

BOROUGH of GARWOOD
Special Budget Meeting
MINUTES of the
SPECIAL COUNCIL MEETING
March 17, 2016

The Special Meeting of the Mayor and Council was held in Council Chambers and called to order at 7:05 p.m. by Mayor Lombardo. He asked all present to participate in a moment of silence, followed by a salute to the flag.

Adequate notice of this meeting was provided to the Westfield Leader and Star Ledger and prominently posted on the municipal public bulletin board and filed in the office of the municipal clerk informing the Public of the time and place according to the Provisions of the Open Public Meeting Law (Chapter 231, P.L. 1975).

ROLL CALL:

Mayor Lombardo	<u>P</u>		
Councilwoman Cuccaro	<u>P</u>	Councilman Sarno	<u>P</u>
Councilman Martin	<u>P</u>	Councilwoman Todisco	<u>P</u>
Councilman Mathieu	<u>P</u>	Council President Petruzzelli	<u>P</u>

Also Present: Borough Administrator/Clerk Christina Ariemma, Borough Chief Financial Officer/Treasurer/Asst Adm/Tax Collector Sandy Bruns, and Warren Korecky & Bill Swisher, Auditors from Suplee Clooney and Tax Assessor Ann Switzer.

Ms. Switzer explained the Revaluation process and how it may affect the residents.

Councilwoman Cuccaro mentioned that Maplewood's revaluation impacted the town significantly in certain areas. She expressed that she fears a revaluation will not improve the problem and commercial properties will benefit at the sake of residential properties.

Councilwoman Todisco mentioned the home inspection process and the impact on residents. Councilwoman Todisco asked if there is any disadvantage of waiting for the State to order the revaluation. Ms. Switzer said she doesn't believe so. Ms. Switzer said there is uniformity.

Councilman Mathieu mentioned the last time Ms. Switzer visited the deviation was lower, about 10.65. He said it's closer to 15 now. Ms. Switzer said it fluctuates. Ms. Switzer does not recommend reevaluating at this time. Councilman Mathieu expressed he feels it is not good policy to wait to be ordered to do the revaluation. Discussion followed.

Councilman Petruzzelli asked about the process for unpermitted improvement and other things the process identifies. Ms. Switzer commented as well as councilmembers.

Ms. Switzer concluded and left the meeting at 7:35 p.m.

Councilwoman Todisco read the following statement:

2016 MUNICIPAL BUDGET PRESENTATION (2) MARCH 17, 2016

I'd like to welcome the Mayor, my fellow Councilpeople, and the residents to the second presentation of the 2016 municipal budget. Again, I would like to thank the other members of my committee, Councilman Sarno and Councilman Petruzzelli, as well as our professional staff of the Borough Administrator, CFO, and auditors, for their time on this budget.

Tonight, I'd like to introduce our auditors who also attended our meeting last week on the budget: Warren Korecky and Bill Swisher. Also, I'd like to introduce you to our tax assessor, Ann Switzer. Thank you to our Administrator/Clerk Ms. Christina Ariemma and our CFO/Tax Collector Mrs. Sandy Bruns for attending tonight as well.

I'll give a brief overview of the plan for tonight's meeting. First, we will hear from Ms. Switzer on the topic of property taxes revaluation, then we can ask her any questions that we have. Next, we will move into discussion on capital item requests by department heads, and then make decisions on various pending appropriations items and any new items the Council may have. Personally, I even took two hours yesterday to review the budget yet again and was able to up with a couple new ideas. We also need to have a discussion tonight on how much fund balance (commonly known as surplus) to use to offset in this year's budget. Now I will turn over the meeting to our tax assessor, Ann Switzer. Thank you again for attending tonight's meeting.

Discussion Items:

1. Right now we are still at \$186 per the average home after we spent last meeting making some cuts as well as additions. We also had a number of pending issues that we needed answers to from last meeting to this one, including the Planning Board and Recreation Complex.

2. Capital Items

- **Police** – Crossmatch Fingerprint Machine - \$23,000 – need to upgraded outdated machine to comply with software of NJ Judiciary for NJ Bail Reform Act by 1-1-17, company is no longer offering warranty or service (go through other year requests)

- **Fire** – Tower Ladder – \$1,000,000 ETC.
- **DPW** – Garbage Truck - \$190,000 – 25 cubic yard, replace Borough's 2002 truck, 2002 would become backup (3rd truck) replacing the 1992 truck with a 30+ year old compaction unit – daily functions of trash pickup, weekly grass/brush pickup, Christmas tree and leaf pickup

3. Page by page with suggestions

p.7 (Tax Collection) – staffing
p.11 (Planning Board) -\$15,000 (per email from Steve Greet)
p.13 (Police) -
p.20 (Streets and Roads) -\$10,000 snow removal (\$5000 in bank)
- decide on 8 vs 7 -\$7900 seasonal (keep 1 at \$9600)
p.22 (Rec. Complex) -\$15,000 (leave \$5k in trust, was \$20k)
p.27 (Rec.) -\$2000 salaries, -\$800 field trips (per director)
p.30 (Retirement & Sick) – revisit -\$10,000
p.32 (Sal. Adjustment) -\$400 - decide on raises for non-union (+VV, LD)
p.42 (Debt) –
4. Discuss Fund Balance (Surplus) – use \$80,000 more

First item of discussion is the CAP Bank Ordinance. All agreed to have the CAP Bank Ordinance on the agenda. Auditors will supply the ordinance to the Clerk tomorrow morning.

Capital items discussed. Councilwoman Todisco discussed the capital items requested by Chief Underhill for 2016-2017-2018-2019. For 2016, \$23,000 cross match finger print machine to comply with 1/1/2017 state mandates.

The fire department continues to advocate for a ladder truck. On a smaller scale, they mentioned radios and the 1997 GMC being put out of service and the 2008 Dodge Durango, which is the Chiefs car to replace it and are asking for a new vehicle for the Chief.

Street Department requests for 2016 a 25 cubic yard garbage truck at about \$190,000, for 2017 dump truck, and for 2018-bucket truck and other items for the future.

Councilwoman Todisco recommended a capital ordinance for some items requested specifically removing the 1992 garbage truck from service making the 2002 the backup. She also recommended the fingerprint machine for the police department.

Discussion followed regarding the bonding process.

Councilman Sarno said he has reservations because Fanwood would be using the garbage truck. Councilwoman Todisco said the new truck would not be used in Fanwood. They may use the backup truck. She said Garwood needs a new truck regardless of the argument.

Discussion followed regarding the matter with Councilwoman Cuccaro expressing that a new truck should not be loaned out to Fanwood. Councilwoman Todisco said that would not be the case. Councilwoman Cuccaro suggested it needs to be in an agreement and discussion followed.

Councilman Mathieu read certain parts of the agreement, which says they would be able to use the equipment as the agreement is written.

Discussion followed regarding contract language. Councilman Mathieu mentioned that the bond requires 2/3 of full majority to pass and Ms. Ariemma confirmed such. He said he would not support the truck without some relief elsewhere.

Discussion followed regarding using each other's equipment and also sharing on purchasing equipment.

Discussion followed regarding the Shared Service Agreement in more detail. However, the matter of bonding can be considered later but certain items should be on the budget document and it is not bonding if they are, it is a wish list, rather.

Chief Underhill explained why the finger print matter is mandated and how the borough needs to be compliant.

Councilwoman Todisco started with page 7, Tax Collection staffing levels. Councilman Mathieu suggested two part timers, which saves on benefits. Discussion followed regarding the staffing and Ms. Ariemma expressed that the staff member is necessary.

Page 11 Planning Board \$30,000 for re-development can be reduced to \$15,000 as per the Planning Board Chairperson. Discussion followed and Councilwoman Cuccaro expressed that she believes that the developer should foot the bill not the tax payers.

The escrow of \$25,000 recently received for South Avenue Redevelopment was discussed and Councilman Mathieu asked why it does not equal a \$25,000 reduction in the requested budget. Councilman Sarno doesn't support funding re-development. Councilwoman Cuccaro explained that she agrees with Councilman Sarno. After discussion, the line item was reduced to \$5,000 from \$30,000.

Streets and Roads was discussed and recreation complex. It was suggested to reduce the budget and pay bills from the dedicated account established for rental fees collected. It was concluded to reduce the line in the operating budget to \$5000 for Garwood Sports & Recreation Complex and pay bills directly from the dedicated trust established.

Recreation salary and wages was reduced by \$2,800 by suggestion of the Recreation Commission.

Retirement and sick payroll be dropped to \$5,000 however Councilman Mathieu suggested it be at least \$15,000. Discussion followed regarding planning for future retirements.

Salary adjustment line was discussed next and it is at \$7500. Councilwoman Todisco explained the individual increases. Council members Mathieu, Sarno and Cuccaro do not support raises at this time.

Councilwoman Cuccaro said she has no problem cutting anything that is not mandated. Councilwoman Todisco said that the people that are paid the least are the ones that suffer the most.

Councilman Mathieu asked if there is a ranking for the three matters. 1. Raises non-union workers: 2. 8th man, DPW: 3. 2 part time employees. He talked about priorities, compromises and sacrifices.

Councilwoman Todisco said she would rank 8th man; staffing in the finance dept. and for raises for non-union, non-protected employees, last.

Discussion regarding the 8th man at the DPW continued. Councilwoman Cuccaro said she believed the volunteers were to maintain the field and discussion followed regarding the justification for the 8th man. Ms. Ariemma suggested eliminating all seasonal and keeping the 8th man. She provided information on how seasonal is paid and the benefit of considering letting them go for the permanent employee. Seasonal cannot operate most equipment, the 8th man can. Seasonal collect unemployment and we pay for people who are not working for us. Council supported the reasoning.

The capital surplus increasing from \$50,000 to the full \$84,000, was mentioned but it was decided to revisit later.

Councilman Martin mentioned page 13 on police budget could be shaved a bit. Discussion followed and budget was reduced by \$600. Councilman Martin mentioned taking \$10,000 out of capital improvement fund. After discussion, it was agreed to drop \$10,000 from capital improvement.

The snow reserve was discussed and it is currently at \$5,000. Snow removal fees are at \$17,500 in this budget. Discussion followed and it was suggested to reduce to \$12,500.

Ms. Ariemma volunteered to lower Shade Tree salary by \$1,000 from \$4,000 to \$3,000. Council accepted and thanked Ms. Ariemma.

Surplus increase was \$500,000 brought the tax increase to \$97 per home assessed at \$100,000.

Councilman Mathieu said he doesn't think we have come a long way and with it starting at \$185 to \$97 is not accomplishing a lot and he is not ok with the budget at \$97. He suggested we start at zero. Councilwoman Cuccaro said we need to save.

The zero budget process was discussed and explained. Different opinions were presented and discussed.

The non-union raises were discussed again.

Discussion continued regarding more cuts and a zero tax increase. Discussion continued on how to get to zero. Some arguments started.

The stipends were discussed and Councilman Martin agreed to give up his stipend. Then everyone agreed to forgo the stipend and the budget was at \$93 per household assessed at \$100,000; however, some were still not satisfied.

Discussion followed on other areas that Council member Sarno has previously suggested cutting that have been rejected including benefits for elected officials. Council member Mathieu said the ordinance has been vetoed and suggested a compromise on this again. Ms. Ariemma said that it may be possible to require a councilmember to pay more for the benefits, but they cannot be forced to waive them or have them removed. She did say again this process costs money because counsel would be involved.

The budget meeting concluded with an estimated tax increase of \$93 per home assessed at \$100,000; however, Council members Sarno, Mathieu and Cuccaro expressed that they will not support that budget, members Todisco, Martin and Petruzzelli said they would with Mayor Lombardo also in support.

PUBLIC COMMENT:

Bruce Paterson, 325 Willow Avenue thanked the Mayor and Council for working so hard and the effort. He said he has never experience this much input and has attended many budget meetings. He said the County should learn from this.

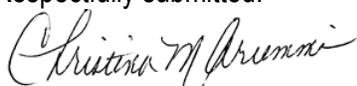
Adele Lewis, 451 Third Avenue thanked the council for the hard decisions. She said for under \$100 and the staffing she is satisfied and she feels good for what we are getting, it is good.

ADJOURNMENT:

The Regular Meeting of the Mayor and Council will be held on, **TUESDAY, MARCH 22, 2016**, in Council Chambers at 7:15 p.m. Workshop Session to start at 7:00 p.m.

At 10:00 p.m., a motion was made by Councilwoman Todisco, seconded by Councilman Mathieu to adjourn the Workshop Session.

Respectfully submitted:



CHRISTINA M. ARIEMMA, Municipal Clerk
Borough of Garwood