
TOWNSHIP OF WEST MILFORD, COUNTY OF PASSAIC, NEW JERSEY

Minutes of: Township Council Special Meeting
Date of Meeting: May 30, 2014
Time of Meeting: 6:30 P.M.
Minute Page No: Page 1 of 4

Adequate Notice Statement

Council President Erk read the following statement:

Please note that in accordance with Chapter 231, Public Laws of 1975 of New Jersey, adequate advance notice of this special meeting was published in the Herald News on May 25, 2014; copies were provided to the Record, Star Ledger, Suburban Trends and posted continuously on the bulletin board in the main corridor of the Town Hall and on file in the Office of the Township Clerk.

Please also make note of all fire and emergency exits – located to the left, right, and rear of this room - for use in case of an emergency. Thank you.

Pledge of Allegiance

Council President Erk opened the meeting and invited everyone to join in the pledge.

Roll Call

Present: Councilmembers Ada Erik, Michael Hensley, Vivienne Erk, Michele Dale,
Luciano Signorino, CarlLa Horton.
Absent: Mayor Bettina Bieri
Also Present: Township Administrator Robert Casey, Township Clerk Antoinette Battaglia,

Agenda No. II

Purpose

Review of the proposed 2014 Municipal Budget.
Formal action will not be taken at this meeting.

Council President Erk turned over to Interim Administrator Casey who reminded Council that they requested this meeting to discuss the municipal budget amongst themselves. He is here to answer any questions and listen to their discussions.

Councilwoman Horton said that Council is constantly trying to reduce taxes. She would like to make meaningful cost saving measures and she asked Mr. Casey if he had any suggestions. She asked if he had personal knowledge of systemic things that can be addressed. She said she has heard the Governor talk about pensions and it feels that if we do not take serious action it will blow up in our face. She has heard comments about the police contracts with longevity and other benefits that come at a high cost. She feels like we are trying to turn back the titanic. We need to address the fundamental flaws in the system.

Administrator Casey said that there are two issues he can see. Revenues and expenditures. The significant loss of revenues is the largest problem in West Milford. Revenues are down \$300,000 this year alone. For the past three years Council has relied on one year shots to make up the difference. Growth is not an option in the highlands preservation zone. We can encourage people to maintain property values by good property maintenance. But we will not generate revenue by development. The Township has to right size expenditures to match revenues. In other counties, one could consider regionalization of police services. That has realized savings in other counties but it is not feasible in Passaic County. There may be many reasons for that. Other places have regionalized health departments. In fact that is quite common in Northeast New Jersey. He listed some counties that have effectively done that. Population is an issue in accomplishing that in this county. Discussion ensued about regionalization of health services & police dispatch services. Mr. Casey said that recreation programs are under Council control because these programs are discretionary. He directed Council to his memo. He said as the Council continues in the quest to eliminate Hillcrest there will be automatic residual changes in the recreation programs. Space issues will cause that. That may result is staffing changes too. He said the senior program will be affected. One of the main goals of the Council is to seriously look at what the recreation program will be in future years. There may be major changes resulting in savings of hundreds of thousands of dollars. Most towns have senior programs but they do not have staff dedicated to those programs. That is an area that must be looked at. Councilwoman Dale agreed and asked what is happening that it is costing us \$45,000 for a keyboarding clerk in the senior program. Mr. Casey said that is 60% of that salary and the other 40% is attributed to other programs. Mr. Casey described some issues. Staff works 8:30 to 4:30 but seniors arrive at 9 and leave at 2. Councilwoman Horton asked about salary breakdowns. Mr. Casey broke down percentages of salaries, FICA, pension, health insurance and other costs. Councilwoman Horton ask if benefits are only available to full time staff. Mr. Casey said benefits are available to employees who consistently work over 28 hours per week. Councilwoman Horton asked if we can run the senior program with part time staff. Mr. Casey

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Minutes of: Township Council Special Meeting
Date of Meeting: May 30, 2014
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Minute Page No: Page 2 of 4

said if the Township moves out of Hillcrest there will be a restructuring of senior & other programs. He said you would have to engage in a process through DOP & Civil service to reduce people's hours. Councilwoman Dale said she would not like to piecemeal it. Discussion ensued about how other towns operate senior programs. Councilwoman Dale asked if we can provide a senior program with a specific amount of funding and Mr. Casey said yes. He said that instead of charging into the hornet's nest, first hire a CS&R director and then establish goals to achieve certain savings. Councilwoman Dale said we cannot wait; we must take action now and Councilman Hensley agreed. He said CS&R needs to be restructured. He said the department is flawed. Funding it to this extent without a director appears crazy. He hopes Council will take a stand and have the courage to make tough choices. Residents will react positively to bold action to stem the bleeding in this department. Councilwoman Dale said she wants all programs to be available without this cost. Councilman Hensley said the seniors can organize and lead themselves. They could formalize themselves and organize themselves. Mr. Casey said he does not know the client base. Discussion ensued about the various senior groups. Councilwoman Dale said the program costs about \$712 per participant (250 participants at a cost of \$178,000).

Councilwoman Dale asked about the PRIDE program. Mr. Casey said PRIDE is unique and can be compared to a private school. He said members pay \$15 per day to participate. There are about 20 people in that program. Most are there for 3-4 days and some attend 5 days a week. There is a waiting list of 7 people. The program is structured with a staff of 3 people present when the program is operational. It is a very intense program. The clients are supervised at all times. It is a very expensive program costing about \$5,000 per person. That is not unusual for a private school or a special needs daycare operation. He described some of the special needs of the participants. He said it is unusual for a municipality to operate of this sort. Councilwoman Horton asked what Advoserv & Spectrum for Living charge for their participants and Councilwoman Erik asked about the 501(3)c status. Mr. Casey explained how it was researched and the issues with operating PRIDE as a non-profit organization. Councilwoman Horton said a group needs to have an organization before applying for non-profit status. Mr. Casey said one of the issues we will have for PRIDE is when we move to a new facility because it doesn't fit into PAL.

Councilwoman Dale said she is shocked at the cost of \$217,000 for outside instructor programs. Mr. Casey said the Township receives \$11 from each registration fee to cover administrative costs. He said the instructors are not on our payroll. The costs are borne because of the rooms they use at Hillcrest. Councilwoman Dale noted that expenses for these programs are higher than revenue. Discussion ensued about all the costs that are incurred to run these programs. Councilwoman Dale said this is the first thing that should be looked at. Mr. Casey said the Council must establish a policy as to what costs will be taxpayer subsidized. He provided examples. That policy will guide the director who will have the department adhere to the policy. Councilman Signorino asked Mr. Casey to draft a policy for the next workshop discussion. Mr. Casey said he recommends a policy outlining the costs that will be reasonably provided at Township expense with the understanding that users pay the remainder. There can be exceptions for programs like senior programs & PRIDE. Councilwoman Horton said the salaries & benefits are not reflective of what people outside of government are earning. She said Council has an obligation to try to change this. Mr. Casey said policy change is necessary because the other changes that are to come are going to compel it. Councilwoman Dale asked Mr. Casey if he would serve as Director of CS&R for an interim period after a new administrator is hired.

Councilman Signorino asked if there is a streamlined process that could be applied to the recycling operations to effectuate cost savings. He said he needs to understand the current process in recycling to recommend changes. Mr. Casey said he will put a memo out to Council about current operations in that department.

Councilman Signorino said he would like to find a way to fund roads annually in the operations budget. Councilwoman Horton said that the MUA asked for \$35,000 to have a study done of how to improve their operations. The cost is 50% of the projected costs. She is the MUA liaison. She believes MUA should cover their own expenses and she does not necessarily support their request but she does believe they deserve the courtesy of a response. She said she may support helping them with a loan to cover these costs. She asked for a future agenda discussion of this topic. Councilwoman Dale asked her colleagues if they believe the Council is prepared to have a policy change enacted in time to affect this year's budget. Mr. Casey said to do so at this time it would be an arbitrary cut to their budget. He said the Council will only see the impact in next year's budget. The DOP request itself will take 90 days. Councilwoman Horton said we can also look at the revenue side. Councilwoman Dale said she is pro recreation. Councilman Signorino said he favors arbitrary reductions in recreation and he asked if his colleagues would consider bringing some of those funds into the operating budget to fund road costs in the operating budget. Mr. Casey said the issue on the roads is contracts. He said the budget this year appropriates \$500,000 and regardless of the actions taken at this time, it would be difficult to fit that in this year's

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Minute Page No: Page 3 of 4

operating budget. He said the Council could plan for that in next year's budget. He recommends waiting for actual numbers to come in next year.

Councilwoman Dale asked if everyone is on board to have a policy discussion about recreation programs at the next workshop meeting and there was unanimous consent. The Council gave direction to Mr. Casey to cut \$75,000 from CS&R budget immediately. Councilwoman Dale asked if the town can suspend these outside programs immediately saying that the Council wishes to analyze programs with proper management; to operate programs without these municipal costs. Mr. Casey said the only option is to restructure staff & programs. He advised that if the Council reduces the budget by \$75,000 there will be staff reductions. Councilman Hensley said the programs are not sustainable and we have to stop the bleeding. If that means sending out notices we must do so. Mr. Casey said he is not comfortable with the layoff process and does not believe he can accomplish this in less than 4 months. Discussion ensued about bumping rights. Councilman Hensley said to send out notices so that the process can begin. The Council confirmed that Mr. Casey is to cut the CS&R budget in programs by \$75,000. Mr. Casey said the preschool program will end on June 10th and it will not resume again.

Councilwoman Erik asked for numbers for regionalizing services. Councilwoman Horton said we paid 2% extra off base pay for officers for 12 hour shifts even though they only work 3 days a week. Do we have the right to go to 8 hours shifts? Mr. Casey said that is part of the labor contract that is in place through 2015. Councilwoman Horton asked if the Township is obligated to give the 2% and have 12 hour shifts or can the Township opt for 8 hour shifts without the 2%. Chief Storbeck clarified that the officers do not work three-day weeks. He said the 12-hour shift schedule results in officers working 3 days one week & 4 days the next. Mr. Casey said you must average a week over the 30 day period. Chief Storbeck said with shifts officers work 110 extra hours in a year and he noted that schedule applies to patrol officers only. Councilwoman Dale said she read the FBI-Leeda report. It recommended the Township return to 8-hour shifts to save money. She said the savings would be reflected in overtime & shift differential. Chief Storbeck said the department used to work on 8-hour shifts. He said his department is operational 24 hours every day. Eight-hour shifts create issues with permanent shifts and overnight shifts. Chief Storbeck described the work schedule for individuals with 8 hours shifts which is difficult at best. He said you would need additional squads to cover the 24/365 schedule. Councilwoman Horton asked the Chief to make recommendations to save money & protect public safety. Chief Storbeck described the shifts in detail and the switch from days to night that are incorporated in the 12 hour shifts. Councilwoman Dale said it appears that it is very expensive to provide these services. Mr. Casey said it takes 4.8 budget man years to provide 24/7 coverage. You have to recognize the cost on an annualized basis. He said if it is in the contract you cannot touch it until 2016 with contract negotiations.

Councilwoman Dale said it seems that West Milford is the only municipality in the county that offers specialized police services which are very expensive for the number of times they are used. She is not a police chief and she commended Chief Storbeck, but she becomes irate to hear that we cannot operate DARE but we have a special dive team. She would like see the programs be a priority over expensive specialized services. The county can provide the specialized programs. She loves the camaraderie but she asked the Chief to look at the specialized services to determine if that money can be better utilized. She said the costs are not sustainable. Chief Storbeck said we should proceed with caution with getting county services. They have cut funds and no longer provide lake patrol. The response time from Passaic County is unique in West Milford. Councilwoman Dale asked how many times we utilize these specialized services. If these services save lives, she would like to know. Discussion ensued about lake patrol with county resources with Chief Storbeck reiterating that the County has downsized. Councilwoman Dale noted that the County has downsized but the Township has not. Chief Storbeck said his department has downsized. Councilwoman Erik said West Milford is remote and these services could save a life. Councilman Signorino asked if the New York lake patrol could patrol the New Jersey side of the lake. Chief Storbeck said the dive team engages in recovery but they have done ice rescues.

Councilwoman Dale asked about the increase in the finance department. Mr. Casey said that there will a part timer who will be cross trained and a backup for the payroll person who will retire next year. Mr. Casey said this will be a reduction in overall costs because a floater will not be used in tax season. The part timer will work two days a week in payroll and one day a week in the CFO's office. A second part timer will be assigned to the tax assessor/collector's offices. Councilman Signorino said he had asked about health department changes and Mr. Casey said the proposed increase has been cut from the budget. Mr. Fitzpatrick, he said, will be recommending septic ordinance changes for a future workshop.

Councilwoman Erik said she would like to know what it would cost to regionalize the health department. Mr. Casey advised about a Paterson agreement that will be placed on the agenda for Council consideration on Wednesday. Councilman Signorino asked that we check out health services & programs being offered by Passaic County in Ringwood. Councilwoman Erik asked how much we expend in dispatch to compare it to what it would cost to regionalize it. Mr. Casey noted it costs \$352,000

