

BUDGET MEETING OF FEBRUARY 1, 2014

Mayor Cosgrove called the meeting to order at 8:30 a.m.

PRESENT: Mayor Cosgrove, Deputy Mayors Dunay and Lefkowitz, Councilmembers Peluso and Swain.

ALSO PRESENT: Manager Van Kruningen, Municipal Clerk / Deputy Manager Kwasniewski and CFO Palermo.

BUDGET OVERVIEW

Manager Van Kruningen stated the figures he provided in the power point three weeks ago were not the final figures. He distributed a new Budget recap sheet. The proposal in December had an annual Municipal tax increase of \$74, which has now decreased to \$64.74.

Councilmember Swain asked about the footage on lines jettied in the DPW section of the Annual Report, as there is a significant increase in preventative maintenance from 2012 to 2013. CFO Palermo explained that former Manager Metzler believed in preventative maintenance so maintenance programs were set up for 2013.

Manager Van Kruningen gave an overview of the 2014 salary request spreadsheet, which indicated if the position was a new hire, stipend, promotion or transfer.

The Building Department requested a part time position, which he eliminated after conferring with the Construction Official and CFO Palermo. If a large project came up, there is a part time employee shared by the Building Department and Tax Collector with a flexible schedule that can be adjusted as needed.

There was a request for a part time temporary inspector for ten hours per week for 52 weeks, for a total cost of \$40,000 on an "as needed" per diem basis. Construction Official Bolan requested an increase of \$29,500 for the shared services agreement with Elmwood Park. Manager Van Kruningen reduced the amount to \$22,500. He stated that Elmwood Park was paying \$56,000 so the Borough is still making a profit of \$34,000. Construction Official Bolan is involved strictly with inspections. All collection and paperwork is handled by Elmwood Park's staff.

Councilmember Swain asked how many hours were involved. Manager Van Kruningen stated that Construction Official Bolan averages 3 hours per day in Elmwood Park. Mayor Cosgrove stated that if the hours in Elmwood Park increase they should also increase the fee.

A Deputy Court Administrator stipend of \$5,000 was requested because there is no one to perform the duties of the Court Administrator in her absence. He felt it was extremely important to have back up in every office and recommended the stipend.

Manager Van Kruijning stated the part time Electrical assistant for \$10 per hour for 40 hours per week was not needed and was eliminated.

Engineering requested a fulltime Engineer at a salary of \$85,000. After consulting with Engineer Garrison the position was reduced to part time without benefits at \$45 per hour for 20 hours per week for 52 weeks on an "as needed" basis when larger projects come in. Councilmember Swain asked if they had a pool of eligible employees. Manager Van Kruijning stated they did not, but Engineer Garrison felt there would be people interested in the position. The request for part time clerical assistance was eliminated.

If the Keyboarding 11 employee is moved to a fulltime position in OEM, a new Keyboarding employee is needed in Finance at \$45,000, which is currently budgeted. The Council indicated they would discuss the transfer when OEM is present for budget presentations.

In the Manager's office the Keyboarding 11 promotion is the Manager's secretary. The effect on this year's budget would be \$2,400, \$2,552 in 2015 and \$2,823 the following year. Councilmember Peluso asked if a promotion to Keyboarding 11 adds more responsibilities. Manager Van Kruijning explained that the responsibilities are almost the same with the exception that Keyboarding 1 requires full supervision and Keyboarding 11 has limited supervision.

In the Municipal Clerk's office the Keyboarding 11 promotion is the Mayor's secretary. The figures are the same as above.

The transfer from Keyboarding 11 in Finance to OEM is budgeted. There is no salary increase. Councilmember Swain asked if the employee moving from Finance to OEM was currently making the salary listed. Manager Van Kruijning confirmed that.

Parks Department requested a promotion from an entry level laborer position to a Maintenance Worker 1 Grounds, which he recommended. Deputy Mayor Dunay asked for clarification. It was listed as \$26,059 in the promotion box but \$6,348 in the budget column. Manager Van Kruijning stated that the \$6,348 was the effect on the budget this year and \$26,059 was the total over three years. Councilmember Swain felt it was a large increase. Manager Van Kruijning stated that the amount was set by salary ordinance. CFO Palermo stated that the amount was incorrect as the increase was \$8,600. She did not know if the employee was on a three, five or seven step contract. She will research this and report back to the Council.

The Police Department requested a promotion from Keyboarding 11 to Keyboarding 111, which he did not recommend because the employee did not meet the criteria.

The Recreation Department requested to hire an additional Keyboarding 1 employee, which he did not recommend.

The Sewer Department requested an assistant supervisor who would be promoted from within the division, which he recommended. This was the former position held by Superintendent Neggia.

Shade Tree requested the promotion of a Public Works Repairer to Senior Tree Climber, which he did not recommend because it did not meet the criteria. He did recommend a promotion for a Public Works Repairer to Senior Public Works Repairer.

The Tax Collector, who is semi-retired and works part time, had requested to come back fulltime. They have operated with an Assistant Tax Collector for many years and he did not recommend changing the position back to fulltime.

Deputy Mayor Dunay asked for clarification of the aggregate salary and wages from 2013 to 2014, compared against the 2014 salary requests. CFO Palermo stated that they put together the list to show the Council the changes that were requested and recommended by the Manager.

Mayor Cosgrove asked about the Recycling Department, which listed negative \$266,000. CFO Palermo explained that part of the department is funded through State grants and revenue collected by Recycling. The funds are in a dedicated by rider Trust Account and used to offset the budget.

CFO Palermo explained the Administrative/Executive category refers to the Manager's Department and includes the salaries of the Manager, the assistant, the Deputy Manager and a secretary, plus the requested promotion. It also includes the Corporate and Cultural Director, the Assistant Purchasing Agent and a part time clerical employee. Councilmember Swain asked if a new assistant will be starting once the temporary employee leaves in two weeks. Manager Van Kruiningen stated that there will be a new assistant, but he has not started the hiring process yet. Councilmember Swain asked what amount was budgeted for the assistant. Manager Van Kruiningen stated that this matter is scheduled for further discussion. There was a request to eliminate the support position but it has not been removed from the budget yet pending further discussion. He will advertise for an assistant who will probably not start until April.

Deputy Mayor Dunay asked how the Deputy Manager is allocated between Administrative/Executive and Municipal Clerk. CFO Palermo stated that the

stipend was added to Municipal Clerk along with the promotion. Councilmember Swain asked about the Mayor and Council expenses. Manager Van Kruijning stated there are now four Councilmembers accepting the stipend, which increased the line item by \$5,000.

CFO Palermo stated that Financial Administration reflected the loss of an employee. The \$5,200 increase in Collection of Taxes was contractual as was the \$3,500 increase in Assessment of Taxes.

Engineering had a decrease of \$2,500 because they budgeted for a part time engineer last year and the amount was reduced. The Planning Board had a decrease of \$1,000 and Zoning Board had an increase of \$1,000.

Councilmember Swain asked the reason for the increase and decrease. CFO Palermo stated these were contractual. She noted that the Police Department had a decrease because the new hires came in at a lower salary.

Manager Van Kruijning explained that the Emergency Management decrease of \$26,500 was the shared salary of a clerical position which no longer exists.

The Fire Department had an increase of \$50 and there was an increase in the Uniform Fire Safety Act of \$13,100 for part time employees in Fire Prevention, which was necessitated by the need for more fire inspections.

The Prosecutor remains the same.

Municipal Court has contractual increases in addition to the stipend they discussed. A promotion to Deputy Municipal Court Administrator would have been a significant amount of money.

CFO Palermo stated that the increase in Shade Tree is due to a reallocation of employees. In 2013 they hired one new employee midyear so she transferred the funds from Recycling to fund the hire.

The increases in Electrical and Building and Grounds were contractual. Maintenance Garage had a change due to a shared service with the Board of Education, as an employee is working increased hours to repair school buses. Councilmember Swain asked to see an analysis of how much they were making on shared services. CFO Palermo stated that their last review showed a \$10,000 profit. Mayor Cosgrove explained that a part time mechanic was hired when they entered into this shared service that helps with Borough repairs. Manager Van Kruijning stated that the arrangement was working out well for the Borough and the Board of Education.

CFO Palermo explained that the amount listed in Administration Public Works referred to an employee becoming Superintendent and a payout to the former

Superintendent. Deputy Mayor Dunay asked where they could see the negative figure reflecting the loss of \$84,745 for the Assistant Superintendent. CFO Palermo stated that the Assistant Superintendent was transferred out of the Sewer Department when he moved into DPW to train with the outgoing Superintendent. The budget is a fluid document and changes are made when things occur during the year.

Deputy Mayor Dunay asked for an explanation of the \$23,500 increase. Manager Van Kruijning stated the amount represented contractual increases and vacation payout to the former DPW Superintendent. Deputy Mayor Dunay asked if they replaced the Assistant Supervisor of Sewer. Manager Van Kruijning stated that although the Assistant Supervisor of Sewer position was not filled when the employee left, there is a request for a promotion to fill that position.

CFO Palermo stated that an employee in the Health Department was out on sick leave for six months, with a part time employee filling in. She transferred funds out of the Department because she did not have to pay the employee's salary, but now the salary has been put back in. This also includes salary for a new fulltime Health Inspector who has not been hired yet.

The Recreation Department had a negative \$15,000, which was excess budget money that was transferred into another department. They increased the part time employees who do clean ups in the Parks Department from 20 hours to 28 hours.

The Uniform Construction Code increase is for the part time Construction Code Official and an increase in the number of hours the part time employees worked. Manager Van Kruijning stated that there has been a significant increase in collection of fees and the number of inspections, mainly because of the Route 208 Promenade and River House development. Deputy Mayor Lefkowitz asked if they would have the ability to decrease the number of officials if the revenue decreases substantially in the upcoming year. Manager Van Kruijning confirmed that they would.

The Public Defender had a decrease from what they had budgeted for special sessions.

The salary adjustments in 2013 were contractual. The decrease was contractual settlements.

Terminal Leave is contractual payments to retired employees.

Mayor Cosgrove asked about the Borough's liability for unpaid sick leave. CFO Palermo stated that there was a cutoff in 1988 for unused sick days and payouts for accumulated absences were eliminated in 1990. As of December 31, 2013 there is \$1,786,000 outstanding or owed to individuals. A reserve has been set up

for \$1.1 million, leaving a shortfall of \$670,000. Manager Van Kruijningen reminded them that this figure does not include the PBA and SOA, who are still entitled to accumulated sick pay.

CFO Palermo explained that the maximum payout per employee is \$15,000 per year. Deputy Mayor Dunay asked if the \$145,000 represents the full amount of expected payouts this year. CFO Palermo stated it was the amount she will have to make in 2014 to employees who have retired.

Deputy Mayor Dunay stated that he would like to review Schedules B, C and D. Mayor Cosgrove stated they can review them at the end of the meeting if there is time or at the next meeting.

BUDGET REVIEW

DEPARTMENT OF PUBLIC WORKS

Superintendent Neggia was present.

Administration

Manager Van Kruijningen explained that the supervisors asked for a line item for safety equipment. Superintendent Neggia stated that they received a \$60,000 fine for safety violations as a result of their OSHA inspection, although all the violations were abated. They spent \$40,000 on initial safety equipment such as shoring locks and multi-purpose gas meters for the Sewer Department, but needed to upgrade antiquated items such as safety vests, hard hats and safety glasses for the Water Department, Sewer Department and Shade Tree Department.

Councilmember Swain asked if there were new changes in the safety requirement. Superintendent Neggia stated that the requirements have always been there but the funds were cut from past budgets. Manager Van Kruijningen stated that every division supervisor requested a line item for safety equipment.

Road Repair

Superintendent Neggia stated they have exhausted their temporary budget and spent \$7,000 on asphalt and stone. They are constantly switching between patching holes and salting.

Mayor Cosgrove noted that Superintendent Neggia requested \$79,000, which was reduced to \$70,000. He asked what was eliminated. Superintendent Neggia stated the funds were for asphalt, salt, equipment maintenance and sweeper supplies. Councilmember Swain asked if he was comfortable with \$15,000. Superintendent Neggia stated that he would like to increase the amount to \$20,000.

Deputy Mayor Dunay asked if they were being realistic in their overtime figures since there are so many roads to repair. Superintendent Neggia stated that pothole patching will be done during the day. Most overtime expenses are incurred as a result of water main breaks or because of plowing and salting.

There was consensus to increase funding for asphalt from \$15,000 to \$20,000.

Recycling

Councilmember Peluso asked why Regular Salaries had a decrease and Wages had an increases. CFO Palermo explained that was the allocation to the Dedicated by Rider Account, which include grant amounts that fluctuate each year. Deputy Mayor Dunay suggested having a review at a future date so CFO Palermo can explain the entire funding process in Recycling.

Electrical Services

Superintendent Neggia stated this is the first year the Electrical Department has a budget, as funds have always been taken from other departments to make their repairs. The budget will be reviewed and adjusted quarterly.

Shade Tree

Manager Van Kruijning stated that New Department Equipment was increased from \$1,000 to \$5,000 to upgrade blades and chainsaws. This was originally in the Capital Budget.

Councilmember Swain stated the Annual report mentioned properties landlocked with large trees adjacent to private properties, and the lack of interest by residents to have trees planted. She would like to receive a list of the properties for the Council to discuss at a future date. Mayor Cosgrove stated that residents are requesting the removal of healthy trees because they are afraid they will pull down power lines in a storm. When residents apply for permits to remove trees they do an inspection so that healthy trees are not cut down without good cause.

Deputy Mayor Dunay asked why the amount in Contractual Services was reduced to \$50,000. Manager Van Kruijning stated that they hired a new employee in Shade Tree who can do the work. Deputy Mayor Dunay inquired about the \$4,000 request in Miscellaneous. Manager Van Kruijning stated that it was zeroed out since there was no activity for three consecutive years.

Councilmember Swain asked Superintendent Neggia about the Footage of Lines Jetted in the Annual Report, which increased from 5,775 linear feet to 24,000. Superintendent Neggia explained that they have worked on more lines since another employee was added to the Department. They have also been working on preventative maintenance on the sanitary sewer system. Councilmember

Swain asked about the Catch Basins. Superintendent Neggia stated they do what they can to help with jetting and catch basins, but sometimes they have to bring in a contractual vendor if it is over 500 feet or the pipe is too big.

Councilmember Swain asked about a comment under Roads – Miscellaneous regarding cleaning of brooks to prevent flooding. Superintendent Neggia explained that they maintain Laurie Lane pond near Lyncrest School so that they drain properly to the River. He also works on Jordan Brook. He has asked for funds to have Downes Tree Service assist them so the brook can be dredged when the weather improves. He will ask the County for help.

Building and Grounds

Mayor Cosgrove wondered why their request for \$20,000 was reduced to \$8,000, since they spent \$19,000 in 2012 and \$22,000 in 2013. Manager Van Kruijning explained that it was a generic line for numerous items that has now been broken down to provide more accountability. Councilmember Swain asked about Permits. Manager Van Kruijning explained that there was an increase because the State requires boiler inspections on GAC units and elevators, although they are not done annually. Mayor Cosgrove asked about the decrease in paper products from \$22,000 to \$8,000. Manager Van Kruijning stated that the item was reallocated.

Maintenance Garage

Manager Van Kruijning stated that he reduced the amount for Tire Purchasing to \$30,000 because the Supervisor advised him that they have a large inventory on hand. Mayor Cosgrove inquired about the \$15,000 line item for Contractual Services Vehicle Damages. CFO Palermo stated that they separated the items so they could see what was being spent on repairs. Other items were separated as well once they began the Shared Services with the Board of Education.

DPW CAPITAL ITEMS

Manager Van Kruijning discussed the various line item requests, noting that some items were moved from the Capital Budget to the Operating Budget.

The Recycling Bobcat was eliminated, but three Recycling roll off containers will be replaced as well as a set of stairs. Seven dumpsters will be painted.

DPW had requested replacing truck #940 and pickup truck #942. He determined replacements were not needed after discussions with CFO Palermo and the Maintenance Garage Supervisor. The gate will not be replaced but repairs will be made to make it sturdier. CFO Palermo stated that they did a detailed analysis of vehicle usage, including review of maintenance records, so that there were minimum requests in the Capital Budget.

Deputy Mayor Lefkowitz asked why the proposed amount for Recycling/Dumpster painting was \$6,000, yet the recommended amount was \$10,500. Manager Van Kruijning stated that the initial request was to have four dumpsters painted but he felt they should do all seven.

ENGINEERING/PLANNING

Engineer Garrison was present.

Councilmember Swain asked about the \$5,500 budgeted for Professional Services. Engineer Garrison stated the funds were used when the Council requested quick projects like property surveys, which must be done by a licensed land surveyor.

Water Generation Operation

Deputy Mayor Dunay asked why \$17,000 was budgeted for permits since they only spent \$12,900 last year. Engineer Garrison explained that permits are also surcharges based on water usage and the number of gallons of water pumped in the year. They revisit it in the middle of the year and change the NJAC codes. Sometimes there is a 5% increase.

Deputy Mayor Lefkowitz asked why there was an increase in Generating Expenses from an actual cost in 2012 of \$1,646 to \$7,646 in 2013. Superintendent Neggia explained there were licensing expenses for several employees. Engineer Garrison stated that 15 years ago he implemented a training course for employees who move into the Water Department to assist them in obtaining a license. Currently, 95% of employees in the Water Department have obtained a Class I license.

Water Distribution

Manager Van Kruijning stated that a Safety Equipment line item was added. Deputy Mayor Dunay inquired about the \$3,000 budgeted for fees. CFO Palermo stated that was an item that was separated and reallocated.

Councilmember Swain noticed the budget almost doubled since 2011 from \$50,000 to \$96,000. Manager Van Kruijning stated that a line item was added for Major Repairs, which will be used to hire contractors when there are water main breaks. CFO Palermo explained that they split \$20,000 between Major Repairs and Contractual Services. Superintendent Neggia stated that the \$50,000 that used to be in the Capital Budget for Sewer Line Repairs has now been put in the operating budget.

Water Capital

Manager Van Kruijning stated that he approved the request for the back hoe, but denied a request for a new truck. Sandvik donated used office equipment

that will be used at the Cadmus Plant office. Miscellaneous tools were removed from the Capital budget. He approved \$125,000 for Well and Pump Station Rehabilitation and \$200,000 for Water System Improvements and Well House and Pump Station renovations.

Councilmember Swain asked Manager Van Kruijning about the value of the donation from Sandvik. Manager Van Kruijning stated he will not know until they pick up everything, but it is significant as several Borough hall offices and numerous volunteer organizations are receiving equipment.

Engineering Capital Budget

Manager Van Kruijning reviewed the budget, which included Sanitary Sewer Improvements, Infrastructure Storm Drain Improvements, Open Space and Park Improvements for Berdan Grove and \$70,000 additional for any type of Open Space Park Improvements that may occur during the year that may require matching funds from the Borough. He has allocated \$600,000 for Roadway Improvements.

Deputy Mayor Dunay asked if \$600,000 was sufficient. Engineer Garrison stated it will allow them to pave about two and a half miles of roadway. Roads with high traffic volume such as Plaza Road or Berdan Avenue can last 18 years versus less used side streets which can last up to 35 years. They did a tremendous amount of paving during 1993 to 1996 and those roads are coming due again. Due to the high cost of oil, the paving cost per mile is \$250,000 to \$300,000. They are waiting to hear on a State DOT grant application for Radburn Road.

Councilmember Swain asked if any thought has been given to getting rid of the Water Tower. Engineer Garrison explained that the tower is used as backup storage as mandated by the DEP. They currently have 4.5 million gallons of storage in their three ground tanks and elevated tank. The tower is also an integral part of the water system, acting as a shock absorber for the system. Councilmember Swain asked if there was another way to provide water storage, since not every town has a water tower. Engineer Garrison stated that most towns either have a water tower or they have a different type of pressure system with multiple pressure zones. If they split the system into two pressure zones they would be operating two water systems, a much more difficult and costly procedure. The water tower is painted every 18 years and there are not any mechanical parts to replace.

Deputy Mayor Dunay reminded Engineer Garrison that the Council would like a guided tour. Engineer Garrison stated that he would be happy to do so.

PARKS AND RECREATION

Superintendent Graff, Assistant Superintendent Homa and Supervisor Young were present.

Manager Van Kruijningen stated that \$8,000 for the Federated Arts Council has been moved to Celebration of Public Events for the summer concerts.

Councilmember Peluso noted that each year they give money to the Fair Lawn Hockey Association. He asked if they charge a registration fee. Superintendent Graff stated there is an initial registration fee of \$100, which includes a shirt and socks. The players pay for their helmets, shoulder pads and other equipment. The \$14,000 is used strictly to pay for time at the ice rink.

Councilmember Swain stated that years ago the Council requested to see a copy of All Sports' budget, which was never received. Municipal Clerk/Deputy Manager Kwasniewski recalled that Deputy Mayor Trawinski had wanted to see what they were received in donations. Deputy Mayor Dunay remembered that one issue was revenue versus expenses and the other was how much money was in their bank account. He stated that Deputy Mayor Trawinski had mentioned that the County was giving a lot of money to certain 501(c)3 organizations, only to find they had hundreds of thousands of dollars in their account. As a compromise they were going to request that All Sports provide their 990 form, which provided some financial disclosure.

Councilmember Swain asked if the Fair Lawn Football Association was a separate 501(c)3 Committee. Superintendent Graff stated that they were. Superintendent Graff stated the cost of All Sports accident insurance is \$11,500. They must also pay for background checks, which need to be renewed in 2015 at a cost of \$8,000 to \$10,000. Mayor Cosgrove suggested discussing the Football Association, All Sports and Street Hockey at a future Work Session. He did, however, support the continuation of their funding.

Deputy Mayor Dunay asked about the line item for Departmental Rental of Video Machine. Superintendent Graff explained that was for the repairs of the arcade games and rental of new video games.

Deputy Mayor Dunay asked why some of the Senior Citizen Clubs did not take their full \$2,500 allocation. CFO Palermo stated that they might not have submitted items for reimbursement yet. Mayor Cosgrove asked about the \$9,000 allocated to the Senior Center. Superintendent Graff explained that was their operating budget.

Parks and Playgrounds

Manager Van Kruijning stated there is a new \$1,000 line item for safety equipment in the Parks Department.

Councilmember Swain asked about the Special line item for \$500. CFO Palermo stated the account is used for something that is unbudgeted and non-classified, such as dues or fees.

Deputy Mayor Lefkowitz stated that the requested amount for Trailer Rental was \$12,000 but the recommended amount is \$13,500. Manager Van Kruijning stated that the fees had recently increased.

Mayor Cosgrove stated the increased budget amount for Garretson Forge reflected a request for help with increased water bills. Manager Van Kruijning stated that an investigation determined there were no water problems.

Deputy Mayor Dunay asked how the Fireworks budget migrated down from \$27,000 to a recommended amount of \$15,000. CFO Palermo explained there is a trust account set up for Fireworks, which includes the funds from ticket sales and donations. The vendor was paid \$17,000. The amount shown is the net amount.

Manager Van Kruijning asked about having Fireworks this year. Superintendent Graff stated that he had set aside Tuesday, July 1st, with rain dates of Tuesday, July 2nd and Sunday, July 6th.

PARKS AND RECREATION CAPITAL BUDGET

Manager Van Kruijning reviewed the items removed from the Capital budget and placed in the Operating budget, such as the snow blade, walk behind snow blower, repairs to the Parks Department roof and the peak and flat roof. The Memorial Pool valve repair will be handled operationally through Public Works.

The cracks at the parking lot at the Community Center will be filled in either during Roadway Improvement or by Borough personnel. He has approved \$12,000 to purchase new treadmills. He removed the line item for new computer chairs as they will be using the chairs donated by Sandvik.

Superintendent Graff explained that the controls for the HVAC system at the Community Center were tied into the computer system. They obtained a quote from Honeywell to fix issues with the climate control. Jessie Roth and his assistant are trained to operate the system and corrections can be made via computer over the weekend if he is not there.

Deputy Mayor Dunay thought it was too soon for problems with the HVAC control system. Mayor Cosgrove explained that they were upgrading the system so they

can dial in commands for every room. Assistant Superintendent Homa confirmed that the software was old.

Manager Van Kruijning stated they were replacing carpet in the perimeter of the theater and in the card room due to wear and tear. New software will give residents the ability to register for Borough recreational programs online. If All Sports wants to join in they will have pay into the program. Councilmember Swain asked if a vendor ran the program. Manager Van Kruijning explained that they were purchasing the software but running the program themselves. Payment will be accepted by the same company utilized by the Borough.

Deputy Mayor Lefkowitz asked if the cost of the software would be offset by a convenience fee. Manager Van Kruijning stated it would not. Deputy Mayor Dunay asked if there were savings to having an online registration. Manager Van Kruijning stated that it was more convenient for residents and streamlined the process for employees.

Manager Van Kruijning stated that they will be evaluating the condition of the arcade games and determining the cost of replacement. They can add a line item in the 2015 Operational budget to replace one or two arcade games and remove it from the Capital budget.

LIBRARY

Library Director Tim Murphy and Karen Horton were present.

Councilmember Swain asked about the amount requested for Office Supplies. Director Murphy stated that it is a hard item to estimate. He felt he should have shifted more funds into Building Maintenance, as that will be tight. He would like to keep it as a contingency fund as the building is getting older. Manager Van Kruijning suggested reducing Office Supplies from \$21,000 to \$18,000 and increasing Building and Maintenance from \$16,000 to \$19,000. Director Murphy agreed.

There was Council consensus to decrease the line item for Office Supplies by \$3,000 and increase funding for Building Maintenance by \$3,000.

In response to a question from Councilmember Peluso, CFO Palermo explained employee contributions to the Healthcare Insurance. Deputy Mayor Dunay noted that last year they budgeted \$650,000 for Health Insurance but ultimately spent \$520,000. He asked if the amount varied because of employee contributions. Manager Van Kruijning explained that the actual amount will be closer to \$650,000 when the final 2013 claims are closed on March 31st.

Deputy Mayor Dunay noticed that the amount spent for purchasing books decreased to \$14,000. Director Murphy stated that they use a small amount of the

Borough appropriation for books and use other sources instead such as their \$14,000 in State Aid, \$45,000 collected in fines and fees and the small fee they receive for open borrowing. They also expect \$25,000 as carryover in their general ledger from last year, for a total spending of \$100,000.

Councilmember Swain asked if an online registration system would benefit the Library. Director Murphy felt it would be very beneficial. Manager Van Kruiningen stated that he will ask the vendor if the program could also work in a Library.

Deputy Mayor Dunay asked about the \$24,000 under Miscellaneous in the 2013 budget. Director Murphy explained that it was an allotment budgeted for contractual settlements.

LIBRARY CAPITAL BUDGET

Manager Van Kruiningen stated there is a request to replace the bathroom facilities, which were in desperate need of renovation, and replace the carpeting. Councilmember Swain asked if the carpet purchase for the Library could be tied into the carpet purchase for the Community Center. Manager Van Kruiningen suggested Director Murphy use the vendor who did the carpeting and flooring at the Emergency Management Building, as they were highly recommended by the Board of Education and did a great job.

SCHEDULE BUDGET DATES

There was consensus to schedule a Budget meeting followed by a Work Session on February 18th at 7:00 p.m., and a Budget Meeting on February 22nd at 8:30 a.m.

MISCELLANEOUS PUBLIC COMMENTS

There were no comments from the Public.

ADJOURNMENT

Upon motion by Councilmember Peluso and a second by Deputy Mayor Lefkowitz, the Work Session was adjourned at 11:45 p.m.

Respectfully submitted,


Joanne M. Kwasniewski, RMC/CMC/MMC
Municipal Clerk

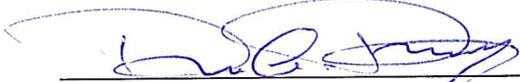
The undersigned have read and approve the foregoing minutes.



Mayor John Cosgrove



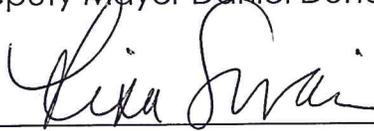
Deputy Mayor Amy E. Lefkowitz



Deputy Mayor Daniel Dunay



Councilmember Kurt Peluso



Councilmember Lisa Swain

