
TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of: Township Council Special Meeting
Date of Meeting: February 11, 2006
Time of Meeting: 9:00 A.M.
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Mayor Joseph Di Donato called the Special Meeting of the West Milford Township Council to order.

Adequate Notice Statement

Mayor Di Donato read the following statement:

Please note that in accordance with Chapter 231, Public Laws of 1975 of New Jersey, adequate advance notice of this special meeting was advertised in the Herald News in its issue of January 30, 2006; copies were provided to the Record, Star Ledger, Suburban Trends and Greenwood Lake News and posted continuously on the bulletin board in the main corridor of the Town Hall and on file in the Office of the Township Clerk.

Pledge of Allegiance

Mayor Di Donato led all in attendance in a salute to the flag.

Roll Call

Present: Councilmembers Philip Weisbecker, Joseph Smolinski, William Gervens, Robert Nolan, James Warden, Carmelo Scangarello
Mayor Joseph DiDonato

Absent:

Also Present: Township Administrator Richard Kunze, Township Clerk Antoinette Battaglia, Township Chief Financial Officer Arthur Magnotti, Auditor Charles Ferraioli, Jr., Mike Woch, OEM, Michelle Rosenkranz Court Administrator, Paul Costello Police Chief, Representatives from Volunteer Fire and Ambulance Squads.

Budget Overview

Administrator Kunze recommended that we start today's meeting with the Auditor and then proceed to public safety.

Mr. Ferraioli advised that Moody's has given West Milford an A1 rating which is commendable and indicates good financial performance for the Township. The next improvement would be an AA rating. Such a rating would equate us to a Bergen or Morris County community. The only municipality in Passaic County with an AA rating is Wayne. We are heading in the right direction although Moody's did express concerns about the impact the Highlands Act may have on future ratables in town. He urged the Council to contact the Highlands Council to discuss how we can generate income as a Highlands Act community. He is drafting a memo for the Council to send to the Highlands Council and he recommends sending them a copy of the Moody's report. The Moody's report contains new language for Highlands communities that speaks to the issues of growth and ratable bases. Mr. Ferraioli indicated that, if the Council desires, he is willing to testify in front of the Highlands Council on behalf of the Township of West Milford.

Councilman Nolan noted that the Moody's report indicates that the West Milford management is in favor of growth in town and specifically refers to a proposed development of 400 units that some members of the Council are opposed to. He asked where Moody's got that impression and what the impact of such statements in a financial report could have on current litigation in this matter. Mr. Ferraioli indicated that Moody's was informed of projects that are being considered at the Planning Board level and were not advised as to whether or not management is in favor of or opposed to any proposed project. Administrator Kunze noted that the language in the report is Moody's language, not ours. Mr. Ferraioli noted that income statistics in the report are based on the 2000 census. He reviewed the statement of operations and discussed the sources of surplus. We exceeded our anticipated miscellaneous revenue by \$171,000. However, the deferred school tax reduction is having a significant negative impact on our surplus. Because of this impact, he is recommending that we apply for extraordinary aid again this year. He anticipates that most school districts will have large budget increases this year because the state forced them to use their surplus last year. He is basing this expectation on the decreased surplus, the increased cost of utilities, and busing costs. Our surplus of \$5,572,421 is good but it is down about \$837,656. You cannot anticipate more in 2006 than you realized in 2005. For every dollar we realize in unanticipated revenue above the amount budgeted, we increase our surplus. The Administrator expressed confidence that, as a result of the fee increases introduced in the latter part of 2005, we will increase revenues even more in 2006.

Mr. Ferraioli stated that the only assured State Aid number is the Garden State Pilot Fund in the amount of \$147,133. Historically, the other State aid line items are rarely cut and we have been told by the DCA that we can anticipate aid in an amount equivalent to that received last year. While we are anticipating Watershed and Homeland Security aid, he is not so confident about the

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Homeland Security grants. The state previously mandated that these funds be used to tax relief and the new governor may take issue with that. Additionally, the state allocates these funds based on the relief they receive from the federal government. The Governor is scheduled to introduce his budget on March 21 so we can expect to know what aid we will get on March 22nd or 23rd. Grant numbers will change by the time the budget is introduced. However, these numbers do not impact the tax rate because the money must be used for specific purposes. The Administrator and CFO will be reviewing the capital reserves this week to determine if there are funds available for capital surplus and reserve for debt service. The municipal tax levy in the budget as presented reflects a tax increase of 17.4 points for the three budgets the Council votes on. This equates to a 15.5% increase to the average home assessed at \$130,000 or an average increase of \$226.72. Because we are over 10%, he is recommending applying for extraordinary aid. He perceives two potential problems; most municipalities are showing the same trends and utilities and pension costs are increasing across the board. At this time, he cannot recommend how much surplus should be used until more numbers come in from various sources.

Councilman Nolan noted that surplus funds have increased and Mr. Ferraioli advised that the tax levy has also increased. The surplus percentage should remain constant. If you draw down surplus, it helps you for one year only. He cautioned that the Council should not focus on this year's tax levy alone; they should look at the future impact of their decisions. He advised that the pension bills are scheduled to increase by 117% next year.

The Council thanked Mr. Ferraioli for attending today's meeting and he left. Michelle Rosenkranz, the Court Administrator, came forward to discuss the court's budget. She provided an overview of her department's operating budget and advised that the fees for service line item is generally used to pay for interpreters and visiting judges. The budget reflects an approximate increase of \$1,000 in operating expenses and \$14,000 overall. The increase in salary & wages is due to the fact that the court administrator's salary is being calculated for a full year while last year's budget only reflected a partial year's salary for this position. The fees for service line item increased to cover the costs for visiting judges while we are in transition. The public defender is paid from a dedicated trust account. There is no change in the prosecutors salary. Councilman Nolan asked the Administrator to provide a comparison between what we pay judges and what neighboring towns pay their judges. The Council thanked Ms. Rosenkranz.

Chief Paul Costello came forward to discuss the police department's budget. The patrol budget is the largest budget in the police department. Chief Costello reviewed the operating expenses in the patrol budget. He indicated that there is a slight increase in the line item for school for employees because, as a result of reorganizing the department in October 2005, the department will be in a better position to adequately schedule for required training. The police department learned of a lot of new requirements at the end of 2005 and the state has granted extensions for the officers to obtain the training. Some training fees are minimized as a result of the Township's membership in various associations. The clothing allowance has remained the same. The fees for service line item pays for goods and services such as car washes, medical exams, physicals, radar services, credit checks, notary fees. Councilman Smolinski asked that, when negotiating the towing contract in the future, perhaps we could request that municipal vehicles get towed at no cost. Discussion ensued with regard to expanding marine patrols. The police vehicle purchased under last year's budget did not get delivered until January 2006. This is because the budget was passed in August thus the vehicle was ordered in October. This year we intend to purchase five patrol vehicles and one unmarked vehicle. There was a significant need for overtime in 2005 because of manpower shortages but we should see a decrease this year. The new police officers just graduated from the academy this week, they will undergo three months of field training and then will be incorporated into the work schedule. The average time from hire to a new officers incorporation into the schedule is ten months because they must graduate from the academy and then have field training. However, the Chief cautioned, there may be more retirements coming which will recreate the same situation. The holiday pay line item is high because, when a uniformed officer works on a holiday, they get paid time and a half. We expect a policy change on unused comp time which will cause an increase and reclassification of compensation. Now, comp time is tied to 12-hour shifts. With the proposed change, if an officer does not use his/her comp time, they will be paid for up to sixty hours. This is because, when comp time is carried over, it is expensive for the Township because the officers are being paid at a higher rate of pay than when they actually earned the comp time. The Council asked that the Chief and/or Administrator provide them with a detailed breakdown of an average schedule for the police department. The police department has unique staffing requirements in that they are required to have five people on patrol at all times regardless of sick and vacation time or disability.

The Detective Bureau line item is for salaries and wages. An officer has recently been reclassified. It is difficult to accurately calculate overtime needs from year to year because one cannot anticipate events that may warrant overtime. For example, we are currently investing a lot

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of unanticipated overtime on a missing persons investigation. Both patrol officers and detectives are working on this case. The police administration line item is for salaries for the chief, a captain, a records clerk, and a secretary. The communications budget pays for dispatchers and the fee for service line item pays for radio communication services, repairs, maintenance, fees for the state, the court system and recording systems. The special police officers augment the control force. There is a slight increase for training new hires and an increase in the clothing allowance under the contractual agreement. The Council thanked the Chief for his attendance at today's meeting.

Mike Woch came forward at this time to discuss the Office of Emergency Management (OEM). His department is requesting the purchase of new generators this year. He keeps an inventory of all their equipment, which is housed in the Johnner building. The emergency trailer is quite old and needs repairs. We have to maintain the fire siren and upgrade antennas and communication equipment. The Township currently has two satellite telephones which are used to communicate in emergencies. Recently there has been a need to evacuate some people from their homes causing a need for more funding in this account. These funds are used for water, dry ice, food, etc. Bottled water has a one-year life span after which it must be destroyed. This year the focus of training will be primarily high angle rescue training. The account that funds hazmat supplies has been diminishing each year as the county handles more of these spills each year.

Mr. Woch advised that there is no change in the fire prevention budget this year. He reviewed each line item in the proposed budget and advised that there is a decrease in the appropriations for salary & wages due to the retirement of the secretary last year. The appropriation of the life hazard use fee is used for inspections of restaurants and group homes. Discussion ensued about these funds, the reimbursement received from the State and the payments made to the State. Councilman Nolan requested a comprehensive breakdown of this line item from the CFO. The Council thanked Mr. Woch for attending today's meeting.

Mr. Jack Cronin came forward to discuss the volunteer first aid budget. Administrator Kunze advised that this year's proposed budget calls for a restructuring of our financial support for the two first aid squads. The budget allows for to Township will fund the operating budgets of the squads at a level within the state limit. Vehicle maintenance has been transferred to the DPW budget and capital funding is continued at a reduced level from 2005. Between operating and capital budgets, there is a small net decrease. An \$11,000 equipment expenditure billed in December is not reflected in the 2005 expenditure figure. Mr. Cronin reviewed each line item and explained its use. He advised that a consultant is currently studying our communication system and his recommendations are due in the near future. There may be a deficiency in that line item because he anticipates that the recommendation may be that we obtain a new system that is capable of notifying a large number of people despite the poor signals in areas of West Milford. The Administrator and CFO advised that this subject should be reviewed as part of the capital budget. The Council thanked Mr. Cronin for attending today's meeting.

Ms. Eileen Casbarro came forward to discuss the Upper Greenwood Lake Ambulance Corps budget. She reviewed each line item and advised the Council that there is a new slate of officers who are part of the budget process for the first time. She noted that the ambulance corps would like to have a responder course at their building and asked if the Council would consider paying for that as the State does not reimburse for such a course. She noted that they also experience problems with pagers. She believes that it is the system rather than the pagers that are the problem. Money is getting very tight for the ambulance corps and they do not know how much longer they can afford to pay all their bills. They may request that the Township buy their ambulances in the future. Councilman Weisbecker asked the Administrator if our DPW can handle repairs to the ambulances. The Administrator advised that this possibility has already been discussed with DPW and they do not have the manpower or facilities to add more vehicles to their maintenance list. Councilman Nolan asked the Administrator to research the possibility of getting Medicare reimbursement for transportation of Medicare recipients in the ambulance.

At 11:25 PM, Council President Gervens left the meeting.

Ed Steins and George Koerner came forward to address the fire department budget. This budget provides for municipal aid to each fire company and funds building repairs, heat, maintenance, etc. The budget remains unchanged from last year. The fire sirens will be phased out of operation because they are too costly to maintain and repair. The fire departments are anticipating an upgrade to the communications and pager systems. The line item for NFPA testing fluctuates because hose repairs are based on testing and mandates from the state. Councilman Nolan asked the Administrator to provide an explanation of the line item for insurance costs that are in addition to workmen's compensation coverage. The budget as presented reflects a \$10 increase per person for the clothing allowance. The Graves Act is for replacement of turnout gear. They are in the process of drafting the specifications so the Council

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can see some encumbrances in this line item soon. The estimate is \$16,000 per outfit and have varying life spans depending on the tasks assigned to the firefighters. It will take approximately eight years to replace all turnout gear. The expectation is that, in the future, annual physicals will be required for wearing breathing apparatus. Decommissioning of sirens is not included in this budget. The Council thanked Mr. Steins and Mr. Koerner for attending today's meeting.

Art Magnotti, the Township CFO, advised that the LOSAP program was instituted in 2001 or 2002. The program was reduced in 2004 but the Township saw more volunteers sign up in 2005. Therefore, he anticipated an additional \$10,000 for this program in the 2006 budget. He provided a brief overview of the program and advised that the Township sets aside \$700 for each vested eligible person.

Public Comments

Mayor Di Donato opened the meeting to the public.

Councilman Nolan made a motion to close the public portion of the meeting.

Moved: Nolan Seconded: Scangarello
Voted Aye: Weisbecker, Smolinski, Nolan, Warden, Scangarello.
Voted Nay: None.
Motion carried.

Adjournment

There being no further business to come before the Council, the Township Council adjourned the meeting at 11:46 A.M.

Moved: Nolan Seconded: Weisbecker
Voted Aye: By voice vote the Council gave unanimous consent.
Voted Nay: None.
Motion carried.

Approved: March 1, 2006

MAYOR JOSEPH DIDONATO
PRESIDING OFFICER

ANTOINETTE BATTAGLIA
TOWNSHIP CLERK