

**LEMOYNE BOROUGH COUNCIL
FINANCE COMMITTEE
OCTOBER 28, 2008**

1. Call to Order...The Finance Committee meeting, of the Lemoyne Borough Council, was called to order on Tuesday, October 28, 2008, at 5:30 P.M., at the Lemoyne Municipal Building, 510 Herman Avenue, Lemoyne, PA with Lori Hegedus presiding.

2. Roll Call...Present at roll call was Lori Hegedus, Chairperson.

Wayne Mountz and Susan West, Committee Members, were absent.

Also present was Howard Dougherty, Kathy Turns, Dr. John Judson and Shireen Farr.

3. West Shore Tax Bureau 2009 Budget...

Mr. Dougherty reviewed the 2009 West Shore Tax Bureau budget with the committee. He said the budget allows for a five percent increase in wages for all its employees. The budget also includes an additional full time and part time employee. Based on the wage increases and the additional employees he recommended Council not approve the proposed budget.

The item will be placed on the agenda for council action.

4. Cellular Telephones...

Mr. Dougherty said on October 27, 2008, John Paden and he met with Verizon regarding our cellular telephone service for the borough. He said under our current plan with Nextel we're paying \$490.92 a month. Under the plan proposed by Verizon we would pay \$426.64 a month. The savings would be \$64.28 a month or \$747.36 a year.

The Verizon service has all the same options as the current Nextel service. The cost of the changeover would be the chargers and holders for a total of \$282.69. We can trade in our current phones and receive a rebate of \$260, therefore the total cost of the change would be \$22.69.

Mr. Dougherty said our current service with Nextel is also under a government plan, however the plan with Verizon would be a savings. He recommended the borough cellular telephone service be switched to Verizon.

The committee instructed Mr. Dougherty to move forward with changing the cellular telephone service to Verizon.

5. Update on Sewer Receivables Balances and Collection Procedure...

A. Aging of receivables. Mr. Dougherty said Mrs. Stanley was on vacation today and the reports will be distributed via email.

Miss Hegedus said the reports must be available for the Finance Committee meeting. Mr. Dougherty said he will insure these reports are supplied in a timely manner in the future.

B. Update on Collections. Mr. Dougherty said he has not spent much time on collections due to the budget process. He did report there has been a good response to the liens that were filled.

C. Update on collections of two accounts with an AR balance in excess of \$25,000. Mr. Dougherty said again he has been busy with the budget process and will file civil actions on these accounts as time permits.

6. Review of bank statements and general ledger account reconciliations for payroll liability accounts...

Ms. Turns reported the all bank statements and all general ledger account reconciliations for the payroll liability accounts have been completed through September 30, 2008.

7. Review list of stale dated checks...

Ms. Turns reported there in only one stale dated check. The holder of the

check has been notified and he has not responded. Ms. Turns was instructed to void the check and reissue a new one.

8. Sewer rate charges and impact on budget process...

Miss Hegedus reported Mr. O'Neill is in the process of getting information on the sewer rates. When the information is received the committee will review the options.

Mrs. Farr said the sanitation rates need to be increased for 2009. The current rates do not cover the costs charged to the borough based on the Penn Waste contract signed in January 2008. The amount currently collected from residents for refuse does not cover the cost charged by Penn Waste.

Miss Hegedus said the amount charged should cover the actual Penn Waste charges plus the expenses the Borough incurs to issue bills, including wages.

Mr. Dougherty was tasked to provide the committee with a breakdown of what a new rate will need to be to cover all Penn Waste costs and all borough expenses associated with issuing a refuse bill. He is to provide this information at the Finance Committee prior to the next meeting and submit it to council for approval at the December council meeting.

9. Update on Procedure Manual...

A. Document all current processes. Mr. Dougherty said at the Administrative Committee meeting he handed out Administrative Policies on Workplace Harassment (including sexual harassment, Offensive Behavior and Employee Discipline). He said he also distributed an Employee Handbook.

B. Cross training. Mr. Dougherty said the administrative staff has begun cross training. This past month they worked in each others' software applications and on each other's bank deposits.

10. Update on Change to Split Sewer Labor Charges...

Ms. Turns has been in contact with Freedom Systems, our software vendor, and the split sewer labor charges will start on January 1, 2009. She said she

has worked with Mr. O'Neill on the time sheet and they are working out the final details.

11. Lamar...

Mr. Dougherty said he met with Lamar and provided them with the committee's proposal. The following is what we requested and their response:

| Lemoyne's Request | Lamar's Response |
|--|---|
| 1. Base Fee. Base payment of \$6,000 a year payable in monthly installments of \$500 each. | 1. \$6,000 base payment per lease, per year. |
| 2. Term of Lease. Ten (10) years from date signed. | 2. 10 Year term from date signed. |
| 3. Percentage of Revenues. Twenty (20) percent of gross revenues. | 3. Additional payment equal to 20% of the sign's revenues lease base pay. |
| 4. Signing Fee. \$25,000 signing fee upon execution of both leases | 4. \$25,000 signing bonus payment upon execution. |

Mr. Dougherty was instructed to place the item on the November agenda.

12. New Business...None.

13. Date of Next Meeting...November 25, 2008 at 6:30 P.M.

14. Adjournment: 7:30 P.M. There being no further business Miss Hegedus declared the meeting adjourned.

Respectfully submitted,

BY _____

Howard E. Dougherty, CMC
Borough Secretary