

Borough of Mountain Lakes NJ
Financial Advisory Committee
Wednesday September 4, 2019

Present: Dewing (minutes), Goscicki (Chief Financial Officer), Happer, Horst, Kaplan, Mitchell, Murphy, Shepherd, Stern (Borough Manager)

Minutes from the August 15, 2019 FAC meeting were approved.

Significant Topics Discussed:

1. Water and sewer budgets were presented:

Water budget indicated a 3% increase was appropriate to maintain the desired Fund Balance, Sewer budget indicated that no increase was necessary.

It was noted that the ML utility rates were lower than some adjacent communities, partially explained by the inclusion of major infrastructure costs being run through the General Fund. Water system losses are +/-15%, inside the normal range for a municipal water system. The previously noted revenue discrepancy has disappeared and revenues are now on budget, the CFO will investigate the nature of the reporting discrepancy.

New water (+3%) and sewer (unchanged) rates were recommended for one year.

2. October BAN issue was confirmed at precisely \$791,540. Bids are due 9/18 with closing on 10/1. The CFO will circulate the bid results when available.
3. Potential tax appeal settlements are indeterminate at this time. There are sufficient unused fund balances to meet projected downside scenarios - reducing balances to zero requiring a two and a half year replenishment period. No budget actions need to be taken at this time.

Previous meeting follow-up:

- Kiwanis payment – payment has been made
- Shade Tree Commission (Status of tree work) – work has been carried out but was expensed through the DPW budget. The appropriate costs will be reallocated to the Shade Tree Commission budget.

The next FAC meeting is scheduled for October 2nd, 2019 at Borough Hall, upstairs conference room.