



ADMINISTRATION & FINANCE COMMITTEE

September 16, 2013

7:30 p.m.

Meeting Minutes

Call to Order: Chairwoman Marlowe called the meeting to order at 7:30 p.m.

Attendance

- **Committee members present:** Chairwoman Marlowe, Councilor Bunker, Councilor L. Durkin, Councilor Golden, and Councilor Pancoe
- **Committee members absent:** Councilor Danilak
- **Others present:** Manger Locke, Assistant Manager Bashore
- **Others absent:** Mayor Foley

Public Comment: There was no public comment at this time.

Reports

- **JCA:** Councilor L. Durkin announced that the Festival of the Arts would be held on Sunday, September 22, 2013. Councilor L. Durkin reported that a small committee met to begin discussion of holiday decorations along York Road, West Avenue, and Town Square. Discussion on holiday decorations will continue after the Festival of the Arts.
- **Library:** A written report was provided with the monthly meeting materials.
- **Rec. Board:** Chairwoman Marlowe reported that Mayor Foley will present his annual report at the October 21 Committee meeting. Chairwoman Marlowe reported that the annual Chili Cook-Off would be held on October 26, 2013 in Town Square.
- **Borough / School District Cooperative Initiatives:** Manager Locke reported that the planting of blueberry and raspberry bushes would be held at the school on Friday, September 20. Manager Locke reported that the School District intends to undertake the repair of two (2) accessible ramps in the school area.
- **Farmers Market:** Manager Locke reported that the Farmers Market was cancelled on Sunday, September 15 due to the Breathing Room Foundation's event and will be cancelled again on Sunday, September 22 due to the Festival of the Arts.

Items of Discussion

- **Streetscape Grant Audit:** Joseph Hiltwine of G3 CPAs was present in order to discuss the audit completed on the grant awarded to the Borough for the York Road Streetscape Project. Mr. Hiltwine noted that there were no material weaknesses found, but did note a questionable cost related to the purchase of the drainage grates. Mr. Hiltwine stated that the Public Works Committee discussed the issue when it was determined that the product may not comply with provisions of the grant. It was noted that the grates were purchased from a vendor listed in the bid documents for the project as being an approved supplier. Assistant Manager Bashore stated that he has contacted PennDOT regarding whether this was the supplier of the product and if they had a “Buy American” certification that could be provided.

ACTION: On motion of Councilor Bunker, seconded by Councilor Golden, the motion recommending approval of the audit report completed by G3 CPA for the funds related to the York Road Streetscape Project passed unanimously.

- **August Financial Report:** The August financial report was presented to the Committee. Councilor L. Durkin asked if Linda Major, Borough Account, was projecting a large budget surplus at the end of the year. Manager Locke stated that he was going to meet with Ms. Major to discuss the 2014 budget and would discuss this matter with her. Councilor L. Durkin requested further analysis in the narrative, including where we will be at the end of the year, and asked that the report be relative to budget. Councilor Golden asked if the projected cash analysis including repayment of the TRAN at the end of the year. Manager Locke stated that he believed that it did.
- **2014 Budget:** Manager Locke provided a memorandum and proposed three (3) budget workshops on the following days: October 7, November 4, and December 2. Manager Locke stated that he has spoken with department heads and requested that their budgets be submitted to him by the first week of October. Councilor Bunker requested a month-by-month charting of expenditures and revenues for each department.

ACTION: On motion of Councilor Golden, seconded by Councilor Pancoe, the motion recommending approval of the proposed budget workshops passed unanimously.

- **Business Privilege Tax - Request for Refund:** Assistant Manager Bashore reported that the Borough was notified by Berkheimer, tax collector for the Borough’s business privilege, mercantile, local services, and earned income taxes, that they received a request for a refund in the amount of \$33,627.71. The business requesting the refund had contacted Berkheimer in August 2012 and registered with Berkheimer thinking they were located in the Borough, when they were actually located in Abington Township. Assistant Manager Bashore stated that the Borough may issue the payment directly or Berkheimer may issue it on the Borough’s behalf.

Councilor Golden asked if there was a penalty for Berkheimer for this error and if they had an internal process for verifying if an address is located in the Borough. Assistant Manager Bashore stated that he was unsure of a penalty, but has requested that Berkheimer inform the Borough if a business contacts them requesting to register so that the administration can confirm if the business is located in the Borough. Councilor Pancoe requested a review of the Borough’s

contract with Berkheimer. Councilor Durkin requested a list of accounts receivable for the taxes collected by Berkheimer for the Borough.

The Committee directed the administration to issue the payment to the business and to request that a representative from Berkheimer appear at the October Committee meeting in order to discuss ways in which this may be prevented.

- **Budget project transfers:** Manager Locke stated that certain funds are being recommended for transfer within the 2013 budget from line items that were over budgeted to pay for projects that were under budgeted. Councilor Pancoe asked about the proposed transfer from health insurance costs. Assistant Manager Bashore stated that the departure of certain employees and the movement to the Delaware Valley Health Insurance Trust has reduced the Borough's cost for this benefit. Councilor Golden asked about the repayment of the COPS technology grant. Manager Locke stated that he believed it was related to unallowable costs purchased through the grant, but would check with Chief DiValentino regarding this matter. Councilor L. Durkin asked if the costs for repairing the Borough Hall parking lot could be defrayed until 2014 when it could be budgeted for. Manager Locke stated that this was budgeted in 2013, but funds were transferred to complete the 2013 paving project and the quotes received to complete the work are less than what remains. Manager Locke stated that these transfers should be approved by a resolution of Council.

ACTION: On motion of Councilor Golden, seconded by Councilor Bunker, the motion recommending approval of the proposed budget transfers passed unanimously.

- **Berkheimer - Confidentiality Resolution:** On motion of Chairwoman Marlowe, seconded by Councilor Bunker, the motion recommending approval of the Confidentiality Resolution with Berkheimer Tax Associates passed unanimously.
- **Montgomery County Radio Upgrade (Update):** Assistant Manager Bashore provided a memorandum outlining the status of the Montgomery County Radio Upgrade. Manager Locke stated that the Borough would need to purchase approximately 10 radios at \$4,500 per radio. Assistant Manager Bashore stated that the County intends to solicit municipalities in early 2014 for participation in the financing program and the first payment would be due in the second half of 2015.
- **Meeting at State Rep. McCarter's office. (EDU / Act 537 associated costs) PADEP, Cheltenham, PennVest:** Manager Locke stated that a meeting will be held to discuss sewage issues with Cheltenham Township at Representative Steve McCarter's office on Thursday, October 3, 2013 at 1:00 p.m. The Committee directed Manager Locke to circulate this information via e-mail to Council.
- **Emergency sanitary sewer repair Independent Fire House:** Manager Locke reported that the sanitary sewer line from the second floor of the Independent Fire Company's house has cracked and is in need of repair. The fire company has requested to pay for this repair out of contingency funds. Manager Locke stated that they have obtained three (3) quotes for the work and cost will be approximately \$1,625.00. The Committee directed Manager Locke to have the repair made and to review the memorandum of understanding between the Borough and the Fire Department related to repairs.

Old Business: There were no old business items for discussion.

New Business

- **Electricity provider survey comparison:** Manager Locke stated that he has been working with APPI Energy regarding the Borough's electricity provider. Manager Locke stated that APPI Energy has been contracted by the PA State Borough's Association to provide a review of electricity bills for member boroughs. Councilor Golden asked if there was a cost associated with APPI's services to the Borough. Manager Locke stated that he did not believe that there was a cost, but would look into it and report back. Manager Locke stated that the estimate cost savings to the Borough would be approximately \$7,300. The Committee directed Manager Locke to sign with the new electricity supply company.
- **Horse breeders fund:** Councilor Bunker stated that he has learned that Pennsylvania has a \$278 million fund dedicated towards providing larger winnings to horses bred in Pennsylvania. Councilor Bunker requested that Council consider adopted a resolution prioritizing such issues as education above horse breeding and send this resolution to the Borough's state elected officials.
- **Building One PA / First Suburbs Membership:** Assistant Manager Bashore stated that the fee for the Borough's membership with Building One PA / First Suburbs has come due. The fee is \$750. Councilor Pancoe asked about the organization's major priorities. Assistant Manager Bashore stated that transportation is their major focus at the moment. Councilor Golden recommended renewing and becoming better represented at the meetings.

ACTION: On motion of Chairwoman Marlowe, seconded by Councilor Pancoe, the motion approving the membership with Building One PA / First Suburbs passed unanimously.

Adjournment: On motion of Chairwoman Marlowe, seconded by Councilor Pancoe, the motion adjourning the meeting passed unanimously.