

8/11/2020 Finance Advisory Committee Minutes

In attendance: Lauren Barnett, Bob Dewing (minutes), Monica Goscicki, Dan Happer, John Kaplan, Audrey Lane, Mitchell Stern,

Absent: James Murphy

1. Approval of June 3 minutes: Happer proposed, unanimous.
2. Status of DOT grant funding for ML roads/sidewalks: The contract for Morris Avenue will be awarded post the 8/24 Council meeting, the grant request will be submitted immediately thereafter.
3. Update on tax and water & sewer collections. Impact, if any, from pandemic: there has been no decline in revenues.
4. Review of Q2 budgets versus actual and reserves/trusts: comprehensive (line by line) reviews of the Q2 budget, reserves and trusts were provided showing individual line items were consistent with the budget – the following points were noted:
 - Court not in session so collections were reduced,
 - Verizon franchise fees have not been received and need to be followed-up,
 - Recreation fees paid by credit card are placed in a trust account prior to distribution to appropriate accounts,
 - An additional amount is going to be allocated to fund beach life-guards to Labor Day (+18 days), this is a reallocation within the recreation budget,
 - The ML auditor has requested an additional \$1,500 to cover a state request to provide and load data onto the state FAST system, it is recommended this is paid subject to verification,
 - May need to transfer an additional amount into the Unemployment Trust Account depending on claims filed during the year. We are required to cover a portion of our seasonal/temporary workers' claims if they file for unemployment.
 - Budgeted additions to reserve accounts will be processed later in the year as bonding and municipal cash-flows make it prudent
 - NJ State has declared the recent storm as a 'state of emergency' so expenses can be reimbursed from the state. The appropriate accounting and controls are in place, as is the case for Covid19 expenses.
5. BAN financing: Insufficient time to put a long-term financing in place before the current BAN maturity of 10/1. Bond Counsel needs 3 to 4 months to execute a long-term bond in the market. The FAC recommends that a short-term BAN is put in place on 10/1 for a term to 7/1/2021 to roll-up the current BAN, the approved capital projects for the interim period and the projected expenditures on the Borough Hall project. The total amount \$4,759,885 rounded to \$4,750,000 for issue. The Chief Financial Officer will get a timetable from the bond counsel for a long-term issue next year for consideration by the FAC. Repayment of the non-Borough Hall component of the BAN should be 10% (Borough policy), the Borough Hall component will not amortize.
6. Stern/Goscicki discussion with Morris County Improvement authority stand-alone or pooled financing: the FAC did not consider that the benefits of pooling were persuasive.

7. Electronic water meter replacement plan and funding: postponed to the next meeting.
8. Railroad property value and zoning follow up: the railroad is considering a 99-year lease for recreational purposes but has required a fence be put along the property line (suicide prevention). This is not considered either practical or economic and ML has suggested an on-site meeting to review the situation, subsequently delayed by Covid19 restrictions.
9. Committee member search to replace W. Mitchell: FAC to submit text to be placed in the Borough News Blast.
10. Next meeting: Wednesday, September 2 at 7:30pm Zoom mtg.