

TOWNSHIP OF LOWER MAKEFIELD  
BOARD OF SUPERVISORS  
SPECIAL MEETING  
MINUTES – MAY 8, 2006

A Special Meeting of the Board of Supervisors of the Township of Lower Makefield was held in the Municipal Building on May 8, 2006 for the purpose of interviewing candidates for the Citizens Budget Commission. Chairman Santarsiero called the meeting to order at 5:30 p.m. Mr. Caiola called the roll.

Those present:

Board of Supervisors:                      Steve Santarsiero, Chairman  
    Ron Smith, Vice Chairman  
    Greg Caiola, Secretary/Treasurer  
    Grace Godshalk, Supervisor  
    Pete Stainthorpe, Supervisor

Others:    Terry Fedorchak, Township Manager

MICHAEL GARRY

Mr. Santarsiero asked Mr. Garry if he had anything further to add other than what he had previously submitted, but Mr. Garry had nothing at this time. Mr. Santarsiero asked Mr. Garry about his philosophy with regard to Township or Governmental Budgets. He added that last year the Board felt they had to raise taxes in order to maintain the level of service they provide the residents; and he asked if they were faced with a Budget where they had to either cut services or raise taxes, what his feelings would be. Mr. Garry stated this would depend on the priorities of the Township.

Mr. Stainthorpe asked about the change he made in his career from an attorney to a financial planner. Mr. Garry stated he did not like being an attorney and only did this for two years. He stated he wanted to get into tax or estate planning work and could not find an opportunity as an attorney in these areas. He was contacted by a recruiter from Merrill-Lynch who offered him a position, and he changed his career at this time. He now has his own business – Yardley Wealth Management – which he started in February. Mr. Stainthorpe stated starting a new business takes a lot of time, and he asked Mr. Garry if he felt he had time to devote to this Commission. Mr. Garry stated while this would depend on how much is required, he did not feel the hours involved would be similar to a full-time job. He stated he assumes he would have to attend a few meetings each month and spend additional free time reviewing information. Mr. Santarsiero stated he feels there would be at least one meeting a month until they get closer to Budget time when it would involve more meetings. Mr. Stainthorpe stated he also has his own business and there is an advantage to this as you can make your own hours to some extent.

Mrs. Godshalk asked Mr. Garry if he is a broker, and Mr. Garry stated he is not. He stated he is registered as an investment advisor which means he does not work for a firm. Yardley Wealth Management is registered as its own entity and he provides advice to clients and either manages their accounts or provides financial planning for a fee. He does not sell any products for commission and does not sell insurance. The accounts are held at Charles Schwab or T.D. Waterhouse. He has a limited power of attorney to make the trades on their behalf, vote proxies, and deduct his fee.

Mr. Caiola asked Mr. Garry if he has attended any of the Budget Hearings, and Mr. Garry stated he did not. Mr. Caiola asked if there are any areas where he would look at to see if there were opportunities for cost savings, and Mr. Garry stated he is not that familiar with the process.

Mr. Smith asked if he is from the area, and Mr. Garry stated he lived in Northeast Philadelphia and moved to Lower Makefield in July. Mr. Smith asked what he likes about the area. Mr. Garry stated they moved to the Township because at the time he was working in Princeton and they felt this would be a good place to raise a family in an area that was not too far from their parents. He stated he particularly likes his neighbors. Mr. Smith asked if his children are involved in any extracurricular activities, and Mr. Garry stated his three daughters play soccer for YMS and he has helped the coaches. Mr. Smith asked if he feels it is important to have youth activities in the Township, and Mr. Garry stated he feels this is very important. Mrs. Godshalk asked about the needs of the Senior Citizens, and Mr. Garry stated he feels there needs to be a balance in all areas.

Mr. Santarsiero asked Mr. Garry if he had any questions about the Commission. Mr. Garry stated the only thing he knows about the Commission is what he has read in the newspaper. He stated he looked at the meeting Minutes and Agendas for the Township on the Website, but he did not see anything about the Budget Commission. It was noted that the Commission has not yet formed. Mr. Garry asked the Board what they see as the basic purpose of the Commission, and Mr. Santarsiero stated the idea was to have resident input into the Budget process. The Commission members would become involved on a monthly basis on what the Township is taking in and spending and give the Board of Supervisors ideas as to what they could do from both a revenue and spending standpoint. He stated during Budget time in the fall, the Board would like the Citizens Budget Commission to get more involved in the review of the Budget, make recommendations, and be an active participant in that process. He stated they do not want a “rubber-stamp” and would like honest input.

Mr. Smith stated he feels the Board of Supervisors is looking for people to serve and provide good common sense suggestions without political overtones.

Mr. Caiola stated there are a number of Applicants for a limited number of positions on this Commission, and he asked if there was any other Board Mr. Garry may be interested

in serving on. He noted particularly the Zoning Hearing Board. Mr. Garry stated he was interested in the Citizens Budget Commission because he felt this was an area where he could provide useful input; but if there was some other way he could help out, he would like to do so.

### JAMES KANE

Mr. Santarsiero asked Mr. Kane if there was anything further he wished to add beyond that which was provided to the Board, but Mr. Kane did not at this time. Mr. Santarsiero stated Mr. Kane has experience in the Middletown Police Department and noted the Police Budget is a very large part of any Township Budget. Mr. Santarsiero stated the Township must consider providing adequate levels of service while at the same time trying to hold the line on taxes. He stated last year the Board felt they had to raise taxes in order to continue to provide the levels of service that the Township residents were accustomed to, and asked Mr. Kane's philosophy about what Government should do in this regard. Mr. Kane stated he has been on the job for over twenty-seven years and has learned that in their jurisdiction \$.80 out of every \$1.00 in taxes goes to the School District with only \$.10 to the Municipality and \$.10 to the County. He recognizes the constraints in trying to hold the line on taxes and yet provide services. He stated in Middletown they have been very aggressive toward Grants. He stated in doing his research in obtaining these Grants, he found out there were certain Foundations they could go for but a public entity such as a Government, could not go for these Grants. Because of this, they established a 501C3. He stated the 501C3 Foundation that he sits on has a vast majority of the public involved, especially from the business community. He stated initially they had a Supervisor on the Board, but they eliminated this position since they did not want it to be a Government entity. He stated they have been very fortunate, and been able to turn the money around to the public and been able to fund a lot of projects through donations.

Mr. Santarsiero stated it appears that money can come into the Foundation and the Foundation can then spend it on items that the Government would otherwise spend it on, and Mr. Kane agreed. He stated the money goes to the Foundation and not the General Fund. He stated they have a full-time canine unit and were approached by a young man trying to get his Eagle Scout badge who wanted to fund canine vests. He stated they made a line item Budget which they can with the Foundation and they were able to advise those who donated that the money which came in for this would stay there until they had to draw from it. He stated because it is a 501C3, they can get a letter for tax purposes that it was a donation to a Foundation. He stated tomorrow night, they will run their first Foundation Circus and all the money will fund summer programs. He stated last year they also funded a number of \$1,000 Scholarships through an Essay Contest. He stated this is all separate from the Municipality.

Mrs. Godshalk asked how much of the money goes back into the Municipality through camps, recreation programs, etc., and Mr. Kane stated it all stays within Middletown. He stated they also set up a Grant program on-line. He stated the Grant can be filed on line and there is a Grant Committee within the 501C3 that reviews these. He stated they meet quarterly and also vote by e-mail.

Mr. Santarsiero asked how membership is determined on the Foundation. Mr. Kane stated they have made the Foundation a board of twenty-five, and every two to three years you are renewed if you wish to stay on the Foundation. Mr. Santarsiero asked who makes the decision as to who is on the Foundation, and Mr. Kane stated the Committee itself decides this.

Mr. Caiola agreed that being a 501C3 opens a lot of doors. Mr. Kane stated they can advise people that it is not going to the General Fund and they do line items and the people know that the money they give is earmarked for a specific charitable purpose. It is not a Governmental corporation and is stand-alone. Middletown has nothing to do with it. He stated they are audited every year by the IRS. He stated the Foundation was founded approximately four to five years ago. He stated they got the idea from Abington.

Mr. Smith asked about the Middletown Budget, and asked if the amount of money committed to law enforcement has increased over the last ten years. Mr. Kane stated it has. He stated contractual issues are the largest items. He stated they currently have a Budget of \$8 million. He stated 80% of this is earmarked for benefits and contractual issues and the other 20% is for equipment, etc. Mr. Smith asked where he sees this going forward. Mr. Kane stated he feels it will stay the same or go up. He stated 9-11 has impacted this and they are very pro on training. He stated if there is ever a lawsuit, the training jacket of the Officer is what is first requested.

Mr. Smith stated while the perception of Lower Makefield is that it is very tranquil, it seems that they are being effected by factors outside of the area noting gangs from Trenton coming across the bridge. He asked if he sees this as impacting the monies which are committed to law enforcement. Mr. Kane stated he sees this as a big impact. He stated gangs are now under Homeland Security and they are considered domestic terrorists. He stated the gangs are not going away. He stated they have had separate training sessions since January on gangs, and the District Attorney has set up a crash unit. He stated the population has increased and they must also consider the transient population into a community.

Mr. Santarsiero asked how many Officers they have in Middletown Township, and Mr. Kane stated they have fifty-four. He stated the building is built for seventy, and they do pay a lot in over-time.

Mr. Smith asked where he prioritizes the recreational needs of the Township. Mr. Kane stated it has become very important. He stated in Middletown they have now have two athletic associations. Mr. Smith asked if he feels this is a vital component of a Township, and Mr. Kane agreed. He stated in Middletown Township they also have a Teen Task Force which runs activities besides sporting events such as movie nights, “Battle of the Bands,” etc. and they do provide security for these situations.

Mr. Stainthorpe stated the Township Budget is more than the Police Budget. He asked about Mr. Kane’s degree in **Administration**, and Mr. Kane stated this was a Master’s of Science in Administration. He stated after obtaining his Degree in Criminal Justice, two years later they did a pilot program in **Administration** and this included Budget Analysis, Grant Writing, and **Administration** courses under the Business Section of West Chester not Criminology.

Mr. Kane stated he has lived in Lower Makefield for nine years and feels the Township is well run and the Police Department is very professional and works well. He stated while he does not want to scare anyone, no one is isolated from crime anymore because of where they reside. Mr. Santarsiero stated the Board does recognize this, and they added two Police Officers last year despite some protests from some that additional Police were not necessary.

#### LEE SEGLEM

Mr. Santarsiero asked Mr. Seglem if he had anything further to add to that which he had already provided. Mr. Seglem stated he is present with an open mind and has no agenda except what is good for the taxpayers. Mr. Santarsiero stated the Township needs to provide a level of service while not overburdening the taxpayers. He stated last year the members of the Board felt they had to raise taxes in order to provide a level of service and asked his philosophy on this. Mr. Seglem stated he feels taxes are a necessary evil and feels they need to hold the line on them as strongly as they possibly can. He stated he is in the **question-asking** business and has been for the last thirty years in various professional capacities initially as a journalist, newspaper reporter, and magazine editor. He stated twelve years ago an opportunity came up in New Jersey for him to join public service in State Government with an agency that investigates waste of taxpayer funds, organized crime, and Government corruption; and they were an independent fact-finding agency. He stated he spent a lot of time examining proper expenditure of public funds, waste, efficiency, and proper management at the local and State level. He feels there are things that clearly can be done in any Governmental structure to ameliorate the need for raising taxes and they should be raised only as a last resort.

Mr. Smith asked how he became involved with TASK. Mr. Seglem stated he started donating to the Trenton Area Soup Kitchen in 1996 through the State Employees

Charitable Campaign; and after a number of years, he decided to look further into the organization. He stated he was impressed with their operation and began volunteering and was eventually asked to be on the Board of Trustees and he became Chairman. Mr. Smith stated he has been involved in this organization through community service projects and feels it is very worthwhile.

Mr. Caiola stated Mr. Kane was on the Township Budget Review Committee in 1994 and asked if there was an opportunity to continue on this as it shows on his Resume that he was only on this for one or two years. Mr. Seglem stated as he recalls there were two Committees which had been established by the Board of Supervisors – one involving citizen input on hard-core number crunching and looking at the Budget components and the other which he was on which was chaired by Supervisor Fazzalore and was more interested in the Budget process and how to properly stage the process in order to get people involved, what to look at, etc. He stated it resulted in a brief report, but he is not certain what the result was; and the Committee was disbanded.

Mr. Smith asked Mr. Seglem where he prioritizes recreation in the Township as part of the Budget. Mr. Seglem stated he feels they should look at the Budget in terms of the key pressure point which he feels is taxes, and work from there. He stated while recreation is very important noting that his children had participated in the Township athletic programs, if the Township is getting to a point where it is pressuring the Budget to the extent that it is going to create problems on the expenditure and tax side, he feels it must be looked at carefully. He stated he feels everything needs to be looked at with a hard look.

Mrs. Godshalk stated when you figure that 85% of the Budget goes to Police salaries, benefits, contractual issues, and another 5% to 10% for the other salaries, there is not much left for what people want in the line of recreation. She stated when the Township raises the taxes one or two mills, everyone is concerned but the School District can raise it 25 to 45 mills. She stated the Schools do provide a service, but the Township is protecting the people, maintaining the roads, providing recreation, etc. and the Township is doing much more for more people than the Schools are. She asked how they could sell these Township tax increases to the residents. Mr. Seglem stated this would be a marketing question. He stated with regard to the public safety aspect which is approximately one third of the Budget, he has lived in Lower Makefield since 1989 and the Police Department and public security aspect has grown substantially. He stated he is not aware as to what extent a study has been undertaken as to whether they are at an optimum level in terms of police coverage and public safety. Mrs. Godshalk stated she feels they look at this every time the Contract is renewed, and there is little they can take away. Mr. Seglem stated he is not suggesting cutting necessary services and noted he is not involved in running the Government on a day-to-day basis, but this is one of a number of areas where he questions whether there has been adequate review and hard questions asked from a Budgetary standpoint. He stated as an outsider, he does not have

the impression that this is being done and this plays into the broader question as to how to get people to understand what the Board is doing and that they are doing the best they can. He stated he feels they need to look at it as carefully as possible and show the residents that the effort has been done. Mr. Seglem stated he also feels they should look at Public Works. He stated he did send in an e-mail to the Township complaining about snow removal this last winter. He stated if a review of Public Works resulted in diminished services, this would not be appropriate; however, he feels there may be some aspects or some components of the Public Works Budget which could stand tough scrutiny. Mr. Santarsiero stated they did put the problem about snow removal as an Agenda item as a follow-up to Mr. Seglem's comments, and discussed what they could do to improve the snow removal service and it is an expense issue. He stated they want to make sure they have sufficient contractors; and if they do not, they need to hire more which then increases the Budget. He stated this is a good example of people complaining about the tax structure and expenditures, but they also want to make sure that their street is plowed. He stated the residents must understand that there is a connection between what they spend and the service they provide. Mr. Seglem stated he feels they must therefore be as open as they possibly can. Mr. Santarsiero stated this is the reason why they decided that this Commission makes sense in order to get citizen input but also to make the process more transparent. Mr. Caiola stated there will also be follow through.

Mr. Seglem asked how many people will be on the Commission and when will it start. Mr. Santarsiero stated he believes five are to be appointed and they will most likely have monthly meetings until it gets close to Budget time although the Commission could meet more frequently if they feel it is necessary. He stated at Budget time in the fall there would be more frequent meetings and involvement with the Board of Supervisors in the Budget process. He stated they are starting from scratch so there may be some changes as they proceed over time. The Commission will have some flexibility. They hope that they will have completed the interviews shortly and be in a position to make appointments in June.

Mr. Seglem asked if the Township auditing is done annually, and Mr. Santarsiero stated it is. He also noted that this year, they are going to change the auditing firm. Mr. Seglem asked about the depth of the audit and asked if it is a forensic audit, and Mr. Santarsiero stated it is not.

There being no further business, the meeting was adjourned at 6:30 p.m.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Greg Caiola". The signature is written in dark ink and is positioned above the printed name.

Greg Caiola, Secretary

