

Borough of Bryn Athyn  
Finance Committee  
Meeting Minutes

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October 30, 2018  
6:00pm

In attendance: Duane Hyatt, Chair  
Chris Carter  
Vikki Trost  
Jeff Elsing  
Glenn Gurney

The meeting was called to order by Chairman Duane Hyatt at 5:59pm.

**Previous Meeting Minutes**

The October 16, 2018 meeting minutes were approved.

**2019 BUDGET**

**GENERAL FUND BUDGET**

Chairman Duane Hyatt reported that the following adjustments were made to Draft #1 as approved at the last meeting:

- Building Permit Revenue increase from \$15,000 to \$18,000
- Legal Expense increase from \$20,000 to \$22,000
- Police Pension decrease from \$70,000 to \$60,000
- Building Permit Expense increase from \$12,000 to \$15,000

Vikki Trost reported that after further review of the Municipal Building Utility bills, it was clear that the recent bills received are for multiple months on each bill and not just the single month noted on the invoices. There was no need to consult with Jim Adams.

Vikki Trost reported that the Solicitor was consulted with regard to overtime pay for part-time police officers and Solicitor Herder confirmed that the part-time police officers are being properly paid overtime as required by law.

Mr. Hyatt noted that the General Fund as presented in Draft #2 shows a surplus of \$8,237.00 with no tax increase for 2019.

The Committee agreed to decrease the proposed budget for 409.321 Municipal Building/Fire & Police Utilities from \$21,000 to \$15,000, based on past years' history. This increased the proposed surplus to \$14,837.

The Committee discussed the pros and cons of having no Real Estate Tax increase. Mr. Hyatt suggested that a small increase per year is preferable to no tax increases for several years followed by a very large increase the next year. Mr. Gurney favored no tax increase.

The Committee discussed using the surplus from a small tax increase to create a Capital Improvement Reserve Fund for Infrastructure. This would be used for sidewalks, drainage or other needed improvements. Mr. Hyatt proposed adding the proposed surplus of \$14,837 to a 1% or 2% tax increase to start the Reserve Fund.

Chairman Hyatt proposed recommending to Borough Council a 1.5% Real Estate Tax increase which would generate approximately \$17,000 in addition to the surplus of \$14,837 to create the Capital Improvement Reserve Fund for Infrastructure. Mr. Gurney suggested 1.25% increase. The Committee voted 4-1 to recommend a 1.5% Real Estate Tax increase in the 2019 General Fund Budget to Borough Council.

## **SEWER FUND BUDGET**

The Committee reviewed Draft #2a submitted by Reid Heinrichs which included a 5% usage rate increase. Vikki Trost explained the changes that Reid made to the first draft and the Committee agreed that the revenue numbers need to be reworked to resolve the \$31,890 proposed deficit.

The Reed Bed Reserve was increased from \$6,000 to \$19,000. Mr. Gurney explained that the reed beds are in bad shape and will need to be cleaned next year at a cost over \$24,000. There is \$12,000 in the Reed Bed Reserve to cover part of the costs. Mr. Gurney reported that digester tanks are being added to assist the reed beds and reduce the frequency of cleaning the reed beds, which is currently done every other year.

Mr. Hyatt asked Vikki Trost to obtain a breakdown of the 2017 actual insurance costs to compare with 2018 actual and 2019 projected costs.

Mr. Hyatt also requested a breakdown of the PA DEP Equalization Project Income and Expense by year.

Chris Carter offered to rework the Sewer Fund Budget with Reid Heinrichs using the new billing allocation method that he developed. Using the proposed expenses, the revenue needed will be appropriately allocated to the system users.

The Committee discussed the possibility of obtaining the most recent readings quarterly to calculate the usage bills. Vikki Trost will get cost information for the data from AquaPA.

## **NEW ITEMS**

1. Mr. Gurney requested that all Sewer Department employees be paid weekly starting now.
2. Mr. Gurney reported that Clayton Walsh has completed certification requirements for Sewer Operator and will received \$.50 per hour pay raise effective immediately.
3. Mr. Gurney reported that Reid Heinrichs will not receive a pay increase this year. He prefers to wait and receive a larger pay increase later.
4. The Committee requested an update from Portnoff Associates on the delinquencies in collections. Council will be informed that the collections efforts could result in a Judgement against the property and that in order to receive the money due the Judgement will have to be executed, resulting in a Sheriff's Sale of the property.
5. Vikki Trost will prepare a new list of delinquencies for collections.
6. Vikki Trost reported that the Easement for the Sycamore Road Pump Station is on the November 5, 2018 Agenda for Council approval.
7. Vikki Trost reported that the Sewage Treatment Plant Lease Addendum is on the November 5, 2018 Agenda for Council approval.

The meeting was adjourned at 7:19pm.

### ***For the next meeting:***

- 1. Reid Heinrichs and Chris Carter will rework the Sewer Fund Budget with new billing revenue***
- 2. Vikki will revise the General Fund spreadsheet with the Committee's instructions listed above.***
- 3. Vikki will send a reminder to the committee regarding the next meeting on the Friday prior to the meeting.***

***Next meeting date: November 15, 2018 at 6:00pm in Borough Hall.***