

**JEFFERSON TOWNSHIP COUNCIL**  
**MEETING LOCATION: JEFFERSON TOWNSHIP MUNICIPAL BUILDING**  
**1033 WELDON ROAD**  
**LAKE HOPATCONG, NJ 07849**  
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**FEBRUARY 9, 2022**  
**BUDGET MEETING – 4:00 PM**  
**MINUTES**

**1. CALL TO ORDER**

Council President Senatore called the meeting to order at 4:03 pm and read the meeting statement as follows: this Special Meeting is called pursuant to the provisions of the Open Public Meetings Law. Notice of this meeting was sent to the official newspapers of the Township, the Daily Record and the Star Ledger, on **January 28, 2022**. In addition, notice was posted on the bulletin board in the Municipal Building on **January 28, 2022** and is and has been available to the public and is on file in the office of the Municipal Clerk.

**2. ROLL CALL**

	Present	Absent
Mr. Birmingham	X	
Mr. Kalish	X	
Mr. Smith		X*
Vice President Dunham	X	
President Senatore	X	
Mr. Ryan, Township Attorney		X
Ms. Reilly, Township Clerk	X	

Ms. Reilly called the roll. All Council members were present except for Councilman Smith, who arrived at 4:07 pm. Also in attendance were Mayor Eric Wilsusen, Administrator Debi Millikin, and Chief Financial Officer Bill Eagen.

**3. SALUTE TO THE FLAG**

Council President Senatore led the flag salute.

**4. PUBLIC COMMENT**

Council President Senatore opened the public comment portion of the meeting with the consent of the members present and asked speakers to state their name and address for the record.

Robert Vander Ploeg, Jr. – 14 Crystal Road

Mr. Vander Ploeg said he was curious about the starting point for this year’s budget. Mayor Wilsusen replied that the Township does not do a zero based budget but his administration presents a budget based on the needs of the department and the municipality. He said that capital requests are based off the ten (10) year plan. Ms. Millikin said the preliminary budget number for 2022 is \$30,585,375.

Mr. Vander Ploeg said he hopes there can be a discussion about being creative and sharing Jefferson’s staff with other town to realize economies of scale. Mayor Wilsusen replied that the Township shares construction services with Mt. Arlington and Health Services with Rockaway Township. Council Vice President Dunham mentioned the shared service agreements with the Board of Education.

Mayor Wilsusen reported that healthcare costs are up by fourteen percent (14%) and pension costs are up by five percent (5%) which will cost the Township a million dollars before even getting started on the rest of the budget. He said the items that drive costs tend to be pension, healthcare and personnel costs and the Township is at bare bones with personnel. He mentioned the operating budget stays relatively stable and said that this year will be a challenge due to inflation.

With no one else wishing to be heard, Council President Senatore closed the public comment portion of the meeting.

Council President Senatore stated that the purpose of tonight’s meeting is to hear from the departments and mentioned starting next week’s meeting early in order to have further discussions.

**5. COUNCIL AND MAYOR DISCUSSION**

• **Budget Overview – Administration & CFO**

Mayor Wilsusen reviewed some of the budget highlights. He mentioned inflation and increasing costs will cause 2022 to be a tougher year than the Township has been used to over the last three (3) years. He said this year’s budget is under State review, which might delay the process a bit. Mayor Wilsusen explained that departments started the budget process in September/October and since then they have been asked twice to update their pricing.

Mayor Wilsusen reported that the construction revenue has increased, tax collection is good, and that the Township received the first installation of American Rescue funds. He said the money will be used for laptops for remote work, the installment of plexiglass in offices, storm water projects in Milton and Lake Shawnee, the ambulance for Jefferson Rescue, and improvements to Camp Jefferson. He stated that the capital budget follows the strategic plan as much as possible, although there are always a few unexpected items.

Mayor Wilsusen said he plans to proceed with an aggressive road infrastructure plan. He said that the administration is working on a master plan for the White Rock Pavilion and that this will be added to the ten (10) year capital plan when completed. He reported that the police addition is on budget. He told Council that water/sewer rates will need to be discussed and a ten (10) year water/sewer strategic plan is being developed. Mayor Wilsusen publicly thanked Ms. Millikin and Mr. Eagen for all their work on the budget.

Mr. Eagen told Council that the Annual Debt Statement, which is due by January 30<sup>th</sup>, has been completed. He said the net debt increased from .624% to .664%, which is equivalent to about one million dollars. He said the Township paid off \$2.85 million dollars in bond and note principle, and that one of the bond issues will be dropping off this year, resulting in a \$700,000 savings.

Mr. Eagen stated that he anticipated introducing the budget on March 16<sup>th</sup>, which will be in compliance with the statutory deadline. He told Council that this year’s preliminary budget increased approximately \$1.6 million dollars, or 5.7%, which is a bigger increase than he would like to see but it will be pared down. He mentioned that the Annual Financial Statement is not due until March 4<sup>th</sup>, so he will know more about revenues and surplus at that point.

Mr. Eagen reported no new positions budgeted for 2022. He mentioned the cost of cyber coverage and insurance as notable expenditures. He said he intends to stick with paying \$125,000 to note principal and the same amount to the capital improvement fund, which is consistent with the Township’s plan to keep increasing “pay as you go” capital projects and paying off notes early. He explained that by his calculations, every \$100,000 not bonded saves \$40,000 for the Township in the long run.

Mr. Eagen gave a brief overview of 2021 revenues. He mentioned that the interest on investments is still tanking but the Township still hit its revenue numbers.

Council Vice President Dunham asked what drove the increase in debt from \$17.1 million dollars to \$18.1 million dollars. Mr. Eagen mentioned the bond Ordinance for capital improvements in the amount of \$3.5 million dollars and the bond Ordinance in the amount of \$1.5 million dollars for the police addition. In response to questions from Councilman Birmingham, Mr. Eagen explained that the debt statement includes debt authorized by the Township Council, debt authorized but not issued, and debt authorized and issued.

Council Vice President Dunham said the cost of debt is going up and the jump in debt concerns him. He said he is on board with the ten (10) year capital plan but thinks a decrease in revenue might affect it. Mayor Wilsusen said the plan is a guide and is adjustable. Mr. Eagen said the Township is trying to keep up with paying down debt and he has projections for revenue and debt payments. He mentioned the American Rescue Fund money and said that will be used to fund some projects. He said the second installment will be received in June or July. Ms. Millikin detailed some of the capital expenditures that will be funded with the American Rescue Fund money, such as scanning the Health Department records.

Councilman Birmingham said the police addition bid came in at \$1.2 million dollars and the Township has experienced added project costs due to inflation, which is beyond municipal control. He mentioned that the Township had already set aside \$700,000 for the project. He discussed the Township's ten (10) year plan to pay down debt and eventually operate on a "pay as you go" track. He said that, based on the debt statement, it appears that most of the Township's outstanding debt is in notes. Mr. Eagen stated that the Township is currently paying off 2018 notes, and the goal is not to have permanent financing.

Councilman Birmingham asked if Mr. Eagen could estimate the Township's next three (3) debt statement based on the ten (10) year strategic plan. He said he would like to see where the Township will be at in the next two or three (2-3) years. He said Mr. Eagen can reference the strategic plan and project how much debt will be paid off each year and he would like to see the debt statement estimates before he votes on a budget.

Councilman Birmingham said that, according to the Division of Local Government Services Local Finance Notice, the State Health Benefits Plan premium increased five percent (5%), and he wondered why the budget showed a fourteen (14%) increase. Mr. Eagen explained that new employees and retirees are in higher categories and have higher premiums. He said the increase for active employees is five percent (5%). Councilman Birmingham asked Mr. Eagen to find out the percentage increase for retirees.

- **5:12 pm Break**

Council President Senatore announced that Council would adjourn for a brief fifteen (15) minute break.

- **Department Budget Presentations**
  - **Engineering & Department of Public Works (Jim Lutz, John Schultz, Troy Hackett, Andrew Pierson)**

Ms. Millikin introduced Jim Lutz, Andrew Pierson, John Schultz and Troy Hackett. Mr. Lutz gave an overview of the 2022 budget requests. He said projects were prioritized based on needs of the Township and cost. He said highlights of the budget requests include paving, replacing outdated emergency generators, cape seal program, and road improvements. He mentioned that the Township received a New Jersey Division of Transportation (NJDOT) grant for Russia Road improvements in the amount of \$339,000. Mr. Lutz also mentioned New Jersey Natural Gas (NJNG) paving and the need to fix drainage in Lake Shawnee first.

Mr. Schultz reviewed the DPW's budget request of \$865,460 for the capital paving program, \$422,457 to pave the other fifty percent (50%) of the roads that NJNG will pave this year, milling and paving the rear of the municipal parking lot, the Township match for the Russia Road DOT project, the cape seal program, guide rail replacement, line striping, and drainage. Ms. Millikin mentioned that American Rescue Fund money will be used for Lake Shawnee drainage due to the extent and cost of the project.

Mr. Schultz told Council that the DPW wanted to continue to be aggressive with paving and asked for their support. He said the Cozy Lake area is not included in the paving plan but NJNG is expected to pave these roads at their cost.

Council Vice President Dunham asked if the Township was on track with the ten (10) year plan for roads and Mr. Schultz said yes. Councilman Birmingham commented on how much money is saved when the Township uses cape seal versus asphalt and Mr. Schultz mentioned that Sparta roads about seventy percent (70%) cape seal. He said that the goal is to get twenty (20) years out of a paved road. Council President Senatore asked if the drainage project in Lake Shawnee included new catch basins and Mr. Schultz said yes, these would be pre-case basins. She said she wanted to make sure we had the right drainage in place due to the proximity to the lake.

Mr. Hackett discussed the equipment requests, which include two (2) Ford Mason dumps, a portable bucket screener for the new loader, a Western Star single axle to replace a 2014 vehicle, a trench compactor, and shop equipment for the garage. He stated that the total 2022 budget request is \$570,000. Mr. Hackett mentioned that the truck ordered last year still hasn't been delivered. Council Vice President Dunham expressed concern that the Township is funding vehicles it's not getting. In response to Council questions, Mr. Schultz said the bucket screener will save the Township money, otherwise Jefferson must contract for this service, and Mr. Hackett said that the 2014 vehicle needs to be replaced due to emissions issue but is still able to be auctioned off.

Mr. Lutz described the facilities requests, which total \$940,00 and include the fuel system upgrade, which will be split 50/50 with the Board of Education, recycling center upgrades, and replacing the roof on the Minnisink Road Salt Shed. Council President Senatore asked if the recycling center upgrades were necessary and Mr. Schultz said yes because of issues with the dumpsters. Councilman Kalish asked if the Board of Education agreed to split the cost of the fuel system upgrade and Ms. Millikin said the issue has been discussed. Councilman Birmingham asked about using the Recycling Tonnage Grant money to offset the cost of the recycling center upgrades and Mr. Eagen explained that the Township is using that money to offset the cost of the garbage contract.

Council Vice President Dunham asked for an explanation of the issues with the fuel system and Mr. Schultz explained there are issues with the mechanics, there is rot, and the tanks are in the ground. Ms. Millikin said the current tanks are over twenty (20) years old. Mr. Schultz said that underground tanks pose a potential risk because the remediation of any contaminated soil would be astronomical. Mr. Hackett reported that the new tanks will be placed above ground and placed in a different spot, as the new tanks must become operational before the Township can decommission the old ones.

Councilman Birmingham said he remembered a prior salt shed project and wondered if all the money had been spent. Mr. Lutz explained that some money was left over from the prior project, and those funds plus the new monies will be used for the new salt shed roof.

During the operating expenses discussion, Ms. Millikin mentioned the letter from the County regarding recommended curve advisory speeds and warning signs. She said some of the Township's signage does not meet the new requirements. Mr. Hackett mentioned that repairs to the wall at the recycling center will be needed since it is sinking and rotting and it is affecting the guiderail.

▪ **Water & Sewer Utility Department (John Perry)**

Mr. Perry said the main item for the sewer utility is to repair two (2) of the RBC's. Council Vice President Dunham asked if the Township would be keeping the Water's Edge plant operational. Mr. Perry said the plan is to decommission this plant as the DEP is requiring, but it will be kept on-line until the White Rock plant can accommodate the flow. He also mentioned an inflow and infiltration study (I&I), designed to identify the amount of rainwater in the system. Council Vice President asked Mr. Perry to explain the decrease in his budget request, from last year's amount of \$762,500 to this year's request of \$592,000. Mr. Perry explained there was some carryover monies from 2021. Ms. Millikin pointed out that the two (2) generators being repaired were for the Peaks and the Fairways.

Regarding the water budget, Mr. Perry stated that the goal was to eventually tie in the municipal building to the water system, but in order to do so the Township must construct a tank on Meredith. He said he would like to allocate \$1.2 million dollars over a six (6) year period for this project. Ms. Millikin mentioned using some of the American Rescue Funds for some of the other drainage projects, such as the \$475,000 needed for drainage in Lake Shawnee.

Councilman Birmingham asked when administration would be requesting an increase in water rates. Ms. Millikin said she thought something would be prepared by May. Council Vice President Dunham asked about the status of the Water and Sewer Committee and Ms. Reilly said they haven't been utilized since the last increase. Mr. Eagen said that was because the last Ordinance contained multi-year increases. Councilman Birmingham recommended changing the Code and removing the Committee if they are not being utilized.

▪ **Parks & Recreation Department (John Burns, Grace Rhinesmith)**

Ms. Rhinesmith reviewed capital requests with Council. She asked Council to disregard the requests for the community lodge as she was going to come up with a different plan. She said she is requesting a new copier since the one they have is sixteen (16) years old. In response to Council questions regarding the \$7500 requested, Ms. Rhinesmith said Recreation needed a high volume copier. Ms. Rhinesmith said \$30,000 was needed to fix the roof, ceiling and floor in the nurse's cabin. Council President Senatore asked if the money could be taken from the Camp reserve. Ms. Rhinesmith said she would not recommend taking from the reserve as it had been affected by Covid.

Ms. Rhinesmith asked for \$11,800 for an electronic sign board. In response to Council questions she said she already has \$30,000 set aside for this sign which was approved in previous budget years and the sign would be placed at Camp Jefferson. She said the sign would help with advertising summer day camp and different programming. Council President Senatore asked when the conceptual plan for Camp might be given to Council and Mayor Wilsusen said he thought before the end of the year.

Mr. Burns told Council his department needed a mason dump and a pickup truck to replace the 2014 models and that these vehicles can also be used to plow. Much discussion ensued about the maintenance of vehicles and how they are affected by salt. Mr. Burns also requested \$238,000 for artificial turf for Kennedy Field. He said turf would be in the infield only and that the outfield would be natural grass. He said the runoff and the rocks have really affected the condition field and that's why the turf is necessary.

Mr. Burns told Council that the Parks Department is painting and spackling at White Rock and upgrading the lighting to LED. He said capital for White Rock wasn't included in his ten (10) year plan so he wanted Council to know about the new project.

Ms. Rhinesmith said there was no capital request for Dial-A-Ride since Covid has affected the service and miles are down.

▪ **Police Department (Chief Castimore, Capt. Bush, Lt. Hale)**

Chief Castimore told Council he would like to discuss capital expenses and said he would like Jefferson to be an accredited department. Mr. Eagen said accreditation is an operating item that will be covered through police outside employment funds. Mayor Wilsusen said accreditation helps the town with liability.

Chief Castimore requested the replacement of the four (4) year old traffic safety vehicle, and stated that this item is in his ten (10) year plan. In response to questions from Council President Senatore, he said he would like to stick with the Tahoe since the vehicle tows the different trailers. Chief Castimore also requested four (4) Axon tasers as a starting point for the department and said he would like to implement a plan to purchase tasers for the department in the amount of \$11,000 over a few years. He explained the Axon tasers activate with the body cameras. Mr. Eagen stated that this could be a capital expenditure if the useful life is at least five (5) years.

Chief Castimore said he would like to replace the medical bags since they are about eight (8) years old. He said the old bags are very cumbersome and he would like to purchase new bags that are slightly smaller and are backpacks. Council Vice President Dunham asked about the placement of the blinking stop signs. Chief Castimore said that there is one that has been ordered for the intersection of Holland Mountain and Ridge Roads, and that he would like to place these at crucial intersections throughout the town. He explained to Council that his long term plan is to get a few signs each year and they are solar powered.

Chief Castimore said he has already purchased four (4) new police cars utilizing the operating budget. He mentioned that a recent addition to the budget, which is not on the Council spreadsheet, is the request for four (4) Automated License Plate Readers (ALPR) to be placed at Berkshire Valley Road, Ridge Road, and Chamberlain Road. Mr. Eagen said the cost would be \$24,000. Chief Castimore said these are used for information sharing throughout the State.

Council Vice President Dunham asked Chief Castimore for an update regarding his ten (10) year plan. Chief Castimore said that, per the plan, the department requires new duty weapons this year. He mentioned that there is some trade-in value on the forty (40) old weapons. He asked Council to disregard his request for a new copier.

Regarding the operating budget, Chief Castimore said he would like to have an accredited command staff and plans to send them to the FBI schools and the Certified Public Manager class at Rutgers. Ms. Millikin explained that the training budget will increase from \$15,000 last year to \$29,000 in 2022. In response to Councilman Birmingham's budget, Chief Castimore said the training budget might decrease a bit in subsequent years but not a lot.

▪ **OEM (Chief Castimore, Deputy OEM Coordinator Perrier)**

Council Vice President Dunham asked about the \$190,000 request for 9-1-1 improvements. Chief Castimore said the Township received a letter, which was anticipated, notifying Jefferson that Verizon will no longer maintain their copper lines. He mentioned that the phone line and information line that are used for 9-1-1 calls are copper lines and need to be replaced with fiber. Chief Castimore said the new machine he wants for the desk will have two (2) answering point versus the one (1) that is there now.

▪ **Fire Co. #2 (Chief Jardines, Asst. Chief Jenkin)**

Chief Jardines discussed the capital request for the refurbishment of twenty (20) year old ladder truck #711 and a main repeater. He explained that a repeater would extend communications and could be used by the police department as a backup if necessary. He said right now, communications go through the dispatcher and the repeater would take some pressure off the desk. Chief Jardines said that each fire company was willing to allocate \$25,000 in capital funds to buy the \$50,000 repeater.

**Fire Co. #1 (Chief Wetzel, Asst. Chief Fisher)**

Chief Wetzel discussed the need for the replacement of radios. In response to Council questions, he said the new pumper truck (722) is still being built and they are having a pre-construction meeting next week. He anticipated July or August delivery of the vehicle. Council had an extended discussion with Chief Wetzel about the strategic plan and the 2027 request for a ladder truck.

Mayor Wilsusen commented that OEM's coordination of the budget and purchasing, first through Ed Mangold and now through James Perrier, has worked out very well for the Township.

**JTRS (Chief Anzalone, Asst. Chief Finnegan)**

Ms. Millikin explained that Jefferson Rescue's capital request is \$210,000 for a new rig which can be covered through American Rescue Fund. Mr. Perrier mentioned that it will be one year before the new ambulance can be delivered but all six (6) ambulances will be sister ambulances.

Ms. Millikin said she and the Mayor agreed with the request to include the operating budgets for the First Aid squads from \$45,000 to \$50,000.

Council Vice President Dunham asked how Jefferson Rescue is utilizing supplemental daytime coverage, either from St. Clare's or Atlantic Health. Ms. Finnegan said that Jefferson Rescue continues to use St. Clare's a few days a week, although there are volunteers in EMT school and last week the squad didn't use supplemental daytime coverage at all. She stated that the priority is safety and therefore Jefferson Rescue doesn't want to stop using St. Clare's until they are certain they have enough people trained and the squad is solid.

**MFAS (Chief Cabrera, Asst. Chief Parete)**

Council Vice President Dunham said he is recusing himself from this part of the conversation. Ms. Millikin told the First Aid Squad that the operating budget will be increasing to \$50,000. Councilman Birmingham mentioned this was the first budget increase in a while and Council Vice President Dunham concurred.

Chief Castimore addressed the capital request for an OEM drone. He said the old drone has broken twice and he would like to upgrade it. He mentioned the drone has been used to help the engineering department and Mr. Perrier detailed some other instances where the drone has been advantageous. Chief Castimore said that Fred Klaus and Andy Schmidt are certified drone operators. He explained to Council that the drone is strictly used for OEM issues and that for a police operation the County is utilized as their drone is much more sophisticated.

**• Budget Review – Administration & CFO**

Council Vice President Dunham had a capital budget question and asked Ms. Millikin where the town stood on the grants, permits and architectural work for the Three Rivers Bridge. Ms. Millikin said FEMA grants have been applied for and the Township is waiting to hear if the grant will be awarded. She said permits will not be applied for until the grant decision has been received.

Council President Senatore asked if Council wanted to start the next meeting earlier and discussion ensued about how to handle budget questions and concerns. Council Vice President Dunham asked how much of the capital projects would be "pay as you go" and how much would be bonded. Councilman Birmingham asked about the equalization. Both Council Vice President Dunham and Councilman Birmingham expressed concerns about the tax impact. Ms. Millikin mentioned that the administration is aware that operating expenses have to be cut and other changes might occur depending on the annual financial statement.

Council consensus was to start the March 2<sup>nd</sup> meeting at 6 pm, handle regular meeting business first and then budget items. Ms. Millikin asked Council members to email her with any questions prior to the meeting. Mr. Eagen said he expected the auditor to be present at the March meeting. Councilman Birmingham asked Mr. Eagen to coordinate with the auditor and present a three (3) year estimated debt statement. Mr. Eagen said he will break out the capital project funding sources and delineate those projects funded as "pay as you go", through bonds, and through the American Rescue fund monies.

Mr. Eagen noted some other capital items, such as the scanning and storing of health records. Ms. Reilly explained that none of the Health Department records are scanned and there is no redundancy, that's why this project is necessary. She mentioned that the Planning Department is in the same situation and they will be the next department considered for the project.

Ms. Millikin said she had two (2) more capital requests. She explained that the pound needs a fire alarm system and the nurse's office at the Health Center needs new flooring. She said both facilities need security cameras.

**6. ADJOURNMENT AT 8:09 PM**

Motion made by Councilman Kalish, second by Council Vice President Dunham, to adjourn the meeting at 8:09 pm, with all members in favor signifying by "Aye."

**February 2, 2022**

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**Michele Reilly, RMC, Township Clerk**

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**Melissa Senatore, Council President**