



2010 Mid-Year Update ~ June 2010

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## 2010 Mid-Year Update

Dear Neighbors,

It has been many months since I wrote to you last. As I stated previously, since I was not re-elected I cannot continue reporting on Township Committee meetings from a Committeeman's perspective. However, I promised that I would publish commentary on an occasional basis -- and obviously from a different perspective.

At this time I feel that Morris Township residents need to know what is happening (or not happening) down at town hall, so I wanted to update you on a couple of developments.

### 2010 Municipal Budget

"It's" high anxiety" time at the Morris Township municipal building.

At the April 21 Township Committee meeting which I attended, Mayor Scott Rosenbush announced that Morris Township had a \$3.25 million gap between 2010 budget request and 2010 revenues. He has since explained that the \$3.25 million gap assumes that no employee would receive a cost of living pay increase, and that municipal taxes would be raised to the maximum under the 4% levy cap law. As a reminder, municipal taxes make up about 25% of your total property tax bill, although that percentage will probably go up this year due to municipal tax increases.



To put this into perspective, the budget gap amounts to about 10% of the \$34.6 million appropriated in 2009, even if wages are frozen and with a large tax increase. Therefore, \$3.25 million is the minimum gap, or "best case" scenario. Neither the wage freeze nor the tax increase is under the sole control of Mayor Rosenbush. He can't simply invoke them. The wages for our 5 unions are now under negotiation and State arbitrators will determine outcome for police and fire. Budget and tax rate increase must be voted on by the entire Committee after public hearing.

I discussed this with Committeeman Goldberg to learn (1) how the huge budget shortfall suddenly materialized, (2) what is being done to close the gap, and (3) what all of this means to you.

First, the shortfall did not "suddenly materialize".

On the revenue side, Governor Christie warned of state cuts last year. The actual announcements were made in March and Morris Township lost \$1 million in aid and grants, which accounts for 30% of the shortfall. Reductions in collected fees such as construction permit fees and interest on our bank accounts accounted for another 35%. The reduced construction fees were trending down during 2009, as anybody could have predicted. The final 35% related to property tax collection was known with certainty in February 2010, but could have been predicted sooner, and that needs attention.

On the spending side, although there was a small net head-count reduction in 2009, the cost of personnel was not addressed until the current financial crisis hit. (Personnel costs are more than half of our annual budget.) In fact, Goldberg said that it was only because he continually insisted that department heads were finally given responsibly for their entire budget in 2010, now to include personnel costs. He said he also insisted last December that departments submit a 2010 budget not to exceed 85% of their 2009 budget. So why did the budget request come in at 100% of the 2009 budget? Why is the haggling still going on in June?

Second, Goldberg further said that we have a minor and easily corrected forecasting problem -- but a serious executive planning and implementation problem. Forecasting needs to be consolidated, formatted and scheduled so it can be a more useful management tool. However, the Mayor and Township Administrator were unable to effectively communicate and enforce the 85% budget directive Goldberg had suggested.

Third, the Finance Committee of Goldberg and Rosenbush have recently announced that they could close the budget gap to \$1.4MM with a series of yet-to-be-approved spending cuts and maneuvers including limiting spending to only the bare essentials, attrition, and some layoffs. Seventeen employees would be affected to that point. The 5 labor unions have been asked to accept a voluntary furlough of 12 days, but have refused saying there are too many unanswered questions and no guarantees.

The remaining options to close the \$1.4 million gap include program cuts leading to more layoffs, across the board voluntary pay cuts in some form, gimmicks that are temporary fixes, and passing any remaining shortfall into next year as a liability.

Goldberg also said he is looking forward and has asked for a pro forma 2011 budget in order to identify problems or opportunities in 2010 budgeting. "Maybe we can cut closer and save more. Maybe we have cut too deep and will create a serious problem in 2011 and be right back where we started."

So it's now June (which I remind you is already the sixth month out of a 12-month budget cycle), the Township has no budget, and the train is pulling away from the station. As time passes, the window of opportunity (i.e. the remaining months in the year) shrinks – and the number of jobs to eliminate to pay for the entire budget shortfall increases to unthinkable numbers.

Residents of Morris Township will see both reduction in service and a municipal tax increase this year. If the municipal tax levy were increased by 4%, taxes would be raised by \$900,000. That would equate to a municipal tax rate increase of at least 5% -- which would be retroactive to January 1st, so get out your check books! (Goldberg mentioned that estimated tax bills you will soon receive should level the payments.)



Some of the service and cost reductions and fee increases which may be implemented for 2010 are:

- Reducing or eliminating Police programs in the Middle School
- Eliminating two fire inspector positions from the fire department. See Star Ledger article here: [http://www.jeffgrayzel.com/pdf/Star%20Ledger\\_FireDept\\_042210.pdf](http://www.jeffgrayzel.com/pdf/Star%20Ledger_FireDept_042210.pdf)
- Outsourcing our police and 911 dispatch system with Morris County. See Star Ledger article here: [http://www.jeffgrayzel.com/pdf/Star%20Ledger\\_Police\\_051810.pdf](http://www.jeffgrayzel.com/pdf/Star%20Ledger_Police_051810.pdf)
- Closing the Recycling Depot on Saturdays: [http://www.morristwp.com/pdfs/Recycling\\_Depo\\_%20Saturday\\_Cancellation.pdf](http://www.morristwp.com/pdfs/Recycling_Depo_%20Saturday_Cancellation.pdf)
- More than doubling the price of summer playground programs in the Township. See Star Ledger article here: [http://www.jeffgrayzel.com/pdf/Star%20Ledger\\_DayCamp\\_060310.pdf](http://www.jeffgrayzel.com/pdf/Star%20Ledger_DayCamp_060310.pdf)
- Eliminating participation in Colonial Coach
- Eliminating sidewalk pick up of yard waste

Morris Township needs to get its financial house in order -- and we need people on our Township Committee who are looking out for us -- not looking the other way.

Morris township residents better get themselves ready for large service cuts due to a budget that will be pared more than necessary had it been properly managed.

### **Primary Election on June 8**

Tuesday, June 8 is primary day. There is actually a primary election of consequence on the republican side for the Morris Township Committee.

Speaking of mismanagement, now the Morris Township Republican leadership is running a candidate in the primary election who is very practiced at mismanagement. Hoping to take out the lone opposition voice on the Township Committee, the Republicans are bringing back a familiar name – Peter Mancuso --albeit familiar for the wrong reasons.

Many of you will recall that Morris Township used to have a wonderful carnival every memorial day weekend. The carnival was cancelled 5 years ago because its Chairman, Peter Mancuso, did not file tax and administrative documents for almost a decade. Peter Mancuso, who was Chairman of what he at the time falsely claimed to be a not-for profit, mismanaged the carnival into non-existence. To this day the public does not know what Mancuso did with all the money he collected in carnival receipts. As for the supposed scholarships they gave out, they refused requests to release the names of the scholarship winners. So one can only assume that either there were no scholarships or the money went to those "connected" to Mancuso.



Here are two articles from 2006 and 2007 giving some details of Mancuso's mismanagement of the carnival and its money:

Star Ledger article from November 2006 "Group that raises funds at carnival accused of not renewing registration". Read it here:

[http://www.jeffgrayzel.com/pdf/Star%20Ledger\\_Carnival\\_111906.pdf.pdf](http://www.jeffgrayzel.com/pdf/Star%20Ledger_Carnival_111906.pdf.pdf)

Star Ledger article from April 2007 "Morris Township Day'07 is in jeopardy". Read it here:

[http://www.jeffgrayzel.com/pdf/Star%20Ledger\\_Carnival\\_042907.pdf](http://www.jeffgrayzel.com/pdf/Star%20Ledger_Carnival_042907.pdf)

Clinton "Clint" Costanzo is challenging Mancuso in the republican primary for Morris Township Committee. Clint was a fellow member of the Township Beautification Committee with me in past years. He told me recently that he decided to throw his hat in the ring for the Republican primary, because he was tired of the "same old, same old" from the Township Republican leadership. Costanzo is well meaning in his quest to be on the Township Committee, and I personally think he is a better choice than Mancuso, particularly given Mancuso's tainted history.

On the Democrats side of the ballot, incumbent Ron Goldberg is running for another term on the Township Committee. Ron is the lone opposition voice on the Township Committee, and provides balance against the 4 republican committee members. I believe that Ron is doing an excellent job – and you would probably hear his 4 Republican colleagues say the same thing about him. Ron is only the 5th democrat in the history of Morris Township to be elected to the Township Committee. Goldberg is running unopposed in the Democratic primary.



The winners of both primary elections will face off against each other in the general election in November.

## Other News and Events

- **Youth flag rugby:** There is still time to sign up for Youth flag rugby, but you must act fast. The season starts on June 14 but applications are still being accepted. Ages 5+ can apply. Both of my kids played last year and they loved it! More information and registration form can be found at <http://morristownrugby.com/> Or send an e-mail to: [janestumpf@optonline.net](mailto:janestumpf@optonline.net)
- **Kids triathlon:** The second annual "Tri-Harder" kids triathlon sponsored by Marty's Reliable Cycle shop will take place in Morris Township on July 17. Kids ages 4+ can enter (yes, 4 years old and older). Both my kids participated last year and had a great time. This is the first of 4 similar events taking place across Morris County. More information and registration form can be found at <http://martyreliable.com/articles/tri-harder-kids-triathlon-series-2010-pg594.htm>
- **Youth soccer** registration for Fall 2010 closes soon! If you still have not registered for Morris United's Fall 2010 youth recreation leagues then NOW is the time to do it. Registration closes at the end of June for the soccer season commencing in September. More information and registration form can be found at <http://morrisunited.com/>
- **The Morris County Park Commission** has numerous activities listed on their events calendar – too many to be listed here. See the calendar at <http://www.morrisparks.net/calendars.asp>
- **Recycling:** Another reminder that Morris Township now recycles plastics 1-7. Help keep plastic out of our landfills by putting them in your recycle bin. More info can be found here:



[http://www.morristwp.com/pdfs/ABC's\\_of\\_Recycling1-7\\_May\\_Rev.pdf](http://www.morristwp.com/pdfs/ABC's_of_Recycling1-7_May_Rev.pdf)

- Morris Township has closed the Recycling Depot on Saturdays. More info:  
[http://www.morristwp.com/pdfs/Recycling\\_Depo\\_%20Saturday\\_Cancellation.pdf](http://www.morristwp.com/pdfs/Recycling_Depo_%20Saturday_Cancellation.pdf)

### **Upcoming Committee Meeting...**

There is only one Township Committee meeting scheduled for the month of June which will take place on Wednesday, June 16th. It is possible that the 2010 municipal budget will be introduced at this meeting, with a second hearing scheduled at a later date.

Please try to attend one of our meetings to see how your local government operates. Your presence improves the quality of the proceedings, and your questions require the Township Committee to be responsive to our citizens.

Other Township meetings and events can be found online on our municipal calendar:

<http://plus.calendars.net/morrisTownship>

### **Contact Jeff...**

Although I will not be communicating with the public as frequently as in the past, please feel free to contact me by e-mail with questions or comments about anything happening in Morris Township. I will continue to respond to e-mails sent to [Jeff@JeffGrayzel.com](mailto:Jeff@JeffGrayzel.com)

**Please feel free to forward this e-mail on to others.** If you know someone who would like to subscribe to future issues, please have them contact me at [Jeff@JeffGrayzel.com](mailto:Jeff@JeffGrayzel.com)

Enjoy your summer!

Your neighbor,  
**Jeff**

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**The Next Meeting:  
Wed.,  
June 16th**