



Founded 1749

**TOWNSHIP COMMITTEE  
TOWNSHIP OF MENDHAM  
April 18, 2017  
Regular Session 7:30 p.m.**

**ROLL CALL**

Mr. Baumann	Present
Mr. Cioppettini	Present
Mr. Diegnan	Present
Mr. Gisser	Present
Mayor Orban Brown	Present

Also Present: Tom Sateary, Attorney  
Debbie Bonanno, Administrator  
Mary Beth Zichelli, Township Clerk

**SALUTE TO THE FLAG**

**STATEMENT OF ADEQUATE NOTICE**

Adequate notice of this meeting of the Township Committee of the Township of Mendham was given as required by the Open Public Meetings Act as follows: Notice was given to the Daily Record, Observer Tribune and the Star Ledger on January 7, 2017. Notice was posted on the Bulletin Board in the Township Offices and Notice was filed with the Township Clerk.

**ANNOUNCEMENTS**

Mayor Orban Brown acknowledged the passing of Pat Maynard, a longtime resident, former Township Committee member and Deputy Mayor.

**PROCLAMATIONS**

The Mayor read by title the following two proclamations:  
National Autism And Acceptance Awareness Month  
Supporting The 2017 Udrive. Utext. Upay. Distracted Driving Crackdown

**BUDGET PRESENTATION**

West Morris Regional High School – The 2017-18 budget was presented to the Committee and is attached.

## **CORRESPONDENCE**

The Mayor reminded residents that they can email questions or comments to her [dbrown@mendhamtownship.org](mailto:dbrown@mendhamtownship.org) or to [clerk@mendhamtownship.org](mailto:clerk@mendhamtownship.org) if they would like to be heard at a meeting but cannot attend.

## **APPROVAL OF MINUTES**

March 28, 2017, regular session

Mayor Orban Brown called for a motion. Mr. Gisser moved. Mr. Cioppettini seconded. Mr. Diegnan abstained. All other members voted to approve.

March 28, 2017, executive session

Mayor Orban Brown called for a motion. Mr. Cioppettini moved. Mr. Gisser seconded. Mr. Diegnan abstained. All other members present voted to approve.

## **ORDINANCES FOR SECOND READING**

### **ORDINANCE 2017-4**

#### **AMENDING ROAD DETAIL**

Mayor Orban Brown called for a motion. Mr. Baumann moved. Mr. Cioppettini seconded. All members present voted to approve.

## **NEW BUSINESS**

### **ORDINANCES FOR FIRST READING**

#### **ORDINANCE 2017-5**

#### **AMENDING BEACH FEES**

Mayor Orban Brown called for a motion. Mr. Cioppettini moved. Mr. Diegnan seconded. All members present voted to approve. The second reading will be on for public hearing and adoption on May 8<sup>th</sup>.

## **RESOLUTIONS**

### **RESOLUTION 2017-45**

#### **BUDGET ADOPTION**

Mayor Orban Brown called for a motion. Mr. Cioppettini moved. Mr. Gisser seconded. The Mayor opened the meeting up for public discussion:

**Michael Merritt, 73 Mountainside Rd.**, His comments are attached.

**Amalia Duarte, 22 Brockton Drive**, praised the staff for their good job on preparing the budget and especially the cost savings for shared services of the health department. She also commented that sharing the budget request documents of other committees would be a good idea. All members present voted to approve.

### **RESOLUTION 2017-54**

#### **PBA CONTRACT**

Mayor Orban Brown stated this would be tabled until the May 8<sup>th</sup> meeting.

**RESOLUTION 2017-55**

**AWARDING A CONTRACT TO NEW EARTH WATER, LLC**

Mayor Urban Brown called for a motion. Mr. Gisser moved. Mr. Cioppettini seconded. Mr. Diegnan and Mr. Baumann abstained. All members present voted to approve.

**RESOLUTION 2017-56**

**AWARDING CONTRACT FOR PART TIME CONFLICT ENGINEER**

Mayor Urban Brown called for a motion. Mr. Cioppettini moved. Mr. Diegnan seconded. All members present voted to approve.

**RESOLUTION 2017-57**

**APPOINTING DPW SKILLED LABORER**

Mayor Urban Brown called for a motion. Mr. Gisser moved. Mr. Cioppettini seconded. All members present voted to approve.

**RESOLUTION 2017-58**

**APPROVING RAFFLE LICENSE FOR BROOKSIDE ENGINE COMPANY**

Mayor Urban Brown called for a motion. Mr. Cioppettini moved. Mr. Diegnan seconded. Mr. Gisser abstained. All other members present voted to approve.

**RESOLUTION 2017-59**

**AUTHORIZING PAYMENT OF BILLS**

Mayor Urban Brown called for a motion. Mr. Gisser moved. Mr. Cioppettini seconded. All members present voted to approve.

**RESOLUTION 2017-60**

**APPOINTING A BEACH MANAGER**

Mayor Urban Brown called for a motion. Mr. Gisser moved. Mr. Diegnan seconded. All members present voted to approve.

**REPORTS**

**Public Safety** – The Mayor stated they met with the Chief to discuss the promotional process for Lieutenant and Sargent, which is underway. She also asked the Chief to tell residents about the apprehension of burglars.

**Education** – The Deputy Mayor said he met with Dr. Constantino of the Board of Ed and will be having a follow up meeting soon.

**Finance** – Mr. Cioppettini stated there was not a finance report, but Mr. Gisser would be giving one on May 8<sup>th</sup>. He also stated the Finance Department will be meeting in June to start reviewing for the 2018 budget.

**DPW**– Mr. Baumann said the DPW was under budget , but it could be used before the end of the year.

**Recreation** – Mr. Gisser mentioned all the activities and fundraisers for the spring and summer: Buy a brick program for the Ralston Playground, May 6<sup>th</sup> Kentucky Derby party, June 3<sup>rd</sup> Carnival at Wysong Park, June 4<sup>th</sup> Brunch, June 17<sup>th</sup> 5K race and the Beach opening on June 24<sup>th</sup>.

**Administration** – Ms. Bonanno announced she had just issued a notice to proceed for the Mendham Sewer East Facility and there will be a pre-construction meeting

#### **HEARING PERSONS PRESENT**

**Amalia Duarte, 22 Brockton Drive**, commented that she was thrilled with the Beach Director hire and encouraged continue support for Recreation.

Mr. Cioppettini mentioned the Rotary Club offers Grants, which Rec could apply for. He also said they are willing to do hands on work to help.

#### **DISCUSSION**

**The Mayor** noted the Executive Session matters which were then voted on in regular session as follows: A New Earth Water contract for our sewer treatment plants, a beach manager hired and the police chief agreement finalized.

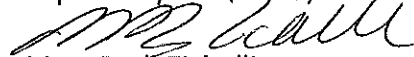
Pitney was also discussed in executive session. The Mayor explained that the Pitney Committee met with the County to plan a subdivision. The next step, Mayor Orban Brown explained was to go to the Green Acres office in Trenton to get approval.

**Mr. Cioppettini** expressed how pleased he was with the editorial in the Observer Tribune recognizing Ms. Bonanno and Ms. Fornaro for doing a good job in the Township and also pleased with such a good police department under the new Chief.

#### **ADJOURNMENT**

The Township Committee motioned to adjourn at 8:55 PM.

Respectfully submitted,



Mary Beth Zichelli

Township Clerk

I would like to take a few moments to focus on the budget process that concludes tonight with your vote. In many respects, this committee is to be commended for a vastly improved and more transparent process, especially as compared to last year. Several positive aspects of that process should be highlighted and I encourage you repeat them next year and going forward.

First, depend on our excellent municipal staff, especially our CFO and Township Administrator, for driving and managing the process under your direction.

Second, the expense budget was presented to the Committee with three alternative proposals, which helped structure and inform the discussion, for both the Committee and the public.

Third, the budget is premised on a clear long term capital plan that addresses three important objectives: debt reduction, smoothing capital outlays year to year, and providing a guideline and structure for each department's capital outlays over time.

Fourth, departments requesting support were invited to make public presentations that were very helpful I believe for the Committee and the public.

Finally, there was meaningful and impactful public discussion and debate about the specifics of the budget. This transparency was a huge step forward and an example of our committee form of government functioning as it should.



As I said, these are advances I want to encourage the Committee to repeat going forward. A very important way to guarantee we continue to make positive progress is to systematize and document our annual budget process. There is absolutely no need to invent it in an ad hoc fashion each year. I encourage you to work with our municipal staff to set up a documented annual budget cycle. This would include:

First, clear deadlines and formats for departmental submissions. These submissions should be standardized, and where appropriate, include past and future year budgets. I note that at the public hearings on departmental requests, many organizations were asked to provide their budgets. Going forward, these should be provided as part of their requests, and be available to the Committee and to the public ahead of any public hearings.

Second, the schedule for each budget should be set out well in advance. This should include not only target dates for finance committee meetings, but also and importantly, scheduling of the full committee discussion of budget proposals. This year's discussion happened in public...but very late in a long meeting, and off the agenda. Only a few people stayed late enough to hear and comment on this most important meeting. This discussion should be scheduled and publicized well in advance.


Third, I encourage the Committee to develop alternative capital proposals as they did this year for the expense budget. This year and future year budgets depend critically on this plan for managing debt. I have the strong impression that this plan is expecting current taxpayers to pay for facilities that will be used well into the future, while forgoing critical services and benefits for themselves and their families. I am not convinced that this generation of kids needs to sacrifice so that future children can have a swing set. Setting out alternative capital plans...targeting faster or slower debt reduction, for example, could make the alternatives clear.

On a final note, and again targeting the capital plan that underlays so much of this budget, much has been said about the need to "smooth" debt service payments from year to year. This is a critical need used to justify many sacrifices...I would encourage the Committee to provide a clear statement outlining this challenge and how the budget plan addresses it. We have seen the solution...but not a clear statement of the problem. I hope you can address that for the public's benefit.




**2017-2018 BUDGET PRESENTATION**

**West Morris Regional High School District Board of Education**



West Morris Central High School



West Morris Mendham High School

*Serving the Students of the Municipalities of:*

- *Chester Borough*
- *Chester Township*
- *Mendham Borough*
- *Mendham Township*
- *Washington Township*

**BUDGET PLANNING PREPARATION and ADOPTION**

The budget is the financial reflection of the educational plan for the district. The budget shall be designed to carry out that plan in a thorough and efficient manner and to maintain the facilities and honor the obligations of the district. The budget shall be in accord with statutory and regulatory mandates of the federal government, the state legislature, the state board of education and the board of education.

The budget shall provide sufficient resources for the designed curriculum and instruction. The budget shall be delivered in such a way that all students have the opportunity to achieve the knowledge and skills defined by the Core Curriculum Content Standards and local standards.

**2017-2018 BUDGET**

- MAINTAINS EXISTING STAFF/EDUCATIONAL PROGRAMS while EXPANDING TECHNOLOGY and INVESTING in INFRASTRUCTURE ON A **PAY AS YOU GO** BASIS

- ATTEMPTS TO KEEP PACE WITH THE DISTRICTS LONG RANGE FACILITIES PLAN

Summary	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*
by Year	1,456,980	2,214,299	1,505,730	1,072,760	928,855	3,778,590

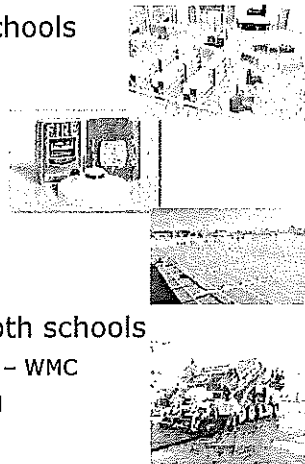
**District 5 Year Total \$10,957,214**

- ANTICIPATES/BRACES FOR INCREASING HEALTH CARE COSTS and POTENTIAL CHANGES TO NJ STATE AID FUNDING FORMULA

**MAJOR BUDGET INITIATIVES**



- CLASSROOM TECHNOLOGY UPGRADES – both schools
- MEDIA CENTER RENOVATIONS – both schools
- FIRE ALARM REPLACEMENT – WMM
- RUNNING TRACK RENOVATION – WMC
- REPLACEMENT BUS – WMR
- SECURITY LOCK UPGRADE – WMC
- MUSICAL INSTRUMENTS – both schools
- PAVING PROJECTS – both school
- VARIOUS MAINTENANCE PROJECTS – both schools
  - Auditorium Carpet; Field Realignment; Painting – WMC
  - Door Replacement; Fence Replacements - WMM
- STEM LAB COMPLETION – WMM
- CONTINUED FUNDING OF STUDENT LAPTOP PROGRAM
- CONTINUED FUNDING OF TEACHER LAPTOP REPLACEMENTS





# The NUMBERS

We wouldn't have gotten the moon without them!

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## The Financial Equation

the perspective: by state statute revenues must equal expenses

REVENUES

=

EXPENSES

- Tax Levy
  - 2% increase +or- adjustments
  - additional taxing authority (waivers/banked cap)
- State & Federal aid
- Surplus
- Misc. Income

- Salary & Benefits
- Principal's Budget
- Regular Education
- Special Education
- Improvement of Instruction
- Staff Development
- Technology
- Transportation
- Administration
- Operations & Maintenance

4/12/2017

2% cap picture.pptx



### SUMMARY of REVENUES & APPROPRIATIONS

ANTICIPATED REVENUES	Actual 2016-17	Proposed 2017-18	\$ INC/(DEC)	% INC/(DEC)
Tax Revenue (Local Taxes to be approved)	\$42,763,311	\$43,618,577	\$855,267	2.00%
State Aid Revenue	\$4,461,500	\$4,461,500	\$0	
General Fund Balance	\$2,429,643	\$1,843,031	-\$586,612	
Capital Reserve withdrawal	\$445,121	\$910,000	\$464,879	
Capital Reserve deposit	\$278,146	\$0	-\$278,146	
Misc. Revenues	\$841,467	\$848,860	\$7,493	
Special Revenue-Fed/IDEA Funds	\$566,176	\$566,176	\$0	
Debt Service Fund (refinance)	\$0	\$0	\$0	
Local Debt Svc. (Bonds)	\$2,264,800	\$2,265,000	\$1,200	
<b>TOTAL ANTICIPATED REVENUE/BUDGET</b>	<b>\$54,050,163</b>	<b>\$54,514,244</b>	<b>\$464,081</b>	<b>0.86%</b>

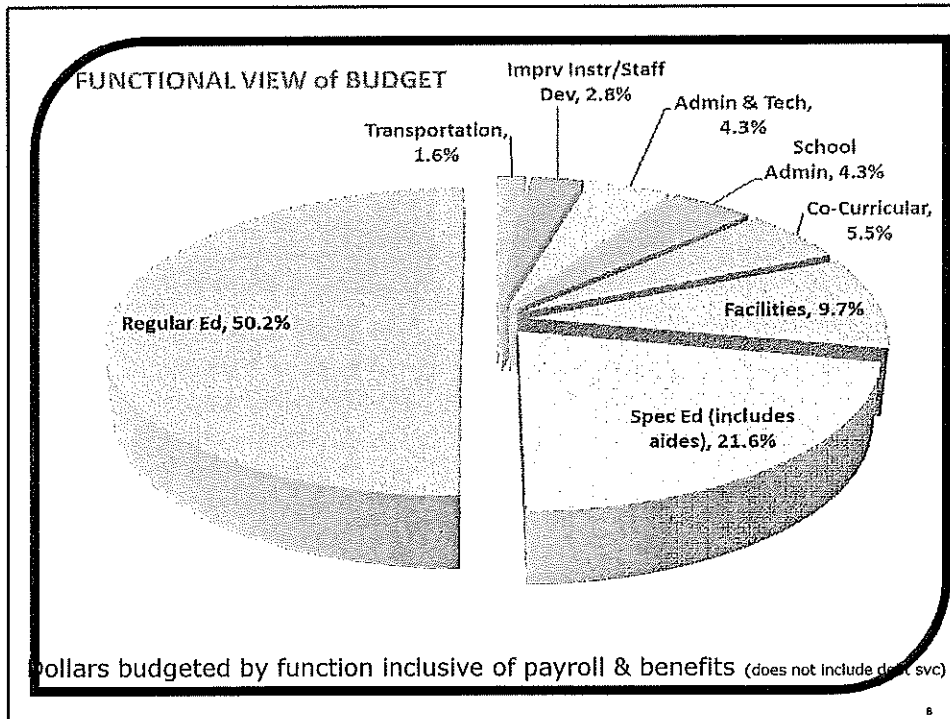
  

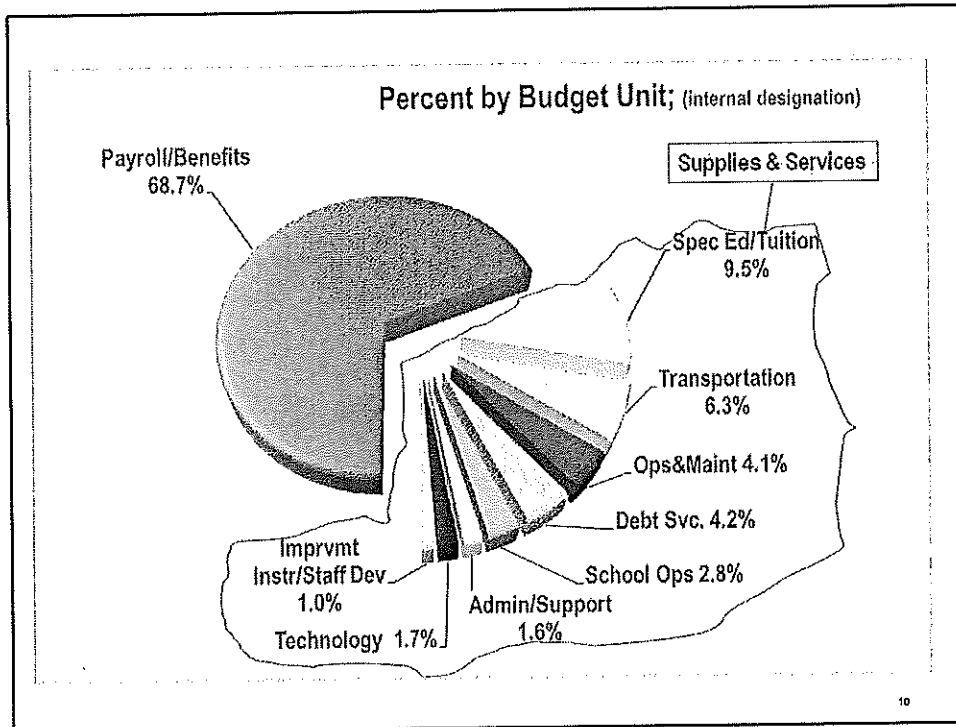
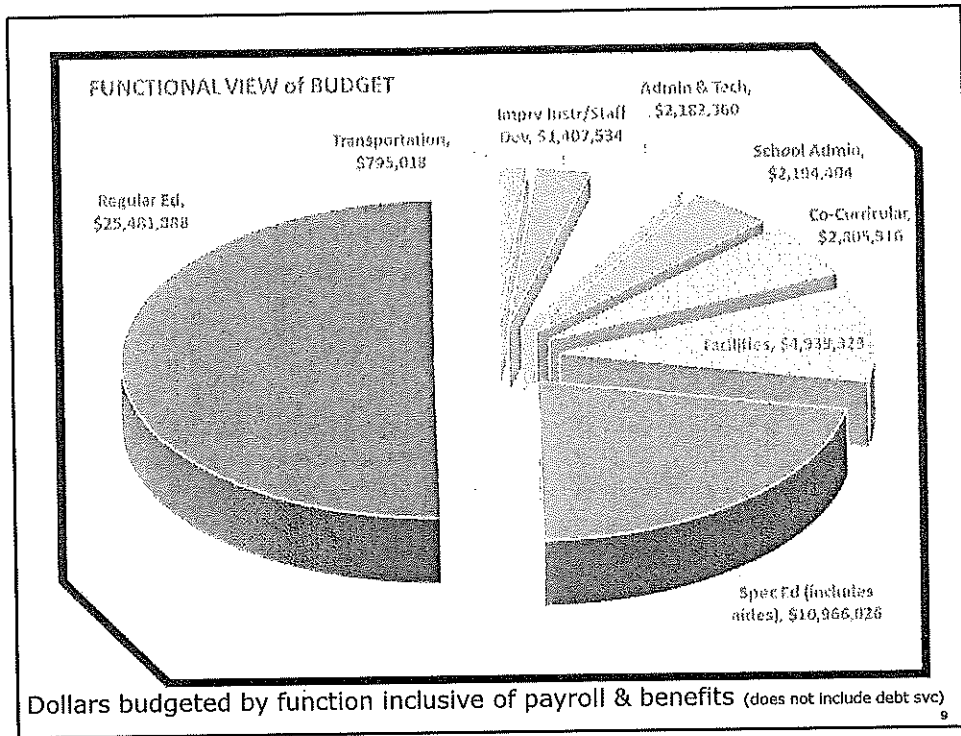
TAX NEEDS FOR CALENDAR YEAR	2016	2017	\$ INC/(DEC)	% INC/(DEC)
(basis for calculation of home property taxes)	\$44,459,718	\$45,456,344	\$996,626	2.24%

#### ANTICIPATED EXPENSES (APPROPRIATIONS)


	2016-17	2017-18	\$ INC/(DEC)	% INC/(DEC)
General Appropriations (expenses) (Regular Operating Budget)	\$50,495,920	\$50,772,068	\$276,148	0.55%
Restricted Appropriations (Special Revenue-Fed/IDEA Funds)	\$566,176	\$566,176	\$0	
Capital Reserve	\$445,121	\$910,000		
Debt Service Appropriations	\$2,264,800	\$2,268,000	\$1,200	
<b>TOTAL ANTICIPATED EXPENSES</b>	<b>\$53,772,017</b>	<b>\$54,514,244</b>	<b>\$742,227</b>	<b>1.38%</b>





<b>Cost per Pupil as Calculated by the DOE</b>					
Per Pupil Cost Calculations-5660(WEST MORRIS REGIONAL) 03/28/2017					
Per Pupil Cost Calculations	2014-15 Actual	2015-16 Actual	2016-17 Original	2016-17 Revised	2017-18 Proposed
Total Budgetary Comparative Per Pupil Cost	14,754	15,348	16,648	16,321	16,628
Total Classroom Instruction	6,510	8,909	9,517	9,240	9,349
Classroom-Salaries and Benefits	8,191	8,583	9,181	8,913	8,959
Classroom-General Supplies and Textbooks	198	196	205	199	258
Classroom-Purchased Services and Other	121	130	131	128	132
Total Support Services	2,189	2,296	2,687	2,636	2,683
Support Services-Salaries and Benefits	1,922	2,019	2,306	2,256	2,304
Total Administrative Costs	1,647	1,715	1,704	1,759	1,760
Administration Salaries and Benefits	1,244	1,298	1,276	1,317	1,331
Legal Costs	36	29	22	22	26
Total Operations and Maintenance of Plant	1,340	1,291	1,579	1,548	1,636
Operations and Maintenance-Salaries and Benefits	693	715	766	739	783
Board Contribution to Food Services	0	0	0	0	0
Total Extracurricular Costs	1,048	1,113	1,136	1,113	1,178
Total Equipment Costs	74	120	129	257	172
Restricted Federal and State Revenue other than Preschool Education Aid Included Above**	0	0	0	0	0
Employee Benefits as a percentage of salaries*	27.16%	25.92%	28.86%	28.78%	26.77%

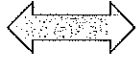
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## REGIONAL SPENDING

PER PUPIL

## COMPARISON



West Morris Regional is # 29<sup>th</sup> in  
spending when compared to 46  
other regionals in NJ


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**Summary of District Spending of 9-12 Regional High Schools – TGES**

District Name	Per Pupil 2014-15	\$'s Spent Rank
HENRY HUDSON REGIONAL	\$32,636	1
SHORE REGIONAL	\$30,394	2
CARLSTADT-EAST RUTHERFORD	\$29,705	3
MONMOUTH REGIONAL	\$28,597	4
LAKELAND REGIONAL	\$26,715	5
HIGH POINT REGIONAL	\$26,406	6
NORTHERN VALLEY REGIONAL	\$26,147	7
PASCACK VALLEY REGIONAL	\$25,449	8
MORRIS HILLS REGIONAL	\$25,099	9
WEST ESSEX REGIONAL	\$25,013	10
<b>WEST MORRIS REGIONAL</b>	<b>\$20,631</b>	<b>29</b>
HUNTERDON CENTRAL REG	\$20,630	30
WARREN HILLS REGIONAL	\$20,350	31
LENAPE VALLEY REGIONAL	\$20,329	32
WATCHUNG HILLS REGIONAL	\$20,148	33
RIVER DELL REGIONAL	\$20,097	34
SOUTHERN REGIONAL	\$20,022	35
DELSEA REGIONAL H.S. DIST.	\$19,950	36
BLACK HORSE PIKE REGIONAL	\$19,916	37
CUMBERLAND REGIONAL	\$19,786	38
RANCOCAS VALLEY REGIONAL	\$19,589	39
NORTH WARREN REGIONAL	\$19,570	40

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**ANTICIPATED ENROLLMENTS**



Enrollment as of 10/15	Actual* 2016	Est'd* 2017			Building Capacity <sup>1</sup>	Bldg Use over/(under)
			+/-	%		
WMC	1,304	1,233	(71)	-5.4%	1,463	(230)
WMM	1,311	1,288	(23)	-1.8%	1,337	(49)
<b>District Totals</b>	<b>2,615</b>	<b>2,521</b>	<b>(94)</b>	<b>-3.6%</b>	<b>2,800</b>	<b>(279)</b>

\*source of actual enrollment numbers: ASSA report and est'd enrollments based on graduating seniors and incoming freshman  
<sup>1</sup>based capacity calculated in LRFP dated May 2012

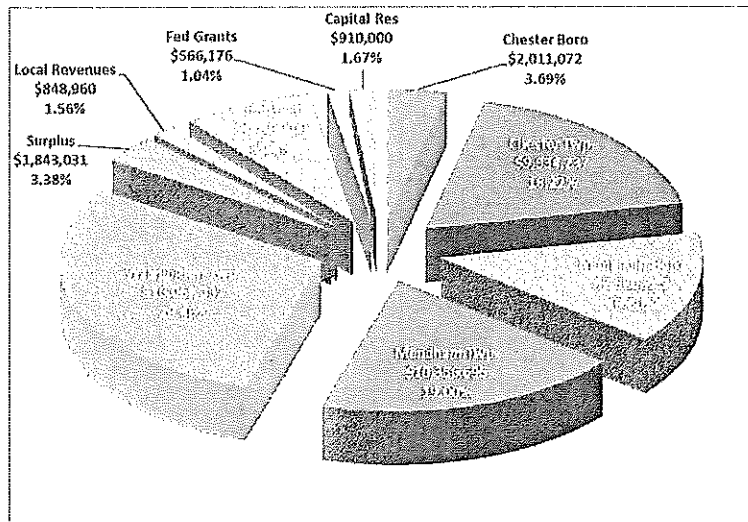
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# REVENUE SOURCES

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## TOTAL REVENUE SOURCES



Total Budget	\$54,514,244	100%
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## REGIONAL TAX ALLOCATIONS 2017-2018

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### TAX IMPACT of AVERAGE HOME VALUE compared to PRIOR YEAR by MUNICIPALITY at PROPOSED Tax Increases

	<u>Year</u>	<u>Tax rate</u>	<u>Home Value</u>	<u>\$ Impact</u>
CHESTER BORO	2017	\$ 0.4649	\$ 490,512	\$ 2,280
	2016	\$ 0.4217	\$ 491,250	\$ 2,072
	change from prior year:	\$ 0.0432		\$ 208.79
CHESTER TWP.	2017	\$ 0.5615	\$ 667,900	\$ 3,750
	2016	\$ 0.5721	\$ 665,700	\$ 3,808
	change from prior year:	\$ (0.0106)		\$ (58.21)
MENDHAM BORO	2017	\$ 0.5719	\$ 703,903	\$ 4,026
	2016	\$ 0.5514	\$ 704,326	\$ 3,884
	change from prior year:	\$ 0.0205		\$ 141.97
MENDHAM TWP.	2017	\$ 0.5485	\$ 906,876	\$ 4,974
	2016	\$ 0.5454	\$ 908,246	\$ 4,954
	change from prior year:	\$ 0.0031		\$ 20.64
WASHINGTON TWP	2017	\$ 0.5570	\$ 438,519	\$ 2,443
	2016	\$ 0.5352	\$ 439,512	\$ 2,352
	change from prior year:	\$ 0.0218		\$ 90.28

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### EQUALIZED VALUES, a Year to Year Comparison

**EQUALIZED VALUE CALCULATIONS**

	(a)	(b)	(c)	(d)	(b)/(d)= (e)	1 - (e)= (f)	(a)/(f)= (g)	(g)/(b)= (h)		
	Equal. Val. of Municipality	% of Tot. Val.	Elementary Enrollments	Regional Enrollments	Total Enrollments	% Elem. Enrollment	Elementary Equal. Val.	% Regl Enrollment	Regional Equal. Val.	2017-18 % Share*
<b>2017-18</b>										
Chester Boro	396,951,670	4.69%	155	82.5	237.5	65.26%	260,375,438	34.74%	136,606,282	4.3829%
Chester Twp.	1,890,867,463	22.22%	931	528.5	1,460	63.79%	1,205,184,348	36.21%	684,683,105	21.6505%
Mendham Boro	1,375,549,037	16.16%	526	319.0	844	62.32%	857,242,160	37.68%	516,306,877	16.3895%
Mendham Twp.	1,956,687,516	22.90%	666	382.5	1,049	63.52%	1,242,867,910	36.48%	713,799,605	22.5712%
Washington Twp.	2,885,183,955	33.94%	2,097	1,303.5	3,401	61.67%	1,781,143,045	38.33%	1,107,040,910	35.0559%
<b>Total:</b>	<b>8,510,269,630</b>	<b>100%</b>	<b>4,375</b>	<b>2,615.0</b>	<b>6,990</b>	<b>62.8%</b>	<b>5,347,632,901</b>	<b>37.2%</b>	<b>3,162,436,729</b>	<b>100.00%</b>
								(h)		
<b>2016-17</b>										
Chester Boro	389,556,447	4.62%	179	76.5	255.5	70.06%	272,923,247	29.94%	116,633,200	3.79%
Chester Twp.	1,891,211,243	22.44%	935	579.0	1,514	61.78%	1,169,864,867	28.24%	724,346,381	23.57%
Mendham Boro	1,369,269,232	16.22%	571	316.0	887	64.37%	881,298,637	35.63%	487,870,645	15.87%
Mendham Twp.	1,943,555,501	23.03%	685	384.0	1,069	64.08%	1,245,430,385	35.92%	698,125,136	22.71%
Washington Twp.	2,843,585,328	33.89%	2,218	1,290.5	3,507	63.20%	1,797,145,927	36.80%	1,046,439,401	34.85%
<b>Total:</b>	<b>8,440,177,808</b>	<b>100%</b>	<b>4,586</b>	<b>2,648.0</b>	<b>7,232</b>	<b>66.1</b>	<b>5,366,763,043</b>	<b>36.4%</b>	<b>3,073,414,783</b>	<b>100.00%</b>
<b>2015-16</b>										
Chester Boro	463,171,660	5.48%	198	95.0	293.0	67.58%	312,996,684	32.42%	150,175,178	4.86%
Chester Twp.	1,872,126,624	22.03%	952	581.5	1,534	62.08%	1,162,221,356	37.92%	709,907,298	22.97%
Mendham Boro	1,401,367,253	16.49%	598	316.0	913	65.50%	917,872,514	34.50%	483,484,719	15.64%
Mendham Twp.	1,964,809,733	33.12%	650	411.0	1,101	62.67%	1,231,352,149	37.33%	733,457,554	23.73%
Washington Twp.	2,785,635,967	32.90%	2,295	1,307.0	3,603	63.72%	1,781,509,916	36.28%	1,014,128,071	32.81%
<b>Total:</b>	<b>8,497,113,437</b>	<b>100%</b>	<b>4,734</b>	<b>2,709.5</b>	<b>7,444</b>	<b>66.4</b>	<b>5,405,952,618</b>	<b>36.4%</b>	<b>3,091,160,819</b>	<b>100.00%</b>

\*Percentages in Elementary Enrollments that are proportionately greater than Regional Enrollments will have a decreasing effect on Regional % share of taxes. By contrast, percentages in Regional Enrollments that are proportionately greater than Elementary Enrollments will have an increasing effect on Regional % share of taxes. \* Percentages have been adjusted to reflect the 2016-17 equalized value's vs. state table's increase of 0.000001 percent (rounding to 0.000001).

