

**BOROUGH OF INTERLAKEN**  
**WORKSHOP MINUTES**  
**MARCH 4, 2015**  
**7:00 P.M. AT BOROUGH HALL**

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The meeting of the Borough of Interlaken was called to order at 7:00 p.m., by Mayor Nohilly. The following statement was read by Borough Administrator Reibrich. "The notice of the requirements of the Open Public Meetings Act has been satisfied by forwarding annual notice to the Coaster and Asbury Park Press. A copy of annual notice is posted on the Borough bulletin board and is on file in the Borough Clerk's office."

Present: Mayor Nohilly, Council President White, Council members: Franks, Gunn, Handerhan, Horowitz

Absent: Councilman Miller

Also Present: Borough Attorney Richard Shaklee, Borough Administrator/Clerk Lori Reibrich  
Borough CFO Stephen O. Gallagher

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**1. 2015 MUNICIPAL BUDGET - Full Council discussion, CFO Stephen Gallagher present**

Borough CFO Gallagher presented the proposed budget to Council noting that the only major new item in the budget was for a \$35,000 line item to fund the study for a merger between Interlaken and Loch Arbour. The increase to the average home assessed at \$602,000 would be \$123. If the increase for the study was not included the average home would see an increase of \$33. Aside from that one line item increase, there is a 2.5% salary increase in line with the Public Works union contract and small increase in health insurance. Everything else is status quo. There is \$25,000 appropriated in the Capital Improvements Fund section that can be used as a whole for a capital improvement project. If the project exceeds \$25,000, it can be used for a down payment for a bond ordinance.

CFO Gallagher stated that a Capital Improvement Plan is needed for the budget before introduction. CFO Gallagher and Borough Administrator Reibrich would be taking suggestions for the plan such as road improvements, improvements to Borough Hall or new equipment.

CFO Gallagher stated that a Capital Improvement Plan is different from a budget in that it is just a plan. It does not necessarily mean that the projects will actually be done. The only thing that commits the Borough to do a project is a Bond Ordinance. Bond Ordinances are done after the budget. The Capital Improvement Plan is put together to encompass all of the Capital items deemed necessary for the year. The plan can change from the time the budget is adopted to the time the Borough does the Bond Ordinance.

Councilman Gunn asked, if there was a capital road plan.

Council had a discussion about putting together a 3 to 5 year plan for road projects. Council also discussed how grants have supplemented projects in the past, but dictated which roads were to be remediated.

Council discussed other items for the Capital Plan including sewer system repairs and the need for a new mowing tractor. The current mower is 20 years old. DPW Supervisor Norm Cottrel made continued repairs to keep it running as long as it has. Borough Administrator Reibrich complemented DPW Supervisor Norm's ability to extend equipment life, which keeps equipment expenses down.

CFO Gallagher stated that the \$25,000 appropriation gives the Borough purchasing authority of \$500,000.

CFO Gallagher reviewed the concepts of anticipated revenue, budget appropriations, and surplus.

CFO Gallagher explained that the budget must provide for the operations of the Borough. CFO Gallagher also stated that the budget should not be cut so thin that there is no money at the end of the year to transfer to different line items should you have more expenses than anticipated. The goal is to generate the same amount of surplus that is used.

CFO Gallagher and Council discussed the current Borough surplus. Revenue that is not anticipated increases the surplus. Reimbursements received for Sandy expenses were unanticipated revenues this year. The surplus is often used for Emergency Authorizations.

The merger study cost effects on the budget were discussed.

Councilman Gunn asked questions regarding expenses pertaining to engineering costs.

CFO Gallagher explained that historically engineering and legal costs fluctuate year to year. There needs to be a cushion to cover larger expenses, if unexpected issues requiring these services arise. The goal is to do as little line item transfers as possible.

Council and CFO Gallagher had additional discussion regarding surplus. CFO Gallagher stated that there is roughly a \$450,000 surplus balance, part of which is restricted by charges of about \$60,000. One serious emergency would wipe that out. Surplus must be regenerated.

## **2. COMMENTS FROM THE PUBLIC**

Mayor Nohilly opened the floor for public discussion.

Mr. Robert Napoli, 515 Windermere Avenue, asked about the allocation for TOSA.

CFO Gallagher stated that this year's allocation for excess flow would be \$30,000. The same amount was allocated last year.

Mr. Napoli asked about the allocation for the RFP for the Loch Arbour.

Mayor Nohilly stated that the \$30,000 cost for the RFP would cost roughly \$90 per household.

Mayor Nohilly, CFO Gallagher, Council President White discussed the effects that last year's zero budget increase had on surplus and the current budget.

Mr. Napoli asked Council to think about the remediation plan for sewers and manhole covers which was part of the engineering report commissioned to investigate overflow issues and costs. Mr. Napoli stated the cost of the remediation would be \$30,000 and would be a decrease to \$50,000 overflow costs. Mr. Napoli stated that it is discussed every year. There needs to be a resolution.

CFO Gallagher stated that an appropriation of \$100,000 had previously been made to address the manhole cover issues. The project is funded.

With no further public comment, Mayor Nohilly closed the floor.

- 3. NEW BUSINESS** – Councilman Handerhan requested to have the sewer and manhole repairs topic placed on the next Workshop Agenda.
- 4. ADJOURNMENT** – With no further discussion, Council President White made a motion to adjourn, seconded by Councilman Miller and unanimously carried.

Councilman Franks MOTIONED to approve resolution, seconded by Council President White With no Council comment the motion carried.

	Mayor Nohilly	Council President White	Councilman Miller	Councilman Handerhan	Councilman Franks	Councilman Gunn	Councilwoman Horowitz
Motion to Approve					X		
Motion to Second		X					
Approved		X		X	X	X	X
Opposed							
Abstain/ Recuse							
Absent/ Excused			X				

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 Lori Reibrich  
 Borough Administrator/Municipal Clerk  
 Date Approved: \_\_\_\_\_