

The Special Meeting of the Township Council of the Township of Franklin, County of Somerset, New Jersey, was called to order by the Mayor at 7:10 pm.

Mayor Levine read the following statement: “In accordance with Section 5 of the Open Public Meetings Act, Chapter 231, Public Law 1975, be advised that adequate notice of this Special Budget Meeting of the Township Council of the Township of Franklin, County of Somerset was made by the posting on the bulletin board at the Municipal Complex and transmitted to the officially designated newspapers, indicating that this Special Budget Meeting would take place at the Municipal Building at 7:00 pm. on Monday, March 12, 2012. In addition, a copy of this notice is and has been available to the public and is on file in the Office of the Municipal Clerk.”

Everyone present participated in the Pledge of Allegiance.

The Township Clerk called the roll.

Present: Mayor Levine, Deputy Mayor Kramer, Dr. Chase, Mr. Prasad, Ms. Sherman, Mr. Vassanella, Mr. Wright

Absent: Ms. Francois, Mr. Regan

Also present: Donna M. Viero, Assistant Township Manager, Ann Marie McCarthy, Township Clerk (left after presentation) and Virginia Woodbury, Deputy Clerk

PUBLIC DISCUSSION

Motion was made by Deputy Mayor Kramer and seconded by Mr. Prasad to open the meeting for public discussion. Said motion carried unanimously upon voice vote.

There being no comments forthcoming from the public, a motion was made by Mr. Wright to close the meeting for public discussion. Said motion was seconded by Mr. Prasad and carried unanimously upon voice vote.

Deputy Mayor Kramer moved to change the order of the agenda so that the Clerk, who was scheduled to undergo a procedure the following day, would be able to leave the meeting after her presentation. Said motion was seconded by Mr. Wright and carried unanimously upon voice vote.

DEPARTMENTAL BUDGET PRESENTATIONS

Ann Marie McCarthy – Township Clerk – Elections – Council

Ms. McCarthy stated that she had decreased her budget by 10% by decreasing legal, educational training and other contractual items. She informed Council that a program has been found that would provide the means for a paperless packet at the cost of \$850.00 per month with no contract period. That procedure would be a savings of time, money and allow Ms. McCarthy to accomplish other work. In answer to Councilwoman Sherman’s question regarding the fact that not all Councilmembers prefer a paperless packet, Ms. McCarthy stated that four paper packets would be provided with less paper and less time spent preparing. It had been determined that, with Council approval, the purchase of iPads for Councilmembers, or by use of their laptops, an agenda and all back-up documents could be supplied with less expense and less time consumed. Ms. McCarthy reminded Councilmembers that, if their personal computers were used, they would be subject to OPRA regulations.

Councilman Chase asked if the public would have access to copies of agendas, resolutions and ordinances. Ms. McCarthy answered yes, but the public does not get all the back-up documents given to the Councilmembers. Dr. Chase also questioned the method by which the Councilmembers would obtain the iPads. Ms. McCarthy said the iPads would be kept by the Councilmembers and meeting materials would be uploaded to them by the Clerk. All

necessary correspondence among staff members and the Clerk would be handled electronically.

Deputy Mayor Kramer asked Ms. McCarthy if there would be a “return on investment” if only half of the Councilmembers used the paperless packet procedure. Ms. McCarthy answered that a savings in paper and time and increase in productivity in other areas would be beneficial. Ms. McCarthy explained that all correspondence with other department heads would go to her electronically in the same place and in the same format eliminating the need for three different documents; the resolutions and ordinances will turn into the agenda, the agenda will turn into minutes.

Councilwoman Sherman asked if the program is going to cost \$850.00 per month forever. Ms. McCarthy answered that it will cost the same as long as the Township uses the program.

Ms. McCarthy went on to the Election Budget, stating that the budget will be reduced due to the Board of Education choosing to move their election to November and that results in the Township having to rent the NJ National Guard Armory only two instead of three times during the year. The Township has no control over the cost of the sample ballots for the Primary Election (the Board of Elections does not bill for the other elections) and the size of the ballot determines how much the bill is and the Township is required to pay it.

With regard to the Council Budget, a discussion followed concerning the line item for weddings. Councilman Chase questioned why the budget cannot show what a department brings in as well as what is paid out, citing the fact that of the \$150.00 fee for a wedding performed by the Mayor, one hundred dollars is kept by the Township. Councilman Vassanella noted that any money disbursed to an employee, especially to a Councilmember, for whatever reason, should be shown in the budget. Ms. McCarthy noted that \$6,000 (the amount realized from the fees for weddings) shows up in the Council Budget, the payment to the Mayor shows up in Revenue – Line Item #028, page 16.

Councilman Vassanella suggested that Council wait one more year before taking another look at Council’s salaries. Mayor Levine noted that, when the budget is introduced, Council could vote on whether or not to continue the freeze on Councilmembers’ salaries. A short discussion concerning the procedure for making recommendations to the Manager ensued and Assistant Township Manager Vieiro agreed to bring the matter to the Township Manager’s attention.

Councilmembers wished Ms. McCarthy well and thanked her for her work.

At this time, the Deputy Township Clerk, Virginia Woodbury, took the Township Clerk’s place.

Richard Carabelli – Tax Assessor

Mr. Carabelli referred to his memo regarding the main expenditures in his proposed budget. He noted that his position became part time as of January 1, 2012. Regarding his office staff, Mr. Carabelli stated that there is one vacant position for Field Inspector and one position has been eliminated entirely. The decision to fill the vacant position has not yet been made but he said we have had a good start with revaluations due to good weather conditions and there is no reason to hire additional staff at this time.

Mr. Carabelli spoke about the printing and posting of notices to property owners that totaled \$11,200, including the Chapter 91 request forms that went out to 740 property owners. With regard to outside consulting services, Mr. Carabelli stated that there is very little difference in the years that he has been with the Township. The request for Consulting Services is decreased from \$175,000 requested last year to \$125,000 requested this year. The required budget for consulting services is governed by whatever number of cases the Court requires the Township to defend.

Deputy Mayor Kramer engaged Mr. Carabelli in a discussion regarding the reason for estimating next year's need for consulting services at \$125,000 when budgeting for \$175,000 last year resulting in only \$76,000 being encumbered. Mr. Carabelli answered that, considering the case load that exists, he can see consulting fees surpassing \$100,000, and to underestimate would be more of a problem than overestimating. Mr. Carabelli noted that the downside to underestimating is that a request would have to be made for emergency funds.

Councilwoman Sherman remarked that overestimating the required budgets by other departments would bring the tax levy up considerably. Mr. Carabelli agreed, but added that one case (of tax appeal) could eat up one-half of the \$125,000 budget.

Deputy Mayor Kramer noted that each department has their own contingency fund and it was a kind of a one-time savings to roll all the contingency funds into the manager's fund and he could then dole that out. In that way, he continued, he only needed a 10% fund rather than everyone having a 7% fund. Mr. Kramer asked Assistant Manager Vieiro if there is a way Council could do that with this kind of situation or would the law have firewalls that make it difficult to do. Ms. Vieiro noted that it really does not matter whether the funds are in the Tax Assessor's budget or in the manager's; if they are in the Tax Assessor's budget, it saves the CFO from having to transfer the funds in November.

A brief discussion concerning the procedure of cutting funds from department heads' budgets and putting them into the manager's contingency budget ensued. Vandana Khurana, CFO, added that there is most likely some back-billing that will show up in July, August or September for April, May and June cases. When Councilman Chase questioned the amount of money budgeted for tax attorneys because he was under the impression that Mr. Carabelli did all of the negotiating of tax appeals, Ms. Vieiro explained that the items were split – there is \$200,000 for the Township Attorney, Ethics Board Attorney \$15,000 and \$160,000 contracted to Tax Attorneys.

In further answer to Councilman Chase's question, Mr. Carabelli explained that the Tax Attorney is the legal representative for the Township at the State Tax Court level; neither the Township nor the petitioner can appear at that level without legal representation. If a case can be negotiated to an agreement, no attorneys are required. Once a case goes to court, both sides are required to have legal representation.

Councilman Vassanella questioned if it is possible to reduce budgets (like Legal Services) by \$8,500 with the understanding that Council is giving the manager discretion to shift that amount to department budgets to handle requests. Councilwoman Sherman suggested that, at the end of the book closing for the year, the amount that was projected to be spent and the actual amount spent be monitored to know how close Council is to avoiding overestimating and adding to the tax levy unnecessarily.

Deputy Mayor Kramer noted that the Financial Oversight Committee had discussed that very subject at their last meeting. Mr. Kramer was going to give a report at the next regular meeting on their recommendation that the tax appeal attorney be asked to report to Council when they had reached spending of \$80,000 of the \$140,000 budgeted last year and another report at \$125,000.

Council thanked Mr. Carabelli for his work.

Carol Langone, Tax Collector

Ms. Langone stated that her department really handles four functions – billing, collecting, reporting and enforcing. The department consists of two full-time employees and one part-time employee and they are used primarily for the collection function. The function of enforcement, Ms. Langone explained, is a yearly tax sale which is extremely time consuming. In June 2011, Ms. Langone placed over 500 liens and when the Township went into a transition year, she had to hold a second tax sale where she placed another 800 liens. Ms. Langone explained at length, that the procedure for the property tax reimbursement program now

requires the Tax Collector to certify a booklet that is sent to eligible tax payers, takes hours of her time to comply.

At tomorrow night's Council meeting, Ms. Langone noted, 108 redemptions are listed for Council approval; on Friday of last week, Bank of America over-nighted Ms. Langone a request for over 100 more redemptions. Ms. Langone's theory is that, because Bank of America does not escrow for water and sewer bills, only for taxes, when they are not in the first place for repayment, they are eager to get their money and get those liens off their books.

Continuing with her report on her budget, Ms. Langone requested the Council to consider filling the position of Deputy Tax Collector that is included in the department budget but has been vacant since January 1, 2011 when the former Deputy Tax Collector resigned. Councilman Rajiv recommended that the Tax Collector's Office be fully staffed because it is a very important function of the town; the fact reinforced by CFO Khurana who noted that the Tax Collector's Department generates \$300 million dollars a year in revenue.

In answer to a question from Councilwoman Sherman, Assistant Manager Vieiro stated that, although on-line payment of taxes is available to residents of the Township, many residents still want to go to the office, hand in a check and get a receipt at that time. Ms. Langone added that Citinet is used for on-line payment and she is attempting to get the data on the website so fewer residents need to make inquiries by telephone. Phone calls from Title Companies require a lot of time because they ask for every quarter, every payment.

Councilman Vassanella mentioned the reorganization program that has been suggested for the Township Departments. Basically, all of the money collecting is to be consolidated, hopefully making improvements in the efficiency of operations of the tax collector, water, construction code, clerk, planning and zoning offices. Mr. Vassanella suggested waiting to see what affect the proposed changes will have on the collector's office, or if the hiring of a part-time Deputy Tax Collector will be sufficient to ease the burden on Ms. Langone.

Assistant Manager Vieiro explained that, although Mr. Vassanella described the "one-stop shopping" program that is planned, it does not mean there could be a reduction in staff because the manpower must be there to collect the fees. Ms. Vieiro added that the hiring freeze has been lifted for the Tax Collector's department and the manager has recommended the hiring of a full-time Deputy Tax Collector.

Deputy Mayor Kramer, referring to the Operating Budget total for the Tax Collector's Office, commended Ms. Langone for managing to operate at approximately one dollar per ratable (22,500 ratables/\$23,000 budget). Ms. Langone explained that bigger mortgage companies do not receive tax bills, she emails the file and they wire the money into the Township account, thus cutting down on the expense of mailing out bills.

Mayor Levine questioned Ms. Langone on the process of Homestead Rebates going directly to tax bills. Ms. Langone stated that it costs approximately \$700 per year because there has to be a revised tax bill issued to residents who have the rebate credited to their tax bill; residents can request the rebate to go directly to them.

Councilmembers thanked Ms. Langone for her hard work.

Police Department, Chief Roberts, Lieutenant Vornlocker, Sgt. Durham

Chief Roberts started with a brief overview of the year-end report and stated that Sgt. Durham will be taking over the Professional Services Division from Lt. Vornlocker.

Chief Roberts started with a brief overview of the 2011 year-end report citing the following points:

Calls for Service:	Circa 800 calls over 2010 total
Total of Summons Issued:	Almost 1900
Motor Vehicle Stops:	1300

Deputy Mayor Kramer questioned Chief Roberts about the Crime Suppression Unit. Chief Roberts stated that the Somerset County and Middlesex County Prosecutors Offices started Cross Border Initiative that has resulted in concentrated efforts to deal with gang violence, drugs and shootings. Within the next few months, Chief Roberts said, the prosecutors will release numbers that show the effort has had a major impact; there has not been a shooting in the previous four months and there have been numerous arrests. Chief Roberts gave credit to the Crime Suppression Unit and Sgt. Darrin Russo for the great job they have done in leading the Police Department in arrests.

In answer to a question from Councilman Vassanella, Chief Roberts explained that not all details of the juvenile reports can be made public, because the perpetrators are juveniles. Chief Roberts asked Sgt. Durham, who ran the juvenile bureau before her transfer to Professional Services, to give some background on the work of the juvenile division.

Sgt. Durham explained that most of the problems of the juvenile division have to do with run aways, incorrigibles, parent/children fights. In many cases, DYFUS gets involved because most of the resulting offences are not indictable crimes. Family Crisis also gets involved; they have mobile units and at least one or two times a month they visit the homes to get the family involved and participating in the monitoring of the juvenile. Chief Roberts mentioned the program through Parks & Recreation Department that was started by Councilwoman Francois; the police department personnel plays basketball against the youths – Chief Roberts noted that the “kids won again last week”.

Councilman Wright questioned Chief Roberts regarding the number of lieutenants now on the force. As of the first of this year, there were five, Chief Roberts said. Three Lieutenants have retired so far this year and that is why we are in the process of promoting.

Chief Roberts stated that he has asked patrols, when they are not involved in calls for service, to do radar enforcement and traffic enforcement. He noted that almost 1900 tickets were issued over last year’s quota.

Security checks of locations such as John’s Plaza, Hidden Lake Plaza and Kingston Plaza were made late at night when business owners are closing up. Again, during the night, patrols checked businesses. Chief Roberts attributes a drop in burglar alarms to educating people about safety measures they should take to protect their property. The “park, walk & talk” procedure was curtailed due to reduced manpower and the greater need for traffic enforcement.

Deputy Mayor Kramer questioned Chief Roberts about the subject of certification. Chief Roberts replied that, except for the State Chiefs’ report, everything else is completed; once the State Chiefs’ report is finalized the Township Police Department will be awarded accreditation. There are only three municipalities in Somerset County that are certified; we will be saving money on JIF, Chief Roberts noted.

A lengthy discussion ensued regarding the subject of the purchase of police vehicles. Chief Roberts explained that, because of the financial situation, there were no new vehicles purchased for three previous years before 2011 when ten vehicles were purchased. The normal pattern was five new vehicles each year; this year and last year it is necessary to purchase ten new vehicles to get the fleet up to speed.

Councilman Prasad and Mayor Levine thanked the Police Department personnel for doing more with less and doing a good job.

John Hauss – Department of Fire Prevention

Mr. Hauss submitted his annual report showing a comparison of the prior year’s fiscal to the current year’s calendar format. He noted increases are shown in green; there was an increase in revenue of 30% from 2010. The reason, he said was that this is the first full year with permit fee increases and some new additional fees. There are four reasons, he said; 1)

permit fee increases; 2) \$27,000 increase in shared services agreement with fire districts; 3) new or newly registered businesses; 4) State finally gave us all four rebates that equal \$140,000 each year.

Mayor Levine asked what is meant by “rebates”. Mr. Hauss replied that “Life Hazard Uses” means all those businesses (nursing homes, schools, gas stations, large warehouses, hotels) the State bills for inspections. For those businesses the State takes 35% for the billing process and gives the town 65%.

Mr. Hauss explained the process of billing done by his department that is 97% effective; the State is far behind in collecting their revenue which is why the Township has not been receiving its share. With regard to the subject of the man-hours spent by department personnel to aid fire districts during working hours, Councilman Vassanella asked Mr. Hauss what percent of his budget is being spent to comply with the commitment. Mr. Hauss noted that, before the existence of the shared services agreement, his department personnel would respond to calls whenever they could. With the shared services agreement, the department is committed to sending a minimum of two inspectors on every single fire call if possible. If a call comes in on a “working fire” all personnel respond.

Councilman Prasad cited the occasion of the Divali Festival at the Ukrainian Center where he witnessed Mr. Hauss preventing several potential fire hazards from becoming an issue of safety and complimented Mr. Hauss on his handling of the situation.

Mr. Hauss noted that, in order to trim his budget the required 10%, he had to dip into penalty funding. He said at some point he will not be able to trim 10% but was able to comply this year.

Regarding his request for new vehicles, Mr. Hauss explained that three of the vehicles used by his department are 1998 Ford vans that have between 10,000 and 138,000 miles on them and are sometimes more down than up. Mr. Hauss said he is asking for three pick-up trucks in this year’s budget.

Mayor Levine expressed the Council’s appreciation for Mr. Hauss’ hard work.

Vandana Khurana and Andrew Hodulik – Finance Department

Ms. Khurana started by explaining that the Finance Department Budget consists of a portion of her salary, the remainder of her salary is split between Current, Water and partially Trust Fund, as she is the Trust Fund Administrator (15% of her salary being charged there). The OE consists primarily of Consulting Fees for the Financial Consultants and other contractual items such as the time clock that has been installed at the Department of Public Works, Ms. Khurana explained. Maintenance of the software with ADP is not part of their normal contract.

With regard to Conferences and Meetings, Ms. Khurana noted that she attends the NJLM conference for one day and attends the FGOA Conference in September. Software licensing is budgeted for \$6400.00. This is the annual maintenance contract for our newly acquired financial software with Edmonds. Ms. Khurana noted that she was not able to cut her budget by 10% because of the contractual items.

Mr. Hodulik explained that the service that his firm supplies to the Finance Office includes processing of payroll, payment of bills, recording of revenue, maintenance of the general ledger, bank reconciliations, other support reports that might be requested by administration and anything else Mayor and Council might ask him to provide. In answer to a question from Mayor Levine, Ms. Khurana explained that the large number under expended in Other Contractual Items was just part of Mr. Hodulik’s contract payment that was charged to that line item.

Councilman Vassanella asked that the Council be apprised of the progress being made to standardize time sheets. He also asked if there is information comparing Mr. Hodulik’s team handling the Finance Department as opposed to Township employees. Mr. Hodulik noted that

when his firm took over the department the existing cost structure was kept in place. Councilman Kramer recounted the instance of Mr. Hodulik cutting his price by 5% at the time when the Township was in financial trouble and commended Mr. Hodulik for the work that he did to help the Council deal with some real problems.

Councilman Chase questioned the fact that part of the salaries of some personnel, other than Ms. Khurana, is charged to the water account. Mr. Hodulik noted that there is actually less of an allocation than in previous years but Ms. Khurana's salary has been allocated higher than other personnel's salary.

Mayor Levine thanked Ms. Khurana and Mr. Hodulik for their hard work in the Finance Department.

Donna Vieiro and Justine Heyman

Assistant Manager Vieiro explained that the IT Department has not ever had a Department Director and, as technology progresses, staff is lost and following the recommendations of the Matrix Report, it is her recommendation that Council consider having a director or manager for the IT Department. Ms. Vieiro noted that Justin Heyman has gone through the program at UNC and is now a Certified Government Information Officer (there are only twelve in the State). Ms. Vieiro noted that Krista Hegedus has contributed a lot of research for projects, most recently for the security project. The hiring of a new help desk tech who is now on call has made it possible for Justin and Krista to actually have a two week vacation for the first time since they started working at the Township.

Mr. Heyman noted that, with the addition of a new telephone system this year, the IT Department added that responsibility. He noted that, as promised, the Voice Over SPI system did realize operating savings of more than \$30,000; the renewal just came up, he said, so I know that that number is now closer to \$32,000. Mr. Heyman continued stating that telephone service costs have been reduced \$60,000 a year. By cancelling some old and obsolete lines, Mr. Heyman calculated that the Township could anticipate another \$15,000 in savings.

Mr. Heyman went on to discuss other projects. Through Spatial Data Logic, our Township management software, we will employ a new clerk module to help with requests and Board appointments. We continue to refine the Project Management Portion, which is the tracking of permits across many departments. The Disaster Recovery Plan that is going to be the majority of IT's capital request, has been completed. In order to best protect Township assets, we are exploring entering into a Shared Services Agreement with Princeton Township to house an off-site facility for us. By using another Township, we will save a considerable amount of money because, in a reciprocal agreement, it will be free of charge. Other options are being considered by the IT Steering Committee. Another major project that will be coming up is the municipal security system for the Township building.

A discussion ensued concerning the procedure for storing Township data off-site and who is ultimately responsible for insuring the safety of Township information. Mr. Heyman assured the Council that every precaution will be taken to protect Township information, likewise for Princeton Township's information.

The issue of the card scanning project for the Township building was discussed and Mr. Heyman noted that it is in the current capital budget to be implemented during this year. Assistant Manager Vieiro noted that the funding for this project will come from money left over from the radio project; there is about 5 million left that can be used so that the Township does not have to bond for this project.

Councilwoman Francois discussed the procedure for the card scanning project and it was noted that, providing the budget is approved as submitted, the project would be implemented this year. Councilman Vassanella asked if a physical timeline and on-going reports on the projects could be made available to full Council, to which Ms. Vieiro agreed. Concerning the shared storing of files, Mr. Heyman explained the procedure that was followed and that a back-up plan is in place in case Princeton does not work out.

A discussion concerning tracking of phone bills followed and Ms. Vieiro noted that, contracting with outside contractors has been tried in the past and the Township was not pleased with the results. The work is being done by the IT staff very diligently to ensure that no Township services are being jeopardized.

Councilman Prasad questioned the workings of the card scan system to which Ms. Vieiro answered that, because not all personnel are hourly employees, the card scan system is geared to monitoring accountability – not attendance. Public Works Department does have time clocks but tying the municipal building into payroll for attendance purposes may not be feasible.

Ms. Vieiro continued with the presentation of the IT budget noting that requests are up 11% due to a maintenance agreement that came due and the scheduled purchase of ten Dell computers added to this year's budget.

Councilman Vassanella noted that the Township departments have been restructured and asked how that affects the IT department. Ms. Vieiro explained that IT department will be under whomever is going to be the Director of Revenue and Finance and again voiced the opinion that a Network Administrator or a Chief Information Officer should be directing the department.

Ms. Vieiro spoke about the Assistant Manager/Human Resources budget stating that there was not much to talk about because of the hiring freeze last year. She noted that the Matrix report recommended that the position of Office Coordinator be reclassified to Human Relations Coordinator and, Raven Williams, who has completed her MBA in Human Relations Management, has taken over Health Insurance administration and has acquired that title. Workmen's' Compensation claims are at the lowest levels since 2007 and Ms. Vieiro credited Victor Stevens, Superintendent of Public Works, with working hard to ensure the safety of the men and women of his department.

The slight jump in the Human Resources Budget, Ms. Vieiro explained, is due to her decision to suggest that the Personnel Manual that last year was done electronically and resulted in problems, be printed out and handed to each employee. A second thing Ms. Vieiro suggested is a Work Force Development Plan as recommended by the Matrix Report. That plan would recognize current staff members who could be utilized in positions other than that which they currently hold. Ms. Vieiro also noted that promotions in the Police Department will necessitate health exams, drug testing and pre-employee exams causing an increase in the budget.

A discussion ensued concerning the availability of email or other forms of communication being available to every employee and it was suggested by Ms. Vieiro that the issue should be mentioned to the Township Manager and put on the Administration agenda.

Adjournment

Motion was made by Councilwoman Francois and seconded by Councilman Rajiv to adjourn the meeting. Motion was carried unanimously

Approved: *As Submitted*

Brian D. Levine, Mayor

Date: *August 14, 2012*

Virginia M. Woodbury, Deputy Township Clerk