

February 19, 2013

A workshop meeting of the Mayor and Council of the Borough of Victory Gardens held on February 19, 2013.

Mayor Holeman called the meeting to order and declared a quorum present. This meeting has been advertised in one newspaper, The Daily Record, in compliance with the New Jersey Open Public Meeting Act.

ATTENDANCE: Councilwoman Cheatham, Councilwoman Hall, Councilwoman Hedgepath, Councilman Lorenzo and Councilwoman Garcia Montes.

ABSENT: Councilman Glass.

Tonights meeting is for discussion on the Muncipal Budget for 2013. At this time we will turn the meeting over to our Finance Officer Amy Maronpot.

This is a DRAFT budget that I have put together based on what we had last year. There are a few changes that I have added based on costs that went up such as health insurance, garbage costs, audit, etc.. What you are looking at in a DRAFT budget is whatever we had including those changes with a 2% increase - which is the average increase. Salaries is estimated at 3% increase due to the fact that we did save some money with the municipal court and a few other avenues.

We kept most of it the same. There are some notes that talk about the web site, tree removal. These are things we planned on doing last year but never got to them. We still talk about doing them and we should leave it in the budget if you still want to do these things.

I am going over where I have notes. I basically raised about 2% on everything. There are things such as group health insurance that went up \$6,000 so I went up more in that line item than 2% .

Councilwoman Montes asked if we are going to go line by line? We can if that is what you want to do. Councilwoman Hall said if Council wants to go line by line we will do it after Amy gets done with her presentation.

The things that are up I have my notes next to. BOE legal because we do have a legal matter on that. Garbage went up. Engineering we will need money in that for the DOT grant and any other items Leon may have to take care of for us. We added \$600.00 more for classes for the Tax Collector. Health services went down through Rockaway. We are waiting for 911 costs. We haven't received anything from the County although I have been talking to them. They haven't set figures yet. There are statutory increases such as PERS and Social Security. Our court went down about \$4,000. I left the same amount in the projects planned for the playground and the drainage. We put these amounts aside last year but didn't use them. We also put \$10,000 in the Capital Improvement Fund last year and I put the same amount in for this year. This is for future work or things we need to buy. This is what I have for you to start with.

Councilman Lorenzo asked about the Clerk O & E. It seems that we are putting more in here. We had money left over. You also have several lines where you made notes for tree removal. Yes. Last year we increased these areas because of the trees that had to be taken down. I left that there in case you need to remove more trees. Debbe said that there are more trees that have to come down that Leon will be looking at in the Spring.

The Mayor asked if anyone on Council had any more questions for Amy. There is money that was owed in 2012 but we didn't get bills for until 2013 so that money is accounted for. No one had any other questions for Amy.

Motion was made to open the meeting to the public by Councilwoman Montes, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Joan Cegelka - How can we ask questions if we don't have anything to go off of. Can we have the paper work that everyone else is looking at? Council just got this tonight. If they want to give it to you they can. I have extra copies. Are you going to have another question period for the public? No, at this time this is the only one we are having.

Jim Janone - Who gets a 3% increase? All employees. Is that for professionals? No. The workers, Debbe, Lorenza, DPW, inspectors, Finance, Assessor, Collector, etc.. Those are employees. Mayor and Council. What is the maximum allowed by

Jim Janone Continued - State law on the increases? There is a 2% tax cap levy. That would be after you take out the statutory expenses. Basically because of the court change and a few other changes I believe that it has to be under the 2% tax cap. That would be calculated by Bill Schroeder. 3% seems high for raises. This is based on what we did last year Amy said.

Who worked on the 2% here and 3% there? I did Amy stated. O & E accounts were 2% across the board unless we knew otherwise. The 3% was based on what was given last year.

The Capital Improvement I didn't hear you mention a figure. For the playground it was \$1,500.00. For drainage it was \$5,000. When the money wasn't used last year it can not be used this year. This money will lapse to the appropriation reserve first and then the following year it will roll into the fund balance. This may not be right but it looks like last year in your year end report - it looks like the Borough spent 1.119 million dollars overall. It also looks like \$187,351 was left over. That is about 16.7% that was left over. Where does that money go? Amy said that remains in appropriation reserve and it sits there until the end of next year. Once it has lapsed for a full year it will drop to fund balance. The \$187,351.00 that is left over from last years budget will that be taken into consideration for this years budget? It will be. we do use surplus for the budget but that will take place when Bill Schroeder looks at it and he decides what needs to be done.

What is the proposed budget for 2013? 1.332. It is \$25,000 more approximately than last year. We did have some large increases. We had group insurance go up \$6,000 we had garbage go up \$6,000. That is already \$12,000. This year the amount of salt for example for the roads is much higher. Last year we hardly had a bad winter. This year has been the opposite. Overtime will increase as well.

Motion to close the meeting to the public by Councilwoman Cheatham, seconded by Councilwoman Montes and approved on verbal vote. None opposed.

Councilwoman Hall said she had a discussion with Amy last week regarding the 8% decrease that the County is having in their budget. Will that affect us in anyway? I haven't found much out. It will only lower the County portion of the budget. Based on what you have done, how does this look for taxpayers with either an increase, decrease or staying the same? It would be an increase. There has to be an increase. With the 2% tax cap levy if you don't increase the base, next year you will still have the same base and you will still only be able to go up the 2% The next year you will have the same base and eventually what will happen is that you will fall behind. You have to keep up with the cost of living factor. Will the base always be the same or will it go up or down? It will go up if you have the taxes go up.

Councilwoman Montes asked how long we have to do that for? Last year Bill said the same thing. Last year the taxes did not go up. On the playground we put aside \$1,500 last year. Since it wasn't used last year now it goes back into the fund balance? So we aren't putting this money to the side so anything we put in there if we don't use it in that year it is gone? Yes. The only thing you are putting aside is the Capital Improvement Fund. What is in the budget this year for Capital Improvement Fund? \$10,000. What is the total amount we have in there? I don't know but I will get you that figure. Also could you check for me and let me know the balances in our accounts. Okay.

Councilwoman Hall said that if everyone is happy with the budget that is good and there is no need to discuss. If you have any questions can't we do it now instead of having to come back. I won't be here for the next budget meeting and Councilpersons Cheatham and Hedgepath won't be here because they have a meeting at Community Development. Councilman Lorenzo said he has a few things to go through. Then we will discuss tonight.

Councilman Lorenzo said that the Clerk S & W in last years budget we had \$3,313.23 left over. This is the year end report. So now you want to put another \$3,000 in there. That is the 3% increase which will cover the raise for this year. You had also put money in there in case there were OPRA requests or anything that she may have to do overtime for. If there is over \$3,000 in the budget already is it necessary to put another 3% in there. Where would you want to put it if you take it out of the Clerks? If there is overtime and it goes over the budgeted amount then we have to transfer from somewhere else. If we don't need the \$3,000 then it doesn't get spent Councilwoman Hall said. It can stay like that for now Councilman Lorenzo said.

Councilman Lorenzo said that he also looks at Clerk O & E where at the end of last year we had a balance of \$25,798.62 . You are adding another \$800 to that. Amy said that everything got a 2% increase. You don't have to put 2% in but when I went back and saw that last year you wanted to do a web site, tree removal, etc.. Councilwoman Montes said since we didn't do it last year we should just not do it. We are doing it Councilwoman Hall said. I asked for input last year and no one gave that to me but a few suggestions from Councilman Lorenzo. This building needs a whole network upgrade. That is going to cost money. I think that \$42,000 needs to remain. Councilman Lorenzo said we can do it for  $\frac{1}{2}$  of that. We do not have a network. This is not just a web page. Where would you put \$10,000 out of Clerk O & E? Councilman Lorenzo said he would like it in Streets & Roads O & E. You had \$17,601 left in that account at the end of the year. Why would you want to put it there? Councilman Lorenzo said that he thinks more important things need to be done like equipment for our DPW. We need a new truck. Councilwoman Hall said we have talked about this and said we are getting a new truck. Our problem is that we talk about things and no one follows through. The purchase of the truck is coming out of Capital Improvement Fund.

Councilwoman Cheatham asked if something is being taken away from a line item, why do we have to put it in another line item? Why can't we use it to reduce the bottom line? You don't want to change the bottom line Amy said. You want to stay at the 2% . Once Bill looks this over we may have to change a few things. We can move this money if we need to make transfers. Amy said you have to remember that for transfers you can only move it the last two months of the year or the first three months of the new year. If you think that the money will be used in the line item you may want to leave it where it is.

Another line I looked at Councilman Lorenzo said was the municipal court of Dover. Last year the court was the three items of \$7,075.00 , \$454.00 and \$10,971.00 . I broke it out when we went to Dover because I wanted to show that there was nothing left in S & W. That makes sense. Councilman Lorenzo said he is good.

Councilwoman Montes said at the bottom of the page you have appropriations. Do you have a total of the money in the bank? Yes. Can you give me a copy of that? Yes. Can you also give me what the total is in Capital Improvement Fund? Yes.

Councilwoman Hall asked if everyone was comfortable with what has been done so it can be forwarded to Bill Schroeder? All Council said they were fine with the budget. Councilman Lorenzo said he would like more information on the whole thing with the website. We will do that at a Council meeting.

Motion was made to open the meeting to the public by Councilwoman Montes, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Joan Cegelka - How much overtime did you get last year for OPRA requests? None. How much money do we have in our fund balance? Amy will have to look. How many transfers did you do last year? None. If you had a sparser budget than this and - I know that if you have an unexpected purchase you can get it from Capital Improvement, correct? Amy said as long as it has a certain amount of years life. Suppose you had to make an unexpected purchase and you didn't have the money anywhere but you had money in your free balance what is process to take the money from the free balance to pay for that purchase? If there is something that you want to buy in mid year and don't have the money you just can't take it from fund balance. What is the process? It has to be in the budget. If it is an emergency them you can do an ordinance and adopt an emergency. You would then have to raise so much every year in your following budgets. You just can't go into the bank and say you want to take something out. It has to be in the budget. If you take money out for a truck this year don't you put the money back next year? Not unless you put that money in the budget. You would like to keep the Capital money high. If you have \$400,000 in the Capital Improvement Fund and you take \$100,000 out to buy a truck then you have \$300,000 left. I don't think you want to move \$100,000 out of the budget because that means next year you would have to raise \$100,000 to put it back in. Which is why when you have a Capital Improvement Fund you are very careful when you use it. This year we are putting \$10,000 into Capital. If I said let's put in \$30,000 from this budget then that would increase the base tremendously. Where is the money you have set aside for the truck? It is in Capital. So if you take \$50,000 from Capital to buy a truck then when will that money go back in? It will go back in each year in the budget. You had a balance in last years budget of \$187,000. Yes. That is money that we are being taxed on that is going right back into your fund balance and then you are going to add more money to increase our taxes to put more money in the budget that you aren't going to spend. We haven't used this money. You actually are using the money Amy said.

Joan Cegelka Continued - When you look at the final budget you will look at a line item that shows the surplus that we have to use. Surplus and fund balance are the same thing. In order to make the budget work we may have to use \$300,000 of our fund balance this year. We are going to be using the money we set aside. It is like a savings account to offset the tax increases in the future years. You need to have this surplus to offset the bad years. The surplus that you are putting in, if you lower your budget, you had \$17,000 in one account. Would you use that much money in salt? It depends on the weather the Mayor said. How much have you used this year? We have had three deliveries this year and each delivery is about \$3,500. Some of these balances are high. You are putting money aside for future years and you may not need it. The problem is the 2% tax cap levy. If we need it in future years we won't be able to raise it in future years. So you keep raising our taxes? Last year it wasn't raised at all.

Jim Janone - You are talking about buying a truck. Is it in the budget? It is coming out of our Capital. Look around for a truck. Don't jump at the first one. We are looking. You said on raises a 3% cost of living. No, I said I put 3% in based on what the raise was last year. It is not my decision on what raises would be that is up to the Governing Body. I think the Council needs to think about that. I hear a lot of talk tonight about this website. What is in the budget for the website? Councilwoman Hall said there is no number on the costs of the website. We put money in Clerks O & E. We made sure there is enough money in Clerks O & E to cover any costs. There was \$17,000 left out of Clerks O & E. There was \$25,000 left in that account. We increased this line item by the 2%. I asked the Mayor about the website and he said everything was on hold. It was. As of the last meeting it was on hold. Councilwoman Hall said there is no information on the website. They are no figures, no information. Whatever money isn't used that we have set aside will remain in the budget. The line item where the Clerk O & E is where the money is for the website, the taxpayers are only paying on the \$840.00 extra. We already had this in the budget. The increase is on the \$840.00 only. If they do the project the money will come out of the budget. We haven't seen this budget because we didn't get a copy. You don't get a copy of what Council is working on. They just got this tonight. You already advertised for 3 workshops for the budget. Yes, we advertised, but it doesn't mean that they have to be here for all meetings. When I look at the proposed budget I will have questions. Then you can ask those questions when Bill Schroeder is here for the introduction to the budget. He will be able to answer your questions. Has anyone looked at this budget? We have had budget paperwork since the end of last year with Amys year end report.

Motion was made to close the meeting to the public by Councilwoman Hall, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Motion to adjourn the meeting by Councilwoman Hall, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Submitted By:

*Deborah Evans*

Deborah Evans  
Borough Clerk

February 26, 2013

Regular meeting of the Mayor and Council of the Borough of Victory Gardens, held on February 26, 2013.

Mayor Holeman called the meeting to order and declared a quorum present. Pledge of Allegiance to the Flag of Our Country. Please remain standing for a moment of silence for our military.

This meeting has been advertised in one newspaper, The Daily Record, in compliance with the New Jersey Open Public Meeting Act.

ATTENDANCE: Councilwoman Cheatham, Councilwoman Hall, Councilwoman Hedgepath, Councilman Lorenzo, Councilwoman Garcia Montes, Councilman Glass.

ABSENT: None.

Councilwoman Montes said she did not receive a copy of the minutes for 2/12/13. The Clerk said they were in all the packets that went out. Everyone else said they received all the minutes.

Councilwoman Cheatham made a motion to accept the minutes of 2/12/13 as received, seconded by Councilwoman Hedgepath and approved on roll call:

- Councilwoman Cheatham Yes
- Councilwoman Hall Yes
- Councilwoman Hedgepath Yes
- Councilman Lorenzo Yes
- Councilwoman Garcia Montes No
- Councilman Glass Yes

Councilwoman Cheatham made a motion to accept the minutes of 2/19/13 as received seconded by Councilwoman Hedgepath and approved on roll call:

- Councilwoman Cheatham Yes
- Councilwoman Hall Yes
- Councilwoman Hedgepath Yes
- Councilman Lorenzo Yes
- Councilwoman Garcia Montes Yes
- Councilman Glass Yes

CORRESPONDENCE:

Letter From CFO To Council - Everyone has a copy of Amys letter to the Council regarding some questions they had from the budget meeting.

Motion to accept correspondence as received by Councilwoman Montes, seconded by Councilwoman Cheatham and approved on roll call:

- Councilwoman Cheatham Yes
- Councilwoman Hall Yes
- Councilwoman Hedgepath Yes
- Councilman Lorenzo Yes
- Councilwoman Garcia Montes Yes
- Councilman Glass Yes

VOUCHERS:

Mayor Holeman asked if anyone had questions on the vouchers? Councilwoman Montes said she has a question on # 2052 for Anderson & Denzler. This bill is both ours and the Planning Boards. Planning Board did not approve this bill yet so we shouldn't pay that portion of the bill. I am fine with passing our portion of the bill but not the portion that belongs to the Planning Board. That amount is \$351.00 . The total bill is \$3,875.80 . We can pay the rest but not the part for Planning Board.

Councilwoman Hedgepath asked when the next Planning Board meeting is? Next month the Clerk said. He would have to wait a month to get paid. Councilwoman Montes said the Planning Board meets tomorrow. The Clerk said the Planning Board meets on the 3rd Wednesday of the month. They met last week.

Councilwoman Hall asked if this is work that has already been performed? Yes. He billed for attending the Reorganization meeting of the Planning Board and he was at that meeting. He also billed for a phone call with Barrie Krause.

Councilwoman Montes said procedure is that the Planning Board approves the bill first and then we pay it. I don't believe we ever did that Councilwoman Hall said. Councilwoman asked the Clerk how we have paid in the past and she said that we always pay the bill. Leon submits his bills to the Mayor and Council. The bills are always given to us together whether they are planning board or not.

196

VOUCHERS CONTINUED:

Motion was made by Councilwoman Montes to pay the vouchers except #2052 for Anderson & Denzler in the amount of \$3,875.80 until Planning Board signs off on this bill. Seconded by Councilwoman Cheatham. Roll call:

Councilwoman Cheatham	Yes
Councilwoman Hall	No
Councilwoman Hedgepath	No
Councilman Lorenzo	Yes
Councilwoman Garcia Montes	Yes
Councilman Glass	No

There is a tie vote and the Mayor needs to break the tie. Mayor Holeman said No. Since this motion and roll call was a no you would need someone else to make another motion if they want to the Clerk said on paying the bills.

Motion was made to pay all the vouchers including #2052 for Anderson & Denzler in the amount of \$3,875.80 . Motion made by Councilwoman Hedgepath, seconded by Councilman Glass and that in the future we ask our Attorney. Roll call:

Councilwoman Cheatham	No
Councilwoman Hall	Yes
Councilwoman Hedgepath	Yes
Councilman Lorenzo	No
Councilwoman Garcia Montes	No
Councilman Glass	Yes

There is a tie vote and the Mayor needs to break the tie. Mayor Holeman said Yes. Motion is carried and all vouchers will be paid.

VOUCHER #	PAYABLE TO:	TYPE OF SERVICE	ACCT.#	AMOUNT
2 038	A T & T	BLDG & GRDS OE	006B	39.04
2 039	J.C.P. & L.	STREET LIGHTING	023	\$665.51
2 040	NJ ST.LEAGUE OF MUN.	ADM & EXEC OE	001C	279.00
2 041	CARGILL INC.	STREETS & ROADS OE	008C	2,245.63
2 042	OFFICE CONCEPTS	ADM & EXEC OE	001C	202.81
2 043	CABLEVISION	BLDG & GRDS OE	006B	4.40
2 044	GOLUB ANIMAL HOSP.	DOG WARDEN	012	160.00
2 045	OFFICE CONCEPTS GR	ADM & EXEC OE	001C	1,002.40
2 046	RKWY TWSP HEALTH	HEALTH SERVICES	010B	5,500.00
2 047	MID STATE REG. ASSOC.	ADM & EXEC OE	001E	35.00
2 048	US BANK CAP 1 LLC	TAXES	003	72.27
2 049	AMERIHEALTH	ADM & EXEC MEDIC	001C	7,192.53
2 050	HORIZON BS BC	ADM & EXEC MEDIC	001C	704.67
2 051	HOME DEPOT	STREETS & ROADS OE	008	24.73
2 052	ANDERSON & DENZLER	ENGINEERING	017	3,875.80
2 053	VERIZON	BLDG & GRDS OE	006	61.45
2 054	N.J.N.G.	BLDG & GRDS OE	006B	624.00
2 055	VERIZON	BLDG & GRDS OE	006B	171.53
2 056	HENRY O. BAKER	INSURANCE	018	5,145.00
2 057	PHILIP FEINTUCH	LEGAL SERVICES	016	2,537.50
2 058	HECTOR LORENZO	STREETS & ROADS S & W	008	1,100.24
2 059	EDUARDO MARTINEZ	STREETS & ROADS S & W	008	1,885.50
				\$33,529.01
2 060	VERIZON	AID TO FIRE DEPT	0033	\$82.81

## DEPARTMENT REPORTS:

BUILDING DEPARTMENT - No permits issued for the month of January 2013.

CLERKS RECEIPTS - Dog Licenses	410.40
Cat Licenses	161.40
Taxes	5,657.68
Sewer	298.70
Food Licenses	175.00
Total	\$6,703.18

PROPERTY MAINTENANCE - No report for December 2012.

Report for January 2013: Properties at 108-110 Monroe has a tree leaning on the house. Tree needs to be removed and property cleaned up. Property at 48-54 Polk still has not been addressed from prior report. Pictures attached of both properties.

MUNICIPAL COURT - We received a check for \$699.56 .

TAX COLLECTOR - Total Tax Receipts Month to Date:	\$74,470.16
Total Tax Receipts Year to Date:	\$74,470.16

REGISTRAR - 1 marriage license issued for a total collected: \$28.00

## COMMITTEE REPORTS:

Councilwoman Cheatham - No report.

Councilwoman Hall - No report.

Councilwoman Hedgepath - Community Development we are on the Housing Committee. We will be going to meetings on March 4th and 5th. They are coming in for approval of grants.

Councilman Lorenzo - The sign that was knocked down on Franklin Road has been put back up.

Councilwoman Garcia Montes - The Easter Party will be on March 30th. It will be at the firehouse from 2-4p.m.. We will have to sent out a flier.

Motion to accept and put on file the reports by Councilwoman Montes, seconded by Councilman Glass and approved on verbal vote. None opposed.

## NEW BUSINESS:

FOGARTY CONTRACT FOR BOARD OF EDUCATION - I have given everyone a copy of this contract. We already approved him to continue the case regarding the Board of Education. That was approved earlier at another meeting. The fees are the same and the hourly rate is \$165.00 for a partner and \$145 for an associate. This agreement is effective from January 1, 2013 and shall continue until the conclusion of the litigation.

Motion was made to have the Mayor and Clerk sign off on the agreement for Steve Fogarty. Motion made by Councilwoman Hall, seconded by Councilwoman Hedgepath and approved on roll call:

Councilwoman Cheatham	Yes
Councilwoman Hall	Yes
Councilwoman Hedgepath	Yes
Councilman Lorenzo	Abstain
Councilwoman Garcia Montes	No
Councilman Glass	Yes

Motion to open the meeting to the public by Councilwoman Montes, seconded by Councilman Glass and approved on verbal vote. None opposed.

Jim Janone - Do you know when tonights minutes will be done? Barring any problems they should be done on Friday. You can pick them up then. Will all votes be reflected in the minutes for roll calls? They always are. Councilwoman Montes was correct about the bill. Planning Board should approve first. Did anyone notice there is salt in the parking lot? Yes, we had a delivery today. They picked it up with the bucket loader and then swept the parking lot.

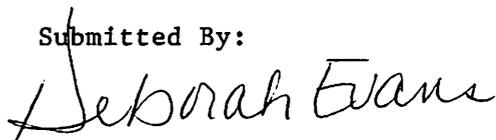
Valerie Williams - I asked the Mayor about the Borough aquatarian. Have you talked to the Attorney and Debbe about it? Not yet. I will. This was a cultural survey that was done through the County and it was completed in 2011. Debbe and Betty signed off on it. It deals with land use, master plan, subdivision, steep slopes. This started in 2008. We also should have ordinances on our books about soil and encroachment. When I get the information I will forward it to the Council.

Joan Cegelka - The Attorney hasn't been here all month. Does he still get paid? Yes, he is on a retainer. He gets paid whether he is here or not. Are you having any more budget workshops? No. The formal budget is what gets introduced when Bill Schroeder brings it to us. When can we ask questions about the budget? March 12 is when we are having the introduction and you can ask Bill your questions. You said you always pay your vouchers even if they are planning board. Yes. Maybe it wasn't done correctly in the past. You are being told the proper way to pay the bills for planning board and some of you aren't doing that. How do you know the men will clean up salt the proper way. How will they clean it up? They sweep up which is what they did yesterday.

Motion to close the meeting to the public by Councilwoman Cheatham, seconded by Councilman Glass and approved on verbal vote. None opposed.

Motion to adjourn the meeting by Councilwoman Montes, seconded by Councilwoman Cheatham and approved on verbal vote. None opposed.

Submitted By:



Deborah Evans  
Borough Clerk