

**BOROUGH OF LANSDALE  
ADMINISTRATION AND FINANCE COMMITTEE MINUTES  
MEETING OF NOVEMBER 3, 2021**

Members Present:

Denton Burnell	Borough Council President
Carrie Hawkins-Charlton	Borough Council Member
Leon Angelichio	Committee Chairman
Garry Herbert	Mayor
John Ernst	Borough Manager
Glenn Dickerson	Finance Director

Mr. Angelichio 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 10/06/2021, second Ms. Hawkins-Charlton. Motion carriers 3-0.**

**2. Financial Reports Year to Date**

Glenn Dickerson- Updated reports for YTD October 31, 2021, were not available as of this meeting.

**3. Committee Business Items**

**2022 Budget -**

Glenn Dickerson- Presented the budget in October for Council review.

Suggested Action:

- Take \$312,922 from ARPA funds and use for any purpose on the General Fund based on lost revenue calculation from 2019 to 2020.
- Utilize a ½ mill tax increase to fund the additional needed to accomplish what needs to be done in 2022. On a \$120k assessment this is \$60 annual increase in taxes.
- The ½ mill increase will raise approximately \$420,000 to be used to fund the 2022 budget.
- In October presentation we pushed some capital projects from 2022 to 2023, taking the recommended actions will allow us to complete those projects in 2022.
- We currently plan Capital Projects 5 years out, this is a little short-sighted and we will be working to plan out 10 years beginning in 2022.

John Ernst – this mill would be in place going forward.

Mr. Angelichio – Last time that we did this we talked about doing every year for a couple years and then skipping a year (with increases). It is responsible financial decision to do what is right and not to “kick the can”.

John Ernst – Maintain fund balance each year and add as necessary.

Mr. Angelichio – Capital projects are not getting less expensive

John Ernst- Cost each year for business has risen.

Mr. Burnell – with a \$300,000 gap, could we do a ¼ mill for 2022 and another ¼ mill for 2023?

Mr. Angelichio – If we raise a ¼ and then then do a ¼ the next year we will raise more than the one time ½ mill because of the compound effect.

John Ernst – the \$300,000 from ARPA is a one time use of the funds.

Glenn Dickerson – based on the revenue gap calculation for COVID years, we are able to use these funds for any purpose.

Ms. Hawkins-Charlton – when we raised taxes the last time it was significant, and people felt it.

If we do the ¼ and then another ¼ then it will actually be more like \$64 instead of \$60. Everyone's taxes will go up, but what is the most cost effective way to do that?

Mr. Burnell – I get both arguments but trying to lessen the impact.

Mr. Angelichio – if you do two increase it would be harder to sell and not necessarily a good thing to do.

Glenn Dickerson – Lansdale assessment based on historical amounts.

John Ernst – we don't have a shortfall, but we are moving projects and we could balance if more projects were shuffled.

Mr. Burnell – are we deferring projects that have been deferred for a long time?

Ms. Hawkins-Charlton – cost on electric original from 1970. Do we raise taxes now? This is one item. Costs increase on things like unions and health insurance meaning expense need to be taken care of.

Mr. Burnell – the question is when can we assume that the revenue is real? We can't guarantee what revenue will really be in 2022. We will be in trouble if it isn't realized.

Ms Hawkins-Charlton – we have done a great job limit the amount of times taxes have been raised. Would people prefer 2 small increase or just one increase?

John Ernst – one concern is if small amount now with thought we do it again next year, but the new council doesn't agree with that?

Mr Angelichio – I agree with tax increase. This allows us to project out 1-3 years. My thought is that this money needs to be spent over the next few years. If we make good projections, we are doing the responsible thing versus the political thing.

Resident – what about selling the Library or the 421 W Main St Building?

Mr Angelichio – it is a consideration, but it only make \$100,000 per year. If we sell it, how long do the funds received last? It is the same concept with questions about selling the electric company.

Mr Burnell – I agree with Leon in exploring some of these options.

Mr Angelichio – what do we do when the asset money is gone? Will we positive on revenues?

John Ernst – County will say it is an asset (421 W Main) in the community as a satellite office. We do have a 421 W Main Capital Fund.

Mr. Angelichio – it is a one time expenditure.

John Ernst – we may also be able to look at doing the roof and HVAC with ARPA funding.

Mr. Angelichio – we cannot lock another Council into what we decide today in this budget. We have to say why we do and if we don't fix the electric roof and it collapses, I know I wouldn't want to stand under that roof.

John Ernst – we always look for opportunities to do things with new vendors and in less expensive ways than they were done in the past.

Mr Burnell – I am ok with presenting this recommendation to council, having them review it and vote on how to proceed at the next business meeting.

Mr. Angelichio – I am also ok with recommending council review.

Mr. Burnell – we will do the 1/4 mill increase and go forward.

Mr. Angelichio – we can do that and allow a 2023 increase left up to discussion for the next council in the next budget cycle.

John Ernst – compromise is a 3/8 mill increase.

Mr. Burnell – doesn't get us there and trying a 1/4 and convincing next council to do another 1/4 next year if needed is not recommended.

#### **4. Old Business**

**N/A**

#### **5. New Business**

Action 1 – Approve RVE Engineering proposal for 421 W Main St Roof replacement.

Glenn Dickerson - \$40,600 for the roof replacement engineering piece.

Action 2- Approve the renewal of Montgomery County Planning Commission (MCPC) 3yr contract.

John Ernst – last year (2021) paid \$20,600, the new contract increases to \$23,600 and it is split between us and the county. It is \$46k, \$46k and \$47k the next three years. We pay half the amount and are invoiced two times per year. We are looking to work on the Railroad plaza and a comprehensive plan and zoning light industrial and some stormwater issues as well as renewable and stable energy projects. If we hired someone to do this work, it would cost substantially more.

Mr. Angelichio – if people ask of services provided, I will defer to John.

John Ernst – yes, 5 days a month and have planning resources available to Lansdale.

Motion to approve renewal – Seconded, passed 3-0.

Action 3 – National Opioid Settlement

Glenn Dickerson- agreement to participate in a \$26Billion settlement.  
1<sup>st</sup> the state decides to participate – PA has opted to participate.  
Municipalities must opt in and assign an authorized signer.

Mr. Angelichio – how is settlement equal? Or is it by density?

Glenn Dickerson – totals are not know at this point, but if a municipality doesn't opt in PA may end up getting less in the end.

Mr Burnell – does it say how much?

Glenn Dickerson – not specified.

John Ernst – Sean Kilkenny forwarded letter from PA Attorney General. We will do all required paperwork and be sure not to miss any legal steps required to be completed in order to participate.

Action 4 – EAC appointment

Glenn Dickerson – put funds in the proposed budget and need to approve chairperson chosen.

John Ernst – EAC based on ordinance passed by this body (Council) one time. They are following guidelines to participate in training, public outreach, develop education materials and things related to their mission. They want to be sure there are funds for any identified activities for 2022.

Mr Angelichio – Can they apply for grant funding?

John Ernst – they can participate in grant funding and do fund raisers.

Mr Angelichio – how do they get legal counsel if needed?

John Ernst – I haven't seen anything yet, but if needed they can utilize the Solicitor.

Mr. Burnell – did we have \$10,000 in the budget?

John Ernst – yes, we did.

In order for this agency to apply for grants we need someone to lead that because they do not have anyone on staff.

Mr. Angelichio – Do we supply \$10,000 and have a “draw” where we can withhold money if it isn’t needed?

John Ernst – this is just informational and if budget is approved there is \$10,000 in the budget. The EAC has chosen its chairperson and they must be approved by Council.

Mr Burnell – motion to approve, seconded. Passed 3-0.

## **6. Old Business**

Sewer billing is returning to Lansdale from NPWA.

John Ernst – NPWA analyzed the billing process on their end and determined they were not charging Lansdale enough for each bill processed. Lansdale is the only municipality that NPWA billed for. There was a regulation passed on specific ways that billing needed to be done and NPWA didn’t want to pay to change their billing software, so they alerted us that we needed to take back billing.

Mr Angelichio – assets are in place?

John Ernst – we have accounts on our systems and have added new accounts established since moving the billing to NPWA.

Glenn Dickerson – meter changes completed by NPWA are being updated in our systems.

## **6. Public Comment**

Resident – a way to bring in additional revenue would be to reestablish the shade tree commission. I see trees being cut down that shouldn’t be and am not sure if permits and approval were given.

John Ernst – there used to be a shade tree commission. This was talked about a few years ago and no one in the public was interested in participating. We should understand what they used to do and determine if this would be something to begin again.

Resident – I see gross negligence on trees cut down and it shouldn’t happen based on what we are dealing with in terms of the environment.

Mr. Burnell – I don’t think this committee could go onto private property and dictate how things are done, but it could work on public property.

Meeting Adjourned at 7:30