

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING- BUDGET 2018
OCTOBER 26, 2017
620 West Chestnut Street
Perkasie, Pennsylvania**

ATTENDANCE:

Council Member: Jim Ryder
 Jim Purcell
 Matt Aigeldinger
 Steve Pizzollo
 Scott Bomboy
 Aaron Clark
 Steve Rose
Mayor: John Hollenbach
Borough Manager: Andrea L Coaxum
Finance Director: Joe Berardi
Park & Recreation Director: Megan Prusienski
Electric Superintendent: Harold Stone

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

PUBLIC FORUM

Mary Antczak asked about the lights on 6th Street from Walnut St to Chestnut St, from Chestnut St to Market St and from Market St to Arch St. Andrea Coaxum responded by saying that the light that was moved on Sixth St between Market and Chestnut was moved to clear the obstruction from the sidewalk and required in-house labor only. The concrete and blacktop were included as part of the roadwork for 2017. If we change or add lights on other parts of Sixth St, we will obtain estimates for the cost.

BUDGET

The Finance Director reviewed the Summary of Total Revenue and Spending in addition to the Fund Balance Roll Forward that was presented at the 10/05/17 meeting in order to refresh everyone's memory on our draft budget. Matt Aigeldinger asked about the 14% reserve for the Electric Fund. Joe Berardi responded and said that the reserve amount is 14% of the 2018 expenses.

The Finance Director went through the overview of the 2018 Budget for the Electric Fund including the spending on Capital purchases. Jim Purcell asked if we were covering all of our costs for installing electric at the developments. Harold Stone and Joe Berardi responded and indicated that we are earning a small profit on each installation. Steve Rose asked if we are adjusting for cost increases that could be caused by the recent hurricanes. Harold indicated that we are reviewing as the estimates are obtained when we are purchasing new supplies. The Fourth Circuit that is proposed to begin with the engineering study in 2018 was discussed. The Fourth Circuit will provide redundancy for parts of the town but will provide new service to the proposed structures at the airport. We will obtain three quotes for the engineering study to obtain the best cost. Joe Berardi

reviewed the rate comparison and other electric statistics. Council members commented on the residential rate comparison that reflects that Perkasio electric rates are below neighboring municipalities and slightly above PPL. Matt Aigeldinger asked if we could have a comparison prepared for our Commercial rates. Harold Stone and Joe Berardi commented that the Commercial information is very difficult to obtain but we would contact various sources to see if we could gather the information. Jim Purcell asked if he could get a report that provides the reliability (uptime) percentage for our electric system. Harold will provide that to Council. Jim Purcell asked if he could get a breakdown of the Borough Electric sales reflecting Residential, Commercial, Industrial and Primary customers. Joe Berardi stated that we have that information and he will prepare something for Council. Jim Purcell inquired about the tree trimming and stated that there are line losses created by the trees hitting the wires and that it is also a safety issue. Jim also stated that the trees must be trimmed before the Christmas lights go up. Harold said that he is managing his staff with the work in the developments as a priority. There was discussion on whether we should trim the trees on overtime if no other options are available. Matt Aigeldinger disagreed with trimming trees on overtime. Harold will provide the in-house cost of trimming trees versus having an outside contractor perform the service.

Harold Stone reviewed the spending in the Electric Fund related to the new housing and stated that the revenue derived from the housing construction would be received over a couple of years and would offset the 2018 spending in future years.

Joe Berardi reviewed the Menlo Pool department expense overview and the Capital spending. Jim Purcell asked if the spending on resurfacing the tennis courts included the cost to move the lights. Megan Prusienski stated that the cost to move the lights was not included. Matt Aigeldinger asked if the increase in the fees was due to the expectation of more customers or an increase in the membership fees. Megan stated that the membership fees would be increasing by 3%. Matt also asked for a 5 year projection of the expected repairs that would be needed due to the age of the pool.

The expenditure for the parking lot on 7th St was discussed. Andrea said that the latest estimate that we have is \$72K less than what was in the current budget numbers and we could utilize that money for the police cameras or something else.

Joe Berardi reviewed the revenue and spending for the Fire Fund and the Liquid Fuels Funds. There is no financial impact to the Borough for either fund. All of the monies received are sent to the Fire Co or used on road paving respectively.

Joe Berardi reviewed the revenue and spending for Admin & Finance.

OTHER BUSINESS

None

PUBLIC FORUM

Mary Antczak was in favor of the Electric dept. working overtime for tree trimming in order to make the trees safer. Mary also commented that once the housing slows down, there should not be a need for the overtime.

PRESS FORUM

None

ADJOURNMENT

The meeting adjourned at 7:35 PM.



Andrea L. Coaxum
Borough Manager/Secretary