

ON THURSDAY, JUNE 2, 2011, AT 7:05 P.M., THE JACKSON TOWNSHIP COUNCIL HELD ITS THIRD OF THREE SPECIAL PUBLIC BUDGET MEETINGS FOR 2011 BUDGET AMENDMENTS IN THE MUNICIPAL BUILDING

**PLEDGE OF ALLEGIANCE
ROLL CALL:**

**COUNCILMAN KAFTON
COUNCILWOMAN RIVERE
COUNCILWOMAN UPDEGRAVE
COUNCIL VICE PRESIDENT BRESSI
COUNCIL PRESIDENT MARTIN**

**ATTORNEY CIPRIANI
DEPUTY CLERK KISTY**

ALSO IN ATTENDANCE:

MAYOR REINA *(7:11 p.m.)*
**ADMINISTRATOR TORRES
CHIEF FINANCIAL OFFICER PINKAVA**

As Clerk of this meeting, I publicly announce that in compliance with the provisions of the "Open Public Meetings Act" adequate notice of this meeting of the Jackson Township Council has been advertised in the manner prescribed by law.

COMMENTS BY THE TOWNSHIP COUNCIL MEMBERS:

COUNCILMAN KAFTON said the Council has reviewed the budget to find the money, reduce line items and save jobs without hurting services to the Township. Quite a bit of money has been found; his concern is the impact to taxpayers. He is not happy with the process this budget has taken. He asked why all the employees weren't asked to make a contribution on their health benefits. Doing so would minimize the impact to taxpayers, avoid layoffs and maintain services to the town. He didn't agree with cutting line items. He applauded the Council for doing everything they could. The budget wasn't complete when it was handed to them, however. He said it is wrong that the taxpayers paid to put a lot of police officers through the academy and to now lay them off. Right now, he would vote no for the budget.

Deputy Clerk Kisty noted that Mayor Reina joined the meeting at 7:11 p.m.

COUNCILWOMAN RIVERE was also disappointed in the budget and that Council only came as far as they have. She thought the answer could have come in the negotiating room but she wasn't in those meetings and doesn't know if anything more has come of that.

COUNCILWOMAN UPDEGRAVE said tonight's meeting is to vote on the amendments; the public hearing will be June 14 along with the budget adoption. She didn't know if anything would happen by then. Tonight is yea or nay to the amendments, which means they will be putting forth a reduction. The finance office has put numbers together, and Councilwoman Updegrave sat with them; people think there is hidden money, but there isn't. Problems exist with many municipalities and one of the issues is that the tool box wasn't passed with legislation. This would have helped tremendously.

COUNCIL VICE PRESIDENT BRESSI said Council worked hard and it is not true there is hidden money. They need assistance from the negotiating unions. Administration is taking chances in reducing certain line items. He went through the budget line by line and he feels Council did their job. They have to move on with the amendments.

COUNCIL PRESIDENT MARTIN agreed with Council Vice President Bressi. No one wants to lay anyone off. He has spoken with everyone and everyone has tried to work

hard on this. He hopes that everyone will continue to work together so all jobs could be saved.

MAYOR REINA said there are a lot of circumstances that affected this budget and will affect the next one. You can OPRA email and find out who has spoken to who, and the emails between the Council and Administration are public record. A lot of money has been trimmed from the budget. This is economics, not politics. There is a reduction in revenues and everything else has gone up. Once he gets word on what the bargaining units will decide, he will forward that to Council. He thanked the bargaining units for meeting him on his schedule.

Council President Martin asked where we stand on the number of layoffs as of tonight. Mayor Reina said tonight you are looking at 12 police officers, 6 TWU, 5 AFSCME and 1 confidential employee. Council President Martin said they have to keep working. Councilman Kafton said there are serious budget issues and people's lives are affected. He said the problem could have been solved with the request for employees to contribute more to their health insurance and this has not been done. Councilwoman Updegrave said that was a suggestion, the unions were approached, and that won't affect this year. Mayor Reina spoke with Councilman Kafton, complimenting him on his ideas, but they couldn't be discussed here because they are part of negotiations. He has information that can't be discussed here. The Township will be open five days a week, effective July 1. Mayor Reina felt positive to what the unions are going to bring back. Nothing is being held back. Councilman Kafton said the problem could be solved. Council President Martin understood numerous plans have been put in front of the unions in an effort to save jobs. Councilman Kafton repeated that what was discussed hasn't moved forward yet. Chief Financial Officer Pinkava said one of the exclusions in the levy cap is health benefits. Council President Martin called for an executive session to discuss this at 7:32 p.m.

RESOLUTION 182R-11

TITLE: RESOLUTION FOR EXECUTIVE SESSION TO AUTHORIZE TOWNSHIP COUNCIL TO ENTER INTO CLOSED DISCUSSIONS CONCERNING MATTERS AS NOTED BELOW

MOTION TO APPROVE BY: RIVERE

MOTION SECONDED BY: KAFTON

YES: KAFTON, RIVERE, UPDEGRAVE, BRESSI & MARTIN

WHEREAS, Section 8 of the Open Public Meetings Act permits the exclusion of the public from a public meeting under certain circumstances; and

WHEREAS, this governing body is of the opinion that such circumstances presently exist.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Jackson, County of Ocean, and State of New Jersey, as follows:

1. The public shall be excluded from discussion concerning the hereinafter-specified subject matter.
2. The general nature of the subject matter to be discussed is as follows:
 - a) Personnel/Professionals: Personnel Matters as they relate to the Municipal Operating Budget
 - b) Litigation/Potential Litigation
 - c) Potential Land Sale/Land Acquisition
 - d) Contracts/Agreements:
3. It is anticipated that the subject matter discussed may be made public upon its conclusion or final disposition.

DATED: 6/2/11

**ANN MARIE EDEN, R.M.C.
TOWNSHIP CLERK**

8:20 PM RECONVENE PUBLIC MEETING

RESOLUTION 181R-11

TITLE: AUTHORIZE AMENDMENTS TO THE CY 2011 MUNICIPAL OPERATING BUDGET

DEPUTY CLERK KISTY READ IN FULL RESOLUTION 181R-11 (BUDGET AMENDMENT #1)

MOTION TO APPROVE BUDGET AMENDMENT RESOLUTION 181R-11, ADVERTISE THE APPROVAL, SUMMARY AND NOTICE OF PUBLIC HEARING TO BE HELD ON JUNE 14, 2011 BY: RIVERE

MOTION SECONDED BY: UPDEGRAVE

YES: KAFTON, RIVERE, UPDEGRAVE, BRESSI & MARTIN

WHEREAS, the local municipal budget for the year 2011 was approved by the Township Council on the 5th day of April, 2011 and

WHEREAS, on April 27, 2011 the voters rejected the CY 2011 municipal cap levy referendum pursuant to N.J.S.A. 40A:4-45.45 et seq.; and

WHEREAS, the rejection of this referendum has resulted in the need to amend the CY 2011 Municipal Operating Budget in accordance with N.J.S.A. 40A:4-9; and

WHEREAS, the public hearing on the budget has been held as advertised, and

WHEREAS, it is the desire of this Governing Body to amend the approved CY 2011 Municipal Operating Budget in accordance with the provisions of N.J.S.A. 40A:4-9 and N.J.S.A. 40A:4-45.45.

NOW, THEREFORE BE IT RESOLVED, by the Governing Body of the Township of Jackson, County of Ocean, that the following annexed Schedule of Amendments will change the budget appropriations for CY 2011 from \$39,084,340.72 to \$38,528,833.29.

BE IT FURTHER RESOLVED, that three certified copies of this resolution be filed forthwith in the Office of the Director of Local Government Services for her certification of the local municipal budget so amended.

BE IT FURTHER RESOLVED, that a summary of this amendment, in accordance with the provisions of N.J.S.A. 40A:4-9, be published in the Asbury Park Press in the issue of June 9, 2011, and that said publication contain notice of public hearing on said amendment to be held at the Municipal Building on June 14, 2011 at 7:30 p.m.

It is hereby certified that this is a true copy of a resolution amending the budget, approved by the Governing Body on the 2nd day of June, 2011.

Certified this 2nd day of June, 2011.

disbursed. Ms. Pinkava said it goes right into surplus. Mr. Brown asked why it can't go into the budget. Ms. Pinkava said there is an option; if it is anticipated, you can use it for this year's budget, and if not, it is used for next year's budget. Attorney Cipriani said you can't budget the same amount twice if it is in surplus you couldn't use it last year and this year. Mr. Brown said it is about \$112,000 per year. Mr. Brown said he met with the Mayor, and advised no agreement has been reached. They are still open to talking with the Town and wanted to ensure the members and families they will continue to work with the Town on this matter. Attorney Cipriani said any further amendment would require a public hearing if it was over a certain percentage; in this case you may or may not need to have a public hearing. Mr. Brown said on the health care issue, the legislature has determined the amount and now they are proposing to increase the amount that is paid for the premiums. He personally opted out of the health benefits program and saves the town \$17,000. He verified they are down to 12 police officers from 23 for layoffs.

Pat Wood, President of AFSCME said they met with Mr. Torres and the Mayor today. They are working very hard to save all of the jobs but it is not easy. AFSCME workers gave \$300,000 back in 12 months. They don't know what was done with the money. She asked Ms. Pinkava about the \$400,000 budgeted for fuel, and if that is anticipated in the budget and Ms. Pinkava said yes. Four fire districts and the MUA give back \$100,000 of that. Ms. Wood asked if the FEMA funds for the December 2010 storm are in the surplus account and was told they haven't been received yet. Once received, it is placed in surplus and can be used next year.

Scott Sargent, Acting President, TWU saw a higher amount in the budget for snowplowing and asked what happens if it isn't used. Council President Martin said it goes into surplus and would help the budget next year. Mr. Sargent didn't want to see it spent on pumpkins and Christmas decorations with people getting laid off. Mr. Sargent thanked Mr. Torres and Ms. Pinkava, stating the TWU has made concessions that hopefully will help next year's budget as well.

Frank Cipully, 3 Brittany Lane asked how the building and recreation departments' budget numbers are reached as anticipated and road jobs are not. Ms. Pinkava said it has never been anticipated in any prior year. Mr. Cipully wanted us to push the State to put it in as anticipated. Ms. Pinkava said the effect is still the same. Mr. Cipully wanted to see it anticipated as revenue.

Garry Black, Lewis Lane spoke of the road jobs, that they are shown as anticipated and it is there, so there is no concern; it is unfortunate it is not found money. Chief Financial Officer Pinkava said it is part of the surplus and is used to support the budget. Mr. Black said we experienced growth and with growth comes expense. He knows what has to be done for this budget, but we have to focus on what we need. It might help to get rid of a myriad of rules and regulations in order to attract business. We need to scale back to what government used to be. He thanked Council for their work.

Paul Mayerowitz, 91 Cypress Point Lane said fuel was cut by \$25,000 and asked what was spent in 2010 and what the budget is for 2011. Councilwoman Updegrave said the budget shows \$432,000 at the time of printing, it was appropriated at \$475,000 and cut by \$25,000, so now it is \$450,000. Next, in 2010, Mr. Mayerowitz asked how much overtime was spent on Police, explaining there was a problem in 2010 with overtime and comp time and that should be eliminated this year. Ms. Pinkava said the overtime for 2011 is \$432,000 and comp time is \$83,000. For 2010, we spent \$227,000 on overtime but Ms. Pinkava would have to look in the system under wages and salaries for the actual comp time numbers. Mr. Mayerowitz said they need to set up a deferred reserve account for the unfunded liability for comp time.

Campbell Brown had the numbers for 2009 and 2010 overtime and comp time combined, which is \$676,655. The actual overtime pay in 2009 was \$416,759. In 2010, the actual overtime paid out was \$228,746 and comp time when combined was \$649,079. When Mr. Brown asked how much was budgeted for overtime this year, Ms. Pinkava said \$340,000.

Peter Grzelak asked if there is nothing for comp time and Ms. Pinkava said they increased comp and overtime is \$100,000. \$1.2 million is owed as of the end of December. It is a value; it could be used in various ways.

Joe Candido said as far as his department [police] is concerned, they are limited to cashing in 100 hours per year, unless someone is retiring, then they pay it out in one shot.

Peter Grzelak said if some of these officers get laid off, do they receive the comp time and Ms. Pinkava said yes. Council President Martin said that has been factored in. Mr. Grzelak asked how much is factored in and Ms. Pinkava said it depends on what is set up in the current fund and it is set up in a trust fund, and if someone is laid off, they get the money and it is in the budget. If they don't get laid off, some of the money is in the trust fund and some is in the budget.

Campbell Brown asked what the accumulated sick trust is comprised of and was told comp time, personal days, regular days off and vacation days. Mr. Brown said they can't cash out those days, which the \$1.2 million includes. Mr. Brown said other bargaining units can cash out sick time. Council President Martin clarified the police have unlimited sick time; other units are limited in the amount of sick time they accrue. Mr. Brown agreed, stating he was clarifying what is in that amount.

Jeremy Felder, Sage Court asked what Jackson Township pays out for 12 police officers when they are laid off. Ms. Pinkava calculated the figures at \$281,153. Mr. Felder asked where the money comes from unemployment, vacation and comp time payout. It comes from the budget to pay it out. Mr. Felder said it is budgeted to pay it out and the police deficit is \$265,000, but you are paying out \$281,000. Ms. Pinkava said the savings is \$327,000, but the levy cap calculation for health benefits is a factor. There is no exclusion on health benefits. Council President Martin said no one wants to do this.

**MOTION TO CLOSE PUBLIC HEARING ON ANY TOPIC BY: BRESSI
MOTION SECONDED BY: UPDEGRAVE
YES: KAFTON, RIVERE, UPDEGRAVE, BRESSI & MARTIN**

Attorney Cipriani clarified you can't bond for operating expenses. That is not an option.

**MOTION TO ADJOURN BY: UPDEGRAVE
MOTION SECONDED BY: BRESSI
YES: KAFTON, RIVERE, UPDEGRAVE, BRESSI & MARTIN**

9:07 P.M.

RESPECTFULLY SUBMITTED,

COUNCIL PRESIDENT MARTIN

**JANICE KISTY, R.M.C.
DEPUTY TOWNSHIP CLERK**

JK/jk