

February 11, 2016

The special meeting of the Town Council of the Town of Newton was held on the above date at 6:00 p.m. Present were Mrs. Becker, Mr. Levante, Mr. Elvidge Deputy Mayor Diglio, Mayor Flynn, and Town Manager, Mr. Thomas S. Russo, Jr. Also present were Mrs. Debra Millikin, Deputy Town Manager, Ms. Dawn Babcock, CFO, and Mrs. Ginny Raftery, Treasurer.

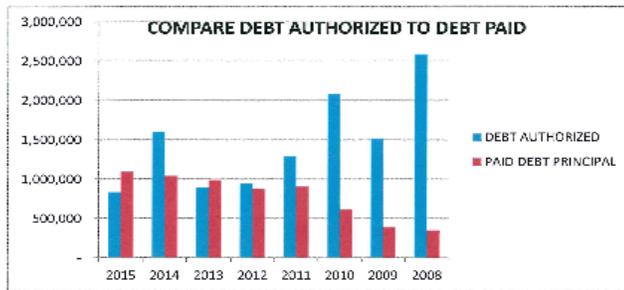
Mayor Flynn made the following declaration that "in accordance with the Open Public Meetings Act, notice of this special meeting was given to the two newspapers of record and posted on the official bulletin board on January 21, 2016."

TOWN MANAGER 'S REVIEW OF BUDGET

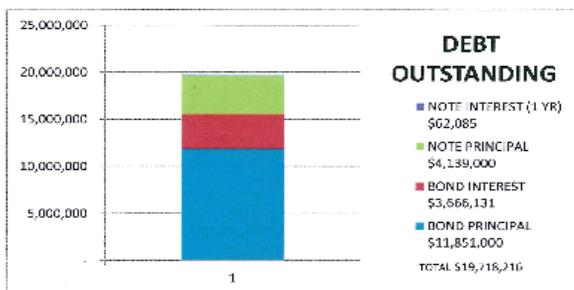
Mr. Russo reviewed the Capital Budget, starting with a breakdown of the Capital Improvement Fund. He made note on the auto-lift for the First Aid Squad, and the new 4 x4 vehicle for the Police Department. Mr. Russo asked for guidance on the Traffic Signal / Road Improvements for the Hicks Avenue project, whether it should be left in the budget or taken out. The Amount listed in the budget represents five (5%) percent of the overall project. The Mayor is sending out a letter tonight to the Freeholder Director, requesting the full cost of the project minus the Town's portion be included in their budget this year. A discussion ensued. It was agreed to leave it in the budget as a good faith measure to the developer. Mr. Russo explained the request from the Code Enforcement Department for Mitchell Humphrey's software to integrate the Code Enforcement with the Construction Department. Council agreed to discuss this later in the meeting.

Mayor Flynn questioned how the Capital Improvement Fund (CIF) down payment of \$75,000 is determined. Mr. Russo explained it equates to ten (10%) of the total capital project costs. Mayor Flynn went further to question the total \$165,000 in the CIF, Mr. Russo explained it is the \$75,000 plus five (5%) percent of the remaining items listed, which totals \$90,000 for a total CIF of \$165,000. Mr. Russo advised any reduction in the CIF will result in an overall reduction in your budget.

Mr. Russo then asked Ms. Babcock to review the Town's debt authorized versus debt paid. Ms. Babcock reviewed the color handout provide to the Council members. Ms. Babcock explained we are paying more debt down then we are authorized at this time compared to 2008. Ms. Babcock went on review the debt outstanding, explaining the primary goal is to aggressively pay down debt.



	DEBT AUTHORIZED	PAID DEBT PRINCIPAL
2015	832,600	1,097,212
2014	1,601,525	1,041,872
2013	893,350	986,540
2012	950,000	881,214
2011	1,295,500	907,552
2010	2,081,500	614,551
2009	1,512,000	390,786
2008	2,586,000	350,475



Mr. Russo explained at the Mayor’s request, for the record, the budgeted increases for non-union employees. Approximating a two (2%) percent increase, for full-time the amount would be approximately \$15,000 and part-time would be approximately \$6,000. This equates to a third of a tax point as budgeted.

POLICE DEPARTMENT BUDGET REVIEW AND CAPITAL PROJECTS - 6:15pm

Chief Richards came forward for the discussion on the police budget. Mayor Flynn questioned the overtime paid in 2015. Chief Richards explained the high amount was due to shift differential from the Miller and Smith vacancies along with several officers that have been out on workers’ compensation throughout the year. The Chief went on to explain he currently has six (6) officers that are eligible for retirement at this time. The process to replace them is lengthy and would contribute to further overtime costs. The new officers hired in December are currently in the academy and will not be on their own until August.

Chief Richards then explained and reviewed the capital budget requests that consist of a new 4 x4 unmarked vehicle, Alcotest replacement, Infocop server replacement which is used for the e-ticket system and a new printer for the access card for employees badges which was originally purchased in 2004.

Mayor Flynn thanked the Chief for coming in and explaining his budget and advised

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there will be a brief break in the meeting.

OPEN TO THE PUBLIC

Returning from break, Mayor Flynn opened the meeting to the public.

Neil Flaherty, 154 Sparta Avenue came forward and stated his thanks and appreciation to Mr. Russo and the staff for a clear and easy to understand budget document. He then offered his thanks to the Town Council for all their efforts in keeping the budget tight.

There was no one else from the public to be heard. Mayor Flynn closed the public portion of the meeting.

FIRE DEPARTMENT BUDGET REVIEW AND CAPITAL PROJECTS - 7:40pm

Chief Jason Miller, came forward at this time. Mr. Russo advised the Council of additional 2015 bills that have come forward, so the amount charged is closer to \$20,000. Chief Miller outlined and explained the capital improvements items requested. The Governing Bodgy had questions that were addressed by Chief Miller.

At this time Tom Kosten of FKA Architects and Cory Stoner of Harold E. Pellow & Associates, Inc. joined Chief Miller to review the capital request for renovations to the Firehouse (#2) on Woodside Avenue.

Mr. Kosten reviewed several options with the Council which varied in scope from a renovation of existing building to a demolition of existing with a pre-engineered building as a replacement. A lengthy discussion ensued. At the conclusion, before a decision is made, the Council asked Mr. Russo to attain more information and costs of possible purchase of adjoining property to discuss in Executive Session on February 22, 2016.

Mayor Flynn thanked Chief Miller, Mr. Kosten and Mr. Stoner.

TOWN MANAGER 'S REVIEW OF BUDGET

Mr. Russo distributed a handout from the Tax Assessor's office outlining changes in assessments for 2016. Mr. Russo briefly reviewed the document with the Council.

Mr. Russo advised Council he will rework the numbers on the capital budget and email them updated figures for the February 24th meeting.

OPEN TO THE PUBLIC

Mayor Flynn opened the meeting to the public.

There was no one from the public to be heard. Mayor Flynn closed this portion of the meeting.

COUNCIL & MANAGER COMMENTS

Mayor Flynn questioned what cutting the budget by two (2) tax points would equate to.

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Mr. Russo stated the increase would be cut from \$118 to \$82. Mayor Flynn questioned how that could be achieved. The Council reviewed the CIF requests and decided the following:

- ✓ Mitchell Humphreys for Code Enforcement - cut
- ✓ Firehouse 1 Staircase - leave in
- ✓ Fuel System Upgrade - leave in
- ✓ Radios for Fire Department - cut
- ✓ Backstops for Parks/Recreation - leave in
- ✓ Alcotest - leave in
- ✓ Infocop/E-ticket Server/Printer - keep printer and cut the Infocop/E-ticket server

This equates to a \$27,000 reduction in the Capital Improvement Fund. The Council reviewed the remainder of the Capital requests and offered the following:

- ✓ The Capital Improvement Fund will be adjusted as discussed
- ✓ Liberty Street Road Improvements - leave in
- ✓ Firehouse 2 Renovations - leave in for now, further discussed at next meeting
- ✓ Airpack Replacement - leave in
- ✓ Automatic Lift for Town Ambulance - leave in
- ✓ Municipal Buildings Improv. /Upgrades/Renov/Furn/Equip - leave in
- ✓ Traffic Signal/Road Improvements - Hicks Avenue Redev - leave in for now
- ✓ Unmarked 4x4 AWD/4WD - cut

After a brief discussion, Mr. Russo advised that with the cuts from the previous budget meeting and tonight's cuts, it equates to a ½ of a tax point. The Council asked Mr. Russo to cut the budget an additional 1 ½ tax points for a total of 2 tax points. Mr. Russo responded he would have cuts for the Council to consider at the next regular meeting.

There being no further business to be conducted, upon motion of Deputy Mayor Diglio, seconded by Ms. Becker and carried, the meeting was adjourned at 9:07 p.m.

Respectfully submitted,



Teresa A. Oswin, RMC
Deputy Municipal Clerk