

Borough of Mountain Lakes
Minutes of Finance Advisory Committee
April 5, 2017

Roll Call – Bob Dewing, Larry Dodyk, Monica Goscicki, Dan Happer, Peter Holmberg (late), Janet Horst, Rich Sheola and John Kaplan (minutes).

Absent – Joe Riccardi

1. Approved March 1, 2017 minutes.
2. Still waiting for FEMA payment.
3. Discussed replenishment policy for trusts/reserves if established at year-end. More evaluation of appropriate starting amounts for each trust or reserve is required before moving forward. Amounts will also be driven by available funds. There should be a replenishment policy established for each trust/reserve. Replenishment over some specified period of time is the most likely approach. R. Sheola provided a draft of a potential policy.
4. Reviewed \$712,300 capital budget and recommended moving forward as proposed.
5. Discussed timing to complete 10-year Capital Plan and R. Sheola agreed to have the plan completed prior to the start of the next budget cycle, i.e. in September. We reviewed two proposals from third party vendors to prepare a capital inventory audit. FAC recommended proceeding with Acclaim Inventory LLC using a \$1,000 asset value threshold level. Cost is \$2,400. Also, R. Sheola will prepare an inventory of all borough infrastructure including tracking when each item was last repaired or replaced and its remaining useful life. R. Sheola and B. Dewing will approach contacts at Rutgers and Columbia Universities, respectively, to explore possibility of hiring an intern for academic credit.
6. M. Goscicki reviewed details of "Other Trust" balances and provided a detailed list of when all the Borough accounts were last reconciled.
7. Discussed merits of BM/CFO providing periodic reports of Borough balance sheets (including trust funds and reserves), income statements and cash flow statements. Currently, BM provides Council with quarterly budget reviews (expended vs. budget) and an annual review of the full audit. R. Sheola agreed to consider possibility of providing a quarterly or semi-annual review of the balance sheet and will report thoughts back to FAC at May meeting.
8. Will discuss near term financing plans as well as long-term debt financing model and 10-year financing plan at May meeting.
9. **Next FAC meeting: Wednesday, May 3 at 7:30pm in Borough Hall**