

**Borough of Lansdale**  
**Admin & Finance Committee Meeting Minutes**  
**March 4, 2026, 6:30 PM**  
**Council Chambers**  
**Chairperson: Garry Herbert**

**Members Present:**

Garry Herbert - Chairperson  
Meg Currie Teoh – Committee member  
Mike Yetter – Committee member  
Chris Shannon - Finance Director

**Other Attendees:**

Mindy Lipsky – Library Director

Mr. Herbert called the meeting of the Administration and Finance Committee to order at 6:30pm.

**1. Approval of Minutes Previous Meetings**

Mr. Yetter made a motion to approve February 4, 2026, committee meeting minutes. Ms. Currie Teoh seconded the motion. Motion approved 3-0.

**2. Financial Report – Mr. Shannon**

➤ Reviewed the financial report as of 1/31/2026.

- Reports are always from a month behind due to when accounts are updated for revenues and expenditures, especially when it comes to sewer since billing is once a quarter. Our sewer billing is dependent on North Penn Water giving us information. And they put their bill together before they send it to us. So, we're already behind. That's part of the problem with this type of business or this type of organization.
- Billing and audit timelines are constrained by external dependencies and quarterly cycles, impacting data availability and operational awareness.
- 2024 audit expected to be completed by end of April; auditor indicated it may finish earlier. Chris Herr from Maillie will be reviewing the 2023 audit with Council at the March 18 business meeting.
- January total revenues are ahead of prior year and budget. Favorable revenue variance is largely driven by the Electric Fund. January expenditures came in below budget (favorable). Net position is positive for the first month relative to budget. Timing issues affect Sewer due to third-party billing cycles and accrual pull-backs into 2025. January results are slightly ahead of plan; maintain caution due to timing/accrual effects.
- Electric Fund Performance and Rates - January electric revenues are significantly higher than prior year and above budget. Cost of purchased power exceeded budget by approximately 185,000 in January, but revenues more than offset it. Rate increases: 5% in May last year and 15% effective January 1. January saw approximately a 4.6% increase in kW demand and about a 2.2% increase in kWh usage; cold weather noted. Year-over-year electric revenue was up about 18% when adjusted for accruals. The Electric Fund is the primary driver of favorable results despite higher purchased power costs.
- Sewer Fund Performance and Billing/Accrual Timing - Sewer revenue is below the monthly budget due to billing lags and prior-year accrual pullbacks. Prior-year pullbacks for Sewer and Sanitation likely overstated the January base. Expect to be on par with

last year's revenue as the year progresses. An 8% sewer rate increase began October 1 of last year. Early-year variances are largely timing-related; full-year outlook similar to last year pending major users' consumption.

- Parking Fund and ParkMobile Usage - Parking revenues are up; ParkMobile adoption is contributing positively. Margin on ParkMobile remains favorable; roughly 65% to the borough and about 35% to ParkMobile/fees. Public clarified there is no "missing" percentage. The trend toward mobile payments is beneficial to revenue and margins.
- Capital Fund Volatility and Grant Reimbursements - Capital activity is the most volatile due to weather, contractor issues, and schedule shifts. Grant reimbursements are affected by project timing; delays push out recoveries. Core staffing and operational costs are more predictable than capital. Expect variability in capital cash flows; monitoring and scheduling remain critical.
  - Mr. Herbert – Will we put all grants into one account or separate them by department?
  - Mr. Shannon – We will separate them by grants to track. It will take time to do. We are one month in, and the budget is reasonable at this time.
  - Mr. Herbert – Will we have a preview of end of year numbers for 2025 yet?
  - Mr. Shannon – Not yet which is what makes this "business" unique. We wait for the auditors to give us the final document with the final numbers.
  - Mr. Sickler – Will the audit presentation be public? How much of the parking money from Park Mobile goes to Park Mobile for their services?
  - Mr. Shannon – He believes about 33%.
  - Resident – Are you still running in a deficit and using reserves?
  - Mr. Shannon – There were some drawdowns in 2023 and 2024 and less in 2025 was drawdown, and projects fund balance to be up again in 2026 depending on outcomes. GFOA guidance: target about 16% of general funds in reserves (~two months of funding), with 30% for best credit rating. Our goal is to move toward 30% to improve credit rating and bond pricing.
  - Mr. Herbert – He hope to aggressively grow reserve funds after getting through 2026.
  - Mr. Yetter – He notes electric revenue is up in January and likely similar in February and throughout the year versus budget, potentially contributing transfers that favorably offset general fund.
- Grant and Fund Structure Improvements - Transitioning from a single capital fund (Fund 30) to distinct Sewer and Electric capital funds. Plan to track grants by specific project/use rather than only by grant type (e.g., CDBG, DCED) to improve traceability. Changes aim to aid auditors, improve fixed asset tracking, and enhance reporting clarity. New fund/grant structures should streamline audits and internal analysis.
- Reserves, Fund Balance, and Financing - Reserves were used in 2023 and 2024 to balance budgets; 2025 reliance is unclear. Goal is to rebuild reserves toward 30% of the General Fund (GFOA minimum is ~16%). PENNVEST loan (approx. 3.2 million) selected for a sewer project due to low rates (~1.7% under 5 years), secured only by sewer revenues. Market/bond rates around 4.5% were less favorable. Strategy is to rebuild reserves over time and leverage low-cost debt for capital when prudent.
- Monthly Reporting Process and System Constraints - Delays occur due to external billing cycles and limited financial system flexibility. Current reporting requires manual compilation; static system reports are limited. Aim to make monthly reporting more consumable while acknowledging practical constraints. The team will continue monthly insights but will balance detail with feasibility.

### **3. Committee Business Items**

- Mr. Herbert's Proposed Metrics Dashboard for Financial Oversight - A draft Excel

dashboard proposed to track: Top-line budget, actual spending/revenue (excluding grants), net vs plan (%), per-capita investment. Trend checks: spending pace vs historical, revenue pace vs last year, unassigned fund balance, MoM change, unplanned expenditures. Projections: operating surplus/deficit EOY, unassigned fund balance, savings from grants. Grants impact and savings tracking. Definitions to be finalized for clarity and repeatability. Feasibility depends on system capabilities and data availability. The Committee will review and refine the dashboard; adoption depends on practicality.

**4. New Business**

- Ms. Currie Teoh made a motion to move to full council a resolution required by Univest for new bank signers. Mr. Yetter seconded and approved 3-0.
- Mr. Yetter made a motion to move to full council a resolution for the Montco 2040 grant application for pedestrian and traffic calming measures at E. Main St and Lakeview Dr. Ms. Currie Teoh seconded and approved 3-0.

**5. Informational Items**

None

**6. Public Comment**

Mr. Sickler - Asked whether Council is considering a welcoming ordinance?

Ms. Currie Teoh – That would fall under Public Safety and likely originate from the Police Department/Mayor; Council could issue an affirming statement thereafter.

Meeting ended at 7:08pm

Submitted by:  
Stacie Maile  
Recording Secretary