

TOWNSHIP OF OCEAN  
WORKSHOP/CAUCUS AGENDA  
July 9, 2009 – 7:00 pm

NOTICE OF THIS MEETING HAS BEEN PUBLISHED  
IN ACCORDANCE WITH THE REQUIREMENTS OF  
THE OPEN PUBLIC MEETINGS ACT.

Flag Salute

1. Roll Call                    Mayor Kraft   X      Deputy Mayor Reilly       X        
   Committeeman Lachawiec   X  

Also Present:            Mr. Mosca   Absent      Mr. McGuckin       X      

2. Administrator's Report – Ken Mosca (Absent)

- 2008 Audit (Resolution 2009-226)

Robert Allison, Township Auditor stated the audit was completed on May 28, 2009. The surplus dropped about a half-million dollars in the Current Fund. There was \$2.5 million at the end of 2007 and a little over \$1.9 at the end of 2008. The fees collected in the Uniform Construction Code was down about \$260,000. The tax collection rate for 2007 was 98.64 and in 2008 it was 98.69. The utility surplus was even. The water was down a bit and the sewer was up a bit.

The Township has not established a fixed-asset accounting point system. In the past this has been a cost issue. The town should look into having a fixed asset study. The General Ledgers of the town do not all agree, for example, the Tax Collectors records and the General Ledger records receipts and disbursements. There are non-cash entries, which affect the taxes, which affect the General Ledger. The Finance office will be requesting detailed reports from the Tax and Utility office. The Township's Finance Officer started the process of contacting two companies for quotes for services regarding establishing fixed asset inventory. Some inner funds that existed that are very minor. The state requires that each fund not have any balances with the other at the end of the year. That is not a large issue. Capital ordinances have excess financing. This is a case of the town having some bonds outstanding. The town probably had received grants for those bonds so that excess financing could be used to pay down those bonds.

The Township Clerk's office 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Quarter Marriage License Reports were not filed until December. The Township Clerk's office will file marriage licenses quarterly.

There is no ordinance for fees charged by the Police Dept. for postage and envelopes. Revenues collected by the Police Dept. had no description on it. All revenues collected should be classified.

The town's purchasing manual has not been updated in a while. Changes will be reviewed and updated. A personnel handbook is being put together, which will include some fraud language so employees will know what to do if they detect fraud.

- Telecommunicator's Contract (Ordinance 2009-8)

Committeeman Lachawiec inquired about discussing Ordinance 2009-8

Township Attorney McGuckin stated the public hearing would be at the town's next meeting. The introduction to the ordinance is tonight. You could postpone the introduction if you want Mr. Mosca to give an update or you can introduce it and wait until the public hearing for discussion.

- NJEIT Program (Res. 2009-227, Res. 2009-228, Res. 2009-229)

No report in Mr. Mosca's absence.

### 3. Deputy Mayor's Report – Dick Reilly

- Municipal Alliance Grant Application (Resolution 2009-225)

This resolution deals with the Ocean County Board of Health Grant to run the Municipal Alliance. The amount is \$20,000. The township will contribute an additional \$5,000. The volunteer efforts are valued at another \$15,000. The total value is \$40,000.

- Planning Board Letter

The Chairman of the Planning Board sent a letter to the Township Committee requesting the addition of two positions to the Planning Board. Their concern is there may not be enough members due to lack of attendance or due to conflict. The Township Committee is considering one or two members of the Zoning Board to sit in for a Planning Board member. In the past three or four years there was never an instance where there was not a quorum.

- Waretown Lake Dredging

The dredging should be finished by Friday, July 10, 2009. There are a lot of areas lacking in sand, especially where the water will be going in. The township received a proposal for sand in the amount of \$5,600, which is unacceptable. Clayton Block will provide 60 tons of sand for \$1,800. The town would use its own equipment to spread the sand.

Mayor Kraft requested Christine Thorne be instructed to get three quotes for the sand.

4. Committeeman's Report – Joseph Lachawiec

Committeeman Lachawiec stated the Historical Society sponsored a July 4<sup>th</sup>, Independence Day Celebration and Memorial for Civil War Veterans at the old Waretown Cemetery. The American Legion Color Guard from Barnegat did an outstanding job. Adele Shaw portrayed Mrs. Abraham Waier. Fifty-one people attended. Committeeman Lachawiec thanked Matt Ambrosio for helping with the chairs.

Movies in the park began on July 6<sup>th</sup>. Over forty people attended. The next movie will be July 13, 2009.

Summer Camp began on July 7<sup>th</sup>. First session had 31 children. Second session had 27 children.

Tennis Camp began. There were three two-hour sessions. Eight children were registered.

The Farmer's Market is on Tuesdays from 12p-5p at the Waretown Lake. The electronic billboard will be used for advertising the market.

The Founder's Day Fireworks cost \$15,000 and there is not enough money for 2010. Donations will be sought. Maybe residents could donate \$5 each.

11<sup>th</sup> Annual Haunted Hayride will take place on October 16<sup>th</sup> & 17<sup>th</sup>. Volunteers are needed to perform skits.

Saturday, July 11<sup>th</sup> is the 1<sup>st</sup> annual Lawnmower Race, which will benefit the Waretown Volunteer Fire Company.

5. Mayor's Report – Robert Kraft

- Waretown Volunteer Fire Company Presentation

Mayor Kraft presented a check to Bill Meade of the Waretown First Aid Squad and a check to the Bryan Jones of the Waretown Volunteer Fire Company for their services in extinguishing the fire during the Warren Grove fires a few years ago.

Bryan Jones, President thanked the Township Committee. The Waretown Volunteer Fire Company appreciates it very much. Chief Flatt and Officer Murphy of the Ocean Township Police Department assisted in getting the paperwork done to receive the checks.

Bill Meade of the Waretown First Aid Squad stated the First Aid appreciates everything the town does for them.

## **PUBLIC COMMENT**

Motion to open to the public was moved by Committeeman Lachawiec, seconded by Deputy Mayor Reilly.

Roll Call: Lachawiec: Yes, Reilly: Yes, Kraft: Yes.

Michele Rosen, 29 Bradley Beach Way, inquired if the Township Committee should acknowledge accepting the audit.

Township Attorney McGuckin stated each member of the Committee will have to sign a document indicating they have read the recommendations of the audit report. Mr. McGuckin will see if the resolution has to say the Committee is accepting as opposed to receiving.

Ms. Rosen inquired if the auditors spot check.

Robert Allison, Township Auditor stated yes. Every transaction is not tested.

Ms. Rosen stated in October, the Township was charged \$50,000 for last year's audit. The Chief Financial Officer paid \$20,000 out of the 2007 reserve and the balance of \$30,000 out of the 2008 money that was appropriated. The contract for the audit was strictly for the audit and not the annual debt statement. Ms. Rosen inquired who is responsible for the fact that the money was appropriated out of a prior's budget money.

Township Auditor Allison stated the budgets are rolling. It is not unusual to pay the December electric bill and charge the January budget. As long as twelve utility bills are paid in one year, it is okay. As long as the town is paying one audit fee in one year, it is okay. It is not technically, the correct way, however, if in one year there is one cash disbursement, the town is still good for the \$50,000. From an accounting standpoint, it could be billed in the year the service is performed. The 2008 audit would be performed in the 2009 year or it could be charged in the year of which the service is for, which would be the 2008 year. It can be corrected by canceling whatever is remaining in the 2008 budget to surplus. It will eventually go to surplus in some way down the road. It is not being overcharged or overbilled.

Ms. Rosen stated there is a section in the audit that stated the town needed a fixed asset system and inventory system. Ms. Rosen submitted an OPRA requesting a list of township computers, their locations, list of printers, flashdrives, programs, etc. Ms. Rosen received a letter from the CFO stating, "I don't know. The town does not have an inventory system".

Township Auditor Allison stated when it comes to technology, there is discussion as to what is a fixed asset and what is not. An inventory is not a fixed asset. Fixed Assets are generally anything purchased over \$5,000. The rest of it is supplies.

Ms. Rosen stated in a town that is relatively small, to not know where your computers are and who has various supplies, could be eliminated if the town had an inventory control system.

Township Auditor Allison stated with any internal control system, the town has to value the cost benefit. If this is implemented, the town has to decide if someone is going to be hired with a salary, pension to track how many laptops the town has. That is a legitimate consideration.

Ms. Rosen stated 227, 228 and 229 all deal with the infrastructure. This is the NJEIT file. Did the Township Committee read the file before voting?

Mayor Kraft stated he read the resolutions but does not know what is in the file Ms. Rosen is holding.

Committeeman Lachawiec stated this is a meeting of the governing body. The township hires professionals to take care of the details. When professionals present something to the Township Committee, the Township Committee expects it to be in good, workable condition, especially when filing to the State.

Township Attorney McGuckin stated in response to your first question regarding the audit, the resolution does indicate the members of the governing body have personally reviewed the annual report of audit, specifically the general comments and recommendations and have also executed the affidavit that is required. The title mentions receipt. The body of the resolution indicates that the Township Committee has reviewed the annual audit, comments and recommendations and have executed the certification.

Joan Finn, 26 Ocean Grove Lane, inquired to what extent does the Town Center meet the real needs of the community, including nutritional needs, traffic needs and labor needs. It would be better to wait for a better time economically and think about the needs of the community in terms of a facility for job training, indoor child recreation or a bookstore. The kids are surrounded by Sonic Burger, donuts, now a hot dog place. The idea of five people on the Township Committee is a good idea. Each district should have a representative.

Motion to close to the public was moved by Committeeman Lachawiec, seconded by Deputy Mayor Reilly.

Roll Call: Lachawiec: Yes, Reilly: Yes, Kraft: Yes.

## **ADJOURNMENT**

Motion to close Workshop/Caucus Agenda Meeting was moved by Committeeman Lachawiec, seconded by Deputy Mayor Reilly.

Roll Call: Lachawiec: Yes, Reilly: Yes, Kraft: Yes.

Signed and Submitted:

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Diane B. Ambrosio, RMC  
Township Clerk

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Date