

A special meeting of the East Amwell Township Committee was called to order at 6:40 p.m. Present were Mayor Tim Mathews, Deputy Mayor Richard Wolfe, and Committee members David Wang-Iverson, Kevin Ostrander, and Peter Miller.

In compliance with the Open Public Meetings Act, notice of this meeting was sent to the Trenton Times, Star Ledger, filed in the Clerk's Office and posted on the bulletin board on February 6, 2018. The purpose of this meeting is to meet with the CFO to discuss the 2018 budget. The public is invited to attend. Action may or may not be taken.

CFO Margaret Pasqua was in attendance. She had previously prepared revised sheets on January 16, showing changes made at the January 11, 2018, meeting. Extra copies were provided to the governing body tonight.

At the last meeting, the Committee agreed to pick up where they left off in the budget packet. The last page they reviewed then was page 22, Streets and Road Maintenance, with \$15,000 left in the budget for Kleinschmidt House.

Page 23, Solid Waste Collection, remained the same. Ms. Pasqua said it was sufficient and money is used from the Clean Communities funds as an off-set.

Page 24, Buildings and Grounds, an increase from \$22,000 to \$23,000 was requested. Mr. Ostrander asked about the maintenance of the building, and Ms. Pasqua mentioned an added unforeseen expense last year of \$5,000-6,000 for repair of the fire rated drop doors in the clerk's office. Last year's budget was spent in its entirety.

Page 25, Vehicle Maintenance, will remain the same.

Page 26, Public Health Services, is the Board of Health budget. Well inspection fees and perc/soil logs are considered revenues and are covered by fees. There is a question as to whether the hydrological review of water testing at The Ridge at Back Brook will be under the Planning Board or Board of Health budget. Princeton Hydro reviews the water test results for the golf course. On a question from Deputy Mayor Wolfe, Mr. Wang-Iverson explained that as part of their recent approvals, the Planning Board required the golf course owners to continuing testing, which the Planning Board would oversee. If that is the case, the money may be transferred from the Board of Health to the Planning Board.

Deputy Mayor Wolfe asked about the line item for refunds; Mr. Wang-Iverson explained that if a resident pays \$1,000 and only uses \$700 for soil testing, \$300 would be refunded. A previous CFO required the extra line item be placed in the budget for return of the unused portion of fees.

Mayor Mathews went back to the water testing at The Ridge at Back Brook, asking about annual testing. Mr. Wang-Iverson believed that testing was to be done once a year and possible change in frequency to every other year. The requirement is to have Princeton Hydro review the report from The Ridge's professional and summarize/comment on parameters and determine if anything is out of line and flag it. There has been nothing out of line found, and usually reports are benign. Deputy Mayor Wolfe will reach out to Planning Board Chair about the expectations of the report.

Page 27, Environmental Commission, salary was bumped up for extra hours, and the operating budget was slightly increased because of projected increased participation in events, such as Hunterdon County Community Day and the School's 5K race.

Page 28, Public Assistance, was noted, with the miscellaneous line for payment of the administrator's mileage; all of her last year's bills have not yet been received.

Page 29, Stormwater Permit, is a set fee paid to the state. The fee has been \$500 for the past few years, but the CFO leaves extra funds in the budget for possible increases. A recommendation was made to decrease it from \$1000 to \$750.

Page 30, Recreation Services and Programs, was reviewed. Ms. Pasqua noted the request from Summer Playground Directors for an increase in salaries. There is \$2,000 in the operating budget and overage would come from the Recreation Fund.

Some discussion took place about changing the fee for the summer program. It is currently \$50 for prepayment by a certain date and \$60 thereafter. The program is only for East Amwell school children and is a morning program for a few hours.

Deputy Mayor Wolfe asked Alison Castellano, in the audience, about the program. She explained the popular program during the month of July at the school. Mr. Miller did not believe parents would protest an increase in fee since it hasn't gone up in a while. Mr. Ostrander asked about attendance; Ms. Castellano explained that children don't go everyday, and parents were not losing money by paying \$50-60 a month for the program. The Committee was in agreement with increasing the fee for summer playground to cover costs of the increase in salary to the directors. An ordinance will be ready for the March meeting.

The contribution to the Seniors Program was an item listed in the Recreation Budget. Deputy Mayor Wolfe recalled that last year this budget was originally reduced to zero funding and then funded with \$1,000. At that time, a resident indicated that they would be going to Raritan Township to find out about funding and would present to the Township Committee; this was never done. Mr. Ostrander also recalled the discussion, indicating that the resident should come back to the Township Committee with an update and the consideration of private funds might be an option. The reason for the cut was that Township Committee should not be contributing all the funds for a group where a majority of the participants were not East Amwell residents. The budget of \$1,000 will remain, and the Seniors will be asked to come to the March meeting for an update.

Page 31, Utilities, included a line item for Elizabethtown Gas, including a new bill for Clawson House. The bill read \$1,800, but the CFO discussed this with the company, and she will pay only \$300. An actual meter reading will be done soon to determine actual costs. Ms. Pasqua asked if payment of the bills for Clawson House gas will come from the Open Space Trust Fund (OSTF) for the Historical House or from operating; she added that she did not budget for these bills in the operating budget. Deputy Mayor Wolfe met with Jim Davidson about this, adding that the Township will have carrying costs for the house until it's up and running. The goal is to make the house self-sustaining with a plan to hold charitable events on site and have the Township carry costs until next fall. Deputy Mayor Wolfe did not feel that the heat and air conditioning costs would be that huge. Mr. Ostrander commented on funds not being in the regular budget. Deputy Mayor Wolfe's view was that the OSTF was not a grab bag and should be used for land and open space. He did believe that Clawson House should be grandfathered with \$210,000 out of the fund for Clawson House completion. The Deputy Mayor said that Mr. Davidson is getting more grants, and while "not a fan for things not open space," Deputy Mayor Wolfe felt that this was not a permanent expenditure, that Clawson House should be grandfathered, that the House will be self-funding at some point, and the Township will have to carry it until then. He concluded that it was up to the Township Committee to decide.

Comments were exchanged, including the following: Mr. Ostrander said that it is not a municipal building but an historic one; Mr. Wang-Iverson agreed that it was historic, adding that the Township was paying utilities for the park until the OSTF issue came up; Deputy Mayor Wolfe said that there was \$600,000 in the trust fund, and Clawson House is grandfathered – the funding request is a temporary one, will not amount to much, and the Township cannot now say to turn power off; Mr. Wang-Iverson agreed that it made sense to take funds out of the OSTF; trash and water testing for the park is being paid through the OSTF; Mr. Wolfe said that they were going to make Clawson Park a 501(c)3 park and funds could be pulled out of the trust fund for maintenance, but not for a tennis court.

Mayor Mathews concluded that it was okay for a period to pay the bills out of the OSTF, but he would like to have Mr. Davidson present a strategic plan on how and when items will be finalized. Deputy Mayor Wolfe said that Mr. Davidson is doing a lot of work, and the Deputy Mayor's wife, Kathy, is involved. The Deputy Mayor believed that the Township should take care of funding until the house is up and running and able to pay for itself; he commented on Mr. Davidson doing "a stellar job," and when complete, there will be a good plan to make it self-funding. Mayor Mathews said that the Committee would target summer for a report from Mr. Davidson on how the house will be financially self-sufficient. Mr. Ostrander concluded that the utility money will be taken from the OSTF since it fits the category.

Page 32, Solid Waste Disposal, showed \$200 from the Recycling Enhancement Act which is now being charged to RVD, a different disposal company than last year.

Page 33, Contingent, remains budgeted at \$1,000.

Page 34, Public Employees Retirement System, showed \$81,000. Ms. Pasqua rounded up the number for a bill due April 1.

Page 35, Social Security/Medicare, could be dropped, and a recommendation was made to drop to \$60,000 from \$63,000.

Page 36, Unemployment Insurance, was “more than enough,” according to Ms. Pasqua.

Page 37, Defined Contribution Retirement Plan (DCRP), had an increase because there are more employees going into the program, and a reverse of forfeiture was exhausted. On a question, Ms. Pasqua explained that there was an employee, for whom the Township was fined, who was in the DCRP plan at one point and contributed. The Employee got her contributed funds back but the Township’s contribution was held at the state and was used to satisfy the Township’s contributions for other employees. The fund is now depleted.

Page 38, Contributions to Deferred Comp Plan – There are no employees in this plan.

Page 39, Recycling Tonnage Grant and Page 4, Clean Communities Grant – On a question, Ms. Pasqua said money from the grant was used for tub-grinding at the grit yard. Mayor Mathews commented on hearing that there was a substantial amount of money in Clean Communities funds. Ms. Pasqua said that some funds were used for garbage collection, adding that there was a drop in price from last year (\$800 a month) to \$300 a month now with RVD. She provided figures of Clean Community Funds for 3 years. Mayor Mathews asked about using some of the funds for the purchase of a truck, and Ms. Pasqua said that 25% of the money could be used for a recycling truck. Mr. Ostrander agreed that the truck has been used to run Styrofoam, adding that the fund was also used for purchase of signs and shovels.

Alison Castellano, in the audience (who is also a member of the Recycling Committee) said that the Committee had been discussing the number in balance to determine where they could use it for something substantial. Ms. Pasqua noted some purchases made, including payment for Clean Up Day, new garbage cans, pickers, etc.

Further comments were made about the possibility of purchasing the DPW truck with these funds, again with Ms. Pasqua said that 25% of the funds could be utilize for purchase. Deputy Mayor Wolfe commented on the truck that the DPW wants to replace, the size they wish to purchase, and added that it could be used for recycling. Mayor Mathews suggested that the DPW Superintendent and the Recycling Committee talk about this. Deputy Mayor Wolfe provided information on the litter on his roads around his farm.

Ms. Pasqua concluded by saying that there was no figure yet for Clean Communities for this year.

Page 41 – Matching Funds for Grants - The Clerk explained that prior CFOs kept minimal funding in this line to keep a budget line open in case any grants were received in a given year.

Page 42 – Municipal Court - The resignation of the Court Administrator is on the regular agenda tonight. Ms. Pasqua added that Franklin Court was put in the budget, adding that it was put back in last year after the court was planning on pulling out and changed plans; they never used the full budget. On a question about the Court Administrator’s Salary, Mr. Wang-Iverson said that the current Administrator is “where she should be.” Mr. Wang-Iverson spoke with the employee about possible “slightly lower salary range,” but he suggested leaving the figure where it is. Ms. Pasqua also said that she believed the intent was to bring someone on board to learn while the Court Administrator is still working.

Page 43, Public Defender, line item remained the same.

Page 44, Capital Improvements, was skipped until later in the meeting.

Page 45, Special Emergency Appropriations – No budget.

Page 46, Reserve for Uncollected - Ms. Pasqua said that this is a calculated figure. There was \$1.2 Million of pre-paid taxes at the end of the year because of tax changes, and the item is on the regular agenda for addressing requests for refunds. The Township does receive interest for funds collected, even if tax payments are refunded.

Page 47, Deferred Charges Ordinance 11-03 – This ordinance will be closed.

Page 44, Capital Improvements, was discussed. Ms. Pasqua said that they could “bump up” the fund and purchase the DPW truck, using surplus. She said that the Annual Financial Statement was not completed, but there is a healthy surplus balance, adding that the Township Committee will be going out to bond and there is also a tax appeal issue to be resolved. She added that the audit starts on Monday.

Deputy Mayor Wolfe spoke about the winter playing havoc on the roads and the DPW needing material to fix the roads; he did not want to reduce the \$100,000, adding that pothole repair material is in the operating budget. Mr. Wang-Iverson spoke about having \$50,000 for Van Lieu's chip seal last year, and he asked if capital funds would be used for chip-sealing. On a question, Mr. Wang-Iverson said that the DPW Superintendent does have a priority list of roads. Deputy Mayor Wolfe will call the DPW Superintendent to look at the operating budget to make sure that there are enough funds for pothole repair.

Ms. Pasqua asked about purchase of the truck. Mr. Ostrander spoke about moving funds into capital and reallocating them to keep the tax rate flat; he also asked about the salt barn request. Deputy Mayor Wolfe said that the DPW wanted a truck, but the salt barn is not a “this year” item. He suggested a capital meeting with Mr. Silverthorn. Deputy Mayor Wolfe said that the truck is a high priority with the amount of \$60,000 being proposed. Mr. Miller thought that this might be a base cost with installation costs for accessories being more, adding that more information was needed. Mayor Mathews said that \$60,000 should be put in the budget for a truck and the Committee should hear further from Mr. Silverthorn.

Deputy Mayor Wolfe asked the effect on taxes if the truck is purchased with surplus; Ms. Pasqua said that there would be no tax rate increase if surplus is used. Mr. Ostrander commented on keeping flat taxes; Deputy Mayor Wolfe suggested getting figures from Mr. Silverthorn on the full cost of the truck, the ability to use the recycling funds, and determining the budget amount. Ms. Pasqua said that there was about \$30,000 in recycling, and using 25% of that would be \$7000-8000.

Deputy Mayor Wolfe agreed to speak with Mr. Silverthorn about the purchase of the truck and the road line item.

Ms. Pasqua spoke about bond and note principal and interest, with interest going up and being increased in line item. She mentioned that Sherry Tracey from Phoenix would be at the regular meeting to discuss bonding. Ms. Pasqua prepared a sheet on private sale versus public sale, which was provided to the governing body.

Mayor Mathews asked about information he sent to the CFO regarding the impact of bonding on the budget. Ms. Pasqua has not yet seen this request and will find the answer.

Ms. Pasqua spoke about offsetting the budget with surplus to eliminate a spike in the budget. She said that this would be a one-time action, saying that she would not like to “bump up surplus” every year because that is how it would be lost.

Ms. Pasqua said that she will include tonight's adjustments and bond costs. The changes made would change the rate from .214 to .21 cents and would amount to a \$10.00 decrease on an average household of \$385,415.00.

Ms. Pasqua asked for direction, hoping to introduce the budget in March. She spoke about the potential to make little changes, adding that the budget is being done in the FAST electronic

system at the state, with information being able to be input but not able to be printed. She mentioned difficulties with the implementation of the FAST system.

Mayor Mathews asked that, once all the changes have been input, a new copy of the budget packet be sent to all electronically.

The Clerk referenced an email from the NJ DOT regarding the municipal resolution in support of a turn signal at the intersection of Route 31 North and Route 579, indicating that the municipality would have to pay 25% of the cost of the signal. Some discussion took place on this matter, including the following: Mayor Mathews agreed that this is a dangerous location, and the Township should get more information on the charge, e.g., when it must be paid, a more accurate amount, etc.; the purchase would be a capital expenditure; the Mayor asked if the municipality was ever asked for cost participation in another light purchase; all agreed that more information is needed. The Clerk said that representatives from NJ DOT would be at the municipal building on March 6 for another matter, and they can be asked about this then.

Motion by Mr. Ostrander, seconded by Mr. Miller, and carried unanimously to open to the public.

Frances Gavigan, 123 Wertsville Road, was pleased with the direction that the Township Committee was taking and the thinking process being done to conserve expenses and managing the tax rate. She said that it was no criticism of former committees, but she was really encouraged by the process applied, adding that it was very responsible. Mayor Mathews commended CFO Pasqua for her work on the budget and process.

Nancy Cunningham, 14 Wertsville Road, asked about road repairs this year. She was told that there was \$100,000 in capital improvements. Ms. Cunningham asked if this was for all roads; she was told that the roads have not yet been distinguished. Mayor Mathews added that there was money in the operating budget for road maintenance, the same as last year's amount, \$25,000. Mr. Wang-Iverson added that there was \$100,000 in the capital improvement fund for roads last year with \$50,000 used for chip-sealing.

John Staats, President of the Amwell Ridge Cemetery Association, said a meeting was coming up and he wanted to report to the members. He was told that the money for the Kleinschmidt House was still in the budget at this time and was not cut. Mr. Wang-Iverson said that this amount may not be enough, but he would be getting quotes once the budget has been adopted with the line item remaining. Mayor Mathews added that the money was still in the budget today, but the Township was waiting to receive state final numbers.

Motion by Mr. Miller, seconded by Mr. Ostrander, and carried to close to the public.

Motion by Mr. Miller, seconded by Mr. Ostrander, and carried to adjourn the meeting at 7:32 p.m.

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Teresa R. Stahl, RMC/CMC  
Municipal Clerk