

**Borough of Highlands
Mayor & Council
Special Meeting
May 12, 2010**

Mayor Little called the meeting to order at 7:06 p.m.

ROLL CALL:

Present: Mr. Nolan, Mr. O'Neil, Mr. Francy, Ms. Kane, Mayor Little

Absent:

Also Present: Carolyn Cummins, Borough Clerk
Bruce Hilling, Borough Administrator
Stephen Pfeffer, Chief Financial Officer
Scott Arnette, Esq., Borough Attorney

Mrs. Cummins made the following statement: As per requirement of P.L. 1975, Chapter 231. Notice is hereby given that this is a Special Meeting of the Mayor and Council of the Borough of Highlands and all requirements have been met. Notice has been transmitted to the Asbury Park Press and Two River Times. Notice has been posted on the public bulletin board.

Public Participation on Agenda Items:

Maureen Kraemer of 200 Portland Road, had a question about what the creation of Redevelopment Officer was?

Frank Nolan answered stating that it should have been an Economic Development Officer. It was written wrong. Had a complaint from perspective business owner who came to Borough Hall, stated he received bad treatment. Not sure how true that is. It will be a paid position, possibly thru assessments.

Chris Francy explained that he is more interested in Economic Development office in town hall rather than a Redevelopment Officer. He does not want the HBP to speak for Highlands. We need to be more business friendly.

Tara Ryan of 17 Ocean Street, Board of Education Member, spoke about reducing taxes. On the Highlands Board, they really looked at every area that they could reduce. She is concerned that the council is looking to cut specific items from both budgets. She was concerned that the Council wants to do more shared services. How can that happen if we already have contracts in place? It could cost more money in legal fees.

Donna O'Callaghan of 29 S. Bay Avenue questioned budgets for the schools. Highlands Elementary School reduction was as little as 1.3%. Asked about an individual whose salary was over \$136,000.00, why would she need \$5,000.00 for expenses? Spoke about Henry Hudson Regional School, they reduced by 3.81%. She questioned 11-000240-103, only item that was increased by 26%, why? What is a school admin?

Chris Francy said he does not understand completely the Henry Hudson line item increase. He is asking for some understanding until after the Board meeting Wednesday.

Rick O'Neil explained possible movement in Henry Hudson position for overall reduction in budget.

Donna O'Callaghan questioned Henry Hudson's reduction line items.

Sheryl McDonald of 9 Prospect Street commented on budget line items.

There were no further questions or comments from the public.

Mayor Little closed public portion.

Resolutions:

R-10-93 Resolution Establishing a Tax Levy for the Highlands Board of Education School Budget

Becky Kane and Frank Nolan negotiated with Highlands Elementary School.

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Becky Kane explained their Budget Meeting. The \$37,558 reduction came out of staff and services benefits. They are not cutting services from the classroom.

Frank Nolan said that the school had come in with a reduction, they did a good job, and it was voted down by referendum. We went in and looked for more cuts. We are not impacting classrooms with this number. He mentioned that we need to sit in on the meetings, starting in September, to have more time to be involved in long term reduction.

Council discussed the process of budget cuts with the Borough Attorney.

Chris Francy asked is it appropriate to suggest other avenues to explore?

Council continued to discuss the budget and reductions.

Chris Francy said there is a BA contract that is up in June, and the same person can not apply for it. We are looking for a new BA. That is an opportunity possibly to share with Henry Hudson. This is not reflected in the budget. We have two first grade classes with 11 students and 12 students. The school limit is 26. Can they be combined?

Frank Nolan said that they can not; because of some of the students IEP's which are regulated by the State.

Chris Francy wants to ask for more cuts. If we need another special meeting we can arrange to be there.

Rick O'Neil said that Henry Hudson is two thirds larger than the elementary school. He agrees that we need to have earlier involvement in the budgets.

Mr. Nolan offered the following Resolution and moved its adoption:

R-10-93

**RESOLUTION OF THE BOROUGH OF HIGHLANDS CONCERNING SETTING
THE TAX LEVY FOR HIGHLANDS ELEMENTARY SCHOOL**

WHEREAS, on April 20, 2010, the annual school budget for the 2010-2011 academic year, as prepared by the Highlands Elementary School Board of Education (hereinafter referred to as "BOARD") was defeated by the voters; and

WHEREAS, pursuant to the provisions of N.J.S.A. 18a:22-37, The General Fund Budget for the year 2010-2011 has been presented to the Finance Committee (hereinafter referred to as "the Committee") of the Governing Body of the Borough of Highlands for its determination of the amount necessary to be appropriated for each item appearing in the General Fund Budget; and

WHEREAS, New Jersey State Statute requires the Governing Body to certify the amount of local tax revenue to support a thorough and efficient system of education where a tax levy referendum of the BOARD was defeated by the voters of a municipality; and

WHEREAS, in the course of reviewing the defeated school budget, the Committee conducted a meeting; and

WHEREAS, in fulfilling its obligations, the Committee and the Governing Body have discussed, in detail, the budget and it's supporting documents; and

WHEREAS, the Governing Body finds that (1) the provision of a thorough and efficient system of quality education to the children of Highlands is of the highest priority and utmost importance to the Governing Body, the BOARD, the parents, children and all citizens of the Borough of Highlands and that (2) the provision of such an educational system is essential to the continued development of the community and the future of our children; and

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WHEREAS, the Governing Body further finds that (1) the provision of educational services to our children, as the provision of all governmental services, should be rendered in a cost effective manner; that all reasonable and necessary administrative efforts should be made to realize economies in the provision of education services so as to avoid unnecessary expenditure of public funds which do not relate directly to the quality of education provided to our children; and (2) the BOARD is mindful of the fact that the ever increasing tax burden upon our taxpayers must not be unnecessarily increased; and

WHEREAS, the Governing Body has determined that certain line items in the annual school budget for the 2010-2011 school year may be reduced without any adverse effect upon the quality of education provided; and

WHEREAS, the reasons for each such reduction in the annual school budget has been considered and addressed by the Governing Body and is set forth in detail below; and

WHEREAS, the Governing Body has been both reasonable and conservative in its review of the recommended reductions in the line item specified;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Borough of Highlands as follows:

The Committee, after due consideration and consultation with the full Governing Body, hereby finds and determines that the following line item contained in the annual school budget for Highlands Elementary School for the academic year 2010-2011 can be reduced without negative effect upon the thorough and efficient provision of public education in the Borough of Highlands:

<u>LINE ITEM</u>	<u>DESCRIPTION</u>	<u>REDUCTION</u>
11-1XX-100-270	Regular Staff Health Benefits	-\$18,779
11-2XX-100-270	Special Serv. Health Benefits	-\$18,779
	Total Reduction	\$37,558

The Governing Body hereby certifies to the Monmouth County Board of Taxation and to the Monmouth County Superintendent of Schools, the following amount relating to the General Fund to be raised by local taxation for the Highlands Elementary School District in the 2010-2011 school year is as follows:

The original tax levy for General Fund contained on the ballot pertaining to the 2010-2011 annual school budget for Highlands Elementary School

Board of Education was: \$2,898,146

The total amount of the net reduction in the General Fund found by the

Governing Body to be appropriated is: -\$ 37,558

The amount of the tax levy hereby certified by the Governing Body of the Borough of Highlands to the Monmouth County Board of

Taxation and to the Monmouth County Superintendent of Schools

For the 2010-2011 General Fund is \$2,860,588.00

The Governing Body hereby certifies that the revised school budget for the Highlands Elementary School for the year 2010-2011 containing the line item reductions as noted above, in accordance with the reasons for such reductions as expresses here, is sufficient to provide a thorough and efficient system of education in the Highlands Elementary School for the 2010-2011 school year; and

BE IT FURTHER RESOLVED by the Governing Body of the Borough of Highlands, as follows:

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1. The Municipal Clerk be and hereby is authorized and directed to file a certified copy of this Resolution with the Board of Education of the Highlands Elementary School no later than May 19, 2010.
2. The Municipal Clerk be and hereby is further authorized and directed to file two (2) certified copies of this Resolution with the Monmouth County Superintendent of Schools and with the Monmouth County Board of Taxation no later than May 19, 2010.

Seconded by Ms. Kane and adopted on the following roll call vote:

ROLL CALL:

AYES: Mr. Nolan, Mr. O'Neil, Ms. Kane

NAYES: Mr. Francy, Mayor Little

ABSENT: None

ABSTAIN: None

R-10-96 Resolution Establishing a Tax Levy for Henry Hudson Regional School Budget

Mr. Francy offered the following Resolution and moved its adoption:

R-10-96

RESOLUTION OF THE BOROUGH OF HIGHLANDS CONCERNING SETTING

THE TAX LEVY FOR HENRY HUDSON REGIONAL SCHOOL

WHEREAS, on April 20, 2010, the annual school budget for the 2010-2011 academic year, as prepared by Henry Hudson Regional School Board of Education (hereinafter referred to as "BOARD") was defeated by the voters; and

WHEREAS, pursuant to the provisions of N.J.S.A. 18a:22-37, The General Fund Budget for the year 2010-2011 has been presented to the Finance Committee (hereinafter referred to as "the Committee") of the Governing Body of the Borough of Highlands for its determination of the amount necessary to be appropriated for each item appearing in the General Fund Budget; and

WHEREAS, New Jersey State Statute requires the Governing Body to certify the amount of local tax revenue to support a thorough and efficient system of education where a tax levy referendum of the BOARD was defeated by the voters of a municipality; and

WHEREAS, in the course of reviewing the defeated school budget, the Committee conducted a meeting; and

WHEREAS, in fulfilling its obligations, the Committee and the Governing Body have discussed, in detail, the budget and its supporting documents; and

WHEREAS, the Governing Body finds that (1) the provision of a thorough and efficient system of quality education to the children of Highlands is of the highest priority and utmost importance to the Governing Body, the BOARD, the parents, children and all citizens of the Borough of Highlands and that (2) the provision of such an educational system is essential to the continued development of the community and the future of our children; and

WHEREAS, the Governing Body further finds that (1) the provision of educational services to our children, as the provision of all governmental services, should be rendered in a cost effective manner; that all reasonable and necessary administrative efforts should be made to realize economies in the provision of education services so as to

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avoid unnecessary expenditure of public funds which do not relate directly to the quality of education provided to our children; and (2) the BOARD is mindful of the fact that the ever increasing tax burden upon our taxpayers must not be unnecessarily increased; and

WHEREAS, the Governing Body has determined that certain line items in the annual school budget for the 2010-2011 school year may be reduced without any adverse effect upon the quality of education provided; and

WHEREAS, the reasons for each such reduction in the annual school budget has been considered and addressed by the Governing Body and is set forth in detail below; and

WHEREAS, the Governing Body has been both reasonable and conservative in its review of the recommended reductions in the line item specified;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Borough of Highlands as follows:

The Committee, after due consideration and consultation with the full Governing Body, hereby finds and determines that the following line item contained in the annual school budget for Henry Hudson Regional School for the academic year 2010-2011 can be reduced without negative effect upon the thorough and efficient provision of public education in the Borough of Highlands:

<u>LINE ITEM</u>	<u>DESCRIPTION</u>	<u>REDUCTION</u>		
		Amount of Board Proposal	Borough Committee Reduction/ Addition	Budget Revision
11-000-211-100	Attendance Secty	\$37,215.00	\$14,767.00	\$22,448.00
11-000-218-104	Guidance Supv	\$288,469.00	\$24,758.00	\$263,711.00
11-000-218-105	Guidance Secty	\$57,046.00	\$11,328.00	\$45,718.00
11-000-219-105	CST Secty	\$61,320.00	\$ 3,936.00	\$57,384.00
11-000-221-105	Supv Secty	\$123,821.00	\$44,115.00	\$79,706.00
11-000-222-100	Media Service	\$131,089.00	\$ 8,518.00	\$122,571.00
11-000-222-177	Tech Supv	\$ 96,212.00	\$ 7,309.00	\$ 88,903.00
11-000-230-100	Gen Admin	\$182,974.00	\$102,146.00	\$ 80,828.00
11-000-240-103	School Admin	\$51,476.00	+\$13,392.00	\$ 64,868.00
11-000-251-100	Central Services	\$207,662.00	\$71,582.00	\$136,080.00
11-401-100-100	Extra Curr Supv	\$369,000.00	\$ 7,055.00	\$361,945.00
11-000-218-270	Guid Health Ben	\$94,104.00	\$3,011.00	\$ 91,093.00
11-000-251-270	Cent Serv Health	\$36,477.00	\$3,906.00	\$ 32,571.00
Various Salary Accounts Above		\$1,736,865.00	<\$289,039.00>	\$1,447,826.00
Total Reduction		\$289,039.00		

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The Governing Body hereby certifies to the Monmouth County Board of Taxation and to the Monmouth County Superintendent of Schools, the following amount relating to the General Fund to be raised by local taxation for the Henry Hudson Regional School District in the 2010-2011 school year is as follows:

The original tax levy for General Fund contained on the ballot pertaining
to the 2010-2011 annual school budget for Henry Hudson Regional School
Board of Education was: \$7,594,968.00

The total amount of the net reduction in the General Fund found by the
Governing Body to be appropriated is: \$ -289,039.00

Atlantic Highlands	\$ 135,344.55
Highlands	\$ 153,694.45

The amount of the tax levy hereby certified by the Governing Body
of the Borough of Highlands to the Monmouth County Board of
Taxation and to the Monmouth County Superintendent of Schools
For the 2010-2011 General Fund is \$ 7,305,929.00

Atlantic Highlands	\$ 3,421,052.76
Highlands	\$ 3,884,876.24

The Governing Body hereby certifies that the revised school budget for the Henry Hudson Regional School for the year 2010-2011 containing the line item reductions as noted above, in accordance with the reasons for such reductions as expresses here, is sufficient to provide a thorough and efficient system of education in the Henry Hudson Regional School for the 2010-2011 school year; and

BE IT FURTHER RESOLVED by the Governing Body of the Borough of Highlands, as follows:

3. The Municipal Clerk be and hereby is authorized and directed to file a certified copy of this Resolution with the Board of Education of the Henry Hudson Regional School no later than May 19, 2010.
4. The Municipal Clerk be and hereby is further authorized and directed to file two (2) certified copies of this Resolution with the Monmouth County Superintendent of Schools and with the Monmouth County Board of Taxation no later than May 19, 2010.

Seconded by Mr. O'Neil and adopted on the following roll call vote:

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ROLL CALL:

AYES: Mr. Nolan, Mr. O'Neil, Mr. Francy, Ms. Kane, Mayor Little

NAYES: None

ABSENT: None

ABSTAIN: None

Rick O'Neil explained what was voted down. The tax increase for the 2009/2010 year was voted down. The school came in with \$292,000.00 tax increase. We cut \$289,000.00 +/- out of that. There are a lot of issues that can be looked at but need solid investigation. He further spoke about Henry Hudson's budget. There are problems. We have a year to look at it. Its not decisions to be made in 14 days.

Chris Francy emphasized what Rick O'Neil said, about the subject of busing that was brought up and there is \$100,000.00 to be saved if we outsourced. The Board said they need busing for after school activities.

Council continued discussion on Henry Hudson budget and busing.

Becky Kane said it would be appropriate to send a letter stating that we want to be more involved. Be included in the meetings.

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Other Business:

Discussion RE: Creation of Redevelopment Officer:

Frank Nolan spoke about how they want to establish an economic office in Borough Hall.

Chris Francy said he would like to add a button to the website that says Economic Development Office. It would list all council information, emails and cell phone numbers, as contact points. All council members would be able to answer questions until someone was officially appointed. We could staff it with council people every Thursday when Mike Mullen and Paul Vitale are in. We could rotate the schedule. A lot can be done. All would be in the loop with the zoning officer.

Chris Francy offered, seconded by Mr. Nolan and all were in favor on the following roll call:

ROLL CALL:

AYES: Mr. Nolan, Mr. O'Neil, Mr. Francy, Ms. Kane, Mayor Little

NAYES: None

ABSENT: None

ABSTAIN: None

The Mayor offered that the Clerk would receive the questions and forward them to the Council and the proper person.

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Public Portion:

Jim Parla of 16 Portland Road thanked Bruce Hilling for removing sneakers from the power lines.

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Maureen Kraemer of 200 Portland Road suggested a procedure be established, not a button.

Frank Nolan and Chris Francy will put a procedure in place for all residents to address their issues.

Tara Ryan of 17 Ocean Street thanked the council for passing the budget. They will have a new shared BA. She would like for the council to meet the new BA when that happens. Share your concerns. She will notify the Borough of next years budget process.

Donna O'Callaghan of 29 South Bay Avenue spoke about the school budget. She feels that we are no where near capacity in that building. There is a 300 student capacity for that building. There are 176 that attend the school. She spoke about the report card on the State website, after reading it; she would question sending her kids to Highlands Elementary School. Feels the school has a bad reputation. She spoke about consolidation of schools. Why do we have an elementary school servicing only 90 families? She would like to see the school closed, private school is less than the cost for Highlands Elementary School. We could give vouchers.

Mayor Little spoke about the education system being broken thru out the State. She further expressed her concerns with the schools issues.

Mayor Little left at 8:11 p.m.

Frank Nolan continued the meeting.

Bernadine Hartford of 168 Highland Avenue spoke about the action taken tonight, what will the impact be on the tax rate?

Chris Francy said that the Henry Hudson will decrease by 1.5 cent and Highlands Elementary School will decrease .5 cent.

Bernadine Hartford asked if the council could have a quarterly workshop with the Superintendent, business administrators of both schools to gather information as it occurs.

Rachel Stockton of 31 Grand Tour spoke about comments made regarding Highlands Elementary School. Her children have gone thru this school. Her son is now in Henry Hudson and is in the top 5% of his class. She is proud of the education he received at Highlands Elementary School. Her other son has always been on High Honor roll in the elementary school. We will probably never fill the elementary school to capacity. We have never been a failing school but there are a lot of special needs students. She spoke favorably about the school.

Chris Francy commented that she is involved in her children's education and that is why they are doing so well.

Rick O'Neil agreed. Parental involvement impacts your child's education.

Chris Francy further spoke about the structural things to deal with regarding the school system.

Rick O'Neil spoke about the mandates from the State.

Mr. Nolan offered a motion to adjourn the meeting, seconded by Mr. Francy and all were in favor.

The Meeting adjourned at 8:17 p.m.

DEBBY DAILEY, DEPUTY BOROUGH CLERK