

Finance Advisory Committee
Minutes – 05/04/2022

Attendees: Albanese, Barnett, Dewing (minutes), Goscicki, Kaplan, Richter, Stern.

Absent: Happer, Murphy

1. Approval of 4/12/2022 minutes: unanimous.
2. 1st Quarter budget and trust account review: comprehensive 1st Quarter reports previously circulated by Monica Goscicki – points noted:
 - Since the budget was not adopted by March 31 2022, the first quarter review reflects the temporary budget. The 2nd Quarter numbers (post budget approval) will be more representative
 - Delinquent tax collections were more than normal (positive surprise)
 - Water expenditures and encumbrances were in line with Q1 2021. Sewer expenditures and encumbrances were slightly higher than 2021 because more months were encumbered for the Parsippany sewer payments
 - Monica to circulate target balance for Accumulated Absences
 - Capital Improvement Fund balance, which does not include this years' budget, currently well over the \$100,000 target, further discussions to take place re possible uses of excess
 - Outstanding capital ordinances will be reviewed to determine if any can be cancelled or reduced
3. Mitchell Stern will circulate to the FAC the tax assessor's preliminary evaluation of potential tax appeal liability
4. Monica Goscicki confirmed John Mooney will attend the June FAC meeting. FAC will request his perspective on the appropriate level of the RUT for the future and removing Water & Sewer capital outlay from the 2023 budget.
5. Noted: with municipal construction inflation currently running at 8 to 9% and Mountain Lakes being able to issue capital bonds at +/-3.05%, bringing forward anticipated capital appropriations could make economic sense
6. Next meeting: June 1 at 7:30pm, Zoom. Minutes – C. Richter.

To Dos:

- Analyze use of unspent funds from existing ordinances relative to incremental funding requirements for 2022 ordinances – M. Goscicki, June meeting.
- Present new Sewer billing recommendation to BC 1st or 2nd June meeting. D. Happer
- Evaluate RUT policy. Consider changing to an historical average of trailing uncollected taxes less 2% (or another level) or increasing from the current fixed 95.5%.
- Continue capital budget spend and debt service management discussion/analysis – June meeting.
- Borough Manager to work on updating long-term capital plan, targeting September to share with FAC.
- Review "likely case" tax appeal amount – September/October meeting.