

## TOWNSHIP OF LOPATCONG

### COUNCIL MEETING

June 4, 2014

The Meeting of the Lopatcong Township Council was called to order at 7:30 pm by Mayor Steinhardt. The meeting was held in the Municipal Building located at 232 S. Third St., Phillipsburg, New Jersey 08865.

Mayor Steinhardt stated “adequate notice of this meeting has been provided indicating the time and place of the meeting in accordance with Chapter 231 of the Public Laws of 1975 by advertising a Notice in The Star Gazette and The Express-Times and by posting a copy on the bulletin board in the Municipal Building.”

A prayer was offered followed by the Oath of Allegiance.

Present: Mayor Steinhardt, Council President Ciesla, Councilman Belcaro, Councilwoman McCabe and Councilwoman Schneider. Also present were CFO Dobes, Tax Collector Edinger, and Attorney Campbell.

Resolution No. 14-69 - was passed to hold an Executive Session. Attorney Campbell stated that Council discussed contractual and personnel matters. Motion to go out of Executive Session by Council President Ciesla, seconded by Councilman Belcaro. All in favor.

**Public Comment:** - No comments on Agenda items.

#### **Old Business:**

##### **2014 Municipal Budget Public Hearing –**

Mayor Steinhardt – John would you give us a brief summary please.

Auditor Mooney – Sure. Good evening. Tonight you are able to have the public hearing on the budget. You cannot take action on the budget. We’ve gotten the review back from the state. They have a few very minor questions that they had for us. They looked for a couple of explanations; a certification and a copy of the adopted COLA Ordinance. They did a very thorough review and only came up with a few small points.

Mayor Steinhardt – Can you go through those points with us please as they are germane to other discussion I guess.

Auditor Mooney – One of the items they looked for was an explanation of the \$40,000 in prior bills that had to be paid. Another explanation was for why the Fire Inspector Salary and Wage went down from the prior year. They looked for the CFO to certify Page 44 of the document, they looked to get a copy of the COLA Ordinance that you had adopted at the prior meeting and other than that, I don’t believe we had any other items of substance.

Mayor Steinhardt – There has been a lot of prior reference to glaring errors and mistakes and all that stuff –did all of those apparently clarified and fixed?

Auditor Mooney – The only thing that they asked is that we hold off our vote on the budget until we, we’re heard down at the Local Finance Board and then we would be here Wednesday night.

Mayor Steinhardt – So then, hence, the meeting on the 11<sup>th</sup>.

Auditor Evans – The only change they required is that in the past when the Shared Service Agreements, where you were the host municipality, they required the total appropriation for Shared Service to be

outside the Expenditure CAP regardless of the revenue collected. It was mandated. Well, in 2014, they reversed themselves and said no, the appropriation outside the CAP can only match the revenue that you are collecting. So, we have to move money from outside the CAP to inside the Expenditure CAP.

Mayor Steinhardt – Okay, does that affect our CAP compliance?

Auditor Evans – It may be about \$1,300.00. We may have to do a very minor amendment. The examiner suggested we look at the Local Finance Notice pertaining to the snow emergencies. Cause what will happen next Wednesday, is that John and I will return from Trenton, come back up here, we will take necessary action on the budget, hopefully, adopt and then, we'll adopt the ordinance for the tax appeals.

Mayor Steinhardt – Questions or comments from Council of John and Dave before we open to public hearing?

Councilwoman Schneider – I just have a question. When the State reviews, do they look at the budget on how the money is spent in the town and do they look at non-reoccurring items in the, uh, in each budget category?

Auditor Evans – What do you mean by non-reoccurring line items?

Councilwoman Schneider – So, if you put a roof on in 2000, and you left the same amount in there to put a roof on when you don't need a roof, the following year and you don't take that money out, um, do they check for those things?

Auditor Evans – In theory, the division has no control over individual line items, except for debt service and preferred charges.

Councilwoman Schneider – Right, okay, thank you.

Mayor Steinhardt – Any other questions for Dave or John before the public hearing? There being none, motion to open item one for public hearing. Motion by Councilman Belcaro, seconded by Council President Ciesla. All in favor.

Brian Weeks – I was wondering if the line item for a new pickup truck is still in my budget.

Council President Ciesla – It was in Capital.

Brian Weeks – That has not been change? Okay, thank you. I apologize for coming this way, we were out cutting grass.

Councilwoman Schneider – I do have one more question if you don't mind Doug.

Mayor Steinhardt – Sure, please.

Councilwoman Schneider – The Open Space where you changed it in the budget and you said there was some kind of new way or law or something that they wanted it on this specific page rather than where it was before, when did that go into effect?

Auditor Evans – I didn't state that, that was a new law. What I said was, when the budget was examined by the state in 2011; they said we had the debt service payments coming from Open Space in two places. The same payment and we should not do that, so in 2014, we went ahead and eliminated it from the current fund and kept it in Open Space.

Councilwoman Schneider – So did you know in 2011 then, that, that was supposed to change? I'm not understanding, how if it was in 2011, why it didn't change in 2013 or 2014, actually.

Auditor Evans – We kept it in both places for 2011, 2012, and 2013. Coming up to a state exam year, we made a decision to eliminate it in the Current Fund, it really changes nothing.

Councilwoman Schneider – Okay, you said they wanted it changed to the way it was

Auditor Evans – I said we were criticized for having it in both places, so we took the proactive step to eliminate it in the Current Fund to avoid further criticism.

Councilwoman Schneider – Okay, thank you.

Mayor Steinhardt – Okay, what does that mean to me?

Auditor Evans – What happens is we go for state exam every three years. In 2011 they say why do you have it in this place and in this place. You really should only have it in one place. So we came up in 2014 for state exam, again, so I said, okay, well they criticized us for doing it, so I kept it out.

Mayor Steinhardt – So, it affects our budget in no respect.

Auditor Evans – It has no impact whatsoever on what's happened.

Council President Ciesla – It's a criticism of how you do your bookkeeping.

Councilwoman Schneider – So, if you were criticized in 2011, why didn't you just change it then?

Auditor Evans – Because I didn't feel it an issue.

Councilwoman Schneider – Okay.

Council President Ciesla – Did you feel it would lead probably to more confusion on our part?

Auditor Evans – Yes, and the only reason I took it out in 2014, I already said this; two reasons, one is it is a state exam year and I wanted to not have to address the issue again and secondly, I didn't want to have a budget issue obfuscate the tax appeal issue that is being heard before the Local Finance Board. So, that's why I did it. It has no impact whatsoever on the spending plan in the municipality.

Councilwoman Schneider – I know that it doesn't have a spending impact, I was just wondering why if it was criticized you wouldn't of changed it then, even though, and then you change it now when it is going back to the state.

Auditor Evans – Because I disagreed with the criticisms in the first place, but sometimes in dealing with the state, it is just easier to acquiesce then to debate it.

Councilwoman Schneider – Okay.

Council President Ciesla – We go through this all the time at work, we get criticisms and some of them you'll fix because you agree with them and other ones you're like

Auditor Evans – We'll, this issue of the Shared Service, when they said no it has to go in the CAP. For years they mandated it go outside and they made us change the budget to move it out but after a while, maybe it's my old age, I just throw up my hands and say, do whatever you want. Let's just move on, it doesn't change anything.

Mayor Steinhardt – Thanks Dave. Anybody else have public questions or comments?

Marla Endick – 10 Byron Drive. Just, I don't understand all this stuff but I just want to know the actual number of what the budget is, is that the number at the top of Sheet 3a, \$6,500,000 or so.

Council President Ciesla – That was 2013.

Marla Endick – What's the 2014?

Auditor Evans - \$7,016,836.95.

Marla Endick – And then, when we met last month, or the prior month, and we had the first version of the budget, what was that number at that time?

Council President Ciesla – It hasn't changed has it? No, it went for state examination after the last meeting.

Marla Endick – So, in between the first reading and the research and the cutting and well, whatever, the research was you guys did; there's been no change in the actual number? The final number?

Council President Ciesla – No, there hasn't, actually. My changes were thrown away.

Marla Endick – So, the number was the same as it was a couple months ago?

Martin Swim – There was like a \$40,000 difference between the initial workshop and the first introduction and I heard two councilmembers, I think it was Donna and Lori suggesting there was \$100,000 more to be found.

Council President Ciesla – Those were in the cuts, yeah, and I did go and I met with Betty and I went over what I had, I had about \$150,000 worth of cuts and we went back and forth and whittled it down to a smaller number, but at that point, we decided because of the way things have been going so far in the year, particularly, with the expense of salt we've been hit with, to cut anything out of this budget, would leave us with a deficit at the end of the year.

Martin Swim – I think you said there were errors or cuts.

Councilwoman Schneider – There was a mathematical error of 2.8 versus 28 percent um, they said it was corrected but the budget number never went down, so, um.

Council President Ciesla – That's because more expenses were coming in as they were doing the budget, they were finding out that more things had to be taken care of. I believe that's when we figured out the amount of the salt which really hit us pretty hard.

Mayor Steinhardt – On top of that, wasn't the period in the wrong spot. It didn't affect your math.

Council President Ciesla – No. I think what Donna is trying to say, is that there was a math error, so, it should have brought it down but

Mayor Steinhardt – It wasn't a math error, it was a typing error is what it was.

Councilwoman Schneider – No, it wasn't, it was a math error.

Council President Ciesla – I think what she's trying to say is why didn't the number go down but that's because as we were going through the process, more things were being added to the budget as department heads were doing their research.

Councilwoman Schneider – So, that number, I was told a multitude of reasons why that number was that way and, um, one of them was, I can't believe the auditor didn't catch that.

Auditor Evans – What was it that I was supposed to catch?

Councilwoman Schneider – Well, when you presented the budget in March, at the budget workshop, you said you've reviewed the budget and you've given it to us and the only way to cut anything in the budget was to reduce your expenditures.

Auditor Evans – Yes, I said that.

Councilwoman Schneider – So that means that you've reviewed the budget.

Auditor Evans – I did not review, nor have I ever, my role here is to offer guidance on how to

Mayor Steinhardt – Don't confuse him with being a CFO.

Auditor Evans – (Inaudible).

Councilwoman Schneider – No, I'm not.

Mayor Steinhardt – Well, you are sort of.

Auditor Evans – Under the law, it is neither my responsibility nor my role to look at Police S&W and say wow you've got too much in salaries here. No, it is to make sure that you are in compliance with the CAP laws, that the Debt Service is calculated correctly and things of that nature. So I have no control.

Councilwoman Schneider – I get that, but on the numbers that, on the sheet that was given, I mean that number was incorrect on the worksheet.

Auditor Evans – I can only go off the numbers that I get from the CFO.

Councilwoman Schneider – Right.

Auditor Evans – If the CFO gives me an incorrect number, my number is going to be incorrect.

Councilwoman Schneider – Right, but the number was incorrect.

Auditor Evans – I would have no way of knowing that.

Councilwoman Schneider – Okay, but the number was incorrect on there; the 2.8 versus 28 percent was added incorrectly on the sheet.

CFO Dobes – It was a worksheet, typed in the wrong spot.

Councilwoman Schneider – But it wasn't fixed.

Mayor Steinhardt – With all due respect Donna, it's like blaming the customer for that because the chef didn't put an egg in the cake batter, you know, Dave's there to look at it and say, yeah, it looks like a

cake and it smells like a cake and it's got icing on it, so, it's probably a cake. You know, baked in the kitchen, Betty's the one who goes to the recipe and puts it all together.

Councilwoman Schneider – I get that, I understand, I'm sorry, go ahead.

Council President Ciesla – We addressed the fact, we, there was a mathematical error in the worksheet, excel worksheet for the workshop.

Councilwoman Schneider – Right.

Council President Ciesla – Which was since then corrected, additional things were added to the budget, pulled around, moved around. After we reviewed it, staff reviewed, department heads reviewed it, we made sure it was good, because this happens every year, I don't know of anybody who doesn't make mistakes, and then it goes, Dave doesn't look at what's in the number, he just moves it to the sheet.

Councilwoman Schneider – I, I, get that, I understand that and I understand that mistakes happen, um, but when another answer I got was that, um, it was, um, it was being thought of, that that number actually needed to go into the DPW, um, Expenses and S&W's so I don't, I don't know why the increase was, where is the justification that the S&W's in DPW went up and the Operating Expenses went up, it's all because it's (inaudible)

Council President Ciesla – Yeah, once we get all the bills in.

Councilwoman Schneider – So, um.

Mayor Steinhardt – Last month you made a motion to increase the pay raises to the, uh, it was your recommendation (inaudible)

Councilwoman Schneider – That money was added before the motion was made.

Council President Ciesla – In anticipation.

Mayor Steinhardt – In anticipation, I mean you had been talking about it, leading into it.

Council President Ciesla- We have the same thing for the police, in anticipation.

Councilwoman Schneider – Well, there's, um, there was also an error on the Revenue page, there was a debit on the Revenue page in the Trial Balance. Did you not, you don't review that either?

Auditor Evans – I have no idea what you are referring, forgive me, can I take a look at it?

Councilwoman Schneider – Sure. Revenues \$35,000 debit.

Auditor Evans – Okay. The budget that was given to me to develop and conform on what you are working on tonight, did not come from this form, so I.

Councilwoman Schneider – But the worksheet and everything.

Auditor Evans – You may have very well got this, I didn't.

Councilwoman Schneider – Okay.

Auditor Evans – So, whether there is a debit or not in the revenue, I wouldn't know and I don't know how it would pertain to taking, aggregating the CFO's appropriations to come up with the plan that you have for your budget.

Councilwoman Schneider – But this is the Trial Balance, this is the actual numbers, um, and were they not audited.

Auditor Evans – Yes, they were.

Councilwoman Schneider - When were they audited?

Auditor Evans – I don't have, you got the Audit draft in front of you.

Clerk Dilts – Everyone has one in front of them.

Auditor Evans - So, you're gonna, if you are looking at a raw Trial Balance, there will be things in there that will be adjusted. I would be more than happy to either have John or myself sit with you to go through all of these adjusted journal entries that we made to Betty's Trial Balances which is quite normal.

Councilwoman Schneider – But this was presented exactly like this at the introduction.

Auditor Evans – I can't, I cannot control what the CFO presents to you. The only thing I can control are the documents that my firm does. That was not prepared by my firm, so, I can't help that.

Councilwoman Schneider – So, you don't, you don't look at that, at all when you're presenting the budget.

Auditor Evans – Well, first of all, it was never given to me and we take the Trial Balances and we look at them, we audit them, we make adjustments in, in the audit. When and how Betty conveyed that to you is beyond my control.

Mayor Steinhardt – All right. This horse is sufficiently dead. Um,

Councilwoman Schneider – Not really.

Mayor Steinhardt – We'll come back to it then, we're in the middle of public comment, so let's take our public comment, then when we're done with the public comment we can go back and continue to do this adnauseam. For the time being, let these folks ask their questions before they forget them. I long since forgot some of mine.

Lee Rozycki – 56 Puddingstone Way. Can you give an overview of, um, how you, um, of your expenditures and your income difference between last year's budget and this year's so that, um, instead of us trying to find and compare the two, you can present to the public what changes you have made from last year's to this year's as far as reallocating funds or expense items or what have you. I think that would be helpful.

Mayor Steinhardt – Not line item by line item.

Lee Rozycki – Well, no, but general, general categories then.

Council President Ciesla – I don't have my notes with me either.

CFO Dobes – Okay, here we go. No, it's just an email that I sent to Dave and I copied you. Okay, we recommend to date, no that's, not it. I didn't bring it with me tonight. I can go back in my office.

Mayor Steinhardt – No, you don't have to go back to your office, I mean, the documents were made available.

Council President Ciesla – Could we, maybe email something to Ms. Rozycki?

CFO Dobes – Maybe I can send an email out to someone if they'd like to know specifically. Can you send to me, specifically, what you want to know?

Mayor Steinhardt – I think she's asking for almost a comparison of like line item by line item.

CFO Dobes – Each line item?

Lee Rozycki – No, not necessarily, just, um, general categorical differences if you take 10% out of DPW budget, um, (inaudible).

Mayor Steinhardt – Well, for instance, Capital Fund versus whatever we budgeted in DPW last year versus this year.

Council President Ciesla – Do you have the spreadsheet we were working off of. That's probably what she wants to see.

Lee Rozycki – Just so we can see the results of your efforts, your workshop efforts, what changes and improvements (inaudible).

Council President Ciesla – It's just aggregate, it shows last year to this year.

Mayor Steinhardt – That's fine. Who else, questions, comments?

Orchowski – Highlands Way. I have to say I am a little disappointed, em, I know Ms. Ciesla, she, she stated in the last meeting she found errors, she found places where we could cut and that we, at the end of the day, end up at the same number we started with. You guys, I think the only expenditures you guys named was salt, whatever expenditures do we have within the last three, four weeks which would bring the budget back up to where we started.

Council President Ciesla – It was my cuts; they were based on my recommendations just; and they were not agreed with, so.

Orchowski – Who did not agree?

Council President Ciesla – Apparently nobody.

Orchowski – (Directed to Councilwoman Schneider) You didn't agree?

Councilwoman Schneider – I don't, I didn't (inaudible).

Orchowski – So besides the salt, is there anything else, expenditures that we have?

Council President Ciesla – We have a lot. I mean we're talking about, we're just talking in general, like I tried to whittle down certain areas, like I, you know, taking money from each budget. I couldn't touch, I really couldn't touch the DPW because we've already spent the majority of his money, so, and we still have to deal with October and November and December that could possibly be just as snowy as this past

winter. So, we have to keep, there's like a formula that you try to figure out the salt and this year, we already have the bill, so that has to go into his number. But there are, there's increases in different salaries, the police, health insurance, both insurances went up. Health insurance, even though, I mean, health insurance went up, and there was, unemployment was, yes, that was big, because once you, we're a very small community so we don't have a big unemployment fund with the state, so when we have somebody fulltime go out, we're going to have to pay.

Orchefski – And the errors in the budget, which you have found, they're correct?

Council President Ciesla – It was, it was only an error on the spreadsheet and once we got to that and again, it's not, these numbers are based, it's an appropriation so we have to try to see what we are going to spend in the future, we don't know for sure for some things and one of the things we're going to get hit on bad this year is natural gas which is very expensive. Same thing with, you know, gasoline has been about the same, if not a little more expensive. The only way we can figure out what to budget for that, is pretty much based on what we spent last year and if we know the prices. Um, so it's very, we're trying to predict the future at the same time, we don't want to be in a position where we have to borrow money at the end of the year cause that's not, that's not looked well upon by the state. So that's where.

CFO Dobes – (Inaudible) were trying to build up the surplus, we want to have at least a million dollar surplus.

Orchefski – I spoke to Lou and I think the goal he said is for you guys to build up the surplus to one million by three, four, five months.

Mayor Steinhardt – No, not months.

Council President Ciesla – Months! No.

Mayor Steinhardt – I'm hoping by this budget if we stay within our expenses, we'll be at a half a million dollars next year. We can add another 250, if things go well.

CFO Dobes – (inaudible) have at least a half million in surplus.

Council President Ciesla – If things go well.

CFO Dobes – If things go well, right, depending on what your expenses are going to be for the rest of the year.

Council President Ciesla- Right. If we have another Sandy or another huge snowstorm, we could eat up a lot of money.

Councilman Belcaro – Emergencies (inaudible) everything, I don't know.

Orchefski – Thanks.

Mayor Steinhardt – In response to Ms. Rozycki, if anybody has the budget package with you, she's talking about what starts on Page 12, um, it only goes back, it's 13/14 comparisons (inaudible) I mean, that kind of gives you item by item comparisons where some of the changes where, scrolling through, police, there was a big change in police. Police salaries went up from 1635 to 17. In other expenses under police, we went from 275, Page 15, of right there, of that. Police went from \$75,000 in 13 to \$125 but we are buying new police cars this year. We're entering into leases to renew it on a yearly basis, it's cheaper that way. Um, took a thousand dollars out of Emergency Management Service. Um, Roads and Repairs, last year under Salaries and Wages for Streets and Roads were 265, this year we are 280. Other Expenses went from 145 to 212. Is that the truck?

Council President Ciesla – No that's the salt.

Auditor Evans - Look at last year's budget to this year's budget, it's up \$400,000 which is your capital equipment and your police cars.

Mayor Steinhardt – And that's, Lee did you hear Dave's response? The budget between last year and this year is \$400,000 more and the result of two things, effectively, which is the police cars \$75,000, approximately, and the DPW equipment and those are the significant additions.

Council President Ciesla – Yeah, our Capital, DPW's

Mayor Steinhardt – I mean to the extent we have other things, to the extent, we refer to a roof, last year or whatever it was, and maybe, you know, and maybe we're not putting a roof on this year and it is \$20,000, you know, that money ends up getting moved at the end of year, for those of you that have been coming regularly to see, beginning in what, October, whenever we start moving money around, November, we start shifting money from line item to line item to cover places where we may have needed things and we had extra money in the budget or, you know, if we are fortunate and we don't run over and at the end of the year, we have money to put into help build up a surplus again, so that in lean years, you can dip into that surplus, if need be, to try to lessen the tax burden, the tax increase burden, the rate burden. So, you know, I appreciate the notion that we should be pulling a thousand dollars from here and a thousand dollars from there and that's great, if you want to live paycheck by paycheck, but the reality of the situation is, is that these guys are trying to be prudent and plan ahead and whether or not we call it a roof or whether or not we take that \$20,000 and stick it under Streets and Roads OE and instead of it saying \$212,000 it's \$232,000 and we don't need to spend it, um, that money either gets shifted and used in someplace where we do, we have a bad winter or dry summer or some of the sink holes we've had to contend with in the past or fortunately, none of those things happen, and we end up putting it away and helping to build that surplus from the \$250,000 which currently stands to somewhere closer to half a million dollars so that's the rationale behind the numbers being where they are and why they are where they are and the budget remaining the same as it is because I think that the premises is, is that it is an investment in putting money into a surplus to build it up because somewhere down the road, the school has, we've had this situation before, when we built the new school, and Jimmy correct me because it's been awhile, 16 or 17 or 18 cents increase and we tried to have none or we might of reduced it a penny or two to kind of lesson the burden so, you know, it's great to look at it in a vacuum folks but I don't think as a Council you have that luxury to try to look, you have to look a little further down the road and try to anticipate some of the other issues you may have. Anyway other questions?

Martin Swim – So between 2013 and 2014 there's a larger anticipated surplus, that's what you were talking about, the extra \$250 or whatever it is.

Mayor Steinhardt – We hope.

Martin Swim – Yeah, okay, that's the anticipated surplus and then the, uh, total by taxes went up. That's Page 11; I believe that's just a reflection of the tax (inaudible). There was another one, if I read it right, there was a bond principal, it was paid in 2013 and 2014 and it's just for my education, what's the difference.

CFO Dobes – It's the interest rate whenever that note comes in – bid on that (inaudible).

Mayor Steinhardt – Anybody else, public questions? All right motion to close.

Councilwoman Schneider – Can I just respond to where the numbers are and the roof or however that goes.

Mayor Steinhardt – Yeah, let's close the public hearing and then we'll be all right and we can have a freefall again.

Councilwoman Schneider – Sure okay.

Mayor Steinhardt – Any other questions from the public? Motion to close the public hearing? Motion by Council President Ciesla, seconded by Councilwoman McCabe. All in favor.

Councilwoman Schneider – I just want to, you know last time we talked about, I brought up zero based budgeting versus baseline budgeting and you told the public, basically, it is illegal to do that. Um, which is not true. Um, but, I want to explain a little more because I'm guessing you are not understanding what I mean by zero based budgeting. It is not an accrual versus a cash thing, what it is, is having a worksheet for everyone, every department and putting down what your needs are starting from a zero number and working the way up rather than just keep carrying over numbers, your base from the prior year. It just, it leads to excessive spending doing it that way. If you did it this way, and it doesn't need to be done year after year, I understand it is a tedious process, but if you did that every couple of years and just started at the beginning again, I think a lot of this would be avoided. You know, I, you know, when you carry over numbers, you carry over errors too and the numbers here were carried over, um, for a certain area and the, a wrong number was carried over and that is just what I'm just trying to say, and I think if you start from the beginning, and start from scratch, and have each department accountable for what their needs are, wants, needs, whatever, on a sheet and go through it, I think that is a better way to do it than to just simply take last year's number and the year before that and keep carrying over those numbers.

Mayor Steinhardt – Okay, um, I respectfully disagree with you in one respect, I think we are talking apples and oranges. You make, what I interpreted as a blanket statement that we should be approaching our budgetary process from a zero based budgeting perspective and I indicated to you that the New Jersey statutory scheme does not allow that, that we have to operate from a cash balanced budget perspective. Uh, I stand by that, that is absolutely accurate, that's what New Jersey code provides, it's what the Legislature requires and that's what the State requires for us to do. Now, if you are suggesting, that from a practice of stripping down a budget from a year to year basis and putting zeroes in every line, and then going back and filling in the blanks, again, as zero based budgeting, I hear yah, and I don't, quite frankly, know how our CFO does her job, but I suspect if she did that and went back to zero, she's still going to have to go back and figure out some bench mark; for instance, in postage she budgeted \$9500 in 2013 and in 2014, she's proposing \$8500. She could have put zeroes all down page 12, and then go back but in order to do that, she would have had to go back and look to see what she spent in 2013 in postage and probably 12 and 11 and 10 too. Otherwise, she would have just stuck a number in there for the sake of guessing. At the end of the day, it would have meant nothing and, quite frankly, produced completely unreliable results for us. The same, quite frankly, for instance for Mayor and Council's Salary and Wages, and I've been here for fifteen years and I don't think Council has taken a pay increase of any kind in the fifteen years that I was here and Jim was here for a few years before that and Bill was here for a few years before that and I bet if you poled every one of them, they'd tell you the same thing. So, she could have put zero there too but when she went back, and started preparing the budget again, it still would have been \$17,071.00 because it would be the same number for the last twenty years. Um, so I hear what you are saying, I'm quite confident that Betty, in doing what she does, engages in some similar practice but, quite frankly, simply starting at zero, means you still have to go back and look at historically, bench marks or else all you are doing is simply guessing and that would wreck financial havoc on us and anybody else that manages a checkbook. I'm quite sure that if you balance your own checkbook or sit there and budget your expenses for your house, on a monthly basis, at least I would hope you go back and look at what last year's utilities bills were to figure out what you might need to spend this year otherwise, quite frankly, I could ask you to just say to me, tell me what I need to spend on electric bills in 2015 and you would have no idea because you have nothing to measure it against. We use our past expense to give us a gauge for what we are going to spend in the future and I can't, quite frankly, like I said last time, after I read all that stuff about zero based budgeting and cash

balance budgeting, I told you then I didn't want to be an accountant and, I'm glad I'm not, and I still don't want to be one today and, for all the same reasons, I said last time, but I know this much, unless you have a historical reference, your budget means nothing and I don't know how else we would do, but for looking at what we spent in year's past and whether you put a zero on the line and then fill it in from there and put \$8500 on the line and fill it in from there, the fact of the matter is, the mathematical formula that gets us there is going to be the same every time we do it.

Councilwoman Schneider – That's not what I was, I wasn't proposing putting zeroes on every line. Number one wasn't.

Council President Ciesla – (Inaudible).

Councilwoman Schneider – You take your worksheet. No, you don't bring it to zero, you put down your wants and your needs, you do an analysis, you take last year's numbers, you take the year's before numbers, you look at what is projected, you try and you do it that way rather than just take the number and shove it over, and, you know, there are some instances, yeah, you are going to be over in a lot of places just like you would now but this is a better way to do this. To just keep carrying numbers over. You carry over errors with those numbers. If you never check those numbers, how do, you know, if you have errors or you have reoccurring items in there. I have an error here because you carried over a number and that number is incorrect.

Mayor Steinhardt – Was the number incorrect the year before?

Councilwoman Schneider – Uh.

Mayor Steinhardt – Or was it just the wrong one that got typed into the new line.

Councilwoman Schneider – No because.

Mayor Steinhardt – I have fat thumbs and I know when I type stuff, I tend to put in an extra zero

Councilwoman Schneider – No.

Mayor Steinhardt – If my period is in the wrong spot, um, and it is not as a result of me simply carrying over from the last time, it is the result.

Councilwoman Schneider – No, it's not, unfortunately, it's because there was, as I was saying before, there was a debit in the revenue and that number, the incorrect number was carried over to the next year and, you know, it's wrong, it's just a wrong number and you're going to look at that and say wait a minute, why am I \$35,000 difference because there was an error.

Mayor Steinhardt – How many line items Betty do we have to go through, you go through?

CFO Dobes – 14,000 entries.

Mayor Steinhardt – 14,000 entries.

CFO Dobes – This is just on the budget alone.

Mayor Steinhardt – And what do you, got one, how many other ones do we got. She made one mistake carrying numbers.

Councilwoman Schneider – No, that's just one that I just happened to find, I mean there's thousands of entries.

Mayor Steinhardt – Yeah, we just got to that – 14,000 entries and you got one so what were the other ones, first she screwed up carrying , I'm sorry, percentage wise, one in 14,000 isn't so bad.

Councilwoman Schneider – Well, I didn't look at all fourteen thousand, so, I can't really say that there's only one in 14,000

Mayor Steinhardt – Well, Betty looked (inaudible)

Councilwoman Schneider – Well, Betty, would why would she leave an error in there if she looked at it.

Mayor Steinhardt – Well, my point is, if somebody missed one line in 14,000 lines, um.

Councilwoman Schneider – Right. What I am getting at is there is a better way to do it than to just simply carry a number over. There needs to be a process and this is not a process by writing down on a piece of paper or making a phone call this is what I need this year, is not a process. You need to have some kind of documentation to back up what you're spending your money on. Some justification, there's no justification this way. You're just taking numbers and moving them over.

(Inaudible)

Councilwoman Schneider – Then why wasn't that found. That's what I'm saying

Council President Ciesla – We just got the audit.

Councilwoman Schneider – An audit is for. No, an audit doesn't tell you how to spend your money. An audit is to see if you recorded it or not even because you said it isn't. That's not what an audit is. An audit doesn't tell you what your budget is.

Mayor Steinhardt – All right, Donna. Thanks, you managed to point out that; unfortunately, somebody might have missed one line out of 14,000 or two or three

Councilwoman Schneider – No, that's not what.

CFO Dobes – There are no wants.

Council President Ciesla – There are no wants.

Councilwoman Schneider – That's not what I pointed out.

Mayor Steinhardt – Well, okay. At least from my perspective, agree to disagree. Um, outside of that, anybody else have any other questions related to the budget itself?

Council President Ciesla – I do. As far as like the wants versus needs, we really don't really have any wants in those line items. The wants are in the Capital um, line item. Of course, there's always going to be errors of some sort and the audit is done. Unfortunately, technically, I think we are supposed to introduce our budget in what March by statute.

CFO Dobes – Right.

Council President Ciesla – Okay, so, we need to get it done.

Auditor Evans – February by statute.

Council President Ciesla – So, you have to have some basis to do this and I understand that you want to do it a different way. The only thing is now it's June, so

Councilwoman Schneider – Not for this year, it's too late for this year.

Council President Ciesla – Exactly, so, and it was too late in April, for this year and what I think we need to do, if you could make a proposal and actually do an example. Like for instance, maybe take the DPW, again you can't really do it with a lot of line items in a municipal budget. It doesn't lend itself the same way as it would to corporate, um, because there aren't necessarily projects like Brian's. Brian's going to have salt and snow removal, fixing roads and fixing vehicles, like those aren't projects that he wants to get approval, those are projects he needs to do to keep the town running.

Councilwoman Schneider – Exactly.

Council President Ciesla – So, it is at a little bit of a different, like when you get to the Capital line that's where we can sit here and do the, you know, this is what I want, this is what I think it should be.

Councilwoman Schneider – Right, exactly.

Council President Ciesla – But I think maybe if you could, if you could put something together to kind of show the difference between the two and how maybe somebody like Brian would go about doing it, so this way, if you wanted to, we could review and implement it for next year cause from what I've read, you do need to get a jump start on next year's budget probably within the next two months in order to implement this. So, if you could do that, I think it might save us all the hassle of having to rehash it at every meeting and then this way we can get a clear example of what it is without us having to do our own research because we do have our own other items we're trying to deal with.

Councilwoman Schneider – Of course, but maybe I would have appreciated that a little more when I did bring it up instead of get, trying to discredit me and what I was saying that

Council President Ciesla – I was, I was hoping you were going bring it but. If you could just do it because I think if we could have something to look at within the next couple months and we wanted to implement something like that, I think if we could get it done by September, I think that we might actually be able to look at it for next year's budget if we could do it by September.

Councilwoman Schneider – If there, uh, you know, we could have avoided all this and two months' worth of this had if, I, it would have been asked.

Council President Ciesla – Okay, I'm sorry I didn't give you this suggestion beforehand but if you could do that I think that, it would be good if you go get us to a place. So, maybe, within the next couple months, you could give us some examples and just like a, just take a couple, it will have to be like the OE line items.

Councilwoman Schneider – Yeah, okay.

Council President Ciesla – Thank you that would be great.

Mayor Steinhardt – Any other questions, comments from Council? So moving on, Item No. 2 did we adopt minutes yet?

Clerk Dilts – There will be minutes for the June 11 meeting.

**Ordinance No. 2014-05** – Second reading and public hearing to establish an Athletic fields and Recreational Facilities Use Policy and to establish Rules authorizing the Lopatcong Township Council

to establish Recreational Fees by Resolution. Motion to hold a public hearing by Councilman Belcaro, seconded by Councilwoman Schneider.

Alex - 505 Red School Lane – Now that there's going to be a fee, is there a way to make sure that the fields will be dragged for our, I'm a member of the Lopatcong Men's Softball League, uh, that they will be dragged or maintained for the Wednesday and Sunday games or is there a way that we can commandeer the thing and do it ourselves?

Council President Ciesla – Brian, I don't know if you want to speak to that, I don't know what kind of equipment.

Brian Weeks – My answer is no. I don't have the manpower (inaudible). You know, these guys are working all over the place and to ask them to come out on a Sunday (inaudible).

Council President Ciesla – Okay, we can table that then. We could, so you need

Alex – And then what do we do to guarantee the fields for our league?

Council President Ciesla - What we are looking to do is we want to have a master schedule so this way, once you give me your games, we'll put them on there and everybody has to use the same schedule and it will be available to town hall staff as well so that everybody knows.

Alex – Do we know when that's going to happen because our games start in two weeks?

Council President Ciesla – Do they? If you can send us that, we could put, I'm also the LAA liaison, so if you send that to us, we can put that into the calendar when we have our meeting.

Alex – Okay, very good, thank you.

Brian – We don't mind Lacrosse Fields, we don't mind the people coming in. We don't drag any fields on weekends, we don't drag anybody that is (inaudible) teams. All right. You pay for the fields you are not paying for perfection. You are paying for a field to use it. It has always been a standard that you take care of that not, you will pay us overtime to come in.

Alex – I guess my next question is can we use the machines that do it?

Brian Weeks – We don't do the LAA's.

Alex – But the LAA does drag their own fields.

Brian Weeks – They have one guy that is qualified and that's the only reason.

Alex – Is there a way to qualify one of our members?

Attorney Campbell – The LAA is under our insurance policy. That is why they can do it.

Council President Ciesla – I'll bring it to the LAA to see what they could do.

Alex – Most of our players are residents, tax payers and sponsors (inaudible).

Lee Rozycki – Could you define the recreational facilities? Is the pool out of or are you just looking at (inaudible) charging fees (inaudible).

Council President Ciesla – Yeah, yes. So, we already have fees in place for the pavilion and for the pool and for the tennis courts which is a minimal fee. We didn't have any fees for the fields themselves and what we've been doing is we've been actually trying to barter a little here and there. What we'd rather do is put something in place for instance.

Mayor Steinhardt – Lee I think, to answer your question specifically, it adds fields – 157-1 says the facilities affected by this chapter. This chapter shall be Lopatcong Township Municipal Pool, Lopatcong Township Municipal Pool parking lot and road system and Lopatcong Township Pavilion located behind the pool area including the park/playground and fields adjacent to the pavilion area and the road systems running to the pavilion area.

Council President Ciesla – And what we did is, we broke things into groups like for instance Group 1 – recreation and parks directly sponsored activities, that would be like the LAA. Um, we're not going to charge them anything of course. Group 3 is like school events. We're not going to charge them anything either. Uh, when you get to like Group 2 it's team and established leagues that are outside of the LAA. So these are independent organizations and then we are going to look at the levels of Lopatcong residents. So, if they have 75 or more, they are in 2A. 2A would, the fees that I proposed are either \$10 per hour, per field or \$100 per season, and whichever is the lesser. Like, we don't want to come out of the gate like charging an enormous amount of money. It's just any little bit we can take from here and put in either Parks and Recreations to help with some of the little maintenance items that we have, that we run into where we have too many people on the field and then we go to our soccer season and it's a disaster, and, so, then we have to pay to seed and then you have to rope it off, and, so, we're trying to, to at least, I think too if people have a vested interest in the field maybe they'll handle it a little better because we're also, we can institute a security deposit as well. So, it depends, like I had said at the last meeting, we have like a rugby, you know, adult organization coming here, they're probably going to be pretty rough on the fields so we might want to charge them a decent security deposit or bond just in case they completely destroy it because then we're going to run into our football season and we need to have, to have our fields in good shape because the league is gonna, they won't let us play on them.

Mayor Steinhardt – And 157-5 goes further and defines them actually by location. Municipal Park, there's like a dozen there including the Field House, the Concession Stand, Basketball Courts excetera, Edward Street, Strykers Road, Park Square, if you would, Tennis Court (inaudible) I think that covers everything. Any other questions or comments on Item 2?

Eric Johnson – 361 Stonehenge Drive. I just want to be 100% clear that there are no fees to Lopatcong residents if they just get a group of kids together, they want to go to the park and play a little game that they are not going to get kicked off our fields. I just want to be 100% clear.

Council President Ciesla – You only get kicked off if there's a game being scheduled, yeah. No, that's not the intent. This is for like league's that are coming and there using our fields like you've seen when you've been up there, yeah, professional like they have umpire's or they have referees, yeah that's who we are looking to, yeah.

Mayor Steinhardt – At the last LAA meeting that I attended, I guess they have an adult football league that plays up there. We just went through aerating it, reseeding it, did all this work and they played on it on a wet day and literally tore it up, um, to the point that the road crew was trying to figure out how to patch it up again. That's what's intended there to try to address, stuff like that.

Council President Ciesla – In a situation like that, I can't, if the DPW's going thru there and they do see kids mauling the fields, they might ask them to be careful or to, yeah, right no. Like if kids just want to go and play a pickup game of baseball, there not going to have to pay.

Bill Taggart – You said Strykers Road.

Mayor Steinhardt – Yeah the Fire House field.

Councilwoman Schneider – Bill could you come up to the mike, sorry.

Bill Taggart – That’s school district property, not Township property.

Council President Ciesla – Okay we’ll take that out.

Bill Taggart – So that’ covered by our Facility’s Use Policy.

Council President Ciesla- All right no problem. Thank you.

Mayor Steinhardt – So with the amendment, any other questions or comments? So we’re removing the reference to Strykers Road Baseball/Softball 1 and 2. Motion to close the public hearing. Motion by Councilman Belcaro, seconded by Councilwoman McCabe.

2014-05

SECOND NOTICE OF AN ORDINANCE

NOTICE is hereby given that a regular meeting of the Township Council of the Township of Lopatcong, County of Warren and State of New Jersey, held on Wednesday, June 4, 2014 at the Municipal Building, 232 South Third Street, Phillipsburg, New Jersey, the following Ordinance was presented and passed on the final reading. The Ordinance was then ordered to be published according to law by title only.

AN ORDINANCE OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN, STATE OF NEW JERSEY, AMENDING AND SUPPLEMENTING THE CODE OF THE TOWNSHIP OF LOPATCONG BY THE LOPATCONG TOWNSHIP COUNCIL TO ESTABLISH AN ATHLETIC FIELDS AND RECREATIONAL FACILITIES USE POLICY AND TO ESTABLISH RULES AUTHORIZING THE LOPATCONG TOWNSHIP COUNCIL TO ESTABLISH RECREATIONAL FEES BY RESOLUTION

157-5. List of Township Facilities.

Amend Section to remove the following fields:

<u>Location</u>	<u>Facility</u>
Strykers Road	Baseball/Softball Field 1, 2
Buckley Hill Dr.	Soccer Field

Said Ordinance may be read and inspected at any time at the Office of the Municipal Clerk, Lopatcong Township Municipal Building, 232 S. Third Street, Phillipsburg, New Jersey.

Margaret B. Dilts, CMC

Mayor Steinhardt asked for a motion to adopt this Ordinance. Motion by Council President Ciesla, seconded by Councilwoman McCabe. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla, and Mayor Steinhardt.

NAYS: None

**Resolution No. 14-70** – Renew Liquor Licenses for The Brass Rail, Strykers Golf, LLC and Santram Liquors, Inc., for Term July 1, 2014 through June 30, 2015.

R 14-70

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY AUTHORIZING THE RENEWAL OF CERTAIN LIQUOR LICENSES

WHEREAS, the Mayor and Council of the Township of Lopatcong, County of Warren and State of New Jersey have received the following applications for liquor license renewal:

Santram Liquors, Inc., License No. 2115-44-001-003

Strykers Golf, LLC., License No. 2115-33-003-007

Brass Rail, Inc., License No. 2115-33-004-005

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Township of Lopatcong, County of Warren and State of New Jersey that the applications for renewal of the above named liquor license holders be approved pursuant to N.J.S.A. 33: 1-12-26 from July 1, 2014 to June 30, 2015.

CERTIFICATION

I, Margaret B. Dilts, Municipal Clerk of the Township of Lopatcong, County of Warren and State of New Jersey do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by Council at a meeting held on Wednesday, June 4, 2014.

Margaret B. Dilts, CMC

Mayor Steinhardt asked for a motion to approve this Resolution. Motion by Councilman Belcaro, seconded by Council President Ciesla. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, and Council President Ciesla.

NAYS: None

ABSTAIN: Mayor Steinhardt

**Resolution No. 14-71** – Establish Recreational Fees with regard to the Athletic Fields and Recreational Facilities Use Policy.

R 14-71

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY AUTHORIZING FEES AND SECURITY DEPOSITS FOR THE USE OF ATHLETIC FIELDS AND RECREATIONAL FACILITIES.

WHEREAS Lopatcong Township has an ordinance that establishes rules and policies for the use of athletic fields and recreation facilities; and

WHEREAS Lopatcong Township must determine adequate fees for the public use of athletic fields and recreational facilities based on the groups defined in the ordinance; and

WHEREAS the fees and security deposits for the use of the athletic fields and recreational facilities shall be established as follows:

**1. Fees for athletic fields:**

- A. Groups I and III: No fee.
- B. Group IIA: \$10 per hour per field, or \$100 per season, whichever is the lesser.
- C. Group IIB: \$25 per hour per field, or \$250 per season, whichever is the lesser.
- D. Group IIC: \$50 per hour per field, or \$500 per season, whichever is the lesser.
- E. Group IV, for-profit corporations and businesses: \$250 per day per field.
- F. Group IV, nonprofit religious, charitable or educational organizations or institutions: \$50 per day per field.
- G. Group V, tournaments: The Recreation Director shall obtain estimates of costs to be incurred by the Township as a result of the use of the Township fields, including, but not limited to, costs to be incurred by the Police and Public Works Departments. The fee shall be the total of the estimates plus \$100 per day per field. The \$100 per day per field portion of the fee may be adjusted for services or equipment to be provided to the Township, including, but not limited to, recreation equipment or instructional services. Such an adjustment shall be in the sole discretion of the Recreation Director.
- H. Group V, camps: The fee shall be \$5 per camp participant, plus \$50 per day per field. The \$50 per day per field portion of the fee may be adjusted for services or equipment to be provided to the Township, including, but not limited to, recreation equipment or instructional services. Such an adjustment shall be in the sole discretion of the Recreation Director.

**2. Fees for Basketball Courts:**

- A. Groups I, II and III: No fee.
- B. Group IV, for-profit corporations and businesses: \$50 per day.
- C. Group IV, nonprofit religious, charitable or educational organizations or institutions: \$20 per day.
- D. Group V, tournaments: The Recreation Director shall obtain estimates of costs to be incurred by the Township as a result of the use of the Township fields, including, but not limited to, costs to be incurred by the Police and Public Works Departments. The fee shall be the total of the estimates plus \$50 per day. The \$50 per day may be adjusted for services or equipment to be provided to the Township, including, but not limited to, recreation equipment or instructional services. Such an adjustment shall be in the sole discretion of the Recreation Director.
- E. Group V, camps: The fee shall be \$5 per camp participant, plus \$50 per day. The \$50 per day fee may be adjusted for services or equipment to be provided to the Township, including, but not limited to, recreation equipment or instructional services. Such an adjustment shall be in the sole discretion of the Recreation Director.

**3. Security deposits:**

For groups IV and V, the applicant shall post a security deposit or bond in an amount not to exceed \$5000, as determined by the Recreation Director based on the intensity of the use and likelihood of damage to Township facilities. Said security deposit may be utilized by the Township to repair any damage to Township facilities resulting from applicant's use of the fields. Release of the security deposit shall be approved by the Recreation Director.

**3. Fees and security deposits can be adjusted or waived at the discretion of Mayor and Council.**

If the applicant wishes to have their fees and security deposits adjusted or waived, they may petition Mayor and Council to do so.

This resolution can be updated at any time if the need exists to permanently change any of the fees included within.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the Township of Lopatcong, County of Warren and State of New Jersey authorizing fees and security deposits for athletic fields and recreational facilities.

**CERTIFICATION**

I, Margaret B. Dilts, Municipal Clerk of the Township of Lopatcong, County of Warren and State of New Jersey do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by Council at a meeting held on Wednesday, June 4, 2014.

Margaret B. Dilts, CMC

Mayor Steinhardt asked for a motion to adopt this Resolution. Motion by Council President Ciesla, seconded by Councilwoman Schneider. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

**Resolution No. 14-72** – Authorize staff to process an Involuntary, Accidental Disability Retirement Application for permanently disabled Police Officer.

R 14-72

**RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY AUTHORIZING THE TOWNSHIP OF LOPATCONG STAFF TO PROCESS AN INVOLUNTARY, ACCIDENTAL DISABILITY RETIREMENT APPLICATION**

WHEREAS, the Township of Lopatcong has employed William Arthur Spencer as a police officer at the Lopatcong Township Police Department located at 232 S. Third Street, Phillipsburg, New Jersey 08865; and

WHEREAS, William Spencer is an active member of the PFRS; and

WHEREAS, William Spencer has twenty (20) years and two (2) months and one (1) day of PFRS service credit, meeting the minimum service credit required of at least four (4) years of PFRS members; and

WHEREAS, the Township of Lopatcong staff is of the opinion that William Spencer is totally and permanently disabled and can no longer perform his assigned duties based on the documentation

supplied by professionals retained the Township of Lopatcong via their workers' compensation insurance; and

WHEREAS, the Township of Lopatcong is further of the opinion that the incident resulting William Spencer's total and permanent disability was identifiable as to time and place, undersigned and unexpected, it occurred during and as a result of his regular assigned duties, was caused by external circumstances, was not the result of his willful negligence, and also not the result of a preexisting disease alone or a preexisting disease that was aggravated or accelerated by the work effort; and

WHEREAS, the Township of Lopatcong is unable to provide an alternative to the PFRS covered position with duties capable of being performed by said William Spencer; and

WHEREAS, the Township Clerk has consented to the processing of the involuntary accidental disability retirement application.

NOW, THEREFORE, BE IT RESOLVED BY the governing body of this location, that the Chief Financial Officer and/or Administrator of the Township of Lopatcong, process an involuntary accidental disability retirement application for William Spencer; and

BE IT FURTHER RESOLVED that certified copies of this Resolution shall be forwarded to all parties involved in the administration of this action.

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt.

NAYS: None

#### CERTIFICATION

I, Margaret B. Dilts, Municipal Clerk of the Township of Lopatcong, County of Warren and State of New Jersey do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by Council at a meeting held on Wednesday, June 4, 2014.

Margaret B. Dilts, CMC

Mayor Steinhardt asked for a motion to adopt this Resolution. Motion by Councilwoman Schneider, seconded by Council President Ciesla. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

**Ordinance No. 2014-06** – First reading to provide for funding for the Acquisition of Court and/or Meeting Room Equipment in the amount of \$15,000.

#### ORDINANCE NO. 2014-06

#### TOWNSHIP OF LOPATCONG

#### AN ORDINANCE PROVIDING FUNDING FOR THE ACQUISITION OF COURT AND/OR MEETING ROOM EQUIPMENT FOR THE TOWNSHIP OF LOPATCONG AND APPROPRIATING \$15,000 FOR SUCH PURPOSE.

BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF LOPATCONG, IN THE COUNTY OF WARREN AND STATE OF NEW JERSEY, AS FOLLOWS:

Section 1. The Township of Lopatcong hereby cancels Ordinance 2007-09 in the amount of \$2,828.04, Ordinance 2012-09 in the amount of \$6,737.64, Ordinance 2012-13 in the amount of \$2,686.41 and Ordinance 2013-10 in the amount of \$753.66, and directs the amounts to be deposited in the Capital Improvement Fund within the General Fund, which amounts total \$13,005.75.

Section 2. The Township of Lopatcong, in the County of Warren, New Jersey, authorizes the acquisition of court and/or meeting room equipment for the Township of Lopatcong to be funded from the source specified in Section 3 of the Ordinance.

Section 3. The amount of \$15,000 is hereby appropriated for the purposes stated in Section 2 of the Ordinance and which amount was funded from the Capital Improvement Fund within the General Capital Fund in the amount of \$15,000.

Section 4. In connection with the purpose and the amount authorized in Sections 2 and 3 hereof, the Township determines the purpose described in Section 2 hereof is not a Current Expense and is an improvement which the Township of Lopatcong may lawfully make as a general improvement.

Section 5. All ordinances or parts of ordinances which are inconsistent with the terms of this Ordinance be and the same are hereby repealed to the extent of their inconsistency.

Section 6. This Ordinance shall take effect immediately upon due passage and publication according to law.

**AN ORDINANCE PROVIDING FUNDING FOR THE ACQUISITION OF COURT AND/OR MEETING ROOM EQUIPMENT FOR THE TOWNSHIP OF LOPATCONG AND APPROPRIATING \$15,000 FOR SUCH PURPOSE.**

**NOTICE OF PENDING ORDINANCE**

The ordinance, the title of which is published herewith, was introduced and passed upon first reading at a meeting of the Township Council of the Township of Lopatcong, in the County of Warren, New Jersey, held on June 4, 2014. It will be further considered for final passage after public hearing thereon, at a meeting of said Borough Council to be held in the Municipal Building, 232 South 3<sup>rd</sup> Street in said Township on July 2, 2014 at 7:30 o'clock P.M., and during the week prior to and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office in the Municipal Building said Township to the members of the general public who shall request the same. The purpose of said ordinance is to cancel remaining balances in various capital ordinances totaling \$13,005.75 and make an appropriation in the amount of \$15,000 for acquisition of court and/or meeting room equipment.

/s/ M. Beth Dilts  
Township Clerk

Mayor Steinhardt asked for a motion to adopt this Ordinance. Motion by Councilman Belcaro, seconded by Council President Ciesla. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

**Resolution No. 14-73** – Approve Discretionary Aid Application for South Third Street Improvement Project in the amount of \$120,000.

**R 14-73**

**RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY AUTHORIZING THE TOWNSHIP ENGINEER TO PREPARE AN APPLICATION AND AUTHORIZING THE MAYOR AND CLERK TO EXECUTE THE APPLICATION – NJDOT TRANSPORTATION TRUST FUND MUNICIPAL AID PROGRAM FOR THE FISCAL YEAR 2014 – DISCRETIONARY AID**

WHEREAS, the NJDOT makes funds available to municipalities and counties for roadway infrastructure projects through the municipal aid portion of the New Jersey Transportation Trust Fund;

WHEREAS, the Township Engineer has recommended that the Township Council apply to the New Jersey Department of Transportation for discretionary funds that are available under the New Jersey Transportation Trust Fund Authority Act, Fiscal Year 2014 Municipal Aid Program for the purpose of constructing improvements to Third Street between Edward Street and the Route 22 Jughandle; and

WHEREAS, the Township Council has considered this recommendation;

NOW THEREFORE BE IT RESOLVED, by the Township Council of the Township of Lopatcong that the Township Engineer be and hereby is authorized to prepare an application and the Mayor and Township Clerk be and hereby are authorized to execute the application for discretionary aid available to municipalities under the New Jersey Transportation Trust Fund Authority Act and the Township Engineer is authorized to submit said application to the District Local Aid Office of the New Jersey Department of Transportation in Mount Arlington for the following project:

1. The improvements to Third Street between Edward Street and the Route 22 Jughandle.

Certified as a true copy of the Resolution adopted by the Council  
On this 4<sup>th</sup> day of June, 2014.

\_\_\_\_\_  
Margaret B. Dilts, CMC, Township Clerk/Administrator

My signature and the Clerk's seal serve to acknowledge the above resolution and constitute acceptance of the terms and conditions of the grant agreement and approve the execution of the grant agreement as authorized by the resolution above.

ATTEST and AFFIX SEAL \_\_\_\_\_  
(Clerk)  
Margaret B. Dilts  
CMC, Township Clerk/Administrator

\_\_\_\_\_  
(Presiding Officer)  
Douglas J. Steinhardt, Mayor

Mayor Steinhardt asked for a motion to adopt this Resolution. Motion by Council President Ciesla, seconded by Councilman Belcaro. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

**Lopatcong Municipal Park Tree Planting** – Approve planting of two trees in the park – one in honor of Lou Reda by the Phillipsburg Rotary and one in honor of Michael Constantine, resident recently deceased. Motion by Councilwoman Schneider, seconded by Councilwoman McCabe. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

**Dulaine Contracting** – Approve Payment No. 2 to Dulaine Contracting, Inc., for work completed on the Rt. 57 Pump Station and Force Main Reconstruction in the amount of \$251,440.30. Motion by Councilman Belcaro, seconded by Councilwoman McCabe. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

**Resolution 14-74** – Authorize redemption of Tax Sale Certificate No. 2013-025 and Premium in the amount of \$4,068.30 on Block 113, Lot 17.

R 14-74

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF  
NEW JERSEY AUTHORIZING REFUND OF REDEMPTION MONIES TO OUTSIDE  
LIENHOLDER ON BLOCK 113, LOT 17

WHEREAS, at the Lopatcong Township Municipal Tax Sale held on June 19, 2013, a lien was sold on Block 113, Lot 17 also known as 43 Woodbine Road for 2012 delinquent sewer; and

WHEREAS, this lien, known as Tax Sale Certificate No. 2013-025 was sold to US Bank Cust/for BV001 Trust for a Premium of \$900.00; and

WHEREAS, Roundpoint Mortgage Servicing Corporation, mortgage company for property owners, has satisfied the redemption amount on Certificate No. 2013-025 in the amount of \$3,168.30.

NOW, THEREFORE, BE IT RESOLVED on this 4<sup>th</sup> day of June, 2014 that the Chief Financial Officer be authorized to issue a check in the amount of \$4,068.30 for the redemption of Tax Sale Certificate No. 2013-025 and Premium to:

US BANK CUST FOR BV001 TRUST  
50 s. 16<sup>TH</sup> St., Suite 1950  
Philadelphia, PA 19102

CERTIFICATION

I, Margaret B. Dilts, Municipal Clerk of the Township of Lopatcong, County of Warren and State of New Jersey do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by Council at a meeting held on Wednesday, June 4, 2014.

Margaret B. Dilts, CMC

**Resolution No. 14-75** – Authorizing redemption of Tax Sale Certificate No. 2012-007 and Premium in the amount of \$9,261.69 on Block 68, Lot 12.

R 14-75

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF  
NEW JERSEY AUTHORIZING REFUND OF REDEMPTION MONIES TO OUTSIDE  
LIENHOLDER ON BLOCK 68, LOT 12

WHEREAS, at the Lopatcong Township Municipal Tax Sale held on June 8, 2012, a lien was sold on Block 68, Lot 12 also known as 127 South Second Street for 2011 delinquent taxes and sewer; and

WHEREAS, this lien known as Tax Sale Certificate No. 2012-007 was sold to US Bank Cust/Crestar Capital, LLC for a Premium of \$1,300.00; and

WHEREAS, Lorraine M. Scheibener, property owners, has satisfied the redemption amount on Certificate No. 2012-007 in the amount of \$7,961.69.

NOW, THEREFORE, BE IT RESOLVED on this 4<sup>th</sup> day of June 2014 that the Chief Financial Officer be authorized to issue a check in the amount of \$9,261.69 for the redemption of Tax Sale Certificate No. 2012-007 and Premium to:

US BANK CUST/CRESTAR CAPITAL, LLC  
50 S. 16<sup>TH</sup> ST., SUITE 1950  
Philadelphia, Pa 19102

CERTIFICATION

I, Margaret B. Dilts, Municipal Clerk of the Township of Lopatcong, County of Warren and State of New Jersey do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by Council at a meeting held on Wednesday, June 4, 2014.

Margaret B. Dilts, CMC

Mayor Steinhardt asked for a motion to adopt this Resolution. Motion by Councilwoman Schneider, seconded by Council President Ciesla. Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

**Council Reports:**

Councilwoman Schneider – I don't have anything to report on my Council Reports except for DPW. I just wanted to thank Brian, um, there was a kickball tournament this weekend, a charity game and the proceeds went to Parent Project Muscular Dystrophy. Brian came in on a Sunday to sweep the fields and help set it up on his own time and it was greatly appreciated by the folks who set up the kickball game and it just made the day even more special that it was all prepared. So, I want to say thank you for that.

Councilman Belcaro – I just have one report on the sewer update. Before I say that

Councilwoman Schneider – I'm sorry, I forgot. I have to make a motion for DPW Contract. Sorry. The DPW has a contract that we talked about last meeting and in the verbiage of the contract there was a, um, their pay for Sunday and holiday overtime. Um, it reads two percent, it was a misprint – it should be two times, double time, it read double time and a half. We need to make that change and the labor

attorney is looking to get this contract so we can make it a reality for these guys so, um, I'd like to make a motion to have that verbiage changed in their contract.

Mayor Steinhardt – Based on Ms. Schneider's recommendation.

Council President Ciesla – Motion.

Councilwoman McCabe – Second.

Roll call vote:

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

Councilman Belcaro- As I was saying before, I just have one report, an update on the pump station. Before I go into the report, I want to thank Tom McKay for winning the Primary last night – congratulations. I want to congratulate all the contestants in the Republican Committee who won. They did a lot of hard work. I know for myself, I walked for a month and today I fit better in my pants. So a positive thing came out from that. Congratulations to all. Getting back to the pump station, the contractors installed the wet well so far; the bell chamber is currently working and are going to install the piping, valves and fittings. I'm just going to summarize it – it's going full steam ahead. Okay and there was a meeting with the USDA, everything is proceeding satisfactory so everything is good so far. Because of this winter we had and the delayed start, it's going to prolong the project, obviously. So, that's going to extend the project because they were given 180 days to complete it but due to the weather, and other things beyond their control, they are allowed to go up to 240 days and that's the end of my report.

Councilwoman McCabe – I have two short things. We did have an EDAC meeting this month. We are continuing to work on ideas to reach out to our current businesses and ideas for attracting businesses. So, it's still a work in progress and we have a good group of people and some good thoughts on the table. We hope to make them a reality at some point this year.

We had a Planning Board meeting last week and we covered a couple of issues. First one, was Coordinated Health came in. This is the new company that's coming in to take over the property on Red School Lane. They presented their plan to us, discussed their plans for the property. Their application was incomplete; they were missing a few things and are going to present those again on or before the June meeting. Then at the June meeting we will be able to have a hearing and listen to the residents concerns regarding the plans for that property. They had some good ideas. They did want to include a walking path and some things for the town. They do seem to be cooperative and they do want to hear from us and any concerns that we may have. So, if anybody lives over that way, come back in June and present your thoughts, your concerns and come listen to them, they are very helpful and very responsive.

Secondly, George Ritter gave us a report on our town responsibility to get approval for the Highlands Petition. We still have to complete some tasks and it's an ongoing process there. He also mentioned he discussed the COAH Study and, obviously, they are still working on the rules for COAH, they are not in place yet and he said some of the preliminary numbers, they tell you how many units the town is supposed to have for COAH. He said if they go with the number that he thinks they are going to go with, we are already in compliance but again, that's not confirmed and we should know, I think that's the state and when they get around to finalizing that.

Lastly, we did touch on Sycamore Landing. They are delayed. They haven't done any, well maybe they've done some things over there, but they are delayed, they are having their own internal type issues going on so, hopefully, they will start sometime this year, I'm not sure, when they get things straightened out. And, uh, that's all I have.

Clerk Dilts- I have one thing to add to that. The Planning Board did complete their ROM Study, and it's going to be presented to you at our meeting on June 11<sup>th</sup>.

Council President Ciesla – Oh great, I was just about to ask.

Attorney Campbell – Is George coming?

Clerk Dilts – I can ask him.

Council President Ciesla – As far as some of the events we've had in May. The first was the Veteran's Memorial dedication. I just want to thank everybody that was involved with that, particularly, the Veteran's. I think that was, the ceremony was incredible and all the hard work they put into that, and the memorial itself is absolutely beautiful, so, and there's already been people going to up there and sitting and relaxing, reflecting and is, exactly what they wanted.

We also had the Major League Baseball Alumni Association had a free baseball clinic here, in Lopatcong with, I'm going to forget most of their names, Mayor Steinhardt can help me with some of them, I have a picture of them but, yeah he was the funniest. I think we had about I think eight retired baseball players who worked with the kids, they put them in groups, they walked all around. All of this was done on donations from some of our sponsors and I think the kids had a great time afterwards. They had a little autograph signing session. I mean that was packed, all the kids, I mean none of them know any of these baseball players. I mean, you know, one of them retired the year before I was born so these kids certainly didn't know either but they had a great time with them. It was a very nice day. We had pizza from Nicolosi's donated and I know Paul, Mayor Steinhardt and Mr. Belcaro all donated to the clinic. The weather was perfect, they had a great time.

As far as Community Day, it is August 30<sup>th</sup>. What we are looking to do is we are looking to have community groups sponsor events, kind of interactive booths instead of just having a booth. We'd like it to be interactive. For instance, if we could get a hospital in to set up a booth and maybe some kind of cholesterol screening or blood pressure. Ideas like that. We all want to have the police do a police licensing thing for the kids, you know, just for fun, have them test their helmets, let them go through an obstacle course, maybe give them a little license. We want to have a fire truck there so the kids can see all the different parts of that. So, we are trying to make it like an interactive event and I'll put more stuff on the website as that comes through. Other than that, that's all I have.

Mayor Steinhardt – Great. I don't have anything today so; the tax collector is not here, so, CFO

CFO Dobes – I only have one thing. The Township has earned to date 49 SRECS. The certificates will be created June 27<sup>th</sup> and right now, at the present value, it is \$8800, hopefully, they'll be \$9,000 by July and we'll sell them.

Mayor Steinhardt – Thank you very much. Mr. Sterbenz anything else?

Engineer Sterbenz – Yeah, Mr. Mayor I just need the Council's authorization to advertise the South Third Street Project for public bids. I'd like to get your authorization to do that.

Mayor Steinhardt – Motion.

Council President Ciesla – Second.

Mayor Steinhardt – Roll call please.

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt.

NAYS: None

Mayor Steinhardt – There was a request to raise the Pool Manager and the Assistant Pool Manager's hourly rate from, what are they? \$12.50 to \$15.00 and \$10.00 to \$12.00

Clerk Dilts – Yes right. No \$10 to \$15 for Pool Manager and for the Assistant it is \$10 and will go to \$12.00.

Diane Hall – 187 Stonehenge Drive. I have a problem with that. Ten dollars an hour to fifteen dollars an hour. I don't get raises like that. I don't mind them having a raise but that's a hefty raise.

Mayor Steinhardt – That's actually 50 percent.

Council President Ciesla – I think the thing is, is that he's managing the pool and he's making about the same amount of money as the people (inaudible).

Diane Hall – I'm an assistant teacher and I got fifteen kids. I'm sorry, I, I, I'm just in the audience but my vote is no.

Council President Ciesla – How many hours does he work a week?

Clerk Dilts – Up to 30.

Councilman Belcaro – Brian come up to the podium.

Brian Weeks – The difference is they hold a license, they hold titles and responsibilities. If they did, if kids get sick, they are held accountable. They hold things with the County. They hold things different than sitting there picking up garbage. They hold things different than sitting on a bench. They are accountable on a different level. One gentleman has been there a lot longer, has a lot more experience at it than the other does. That's why I agree with that raise, when you hold an accountability where you can put yourself in jail, there's got to be some money that sits with that. All right. That's my opinion on it.

Council President Ciesla – What is it, they have a CPO and

Clerk Dilts – Yes, they each hold a CPO license and that is correct.

Mayor Steinhardt – Certified Pool Operator.

Clerk Dilts – They are responsible on some nights, like dance night, there's 500 kids there. It is a lot of responsibility and I.

Mayor Steinhardt – There aren't many area pools left, they are all closed but do we know if that rate is commensurate with or consistent with other pools around here, do we know? Riegel Ridge, Walters Park, Hackettstown.

Orchewfski – Highlands Way. I think one deciding factor on the pool should be can we afford it, if we can why not. Is the pool making money, you guys say it does, then why not. Is the pool making money or not?

Mayor Steinhardt – Yes.

Councilwoman Schneider – No, it's not.

Mayor Steinhardt – Yes, it is.

Councilwoman Schneider – No, it's not.

Mayor Steinhardt – Do you have a worksheet that proves that it doesn't?

Councilwoman Schneider – I have pool analysis here that I did that's from right off the Trial Balance. It does not make money.

Mayor Steinhardt – Why don't we, why don't you hand out yours Betty. We'll take five minutes, why don't you run some copies. We'll test your accounting versus Ms. Schneider's.

Councilwoman Schneider – Yep, that's fine.

Mayor Steinhardt – We'll take a break for five minutes. Are we ready? Ladies and gentlemen we'll get started again. Um, all right so Donna you gave us a worksheet, so tell us where we are losing money please?

Councilwoman Schneider – Okay, well in, um, 2012, what I did was, I took the numbers right off of our Trial Balance, I didn't make up any numbers, they're all on here. What I did was, I took the pool revenue and the pool expenses and when you put them appropriately in the categories they belong, in 2012 we lost \$12,842.00. In 2013, we made \$15,479.00 because we had a bad summer. Because we sent like guards home because we saved \$20,000 in Salaries and Wages. This year we put the \$20,000 back into Salaries and Wages and if we have a good summer and we use the entire Salary and Wage category, we will, we are projected to lose \$12,637.00. This doesn't coincide with what the Council Corner said that we made \$25,000, the pool is self-sustaining and it makes the town \$25,000 a year. That is untrue, um, these numbers are not anything made up, they're directly from the Trial Balance.

Mayor Steinhardt – Thank you. All right Betty, do you want to go ahead and go through your numbers for us?

CFO Dobes – Okay, I see something right here, pool memberships for 2012 it is actually \$44,267.50.

Mayor Steinhardt – Is that where Donna has \$24,170.00?

CFO Dobes – Right correct, correct.

Councilwoman Schneider – Where does it say that? Where is the \$44,000?

Mayor Steinhardt – I'll tell you what, let's do this. Rather than do this tonight, sit here and everybody report there, we've exchanged reports, you have Donna's figures. Donna and all of us now have yours, we are going to be back here on the 12<sup>th</sup> here anyway, whatever the 11<sup>th</sup>, I'll be back on the 12<sup>th</sup> by myself. Um,

Councilwoman Schneider – I just want to add one thing, if you don't mind, with the salary increase um, on the payroll roster we have James Marinelli II, worked 214 hours last year and we have overtime and 75 other hours and the other James Marinelli worked 500 hours. That's from the payroll register year to date.

CFO Dobes – That's not a Payroll Register.

Councilwoman Schneider – Yes it is. It's a Payroll Register (inaudible).

CFO Dobes – Oh that, okay, but there is more involved in that.

Councilwoman Schneider – You said thirty hours.

Mayor Steinhardt – A week. Now that we've exchanged worksheets on the pool and we have to take a vote on the budget, let's hold the pay raises for the pool people in abeyance. Mr. Orchefski makes a good point and, um, that will give everybody an opportunity to look at each other's math and then we'll come back and have a discussion on the eleventh as to where we stand and both on our vote on the budget and, uh, this pool quandary and, hopefully, we can get to the bottom of this. That way Betty you can go dig your numbers up so whatever discrepancies you find and vice versa. Um, so that covers that. Where were we on that? That was Council Reports, we did all those. Engineer Reports um, we did that. Motion to approve Department Reports. Motion by Council President Ciesla, seconded by Councilwoman McCabe. Roll call.

AYES: Councilwoman Schneider, Councilman Belcaro, Councilwoman McCabe, Council President Ciesla and Mayor Steinhardt

NAYS: None

Mayor Steinhardt – No bills. Folks questions, comments?

Joe Imhoff- 240 Aurora Street. Comment I should have made under agenda items but I didn't see it until it was too late. New Business, Item No. 1, is it a prerequisite of renewing ones liquor license that an applicant's property taxes must be relatively current? For instance, hypothetically,

Mayor Steinhardt – (Inaudible) your question submission in its present form so. How do we answer that?

Clerk Dilts – I don't believe so, they have to have a Tax Sale Clearance. (Inaudible).

Attorney Campbell – This is basically a state application, we follow all the state rules. It just has to be processed locally.

Joe Imhoff – So, so an applicant

Attorney Campbell – If the taxes need to be paid, that would have been a box on the application and Beth would have had to check that. If it's not there, than it's not one of the state's requirements. I will double check their application form, I don't have it in front of me but.

Joe Imhoff – So what we are saying is if someone has not paid their 2013 taxes or their two payments in 2014, they could still apply for and have a liquor license passed.

Attorney Campbell- That's what it sounds like.

Joe Imhoff – Does the municipality have any control over that at all?

Attorney Campbell – None. We are merely the paper processors. The state is in control of all of that. It's the ABC and if you have a problem, you can call the Division of Alcoholic Beverage Control. They'll answer your question.

Joe Imhoff – I'm just amazed we don't have any control. Let's say a person owes \$150,000 in taxes.

Attorney Campbell – If they owe that much, they are probably about to go to tax sale.

Joe Imhoff – Okay.

Mayor Steinhardt – Thank you sir. Mr. Swim.

Martin Swim – I may have just lost track of this but I haven't heard a report from the South Warren Regional Police Commission. There's been several meetings scheduled, I just might of lost track. Is there an update on that?

Mayor Steinhardt – No, there's not been one for a while, so, there is nothing new to report at the moment.

Martin Swim – All right, yeah, I was just looking at the schedule.

Mayor Steinhardt. – Thanks. Mr. McKay.

Tom McKay – Goldfinch Terrace. I wanted to follow up on those comments about a good and clean campaign. I'm glad we ran it that way and I appreciate your doing the same and that was a good thing. Thank you for that.

Councilman Belcaro – Thank you for that.

Mayor Steinhardt – Thank you Mr. McKay. Did I see Brian, did you have your hand up again?

Brian Weeks – I would like to ask on the website, maybe you are in charge of that. Paul, the signs, I got the one call to change Strykers and Belview. The poles are going in tomorrow unless it downpours. I would like you to get together with maybe, with me, to let you know it's going to a four-way stop. That is coming soon. I got the line painter, I talked to the guy today, I just got to get some stencils and things and hoping by the end of next week that is all there but I thought maybe if you could get that online as soon as possible to give people a heads up, to give some time to (inaudible). All right.

Council President Ciesla – Okay, no problem.

Brian Weeks – The other thing is, the Road Department isn't locked into, they are locked into certain hours on a daily but we get called out and we do a lot of different things, um, tonight we, today we started at 3:00 we never punched out, we didn't take any breaks, we didn't get any lunches, different things in that fashion we cut till 7:30. We were out cutting everybody's grass that's this tall, that they did not maintain themselves, okay. Um, I'm letting you know; actually Donna cause you called me. We are not doing anything illegal. We are not going onto anybody's property wrong, it is addressed, it is given to me as a paper.

Council President Ciesla – We charge them right?

Brian Weeks – It is actually charged at a double or time and a half now.

Council President Ciesla – Thank you for doing this.

Brian Weeks – All right, they actually got charged more because I felt the Road Department cannot take time out during the regular hours, so if you guys see it or the public sees it, we're doing what's right. All right and we would appreciate being treated as we are doing what's right. All right. So.

Council President Ciesla – I appreciate that because I know you were two houses down from my house which is empty at this point.

Brian Weeks – Yup, so.

Council President Ciesla – Yeah, thank you.

Brian Weeks – And, we got them all done and we are on the list if more comes in Beth.

Attorney Campbell – Just for the record for everyone, when we charge, we put a lien on the property and it's just like taxes and sewer and it hops ahead of the mortgage. We try and tell these banks, it's getting priority over their liens and some of them are responsive and some just aren't. (Inaudible) and we sell them and they pay it back. Um, Rachel has been very good in several of the towns that I represent. She has email addresses where she is supposed to email tax type things and so someone (inaudible) and every once in a while they send someone out to take care of it but it is getting worse and worse in every town. So it's not, you guys are not ultimately paying it. (Inaudible)

Councilwoman Schneider – Do we charge for the overtime hours that our employees and for the labor. Is it just for the.

CFO Dobes – We charge for the equipment, I invoice them.

Councilwoman Schneider – Who gets the invoice.

CFO Dobes – The owner of record.

Brian Weeks – You're going to have a mason dump, a trailer, two weed whackers, you gonna have all the gas (inaudible) two zero turns and a walk behind. I have exactly punched in on my time card when we started that job and kept a log I have in my pocket so that you are aware of it. All right. Every household I was at today, all right at 3:00 to 7:30, I put down the exact time I started that house, I put down exactly that time and I have punch in and punch out card so there is no way in between nothing gets moved around or anything. When the (inaudible) gets done, any parts that get destroyed, they will pay for and we split amongst evenly. This town makes out 100% and is billed at time and a half. That is why I asked Beth if we could do it not on regular time.

Lee Rozycki – 56 Puddingstone Way. Beth you mentioned the ROM Study. Is it a review of the ROM Zones of Lopatcong or is there just a certain region that's.

Clerk Dilts – I can let Gary address it, he is here tonight if he wants to give you all a review.

Planning Board Chairman VanVliet – They reviewed all the ROM Zones in Lopatcong Township.

Lee Rozycki – And that will be presented at which meeting next month?

Council President Ciesla – June 11<sup>th</sup>.

Lee Rozycki – The Sycamore Landing um, you said there's internal issues. Is that with the access road?

Councilwoman McCabe – I don't know what the issues are. Something they have to finalize, paperwork or something. That's why they haven't started.

Lee Rozycki- Oh, okay, and, um, last, I just wanted to make a comment with respect to the budgeting process, um, as a general public view comment, I'm in favor of the process behind zero based budgeting. I know we could split hairs on what you are calling it but I think it shows the due diligence on your part as Council people in looking at, um, categories and defining our wants and needs periodically go through this process every, once every three years. I'm in favor of that and I appreciate Council President's willingness to get that process going next year. I think it does show a due diligence on your part not to carry over line items from last year to next year but, um, and I appreciated Donna on your effort in trying to bring this forward, so, I'm in favor, thank you.

Mayor Steinhardt – Anybody else questions, comments?

Orchefski – Highlands Way. What Lee said you're a mayor for fifteen years and it is not easy to call a mayor from another surrounding town and just ask people who are doing it if it is beneficial, if it was worthwhile? Isn't it a lot easier to do something like that and research it, then sit here for month after month to figure out who's right and whose wrong?

Mayor Steinhardt – I don't have a problem with the way we do it. I, quite frankly, have every confidence in the way that we've gone through our budgeting. I haven't heard anything yet to suggest to me that there is a flaw in the manner in which we do it. Quite frankly, I think we are all talking circles that at the end of the day is going to turn out to be the same thing. The method that Betty uses, and quite frankly, Carl Meixsell before her, and that's who's been here since I've been here, is to look historically at what we spend on every particular item from top to bottom to give us a baseline by which to gauge what we are going to need, going forward. Um, so like I said, I'm no accountant, so I can't tell you what it is called or how it works. Um, in terms of talking to other mayors, I talk to other mayors all the time. I participate in the Conference of Mayors. I participate in the League of Municipalities. I even sit on the, on the League of Municipalities Board, so to answer your question, yeah all the time but, again, I haven't heard anything yet to suggest that there is a flaw in our process other than a bunch of different ways of describing it to me, which is largely the same thing, and historically works. Now, my discussion the other day about the notion of zero based budgeting, as I read it and researched it, versus a cash balanced budgeting which is what the State of New Jersey requires governmental entities to employ in order to prepare a budget and submit a budget, is just that Mr. Orchefski, it's, it's simply a book reading of the two concepts. Now, as I said then, I don't profess to know anything more about accounting than that but I think I am intricately familiar with the manner in which we've gone through our budget process for as long as I've been here and I'm very comfortable with the way that it gets handled and I'm comfortable with it now and I haven't heard anything to me at this point to suggest that there is a flaw in that process.

Orchefski – Something done for fifteen years doesn't mean it can't be done in a better and different manner. So, for me sitting back there it sounds, I don't know, pretty simple to call a different town, or call a different mayor and say, "Hey, what are you guys doing"? And say, "Hey, is it better or is it worse"? But I'll leave it at that. Maureen for you, EDAC meetings, are they public meetings?

Council President Ciesla – No.

Orchefski – Why not.

Council President Ciesla – Its committee.

Orchefski - Is that illegal, is that legal?

Attorney Campbell – It's advisory.

Orchefski – Do you guys keep minutes?

Attorney Campbell – They don't have to.

Orchefski – No minutes.

Attorney Campbell – They do not have to comply with OPRA or the Open Public Meetings Act- they are an advisory only committee.

Orchefski – Okay all right. Thanks.

Council President Ciesla – Can I just add something, just really quick, about as far as, I guess, if we were to say we were doing something wrong with the accounting, we would either have like a huge surplus or we'd have, I guess tons of toys around here, I mean, that would, you know, um, again, from what I looked at, I know the State of New Jersey, well the Senate and the Assembly different senators and assemblymen tried to pass a law requiring townships to do zero based budgeting and both laws failed, I guess, just because when it comes down to it, at this point in the game, there's not a lot of wiggle room and I don't know if they wanted to institute like a mandate like that. As far as it's always good to look at new things but I think what happens is, from what my prospective is, is that it's the CFO's job and it's to work with the auditors and then the Mayor approves the final budget before it comes to Council. So, we hire our professionals and the professionals have to go for continued education credits so they are constantly on top of whatever the new, the new ideal is out there, so, and I mean, that, I think what's going to happen is we are going to come back pretty much to the same place relatively speaking, here and there, you, maybe you'll have more money in one item than another, but at the end of the day, we don't have a huge surplus and we, we haven't done, what have we've done besides fix roads, you know, we don't have, people don't have new furniture, they don't have fancy vehicles or anything like that, so.

Councilwoman Schneider – I disagree with that, there are plenty of areas for improvement in the budget, um, there is lots of discretionary spending in there that can be curtailed. There are, and we're not talking about a cash based budget versus zero based, we are talking about baseline budgeting versus zero based budgeting. Baseline budgeting means you just, there is no analysis, you just take last year's number and you carry it over. If you need more, you add to it without any justification; that's the difference. With zero based budgeting, it's not a want versus needs, it's what is needed in the department and you go through it and you analyze it and you make sure that, that is exactly what is needed. It's not just taking a number and carrying it over. It's a very big difference and they will not ultimately get to the same place.

Mayor Steinhardt – You keep saying there's all this money that discretionary spending Donna but it's freaking June and since January you've come up with nothing. You found \$10,000.

Councilwoman Schneider – I'm not allowed to talk about it.

Mayor Steinhardt – That you submitted.

Councilwoman Schneider - Because I was silenced last month.

Mayor Steinhardt - Stop accusing, we had a meeting this month. We've had, you know, every month that we've been here, we come and ask you to sit down and go through a line item and tell us where you want to take money. We just sat and asked where the various line items were year to year. We started at Page 12 – you have the budget in front of you. We'll be back here on the eleventh, by all means I'd love to see you sit down and find a couple line items that you want to cut something. You haven't said a darn thing in six months by way of cutting anything short of \$10,000 in the worksheet that I got after how many opportunities to come back. Quite frankly, the only Councilperson that did it was Lori, who came in with roughly \$100,000 with of cuts. But after sitting down and going through them with Betty it was clear that it would have compromised the financial integrity of the municipality in the long run. You found \$10,000; it's somewhat disingenuous and hypocritical of you to come here month after month and say I found hundreds of thousands of dollars and, quite frankly, you haven't put a penny on the table. Come back June 11<sup>th</sup> with a worksheet and show us what you want to cut and let's have a real debate about numbers instead of sitting here like you do every month and speaking in generalities. Come up with one specific line item that you think you want to cut and lets have a big person's discussion about the finances.

Councilwoman Schneider – Well, let's see, you know what, let's try, let's try this out. When I went in to the municipal building to get information and try and learn about this, what happened, and then what did you do, I came here to try and get information and what did you do, you did another legalese

(inaudible) statute that you spit out to these people saying that I'm unethical and I'm abusing my privileges. I asked, everything on that list I asked Betty was budget related, had to do with this budget. If you don't think a Payroll Register is a budget related item, then maybe you shouldn't be here because everything on that list was a budget related item.

Mayor Steinhardt – We'll, let's start, I'm here.

Councilwoman Schneider - Let's go.

Mayor Steinhardt – So, let's start with postage, it's on Page 12. We budgeted \$8500 last year

Councilwoman Schneider – No, and that's not what I'm talking about. I came in here for the information.

Mayor Steinhardt – You said there's hundreds of thousands of dollars to cut from the budget don't sit here and tell us in June that you still don't have information that you need to back up your hundred thousand dollars. Find us a hundred thousand dollars.

Councilwoman Schneider – Then, when I did come in, for my one hour, I was chastised.

Mayor Steinhardt – Okay so (inaudible).

Councilwoman Schneider – And when I talk about discretionary spending last month, I was silenced and said I was not allowed to talk about it.

Mayor Steinhardt – So, what you're saying, you still don't have the documentation to back up the hundred thousand dollars cause we haven't given it to you. You just think there's a hundred thousand dollars to cut?

Councilwoman Schneider – Yeah, because nobody wants to have a discussion with me. All you want to do is sit up here and discredit me. That's all you want to do. Every time I bring something up. Finally, finally tonight Lori has agreed to do that. Why couldn't that have ever been? Every time I ask for something, you guys do something to block it and you know what, this is ridiculous.

Mayor Steinhardt – Nonsense Donna, it's nonsense.

Councilwoman Schneider - This is not nonsense. All you do is sit up here and discredit me.

Mayor Steinhardt - Find one line item and suggest you cut money but all you do is come month after month

Councilwoman Schneider – No, that's not true. I don't have the information so I can't because you guys block it. I'm doing my job; I'm trying to get all the information. Don't criticize me for trying to get information.

Mayor Steinhardt - We are here in June. With all due respect, we are here in June and, quite frankly, it's been six months, you have yet to do your job because you have yet to come up with a single dollar that you cut from the budget and every month it is everybody's else's fault for you not doing it.

Councilwoman Schneider – Uh, yeah, okay.

Mayor Steinhardt – So, go through the budget and find a couple of dollars to cut.

Councilwoman Schneider - Don't block me from the information then.

Council President Ciesla – I went off very little information,

Councilwoman Schneider - That's why the budget is the way it is.

Council President Ciesla - What I did for the one thing, for the tax assessor, I looked at it, and I said okay I know we had a lot of appeals last year and I called the office to see about you know, if we thought we were going to have some more appeals and then I cut that but then it got put back in because it turns out we're probably going to need an appraiser.

Councilwoman Schneider – I couldn't even make a phone call here. I couldn't get a response here and I was blocked from everything and then you go ahead, and you make me OPRA everything to get my information.

Mayor Steinhardt – (Inaudible)

Councilwoman Schneider – Okay, you just told everybody to file ethics complaints against me, that's really nice.

Mayor Steinhardt – But you're suggesting I did something?

Councilwoman Schneider – You did

CFO Dobes – You did suggest that.

Council President Ciesla – That was for the report that would have cost the Township money.

Mayor Steinhardt – I didn't say that.

Councilwoman Schneider – No, I asked for a Payroll Register, year end with the numbers on it. This came.

(Inaudible)

Councilwoman Schneider – 2014. 2014 I wanted year end numbers for 2013 and that's what I asked for a detailed Payroll Register. Had you stopped to ask me a little bit more, I would have given you what I exactly what I was asking for. I put on an email, I put it in writing but nobody could get it to me because then all of a sudden you told me it was some fictitious report that doesn't exist. I asked for a Payroll Register.

Council President Ciesla – There was two payrolls and that, that has to be redacted, you have our social security numbers on that. It just can't go to you.

Councilwoman Schneider - That's fine, then redacts it and give it to me, but why do I have to pay for it.

Council President Ciesla – It costs money, we have to charge the public.

CFO Dobes – That was done, what are you talking about?

Councilwoman Schneider – When I put it in writing you told me you read off everything in my email that I asked for and in that email, the number one thing was the Payroll Register.

Mayor Steinhardt – (Inaudible)

Councilwoman Schneider – Yes, you did, go look at the minutes. In one you said I asked for, no it was not a special Payroll Register because you didn't understand what I said.

Mayor Steinhardt – I have a hard time understanding a lot of what you ask.

Councilwoman Schneider – Right, well, because you don't ask. Because you don't ask and every time I try and get something out, you guys discredit me and you knock me down. If you would let me explain myself, then maybe we wouldn't have these problems but all you sit there and do, is discredit.

Mayor Steinhardt – Donna, with all due respect, I don't even try to discredit you and I've given you every opportunity. You've had six months

Councilwoman Schneider – Right, keep going with the discrediting.

Mayor Steinhardt - You had six months to come up with anything other than to say that we are overspending and you've done zero. You've come up with nothing.

Councilwoman Schneider - It hasn't been six months that I've said you're overspending.

Mayor Steinhardt – Yeah, you did, you started in January saying that you didn't have information to vote then

Councilwoman Schneider - That wasn't overspending, that wasn't about overspending, don't say that.

Mayor Steinhardt - It was our fault that you didn't have information to vote on the professionals. That was January.

Councilwoman Schneider – Right, you still didn't get me an answer to that question.

Mayor Steinhardt - And in February, you didn't have information to vote on something else in February. March we had a good month. Now it's like April, May, and June and we still don't have information to support your suggestion that we are overspending. I get it. It's a pattern.

Councilwoman Schneider – Right, should I read the emails to everyone to assure that I was blocked from here. And then you read NJSA whatever you did, to tell everybody to file ethics complaints against me because everything I asked for was budget related. You rattled them off in about one second. Nobody could understand what you said, excuse me, so, you know, to sit here and keep doing this to me, time after time, I tried to give you information, I tried to talk to you, I tried to go behind the scenes like people suggested so it's all aired out over here and never works because I'm blocked from it, I'm given some excuse and it doesn't work.

Council President Ciesla – I still have a problem, I mean, if you are going to ask for a report that has my social security number on it, it has to be redacted.

Councilwoman Schneider – That's fine, but don't say I have to pay for it.

Council President Ciesla – It cost money. If you're leaving the building. There's an hourly rate that they are sitting there redacting documents.

Councilwoman Schneider – It's one document, it is a Payroll Register.

Mayor Steinhardt – If memory serves me correctly,

Council President Ciesla -Leaving this building with a form with my social security number on it.

Councilwoman Schneider - I didn't ask for it.

Council President Ciesla – So, it would have to be redacted.

Councilwoman Schneider – Right, but that's not a special form. It's a regular Payroll Register that has

Council President Ciesla - Has my social security number – yes it does. Takes away from their daily work

Councilwoman Schneider - Oh come on, really?

Mayor Steinhardt - If my memory serves me correctly you asked for a, Betty offered to set up times for a meeting. You came in with Ms. McCabe and you didn't ask for anything.

Councilwoman Schneider – Oh, yes I did and, actually, I left money on the desk to pay for the copies I asked for.

Councilwoman McCabe – I'd have to look up my notes.

CFO Dobes – You asked for a reduction of \$10,000 in Roads OE.

Councilwoman Schneider – No, I asked for the information.

CFO Dobes – I asked where is \$150,000 in reductions.

Mayor Steinhardt - For the record, that's the worksheet I got. It showed you asking for a \$10,000 reductions.

Councilwoman Schneider - Because, you know, what everything in here (inaudible) because at that point it didn't matter because I'm not putting my name on this budget.

Councilwoman McCabe - You weren't going to in the first place. Can we please move on? Donna could argue this all night long and she is not going to approve the budget, we all know that.

Transcription at this point will stop because too hard to transcribe with everyone talking over everyone.

Mayor Steinhardt – Anybody else have questions or comments this evening? Mr. Johnson.

Eric Johnson – 361 Stonehenge Drive. I'm one of the members of the Recreational Committee. I'm going to be looking at the pool income and I'm not questioning on if it's making money or losing money. I want to know what income we are bringing from out of residents, out of town residents versus Lopatcong residents. I don't believe we've been keeping track of this information, but this year, I want to keep track of how much money we are making from out of township versus how much we're making in township. Then I can do an appropriate financial analysis and find out if we charging the people of Lopatcong the correct amount of money and the only way to do that is know what's coming from out of town and what's coming from in town. Um, I see our out of town residents in this town are paying about 10% more than the in township residents. Holland Township that pool charges about 35/40% more for out of township. I'm not saying that we have to bring in more money or bring in less money. I'm saying we can redistribute it a little bit. But in order for me to do my job, on the Recreational Committee, I need to see these numbers and I'm requesting that these numbers be tracked this season so at the end of the season I can look at it and figure out if we can do any adjustments um, I don't know which way, but maybe we can do some adjustments at next season. I know it's too late to change the rates for this season but let's keep track of it. I'll do the analysis, I'm volunteering to do it and let's see

if we can change the numbers around. Maybe our numbers aren't that great for the Township residents right now. So my request is let's keep track of how much money we are making from out of town residents versus township residents.

Clerk Dilts – We keep track of all the membership outside the town, inside the town including the swim team.

Erick Johnson – Including the daily passes

Clerk Dilts - Um, not necessarily the daily passes.

Council President Ciesla - Would they be able track that easily?

Clerk Dilts – Well, that would be to stop every person coming in and asking for proper identification cause many people who live in Greenwich or other towns think they are part of Lopatcong and then they get very aggravated and nasty, so, I'm mean as a general question, are you from Lopatcong, they might say yeah and they live in P'burg but I'm not going to stand there and I.D. every person that comes into the people

Eric Johnson – So, no ID required is what we're saying, everybody basically pays the in Township rate.

Clerk Dilts - No, no. Out of towners, the daily rate is \$5 for Lopatcong, out of towners it's \$6 and on weekends \$7.50.

Eric Johnson - Great let's keep track of it then.

Clerk Dilts - I do, we do.

Mayor Steinhardt - You're looking to lowering the resident rate based on

Eric Johnson – Potentially, let's see if we can't, if we can lower the amount for residents it's great, it's their township, it's their pool. Maybe we can't, but maybe we can. There is only one way to find out and the difference between out of township and township right now is very small. The other pools have a much bigger margin. So, maybe we can improve on the situation. Maybe we can help out (inaudible) in the township. I just want that data to be collected so I can look at it.

Clerk Dilts - It is possible to do that but it would just add more responsibility to what we are already doing.

Eric Johnson – That's okay. Maybe we'll do it with 50% accuracy. Let's get some idea. Obviously, the season passes

Council President Ciesla - Well the season passes you can tell, yeah, the daily

Mayor Steinhardt - What he's saying is that if we are using the honor system to check the dailies, you are not going to know for certain whether or not everybody that's coming in, I understand what Eric is saying

(Inaudible)

Diane Hall – 187 Stonehenge Drive. Don't kill me I was not expecting that response. I will not be at the next meeting so I just, my vote to make it clear, I have no problems with a raise; I just have a problem with a 50 percent raise. That's all I was saying. This might be an appropriate day; I don't

know Lori, when I ran community day vendors Dr. Gomez's office did blood pressure checks. You might want to reach out to her and she did set up a stand and she gave out, did free blood pressure.

Council President Ciesla - Thank you for that.

Mayor Steinhardt - Anybody else?

Tom McKay – I was wondering if the Sycamore Landing properties still farmland assessed (inaudible) or been reassessed?

Council President Ciesla – You'll have to ask the tax assessor.

Attorney Campbell – You'll have to call Kathy Degan. She is the assessor (inaudible).

Tom McKay – (Inaudible).

Attorney Campbell – Take that up with the assessor.

Council President Ciesla - It's a very autonomous office and she's, as she has repeatedly told us, as council people, so, if you do want to make a request, I mean, you can make a formal request to us or the Mayor and he can pass it on to her and cc Katrina so maybe it, actually, she'll look into that.

Attorney Campbell - I remember you were here a couple of years ago and you kept going on and on about the Intercounty Paving Property and we had to tell you repeatedly it was still farm and we had to bring a picture of corn here to show you. So, I would ask you to go to her and get that answer and if you don't

Tom McKay - I'm just looking to (inaudible) you can just charge them more (inaudible)

Council President Ciesla – (Inaudible) We cannot break the law

(Inaudible) people talking over people.

Mayor Steinhardt – Questions or comments going once, going twice. Mr. Mengucci.

Mr. Mengucci – 801 Belvidere Road. I would offer my services to Mrs. Schneider, as I've offered them to Mrs. McCabe and Mrs. Ciesla who called me a year and a half ago to just have a general discussion on Township business. I'm not involved anymore, fifteen years, 36 years in the family. I think I can certainly offer you some insight that maybe helpful because I must concur with Mr. Taggart. Sitting in that back row after sitting up here for fifteen years, it's embarrassing, it's truly embarrassing. A people helping people community is what I called it and still I believe it is. I think that's what made this Township great, um, it's embarrassing. I had discussions with Mr. Belcaro, Mrs. McCabe, Mrs. Ciesla. The Mayor and I are still in contact. Again, use me for whatever you can.

Councilwoman Schneider - Thank you.

Mayor Steinhardt – Anybody else. Motion to adjourn. Motion by Council President Ciesla, seconded by Councilwoman McCabe. All in favor.

Respectfully submitted,

Margaret B. Dilts  
Clerk/Administrator

Douglas J. Steinhardt  
Mayor



