

JANUARY 9, 2010

BUDGET MEETING OF MAYOR AND COUNCIL, JANUARY 9, 2010 AT 9:00 A.M. IN COUNCIL CHAMBERS OF BOROUGH HALL.

Mayor Dempsey's statement re: Open Public Meetings Act of 1975 and that notice was given to the Coast Star and the Asbury Park Press on December 22, 2009.

ROLL CALL: Present: Council Members Connolly, Donovan, Grasso, Lee, Lucas.  
Absent: Council Member Bossone.

Also present was Municipal Administrator John Trengrove.

Mr. Trengrove explained that the water/sewer and current budgets do not yet contain the debt service but that it will be included soon. He gave a brief overview of several budget related items. He pointed out that the beach budget is lower than the preceding year because there was an emergency appropriation in 2008 of \$75,000 for the purchase of a tractor. He explained the various budget documents that were provided to the members of the Governing Body including the salary and insurance splits for the different budgets. He also reviewed the tentative budget meeting schedule with the Governing Body. He related that Manasquan Library representatives are scheduled to attend a budget meeting and he asked if the Governing Body would like to invite any other committees or commissions to the budget meetings.

There were no comments from the members of the Governing Body.

Mr. Trengrove asked which meeting they would like the Borough Auditor to attend.

The Governing Body agreed to invite the Borough Auditor to the January 30<sup>th</sup>, 2010 meeting.

Mr. Trengrove explained the debt service and the reserve for uncollected taxes. He noted that the Borough's collection rate has been in the high 90s.

Mr. Trengrove and Council Member Connolly discussed the debt service.

Mr. Trengrove related that the format of the budget is based on a Uniform Chart of Accounts that is established by the Division of Local Government Services (DLGS). He related that the interlocal agreements are outside the spending cap and are put together because they are for the police.

Council Member Connolly related that one of the problems is that she wanted to see everything that it took to run the police department.

Mr. Trengrove related that this is based on the Uniform Chart of Accounts and is not a program budget. He related that it can only be changed with the approval of DLGS.

APPOINTMENT: 9:25 a.m. Manasquan Police Chief Scimeca.

Mr. Trengrove explained that the total amount listed in the budget does not include the \$25,000 funding from the beach budget. He noted that the Police Department has received a Safe and Secure Grant for approximately \$30,000 and that it is in the current budget.

The Governing Body and Chief Scimeca reviewed line #0-01-25-240-011/Regular Police Salary and Wages.

Chief Scimeca noted that the salary increase figure that was included in his budget was provided to him by the Finance Department. He related that he has calculated that 1 percent equals approximately \$25,000 and that the budget will have to be adjusted following the completion of salary negotiations.

Chief Scimeca related that six officers will be receiving a longevity increase in 2010.

Mr. Trengrove reminded the Governing Body that he has provided them with a salary spreadsheet where the salary disbursements are documented. He explained the longevity increases and step increases given to the Police Department.

Chief Scimeca related that he has budgeted for all 18 officers but noted that several officers are eligible to retire. He related that Brian Gillespie intends to retire in April of 2010 but that he

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could change his mind; therefore, his salary was left in the line item. However, he related that he did not adjust the overtime budget to include the amount of money that might be needed if Brian Gillespie retires in April because he budgeted for him to work the entire year. He also did not make any budget adjustments for the loss of the Safe and Secure Grant, in the event the Borough does not receive it. He related that if the staffing goes to 17 men, the Borough will not be eligible for the grant. He related that he did not budget for a patrolman to replace Brian Gillespie. He stated that he did not include any of the non-salary costs associated with hiring a new officer. He indicated that he did not make adjustments for the loss of the Safe and Secure Grant CAP adjustments.

Mr. Trengrove related that if the police department staffing goes below 18 the State could take the grant away from the Borough and could also put the figure of \$152,989.80 listed in the Safe and Secure Grant Line Item #0-01-41-725-000 inside the spending CAP.

Mr. Grasso asked if the college money is to pay for officers to attend college.

Mr. Trengrove explained that each officer pays for their own college. He related that contractually they receive \$2,200 each year for having obtained a bachelors degree, \$1,280 for an associates degree and he noted that there are steps built in to the college incentive award. He related that it is consistent with other police contracts.

Mr. Grasso asked where it is written that the Borough has to pay \$2,200.00 every year.

Mr. Trengrove related that it is contractual.

Council Member Connolly asked Police Chief Scimeca if he could wait until the end of next year to replace Patrolman Gillespie.

Chief Scimeca related that the Borough will lose the Safe and Secure Grant if Patrolman Gillespie is not replaced and that the overtime budget will be impacted.

There was some discussion regarding this matter.

Council Member Connolly asked why the Holiday Pay is listed separately on the salary sheet.

Mr. Trengrove related that past councils have requested that it be a separate item.

Chief Scimeca pointed out that the Safe and Secure Grant formula could be changed or it could be discontinued.

Council Member Connolly asked why the health insurance costs are not included in the police department budget.

Mr. Trengrove reiterated that the Borough must follow a Uniform Chart of Accounts and noted that there is a separate sheet listing the health insurance costs. He related that the budget that is used is a line item budget and not a program budget. He related that only the State of New Jersey can change it. He related that it is the same for all the departments.

Council Member Grasso asked for more information on the Medical Insurance Opt-Out Program.

Mr. Trengrove related that the employee must have insurance coverage to be able to qualify for the Opt-Out Program and related that the program saves the Borough \$156,000.00. He noted that the program is a 50/50 split and also costs the Borough \$156,000.00. He related that it is a contractual obligation.

Council Member Connolly asked Mr. Trengrove to explain the Flexible Spending Account Program.

Mr. Trengrove explained the program and noted that it is a contractual obligation.

The Special Officer Line Item #0-01-25-240-012 was reviewed. Chief Scimeca related that the increase over last year's figure is because he put additional funding in the line item to pay for salary costs for Special Officer Recruits to attend school, which is an anticipated mandate.

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Chief Scimeca pointed out that 2009 was the first year that Special Officers were only used between Memorial Day and Labor Day with the exception of special events. He related that this deployment hurt the Borough in that there were problems with juveniles in the business district. He related that he did receive complaints from the merchants and motorists.

Mr. Trengrove pointed out that the line item contains funding for the officers to attend court and training.

Council Member Grasso related that the special officers represent 92 percent of the tickets given in the Borough.

Police Chief Scimeca related that applies to the Borough ordinance violations written.

Council Member Grasso related that regular officers bring in 65 percent of the violations and 35 percent by the special officers. He related that if the moving violations are removed, it looks like what the specials and the regulars do is dead even.

Chief Scimeca related that special officers are valuable to the Borough and pointed out that they have a different job description than the regular officers.

The Crossing Guard Line Item #0-01-25-240-013 was reviewed. Chief Scimeca related that the Board of Education notified him that they would not be paying half of the cost to employ one crossing guard that was added to take care of the crossing at the second crosswalk that was added many years ago when they reconfigured their driveway. He related that they requested the crossing guard and the agreement was negotiated many years ago. He stated that their attorney has informed them that they do not have to pay it. He stated that he has included the funding in the 2010 budget.

The Regular Police Overtime Line Item #0-10-25-240-014 was reviewed. He noted that the homicide trial will create a lot of overtime costs.

Council Member Lee asked if this line item takes into consideration the replacement of injured officers.

Chief Scimeca related that the Borough does receive partial payment from workers compensation for injuries that are received on duty.

Mr. Trengrove related that he will provide the exact figure to the Governing Body before the next council meeting. He noted that it is applied to the regular officers salary and wages line item.

The Shift Differential/Supervision Line Item #0-01-25-240-015 was reviewed.

Mayor Dempsey asked if this line item could be reduced from \$10,000 to \$9,000 based on the last three year actual numbers.

Council Member Connolly related that she would rather see it reduced to the actual spent in 2009 in the amount of \$8,169.22.

Mr. Trengrove related that the actual is based on the 2009 salary.

Chief Scimeca pointed out that there was a Sergeant out this year.

Council Member Grasso related that the Parker House in Sea Girt contributes towards the police costs. He asked if Manasquan does this also.

Mayor Dempsey related that is voluntary and that the Borough cannot force them to pay it.

Mr. Trengrove related that there were contributions given to the Borough in the past from two of the bars but they stopped giving them. He related that the Borough has received a legal opinion that they can not be mandated to contribute money towards the police costs. He related that the A.B.C. law won't allow it.

The Governing Body and Police Chief continued to review and discuss the police department line items.

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There was some discussion regarding the Clothing Uniform and Maintenance Line Item #0-01-25-240-032. Police Chief Scimeca related that the figure is based on the contractual amount and advised the Governing Body that he is willing to meet with them to discuss potential contract changes and what changes they would have on the operation of the police department.

There was a great deal of discussion regarding how to proceed with the budget review. Council Members Connolly and Grasso both expressed the desire to revisit the police budget after the completion of the line item by line item review with the Police Chief.

Mayor Dempsey related that after the line item by line item review is completed a brief recess will be held then the police department budget will be reviewed again.

There was some discussion regarding the New Equipment Line Item #0-01-25-240-050.

Police Chief Scimeca said that the funding in this line item in the amount of \$650.00 is to purchase a police bicycle. He related that last year two bicycles were donated by an auto dealership but that he cannot count on that type of donation every year.

Council Member Grasso related that he will contact the police bicycle vendor to see if they will donate a bicycle to the Borough.

The Governing Body agreed to revisit this line item if a bicycle is donated.

Police Chief Scimeca related that there is no funding in the New Vehicles Line Item #0-01-25-240-051 because the funding was moved to the beach budget. He related that he is proposing to replace one of the five patrol vehicles. He related that the primary patrol vehicles are used every day and average about 25,000 miles per year and that the idling and the small town stop and go driving is very hard on the vehicles. He related that the vehicle with the highest mileage is 76,500 and that he recommends replacing this vehicle. He related that he recommends replacing a vehicle before it has about 100,000 miles. He stated that if the vehicle is still on the road in 2011 it will have over 110,000 miles on it. He cautioned the Governing Body about delaying the purchase of one vehicle in 2010 because the fleet is older and then two or possible three vehicles may have to be purchased in 2011. He continued to discuss the police department vehicle fleet. He suggested replacing one vehicle in 2010.

The Governing Body and Police Chief Scimeca continued to review the police department budget line items.

There was a great deal of discussion regarding pedestrian crossing signs. (Traffic Line Item #0-01-25-240-119) Chief Scimeca related that he would like to purchase three pedestrian crossing signs at approximately \$300.00 a piece and noted that they are in pretty bad shape. He related that they have received complaints about them.

Police Chief Scimeca reviewed his Capital Wish List.

A brief recess was held from 11:14 a.m. to 11:30 a.m.

The Governing Body and Police Chief reviewed and discussed the police department budget line items again.

Council Member Connolly related that the Regular Police Salary and Wages Line Item #0-01-25-240-011 actual request is 4.7 percent higher than last year's actual spent in the same line item.

Mr. Trengrove reiterated that the requested figure is based on a contractual amount based on a projected increase and the difference is that the worker's compensation figure has not been included yet. He related that he will have the figure ready for the next budget meeting.

There was a great deal of discussion about the Regular Police Salary and Wage Line Item #0-01-25-240-011. Council Members Connolly and Grasso expressed the desire to reduce this line item.

Mayor Dempsey, Council Member Lucas and Mr. Trengrove explained that salary and wage reductions are negotiated at the bargaining table and that the Governing Body cannot reduce contractual items.

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Council Member Connolly related that the Police Department and Arbitrator will see the 4.7 percent increase and will expect to receive it.

Council Member Donovan related that \$107,000 of that figure is for longevity increases.

Mayor Dempsey related that if the budget line item is underfunded an emergency appropriation will have to be adopted which will greatly affect the following year's budget.

There was some discussion regarding the use of surplus to balance the budget and possible ways to reduce the Police Department Salary and Wage Line Item.

Mr. Trengrove warned the Council that if the budget is cut to a point where the money isn't available in the budget to pay what is awarded by the arbitrator, it will cause the Borough to have to create a line item in the following year's budget within the CAP.

Council Member Connolly suggested reducing the line item from a 4.7 percent increase to a 3 percent increase.

Mayor Dempsey related that he is not in favor of Council Member Connolly's suggestion.

Mr. Trengrove reiterated that the actual number listed in the 2009 Police Department Salary and Wages does not contain the workers compensation figure yet.

Council Member Donovan related that the contractual amount appropriated for last year's salary wages was a contractual amount based on the salaries, longevity and vacation pay. He related that the Borough has to anticipate the contractual amount for 2010 which is the actual figure that is listed in the budget.

Mr. Trengrove related that there is a 2 percent salary increase figure built into the figure.

Council Member Donovan related that 2 percent may not be adequate based on what arbitrators have been ruling in binding arbitration for other area police departments.

Mr. Trengrove related that is a concern of his and the Police Chief.

Council Member Connolly related that those municipalities have a different socio-economic situation. She related that she handled binding arbitration for Rutgers University.

Council Member Donovan related that Rutgers does not have binding arbitration. He explained how binding arbitration works and related that the arbitrator does not take the economic condition of this town into consideration.

Council Member Connolly related that they will have to do it this year.

Mayor Dempsey related that they will look at whether or not the municipality has the ability to pay and raise taxes.

Mr. Trengrove related that they will look at the trend of settlements in the area and the ranking of the municipality within that group. He related that the League of Municipalities has been fighting to get the arbitrators to take the 4 percent CAP into account when making awards.

Council Member Grasso asked how many employees live in town.

Mr. Trengrove related that he is unsure.

Mayor Dempsey and Council Member Lucas related that it is immaterial whether or not an employee lives in the Borough

Council Member Connolly related that people living outside of Manasquan may view Manasquan as being wealthy. She related that she can't even imagine telling people that the Borough workers are getting an increase in salary when they aren't getting zero percent.

Mr. Trengrove cautioned the Governing Body that they will have a budget problem by reducing the salary and wage line item to a figure below what is awarded.

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Council Member Lee related that since Patrolman Gillespie is retiring this year it would be a good year to conduct a complete review of the Police Department. He related that it is a great opportunity to look at operations and potential savings. He related that it should be a priority. He related that the need for three officers on the 12 to 8 shift should be looked at and that perhaps an arrangement could be made for staffing coverage with the adjacent municipalities. He related that a retirement may be an opportunity to readjust staffing levels.

Police Chief Scimeca related that most shifts are the minimum of three officers but then it drops down to two if contractual time is used. He related that the third officer is not replaced in the winter months but is replaced during the summer months.

Mr. Trengrove noted that deployment is determined by work load but that contractual time off has to be factored in.

Chief Scimeca related that he does not know what impact losing the 18<sup>th</sup> officer will be. He related that they will study the impact of a 17 man department versus an 18 man department. He related that dropping a three man shift to a two man shift could expose them to an increase in overtime in order to reach the minimum staffing.

Mr. Trengrove related that the Governing Body needs to decide what risk they want to take with the salary and wages for Patrolman Gillespie in the event he changes his mind and does not retire. He related that some of the excess should be used to fund the extra overtime that will be created by Patrolman Gillespie's absence in the event he retires.

Council Member Lee said that the overtime budget has always been a pet peeve of his and he asked at what point does it stop. He asked if it comes to a point where it would be cheaper to hire an additional person. He asked if there is a way to control it.

Police Chief Scimeca related that he cannot say with certainty that the 12 hour shift schedule created overtime.

Council Member Donovan related that it was originally thought that the 12 hour shifts schedule might reduce overtime but it didn't.

Chief Scimeca related that it is a dangerous job and that five officers got injured last year, four of them during the course of an arrest and one was assaulted. He related that twenty to thirty percent of the time an officer has to be replaced with an overtime shift for each absence. He related that percentage may go higher if the department becomes smaller. He related that the percentage is higher during the summer months when the minimum staffing is three officers.

Council Member Lee made a recommendation to reduce the Regular Police Overtime Line Item #0-01-25-240-014 to the 2008 actual figure of \$130,573.93 or \$131,000.00.

Police Chief Scimeca related that at the minimum the figure should be adjusted to include the increase adjustment. He related that almost all of the overtime was needed to reach minimum staffing. He related that there is very little that he can do to reduce overtime based upon the contractual obligations. He noted that they also receive overtime to appear in court and noted that there will be a homicide trial in 2010.

There was continued discussion regarding this matter.

Council Member Connolly related that in 2009 the actual number was \$120,000.00 but that \$141,958.07 was spent. She related that she is being generous in suggesting that the 2010 number be reduced to \$142,000.00.

Police Chief Scimeca related that the figure of \$120,000.00 was not the number that he requested but is the number that the Governing Body selected.

Council Member Grasso suggested using the figure of \$127,000.00, Council Member Lee suggested using the figure of \$131,000.00, Council Member Donovan suggested using the figure of \$145,000.00, Mayor Dempsey suggested using the figure of \$145,000.00 and Council Member Lucas suggested using the figure of \$145,000.00 then later reduced the figure to \$143,500.00.

The Municipal Clerk related that she was unable to record the vote on each suggestion and that a vote should be conducted for the record. She stated that a motion has to be made first.

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The Governing Body agreed to revisit this line item and discuss it further at the meeting on January 16, 2010.

The Governing Body agreed to reduce Line Item #0-01-25-240-015/Shift Diff./Supervision Spec's from \$10,000.00 to \$8,200.00.

Police Chief Scimeca related that he currently has a Patrol Sergeant out of work and that he is not sure when he will return.

The Governing Body agreed to reduce Line Item #0-01-25-240-018/Dispatchers Overtime from \$54,500.00 to \$53,000.00.

Police Chief Scimeca noted that in 2009 less overtime was worked but that the dispatchers took more of the overtime in money rather than in time off. He briefly described several other factors that contributed to the actual figure in 2009. He noted that one full-time dispatcher is out on sick leave.

The Governing Body agreed to reduce Line Item #0-01-25-240-019/P-T Dispatchers from \$15,650.00 to \$12,600.00.

Council Member Connolly related that the printing line item should be reduced. She related that we all have to make a sacrifice and that next year if more printing money is needed and times are good, you can get it. She related that what they are trying to do is limit the budget proposals to reflect these times.

Police Chief Scimeca related that he needs the forms and cannot do without them. He pointed out that he withheld ordering at the end of 2009 and that the records department is waiting for the okay to order the forms that are needed.

Mayor Dempsey related that the three year average is \$1,600.00.

The Governing Body agreed to reduce Line Item #0-01-25-240-023/Printing from \$1,750.00 to \$1,600.00.

The Governing Body agreed to reduce Line Item #0-01-25-240-026/Repairs from \$3,750.00 to \$3,400.00.

Police Chief Scimeca pointed out that if there is no money in this line item to repair the in-car cameras, they will be replaced with new cameras since they are no longer covered under a maintenance program.

Mr. Trengrove noted that if the cameras are not in the cars, the Borough won't have protection for liability or citizen's complaints.

Council Member Donovan exited the meeting at 12:33 p.m.

Council Member Lee made a motion to reduce Line Item #0-01-25-240-029/Contractual from \$25,260.00 to \$22,000.00. The motion was not seconded.

Police Chief Scimeca asked where the Governing Body would recommend the reductions be made in this line item. He related that they could move the \$1,000.00 EAP plan, which he believes was paid for out of another line item last year and perhaps remove vehicle detailing for the second year in a row. He related that the majority of the items are maintenance contracts.

The Governing Body agreed to reduce Line Item #0-01-25-240-029/Contractual from \$25,260.00 to \$22,000.00.

Council Member Connolly suggested reducing Line Item #0-01-25-240-033/Books, Manual, Law Diary from \$1,395.00 to 1,200.00. Council Member Lee supported the reduction then stated that he did not support the reduction. Council Member Lucas and Mayor Dempsey did not support the reduction. Council Member Grasso supported the reduction.

Council Member Grasso volunteered to see if he could get the police bicycles donated. (Line Item #0-01-25-240-050/New Equipment)

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Council Member Lee asked if Police Chief Scimeca has identified an energy efficient vehicle.

Police Chief Scimeca related that the vehicles that they are purchasing are flex-fuel vehicles but that the ethanol fuel is not available in the area. He related that the studies have indicated that there is not a police vehicle on the market that is *green* that should be used for regular police duties. He related that perhaps in the future the Police Chief's vehicle and the vehicles that the Special Officers use may be *green*. He related that the consensus among the police professionals is to continue to purchase the standard police Chevy Impala or Crown Victoria.

Council Member Connolly stated that the funding in the New Equipment Line Item #0-01-25-240-051, which has funding for the purchase of two new bicycles, should be eliminated. She related that in this economy the Borough should not purchase bicycles and that the officers can walk.

Mr. Trengrove related that by eliminating bicycles the police department will have problems with deployment in the outlying areas. He related that they cover a larger area on bicycle patrol which a foot patrol cannot cover.

The Governing Body again agreed to revisit this line item after it is determined if Council Member Grasso can get the bicycles donated.

Council Member Connolly suggested cutting the Line Item #0-01-25-240-105/Photography in half then suggested reducing it from \$850.00 to \$500.00.

There were no objections from the members of the Governing Body.

Council Member Lee made a motion to reduce Line Item #0-01-25-240-119/Traffic from \$4,555.00 to \$3,700.00 but then changed the figure to \$3,715.00. There was no second to the motion.

Council Member Grasso suggested lowering the figure to \$3,500.00.

Mayor Dempsey suggested using the figure of \$4,000.00 so at least one pedestrian crossing sign can be purchased since they are in need of replacement.

Police Chief Scimeca related that if this item is reduced, he may have to remove the purchase of pedestrian crossing signs from this line item. He noted that he did not purchase any in 2009. He related that if the new pedestrian crossing sign mandate is passed, the Borough will only have one that conforms with the new mandate.

Mr. Trengrove related that the Borough receives many calls from the beach area residents regarding these signs and that they are a high demand item.

Council member Connolly related that they can be told that their taxes are not going to increase.

Council Member Lucas suggested using the figure of \$4,000.00.

Council Member Grasso suggested using the figure of \$3,800.00.

Council Member Lee adjusted his original suggestion to the figure of \$4,000.00.

The Municipal Clerk asked for clarification on the motion and vote.

The Governing Body agreed to reduce Line Item #0-01-25-240-105/Traffic from \$4,555.00 to \$4,000.00.

Chief Scimeca was excused from the meeting at 1:01 p.m.

#### AUDIENCE PARTICIPATION

Dick Meincke, 36 N. McClellan related that he likes Council Member Lee's suggestion to conduct a review of the Police Department since it is a tremendous part of the overall town's costs and that there is talk about shared services. He related that the Borough really has to talk about shared services.

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Council Member Lee made a motion to adjourn the meeting at 1:03 p.m., seconded by Council Member Lucas. Motion carried unanimously.

Respectfully submitted,



Colleen Scimeca  
Municipal Clerk

DATE APPROVED 2-8-10