

## **BUDGET AND FINANCE COMMITTEE REPORT – FEBRUARY 10, 2020**

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**Members:** Ressler, Chairman, Weiler, Zimmerman, Barr (Alternate)

**Attendees:** Ressler, Weiler, Zimmerman, Richard, Reinhold, Rowe, Barr, Martin, Thompson, Moore and Kelly Withum

The Budget & Finance Committee met on January 27, 2020 and discussed the following:

### **Action Items:**

1. The Staff reviewed with the Committee the outstanding board positions: Police Civil Service Commission Alternate, EAJA Board, Zoning Hearing Board, Shade Tree Commission, and UCC Appeals Board. The Staff is recommending Robert Hoffman for the vacant UCC Appeals Board. He is qualified for the position and also serves on the Property Maintenance and Codes Appeals Board. President Rowe advised that Mr. Dale Hertzog is interested in serving on the Zoning Hearing Board. A staff member will reach out to Mr. Hertzog. President Rowe also suggested a staff member contact Mayor Mowen as he has a suggestion for Civil Service Alternate. The Staff will follow up with Mayor Mowen. Mr. Barr asked if a Council Member could serve on the Civil Service Commission. The Committee will recommend that Borough Council appoint Robert Hoffman to the UCC Appeals Board at the voting session on February 10, 2020.
2. The Staff reviewed the Disposition of Assets for the 2013 Ford Escape that was involved in an accident in 2019. The salvage value of the car is \$2,000 and the staff recommendation is to allow the insurance company to retain the salvage. The Committee recommends that Borough Council approve the Disposition of Assets at the voting session on February 10, 2020.
3. The Staff discussed Resolution 2020-2, exonerating the Borough from paying real estate taxes on various Borough properties. The Committee will recommend adoption of this resolution as part of the consent agenda at the February Council meeting.

### **Discussion Items:**

1. Kelly Withum of Mainspring presented information and a PowerPoint on the Local Economic Revitalization Tax Assistance Program (LERTA) which allows municipalities to temporarily exempt real estate taxes on the increased assessed value for improvements to property. The delayed taxation can be extended for up to 10 years on improvements of \$75,000 or more to properties located in the Retail District in the Borough. The program has to be approved by the Borough, the School District, and the County Commissioners. Kelly has already obtained approval from the school district. She will go to the County Commissioners after Council approval. President Rowe is concerned that if a reassessment occurs, property value will decline if the properties are considered to be deteriorated property. The program does not address pre-assessed value it only addresses the increase in assessed value as a result of improvements to the property. A reassessment was just completed in 2018, so it will be a number of years before another one will occur. There is a sample ordinance in the packet that the Staff will use in conjunction with legal to create an ordinance for the Borough to consider.

2. The Staff had received a request for a detailed breakout of all contributions to the Library including in-kind. After Staff provided the information, another request was received for similar information on the Rec Center. President Rowe suggested we add this to the agenda to get clarity on what information is desired so we can avoid duplication of effort by the Staff. The Committee requested detailed information including in-kind on the following:
  - a. Lincoln and Pioneer Fire Companies
  - b. Library
  - c. Rec Center
  - d. EPAC
  - e. Eicher
  - f. Ambulance
  - g. Historical Society

The Committee would like the fire company data by mid-February so it can be utilized in the fire study. The other data does not have an urgent due date. The Staff will provide the data as requested.

3. The Staff reviewed the 2019 year end financials with the Committee. No further action is required.
4. The Staff provided the list of purchase orders that were carried over from 2019 to 2020. These are items which were approved as part of the 2019 budget but were not completed by the end of 2019. No further action is required.
5. The Staff provided a copy of two reports on the solicitor's invoices. The first report is sorted by date and the second report is sorted by project. The total amount paid in 2019 was \$108,156. No further action is required.
6. The Staff provided the Check and ACH registers to the Committee for January to date. The Staff raised the issue of removing the waste water payments from the checklist since they have their own operating authority and approve their checks via the Authority. The waste water checks are cashed from waste water funds so the Council does not need to approve them. President Rowe asked how they would approve the check lists if there were missing check numbers. The Staff will provide the check run date and the amount of the check run excluding waste water. The Council will approve it by date and total. The Committee also asked for improved descriptions on the monthly check report. The Staff will prepare a check list report to be reviewed by Council before implementation.

**Old Business Items:**

1. The Committee asked for an update on the audit of the collections process. The Staff has not worked on this project yet.
2. The Committee asked for an update on the credit card fees. The Staff is working on this project and hopes to complete it in the first quarter of 2020. The Committee asked the Staff to also look into other methods for customers to use to make payments such as PayPal and Venmo. The Staff will investigate these additional payment options.