

**TOWNSHIP OF MIDDLE
TOWNSHIP COMMITTEE
WORKSESSION AGENDA
January 20, 2009 4:00 P.M. (prevailing time)**

CALL TO ORDER:

Mayor's announcement: I hereby declare that notice has been given to the Herald Times, the Atlantic City Press and posted on the bulletin board of the Middle Township Municipal Building, stating the time and place of the following meeting, as required in P.L. 1975, Chapter 231 of the State of New Jersey. (Sunshine Law). Notice of this meeting was properly given in Resolution No. 26-09 entitled "Establishing Work Session Meeting Nights" which was adopted by Township Committee of the Township of Middle on January 5, 2009

Members present are Mayor Doughty, Committeemember DeLanzo & Committeemember Barry.

Clerk/Business Administrator James Alexis, Deputy Business Administrator Mark Mallett, Deputy Clerk Kimberly Tomkinson, Municipal Solicitor James Pickering, Municipal Engineer Vincent Orlando.

FLAG SALUTE:**1. SPECIAL PRESENTATIONS OR DISCUSSIONS:****a. Deputy Business Administrator Mark Mallett – 2009 Capital and Revenue Projections**

Mark Mallett: At the last work session we went through Capital Expenditures for 2009. We are just going to do a quick review because it sounded like some of the folks who came to Township Committee and wanted to come in so they could see this presentation so I did an abbreviated version on Capital Projects. WE are just going to talk about the revenue component for 2009 and then questions and comments afterwards. Mark then read the disclaimer.

Basically this is still open for discussion. There is a lot of information that we don't have that being primarily from the State, so it is difficult to predict what your budget is going to be when you don't know your revenues....we will get into that a little bit later on the revenue side.

First I wanted to go into the Capital side. The Capital planning is an important tool for Middle Township. It provides infrastructure, maintains and enhances future service levels, it allows us to plan our future operating budget and debt repayment, debt loads, reserve funds that we may need and also allows us to manage the financial position of Middle Township for 5 to 10 years and actually probably a little longer than that if you take a look at some of the long term projects and capital initiatives.

For 2009 Middle Township is looking to reinvest in public safety to protect the residents. This is where most of these capital dollars are going to be going; improvements to the Township's infrastructure of sewers and roadways and to continue to expand our recreational facilities for children and residents of Middle Township.

The next 4 pages we are trying to break this down by department and this is really the list that we received from some of the various departments. As we take a look at some of the Capital Expenditures, some of these items will be coming from operating expenses such as police cars, I think there is a law that says we can capitalize police cars but that is still to be determined through the legislature. Others could be done through bonds, and that is to be determined.

First I just wanted to go through the police department. As we take a look at this, vehicles are certainly a key to their role for Middle Township's 72 square miles, we do have a lot of space to cover. We have 4 SUV's for supervisors and right now we have 2 that are from 1999 and they are really at the end of their useful life, so this is an item that is really necessary for the supervisors to do their job. Also, 4 wheel drive will give them the capability to go to some of the more remote areas in the Township. Three administration and detective vehicles; right now we have 12 vehicles I believe for administration and detectives and again some of these have 150,000 miles, again coming to the end of their useful life. For the police cars we have, I believe, 23 police cars. This is something that we purchase 4 or 5 of each year and they have a 5 year life, maybe a 6 year life, and what we want to do is continue to keep the fleet fresh as the older ones obviously get more miles, they'll use them for parts, they'll use the older ones that are retired from the system so they are not just tossed away, they are utilized, but we have to continue to replace these cars....you are looking basically at about a 5 year cycle.

Some of the other items that we have, and this is going to allow police to do their job much better, is the in car camera system. They used to have them, they are now obsolete and these are very important for a couple of reasons; first when they have traffic stops we will be able to see what goes on with that to protect our police officers and to limit liability.

Our next line, Sewer and Public Works, when looking at this, Whitesboro Sewer Phase I, this is a project that was approved and will be going forward in the spring. Of the \$6,000,000 that we are going to be utilizing is a combination of USDA Loans, USDA Grants and a bond and this will all be paid by the users of the sewer. Whitesboro Sewer Phase II will probably be starting again in the spring or summer; both Phase I and Phase II are expected to be done in about 12 months from when they begin, so spring/summer of 2010. The Shellbay, Shunpike, Goshen Road, Crest Haven sewer project, again I believe that is looking at starting in the summer. So, when you take a look at the first 3 projects, this is going to give sewer access to as large number of residents. This is something again that is going to be

through grants, USDA Loans and possible bonds where it is paid by the users, this is not going to be impacting our tax base. We have a Joint Initiative Water Reeds Project and actually this is \$400,000 in grant money, which we are doing in conjunction with the County, the Zoo, the MUA, which will allow us to recycle treated water for the fields over at the Goshen Complex.³

The radio system is something that we believe is necessary for public works, which will allow us to track these employees better, to be able to do our jobs more efficiently when we are supposed to be on the road all the time and be able to allocate those resources as the public works employees are on the road and allocate them to where they need to be.

Road improvements to Romney Place, is something that we have received money from the DOT already, it is \$135,000. We are responsible for doing the curb and sidewalks, very similar to Boyd Street, which is what we did this past year.

Other roadway work, now this is a number at which we aren't looking at spending that money all in this year. This is something that I have talked about with a number of folks here, probably over the next 5 years, maybe it is more. We need to prioritize the roadways and what needs to be resurfaced and what needs to be redone. This could be a potential bond where over a 5 year period we need to repair roadways as needed, but this is something certainly looking into the future.

Bike path to Shellbay, that is something that we would like to get done. Atlantic Electric has the right of way and we have been continually trying to work through that. Hopefully that will happen sooner rather than later, but that is something that is in process.

The Rec Department – a hockey rink is going to be going into the Goshen Complex. That has been bid out and I think that is going to start construction, I want to say within the next month or so if not sooner....

Vince Orlando: We issued a Notice to Start Construction so probably as soon as the weather breaks a little bit, so probably within the next 30 to 35 days.

Ok, so that is going to get underway. I think that is going to be a real good thing for the community, I know hockey is very popular in a number of communities in Cape May County and I think that is certainly going to be a big plus.

Bathrooms at the Goshen Complex – there are sheds that are towards the back end of the fields so we need to put facilities there.

Renovating the tennis courses at the MLK Center.....this is something we really need to understand a little bit better. Right now the tennis courts down there are unusable. The asphalt is cracked and something needs to be done with that. Maybe there are other alternatives, this is where we just need to talk to the residents down there to understand if there are some things there that they would like to see, maybe it is tennis courts, maybe it is not. Additional parking is something that might be able to happen if you could reconfigure where the tennis courts are and maybe squeeze some more parking in, but there are issues with that as well.

Let's take a look at Ft Apache.....this is with the rec department again, the big picture is the rec department has really grown over the last 10 years, the Goshen Complex is maxed out, certainly in the spring and fall, and where is it we grow in the town. We have Ft Apache, I think that was purchased 5 years ago and that was really purchased in looking towards the future of the Township as we grow and there is certainly an opportunity to develop this as a new recreation facility given we are maxed out at the Goshen Complex.

There is a field that is down there now,.....we don't have water down there to irrigate the field so it hasn't been maintained as well as it should be....we are also looking at doing a small office and bathrooms, which we think as more activities go down there this will give us a little bit of office space for programs that are happening. So, this is something we are looking to get started on a little bit more in 2009 and I envision this a maybe 5 to 10 year plan. We have 30 to 35 developable acres and then you have wooded areas, which is about 40 acres of woods.....you can do trails and other interesting things with.

When you take a look at "Other", the Whitesboro School, this is something that has been going on the last couple of years. We have \$400,000 in grant money, which we received last year and is going to be really finishing the school this year. We are going to be doing about \$80,000, I think it is, of in-kind services. Once that is completed we are talking to Cape Human Resources to move back in there....there is some other space that is there and we are not sure how that is going to be utilizedCape Human Resources has shown some interest....the Concerned Citizens of Whitesboro are considering doing a museum...other people are talking to us about it.

Hurricane shutters is something the Chief has talked about to us in the past, where this would be the command center in case of a hurricane or other disaster to insure that we are well sealed so that we don't have water damage and we can still provide that protection and emergency services for the people that live in the Township.

Refurbishing township hall, we do have some bond money for the different offices. Carpets are frayed, probably been 10- years plus since some of those have been replaced. It just need freshening up, it creates a better office environment, creates better morale for the employees. Computers need to be replaced on an ongoing basis as the older ones need to get upgraded to be able to do more. Just

some other things, scanner to store files and data, this will allow us to be much more efficient with all of the files that we have around here, loads of file cabinets rammed with paper and this will allow us to be able to store them more efficiently onsite.

Time and attendance system, when you take a look at the time and attendance that we have, it is an extremely manual process. There should be a better way that we can do that electronically in tracking not only the time of people working, but vacation, holiday, sick, comp time, etc.

Last is the firehouse purchase. That is something that has been certainly talked about and in the works for several years. It looks like the new firehouse is going to be finished mid year or so, so the old firehouse will be available for additional space for Middle Township government and we are going to be talking about that probably in the next few months on how to utilize that space and we will probably be having some work sessions on that too to get some input from the public.

When you take a look at funding for these projects, if you add them up in total, it is going to look like a lot of money. As we laid out all these projects, all the money would not be spent in 2009, actually most of the dollars that you saw there were for the sewer projects, that represented probably \$13-\$14 million dollars; those projects are on the way, we have the money in place and they are being paid for by the users. For some of the other items we have talked about, we can use existing capital dollars, we can do bonds, I think that might be an opportunity for some of the police department items, we can look for grants or we can do line items in the 2009 budget as expenses.

So that is the capital side of things. Are there any questions before I move on to revenues.

Joe Ravitz: The \$1.2 million dollars for the firehouse, how was that established? Who determined it was worth \$1.2 million?

Jim Pickering: It was done according to the buildings and grounds law of the statutes that are applicable in New Jersey which require that there be appraisals done. I believe there were 2 appraisals done, one done by the fire commissioners and another one paid for by the Township and I can't exactly remember where the number fit in but both of them were about the same and that number was arrived at.

Joe Ravitz: And how old are those appraisals?

Jim Pickering: The ordinance itself was approved early 08 or late 07.

Joe Ravitz: Because I think the real estate market may have dropped significantly and if this was to be reappraised, it should come in at a much lower number and I think the taxpayers should take a look at that.

Mark Mallett: Given that you probably of all people have your finger on the pulse of what is going on in real estate, being the Township Assessor, what is your impression of what has happened in real estate over the last 6 to 9 months in Middle Township/Cape May County.

Joe Ravitz: Actually Middle Township hasn't declined as much as other places since I looked at it, but an appraisal never has a shelf life of more than 6 months, rather it is high or low unless your market is totally flat and I would suggest that any appraisal that is over 6 months old should be updated.

Mark Mallett: Ok, I was going to say you didn't answer the question though.

Joe Ravitz: I did, it's down.....

Mark Mallett: I thought there was an article, what was it 5% or 6%, saying that Cape May County was down.

Joe Ravitz: Yes, but that is with a broad, broad brush, you know, in some areas you may be down, in Middle Township as we said, is 72 square miles, some areas are holding their values better than others, some have dropped significantly and others have certainly maintained their values or knowledgeable sellers won't even expose their properties to the market right now.

Jim Pickering: I can tell you there is a contract between the fire commissioners and the Township and that is the price established by that. Township Committee would have to decide if it wanted to welsh on its contract with the fire commissioners. My strong advice would be, if you have a contract and that is the price that was established pursuant to that. I know that the fire commissioners, another governmental entity, had to base their budget on what they were doing based upon that transaction.

Eileen Fausey: I would like to comment on exactly what Jim said. I have spoken with the fire commissioners and they have already dedicated that money towards the firehouse project and they are underway. I don't know, they said they had a contract.

Mayor Doughty: That is a true statement.

Mark Mallett: I really want to take a look at the past couple of months I have been here. It has certainly been a good education for me in Civics, trying to think back to everything you learned in high school and government. Let's just take a look at the taxes that we pay and here I am going to be calling it revenues, because for the Township we look at them as being revenues for the residents of

the town, property owners of the town, they are going to look at them as being taxes. Let's take a look at the taxes you pay: Federal Government, Social Security, Health Care, National Defense, Social Services. Let's take it down to the State level, what are your taxes doing for you: public schools, state highways, healthcare, prisons, social services for low income folks. Your local county taxes, what are they doing; water, sewer, police protection, trash, fire protection, schools. These taxes all provide....it gives us the opportunity to get the services that we have, that we would not be able to afford to have, if we had to pay for them as individuals, so as much as people, and I being one of them, complain about the taxes, they are very valuable for our community and what we are able to do with them within our community.

What I want to do is to take a look at 2008 and 2007 revenues. I'm not sure how well we can read that, I know it is probably getting a little small. We have some preliminary numbers from our Accountant, Ford Scott, for the 2008 Revenues. If you take a look at what we brought in, in 2008, it is about \$22.4 million. It compares to about \$22.2 million in the prior year. About 3 items are highlighted in red and this is really where Middle Township has influence over those dollar amounts. User fees and licenses, that is for ambulance service, construction, zoning, registrar fees, those kinds of items. Reserve Sale of Municipal Assets in 2008, I believe was Nature Conservancy that we sold land to, that is kind of a one off item. However, as we do have land that people see value in, we will make these kinds of sales. Amount to be raised from local property taxes, about \$10.8 million dollars was raised this past year. When you take a look at the total property taxes, we collected about \$40 million dollars or so, of that \$40 million dollars Middle Township government received about \$11 million dollars or 25% of that. Fifty five percent of your taxes go to schools, 25% to Middle Township, 15% is going to the county and 5% goes to the fire districts. Again that is just our portion of the total to be paid for property taxes. You take a look at the top, for fund balance, anticipated or surplus that we had, we used about \$3 million dollars of surplus that was used to minimize property tax increases in 2008 also to offset the salaries, wage increases, other expenses, operating expenses. We did see declines in the user fees, interest on investments, so the State Aid actually went down slightly, even the private grants have gone down too, so we have seen a decline in a number of areas. As we look into 2009, while I am not going to be presenting any solid numbers because it is pretty difficult to project that, let's talk about it. Take a look at the 2009 challenges on the revenues. We need to determine where our surplus is; I talked to our accountant, Glen Ortman, and we should probably have a pretty good handle on that within the next week or so. He is finishing our year end accounts and going through them, so I spoke with him today and he said he should have those shortly. The amount of reserve from the sale of assets available for use is to be determined. We sold a number of assets, land is pretty much it, you saw we had about \$900 thousand dollars in land sales and we have had other land sales in the past and we have about \$2 million I believe from that. We have to determine how we are going to use some of those dollars; are they going to be for some of the capital projects that we just discussed, are they going to be for other items, that is something that just needs to be discussed a little bit further so we can get a handle on where we are at.

According to Governor Corzine, the amount of aid the State funnels to towns and schools will almost certainly shrink in the next budgetary year, the Newark Star Ledger, everyone is reading the paper. We received about \$4.5 million dollars through State Aid, direct State Aid, this has worked. The State has moved it budget calendar until after Governor Corzine's State of the State Address in March, that does reflect a lot of the uncertainties that we have. I know other communities in Cape May County and elsewhere have been talking about their budgets and where they are at. I find it somewhat difficult to grasp where they are coming up with the numbers and definitively saying that they aren't going to look at doing pension deferrals, that is something that I would certainly recommend against. However, until you have all the facts and all the numbers in front of you, how do you know if you are going to need to pension deferrals or not, you can't. When we talk about how other places have done it, why are we taking so long to come up with a budget, well there are a lot of unknowns, we can make assumptions that will be thrown out the window if we find out the State is reducing your aid by a half million dollars or a million dollars, who knows, that is the thing. Every indication is is that this is going to go down. How much, we don't know. We have grants available to do projects, but the grants are really a pass through, they don't impact the taxes that people pay here, but they do allow us to take on projects to improve the community. We are going to continue progressively pursue grants, what's going to be available and how much are we going to get, that is an unknown, that is hard to even budget for and the amount raised through property taxes is uncertain, we have to see how it all shakes out.....that is not going to happen within the next week or two on the revenue side.

However, there are a few things that we can influence and we do have some influence over, it really is some of the user fees that we have. First we will start with the ambulance fees; these generated over \$550,000 in revenues this past year, about 75% of that is from billing of Medicare and Medicaid, it is a fixed fee amount that we receive from them. We are charging \$400 per run, Medicare and Medicaid do not pay \$400 per run. I want to say Medicare between \$280 and \$350, I think it depends on the various agreements. Medicaid is low, Medicaid is under \$100, so that is where the bulk of it is. If a Middle Township resident's insurance pays less than the \$400 we will not balance bill the residents for the remaining amount, but we will balance bill a person who is not a resident of Middle Township. As we look at this it is an opportunity to raise the fee that Middle Township charges and we are thinking possibly of \$500 per run. It is probably not going to generate huge dollars, but I have just anecdotally talked to a few people and we are in the process of getting information on what some of the neighboring communities do. I think Lower Township charges \$450 and I think there are some communities charging up to \$550. That is what we are trying to track down and I believe we are on the lower end of that scale. When charging for load miles when transporting patients to the hospital, if our ambulance goes and picks up a patient, insurance will pay for what they call the load miles, transporting the patient from their location to the hospital and this is on top of the amount that they will pay the ambulance fee per month; Medicare at \$6.55 per mile; Verizon Blue Cross at \$7.01 per mile;

and I think Medicaid is \$1.31 per mile. So this is just another opportunity for us to generate some additional revenues. Is it a huge amount, no, maybe its 10%, maybe it is \$40,000/\$50,000 in total and most of that being through load miles. Any thoughts, should we do it, not do it....what do you think?

Mayor Dougherty: I think it is a good idea. Any place we can get a few dollars.

Mark Mallett: Again, it is passing it on to the user and really ultimately it is the insurance that is paying.

Eileen Fausey: The only thing I would say, and you call them opportunities, I would say that it actually could affect people that don't have Township services, you know what I mean, like if I had to pay \$500 because I didn't have insurance, that could possibly hurt me very much and an awful lot of our citizens here are senior citizens, so you are going to get a lot of Medicare.

Steve Barry: That Medicare doesn't get balanced bill, nor Medicaid.

Eileen Fausey: No, no, but still it is not revenue for the Township and I don't think people actually mind paying more for stuff if they see the Township actually trying to cut corners and making some sacrifices themselves. I have no problem with paying....with thinking about the taxes if it looks like we are not just doing business as usual because everybody suffers and a couple of years ago when the taxes went up a lot, it really impacted this community. The people were really upset about how high their taxes went. That is the point I would like to make. If we have to have these opportunities to charge more money for things, then I think the Township residents really need to see that the Township officials are actually cutting costs themselves too, making some sacrifices. I think we are all prepared to do that.

Mark Mallett: Looking at fees and permits, and this is going to be other fees, other permits, zoning fees, I believe there are increases in 2007, maybe somewhere also in 2008....

Steve Barry: There were some additional increases this fall.

Mark Mallett: So, when you take a look at some of those, well Vital Statistics Registrar Fees were increased in 2008, are there really opportunities here to charge more? No, not really. When you take a look at where we are as compared to other municipalities in Caper May County, we are pretty well in the ballpark of fee structures. For construction fees, actually for this past year they declined by about \$135,000 vs prior year, which is really consistent with the slow down in construction and what has been happening nationwide. From doing a survey on our fees vs other municipalities, it may be somewhat limited and maybe various fees we can increase them \$10 to \$15. It has been a while since construction fees have been increased, so again with those types of things we are probably not looking at a significant amount of money, so again, somewhat limited. Any questions or comments.

Joe Ravitz: In the revenue, we had sent a proposal out that the next time the Committee adjusts their fee schedule that they should take a look at a fee for having to change the municipal tax map. When somebody does a subdivision or somebody asks for a street to be vacated, and the cost of the change should be passed on to the person who recommended it rather than the general taxpayers.³

Mark Mallett: Yes, we had talked about that and I agree and that would be something that would be going through the zoning office, am I correct? Would that be a zoning.....

Jim Pickering: You would have to charge it with the application....you submit your application for a subdivision and you submit a fee for the map change. It's not a great charge but.....

Steve Barry: It prevents it from being passed on to the taxpayer.

Joe Ravitz: In the field of a street vacation, that would probably go through the Clerk's office because they charge them for advertising and legal notices.

Jim Pickering: I have been instructed to prepare an ordinance on those, to collect on street vacations, that is in the works.

Eileen Fausey: At the next meeting are you going to discuss where you are going to be spending the money?

Mark Mallett: Yes, salaries and wages and depending on how long that is, I will take a look at the presentation, and depending on how long that is, maybe I will bring in expenses at the same time.

Eileen Fausey: Ok, is it going to include the areas where the Township is going to be cutting on expenses?

Mark Mallett: Yes. As we talked about briefly earlier, when you take a look at the cost, the very bulk of it is labor. It is just like any business, anything, it is all in the labor and Township Committee you can chime in, I believe at this point we are not looking at laying off folks. That currently is not on the table right now, but if you were looking at your most significant savings, it would be on the labor side.

Eileen Fausey: I don't think anyone wants that.

Mark Mallett: That currently is not on the table right now, but if you were looking at your most significant savings, it would be on the labor side.

Eileen Fausey: Or maybe putting some projects on hold.

Mark Mallett: Right, I think we can take a look at the projects on hold, its either going to be an operating expense or a capital expense that you are going to be doing through bonds or debt maybe putting it on hold just so you don't incur any additional debt that needs to be paid off all the time. The matter is what the priorities are on some of the capital projects.

Eileen Fausey: Where are you going to actually establish it from ?

Mark Mallett: I would say ultimately it is going to be Township Committee, that is the government that has been elected.

Eileen Fausey: Will there be any community input?

Mark Mallett: I think that is one of the reasons we went through, really this whole list that we put together on Capital Expenses, just so we could get input.

Eileen Fausey: It was our understanding that, for instance the hockey rink, was already budgeted into last years budget, now has that just been cut?

Mark Mallett: My understanding on that it was through a bond and someone else, probably Jim.....

Eileen Fausey: I thought there was a grant for part of it?

Jim Alexis: It is a combination of funds. Part of it comes from funds that were raised by the Township through a bond and part of it is coming from the Joint Venture Program for 2008 to be entered into with Cape May County. I believe that number was \$129,520 and \$400,000 was raised by the Township.

Eileen Fausey: But that money was dedicated last year, correct?

Jim Alexis: That is correct. It is not new money to be raised.

Mark Mallett: When I look at those, that was a project that was approved and it was funded for in 2008, but it is not starting construction until 2009, just as you look at some of the sewer projects, which without the money in place in 2008, not being started until 2009 and completed in 2010.

Joe Ravitz: Has anyone considered Mercantile Licenses?

Mark Mallett: Yes, we have discussed those also. I think that is another good idea. It allows us to track business within the Township better too.

David May: It doesn't have to be called Mercantile Licenses, it can be called Business Registration, it is technically the same. Contractors licenses also to work in Middle, like I couldn't go to Margate and work in Margate unless you have a permit to work there.

Jim Pickering: I think once the State got into that business it eliminated the local licensing.

Jim Alexis: You have the other issue with Mercantile Licenses, the way the State Statute is set up they are not as profitable as you may think they are because we are not allowed to make an absorbent amount of money on the establishment of those fees. The administrative costs play a key role in what the fee will be, so it could be just exchanging dollars at the end of the day.

Mark Mallett: One of the things with Mercantile Licenses is that it would allow us to track the various businesses that are in the Township and making sure that they are up to code and to be able to track what is where. Would that also be one of the reasons....

David May: You have the Rio Mall where they go in and they just change, say Just Sports was down there and somebody else just goes and moves in, they would need a Tenant ----- if their business was different than what was there, so if they would have to get a Business Registration or something, that would, you know, kick it.

Mayor Doughty: I think that the main advantage of this license, no matter which way you look at it, it is no longer a means of income, it is just being able for them to track the individuals.

Mark Mallett: Right, and that is what I thought was going to be the greater value, the tracking whose where vs generating income.

Chief Evangelista: Not only tracking, but it may give us some leverage on, if you have a business that is a bother to the community, right now we are pretty limited to what we can do. So if they need that license and you are not working within your license, we can pull the license and we can close the business down. If you get complaints on different establishments for noise or whatever.....

Mark Mallett: This is just kind of my education, to introduce a Mercantile License, is that something that needs to be done through an ordinance?

Committee: Yes.

Steve Barry: And then there is the significant dedication of the time of somebody who works here to set up the process and to begin to police the people to get them in here and the question would be, what would pay back time be. I don't have an answer to that. Another consideration, because these are tough times for businesses, virtually all businesses, except for maybe bankruptcy specialists, so even though it is a small burden, is this an ideal time to lay any additional burdens? I don't know.

Mayor Doughty: I would like to thank you, very informative.

2. PENDING / PROPOSED ORDINANCES: -

- a. ORDINANCE NO. 1316-09 - AN ORDINANCE OF THE TOWNSHIP OF MIDDLE, COUNTY OF CAPE MAY AND STATE OF NEW JERSEY TO AMEND CHAPTER 38 OF THE TOWNSHIP CODE REGARDING ACCUMULATION OF TIME FOR PURPOSES OF CALCULATING RETIREMENT PAYOUTS – Introduction scheduled for January 20, 2009. Second reading, public hearing and consideration for adoption will be held on 02/17/2009 at 6:00 p.m.

Jim Alexis: This ordinance has been in discussion for a considerable length of time. The Solicitor has prepared it and it is up for introduction at this evening's regular Township meeting. I am bringing it to your attention now in the event that any of you have any questions in reference to the proposed ordinance.

Jim Pickering: This came up because it was brought to the Administrator's and my attention that there was an unofficial unwritten policy here at the Township that when someone retired, if they worked through January 31st of the year, that they would be entitled to 100% of that years vacation and sick time payout purposes. So, if you worked 30 days you essentially got 365 days of your benefits paid out, which could be a considerable sum of money as you can imagine. The research that I did into it did not find any support for that anywhere in the State Statute. We asked our Labor Counsel, Brown and Connery, to give us an opinion. They also agreed there was nothing anywhere to allow that, so what this proposed ordinance does, it amends Chapter 38 of our local ordinance to make it clear that accumulated time in the year of retirement means just that, it is accumulated so that if you work for 1/12 of the year, you get 1/12 of the benefits, if you work 1/2 of the year, you get 1/2 of the benefits paid out to you. So, essentially it is just there, a 2 paragraph ordinance, I also did include a paragraph I had not discussed with Mr. Alexis and Mr. Mallett because it occurred to me as I was drafting this that someone could use 100% of their sick and vacation time before they retired and this merely provides that it would be paid back upon the retirement if they used more than what they would have accumulated. It's kind of akin to the first year when someone is employed here, they don't immediately get all of their vacation and sick time to use immediately upon being hired, the longer they work during that year, the more sick and vacation time they are entitled to. This essentially does the same thing during that last year so that it is accumulated and it is not just entitled during that first....by January 31st. I think that I drafted it so that it covers that situation.

Jim Alexis: All that is on the agenda for this evening.

Public Portion:

No comments.

Meeting adjourned at 4:56 PM.

Kimberly Tomkinson, Deputy Clerk

Prepared by D. Stimmel