

## Mayor and Council Budget Meeting – March 16, 2019

The 2019 Budget Meeting of the Mayor and Council of the Borough of North Caldwell was held on Saturday, March 16, 2019 at the Borough Hall, 141 Gould Avenue, North Caldwell, New Jersey and began at 9:00am.

Mayor Alessi called the meeting to order announcing that notice was provided in accordance with the requirements of Chapter 231, P.L. 1975.

Roll Call indicated the following present:

Present: Mayor Alessi, Council President Santomauro, Councilman Astorino, Councilman Chiaia, Councilman Kessler, and Councilman Rees.

Absent: Councilman Raymond

Also present were: Mr. David M. Paris, Esq., Borough Attorney; Frank Zichelli, Borough Administrator/Engineer; Richard Mondelli, Chief Financial Officer; Mark Deuer, Police Chief; John D'Ascensio, Fire Chief; Tim Peterson, Deputy Fire Chief; Bill Maranz, Recreation Director; and Tami Michelotti, Borough Clerk.

Mayor Alessi asked Borough Administrator Frank Zichelli to lead the Pledge of Allegiance.

### Citizens to be Heard

No one from the public came forward.

### ITEMS FOR DISCUSSION

#### 2019 CAPITAL BUDGET DISCUSSION

##### **Police Department Capital Requests**

Chief Deuer requested replacement of fingerprinting and mugshot equipment at a cost of \$27,000. He stated that no other capital expenses are requested.

##### **Technology Department Capital Requests**

Mr. Mondelli stated that the estimate for security cameras was reduced from \$40,000 to \$25,000 and the software update was tabled to a following year which reduced the Technology Capital Budget requests. The Council expressed the need to have an integrated security system that would allow for immediate feeds to the Police Department. Mr. Mondelli confirmed that funds were available in the Turf Field Bond Ordinance to fund the cameras for the turf field complex; therefore, the Council decided that the cameras would not require expenditure from the Capital Budget.

Mr. Mondelli reviewed the request for air conditioning for the Police radio room and two server rooms. Mr. Zichelli noted the need to vent the units to the outdoors since the server rooms do not have windows and are at sub-surface level. Chief Deuer stated he would verify costs with Sergeant Credico.

##### **Fire Department Capital Requests**

Mr. Mondelli stated that funds remained in the Capital Budget from 2018 for clothing which allows for a \$5,000 reduction. Chief D'Ascensio stated that a \$30,000 donation from the prior year allowed for several updates to the fire station. He stated that the epoxy floor is the remaining item in need of update. He noted that the floors get slippery and unsafe because of the trucks that leak water. The Council discussed the immediate need for the clothing expenditures but suggested the epoxy floor be tabled for another year.

##### **Recreation Department Capital Requests**

Mr. Maranz stated that six sets of soccer goals for \$6,000 and two pitching mounds for \$7,500 were needed for the Liberty Turf Field. These costs would be funded from the turf field bond ordinance. He added that several signs are needed for the turf field complex to enforce rules and regulations which Mr. Mondelli noted as Operating Budget expenses. Mr. Maranz suggested an additional set of bleachers be purchased noting that DPW currently moves them as needed which weakens them as they are not intended to be moved.

Mr. Maranz explained the need for a new baseball tractor for lawn mowing and raking. Mr. Zichelli stated that the tractor could be used by coaches before games on Firemen's Field to alleviate the task from the DPW. He added that a tractor is also needed for Mountain Avenue field. Councilman Kessler noted that many of the games on Mountain Avenue field are not being used by North Caldwell teams. It was decided that the old tractor would be repaired for use on Mountain Avenue field and a new tractor could be purchased if less than \$5,000.

Mr. Maranz stated the need for a multi-use storage shed at Liberty Park for turf field equipment and grooming/maintenance tools. The Council contemplated funding the shed from the turf field bond ordinance. Councilman Chiaia suggested that the shed and its placement be further discussed by the Recreation Committee.

Mr. Maranz asked for a golf cart type vehicle to travel to and from fields and summer camps as well as for the transportation of equipment and supplies. Council President Santomauro offered to request a donation of a cart from Green Brook Country Club.

#### **Municipal Pool Capital Requests**

Mr. Maranz asked that the restrooms be updated and the front and interior double-doors be replaced. He suggested that Mr. Zichelli noted that the door replacement was a more urgent need than the bathrooms. Mr. Mondelli suggested that bathroom repairs could be funded as pool capital budget upgrade expenses instead. The Council budgeted for \$5,000 to cover immediate expenses with a long-term plan to upgrade bathroom fixtures.

#### **Public Works Capital Requests**

Mr. Zichelli noted the need for catch basin repairs. Council President Santomauro confirmed the importance of repairs that facilitate drainage such as the sewer jet and portable pump. Mr. Zichelli stated the need for gutters on the Community Center, Borough Hall and the municipal pool. Mr. Zichelli asked for a condenser and dehumidifier for the DPW breakroom and locker room which sits 15 feet below street level and is subject to humidity.

Councilman Chiaia noted the need for a replacement of the front walkway into Borough Hall. Mr. Zichelli stated that the pavers are 20 years old and recommended replacing them with concrete with a small circle of paving stones and adding drainage mechanisms. Mr. Mondelli noted that \$28,000 is budgeted for Buildings and Grounds each year. Councilman Kessler noted the need to manicure and landscape the triangles in town. Mr. Zichelli added that no interest was received in the Adopt-a-Spot program offered last year. Councilman Chiaia offered to seek out interested landscapers for quotes.

#### **Water Department Capital Requests**

Mr. Zichelli noted that the water truck needs replacement with one that has a built-in compressor and generator for use during nighttime repairs. He added that the old truck would then be auctioned. Mr. Mondelli confirmed that the purchase would incur no debt as it would be fully funded from the Water Utility budget.

### 2019 OPERATING BUDGET DISCUSSION

#### **Fire Department Operating Requests**

Councilman Chiaia noted the bond ordinance for \$181,000 that was recently approved to fund new air tanks for the volunteer firefighters. Fire Chief D'Ascensio offered that struts, a fire hose and pagers can be transferred to the Capital Budget. He noted that cost of SCVA unit repairs is no longer needed due to the warranty provided on the new air packs.

Mr. Zichelli noted that Chief D'Ascensio has requested a salary increase for his roles as Fire Prevention and Fire Sub-Code Official which would be discussed under the Salaries and Wages portion of the Budget discussion.

#### **Recreation Department Operating Requests**

Mr. Maranz explained that the recent State increase in minimum wage impacts several levels of temporary, part-time staff with an increase in wages. Councilman Kessler noted that the Summer Fun wage increase would be covered by the program fees based on projected registrations.

The request to fund attendance at Recreation Director conferences was tabled to the following year as the conference would have occurred by the time the budget is passed. Mr. Maranz noted the need to increase the Parades and Celebrations line item due to an increase in the charge from West Caldwell for the July 4 fireworks display.

Mr. Maranz noted that the donated wind screens were damaged by winds before they could be removed during a storm and need to be replaced. He added that locks on the tennis courts need to be replaced.

The Council discussed the option of charging non-resident seniors for the monthly meetings and lunches. Mr. Maranz explained that participation is similar to a shared service much like other

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recreation programs. He suggested that not charging a fee would maintain the positive experience with sufficient participation.

Chief D'Ascensio and Assistant Chief Peterson departed the meeting at 10:28am.

### **Municipal Pool**

Mr. Maranz explained the need to increase the pool budget despite good revenue in 2018 to account for the State increase in minimum wage affecting lifeguards. Councilman Kessler added that the new wading pool will require an additional lifeguard on staff.

Councilman Chiaia asked if other areas associated with recreation, such as Walker's Pond, could be a utility for budgeting purposes like the Municipal Pool. Mr. Maranz suggested that the Recreation Department budget be increased when the Walker's property is ready to host community events such as a fishing derby.

The Council agreed to enter Executive Session at 10:36am while Mr. Maranz was present to discuss the issue of Personnel with respect to the Recreation Department.

### **Executive Session**

Resolution R-63-19 A Resolution Authorizing the Mayor and Council of the Borough of North Caldwell to Hold a Closed Session Meeting for Certain Specified Purposes: (A) Litigation – (1) Pulte Homes; (B) Personnel – (1) Borough Administrator, (2) Recreation was read. Motion was made by Council President Santomauro, seconded by Councilman Chiaia. Said motion was carried unanimously with five votes.

The Council re-opened the meeting to the public at 11:23 am.

### **Action to be Taken**

Resolution R-64-19 A Resolution Authorizing the Appointment of Kevin O'Sullivan as Borough Administrator for the Borough of North Caldwell was read. It was decided that Mr. O'Sullivan would sit on the Planning Board as Secretary. Motion was made by Councilman Rees, seconded by Councilman Astorino. Said motion was carried unanimously with five votes.

Resolution R-65-19 A Resolution Authorizing the Appointment of Tami Michelotti as Deputy Administrator for the Borough of North Caldwell was read. Motion was made by Councilman Rees, seconded by Councilman Chiaia. Said motion was carried unanimously with five votes.

## **2019 OPERATING BUDGET DISCUSSION**

### **Water Utility**

Mr. Mondelli stated that the last year's budget was even. He noted the increase for 2019 for the anticipated hiring of a Water Operator once Mr. Zichelli retires. He added that the water truck purchase would be reflected in the capital improvement line item.

Mr. Mondelli suggested that money in the Fund Balance could be moved to the Current Account if needed. The Council considered raising the water rate as Passaic Valley and Essex Fells have increased their rates. The Council agreed to consider a resolution for a 2.45% rate increase in North Caldwell water billing for a cost of \$6.25 per thousand gallons.

### **Salaries and Wages**

Mr. Mondelli noted an increase for dispatchers and for Ms. Michelotti which would be pro-rated for 2019.

Mr. Mondelli stated that the Tax Assessor requested an increase for the contract of Mark Hendrick's services. Mr. Mondelli noted the trending increase in legal expenses. Mr. Paris recommended accounting for the increase due to Fair Share Housing settlements which will rely on COAH Counsel and Borough Planners.

Mr. Zichelli added that the tax maps need to be updated as well. Mr. Mondelli noted that the revaluation would be funded with an emergency appropriation that would be spread over five years as done in the past. Mr. Zichelli stated that a deadline had not yet been set by the County.

**Engineering**

Mr. Mondelli noted the increase in the engineering budget for the anticipated hiring of a consulting engineer in light of Mr. Zichelli's impending retirement. Mr. Zichelli updated the Council on responses to the Borough's request for proposal for engineering consulting services.

**Police Department**

Mr. Mondelli stated that the increase in dispatcher salaries would be covered by the decrease in salary expenses from the retirement of the police captain and the delayed hiring of a new patrolman.

**Fire Department**

Mr. Mondelli noted the reduction in Fire Department Operating Costs of \$2,760.

**Streets and Roads**

Mr. Mondelli stated that an increase is recommended for the planned increase in DPW staff.

Mr. Mondelli explained the need for increases for trash collection. He added that the unemployment trust must be increased due to the recent departure of DPW employees. Mr. Mondelli noted increases in the police and fire pension fund (PERS).

Mr. Mondelli explained the upcoming expense of a one-year note coming due for the Walker's property. Mayor Alessi asked if the Green Acres or Open Space funding could still be considered. Mr. Zichelli explained that the Borough applied for an extension on the grant submission which comes due in June of 2019. He explained the requirements and limitations of Green Acres designation.

Mr. Zichelli updated the Council on the grant applications and permit requests for dredging of the pond. The Council asked Mr. Zichelli to review the history and anticipated timeline with Mr. O'Sullivan before his retirement.

**2019 ANTICIPATED REVENUES**

Mr. Mondelli noted that the increase on Borough investments is anticipated at \$54,000. He noted that an increase in construction code permit fees would average two (2) tax points for an approximate total of \$32,000 based on the average of the past five years.

Mr. Mondelli suggested that the capital improvement fund could be decreased by \$25,000. He suggested that the Water Fund Balance revenue would increase from the proposed increase in rate.

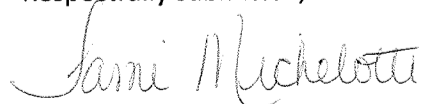
Mr. Mondelli estimated a total increase of seven (7) tax points for the 2019 Municipal Budget. He added that the impact would be a 1.7% increase or approximately \$47.11 per year on the average assessment.

Mr. Mondelli noted that a change in Caldwell Sewer Utility rates could affect the budget. Mayor Alessi confirmed that the full-time salary of the Recreation Program Director was not figured in this preliminary tax levy estimate. Chief Deuer asked that his offer of delaying the hiring of a patrolman be re-evaluated if the budget could accommodate hiring earlier. Mr. Zichelli asked for confirmation of Chief D'Ascensio's requested salary increase which the Council tabled until the 2020 Budget discussion.

The Council agreed to introduce the 2019 Municipal Budget at the March 26, 2019 Regular Meeting of the Mayor and Council with anticipated adoption on April 2, 2019.

There being no other matters to be addressed by the Governing Body at this time, a motion was made by Council President Santomauro, seconded by Councilman Kessler, that this meeting be adjourned at 12:25pm. Said motion was carried unanimously.

Respectfully submitted,



Tami Michelotti  
Borough Clerk