

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING NOTES
OCTOBER 3, 2009**

620 West Chestnut Street
Perkasie, Pennsylvania

ATTENDANCE:

Finance Committee Members:	Marty Gahman Jim Purcell Chris Nicolosi Richard Hendricks (absent)
Other Council Members:	Ray Conville
Mayor:	John Hollenbach
Borough Manager:	Daniel P. Olpere
Finance Director:	Shannon Drosnock
Department Heads:	Josh Aniskevich (Parks and Recreation) Dan Gilbert (Public Works)

The meeting convened at 9:05 am. Mr. Gahman opened the meeting.

PUBLIC FORUM

Luther Chontofalsky of 270 Parkridge Drive addressed Council. He commented on the News Herald article about the budget. He commented that he would like Council to address the issue with the “cheaters” of the trash program for this upcoming budget.

PUBLIC WORKS BUDGET

Dan Gilbert, Director of Public Works, along with Finance Director Shannon Drosnock and Borough Manager Dan Olpere presented the budget for this department. Manager Olpere discussed various fees and PennDot snow removal revenues with Council. Manager Olpere explained that trash and recycling have been moved from General Fund to their own fund (although still a governmental fund) to better monitor the PAYT program.

Manager Olpere went back to general fund explanations for the expenses of Public Works. He explained that while salary line items fluctuate among the various PW departments, the overall salaries remain flat, just the allocations have changed.

The line item for salt was increased due to the price and amount of ice we had in the 08-09 winter.

Mr. Gahman inquired about snow removal in town center. Recommendation to move that line item down to 5K.

Mr. Purcell asked about the Borough cell phones and if we are changing service or phones.

Manager Olpere noted that fuel was decreased due to price.

Mr. Gilbert spoke about the storm sewer and inlets line item. It may be able to be lowered by 1K.

Road materials may be lower but we do have some coming up.

Mr. Gahman noted that the Council passed a resolution to provide up to \$6,500 for the skate park as a match in 2010. This was not in the budget as submitted so needs to be added.

Refuse has been moved to a new fund. There is no trash bag increase proposed. Staff is proposing a bulky sticker fee ranging from \$5 to \$15.

The Mayor asked if the fee was high enough to cover what we needed. There was much discussion about the trash fee.

Mr. Purcell asked about the packer trucks and the capital budget.

The Liquid Fuels fund was reviewed.

Mr. Gilbert came back to the Capital Fund to review public works issues in that fund.

The Council moved to department head Josh Aniskevich for Parks and Recreation.

Mr. Aniskevich reviewed the line items for his budget. Mr. Gahman asked about the program fees line item. Mr. Aniskevich explained that the revenue expectation was not realistic in the past few years and that this budgeted number is much more realistic. He explained that staff now has a better handle on which camps are running successful and liked by residents.

Manager Olpere explained that prior to 2008 all programs, basketball, etc, were lumped into that line item. Now it is just camps in the summer mainly.

Mr. Aniskevich explained that we are going to try a new Adult Basketball League.

Discussion moved to review of Menlo Pool Fund

Revenue budgeted is based on '09 actuals. In 2009 we did increase non-resident rates and we did see a drop in the number of non-residents who bought memberships.

There is no recommendation to increase prices. Staff recommends keeping prices flat.

There has been a new line item added for repair and maintenance services. Staff explained that the pool is approaching 5 years old and needs to have some routine maintenance begin on the water features. Staff further advised that the pool will continue to age and that line item will increase slightly each year to maintain the pool properly.

Staff addressed the concession stand. There was discussion around this. Mr. Aniskevich explained that all of our pool employees, including concession stand, are trained in first aid. We are not required to do this but for safety reasons choose to have all employees trained.

Mr. Gahman asked about the revenue in the pool budget. He points out that expenses are based on having good weather for the year but revenues are based on 2009 which experienced unusual amounts of closings. Mrs. Drosnock explained that staff didn't feel memberships were affected so much by the weather given that they are purchased early in the year but daily passes suffered. Staff and Mr. Gahman agreed to increase daily pool pass revenue.

Discussion moved to the capital projects for Menlo pool.

There was conversation about the pool covers. Mr. Aniskevich explained that they are approximately \$50,000-\$60,000. They need to be custom made for our pool given the shape and features of the pool including the lazy river.

Mrs. Drosnock suggested that the covers be purchased out of the loan proceeds to deplete that account in full. Additionally there was discussion over the safety feature those covers provide.

Mr. Purcell asked if there was any money budgeted for cameras at the pool. Manager Olpere explained the current work being done on that regarding the skate park. He further explained that if cameras were put into the skate park then it would not be difficult to add them to the pool. But currently nothing is in the budget for them.

Mr. Gahman began to review the meeting and discuss the next step of the process. Dates for the next meeting were discussed and Council stated there will be an executive session at the October 5th Council meeting to discuss personnel.

Mr. Gahman reviewed the overall scenario of the budget:

- 135K debt in operating
- 800K deficit in capital
- 935K overall deficit

2011 and 2012 are very heavy years in the capital plan.

Mr. Gahman reminded Council that they are responsible for the health of future Council's as well.

Manager Olpere explained that within 4 to 5 years there is a light at the end of the tunnel. There will be savings in the Capital Reserve Plan, the "repayment" of the 500K from 2009 will be replaced and all of our large trucks (bucket, packer, line) will be relatively new.

Manager Olpere then asked Council to consider what the benchmark is for the electric rates. Will we compare ourselves with PECO, PPL, or with other boroughs that provide electric?

Mr. Gahman stated that there will be an executive session on Monday night and that the Finance Committee needs to meet twice as a committee before the 19th to provide Council with a recommendation.

PUBLIC FORUM

Florence Frei of 736 South 9th Street thanked Manager Olpere and department head Dan Gilbert for their work on the trash program. She is concerned that the bulky item sticker will cause floods of calls and confusion. She recommends a flat annual fee for each household to take care of bulky trash.

Manager Olpere answered that this option was being considered as well.

Ms. Frei is worried that if the Borough moves to a private hauler system the one person households will feel a large increase. She likes the fairness of the Pay As You Throw system.

Mr. Gilbert addressed that you would be able to buy the stickers at Landis and Giant where bags are sold.

ADJOURNMENT

The meeting was adjourned.

Daniel P. Olpere
Borough Manager/Secretary