

# CENTRE REGION COUNCIL OF GOVERNMENTS

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## **FINANCE COMMITTEE**

COG Building - Forum Room

Thursday, October 13, 2016

**8:30 AM**

### AGENDA

1. CALL TO ORDER

Chairman Graham will convene the meeting.

2. CITIZENS COMMENTS

Members of the public are invited to comment on any items not already on the agenda (five minutes per person time limit please). Comments relating to specific items on the agenda should be deferred to that point in the meeting.

3. APPROVAL OF MINUTES

**Enclosed** is a copy of the minutes from the September 8, 2016 meeting.

4. 2017 DETAILED BUDGET WRAP-UP SESSION

During the last two weeks, the Finance Committee conducted three special meetings with COG Agency Directors and Administration staff to review the draft 2017 COG Budget. The Committee agreed to commit its regular October meeting to serve as a “wrap-up” of outstanding budget questions. After the Committee reaches agreement on any revisions that may need to be made, COG staff will use the resulting budget estimates to accomplish the following:

- Prepare the “goldenrod” colored revision pages for the 2017 Detailed Budget.
- Prepare the 2017 Summary Budget that will be distributed to the General Forum with its agenda packet for the October 24, 2016 meeting.

Mr. Steff will review the three (two **enclosed**, the third will be sent early next week) sets of notes from its budget review sessions and report on new information relating to the draft budgets including:

- ✓ Revised medical insurance rates for COG employees (they are lower than anticipated)

- ✓ The justification and estimated cost of increasing the cost of living allowance from .007 to .01. A background memorandum from the Executive Director is **enclosed**.
- ✓ The immediate and long term plan for managing employee overtime in response to changes in regulations approved by the United State Department of Labor.

The Finance Committee members should express issues or concerns that were missed in the meeting notes or the Executive Director's comments. In addition, the Committee should identify remarks that it wants to share with the General Forum. Following this discussion the Committee should confirm the changes that are to be made to 2017 Detailed COG Budget.

Based on the Committee's recommendations the following actions will occur:

- Goldenrod Budget sheets will be prepared and distributed to each individual who has received a copy of the Detailed Budget. These sheets will identify the changes endorsed by the Committee.
- A 2017 Summary Budget will be prepared based on the Detailed Budget as endorsed by the Committee.
- The 2017 Summary Budget will be forwarded to the General Forum with its agenda packet for the October 24, 2016 COG Forum meeting.
- The Committee Chair will prepare an introduction to the General Forum of the 2017 Detailed Budget.

After the Finance Committee completes its review of the 2017 Detailed Budget, consideration should be given to approving the following motion and referring it to the Executive Committee:

*"That the General Forum receive the draft 2017 Summary Budget for the Centre Region Council of Governments and refer it to the municipalities for consideration; and, furthermore, that comments be referred to the COG Executive Director by 8:30 AM on November ??, 2016 (see agenda item #5) for distribution to the Finance Committee."*

**Please remember to bring your draft 2017 Detailed Budget to the meeting.**

5. MEETING DATE

The Finance Committee should consider rescheduling its Thursday, November 10, 2016 because Halfmoon Township Board of Supervisors will not have met by that time. A possible option is to change the meeting date to the following week, 8:30 AM, Thursday, November 17, 2016.

6. BUDGET AMENDMENT - REPAIR/IMPROVE OAK HALL RENTAL HOUSE

At its September 8, 2016 meeting, the Finance Committee approved the following motion:

*“That the General Forum, as recommended by the Finance Committee, authorize an amendment to allow for the expenditure from the Regional Parks budget not to exceed \$15,000 to repair and renovate the Oak Hall Rental House.”*

This amendment was contingent on an inspection by a structural engineer to ensure the garage is structurally sound. The \$15,000 requested above did not include any structural repairs. The referenced inspection, performed by Stahl Sheaffer Engineering, has now occurred and it found structural deficiencies in the concrete decking. This inspection estimated the structural repairs needed for the garage to be approximately \$11,336. Currently staff is obtaining 3 quotes to demolish and replace the decking and hopes to have more information available at the October 13<sup>th</sup> meeting.

As a reminder, the following text was included with the September agenda:

*When the COG purchased the property that ultimately became the Oak Hall Regional Park, a single family home was included in the sale. Since the purchase, the Parks and Recreation Agency has leased the property and has realized rental income and expenditures associated with the property. The rental income and expenditures have been assigned to the Regional Parks budget, currently fund R15. Since 2013, the revenues associated with the rental house have totaled approximately \$53,000 and the expenditures over the same time period have totaled approximately \$18,000.*

*Earlier this summer the tenant decided not to renew their lease. While the tenant left the residence in good condition, repairs and updating should be done on a regular basis. The current budget allows for approximately \$2,500 in repairs to be made annually, but the Parks Director, Executive Director, and Finance Director are recommending investing \$15,000 to repair and update the house while it is unoccupied. Before proceeding with the repairs, the garage floor and the steel beams supporting it should be inspected by a structural engineer to ensure the garage is structurally sound. There are cracks in the floor and some rusting of the floor beams that staff is attributing to the age of the house and usage of the garage, but would like to be sure prior to investing more funds into the house.*

*The repairs include upgrading the kitchen flooring & countertops, replacing the*

washer/dryer, remodeling two bathrooms, carpeting and painting the first floor, updating the landscaping, and repairing the deck. These repairs would be paid for from rental income associated with this property. The Parks Director, COG Executive Director, and Finance Director toured the rental house with the Parks Maintenance Supervisor on Friday, September 2<sup>nd</sup> to view the condition of the house.

The Committee should review the information and if it concurs with the staff recommendation, make the following motion:

***“That the General Forum, as recommended by the Finance Committee, authorize an amendment to allow for the expenditure from the Regional Parks budget not to exceed \$26,500 to repair and renovate the Oak Hall Rental House.”***

7. MONTHLY REPORTS

Copies of the August 2016 voucher reports were distributed to the Committee in September 2016. To proceed, the Committee should consider the following motion:

***“That the Finance Committee approves the August 2016 voucher reports for the Centre Region COG.”***

Copies of the September 2016 COG voucher and financial reports are **enclosed** (electronically, only) and paper copies will be available at the meeting. Action on the September 2016 voucher reports will occur at the Committee’s November 2016 meeting. If the Committee has any questions about the items in these reports, please let Finance Director Joe Viglione ([jviglione@crcog.net](mailto:jviglione@crcog.net) or 231-3062) know as soon as possible so that the information can be researched prior to the next Committee meeting.

8. OTHER BUSINESS

- A. Matter of Record - There have been no further draws on the regional parks loan since the last meeting. COG staff will likely bring a request forward at the November meeting to finalize the loan with Code for the Oak Hall Regional Park overage.
- B. Matter of Record - The Memorandum of Understanding for the Regional Parks loan from Code will be appearing on an agenda in the future. Staff is waiting on the completion of the mall renovation for the Senior Center loan to obtain finalized amounts.

9. ADJOURNMENT