

**BOROUGH OF CARROLL VALLEY
FINANCE COMMITTEE
SPECIAL MEETING
TUESDAY, SEPTEMBER 8, 2020 – 7:00 P.M.
BOROUGH OFFICE**

MINUTES

Chairman Ronald Harris, Mayor called the meeting to order at 7:00 P.M.

The attendance was as follows:

FINANCE COMMITTEE MEMBERS

Present

Ronald J. Harris, Mayor
Beth Cool
Sarah Skoczen
Frank Buhrman
Jason Shay

BOROUGH OFFICIALS, ETC.

David A. Hazlett, Borough Manager
Gayle R. Marthers, Borough Secretary
Chief Richard L. Hileman, II

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Mr. Richard Nelson, 31 Hickory Trail, Carroll Valley. Mr. Nelson requested a copy of the packet of information, having received it, he offered sparse comment and inquiry throughout the meeting.

CONSIDERATION OF THE MINUTES OF THE OCTOBER 14, 2019 REGULAR FINANCE COMMITTEE MEETING

Following brief discussion:

*** S. Skoczen moved, F. Buhrman seconded, that the Committee accept the minutes of the Regular Finance Committee Meeting of October 14, 2019 as submitted. Motion passed unanimously.

OLD BUSINESS

There was none.

NEW BUSINESS

2019 FY Audit Report:

It was noted that there were no findings and Borough Staff concurred that the results were as expected. Following brief discussion, Members agreed by consensus to accept the report as submitted.

2020 Year-to-Date Financial Report and Personnel Evaluation Review:

Mayor Harris introduced the document prepared by Borough Manager, David Hazlett then asked Mr. Hazlett to lead the discussion. Mr. Hazlett stated that the evaluation was prepared at the request of Council to aid in the decision to move forward with the filling of the 4th Police Officer position which is vacant at this time. Members reviewed the summary prepared which outlined the reduction in revenue due to COVID-19 and the loss of the Building Inspection Program. At this time there is an anticipated shortfall of \$43,347 in the 2020 budget at year's end. Filling the two (2) vacancies of Police Officer #4 and Zoning Officer would increase the deficit to an estimated \$79,256. The evaluation also noted a permanent loss of revenue from the Building Inspection Program estimated at \$200,000 annually.

Mr. Hazlett assured Members that Borough Staff would be diligent in their efforts to eliminate the 2020 FY deficit. Spending has been reduced to emergency and safety needs only. However, moving toward the 2021 budget creation will be challenging to overcome the revenue loss while maintaining the same level of services expected by our residents.

The following comments and concerns were noted in the discussion of the Zoning Officer vacancy:

- Building Inspector versus Zoning Officer versus Code Enforcement
- Building Inspector
 - Benefits to the Borough
 - Availability
 - Salary Requirements/Certifications Needed
- Building Code Official (BCO)
 - Benefit to the Borough
 - Salary and Certification versus the Building Inspector Position
- Code Enforcement Officer/Zoning Officer
 - Job Duties
 - Full-time or Part-time
 - Salary/Certification
- Use of a 3rd Party Contractor for Code Enforcement
 - Benefits to the Borough
 - Cost to the Borough
 - Would the fees from citations off-set costs?
 - Risks to the Borough
 - Loss of Control
 - Legal Liability

Mr. Hazlett's evaluation included over forty (40) budget line item directly affected by the COVID-19 pandemic, loss of the Building Inspection Program and vacancies in the police and zoning departments. Members recognized the following specifically:

- 01-367-800: Park Rentals appear greater than actual because the refunds are reflected in the expense account 01-454-30.
- 01-409-373: Repair of Building Generator.
- 01-410-135: Chief Hileman explained that due to vacancies, a former Borough Officer agreed to cover some shifts resulting in increased part-time hour costs.
- 01-493-547 & 01-493-550: Confirming the Borough allocations were moved to the Special Events Fund (04-accounts).

Members did not vote to accept the report, but did accept by consensus, the information contained therein.

Following private consultation with Mr. Mathews, Mr. Hazlett introduced the topic of Employee Leave Obligations that have the potential to impact future budgets of the Borough. Several employees, most holding supervisory positions have accrued many hours of unused leave time. The following discussion topics were noted:

- Current and Future Policies to address the accrual and use of leave
- Creation of a fund to pay these obligations

When concluding the discussion of the 2020 Year-to-Date Budget and personnel matters, Mayor Harris asked Members for closing thoughts which generated the following:

- Personnel matters, salaries and vacancies should be discussed from a Borough level and not just from the department level.
- Consensus was that both the zoning and police positions are needed.
- What revenue source can be identified to overcome the anticipated deficit?
- Are there any 2021 expenses that can be paid now in order to reduce the deficit next year?
- Budgeting should be examined on a three (3) and five (5) year trend not just a single year.
- What Level of Service is the Borough willing to deem acceptable and what staffing level is indicated by that Level of Service?

- Annually there is a discussion regarding the disparity between department salary increases. This discussion should be held now; prior to creation of the 2021 proposed budget.
- Effort and/or policies should be made to allow employees to use leave time and help employees manage workload to reduce the accrual of time.

2021 Budget Timeline.

Members reviewed the timeline and confirmed the next Finance Committee Meeting of Monday, October 12, 2020.

Mr. Hazlett stated in closing that he needs direction from the Committee or Council as to whether the salaries of the two (2) vacant positions should be included in his budget draft.

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No one addressed Members at this time.

ADJOURNMENT

*** F. Buhrman moved; J. Shay seconded to adjourn the meeting at 8:45 PM. Motion carried unanimously.

Gayle R. Marthers, Borough Secretary