

**CITY OF ESTELL MANOR
SPECIAL MEETING/BUDGET WORKSHOP
APRIL 14, 2010 MINUTES**

Pursuant to the Open Public Meetings Act adequate notice of this meeting was sent to the Official Newspaper and was posted on the City Bulletin Board. Mayor Venezia called the meeting to order at approximately 6:08 pm.

ROLL CALL: Present: Barbetto, Giercyk, Myers, Teasenfitz and Venezia
All present including Liz Garcia, Labor Relations Attorney in place of City Solicitor, Alfred Scerni. Finance Officer, Judson Moore and City Auditor, Carol McAllister were also present.

Mayor Venezia stated the Finance Committee has already met and were informed that the City has lost more than \$50,000.00 in State Aid and an additional \$50,000.00 in interest revenue.

CFO, Jud Moore stated the City surplus is down \$140,000.00. He stated three key factors in the reason for decreased surplus amounts as follows: loss of interest revenue, loss of State Aid and decreased surplus. Auditor, Carol McAllister explained how surplus has been affected by the factors mentioned by Moore. Discussion ensued over prior years capitol purchases. Ms. McAllister stated taxes are more than doubling at this point in the proposed budget.

The Mayor questioned if that amount included the possibility of City employees hours being reduced. Ms. McAllister responded yes the budget reflects a 15.5 cent increase. The Mayor questioned insurance premiums and the City's cost. A brief discussion ensued over the MEL/JIF premiums and any increases caused by the recent lawsuit. Ms. McAllister explained the tax levy waiver process. Councilman Barbetto discussed the issue of employee cuts. The Mayor responded that he felt the City was being forced into such a decision. He also stated the Tax Collector was hired to work 6 hours a week and described how other small towns have limited hours that the tax office is open to the public. Mr. Barbetto stated the senior citizens in our community rely upon the staff in the tax office for other assistance with matters other than taxes. The Mayor commented a full time tax collector is not necessary in Estell Manor. He stated a previous employee who worked in the tax office in the past attested to this. A discussion ensued between the Mayor and Mr. Barbetto regarding staffing the tax office.

Councilwoman Myers questioned whether the towns the Mayor referenced had other full time staff. Councilman Teasenfitz commented on the necessity of fulfilling the community's needs through the municipal offices. Ms. Myers stated she has witnessed the tax window is very busy fielding many questions and topics in addition to taxes and this allows the City Clerk to be able to complete her work uninterrupted. The Mayor stated he feels a full time Deputy Tax Collector is not needed a City this size. Mr. Barbetto commented on employee security and safety concerns. Ms. Myers questioned what other cuts are being proposed.

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Mr. Teasenfitz stated this past winter is a good example for the need of more employees in the Public Works Department not less. Discussion ensued over seasonal weather interruptions, emergencies and safety factors. The Mayor stated the City has a great volunteer fire company willing to help our town with emergency situations. He also stated in the past DPW only had one part time employee that was able to service the entire City. The Mayor and Mr. Teasenfitz discussed services expected by the City's residents at the present time and the limited role of the Office of Emergency Management.

Ms. Myers reiterated her request of what other budgetary cuts were being considered. Ms. McAllister stated salary freezes, removal of certain capital expenditures and a reduction in the Planning and Zoning Office operating expenses had been discussed.

The Mayor questioned the CFO about the Garden State Preservation Trust Fund and whether or not any cuts were being made. Mr. Moore responded that he heard it would stay the same this year but most likely face a 1/3 cut in 2011.

Ms. Myers suggested Mayor and Council take a \$500.00 cut in their yearly salaries. Mr. Barbetto made several other suggestions for possible budget cuts. Based on Council's discussions and suggested budget cuts thus far, the options were either a 15.3 cent or 17.5 cent tax increase.

A motion was made by Barbetto, seconded by Myers to accept the 17.5 cent tax increase and close discussion on the budget. Roll call: Barbetto-yes; Giercyk-yes; Myers-yes; Teasenfitz-yes; Venezia-no. A date was then set for the public hearing.

ORDINANCE / FIRST READING / NOT OPEN TO THE PUBLIC

02-2010 Calendar Year 2010 Ordinance to Exceed the Municipal Budget Appropriation Limits and to Establish a CAP Bank (N.J.S.A. 40A:4-45.14)

*Motions: Teasenfitz / Barbetto to accept Ordinance 02-2010 for first reading as listed.
Roll call: Barbetto – y, Giercyk – y, Myers – y, Teasenfitz – y, Venezia – y.*

OPEN TO THE PUBLIC

Resident, Creed Pogue commented on changes in the City surplus over the years. He also made a suggestion to pass a resolution immediately in regards to the employee insurance and council salary changes. He made comment on issues with our solid waste collection and the proposed state "millionaire's tax" which he supports. He strongly suggested Council not adopt the budget until after July 1, 2010 to see what happens with state aid. The Mayor asked the city CFO to respond to comments made in regards to the City's reduction in surplus for clarification.

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Resident, Tom Pogue stated he admired the courage of Council in this decision making process to ensure that City employees are present.

Seeing no one else from the public wishing to speak, this meeting was adjourned.

Respectfully submitted,

accepted:

Kimberley Hodsdon, RMC

Mayor, Joseph Venezia