

**Finance Advisory Committee**  
**Minutes –08/07/2024**  
**Borough Hall**

Attendees: M. Albanese, L. Barnett, B. Dewing (minutes), M. Goscicki, J. Kaplan, J. Murphy, C. Richter, M. Stern.

Absent: K. Sheikh.

1. June 12 minutes – approved (Murphy, Richter and Stern abstained)
2. 2nd quarter budget – Monica had previously circulated an excellent and comprehensive budget commentary. It was noted that the Planning Board overrun was not significant, the police vacancy is forthcoming, residents are still acquiring green garbage bags and council is discussing the school police-officer cost allocation. Water and sewer budgets, no comments. Flat sewer billing will not be possible before 1/1/2026. Tax reserve is being managed with a view to an eventual settlement of a large corporate appeal.
3. S&P view on fund balance target – S&P had not expressed a specific view on fund balance in their written comments; however, during a conference call with Borough management and the auditor, S&P suggested a range of 20% to 30% of the annual budget. 2024 will likely be at the upper end of the range and still well above our previously determined target. FAC will reconsider the fund balance strategy in the next budget year.
4. Capital ordinance cash flow review – Recommended that the Capital Improvement Fund maintain at least a \$100,000 balance for unforeseen expenditures.
5. BAN issue update – based upon the 2024 budget and refinancing a previous BAN, a new BAN of \$5,346,760.00 was recommended and to wait to issue a long-term note when the total note amount will be more attractive to the market.
6. Long term capital plan – the introductory notes that the plan is a planning tool and entries are tentative to be included in text on data page. Consider renaming the document to reflect this.
7. Next meeting: Wednesday, Sep 4 at 7:00pm, Zoom. Minutes – L. Barnett.
8. Reminder, October meeting rescheduled from 10/2 to 10/9. Location TBD.

**To Dos:**

- Circulate Water & Sewer fund balance forecast to evaluate rate changes for 2025 – M. Goscicki, 9/4 meeting.
- Updated bond model discussion in conjunction with revised 2024 capital budget and long-term capital plan – TBD – J. Kaplan.
- Update and distribute Surplus Account / Fund Balance Forecast analysis, include supplemental dam and initial PFAS remediation debt service beginning in 2025 – M. Goscicki – 11/6 meeting.