

ORDINANCE NO. 2008-2

**AN ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION
LIMITS AND TO ESTABLISH A CAP BANK
(N.J.S.A. 40A: 4-45.14)**

WHEREAS, the Local Government Cap Law, N.J.S.A. 40A: 4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget to 2.5% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and

WHEREAS, N.J.S.A. 40A: 4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and

WHEREAS, the Mayor and Council of the Borough of Red Bank in the County of Monmouth finds it advisable and necessary to increase its CY 2008 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and

WHEREAS, the Mayor and Council hereby determines that a 1% increase in the budget for said year, amounting to \$120,163.05 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and

WHEREAS, the Mayor and Council hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Red Bank, in the County of Monmouth, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2008 budget year, the final appropriations of the Borough of Red Bank shall, in accordance with this ordinance and N.J.S.A. 40A: 4-45.14, be increased by 3.5 %, amounting to \$ 420,570.68, and that the CY 2008 municipal budget for the Borough of Red Bank be approved and adopted in accordance with this ordinance; and

BE IT FURTHER ORDAINED that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriations in either of the next two succeeding years; and

BE IT FURTHER ORDAINED that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and

BE IT FURTHER ORDAINED that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

First Reading: January 14, 2008

Final Reading: January 28, 2008