

**MINUTES OF THE SPECIAL MEETING  
OF THE MAYOR AND COUNCIL**

**APRIL 17, 2014**

**SPECIAL MEETING**

A Special Meeting of the Mayor and Council was held in the Municipal Building on April 17, 2014.

Mayor Bivona opened the meeting at 6:30 PM and Borough Clerk, Sally Bleeker, read the Sunshine law Statement.

**ROLL CALL**

The following Council Members and Professional Staff were present: Mayor Bivona, Councilperson Cadicina, Councilperson Kahwaty, Councilperson Lambrix, Councilperson Swist, Borough Administrator Hart, Chief Financial Officer Pike and Borough Clerk Sally Bleeker. Councilperson Kelly and Councilperson Ramsey were absent.

**PUBLIC'S OPPORTUNITY TO SPEAK**

Councilperson Cadicina made a motion to open the meeting to the public. Seconded by Councilperson Lambrix, all ayes.

No one from the public came forward and Councilperson Cadicina made a motion to close the public portion of the meeting. Seconded by Councilperson Lambrix, all ayes.

**DISCUSSION**

• **2014 BUDGET CAPITAL BUDGET**

Councilperson Lambrix reviewed with the governing body members the 2014 Capital Budget 6 Year Plan spreadsheet. He stated that this plan is a result of information gathered from meetings with the Mayor, Finance Committee, Borough Administrator, Chief Financial Officer and the Borough Auditor.

This plan sets aside a \$100,000 each year over the next 6 years for debt reduction. It identifies capital budget items over the next 6 years totaling \$987,650 and budgets \$200,000 each year over the next 6 years for unanticipated capital items in addition to the annual road programs. This total is over \$9 million dollars over the next 6 years of capital projects the Borough can fund and still reduce debt by \$600,000. Councilperson Lambrix stated that this is a conservative budget and we might be able to reduce debt further.

Mayor Bivona reported that the plan anticipates \$600,000 in debt reduction and over \$800,000 in COAH funds and Green Acres funds that we have to use to pay down debt. Councilperson Lambrix said that the COAH funds and the Green Acres funds are identified on the spreadsheet as Additional reserves.

Mr. Hart said that he and Mr. Pike reviewed capital budget requests with department heads and numbers were adjusted based on experience. Once the capital budget items are established he recommends that the dollar amounts be not to exceed numbers. This would help to further reduce debt.

Councilperson Lambrix stated that if this comes to pass we would have \$600,000 less debt by the end of 2019 but debt is a percentage of our budget. The current budget is \$16 million dollars and we have \$14 million dollars in debt. At the end of 2019 we might have over \$13 million in debt but our budget might be \$18 million dollars. Councilperson Lambrix said that in this plan debt does not go down every year. The plan shows debt increasing some years but overall at the end of 2019 the debt will be down \$600,000.

Mayor Bivona said that the plan will only work if the departments asking for money are told by the Council Liaisons that the Borough has a plan that has limited funds. Departments will still make capital budget requests each year and the requests will be evaluate each year by the Administrator, Finance Committee members and Chief Financial Officer. Once evaluated the liaisons will be able to tell the departments that they might not get what they want this year but could have an expectation to have the items sometime within the next 6 years.

The plan also has projects that will be eliminated from department budgets along with reasons why they are eliminated.

Mayor Bivona said that this plan is a model and the liaisons have to meet with the department and understand their needs then see how the needs can be worked into the plan.

Council members discussed how new ratable's will affect the budget and how services could be affected by new ratable's.

After a lengthy discussion council member agreed that the proposed plan of reducing debt by \$600,000 over 6 years and approximately \$800,000 in additional reserves for an approximate reduction in debt of \$1.4 million dollars over 6 year is a reasonable plan.

Mayor Bivona said that the next step is for the committee liaisons to meet with the department heads and start to formulate the capital projects. Then the liaisons come back to the governing body with the requests.

Shared services and fundraising for capital items was discussed.

Motion by Councilperson Kahwaty to adjourn the meeting at 7:25 PM, seconded by Councilperson Cadicina. Discussion – none. On voice vote, all in favor, motion approved.

Respectfully submitted,

A handwritten signature in black ink that reads "Sally T. Bleeker". The signature is written in a cursive, flowing style.

Sally T. Bleeker, Borough Clerk