

## **BUDGET MEETING APRIL 13, 2010**

Mayor Tedeschi called the meeting to order at 8:08 P.M.

In accordance with the Open Public Meetings Act, annual notice of all meetings of the Borough of Fair Lawn was published in the Record issues of December 18, 2009. Notices were also posted on the bulletin board located on the first floor of the Municipal Building and the Maurice Pine Free Public Library. Copies were mailed to The Community News and posted on the Borough of Fair Lawn Website. The annual notice identified the times and locations of the Council meetings and work sessions.

**PRESENT:** Mayor Tedeschi, Deputy Weinstein and Councilmembers Baratta and Trawinski.

**ABSENT:** Deputy Mayor Swain

**ALSO PRESENT:** Acting Manager Kwasniewski, Assistant Municipal Clerk Bojanowski, Borough Attorney Rosenberg and CFO Palermo.

Councilmember Baratta made a motion to go back into Work Session, seconded by Mayor Tedeschi

### **BUDGET**

#### **Finance**

Acting Manager Kwasniewski referred to page 4 and stated that there is a significant decrease in salary due to a new person. CFO Palermo pointed out that additional money has been included to cover the cost of the Auditor. Details of the cost are contained in the Professional Services Contract and CFO Palermo commented that they need all the help they can get in this challenging budget year. CFO Palermo referred to a new computer and stated that she doesn't want to jump into anything right now.

#### **Manager**

Acting Manager Kwasniewski confirmed that the budget included the salary for the new Manager. Mayor Tedeschi recommended a suspension of all conferences between now and the end of the year including the League of Municipalities. The only exception would be for employees who must attend conferences in order to keep their license current as it relates to their position at the Borough. This decision also includes Councilmembers. Anyone wishing to attend the League of Municipalities meeting can do so but must use vacation days and pay for it themselves.

Acting Manager Kwasniewski explained that attendance at the League of Municipalities is an inexpensive way to get the CEUs. Mayor Tedeschi asked that the Acting Manager and the Borough Attorney draft a policy. Acting Manager Kwasniewski explained that

most employees belong to County, State and National and/or International Organizations. Meetings pertaining to the County take place in Bergen County and State conferences can take place at various locations in New Jersey depending on the organization. National or International Organizations have conferences all over the country. She said that some towns have decided not to pay for travel outside of the State while others are willing to pay for registration only.

Councilmember Trawinski felt that in order to have the Borough pay for a class at a venue that is outside of the State there would have to be a compelling reason to attend along with back up which would indicate that it is not something that is otherwise obtainable and that it is necessary to maintain a license. Mayor Tedeschi suggested that the Council be advised of all conferences prior to the actual trip. Acting Manager Kwasniewski said that all employees have to submit a Purchase Order. She questioned why all six employees in the Water Department need every license. Mayor Tedeschi said that if an individual needs the license in order to perform their job it must be kept current, however, if the license is not necessary for job performance the individual should pay for it themselves.

Acting Manager Kwasniewski said that Fair Lawn has always encouraged their employees to be educated but they have reached a point where they can't educate everyone. Councilmember Trawinski agreed with Mayor Tedeschi's request for details on the various conferences that employees are attending and associations dues that are being paid. Mayor Tedeschi said that the test is whether or not the benefits accrue to the position.

Acting Manager Kwasniewski said that she and the Borough Attorney will come up with protocol regarding the League of Municipalities. She will provide a list of the licenses that the Departments and employees have and which ones are required.

Acting Manager Kwasniewski suggested that they discuss the policy regarding the League of Municipalities in November. Councilmember Trawinski stated that Councilmembers shouldn't attend this year. If an employee is receiving an award they should also be able to attend for one night. Acting Manager Kwasniewski clarified that the policy will be that anyone can attend the League on their own time and they will have to pay on their own. Councilmember indicated their unanimous agreement.

Councilmember Trawinski asked that Councilmembers agree to pay the same 1½% towards their health care which is the same as employees. Councilmembers unanimously agreed.

### **Tax Assessor**

Acting Manager Kwasniewski stated that the budget for the Tax Assessor remains unchanged from the previous year. Tim Henderson, the Tax Assessor, suggested taking part of his professional services budget to hire a firm to assist in added assessment inspections. There are a number of outstanding open permits and it is

impossible for him to inspect 400 or 500 properties in a year. He knows of one firm that would charge \$25 per inspection. There is a budget line item of \$40,000 which covers surveys and appraisals and he proposes using this to generate revenue through added assessments. Assessor Henderson suggested trying this for a year or two and if the money being laid out doesn't create a lot more revenue they could stop using this system.

Assessor Henderson stated that there were 143 tax appeals last year and there are 214 this year. Mayor Tedeschi asked if Assessor Henderson had looked into reassessing and whether it is worth it. Assessor Henderson said that there are certain requirements to be met and it is a lot of work. Mayor Tedeschi asked for the percentage of assessments that are commercial and the percentage that are residential.

Mayor Tedeschi indicated that he is concerned about industrial appeals which mean that homeowners are going to have to make up a disproportionate amount. He said that in the 1980s apartments made up 7% of the tax revenues for Fair Lawn but by 1996 that had decreased to 1½%. Assessor Henderson pointed out that commercial property owners would appeal and hire lawyers who will appeal no matter what the assessment is.

Mayor Tedeschi asked if there is any way that resident taxpayers could be more fairly treated. He asked Assessor Henderson to research this and give an opinion.

### **Municipal Court**

Court Administrator Cabibbo stated that professional services include two audits as well as other line items which are State mandated. Councilmember Trawinski asked if there is a way to eliminate overtime and Ms. Cabibbo said that she is not aware of any way to do that. Acting Manager Kwasniewski said that only possibility to consider would be changing the hours of the employees in the Department. Ms. Cabibbo stated that it is impossible to predict what will happen next year and this impacts the number of staff. The Court has operated using four people whereas it once had five employees.

Court Administrator Cabibbo noted the capital expenditure regarding the copier. Acting Manager Kwasniewski supported the request for a copier for security reasons. The service contract for the existing Ricoh copier is \$80 per quarter. Councilmember Trawinski commented that the service contract is reasonable and pointed out that the copier is working. Councilmember Trawinski recommended leasing a copier and Mayor Tedeschi said that this is a very competitive time for copiers and the companies are all hungry for business. The consensus by the Council was to keep the present copier.

### **Construction Department**

Mayor Tedeschi questioned expenses under conferences and Construction Official Kolano explained that they must replace code books every three years. He said that the Governor has put this condition on hold for the moment. The cost for the set of

code books is \$1,000 to cover all of the subcodes. The books are shared by the inspectors. The books can be referenced online but they are not downloadable. Mayor Tedeschi asked Construction Official Kolano to let the Borough Clerk know when the books are released because they could probably print the book off the computer.

Construction Official Kolano referred to the League of Municipalities convention and said that everyone takes courses there. Deputy Mayor Weinstein stated that there is a minimum amount of instruction that everyone needs each year to get CEUs. Mayor Tedeschi said that no one is trying to be unreasonable and Acting Manager Kwasniewski pointed out that some people have licenses that they are not using. Councilmember Trawinski said that changes must be made in a rational manner and if there are doubts, people will have to ask questions. Acting Manager Kwasniewski said that it is time to do an inventory of who has which licenses. There are now statutory requirements as well as State mandates for licensed individuals.

Construction Official Kolano said that he could give some money back because the location of one of his conferences is South Carolina and he can take courses in New Jersey. Acting Manager Kwasniewski explained that this change in policy will affect a number of employees who are officers in various associations. She explained that next year she will be the President of the State Municipal Clerk's Association and she will have to pay for this herself just as she will pay to attend the League of Municipalities convention. She said that anyone involved in these various associations must realize up front that they will have to pay themselves for everything involved in the association. Councilmember Trawinski said that they will have to look at these issues on a case by case basis.

The subject of conferences was discussed again and Acting Manager Kwasniewski said that the Council must set the policy which is to be followed by the Manager. If there is an exceptional circumstance, the Manager will bring it to the attention of the Council and explain why it should or should not be supported. The Council would then make the final decision. Mayor Tedeschi commented that the policy will have to be tighter than first imagined and Acting Manager Kwasniewski stated that the policy must be fully understood by Department Heads. Councilmember Trawinski suggested that, going forward, Department Heads should be asked about the different programs and seminars. This could be part of the Manager's report and Acting Manager Kwasniewski explained that other towns have a form to be filled out to justify expenses.

### **Zoning**

Acting Manager Kwasniewski explained that the main expense here is the Zoning Board Chairman's attendance at the League of Municipalities Conference. Mayor Tedeschi stated that the same criteria should apply here as to employees of the Borough. The Chairperson can attend the League, however, the Borough would not pay and the same policy will apply to the Planning Board.

CFO Palermo spoke about the cost of Land Use books and Councilmember Trawinski said that each individual member doesn't need copies of various publications. Councilmember Trawinski said that information contained in Cox on Zoning can be explained by the Zoning Board Attorney and this is a luxury that can't continue. He recommended that the books be taken out of the budget.

Attorney Rosenberg pointed out that Professional Services in the budget is noted at \$10,000, however, the cost is close to \$30,000 in actuality. Acting Manager Kwasniewski said that the Borough continues to get sued by Omnipoint, etc. Councilmember Trawinski said that when they realize the Borough has no chance of winning litigation, residents should be told that they will be responsible for hiring a lawyer because the Borough cannot fund litigation which has no chance of succeeding. The Borough cannot possibly afford this anymore.

Acting Manager Kwasniewski stated that Construction Official Kolano has suggested increasing fees for zoning permits. Construction Official Kolano explained that fees should be increased because of the work involved in preparing zoning permits. Zoning permits are issued for items such as fencing and PODS and there are some towns who charge for plan review. Councilmember Trawinski said that he doesn't have a problem with the concept of a zoning permit because many municipalities do charge for a permit. He is concerned about whether the fee is regulated by statute and there is a statutory turn around time that must be followed.

Acting Manager Kwasniewski indicated that she doesn't support this recommendation because residents are going to be dealing with huge tax increases and if they want to do an addition they will have to pay another \$50 for a zoning permit. She also disagrees with the suggestion of additional fees for plan review for a pool and commercial reviews. Fair Lawn is always being accused of not being business friendly and there comes a point where residents cannot be expected to bear additional financial burdens.

Councilmember Trawinski said this is a chargeable service contained in the Statute and he advised Attorney Rosenberg to look more fully into the law. CFO Palermo suggested having this fee go into effect on January 1<sup>st</sup>, 2011. Deputy Mayor Weinstein said that he would be interested in finding out how much revenue this would have brought in this year. Councilmembers agreed to re-visit this in the wrap up and they thanked Construction Official Kolano for his suggestion.

### **Library**

Mayor Tedeschi stated that the Borough is experiencing a very difficult year. The Library Board consisting of Bruce Ryan, Treasurer; Karen Charipper; Michael Stoll and Phyllis Cole were introduced to the Council. Acting Manager Kwasniewski explained that the Borough pays for the Library's health benefits and then charges those costs back to the Library.

Mayor Tedeschi questioned labor costs and Tim Murphy said that there was a suggestion to trim Library hours. He proposed closing various nights of the week or on Sunday and said that they could also trim about \$10,000 from the book budgets.

Mayor Tedeschi stated he is concerned about the salary increases and Mr. Murphy explained that they do have contracts in place. The overall salary and wages increased by 1½% or \$20,000 over last year. These salaries were negotiated in the fall of 2007 and that contract comes up again at the end of this year. Successful negotiations and a retirement have helped to keep the bottom line on salaries to a low overall increase. It was noted that one of the employees is retiring on June 30, 2010, and will be replaced by someone compensated at a lower rate. There was a suggestion that this employee not be replaced.

Councilmember Baratta asked if there were any employees not in the union and Mr. Murphy said that there were two others as well as himself. Councilmember Trawinski asked about the high salaries and Mr. Murphy reiterated that those contracts were negotiated in 2007 and this is the third year of the contract. Councilmember Baratta stated that this looks horrible to the public. Mr. Murphy said he understood and pointed out that it also looks terrible to the staff. He mentioned that even though they have a contract anything is open for discussion.

Deputy Mayor Weinstein suggested they could give fewer hours to the replacement for the person who is retiring. They would have to investigate to see whether or not this is a civil service issue. Deputy Mayor Weinstein asked about saving money by cutting hours on certain days. Mr. Murphy explained that the amount of money they could save would vary based upon which nights they would close because some nights they have higher priced staff scheduled for the programs that are offered during those times.

Mayor Tedeschi indicated they the Borough is short by \$2 million. Mr. Murphy said that if the Council gives him a number he will make it work. Deputy Mayor Weinstein asked Mr. Murphy to come up with a number because he is the expert in this field. Mr. Murphy reiterated that the book budget could be reduced by \$10,000 and he said that there is unanticipated income of \$24,000 that could be brought forward.

Upon questioning by Councilmember Trawinski regarding health care costs, Mr. Murphy stated that if costs remained flat the budget could be reduced by about \$150,000. Mayor Tedeschi stated that historically Fair Lawn supports and believes in its Library. The tax increase for an average home in Fair Lawn is \$276, average water charges will increase by \$80 and average Board of Education increase is \$256, which adds up to over \$600. There are 6,000 senior citizens in Fair Lawn who didn't receive a cost of living increase and they are being asked to come up with \$600. The Council is working on insurance and systemic changes, however, most won't take place until next year.

Mr. Murphy said he will resubmit the budget which will reflect a reduction of hours. Mayor Tedeschi suggested that Mr. Murphy come back in a week with a budget that

reflects some cost cutting. The Council will try to come up with recommendations because this can't be worked out tonight.

There was a discussion regarding health insurance costs and Mayor Tedeschi said that the question for consideration is what adjustments would have to be made to return the costs to where they had been. Both the employees and the Council will have to make a decision and the longer this decision is postponed the more money that goes out the door. Blue Cross/Blue Shield was paid over \$600,000 this month, including dental, and this is an average month. Mayor Tedeschi recommended tabling this for a week and they will look at it again on Wednesday, April 21<sup>st</sup>.

Councilmember Trawinski said that there is no doubt in his mind that Mr. Murphy has to look at the increases for the three non union employees. The Library Board did a wonderful job with the union regarding the salaries for the other employees. He asked Mr. Murphy to revisit the necessity to fill the position for the employee who is retiring and he pointed out that \$300,000 worth of positions will go unfilled within the Borough. Councilmember Trawinski stated that, at this point in time, it appears they will have to ask for voluntary furloughs in an effort to avoid layoffs and the Library will be included. If these measures don't go far enough, the Council will have to look at deeper cuts which will hurt people. The Council is unanimous in agreement to try to keep employees in their jobs. Mayor Tedeschi said that the Council is counting on Mr. Murphy's knowledge of his department and where cuts could be made.

Mr. Murphy stated that he would want to make cuts that are the least painful to the public. Councilmember Trawinski indicated that the Council understands that there is a greater demand for services offered by the Library due to the condition of the economy. People are using the computers more and the Library is also a source of cheap entertainment for the public and the Library would like to keep it that way.

Mayor Tedeschi asked Mr. Murphy to get a report to Councilmembers the day before the next meeting on April 21<sup>st</sup>. Mr. Murphy asked if the Council wants to discuss capital projects such as a new roof. He explained that the Library has had numerous problems with the roof. After further investigation, it appears that the problem is that the drain and crawlspace have been backing up causing water problems. Roof repairs can be put off, however, they need to replace the HVAC controls because money is being wasted on heating and cooling. The controls are forty years old and obsolete and the replacement cost is in the area of \$28,000.

Mr. Murphy concluded stating that he will have some new recommendations for the April 21<sup>st</sup> meeting.

### **Manager's Budget**

Acting Manager Kwasniewski said that it would make more sense to purchase a small, more fuel efficient car for the Manager particularly if the new Manager has to travel a long way to get to Fair Lawn. She pointed out that a very small car may be a problem

during bad weather and Mayor Tedeschi recommended that they make a decision on the Manager before a final decision is made on the vehicle.

Acting Manager Kwasniewski said that there have been requests for upgrades for computers throughout the building. Councilmember Trawinski said that Acting Manager Kwasniewski has done an excellent job on cutting the capital budget and if she thinks these upgrades are warranted he recommended going forward. Mayor Tedeschi asked about a shared services agreement with the Board of Education for technical services. Ms. Palermo said that these types of arrangements work well because the technology is cutting edge. She will provide information on this to the Acting Manager as well as Councilmember Trawinski and Deputy Mayor Weinstein because they are on the Shared Services Committee. Mayor Tedeschi commented that this would be a good reason to maintain the IT Department. There was a discussion regarding in-house servicing of school buses. Councilmember Trawinski stated that he would like to see reciprocity with the Board of Education because it would be to the benefit of all taxpayers. Mayor Tedeschi commented due to recent changes, the Board of Education may look upon things differently.

### **Municipal Clerk**

There were no new capital items and Councilmembers approved of this budget as submitted.

### **Miscellaneous Public Comments**

Craig Miller, 5 Ramapo Terrace, questioned whether any car dealership would be interested in donating a hybrid car to the Borough to replace the Manager's car.

Mr. Miller referred to an application for a cell tower on George Street. He asked if this company would be interested in consolidating that tower with the one that was referred to earlier tonight. Councilmember Trawinski said that this would make sense if the Borough's tower was already up and there were provisions for co-locators. He noted that the carriers don't have to wait for the Borough to make up its mind and the bid specs haven't been put together yet. He asked what they will be earning from COWS and Attorney Rosenberg said it would be \$4,300 per month or \$50,000 per year for both towers.

Councilmember Trawinski said that a number of carriers wanted to locate on the water tower, however, \$20,000 of taxpayer money was wasted to defend a pierce of litigation which was eventually lost. The tower was not put on the water tower due to objections from residents, however, this could have been a money maker for the Borough and \$20,000 would not have been wasted.

Councilmember Trawinski agreed with Mr. Miller stating that the Borough needs to move forward with the co-location. Attorney Rosenberg said that he would amend the ordinance.

Sylvia Zasloff, 9 Maltese Drive, stated that zoning board members have no training when they become members. She recommended that Board Members receive training and Attorney Rosenberg indicated that there are requirements.

Ms. Zasloff stated that she lives across the street from a cell tower. This tower is directly surrounded on three sides by the back yards of homes that are very close to the cell tower. Councilmember Trawinski referred to a "fall away zone" which means that if the tower has to be as remote from residents as possible and it would have the least impact possible on residents if it were to collapse. Attorney Rosenberg indicated that he will have draft of a new ordinance on April 21<sup>st</sup>.

Craig Miller, 12 Ramapo Terrace, referred to the Library and said that it takes quite a long time to get a book through the BCCLS system in Fair Lawn. He said that other towns charge a rental fee for best sellers and he doesn't know if this is done in Fair Lawn. If not, they may want to consider a minimal charge of 10 cents a day.

Mayor Tedeschi asked if interviews for the other two applicants have been set. Acting Manager Kwasniewski stated that she thought the Council wanted to finish the budget first

Acting Manager Kwasniewski stated that the research has been done on the proposals she touched on at other meetings. She would like to schedule a time to look at the figures regarding the third party billing for the ambulance because she feels the Council will agree that this is worthwhile exploring. She recommends getting started with this as soon as possible and Councilmember Trawinski suggested that this be discussed next week. Mayor Tedeschi stated that he has questions on gasoline and contributions to Bergen Mental Health. Acting Manager Kwasniewski stated that a decision needs to be made on the raising the fees for the camps at Memorial Pool as well as what is to be done with Walsh Pool. Councilmember Trawinski asked the Mayor and the Acting Manager to list the items that they can dispose of and Councilmembers can add to it with a deadline of next Thursday.

After more discussion, Councilmembers decided to try to do complete the budget discussions on April 21<sup>st</sup> which will include another presentation from the Library along with the Health Department. Two interviews will be scheduled that evening along with the Work Session.

### **Closed Session**

Upon motion by Mayor Tedeschi and a second by Councilmember Baratta, the following closed session resolution was unanimously adopted at 10:30 p.m.

**WHEREAS;** the Open Public Meetings Act of the State of New Jersey permits the public to be excluded from certain matters to be discussed by the Governing Body; and

**WHEREAS;** the Mayor and Council of the Borough of Fair Lawn desire to discuss Personnel.

**WHEREAS;** these matters are ones which permit the exclusion of the public from such discussions; and

**WHEREAS;** minutes will be taken during this closed session and once the need for confidentiality no longer exists the minutes will be available to the public.

**NOW, THEREFORE, BE IT RESOLVED,** by the Mayor and Council of the Borough of Fair Lawn that the public be excluded since these matters as set forth above are ones which permit the exclusion of the public from such discussions.

**Adjournment to Work Session**

Upon motion by Councilmember Trawinski, seconded by Deputy Mayor Weinstein, the meeting was adjourned at 10:48 p.m.

Respectfully submitted,

\_\_\_\_\_  
Marilyn B. Bojanowski, RMC  
Assistant Municipal Clerk

The undersigned have read and approved the foregoing minutes.

\_\_\_\_\_  
Mayor Joseph Tedeschi

\_\_\_\_\_  
Councilmember Jeanne Baratta

Absent  
\_\_\_\_\_  
Deputy Mayor Lisa Swain

\_\_\_\_\_  
Deputy Mayor Steven Weinstein

\_\_\_\_\_  
Councilmember Ed Trawinski

