

TOWNSHIP OF DENVILLE
MUNICIPAL COUNCIL
SPECIAL BUDGET WORKSHOP

MARCH 23, 2010

The Meeting was called to order by President Andes at 6:32 p.m. The Salute to the Flag was recited, followed by the reading of the Open Public Meetings Act Statement by Township Clerk Donna Costello. Clerk Costello noted that Mr. Stecky advised her that he will not be attending tonight's meeting.

ROLL CALL: FITZPATRICK, KUSER, SHAW, SMITH, ANDES

ALSO IN ATTENDANCE: MAYOR HUSSA AND ADMINISTRATOR GOBLE.

President Andes noted that the Mayor and Administrator are in the building and will arrive shortly.

Councilman Golinski was not present at Roll Call.

OPEN PUBLIC PORTION: No one wished to be heard.

CLOSE PUBLIC PORTION.

President Andes re-capped the budget process so far. He explained how Mrs. Goble has worked on the budget since before the first of the year. Mr. Andes noted that she whittled the numbers down from well over \$100 until she and the Mayor presented the Council with a budget that called for a \$35 increase on the average home. He advised that the Council, with the help of the Mayor and Administrator, has reduced the increase to \$17 on the average home.

President Andes stated that tonight was to be the meeting at which the budget would be finalized however, the State of New Jersey notified the municipalities by e-mail on Thursday that the Energy Gross Receipts Tax was cut by \$459,000. He said that equates to an additional \$60 increase per average home.

Councilman Golinski arrived at 6:35 p.m.

Mr. Andes said that we are in a different position than we thought we would be. He noted that there will be a Closed Session this evening. It was decided that the Closed Session will be held at the end of the meeting since some members of the public have come out for this meeting.

President Andes noted that the only action that may be taken after the Closed Session would be a consensus to ask Mrs. Goble to prepare the budget for introduction at the April 6th meeting.

Mrs. Goble noted that is correct and reminded the Council that, if we want to introduce on April 6th, then decisions must be made this evening. She advised that the elapsed time between introduction and adoption is one month and many things are affected by this budget: revenues from taxes, capital plans and projects and preparation of bond ordinances.

President Andes asked if Administration has any recommendation as to what direction we should take at this point.

Administrator Goble advised that she and the Mayor and Council President have met to discuss the deduction from the State. She said that the net deduction is \$432,000

which, when calculated into this budget, amounts to a \$76 increase. The Administrator stated that she did not want to bring that increase to the Council. She said that she and Mayor went over the budget again and she feels that she can take \$100,000 out of this budget by not replacing the two officers that we had planned to replace in July. Mrs. Goble noted that it would lower our health insurance payments by \$30,000 by not hiring them, and the new DPW hires are only single policies, not family.

Administrator Goble explained that she has spoken with the Environmental Committee Chairman Al Atkinson and Planner Bill Denzler regarding the amount that was budgeted for the Anjac Environmental Grant. She noted that \$15,000 was budgeted and that we applied for a matching grant of \$15,000. Mrs. Goble advised that, after speaking with Mr. Atkinson and Mr. Denzler, it was decided that for this year and next year, we can budget \$5,000 and apply for a \$5,000 matching grant.

Mrs. Goble noted that the Waste water Management line can be reduced by \$5,000. She advised that, with those adjustments to the budget, it makes the increase for the average home \$62 per year.

Administrator Goble stated that she feels that we are maxed out on what we can use from surplus and what revenues we can anticipate. She reminded everyone that we also can't anticipate what the State may do next year.

Mrs. Goble noted that the \$62 increase is more than we ever wanted but is about \$5 per month.

Mayor Hussa added that this was imposed upon us and is not the fault of either Administration or the Council.

President Andes asked the Mayor if he had anything else. The Mayor replied that he had nothing that has not already been discussed and that he thinks these are prudent cuts.

President Andes asked if anyone from the Council disagrees with any of those cuts.

Councilman Shaw asked how much will be left in the surplus.

Administrator Goble replied that as of December 31, 2009 we had \$4 million in surplus. She said that we originally anticipated using \$2.3 million for this budget and, at a later meeting, it was agreed to use an additional \$50,000 from the surplus. Mrs. Goble noted that, with those figures, we are anticipating that we will be down to \$3.9 million next year. She said that we are aiming for some stabilization and are trying to keep it near that same number each year. Mrs. Goble advised that we are always using more than we generate.

Administrator Goble noted that, last year, one Council member wanted to take more out of surplus and, after a heated discussion, it was agreed that no additional amount would be taken. She said that she would hate to think where we would be right now had we taken more out.

Councilwoman Smith asked what we would have available for this year had we used more last year.

Mrs. Goble replied that there would be \$600,000 less available had we used what was suggested last year and it would have amounted to almost three tax points.

President Andes said that he would like to find out what topics the Council would like to discuss. He said that the first would be the items that Mrs. Goble just suggested. Mr. Andes asked if anyone disagreed with her suggestions, and polled the Council. Mr. Fitzpatrick asked if Chief Wagner is O.K. with this. Mrs. Goble advised that she and the Chief have had many discussions and he understands the gravity of the state of the budget. She said that the existing programs will not be changed in any way per the Chief and the PBA.

President Andes noted that this is an important issue to him because it concerns community safety. He commented that there was a series in the Daily Record about gangs this week and there are five known gangs operating in the Township and our Police Department is on top of it. Mr. Andes repeated that the safety of the community is his prime concern but, since we are operating efficiently and nothing will be cut, he thinks this is something we can do.

The Council agreed with Mrs. Goble's suggestions.

President Andes stated that he would like to list some areas that he thinks can be looked at and then he will ask the Council if they have any to add. He said that, after that they will go over them, one by one.

Mr. Andes' suggested topics were:

1. Employees that have been discussed in general previously.
2. Use of Township vehicles.
3. Revenues - User fees for Library and sports camps. Probably not for this budget, but need to be started.

President Andes asked if anyone from the Council has additional items for discussion. Councilwoman Smith asked if we will feel any impact from the passage of pension reform. Mrs. Goble replied that there is very little pension reform going into effect that will impact current employees. Mrs. Goble indicated that any further discussion should be held in Closed Session.

Councilman Shaw noted that he would like to discuss consolidated services and shared services in Closed Session.

Mrs. Smith commented that she was approached about shared services for our Animal Control.

Mrs. Goble replied that it is such a minimal amount. She said that she already has a proposal that was given to another municipality for animal control services but our person could not give a massive amount of hours. Mrs. Goble noted that most of those hours are paid out of an Animal Control Fund so there would be no impact on the budget.

Councilwoman Smith commented that, although it won't affect this budget, she feels that, at some point, there should be a workshop session on merging municipalities. She stated that, the way the State is going, merging is the only way some municipalities will be able to survive.

Administrator Goble noted that it took a full year to put the Court merger together and that was being actively pursued.

She commented that, as they have learned with that merger, nothing happens overnight so nothing that is started now will have any impact on this year's budget.

The Mayor interjected that there are some significant things in the works but Administration is not at liberty to speak about them at this time.

Councilwoman Smith noted that there has been talk about using the County 9-1-1 system and asked if it will afford us any savings. Mrs. Goble replied that it wouldn't this year; she added that any major change will not have any impact until the 2011 or 2012 budget. Mrs. Smith commented that we should then, finish with this budget and then plan work sessions to discuss ways with which municipalities can survive in this economy.

Councilman Golinski asked if, by vehicles, Mr. Andes was referring to Police cars or the Township's vehicle policy. Mr. Andes replied that he meant the vehicle policy. Mr. Golinski stated that he would like to postpone the purchase of the two Police vehicles this year.

Councilman Kuser said that he thinks that the Council needs to review all of the Capital expenditures again. He noted that, although the State took a large amount of money from us, we can't put this budget to rest and just put the increase on the backs of the taxpayer. Mr. Kuser stated that the whole idea is to keep government in check and he thinks we need to cut the budget down more.

Mrs. Goble replied that when she says put it to rest she means either cut or pass the budget. She noted that the Township does not have the cash to pay what needs to be paid every month, unless we send out tax bills. The Administrator explained that she has to negotiate with the School Boards every summer in order to be able to pay them less than the amount due them because the tax bills never go out on time anymore.

Councilman Fitzpatrick stated that he has worked with Denville TV for some time now and feels that, although their budget is only \$8,000, it can be cut by \$5,000. He said that the Council needs to take a long, hard look at the Council stipends and benefits. Mr. Fitzpatrick noted that, if we are going to negotiate, the employees need to know that, if the Council is asking them to sacrifice, the Council is willing to sacrifice as well.

President Andes began with Councilman Shaw's question regarding the surplus. He said that he believes everyone is in agreement that, as much as can prudently be taken has been taken.

Councilman Shaw commented that the surplus is a "rainy day fund" and he worries about carrying a large surplus. Mrs. Goble advised that it is not a big surplus and that we are fortunate to be where we are with it.

Councilwoman Smith asked if there is a recommended percentage to be taken from surplus.

The Administrator replied that there is no percentage. She said that the general rule is that you try never to use more than you know you are going generate if you want to stay stable. Mrs. Goble noted that we are already, and have been, generating much less every year than we are using.

Mrs. Smith stated that, if we use more this year, we will definitely be in trouble next year. The Administrator replied that we will definitely have less in surplus next year if we use more this year than we have already decided to use.

Mrs. Smith, commenting on the effect on next year's budget, said that she would not be comfortable taking any additional surplus for this budget.

Mrs. Goble advised that we are going to generate a minimum for \$400,000 less than what we are using. She said that we do have the one-time shot at land sales but she does not know what that will bring in. Mrs. Goble explained all of the risks that would be incurred for next year if the Council decides to cut the surplus any further.

The Mayor interjected that it is very commendable that Mr. Fitzpatrick wants to take \$5,000 from the Denville TV budget but noted that, if it is not used it is just money taken from next year's surplus. Mrs. Goble explained that if every department is shorted to bolster the budget, when she has to make transfers for something like a snow emergency, there will be no money to transfer and she will have to go to the surplus to get it.

Councilman Kuser stated that he is adamantly opposed to taking any additional funds from surplus. He added that he doesn't like the work "surplus", it is our savings account. Mr. Kuser noted that he is aware that we have been cutting spending but now there is no more revenue and it is time to cut some more. He said that we have to do "bottom up" budgeting and keep public safety as our number one priority, but the cutting has to come from everywhere.

Mrs. Goble advised that there is very little discretionary spending in this budget.

Mr. Kuser said that we have to look at other avenues.

Councilman Golinski stated that he would support using an additional \$100,000 from surplus.

Mr. Fitzpatrick noted that he believes that the Auditor was o.K. with taking the extra \$50,000 from surplus.

Administrator Goble confirmed that, based on the proposed sale of two properties, the Auditor was in agreement. She said that it is a gamble that we will sell the properties and regenerate the anticipated amount.

Councilman Fitzpatrick stated that he would be cautious and, although we do have a reserve for uncollected taxes fund, that our collection rate dropped dramatically last year. Mrs. Goble interjected that we actually were over 98% at the end of the year. Mr. Fitzpatrick replied that is true but, in June that wasn't necessarily the case.

Mr. Kuser suggested that the cash fund be discussed as a last resort.

President Andes commented that a lot of our surplus is generated through construction fees. Mrs. Goble noted that is not correct; construction fees are in the budget as anticipated revenue, does not go into surplus but helps us reduce the tax levy in the current year. Mr. Andes asked how the construction fees have been for the first three months of this year. The Mayor said that they are down.

The Administrator explained that her anticipated revenue figure is based on the figures she received from working with the department head. She noted that last year we

anticipated \$299,000 and ended the year with \$329,000, so \$30,000 went into our surplus fund. Mrs. Goble said that the hope is that we will have the same this year because January and February are slow months and can't be used as a gauge.

President Andes said that the next topic will be the municipal vehicle fleet.

Mr. Andes briefly went over the Police Departments procedure for using its fleet of cars. He noted that the emergency personnel, such as Fire Chiefs, take vehicles home with them and he thinks that is appropriate. Mr. Andes stated that many of the department heads take vehicles home and, in this economy and facing the State cuts in the budget, he thinks that this is something that the Council needs to take a good, hard look at. He said that he is looking at it from the points of wear on the vehicle, gas usage and liability on the road since they are on our insurance going to and from work. President Andes asked the Council for their opinions. He noted that it may not be a dramatic saving this year but, in the long haul, it could be pushing us in the proper direction.

Mr. Kuser advised that it should be kept in mind that if one of the vehicles is involved in an accident, it would go on our disability insurance as well as liability insurance. He said that he feels there are too many vehicles out there and we should have a small pool of vehicles. Mr. Kuser commented that we should sell off many of these vehicles. He said that he feels that if you give someone a vehicle, they are going to get in the car and drive off and no one knows where they are going or why they are going out. Mr. Kuser stated that he thinks there should be a small vehicle pool and there should be accountability for its use. He said that he envisions a tremendous saving in fuel, tires and maintenance, not just for now, but in the future as well.

Mrs. Goble replied that we have logs now. She said that, for example, Construction has a log showing every inspection that they make and she does not want the public to think that we have no idea where our vehicles are going.

Administrator Goble noted that she does not know the legalities of past practices with regard to taking vehicles to and from work, and when the vehicles were taken from them they did receive a cash amount put in their base pay. She said that she would like to see if we have any legal obligation if that was past practice then it would have to be done in the future.

Mr. Kuser noted that it would have to be in our handbook. Mrs. Goble replied that one person has something in his personnel file that says that he is entitled to take that vehicle home. She said that is a form of employment but she is checking further. Mrs. Goble noted that the other people did not have it as a form of employment and they got money back. Mr. Kuser replied that he is not suggesting that someone go out and take the keys to these vehicles tomorrow. Mrs. Goble noted that any saving would be in pooling the vehicles because we don't get much when we sell them.

Mrs. Goble advised that the Tax Assessor only uses the vehicle when she has to go out and do an added assessment and only does those twice a year. Mr. Kuser questioned why she has a car to use only twice a year. Mrs. Goble replied that the car is out there and is shared by other departments; she added that we have multiple inspectors and

they share the Construction Dept. vehicles rather than have one for each inspector. Mr. Kuser noted that there are two cars listed under Tax Assessor. Mrs. Goble said that they do have two cars and she agrees that they do not need two cars. She said that it has been past practice and never been looked at but one car can be removed very easily. Mr. Kuser noted that there could be a pool of five cars for everyone. It was determined that Building, Construction and Fire would need their own fleet. Councilman Kuser questioned the vehicle designated for Recreation. Mrs. Goble replied that it is on the road all the time, going back and forth to the field houses for equipment and out to Cook's Pond. She said that the vehicle is almost too small for what he transports. Mr. Kuser asked what is being transported. Mrs. Goble replied that it is swim stuff and summer camp things. Mr. Kuser asked if that is a one-time deal. Mrs. Goble responded that it is weekly. Possible storage of the equipment was discussed and it was noted that there is limited storage in the field houses. Mr. Kuser asked if the person using the vehicle signs a log to indicate where they are going. Mrs. Goble replied that the vehicle does not go out every day but that person does have something in his file that permits him to take the vehicle home. President Andes noted that it is important for the public to understand that inspectors need to have a marked vehicle when they go out on inspections to indicate that they are an official of the Township. He said that he realizes that they need a vehicle on the job but, in these economic times, he questions the need for them to taken home. Mrs. Goble noted that, before town cars were given to various departments, people used their own cars and it was not a good practice. She said that they were filling up at our gas pumps and she said that 52 cents per mile is very expensive and that is the IRS rate right now. Mr. Kuser replied that he understands that but, to run a vehicle and keep it maintained and fueled is, at least, 52 cents per mile. Mrs. Goble noted that our JIF insurance for our vehicles is the least of our worries because it is so minimal. She added that there are other inherent costs but, if we are going to discuss vehicles it would be a whole meeting by itself. Mr. Kuser asked if that could be set up. Mr. Andes said that it can be. Councilman Shaw stated that it is a number game with vehicles. He said that the department head will come in and ask for five and settle for two. Mrs. Goble disagreed, saying that she knows of no department head in Denville who would come in and ask for five vehicles. She said that she does not think that the numbers game is as high as Mr. Shaw is indicating it is for Denville. Councilwoman Smith commented that some employees who are called out in the middle of the night for emergencies need to have a town vehicle available to them. She added that they are covered by the Township's insurance when responding in an official capacity. Mrs. Smith agreed that there should be a workshop session on vehicle policy and it should be held sooner rather than later. She added that, as it affects this budget today, there is a 1999 Escort and asked what we would get for it if we sold it. Mrs. Goble replied that it would not be much and anything we do now will not affect our

budget.

Councilman Fitzpatrick asked President Andes if the book has been closed on Capital requests. Mr. Andes replied that Mr. Kuser has asked to re-open it.

President Andes noted that the next topic is the Library user fees and the sports camps user fees.

Mr. Andes explained that people come in and use our fields to run sports camps for profit - their profit not ours. He noted that, since the Library has been renovated, they are having issues with tutors using their facilities for their own profit and paying no fee for the use of the Library. Mr. Andes advised that there are many such tutor and they are using the Library computer stations to teach for profit.

Mr. Andes noted that he does not think there would be time to implement the fields one for this year.

Mrs. Goble replied that she doesn't think it will make a huge impact on anything we are doing. She added that if the Council wants to pass these ordinances and collect the proposed fees and feel comfortable with that, then she would feel comfortable using more of their cash, if you are going to replace it in a different manner.

President Andes responded that he has no idea what the fees would be or how much revenue could be expected, so he would not feel comfortable doing that.

Mr. Andes said that he will put this on a workshop agenda as well.

Mr. Andes noted that someone mentioned cutting police vehicles.

Mrs. Goble stated that she would be hesitant to take those out without speaking to the Chief. She said that she thinks we need to respect what he presented to us and we already took away one. Mrs. Goble noted that, out of respect for the Department, she would like to have the Chief let us know what impact of removing the two cars would be. Councilwoman Smith commented that we have already taken one car out. She said that after this meeting, if the Chief can take one more out at a savings of about \$30,000, then authorize Marie to make that adjustment in the budget knowing that it is not a definite, but depends on Mrs. Goble's discussion with the Police Chief. She said that, if we can save another \$30,000, let's do it. Mrs. Smith commented that we have to recognize that next year the Chief may come back and ask for four cars.

Councilman Golinski said that he is o.K. with removing one car. He noted that we are looking for items with a big price tag and he'd rather put the money towards staff.

Mrs. Smith stated that this particular saving would go towards reducing the tax impact.

Mr. Fitzpatrick said that he would also like to hear from the Chief. Mrs. Goble noted that she feels that she has a good relationship with the Chief and can speak with him about this and he will be honest with her. She stated that she will provide documentation on the decision to the Council, whichever way it goes.

Mrs. Goble spoke about how lean the budget is and noted that she just re-negotiated our dental plan and obtained a 5% discount.

President Andes advised that the next topic is Capital.

Councilman Kuser noted that our total Capital cost is about \$70,000.

Mrs. Goble advised that \$77,400 is what the cash outlay would be for our Capital projects. She called the Council's attention to the figure of \$57,900 for the Capital Improvement Fund and advised that she is doing a transfer from 2009 of \$30,000 to reduce that to \$27,900. Mrs. Goble noted that the Appropriations column is \$49,500 and, adding that to the \$27,900 we have the \$77,400 figure.

Councilman Kuser noted that, if we look at things like the laptop computers for Police cars and roadside radar signs, it is a negligible amount of money.

Councilwoman Smith added that the outlay this year is much less than in prior years and if we cut things for this year they will just come back to bite us in a future year, at a higher cost. Mrs. Smith said that many of the things that are on the Capital budget are necessary for the safety of the residents and the employees. She commented that she can't see anything in here that would be worth cutting; she said that if we cut a \$10,000 road paving we would only save \$500. Mrs. Smith stated that she is comfortable with moving forward with this capital.

It was decided that there is no significant saving to made out of the Capital budget but Mr. Fitzpatrick again suggested that \$5,000 can be cut from Denville TV. The Mayor noted that there is obsolete equipment that belongs to Denville TV that would possibly be useful to students and they are looking into selling that off. Mr. Fitzpatrick noted that costs are decreasing and he does not think it will be harmful to Denville TV to take this cut in the budget.

Councilwoman Smith reminded Mr. Fitzpatrick that, if we have any serious snow storms in November or December and we have cut department budgets to the bare bones, there will be no money available to transfer into the snow removal account. She noted that several things are being tried, at no extra cost, to explore future savings. Mrs. Smith stated that next year will not be any better and, if we start working on the ideas that are being brought forth now and start effecting these changes, we will be in a better situation to maintain services, provide for the health and welfare of our residents and, hopefully cut costs. Mrs. Smith said that she thinks we are in the best shape we can be in right now.

President Andes noted that a final decision has not been made regarding Denville TV. Mrs. Goble suggested taking \$3,000 instead of \$5,000 from that budget.

President Andes asked for a consensus to take \$3,000 from the Denville TV budget.

AYES: FITZPATRICK, KUSER, SMITH, SHAW, GOLINSKI, ANDES

ABSENT: STECKY

President Andes noted that the next topic will be Benefits and Stipends.

Councilman Fitzpatrick commented that he can't, in good conscience, sit up here and cut a budget without saying, "take my stipend". He said that, going into contract negotiations, if we expect them to make sacrifices then we are willing to make them as well.

Councilwoman Smith noted that people are out of work and if it means cutting, she

would suggest maybe 50% of the stipend. She said it isn't much and doesn't defray the costs. Mrs. Smith noted that she would be willing to cut 50% this year but it has to be voluntary. She said that she is not sure of the legalities involved. Councilman Kuser interjected that we could amend the ordinance to lower the stipend. Mrs. Smith explained, for the benefit of the public, that the Council receives a stipend of \$3,000. She added that the Council sustains expenses in the course of performing their duties which, she stated they would perform voluntarily because all of them on the Council are involved in volunteering. Mrs. Smith said that she is not aware of the stipend amount ever being raised and added that some municipalities get more and some get nothing. Councilwoman Smith stated that she thinks there are some issues to look at. She said that, whether anyone agrees with it or not, it does provide her with a pension of about \$33 per month and she doesn't know if opting out of it entirely would effect that. Mrs. Smith commented that it would have to be looked at from a legal point of view and she would not be comfortable mandating it, she feels it would have to be voluntary. Councilman Kuser agreed that it is not a lot of money but stated that if we consider furloughing employees and ask them to pay a part of their health care and not pay health care for new hires then this should be an option.

Mrs. Goble advised that, if we are in the State Health Benefits Plan, we cannot not offer health benefits to new hires if our employees get them. Mr. Kuser said that he understands that but, as Council people, if we are going to furlough people we need to feel it also. He said that the Council person who brought up furloughs is not here this evening and that the Mayor also suggested furloughs. Mayor Hussa interjected that his suggestion was for voluntary furloughs. Administrator Goble noted that the person who suggested furloughs originally has changed his mind and she wants the Council to know that furloughs are not being discussed.

President Andes stated that his take on this is that the Council members are volunteers first. He said that he is not a professional politician, he is a volunteer. Mr. Andes noted that he would never vote to increase the amount of the stipend but, on the other hand, it does cover his expenses. He said that there are more dinners than you can shake a stick at and he never misses one of them. Mr. Andes advised that he uses his Council stipend to fund those events that support the Township. He said that it is a minimal amount but if furloughing, which he is 100% against, became an issue he would support dispensing with the stipend.

President Andes noted that, with regard to health benefits, he pays his own and always has. He said that he does not take the Township's benefits and that he thinks it is wrong to do so even though the State Health Benefits allows elected officials to take benefits.

Councilman Kuser, addressing Administrator Goble, noted that he read S-1, 2 & 3 that were passed last night. He said that these bills lower the amount for opting out of health benefits. Administrator Goble advised that she has a big problem with that because she has a feeling that many people will now opt to take health benefits. She said that, before these bills were passed, it was a profitable thing for them to opt out.

Mr. Kuser noted that, if they choose to take the insurance, they will have to pay something for it. Mrs. Goble replied that it would be very little compared to what they will lose by the State's change. She said that they will pay a reasonable amount to insure that they will not have a deductible. Mrs. Goble explained that we do have employees who have co-insurance with their spouses and it helps when there are a lot of medical bills.

Councilman Kuser asked what there is to prevent the elected officials from opting out of the health plan and taking cash instead. Mrs. Goble replied that the resolution for the cash option did not mention the elected officials. She said that the State Health Plan gave the towns permission to pass the resolution if they chose to do so and the towns could have whatever amount the employee gave back. Mrs. Goble advised that the resolution was passed before she came here, but no elected official has ever asked for the cash option since she has been here.

President Andes interjected that Mr. Kuser's point is that, according to the Daily Record, there are elected officials in Morris County who take the cash option as a salary. There was additional discussion concerning whether or not elected officials should or should not take health benefits.

Councilman Golinski commented that he does not think this issue will effect the 2010 budget significantly and recommended that it be added to the workshop.

President Andes noted for the record that the resolution states that eligible employees are those who have been working for the Township since before July 1, 2002 and any employees who work 35 hours a week or more.

Mr. Andes said that he assumes it has been decided to leave pension and benefits alone. Mrs. Goble replied that we need to talk about it in executive session.

Mr. Kuser asked where we stand now with the budget. Mrs. Goble replied that we are at \$60.

The Administrator spoke passionately about the need for municipalities and school boards to go to the State and firmly object to the amount of money that is being denied them with such short notice and the impossibility of putting together a viable budget with these sudden cuts. She said that she feels that the municipalities all need to get together and go to Trenton to the budget hearings and make themselves heard.

The Mayor advised that he has been contacting town and county officials and he and Mrs. Goble want to host a meeting here in Denville to decide on some affirmative action. He said that the imposition of a reduction in the Energy Tax on towns that can afford it and not on other towns is not fair and he intends to be very vocal about it. Mayor Husa spoke vehemently about how he and Mr. Andes and Mrs. Smith worked diligently over the years on the Council to be frugal with the budgets. He said that now the Governor is punishing us and letting other entities, who have not been as frugal, off the hook. The Mayor noted that he is continuing to speak to other towns and will continue to speak out loudly about this.

Mrs. Smith noted that she objects to Denville being characterized as being affluent.

Mrs. Goble replied that the Mayor was just quoting what was said in Trenton.

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Mrs. Smith spoke further on the inequity of the State's method of cutting funds to municipalities.

President Andes called for a motion to go into Closed Session.

MOTION TO GO INTO CLOSED SESSION: MOVED BY MEMBER SMITH,
SECONDED BY MEMBER GOLINSKI

AYES: SMITH, GOLINSKI, FITZPATRICK, KUSER, SHAW, ANDES

ABSENT: STECKY

Council went into Closed Session at 7:58 p.m.

Council came out of Closed Session at 8:59 p.m.

MOTION TO ADJOURN: MOVED BY MEMBER SMITH, SECONDED BY MEMBER
KUSER

AYES: SMITH, KUSER, FITZPATRICK, SHAW, GOLINSKI, ANDES

ABSENT: STECKY

MEETING ADJOURNED AT 9:00 P.M.

Respectfully submitted by:

Kathleen A. Costello, Deputy Township Clerk