

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING-BUDGET 2023
SEPT. 26, 2022
620 West Chestnut Street
Perkasie, Pennsylvania**

ATTENDANCE:

Council Member:	Jim Ryder (by phone)
	Jim Purcell
	Steve Rose
	Chuck Brooks
	Randy Faulkner
	Scott Bomboy
	Dave Weaver
Mayor:	Jeff Hollenbach
Borough Manager:	Andrea L Coaxum
Finance Director:	Rebecca Deemer
Public Works Super:	Jeff Tulone

The Finance Committee meeting was opened at 4:00PM by Randy Faulkner. Mayor Jeff Hollenbach led the Pledge of Allegiance.

PUBLIC FORUM

None

DRAFT BUDGET 2023

The Borough Manager gave a brief introduction. There are some numbers in the budget that will change. The budget was printed last week and we have gotten some confirmation on some of the numbers that will need to be updated. Additional hand-outs were provided to Council that included the top 10 electric customers and the top 10 employers collecting EIT and LST in the Borough.

The Finance Director went through the overview of the 2023 draft budget including budget comparisons between 2022 and 2023. The draft budget is unbalanced with a gap of \$ 575,416. The Electric Fund makes up 100% of the deficit. There was some discussion on how we are budgeting our sale of electricity and the impact of that on the overall budget. We will have AMP available at our next budget hearing and will be focusing on electric at that time.

Fund balance calculations were provided to Council. We are currently projecting fund balances that are within the target % set by Council with the exception of the Electric Fund and the Menlo Aquatics Fund. The projected fund balance for electric had been updated since the budget was printed based on changes made during our 2021 audit. The ending 2021 fund balance was increased to \$1,669,732. With the current deficit the fund balance percentage would be at 8%. The projected deficit for the refuse fund is due to the overages for the recycling grant.

The budget presentation also included information on headcount trends, insurance trends, history of pension costs and salary projections. There was some discussion around the proposed increases for Non-Union/Admin. Staff. We will try to gather information from other municipalities to see what

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kind of increases they are projecting and how that compares to Perkasio.

Chuck Brooks talked about some staffing proposals. He commented that we've been working the last 10 years with shuffling staff to fill gaps in order to continue to provide the level of service to our residents that they are used to. We are at a point that we need to increase manpower in order to improve those services, specifically our park systems and the pool.

Andrea talked about the proposed staffing changes and the goals that we would like to meet. We are recommending that a public works employee be dedicated to the pool. This employee is already certified and will spend most of their time at the pool, in season, to manage behind the scenes issues with the pumps so that Lauren does not have to be on call. This employee would also be dedicated to the park system for lawn mowing and other park maintenance. We are also recommending a P/T seasonal employee to assist with the park maintenance. Additionally, we recommend the hiring of an additional F/T Public Works Truck Driver. With the addition of these two positions we will be able to provide custodial service to all borough buildings and we can increase our services for the trash and recycling programs in the Borough. We recommend pick up for trash and recycling Monday through Thursday. Paper and Cardboard would get picked up every Friday. These changes will allow us to process the material through our recycling center in a more efficient manner and we'd be providing a better service to our customers.

The other staffing needs are related to the Aquatics Center. Lauren has done a great job with managing the pool. The amount of time that she has put into managing the pool this year is not sustainable. Because she dedicates so much of her time to managing the pool it does not allow her the time to do more pro-active things like programming for parks and recreation and researching grants for park improvements.

Rebecca presented highlights of Revenues and Expenses for the General Fund. There are no tax increases projected. We are projecting an increase of \$255,000 for EIT revenue, \$50,000 for Real Estate Transfer Tax revenue and \$5,000 for LST revenue. We are looking for Council to provide some input with regard to the revenue sources. We are budgeting conservatively at this point but if they would like us to increase the numbers as we continue to calculate our current year actual receipts, we can do so.

Rebecca reviewed the revenue and expenditures for Executive, Administration and Finance and Public Works and Refuse and, provided rationale for some of the significant changes that were being proposed.

The major proposed changes in the Refuse Budget are the increase in revenue for trash totes and the decrease in revenue for the 902 recycling grant that should be completed in 2022. We will be applying for another round of the recycling grant but do not know at this time what that funding looks like.

There was a lot of discussion around the recycling program. With the grant that was awarded by the state, the recycling center should be up and running by Christmas. Chuck asked if we are budgeting any potential savings in the budget for 2023. We are keeping things pretty much static and will make changes for future budgets based on what the impact is in 2023. We need to be prepared for the proposed changes to the pick-up schedule and some more discussion needs to be had about

enforcement at the recycling center. There also needs to be more education about what can be recycled.

Rebecca and Andrea reviewed all of the capital items for Administration and Public Works. Funds are set aside for 5 years for major purchases. Funds being spent from prior reserves are reflected in the first column. Current expenditures are in the middle column and funds being set aside for future purchases are reflected in the third column.

There was discussion about the outstanding debt. All of the outstanding debt is for the Menlo Aquatics Center and does not fall off until 2028. All of the debt was refinanced at a fixed rate of 1.25%.

There was discussion about the road improvement tax and if it is included in the current draft budget. There is a copy of the current budget for the road tax but there is no reflection on the impact on the budget. If Council wishes for us to include that in the budget we certainly can.

OTHER BUSINESS

None

PUBLIC FORUM

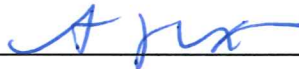
None

PRESS FORUM

None

ADJOURNMENT

The meeting adjourned at 6:09 PM.



Andrea L. Coaxum
Borough Manager/Secretary