

M I N U T E S
Special Meeting of the Mayor and Council
Thursday, May 12, 2011
7:00 P.M.

CALL THE MEETING TO ORDER -

Mayor Watkins called the meeting to order at 7:00 p.m. in the Council Chambers of the Borough Hall.

SILENT PRAYER - FLAG SALUTE

Mayor Watkins called for a moment of silent prayer and asked Councilman Mignone to lead the salute to the flag.

STATEMENT -

Mayor Watkins read the statement under the Sunshine Law and asked the Clerk to put it into the minutes. "Adequate Notice of this meeting has been made by sending notice on May 10, 2011 to THE RECORD and THE RIDGEWOOD NEWSPAPER, by positioning on the bulletin board in the lobby of the Borough Hall, and filing a Notice of the same with the Municipal Clerk".

ROLL CALL - Councilman Bartelloni, Councilman Moscaritolo, Councilman Porco, Councilman Mignone, Councilman Cannon, Councilman Cordts and Mayor Watkins were present.

RESOLUTIONS - By Consent

Motion by Councilman Bartelloni, seconded by Councilman Cannon to approve resolution #11-187.

ROLL CALL VOTE: Councilman Bartelloni, Councilman Moscaritolo, Councilman Mignone and Councilman Cannon voted yes, Councilman Porco and Councilman Cordts voted no.

#11-187 River Edge Local School Budget Review

WHEREAS, an election was held on April 27, 2011 by the River Edge Local Board of Education, at which time the voters defeated a proposed budget for the River Edge Local school for the year 2011-2012; and

WHEREAS, the original tax levy on the ballet for the base budget was \$13,125,061.00; and

WHEREAS, Title 18A: 22-37 et seq., outlines the procedure to be followed in such an occurrence; and

WHEREAS, the Mayor and Council of the Borough of River Edge have received copies of the proposed school budget from the Board of Education, have reviewed this information, have met and consulted with the River Edge Local Board of Education on May 9, 2011; and

NOW, THEREFORE, BE IT HEREBY RESOLVED, that in accordance with N.J.S.A. 18A: 22-37, the Mayor and Council have in their judgment determined that the following amounts are necessary to be appropriated to provide a thorough and efficient system of schools in this district and do hereby certify to the County Board of Taxation the total amounts so determined to be necessary for each of the following:

a. Current Expenses Tax Levy: \$13,125,061.00

May 12, 2011

OPEN HEARING OF THE PUBLIC -

Motion by Councilman Mignone, seconded by Councilman Cannon to open hearing of the public.

ROLL CALL VOTE - Councilman Bartelloni, Councilman Moscaritolo, Councilman Porco, Councilman Mignone, Councilman Cannon and Councilman Cordts voted yes.

CLOSE HEARING OF THE PUBLIC -

There being no comments by the public, motion by Councilman Cordts,

seconded by Councilman Bartelloni to close hearing of the public.

ROLL CALL VOTE - Councilman Bartelloni, Councilman Moscaritolo, Councilman Porco, Councilman Mignone, Councilman Cannon and Councilman Cordts voted yes.

COUNCIL COMMENTS -

Councilman Cordts-stated that he was disappointed with the vote this evening because he doesn't feel it truly represented what the taxpayers wanted. He continued by saying that 1,800 residents clearly voted no for the school budget and is disappointed that the Council didn't do more to negotiate with the school board. He explained that some of the suggestions for cuts to the Board of Education budget were that the administrative position be kept part-time, use some of the surplus and cut a few computers. He continued by saying that they had no intention of cutting teachers, cutting programs or increasing class sizes. Councilman Cordts stated that when the school budget was defeated in 1999, the Council at that time cut one-half a percent, approximately \$26,000 of a \$6,300,000 budget. Twelve years later the budget has doubled to \$13,000,000 and he was disappointed that the Board of Education would not cooperate and cut a suggested \$50,000.00. Councilman Cordts feels that it is absurd that the taxpayers voted no on this budget and the Council gave in to the Board of Education. He stated that it is a very disillusioned time right now because he feels that taxpayers voted them in to make a change and unfortunately they don't have the support. He continued by saying that they were never against the teachers or Board of Education but are for a better town. His main concern is the tax increases that will continue to happen if things don't change and he feels that both the Mayor and Council and the Board of Education should work on their budgets together. He feels that it is a disgrace that the Council required every Borough department to cut their budgets but when it came to the Board of Education budget they backed down. He feels that it's a slap in the face to the residents who voted the school budget down and again stated that he's not against teachers or the schools but is for the taxpayer.

Councilman Cannon-stated that he respects Councilman Cordts position but he couldn't disagree with him more and feels very proud of how the Council voted. He stated that the school board putting together a comprehensive and fiscally responsible budget and is happy that the school children will be unimpeded by politics and get the education that they deserve. He agreed that they do have a responsibility to the taxpayer and feels that if they did not payoff the deferred pension this year, the municipal tax increase would not have been so high. He gave the history behind the pension and why the Mayor and previous Council chose to defer it at that time instead of cutting \$450,000. Councilman Cannon doesn't agree with the Councils decision to pay this loan back in one year because it added \$127.00 to every taxpayers bill. He doesn't feel that it makes sense to argue over the \$68.00 school increase when we didn't have to impose the \$127.00 increase on the taxpayers. He is pleased with the Councils vote today because the school children will continue to get the quality education that the teachers and school board in River Edge provide.

Councilman Mignone-stated that he appreciates the position that the Board of Education who was struggling with the 2% cap but he doesn't consider his vote as an endorsement for their budget. He feels that there is always room to improve and also feels that the Mayor and Council are in a difficult position. He continued by stating that he agrees with Councilman Cordts that some savings could've been found but doesn't necessarily agree with dipping into surplus or cutting computer purchases. He stated that even though 1,800 residents voted against the budget, 1,500 voted for it and agrees that some people may have been confused with the referendum question. Councilman Mignone spoke about the pension deferral and the school budget increase and feels that it's comparing apples to oranges. He explained that the Council was looking at a \$60,000 interest payment before they even started which could have resulted in additional furlough days for employees. He respects Councilman Cannons comment that several years ago the Council felt the right decision at that time was to defer the pension but Councilman Mignone feels they made the right decision this year to pay it off. In his opinion to pay all of that interest which will add to future budgets and not get anything for it is irresponsible. He is comfortable with the vote this evening and still feels that the Mayor and Council shouldn't base any decision on what the school has done. He acknowledges that small increases seem little at the time but they are mounting quickly and it has come upon everyone to get their fiscal houses in order. Councilman Mignone understands that it is a slow process and both the Mayor and Council and school board will have difficult years ahead with decreases in aid and grants. He feels bad that this process seemed to become adversarial right from the onset. He stated that the Mayor and Council were doing their due diligence and were getting ridiculed for asking questions. He hopes that they can move forward and work together in the future so that our taxpayers get the best value for their money.

Councilman Porco-acknowledged that this was a very tough process to try and decipher and understand the school budget over a three week period of time. Councilman Porco stated that for them to recommend what should be cut in that short period of time is impossible. He understands that the school board has probably spent as much time preparing their budget as the Mayor and Council did

on theirs. He assured everyone that no one on the Council wanted to make any cuts that would eliminate teachers or programs that would impact the children. Councilman Porco explained that they were trying to work together and have an open dialogue to look for some savings and see what potentially could be put off for another year but unfortunately things didn't work out that way. Councilman Porco suggested that the administrative position to the Board be kept as a part-time position because to bring it back up to almost full time with benefits sends a bad message to our town. He continued by saying that the school board has a job to do in coming up with the best budget for the schools and the Borough has to come up with the best budget for our town. When the school budget came to the Mayor and Council, it was the Council's job to look at it along with their own budget and decide what the right to do across the board. He continued by saying that this position was added at a time when we cut back salaries, departmental budgets and gave furloughs on the municipal side and he feels that this is sending a bad message to those people who are dealing with these cuts. He felt that if this position was maintained as part-time instead of going to almost full-time with benefits, while it's not a lot of money, it says a lot to those people whose salaries have been cut and didn't think it was fair across the board. He felt that they should've have left this position as is for this year and if things get better next year or when things get better then they could talk about bringing it back to what it was previously. He further stated everyone who works at the Borough Hall is a team and many departments who are in dire need of extra help were cut back because there is no money. He doesn't feel that you can pick and choose and again feels that they are sending the wrong message by approving the school budget.

Councilman Moscaritolo-stated that he is very happy the school budget passed with bipartisan support. He further stated that after the Board of Education and Mayor and Council scrutinized the budget, no one could find clear and convincing evidence to justify line item cuts. He thanked everyone for attending the meeting on Monday night as well as tonight to hold this Council's feet to the fire to do the right thing.

Councilman Bartelloni- read a statement as follows:

From the beginning of this nation we have recognized the importance of an educated people. In 1765, John Adams wrote the following " it should be your care, therefore and mine, to elevate the minds of our children and exalt their courage; to accelerate and animate their industry and activity; to excite in them an habitual contempt of meanness, abhorrence of injustice and inhumanity and an ambition to excel in every capacity, faculty and virtue. " Today, a quality education is even more important to our children's success. Education has the power to transform and elevate people, financially, physically and emotionally. Providing a quality education is one of the most important functions of local government, second only to public safety. That is not to say that our schools have a blank check to do as they wish. There has been significant growth in the school budgets over the last several years. It was proper, question whether, the board of education is spending on unnecessary items that were not needed and we cannot afford? As a result of the recent election we were charged 10th the responsibility of examining the school budget. Part of that responsibility 4 to go beyond the numbers, educate ourselves about the schools, ask questions when necessary and examine whether our tax dollars are being spent efficiently and effectively. Also, we have had an obligation to look at the circumstances surrounding the vote. I do not believe that our voters were confused by the referendum. Our citizens made a thoughtful and informed choice. I do believe that many voted down the budget out of concern for the referendum. If the referendum passed they wanted a mechanism by which they could offset the increase they would see in their taxes. Thankfully, the referendum failed. Looking further at the vote, three of the board of education members who constructed the budget were up for election. Two on the River Edge Board of Education and one was running for the River Dell Board of Education. Those three individuals were overwhelmingly elected. If the voters were so dissatisfied with their services, and the budget was excessive, then why elect them again. At the meetings we attended and in the emails I received, I heard many people come out in support of the budget and very few, speak out in favor of making cuts. We have the third lowest per pupil cost in the county and the 19th lowest in the state. At Cherry Hill and at Roosevelt, they are doing wonderful things in music, science, art and reading. The schools are investing in their literacy programs. This requires additional books and equipment. The ability to read and to comprehend what you are reading is the foundation for all education. I believe this to be a worthwhile investment.

I was able to tour New Bridge Center. There they use a multi-faceted, multi-discipline approach to educate our children who require additional assistance. Make no doubt that this is expensive, but it is essential.

Additionally, we cannot forget that in 2009 and 2010 we lost nearly a \$1,000,000.00 in state aid. The term state aid is an odd term. In 1976 the State of New Jersey instituted an income tax. The purpose of the income tax was to reduce local property taxes. Only in NJ would a tax be created to try and lower another tax. After 35 years, we can see that the income tax has failed to achieve its stated goal. What it has become is a method of redistributing tax payer money from the suburbs to the cities. In the coming year, 1.7 billion dollars of income tax money will be sent to just 4 cities, Newark, Jersey City, Trenton and Paterson. River Edge will receive a little over \$169,000 in aid. The entirety of Bergen County will receive roughly \$157,700,000.00 in aid. That is roughly 23 percent of the total that the City of Newark, alone will receive. Anger and frustration with our property taxes should be directed at our state legislature and Supreme Court who continue to perpetuate this flawed system and who burden us with countless unfunded mandates. I reviewed the school budget in depth, I toured the Board Offices

and Cherry Hill and New Bridge Center and I found the budget as submitted to be a fair budget. This is why I voted to adopt the school budget as is and I urge this council to pass a resolution telling Trenton to stop taking our money and giving it all to the so called Abbott Districts, but rather distribute the money evenly. Moreover, we as a council must focus our attention on revitalizing the Kinderkamack corridor and our downtown. Only then will we get true property tax relief.

* Dissertation on Canon and Feudal Law*

Mayor Watkins-thanked everyone for coming this evening. The Mayor informed everyone that the school district received a \$90,000.00 grant for the bathrooms, the Borough has received a grant for the handicapped accessible doors and a minimal amount of money for the senior bus drivers. Regarding the school budget, the Mayor has received feedback from many residents asking why the budget is not being reduced after it was defeated? The Mayor stated that many people wonder why those who voted the budget down have not come forward at a meeting. The Mayor explained that there was so much anger displayed at the meetings on Monday and Saturday morning and they were afraid to speak up fearing teachers may remember their names and take it out of their children. Once a school budget is voted down, the Mayor and Council are mandated to review it and they did due diligence by taking the time to go through every page. The Mayor felt that many of the angry comments were uncalled for and took exception to the many nasty e-mails that she had received. Mayor Watkins stated that this Council has restored the budget and for those who are not happy about that, they have next year to vote. The Mayor stated that for those who are upset that the school budget went down because the referendum went down, the impact on taxes would have been so great that most likely the local school budget would probably never pass. As a point of information, the Mayor stated that 95 houses are for sale and 26 are in foreclosure which is a clear indication of the financial hardships that many people are experiencing. The Mayor hopes that when people leave the chambers this evening they leave without the anger that has been expressed at the last two meetings and stressed the importance of working together. The Mayor again thanked everyone for coming this evening especially the Principal and Superintendent Ben-Dov. The Mayor stated that Dr. Ben-Dov had informed her that the Tenafly school system doesn't have half of what the River Edge schools have and she feels that says something because they are a wealthy community.

ADJOURNMENT - 7:30 P.M.

Motion by Councilman Cannon, seconded by Councilman Mignone to adjourn the meeting at 7:30 p.m.

Mayor Margaret Falahee Watkins

Attest:

Denise A. Dondiego, Borough Clerk

Dated: