

READINGTON TOWNSHIP COMMITTEE
BUDGET MEETING – April 22, 2013

Mayor Allen ***calls the meeting to order at 6:30 p.m.*** announcing that all laws governing the Open Public Meetings Act have been met and that this meeting has been duly advertised.

PRESENT: Mayor J. Allen, Deputy B. Muir, Mr. T. Auriemma, Mrs. B. Fort, Mr. F. Gatti

ALSO PRESENT: Administrator V. Mekovetz, Chief Financial Officer T. Carro

ABSENT: None

Mayor Allen led those present in the ***Salute to the Flag***.

PUBLIC COMMENT

There were none.

2013 BUDGET DISCUSSIONS

Mr. Gatti recapped some of the budget adjustments that were made with Administrator Mekovetz and provided an update as to where the Township currently stands. Mrs. Muir stated that part of the process is to review the expenses of every department to determine what the Township requires both long and short term and also analyze if there are areas providing a duplication of services.

The Committee discussed additional sources of revenue and the reduction made to the Sewer Allocation Trust line item. Administrator Mekovetz advised that both the Township Auditor and Attorney cautioned against adjusting the line item too drastically in the event the Township would need to buy back capacity. Mr. Gatti also expressed concern with using “one shot” revenue sources.

Mr. Gatti maintained that \$375,450 has already been earmarked and at this time the proposed rate is in the mid five to six range. Mayor Allen replied that she would be more comfortable making some additional cuts in order to fall within the five range. Mr. Gatti reiterated yet again that many of these cuts are one time revenue reductions and asked the Committee to consider what the future will hold with the additional expenses of FEMA. A discussion ensued regarding the proposed rate for this year and what may be anticipated for the following year with inflation. Mayor Allen added that there could be an increase in the Housing Trust from Toll and also requested Administrator Mekovetz to research the balance of what may still be coming in from Fallone from the sewer allocation expansion. The Committee did a quick calculation to project the following year. Chief Financial Officer Tom Carro suggested raising the rate a little higher this year with the possibility of a lower rate for the next year. Mayor Allen replied that she was in favor of spreading it out over several years. Administrator Mekovetz stated that a slightly higher rate this year could generate some needed surplus and suggested setting the rate for this year with a stipulation to encourage department heads to work within a 2% lower operating budget, therefore creating a healthier fund balance. Mrs. Fort opined that she would like to get the number closer to the six cents in light of the recent Hurricane Sandy cleanup and in an effort to build up the surplus. Mr. Gatti stated that the Township also needs to do a better job effectively communicating to the public the services that are included in the budget. Mr. Gatti continued that there are factors in projecting next year’s budget that are out of the Township’s control; for example, the garbage bid contract coming up at the end of this year, health benefit increases, utilities and gasoline costs. Mr. Gatti further stated that even after the budget is adopted the Township needs to continue look at ways to save including selling off properties to reduce the interest expense.

Administrator Mekovetz requested that the Committee provide some direction as to where they would like the rate to be in order to be able to possibly introduce the budget at the next meeting to meet the approaching July 1st deadline. Mayor Allen made a suggestion to allot \$75,000 from the Sewer Allocation Trust fund to minimize the rate to the low fives range. The Committee briefly discussed where to set the rate.

A **MOTION** was by Mrs. Fort made to set the rate increase at 5.3, seconded by Mr. Auriemma and on Roll Call vote the following was recorded:

Mr. Auriemma	- Aye
Mrs. Fort	- Aye
Mr. Gatti	- Aye
Mrs. Muir	- Aye
Mayor Allen	- Aye

As there was no further business, A **MOTION** was made at 8:30 p.m. by Mr. Gatti to adjourn the meeting, seconded by Mrs. Fort with a vote of ayes all, nays none recorded.

Respectfully Submitted:

Vita Mekovetz, RMC/MMC/QPA
Administrator/Municipal Clerk