

Budget Meeting, October 3, 2011

Chairman Raymond Equils opened the meeting at 19:04 hours, followed by the Pledge of Allegiance.

Roll call was taken with Commissioners Equils, Kelly, McMahon, and Scarlato being present.

Also present were 1st Asst Chief Bob Nichols, 2nd Asst Chief Jim Bailey, Capt Mike Acampora, Fire Company President Jamey Pallitto and Treasurer Tom Connolly. However, there were no members of the general public in attendance.

Chairman Equils read the Opening Statement, noting that the meeting was advertised in accordance with the Public Meeting Act (Sunshine Law) in New Jersey; and that the sole purpose of this meeting was to assemble a proposed budget for 2012.

The Clerk distributed copies of the existing 2011 budget for reference. He noted that the fire district remains under a legislated "Cap Allowance" for the upcoming budget, allowing for a maximum increase of 2% in the amount to be raised by taxation, over the current year's tax levy of \$704,893.00. The Clerk stated that his calculation resulted in an amount totaling \$14,098.00 (\$14,097.86), based on his understanding of the new "Cap" rules.

While reviewing the printout of the various line accounts in the district treasurer's computer, the need to modify the titles of the line accounts to match those required by "DCA" for use in the Budget Submission and Audit documents became very obvious and was noted.

The Board reviewed all amounts currently expended and the currently budgeted amounts for each Line Account in the Current Expense portion of 2011 budget. During its own discussions, the Board approved various increases in several of the Line Accounts for the 2012 Budget. An enumeration of these individual accounts follows elsewhere in this record.

The board agreed to the following:

Advertising – INCREASED to **\$2,000.00** for 2012.

Commissioner's Compensation – Maintained at **\$56,000.00**.

Election – Maintained at **\$2,000.00**, with no increases in stipend payments for the Judge and Clerks of the Annual Election.

Fire Hydrants – Maintained at **\$75,000.00**.

Insurance – Maintained at **\$80,000.00**.

Office Expenses – Maintained at **\$7,000.00**.

Payroll Tax – INCREASED to **\$12,691.00** for 2012, due to recently enacted increases in Pension Payments and meeting allowances approved this year.

Professional Services – Maintained at **\$30,000.00** for 2011.

Reimbursement for Expenses & Losses – Maintained at **\$27,000.00**, including the following stipend payments for Line Officers;

Chief	Add \$175.00	Now \$675.00
1 st Asst Chief	Add \$150.00	Now \$600.00
2 nd Asst Chief	Add \$150.00	Now \$500.00

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Captain	Add \$125.00	Now \$475.00
Lieutenant	Add \$125.00	Now \$475.00
Training Officer	Add \$150.00	Now \$550.00
Safety Officers	Add \$100.00	Now \$400.00

Rental Charges – INCREASED to **\$38,500.00** for 2012, per the terms of the lease with the fire company, which will expire at the end of 2012.

Training & Education – Maintained at **\$12,000.00** for 2012; including \$500.00 for Food & Refreshments for Training and Drills and \$1,000.00 for Wildwood expenses.

Utilities – Maintained at **\$33,000.00** for 2012.

Length of Service Award Program (LOSAP) – Maintained at **\$67,000.00**.

As in past years, the Board reserved discussions on the Maintenance & Repairs Account and the Materials & Supplies Account until all the other line accounts had been reviewed and settled, and until after the chief and his line officers presented their proposals for those areas of budget and operation.

1st Asst Chief Bob Nichols presented each commissioner an individual copy of his proposal, inclusive of multiple items relating to the aforementioned line accounts. After sufficient time for review had passed, Chairman Equils opened the floor for discussions on the proposals.

Maintenance and Repairs – INCREASED to **\$70,000.00** for 2012. After much discussion between everyone present regarding the cost & frequency of repairs; making actual comparisons of previous annual expenditures; noting that all costs for Testing of Equipment & Apparatus and Engineer Stipends are also part of this line item; and the inclusion of funds to address the pending issues of “NARROWBANDING” as required by the FCC; and the recommendation from the Chief Engineer for a \$5,000.00 increase to the account; the board agreed to increase the Maintenance & Repairs Account to **\$70,000.00**.

For reference - the Stipend Payments for the Engineer Staff are at the following amounts: Chief Engineer \$675.00 and Asst. Engineers \$475.00 each x 4 persons.

Clerk Kelly noted he was somewhat stunned by the chief’s initial proposal for Materials & Supplies requesting a total of 144,195.00. He further stated that represented a 40% increase in one line item, far outspending the state mandated budget cap of 2% totaling only \$14,000.00 for the entire budget. It was discovered during discussion that the chief’s proposal included several items that were already included in other accounts, which ultimately reduced the amount to be requested.

Materials and Supplies – INCREASED to **\$105,502.00** for 2012 following extended discussions on the Asst Chief’s proposed Materials & Supplies proposal. Inclusion of funds for most items in the proposal was approved, but further discussions and final approval will be needed, after the fate of the budget is decided, before any items can be purchased.

Discussion included continued replacement of structural firefighting turn out gear, grant applications & utilization of grant funds, and review of the individual items in the chief’s proposal.

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After completing an exhaustive review of the line officers proposed equipment purchases, the Board finalized the Materials & Supplies Account at \$105,502.00.

Individual portion of the chief's proposal were accepted on separate motions as follows:

Items #28 & #29 – Turn Out Gear & Uniforms - \$37,000.00: approved on a motion by Commissioners Scarlato & Eadicicco and passed unanimously by the board.

Items #1 to #10 – Tools & Equipment - \$10,022.00: approved on a motion by Commissioners Scarlato & Kelly, and passed unanimously by the board.

Items #11 & #12 – Firematic Supplies - \$7,620.00: approved on a motion by Commissioners Scarlato & Kelly, and passed unanimously by the board.

Items #13 to #17 – Extrication Equipment - \$25,490.00: approved on a motion by Commissioners Kelly & Eadicicco, and passed unanimously by the board. Concerns were expressed about cross training & confusion using two different extrication systems. Formal storage/utilization plans were asked for, when time to purchase is at hand.

Items #18 to #23 – Personal Protective Equipment - \$13,010.00: approved on a motion by Commissioners Eadicicco & Scarlato, and passed unanimously by the board.

Items #24 to #27 – EMS Supplies & Equipment - \$4,000.00: Approved on a motion by Commissioners Scarlato & Kelly, and passed unanimously by the board.

Items #30 to #35 – Communication Equipment - \$8,360.00: Item #31 was increased to 3 radios for a total of \$2,550.00. All items approved on a motion by Commissioners Kelly and Eadicicco, and passed unanimously by the board.

It was noted by board members that there was no funding included for Motor Fuels (gasoline & diesel) or for replacement tires for Units 466 & 490.

In response to this and following discussion with the chief it was agreed informally, that the \$13,000.00 requested for Item #14 – Powerhawk RI1 Extrication Kit would be re-assigned for fuel & tires. It was also stated that if a federal grant comes to the district, the board may allow the purchase of the tool kit later in the 2012 year.

As previously recorded, it is again noted that these items were approved conceptually for purchase in 2012; but will need additional review and final approval by the board in 2012, prior to them being purchased. A complete copy of the chief's proposal packet is available upon request.

The total proposed expenditures for **2012 Current Expenses** portion of the budget is **\$617,693.00**. This sub-total is not inclusive of any Capital Improvement allocations.

The Board then agreed to fund the **2012 Capital Appropriation** at **\$200,000.00**, making a **TOTAL PROPOSED APPROPRIATION** of **\$817,693.00**.

This concluded discussions. The proposed budget was finalized at a total amount of \$817,693.00. This is an increase of \$14,098.00 over the current 2011 budget; leaving a zero (\$0.00) balance not utilized from the recently enacted legislation mandating a 2% Budgetary Cap on Annual Tax Increases.

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The budget as proposed is as follows:

ADVERTISING	\$2,000.00
COMMISSIONER'S COMPENSATION	56,000.00
ELECTIONS	2,000.00
HYDRANT RENTAL	75,000.00
INSURANCE	80,000.00
MAINTENANCE & REPAIRS	70,000.00
MATERIAL & SUPPLIES	105,502.00
OFFICE EXPENSES	7,000.00
PAYROLL TAX	12,691.00
PROFESSIONAL SERVICES	30,000.00
REIMBURSEMENT EXPENSES/LOSSES	27,000.00
RENTAL CHARGES	38,500.00
TRAINING & EDUCATION	12,000.00
UTILITIES	33,000.00
LENGTH OF SERVICE AWARD PROGRAM	+ 67,000.00
SUB-TOTAL PROPOSED BUDGET	\$617,693.00
CAPITAL IMPROVEMENT FUND	+ 200,000.00
TOTAL PROPOSED BUDGET	\$817,693.00

Commissioners Kelly and Scarlato introduced a motion to approve the proposed budget for 2012 with a total appropriation of \$817,693.00 (as enumerated above) and establishing the date & time for the Public Hearing. This motion was passed on a unanimous "YES" vote of the Board.

Per past practice, the Clerk will seek direction from Mr. Osborn (the Fire District's Auditor) on possibly moving a portion of the Unreserved Balance to the Capital Fund; and if so, for what amount.

The Clerk will also find out what Mr. Osborn's projection will be for the line item titled "Less Miscellaneous Revenue & Fund Balance" in addition to any other state required modifications before finalizing the 2012 "Amount To Be Raised By Taxation" line on the ballot question.

Additionally, the Clerk will request Mr. Osborn insert in the appropriate amount for UNANTICIPATED REVENUE in the amount of \$80,000.00, in the event the district is successful in obtaining the federal grant it applied for.

Lastly, the Clerk will ask Mr. Osborn to draft a second budget question for the upcoming election, seeking voter approval for another Capital Project for a new apparatus, per our discussions at the September meeting.

BUDGET HEARING Per the motion by Commissioners Kelly and Scarlato, the date for the Public Hearing for the 2012 Budget was set for 19:00 hours (7:00 P.M.) on Monday, January 2, 2012.

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PUBLIC COMMENT There were four (4) officers present, but no district firefighters and zero (0) members of the public present. Comments on agenda items were received while the items were before the Board for action. No non-agenda questions and comments were allowed at this meeting.

ADJOURNMENT Chairman Equils thanked the line officers for their assistance in tonight's process, including their written presentation and supporting information. All the other Commissioners concurred.

This concluded the business before the Board, so a motion to adjourn was made by Commissioners Scarlato and Eadicicco, and passed by the Board.

The meeting closed at 22:52 hours.

Respectfully Submitted:

Robert J. Kelly
Clerk of the Board

RJK/rjk