

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING
NOVEMBER 11, 2013
620 West Chestnut Street
Perkasie, Pennsylvania**

ATTENDANCE:

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| Council Member: | Barbara Krantz Florence Frei Steve Pizzollo Jim Purcell Jim Ryder Justin Stottlar |
| Mayor: | John Hollenbach |
| Borough Manager: | Daniel P. Olpere |
| Assistant Borough Manager: | Andrea L. Coaxum |
| Finance Director: | Joe Berardi |
| Electric Superintendent: | Harold Stone |
| Park & Recreation Director | Carolyn Hanel |

The Finance Committee meeting was opened at 6:00PM by Finance Committee Chairman Jim Ryder. The Pledge of Allegiance was recited.

PUBLIC FORUM

Resident Andy Rumbold, 4 S. 8th Street, applauded the Finance Committee for the cuts they made to the budget. He then added that he feels the electric rates are still high and the Borough needs to make do with what they have.

Heather VanHorn, a Borough employee, was next to speak during public forum. She asked Council to reconsider the medical opt-out program because it saves the Borough money. She explained that without giving employees an incentive to opt-out of the medical plan, those employees may choose to put their family back on the plan, which would cost the Borough twice as much money.

BUDGET

Finance Committee Chairman Jim Ryder went through the Revenue & Expense changes to the 2014 budget. The \$40,000 line item to purchase and install security cameras for the skate park have been removed from the 2014 budget, and along with the money to replace the globes on the light in town center. \$2,000 will stay in the budget to improve the speaker system in the Borough Council meeting room, and the money that was to be used on an electric rate study was removed from the budget.

The Council approved a change to the non-union/ non-uniform healthcare plan that will save the Borough almost \$37,000 in 2014. Borough Council agreed to remove the \$13,000 line item to purchase an ATV for the Police Department until more research is done. The medical opt-out, a benefit that was voted out by Borough Council at their last meeting, was discussed. The Mayor asked Council why they would get rid of it when it will cost the Borough more money without it. Currently, employees that choose their spouses plan can get paid to opt-out of the Borough's healthcare plan. Employees who choose to do so receive 15% of the premium in year one of opting out, 33% in year two, and 50% in year three and every year after that. If that employee would choose to participate in the medical plan, then it would cost the Borough twice that amount. Mr. Ryder explained that he wants to make all employees participate in healthcare, and stated that opt-out programs are rare. Mrs. Krantz stated that the \$11,000 benefit was too much money. Finance Director Joe Berardi stated that the opt-out saves the Borough 50% of the cost of a

healthcare plan. No decision was made.

Mr. Ryder announced that the Borough Council was close to finalizing a new contract with the Borough's police officers that would include a 4% raise each year for the next three years, while also increasing their healthcare premium share by 1%. He hopes to have the full contract to Council for their consideration at the December meeting.

The next topic discussed was trash and the \$35,100 shortfall in that fund. Mr. Ryder said that he thinks an increase in bag prices would cause people to stop buying bags, He would prefer that the Borough charge all residents a yearly fee, like what was done in 2010. Council member FloAnn Frei introduced her plan, which she called option 4. It calls for an annual fee of between 15-\$20 per household and a decrease in bag prices of between \$0.10-\$0.25. Her plan would generate about \$40,000 and cover the shortfall.

Council member Jim Purcell encouraged Council to consider a plan that not only generated the necessary \$35,000, but look further into the future. Council member Justin Stottlar agrees with reducing the bag prices and adding an annual fee. He added that he thinks the Borough needs to offer a more convenient option, like a trash can service, to encourage more people to participate.

The Council members seemed to agree with charging an annual fee. They decided to discuss it again when they consider the 2014 fee schedule in December.

Mr. Ryder's next budget-related topic was the salary increase for non-union/ non-uniform employees. Mr. Olpere stated that Council was considering a 4% increase for Borough police officers and already approved a new contract with AFSCME employees that calls for a 3.5% increase. He suggested that Council consider giving the non-union/ non-uniform employees 3.5%. Borough Council briefly discussed and agreed to put a 2% increase in the 2014 budget for the 13 administration employees.

CONSTITUENT OUTREACH COMMITTEE MEETING

Mr. Ryder opened the floor to Borough residents to speak to start the Constituent Outreach portion of the meeting. Residents and Borough Council discussed trash, the medical opt-out benefit, the 2014 Borough budget, and yard waste. One resident asked if Borough Hall could stay open late one night a week (she suggested Wednesday evening). Another resident asked if Borough Council would switch their meeting dates from Mondays to a different night because the Pennridge School Board and Perkasie Regional Authority also hold meetings on Monday nights.

OTHER BUSINESS

None.

PUBLIC FORUM

None.

PRESS FORUM

None.

ADJOURNMENT

The meeting adjourned at 7:30 PM.

Daniel Olpere
Borough Manager/Secretary