

Borough of West Reading Finance Committee

Thursday, March 14, 2019

The West Reading Finance Committee met for their regular meeting on Thursday, March 14, 2019 at Borough Hall with the following persons present: Council President Nicholas Imbesi, Treasurer Jeanette Rentschler; Council Member Suzanne Thompson; Members Oswald Herbert, Kylie LaSota and Robert Lockyer; Borough Manager Cathy Hoffman.

Visitors: None

Call to Order

Mr. Imbesi called the meeting to order at 6:04 p.m.

Public Comment

There was no public comment.

New Business

- a. **DCED Survey of Financial Condition** – Mrs. Rentschler noted that the Borough carries a debt of 12 to 13% of the budget when it should be less than 10% however there is nothing that can be done until the outstanding debt is paid off in 2032. The bulk of the debt is for the work that was done to expand Borough Hall, construct the new fire house and update Penn Avenue.
- b. **Audit Draft** – Mrs. Rentschler highlighted portions of the audit. She noted that there were no findings.
- c. **2018 Budget Savings Review** – The ending balance for 2018 was \$209,000 more than what had been projected. This was attributed to more funding being received. It was noted that if we can hold the line on spending for 2019, we will be in good shape for the end of the year. In previous discussions, Mr. Spezialetti had recommended that the Committee analyze where funds were saved in 2018 so that we can work toward the same goal for 2019. Also, it was noted that only 68% of our projected business privilege tax had been collected in 2018. Also discussed was the telephone overage in 2018 as well as overall police costs and the two unionized contracts.
- d. **Current comparison to budget** – The budget was briefly discussed. Mrs. Rentschler noted that we have not received much for transfer taxes so far this year – only \$2000 out of the \$75,000 projected for 2019. It was also noted that the current agreement between the Borough and the Reading Hospital for the 'Payment in Lieu of Taxes' ends December 31, 2019. As a result, a new agreement will need to be negotiated this year. The financial statements ending February 28, 2019 were discussed. Mrs. Rentschler explained the various funds for the new members, as well as amounts being held in reserve funds.
- e. **Personnel Reviews** – Staff reviews were discussed and it was recommended that the Manager should prepare reviews for all department heads on an annual basis. Each department head should complete reviews for each of their staff members. Mrs. Hoffman noted that this has been discussed Council in the past, however staff reviews have not been completed in at least the last 20 years or more. It was also noted that having a union in place for both Public Works and the Police Department could potentially make the process more difficult. Ms. LaSota offered to assist with the personnel reviews.

2020 Budgetary Focus Points

- a. **Vehicle replacement** – The process by which vehicles are replaced was discussed. It was suggested that new members receive pertinent documents such as equipment lists, payroll reports, police activity reports etc., to give a better picture of the Borough's current financial condition.

- b. 2020 Borough Infrastructure Projects** – Future infrastructure projects need to be reported to facilitate early planning for the 2020 budget.

Other Business

Mr. Herbert provided a copy of a news article which details Sinking Spring's discussions regarding the possibility of police services being provided by Spring Township. The article was provided as food for thought.

Adjournment

The meeting was adjourned at 7:24 p.m.

Respectfully submitted,
Cathy Hoffman
Borough Manager