

Finance Advisory Committee
Minutes – 4/12/2022

Attendees: Mike Albanese, Lauren Barnett (minutes), Bob Dewing, Monica Goscicki, Dan Happer, John Kaplan, Jim Murphy, Chris Richter, Mitchell Stern.

1. February 17 minutes approved.
2. FAC discussed issues related to annual capital budget spend, debt service management, and long-term capital plan. Agreement to continue discussion/analysis in June.
 - Is best approach to set an annual base target amount for capital spend; if so, what is the right way to determine that amount
 - How should “one-offs” be handled; how is a “one-off” defined
 - Next steps to better integrate the long-term capital plan into the annual budget process; September target for updated plan
 - What debt service levels are being projected; are there any concerns about those projections
 - Can parameters be defined for a maximum threshold and “healthy” level of debt spend; how do these parameters compare with what is being projected
 - Refining FAC’s analysis/projections to better inform Borough Council decision-making
3. FAC discussed timing for 2022 Capital Budget financing. Current target is September, but Borough should be prepared to move more quickly given concerns regarding rising interest rates. Revisit timing in June based on analyzing use of unspent funds from existing ordinances relative to incremental funding requirements for 2022 ordinances, and conversations with Beinfield.
4. FAC discussed timing to present a new Sewer billing recommendation to Borough Council. D. Happer will follow up with Mayor Menard to get this discussion item on an upcoming Borough Council agenda, targeting June or July.
5. FAC discussed timing for tax assessor to provide Borough Council and FAC with a “likely case” tax appeal amount. The Borough’s tax assessor is currently working on closing out several open appeals, and then will provide more information about a “likely case” scenario. FAC can anticipate a follow-up discussion in the Fall.
6. M. Goscicki confirmed that J. Mooney, Nisivoccia auditor will attend FAC’s June meeting.
7. Next meeting: May 4 at 7:30pm, Zoom. Minutes –B. Dewing.

To Dos:

- Review 1Q22 budget and trust account summary – May meeting
- Analyze use of unspent funds from existing ordinances relative to incremental funding requirements for 2022 ordinances – M. Goscicki, June meeting.
- Follow-up with J. Mooney regarding removing Water & Sewer Capital outlay from 2023 budget – June meeting
- 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%. Discuss with Nisivoccia – June meeting.
- 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.