

TOWNSHIP OF WASHINGTON
BERGEN COUNTY, NEW JERSEY
BUDGET MEETING
Monday, March 25, 2019

CALL TO ORDER – 7:30 p.m.

STATEMENT

Welcome to the Special Public Meeting of March 25, 2019 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 March 21, 2019, and this notice has been posted on the Township Bulletin Board and on the Township Web Site.

Please notify the Municipal Clerk for any disability requirements necessary for attendance at Mayor and Council meetings. The fire exits are located through the double doors to your right and through the door on your left. Please silence all cell phones

SALUTE TO FLAG - led by Council President DeSena

ROLL CALL

Councilmen Ullman, Cumming, Council President DeSena
(Also, in attendance Peter Calamari, Mayor; Robert Tovo, Administrator; and Susan Witkowski, Township Clerk)

Councilman Bruno arrived at 7:39 p.m.
Councilman Cascio arrived at 8:03 p.m.

GENERAL PUBLIC DISCUSSION

A motion was made by Councilman Cumming, seconded by Councilman Ullman, to open the general public discussion

Ayes: Councilmen Cumming, Ullman, Council President DeSena.
Nays: None.
Absent: Councilman Bruno, Cascio.

Seeing none.

A motion was made by Councilman Cumming, seconded by Councilman Ullman, to close the general public discussion

Ayes: Councilmen Cumming, Ullman, Council President DeSena.
Nays: None.
Absent: Councilman Bruno, Cascio.

INDIVIDUAL RESOLUTIONS

Resolution No. 19-169

Authorizing engineering services – intersection improvements Washington Avenue and Pascack Road

A motion was made by Councilman Cumming, seconded by Councilman Ullman to approve Resolution No. 19-169.

Council President DeSena stated he requested the Administration to put this resolution on the Agenda. Boswell Engineering is working on the intersection and this Resolution will memorialize it. Council President DeSena stated the right-of-way acquisitions are being done, the preliminary/final design, acquisition maps and review of the comments for the Zoning Board for the new dental office that would like to open at the Helen Bohn location. Administrator Tovo explained the tasks are established in the contract, as they are completed Boswell Engineering can be paid. The Mayor was authorized to execute the agreement with Boswell at the last Council meeting, but it was never formalized. The preliminary design is being worked on, acquisitions are not known at this point. The Five-Star gas station has already given the acquisition to the County as part of their approvals, Season's lot is incorporated, the acquisitions are shown for their proposed commuter lot plan, with the acquisitions required by the County, but they have not been formalized into a document that can be submitted. At the Helen Bohm location, the dental office, as part of their approval process have been told what the requirements are by the County Engineer Department, and Boswell, what is needed for the intersection and what they would have to supply if they do get approval. The commuter parking lot approval/process is running concurrently with the Township project, but the acquisition is not contingent on getting approvals, the Township is not tied into it.

Councilman Bruno arrived at 7:39 p.m.

The gas station has not made a formal application to the County Planning Board.

Ayes: Councilman Bruno, Cumming, Ullman, Council President DeSena.
Nays: None.
Absent: Councilman Cascio.

DISCUSSION

2019 Budget

Administrator Tovo has provided the revised Capital Plan and worksheets for the budget. Also included are back-up for medical and health, run sheets for Town Day, Holiday Celebrations and Public Events.

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Previous Flagged Items – Now corrected

9-01-20-100-170	Grant Consultant	\$15,000
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A grant consultant will be hired for all projects, this amount will be put in current budget. It will be specific to grants in general.

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9-01-20-120-120	Assistant to Clerk	\$29,000
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9-01-20-130-160	Deputy Treasurer/Benefits Coordinator	\$10,000
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The amount was budgeted in the line item, but that is not what will be in the Salary Ordinance, which controls the wage. Councilman Ullman stated last year the amount that was in the Salary Ordinance was outspent, and the control on the Salary Ordinance line item is not enforceable.

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9-01-20-145-110	Tax Collector	\$45,168
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9-01-20-145-120	Tax Collector-Part Time Help	\$2,500 (Decrease Half)
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9-01-20-145-130	Deputy Tax Collector	ZERO OUT
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9-01-20-150-120	Tax Assessor's Clerk	\$5,820
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9-01-20-155-260	Dept of Law - Other legal services	\$12,500
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9-01-21-180-110	Planning Dept. Sec Salary	\$13,593
9-01-21-180-320	Planning Dept./Consulting Non-legal	\$3,000

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9-01-12-220-000	Health, Dental & Life	\$760,000
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The increase was primarily health, due to a 3% increase in premium, and the majority of costs lie in either in new plans, single to family, or member/spouse to family. The first sheet in the handout provided covers that, and the notations on top are the new plans added from 2018 to 2019. The handout shows what the 2018 rate was versus the 2019. The expense is net, the contribution goes back to the Township/line item. Contribution varies by salary, this is the total amount, only for medical.

9-01-25-240-110	Police Salaries - Other than Chief	\$ 2,510,500
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Reduction in amount originally requested for above line item. Administrator Tovo stated he began looking at numbers prepared by others, including the PBA, former Administrator and current members in the payroll system, and was concerned where this number should be going forward, depending on the contract. The number was moved higher to be sure there was no last-minute increase, this administration is comfortable with the number presented, which would include a change in police scheduling. The settlement that is currently under negotiation that would make a financial impact in this line item was included, at a worst-case scenario settlement, maximum financial exposure. This will also be discussed during a Closed Session on April 1, 2019.

9-01-25-240-120	Police Overtime	\$150,000
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9-01-25-252-100	OEM Salary & Wage	\$2,400
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Increase above is \$1,200 for the coordinator, \$600 each for the two deputies.

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9-01-26-290-130	DMF - Secretary	\$18,500
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9-01-26-290-110	DMF - Permanent Employees - Not Superintendents	\$437,000
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Original line item was approved at \$467,000, administration is now requesting \$437,000, which would include the driver/cleaning person position. The share of the persons salary would be taken from an existing line item, that is used to outsource cleaning services, once the above line item is approved, the other line item will be zeroed out (Page 41, 9-01-26-310-450, \$32,000). An employee will be hired rather than having an outside vendor, full-time during the day, which also would include driving of the senior bus. The current contract is month to month.

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9-01-26-305-210	Recycling - Curbside Contractor Fees	\$145,860
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Councilman Cascio arrived at 8:03 p.m.

Contractor was fully paid, the \$145,269.26 amount was charged to the grant line item for tonnage, which is being corrected. The tonnage grant which was awarded was \$20,000, and is not a matching grant. The contract is up at the end of the year, recycling is not a cash revenue any longer, and other options will be looked into. This will be reclassified, and it usually is it not more than \$20,000 per grant, unless the amount had built up over the years.

9-01-26-305-220	Recycling- Leaf Disposal Fees	\$175,000
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9-01-26-455-200	Sanitary Sewer Fees - BCUA	\$739,025
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Above is sanitary, rain does impact the line, less ground water.

9-01-26-456-200	Sanitary Sewer Fees - Other than BCUA	\$80,000
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9-01-30-420-002	Town Day	Zero Out
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A conversation followed on zeroing out the town day line item, and using the monies in trust instead of current. Ms. Curran was requested to monitor the

account going forward. A discussion followed on the \$45,000 that was taken out, there is no PO, no check, a transfer cannot be made out of trust. Ms. Curran stated she will reconcile the account.

Tax Implication Sheets (2) provided by Ms. Curran, CFO

The first sheet is what the estimated tax levy was last year, and what it is this year. The assessed value has not changed much, the tax levy has gone up somewhat. Ms. Curran came up with a preliminary budget appropriation, and also an anticipated surplus, which is 2.2 million, miscellaneous revenue of \$1,688,670, delinquent taxes are about \$300,000, for a total of \$4,188,670, amount to be raised would be 9 million, looking at an increase of \$33 per household for the year, which does not include a Capital Plan, but includes the current payment on the fixed term long term debt. The second page, when the AFS was done, the Township had a prepayment of taxes, at \$242,297, which is allowed to be anticipated in revenue, with that being done, it would reduce \$37. Currently there are 3459 households in the Township. Taking 10% of the operating budget is 1.3 million.

A break was taken for Ms. Curran to run the numbers of zero surplus, one-million dollar surplus and two-million-dollar surplus.

A break taken from 8:36 p.m. – 8:46 p.m.

Ms. Curran handed out the scenarios. Based on current expenses, using 1.2 of the current surpluses it would be an increase of \$252, without capital projects, school of county. Schools average a 3% increase per year. Using the zero surplus, the increase would be \$599. Using the 2.2 million, 1 million will be used out of the surplus, 1.2 million was used last year. A conversation followed using the 3.2 million of cash to pay off the BANS.

Capital

Ms. Curran will be reaching out to both Mr. Beinfield, and Mr. Mai to come in and meet to discuss the BANS and what to do for the long term, the 10 million and six million in bonds. Councilman Ullman stated we have not addressed the funded but not spent part of the six million, if we funded but didn't spend it, what is the actual number, are there items we can take off the top? Ms. Curran replied when you renew the BANS, there are small amounts, those you can get rid of, pay them down. Councilman Ullman stated we funded six-million-dollars; did we spend it? Councilman Bruno replied we had \$529,000 funded, unused, last year, less what was cancelled in 2018, which was funded, unused. Ms. Curran stated when your borrowing you don't know what is left in your cash account, because your borrowing your BANS to pay down those projects. Councilman Bruno stated on page 82 of the financials, you tie into the number. Ms. Curran replied this number does not mean cash. Councilman Bruno replied yes, it does, it means you can cancel it and use it against the capital. Ms. Curran

replied you can cancel it, however, you have to see if that was funded, if it was not funded it does not become available to you. She stated she was told by Mr. Mai that was all taken care of, what you have today is what you have. Councilman Ullman stated he thought the exercise Mr. Mai undertook was only looking at the first eight years of the ordinances, not the last ten. He feels the issue is that we funded six-million. Ms. Curran stated when you say funded six-million, that is not funded this point, it is temporary financing. Councilman Ullman stated we are temporarily, in a short-term market, going out and borrowing six-million-dollars. Ms. Curran replied correct. Councilman Ullman stated we haven't expended six-million-dollars, we expended five-and-a-half-million. Ms. Curran replied there might be \$500,000 left, she doubts there is two or three million left. Councilman Bruno stated in looking at this schedule, and tie it back to the financials last year, \$529,000 which was funded and unused, \$144,000 from 2009, 2008-2013, various items, the biggest amount we have is various improvements, 17-04. Ms. Curran stated the \$223,500 is a done deal, that is the one we had the problem, it might have been funded, but you need to look at what was unfunded. Council President DeSena stated a decision needs to be made, 5.5 million is owed, do we take the remainder of the surplus, two million dollars, to pay off some of those BANS. Ms. Curran spoke with Mr. Mai he recommended looking at 2017, we don't know if these items are complete. A conversation followed on the total exposure of the BANS, long term debt, operating expenses and purchasing of smaller purchases, and bonding for larger purchases. Ms. Curran stated unemployment reserve can only be used for unemployment.

A conversation followed on the road program, as well as the DMF vehicles and police vehicles. The presentation by the architect (Robbie Conley) will be on April 1st, information will be included in Council's packets, or sooner. Council President DeSena stated working dialogue meetings have been held, they were not presentations, space was programmed for the fire department and ambulance corps. Spaces have been added, revised, and there has been reconfiguration of the building based on ambulance and fire department needs, the building has been downsized, both on the ambulance side and fire department side. Chief Insetta has met with ISO (Insurance Services Organization), and stated individually homeowners should reach out to their insurance, there is a cost involved to the age of the apparatus. Council President DeSena stated he does have an email from the Chief, and ask if he could disseminate to the Council. The representative from the insurance company cannot come to a Council meeting, since he is contractually obligated by the State, a summary was given as to how the ISO rating works, and JIF has no input, it is based on the home-owners insurance. The rating is based on age, and what the Township has presently. Councilman Cascio stated at the shared service meeting, there was a discussion of sharing fiber optics with the surrounding towns, it would cost the Township \$250,000, it does pay for itself

in about four years, which may be something to discuss for next year's budget or perhaps this year.

Councilman Cascio stated he will get firmer numbers, and asks Council to consider it. Electronic recycling was also discussed at the meeting. A conversation followed on shared services, such as fire, police, DMF, dispatching, mutual aid, and current shared services that the Township is currently engaging in, as well as what the fire department is requesting. Current police vehicles were discussed, as well as upcoming lease vehicles, and purchasing of vehicles.

Ms. Curran will reach out to Mr. Beinfield to attend a meeting with herself and the Administration. Council President DeSena asked that direction be given regarding BANS, bonds and different dates for bonding, such as 20 or 30 years.

PAGE 1

The DMF pick-up truck, \$48,000 will be moved to 2020, the \$45,000 to 2021. \$25,500 and \$7,200 will be moved into the budget.

PAGE 2

The \$10,000, \$20,000, \$10,000, \$10,000, \$25,000, \$25,000 and \$10,000 into the budget also.

A discussion followed regarding surplus, and what percentage to cut that by. The library was also discussed, amount of which is in capital.

A motion was made by Councilman Cascio, seconded by Councilman Cumming, to enter into Closed Session.

Ayes: Councilmen Bruno, Cascio, Cumming, Ullman,
Council President DeSena.

Nays: None.

Resolution No. 18-170

Closed Session, March 25, 2019

WHEREAS, the public is invited to attend all Meetings (whether denoted public or conference sessions) of the Township Council in accordance with its general practice and the Open Public Meetings Act; and

WHEREAS, the Legislature of the State of New Jersey declared that the public has a right to attend all meetings of the public bodies at which any business affecting the public is discussed or acted upon in any way except as set forth in the Open Public Meetings Act (N.J.S.A. 10:4-12), which provides for the exclusion

of the public from the portion of a meeting at which certain enumerated matters are to be discussed; and

WHEREAS, the Township Council has determined that, because of the nature of the subject matter to be discussed, the public should not be present at that portion of the meeting of the Township Council at which certain specific matters encompassed by N.J.S.A. 10:4-12 are to be discussed;

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Washington that, pursuant to the express provisions of the Open Public Meetings Act, the public be excluded from the meeting or portion of the meeting (denoted as an "executive" or "closed" session) in which the following matters are to be discussed:

1. Any matter which, by express provision of federal law or State statute or rule of court shall be rendered confidential or excluded from the provision of subsection a. of this section.

2. Any matter in which the release of information would impair a right to receive funds from the Government of the United States.

3. Any material the disclosure of which constitutes an unwarranted invasion of individual privacy such as any records, data, reports, recommendation, or other personal material of any educational, training, social service, medical, health, custodial, child protection, rehabilitation, legal defense, welfare, housing, relocation, insurance, and similar program or institution operated by a public body pertaining to any specific individual admitted to or served by such institution or program, including but not limited to information relative to the individual's personal and family circumstances, and any material pertaining to admission, discharge, treatment, progress or condition of any individual, unless the individual concerned (or, in the case of a minor or incompetent, his guardian) shall request in writing that the same be disclosed publicly.

4. Any collective bargaining agreement, or the terms and conditions which are proposed for inclusion in any collective bargaining agreement, including the negotiation of the terms and conditions thereof with employees or representatives of employees of the public body.

5. Any matter involving the purchase, lease or acquisition of real property with public funds, the setting of banking rates or investment of public funds, where it could adversely affect the public interest if discussion of such matters were disclosed. **POTENTIAL PURCHASE OF PROPERTY**

6. Any tactics and techniques utilized in protecting the safety and property of the public provided that their disclosure could impair such protection. Any investigations of violations or possible violations of the law.

7. Any pending or anticipated litigation or contract negotiation other than in subsection b. (4) herein in which the public body is, or may become a party. Any matters falling within the attorney-client privilege, to the extent that

confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer.

8. Any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance of, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body, unless all the individual employees or appointees whose rights could be adversely affected request in writing that such matter or matters be discussed at a public meeting.

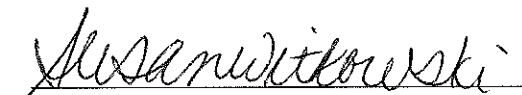
9. Any deliberations of a public body occurring after a public hearing that may result in the imposition of a specific civil penalty upon the responding party or the suspension or loss of a license or permit belonging to the responding party as a result of an act or omission for which the responding party bears responsibility.

BE IT FURTHER RESOLVED, that it is not possible as yet to fix the time when or the circumstances under which the discussion conducted in Closed Session can be disclosed to the public. It is anticipated that the subject matter under discussion will be made public when finalized.

BE IT FURTHER RESOLVED, that notice is hereby given that the Township Council may find it necessary to take action at the conclusion of the executive/closed session; that such action if taken, will occur in open session; that you are invited to stay in the Municipal Building during the executive/closed session; that the doors to the Council chambers will be opened and an announcement will be made if the Township Council will be going into open session; and you may be present during such open session.

The Township Council anticipates that an open session will be necessary.
 The Township Council anticipates that an open session will not be necessary.

Time noted: 9:45 p.m.


Susan Witkowski
Township Clerk


Michael DeSena
Council President

Approved: June 5, 2019

The next Budget Meeting will be held on Tuesday, March 26, 2019 at 7:30 p.m.