

APPROVED: October 26, 2009

WEST WINDSOR TOWNSHIP COUNCIL
SPECIAL BUDGET SESSION
September 21, 2009

CALL TO ORDER: President Borek called the meeting to order at 7:20 p.m.

STATEMENT OF ADEQUATE NOTICE

This is to advise that the notice requirement provided for in the "Open Public Meetings Act" has been satisfied. Notice of this meeting was properly given and transmitted to The Times and Princeton Packet; filed with the Clerk of the Municipality; and posted in the West Windsor Township Municipal Building at North Post and Clarksville Roads on August 21, 2009.

ATTENDEES: President: Borek; Vice President: Geever; Council: Ciccone, Khanna, Morgan; Mayor: Hsueh; Business Administrator: Hary; Township Clerk: Young

SALUTE TO THE FLAG

Ms. Young led the salute to the flag.

PUBLIC COMMENT

Mr. Andrew Hersh, 5 Halstead Place, noted that it was good to be addressing the budget issues early. He advised that Council must forecast receipts, have a projection for 2010, and address the gap in funds.

DISCUSSION TOPICS

501(c)(3) - Councilman Morgan Presentation

Mr. Morgan gave his presentation and defined the objectives of a 501(c)(3), and explained what they can do per the IRS Revenue Ruling. He reviewed some points on what a 501(c)(3) can provide in a redevelopment area along with other activities a 501(c)(3) can be applied to.

Mr. Morgan advised that NJ Local Budget Law requires that anticipated revenue must be recorded and can be listed under miscellaneous revenues. He outlined several successful 501(c)(3)s that were being utilized in New York City. Mr. Morgan spoke of the need to take the next steps.

501(c)(3) - Presentation by Ms. Nancy Kieling, Princeton Area Community Foundation

Ms. Kieling spoke about the Community Foundation and listed the non-profit organizations within West Windsor Township. She noted that most donations to the non-profit community organizations come from the Township residents who also pay taxes. Ms. Kieling advised that donations amongst the organizations creates competition. She noted that public support goes down when the economy is in a decline. Ms. Kieling outlined the ups and downs of charitable giving.

Council addressed questions to Ms. Kieling and spoke of the advantages and disadvantages of a government entity controlling a community foundation.

Mr. Dan McCarthy, 46 Nestlewood Way, spoke about the cost to the Township for a staff member to run a 501(c)(3), and addressed the potential for pay to play to become an issue.

Mr. Alvin Lerner, 67 Rainflower Lane, spoke about the expenses that would be incurred versus the gains of a 501(c)(3).

Mr. Andy Bromberg, 24 Providence Drive, offered suggestions to raise money versus raising taxes. He noted that it would require creative ideas to raise funding.

Mr. Andrew Hersh, 5 Halstead Place, spoke about what the Township's target goal of raising funds to assist with payment of services and inquired about the gap in funds that is trying to be filled. He suggested tapping into corporate goodwill.

Mr. Richard Eland, 4 Courtney Drive, suggested that the Township should put together an event for the non-profit organizations to get together to discuss the issue.

Waiver of Fees for Construction Projects - County, State, School District

Ms. Geevers advised that legislators should be called for action on this matter. She suggested that Council pass a resolution that she would be willing to create.

Mr. Hary noted that the State does the plan reviews for the projects and the Township is responsible for the inspections.

Mr. Morgan suggested working with the League of Municipalities to assist in making the true costs for the projects more transparent.

President Borek suggested that each Council member take some time to speak with local legislators.

Surplus

Mr. Morgan asked Administration why so much surplus was needed in the budget. He advised that the Township is holding more than they need to, and asked Administration to gather the data that drives the surplus.

Ms. Ciccone would like to be made aware of the pros and cons of reducing the amount of surplus that the Township holds. She also wanted to know where the additional funds from surplus would be allocated to. Ms. Ciccone advised that she wanted the surplus reduced to an amount without affecting the Township's bond rating.

Ms. Geevers also advised caution in reducing the Township's surplus.

Zero Cent Increase Scenarios

President Borek asked Administration to provide Council with a zero cent increase budget for review.

Ms. Geevers noted that only a 4% increase of the total budget can be added to the following year's budget (2011). She noted that this is important when making budget decisions.

Mr. Morgan asked Administration to provide not only a zero cent increase budget, but also a one, two and three cent increase in the budget to allow Council to analyze the various scenarios.

Expense Reductions - Energy Audit, Energy Conservation, Shared Services

Ms. Ciccone advised that if the Township would move forward with more energy efficiency standards, it would not affect a cost saving for next year. She suggests setting goals for reduction in energy and promoting shared services to see a saving in future budgets.

President Borek suggested making a policy to replace traditional lighting with solar lighting at the time it needs to be upgraded or replaced.

Ms. Ciccone noted that energy audits will assist with decision-making policies for achieving energy conservation.

Mr. Morgan suggested a financial analysis be prepared to show what the cost savings would be as the Township becomes more energy efficient.

Ms. Ciccone suggested setting up an Energy Conservation Task Force.

Mr. Hary noted that these suggestions are the environmentally sound thing to do, and that Administration has already begun to move in that direction.

Healthcare - Different Providers - Identify Expenses for Potential Reductions (i.e. Group Life/AD&D Plan/Medical Benefits)

Mr. Morgan suggested checking the Township costs with the run rate of other healthcare providers. He noted that there are not a lot of Township choices for identifying alternative providers.

President Borek suggested dealing with the insurance company directly as Jersey City has done. He noted that it is saving Jersey City a lot of money.

Mr. Morgan suggested self insurance in the event of a catastrophe.

Ms. Geevers inquired about going out for RFPs for healthcare providers to understand what savings could be provided.

Mr. Hary noted that discussion has ensued in Administration about hiring a consultant to review the costs and needs of the Township.

Mr. Morgan noted that the Township will be burdened with the growing obligations of healthcare costs for retirees. He advised that this should be reviewed closely for cost saving options.

Identify other means of Providing Services without Taxpayer funds (i.e. Senior Center, Recreation, other)

Mr. Morgan asked that Administration encourage developments such as Avalon Watch to keep their units affordable because of the Township's obligation to COAH.

Evaluation of PILOT Plans

Ms. Geevers asked if the numbers have changed over the years with respect to Princeton Theological Seminary. She noted that an application for the Seminary is at the Planning Board level, and now may be a good time to evaluate the PILOT plan with them.

Blanket Purchase Requisition/Backup Documentation

President Borek inquired about the cost of maintaining a Township fleet and asked if it would be more feasible to hire a mechanic to work on the vehicles.

Mr. Morgan suggested partnering with another Township such as Hopewell for a shared services agreement for auto and truck repairs.

Ms. Geever suggested speaking to the School Board for collective services ideas.

Ms. Ciccone suggested shared services for an IT individual. She noted that shared services can be a huge tool for saving Township funds.

Mr. Morgan asked to add a discussion of car allowances and mileage reimbursement to the agenda session for next week.

Setting Realistic Time Frames

Discussion ensued about having another meeting for continued conversation about budget topics and expectations. Suggestions were made that an accountable person must be designated to see a reasonable timeframe is met.

No date was set.

Setting Policy/Goals for Administration

Mr. Khanna suggested having a task force, either staff members, volunteers or paid consultants, to identify how to make each department or division more efficient.

Mr. Morgan noted that the Mayor and Administration would need to buy-in on creating a task force suggestion because there would need to be an enthusiastic partnership between Mayor, Council, and Administration for the idea to work.

Ms. Ciccone suggested creating a task force with well thought out plans and goals.

Mr. Hary advised that the budget is the Mayor and Administration's until it is given to Council. He noted that Administration will work on the suggestions provided by Council and commented that Administration and Council are on the same page with budget cost reductions and savings.

Mr. Morgan asked that a draft policy statement be drafted to provide input and guidance to the Mayor and Administration.

Ms. Ciccone suggested creating a task force to promote the Township and help create additional revenues. She advised that she will take ownership of this suggestion and begin to set a policy to move this forward.

ADDITIONAL PUBLIC COMMENT

Mr. Andrew Hersh, 5 Halstead Place, noted that he would be qualified to assist as a volunteer to be part of the task force to help create better efficiencies for the Township. He advised that strategic sourcing efforts will save the Township about 5% and suggested that Administration continue to further review shared services opportunities.

Ms. Janet Lerner, 67 Rainflower Lane, noted that an ad hoc committee to help find cost savings for the Township was a great idea.

Mr. Bob Akens, 32 Windsor Drive, asked Council to keep the pressure on Administration to make some of the changes suggested tonight. He offered further suggestions to help find savings for the Township taxpayers.

Mr. Alvin Lerner, 67 Rainflower Lane, noted that the Township has lost ratables, and that now may not be the time to reduce the surplus. He suggested that the task force which Council spoke about should consist of two Council members and two individuals from Administration who should meet quarterly.

Mr. Khanna spoke about the meeting being a great brainstorming session, and advised that the Council needs time to digest the information discussed this evening.

Ms. Ciccone commented that there is a consensus on all the topics that were reviewed this evening with the exception of the 501(c)(3). She suggested that the 501(c)(3) be tabled.

Motion to move the clock five minutes until 11:05 p.m.: Morgan
Second: Ciccone
VV: All ayes

Discussion ensued about the Township 501(c)(3).

Mr. Morgan placed a motion on the table to make a definite decision on the 501(c)(3) once the community has had time to weigh in on the topic.

There was no second, the motion was not carried.

ADJOURNMENT

Motion to adjourn: Khanna
Second: Ciccone
VV: All approved

The meeting was adjourned at 11:05 p.m.

Sharon L. Young
Township Clerk
West Windsor Township