

**BUDGET WORK SESSION
MUNICIPAL BUILDING**

**February 8, 2012
DELRAN, NJ**

SUNSHINE STATEMENT: Be advised that proper notice has been given by the Township Council in accordance with the sunshine law in the following manner. Notice advertised in the Burlington County Times on February 2, 2012 and posted on the bulletin board on the same date.

ROLL CALL: Mrs. Kolodi, Mr. Schwartz., Ms. Pomeranz, Mr. Morrow and Mr. Catrambone were present.

ALSO, PRESENT: Mayor Paris, Mr. Hatcher, Administrator and Ms. Eggers, Municipal Clerk

2012 BUDGET DISCUSSION

Mr. Hatcher stated that he would like to address a few things and then we can begin going over the line items in the budget. He stated that he will be able to answer more questions on the impact of the budget once the Auditor has completed the Annual Financial Statement and we have revenue figures. He is hoping to have those figures next week. Mr. Hatcher recommended that with the change in the budget introduction date, we introduce at the March 7th work session.

Ms. Pomeranz asked Mr. Hatcher if the levy cap prohibits the local tax from going up more than 2%.

Mr. Hatcher stated that the cap is set at 2% but there are items that fall outside the cap. Only the items inside that cap are affected by the 2% cap. Mr. Hatcher stated that he will provide them with the exceptions to the cap.

Ms. Pomeranz asked if the 2.5% spending cap is on the actual budget.

Mr. Hatcher stated yes but again there are exceptions to the spending cap. We have not had an issue with the spending cap in many years.

Ms. Pomeranz asked if longevity is calculated on top of their salary.

Mr. Hatcher stated that longevity is a contractual obligation and that number is above the salary.

Ms. Pomeranz asked the number listed for salaries are last year's number or this year's number.

Mr. Hatcher stated that there is an estimated number listed for this year the actual number will not be determined until the contracts are settled.

Mr. Hatcher went over each line item of the budget with Council. He went over the areas of concern within each department.

After reviewing the appropriations, Council agreed to make the following adjustments to the budget at this time.

Under Mayor and Council, Council agreed to reduce the NJLM Conference line item to \$600.00 and increase Dues and Membership to \$1550.00, in order to keep the expenses in the correct area. Council also agreed to delete the Catholic Charities line item and move that \$500.00 to make the miscellaneous line item \$1,100.00.

Under Uniform Construction Code, Council agreed to increase the Demo Board Up to \$1,500 from what the Mayor had originally suggested because of the condition of some of the vacant houses.

Mr. Hatcher stated that it is possible that the Delran Patrolman's Association may hire an Attorney for negotiations. If that is the case, we may want to use the Labor Attorney for negotiations. We may need to look at adding additional funds to the budget to cover those costs. Mr. Hatcher will report back on this issue.

Under Buildings and Grounds Council, agreed to switch the number under grass cutting and miscellaneous. Grass Cutting will now have \$2500.00 and Miscellaneous will have \$7500.00.

Ms. Pomeranz asked Mr. Hatcher to explain the reserve for uncollected taxes.

Mr. Hatcher stated that the number he used is last year's number. Basically, we have to take total taxable amount for our budget, the School Board, Fire District and County and multiply that number by the anticipated collection rate. The difference becomes the reserve for uncollected taxes. Whether we collect the total taxes or not, we are required to pay the School Board, Fire District and County. Once we have the total numbers, it will begin to make more sense.

Mr. Paris stated that the total expenditures are down \$65,000 from the prior year's budget.

Mr. Hatcher stated that he hopes to have the revenue numbers for next week and he will be able to give them a better understanding of the impact of the budget.

We will also need to talk about salaries, the Capital Budget and the Sewer Budget.

Mr. Hatcher stated that he did put \$50,000 in the budget for capital projects. That allows for \$1,500,000 in capital projects. Council will need to talk about how much they want to set aside for road improvements. This fund is a reserve fund so any money not spent will remain in the fund.

Mrs. Kolodi asked that we prepare a simple statement explaining the reassessment program.

Mr. Paris stated that Mr. Davis will be at the public meeting and we can also put an explanation on the website.

We will continue to discuss the budget at the next work session.

Mr. Schwartz made a motion to adjourn the meeting, seconded by Ms. Pomeranz. All were in favor, the meeting was adjourned.

Respectfully submitted,

Jamey Eggers, Township Clerk