

BYRAM TOWNSHIP COUNCIL SPECIAL MEETING - MAY 13, 2009

CALL MEETING TO ORDER

The Mayor called the meeting to order at 6:30 p.m.

FLAG SALUTE

STATEMENT BY CLERK

Adequate notice of this meeting has been published specifying the time and place in compliance with the provisions of the Open Public Meeting Act.

ROLL CALL

Councilman Olson, here; Councilman Rafferty, here; Councilman Thompson, here; Councilman Oscovitch, here; Mayor Danielson, here. Municipal Clerk Doris Flynn, Township Manager Joseph Sabatini, Chief Financial Officer Therese Vervaet and Attorney Tom Collins were also present.

Defeated Budget Discussion

Town Manager Joe Sabatini prepared a slide presentation reviewing the responsibilities of the Mayor and Council, showing a comparison of the 2008/09 tax levy compared to the proposed 2009/10 tax levy, and a summary of the 2009/10 budget revenues. The Manager outlined the budget reductions already included in the 2009/10 budget.

Summary

- The 2009/10 School Defeated Budget is raising the tax levy \$902,413 or 10.1%
- The Overall proposed 2009/10 operating budget is \$13,625,017 or an increase of \$584,447 from the 2008/09 school budget of \$13,040,570.
- The budget includes reductions of \$396,891.
- The BOE has reported that the 2008/09 adopted budget was deficient.
- Summary of the 2008/09 budget salaries compared to a revised current year salaries summary suggests the budget was under budget by \$229,087.
- As of June 30, 2008 the fiscal year end excess surplus calculation reported a total unreserved/undesignated fund balance of \$152,399. Additionally, there was excess surplus to be designated for subsequent year's expenditures (2009/10) of \$127,896.
- The 2009/10 defeated budget is utilizing no fund balance. This is due to no available surplus which is the result of utilizing surplus to offset over expenditures of 2008/09 budget.
- The Township requested but was not provided year-to-date actual expenses for the 2008/09 school year.

Recommendations

- It appears the 2009/10 defeated school year budget is directly the result of deficient budgeting in the last few years, particularly the 2008/09 school year budget.
- Recommended settlement for defeated budgets is a reduction of 1-1.5% of the total proposed tax levy or a range of \$98,261 to \$147,392.
- Suggestions for possible reductions:

Mayor Danielson stated that he was personally looking for a \$200,000 reduction. He stated that a 10.1% increase is tough, especially on people with fixed incomes. He realized after speaking with Board of Education members at the subcommittee meeting on May 5, that the budget for the last two years has been far less than adequate. Mayor Danielson stated that he had been on Lenape and Byram school board for twelve years in the past, and he has never seen a budget this far off.

Councilman Rafferty stated that he was frustrated by the lack of cooperation from the administration after the joint meeting on May 5, 2009.

Councilman Olson commented that he does not like the thought that the school will be running without a safety net since they do not have a fund balance.

Councilman Rafferty stated that he has experience at being a manager and he knows that the staff under a manager makes the manager look good. The teachers deserve the credit, not the administration.

Mayor Danielson stated that he would like to see the eventual elimination of the vice principals in each school. Maybe in a few years, they could be put back in, but he strongly urges the BOE to go forward with this suggestion while they are in the hiring process.

Councilman Thompson totally agreed with the Mayor. He stated that the budget is below where it should have been in the last few years. He feels that the past administration should pay for the mistakes. Councilman Thompson also stated that increases for mismanagement are not the way to go.

Councilman Oscovitch stated that it was unfortunate that the budget was deficient. However, we have to be mindful so that the students do not get hurt. He is in favor of the proposed cuts because it is not impacting programs.

Mayor Danielson opened to the public.

Russell Raffay, 2 Lake Drive, stated that Joe Sabatini did a very professional job on the budget. He stated that the previous administration is no longer there, including the auditing firm. He feels that the auditors did not do a good job. He recently found out that a section in the last audit was incorrect. The new administration has put safeguards in place so that the mismanagement does not happen again. The BOE is doing everything they can to be fiscally responsible.

Mr. Raffay asked what increase has been given to town employees this year. Councilman Rafferty stated that the DPW, Clerical and administration were given 3.25%. The PBA is under negotiation.

Councilman Rafferty stated that as a parent of a child with an IEP, he does not understand why they would budget for a vice principal and cut the summer reading program.

Councilman Olson stated it was disappointing that the administration was not more forthcoming about the deficiencies in the budget and prior budgets. Councilman Oscovitch stated that more cooperation on the part of the BOE would have helped with the process.

Earl Riley, 5 Louis Drive, suggested reducing the budget by \$100,000 but put that amount back into surplus. Mayor Danielson stated that he did not think that was something we could do at this time.

Sherry Bulgar, 59 Ash Street, stated that we should look at what the reason was that drove the votes to vote no. She definitely feels it was the revaluation and the unknowns as to what the resident's actual taxes would be.

Dan Slavik, 10 Lynn Drive, thanked the Council for all the work they have done and appreciated their efforts. He feels that these times call for extraordinary measures to keep costs down, and we have to think of the taxpayers.

The Mayor and Council discussed the options and thought reducing the line item for the principal by \$60,000 would be workable. The BOE could move the vice principal from the Intermediate School to the position of principal of the Lakes School and eliminate the vice principal positions. Russell Raffay stated that he could not make decisions this evening alone but it was something he feels the board members could work out. The BOE recently received confirmation that a teacher would be retiring and there could be a \$40,000 savings by hiring a new teacher.

Mayor closed to the public.

The Mayor and Council discussed the different options presented this evening.

Mayor Danielson and Councilman Thompson both wished that more could be done with the budget.

The Mayor and Council voted and adopted the below resolution.

COUNCIL MEMBER	<i>Councilman Olson</i>	<i>Councilman Rafferty</i>	<i>Councilman Thompson</i>	<i>Councilman Oscovitch</i>	<i>Mayor Danielson</i>
By:	x				
2nd		x			
Yes	x	x	x	x	x
No					
Abstain					
Absent					

TOWNSHIP OF BYRAM
RESOLUTION NO. 59 - 2009

REDUCTION OF TAX LEVY – BYRAM TOWNSHIP SCHOOL BOARD OF EDUCATION

WHEREAS, the Byram Township School district is within the Township of Byram; and

WHEREAS, the budget of the Byram Township School district for the 2009-2010 school year was voted upon on April 21, 2009; and

WHEREAS, said budget was defeated by the voters; and

WHEREAS, pursuant to the provisions of N.J.S.A. 18A:22-37 the governing bodies of each of the municipalities included in the district, after consultation with the Board of Education shall determine the amount which, in the judgment of the body or bodies is necessary to be appropriated for each item appearing in the budget and certify to the County Board of Taxation the totals of the amount so determined to be necessary for the general fund expenses; and

WHEREAS, the minimum tax levy for the Byram Township School district pursuant to the provisions of the Comprehensive Education Improvement and Financing Act of the 1996 is \$8,078,982; and

WHEREAS, the original tax levy on the ballot for the base budget was \$9,826,141; and

WHEREAS, the Board and the Council met in a Joint Open Public Meeting on May 5th to consult with each other and to discuss the budget, subcommittees of each also met and the Township Manager and Board Superintendent and Business Administrator had discussions; and

WHEREAS, after review of the defeated budget package with the Board of Education the governing body has determined that the amount of reduction to the tax levy for the base budget shall be \$100,000 and that the amount of tax levy being certified by the governing body for the base budget shall be \$9,726,141; and

WHEREAS, the sum of \$100,000 shall be a deduction in the following Board of Education's budget line items and a decrease to the tax levy;

<u>LINE ITEM</u>	<u>AMOUNT OF</u>	<u>REASON</u>
<u>REDUCTION</u>	<u>REDUCTION</u>	
11-000-240-103	\$60,000.00	Reduction will not eliminate program
11-230-100-101	\$40,000.00	Reduction will not eliminate program

WHEREAS, the reductions will provide relief to the proposed tax levy and will not eliminate any programs; and

WHEREAS, the Mayor and Council of the Township of Byram are reducing the salary and expenses for a new administrator and savings derived from replacing a retiring teacher with a new lower-salaried teacher; and

WHEREAS, the revised budget is sufficient to provide a thorough and efficient education.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Township of Byram that it does hereby certify to the Sussex County Board of Taxation the sum of \$9,726,141 as the

amount to be raised by the tax levy for the Byram Township School Board of Education for the budget year 2009-2010.

BE IT FURTHER RESOLVED, that the Township Clerk is hereby authorized and directed to deliver a certified copy of this resolution by May 19, 2009, to the Sussex County Board of Taxation as a certification of the amount of taxes to be assessed, levied and collected to support the Byram Township School District.

BE IT FURTHER RESOLVED, that the Township Clerk is hereby authorized and directed to provide a copy of this Resolution to the Secretary of the Byram Township Board of Education and the Sussex County Superintendent of Schools.

BE IT FURTHER RESOLVED that the Township Council hereby certifies the revised budget is sufficient to provide a thorough and efficient system of education for the students of the Byram Township School District and does not in any way threaten the stability of said School District.

BYRAM TOWNSHIP COUNCIL

ADJOURN

On the motion by Councilman Oscovitch, second by Councilman Rafferty, the meeting was adjourned at 7:52 p.m.

COUNCIL MEMBER	<i>Councilman Olson</i>	<i>Councilman Rafferty</i>	<i>Councilman Thompson</i>	<i>Councilman Oscovitch</i>	<i>Mayor Danielson</i>
By:				X	
2nd		X			
Yes	X	X	X	X	X
No					
Abstain					
Absent					

Doris Flynn, RMC

Eskil S. Danielson, Mayor