

Finance Advisory Committee
Minutes - 10/4/17

Attendees: Dodyk, Goscicki, Happer (minutes), Holmberg, Riccardi, Sheola
Absent: Dewing, Horst, Kaplan

1. August 9 Minutes were approved.
2. The Borough Manager presented a first draft of the long-range capital plan and capital asset inventory. It was agreed that the manager would provide more details supporting the projects and costs. The manager would also provide the recent inventory of assets that was performed and the Committee requested he tie that into the long-range capital plan.
3. The Borough CFO walked the Committee through her new policies and procedures for volunteer spending for Borough related events which are the same as for all Borough Departments. The Committee indicated that management should consider formalizing a policy for reimbursement to the volunteer without a prior approved requisition for smaller dollar items. Management should determine such amount based on the nature of purchases.
4. The Committee discussed the Borough's practices for accounting for premiums received on bond issuances and the expensing of the related financing costs. The Committee recommends that the Borough establishes a policy to specifically include financing costs in all future capital ordinances. The Committee also recommends that a policy be established to recognize the premiums over the life of the bonds to offset the higher interest rates creating the premiums.
5. The Committee discussed the bond issuance related to the beach projects and recommended that management invest proceeds from the recent bond sale related to the beach project in a manner that minimizes the negative carry costs of the borrowings until the project is started.
6. The Manager provided an update on 2018 budget process and timeline. The first draft will be provided to the Committee by December 7th and the Committee will adjust its December meeting to December 13th. The Manager will revise his timeline accordingly.
7. The CFO discussed her action plan for reconciliation of MLPD summonses relative to Denville court fees. The CFO will work with the Denville clerk to get the appropriate reports and develop procedures to monitor the activity.
8. The Committee reviewed a report of water consumption and sewer expenses. The manager and CFO will work with the engineer and director of DPW to evaluate the data to understand significant variations in the totals and the relationships between water and sewer usage.
9. The manager reported he is still working with the state on the FEMA reimbursements due the Borough and will report back next meeting.

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10. The Manager reviewed the current municipal best practices assessment. There will be two no answers, which is less than the maximum number of no answers (4) allowed by the State before State aid is reduced. The Manager will evaluate the no answers and establish procedures to achieve the best practices.
11. The Manager discussed the Draft Moody's report which continues to rate the Borough's debt at Aa1.
12. Next meeting November 1 at 7:30pm in Borough Hall.