director and staff can set the schedule. As he discussed with the Director, if the library has a snow day, she can call in from her laptop, turn the unit down for the day saving energy and cost. Council President Feeney stated the number we have from Administrator Tovo is \$2,632,000 adding the \$25,000, \$2,657,000. Councilman Cumming stated it is Energy Management Systems. Council President Feeney asked Councilman Cumming if he is making a motion on the addition of \$25,000 to the Capital Budget for Energy Management Systems? Councilman Cumming replied that is correct. Council President Feeney asked if Council has any questions/comments.

A motion was made by Councilman Cumming, seconded by Council President Feeney to add \$25,000 to the Capital Budget for Energy Management Systems.

Ayes: Councilman Cascio, Cumming, DeSena, Councilwoman Morgan,  
Council President Feeney.

Nays: None.

Councilwoman Morgan stated she would like to make a motion for \$100,000 for the library renovation. Council President Feeney stated she will second the motion. Councilman DeSena stated this will not pay for the renovation, the \$185,000 requested. Mayor Calamari stated he would like to remind everyone that is a matching grant, if it were to come through, we would not be losing money, those grants do not come out very often, so we cannot say when the next one would be, the impact to Capital is minimal if you spread this out over the estimated time that it would be budgeted for. Councilman DeSena asked Administrator Tovo, since he has been here having the Jack Woods Center ever reached its capacity as a cooling center that a second cooling center would have been needed. Administrator Tovo replied not since he has been in the Township. Councilwoman Morgan stated since it is matching, it would be \$200,000, a lot can be done. Administrator Tovo stated other options would be through donations. Councilman Cumming stated he feels we are missing something, it is a matching grant, the Director stated she needs \$185,000. Councilwoman Morgan stated it is a matching grant, bringing it to \$200,000. Council President Feeney stated the total renovation is \$380,000, if the Township gives \$185,000, the library would get a matching grant of \$185,000. Councilman DeSena stated his question is does the library need the generator, that is another \$60,000 - \$70,000, brings it down to \$100,000 which can be matched. Councilwoman Morgan stated improvements can be done with \$200,000, there is a difference between a real want and a need, she believes that \$200,000 can go pretty far, she doesn't think we are shortchanging anyone. Council President Feeney stated over the years the Township has missed out on a ton of grant money, just to be on the other side that we are leaving free money on the table. Councilwoman Morgan stated we are spending an extra \$80,000. Council President Feeney stated it turns into \$160,000. Councilwoman Morgan stated if we have \$100,000 what was originally asked for, it is a pretty decent size for an improvement budget. Council President Feeney asked if Council has any questions/comments.

A motion was made by Councilwoman Morgan, seconded by Council President Feeney to approve \$100,000 for the library budget.

Ayes: Councilmen Cascio, Cumming, DeSena, Councilwoman Morgan,  
Council President Feeney.

Capital

A motion was made by Council President Feeney, seconded by Councilman Cumming, on the Capital Improvement Fund for \$150,000.

Councilman DeSena stated he knows the one pension payment came out, where did the \$200,000 go that came out of the \$500,000? Council President Feeney stated she knows that two vehicles, one was a Class 2, the other was a wheel loader. Administrator Tovo stated the \$500,000 was a place holder, bills had not come in yet, we didn't want to deflate the number. Councilman DeSena stated he doesn't understand the logic. The original budget had a \$500,000 line item, \$350,000 was removed, taking out half of the Capital has nothing to do with the new number of \$13.649 million. Taking that out, \$350,000 needs to be accounted for, some of gets accounted towards the PERS payment, but there is still \$200,000. We didn't raise this budget by \$200,000, there is a shortfall, he is looking at it tonight, we have decreases of the Mayor's budget of a half-a-million-dollars and increases of \$71,000. Council President Feeney stated the many of the increases are due to things that were out of our control during the year, recycling fees \$36,000, waste \$60,000, and another \$60,000 for OEM due to COVID. Councilman DeSena stated COVID is separate, an emergency resolution was done for that, if the other numbers were already accounted for the \$500,000. Council President Feeney stated the \$500,000 was a place holder, there is a payment for debt service, a reduction is going in a positive direction. Councilman DeSena stated the budget doesn't make sense that way, it was put in as a \$500,000 placeholder, the other lines were already increased. Council President Feeney stated last year it was \$550,000. Councilman DeSena stated last year does not matter, this is the 2020 budget, you take \$500,000, reduce it by \$350,000, saying that monies get re-appropriated, where are the monies being re-appropriated? Council Presidents Feeney asked Administrator Tovo was all of the money in the \$500,000 line item re-appropriated? Administrator Tovo replied there are bills we have not yet received, recycling \$36,000, BCUA fees \$60,000, OEM just discussed, legal up by \$33,000, PFRS up by \$25,000, Police S&W is up by \$239,000. Councilman DeSena stated Police S&W numbers were accounted for. Administrator Tovo replied not the way the original budget was done, recycling, solid waste, we received another BCUA bill, the original document doesn't have OEM, legal increases, the salary increases, the PFRS at \$25,000 was not originally included. Councilman DeSena stated in the Mayor's original budget, the total increases are \$71,974. Township Clerk Witkowski stated that was as of yesterday, there are still other numbers that need to be done. Councilman DeSena stated the Police Department was included in the original budget. Administrator Tovo stated it was not included. Council President Feeney stated she is confused, we speak about reducing the budget, the overall number has come down. Councilman DeSena stated if you take the

logic (inaudible). Councilman DeSena stated the budget as prepared on February 7, 2020, the recommended budget was \$14,304,000, the logic is it would bring it down to \$13,950,000. Council President Feeney stated the Administrator told us the other numbers were not in the budget. Councilman DeSena stated if you put the \$150,000 back into the pension, that brings it down to \$14,100,000, but looking at this, we are at \$13,849,000, with a minus of \$400,000 for garbage service, there is still money missing there. Council President Feeney stated she went through the new temporary numbers that the Mayor put out, versus what we had, she sees the changes made, she doesn't see any other changes.

A motion was made by Council President Feeney, seconded by Councilman Cascio, to decrease line item 0-01-44-902-200 (page 66 updated budget, page 79 old budget) from \$500,000 to \$150,000, decreasing the line item by \$350,000.

Ayes: Councilman Cumming, Councilwoman Morgan, Council President Feeney.

Nays: Councilmen Cascio, DeSena.

0-01-44-902-200	CAP Improvement Fund	REC \$500,000	Budget \$150,000 <b>DECREASE 350,000</b>
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Reserve for Pagers Ambulance Corp \*(Fire Department)

Mayor Calamari stated we believe the heading on that is incorrect, it was going to be the reserve for the \*Fire Department, he had a conversation with Administrator Tovo, since they received new trucks this year and last year, we would like to take our recommended down to zero, start next year to fund new trucks.

*As per Mayor Calamari, the recommendation below decreased from \$20,000 to \$0.*

0-01-44-904-200	Reserve for Pagers – Fire Department	REC \$20,000	Budget \$0 <b>Decrease \$20,000</b>
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Administrator Tovo referred to line item 0-01-45-930-000 (Municipal Debt Service Interest on Bonds CAP Ex) showing \$215,700 in that line. Council President Feeney stated no, the original submission before the temporary numbers has \$107,850. Administrator Tovo stated the difference would be the numbers that we had in the original document were off and were verified by Lerch, Vinci & Higgins, these are the confirmed numbers. Councilman DeSena stated when Council receives the budget, these numbers are supposed to be

accurate. Administrator Tovo stated by the time Council gets the budget, most of these questions are not yet answered still a work in progress. Councilman DeSena stated it is a large two-fold increase. Council President Feeney asked Administrator Tovo is he recommending the \$215,700? Administrator Tovo replied he is recommending as it is our obligated bill to pay this year. Council President Feeney asked Administrator Tovo is this the amount that is being billed? Administrator Tovo replied correct. Councilman DeSena stated Council needs to vote on it. Council President Feeney asked if the Township does not pay this we are in default? Administrator Tovo replied correct. Council President Feeney asked what is the impact if the Township defaults? Mayor Calamari replied not good. Council President Feeney asked what is the impact, and does Council understand how their vote is going to impact this. Mayor Calamari stated he could not venture a guess. Councilman DeSena stated we need to find the money somewhere else, what do you think Administrator Tovo? Administrator Tovo stated our ratings would drop substantially. Council President Feeney stated we are not having this discussion right now, argument, period, she was asking the question, so everyone understood, we don't need the snide comments, end of discussion. Mayor Calamari stated we did the best we could at the time to approximate the numbers, however, if you want us in the future, it is a balancing act to get the budget to the Council in a timely fashion as opposed to holding it to the statutory date when we could, some numbers have to be guesstimated for that balance to work. Councilman Cascio stated our auditor should give us the number. Administrator Tovo stated our auditor was not in until well after this document went to Council. Councilman Cascio stated we didn't reach out to anyone who had the expertise to figure out this number. Council President Feeney stated if we don't pay this the Township will be in default, the credit rating will drop, it doesn't benefit anyone, so Council is aware of the impact. Councilman Cascio stated we need to find the money somewhere else to make up the shortfall of \$107,000, this was not an unknown number, that is what hurts him, this number should have been spot-on, he doesn't understand how \$107,000, overlooked, poor planning. Council President Feeney stated it is also irresponsible, our credit rating is going to drop, it is a double edge sword, she apologizes Councilman Cascio, we cannot hear you. Councilwoman Morgan stated Councilman Cascio, keep your tone down a little bit, stop arguing. Councilman Cascio stated he is talking, he doesn't understand why this happened, that is why we have CFO's, auditors to be at least close to the numbers he feels we should go back and rework the numbers to meet the shortfall this is why we need a CFO. Council President Feeney stated how do we go back when this is the bill, this is the number, if we cannot pay the amount owed it will force our credit rating to go down, how will that benefit the Township, it is a double edge sword. Administration has told us it was a timing issue, this is the amount owed, we cannot go back and change time, it is what it is, the best thing to do in the Township's interest is to pay it timely so we do not lose our credit rating, which has a bigger impact. Councilman Cascio asked when is the next payment due? Mayor Calamari stated Administrator Tovo just stepped out,

we will have to wait for him to get back. Councilman Cumming asked is the \$215,700 based on an actual bill that has just come in? Administrator Tovo stated it is due May 1<sup>st</sup>. Councilman DeSena asked are these scheduled payments? Administrator Tovo stated we have two each year, May 1<sup>st</sup> and November 1<sup>st</sup>, automatically deducted from the Township bank account via ACH.

Council President Feeney asked the amount to be deducted is going to encompass the \$215,700, is that correct? Administrator Tovo replied correct. Councilman DeSena asked when was that Debt Schedule prepared, since you know the dates? Administrator Tovo replied he knew when he received this from LVH, that they prepared, on October 17, 2019. Councilman DeSena stated so the Administration knew there were two payments due in 2020, for a total of \$215,700, each payment being \$107,850, so one payment was put in the line item, not two, correct? Administrator Tovo replied he will not argue with that. Councilman DeSena stated so it is not the bills coming in, the bills came in, we knew what the Debt Schedule was, we just did not plan accordingly. Councilman Cascio stated apparently that is the case. Councilman Cumming stated he believes Council President Feeney is correct, if this is not paid, the Township credit rating will go down, that would not be very good. Councilman Cascio stated here is a question, our credit rating goes down, next time we borrow money we are paying more money, we are basically paying zero for this money now, if we pay double at 1% or 2%. Councilman DeSena stated we need to find the \$107,000 somewhere else. Councilman Cascio agreed. Councilwoman Morgan asked how about the projects that need funding? Council President Feeney stated you are taking a risk on the projects being funded, the credit rating doesn't go back to a good rating immediately, even if you double down on the payment. Councilman DeSena stated the credit rating has nothing to do with this payment. Council President Feeney stated we have to do what is in the best interest of the Township, making the Township's credit rating go down, in the best interest long term, making the residents pay more, it is a mistake, an error. She stated she doesn't understand, he is saying that there was an error, we have the right numbers now, they are included in the amount, instead of making the Township's credit rating go down, it doesn't make any sense. Councilman DeSena stated we would not be missing a payment. Councilman Cascio stated we will cut \$107,000 out of the current budget. Council President Feeney asked where would Councilman Cascio like to cut it from? Councilman Cascio replied we can start on page 1. Council President Feeney stated we cut quite a bit out, line items have been reduced and some have been brought down to zero. Councilman Cascio stated we can bring it down another \$50,000, \$57,000. Council President Feeney stated it still doesn't get us to \$107,000, where would you like to find it. Councilman Cascio stated you can find \$50,000, along with other amounts, we are at our \$215,000. Councilwoman Morgan stated she disagrees. Councilman Cascio stated we can find the \$107,500 somewhere else. Council President Feeney stated the wrong points are being made, you have the wrong focus. Councilman Cascio stated that is his focus, like any other budget,

if you need money you have to find it, reallocate it, he stated you can take the Mayor's increase budget, bring it down to zero, then you have \$71,000. Council President Feeney stated let's have a vote.

A motion was made by Councilwoman Morgan, seconded by Councilman Cumming, to increase line item 0-01-45-930-000, to \$215,700.

Ayes: Councilman Cumming, Councilwoman Morgan, Council President Feeney.

Nays: Councilmen Cascio, DeSena.

0-01-45-930-000	MN DBT SVC INT on BDS CAP EX	REC \$215,700	Budget \$107,850
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**\*INCREASE DOES NOT PASS.**

Mayor Calamari stated he is confused; the revised recommendation is \$215,700. Councilman Cascio stated it doesn't work that way, it has to be part of the original budget. Mayor Calamari stated now you are really nitpicking, on almost every difference you asked Mayor are you changing you recommend, on this one you're not. Councilman Cascio stated that is the law. Mayor Calamari stated Councilman Cascio you always ask Mr. Mayor, are you changing your recommendation. Councilman Cascio stated he is allowed to ask. Council President Feeney stated she does ask. Mayor Calamari stated why ask this if it is against the law, you know that. Councilman Cascio stated if the Mayor wants to change it, you need the number of people to agree. Mayor Calamari stated Councilman Cascio always asks for a discussion, especially if it is to increase, you ask if the Mayor is changing the recommendation, he replies, it has never been an issue until this line item, why would Councilman Cascio ask him if he is changing his recommendation if it is against the law, he can go back into the recordings. Councilman Cascio stated it needs to be documented. Mayor Calamari stated this whole budget needs to be redone, you cannot do this for this one line item, we have done it in the past, now it is against the law. Council President Feeney stated we cannot process things one way, then another way, it is not that anyone is right or wrong, she will have to go back into the meetings as to what is in the law or not in the law, he is 100% correct. Councilman DeSena asked the Mayor you submitted your budget to Council on February 7, 2020, whether we ask if you revised your number, four votes are still needed for an increase, correct? Mayor Calamari replied no, not if he changes the recommendation, it is not an increase, he understands why Council asks, you don't want to make it seem that you are increasing his budget a lot more, he gets that, but you then have to follow the same rules for all the line items. Councilman DeSena stated you cannot put this on Councilman Cascio, there are four other people that can make the same request. Mayor Calamari stated of the five people, how many remember that being asked of me multiple times. Councilman DeSena stated he asked every time last year and we took a vote on every one, people said it was overboard, but that is the way it should be. Council President

Feeney stated it is what it is, we need to speak to the attorney, see where we stand, the back and forth is not productive. Mayor Calamari asked can Council President Feeney indulge him and ask each Council member if they remember that question being asked of me multiple times. Council President Feeney replied the Mayor ask them. Mayor Calamari asked Council to weigh in whether he has been asked that question multiple times. Councilwoman Morgan replied yes, he has. Councilman Cumming replied yes, that is correct. Councilman DeSena replied yes. Councilman Cascio replied yes, when we voted with four plus. Mayor Calamari stated Council President Feeney stated she might as well end the meeting; the numbers are thrown into havoc. Council President Feeney stated OEM really needed their budget passed, due to what is going on, but it doesn't look like it is going to happen. Councilwoman Morgan stated that is not a good thing. Council President Feeney stated she is calling the meeting. Councilman DeSena asked can he ask one question? Council President Feeney replied no, she is calling the meeting.

A motion was made by Councilwoman Morgan, seconded by Councilman Cumming to adjourn.

Ayes: Councilmen Cascio, Cumming, DeSena, Councilwoman Morgan,  
Council President Feeney.

Township Clerk Witkowski asked if Council is meeting tomorrow night (April 29<sup>th</sup>). Council President Feeney replied yes, she will have a decision tomorrow on moving forward.

Time noted: 9:23 p.m.

/s/ Susan Witkowski  
Township Clerk

/s/ Arthur Cumming  
Council Vice-President

Approved: August 17, 2020

