



## **Finance Committee Meeting Minutes Monday, October 22, 2018**

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

Meeting called to order by Chairman Kelly Murphy at 6:03 pm.

*Committee Members Present:*

Kelly Murphy (Chair), Cle Berntheizel (Vice Chair), John Novak (Member)

*Borough Officials/Staff Present:*

Borough Manager Rebecca Denlinger, Borough Finance Director Georgianna Schreck, Borough Accountant Kyle Watts, Councilors Fran FitzGerald, Todd Burgard, Pam Williams, and Marilyn Kress Hartman, Mayor Leo Lutz

*Citizens Present:*

Junior Council Member Robert Misciagna, Don Murphy, Becky Murphy, Benjamin Myers, Sharon Lintner, Joe Lintner

*Citizens Comments:*

No non-agenda items directed to the committee. Comments/questions addressed during discussion of specific items.

*Minutes Approval:*

Novak moved to approve the September 24, 2018 Finance Committee meeting minutes as presented, Berntheizel second, approved unanimously.

*Presentations:*

Don Murphy of Cimarron Investments presented the committee and staff with background information and schematic drawings for a request of the Borough to undertake construction of a parking garage on a separate parcel behind the hotel currently owned by the developer which would be conveyed to the Borough for the construction of a garage. Parking would be available to the public as well as hotel guests. Estimated cost of the garage is \$3.5 million based on estimates obtained by the developer. The garage is expected to be four stories with approximately 100 total parking spaces; each floor of the garage would be approximately 12,000 square feet for a total area of 48,000 total square feet. During discussion, it was provided that the borough would pursue the release of Redevelopment Assistance Capital Program (RACP) funds by the PA Office of the Budget which require a 1:1 non-state match from the Borough. If approved, the RACP funds will be provided to the Borough as a grant, with our matching funds provided from current bond issue which has allocation designated for parking investment. The construction schedule for the garage would not be dependent on the construction schedule for the hotel project. Utilities (electric, plumbing, etc.) would be completely separated from the hotel project. The Borough would own the garage and would enter into a management and operation agreement with an entity to be determined later. A motion was made by Berntheizel, second by Novak, approved unanimously to direct an administrative action of the Borough Manager to contact DECD to proceed with Step 2 of the RACP grant process in providing general outlines and plans of action for both the parking garage project and planned building improvement previously discussed for the market house and to report back to borough council with a recommended updated plan of action.

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## *Presentations (cont'd):*

Benjamin Myers presented the committee and staff with a revised request for consideration from the borough sponsored business loan program administered through Community First Fund in consideration of funding related to their project located in the first block of Locust Street. Highlights included \$250,000 increase in loan amount, revised loan term, interest rate, and interest only/balloon payment payoff considerations. After considerable discussion, motion was made by Berntheizel, second by Novak, approved unanimously to direct an administrative action of the Borough Manager to meet with Mr. Myers and CFF representatives to advance consideration of the request and to report back to borough council with a recommendation for action.

## *September 2018 Finance Report:*

Treasurer's Report was presented for review with no comments of note provided by any in attendance. Budget Performance Reports (General Fund, Capital Fund, Liquid Fuels Fund, Highway Capital Fund, Bond Capital Fund, and Wastewater Fund) and Tax Collector's Report were presented for review; specific items were questioned and explanations were provided by staff. Certain questions were directed and answered during the meeting or addressed via email from Borough Finance Director Schreck and Accountant Watts. Check Register was presented for review; specific items were questioned and explanations were provided by staff. Escrow Information, Open Invoices, Cash Flow Chart, and Monthly Revenues/Expenses were presented as information only for review. A request was asked from the committee to provide an updated list covering the lien status of open invoices and a report of change amounts from the appeals process. Update provided on current financial status of borough bond issue investment with Red Tree and reviewed with a balance remaining of \$5,856,351, and the Wells Fargo investment account covering the LASA Wastewater sale with a current balance of \$6,242,025, both accounts presently designated solely to Capital Fund items/expenditures. With regard to the draft 2019 budget, councilors in attendance provided differing feedback on request amounts received from the borough 501c3 organizations, requesting the Borough Manager and Finance staff to provide final recommendation at the November 1, 2018 meeting. Mayor Lutz also provided comment regarding revising the Facilities Use Request process for 2019 to add costs for coverage of police and/or Public Works employees needed. Permit Lists updated for September 2018 were provided as information only for review of permits issued for work performed on properties which could affect the assessed value. Also presented were the Wastewater Septage Billing Report, the outstanding Wastewater liens, and the Wastewater Aging Report. Novak moved to approve the September 2018 Finance Reports as presented, Berntheizel second, approved unanimously. **Action Item: August 2018 Finance Reports will be forwarded to Council for consideration of approval at the November 12, 2018 Council meeting.**

## *Budget Change Requests:*

None.

## *Continued Business:*

Committee reviewed an update on the current blighted property list, the status of Land Bank property acquisitions, and current program financial status. 208-210 Locust St. and 494 Manor St. projects continue in process. 511 Cherry Street is under agreement of sale. Land Bank Authority is proceeding negotiation on acquisition of properties at 32 S. 9<sup>th</sup> St., 838 Houston St., 318 S. 3<sup>rd</sup> St., and 332 Locust St. Columbia's Land Bank provides an unreserved fund balance of \$34,236, with \$200,000 in reserved funds. An update was reviewed for the blighted property list.

Committee reminded of the ongoing need to continue negotiation process for the Comcast agreement renewal with the borough based on notification of our intent not to renew under present terms. Borough solicitor is collaborating with Cohen Law Group to advise the borough on next steps in cable franchise renewal negotiations as the current agreement expires September 11, 2019.

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*New Business:*

Reminder provided of third public meeting for discussion on 2019 budget will be Thursday, November 1, 2018 at 6:00 pm. If there is a need to schedule any additional budget meetings, time and date will be determined at this meeting.

Meeting adjourned at 8:29 pm on a motion by Berntheizel, second by Novak, approved unanimously.

Respectfully submitted,

Kelly Murphy, Finance Committee Chair