

Finance Committee Meeting
Minutes
March 31, 2021

A meeting of the Finance Committee was called to order at 8:25 p.m. by Chairman Charles Heller. Committee members present in addition to Mr. Heller were Terry Mest, Lori Carnes, and ex-officio member Frank Deery.

Also present were Council members Keith Endy and Barry Christman; Marianne Deery, Mayor; and Patricia Loder, Borough Manager.

Mr. Heller called for public comment on the agenda; no comments were forthcoming.

Mr. Heller made a motion, second by Mr. Mest, to approve the minutes of the February 24th, 2021 meeting of the Committee. The motion was approved.

Review of Financial and Revenue and Expenditure Statements and List of Bills Paid –

The financial reports for the month of March were reviewed and discussed.

Unfinished Business

Borough Hall Renovation - Mrs. Loder provided the committee with the revised main level floor plan and advised the committee that preparation of the MEP plans is underway.

2021 Paving Project Bids – Mrs. Loder reviewed with the committee the bid results for the 2021 Paving Project. The low bid in the amount of \$217,438.25 was submitted by New Enterprise Stone & Lime Company. Mr. Unger recommends a conditional award of the contract to New Enterprise. This matter will be listed on the agenda of the April 5th meeting of Council.

New Business

Constellation Payments – Mrs. Loder advised the committee that on line account access is now available to our utility customers. Customers may also choose to pay their utility bills on-line. Mrs. Loder stated that on-line payments would be set up through a merchant account with Constellation Payments, which works in conjunction with our Harris/MyGovHub utility billing software. The Borough may set up a Service Fee Account model, or can decide to assume the processing fee costs. Mr. Heller, Mr. Endy and Mrs. Loder did a cost analysis of the two options and it is our recommendation that the Borough set up the service as a Service Fee Account. Under this model if the customer chooses to use the service, they will pay a 3.53% per transaction fee. Discussion was held on the subject, and the committee agreed with the recommendation. This item will be listed on the agenda of the April 5th meeting of Council.

American Rescue Plan – Mrs. Loder reviewed with the committee information she has received regarding direct entitlement payments that every municipality will receive through the Coronavirus Relief Package/American Rescue Plan. This is funding from the federal

government which will be paid by the federal government to the states. The states then have thirty days in which to pay to local government units their proportionate share of the funding. The borough's share is expected to be \$402,492, and will be paid in two installments over a period of two years. The first payment is anticipated to be received in June 2021, and the second and final payment in June 2022. Local government units have until December 31st, 2024 to use the funds.

Funds can be used for various purposes including investments in water and sewer infrastructure. Mrs. Loder, Mr. Heller, and Mr. Endy have considered the permitted uses and recommend the Borough use the funds toward I/I investigation and rehabilitation. Mrs. Loder also noted that when the funds are received, she will establish a separate fund in which to deposit the money and will not co-mingle it with capital reserve funds. The committee agreed with the recommendation.

Water/Sewer Rates – Mrs. Loder advised that in accordance with the discussions held at budget meetings in 2020 discussion would be held early in 2021 to consider rate increases to cover shortfalls in funding for the 5 year capital plans. Mrs. Loder noted an annual shortfall of \$120,000 in capital reserve funding in both water and sewer. Mrs. Loder also noted that the capital reserve water fund has a strong fund balance of \$1,072,000. The fund balance allows you to delay a water rate increase at this time; however, gradual rate increases will have to be considered in the near future.

Discussion was held on a sewer rate increase and the committee agreed that Mr. Newhard should be asked to provide rate increase analyses to generate an additional \$50,000, \$60,000 and \$75,000 in annual revenue.

Street Lighting Agreement – Met Ed – Mrs. Loder reviewed with the committee a Street Lighting Agreement provided by Met Ed, which we will need to execute in order to install LED lights on the Borough owned parking lot at 25 S Reading Avenue as part of the borough street lighting facilities. Our current Street Lighting Agreement with Met Ed does not include LED lights. This matter will be listed on the agenda of the April 5th meeting of Borough Council.

Public Comments

There being no further business to conduct a motion to adjourn the meeting at 8:52 p.m. was made by Mr. Heller and seconded by Mr. Mest. The next meeting of the Finance Committee is scheduled to be held on Wednesday, April 28th, 2021 beginning at 7:00 p.m.

Respectfully submitted,

Patricia A. Loder
Borough Secretary