

Borough of Columbia

Finance Committee Meeting Minutes

Monday, February 22, 2016

Note: Minutes developed from notes taken and recollection of meeting comments.

Meeting called to order by Chairman Kelly Murphy at 6:00 pm.

Committee Members Present:

Kelly Murphy (Chair), Mary Barninger (Member), Sherry Welsh (Alternate)

Borough Officials/Staff Present:

Borough Manager Greg Sahd, Finance Supervisor Georgianna Schreck, Mayor Leo Lutz

Citizens Present:

None.

Citizens Comments:

None.

Minutes Approval:

None.

December 2015 Finance Report:

December 2015 Treasurer's Report was presented for review with no comments of note provided by any in attendance. December 2015 Budget Performance Reports (General Fund, Capital Fund, Liquid Fuels Fund, Wastewater Fund, and Municipal Fund) were presented for review. Specific discussion held regarding line items 01.380.001 and 01.380.002; Finance Supervisor responded that 01.380.001 was for a pension buyback for an officer and 01.380.002 was insurance money for removal of equipment from the cruiser damaged in an accident. Also noted that police overtime for the year reported as \$131,253, which is over the budget plan of \$100,000; need for cost containment remains. December 2015 Check Register was presented for review; specific items were questioned and explanations were provided by staff. Specific discussion held regarding reimbursement of police department employee for office supplies purchased for them. Questioned why there is no central inventory system utilized for such supplies and that by continuing this practice the purchase order system was being circumvented. Finance Supervisor to discuss this practice with Police Chief and to implement system for 2016. December 2015 Escrow Information, Open Invoices, Cash Flow Chart, and Monthly Revenues/Expenses were presented as information only for review with no comments of note provided by any in attendance. Permit Lists (shared with Lancaster County and Columbia School District) updated for December 2015 were provided as information only for review of permits issued for work performed on properties which could affect the assessed value; no comments of note were provided by any in attendance. Murphy moved to approve the December 2015 Finance Report as presented, Barninger second, approved unanimously. **Action Item: December 2015 Finance Report will be forwarded to Council for consideration of approval at the March 14, 2015 Council meeting.**

Budget Change Requests:

Budget Change Request #7 for 2015 was presented for review. Request covers year end line item fund transfers to cover expenses in Capital, General, and Waste Water funds. Specific discussion held regarding monetary increase in Ironville Pike project due to additional work change orders by contractor (Pennsy Supply). Public Works Director R. Miller responded back that this was due to normal project work that were included as additions to the project since they were not included in Pennsy's original project bid, and that this omission is something that will have to be examined in future road project bids. Noted that there may be an additional request for year-end 2015 as a result of the annual audit conducted by Sager/Swisher. After discussion, Murphy motioned to approve Budget Change Request #7 for 2015 as presented, Welsh second, approved unanimously. **Action Item: Budget Change Request #7 for 2015 will be forwarded to Council for consideration of approval at the March 14, 2015 Council meeting.**

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January 2016 Finance Report:

January 2016 Treasurer's Report was presented for review with no comments of note provided by any in attendance. January 2016 Budget Performance Reports (General Fund, Capital Fund, Liquid Fuels Fund, Wastewater Fund, and Municipal Fund) were presented for review; specific items were questioned and explanations were provided by staff. Reported that we should expect to see in either late February or March transfer of bond funds to LASA as part of our agreement with them and that the first draw down of these funds would be March 2016. January 2016 Check Register was presented for review; specific items were questioned and explanations were provided by staff. January 2016 Escrow Information, Open Invoices, Cash Flow Chart, and Monthly Revenues/Expenses were presented as information only for review with no comments of note provided by any in attendance. Permit Lists (shared with Lancaster County and Columbia School District) updated for January 2016 were provided as information only for review of permits issued for work performed on properties which could affect the assessed value; no comments of note were provided by any in attendance. Murphy moved to approve the January 2016 Finance Report as presented, Barninger second, approved unanimously. **Action Item: January 2016 Finance Report will be forwarded to Council for consideration of approval at the March 14, 2015 Council meeting.**

Continued Business:

Finance system software upgrade is being implemented with an expected go live date the second week of March 2016. Reported that a new tax program is being implemented by Lancaster County in 2016, with concerns over change of ownership issues/names on tax bills that will have to be monitored for accuracy.

The 2015 fiscal year audit has been initiated by Sager and Swisher, borough's solicited accounting firm. Noted that the 2016 audit will include review of data from the present Finance system software as well as that from the new Finance system software.

Final report received from Cohen Law Group (CLG) with respect to the Comcast franchise fee audit for Columbia Borough. No significant findings were presented as a result of the audit based on information supplied regarding Comcast's customer list; the final report will be maintained in Borough's Finance files. During the process, Columbia Borough requested Comcast's consideration of modifications to the existing agreement due to its outdated terms; however, Comcast refused to consider this request. As such, CLG was requested to draft a letter from the borough which could be transmitted to Comcast regarding our regret for this decision and to provide notification to them of our intent to not extend the current agreement past its 2019 end date. Barninger moved to approve the draft letter that the Borough can use as written notice to Comcast to not extend the terms of the current agreement upon its expiration in September 2019 as presented, Welsh second, approved unanimously. **Action Item: Draft letter for use as Borough's written notice to Comcast to not extend the terms of the current agreement upon its expiration in September 2019 will be forwarded to Council for consideration of approval at the March 14, 2015 Council meeting.**

New Business:

Reviewed a copy of Columbia Borough's 2015 Police Pension Fund Actuarial review. Noted that the current fund level is at 88% or classified as "mildly distressed", even with the borough's contribution of \$422,567. Current arbitrated police contribution rate of 3% continues to negatively affect the borough's position. These contribution rates will increase to 4% this year and 5% in 2018 which will eventually bring their contribution rate back to previous contract levels.

Reviewed a copy of the Penna. Auditor General's examination report of the Liquid Fuels Tax Fund of the Borough of Columbia, Lancaster County, for the period January 1, 2013 to December 31, 2014. No deficiencies were reported and no recommendations were provided, noting that all Liquid Fuels funds had been properly used and reported.

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Discussion was initiated regarding borough's current website format and desire to modernize/improve/upgrade present format and presentation. Committee members tasked to obtain examples from other such websites as examples for consideration. Discussion will be continued at next committee meeting.

Discussion was initiated regarding the Borough Manager's Columbia 1st Project outline for promoting economic opportunity, growth, development, and jobs and to invest in the citizens of Columbia Borough. Regarding the new software's capability for tracking loans, the response is not at this time, but that we could possibly buy another module that could do this if Council moves forward with the Columbia 1st project presented. **Action Item: Concept will be presented to council and Columbia citizens at the March 14, 2015 Council meeting for consideration of continued action, including presenting to Community Development committee meeting for future discussion and consideration.**

Meeting adjourned at 7:54 pm on a motion by Welsh, second by Barninger, passed unanimously.

Respectfully submitted,
Kelly Murphy, Finance Committee Chair