

**BOROUGH OF LANSDALE
ADMINISTRATION AND FINANCE COMMITTEE MINUTES
MEETING OF APRIL 5, 2023**

Members Present:

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| Denton Burnell | Borough Council President |
| Carrie Hawkins-Charlton | Committee Chairman |
| Rachael Bollens | Borough Council Member |
| John Ernst | Borough Manager |
| Glenn Dickerson | Finance Director |

Ms. Hawkins-Charlton called the meeting of the Administration and Finance Committee to order at 6:35pm.

1. Action of Minutes Previous Meetings

Motion Mr. Burnell to approve the minutes from the Admin and Finance Committee meeting on March 1, 2023, second Ms. Hawkins-Charlton. Motion carriers 3-0.

2. Financial Reports

(1) Revenues & Expenses

Mr. Dickerson- We have almost fully implemented the software. The utility billing is pending and we can expect it by the end of the month and will be using in May.

General Fund- Revenue is up \$300k year over year while expenses are up \$392k. This is what was expected and don't see any need to halt spending. We are looking good.

Parking- Revenue last year we had a lot of parking fines due to snow and this would explain why we are down now. The expenses were slightly up and as expected.

421 W Main- Revenue is flat and so far and we have 3 months of revenue has been collected. The maintenance costs are down due to early items that we had last year.

Electric- Revenue is slightly down due to timing. This is because of Primary billing last year and a delay last year. The expenses are down \$880k year over year and due to timing.

Sewer- Revenue is flat, but slightly up. Expenses are down a little.

Mr. Ernst- I wanted to mention that coming out of Public Works committee is the first look at Sewer rates and increases coming out.

Parks & Recreation- Revenue is slightly up for a few things like pool memberships. Expenses are down.

Debt Service- Expenses are up and that is just due to a payment.

Capital- Flat year over year and expenses are down.

Overall, we are slightly down in revenue for all Funds and I think some of this has to do with tax collection. I think last year that we had most in by the end of the month.

We are ¼ through this year and have 14% of revenue. We know April is a big month for taxes.

Mr. Ernst- To get a full sense of monthly April tax revenue is when we are in June.

Mr. Dickerson- In our new financial system and it gets posted, I see it right away. All of the department heads can see it in real time, as soon as I post. We can see it any time and it is a robust system.

The Balance Sheet is kind of influx and will have it for next meeting.

Mr. Ernst- The Bills over \$1,000 list has been revised.

Mr. Dickerson- Yes, it is as all 3 of you saw and there is better detail per Fund.

3. Committee Business Items

A. Permission to destroy personnel records

Mr. Dickerson- There is a list and it has been created by PA Municipal records and when it can be destroyed.

Mr. Burnell authorize move to full Council destruction of personnel records in the list. Second Ms. Bollens. Motion carries 3-0.

4. Old Business

A. ARPA Project list review. Staff will have a recommended spend plan for meeting in May.

Mr. Dickerson- I am going to review the project list in May meeting and come back after with staff. Some of the projects include the following: digitalization of the main substation, novachip, Squirrel Lane, Jenkins outfall, Library solar, fiber covers for clarifiers, cameras, Fire Company solar.

There is \$3.3 million in requests and the amount received was \$1.9 million and we used \$300k to balance the budget last year. So, we have \$1,477,000 left and remaining up to \$1,041,890.95 we allocated \$750k towards sink holes. So, we allocated \$749k for 2023. Right now, \$1,041,890.85 is available right now. Projects in May will be used towards the rest.

Mr. Ernst- On the May list, we are still making recommendations on how we should use the remaining amount of money. I reached out to Hedwig and let them know that we are still looking over our needs. Hedwig did say that they would appreciate any amount of money.

B. Residential Electric Deposits. On going discussion on plan to eliminate the Residential Electric Deposits.

Mr. Dickerson- We are still evaluating w/Portnoff for collections and I say we table again.

Mr. Ernst- We are still evaluating the information and our policies. We heard back from landlords and looking forward and looking to the impact.

Mr. Burnell- Some of suggestions and deposit with leases we could maybe hold.

Resident- We feel strongly about abolishing and it puts undue advantage because we are already responsible for bill unlike PECO and others places. I refer to Landlord Tennant Act of 1952 where the landlord can keep up to 2 months of rent. One category issue is escrow and it can be used towards anything. After 1 year, it can be rolled back. All you need is damage like to carpet which is more than deposit and it is important to keep the escrow.

Brokers in real estate can hold escrow. We know how to do it and to streamline holding the money isn't difficult if tenant owes the money. Portnoff is a 3rd party collection agency and there are a number of them in the area. I say put an RFP to get value and when comes to electricity there are other companies that have more expertise. The return # is not attainable and we need to understand the collection formula. If they are given 50 accounts and collect 45 that is a 90% collection rate. They are bound by the 3rd Party Collections act. If you dispute a bill, you have 30 days is one thing. If you go to a collection agency, they become inundated. What is the Borough currently doing for past due final bills?

Mr. Dickerson- We send a letter and do final notices and phone calls. I guess there is one thing different between us and PECO and PP&L. The Borough can't write off unlike them because the money is used to fund other services. While others already have the uncollectable.

Mr. Ernst- Richard, what is our thought on the security deposit.

Richard- It seems like a low # and I would say collect 2 months. Another way to help is to encourage people to use LIHEAP for assistance.

Mr. Dickerson- We do and the information is on our website.

Richard- LIHEAP should be a go to and PECO makes calls to people. It is a great program and small tools to lower delinquency amount.

Mr. Ernst- Thank you for coming and this is why we are doing this and you are here and we are discussing.

Resident- If there is a delinquency and the 3rd party is to collect and the landlord has to pay, but it waiting months and years.

Mr. Ernst- We discussed that and making the landlord whole, but we are letting someone else move in.

Richard- If we make landlord whole, then the resident owes the landlord still.

Resident- What happens to the tenant? We have address and we run a credit report. They run on everything.

Mr. Ernst- That is correct. At the same time, there needs to be some way to allow tenant to come back in while the landlord can get income on the new tenant.

Resident- Last Council meeting, we talked about 97% collections rate and nobody has that.

Mr. Dickerson- True and we need to see how their metrics are set up.

Richard- For 3rd party collections, they can help. I wanted to talk about no costs to Borough. I would love to see contract because it is unprofitable.

Mr. Dickerson- I have the contract and it says that.

Mr. Ernst- I believe it would be worth Portnoff coming in and scheduling them.

Mr. Hawkins-Charlton- I think we need to get the whole Council involved.

Mr. Burnell- Especially if we let the landlord rent.

Richard- If you give to collections and they put 30% on it. Their potential revenue is 30% on it. Their potential revenue is \$10k on \$30k. I would be surprised a portfolio this low and got a 2 letter service and robo calls.

Mr. Ernst- When we talked to Portnoff, did we talk about the debt level #?

Mr. Dickerson- Yes, we did and the # doesn't fluctuate much.

Resident- How far back does this go?

Mr. Dickerson- It goes all the way back, but \$5,000 of this is for Sewer. Out of the 3,000 plus deposits, no more than 70 go back to the landlord. I say this without prejudice it can be traced back to specific properties.

Ms. Hawkin-Charlton- Same properties with different tenants in there?

Mr. Dickerson- Yes, we took feedback and we want to make sure that we do the right thing.

5. New Business

C. Consider updated Ward designations based on population changes.

Mr. Burnell- Development in the last 15 years especially in Ward 1, but may exist in others. The County is looking to examine and will look but not necessarily do anything. They need a request from us. They would present line based on population.

Ms. Hawkin-Charlton- We can look into that.

Mr. Burnell- I would like to make a motion.

Mr. Ernst- Yes, we will make a motion to Council to start the process.

Motion Mr. Burnell for voters services to assess layout of voting places in relation to the Borough.
Second Ms. Hawkins-Charlton. Motion carries 3-0.

Meeting adjourned at 7:25.