

**Manchester Township Council
Meeting Minutes
November 14, 2011**

The meeting of the Manchester Township Council was called to order at 6:00 p.m. by Council President Craig Wallis. The following statement was read by the Municipal Clerk:

“Adequate notice of this meeting was provided in accordance with the Open Public Meetings Act, pursuant to P.L. 1975, Chapter 231. Said notice was advertised in the Asbury Park Press, Star Ledger and was posted in the lobby of the Municipal Building.”

This was followed by the salute to the flag and the following roll call:

The Clerk took the roll call:

Councilman Fred Trutkoff	-	present
Councilman Warren Reiter	-	present
Councilman Brendan Weiner	-	present
Councilman Kenneth Vanderziel	-	present
Councilman Craig Wallis	-	present

Also present were Elena Zsoldos, Business Administrator, Steven Secare, Township Attorney, Diane Lapp, C.F.O. and Brian Klimakowski, Chief of Police.

RESOLUTION #11-316 – SFY 2012 Public Hearing & Municipal Budget Adoption

Diane Lapp, C.F.O. gave a presentation on the SFY 2012 Municipal Budget. According to the State of New Jersey, a budget is an estimate of revenues and expenditures. It is a one year plan. Manchester’s budget is a State Fiscal Year budget that runs from July 1 to June 30th. There are only 15 municipalities left in New Jersey that are SFY. The State wants everyone to move to a calendar year. Budgets are governed by Statute 40A:4. The CFO and Township Clerk are required to know the statutes. The state said our budget must be a balanced budget. Total Revenues must equal total expenditures. The state also knows that municipalities are not going to collect all of their property taxes so they require us to have a reserve for uncollected taxes. Not only must we have a reserve for the municipal levy, but also for the school and county levy. After six months into the budget, a review is done by the Auditor and the C.F.O. to see if there is anything that needs to be fixed. Most of the time when we are out of balance it is due to inclement weather such as snow storms and tropical storms. The Recreation Department is an example of something being out of balance. Most of the expenses are in the summer time. When we get to December, we know it will be heavier than other departments. During the budget process, the C.F.O. meets with department heads, gives them a status report and asks them what they would like for the following year’s budget. Before the budget process is complete we must know what our state aid numbers are, pension obligations, COLA cap rates and any pending legislation and updates. Once the budget is introduced, we send it to the State and they review

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it. If they approve it for adoption, we can go ahead and have public hearing and final adoption. The state did approve our budget to be passed.

Our revenues are surplus, state aid, grants, miscellaneous revenue and the amount to be raised by taxation. That is the tax levy. Surplus can be raised when revenues are higher than we estimated. When we close out the prior year's budget, the unused appropriations go into our surplus. Miscellaneous revenues are ones we cannot anticipate during the year. They can go right into surplus. An example would be Mr. Glen winning the lottery and making a donation to the township. Tax Appeals are the main things that are affecting our surplus. We had 415 residential tax appeals last year and they will hit our surplus once we get through the budget appropriation. As part of the state's Best Practices Checklist, they would like the Township to show the residents what we have used in our budget and what was generated. Five years ago, we were generating more surplus than we anticipated. Over the past couple of years we have not generated as much surplus due to the economy. Other revenues are miscellaneous, state aid, receipt for delinquent taxes and UCC. UCC had a nice increase last year and we are hoping for the same this year. Other revenues are court costs, permit fees, cable franchise fees and Host Community Benefits from the landfill. All grants and anticipated revenues have to be approved by the state before they are incorporated into the budget. State aid in 2001 was 3.6 million dollars. Over the years, the state aid had gone down. We are not getting what the state aid calculations are mandating. Usually state aid increases, but over the past five years it has decreased. As the state aid has gone down, the tax levy has gone up.

Our expenditures are pension costs, salary and wages, grants and debt service to name a few. Salary and wages are 40 percent of the budget. Public Safety is 60 percent of the salary and wage costs. We also have maintenance of public works vehicles, maintenance of buildings, lakes and parks. We give aid to EMS and firehouses to offset their costs. We give a stipend of \$150,000 to the LOSAP fund which goes to our volunteers. Gasoline is a big cost that keeps going up. Other expenses are our professionals such as the Auditor and Township Attorney. We belong to the Central Jersey Health Insurance Fund. They are negotiating for cheaper health plans that will be less expensive for the Township and the employees. The employees are now contributing to health care costs. This is all part of the pension reform. The township also pays into Social Security for our employees. In 2003 the Township was not paying anything into the pension. Then the economy went south and now we are required to pay into the pension.

Our debt service is low. We have small Green Acres loans and general obligation bonds. This year we will be paying off two of them. There is a bond out for 5.8 million for capital improvements that were done in 2008. We will be looking to finance that sometime in the near future. Our debt is less than one percent.

The bottom line is we are compliant with the laws of the State of New Jersey. We are within the two percent tax levy cap. We are within the 3.5 percent appropriations cap. We will see a slight tax increase. School taxes are 50 percent of the bill. The county tax is 19 percent and the municipal is 27 percent which includes open space tax of one penny. There will be a 2.6 percent tax increase of about 52 dollars a year on an average assessed house of \$194,000.

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The Township operates four utilities. Revenues are generated by usage and fixed rate fees that are done by ordinance. Our expenditures are salary and wage, debt service to name a few. Money is put into the capital improvement fund to take care of the infrastructure.

Mr. Wallis commended Ms. Lapp for a job well done. Mr. Wallis said the Finance Committee Council representatives were Councilman Vanderziel and Councilman Reiter. Mr. Reiter said he is happy with the results of the budget. The budget has been reduced and we have stayed within the two percent cap. He commended Ms. Lapp for a job well done.

Fred Lund – LVW: Mr. Lund said he was there this evening to request Council not to approve the 2012 Municipal Budget. The budget, as proposed, will increase Manchester's real estate taxes by over one million dollars. These are extremely difficult economic times and a one million dollar increase will not improve the situation. Reducing the 2012 Tax Levy should be Council's goal. He felt it was a doable goal. Last year the Council passed a budget that subjected residents to a 9.9 percent tax increase. Other municipalities were able to pass budgets with increases that ranged from zero percent to less than one percent. Manchester should have done the same. This budget, with its tax increase, and the increases incurred in the last two budgets is a trend that must not be allowed to continue. Continually increasing our property taxes seriously affects our standard of living and especially that of senior citizens on fixed income. Increasing property taxes has an eroding effect on property values. Decreasing property values decreases the Township tax base which is their main source of revenue. Mr. Lund said all non governmental expenditures should be cut or eliminated. The budget should show, at the minimum, a zero increase in taxes.

Kevin Donalan – Clearlake Rd.: Mr. Donalan highlighted some areas in the budget that seemed above the average. They were Purchasing and Personnel and Public Works. Ms. Lapp explained that the Personnel Department hired a part timer and Public Works's budget is larger because of the anticipation of bad weather and overtime. He also questioned the Police Department budget being higher. Ms. Lapp said it is higher because of the hopes of replacing police vehicles that were not replaced last year.

Margaret Camposano – Camden Ave: Ms. Camposano said it is clear that our taxes are going up. A recent Asbury Park Press article said that Manchester's property taxes increased 5.9 percent from the previous year. The increase in our budget is up over a million dollars. Ms. Camposano said that Council must find a way to cut costs. The average property owner will see an increase in over \$50.00 a year in taxes. However, we will not see fireworks or fire hydrants in Roosevelt City. Ms. Camposano questioned if keeping extra surplus was really necessary at this time. With the increased revenue and extra surplus, taxes are still being raised. She felt there was room in the budget to reduce the proposed increase. Mr. Reiter responded that the Township has stayed within the budget caps. The Township does not have control over a lot of costs such as health or pension costs. Health insurance costs were over \$500,000.00. The premiums the Township pays is a lot less than the state plan. Mr. Reiter said Mr. Lund's point of cutting from other parts of the budget may be a valid one, however, they have went over the budget with a fine tooth comb and he didn't think it could be done.

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Fred Lund – LVW: Mr. Lund felt that that trend has been that taxes have been raised every year. It was not good for the taxpayers or the Township.

Larry Lee – Country Walk: Mr. Lee has gotten calls all week to discuss tax appeals. He felt that the number that is set aside in the budget for tax appeals is going to rise. Mr. Wallis said that the goal is to bring all taxpayers to the same level in assessments. Mr. Wallis said all the reassessment is going to do is bring everyone to balance. It may not affect the taxes you are going to charge. A reassessment has to be done. Mr. Wallis said the reassessment could be done in house or we could go out to bid. Ms. Zsoldos said the Township has done a resolution to go out to bid for reassessment services. Mr. Wallis felt that all department heads have done a good job in preparing the budget. Mr. Wallis said that he has a duty to the residents to provide Police, Fire and First Aid. Other departments are not necessary such as Social Services or Recreation; however, he understands the need for the residents.

Hank Glen – 29 Wycliffe: Mr. Glen agreed with Ms. Camposano regarding surplus. The Utilities department has over \$1.8 million dollars in surplus. He asked if that money could be used to offset the tax increase. Mr. Wallis explained that utilities had to have surplus in order maintain the infrastructure. If a water main breaks, money has to be in the account to fix the issue. If not the Township would have to go out for an emergency bond. Ms. Lapp explained that there is only one year of surplus in the Western service area because it was only purchased two years ago. The Eastern service area surplus has had time to build up. Mr. Glen asked if the surplus would one day be used to lower utility rates. Ms. Zsoldos advised it would not. A Utility department takes a lot to maintain and the money has to be set aside. The water tower on the eastern side of town has to be painted. That is going to cost a great deal of money. Mr. Glen also questioned the Public Works budget. Ms. Lapp explained the need to replace equipment in the Public Works Department. Some are the big tandem trucks and they are close to 25 years old and should be replaced. Mr. Glen also mentioned the water restrictions in the summer months. He asked how the township was going to supply water to new development. Mr. Wallis said DEP has approved where a new well would be located. We are still waiting for the go ahead from DEP to install the well. Ms. Zsoldos said some reserves can be used towards the new well. Mr. Glen also questioned the reduction in the police salary and wanted to know if it was going to hurt the safety of the town. Chief Klimakowski said the salary was reduced to save the Township money.

Fred Lund – LVW: - Mr. Lund stated that Utilities are not affecting the budget. He felt that there was not a distinction and the audience should know that.

Seymour Sussman – LVW: Mr. Sussman said that the Social Security has not received a COLA raise in over two years. He said it has had a vast impact on many people. He did not think it was right to raise property taxes during these hard times. Mr. Wallis said the Township is limited on how revenues can be raised. If there is a tax increase he is paying it too. The Township is just trying to maintain what they have. He is not sure what he can do to lower costs. Cutting police services is not realistic. Ms. Lapp has worked on a long range plan for the Township, however, it is bound to change. Mr. Reiter mentioned the PTR-1 form for seniors which will freeze their taxes. The filing deadline was November 1.

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The above resolution was offered upon a motion by Mr. Weiner seconded by Mr. Vanderziel and approved by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea.

RESOLUTION #11-317 – Certification of the Tax Levy

The above resolution was offered upon a motion by Mr. Trutkoff seconded by Mr. Reiter and approved by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea

CORRESPONDENCE

The Clerk read into the record a memo from Diane Lapp, C.F.O. regarding the sale of Bond Anticipation notes.

The Clerk read into the record, with regret, a letter of resignation from Councilman Ken Vanderziel due to personal reasons. Mr. Wallis said Mr. Vanderziel is the one who got him into government. Mr. Wallis felt that Mr. Vanderziel is honest and hard working. He has been an immense help to him and has a lot of history with the Township. Mr. Vanderziel said that it was time for him to leave. He cannot get out and meet the people like he used to. His age and condition have hindered him. Mr. Vanderziel said Manchester was a great town with great people. He would miss everyone. Mr. Wallis explained the process of picking a new councilman to fill Mr. Vanderziel's unexpired term. Resumes will be submitted to Ms. Skibo. Council will then review them, hold interviews and pick the new Councilman. Mr. Reiter commented that Mr. Vanderziel is a fine man. He thanked him for his service and friendship.

APPROVAL OF MINUTES

The regular minutes of September 26, 2011 were offered upon a motion by Mr. Trutkoff, seconded by Mr. Reiter and **approved** by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel; yea. Mr. Wallis; abstain.

The regular minutes of October 11, 2011 and October 24, 2011 were offered upon a motion by Mr. Reiter seconded by Mr. Trutkoff and **approved** by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis: yea.

SUBMISSION OF BILLS:

Resolution #11 -318 - Authorizing payment of bills from the Current Fund in the amount of \$8,330,218.50 was offered by Mr. Weiner, seconded by Mr. Reiter and approved by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea

Resolution #11-319- Authorizing payment of bills from the Water and Sewer Fund in the amount of \$314,136.48 was offered by Mr. Trutkoff, seconded by Mr. Vanderziel and approved by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea.

Resolution #11-320– Authorizing payment of bills from the Water and Sewer West Fund in the amount of \$112,827.57 was offered by Mr. Reiter seconded by Mr. Trutkoff and approved by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea.

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ORDINANCES- Second Reading, Public Hearing and Final Action

#11-025 - AN ORDINANCE OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY AMENDING CHAPTER 245 OF THE CODE OF THE TOWNSHIP OF MANCHESTER ENTITLED LAND USE AND DEVELOPMENT

Mr. Wallis advised that a recommendation has not been received from the Planning Board. This ordinance must be carried to a date certain.

The above ordinance was carried until December 12, 2011 upon a motion by Mr. Weiner seconded by Mr. Reiter and adopted by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea.

ORDINANCES: First Reading and Introduction

#11-026 - AN ORDINANCE OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY AMENDING CHAPTER 245 OF THE CODE OF THE TOWNSHIP OF MANCHESTER TO PROVIDE FOR SOLAR AND SMALL WIND ENERGY FACILITIES AND STRUCTURES

The above ordinance was offered upon a motion by Mr. Reiter seconded by Mr. Weiner and approved by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea.

RESOLUTIONS: CONSENT AGENDA

The items listed below are considered to be routine by the Township of Manchester and will be enacted by one motion. There will be no formal discussion of these items. If discussion is desired, this item will be removed from the Consent Agenda and will be considered separately.

Mr. Weiner asked if any member of Council had any comments on any item on the consent agenda.

Seeing no comments from the Council, Mr. Wallis opened this portion of the meeting to the public.

Hank Glen – 29 Wycliffe Rd.: Mr. Glen asked who is paying for the meter reading software. Ms. Lapp it will come out of the eastern side budget. Mr. Glen also questioned the Renaissance bonds. Mr. Secare advised that Mr. Yodakis has signed off on them but the back road is not included.

Seeing no further comments from the public, Mr. Wallis closed this portion of the meeting.

Resolutions #11-321 through #11-335 were considered routine by the Manchester Township Council and were enacted by one motion offered by Mr. Weiner, seconded by Mr. Vanderziel and adopted by the following roll call vote: Councilmen Trutkoff, Reiter, Weiner, Vanderziel and Wallis; yea. Mr. Trutkoff abstained on Resolution #11-335.

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A. FINANCE

#11-321 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING THE TAX COLLECTOR TO CANCEL TAXES AS TO BLOCK 99.81, LOT FOR A TOTALLY DISABLED VETERAN

#11-322 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY AUTHORIZING THE REFUNDS REQUESTED BY THE TAX COLLECTOR

#11-323 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY AUTHORIZING THE REFUNDS REQUESTED BY THE TAX COLLECTOR

#11-324 - RESOLUTION AUTHORIZING THE ISSUANCE OF A DUPLICATE TAX SALE CERTIFICATE PURSUANT TO CHAPTER 99 OF THE PUBLIC LAWS OF 1997

#11-325 - RESOLUTION AUTHORIZING THE ISSUANCE OF A DUPLICATE TAX SALE CERTIFICATE PURSUANT TO CHAPTER 99 OF THE PUBLIC LAWS OF 1997

#11-326 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING REFUNDS OF RECREATION FEES FOR PROGRAMS/CAMP/THEATER TRIPS/MISC.

#11-327 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, WAIVING A PROPERTY CHANGE REQUEST FEE FOR A DONATION OF PROPERTY FOR BLOCK 99.153 LOT 4

B. AGREEMENTS

#11-328 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING THE MAYOR TO SIGN A GENERAL TERMS & CONDITIONS SPONSORSHIP CONTRACT WITH TD BANK, N.A.

#11-329 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, AWARDING A CONTRACT FOR PROFESSIONAL SERVICES TO VERIZON FOR REVERSE 9-1-1 SERVICES

C. RECREATION

#11-330 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, ESTABLISHING CERTAIN FEES FOR RECREATION THEATER TRIPS

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D. GRANTS

#11-331 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING ACCEPTANCE OF A GRANT AWARD THROUGH THE OFFICE OF SENIOR SERVICES

#11-332 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING ACCEPTANCE OF A GRANT AWARD THROUGH THE OFFICE OF SENIOR SERVICES

E. PURCHASING

#11-333 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING A PURCHASE FROM SENSUS OF VEHICLE BASED WATER METER READING HARDWARE AND SOFTWARE

F. BONDS/ESCROW

#11-334 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, RELEASING A CASH PERFORMANCE GUARANTEE POSTED BY AARON DEVELOPERS, INC. FOR THE PROJECT KNOWN AS TRENTON AVENUE EXTENSION\BLOCK 99.252, LOT 15

#11-335 - RESOLUTION OF THE TOWNSHIP OF MANCHESTER, COUNTY OF OCEAN, STATE OF NEW JERSEY, RELEASING PERFORMANCE GUARANTEES POSTED BY RENAISSANCE FOR SECTIONS 2B, 2C, 2D AND 2E

REPORTS

Mr. Weiner: None

Mr. Vanderziel: None

Mr. Reiter: Mr. Reiter went to a meeting of the Ocean County Mayor's Association. A representative from the DEP spoke about Barnegat Bay. The DEP wants to partner with municipalities to work on projects to protect the bay. He also attended the Veteran's Day program. It was emotionally stirring and it was a pleasure to be in the presence of those who served.

Mr. Trutkoff: Mr. Trutkoff said he will miss Mr. Vanderziel. He was his mentor and a friend.

Mr. Wallis: Mr. Wallis said he attended the Veteran's ceremony at Leisure Village West. He spoke with Mr. Barone who is a World War II veteran and is the recipient of five Purple Hearts. Mr. Wallis received a letter from Mr. Lynch of Manchester First Aid. He is asking that a service award be

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presented to two members who recently performed First Aid on a four year old girl. Mr. Wallis thanked them for the work they did.

Ms. Zsoldos: Ms. Zsoldos congratulated Mr. Vanderziel on his retirement.

Ms. Skibo: Ms. Skibo said it was bittersweet to accept Mr. Vanderziel's resignation. She has known him for over 24 years. He will be missed.

Ms. Lapp: Ms. Lapp thanked everyone for their work on the budget.

PUBLIC COMMENT

Theresa Lettman – 1401 Broadway Blvd.: Ms. Lettmann was at the recent Planning Board meeting and wanted clarification on the Master Plan Amendment.

ADJOURNMENT

There being no further business at this time on motion by Mr. Trutkoff and seconded by Mr. Vanderziel and unanimous voice vote of Council, the meeting was hereby adjourned at 7:40 p.m.

Sabina T. Skibo, RMC
Township Clerk

Craig Wallis
Council President

Date Approved

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