

BOROUGH OF WEST READING FINANCE COMMITTEE

THURSDAY, MAY 10, 2018

The West Reading Finance Committee met for their regular meeting on Thursday, May 10, 2018 at Borough Hall with the following persons present: Council President Nicholas Imbesi, Council Member Dave Amato; Treasurer Jeanette Rentschler; Residents Oswald Herbert and Matt Spezialetti; Finance Consultant Donal Renninger and Borough Manager Cathy Hoffman. Council Member Suzanne Thompson was unable to attend.

Visitors: None

The meeting was called to order at 6:02 p.m.

Public Comment

There was no public comment.

Approval of the Minutes

Moved by Mr. Herbert and seconded by Mr. Amato to approve the minutes of March 15, 2018 as presented. **Motion carried**

Financial Consultant

Donal Renninger was on hand to discuss the budget, investments, as well as planning ahead for large projects. Discussion centered around the tight budget for 2018 and the events that occurred to cause this situation, including the \$800,000 deficit that was budgeted several years ago. It was noted that a capital plan needs to be created for all departments to determine future needs and that expenditures be scrutinized to determine where over-spending exists.

The police budget was discussed at length and it was noted that the numerous events that the Borough hosts each year are provided police protection at the Borough's expense and it was suggested that this practice may need to be halted.

Audit Review

Ms. Renninger stated that she had reviewed the Audit for 2017 and that there was only one unresolved issue – the Borough does not maintain an inventory of all capital assets. The Audit will be distributed to Council for their upcoming meeting, and a representative from Maillie will be asked to present the Audit results to Council at the June meeting.

2019 Budget

The budget for 2019 was discussed and Mr. Imbesi said he would like the Committee to scrutinize the budget prior to the first meeting with Council in the fall. He recommended meeting twice in July and August to facilitate this review.

Investment Potential

Mrs. Rentschler reported that she recently had met with representatives from M&T Bank to discuss various investment products. However in comparing those products which the information previously received from PLGIT (Pennsylvania Local Government Investment Trust), her recommendation was to invest with PLGIT. Various methods were discussed with the best product for the Borough being 'Prime' which is similar to a money market fund. Also discussed was the amount and term to be invested, and after further debate it was agreed to invest \$1M for 90 days. It was also noted that there are no fees for withdrawing early, and if necessary, funds could be transferred back to the general fund to cover upcoming expenditures.

Moved by Mr. Amato and seconded by Mr. Herbert to recommend to Council the investment of \$1M in the PLGIT Prime plan. **Motion carried.**

Additional New Business

- At the August Council meeting, Ms. Renninger will be able to provide a complete financial report for the first half of 2018.
- Mrs. Hoffman reported that a copy of the Volunteer Firemen's Relief Association Compliance Audit for January 2015 – December 2017 had been received from the Department of the Auditor General, and that the audit has two findings:

- Finding No. 1 – Undocumented Expenditures
- Finding No. 2 – Failure to Maintain a Complete and Accurate Equipment Roster

The email accompanying the audit stated that the audit report is a public record which must be available for examination by all interested citizens. The contents of the audit may also be released to news media as part of the Auditor General's full disclosure to taxpayers of the manner in which public funds are being spent. There was some concern by the Committee concerning the lack of disclosure from the Relief Association as well as the Fire Company. Mr. Imbesi said he would meet with the Fire Chief to discuss this.

Adjournment

The meeting was adjourned at 7:26 p.m.

Respectfully submitted,

Cathy Hoffman
Borough Manager