

Borough of West Reading Finance Committee

Thursday, August 16, 2018

The West Reading Finance Committee met for their regular meeting on Thursday, August 16, 2018 at Borough Hall with the following persons present: Council President Nicholas Imbesi, Council Members Suzanne Thompson and David Amato; Treasurer Jeanette Rentschler; Members Oswald Herbert and Matt Spezialetti; Finance Specialist Donal Renninger CPA; Borough Manager Cathy Hoffman. Both Mr. Amato and Mrs. Hoffman arrived after the Town/Gown meeting had adjourned at the Fire Company.

Visitors: Grace Craze

Public Comment

There was no public comment.

Mid-Year Report – Year-to-date June 30, 2018

Ms. Renninger reviewed the report she had prepared for the year-to-date financial condition as of June 30th. She noted that while the water and sewer funds were in good condition, the general fund was only in fair condition. Discussion ensued regarding the non-profit status of the hospital as well as how to address the projected budgetary deficit.

Capital Reserve Expenditures

- Camera installation at 4th & Penn, 5th & Penn and 6th & Penn Avenue has not been completed as of yet. (\$11,500 budgeted under Police Capital Expense)
- Turn-out gear has not been purchased. (\$10,000 budgeted under Fire Capital expense)
- \$75,466 (sweeper) has been spent under Highway Capital with the remainder scheduled for the paving of S. 5th Avenue/Museum Road and improvements at the 7th and Walnut Street intersection.
- \$6500 for recycling bins will not be spent, given that the trial project on Penn Avenue has not been successful.
- Two pool filtration tanks have been purchased under Recreation Capital which came in slightly over the \$18,000 budgeted amount.
- \$18,681 was erroneously paid from the Special Reserve Fund therefore the Capital Reserve will need to reimburse this.

Special Reserve Fund

- This fund is budgeted to receive \$125,786 - .25 Mills from the Fire Tax and .5 Mills from the Road Tax. Transfers to date total \$78,617.
- \$18,681 was paid erroneously from this fund and will be reimbursed.

Overview Conclusions

General Fund

- The financial condition is only fair for several reasons including the Business Privilege Tax being \$150,000 lower than the budgeted amount.
- It is recommended that no new projects should be undertaken in 2018 other than those already budgeted.

Water/Sewer Fund

- Financial conditions are good with upcoming transfers being approved to proceed.

Sanitation Fund

- Due to an error with a transfer of recycling grant funds, none of the remaining budgeted transfers will be done until this can be reviewed again at the end of the year.

Capital Reserve Fund

- The condition is fair with a projected fund balance at year-end of \$99,299.
- All budgeted capital projects can move forward.

Special Reserve Fund

- Financial condition is good with a projected fund balance at year-end of \$469,892.
- No capital projects were budgeted for 2018 therefore reserves can be used to build funding for future projects.

Adjournment

The meeting was adjourned at 7:07 p.m.

Respectfully submitted,

Cathy Hoffman
Borough Manager

Tough decisions will have to be made as part of this years' budget process because it is our responsibility to present a balanced budget for 2019.

- *Nicholas Imbesi, Council President*