

**MINUTES OF A SPECIAL MEETING OF THE
MAYOR & COUNCIL
HELD TUESDAY, SEPTEMBER 29, 2009**

The meeting was called to order by Mayor Hipp at 7:05 p.m. with the following Councilmembers present:

Councilwoman Keyes
Councilman Genovesi
Councilwoman Inguanti
Councilwoman Birdsall
Councilman DeSalvo

Councilman Sasso-Absent

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Mayor Hipp asked those present to join him in a salute to the flag.

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The Borough Clerk read the provisions of the Open Public Meetings Law and confirmed that proper notice of the Special Meeting was posted on September 22, 2009.

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Mayor Hipp opened the hearing of citizens; as no one wished to speak the hearing was closed.

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FINANCE

Councilwoman Inguanti stated that the Division of Local Government Services had disallowed the Borough's amendment to the 2009 Budget and she deferred to CFO Ed Cortright as to the options the Borough had.

The CFO explained that in order to get to the tax increase of 2.83% they decide to use \$1,940,000 of delinquent tax revenue which was money they had already received in cash, yet DLGS did not want the Borough to anticipate the entire amount even though it was received. The CFO said the DLGS wanted to anticipate only \$1,553,000 which leaves a short fall of \$386,000; in order to keep the tax rate the same, they would have to

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cancel an additional \$386,000 worth of capital projects with a proviso that they be put in from the surplus into the 2010 budget.

Mayor Hipp confirmed that was not going to be the only surplus as there would be more; he also explained that the DLGS based their decision on a statute in the local budget law that requires when preparing budgets they can only anticipate a certain percentage of delinquent taxes based on the prior year.

Mayor Hipp stated that the next step was an amendment to the Budget and then adopt; he called two Special Meetings, October 6th for amendment and then the following week they will adopt.

Mayor Hipp stated they needed to review the projects being cancelled.

The CFO said that it didn't matter what they canceled because it was going to be put right back into the operating budget on January 1, 2010; the amount needed was \$386,485.

Discussion took place in regards to the possible line items to be cut.

The following line items were suggested and would be finalized for the next meeting:

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| \$158,991 | - | Tennis Courts |
| \$ 18,046 | - | BCIA Refunding |
| \$ 23,838 | - | 2007 Mortimer Ave |
| \$ 20,042 | - | 2008 Roads |
| \$ 35,000 | - | Leisure Lane |
| \$130,228 | - | 2005 Road improvements |
| \$ 2,000 | - | 2007 Engineering (only if needed) |

Mayor Hipp said the next step will be for the CFO to make the changes, add capital surplus to the debt service amount reducing that and then the CFO will make the adjustments to the tax delinquent charges and because they were doing it that way and they weren't going to change the tax rate, they did not have to alter the reserve for uncollected taxes.

Borough Clerk Mary Kriston asked for confirmation that the Special Meetings will be the following two Tuesdays at 7:00 in the Committee of the Whole Room. Mayor Hipp confirmed and he will ask the LFB to send a written explanation with its rejection, if they could, for the record and then there will be a report from the CFO.

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POLICE

Councilman Genovesi moved to accept the request for a block party on Summit Cross on October 4 (r/d Nov 1), seconded by Councilman DeSalvo with all members present voting aye.

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Councilwoman Keyes made a motion to adjourn the meeting at 7:45 p.m., seconded by Councilwoman Birdsall with all members present voting aye.

Borough Clerk