

**ORDINANCE TO EXCEED THE MUNICIPAL BUDGET COST OF
LIVING FOR STATE FISCAL YEAR 2009 AND TO ESTABLISH A CAP
BANK WHEN THE COLA IS EQUAL TO OR LESS THAN 2.5
PERCENT (N.J.S.A. 40A: 4-45.14)**

MC 2008 - 12

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% or the Cost-of Living Adjustment (COLA), whichever is less, over the previous year's final appropriations, subject to certain exceptions; and,

WHEREAS, N.J.S.A. 40A: 4-45.14 provides that a municipality may, in any year in which the COLA is equal to or less than 2.5%, increase its final appropriations by a percentage greater than the COLA, but not to exceed the 3.5% rate as specified in the law, when authorized by ordinance; and,

WHEREAS, the COLA for SFY 2009 has been certified by the Director of the Division of Local Government Services in the Department of Community Affairs as 6.0%; and,

WHEREAS, N.J.S.A. 40A: 4-45.15a provides that a municipality may, in any year in which the COLA is equal to or less than 2.5% may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriations and the 3.5% percentage as an exception to its final appropriations in either of the next two succeeding years; and,

WHEREAS, the Plainfield City Council of the City of Plainfield in the County of Union finds it advisable and necessary to increase its SFY 2009 budget by more than 2.5% over the previous year's final appropriations, in the interest of promoting health, safety and the welfare of the citizens; and,

WHEREAS, the Plainfield City Council hereby determines that a 3.5% increase in the budget for said year, amounting to \$412,216.39 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

WHEREAS, the Plainfield City 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 RESOLVED, by the Plainfield City Council of the City of Plainfield, in the County of Union, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the SFY 2009 budget year, the final appropriations of the City of Plainfield shall, in accordance with this ordinance and N.J.S.A. 40A:4-45.14, be increased by 3.5%, amounting to \$412,216.39, and that the SFY 2009 municipal budget for the City of Plainfield be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER RESOLVED, 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; and,

BE IT FURTHER RESOLVED, 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 RESOLVED, 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

SEPTEMBER 15, 2008