

Minutes of the Special Meeting of the Township Council of the Township of East Hanover held on Monday, March 8, 2010 at 6:00 P.M. in the Municipal Building, 411 Ridgedale Avenue, East Hanover, New Jersey.

The Mayor called the meeting to order.

Present: Councilmembers Tedesco, Jocher, Council President DeRosa, and Mayor Pannullo

Councilwoman Jandoli took her seat at 6:10 P.M.

Also Present: Township Attorney Matthew O'Donnell, Administrator Joseph Tempesta, Jr., Township Auditor Steven Wielkocz, and Township Clerk Paula Massaro

The Mayor led the Pledge of Allegiance and Councilman Jocher gave the Invocation.

Mayor Pannullo read the Public Announcement in which he stated that the Special Meeting had been advertised, the press notified, and the notice posted on the bulletin board in the Municipal Building.

**NEW BUSINESS:**

**Introduction: Ordinance No. 1-2010 - Amend, Revise and Supplement Chapter 79 (Fees and Permits)**

The Clerk announced that she had Ordinance No. 1-2010, entitled "AN ORDINANCE AMENDING, REVISING AND SUPPLEMENTING CHAPTER 79 OF THE CODE OF THE TOWNSHIP OF EAST HANOVER (FEES AND PERMITS)."

Motion by Council President DeRosa, seconded by Councilman Tedesco that Ordinance No. 1-2010 be introduced by title, adopted on first reading, placed on file in the Clerk's office, and set down for public hearing on April 12, 2010.

Ayes: Councilmembers Tedesco, Jocher, Council President DeRosa, and Mayor Pannullo

The Mayor stated the ordinance would be published according to law.

**31-2010 - Resolution Re: Appointment of Kenneth G. Huelbig as Chief Financial Officer**

Motion by Council President DeRosa, seconded by Councilman Jocher to adopt said resolution.

Ayes: Councilmembers Tedesco, Jocher, Council President DeRosa, and Mayor Pannullo

Motion by Councilman Tedesco, seconded by Council President DeRosa to add Ordinance No. 2-2010 to new business.

Ayes: Councilmembers Tedesco, Jandoli, Jocher, Council President DeRosa, and Mayor Pannullo

**Introduction: Ordinance No. 2-2010 - Exceed the Municipal Budget Appropriation Limits & Establish a Cap Bank**

The Clerk announced that she had Ordinance No. 2-2010, entitled "AN ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK."

Motion by Council President DeRosa, seconded by Councilman Tedesco that Ordinance No. 2-2010 be introduced by title, adopted on first reading, placed on file in the Clerk's office, and set down for public hearing on April 12, 2010.

Ayes: Councilmembers Tedesco, Jandoli, Jocher, Council President DeRosa, and Mayor Pannullo

The Mayor stated the ordinance would be published according to law.

**• Discussion on 2010 Municipal Budget**

Mayor Pannullo announced that the 2010 Budget proposed a tax increase of 2.6 tax points or approximately \$93 per household. The budget was \$1,128,396 under the spending cap and was \$847,497 under the new mandate 4% tax levy cap. He further stated that the budget was reduced significantly. However, he clearly indicated that the level of services for residents was maintained and no employees would be laid off.

The Administrator gave a brief overview of the budget process. He stated that although \$270,000 was cut from operating expenses, the major increases were salaries, health benefits, and pensions. Mr. Tempesta strongly recommended that the Council introduce the budget this evening since the state

required introduction of a municipal budget by March 31<sup>st</sup>. He noted that figures were subject to change prior to the public hearing on April 12<sup>th</sup>, and also felt there would be no state aid allocated for the Township this year. The Administrator said there were cost-saving options and grant applications that were being considered.

Councilman Jocher requested a detailed breakdown by departments of budget cuts before the public hearing meeting. Mr. Tempesta pointed out that this year was a transition for department heads since it was the first time they were involved in the budget process. Also, Councilman Jocher raised several inquiries in regard to tax appeals, pension deferral, and employee contracts. A brief discussion followed.

Importantly, the Auditor advised that the state has constituted that municipalities have two options to pay back pension deferral ~ pay in full in 2012 or finance at the state rate over 15 years. Mr. Wielkocz indicated that the Township's goal was to pay the pension deferral of \$570,000 in 2012. Another budget item that was explained in detail by Mr. Wielkocz was cash surplus.

Another area of concern was with employee overtime. The Administrator stated that he was definitely looking into cost-saving options to curtail overtime, which is a significant budgetary expense with the Police and Public Works Departments.

**Introduction: 2010 Municipal Budget**

Motion by Council President DeRosa, seconded by Councilman Tedesco to introduce the 2010 Municipal Budget and set public hearing on April 12, 2010.

Ayes: Councilmembers Tedesco, Jandoli, Jocher, Council President DeRosa, and Mayor Pannullo

**ADJOURNMENT:**

Motion by Councilwoman Jandoli, seconded by Councilman Tedesco to adjourn meeting.

Ayes: Councilmembers Tedesco, Jandoli, Jocher, Council President DeRosa, and Mayor Pannullo

The meeting adjourned at 7:30 P.M.

Respectfully submitted,

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Paula A. Massaro  
Township Clerk