

APPROVED: April 29, 2013

WEST WINDSOR TOWNSHIP COUNCIL
BUDGET WORK SESSION #3
March 22, 2013

CALL TO ORDER: President Borek called the meeting to order at 10:11 a.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 on March 19, 2013.

ATTENDEES: President: Borek; Vice President: Samonte; Council Members: Geevers, Khanna, Maher; Business Administrator: Schmid; Chief Financial Officer: Louth; Township Clerk: Young

SALUTE TO THE FLAG

Ms. Young led the salute to the flag.

PUBLIC COMMENT

Mr. John Church, 11 Princeton Place, spoke about the County tax increase and noted that he attended the last Board of Freeholders meeting.

Mr. Maher explained how the County went through the budget and made cuts where necessary. He advised that Council should follow their lead and make cuts where line items are too high based on previous years' numbers.

Ms. Geevers noted that she appreciated the West Windsor contingency that came to the Board of Freeholders' meeting. She commented on the residents being outraged by high taxes.

Mr. Borek discussed some of the unfunded mandates the County incurs. He noted that the Freeholders were surprised at how much West Windsor's taxes have increased.

Mr. Maher advised that the County increase was due to healthcare, contractual obligations, the new courthouse, airport security, and debt service.

Department of Administration

Ms. Schmid outlined her accomplishments since being hired last summer. She spoke about settling the PBA litigation and securing the lease of the Post Office. Ms. Schmid commented on the design for the Post Office space and the Township building, and spoke about some cost estimates for the project.

Ms. Schmid advised of her goals to include the execution of the budget, renewal of the collective bargaining agreements, and to work with Council on their objectives.

Ms. Geevers asked to speak about contract negotiations in closed session. She also suggested a review of the Township ordinances for potential updates.

Mr. Maher suggested reducing line item numbers 209 and 210 because they have been consistently over budgeted.

Ms. Louth advised that these line items could be used for special projects and once the budget is cut it would be difficult to increase the budget lines items when needed in the future. She noted that all operational budgets are flat or below last year and that the Departments are working within their means.

Ms. Geevers suggested reducing the line item for meals too.

Mr. Maher also suggested reducing the line item for organizational training (271) and the line item for technical specialized equipment (354) unless Administration can prove that the funding is needed.

Ms. Louth explained that the budget provides long term planning for a growing community avoiding spikes.

Mr. Khanna asked why tuition reimbursement appeared to be low.

Ms. Louth advised that the tuition budget line item was as of the printing of the budget books and does not include the costs for the recent settlement.

Discussion ensued over technology costs and operating costs for training.

Division of Finance

Ms. Louth advised that the Division of Finance consists of the Tax Collector, Tax Assessor, and the Treasurer. She outlined the goals and accomplishments of the Division, and highlighted achievements for each of the three divisions. She highlighted assessment information for the 2012 tax year, specifically the review of 9,054 line items resulting in an overall taxable assessed value of \$5,954,761,805 and a corresponding equalized value of \$6,191,268,252. In addition, she explained that residents can make payments of their taxes by four methods: mail, ACH system (credit card), auto debit service, and utilizing the drop-off box after hours.

Mr. Maher inquired about staffing, short-term vacancies in the Treasurer's office, vacancy in the tax office for the past ten years, and wants to know why the vacancy in the tax office has not been removed from the list.

Ms. Louth advised that the technology the Division is using has been helpful in allowing a reduction of staff. She noted that the position on the personnel list is to show Council where reduction in staff has been made.

Mr. Maher asked that all unfilled job titles be removed from the spreadsheet and on the salary ordinance at the time of introduction. Mr. Maher asked for a reduction in line items numbers 241, 252 and 272 because they have been budgeted high for the past few years. He also inquired about the sewer rent increase.

Ms. Louth advised that the sewer rate has been stable and is driven by costs and calculated by water consumption.

Mr. Khanna asked if there is a mechanism or tool that provides accurate budget information for Council use. He asked that

quarterly budget reports be provided to Council for review and to show trends.

Ms. Samonte asked if a form of accounting can be used so that Council can get more past accounting information.

Mr. Maher suggested using pro-forma numbers to assist in making the budget make more sense.

Ms. Louth advised that it is a statutory to utilize an independent auditor. She explained that Finance does not have the tools to provide the information that Council is requesting because Finance processes paperwork from a multitude of entities that initiate transactions. Ms. Louth noted that the full cost of contracts are encumbered and funds are expended as bills are presented.

Mr. Borek advised that it is the consensus of Council to have Administration present quarterly reports that provide a "snap shot" of the budget to date.

Discussion ensued over software and Township IT and the various components needed to enhance the IT backbone of the Township and the virtualization project.

Ms. Geevers inquired about direct deposit, sewer bills, and asked for a comprehensive plan for technology and software needs.

Ms. Samonte spoke about what the IT Committee can bring to the Township and its volunteers.

Council took a break from 12:15 p.m. to 12:25 p.m.

CLOSED SESSION

Motion to go into closed session at 12:32 p.m.: Geevers

Second: Samonte

RCV: aye Geevers

aye Khanna

aye Maher

aye Samonte

aye Borek

Ms. Young read the closed session resolution into the record:

Whereas, N.J.S.A. 10:4-12 allows for a Public Body to go into closed session during a Public Meeting, and

Whereas, the Township Council of West Windsor Township has deemed it necessary to go into closed session to discuss certain matters which are exempted from the public; and

Whereas, the regular meeting of this Township Council will reconvene; and

Whereas, the below stated subject matter shall be made available at such time as the issues discussed therein are resolved and its disclosure would not subvert any particular exception for convening a closed session.

Now, therefore, be it resolved that the Township Council of the Township of West Windsor will go into closed session for the following reason(s) as outlined in N.J.S.A. 10:4-12: For the discussion of Personnel Matters and Salaries.

MEETING RECONVENED

Meeting reconvened at: 1:48 p.m.

Personnel

Ms. Louth informed Council that no new positions have been added to the budget and the budget does not include any promotions. She advised that the overtime for Building and Grounds has increased but all other overtime remains flat.

Mr. Khanna inquired about the increase in salary and wages.

Ms. Louth explained that the 1.76% increase is due to contractual obligations.

Fund Balance and Revenues

Ms. Louth reported that the fund balance is a one-time revenue and must be replenished in order for it to be available for use

in a subsequent year's budget. Fund balance is replenished by excess revenues versus anticipated, uncharged balances in prior year appropriations and the collection of taxes in excess of the Reserve for Uncollected Taxes. She noted that a ratio of 20% fund balance to budget has been the benchmark used yearly.

Ms. Louth advised that Uniform Construction fees and sewer connection fees are on a decline. She reviewed the Township revenues and noted that they are declining and are expected to decline as the Township reaches full build-out.

Ms. Louth informed Council that the total assessed value increased by 0.33% for a total of \$5,974,136.015 resulting in a 1.6% increase in the tax rate or .6 cents. She noted that the value of a penny is \$597,413.00. Ms. Louth explained that the property tax levy increased by 1.88% and the average residential property assessed at \$522,864.00 is incurring an increase in tax of \$31.00. She reminded Council of the 1 cent open space tax decrease resulting in a \$52.00 savings per household. The net savings per household in the municipal tax is \$21.00.

Mr. Maher asked why the UCC revenues were budgeted so much lower than what has been received over the past few years.

Ms. Louth explained that revenues are difficult to predict and the budgets are tighter.

Ms. Geever asked what Council's considerations are to get to a zero percent increase in the budget.

Mr. Borek shared suggestions for reductions and advised that all Council Members can make their suggested amendments at the public hearing.

Mr. Maher suggested reducing the budget by a penny by reducing the fund balance by \$200,000, adjusting the revenues for UCC by \$100,000, and eliminating \$58,000 from various line items discussed during the budget work sessions.

ADDITIONAL PUBLIC COMMENT

Mr. John Church, 11 Princeton Place, offered suggestions for reductions and urged Administration to provide Council quarterly

reports. He suggested that all the attorney invoices be submitted in a timely manner and noted his favor of reducing the fund balance.

ADJOURNMENT

Motion to adjourn: Khanna
Second: Geevers
VV: All approved, Samonte left at 2:28 p.m.

The meeting was adjourned at 2:35 p.m.

Sharon L. Young
Township Clerk
West Windsor Township