

APPROVED AS AMENDED: June 28, 2010

WEST WINDSOR TOWNSHIP COUNCIL  
BUDGET WORK SESSION #4  
May 24, 2010

CALL TO ORDER: President Borek called the meeting to order at 7:00 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 May 20, 2010.

ATTENDEES: President: Borek; Vice President: Geever; Council: Ciccone, Khanna, Morgan; Business Administrator: Hary; Chief Financial Officer: Louth; Township Clerk: Young

SALUTE TO THE FLAG

Ms. Young led the salute to the flag.

PUBLIC COMMENT

Ms. Janet Lerner, 67 Rainflower Lane, noted that she was not in favor of passing a budget with a zero percent increase because of the adverse effect it would have on the Township.

Mr. Paul Pitluk, 69 Rainflower Lane, recommends not adopting a zero percent increase budget. He outlined his reasons, and advised that layoffs and the reduction of surplus would have a disastrous effect on the Township

Mr. Morgan asked if Mr. Pitluk supported the Mayor's recommendation of taking \$4.4 million from surplus to reduce the budget.

Mr. Pitluk noted that he was not familiar with the Mayor's recommendation.

Mr. Paul Eland, 15 Coneflower Lane, commented that the budget should be passed as presented by the Mayor because the Township needs to retain a full service community.

Mr. Alvin Lerner, 67 Rainflower Lane, advised that it is a difficult year to attempt a zero increase budget because of the loss of State aid.

Mr. Bob Akens, 32 Windsor Drive, commented that he is in favor of adopting a zero percent increase budget because seniors cannot afford the increase when they are on a fixed income.

#### BUDGET DISCUSSIONS

Mr. Borek informed Council that Administration has provided them with a list of additional reductions amounting to approximately \$200,000.

Ms. Geevers asked why the list was not complete and asked to have a more detailed spreadsheet outlining the reductions.

Mr. Borek noted that Administration was asked to list the reductions for all part-time non-essential employees.

Ms. Ciccone advised that she was not in favor of staff reductions because part-time employees assist in the reduction of overtime. She noted that Administration provided a list that matched the reductions Council spoke of at the last budget session.

Mr. Morgan informed Council that overtime could increase if part-timers are reduced. He noted that Council needs to be diplomatic around how these issues are handled. Mr. Morgan asked Administration for a complete list of employees, along with their job responsibilities, informing Council of the reductions taken by the Mayor, and the reductions asked for by Council so he could better understand the overall effect of employee reductions. He also inquired about the use of 4.4 million dollars of surplus to reduce the budget, and wanted to know how Administration arrived at the \$4.4 million.

Mr. Khanna noted that reduction in staff is a complicated issue and advised that he supports Administration's recommendations.

Mr. Borek advised that discussion of personnel must be done in closed session and individuals must be advised by providing them with a "Rice Notice" prior to the meeting. He recommended that Administration have an efficiency study done to find areas of reduction. Mr. Borek noted that he was opposed to using surplus as a means of reducing the budget. He recommended using \$600,000 of funds from the sale of the liquor license in addition to the \$200,000 in reduction of personnel and overtime.

Ms. Ciccone noted that she supported the recommendation. She advised that the reduction supports tax relief. Ms. Ciccone commented that it is a win-win situation.

Mr. Khanna commented that Administration and Council have the same goal in mind and that is to reduce taxes. He suggested that a team be put together to promote businesses coming to West Windsor. Mr. Khanna advised that a comprehensive study must be done to assist in finding additional cost savings. He noted that he is against layoffs without having the information necessary to make the decision.

Mr. Morgan informed Council that he is against Mr. Borek's recommendation. He advised that capital funds should not be used to reduce the operating budget. He spoke of reducing the replenishment of the surplus and the level of surplus needed for contingencies. Mr. Morgan inquired about Administration following up on the recommendation made by Standard and Poor's. He noted that he was not in favor of staff reductions.

Ms. Ciccone informed Council that the economy is in a period of decline and it is realistic to assume that surplus cannot be replaced as in past years.

Mr. Morgan explained his recommendations in the handling of the surplus. He inquired about what dollar amount was Administration anticipating having in the fund balance at the end of 2010.

Ms. Geevers asked Administration to respond to Mr. Morgan's recommendation.

Mr. Hary advised that the use of "one-time" revenues then become the norm for balancing the next year's budget. He informed Council that there has been a decline in fund balance since 2007 because of the drop in revenues. Mr. Hary noted that the use of "one-time" revenues has significant implications to long term financial planning for future budgets.

Ms. Louth advised that the fund balance will decline in 2010. She noted that this is an aggressive budget that is maximizing the revenues.

Mr. Khanna noted that Administration is responsible for providing the Council with a responsible budget.

Mr. Morgan commented that good financial practices should be used such as those recommended by Standard and Poor's.

Ms. Geevers inquired about the percentage of increase to the budget with the current recommended reductions.

Ms. Louth advised that with the recommendations from Council for reductions, it lowers the tax rate to 2.3 cents and each cent is equal to \$54 on the average assessed value of a house in West Windsor or approximately an increase of \$124 a year.

Ms. Geevers requested that the funds from the sale of the liquor license be added to further reduce the tax rate.

Ms. Louth informed that the funds from the liquor license would reduce the tax rate to 1.4 cents or approximately \$75 per household.

Mr. Borek encouraged Administration to proceed with the efficiency study so the information will be available for the 2011 budget.

Ms. Ciccone suggested that the remaining funds from the sale of the liquor license should be placed in surplus.

Mr. Hary outlined the proposed renovations to the Municipal Building towards which the liquor license funds were going to be used. He noted that there is an inefficient use of space, and the upstairs of the building and the old Police wing have needed these renovations for over a decade.

Ms. Geevers noted that the reduction to the budget total \$800,000.

Mr. Khanna asked Council how they were going to balance the budget next year if Council had to use capital funds to reduce the budget this year. He noted that there may be a 2.5% hard cap for 2011.

Ms. Geevers suggested other reductions for 2011 including pay freezes, payment toward health benefits, and additional staff reductions.

Ms. Ciccone also suggested a reduction through contract negotiations with both the vendors and the Unions. She noted that technology, energy efficiency, and the possibility of selling another liquor license will all assist with the 2011 budget.

Ms. Geevers spoke of further reductions by adding additional funds from the capital budget.

Mr. Borek noted that Ms. Geevers' suggestion was too aggressive for this year.

Motion was made to have a total of \$800,000 reduction in the budget: \$196,164 from the reduction in overtime and non-essential part-time staff, and \$603,836 from the sale of the liquor license: Ciccone

Second: Khanna

RCV: aye Ciccone

aye Geevers

aye Khanna

NAY Morgan

aye Borek

Mr. Borek noted that the budget introduction will be held on May 28, 2010 at 9 a.m.

Ms. Louth noted that a resolution for self-examination and an ordinance for cap banking will also be added to the budget introduction.

Ms. Ciccone thanked Council and Administration for all the hard work that went into the budget process.

Ms. Geevers asked for an efficiency study to be completed by the end of the year.

Mr. Morgan advised that he did not agree with the budget approach and asked Council to reconsider.

ADDITIONAL PUBLIC COMMENT

Mr. Paul Pitluk, 69 Rainflower Lane, thanked Council for their deliberation and the compromises that were made.

Mr. Alvin Lerner, 67 Rainflower Lane, congratulated Council on their tremendous efforts to strike a fair tax rate.

ADJOURNMENT

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

The meeting was adjourned at 8:44 p.m.

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Sharon L. Young  
Township Clerk  
West Windsor Township