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From: Michael DeFusco <mdefusco@hobokennj.gov>

Sent: Tuesday, June 23, 2020 8:54 PM

To: Zapicchi, Tina <Christine.Zapicchi@dca.nj.gov>; Alexopoulos, Emilia <Emilia.Alexopoulos@dca.nj.gov>; Walter, Melanie <Melanie.Walter@dca.nj.gov>

Cc: Tiffanie Fisher <tfisher@hobokennj.gov>; Jennifer Giattino <Jgiattino@hobokennj.gov>

Subject: [EXTERNAL] Hoboken Budget Question

Hello, I hope this email finds you safe and well. As a Hoboken City Councilman, I write to seek DCA advice on a bond ordinance being proposed by our City's administration to cover operational shortfalls. Currently, our library has \$4.7 million in a cash reserve and the proposal sought would take that money to, in part, cover an estimated \$14million deficit in our 2020 budget. In exchange, the municipality would take out a bond to repay the library the same amount.

It has long been my understanding that bonds could not be taken out to cover City operations, and though the bond would technically be issued for "capital improvements" to the library, the intent is a one time money exchange to plug a budget shortfall. Before voting on this, I feel its important for us to understand the legal weight this proposal would hold.

I appreciate your time in advance. Mike

Mike DeFusco

Councilman, City of Hoboken