

Borough of Tenafly

MAYOR AND COUNCIL

SPECIAL COMMITTEE OF THE WHOLE

MINUTES

TUESDAY, October 19, 2010

The meeting was called to order 7:32 P.M. with the reading of the Open Public Meetings Act statement by Mayor Rustin.

Present: Mayor Peter S. Rustin

Council members: Anthony Barzelatto (arrived at 7:38 p.m.),
Nadia LaMastra, Joseph McDermott,
Patrick J. Rouse, Jon Warms (arrived at 7:33 p.m.)

Borough Administrator: Jewel Thompson-Chin

Borough Attorney: William R. McClure, Esq.

Chief Financial Officer: Gene Vinci

Absent: Council members: Michael Lattif.

Mayor Rustin read the following statement:

"Public Comments: A total of 15 minutes has been allocated for this purpose. Citizens are welcome to address the Mayor and Council on any governmental item of concern to them, whether or not it is scheduled on the agenda below. Citizens must give their names and addresses when recognized to speak. Large groups are urged to select someone to represent them. The public is advised that these meetings are recorded and are subject to the Open Public Records Act."

No one came forward.

Mrs. Thompson-Chin advised that on October 27th from 4:30 p.m. to 6 p.m., Jersey Professional Management is holding a budget cutting seminar in Wyckoff. She and Mayor Rustin will attend and report back to Council.

Mrs. Thompson-Chin updated Council on the leasing of trailers for the Police Headquarters. At the last public meeting, it was reported that the publishing for receiving bids was scheduled for October 29th with the bid opening, review, and award on November 9th. At this pace, the process would be rushed. She spoke with Chief Bruno and the Borough Engineer and the recommendation is to publish the notice on October 24th to receive bids on November 4th. This will allow 2-3 days to review any bids that have been received. The resolution to accept and award the contract will still be listed for November 9th. A

resolution to ratify the publishing of the ad on October 24th will be listed for the October 26th Consent Agenda, which outlines the circumstances involved with this project. This methodology is more reasonable and more professional.

C. McDermott inquired about emergency purchasing policies and if such an exercise has happened previously. Mrs. Thompson-Chin explained that resolutions allow for the ratification of action. C. Warms confirmed that the Council has adopted memorializing resolutions in the past.

Budget Meeting Agenda Topics:

1. Updated 2011 Budget Impacts

Mr. Vinci advised Council on the status of municipal revenue received as of September 30th. The items that have been received below what was anticipated include the use of the sewer system and interest on investments. Communities have been billed for the use of the sewer system, but payments have not been received as of September 30th. He hopes the interest on investments will improve because of the change in banks.

In projecting anticipated revenue for 2011, the surplus appropriation was reduced from \$1.6 million to \$1.5 million. State aid has been kept flat for the calculations, but the amount may be reduced. Traditionally, preliminary figures are released in April, but the actual awards are not announced until the state passes their budget in June. The increase in health insurance premium contributions reflects the employees' contribution of 1.5% of their salaries.

With respect to appropriations, most line items have decreased. There is a \$313,000 savings with 3 recruits replacing the 3 retirements in the Police Department. No promotions have been factored in these calculations. An entry-level replacement for a resignation in DPW yielded a \$22,000 savings. The BCUA increase is estimated to be 13% based on last year's rate. Debt service has remained relatively flat. The Borough received notice from the State that health insurance and pension costs will increase by 11.7% and 22.6%, respectively.

A preliminary calculation of the tax levy cap at 2% demonstrates that the total allowable tax levy is \$22,410,754, which leaves the Borough with a \$140,000 cushion. One important factor is that new ratables for 2009 were \$70 million; in 2010 it is estimated to be \$20 million.

Mr. Vinci also provided Council with a snap shot on terminal leave and potential employees eligible for retirement. He cited that it is important to keep track of potential retirees to make sure the amount appropriated in the reserve remains adequate.

2. Large Vendors

Mrs. Thompson-Chin provided Council with a list of vendors which received over \$20,000 from the Borough for items and services in 2009. The Borough still utilizes these vendors. She will have Department Heads review each vendor and services used for cost savings and

to identify circumstances when aggregate purchases exceed the bid threshold. If the Borough designated a Qualified Purchasing Agent, the bid threshold would increase to \$36,000 from the current threshold of \$26,000. The issue of a QPA will be listed for discussion at a future work session as it was an item listed in the corrective action plan.

As an update on renegotiating the solid waste contract, the only option that would have been negotiable was curbside pickup, but the lowest bidder for that option still in existence, which blocks any negotiation in the current contract.

3. Revenue Opportunities

Mrs. Thompson-Chin advised Council that she will be reviewing fees with each department in an effort to update the Borough's fee schedule. Mayor Rustin requested that the Borough Clerk evaluate the fees and regulations for filming and to compare with other municipalities. The Borough Administrator mentioned that in this afternoon's quality of life meeting, the issue of recovering ambulance costs was discussed.

Council requested that she review with the Fire Department the issue of false alarm fees, what would be defined as a false alarm, and if any fees are being collected. Council requested that the issue of commuter parking be listed for the November 4th work session and for a future work session having financial impact statements accompany ordinances to determine the cost of implementation.

4. Shared Services

Mrs. Thompson-Chin provided Council with a list of current shared services. The most recent one is the registrar contract with Cresskill. C. Warms noted that contracts with Mid-Bergen Regional and Riverside Co-Op have also yielded savings.

Mayor Rustin stated that he will bring the issue of shared services up at the next Mayor's meeting. He believes the whole group should be informed of vacancies for potential shared service opportunities. Mrs. Thompson-Chin advised she will address this issue as well at tomorrow's Riverside Co-Op meeting.

Mrs. Thompson-Chin cited that opportunities for sharing services are greater with public works than any other area. C. McDermott inquired how the Borough can increase these opportunities and how can there be a greater commitment to this issue in 2011. Mrs. Thompson-Chin responded that the first step is to apply best practices internally to determine what can be offered to other communities.

In reviewing the 2011 Departmental Budget Review road Map, Mrs. Thompson-Chin established a preliminary budget schedule based on the statutory introduction and adoption dates for calendar year municipalities of February 10th and March 20th, respectively. Internally, budget preparation packages will be sent to department heads in November and they have been advised during preliminary discussions that there is to be no growth. The main issue is no much cutting, but reallocating resources, itemization, and identifying needs. Additionally, the implementation of the budget once adopted must be

formalized. For the November 23rd meeting, she is seeking to provide Council with a list of potential savings and preliminary recommendations. C. McDermott recommended that there is a need to look at what services can the Borough afford as a community.

Council recessed at 9:17 p.m. and reconvened at 9:27 p.m.

CLOSED SESSION

Mayor Rustin recognized Borough Attorney William McClure

BE IT RESOLVED in compliance with NJSA 10:4-12, the Mayor and Council of the Borough of Tenafly are going into Closed Executive Session to discuss the following matters:

- A. Collective Bargaining Agreements
 - 1. Upcoming Contract Negotiations.
- B. Personnel
 - 1. Senior Center Assistant Director
- C. Litigation
 - 1. Kurtz vs. Tenafly et als.

Minutes will be taken of the meeting and release to the public at the time that the matter is resolved.

ADJOURNMENT

There being no further business to come before the Council, on a motion from C. LaMastra, seconded by C. Warms, and all present voting in favor, the meeting was adjourned to the Closed Session in the Committee Room at 9:28 p.m.

Respectfully submitted,

Lissette Aportela-Hernandez