

**REGULAR MEETING MINUTES
TOWNSHIP COUNCIL – TOWNSHIP OF OCEAN**

FEBRUARY 5, 2011

OAKHURST, NEW JERSEY

The Regular Meeting of the Township Council was held in the Township Meeting Room, First Floor, Public Meeting Room, 399 Monmouth Road, Oakhurst, NJ 07755 at 8:30 a.m.

Present: Mayor Larkin
Councilmember(s) Evans, Garofalo, Schepiga, Siciliano

Others: Martin Arbus, Esq. Township Attorney
Andrew Brannen, Township Manager
Vincent Buttiglieri, Township Clerk
Stephen Gallagher, Director of Finance

Mayor Larkin presided and called the meeting to order and asked for the Pledge of Allegiance.

Statement of Compliance with the Open Public Meetings Act:

Mayor Larkin announced that the notice requirements of the Open Public Meetings Act for this meeting have been satisfied; a copy of the Annual Notice was sent to the Asbury Park Press and The Coaster, posted in Town Hall and filed in the Office of the Township Clerk on December 6, 2010.

Fire Exit Procedures:

There are two emergency exits on the wall to my right that will take you to the front of the building and another one to my left that will take you to the rear parking lot.

NOTICE:

All cell telephones must be turned off. If you need to make a call, please make your call outside the meeting room.

DISCUSSION ITEM:

D1. 2011 Municipal Budget

Andrew Brannen, Township Manager, stated that the Township is in the early stages of the budget process. We still have no firm State Aid numbers, although it had been intimated that the levels would be the same as last year. It is anticipated that the State Aid numbers will be released by the end of February, introduction will be in April and adoption will occur in May. This is consistent with past year's.

At this juncture, Mr. Brannen and Stephen Gallagher, Director of Finance, made a budget presentation dealing with the various aspects of the Municipal Budget:

Appropriations:

1. Debt Service has been stabilized
2. Township has included \$750,000 in Grants Receivable in the Budget
3. Salaries are less in 2011 than in 2010 and 2009, largely due to less positions being filled

Appropriation Pressures:

Health Insurance – Township has realized a significant increase in those costs, although Township employees are currently paying 9% of the Premium or 1.5% of their annual salary, whichever is higher.

Pensions Costs – Decreased in 2010 but increased in 2011

COAH Litigation – discussion occurred with regard to status of ongoing litigation.

Defense of Tax Appeals – the Township was hit very hard in 2010 with appeals. What we are currently experiencing is that now, it is mostly commercial/industrial properties that are filing however, those are the most costly.

Municipal Election – the Township will be holding their Municipal Election in May 2011 and the anticipated cost is approximately \$40,000.00.

Revenue Pressures:

Reduced Assessed Value – Township experienced a decrease in assessed value of close to \$20,000,000

Decrease in Interest Income – the Township has realized a decrease in interest income over the last few years of almost \$1,000,000

Reduction in Taxes Collection

Loss of the Loch Arbour Police Contract – approximately \$150,000.00

Reduced Reliance on Surplus

Appropriation Controls:

- 20 full-time employee positions eliminated since 2008
- Total Salary & Wages are less in 2011 than in 2010
- Township has begun Joint Energy Purchases
- Lowered out telecom costs significantly
- Lowered our equipment maintenance costs
- Reduced our HVAC maintenance costs
- Reduced banking and payroll services costs

Revenue Enhancements:

- Entered Shared Services Agreements – 911 and Court
- Implementation of an Alarm Registration Program
- Collection of Fireman's Field Usage Fees

Surplus:

- | | |
|---------------------------------|----------------|
| • Amount regenerated in 2010 | \$6,331,288.30 |
| • Fund Balance as of 12/31/2010 | \$8,209,295.80 |
| • Surplus Anticipated in 2010 | \$7,487,690.00 |
| • Final Surplus Balance 2010 | \$1,878,007.50 |
| • Surplus Anticipated in 2011 | \$7,249,437.00 |
| • Final Surplus Balance 2011 | \$959,858.80 |

Mr. Gallagher discussed the need to stabilize the amount of surplus used in the budget, as the amount of surplus remaining continuing to decrease as we are relying on increased amounts of surplus for each year's budget.

Debt Service

Mr. Gallagher stated that the challenge facing the Township is to preserve surplus or decrease debt costs. Township, due to the low interest rates, has decided that it makes more sense to finance capital projects through the issuance of Bond Anticipation Notes rather than through permanent financing.

Capital Budget:

Mr. Brannen stated that the Township has spent between \$1.6 - \$1.8 million a year on capital projects. In 2011, a decision was made to scale back on the road paving component and utilize those funds to purchase needed equipment.

That concluded the presentation.

Council Comments:

Councilmember Siciliano stated that he believes we still have not maximized the revenue potential of Colonial Terrace Golf Course. He feels some food attraction would certainly aid in that aspect.

Mayor Larkin stated that the Township needs to do a better job at maximizing our shared service potential. We have the capabilities with our dispatch services, the Sewerage Authority and other aspects that will either assist in increasing revenues or possibly share the costs.

The following individuals did not issue a report at this meeting:

Councilmember(s) Evans, Garofalo, and Schepiga
Andrew Brannen, Township Manager
Martin Arbus, Esq., Township Attorney

Public Comments:

Don Geiger – inquired as follows:

1. Feels mobile food vendors would be a good idea at Colonial Terrace Golf Course
2. Feels we should explore shared services, just as the Mayor stated
3. With regard to employee give-backs – has the Township looked for any from the employees, both union and non-union

Mr. Brannen stated that the Township did receive them from the PBA and SOA, as well as the non-union employees. As far as the Public Works Unions, the Township is currently in negotiations with them.

4. Will the proposed revisions to the Recycling Center, will that cause a dumping issue

Mr. Brannen stated that currently, the Center is open for traffic but will now be locked. It will also be manned by someone when it is open.

5. Are most delinquent taxpayers commercial or industrial properties

Mr. Gallagher stated that it is a mixture and the Edmunds System does flag them. Also, at the end of each quarter, delinquent notices are sent to those taxpayers that are delinquent.

6. Feels that the Township should solicit volunteers to fill in the personnel gaps due to the reduction in staffing levels.

Seeing that there were no other comments, Mayor Larkin read the following:

RESOLUTION
DECLARING CLOSED SESSION

WHEREAS, Section 8 of the Open Public Meetings Act, Chapter 231, P.L. 1975, permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, this public body is of the opinion that such circumstances presently exist;

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Ocean, County of Monmouth as follows:

1. The Public shall be excluded from discussion of and action upon the hereinafter specified subject matters.
2. The general nature of the subject matter to be discussed is as follows:
 - C1. Personnel – Employee Benefits
3. It is anticipated at this time that the Municipal Clerk shall on a six (6) month basis, review the minutes of closed sessions of the Township of Ocean and make a recommendation to the Governing Body which minutes should be considered for public record. The minutes which are made public shall not thereafter be treated as confidential but may be seen and copied by any person(s) in the same manner as any meeting minutes of the Township of Ocean.
4. This resolution shall take effect immediately.

Record of Vote	Councilman Garofalo	Councilwoman Schepiga	Councilman Siciliano	Councilman Evans	Mayor Larkin
Motion To Approve			X		
Motion to Second	X				
Approved	X	X	X	X	X
Opposed					
Not Voting/Recuse					
Absent/Excused					

Seeing that there were no additional comments, the meeting was adjourned.

Record of Vote	Councilman Garofalo	Councilwoman Schepiga	Councilman Siciliano	Councilman Evans	Mayor Larkin
Motion To Approve			X		
Motion to Second				X	
Approved	X	X	X	X	X
Opposed					
Not Voting/Recuse					
Absent/Excused					

Respectfully submitted,

William F. Larkin
Mayor

Vincent Buttiglieri, RMC/CMC
Municipal Clerk