

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING
OCTOBER 11, 2010**

620 West Chestnut Street
Perkasie, Pennsylvania

ATTENDANCE:

Council Member:	Martin Gahman Florence Frei Barbara Krantz Chris Nicolosi Jim Purcell Maria Slowik (absent) Matt Aigeldinger (absent) Stephen Algeo John Hollenbach
Mayor:	Daniel P. Olpere
Borough Manager:	Andrea L. Coaxum
Assistant Borough Manager:	Shannon Drosnock
Finance Director:	Chief Joseph Gura
Chief of Police:	Harold Stone
Electric Superintendent:	Dan Gilbert
Public Works Director:	Joshua J. Aniskevich
Park & Recreation Director:	News Herald
Press Representative:	

Borough Council President Marty Gahman convened the meeting at 6:05 PM and led the Council in the Pledge of Allegiance.

PUBLIC FORUM

No one spoke under public forum.

OVERVIEW 2011 BOROUGH BUDGET

The Manager commented that the overview had been presented the previous weeks. He then proceeded to review changes to departmental budgets starting with the general fund.

Manager Olpere said that the amount allocated to the National Pollutant Discharge Elimination System (NPDES) compliance work had to be increased by recommendation by the Borough's engineering firm. Mr. Olpere explained that polluted storm water runoff is transported through Municipal Separate Storm Sewer Systems (MS4s), from which it is discharged untreated into local water bodies. To prevent harmful pollutants from being washed or dumped into an MS4, operators must obtain a NPDES permit and develop a storm water management program. These yearly permit requirements will go on indefinitely. Councilwoman Krantz asked if we know what the cost for this requirement will be in 2012. Mr. Olpere said that he does not have the number with him but he will get more information to Council.

Changes to the winter maintenance line items were discussed. Half of the park and recreation directors' salary was moved to the pool fund for 2011 to help the Borough more accurately account for costs associated with the pool.

Per discussions at the last budget meeting, \$1,000 was added to the skate park line item in the 2011 budget. Manager Olpere also pointed out a change to the non-uniform pension contribution.

Council President Marty Gahman noted that budgeted general fund expenditures were down \$19,000 in 2011 compared to 2010.

Councilman Chris Nicolosi asked about the savings between draft 1 of the 2011 budget and draft 2. Finance Director Shannon Drosnock summarized the changes to the 2011 budget by stating that discussions had led to a reduction of about \$60,000.

The refuse fund was discussed next. Manager Olpere stated that Perkasio Borough was following a nation-wide trend called "dematerialization". In other words, the Borough has noticed a trend in declining trash bag sales and declining tonnage taken to the transfer station. He also explained that the line item reserved for the \$35 annual fee was reduced because the apartment complexes were taken out of the anticipated revenue stream.

Borough staff added \$2,200 to the materials and supplies line item to purchase more recycling bins that are then sold to residents. Manager Olpere also discussed how wages are assigned to the refuse and recycling fund line items. There was a discussion on tipping fees, and Council agreed to take \$60,000 out of that line item for 2011.

Councilman Nicolosi started a discussion on the materials that the Borough recycles and how they are marketed. Council asked staff to look at the amount budgeted for disposing of refuse and recycling to see if they could be reduced further. Council President Gahman asked why the refuse funds contribution to capital was projected to be less in 2011 than 2010.

Manager Olpere explained the switch from a capital expense fund to a capital reserve fund. Council then agreed that they did not want to continue the \$35 annual refuse and recycling fee. Councilman Purcell said that he still sees people putting out recycling but never setting bags out for collection, which meant that they were not paying into the program. Councilman Nicolosi asked Public works Superintendent Dan Gilbert if residents were putting out trash when they set bulk out. Mr. Gilbert confirmed that they were following the new rule.

Mr. Gahman stated that Council had two objectives to the fee: balance the refuse budget "by itself" and get everyone to pay into the systems since so many residents were using the services and not paying for them. He also stated that he didn't want to raise anything. There was further discussion on the fee. Mr. Gahman stated that without the fee, the Borough needs to find \$85,000 in expenses to cut, find another \$85,000 in revenue, or find money to fund the capital budget from elsewhere.

There was more discussion on ways to accomplish one or more of the above.

Manager Olpere then began reviewing changes to the electric department budget. Electric Superintendent Harold Stone discussed several minor changes from the first draft.

Changes to the Menlo fund were discussed next. Council requested a summary of pool revenue vs. expenditures for the season end- the staff will provide to Council before November. Councilman

Purcell began a discussion on the plaster. Park and Recreation Director Josh Aniskevich described the upcoming maintenance that will need to be done on the bottom of the pools. There was a lot of discussion on this topic.

Finance Director Shannon Drosnock explained that there was about \$68,000 left in loan proceeds from the pool. With the majority of vote by Council, this restricted construction loan could be used on the pool, and, more specifically, replacing the broken feature in the leisure pool or fixing the plaster.

The staff explained to Council that the warranty on the broken feature had expired before the existing staff had been hired. Council also discussed the fence that needs to be replaced, as recommended by the Boroughs insurance carrier.

Capital projects were discussed last. Road paving, engineering, curb and sidewalks, the town center brick paver replacement program, Perkiomen Creek dredging and the replacement of the 1994 dump truck were reviewed.

The Public Works Director stressed the need to replace the roof on the public works garage.

The failing concrete floor in the electric department building was also discussed.

PUBLIC FORUM

No one spoke under public forum.

PRESS FORUM

No one spoke under press+ forum.

ADJOURNMENT

The meeting adjourned at approximately 8:45PM.

Daniel Olpere
Borough Manager/Secretary