

MINUTES
BOROUGH OF EMERSON
MAYOR AND COUNCIL
Regular Meeting
Executive Session (Closed)
Budget Workshop
Tuesday, February 7, 2006
8:00 PM Regular Meeting
Council Chambers-Borough Hall
Municipal Pl.
EMERSON, NEW JERSEY 07630

This meeting was called to order at 8:11 pm. Claire McQueeney led the Salute to the Flag followed by a moment of silence.

Mayor Setteducati read the Open Public Meetings Statement announcing that the meeting was called pursuant to the provisions of the Open Public Meetings Law. This meeting of **February 7, 2006** was included in a list of meeting notices sent to the Bergen Record and Ridgewood News on December 15, 2005 and advertised in said newspapers on December 17th & December 23, 2005; respectively, posted on the bulletin board in the Municipal Building on December 17, 2005 and has remained continuously posted as the required notices under the Statute. In addition, a copy of this notice has been available to the public and is on file in the Office of the Municipal Clerk of the Borough Hall.

ROLL CALL OF MAYOR AND COUNCIL

Councilman Carlo Camporeale-Present
Councilwoman Carole Costantin-Present
Councilman Christopher Heyer-Present
Councilman Kenneth Hoffman-Present
Councilman Frank Milone-Present
Council President Brian Todd-Present
Mayor Steven Setteducati-Present

Also present were Borough Administrator, Joseph Scarpa, Borough Clerk, Carol Dray, Borough Attorney, William Smith and Borough Auditor, Gary Higgins.

APPROVAL OF MINUTES

Councilwoman Costantin moved to approve the following minutes with corrections, seconded by Councilman Hoffman and carried unanimously.

1. Regular Meeting of December 13, 2005-No changes
2. Regular Meeting of December 20, 2005
Changes:
 - a. Page 3, Public Comment: Under Tom DeScisciolo, 'buyouts' means 'terminal leave'.
 - b. Page 3: Insert: 12 hour work shift translates into 2.16 days per week on an average of 52 weeks per year
 - c. Page 4: correct 'Rubin' to 'Ruderman'

- d. Page 4: change 'report' to 'comments'
 - e. Page 5: specify 2.16 days
 - f. Page 5: Mayor Setteducati requested that Councilman Loffredo never did call Mayor Setteducati to post the Fischer report on the website but Mayor Setteducati stated that he or another borough official would post it if he called.
 - g. Confirmed with Mr. Scarpa that Mr. Abballe is still putting in hours on behalf of the borough in equation to what the borough pays on his health benefits
- 3. Special Meeting of December 27, 2005
 - a) Page 3: insert 'worked out', delete worked for everyone.
 - 4. Reorganization Meeting, January 3, 2006
 - a) Page 2: delete 'was', insert 'is ' in reference to Redevelopment process
 - b) Page 2: delete 'three', insert 'two' years in a row
 - 5. Regular Meeting of January 17, 2006
 - a) Page 3: Ord. 1300-06 delete 'Loffredo', insert 'Heyer'

CORRESPONDENCE

Mayor Setteducati announced that copies of the correspondence are on file in the Office of the Municipal Clerk.

#06-08 letter dated 01/23/06, re: Improvement of Chestnut Street, Job & Job

#06-09 letter dated 1/23/06, re: Cablevision, V. Mink

#06-10 letter dated 1/26/06, re: Establishing a regional approach to flooding problems, Assemblywoman C. Vandervalk

#06-11 letter dated 1/31/06, re: Chief Saudino, Ramsey Police Chief Bryan Gurney

#06-12 letter dated 1/31/06, re: 2004 Road Program, Job & Job

#06-13 letter dated 2/3/06; re: Community Development, 2006 CDBG Application, J. Rutch

PROCLAMATIONS & PRESENTATIONS

Councilman Camporeale *Read across America* Proclamation promoting reading and leadership skills celebrated March 2 in honor of Dr. Seuss.

APPOINTMENTS AND PERSONNEL CHANGES

UNFINISHED BUSINESS:

1. ORDINANCES

- a) 1st Reading-Introduction

ORDINANCE NO 1301-06

AN ORDINANCE TO AMEND THE CODE OF EMERSON CHAPTER 77 THEREOF, TITLED POLICE DEPARTMENT TO AMEND ARTICLE TWO ENTITLED OUTSIDE EMPLOYMENT, SECTION §77-16 THEREOF, ENTITLED ACCOUNTING OF HOURS; PAYMENT OF HOURS PROVIDING FOR HOURLY FEE FOR PRIVATE EMPLOYMENT OF POLICE OFFICERS

Councilman Todd explained that the ordinance increases the fee the municipality charges to utilities for Police duty for traffic control purposes during road openings or utility or cable line work.

Motion to approve Ordinance No. 1301-06 on introduction was moved by Councilwoman Costantin, seconded by Councilman Milone and carried on roll call vote.

RC: Council members

Milone-yes

Costantin-yes

Camporeale-yes

Heyer-yes

Todd-yes

Hoffman-yes

Mayor Setteducati announced that Ordinance No. 1301-06 was approved unanimously on first reading and will be further considered at a Public Hearing to be held on February 21, 2006 at 8:00 p.m. in the Council Chambers of the Borough Hall, Municipal Pl., Emerson, N.J. Ordinance No. 1301-06 is on file in the Clerk's Office and posted on the official bulletin board of the Municipal Building.

Discussion:

1. Discussion of the 2006 Municipal Budget (Workshop Session)

Mr. Higgins was present to discuss the spending side of the 2006 draft of the municipal budget. Mayor Setteducati explained his concern over the 3 1/2% CAP allowed by the state and the borough's frustration to comply with a 3 1/2% CAP when salaries of 4% or more are dictated by arbitrators and labor unions. Mr. Higgins further explained that the CAP limits the spending portion of the budget inside the CAP; however there was no limit on tax increases. Trenton had certified this year's CAP at 2½% of last year's operating budget and, in addition, would permit municipalities to increase that amount by another percent by ordinance. Mr. Higgins explained the differences between expenditures inside and outside the CAP and the formula used to calculate the amount that the CAP was based on. Mr. Higgins reported that this first draft budget of expenditures within the CAP was over budget by \$235,865, down from between \$300,000 and \$400,000, and either that number would be further reduced or the borough would need to seek a CAP waiver from the Local Finance Board in Trenton. A strong case would have to be made to Trenton to explain the reason for seeking a waiver; which upon approval would not be cumulative; was a one shot approval and would require the town to address the matter again the following year reverting back the following year back to the original CAP. Mr. Higgins reviewed a summary of significant increases within the CAP that contributed to the actual amount of \$460,756. Mayor Setteducati commented that the increase of \$53,500 in the Municipal Clerk's salary line was attributed to the critical need for a Deputy Clerk, as he did not want to fall behind in compliance with minutes again or be in the position to be harassed. The largest increases were due to the settlement of the collective bargaining units and arbitration settlement with the PBA.. The Reserve for Accumulated Absences was cut from this year's budget to be used towards future payouts as it was a voluntary expense. The Council discussed the increases and decreases with the Borough Auditor who requested that they determine a final number for the CAP waiver to be justified by an executive summary that must

agree with the introduced budget. He warned that the Local Finance Board met once a month and the application would be due within the next 10 days for the March meeting or else the borough would be pushed to April. The budget calendar would be extended to March 20th by the Local Finance Board. Mayor Setteducati remarked that in spite of bringing in revenue from new ratables, in essence, the borough could not spend their own money without permission from the state adding that he was outraged by the situation when typically the largest increase is due to union labor contracts. Mr. Higgins advised that it would be to the borough's advantage to seek the CAP waiver sooner than later. Expenses outside the CAP had also increased significantly and when the whole budget was completed Mr. Higgins suggested that the CAP waiver, if granted, be rolled into the base CAP for the following year. Pensions were also rising phenomenally but were outside the CAP. Mayor Setteducati directed Mr. Scarpa to prepare a resolution opposing the

3 1/2% spending CAP limit if the rest of the Council was in agreement. Mr. Higgins was encouraged that the borough could justify what they would need and seek from the state but it might mean opening the budget for full scrutiny. Mr. Higgins remarked that the borough had nothing to hide and the initiative was not insurmountable.

Mayor Setteducati added that the borough had realized many new ratables and would continue to do so as the major projects currently underway developed generating more revenue adding that a CAP of just 3 1/2% was ludicrous.

☞ **Motion** to open the meeting for comments from the public was moved by Councilwoman Costantin, seconded by Councilman Todd and carried unanimously.

Bob Belli, 57 Longview Dr., asked Mr. Higgins how other towns were handling the limit on the CAP. Mr. Higgins responded that they also were going to Trenton and the state was preparing for a barrage of waivers. Mayor Setteducati commented that some of the increases in the draft budget would come done and had a problem with the Police department requesting a 15.5% increase. Mayor Setteducati asked if it would help if Trenton were shown that the borough had taken steps to cut back and Mr. Higgins replied that it would be helpful. Mr. Higgins further suggested that legislators be made aware of the hardship facing municipalities.

Chief Saudino, Emerson Police Department, questioned this year's rise in pension contribution. Chief Saudino took offense to a comment made by Mayor Setteducati in regard to pensions noting that the town contributed a lot less last year and does not make contributions to social security for the Police Department. He did agree that even the Police union oppose the CAP.

Mr. Higgins remarked that if it were to be required of the borough, the whole pension bill for the PPBF was \$270,000 and the PERS was \$63,000. Mayor Setteducati had understood that it was to be phased in but it was explained to him that pensions are moving targets and difficult to access from year to year.

☞ Seeing no other hands, **motion** to close for comments from the public was moved by Councilman Camporeale, seconded by Councilman Heyer and carried unanimously.

**NEW BUSINESS:
Financial**1. Resolution No. 52-06 Authorizing Increase in Deferred School Taxes

This matter was postponed for further discussion by Councilman Camporeale and was not acted upon. Mr. Higgins stated that it could wait until the introduction of the budget.

Mayor Setteducati invited Mrs. DeScisciolo, 64 Dyer Ave. to speak and she wondered if there was anyway the governing body could get out of what the state said had to be paid. Mr. Higgins explained the CAP again to Ms. DeScisciolo.

Administrator's Report

Mr. Scarpa reported that:

- He received a grant application for Green Acres
- He had received from Fire Chief Tom Carlos information on a Homeland Security grant that might be used for a rescue truck
- He had received a follow up report in regard to additional street lights from PSE & G that came to \$25 a month and suggested that he sign the agreement if there was no objection
- The Community Development Library upgrades were going well
- The Employment Practice seminar was held which would go towards lowering the Borough's premium

The **Borough Clerk** had nothing to report.

The **Borough Attorney** had nothing to report in open session.

PUBLIC COMMENT

Before opening the meeting for comments from the public, Mayor Setteducati reminded everyone to turn off their cell phones, keep their comments as brief as possible and try to limit them only to governmental issues of concern to an Emerson resident. He further requested that if a subject matter was addressed and answered, to please refrain from repeating it unless they had something new to contribute. A five-minute rule was in effect for each speaker at the discretion of the Council. Mayor Setteducati asked that everyone do their part to be civil, to the point and respectful of another's point of view and opinion. He further warned that speaking out without recognition would not be tolerated and a second warning could result in ejection from the council chambers.

☞ Councilman Camporeale **moved** to open the meeting for comments from the public, seconded by Councilman Heyer and carried unanimously.

Tom DeScisciolo, 64 Dyer Ave., corrected Mr. Scarpa by reminding him that he had been responsible for bringing up Homeland Security grants at a previous meeting and asked if the governing body had received his news clipping in regard to eminent domain. Mr. Scarpa responded that he had reported that Mr. Carlos had given him grant information. Councilman Heyer interjected that Congress introduced an act called the private Property

Protection Act focusing on the danger of a local government using eminent domain to flip a person's private residential property for the purpose of Redevelopment for a developer's financial gain. The federal government was seeking to penalize any local government that imposes an eminent domain proceeding with the loss of federal funding for two years. The purpose was to limit the use of eminent domain in certain circumstances. Mayor Setteducati added that the Redevelopment Plan may only affect two residential properties behind Arthur's Restaurant.

Frank Vernon, 16 Powell Rd., complained about a large hole without the benefit of a safety fence at the corner of Jordan and Forest Rd. Mr. Scarpa and Mayor Setteducati had brought the matter to the attention of the Construction Code Official and were waiting for a full report.

Mr. Pfister, 31 Franklin Ct., questioned if the 15.5% increase in the Police budget included salaries and pension costs and Mayor Setteducati answered that a large part of it was due to salaries.

CONSENT AGENDA-Resolution No. 43-06

☞ **Motion** to approve Resolution No.43-06, Consent Agenda, was moved by Councilman Camporeale, seconded by Councilwoman Costantin and carried by roll call vote.

RC: Council members

Milone-yes

Costantin-yes

Camporeale-yes

Heyer-yes

Todd-yes

Hoffman-yes

Ca44-06 Approve Bill List

Ca45-06 Approve Transfer within the Municipal Budget

Ca46-06 Approve Temporary Emergency Appropriations Underground Storage Tank \$14,786.00

Ca47-06 Approve 50/50 Raffle License #485-06 for Children's Aid and Family Services, Inc. to be held on March 31, 2006 between 7:30 a.m. and 12:00 p.m. at the Hackensack Golf Club

Ca48-06 Approve 50/50 Raffle License #486-06 for Church of the Assumption to be held on May 17, 2006 at 6:00 p.m. at the Church of the Assumption Rectory

Ca49-06 Urging the Legislature to Reject Efforts to Eliminate Cable Television Municipal Consents

Ca50-06 Approve Mutual Aid Agreement for Fire Department services with the Borough of Oradell

Ca51-06 Approve 2004 Road Program Change Order No. 1 for \$444.28 to D& L Paving Contractors, P. O. Box 507, Nutley, NJ 07110

CLOSED SESSION-Resolution No. 53-06

☞ **Motion** to close for an executive session to discuss matters exempt from the public as duly noticed by Resolution No. 53-06 was moved by Councilman Camporeale, seconded by Councilwoman Costantin and carried unanimously.

06-02/07-05 Personnel-Police

RECONVENE TO OPEN SESSION

Motion to reconvene was moved by Councilman Hoffman, seconded by Councilman Camporeale and carried unanimously.

Police Officer Layoff-Resolution No. AO7-06

A **motion** was made to lay off the last hired, probationary police officer, Daniel J. Kalyoussef, effective February 10th, 2006 predicated on a discussion during Closed Session of the points made by Mr. Higgins in regard to the 2006 draft budget and the limitation of spending set by the State; and for the fact that the Police Department's change to a 12 hour shift schedule would work adequately as well with four squads of three officers then with the current three squads of three officers and one squad with four officers without the benefit of a lieutenant supervising the evening squad, seconded by Councilman Milone and carried by roll call of 4-3 with Mayor Setteducati casting the deciding vote to break the tie.

RC: Council members

- Milone-yes
- Costantin-yes
- Camporeale-no
- Heyer-no
- Todd-yes
- Hoffman-no
- Setteducati-yes

Mayor Setteducati remarked that Officer Kalyoussef was a nice young man and hoped that when a senior police officer should retire Mr. Kalyoussef could be rehired, but because of budgetary restraints he had been compelled to vote the way he did.

Mayor Setteducati directed Mr. Scarpa to notify the Police Chief in writing by hand delivery of Mr. Kalyoussef's lay off the next day.

ADJOURNMENT

☞ With no other business to address, **motion** to adjourn was moved by Councilman Heyer, seconded by Council President Todd and carried unanimously at 10:15 p.m.