

**ORDINANCE # 2201**

**CALENDAR YEAR 2021**

**ORDINANCE TO EXCEED THE MUNICIPAL BUDGET COST OF LIVING ALLOWANCE  
AND TO ESTABLISH A CAP BANK PURSUANT TO 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 1.0% 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 Borough Council of the Borough of South Plainfield find it advisable and necessary to increase its CY 2021 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of its citizens; and,

**WHEREAS**, the Borough Council hereby determines that a 3.5% increase in the budget for said year, amounting to \$614,354.25 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

**WHEREAS**, the Borough 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 Borough Council of the Borough of South Plainfield, in the County of Middlesex, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the 2021 budget year, the final appropriations of the Borough of South Plainfield shall, in accordance with this ordinance and N.J.S.A. 40A:4-45.14, be increased by 3.5% amounting to \$614,354.25 and that the 2021 municipal budget for the Borough of South Plainfield 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 appropriation 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.