

Finance Advisory Committee Minutes – 6/02/2021

Present: Borough Manager: Mitchell Stern, CFO: Monica Goscicki

Members: Mike Albanese, Lauren Barnett, Bob Dewing, Dan Happer(minutes), John Kaplan, Jim Murphy, Khizar Sheikh

1. **April 28 and May 4 (Special Meeting) minutes** were unanimously approved.
2. **Bond Issue Update** – MG, DH, JK
 - *Bond resolution* - Resolutions 110-21 and 111-21 were adopted by the Council on May24, 2021 providing for the combination of certain issues of bonds of the Borough and determining the form and other details of the \$7,804,000 of general bonds, respectively. The Form and details were consistent with the recommendations made by the Committee.
 - *Documentation* – The Final Draft (pending the Rating Agency Rating) of the Preliminary Official Statement has been completed and distributed internally.
 - *Rating Agencies* -The Manager and CFO met with Moody’s and expect to receive the rating on June 14th. The meeting was about 45 minutes and there was no expectation that our current rating of Aa1 would change.
 - *Maturity schedule* - The “deal committee” of J. Kaplan, D. Happer, Borough Manager Stern, and CFO Goscicki met with advisors and the proposed bond maturity is consistent with the maturity discussed at the last Committee meeting.
 - *Timeline check* – Timing is still on target to announce the offering on the 16th and request bids by 11:00am on the 30th. We will meet again on June 14th after receiving the Moody’s opinion to finalize any additional details.
3. **10-year Capital Plan.** M Stern provided an overview of the Draft 10-year Capital Plan. He asked for comments/questions be provided by Committee members by July 15th for discussion at the August 4th meeting. The Committee recommended that a preface be added to the Draft addressing among other matters, what the document is and isn’t. There was also a request for the CFO and manager to look at the timing of the proposed capital spend to evaluate opportunities to flatten the spend and align with future budgets as well as to explore opportunities to share less frequently used equipment. There was also a suggestion to try to categorize line items e.g. necessary vs desired. It was also agreed the Plan should be reviewed annually as part of the annual capital budget process.
4. **Allocation of credit card processing fees – convenience fee vs. taxpayer.** The CFO noted that current policy was to pass through fees associated with taxes and utility payments as required by State law. Credit card usage for miscellaneous items such as trash bags, beach tags, sporting participation charges, *etc.*, are not charged as the amounts are de minimis and have been considered a normal operating cost. The Committee asked that the administration continue tracking the charges and if they exceed \$5,000 annually to reevaluate the current policy.

5. **Other business.** The CFO noted that the Natural Gas bills have been running higher than anticipated and she is studying the charges and noted that part of the charges are allocated to the Water and Sewer Utilities.

6. Next meeting: August 4 at 7:30pm, Zoom.

To Dos:

- June 30 – update the FAC on bond bid results.
- August 4 – 2nd Quarter budget and trust account review
- TBD meeting – Water and sewer use analysis to facilitate alternative sewer billing process.