

TOWNSHIP OF LOPATCONG

COUNCIL MEETING

7:00 pm

May 31, 2016

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

Mayor McKay 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 Oath of Allegiance

Present: Councilman Belcaro, Councilwoman McCabe, Councilwoman Schneider, Council President Pryor, Mayor McKay. Also present were Auditor Mooney and CFO Saponaro.

Business:

2016 Budget –

Mayor McKay opened the meeting with some comments – he said he didn’t see a lot of this. He didn’t see the new summary and indicated he would have a lot of comments.

Councilwoman Schneider – Indicated she only received a two page excel spreadsheet presented to her. One for expenses and one for revenues that was emailed to her.

CFO Saponaro – She told Councilwoman Schneider if you opened the excel spreadsheet it lists down; the pages go across and down and all you had to do is maneuver your mouse and it was all there. Everybody got the same email.

Councilwoman McCabe – We all got the same email and said she got the whole list. There was more than two pages there. It was a matter of scrolling down or across.

Councilwoman Schneider – She said she wasn’t there to play games but she thought it was sent Friday night before the end of business and she did not have enough time to look at it. She thought it was not sufficient for her. She thought this was not fair and playing games. She could not and would not be a part of the meeting. She left.

Councilwoman McCabe – Reminded her that her duties as a Councilwoman is to at least sit down and listen to reasoning. Everyone received the budget Friday night. She said she was shirking her duties.

Council President Pryor – Said he received the materials the same time as everyone else. Everyone got the same email blast together. He also said he made the effort to come in several times on his own and sit with Janice. Everyone was free to do that.

Councilwoman McCabe – As a follow up she indicated she asked Beth to provide her a print out and she came in to do that. We are all in this together she said and walking out the door is not contributing at all.

Auditor Mooney – This doesn’t have to be the only budget meeting that can be held. What Janice has put together to this point he will go into a little bit. It is compliant with both levy caps. A levy cap and an expenditure cap. It was a struggle to get it to this point. The Council collectively must decide where to take it from here. Budgets are a big process and another special meeting in two weeks to discuss further he would be available for that. This is not the end of the process but close to the beginning. As it stands right now shows you are about \$80,000 under the expenditure cap and right at the tax levy cap. In laymen’s terms it means if you decide to add any expenditure at this point, you have to do it without increasing the tax rate. The tax rate is at 4.6 cent increase over last year’s rate. Last year you saw a 2.2 cent increase.

What that means to the average local tax payer is the local taxpayer is assessed at approximately \$231,000. They would see an increase of \$110.00 for the year or \$9.20 per month. That's as the budget stands right now. Now we are at the point where you would make cuts to reduce the tax rate. From 4.6 to 3.6 you would have to cut \$86,000. There are factors involved that bring the rate what the rate is now. There were thoughts and ideas of reducing some revenues – instead of taking so much from the sewer surplus in order to wean off of that. That is factored in here already. Note expenses have been captured in sewer like the CFO time, Sewer Collector's time, etc. Entire sewer budget at this point is that we are not using surplus money to fund sewer budget. It is all based on rents. All based on sewer collections for the year offset the costs entirely. The only surplus being used is half of what was used last year in the current year budget. So it went from \$375,000 last year bringing that in to support the current budget down to \$200,000 this year. That has been cut \$175,000 but there is no other surplus money being used in sewer. The only revenue source in sewer is the actual rents.

Fund Balance anticipated was \$300,000 as opposed to last year being \$150,000. The deferred school tax has to be increased to get it to this level. If you don't and take the \$150 out, you will be in a bigger hole. When you take one revenue off, you either have to find the money somewhere or raise it through taxation.

Last year was a 2.2 cent increase. So about \$180,000 would have to be knocked out to get into the range and \$100,000 in overtime takes us half way there. Police want two cars. \$72,000 is left in the Capital Improvement Fund. If we knew an amount for the vehicle we could take it out of there; drop it down.

Council discussed that there was no money for roads unless it was done through a bond ordinance. The down payment would be 5% from the Capital Improvement Fund. Council discussed a five-year capital plan.

John Mooney indicated that there will have to be estimated tax bills sent as it is right now. Attorney Campbell is researching this. This is estimation based on last year plus an increase for this year but does not know the calculation.

In the draft budget 2% is factored in for the individual employees outside any contracts to receive a raise that has not been given since 2012.

Recreation needs funds to get started = \$10,000, LAA needs \$10,000 which they will have to earn. Monies for the various commissions – Environmental \$500, Shade Tree has \$2500 – Forestry Plan.

A discussion ensued on the budget with Council scheduling another budget meeting for June 15, 2016.

Respectfully submitted,

Margaret B. Dilts
Clerk/Administrator

Thomas M. McKay
Mayor