

February 5, 2019

A workshop meeting of the Mayor and Council of the Borough of Victory Gardens held on February 5, 2019.

Mayor Holeman called the meeting to order and declared a quorum present.

Pledge of Allegiance to the Flag of Our Country.
Please remain standing for a moment of silence for our military.

This meeting has been advertised in one newspaper, The Daily Record, in compliance with the New Jersey Open Public Meetings Act.

ATTENDANCE: Councilwoman Cheatham, Councilman Glass, Councilwoman Hedgepath, Councilwoman White, Councilman Lorenzo, Councilwoman Garcia Montes.

ABSENT: None

Tonights meeting is for discussion on the 2019 Municipal Budget.
At this time the meeting was turned over to the Borough Chief Financial Officer, Joe Costantino. The Mayor announced that this meeting will last one hour.

Debbe and I sat down a few times and went over the budget and what we thought we needed in this budget. Most of the items, we have no control over. There are some things that have gone up which again, we have no control over. I also had discussions with the Mayor.

RVRSA is going up almost \$2,000 a month. Health insurance has gone up 2% . We put more money in legal because of the RVRSA litigation. We put some cushion in the budget just in case there is any unexpected things that might come up.

We have some revenues this year that we have not had in the past. Interest has gone up. In 2018 we took in \$23,000 in interest. This year should be better at about \$30,000. Our Capital Improvement Fund we put up from \$10,000 to \$20,000. Councilwoman Montes asked if this money in capital will be invested? It will be in the bank earning interest. It will be set aside though in Capital so we have it if we need it. This money goes into Capital in case we need it. Councilwoman Montes asked about our sewer lines and what shape they are in? The Clerk said over the years that she has been here we have done a lot of work on the sewers. We can never be sure if there will be a break but I believe most of our lines have been replaced.

Councilman Glass asked about the \$119,000 that Derek said we had to use for the purchase of a truck. Is there any money left in there? Yes, about \$7,500. The Clerk said she believes that money was from when we cancelled out some of the old ordinances. We gained some money from there. Any other money left from that went back into Capital.

Joe said with the sewer rates, we may want to look at increasing them. With the hit we are taking this year with RVRSA and the litigation, we will surely have to raise rates in 2020. We can probably get through this year, but next year we will have to raise sewer fees. We also may want to look at the court. We aren't bringing very much money in from the courts. The Clerk said the court is never a money maker. We have never made any money with our court. If the State Police write tickets they get the money. Our money from the court comes in when Ron writes tickets or some other official of the town writes tickets. Then that money comes to us.

Joe asked how many years our court agreement was for? I believe 10 the Clerk said. We may eventually want to look at somewhere else to go. We aren't getting enough money in to pay for what we are paying. The Mayor said our Building Department will be losing money in the future. The State is telling us that there will be a lot of things the towns have charged for in building that now they can't charge for. Yet, they still want us to inspect when we see work being done. We asked if we can get rid of the inspectors and the State said no. There are things we will still collect fees on - but the way it is going, it won't be much.

Joe said the increase in the budget is going to be 4% . However, some of the items that are in this budget, are not within the CAP. So on the whole, the budget will be going up 2% . We have a budget that is in pretty good shape.

Salaries are something we need to discuss. I understand in the past mostly 2% was given. I think there was a 3% in there once. Debbe asked me to do raises for the Council so they have something to compare. So I did raises at 3% , 4% and 5% . Councilwoman Montes asked if we give 5% raises would the taxes go up? Yes, they should go up every year. We are looking for an increase in the budget of 2% . This is what we go up every year. Why every year, if we are in good shape, does the taxes go up? Councilman Glass said that we have to go up in taxes every year. One year we didn't go up and taxes stayed the same. We lost state aid and then we got hit with a huge tax bill. We have money in our budget from the Board of Ed. We received over 1 million dollars. We use that money every year as a draw down to help keep the taxes low. It was decided when that money came in that so much would be used every year to help keep the taxes low. We do that every year and if we continue on the pace that we are now, we will have enough of that money to help out for 20 years. That reserve is getting interest at 3% . It is giving us about \$30,000 a year. Costs are always rising. That is why you have to increase the budget every year. Councilwoman Montes asked with this budget like it is right now, with the raises, how much will taxes go up? 2%. Which the Clerk said is what we do every year. Councilman Glass asked if we are getting any State Aid? Yes. We get about \$70,000 a year. For us that is 7 tax points. A tax point for us is about \$7,400.

On the sheets that you have in front of you with the raises, I figured high on the hours for overtime. We just don't know what the overtime hours will be. I rather go a little high than be low. Councilwoman Montes said a 5% raise for the Mayor and Council but what about the professionals? The professionals would get the 2% or whatever they asked for if the Council approves that. The professionals are not employees. These raises are just for the staff.

The Mayor asked Joe for a 2% increase in taxes what would that be in taxes per household for the year? I can give you rough numbers. On a house assessed at \$171,000 it would be approximately \$4,430. So the 2% tax increase would mean about \$22 more a quarter for a total of \$88. So it would be about \$8.00 more a month. Councilwoman Montes asked what Charlie Wood does for us? He reconciles the accounts. Joe can't do it all by law so we have to have someone else do that and that is what Charlie does. What does Lorraine do? She is our Tax Collector.

The Clerk asked Joe if he has the figures for what was left in reconstruction for town hall? When we were talking I think the figure you gave me was \$247,000. We have this money that we have had since the building was built. We have the money so it will not increase taxes. We need to get some things done around this building. The tiles in the hallways are coming up. We need to replace them. All of the windows need replacement. The Mayor get a flood in his office every time we have rain. Our windows we have paper towels stuffed in them to keep the cold air out. I think with the new windows, that will save on your heating and cooling costs. The roof leaks. We have this money and we need to put it into the Borough Hall to get it fixed. I need to know if I can get these projects done. Councilman Lorenzo said you would have to get estimates. I know that. I didn't want to start the process unless I was sure I was able to do it. Council said to get estimates.

Joe asked the Council if there are any needs that they know of that we need to put in this budget. The Clerk said the Mayor wanted to get more cameras for our parking lot. Council knew of no projects. Next year maybe codifications of the ordinances. Cameras, security buzzer or things like that can come out of the money for the reconstruction of town hall. The Mayor said he wants to make sure that the cameras are good and that it can be picked up on the screen on the desk. We need some kind of safety in the parking lot. Maybe a little more lighting out there would be good also.

The Clerk said she spoke with the company that does our cameras and they said putting more cameras is not an issue. We have more space. I will call him and have him come out to give us a plan and a cost as to where he can put the cameras. The current cameras erase after 30 days.

Joe asked when we want to introduce the budget? The Clerk said Bill usually wants us to introduce either the last meeting of February or the first meeting in March. The Mayor asked Joe when we talked about the 5% raises that was for everyone across the board, correct? Yes. Deb and I have talked in length about when Debbie D. passes her test that we should give her a raise. What do you mean by that Councilwoman Montes asked? We are paying for her schooling. Yes. She can walk away after she gets her degree. Yes, so we want to make sure she doesn't do that. She came to us two years ago and asked for a raise so we would keep her and she got that. Yes. We talked about giving her between \$3,500 and \$5,000 more once she passes her exam. You have to weight that against the time and effort you invested in her schooling. You have to look at what it would cost to replace her. Debbe is grooming her to be the next Clerk. Councilwoman Montes asked what Debbie is making a hour now? She is making \$15.76 an hour. With the 5% raise she would be making \$16.55 an hour. So we put extra money in the Clerks S & W so when she passes her exam we will have money to give her a raise. Councilman Glass asked if she would be salaried? No, still hourly. Debbe and I looked at different salaries and what people are getting hired at. They do have job openings but no one is posting salaries Joe said. Debbe's position as your Clerk is probably the most important one within the town. Joe said that street level entry positions where he works for the County - these people are coming in making more than Debbie makes and they have no experience. Councilwoman Montes said she is not Debbe. She doesn't know everything. That is true but that is why Debbe is working with her. The Clerk said once Debbie gets certified as a Clerk then she will have to take classes for Registrar.

Councilman Lorenzo asked when is she getting through the test? Well, she has done all the classes and passed them. This month she is taking the review class. The review class is three different dates. So she goes this week coming starts her first of the three classes. Then she sits for the exam in April. In order to set for the review class, you would have had to pass the five classes they give you. Debbie has done that. Each class can be from 4 weeks to 6 weeks. You past that class then you go on to the next class. It takes about 3 years to get your classes done. She has done that. Then you take the review class which she is getting ready to do this month. Then she takes the exam. The State sets up the classes. They don't offer them all the time. Schooling never ends. Just like I have to do and anyone that holds a certificate, you have to do the continuing education. So every year, no matter what, you are taking classes.

So Councilwoman Montes asked how much was put in this budget for her to get a raise when she passes the class? Joe said between \$3,500 to \$5,000. Again, Debbie is making \$15.76 an hour. With the raise that everyone is getting at 5% , she will be making \$16.55 an hour. With the 5% raise we were looking at giving her another \$4,000. Councilman Glass asked how much that would put her at for an hourly rate? Probably an additional \$2.00 an hour.

The Clerk reminded everyone that we have a regular Council meeting next week and the following week would be our next budget meeting. Council said they got everything done this meeting and they don't need to have another meeting. The Clerk said she would post it in the paper that our other budget meeting is cancelled.

Motion to open the meeting to the public by Councilman Glass, seconded by Councilwoman Montes and approved on verbal vote. None opposed.

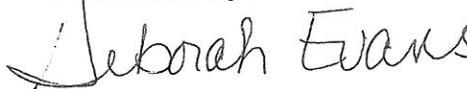
Valerie Williams - I understand about Debbie getting a raise. She does her due diligence when it comes to performing her duties. I want to know who will be the Administrator when Debbe Evans retires and how much will that cost the Borough to replace you. We know that right now the salaries are combined. The Clerk said we aren't looking at that right now because for the next few years, I am not going anywhere. I thought about just being the Administrator and work part time, if the Council lets me do that. You said the tax rate. What was that? For 2018 it was 2.576. I don't have the new tax rate yet. Can you say again what the school reserve is? Right now it is about 1 million dollars. The Borough draws down on this amount every year to keep taxes as low as they can. So the taxes will be going up 2% ? Yes. You are figuring about an extra \$88 per household? Yes.

Valerie Williams Continued - Legal is going up \$10,000 ? No. About \$1,500 because of the RVRSA litigation. What is the budget for recreation? \$3,600. Is that going up? No. You said the administration is awful in planning. Not this Administration. On the state level and County level. The comments and recommendations in the budget, where are we with that? We are currently working on the encumbrance system. The other one we will always have just because we have a limited amount of people working here.

Motion to close the meeting to the public by Councilman Lorenzo, seconded by Councilwoman Montes and approved on verbal vote. None opposed.

Motion to adjourn the meeting by Councilwoman Montes, seconded by Councilwoman Hedgepath and approved on verbal vote. None opposed.

Submitted By:

A handwritten signature in cursive script that reads "Deborah Evans". The signature is written in dark ink and is positioned to the right of the printed name.

Deborah Evans
Borough Clerk