

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING-BUDGET 2025
SEPT. 18, 2024
620 West Chestnut Street
Perkasie, Pennsylvania**

ATTENDANCE:

Council Member:	Jim Ryder Scott Bomboy Steve Rose Dave Weaver Dave Worthington Jeremy Wano Kelly Laustsen
Borough Manager:	Andrea L. Coaxum
Finance Director:	Rebecca Deemer
Public Works Super:	Jeff Tulone
Police Chief:	Robert Schurr

The Finance Committee meeting was opened at 4:00PM and the Pledge of Allegiance was led by Scott Bomboy.

PUBLIC FORUM

None

DRAFT BUDGET 2025

Scott Bomboy opened the meeting.

The Borough Manager gave a brief introduction. This is the biggest budget gap being presented to Council. We have worked closely with Department Heads to reduce or eliminate expenses and be responsible as possible with our revenue projections. The budget as presented in its draft form does have a deficit of \$1,820,839.

One of the main reasons why the budget is so far off is due to the \$966,309 increase in electric power purchases due to installed capacity. There was discussion regarding this increase. There is a lack of traditional fuel sources, the need for more capacity, largely due to more Data Centers on the grid and a decrease in generation projects that were scheduled to come online due to Covid.

The Finance Director presented a budget summary that showed the 2025 draft budget in comparison to the 2024 budget. The General Fund and Capital Fund reflect the current deficit. Because of the increase in electric power purchases, the Electric Fund is not able to transfer as much money at this point in order to support the other funds.

Fund balance calculations were provided to the committee. The Fund Balance policy is based on a percentage of each fund's expenses. Anytime we are changing expenses, the fund balance target will change for that fund. For example, the \$966,309 increase in installed capacity for electric requires an additional \$135,000 increase in your unreserved fund balance.

F:\BUDGETING\Budget-2022\Budget Documents

The Finance Director presented highlights of Revenues and Expenses for all funds. Revenues remain static with the exception of a few changes. There is no tax increase included in this draft. We are projecting an increase of approximately \$80,000 for EIT revenue. We are projecting a decrease of \$25,000 for Real Estate Transfer Tax revenue.

Rebecca advised the committee on the following major increases in expenses:

- Salaries are increasing overall by 5.6%
- Health Insurance and Workman's Compensation Insurance reflect a projected increase of 6%
- Property & Liability Insurance is currently projected at a 10% increase
- Pension Obligations are increasing by 19.3%
- Electric Power Purchases are increasing by 21.5%
- Capital Purchases are increasing by 44%. Many of the purchases and/or projects will be paid for with grant funding and prior year reserves.

The Finance Director started working through the line items for the General Fund budget.

Scott Bomboy had analyzed the increase in expenses for each department. He calculated a 14.8% increase each year for Engineering.

The Borough Manager explained that there are some pass-through expenses that are being offset by revenue which is reflected elsewhere in the budget.

The Finance Director and Borough Manager reviewed the capital items along with the funding that is available for each purchase and/or project.

The Public Works Director addressed council regarding the Public Works Department. Trash and Recycling services are now provided to the residents at the curb every day and paper is picked up every Friday instead of once a month. We are seeing some savings with the ability to bale the paper at the recycling center. Due to the growth in the Borough and providing daily pick up at the curb we are seeing a need to add additional staff. We are requesting a Full Time Public Works Employee.

There was some discussion around the pick up of bulk materials and the possibility of charging a fee. The administration recommends charging a fee for anything that does not fit in a bag or the toter.

The Chief of Police, Mr. Schurr, addressed council regarding his request for Capital Purchases. He originally budgeted to replace a vehicle but did remove it. He is planning to apply for an LSA Grant in order to purchase the vehicle. He is also applying for an LSA Grant for a vehicle for their community relations specialist. Included in the draft budget is the update of computer switches in order to access secure information through the PA State Police and FBI databases. Also included is the Body Cameras and In-Car Camera replacement program. The Chief provided details on the cameras. We are waiting on the determination of an LSA Grant that would be used for the first year of the replacement program.

OTHER BUSINESS

None

PUBLIC FORUM

None

PRESS FORUM

None

ADJOURNMENT

The meeting adjourned at 5:57 p.m.



Andrea L. Coaxum
Borough Manager/Secretary