

MAYOR AND COUNCIL
BOROUGH OF CLOSTER

SPECIAL MEETING MINUTES - WEDNESDAY, MARCH 19, 2008 - 7:00 P.M.

The Mayor and Council of the Borough of Closter held a Special Meeting at Borough Hall on Wednesday, March 19, 2008. Mayor Heymann called the meeting to order at 7:07 p.m.

1. PLEDGE OF ALLEGIANCE

Mayor Heymann invited all to join in the Pledge of Allegiance.

2. OPEN PUBLIC MEETINGS ACT STATEMENT

Notice of this Special Meeting was sent to the following newspapers on March 13, 2008 for publication:

- a. The Record for publication on March 15, 2008.
- b. Press Journal for publication as soon as possible.

Mayor Heymann declared that the meeting was being held in compliance with the provisions of the Open Public Meetings Act.

3. ROLL CALL

The following persons were present:

Mayor Sophie Heymann
Councilpersons John C. Glidden, Jr., Thomas Hennessey, John Kashwick,
Cynthia Tutoli
Acting Administrator/Treasurer, John DiStefano
Borough Attorney, Edward T. Rogan
Borough Clerk, Loretta Castano
Chief of Police, David Berrian

The following persons were absent:

Councilpersons David Barad and Victoria Roti Amitai

4. INTRODUCTION OF 2008 MUNICIPAL BUDGET AND RELATED RESOLUTIONS
PUBLIC HEARING - APRIL 23, 2008 @ 7:30 P.M. (Received from Auditor 3/14/08)

Motion to introduce the 2008 Municipal Budget was made by Councilman Kashwick, seconded by Councilwoman Tutoli.

BEFORE ROLL CALL VOTE, Borough Clerk questioned if there would be discussion or explanation of the Budget. Mr. DiStefano informed there would not be an explanation; and Mayor Heymann noted she wished to give one explanation. She informed that it was mandated they introduce the Budget this evening in order to apply for extraordinary aid; due to the deadline for handing in the application, they called this Special Meeting in order to approve the Introduction of the Budget. The Budget, as it currently stands, is not final; they can make adjustments all along the way; since they applied for extraordinary aid, it means the Budget cannot be finalized until they get the figures either including or excluding any aid received. Should anyone have any questions regarding the figures in the handbook, they can speak with her. In response to Ms. Castano, she advised that there will be a public hearing on the Budget and any other issues regarding same on April 23, 2008 (at 7:30 p.m.).

Councilman Hennessey questioned a state-mandated cap of 3.5% on the Budget; Mr. DiStefano informed there was 3.5%, which they met, and 4.0% with which they are having a problem. In response to Councilman Glidden's request, Mr. DiStefano explained that the 3.5% is the appropriation is the overhead, including the salaries, wages, insurance; the 4.0% is in regards to pensions, the library, and everything that goes above it; and it cannot go above 4.0%.

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Councilman Hennessey referred to the 2008 Budget Workbook (of March 12, 2008) noting the Budget increased between 2006 and 2008 is estimated and it is 15.0%. Mayor Heymann explained that Mr. DiStefano answered one part of the question and informed there was previously only one cap. The first cap is a cap on expenses, which is the 3.5% and it is 2.5% and you get a waiver for 3.5%; and 4.0% would include extraneous expenses that were explained. This year, there is a tax-levy cap, which they cannot meet. They are under the 3.5% this year, and they passed the request for a waiver for the 2.5% to the 3.5% at the last meeting, but this is fairly automatic and they only had to inform the public. Regarding the new tax levy cap, they are far away from the 5.0% and are about 12.0%. Mr. DiStefano added that they have maximized all of the revenue and taken as much surplus as possible and cut all expenses as possible.

Mayor Heymann explained they are so far from this cap because the mandated expenses increased greatly, none of the flexible expenses increased; this is due to the pension fund, which went up by 50.0%. However, the income decreased considerably in 2007 and went down to close to \$1,000,000.00 between 2006 and 2007, which hurt in addition to the mandated expenses. This is why they are asking for extraordinary aid; this is not for every community as others are increasing development and increasing income; however, Closter is not.

Motion approving Introduction of the 2008 Municipal Budget was declared carried by Mayor Heymann upon the affirmative vote of Councilpersons Glidden, Hennessey, Kashwick and Tutoli.

5. OPEN MEETING TO PUBLIC FOR ANY MATTER, PER N.J.S.A. 10:4-12(a)
(Subject to 5-minute limit per General Rule No. 10)

No one wished to be heard.

6. ADJOURN

Motion to adjourn the Special Meeting at 7:14 p.m. was made by Councilman Kashwick, seconded by Councilwoman Tutoli and declared unanimously carried by Mayor Heymann.

Provided to the Mayor and Council
on March 27, 2008 for approval
at the Regular Meeting to be held
April 9, 2008

Loretta Castano, RMC
Borough Clerk

Prepared by Donelle K. Bright utilizing
recording and Borough Clerk's notes

Approved at the Regular Meeting held 4/9/08
Consent Agenda Item No. 14b.