

TOWNSHIP OF LOPATCONG
SPECIAL MEETING
AGENDA

June 27, 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 the Oath of Allegiance

Council Vacancy: - Council President Pryor made a motion to appoint Yvonne Reitemeyer to fill the Council vacancy, seconded by Councilman Belcaro. Roll call vote:

AYES: Councilman Belcaro, Councilwoman McCabe, Council President Pryor, Mayor McKay

NAYS: None

Yvonne Reitemeyer was sworn in as Councilwoman.

Mayor McKay – Called for a Point of Order – there were three Republican Nominees but he did not know about the other two. Who were the other two he asked. Council noted Councilwoman Schneider announced it in an article in the newspaper and on Facebook.

Mayor McKay asked for a motion to pass Resolution 16-84 to hold an Executive Session. Motion by Council President Pryor, seconded by Councilwoman McCabe. All in favor.

R 16-84

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND THE
STATE OF NEW JERSEY AUTHORIZING AN EXECUTIVE SESSION

WHEREAS, there are presently pending matters to be considered in Executive Session concerning possible matters listed:

Contract – Phillipsburg School District Security Coverage

Contract – Active NJ

Personnel – Grievances

NOW, THEREFORE, BE IT RESOLVED by the Council of the Township of Lopatcong, County of Warren and the State of New Jersey that the Council is authorized to hold an Executive Session.

BE IT FURTHER RESOLVED that the Council of the Township of Lopatcong will make said matters public within approximately 30 days of said meeting or until such a time as confidentiality of the matters is no longer required.

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 27, 2016.

Margaret B. Dilts, CMC

Motion to resume Regular Session by Councilman Belcaro, seconded by Councilwoman McCabe. All in favor.

Present – Councilman Belcaro, Councilwoman McCabe, Council President Pryor, Councilwoman Reitemeyer, Mayor McKay. Also present was Attorney Campbell and CFO Saponaro.

Attorney Campbell – Council was in Executive Session for approximately 35 minutes. Subjects of discussion were Contract – Phillipsburg School District Security Coverage, Contract – Active NJ Grant, Personnel – Grievances.

Public Comment: Agenda Items only. Motion by Council President Pryor, seconded by Councilwoman McCabe. All in favor. No comments from the public. Mayor McKay asked for a motion to close Public Comments. Motion by Council President Pryor, seconded by Councilwoman McCabe. All in favor.

Business:

Resolution No. 16-85 – Deferred Local District School Tax to be increased to \$6,693,426 as of December 15, 2015.

R 16-85

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY APPROVING DEFERRED LOCAL DISTRICT SCHOOL TAX

WHEREAS, the local district school tax for the fiscal year July 1, 2015 to June 30, 2016 was raised in the 2015 tax levy in the amount of \$13,422,164.00; and

WHEREAS, the statutes permit the deferral of the cash liability of such school tax up to 50% of the school tax levy or \$6,711,082.00; and

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Township of Lopatcong, that the deferred school tax for the local school district be increased from \$6,543,426.00 to \$6,693,426.00 as of December 31, 2015.

BE IT FURTHER RESOLVED that two certified copies of this resolution be filed with the Director of the Division of Local Government Services

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 27, 2016.

Margaret B. Dilts, CMC

Motion by Council President Pryor, seconded by Councilman Belcaro. Roll call vote:
AYES: Councilman Belcaro, Councilwoman McCabe, Council President Pryor, Mayor McKay
NAYS: None
ABSTAIN: Councilwoman Reitemeyer

Resolution No. 16-86 - Introduction of 2016 Budget –

Mayor McKay – I have a copy that I got several weeks ago. Has it changed since then?

Council President Pryor – By \$8,000.

Auditor Mooney – Yes, they cut the, we were here almost a month ago, at this point, for our first budget session and we had the cuts in that budget. We did tweak revenues slightly because there is a lot of construction going on and we found that we were well over our construction numbers already as a revenue number. Where your budget stands tonight, you are below both Caps; both the Expenditure Cap and the Tax Levy Cap. You are about \$175,000.00 below the Expenditure Cap and \$132,000.00 below the Levy Cap. What that means, effectively, those two numbers that I just gave you will go into future years Cap Banking should you need them. Your budget can't be introduced unless you are below those two Caps. What this means is a three cent increase in your local tax rate this year. One tax point to increase or decrease the budget by one cent you would effectively have to cut or add \$86,000.00. So, your tax rate went up to three cents. An average local home in town is assessed at \$231,000.00. What that means to the average local tax payer is an increase of \$75 for the year or about \$6.28 a month. The main reason for the increase this year is you backed off from pulling in revenue from the Sewer Utility; that was something that a couple of you wished to do. We are using \$215,000.00 less this year, in this year's budget. There were also one time revenues that you brought in last year that are no longer available so, it is more of a revenue problem than it is a spending problem and you are going up and the increase is really offsetting that money that you're bringing in.

Council President Pryor – The increased budget to budget is about 2 ½%.

Auditor Mooney – Inside the Cap, you are roughly going up about \$220,000 for just inside the cap items only. It was 5.5 million last year. This year it's 5.7 million

Council President Pryor - I am looking at 2015; was about 7.2 million.

Auditor Mooney – That's the total budget.

Council President Pryor – Yeah, this year was \$7,384 and that's about 2.5%.

Auditor Mooney – Correct. What we look at, we look at the areas inside the Cap because that's the Cap that makes your day to day function as a governmental unit.

Council President Pryor – And last year's increase was about two cents. This year it is three cents. We could go back to two cents if they want to take from the Sewer Budget again.

Auditor Mooney – You could.

Council President Pryor – But, I believe that we had to wean ourselves off of that so this is the first step.

Auditor Mooney – Agreed.

Mayor McKay – But, I believe we added or switched certain expenditures into the sewer for salaries. We are going to allocate certain salaries; appropriately so in some cases.

Council President Pryor – An allocation.

Mayor McKay – Yeah, correct, so we're still, that's the way you are supposed to do it. That should be taken out of the sewer right?

Auditor Mooney – We are capturing more costs in sewer. Correct.

Mayor McKay – Yes, we are doing that.

Councilman Belcaro – Wean off the sewer and I agree with that, so what it does is, it isn't fair to the homeowners who paid their sewer, so for a number of years it has been subsidizing by using money from the sewer but on the flip side of that, it also, it didn't increase the taxes as much.

Auditor Mooney – That was the point of it, correct? It kept your taxes low and now you are seeing the shift because you are using less funding from one area and more funding from another.

Councilman Belcaro – So, I'm hoping here, as we eventually wean off, cause the benefit to the homeowner is that an increase in taxes wasn't as much, I'm hoping to see some kind of reduction in the sewer bill.

Mayor McKay- That would be nice but we were also picking up debt service costs that we didn't have before so that's increased a lot because of the \$3 million dollar loan. We will need more money, of the sewer money, to pay for sewer related expenses.

Auditor Mooney – Correct.

Mayor McKay – You're right. It should be what it costs.

Councilman Belcaro – We took from Peter to pay Paul.

Mayor McKay – But not anymore. Right? We are weaning down off of that. We are going to make the Sewer Utility stand on its own.

Auditor Mooney – You have one bond that's out there; a bond ordinance and sewer itself is self-liquidating. So sewer maintains the sewer debt. You don't have to pay for the sewer debt anywhere else but through the funds that you raise for sewer but you do have a \$2.9 million dollar Bond Anticipation Note out there that perhaps in future years you will be able to start addressing as you take less and less of the surplus from sewer, leaving it in the sewer, you can start taking that down and if that's the goal, we can help you get there.

Council President Pryor – If I'm not mistaken, that temporary financing has been out there a while. Right?

Auditor Mooney – It's been four years now. You are in the fourth year.

Council president Pryor – So, we are not increasing debt service?

Auditor Mooney – No.

Council President Pryor – It's been there.

Auditor Mooney – It's been there.

Council President Pryor – So, we are truly reducing expenditures in the Sewer Utility. We are going to be on a shorter year because we are late. The idea is to accumulate some surplus in the Sewer Utility and then look at ratcheting down that rate. So, it won't happen this year, perhaps next year.

Councilman Belcaro – Even with the reduction taken from sewer \$212,000 you say?

Auditor Mooney - \$215,000.00.

Councilman Belcaro – Even with this increase here, the three cents, it is still very, very modest.

Auditor Mooney – I’m sorry, I pulled the wrong number here; it was \$150,000.00 that you are less from last year. It is going to the right way.

Mayor McKay – I think that was sewer money; that was drawn down all at once, that line, but it was probably earning interest; it was sitting in a bank account, right?

Auditor Mooney- Well, it is either sitting

Talking over each other.

Council President Pryor – That’s not what I’m saying. Saying the money that was transferred last year, we didn’t spend all of that, so what was unspent carried over?

Auditor Mooney – There’s two pieces that were coming into the General Fund; there was \$125,000 of prior year surplus and then \$250,000 of current year, current year surplus and now you are taking \$75 of prior years’ surplus and \$150 of current year surplus.

Council President Pryor - So it’s \$225

Auditor Mooney – So, it was \$225 in total; \$150 less

Council President Pryor - \$150 less available this year

Auditor Mooney – Correct, right.

Councilwoman McCabe – And, my other question, just real quick, was that the salaries are not listed correctly on here, but I know there was some reasoning that we were, you know, putting in higher numbers. I mean, again, it is July 1st so I don’t know that we will be doing increases in salaries but I just wanted to confirm, you know, the reason for doing that, that is, it’s a just in case.

CFO Saponaro – Being the issues of last year, and not knowing where we were this year, and certain different departments, and the assistant we needed, I thought it was best to just make sure if there was assistance needed, that it was covered under the salary and wages in different departments that were assisting the Finance Department at the time which also might also need help so, it is just in case so, we don’t go over budget.

Attorney Campbell – The employees that were helping out, their salaries would come out of that line item.

CFO Saponaro – Right, right.

Attorney Campbell- So, those two employees you were talking about, that money gets attributed to that line item.

Councilwoman McCabe – Okay. So, that would be the reason those numbers are, you know, I don’t want people to look at this and go, oh my God, they are making all this money and that is not the fact. It’s not their current salary.

CFO Saponaro – If you took, we have a breakdown of each salary, of each person, and we have that backup that is behind the budget document. Everybody else just sees flat numbers; they don't understand what the minutia is.

Mayor McKay – So, no one's gotten any increase?

Councilwoman McCabe – No.

Mayor McKay – In any way? In any form?

Councilwoman McCabe – No, we would have to approve that.

Mayor McKay – Right.

Councilwoman McCabe – We would have to approve that, but I just wanted to say why that's in there not because they are getting any increase or because they got an increase.

CFO Saponaro – Not at all. Council and Mayor vote on increases.

Mayor McKay – We would have to do a salary ordinance. Okay, that's the understanding I have. That's okay.

Councilman Belcaro – I just want to be clear and then we can move on. Is that, if we didn't take a reduction of \$50,000 from the sewer, all right, so the tax increase this year would have been approximately, it's over a penny.

Council President Pryor – Correct.

Councilman Belcaro – So, the difference of the two cents, is because we are weaning off the sewer, so if people ask.

Council President Pryor – All right, we are just introducing tonight. The Mayor did not produce or submit a budget this year. The budget was put together largely by the CFO, input from staff and assistance from our auditor and some review from various Council members. Councilwoman Schneider, before she left, made a statement that somehow inferred that I shut her out of process. I'm not going to get into that. What I have is, I gave the Clerk, a list of emails; there were 15 emails, they were all the emails between myself and Councilwoman Schneider. You are welcome to OPRA them; they are all opraable. Read them and from beginning to end and you'll see you can make your own decision as to who did what on the budget and who provided whom and if it happened at all. So, I have nothing to hide. OPRA those emails and make your own decision.

Auditor Mooney – Just one more thing, if the budget is introduced tonight, public comment on the budget and the public hearing on the budget will be August 3rd meeting. At that point, public comment is welcome on the budget.

Mayor McKay – Since Mr. Pryor found it necessary to make his statement, I will say that his statement is in my view, incorrect. That I attempted to do the budget in the same fashion as it was done last year, which was my only year of doing a budget, and for the purposes of not creating disturbances, I will leave it at this for this point, okay?

CFO Saponaro – Katrina, I'd Just like to make it a point that the auditors assisted in their legal capacity only. They had no input, not anything else.

Attorney Campbell – He doesn't make policy.

CFO Saponaro – Yeah, just so there is no confusion, right, just his legal capacity. Just so there's no confusion because I think Councilwoman Schneider also stated that he did the budget which I wanted to make sure, you know, that he had nothing to do with it.

Councilwoman McCabe – Additionally, we received notice from the State of New Jersey saying we need to introduce the budget by June 30th. So otherwise, we are going to be subject to fines. As far as whom did what, and who didn't do what, that can be well, sorted out and reviewed in emails and things like that, but it is our duty as this Council and Mayor, our duty is to get this budget done. No one likes doing a budget but that's part of the job, you know, I think that the hard work was done here by our CFO and by our auditor coming in and working very hard and many days, so I do appreciate all your work and you know, it hasn't been easy because many things had to be sorted out beforehand so again, just, you know we can't play games, we need to introduce this. This is June 27th amazingly; half the year is done. So, we need to introduce and we need to move forward and as was just stated, public comment would then be at the August meeting.

Council President Pryor – Do you care to make a motion?

Councilwoman McCabe – Motion to introduce the budget? Are we finished with discussions; I don't want to rush anything.

CFO Saponaro – I think that myself and everybody else.

Attorney Campbell – It's introduction by title only.

Councilwoman McCabe – Right, so, if for some reason there was something we had to change real quick, we could do that still but again, in order to, I mean, just to remind everyone this budget came in in May, at what was it 4.3 cents, was that where we were at; we were at something higher?

Auditor Mooney – Yeah, we were higher.

Councilwoman McCabe – We were higher. So, we did get it down to three cents.

CFO Saponaro – I thought it was 4.6.

Councilwoman McCabe – We made some progress with your discussions and you know, with your work and again, as was already stated, in order to get it down another penny, we would have to find \$86,000 to shake off. So, you could find a hundred here and you could find a thousand there but it is pretty hard to find \$86,000 to reduce it by another penny.

CFO Saponaro – Yeah, we've tried.

Councilwoman McCabe – I think, yeah, it's reasonable and we are combining things and reducing our reliance on the sewer budget. We are using some of it which, you know, is necessary. We are doing the best that we can with the budget with what we have.

Mayor McKay – I would just like to make a note that the Environmental Commission was apparently debudgeted – they used to have a small budget and that was taken away and one of the people who is running for our town council is the chair of that and I would hope that the reason that this was done and I don't know why or how it was done, is not political and it is not just to try to make her look bad.

Council President Pryor – I'd be glad to give you the reason. Two years ago they spent less than \$200. Last year they spent \$250. We put \$500 which is double; more than double what they spent each of the first two years. This year they proposed a seminar on macro-invertebrates, planned to have school kids raise trout, and a rain barrel seminar and if you go back to our ordinance, none of those things are within the responsibilities of the Environmental Commission.

On the other hand, they are supposed to address open space issues with the Planning Board which they have not done. So, considering the tax payers, in lieu of studying worms or putting on a presentation about worms we, essentially, doubled last year's budget to \$500 and that's why it was done. I do appreciate the help from the staff. We had a lot of catching up to do and it got down to crunch time and it got done – happy with it.

Mayor McKay – Thank you.

Councilwoman McCabe – I make a motion that we introduce this budget tonight to meet our deadlines.

Council President Pryor – I'll second that; is that in proper form Katrina?

Katrina – Yes.

Mayor McKay – Roll call

AYES: Councilman Belcaro, Councilwoman McCabe,

NAYS: Mayor McKay – Given Mr. Pryor's election to make a statement that I did not put forth the budget or try to put one forth, I have to vote no.

ABSTAIN: Councilwoman Reitemeyer

Council President Pryor – Didn't you present a budget to Council?

Mayor McKay – I preceded along the same way that I did it last year.

Council President Pryor - That is not what I'm asking.

Mayor McKay - I couldn't produce a budget until I got the budget off the system. I didn't get the budget off the system until like a couple days before the last budget meeting so.

Council President Pryor - You have an office right across from the CFO.

Mayor McKay - I don't want to discuss that here.

Council President Pryor - Okay.

Mayor McKay - Okay.

Councilwoman Maureen – But we all received the budget at the same time Mr. Mayor.

Mayor McKay – No, we didn't, because Mr. Pryor made additions and reductions to the budget prior to it being mailed and sent out to the rest of us.

Council President Pryor - I took advantage of going in

Mayor McKay - It wasn't made available to other people.

Council President Pryor - a work in progress. You sat across the hall from the CFO.

Mayor McKay - I said I don't want to do this here.

Council President Pryor - Did somebody build a wall?

Councilwoman McCabe – I recall Janice saying that she had meetings scheduled with you to review the budget.

Mayor McKay – And, I showed up for them.

Councilwoman McCabe - I think you didn't.

CFO Saponaro – I have emails stating otherwise and Mayor, I really don't appreciate the comments stating that you were not afforded the same opportunities because as you and I had plenty of discussions, in front of plenty of employees; myself asking you.

Mayor McKay - I've said I don't want to discuss this here. I keep getting pushed into it.

CFO Saponaro – So, please don't discuss it further.

Mayor McKay - I don't want to discuss this here. This is inappropriate, inappropriate.

Councilwoman McCabe –But, if that's your reason for voting no Mr. Mayor, you have to give a better reason than that. That's not a valid reason.

Mayor McKay - I don't understand a lot of the things that went on so, I'm just gonna.

CFO Saponaro - You were made abreast very well of everything explained in deep detail and I explained the charter and other duties so, I would suggest we could leave it here without further excuses from yourself.

Council President Pryor – All right the votes been taken. Let's move on.

Mayor McKay – Resolution to approve or refund tax payments for 2016 for exempt property known as Block 2, Lot 16 and then (4) is for an additional property known as Block 88, Lot 1.

Attorney Campbell – We talked about this briefly at the last meeting that we had. Was it the June meeting, you have received from two different people, and your tax collector is looking for some guidance as to the date you want to provide these individuals refunds. They are 100% exempt disabled Veterans which means they do not have to pay property tax. So, the statute allows you to give it to them as of the date of their disability or pretty much anywhere along the line as to when they actually filed. Just so you understand the process, these Veterans write to the VA and the VA writes them back and says, “Yes you are 100% disabled and here is your effective date”. So, you could go all the way back to the effective date which could be a year or two which is a lot of taxes, you could go to the date that they made the effort to go to the VA and get their VA letter, you could go to somewhere in between; in one case the tax assessor had some dealings with one of these people or you could go to when they actually make their application which they would have the least amount of refund. So, what I have given to you a breakdown for these two gentlemen. I recommend you make a policy going forward so this way your tax collector knows, so next time the resolution will come, and it will just have the number on it and you won't have to go through this every time.

Council President Pryor – Do you have a feel for prevailing practice? I know they give us these options but

Attorney Campbell – I think a lot of towns like the date of the VA letter. only because that is kind of a trigger date they have gotten something and like I said, sometimes it could be several years back and that's hard on your budget and things like that.

Council President Pryor – I'm really kind of torn here and want to be fair to the Veterans and I think having the letter that's a document that has a fixed date and you can work off of. On the

other hand, I saw one of the letters and it had an effective date in it which somebody made a determination that that's when it occurred so I'm kind of looking at what is everybody else doing. If 90% of the state is in a certain direction, I'd feel comfortable with that.

Mayor McKay – Is there guidance?

Attorney Campbell – The statute just says you may; it just says that the town may.

Mayor McKay – Does the League of Municipalities have any guidance?

Attorney Campbell – No, they let the towns decide.

Councilwoman McCabe – I mean if someone doesn't come to us (inaudible) we could be leaving ourselves open.

Council President Pryor – You can't budget, you can't

Councilwoman Reitemeyer – Can we put some kind of cap on it; like the date of the letter up to a year or two beyond because if somebody gets their letter in 2016 and doesn't file until 2020.

Attorney Campbell – Now, it says may and it doesn't say you have to set one policy and it always has to be the same. So you set a policy and let's say there is something outrageous that someone sat on their letter for 20 years and then, you know, you could say well, you know, but I would maybe set kind of a general policy.

Council President Pryor – My feeling, if we had to make a decision tonight, I mean I lean towards the date of the letter but I'd like to find out more how the effective date is determined and what towns are doing and maybe we could address these two fellows.

Attorney Campbell – And maybe what we can do is we can ask your tax collector to make a phone call to a couple other tax collectors and she is the tax collector in at least two other towns and just see if, like I said Lopatcong has not had one of these almost as far back as she can remember, she can remember one or two but she feels that the population is kind of getting to the point where she is starting to get a little bit more coming in, so this way we can put it on for next week. I was recommending that you make a decision before your 3rd quarter tax bill just to try and at least one of these gentlemen is delinquent because they are hoping this will

Council President Pryor – I don't know how this works, I mean I'd like a policy to be the date of the letter but if research determines that it really should be the effective date I'd like to address these two fellows.

Attorney Campbell – Okay, like I said, you are just setting a policy so you can, you know, we'll ask around in the county and if the majority

Council President Pryor – If we're out of line with the rest of the state we can adjust these fellows.

Attorney Campbell – and so what we'll do is, we'll have you do the actual resolution next week because this way we have the policy and this way she can put the number right into the resolution and we'll do it next week and because your tax bills are estimated tax bills anyway you know it will be okay.

Councilwoman McCabe – I know, I think our website, the tax collector does state that there is the ability to apply for senior citizen discounts, and veteran discounts so maybe this is something

Council President Pryor – I know we just did the sewer discounts and you need VA documentation so

Attorney Campbell – I mean this is a very specific category and this is 100% disabled Veteran, this is not thankfully, not a lot of people meet this category and so

Mayor McKay – So we're going to go with the date of the VA letter, is that right for now?

Attorney Campbell – Unless Rachel finds out otherwise.

Phillipsburg Roadway Improvement Project – Approve Change Order for the Phillipsburg Roadway Improvement Project. Clerk Dilts stated she had three Change Orders for the Mayor to sign. The amount is \$22,462.79. Attorney Campbell said the county is picking up a portion of the costs. Motion by Council President Pryor, seconded by Councilman Belcaro. Roll call vote: AYES: Councilman Belcaro, Councilwoman McCabe, Councilwoman Reitemeyer, Council President Pryor, Mayor McKay.
NAYS: None

Resolution No 16-87 - Direct Deposit mandate exemptions.

R 16-87

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY APPROVING REQUESTS FOR EXEMPTIONS FROM THE DIRECT DEPOSIT MANDATE PURSUANT TO N.J.S.A. 52:14-15f

WHEREAS, the Township of Lopatcong, County of Warren and State of New Jersey adopted an Ordinance mandating Direct Deposit for all employees; and

WHEREAS, under N.J.S.A. 52:14-15f employees are permitted to request an exemption from the Direct Deposit mandate; and

WHEREAS, the following employees have made a request identified by their employee payroll number:

0517-00-0011-00-00016;0517-00-0001-00-00063;0517-00-0001-00-00066

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council exempt employees from mandated Direct Deposit pursuant to their written request.

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 the Meeting held on Wednesday, June 27, 2016.

Margaret B. Dilts, CMC

Motion to approve by Councilwoman McCabe, seconded by Council President Pryor. Roll call vote:

AYES: Councilman Belcaro, Councilwoman McCabe, Councilwoman Reitemeyer, Council President Pryor, Mayor McKay.

NAYS: None

Resolution No. 16-90 - McKay vs. Township of Lopatcong Governing Body to increase funds up to \$5,000 for defense of litigation.

R 16-90

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY AUTHORIZING ADDITIONAL FUNDS TO PROVIDE ON-GOING DEFENSE FOR COUNCILMAN JOE PRYOR, COUNCILMAN LOU BELCARO AND COUNCILWOMAN MAUREEN MCCABE IN THE MATTER OF MCKAY V. PRYOR, ET ALS., DOCKET NO. WRN-L-39-16. PAYABLE TO JOSEPH J. BELL, ESQ. FROM THE LAW FIRM OF BELL, SHIVAS & FASOLO, P.C.

WHEREAS, on February 1, 2016, Mayor Thomas McKay filed suit against three Township Council people and the Township Clerk; and

WHEREAS, Council President Joe Pryor, Councilman Lou Belcaro and Councilwoman Maureen McCabe were named as defendants in their capacity as Council members; and

WHEREAS, Council President Joe Pryor, Councilman Lou Belcaro and Councilwoman Maureen McCabe are seeking a legal defense in this litigation pursuant to the Indemnification Section of the Township Code (Section 16); and

WHEREAS, Lopatcong Township Code Section 16-6(B) allows the Township to hire an attorney and to pay same directly; and

WHEREAS, Council President Joe Pryor, Councilman Lou Belcaro and Councilwoman Maureen McCabe have requested that the Township hire Joseph J. Bell, Esq. from the law firm of Bell, Shivas & Fasolo, P.C. in Rockaway, New Jersey to provide their defense at the same rate as the current Township Attorney; and

WHEREAS, Council authorized funds not to exceed \$10,000 without prior approval of Township Council; and

WHEREAS, Litigation is ongoing in this matter and funds shall be increased not to exceed \$5,000 without prior approval of the Township Council.

NOW, THEREFORE, BE IT RESOLVED by Township Council of the Township of Lopatcong, County of Warren, and State of New Jersey authorize the increase in funds not to exceed \$5,000 in defense of this matter.

CERTIFICATION

THIS IS TO CERTIFY that the above is a true copy of a Resolution adopted by the Township Council of the Township of Lopatcong at a meeting of said Township Council conducted on Wednesday, June 27, 2016.

Margaret B. Dilts

Motion by Council President Pryor, seconded by Councilman Belcaro. Roll call vote:

AYES: Councilman Belcaro, Councilwoman McCabe, Council President Pryor

NAYS: None

ABSTAIN: Councilwoman Reitemeyer, Mayor McKay

Resolution No. 16-91 - McKay vs. Township of Lopatcong Governing Body to increase funds up to \$5,000 for defense of litigation.

R 16-91

RESOLUTION OF THE TOWNSHIP OF LOPATCONG, COUNTY OF WARREN AND STATE OF NEW JERSEY AUTHORIZING ADDITIONAL FUNDS IN AN AMOUNT NOT TO EXCEED \$5,000 TO PROVIDE A DEFENSE FOR TOWNSHIP CLERK BETH DILTS IN THE MATTER OF MCKAY V. PRYOR, ET ALS., DOCKET NO. WRN-L-39-16 PAYABLE TO RICHARD P. FLAUM ESQ. FROM THE LAW FIRM OF DIFRANCESCO, BATEMAN, KUNZMAN, DAVIS, LEHRER & FLAUM, P.C.

WHEREAS, on February 1, 2016, Mayor Thomas McKay filed suit against three Township Council people and the Township Clerk; and

WHEREAS, Beth Dilts was named as a defendant in her capacity as Township Clerk; and

WHEREAS, Beth Dilts is seeking a legal defense in this litigation pursuant to the indemnification Section of the Township Code (Section 16); and

WHEREAS, Lopatcong Township Code Section 16-6(B) allows the Township to hire an attorney and to pay same directly; and

WHEREAS, Beth Dilts has requested that the Township hire Richard P. Flaum, Esq. from the law firm of DiFrancesco, Bateman, Kunzman, Davis, Lehrer & Flaum, P.C. in Livingston, New Jersey to provide her a defense at the same rate as the current Township Attorney; and

WHEREAS, Council authorized funds not to exceed \$10,000 without prior approval of Township Council; and

WHEREAS, Litigation is ongoing in this matter and funds shall be increased not to exceed \$5,000 without prior approval of the Township Council.

NOW, THEREFORE, BE IT RESOLVED by Township Council of the Township of Lopatcong, County of Warren, and State of New Jersey authorize the increase in funds not to exceed \$5,000 in defense of this matter.

CERTIFICATION

THIS IS TO CERTIFY that the above is a true copy of a Resolution adopted by the Township Council of the Township of Lopatcong at a meeting of said Township Council conducted on Wednesday, June 27, 2016.

Margaret B. Dilts

Motion by Council President Pryor, seconded by Councilman Belcaro. Roll call vote:

AYES: Councilman Belcaro, Councilwoman McCabe, Council President Pryor

NAYS: None

ABSTAIN: Councilwoman Reitemeyer, Mayor McKay

Payment of Bills – Motion by Councilwoman McCabe, seconded by Councilman Belcaro. Council President Pryor recused himself from the JMT bill. Roll call vote:

AYES: Councilman Belcaro, Councilwoman McCabe, Councilwoman Reitemeyer, Council President Pryor, Mayor McKay

NAYS: None

Audience Participation: Motion by Councilwoman McCabe, seconded by Councilman Belcaro. All in favor.

Lori Ciesla – 12 Meadowview Lane - A few announcements – Originally an area was scoped out in the park for the dog park and in speaking with Paul there was a couple of areas along the backside of the park that would work. Council President Pryor asked if there would be a proposal at some point before Council. Councilwoman McCabe asked for a motion to authorize Lori Ciesla to speak with Engineer Sterbenz regarding the Dog Park, seconded by Council President Pryor. Roll call vote:

AYES: Councilman Belcaro, Councilwoman McCabe, Councilwoman Reitemeyer, Council President Pryor, Mayor McKay.

NAYS: None

Lori asked about the status with Smith Road. Attorney Campbell would have to check her notes. She did speak to someone at the church but she will put it back on her list.

She indicated that she thought she had \$350.00 in the budget for Music in the Park. Council President Pryor didn't realize it was broken out. He thought there was \$10,000 budgeted. CFO Saponaro said she could use the \$10,000. The previous CFO had broken everything down into very tiny minutia so when it comes up in a line item, you have to kind of stick certain things in different places. Lori went over the schedule of bands that both the veterans and recreation has scheduled.

Lori asked the Council to take a look at the website if there are any changes to be made to Council duties. Council President Pryor said they would have to revisit it.

John Betz – Red School Lane – Comment about the sewage situation. Looking for billing structure on high density housing.

Motion to come out of Audience Participation by Councilwoman McCabe, seconded by Councilman Belcaro.

Motion to adjourn the meeting by Councilwoman McCabe, seconded by Councilman Belcaro. All in favor.

Respectfully submitted,

Margaret B. Dilts
Clerk/Administrator

Thomas M. McKay
Mayor