

**BOROUGH OF CARROLL VALLEY  
FINANCE COMMITTEE  
REGULAR MEETING  
MONDAY, OCTOBER 11, 2021 – 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 via phone  
Sarah Skoczen  
Jason Shay  
Frank Buhrman

**Absent**

**BOROUGH OFFICIALS, ETC.**

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

**OPEN TO THE PUBLIC**

No one addressed Members at this time.

**CONSIDERATION OF THE MINUTES OF THE JULY 7, 2021 REGULAR FINANCE COMMITTEE MEETING**

Following brief discussion:

\*\*\* J. Shay moved, S. Skoczen seconded, that the Committee accept the minutes of the Regular Finance Committee Meeting of July 7, 2021, as submitted. Motion passed unanimously.

**OLD BUSINESS**

There was none.

**NEW BUSINESS**

Proposed 2022 Budget Review:

Mr. Hazlett summarized the Budget Document stating that the draft presented does not call for a tax increase. He offered the following comments:

- Commended Borough Supervisors for their work and diligence to offering a bare-bones budget
- Commended Borough Tax Collector, Phyllis Doyle, with her due diligence in collecting a very high percentage of taxes on time
- Cited consistent or growing revenue sources:
  - New Construction is trending upward leading to higher tax base
  - Consistent Property Tax Collections
  - Consistent or Increasing Earned Income Tax Revenue meaning our residents have remained employed throughout the pandemic
  - Property Transfer Tax Revenue is growing
  - Prediction of a strong economy moving forward
- Reviewed the following in areas of spending:
  - Hiring of a new Municipal Services Supervisor brought “fresh eyes” to the budget process; therefore, some reallocating of some items in accounts has occurred and the Capital Reserve saw many increases in the expected lifespan of the trucks and equipment.

- Employee Benefits have several changes
- Social Security COLA is predicted to be 6.1%; the salaries have been budgeted accordingly
- Sanitary Sewer Rates have not been budgeted to increase; however, due to the pending project this issue may be revisited

Mr. Buhrman asked if there were any account numbers added or if there were any accounts that were divided, reallocated or removed. The answer was no. He also asked if there was any aspect of the budget as presented that was particularly stressful. Mr. Hazlett readily stated that the employee benefits changes met that description; however, he and the leadership team are comfortable with what is proposed.

The 2022 Proposed Budget was review with the following observations noted:

- Account Numbers discussed:
  - # 01-401-195 All deductible reimbursement accounts have been reduced to zero
  - # 01-411-500 This is a pass-through account for the Fire Relief Associations
  - # 01-430-261 Increase over 2021 Budget as Mr. Hazlett felt the expenditure on a small rototiller for the mulch in the parks was warranted
  - # 01-430-361 Electricity break-out to MS Department was missed; it will be fixed in the next draft
  - # 01-438-246 Moved to Liquid Fuels Budget
  - # 01-438-255 Moved to Liquid Fuels Budget
  - # 01-438-256 Moved to Liquid Fuels Budget
  - # 01-438-384 Moved to Liquid Fuels Budget
  - # 01-486-352 Decreased due to using a new company and getting a much lower rate
  - Capital Reserve: Municipal Services: Longer Replacement Cycles reduced the overall Yearly Depreciation due
  - Capital Reserve: Parks and Recreation: Lake Carroll Inlet Valve repair targeted for completion in January or February 2022 while water level is lowered for maintenance purposes
  - Capital Reserve: Parks and Recreation: Addition of Snow Removal Attachment for the Bobcat to aid in clearing sidewalks

Personnel Recommendations were discussed at length with the following comments and concerns voiced:

- Zoning Officer is in the budget, but no one has been hired; why? Who is performing the duties?
  - Dave Hazlett, Gayle Marthers and Amanda Bell continue to share the duties
  - Mr. Hazlett stated that he still intends to hire someone; however, there are some personnel, duty assignments and procedural changes to be made first
- Salary increases are budgeted at the anticipated social security rate of 6.1% as has been the custom for many years
- Proposed Medical Benefit Changes are intended to reduce the Borough costs and encourage the staff to make good healthcare decisions:
  - Copays will be increased for most services
  - The Deductible will be lowered to \$750/individual and \$1500/family, but the Borough will no longer reimburse the employees for the deductible
  - Spousal Coverage will not be available to those spouses who have insurance benefits available through their employers
  - Comments and Questions of Members Included:
    - Legality of forcing spouses to use other insurance

- It is legal and many private and public sector employers have begun this practice in order to curtail rising medical benefit costs
- Will the new policy cause a problem with hiring new employees or keeping the employees on staff now?
  - The hope is that the concerted effort made over the past several years to bring salaries up to the county average or above will minimize that particular affect of this policy change

The following Typographical Errors were noted:

- Page iv; first bullet, last line: “2021” should be “2022
- Page 24 and Page 25; Heading “2021” is missing after “2020”
- Page 24 and Page 25; Heading “2021” should be “2022”

Discussion ensued regarding the Sewer and Water Authority’s treatment plant upgrades. Grants were awarded to the Authority to help with funding the improvements. The pump station is currently under renovation using a PA Small Water and Sewer Program Grant of \$425,000. The estimated treatment plant upgrade of \$5,000,000 will begin in early 2022 and is funded partially by a \$700,000 Water Supply, Sanitary Sewer and Storm Water Projects (H20) grant. As the Borough is responsible for the ongoing operations of the facility; Members agreed that an increase in Sanitary Sewer Fees be considered. Mr. Hazlett was asked to update the budget to include a 10% increase for Commercial and Public Sewer Customers. No increase was proposed for Holding Tank Customers at this time.

## **OPEN TO THE PUBLIC**

No one addressed Members at this time.

## **ADJOURNMENT**

\*\*\* F. Buhrman moved; B. Cool seconded to adjourn the meeting at 8:35 PM. Motion carried unanimously.

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Gayle R. Marthers, Borough Secretary