

Finance Advisory Committee. Minutes – 06/10/2025, Borough Hall

Attendance: Mike Albanese, Lauren Barnett, Bob Dewing (minutes), Monica Goscicki, Josh Howley (dialed-in), John Kaplan (Chair), Jim Murphy, Khizar Sheikh (dialed-in), Mitchell Stern.

1. Approved May 7, 2025, minutes.
2. Reviewed Surplus Account / Fund Balance Forecast – noted projected Unused Fund Balance remains above Upper Target for two more years which gives the Borough some flexibility in smoothing out the projected future tax increases. Reviewed BAN payment schedule, FAC recommended rolling the current BAN forward with the current year's additional capital expenditure less required amortizations. Monica noted that, where possible, adjustments be made so that funds are drawn and then not used.
3. Update on state loan for Dam was better than expected as there will be no principal amortization in 2025.
4. General Debt Policy Discussion:

IBank funding may not be attractive as the Bank requires 100% engineering supervision whereas a typical project can manage with only 20%/30%, a significant cost savings.

Need to determine a basis for a realistic ongoing capital budget as construction inflation makes the recent annual average of \$1.3million unrepresentative.

Consider removing some of the short life span capital expenditures from the debt funded pool to reduce the debt and debt service burden.

To be continued.

5. Farwell to Monica – 'Monica has transformed financial management and accounting in Mountain Lakes', the Committee offered sincere thanks. Successor Jennifer Semler.
6. Next meeting: No meeting in July. Tuesday, August 5 at 7:00pm, Zoom. Minutes – L. Barnett.

To Dos:

Circulate updated Long-Term Capital Plan, TBD – M. Stern
Updated bond model – J. Kaplan.

Noted that the proposed Verizon settlement eliminates this year's and all future years Verizon tax revenue.