

Special Council

Meeting

May 17, 2010

Minutes of a Special Council Meeting of the Borough Council held at 7:30 P.M. on Monday, May 17, 2010, in the Council Chamber, Hillsdale, New Jersey.

The meeting was called to order by Acting-Mayor Weinstein who led the Salute To the Flag.

ANNOUNCEMENT OF MEETING

This Special Meeting of the Borough Council of the Borough of Hillsdale was called pursuant to the provisions of the Open Public Meetings Act. In addition, copies of the notice were posted on the bulletin board in the Municipal Building and filed in the office of the Municipal Clerk. Notices on the bulletin board have remained continuously posted. Proper notice having been given, the Municipal Clerk is directed to include this statement in the minutes of this meeting.

The fire exits are located through the double doors to your left. Proceed through the lobby and exit the building either right or left. Please note that these meetings are televised live throughout Hillsdale on Cablevision and re-broadcast on US Cable. Please silence all cell phones and pagers.

ROLL CALL:

Borough Clerk Sandt called the roll those present being as follows: Councilmembers Arnowitz, DeJoseph, Giancarlo, Hanlon, Schiavone and Acting-Mayor Weinstein.

ANNOUNCEMENT OF MEETING

This Special Meeting of the Board of Education was called to the provisions of the Open Public Meetings Act.

Jim Hayden announced that he has a revision to the meeting Agenda. Hearings of citizens, delegations will be taken after the discussion portion of the meeting. No matter what the Council's decision is tonight, the Board will not be taking action until its

next regularly scheduled meeting next Monday, May 24, at 8PM at the White School meeting center.

Acting-Mayor Weinstein said there are two official meetings going on here. This is an official Council Meeting and an official Board of Education Meeting happening at the same time.

He invited everyone on the Council to speak on the voted down school budget. The Board of Education will have an opportunity to make general comments.

COUNCIL COMMENTS

Councilmember Arnowitz said we are not willing to discuss busing. The kindergarten is too important to our community and the Board of Ed has agreed. He said he has an obligation to cut the budget but is not looking to affect education. He has seen the largest turnout he has ever seen for the Board of Education school election. There were more people who voted against the budget. We have an obligation to realistically cut something out of this budget.

Councilmember Hanlon said she would not want to do anything to harm the education process. She clarified a comment she made last week about the test scores because contrary to what the newspapers said, that is not the Hillsdale school system. She wanted to reassure the public that education is what brings people into this town.

Councilmember Giancarlo said the people voted, 55% to 45%. Ten percent is sizeable and for a school board election that is huge. He believed the best way to facilitate a reduction is with a wage freeze. It has happened in other school districts and it can be done if the union is asked officially. He is in favor of a wage freeze for one year and no one is laid off.

Councilmember DeJoseph said we received many emails from residents concerned about being able to pay for this and is the biggest concern of our residents. Obviously some people said they had no problem paying more but more emails came in stating they are unable to pay the whole tax in general.

Councilmember Schiavone said the greatest response she has received from residents is the issue of detrimentally affecting our education system which would affect our property values. People are very concerned about that. She was elected to make sure Hillsdale the type of community people want to stay in. She said there was a proposal from the Board of Ed cutting \$207,000. She did want to affect the level of education or our property values; our taxes are horrendous. We cannot solve our tax issues by attacking one Board of Ed; our tax problems start at the state

level. We can do the best we can to get as many cuts as we can, but based on what she heard from the negotiation meeting Friday night with our Council members and the Board of Ed, we can't find anymore cuts. She hoped to come to an agreement with what is being offered today. We have to accept the fact that teachers will not open their contract. We have to look forward to the next negotiating session. The teachers have gotten our message and the message from the voters and hopefully the teachers will feel they are privileged to have such a great job in Hillsdale and start working with us.

Acting-Mayor Weinstein thanked everyone who came to join us. Our goal tonight is to resolve this issue and he believed it will be through compromise. This means either party doesn't get everything they want. He said it is the Council's responsibility to bring this to a conclusion, to do what we are supposed to do which is to pass a resolution which gets submitted to the Board of Ed for their review and discussion. It would happen at their next scheduled meeting and let the process continue.

He has heard from scores of people and there is outrage that we are not cutting, outrage that we are not cutting less, outrage at how long it is taking. We are all passionate about this issue; education, children, property values, our future as a desirable community.

Acting-Mayor Weinstein turned the meeting over to the Board of Education for comment.

Jim Hayden thanked the Council for holding this public meeting. Our preliminary budget included some very painful cuts to our staff, programs, including a reduction of three teachers, eliminate of Lincoln Center aesthetic education program and after school enrichment programs. On March 17 we were notified that our state aid was not being cut 15% but rather \$900,134, a reduction of over 75%. We only had five days to finalize and submit the budget to the County Superintendent. On March 18, the Board adopted the following cuts: Decrease staff by 10.2 positions affecting 19 people including 5.6 teacher reductions, 3.6 custodial positions and reduced all seven part-time secretaries by five hours per week which equals one full-time position. We increased class sizes in all three schools including up to 25 in Grade 3 at Smith to 23 in Grade 2 at Meadowbrook and 22 and 23 in all the Kindergartens. We eliminated funding for the grade 5 Greenkill environmental trip and the certified Spanish teacher in Grades 3 and 4. We will be charging \$2000 a year tuition to our regular education pre-school students. This represents cuts of \$436,068 or nearly 50% of the state aid loss.

The Board felt that eliminating our busing program and another 3.1

professional staff members could not be justified as it would raise serious concerns related to safety, supervision and the social needs of our children.

On April 20, the high school budget was defeated by 258 votes but passed in other towns. Our local budget was defeated by 209 votes. On April 29, representatives of the Board and Council met and the Board offered cuts of \$110,000 excluding busing and staff reductions. He believed we reached a satisfactory compromise. On May 7, our Superintendent was notified in writing that in addition to the \$110,000 the Council was seeking an additional \$586,842 in the form of a reduction to district-wide salary freeze and health care contributions. In the letter it was stated that the governing body does not want to see any reductions in personnel other than suggested above nor do they want to see classes eliminated or class sizes increased. On May 14, the Council and Board met again. Nearly every staff in our district is currently under contract and none of these contracts are open for negotiation until next year. The respective bargaining units have been asked if they would open their contracts and they have declined.

Over the past 10 years, Hillsdale has consistently spent a million dollars below adequacy as defined by the state. This means that our district is spending less than the state says we are supposed taking into account our enrollment, grade composition, social economic conditions, geographic location and other components. We have provided relief to the taxpayers of Hillsdale in excess of ten million dollars over the last 10 years. The taxpayers of Hillsdale should have been spending approximately \$300 more on local education for every house with an average assessed value of \$579,000.

It is his opinion that we are one of the most efficient school districts in the state and would compare our efficiency with any district in the region or the county. Our budget as proposed only went up 2.84% over last year's original budget and is down 1.1% of the revised budget. That is well below the rate of inflation. The only reason we are here with an issue today is because of the actions Trenton took. We are the only district in the Pascack Valley that is spending below adequacy.

Of even greater concern is our status in the regional school district. We are currently spending \$417,351 less than our sister district River Vale. This district has only 24 less students than us. Over time this would put our children at a competitive disadvantage in the high school we share. There is the possibility that Trenton will propose a strict 2-1/2% cap, should that occur, we may never be able to undo the impact of any additional cuts. We are charged with the legal responsibility of providing our children with a thorough and efficient education. We are meeting our

responsibilities, however, we recognize the political reality of a defeated budget and that the Council is now required to be part of the budget process. We suggest the following reductions in spending.

1. Eliminate the facilitator portion of the computer teacher for a savings of \$90,080.
2. Postpone the fire alarm upgrade for a savings of \$36,000.
3. Reduce the Superintendent's office accounts by \$23,530.
4. Eliminate a teacher aide at \$10,900.
5. Conclude negotiations with our transportation provider resulting in a savings of \$8000.
6. Eliminate the Board's attendance at our annual state workshop and other training to save \$7000.
7. Reduce Section 504 service line items in each of our schools for a total of \$6000.
8. Postpone upgrade of nine tech lab computers for a savings of \$4,050.
9. Reduce the dental account due to staff reductions in the amount of \$2906.
10. Reduce the parking lot paving allocation by \$500.
11. Apply budget surplus of \$18,-34 for a total tax levy reduction of \$207,000.

Some of us believe it irresponsible to take anything from our inadequate surplus, however, we would rather take the chance than increase class sizes or eliminate our busing program. The Council and Board will be working together to implement some sort of subscription busing for the following school year. We cannot anticipate the funds that could be raised through subscription busing before the deadline before the Council and Board need to act.

He does not believe the children of Hillsdale should be punished for our prudent and efficient management of their school system. The fact that the high school budget was defeated in Hillsdale by 25% more votes than our budget should tell you that people are generally satisfied with the local school district. This budget was defeated by a margin of less than 3% of the eligible voters.

Acting-Mayor Weinstein said last week a resolution had been drafted that was not acted upon that essentially included items that were both in the unilateral control of the Board of Ed to decide on and several items that were not and that was the bone of contention. We met Friday morning to discuss many different options and the Council very diligently went through various line items to make sure there was no stone unturned. What Mr. Hayden read is the current proposal on the table up to \$207,000 this week.

Councilmember Giancarlo said no one has illustrated how a one year

freeze on salaries is going to effect education. What the Board is proposing is going to affect education. Now you are proposing to do away with more teachers and more resources. The Governor is asking that teachers and other public school employees renegotiate their contracts and forego one year raises between 4% and 5% on the average. Unions can help districts save millions of dollars and avoid layoffs and drastic cuts in curricular activities. There are communities in the state where public employee unions have shown willingness to open contracts and give up salary increases in an effort to save their colleagues jobs. We keep on coming back to this but it is about cutting services to children. He keeps coming back to this because his questions are not answered.

Jim Hayden replied that the association was not asked once but twice if they would entertain opening the contract. They declined and it is their right. The New Jersey districts were in negotiations at the time this came about and it is to the best of his knowledge that no district under contract opened their contract.

Councilmember Arnowitz said by raising salaries there is no effect on the education the teachers have to provide because we still retain the superior teachers we have, When we first met with the Board, if the freeze was accepted by the teachers, we would not be utilizing all of the dollars and reductions that you were looking to put on the teachers that were cut from the original budget that was defeated. We haven't discussed partial freezes and if the union was willing to discuss that, we could come to an agreement. You have taken out the computer teacher but you put back in retirement of Cartwright's replacement. Is the \$54,000 savings reflected in the \$207,000.

Mr. DeNorchia said we were directed by Council that you did not want to touch courtesy busing or any further staff cuts. He put the facilitator portion of the teacher in and took Mrs. Cartwright's retirement savings out. He will use Cartwright's retirement to buy that teacher back so there is no staff cut and reduce class size in one of the grade levels. The \$207,000 is a very fragile budget and he is very concerned.

Acting-Mayor Weinstein said there was concern about 5th grade becoming 26 and 27 kids per class.

Mr. Hayden said we restored that teacher to keep the class size.

Mr. DeNorchia said the teacher is taking a leave of absence but we transferred a teacher into that spot. We will make another section of Grade 5 back down.

Acting-Mayor Weinstein said this does not touch the busing issue

and does not touch that classroom teacher. Kindergarten will remain the same.

Councilmember Arnowitz said if we were to insist on a pay freeze which you can't implement, then you would have to cut positions. The freeze would represent more than 10 or 15 positions.

OPEN PUBLIC MEETING:

Acting-Mayor Weinstein opened the meeting for comment by the public.

Paul Kearns, 23 Cedar Street -

The directed cuts will have an effect on the quality of education on children. He provided some ideas for possible regionalization with other towns. We have to honor our contracts.

Ron Calabria, 250 Everdell Avenue-

Teachers do a great job but we just can't afford it right now. If the teachers would take a one year pay freeze, not a pay cut, there would be no touching of any services. The budget went down by 9.8% which is a large portion for a small like this.

Julianna Hodgman, 92 Yesler Way -

She thought it would be nice if the teachers would offer a pay freeze which would be best for the children and no cuts would be necessary.

Kristin Martin, 219 Washington Avenue -

We are wasting time speaking of pay freeze for salaries for teachers. We need to pay for community, we need to stop putting all of this on our teachers who do not make a lot of money. This is detrimental to our schools and our children's education.

Al Metz, 105 Baylor Avenue -

He endorses the job and conviction of the Board of Ed and believes they are doing a wonderful job. The figures he presented last week compared Hillsdale schools to only schools in our socioeconomic district, not schools who are doing better, but schools in our district alone and we are not doing well. He did that because the Board of Ed has previously expressed the concern that special education population would affect the test results. It does not. Hillsdale schools as averaged by grade as do surrounding schools and schools in Bergen County, last week he described that Meadowbrook School placed in 4th Grade Math in the bottom 3% and 5% in Math failure and Math excellence. If you include special education, Hillsdale schools actually did better. We were in the bottom 4% and bottom 5%. The same holds true for Smith School and White. If we spend less than River Vale schools we will come to the point where we don't do as well. We are not spending enough on

our schools. Every dollar we spend has an impact. He said he believes no more money should be cut from Hillsdale schools.

Nicki McGrane, 90 Ruckman Road -

She, as a teacher, feels the need to defend her colleagues and the people who take care of her children. Teaching is not a get rich profession. She explained what she does as a teacher. She is opposed to a freeze in teachers' pay.

Joseph Famoso, 190 Arthur Street -

This is not Governor Christie's issue, he is trying to solve the issue. According to the website using 2009 figures, we have \$190,000 Superintendent who has a \$142,000 Administrator helping him and supported by five office staff earning \$213,000. You are over a half million dollars. The Superintendent has three Principals who are making almost \$400,000 plus an Assistant Principal; there are five secretarial people at White and without knowing the secretarial support at the two grammar schools, we are talking in excess of a million dollars. Pensions and benefits are on top and you are looking at a million and a half dollars or better. The teachers union is refusing to open the contract, what about the management. What is the management willing to open up their contract and who signed the contract where people are getting 12% raises? That is this board that is sitting here. You have created your own problem, you sign contracts that give people 12% annual raises. He asked Mr. DeNorchia his percentage for next year. He asked his current salary which is \$212,000. He said the Superintendent of Education in the State of New Jersey earns \$141,000. He asked how a Superintendent of three grammar schools that has a support staff in excess of \$900,000 deserves a salary 50% higher than the Commissioner of Education for the State and is probably \$50,000 or \$60,000 higher than the Governor of the State of New Jersey.

Doug Hodgman, 92 Yesler Way -

In this economy it is unfair that the Governor did what he did and it is unfair that we are here. He believes this recession will turn into a depression if we try to hold on to everything that we have because the ranks of the unemployed will get bigger and bigger and the only solution is layoffs. He hoped everyone in this town could work together.

Nicole Klas, 206 Raymond Street -

She says everyone is blaming the teachers and she did not think it is fair. She prepares seniors tax returns and to say seniors are being pushed out of town is unfair and inaccurate. If seniors make less than \$65,000/year and lived in New Jersey for 10 years they are entitled to a freeze in taxes. People here tonight are speaking for what they want for this town.

Al Mugno, 89 Ralph Avenue -

This meeting is a compromise, people voted the budget down by a slim margin. If a 2-1/2% cap is place next year, things will be worse. Education should be first priority and if \$200,000 is cut from the budget, we will never see that money back. He asked that teachers be left alone and come to a compromise. He asked why we cannot vote on a county or state budget.

Jill Hayden, 272 Ell Road -

She said as a town or school district, she suggested you go back to suppliers also when you are looking for reductions. She said we will have this problem for a long time and we should look at the whole picture because contributions from taxpayers need to work smarter and not harder. We all working harder to make ends meet.

Rashella Roznitsky, 344 Ell Road -

The Board of Ed is between a rock and a hard place and they have done an amazing job with their budget. She asked if a revote would be acceptable in town. Regarding Special Ed she asked if there was anyway that could be placed under health care or state monetary funds because that amounts to about \$900,000 and only benefits about a dozen children.

Superintendent DeNorchia said we cannot, the child becomes the responsibility of the school board at age three and that includes all their related services.

Rod Capawana, 124 Baylor Avenue -

Regarding the \$205,000 savings, what does that amount to per home. He asked why you can't cut half a mil from the total budget. After last week's meeting he met a couple of mothers who were afraid to say anything because of retaliation. What bothers him is that the teachers threaten to sue the town. They say it is the children and he doesn't want to hear that argument anymore, it's for the money.

Mark Seuter, 33 Midland Avenue -

The unfortunate situation we find ourselves today is not the teachers fault and it is not going to get us anywhere to demonize anyone in particular, teachers as well as the Board of Ed and Superintendent. All the teachers have done a great job and it is an unfortunate situation we find ourselves in. Our answers are to be found in looking for plausible possibilities and not in trying to assign blame or fault. It is a question whether we are to sacrifice for our children, for our town, or make a big deal about the money of money that would cost for a flat screen TV.

Kris Lewis, 108 Piermont Avenue -

What she is bothered with is if you cut \$600,000 from the budget, next year when we start again with a 2.5% cap, we are starting with \$600,000 less. We are losing so many services for our kids and we

are going after the salaries, but it does not seem like a feasible option. She said the Board of Ed is fiscally responsible and they do explain to people and she is not in favor of drastic cuts at this point.

Councilmember DeJoseph asked for a clarification from the Board of Ed of the percentage increase for the tax levy. The tax levy is increased to the local residents of 8.4%; he would be more comfortable with 4%.

Mr. Hayden said the Board did not pass on the full loss of state aid. We compromised with 6% cuts; the real estate tax levy was a reasonable compromise.

Leta Gordon, 68 Baylor Avenue -

She referred to the resident who spoke on the Teamster cuts and kept saying a public contract; that is a private contract. Teachers are public employees and they are paid through tax dollars that are collected, the Teamsters are through industry that is private and those are different issues. She is disturbed that we have a Governor who mandated that they should get money from the teachers union and that he should talk like that about educators. This affects our young people, our students in elementary school, middle school, high school, college. Educators were treated with respect and thanked for the job that they do. The Council sits before us and carries out the will, the mandate of the Governor who has made it clear that he is out to get educators. The residents who made terrible comments about how you should be embarrassed and our Superintendent's salary should be questioned are not any different than they were 10 years ago. We had to listen to it then and we have to listen to it now. People don't vote in school elections the way they should. She thought everyone should start putting constructive points where money should be looked at to be saved for taxpayers. The School Board has no control over the money that they are mandated to pay for the needs of the children. She thought perhaps the people who are supplying the mandate should be monitored and shouldn't be charging the amounts they are charging.

Katherine (inaudible), 56 Oak Trail Road -

She does not qualify for busing and she drives her children to school. Why would we have to pay police officers for traffic control, why couldn't someone else control traffic. She asked if the \$2000 would cover the cost of pre-school because to send children to pre-school in the area costs more than \$2000.

Acting-Mayor Weinstein said currently we do not have the coverage we would need for carpooling, people taking their own kids to school. It is a matter of having police cover three schools in the morning and afternoon and crossing guards on a police force that is

covering the town for the regular calls they have. There would have to be an increased presence and the estimate from our professionals was from anywhere from \$60,000 to \$80,000 to offset savings of about \$130,000.

Councilmember Arnowitz said at any given time we have between two and three police officers on the street. If we put a police officer at each school and an emergency arises, by law they cannot leave. He disagreed with the police chief on his estimate for crossing guards, we would need more crossing guards than he is estimating and he is demanding sufficient safeguards for our children.

Max Scozzafava, 167 Magnolia Avenue -

Each person seems to be saving the services of courtesy busing cannot be cut and you have already addressed the problem with preschool. How did having parents pay for preschool singled out as opposed to busing.

Mr. Hayden said the preschool handicapped class in our school district has a certain number of slots that are filled by children who are required to have additional services provided. We are allowed to have a certain number of additional children in that classroom for regular education children. By lottery, we have selected some children to take advantage of that service and now we will be implementing \$2000 a year tuition for those children. It is extremely limited, it is not generally available.

Mr. Scozzafava (Contd).

How is that different from a service that is not mandated and he is using that as an example. There are things that are less than academic and if we are really talking about hitting numbers, we have to start identifying services and other services we can address as we have addressed the preschool.

Robert Holmes, 22 Bedford Road -

If we are looking to bring ourselves collectively to solve things, there is an opportunity regarding busing to bring the whole community together. Parents are concerned about the safety of their children, why couldn't create a massive get the kids to school safely program that involves a lot of volunteers among parents. There could be a safe routes to school system which is massively staffed by the parents themselves conducting the children to school safely and supplanting the bus system.

Blake Marcus, 6 Douglas Drive -

She said residents were speaking about danger of children crossing the streets, but for the parents we're concerned about the danger of a classroom of 26 children is so severe. It is horrible for teachers and children who can't do their job and said you cannot

put 26 children in a classroom. We are here about the inside of the classroom and no one is talking about it. You need to keep the teachers, keep the low number of students in the classroom. If you need to keep a high number in the classroom, fight for those aides because they help the teachers do their job. If need be, we will come forward and help the children cross the streets.

Lauren McKenna, Piermont Avenue -

They made a decision to move to Hillsdale by making a spreadsheet regarding affordability, SAT scores, and Hillsdale came up at the top of the list. That is why they moved to Hillsdale and she is very concerned and bad decisions are being made here. All the residents needed to do a better job because it sends a bad signal. People will think twice about moving to Hillsdale now and Hillsdale voted the budget down whereas other towns in Pascack Valley did not. Our taxes are high in Hillsdale and the reason is we have very small towns in New Jersey and have redundant services. We should find a way to share administrative costs and she would rather having those types of discussions rather than talking about taking away services to autistic kids which are mandated.

Bud Franco, 9 Country Lane -

You can't vote for the county budget, you vote for the Freeholders and they vote for the budget. Her daughter is a teacher but this is strictly dollars and cents, we are in a tough economy. We are in a difficult situation with the state and even if you don't like it you have to straighten things out. A remark was made about what happened years ago and he did not think that was right because the people who were involved did a lot of hard work to save this community. Most of you would not be here if what would happen if that person said. If you look at all the facts, there was a lot of things going on, conniving, bickering and things going on. Those people deserve a statue in town.

After a discussion with the Council, the public portion of the meeting was closed.

Councilmember Arnowitz said this evening, we had one very good suggestion regarding the health benefits that we are required for handicapped or disabled children. The way to change this is not by asking the school board to go to the state or the Council to go to the state, we all have to go to the state. Letters have to be written to your legislators who are very open to suggestions. If all the people in New Jersey have been affected by this economy and the cost of education, that would probably be effective. We should be paying for basic education costs per student and anything above that should be picked up by the state.

As far as holding a special election, but it would probably cost us more than what we could save. We are at \$207,000 he could agree to

this. Everyone who spoke talked about how the Council is affective the education process of our children. If the teachers would open their contract and cut all the salary increases this year, how does that affect the children of our community? You are not going to teach less or work less, we're asking you to be a partner in this community and help us to accomplish something. If you are not willing to do that, obviously we have to look at services that affect our children, whether they be busing or cutting out school programs. He does not understand how freezing or cutting the salaries when we are asking the teachers to help pay for health benefits affects the education of our children. \$250,000 out of the operating budget does affect the education process of our children. Cutting 10-1/2 positions from the original budget does affect the education process of our children.

Acting-Mayor Weinstein said we do have a resolution which calls for additional cuts of \$207,000, it does not address cuts associated with busing and it does not cut the teacher that had been discussed last week and earlier today.

Councilmember Giancarlo said eventually we don't tackle the big nut, we are going to go there one day. The talk about opening the contract, it was a deal, it is time to move forward and in his opinion, they do not have a good opinion. It is his opinion that a salary freeze will save \$500,000, we are not talking about anything else. It is a year but it is a half million dollars, contracts will be negotiated next year. It is a way of life with contracts being renegotiated. To push an 8% increase on the taxpayers, the kids will take the hit and we are cutting this and that and meanwhile the teachers and administration are getting 4-1/2% raise. He did not think the people in this town voted for a 1% reduction and did not have that in mind when this was defeated. We will have continuing meetings like this as more and more services are cut. We have asked the people in town to take a zero percent increase this year and the Council has not taken an increase in five or six years.

Acting-Mayor Weinstein said there have been a lot of comments made about this mandate so he wanted to remind everyone that what happened with the school budget election is the people of Hillsdale asked Council to take a closer look at the budget as they did two years ago. He did not believe there was a mandate to make cuts, he believed there was a mandate to ask the Council to get involved in the process and use their resources along with the Board of Education to make decisions on behalf of the town. The mandate is to do the research, put in the time, study the issues and make decisions that make sense for the town.

Two years ago we found ourselves in this position and we chose not to make any changes. He does not understand how the mandate is

different this time and he certainly is not going to take the position to make up for any decision the people perceived was wrong two years ago. We have a new set of circumstances, we have a new set of numbers, the economy affects it, and each of use is spending an enormous amount of time making the decision; whether or not the mandate is for cuts, he did not think so. He thinks it is for this Council to do what it thinks is best on behalf of the residents.

Issues discussed tonight, class size, safety, quality of education, quality of life, property values; this isn't just about the education of the kids, we all made the most significant investments of our lives in this community. He wants to preserve the property values he invested in and hope to retire with someday. Education is a foundation for those property values, we are not going to change the location of Hillsdale. Our decisions affect the quality of education which has to be the second most important issue that people look at when they purchase a home and we need to be careful when we talk about the mandate and long term implications of our decisions.

River Vale sends less kids to their schools and spends more, there is a competitive issue here. We talk about adequacy: how do you know how much to spend; adequacy is a benchmark that is used throughout the state. We have been well below adequacy, we have spent less than the state said we should be spending for years. He agrees and believes much money was saved per household going back ten years. The reason we are in the position we are in right now, we are uncomfortable with the proposals on the table because we have done a good job. The state audited us a few years ago because they didn't believe that we were managing our education system as inexpensively as we are. We passed the audit, they confirmed that our kids were getting everything and more than they needed and yet we continue to have this debate.

Council is going through the same issue with our municipal budget. We have done a great job of managing this municipality and because of it, it is harder to find cuts. We did a lot of things you read about from other communities over the past five years to bring the most efficient and cost effective budget we can and we struggle every year to find ways to make it more and more palatable. The Board of Ed has done the same thing.

Councilmember Schiavone agreed with everything Acting-Mayor Weinstein just said. These cuts and decisions are not going to go away. The teachers union has gotten the message that a lot of people have not only had frozen wages but lost jobs, have cut wages and we have done the most we can as a Council to try to keep our taxes at bay. We can state now that we will continue to send a message to the teachers to consider the situation we are in their next negotiations.

RESOLUTION:

10071 Certification of Local School Tax Levy

Motion to accept the \$207,000 cuts that the Board of Ed has proposed and go forward and this conversation will be opened again next year. She made a motion to approve this resolution, seconded by Councilmember Hanlon.

Councilmember DeJoseph said we discussed this with the Board last Friday. He does not feel as the residents do that \$207,000 is not enough.

Councilmember Arnowitz agreed with Councilmember DeJoseph that we need to find more money. Last time the budget was defeated by 7 or 10 votes, this time it was defeated by 200 votes. When you see 4,000 people come out to vote, it says something to him. He is not advocating a half million dollars but he is advocating more than the \$207,000.

Roll Call Vote:

Ayes: Councilmembers Hanlon, Schiavone and Acting-Mayor Weinstein

Nays: Councilmembers Arnowitz, DeJoseph and Giancarlo

Acting-Mayor Weinstein said we have a deadlock.

Borough Attorney Paul explains what happens in a deadlock and Council responsibility if we don't come to a resolution.

Borough Attorney Paul said the resolution has not passed as is before the Council. Should that remain to be the situation by the 19th, then the statues kicks into effect in which the Council will have failed to act to certify the amount of the tax levy. Then the Commissioner of Education shall determine the amount or amounts which in his judgment are necessary to be appropriated and to certify to the County Board of Taxation the totals of the amount determined to be necessary. Should the Council fail either this evening or no later than the 19th to certify the tax levy amount, it goes to the Commissioner of Education directly to make a determination and certify. The Council might also modify the resolution as it sits before us and perhaps passage of another version.

Acting-Mayor Weinstein said this needs to be resolved no later than Wednesday which means we are out of time to notice a public meeting. It means it is here and now. He asked the Council if there was any more conversation or modification to the current resolution.

Motion

Councilmember Arnowitz would make a motion to increase the \$207,000 to \$250,000 and he would vote in favor.

Superintendent DeNorchia said he would hope that would not pass. This is a very fragile budget he is not lying. He was frightened this afternoon before he came here because he had a conversation with his Director of Special Services about the possibility of placing a student to an out of district placement. We have a very small contingency in our budget for that purpose. We are looking at another \$40,000 or \$50,000 shortfall already. He hoped the Council would reconsider to pass the \$207,000. He is fighting and being professional about it, he is hoping the council believes him when he says this budget with the \$207,000 cut is scary. If we go further, it could have grave ramifications. We will be in negotiations in a few months and we will have different circumstances than we had three years ago. He implored the Council one last time to please pass this Resolution 10071 for \$207,000.

Jim Hayden said we are going to be at a competitive disadvantage in the high school regardless of the number you choose tonight. The \$110,000 cut we proposed was uncomfortable to begin with and put us a half million dollars behind River Vale and three quarters of a million dollars below what the state defines as the benchmark of what we should be spending. The \$207,000 puts us \$667,000 behind River Vale and he did not think that is right. He did not think \$900,000 below adequacy is appropriate. We are putting ourselves in a hole and if we get the 2-1/2% cap next year, we will never dig ourselves out. That is not the responsible thing to do as a board member but the Council has to decide the responsible thing to do as a Council member. We don't give the children the best of everything, it means we try to do right by them. This budget can't take a \$250,000 cut.

Councilmember Arnowitz said no one seconded the motion to increase the budget to \$250,000. Councilmember Giancarlo seconded it.

Acting-Mayor Weinstein said in order to effect a resolution, we need to have the actual line item that the additional money would be associated with. If we are looking for an additional \$43,000 then we need some item to cut. Earlier this evening we had put in a computer facilitator and effectively took out the replacement for the retirement which is reflected in the \$207,000 as reductions. Now your proposal is putting back the \$54,000 that had been taken out. We do have a line item description.

Jim Hayden said that is to be interpreted by the Board of Ed as an additional cut.

Acting-Mayor Weinstein said yes.

Councilmember Schiavone said Councilmember Giancarlo said he did not want to affect education and Councilmember Arnowitz said he did not want to cut teachers. Now you are suggesting cutting a teacher.

Councilmember Arnowitz had no alternative because teachers are not willing to a freeze.

Councilmember Schiavone said there is an alternative to listen to our professionals that are advocating what we are facing in the initial resolution and the fact they are not comfortable with it. For years we have all bragged about our Superintendent and now all of the sudden we are not going to take his word for it when he says he can't save anything additional. \$43,000 saves one household \$1.50 per month. We are going to cut a teacher and increase class size which you said in a previous meeting you did not want to increase class size for \$1.50 a month savings. We got the message loud and clear, you want the teachers to accept the freeze, we are not there and that is not part of the discussion. It is not on the table, it is wishful thinking, it is not going to happen. We can't force them, they can't force you. You are saying cut a teacher and I am saying don't cut any one. She added that if this is not popular, she is sorry.

Acting-Mayor Weinstein said we have a motion and a second for \$250,000.

Roll Call Vote:

Ayes: Councilmembers DeJoseph, Arnowitz, Giancarlo
Nays: Councilmembers Hanlon, Schiavone and
Acting-Mayor Weinstein

Jim Hayden said we have no more business to act as a Board, he asked the Council to allow him to adjourn the School Board's portion of the meeting.

Motion to adjourn was made by Cheryl, seconded by Marianne, and unanimously carried.

RECESS: Acting-Mayor Weinstein recessed the meeting at this time.

RECONVENE: Acting-Mayor Weinstein reconvened the meeting.

Roll Call:

Present: Councilmembers Arnowitz, DeJoseph, Giancarlo, Hanlon,
Schiavone and Acting-Mayor Weinstein

Acting-Mayor Weinstein said we have two resolutions, motioned and seconded, and neither one has passed. He is seeking modifications to either one of those resolutions.

Motion

Motion by Councilmember Arnowitz to increase the \$207,000 to \$215,000, the additional \$8,000 under the salary line item and we are not affecting busing and eliminating an additional teacher.

Councilmember Schiavone said in a consensus with the school board, that number is manageable, so she seconded \$215,000.

Councilmember Arnowitz said this has been a most difficult task, he heard the public who told him to cut a half million dollars which was not realistic. He is concerned about the budget but he has to do something.

Roll Call Vote:

Ayes: Councilmembers Giancarlo, Hanlon, Schiavone, Arnowitz,
DeJoseph and Acting-Mayor Weinstein

Nays: None

(SEE COPY OF AFORESAID ORIGINAL RESOLUTION AFFIXED HERETO)

Councilmember Schiavone said we told the Robotics Team that we wanted to bring them in to congratulate them on their accomplishments and June 8 was the date. They will give us another demonstration.

ADJOURNMENT

A motion to adjourn was made by Councilmember Arnowitz, seconded by Councilmember Schiavone, and unanimously carried.

5-17-10

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Robert P. Sandt, RMC
Borough Clerk

APPROVED AS PRESENTED

Robert P. Sandt, RMC
Borough Clerk