

## **BUDGET AND FINANCE COMMITTEE REPORT – APRIL 12, 2021**

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**Members:** Ressler, Chairman; Weiler, Vice Chairman; Zimmerman, Member; Barr, Alternate; Thompson, Staff

**Attendees:** Ressler, Chairman; Weiler, Vice Chairman; Zimmerman, Member; Barr, Alternate; Rowe, Reinhold, Martin (virtually), Thompson, Guests (2), Guest (virtual) (2)

The Budget & Finance Committee met on March 22, 2021, and discussed the following:

**Action Items:**

None

**Discussion Items:**

1. Borough Manager Thompson discussed two potential scenarios regarding the general obligation loan to purchase the aerial fire truck for the Pioneer Fire Department: 1) the Borough can borrow the entire amount of the truck estimated at \$1,522,000 and pay for 64% of the debt service and enter into a repayment agreement with the Pioneer FD to pay the remaining 36% of the debt service in addition to attaching a lien to the fire truck title. The FD will take the net proceeds for the sale of the used aerial truck (estimated at \$200,000) and place it in a bank account to be used towards their annual debt service payment covering 4-5 years; 2) Pioneer can use the net proceeds from the sale of the used aerial truck to lower the purchase price of the new truck and the Borough would borrow less money. Pioneer prefers scenario 1 as it allows them to additional time to fund raise for the money needed for the last 10 years of the loan. The Committee had no objections to scenario 1). In addition the Committee discussed structuring the repayment agreement to be flexible enough to lower the Borough's obligations from 64% in the event conditions change that the Borough percent of calls drops.
2. Mr. Thompson shared with the Committee the information that he is currently aware of regarding the American Rescue Plan recently approved by Congress and signed by the President. Under the Plan there is 19.5 billion dollars provided to local governments with less than 50,000 population. The Borough share of the amount of eligible funds is \$1,370,508. Mr. Thompson shared with the Committee the possible uses for the funds, however, emphasized that the details how the money may be used have not yet been released, Mr. Thompson indicated that the Borough staff participated in a workshop for a new Emergency Rental Assistance Program. This is a program that assists tenants with paying for rent as well as utility bills. The process is a twostep application where applicants submit basic information and if it is deemed complete then there is a process to submit documentation and the like to determine final eligibility and at what dollar level. In order to accomplish this it will like take 3-4 weeks. The staff recommended that the Committee extend the winter moratorium on utility disconnections for 30 days to allow applicants to receive a receipt of their application whereby the Borough will place them in a group to avoid disconnects and penalties until a final determination of their application is made. The Committee supports the staff's recommendation and will recommend that Borough Council ratify this action at their April 12, 2021 meeting.
3. Mr. Thompson shared with the Committee the disconnection statistics as of Friday March 19, 2021. There were a total of 183 accounts (out of 6,800) that are subject to disconnections totaling \$172,601. Of that amount there are 114 tenant occupied units (\$103,346) and 69 owner

occupied units (\$69,255); total penalty amounts for this period is \$22,209. The Committee discussed the importance of getting this information out to our customers.

4. Mr. Thompson informed the Committee that there is a summary of the former Finance Director's exit audit in their packet. The audit does not identify any irregularities.
5. The Committee reviewed a listing of completed and outstanding work activities that the finance consultant is working on. There were no questions or comments.
6. The Committee reviewed the Borough Solicitor's invoice. The Committee commented that it prefers to have the second page detail included along with the summary page. Mr. Thompson will include the detail in future monthly reports.
7. The Committee reviewed the check and ACH registers. There were no comments.

**Old Business Items:**

1. Mr. Thompson informed the Committee that at the October Committee meeting, Chairman Ressler reviewed the items in a letter received from Mr. John Stewart. Per his remarks, all concerns in the letter have been addressed to the Committee's satisfaction. Mr. Thompson did indicate that his concerns regarding the rental unit program and utility bill arrearages will be addressed by the Special Projects Committee.
2. Mr. Thompson reported that the credit card fees project will be delayed until June as a result of the Springbrook software not being available until that time.