

**BUDGET WORK SESSION  
MUNICIPAL BUILDING**

**February 22, 2012  
DELRAN, NJ**

**SUNSHINE STATEMENT:** Be advised that proper notice has been given by the Township Council in accordance with the sunshine law in the following manner. Notice advertised in the Burlington County Times on February 17, 2012 and posted on the bulletin board on the same date.

**ROLL CALL:** Mrs. Kolodi, Mr. Schwartz., Ms. Pomeranz, Mr. Morrow and Mr. Catrambone were present.

**ALSO, PRESENT:** Mayor Paris, Mr. Hatcher, Administrator and Ms. Eggers, Municipal Clerk

**2012 BUDGET DISCUSSION**

Mr. Hatcher reported that he provided the Auditor with the information on the budget that Council has been discussing. They then plug that information in with the revenue information. Mr. Hatcher stated that he would like to walk Council through the information that he received from the Auditor today. Mr. Hatcher stated that with the spending cap we could go to \$12,787,948, we are proposing \$11,618,291.74. We would be \$1,169,657 under the spending cap. The budget as it stands would have a 7.5% increase. That increase is as a result of the reassessment and they will understand that better once we go through the rest of the budget. The local tax levy would be \$10,704,500.00, which is the same as last year. Last year, before the reassessment, our total assessments were \$1,565,016,051. After the reassessment, our total assessments were \$1,409,575,370. The current proposed budget is \$15,658,000, which is a reduction of \$27,000 over last year. The surplus at the end of 2011 was \$5,200,000. We had a better than anticipated collection rate which helps create a better surplus. The appropriation reserve numbers are also higher than usual because we are watching year end spending. We are recommending that we use \$2,500,000 to balance the 2012 budget. We are also going to recommended that we set up a \$200,000 reserve account for tax appeals. We believe that the state aid will remain the same this year. Mr. Hatcher stated that we will also be approximately \$200,000 under the levy cap. Mr. Hatcher stated that it will be hard to explain that even though the rate is going up with assessments going down there is a zero increase. The tax levy will remain the same as last year.

Mr. Morrow stated that in this day it is almost impossible to show a zero increase in taxes. What we have been doing over the last few years has helped put us in the position we are in today.

Mr. Hatcher stated that he is recommending that we introduce the budget on March 7, 2012 and hold the public hearing on April 24, 2012.

Mr. Paris recommended that we put all information on the website prior to the public hearing on the budget.

Ms. Pomeranz asked if we have enough built into the budget with the gasoline prices going up.

Mr. Hatcher stated that he feels that we have enough budgeted even with the increase in prices.

Mr. Hatcher stated that they have adjusted the health insurance appropriation line item to account for the employee contributions.

Ms. Pomeranz asked if the contract states the type of health insurance the employees receive.

Mr. Hatcher stated that the contracts currently list the State Health Benefits Plan or an equivalent plan.

Mr. Paris asked what we have remaining in tax appeals.

Mr. Hatcher stated that he believes we still have Hunter's Glen, Vornado and NJ American Water Company.

Mr. Paris asked if he feels that \$200,000 in reserve for tax appeals will be sufficient.

Mr. Hatcher stated that we can not determine if that is enough but it will help. Mr. Hatcher stated that we may also want to look at putting a reserve in for snow removal.

Mr. Paris asked if we should consider putting aside a reserve for \$50,000 for snow removal and how that would affect the budget.

Mr. Hatcher stated that if Council agreed they could reduce the surplus by \$50,000 and it would have no impact on the budget. Mr. Hatcher stated that he will do a little research on the reserve for snow removal.

Council agreed that if there are no restrictions they would take \$50,000 from surplus and put it in a reserve for snow removal.

Mrs. Kolodi asked who determines the amount of surplus.

Mr. Hatcher stated that we determine the amount we try to program the surplus to return to the same level each year.

Mr. Hatcher updated Council on the position of the Sewer Budget. He stated that we collected 3.4 million in sewer rents. We generated approximately \$1,000,000 in surplus and will utilize \$342,000 to balance the budget. The surplus was generated mainly by the rate increase and connection fees. The budget is up slightly from last year. We added some additional funds this year for capital projects. Mr. Hatcher stated that for this year, we are going to continue with the yearly bill but include stickers for the calendar and also a robo call about a week prior to the due date.

Ms. Pomeranz asked if there is any update on being able to use credit cards.

Mr. Hatcher stated that he will research the cost and Council can determine whether they want to install that service.

Mr. Hatcher stated that there will be no increase in the sewer rates this year. With the reduction in the debt service next year, we will be in a good position.

Mr. Hatcher asked Council if they determined a dollar amount for the capital budget. He stated that they do not have to determine the items just the amount of spending so that we can include the down payment number in the budget. Council agreed that they would like to have \$800,000 for road improvements.

The 2012 budget will be introduced on March 7, 2012.

Mr. Morrow made a motion to adjourn the meeting, seconded by Mr. Schwartz. All were in favor, the meeting was adjourned.

Respectfully submitted,

Jamey Eggers, Township Clerk