

**TOWNSHIP COMMITTEE BUDGET WORKSHOP- MARCH 1, 2008**  
9:30 AM MUNICIPAL BUILDING 770 COOPERTOWN ROAD, DELANCO NJ

**ROLLCALL:** Devinney, present; Fitzpatrick, present; Hinkle, present; Templeton, absent; Ouellette, present

Also Present: Mr. Corcoran, Township Administrator; Mrs. Lohr, Municipal Clerk; Mr. Stewart, Township Auditor; Mr. Fenimore, Supt. of Public Works; Chief Parsons, Chief of Police and Lt. Sacalis of the Police Department.

**FLAG SALUTE:**

Mayor Ouellette led the flag salute.

**SUNSHINE STATEMENT**

Please be advised that proper notice of this meeting has been given in compliance with the Sunshine Law in the following manner. Written notice has been mailed to the Burlington County Times and the Courier Post and written notice has been posted on the official bulletin board of the Township of Delanco at least 48 hours prior to the meeting.

**MEETING OPEN TO THE PUBLIC**

Mayor Ouellette opened the meeting to the public.

Marlene Jass of McCay Way asked the impacts of Governor Corzine's proposed aid cuts would be to Delanco. Mr. Corcoran indicated that this information will be covered during the meeting.

Frank Klare of Newton's Landing asked if there could be a recap of the previous two budget workshop meeting.

Mayor Ouellette indicated that the previous two meetings were preliminary to gather information and departmental budget requests.

**MEETING CLOSED TO THE PUBLIC**

Since there were no further comments or questions from the public, Mayor Ouellette closed the meeting to the public.

Mr. Corcoran, Township Administrator, reviewed the current appropriation and tax levy budget cap laws and indicated that Delanco is approximately \$514,000 over the appropriation cap and approximately \$821,582 over the levy cap.

Mr. Corcoran reviewed the status of the township's surplus indicated that the budget currently reflects using \$430,000. Anticipated revenue for this year's budget will also be reduced by a loss of state aid of approximately \$318,297 under Governor Corzine's plan.

Mr. Corcoran reviewed the costs included in the budget to finance the mansion acquisition and operation as well as the amount to pay back part of the loan from the Sewerage Authority in the amount of \$84,000 for this year.

A discussion ensued regarding unused funds from the 2007 budget. Mr. Stewart, Township Auditor, indicated that this money, if any, would not be available to use until the 2009 budget and the compensated absences line item.

Mr. Corcoran indicated that the following items will need to be discussed and decisions made on these items:

- Impending need for budget cap waivers referendum

- Potential layoffs and the resulting reduction of services
- Sale and/or permanent financing of the mansion
- Use of deferred school taxes
- Cap waiver application to the Local Finance Board in Trenton
- Merger/consolidation as part of Governor Corzine's plan
- Shared Services

Mr. Corcoran explained that a referendum approved by the voters will be needed to permanently adjust the appropriation base and the levy base. If a referendum is not passed, the Committee will need to cut services and employees. The referendum must be approved by 60% of those voting in order for it to pass.

A discussion ensued regarding the tax rate and how the referendum, if approved, would affect the tax rate.

Ms. Fitzpatrick emphasized that costs will continue to increase even with passing a referendum. Ms. Fitzpatrick stressed that the mansion must be sold and that expenses need to be cut.

Mr. Stewart indicated that the Committee must decide if it is going to authorize a referendum. If not, the Committee will need to cut \$514,000 to come within the appropriation cap and approximately an additional \$200,000(+/-) to get within the tax levy cap.

Mr. Stewart added that there was a loss of \$600,000 in surplus over last year's amount and that the current draft budget represents a \$.032-.033 increase on the tax rate.

Mr. Corcoran added that to achieve the approximate \$700,000 in cuts to come within the levy cap, the township is probably looking disastrous cuts in services with a 20-30% reduction in force. The Committee will need to cut \$514,000 from line items inside cap to get within the 3.5% appropriation cap limit.

Mr. Corcoran continued to explain that the Committee will then need to look at the tax levy cap which will require approximately an additional \$200,000+/- in cuts.

Mr. Corcoran stressed that the Committee will need to sell the mansion, look for budget line item reductions and have the loan repayment amount deferred or waived.

The Committee decided to look at various budget line items and that salary raises and staffing issues will be discussed in executive session.

Mayor Ouellette called for a ten-minute recess.

Mayor Ouellette called the meeting back to order

Mr. Corcoran asked that a formal motion be made on the disposition of the mansion.

Motion by Mrs. Hinkle, seconded by Mr. Devinney to sell the mansion and enter into an agreement of sale by March 31, 2008 and/or go to permanent financing.

Roll Call: Devinney, yes; Hinkle, yes; Fitzpatrick, yes; Templeton, absent; Ouellette, yes.

#### Cap Referendum

A discussion ensued whether to have a special election asking the voters to approve budget cap waivers for appropriations and the tax levy. Discussion points included:

- Cost of Special Election – Approximately \$12,000 to \$15,000. The Municipal Clerk indicated that the cost would be approx. \$3,000 less if the special election could be done as a consolidated election using the municipal building as the one polling place with two voting machines.
- 60% voter approval is required for the waivers to be approved
- Budget cap will be 2.5%, not the 3.5% by ordinance, if waiver is not approved by the voters. This would add approximately an additional \$35,000 in cuts.
- The budget as presented represents a 27.2 cent to 33 cent (with loss in state aid under Governor Corzine’s plan). If referendum is approved by the voters, the Committee must adopt the budget with this tax increase.

The Committee decided to work on the budget before deciding whether to have a referendum.

Budget operating and expense line items were reviewed, debated and discussed with several operating and expense reductions recommended including:

- -\$162,500 Debt Service for Mansion (Contingent upon sale and/or permanent financing by March 31, 2008) Outside Cap
- -\$84,000 Loan repayment to Sewerage Authority (contingent upon approval by Sewerage Authority) Outside Cap
- -\$25,000 Legal OE
- -\$18,206 Aid to Library
- -\$22,000 Public Building & Grounds OE
- -\$15,425 Parks & Playgrounds OE
- -\$49,900 Accumulated Absences
- -\$9,351 Computerized Data Services
- -\$19,630 Vehicles – Police OE

The Committee decided to move into executive session to discuss the salary and wages line items under the personnel exception.

**RESOLUTION 2008-46  
EXECUTIVE SESSION**

**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 Governing Body of Delanco 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 Governing Body will reconvene;

**NOW, THEREFORE, BE IT RESOLVED** that the Township Committee of Delanco Township will go into closed session for the following reason(s) as outlined in N.J.S.A. 10:4-12:

\_\_\_\_\_Any matter which, by express provision of Federal Law, State Statute or Rule of Court shall be rendered confidential or excluded from discussion in public (Provision relied upon: );

\_\_\_\_\_Any matter in which the release of information would impair a right to receive funds from the federal government;

- \_\_\_\_\_ Any matter the disclosure of which constitutes an unwarranted invasion of individual privacy;
- Any collective bargaining agreement, or the terms and conditions of which are proposed for inclusion in any collective bargaining agreement, including the negotiation of terms and conditions with employees or representatives of employees of the public body (Specify contract: Delanco Police Association);
- \_\_\_\_\_ Any matter involving the purpose, lease or acquisition of real property with public funds, the setting of bank rates or investment of public funds where it could adversely affect the public interest if discussion of such matters were disclosed;
- \_\_\_\_\_ Any tactics and techniques utilized in protecting the safety and property of the public provided that their disclosure could impair such protection.
- \_\_\_\_\_ Any investigations of violations or possible violations of the law;
- \_\_\_\_\_ Any pending or anticipated litigation or contract negotiation in which the public body is or may become a party. Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer (If pending litigation, Use of West Ave. as Dredge Spoil site );
- Any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body, unless all individual employees or appointees whose rights could be adversely affected request in writing that such matter or matters be discussed at a public meeting;
- \_\_\_\_\_ Any deliberation of a public body occurring after a public hearing that may result in the imposition of a specific civil penalty upon the responding party or the suspension or loss of a license or permit belonging to the responding party as a result of an act of omission for which the responding party bears responsibility;

**BE IT FURTHER RESOLVED** that the Township Committee hereby declares that its discussion of the aforementioned subject(s) may be made public at a time when the Township Attorney advises the Township Committee that the disclosure of the discussion will not detrimentally affect any right, interest or duty of the Township or any other entity with respect to said discussion. That time is currently estimated as the time of said matter.

**BE IT FURTHER RESOLVED** that the Township Committee, for the aforementioned reasons, hereby declares that the public is excluded from the portion of the meeting during which the above discussion shall take place and hereby directs the Township Clerk to take the appropriate action to effectuate the terms of this resolution.

Motion by Mrs. Hinkle, seconded by Mr. Templeton to adopt Resolution 2008-46  
 Roll Call: Devinney, yes; Hinkle, yes; Ms. Fitzpatrick, yes; Mr. Templeton, absent;  
 Ouellette, yes

A motion was made by Mrs. Hinkle, seconded by Mr. Devinney and approved by the Committee to return to public session and continue the meeting.

Additional line time reductions were noted to reflect the Committee's decision to not fill the two staff positions vacated through retirements:

- -\$64,699 Public Works S&W
- -\$67,852 Police S&W
- -\$ 1,000 Police OE

It was noted that with the reductions recommended thus far to the O&E and salary line items, that the budget was still over the appropriation cap by approximately \$222,000.

Mayor Ouellette asked the Committee if there was a motion to authorize a special election for budget appropriation and levy cap waivers to exceed the caps.  
No motion was made.

Motion by Mr. Devinney, seconded by Ms. Fitzpatrick to NOT authorize a cap waiver referendum.

Roll Call: Devinney, yes; Hinkle, yes; Ms. Fitzpatrick, yes; Mr. Templeton, absent; Ouellette, yes

Mr. Corcoran asked if the Committee would like for him to look for reductions in the budget to non-essential service items.

Ms. Fitzpatrick indicated that she felt it was the Committee's obligation to do this.

The Committee decided to continue to work on the budget at its next scheduled budget workshop meeting on Saturday, March, 2008.

Motion by Mrs. Hinkle, seconded Mr. Devinney to adjourn the meeting

Roll Call: Devinney, yes; Hinkle, yes; Ms. Fitzpatrick, yes; Mr. Templeton, absent; Ouellette, yes

Janice M. Lohr, RMC  
Municipal Clerk  
3/1/08