

MINUTES - MARCH 3, 2012 (Budget)

**BOROUGH OF PALMYRA
MINUTES-MARCH 3, 2012**

CALL TO ORDER

SALUTE TO THE FLAG.

OPEN PUBLIC MEETINGS STATEMENT

Public Notice of this meeting pursuant to the Open Public Meetings Act has been given by the Borough Clerk in the following manner:

- A. Posting written notice on the official bulletin board at the Palmyra Borough Hall on February 19, 2012.
- B. Mailing written notice to the NewsWeekly, the Burlington County Times, and the Courier Post Newspaper on February 19, 2012.
- C. Notice to All Council Members.

ROLL CALL:

Present: Mayor Scheffler, President Brahl, Ms. Dobbs (arrived late) Mrs. Riener, Mr. Dorworth, Mr. Bostock, Mr. Norcross (arrived late).

Absent: None.

BUDGET WORKSESSION.

AUDIT.

Mr. Gural discussed that all councilmembers had received a copy of the budget and that Mr. Stewart had completed the audit for the 2011 year. There were a number of issues to address in the exit audit and that the full audit will be presented to council in April for approval. Mr. Gural explained that one of the items on the audit report is that the Business Improvement District taxpayers overpaid the BID taxes in 2011. There have been discussions with the tax collector and state about how to handle the refund to the taxpayers in the business improvement district. The tax collector position is that the overpayment could be applied to their taxes this year because it is part of the tax levy. The amounts would be applied to the third and fourth quarters. Mrs. Johns, tax collector informed council that when the levy was struck, the BID portion was applied to the third and fourth quarters of 2011 and if there was an overpayment it could be applied to the approximately 168 accounts that overpaid. Mr. Stewart, audit, discussed that the BID is like any other entity that is billed and that they should receive what was billed for them. The state is concern is that the funds are being co-mingled and that there should be a letter from the borough attorney allowing the overpayments to be applied to this year's billing. Mayor Scheffler inquired if Mr. Stewart was recommending refunding the overpayments and billing for the 3rd and 4th quarters this year. Mr. Stewart replied that if the state approves the borough can apply the overpayments to the 3rd and 4th quarters. Mr. Gural explained that council could instruct Mrs. Johns to not collect the 3rd and 4th quarters. Mr. Dorworth inquired as to how the overpayments occurred? Mrs. Lewis, CFO replied that the previous tax assessor did not code the properties and that they did not receive a certified list of the properties. Mrs. Riener inquired if the error of pre-billing caused any taxpayer to be charged the delinquent fees. Mr. Stewart explained that they are not delinquent yet, because they have not been billed. Mr. Gural explained that no one from the BID taxes is on tax sale. Mr. Bostock requested that the explanation to the BID property owners be clear about the procedure to paying the taxes so that no one feels that they are owed a refund. Mr. Stewart discussed that this will be extra work for the tax office with 168 properties being involved.

General Budget. - Mr. Gural discussed that the worksheet present to council for budget has the figures that either the department head requested or was modified by him. There are columns for 2011 appropriated and expended, 2012 proposed, 2012 requested, 2012 items sent to the sewer budget and additional notes. There is an increase for council members that will be taken from the sewer budget as everyone on council works in some form with the sewer department. President Brahl inquired what is the tax increase that is being present in the budget. Mr. Stewart explained that it would be a two cent increase and would be about \$20.00 for the average home. President Brahl inquired if the budget contained an increase for everyone; the employees have not had increase in the last few years and are also now

paying into the health care. Mr. Stewart replied that the numbers are already in the budget. Mr. Gural explained that the budget contains using \$733,000 of surplus, where last year \$800,000 had to be used. President Brahl discussed the banking of surplus for the next year. Mr. Stewart discussed that the borough did a good job in getting in surplus this year with the selling of vehicles and other equipment, but not sure that it will happen next year. Mr. Stewart cautioned council about keeping the surplus. Mayor Scheffler inquired if the 2 cent will make the budget comfortable for next year. Mr. Dorworth inquired about the percentage of raises in the budget and what they were based on? President Brahl replied that two percent was built in, but that does not mean that everyone is getting a raise or that amount. Mr. Dorworth discussed that he has been a council member for several years and has set through hours of going over the budget, the department heads are present and have submitted their budgets, the administrator and finance officer have reviewed the budget, and that council should be able to move through the budget without a delay. President Brahl inquired if any of the department heads present had anything else to present to council concerning their budget. Mr. Ryan explained that he had worked on his department's budget with Mr. Norcross and Mr. Gural and was fine with the final copy. Mr. Norcross explained that Mr. Ryan has cross trained employees on the sewer side and public works side. Mr. Gural discussed the borough clerk and tax collector need to have raises and that the tax assessor will receive more salary as part of the revalue process. Mr. Gural also advised council that the public works and sewer department is requesting two additional employees and that two employees will move up due to longevity. Mrs. Riener requested that an additional line be added for a salary for code enforcement and that Mrs. Kilmer is currently doing the code enforcement. Mr. Gural replied that \$10,000 can be placed in code enforcement if it is taken from another area. Mr. Gural inquired if raises occur are they retro to January 1st or at the time of budget adoption? Mayor Scheffler recommend making them effect at time of resolution, so that additional funds are in the budget.

Fire Department

Mr. Zimmerman explained that he had met with Mr. Gural and that the fire department budget is good. Mr. Dreby explained that he also had no problem with OEM or the fire department.

BID

Mr. Fratto informed council that the BID is still asking for the same \$72,000 as last year, but that the distributions of funds need to be changed. There is additional money in the account from funds not spent last year, since they were received late. The BID would like to do recruitment and additional advertising to create awareness of the Borough. Mr. Fratto explained that an additional cost for an audit was needed as it was not in last year's budget. Also the insurance is an additional cost. Mrs. Riener inquired if the BID had given any consideration to helping with the Halloween parade? Mr. Fratto explained that they are not sure about the parade it requires a lot of man power, but that they are going to do the Palmyra Festival in May. Mr. Norcross explained that the BID needs to be involved with the parade as it affects the business district. Mr. Fratto informed council that so far only \$6500. has been collected for sponsorship with the festival. The BID is considering doing something for Easter also. Mr. Bostock explained that a plan from the BID is being put together to support parades. Mr. Norcross requested that funds also be placed in the public event budget for events and concerts as well as Halloween. Mayor Scheffler agreed with Mr. Norcross that funding needs to be placed in public events budget and that the Girl Scouts are redoing the band shell for the Borough as part of a project. Mr. Fratto explained that the BID should not be spending money for the band shell and supporting the Girl Scouts. Mayor Scheffler discussed that the BID should take under consideration that the bands and festivals help the businesses as well. They bring people into the town. President Brahl inquired if the BID was going to allow the Girl Scouts to attend their meeting to explain their project. Mr. Fratto replied that they will listen to what the scouts have to present. Mayor Scheffler discussed that there are many technical issues for the BID and that the properties were overbilled. They will not be billed in the 3rd and 4th quarters of 2012 due to the overcharge. Mr. Fratto explained that he did not even realize the overbilling in his own bill. The next step in the budget process for the BID is to schedule a public hearing.

Council took a ten minute break.

Police Department- Chief Pearlman explained that there capital requests for \$47,000 approved in the 2011 budget and that the funds were never appropriated. There is need for another four-wheel vehicle around \$41,000 and that another car also needs to be replaced. Also the in car videos need to be replaced, they are currently six years old and that it is more economically and practical to replace all at once. Chief Pearlman would like to have Class II officers patrol Legion Field during the hours that the youth groups are there. There is currently \$20,000 in the budget to help cover those expenses. Mr. Gural explained that miscellaneous requests are not in the budget. Mayor Scheffler explained that the approved capital requests are in the budget. Chief Pearlman explained that he would not need the officers in the park all year long especially in the winter months and that the Class II could

also patrol Broad Street. Mrs. Riener expressed that this was an excellent idea and that hopefully it would deter some of the foul language and garbage at the fields. The officers should also be able to keep things calm at the parks. Mr. Dorworth recommend leaving the hours of the Class II upto the Chief to rotate as needed. The Class II will bring community relationships closer as the Class II's are usually on the younger side. Chief Pearlman explained that it is not in council's budget, but it is built into the police budget. Mr. Gural explained that council if agreeable to the new spending would have to add \$13,500 to salary and wages for a total increase so far in that line item of \$25,500. Chief Pearlman requested that a part time police clerk also be hired. There are numerous OPRA request daily and that the Safe and Secure grant was lost when the hours were cut. The grant calls for 16 officers to be on the force as well. Chief Pearlman explained that he needs someone about 20 hours a week and that \$32,000 would be received from the grant. The grants need to be updated and it is 75%-25% match for the officers. President Brahl reviewed that would increase the budget by \$24,000 for police miscellaneous, \$10,000 for code enforcement, \$1,000 for the Girl Scouts for the band shell work and an additional \$4,000 for Deferred Compensation contributions for the part time workers. Mr. Stewart advised council that they are able to use more surplus if needed. Mr. Gural explained that there is an additional \$60,000 but that he is not recommending using it. Chief Pearlman explained that the total numbers for the increase that he is asking for is for the entire year and that new officers or personnel would not be hired until the middle of the year for savings in the payroll department.

Budget. Mr. Bostock inquired if there was funding in the budget for the PTA money that was lost last year. Mr. Gural replied that there was \$500.00 to help the PTA. Mr. Stewart advised council that they were \$7,500 over cap. Mr. Gural requested additional funding in engineer so that more projects could be completed this year. Mrs. Riener inquired as to why there was less in the construction line. Mr. Gural replied that last year the technical assistant salary was in that line also. President Brahl inquired about code enforcement and who would be doing the job. Mrs. Riener explained that Mrs. Kilmer is currently doing the work, but that she has to many positions now. Mr. Gural discussed that Mrs. Kilmer would be the department head of construction and code enforcement. Mr. Dorworth discussed that the borough needs someone who is available on the weekends to look for code issues. President Brahl discussed that it should only be about 10 hours a week at \$5,000 a year. Mr. Norcross requested that the person should be someone who knows and loves the town and is willing to make it look good. The contractors put out trash and brush on the weekends and there is no one to enforce it. Mr. Gural discussed asking the sub-contractors if they would be interested in the position and also the person would have to be willing to appear in court on the cases. Mayor Scheffler discussed that there will be more code issues coming with the

enforcement of the new driveway ordinance.

Crossing Guards. Mr. Gural discussed that they are a part of the employee handbook and that their salaries are governed by ordinance. President Brahl explained that it is about \$32.00 a day. Mrs. Lewis informed council that some of the crossing guards are in the pension system, those that were in pension will remain in pension and the others will be enrolled in the deferred compensation program of the state. There is funding in the budget for a raise for the crossing guards if council approves.

Shade Tree.

Mayor Scheffler discussed shifting some of the tree work to the public works department for funding. The shade tree commission will still need funding for tree maintenance, but public works can also determine the condition of a tree. Mayor Scheffler requested that funds also be available for replacement of trees.

Public Works

Mr. Norcross discussed hiring a secretary for public works to help with the paperwork for grants and also the payroll. There is monthly paperwork that needs to be completed for the sewer department as well, so the salary could be split between the two departments.

Public Events.

Mrs. Riener discussed that the committee would like to work with the BID for the Halloween parade and that it should only require a little seed money. Mr. Bostock discussed that he agrees with a small amount of money for the parade and that the committee should meet with Riverton about their parade and the raising of funds. President Brahl recommend changing the line item for public events to \$4,000.

Budget. Mr. Gural explained that there is \$35,000 in the sewer budget for a new hire and will put in \$7500. for a secretary. President Brahl inquired if the new hire in the sewer department will be an assistant for the plant? Mr. Norcross explained that they need to hire someone to help when Mr. Ryan is on vacation or out sick. Mr. Stewart informed council that they are \$23,000 over tax levy cap, with taking \$750,000 from surplus it equates to a 2.9 cent increase for a \$28.00 average home increase. Mr. Gural explained that this amount is using less surplus than last year. Mr. Stewart informed council that the funding for grants has also changed and that the borough has to spend the money first before getting reimbursed

from the state, he recommends doing the road program through an ordinance to allow the funds to be use in the ordinance as needed. Mr. Gural reported that there is \$50,000 in the budget for a 5% down payment for the capital improvements. Council and Mayor held a discussion on the introduction of the budget and when the public hearing would be scheduled.

Resolution 2012-59, Resolution Introducing The 2012 Municipal Budget. President Brahl made a motion to approve the resolution, Mr. Norcross second the motion. At the call of the roll, the vote was:

AYES: President Brahl, Ms. Dobbs, Mrs. Riener, Mr. Dorworth, Mr. Bostock, Mr. Norcross.

NAYES: None.

The public hearing on the budget will be held on April 2, 2012 at 7pm.

Mr. Dorworth excused himself from the rest of the meeting.

Resolution 2012-57, Resolution Approving Participation with The State of New Jersey in a Juvenile Justice Commission Program.(YMCA). President Brahl made a motion to approve the resolution, Mrs. Riener second the motion. At the call of the roll, the vote was:

AYES: President Brahl, Ms. Dobbs, Mrs. Riener, Mr. Bostock, Mr. Norcross.

NAYES: None.

Resolution 2012-58, Resolution Approving The Budget Of The Palmyra Borough Special Improvement District. Council discussed applying the overpayments to the 3rd and 4th quarter payments of 2012. Mr. Bostock made a motion to approve the resolution, Mr. Norcross second the motion. At the call of the roll, the vote was:

AYES: President Brahl, Ms. Dobbs, Mrs. Riener, Mr. Bostock, Mr. Norcross.

NAYES: None.

PUBLIC COMMENT.

President Brahl made a motion to open the meeting to the public, Mrs. Riener second the motion. All members present voted in favor of the motion. No one from the public wishing to

be heard, President Brahl made a motion to close the public portion, Mr. Bostock second the motion. All members present voted in favor of the motion.

Resolution 2012-60, Resolution Excluding The Public From Certain Meetings Pursuant To Section 8 Of The Open Public Meeting Act C. 231 P.L. 1975 for the discussion of negotiations. President Brahl made a motion to approve the resolution, Mrs. Riener second the motion. All members present voted in favor of the motion. Council went into executive session at 11:30am.

Council returned to public session at 11:40am and took no further action.

Adjournment.

President Brahl made a motion to adjourn at 11:42am, Mrs. Dobbs second the motion. All members present voted in favor of the motion.