

**TOWNSHIP OF PARSIPPANY-TROY HILLS
TOWNSHIP COUNCIL SPECIAL MEETING**

March 18, 2011

Public Invited with Public Participation

MEETING CALLED TO ORDER by Council President Fox at 4:00 p.m.

Roll Call:	Mr. Cesaro	-	Present
	Mr. dePierro	-	Present
	Mr. Ferrara	-	Present
	Mr. Stanton	-	Present
	Mr. Fox	-	Present

OTHERS PRESENT: Mayor Barberio; J. Lim, Business Administrator (at 5:07 p.m.);
J. Silver, Township Clerk

FLAG SALUTE

PRESENT DURING PORTIONS OF THE MEETING: R. Malcolm, Chief Financial Officer; D. Cassese, Tax Assessor; T. Whalen, Tax Collector; A. Leal, Court Administrator; E. Corcoran, Construction Official; M. Downing, Technical Assistant (Division of Construction Inspections); J. Collins, Director, Dept. of Planning, Zoning and Construction Inspections

The agenda of this meeting, to the extent known, is as follows:

Review and Discussion of the Mayor's 2011 Budget Recommendations

FORMAL ACTION MAY OR MAY NOT BE TAKEN.

Adequate notice of this meeting has been provided in accordance with the requirements of the Open Public Meetings Law by filing the notice in the Office of the Township Clerk and by posting the meeting notice on the bulletin board at the Municipal Building on March 9, 2011 where it has remained posted since that date. Copies of this notice were mailed by fax to The Daily Record, The Star Ledger and various other newspapers and local radio stations on March 9, 2011.

The Township Council continued its review of the Mayor's 2011 budget recommendations.

DEPARTMENT OF FINANCE

Present for this portion of the budget review: R. Malcolm, Chief Financial Officer; D. Cassese, Tax Assessor; T. Whalen, Tax Collector

ASSESSMENTS (060) – Salary and wages and other expense items were noted. Mr. Cassese confirmed that his office has one vehicle assigned to it; \$250 is appropriated under the line item entitled Fleet Maintenance to cover any necessary repairs.

TREASURY (070) – Mr. Cesaro, in connection with Computer Repair (261), noted that no funds were expended over the past few years. He asked what the \$1,300 appropriated this year will be used for. Ms. Malcolm explained that this amount was recommended by Dave Miller (Business/Sr. Systems Analyst) for the purpose of dedicating one computer, totally out of the network, for banking purposes only as some municipalities have experienced “hackers.”

ANNUAL AUDIT (071) – Appropriations in this account were noted.

COLLECTIONS (080) – With regard to Finance System Maintenance (262), Mr. Cesaro questioned the reason for the \$10,000 appropriation, noting that no funds were expended in the past year and no request for funds was made by the Tax Collector this year. Mr. Whalen explained that the line item entitled Computer Expense (261) was adjusted to include hardware only; funds appropriated for software are now included in the line item entitled Finance System Maintenance (262). Mr. Whalen further explained that funds appropriated for the Edmunds Collection Software is allocated between Tax, Water and Sewer. Mr. Whalen also noted the continual need for upgrades to this software.

CONTINGENT (520) – Mr. Cesaro indicated that last year the Council cut this line item from \$20,000 to \$15,000. Ms. Malcolm reminded the Council that this account is a safeguard for unanticipated expenses. Mr. Cesaro stated that it appears that the expenditures have stayed steadily at a small amount each year and made a motion to decrease this line item by \$5,000 from \$15,000 to \$10,000. Mayor Barberio told the Council that he would prefer that this not be cut for the reason noted by Ms. Malcolm. No second to the motion was offered.

MUNICIPAL DEBT SERVICE (530) – In response to an inquiry from Mr. dePierro, Ms. Malcolm explained that no appropriation is included for Interest on Notes (705) because there are no more notes. She advised that she took advantage of the great market and rolled everything into permanent financing at a 2.6% net interest rate over 25 years.

RESERVE FOR UNCOLLECTED TAXES (541) – Ms. Malcolm explained that the State requires that we budget for a reserve for uncollected taxes. She noted that our levy will go up, so she estimated that we will need another \$50,000. This number may need to

increase when the entire budget is finalized, but for now this amount is sufficient. She further noted that, because the Township has an excellent tax collection rate, we are able to budget the minimum.

Ms. Malcolm indicated that Ms. Lim asked her to address “Emergency for Retirement Payouts” under **DEFERRED CHARGES/STATUTORY EXPENSES (540)**. Ms. Malcolm explained that this year the Township is allowed to adopt an ordinance to fund the payout of retirees over a five year period. An ordinance will be submitted to the Council for consideration. Additionally, an emergency resolution will be required to pay, mostly the police, but anyone who is retired and being paid over time. Rather than budgeting all of the payouts in the current year “in cap,” we are allowed to defer payment to avoid raising the money all at once in one year. One-fifth of the total amount needs to be budgeted each year.

PUBLIC HEARING – DEPARTMENT OF FINANCE

Council President Fox opened the meeting to the public on the Finance Department Budget only, noting a three-minute time limit per speaker.

Bob Crawford, 35 Hidden Glen Drive, questioned if the deferral of retirement payouts has been done in the past. Ms. Malcolm advised that this is new for this year. Mayor Barberio confirmed that, potentially, 16 police officers could retire by the end of the year. By April 1st, there will definitely be six officers retiring. If all the dollars went into this year’s budget, the Township would be way over the tax levy. The dollar amount for this year is \$179,189. Mr. Crawford expressed his view that the Township is ducking the responsibility it has today and pushing it off to tomorrow and tomorrow may be worse than it is today. He felt that this is not good financial management; we should be dealing with today’s obligations today. He further stated that he hopes the Mayor has a recommendation to deal with his concern.

Mayor Barberio confirmed that he has already made his recommendation, noting that this will be a five year, short term bond. He pointed out that the State is allowing this knowing that municipalities have to deal with the difficult times ahead. The Township didn’t create the law, but we need to take advantage of this legislation right now.

Mr. dePierro commented that the mass exodus we are currently experiencing are employees, throughout the State, who fear they may lose benefits. We will not continue to see this mass exodus in future years. We need to spread out the cost so that taxpayers are not hit in one year.

Additional discussion ensued between Mr. Crawford and the Mayor and Council. He reiterated that he feels it is not responsible to postpone a payment, especially if the Mayor is not yet at the cap. He suggested that we deal with our problems today, so that we do not handicap next year’s budget with today’s problems. The Mayor explained that what he is recommending is not “handicapping,” but if the payouts are not spread out over five years, you will handicap the Township. Council President Fox agreed with the Mayor.

Roy Messmer, 10 Drumlin Drive, regarding the allocations (percentages of salaries charged to the various funds), questioned if they are the same as in the past. As Ms. Lim was not present to address this issue, the information is to be provided to Mr. Messmer at a later date. Mr. Messmer indicated that he believes in matching expenses with revenue and felt that the Township hasn't done so. He explained that he is staying in town and has to pay for policemen who are retiring; it's not right. Employees who accumulated sick and vacation time should have been paid during those years. He realizes that nothing can be done about this now, but noted that residents who left Parsippany didn't have to pay. He hopes that we are now matching expenses with revenues; it appears that we are not. He agreed with the emergency resolution even though we are pushing off this expense.

Mayor Barberio stated that the whole idea of appropriating the \$179,189 this year is not because we want to push off this obligation; it is because of the levy.

Seeing no one else come forward to speak, Council President Fox closed the public hearing relative the Finance Department Budget.

MUNICIPAL COURT (270) – Present for this portion of the budget review: A. Leal, Court Administrator

The salary and wages and other expense portions of the Municipal Court Budget were reviewed. Mr. Cesaro asked what the Court took in as revenue last year. Mr. Leal responded "\$2 million," noting it's a 50 -50 split, with the Township getting half and the other half going to the State and County.

PUBLIC HEARING – MUNICIPAL COURT

Council President Fox opened the meeting to the public on the Municipal Court Budget only, noting a three-minute time limit per speaker.

Seeing no one come forward to speak, Council President Fox closed the public hearing relative to the Municipal Court Budget.

TOWNSHIP COUNCIL (021) AND TOWNSHIP CLERK (022) – These budgets were reviewed.

COMMITTEES (025) – Mr. Cesaro, in connection with Municipal Alliance Committee (384), commented that it appears nothing was expended or encumbered since 2008 for this line item. Mayor Barberio stated that he believes that the amount budgeted for 2011 is the matching grant. He will confirm and advise the Council. He felt that there should be expenses shown for 2010. Additionally, he advised the Council that there will be a lot of activity in connection with the Municipal Alliance Committee in May of this year.

PUBLIC HEARING – TOWNSHIP COUNCIL, TOWNSHIP CLERK AND COMMITTEES

Council President Fox opened the meeting to the public on the Budgets for the Township Council, Township Clerk, and Committees only, noting a three-minute time limit per speaker.

Annelise Catanzaro, 67 Midvale Avenue, clarified the Municipal Alliance Committee’s Budget, noting that she is not sure why there are no expenditures reflected. She confirmed that the Committee has a match obligation for the County. Mr. dePierro noted that there are in-kind matches as well. Ms. Catanzaro indicated that there are some current changes, requiring greater accountability on part of municipalities.

Ms. Catanzaro asked if there is money allocated in the 2011 Budget for some of the newly created committees, such as the Transparency in Government and the Economic Development Committees. If not, she suggested that funding be appropriated to give these committees some “teeth.” As an example, she felt the Transparency Committee may need funds in order to provide better transparency through the development of a new website.

Mr. Cesaro advised that he spoke with the Mayor who indicated that, because the website is more of an ‘in-house’ issue, there is no sense in allocating funds to the Transparency Committee for this purpose. Mayor Barberio reviewed the features of the new website. He stated that he would look into Ms. Catanzaro’s suggestion to provide funding to the Economic Advisory Committee. He felt that the Township needs to get this Committee off the ground and noted that he is currently reviewing the proposed amendment to the ordinance.

Seeing no one come else come forward to speak, Council President Fox closed the public hearing relative to this portion of the Budget.

DIVISION OF CONSTRUCTION INSPECTIONS (290) – Present for this portion of the budget review: E. Corcoran, Construction Official; M. Downing, Technical Assistant to the Construction Official

Ms. Downing reviewed Conflict of Interest Inspector (337), noting that this year the appropriation is included in other expenses rather than in the salary and wages portion of the Budget. She explained that this is essentially a “fee pass through.”

PUBLIC HEARING – CONSTRUCTION INSPECTIONS

Council President Fox opened the meeting to the public on the Construction Inspections Budget only, noting a three-minute time limit per speaker.

Pat Petaccia, 182 Hawkins Avenue, questioned “overtime” in the amount of \$20,000. Ms. Downing explained that this money is used to cover staff when clerical employees are out of the office on extended sick leave, etc. The Division has an obligation by law to respond to an application within 20 working days of receipt. This account is only used as needed.

Seeing no one else come forward to speak, Council President Fox closed the public hearing relative to the Construction Inspections Budget.

DEPARTMENT OF PLANNING AND ZONING, INCLUDING HOUSING AND FIRE PREVENTION – Present for this portion of the budget review: J. Collins, Director, Dept. of Planning and Zoning; M. D’Alessandro, Fire Official

FIRE PREVENTION BUREAU (296) – The budget for this division was noted.

PUBLIC HEARING – FIRE PREVENTION BUREAU

Council President Fox opened the meeting to the public on the Fire Prevention Bureau Budget only, noting a three-minute time limit per speaker.

Seeing no one come forward to speak, Council President Fox closed the public hearing relative to the Municipal Court Budget.

BOARD OF ADJUSTMENT (280) – Mr. Cesaro questioned Legal Other Expenses (357), noting that as far back as 2008, monies expended were always in the \$5,000 or less range, but we keep budgeting \$10,000. Ms. Collins advised that there are several cases which have been delayed, but should be coming up this year.

PLANNING BOARD (285) – Mr. Cesaro commended the Mayor for keeping 2011 appropriations way below the expended column.

HOUSING (292) – Mr. Cesaro asked, “What is going on with stacking?” Ms. Collins advised that the Housing Division recently performed biennial inspections at Knoll Gardens. It is her understanding that, prior to the inspections, there was an abundance of apartment dwellers seeking two and three bedroom apartments. This is a good sign. The Housing Division is also starting to view the premises of apartment complexes prior to scheduled inspections in order to catch individuals “sneaking out” beds. Mr. dePierro stated that he thought the Township Attorney was going to fine tune the stacking ordinance so that the Housing Division doesn’t have to announce inspections in advance. Mayor Barberio confirmed that this possibility is being reviewed. Additionally, consideration is being given to placing all the responsibility on the landlord if stacking is found at a complex since the landlord is the individual renting the apartments. Mayor Barberio advised that he is looking to make the current ordinance stricter with the onus

being placed on landlords who would be responsible for paying fines. A draft ordinance will be finalized in the near future and presented to the Council for consideration.

ZONING (293) – Mr. Cesaro commented that he has been receiving compliments from residents on the job performance of the Zoning Division’s staff.

PUBLIC HEARING – BOARD OF ADJUSTMENT, PLANNING BOARD, HOUSING AND ZONING DIVISIONS

Council President Fox opened the meeting to the public on this portion of the Budget only, noting a three-minute time limit per speaker.

Roy Messmer, 10 Drumlin Drive, relative to the stacking problem, felt that the landlords are not cooperating with the Township. Additionally, he noted that the school population is not down even though we are not building more homes. Stacking, per Mr. Messmer, is not just occurring in apartments, but also in homes. He specifically noted that there are several “boarding homes” in his neighborhood. He commented that last year both the Mayor and Ms. Collins advised that ordinances addressing stacking concerns were a top priority; it’s a year now.

Council President Fox noted the arrival of Ms. Lim.

Seeing no one else come forward to speak, Council President Fox closed the public hearing relative to the budgets for the Board of Adjustment, Planning Board, Housing Division, and Zoning Division.

Council President Fox asked the status of the home on Tarn Drive, which was mentioned by Mr. Messmer as a home where rooms are rented to transients. Ms. Collins advised that she would get an update from the Housing Coordinator.

MOTION TO ADJOURN: Mr. Cesaro

SECONDED BY: Mr. Stanton

Roll Call:	Mr. Cesaro	-	Yes
	Mr. dePierro	-	Yes
	Mr. Ferrara	-	Yes
	Mr. Stanton	-	Yes
	Mr. Fox	-	Yes

MEETING ADJOURNED: 5:15 p.m.

Minutes Approved: 4-12-11